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Identifying Key Drivers And Strategic Options For High Growth Smes

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ABSTRACT

Here High-Growth SMEs or "Gazelles" are those firms that grow significantly more than their peers and its analysis is especially relevant since they promote employment and contribute to greater economic growth. This research aims to contribute to the understanding of the process of growth in High-Growth SMEs, identifying the main strategic options and key drivers by carrying a review of the existing literature. The best performing companies adopt a variety of growth alternatives rather than only one, as a portfolio of growth strategies (product-market) allows firms to achieve higher growth, moving business over from competitors, gaining market share, entering in the fastest-growing segments of the market, or expanding new domestic and/or international markets. Other key drivers of superior growth have been identified as product innovation, human capital management (knowledge, skills, training and incentives) of employees and strategic orientation (strategy growth plan) from the initial stages of the company. Also, firms investing in R&D demonstrate a greater propensity in becoming a High-Growth firm. Nevertheless, external factors as market trends, industry, government, and location do not seem to be decisive. By identifying these key drivers and strategic options that allow SMEs superior growth this research contributes to the understanding of the process of growth, how these firms compete, helping to prioritize resources and make decisions.

Keywords: High-Growth SMEs, strategic options, growth key drivers.