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# **WORK MATTERS**

**JULY 2022**

**COLUMN**

# Project Management for Small and Medium Enterprises

Small and medium size enterprises (SMEs) are drivers of innovation, competitiveness, and growth. In CARICOM, SMEs contribute to the Region's GDP and are key sources of employment. SMEs account for the main export crops and an even higher proportion of the domestic food crops in agriculture during this global food shortages. When medium-sized enterprises are included, the SME sector contributes to many jobs, it is therefore central to reducing regional disparities and unemployment and increasing household incomes and growth. Unfortunately, some SMEs' has experienced a devastating blow due to the pandemic especially in the areas of tourism and entertainment.

We can subscribe to the view that Small and Medium Enterprises have a critical role to play in the productivity and resilience of any economy, as well as in the strength and stability of the society. This reality echoes the sentiments that we all share that the growth and development of the SME sector is a critical element of economic diversification and sustainable employment in Trinidad and Tobago. Perhaps more than any other area of business activity, small and medium enterprises epitomize that inextricable link between economics and human and social development. Where SMEs thrive, individuals and communities have the greater opportunity for individual, community, and national development.

For many, the SME sector has become a formal type of business, for some it has become a form of creative expression and economic freedom that allows them the flexibility of being their own boss, not that working for yourself and starting up your own small enterprise is any easier than working for anyone else, it is not without its many risks and challenges. Unlike years ago, where persons sought after long tenure and many would never consider venturing out on to their own until they were matured in business at least, there is a new breed of entrepreneurs, the youth entrepreneur. Not all their enterprises will turn out to grow billion-dollar industries like Facebook but nevertheless, they are unafraid to chart their future

courses with boundless imagination and creativity.

To add to the rising number of SMEs was the experiences in the aftermath of a global recession also experienced locally from 2017, where persons decided to invest their severance pay-outs into small clothing retailing, general contracting, professional services, food, and catering businesses. The saying is true, "necessity is the mother of all inventions. As unemployment increased and the job market shrunk some turned to self-employment. As such, shrinking employment opportunities and socio-economic challenges stimulated an environment of innovation and entrepreneurship creating new opportunities and ventures".

Still the challenges remained amidst the growing prevalence and role SMEs played in overall social and economic development and diversification. The greatest challenge being the abilities of SMEs to access capital to diversify and grow their businesses. It was to this end and the recognition of the important role SMEs play in our society and a keen understanding of the challenges they face in today's world with Covid-19. Project Management methodologies and best practices, tailored to suit each SME can be used as a conduit towards their development and growth regardless of the type of SME.

A consensus has been emerging in the national community among economists, politicians, national commentators, and journalists that not only that micro, small and medium enterprises have a critical role to play in the development of the nation's economy. Hydrocarbon prices currently are so volatile due to the War between Russia and Ukraine, a natural resource that Trinidad and Tobago development has mostly been dependant on for decades. We have no alternative but to swiftly move to diversify the national economy that the only option is to focus our efforts on this sector. In both developed and developing countries, SMEs are viewed as a vital engine of growth. They are crucial in employment creation, poverty eradication, economic diversification, youth, and gender equity and promoting

an entrepreneurial culture especially in CARICOM.

Globalization and technological advancement have reduced the importance of economies of scale in many activities accelerated by the pandemic thus enhancing the importance of SMEs. SMEs have entrepreneurial spirit to sense opportunity, innovate, take risks, develop new products and services and drive business dynamics.

Project management methodologies can assist SME's in not just helping the capital investment process and align to the overall strategy but focus on the business outcomes and not just the outputs. Trinidad and Tobago time is running out where we can keep relying on hydrocarbons to sustain our development and economy, large businesses need small businesses and small businesses need large businesses. This is a symbiotic relationship that has been in existence in the business community for decades in Trinidad and Tobago, successful project implementation will always be a critical part of SME sustainable development. Proper tailored project management can assist SMEs in getting the returns on their capital investments.

Derwin Antoine  
Lecturer  
CCLCS