

Enterprise Growth and Entrepreneurs' Skills: A Study of MSME's in Meghalaya

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Abstract - Entrepreneurship have been projected as one of the main tool for the development of an economy through which enterprises are created thereby providing employment opportunities. Through this practice, many types of business enterprises have been formed particularly micro and small enterprises have been established in Meghalaya. This study attempts to analyze the contribution and association of entrepreneurs in terms of their managerial skills towards the growth of MSMEs in the state of Meghalaya. Questionnaire technique was used for data collection from units registered with DIC and appropriate statistical tools and techniques were used for analyzing the data.

Keywords: Entrepreneurship, MSME's, Managerial Skills, Enterprise Growth

I. INTRODUCTION

In developing country like India, industrial growth and development has been considered as one of the important factor for the growth of the nation. Economic development of a nation depends on industrial development which is based upon entrepreneurs' skills and competencies. Entrepreneurial development today has become very significant and the main key for economic development. (Van Pragg and Versloot, 2007), through their study examined the empirical evidence that claims that entrepreneurship has important economic value. They defined economic benefits in terms of employment generation, innovation, productivity in the growth and the creation of utility and came to a conclusion that all these made a contribution to the economy. (Bharathi, Subbalakshumma & Harinatha Reddy 2011) stated that small and medium enterprises are important to the development of the economy. The Micro, Small & Medium Enterprises (MSMEs) is one of the most vital sectors of any economy in general and India in particular as it helps in ensuring equitable, inclusive and employment friendly economic growth. It has been playing a momentous role in overall economic development of a country where millions of people are unemployed or underemployed. Empirical studies have shown that small-scale enterprises are an important vehicle for meeting the objectives of developing economies, growth and equity with social justice. In the Indian context, they play a key role in the economic development of the country. And the existence of such MSMEs acts as the engine of growth, accounting for about 70% of employment and providing employment to over 28 million people (Subrahmanya & Pavan, 2013), more

importantly they also act as a breeding ground for entrepreneurs (Gupta & Parveen, 2013). The achievement of a business is because of numerous variables, yet the best determinant of a business' prosperity is simply the business person himself or herself. Lazear (2002) claims that the entrepreneur is the single most important player in the economic development.

Entrepreneurship is a process undertaken by the entrepreneur to expand his business interest. It is an activity involving innovation and creativity resulting in the establishing of an enterprise. Therefore it is important to study the factors that contribute to the success or growth of the enterprise so that this might help other entrepreneurs to have the same equivalent knowledge to help make their enterprises equally successful, and one of the important skill of the entrepreneurs is to have quality managerial skills which are essential for the success of any business. Most SMEs do not have quality workforce and as a result, have low efficiency and absence of competitiveness among the employees. Research reveals that 50% of SMEs do not survive beyond 5 years especially in developing countries reason being due to poor managerial skills of owners and managers of SMEs (Fokuroh *et al.*, 2016). There is a need for every MSME to train and maintain quality staff (Forkuoh, Li, Ampadu, & Ossei, 2016), hence importance of this study. However there are many factors that determine and contribute to the success of the enterprise and those factors are unique to various conditions such as external factors and others. For the purpose of this study the focus will be narrowed to one perspective i.e. the managerial skills of the entrepreneurs and attempts to analyze the contribution and association of entrepreneurs' managerial skills and growth of the enterprise in the state of Meghalaya.

II. REVIEW OF LITERATURE

A. Managerial Skills of Entrepreneurs: For estimating the level of Small Scale Business' performance organizational goal accomplishment is the primary measuring yardstick, and a decent estimation of Small Scale Business' performance ought to most likely consider the objective of the proprietor or a strategy intended to advance the sector in the areas of some specific results such as output and profitability (Marr and Schiuma, 2003). This means, the managerial skills of the entrepreneur is extremely crucial to

the achievement or failure of the SSBs (Osamwonyi and Tafamel, 2010). Smit (2004) define management as the fulfillment of enterprise goals in an effective, efficient and productive way accomplished through planning, organizing, leading and controlling the enterprise resources.

Packman G, Brooksbank D *et al.*, 2005 analyzed the management practices adopted by various successful enterprises that have enjoyed sustained achievement. For identifying High growth the researchers had adopted the number of employees as operationalized by the Dept. of Trade and Industry, Wales and Sales growth which is equivalent to five budgetary years between 1999-2003 and sales needed to surpass 1,00,000 pound in 1999. The outcomes found that proprietor-managers of growth firms are bound to have created or acquired managerial practices that encourage such expansion in high growth enterprises. The researchers highlighted five fundamental themes that rose up out of their examination which included management development, finance and financial management, people, marketing and planning and control and subsequently, substantiates the claims of past research, which argues that support programmes, and activities that proclaim the significance of management practice adoption are crucial to small business advancement and growth. Further, a study conducted by Papulova (2007) led an examination in SMEs in Slovakia and endeavored to recognize necessary abilities, roles and skills managers should have and identified four regions of managerial skills which are essential and those included the Technical skills i.e., managerial skills of utilizing strategies like break even analysis in planning or ability in arranging or capacity to plan for and structure work in an organization but not skill identified with technology, for example, abilities or skill of specialist or engineer. Interpersonal skill the expertise of realizing how to lead individuals, capacity to persuade workers, settle work clashes and work with individuals. Conceptual or applied Skills-capacity to handle and see the enterprise as one entire controllable unit and fittingly relating it with the surrounding environment condition. Communication skills the expertise of getting and scattering data for compelling effective decision making.

In their study, Yahya Z.A *et al.*, (2011) conducted an investigation in Malaysia to analyze the role and degree of management skills in deciding the accomplishment and success of entrepreneurs, and to identify the most dominant indicators/factors of the management skills in influencing the success of entrepreneurs. Descriptive examination, Pearson correlation, stepwise regression methodology and t-test findings that high entrepreneurial success was related with high business working aptitudes, abilities to acquire market share that suits their size and capacity and aptitudes to offer increasingly extraordinary services. Shehu, *et al.*, (2013) examined the relationship of owner/manager knowledge, competitive intensity, complexity of marketing, technical competence, firm size with the mediation of advisory services on the performance, using structured questionnaire on 198 manufacturing SMEs operating in

Kano State. The regression result indicated significant relationship between owner/manager knowledge and performance. This study established relationship between owner/manager knowledge and SMEs performance but did not pay attention to the skill or performance level.

Olowu D.Y.M and Aliyu I, (2015) the examination was intended to look at the Impact of managerial skills on SSB's, and SSB performance was based on Sales growth and Profit. Managerial skill was measured in the areas of Planning, organizing, leading and controlling skills. The data was analyzed using descriptive statistics and simple linear regression analysis. The investigation found that managerial skills have significant impact on SSBs performance. It additionally discovered that managerial skills in the areas of establishing goals, allocating resources, managing conflict, communication, measuring performance, taking action and self-control are significant indicators of SMEs predictors of SMEs' performance in sales growth and profit in Bauchi state. Ikuplati A.O *et.al*, 2017 Study seeked to examine entrepreneur's Managerial Skills as determinants for development of SMEs in Nigeria. Growth was measured in terms of No. of workers and No. of customers. The data was analyzed by utilizing Standard Regression examination to measure the relationship between the independent and dependent variables. Therefore Conceptual skills (it involves the entrepreneur thinking, data handling and planning abilities), and technical skills (include mastery of the methods, techniques and equipment involved in specific functions such as engineering, manufacturing or finance) of entrepreneurs which form the managerial skills added to the development/growth of SMEs.

Distinctive perspectives on the Managerial skills can be viewed, some looked at management skill of managing small scale business from the information of equations of break-even analysis, economic order quantity and numerous other measures which may help, however impossible in light of deficient information/data to apply them (Fiberesima and Rani, 2012; Monisola, 2013), and regardless of whether they acquired the information/data, they do not have the capacity to process and translate them (Egwuonwu, Mohammed, and Momoh, 2011). Another perspective of managerial skill which is more pertinent to small scale business than the one above and which will help an entrepreneur responsible for the small business to perceive his requirement for key managerial skills both in himself and in his employees is that of Lowden (1990) which looked at the circumstance from the angels of management functions, the board capacities where the entrepreneur needs to create and become a strong manager include such as: Planning skills-the skill of allocating resources, developing alternatives; organizing skill-designing structure, coordinating parts, arranging delegation, and managing conflict and change in an organization; leading skills-implementing decisions, providing climate, forming communications, and developing personnel; controlling skills-establishing

standards, measuring performance, taking action and Instigating self-control.

B. Enterprise Growth: Growth is basically estimated as the difference between two points in time. This change can be viewed as an Absolute change or a Relative change. Relative measure will support growth in Small firms while Absolute measure will be more inclined to the outcomes for large firms (Delmar, 1997). The studies of organizational growth have received extensive consideration in the course of recent decades delivering numerous ways to deal with the measurement and amount of growth that a firm has experienced that and encountered. Panda (2002) in his study defined the success of the enterprise in terms of their production and sales (CAGR). The industry average of a particular small-scale sector was taken as a benchmark for characterizing a successful enterprise, enterprises having a comparative or higher growth rate in sales and production when compared to the industry average was considered as highly successful, and those growing at half (50%) was considered moderately successful and growing at under half (50%) of the average growth rate was considered as low in success.

Additionally in their investigation Rao, Venkatachalam and Joshi (2013) considered sales turnover & employment generation as indicators of enterprise growth Tonge *et al.*, cited in Dobbs and Hamilton, (2006) defined High Growth firms to be those which have a sales revenue turnover of somewhere in the range of 5 and 250 million pounds sterling over a four year period and an annual compound growth rate based on Sales Revenue Turnover of in any event 15% over a 3 year period. Hoffman and Junge (2006) characterized high development firms, which has 60% growth in employment over a period of three years. Goedhuys and Sleuwaegen (2009) additionally accentuated high growth entrepreneurs are established entrepreneurs who currently employ 20 or more employees, independent of how long it took to reach. The explanation for choosing such rule is that numerous organizations never achieved the span of 20 employees and those that do can be considered as high growth. Further, Islam and Khan (2011) in their examination identified survival, profit, return on investment, sales growth, numbers of employees, happiness, reputation as different variables for measuring success.

C. Objectives of the Study: To study and analyze the contribution and association of the basic managerial skills of the entrepreneurs with high growth enterprises (MSMEs) in the state of Meghalaya. This study is guided by this hypothesis which states that managerial skills have no significant impact on high growth MSMEs.

III. RESEARCH METHODOLOGY

A. Sample: For the study, enterprises registered on or before 2010 with the District Industries Centre's (DIC), Meghalaya was taken, since a seven year time period was to be considered for identifying high growth, and only sole-proprietors type of business venture was selected and

included for this study using stratified random sampling technique.

B. Tools: Data was collected from the population of the study by using survey questionnaire. A standardized questionnaire was used which was divided into two sections and all the questions were close ended form. Section one is based on the adapted Lowden (1990) questionnaire (measurement of entrepreneurial managerial skill) to capture managerial skills of the entrepreneurs and section two on MSME performance. The responses were on the 7 point Likert Scale: strongly disagree, disagree, somewhat disagree, neutral, somewhat agree, agree and strongly agree. The level of agreement to the statements in section one indicates level of managerial skill and level of disagreement indicates level of lack of managerial skill. Managerial skill was measured in the areas of Planning (establishing goals, allocating resources, making decisions, developing alternative); Organizing (designing structure, coordinating parts, arranging delegation, managing conflict and change); Leading (implementing decisions, providing climate, forming communications, developing personnel and controlling (establishing standards, measuring performance, taking action). Section 2 measured the MSME performance and information was collected on items; Investment (in Plant & Machinery); Sales turnover (in Rupees); Profit before interest & taxes (in rupees).

C. Statistical Technique Used: The validity of the adapted instrument was obtained and confirmed with the help of experts in the field to ensure appropriateness of results. The internal consistency of the scales was obtained with the application of the Cronbach Alpha Coefficient (Number of items 16; Cronbach Alpha 0.913). The reliability results for all the constructs used in the study are within the acceptance standards for research. The data was analyzed using descriptive statistics, correlation and simple linear regression analysis with Statistical Package for Social Science (SPSS) version 22 to test the hypothesis on the impact of managerial skill on MSME performance in Meghalaya state. The analysis was based on the 482 MSMEs registered with the Directorate of Commerce and Industries.

D. Operational Definition: High growth enterprise in the context of the proposed study is defined in terms of growth of the enterprise in annual sales turnover, profit before interest & tax and investment in plant & machinery. In this study we have considered all the three Indicators and the following ratios were calculated:

1. Return on Investment Ratio = $\text{NP/Investment} \times 100$
2. Sales/Investments ratio = $\text{Sales/Investment} \times 100$.
3. Sales growth = $\frac{\text{sales beginning yr} - \text{sales of end year}}{\text{Sales beginning year}}$.

ROI and Sales/Investment ratio show no association with the managerial skills and only Sales growth ratio shows to have an association and hence was considered for the present study. Sales Growth which was above 66 percentile

was identified as high growth enterprises and below 33 percentile was categorized as low growth enterprises.

IV. ANALYSIS AND RESULTS

A. To Determine the Association between MSMEs and Managerial Skills of the Entrepreneurs

TABLE I PEARSON CORRELATION TABLE SHOWING THE ASSOCIATION BETWEEN THE MSMEs AND SALES GROWTH

Correlations						
	No	Planning	Organising	Leading	Controlling	Sales Growth
Planning	482	1	.839**	.539**	.575**	.133**
Organizing	482		1	.585**	.614**	.171**
Leading	482			1	.717**	.446**
Controlling	482				1	.361**
Sales Growth	482					1

** Correlation is significant at the 0.01 level (2-tailed). * Correlation is significant at the 0.05 level (2-tailed).

The outcomes demonstrates that all the four variables i.e. planning, organizing, leading and controlling skills were significant with Sales Growth. Among the variables, Leading skills have the highest correlation($r=0.445$) although the strength of correlation is medium, followed by Controlling skills with ($r=0.361$). On the contrary despite what might be expected, planning skills($r=0.133$) and organizing skills ($r = 0.171$) have low correlation which is close to 0. However, the overall results was found that there is a correlation between the variables, all are positively correlated at a significant level of 0.01, but the associations are found to have low correlation for planning and organizing, but leading and controlling showed to have a positively medium correlation with sales growth.

B. Further, Linear Regression Was Conducted to Know the Dependency of the Dependent Variable (High Growth Enterprises) On the Independent Variable (Managerial Skills)

Simple Linear Regression Analysis was used to determine whether the independent variables, which are entrepreneurs' managerial skills have any significant effect toward Business Success i.e. high growth enterprises in Meghalaya. The results are shown in Table II.

TABLE II LINEAR REGRESSION TABLE SHOWING RESULTS OF MANAGERIAL SKILLS ON HIGH GROWTH ENTERPRISES

Variables	T	P	R ²	F-statistic	F.sig	R
Planning	3.228	0.001	0.021	10.418	0.001	0.146
Organizing	4.054	0.000	0.33	16.433	0.000	0.182
Leading	17.278	0.000	0.383	298.522	0.000	0.619
Controlling	13.623	0.000	0.279	185.6	0.000	0.528

The findings of the study from the table II revealed that the regression coefficients of all the four variables are statistically significant at 0.01 level ($f\text{-sig}=0.001;0.000;0.000;0.000$) implying that there is a slim

The Pearson correlation coefficient was processed to assess the relationship among the four variables of the managerial skills as with Sales Growth of all the MSME enterprises as appeared in Table I.

chance for the regression coefficients to be 0 meaning the regression equation does have some validity in fitting the data. From the four variables the results show that the correlation coefficient (R) between Leading skills of entrepreneurs and the high growth enterprises in Meghalaya is 0.619, implying a strong linear relationship between leading skills and high growth enterprises. The coefficient of R² is 0.383 indicating that 38.3% of the variation in the growth of MSME in Meghalaya was explained by the leading skills of the entrepreneur followed by controlling skills where the correlation coefficient (R) between controlling skills and high growth enterprises was 0.528, also implying a strong linear relationship between controlling skills and high growth enterprises and the coefficient of R² is 0.279 indicating that 28.9% of the variation in the growth of MSME was explained by the controlling skills of the entrepreneur in Meghalaya. Whereas the correlation coefficient (R) between organizing skills of entrepreneurs and high growth enterprises is 0.182, implying a weak linear relationship between organizing skills and high growth enterprises, and the coefficient of R² is 0.33 indicating that 33% of the variation in the high growth MSME was explained by the organizing skills of the entrepreneur. Further, the correlation coefficient (R) between planning skills of entrepreneurs and high growth enterprises is 0.146, implying a weak linear relationship between planning skills and high growth enterprises, and the coefficient of R² which is 0.021 indicating that only 2.1% of the variation in the growth of MSME was explained by planning skills of the entrepreneur.

C. Linear Regression Analysis Which Was Conducted to Know the Dependency of the Dependent Variable (Low Growth Enterprises) On the Independent Variable (Managerial Skills)

Simple linear Regression Analysis was further used to determine whether the independent variables i.e. the managerial skills contributes or have an influence on the low growth enterprises and if these skills are similar or not

in low growth enterprises. The results are shown in Table II.

TABLE III LINEAR REGRESSION TABLE SHOWING RESULTS OF MANAGERIAL SKILLS ON LOW GROWTH ENTERPRISES

Variables	T	P	R ²	F-statistic	F.sig	R
Planning	-1.252	0.211	0.003	1.567	0.211	0.057
Organizing	-2.051	0.041	0.009	4.209	0.041	0.093
Leading	-7.028	0.000	0.093	49.393	0.000	0.305
Controlling	-5.773	0.000	0.065	33.329	0.000	0.255

Results of Low Growth MSME as can be seen from table III above shows that the regression coefficients of 3 out of 4 variables are statistically significant as F-sig=(0.041,0.000,0.000) are less than 0.05 with minimum negative impact of Leading (r=0.305) and Controlling Skills (r=0.255) on Low Growth. This is evident from their coefficients with negative values -0.305 and -0.255

TABLE IV LINEAR REGRESSION TABLE SHOWING RESULTS OF LEADING AND CONTROLLING SKILLS DIMENSIONS IN HIGH GROWTH ENTERPRISES

Variables	Unstd. coeff	Std. coeff	T	P	R ²	F	F-sig	R
Implementing decisions	0.142	0.498	12.573	0.000	0.248	158.073	0.000	0.498
Providing climate	0.167	0.525	13.515	0.000	0.276	182.655	0.000	0.525
Forming communications	0.174	0.514	13.142	0.000	0.265	172.707	0.000	0.514
Developing personnel	0.156	0.448	10.987	0.000	0.201	120.552	0.000	0.448
Establishing standards	0.134	0.378	8.942	0.000	0.413	79.959	0.000	0.378
Measuring performance	0.164	0.448	10.981	0.000	0.201	120.584	0.000	0.448
Taking action	0.166	0.417	10.095	0.000	0.175	101.918	0.000	0.418
Instigating self-control	0.173	0.404	9.681	0.000	0.163	93.713	0.000	0.404

The findings of the study revealed that dimensions such as providing climate and forming communications have a higher correlation coefficient R =0.525 and R=0.514, implying a strong linear relationship with high growth enterprises from amongst the various dimensions and the coefficient of R² is 0.276 indicating that 27.6% of the variation in the growth of MSME in Meghalaya was explained by the dimension providing climate of the entrepreneur and coefficient of R² is 0.265 indicating that forming communication explains around 26.5% in high growth enterprises.

Further, the result of correlation coefficient (R) between the other dimensions with high growth enterprises are as follows, implementing decisions (R=0.498); developing personnel (R=0.448); measuring performance (R=0.448); taking action (R=0.418); instigating self control (R=0.404); establishing standards (R=0.378) of entrepreneurs. The results imply that these dimensions have a moderate linear relationship or moderate impact on high growth enterprises as r is between .3 to .5 with each of their significant values of p = 0.000 which is less than 0.01 significant value. However we find that the coefficient of (R²) is 0.413;0.248;0.201;0.201;0.175;0.163; indicating that 41.3% of the variation in high growth enterprises was explained or

respectively. F-values are statistically significant for all variables except planning skills (a regression line will not be valid for planning skills). The R² values show that the variation in Low Growth firms is not much predicted by these four Skills as leading skills contributes only for 9.3% and Controlling skills for 6.5%. Planning and organizing skills are almost negligible with 0.3% and 0.9% of the variation in Low growth firms.

D. Further In-Depth Analysis Was Conducted on the Dimensions of Leading and Controlling on High Growth Enterprises

As leading and controlling skills have a strong linear relationship with high growth enterprises, therefore their respective dimensions have been considered for further in-depth analysis of their impact on high growth enterprises as shown in table IV.

predicted by establishing standards, 24.8% by implementing decisions, 20.1% by developing personnel, 20.1% by measuring performance, 17.5% by taking action and 16.3% by instigating self-control of entrepreneurs.

E. Regression Coefficient Was Constructed To Show Their Linear Relationship

TABLE V THE FOLLOWING TABLE SHOWS THE REGRESSION EQUATIONS OF LEADING SKILLS AND CONTROLLING SKILLS ON HIGH GROWTH

Model	Unstandardized Coefficients		Standardized Coefficients	Sig.	
	B	Std. Error	Beta		
1	(Constant)	-0.902	0.074		0.000
	Leading(all)	0.062	0.004	0.619	0.000
1	(Constant)	-1.086	0.106		0.000
	Controlling(all)	0.065	0.005	0.528	0.000

Dependent Variable: High growth

Table V shows the linear relationship between leading skills of entrepreneurs and high growth enterprises in the Meghalaya is $Y = -0.902 + 0.062X_1$ where Y= High Growth enterprises in Meghalaya and X₁ the leading skills of

entrepreneurs. The p-value of the model is 0.0 which is less than 0.01 significant level clearly indicating that Leading skills have a significant role on High Growth enterprises. Similarly, the linear relationship between controlling skills of entrepreneurs and high growth enterprises in Meghalaya is $Y = -1.086 + 0.065X_1$ where $Y =$ High Growth and $X_1 =$ controlling skills of entrepreneurs. The p-value of the model is 0.0 which is less than 0.01 significant level indicates that controlling skills have a significant role on high growth enterprises.

V. DISCUSSION

The purpose of this study was to first identify high growth and low growth enterprises in Meghalaya, to find out whether the managerial skills of the entrepreneurs contributes to the high growth enterprises and whether the skills in both high growth and low growth enterprises have the same influence on the enterprises respectively. A major implication of these findings is that these findings will help to give a better understanding for the entrepreneurs and business owners the significance and importance of understanding and addressing the issues related to their fundamental business activities which will significantly affect the success and growth of these MSME enterprises. From the results shown above it was found that entrepreneurs' managerial skills viz. planning skills –such as establishing goals, allocating resources, making decisions and developing alternatives, and, organizing skills which included designing structure, coordinating parts, arranging delegation, managing conflict and change, had a very low impact or no impact as the results showed a correlation which is close to 0. Regression coefficients of all the four variables are statistically significant at 0.01 level with a huge impact of Leading and Controlling Skills on High Growth (r), however Planning skills showed no influence on enterprise growth which is not in line with most of the studies and is contradicting with the findings of other studies Agbim (2013). Also Organizing skills showed no influence on high growth enterprises which is contrary with studies by Ihua, (2009), Agbim, (2013) and Shehu, *et al.*, (2013).

However, the results of this study seems to be in consonance with studies of lowden (1990) who concluded in his study that it is probably in the areas of leading and controlling rather than in planning and organizing that entrepreneurs and builders of small businesses need to develop their managerial skills. Because the small business operates on results which are of shorter time-scale than a large enterprise, therefore, there is less necessity for long-range planning. Besides, the small size of staff requires less organizing in the conventional sense. Looking at the two variables which have an influence on high growth enterprises, providing climate is one of the dimension under leading skills that has the highest impact on high growth enterprises in Meghalaya. In other words one can say that most of the entrepreneurs in the state exhibit the skills for creating and maintaining a good organizational climate in

which individual members can be motivated to achieve necessary objectives. This was followed by the communication skill of forming communication whereby the high growth entrepreneurs in the State do possess skills in encouraging two-way transmission between people and between groups, so that they take part in the organization's activities. However, implementing decisions and developing personnel under leading skills had a moderate impact on high growth enterprises in the State. The study also found that the entrepreneurs of high growth enterprises have a moderate influence when it comes to measuring performance, taking action, instigating self-control and establishing standard of controlling skills and these findings are in line with the study conducted by Papulova (2007). In low growth enterprises, we found that 3 out of 4 variables are statistically significant with minimum impact of Leading and Controlling Skills on Low Growth but with negative values, which clearly shows that in low growth enterprises there is neither any relation nor influence of any of the managerial skills.

VI. CONCLUSION

With regard to the hypothesis that the managerial skills have no influence on high growth enterprises, it is concluded that the managerial skills do have an influence on high growth enterprises as compared to low growth enterprises where we found that low growth enterprises had a negative impact with growth. Although the results shows that there is an association between managerial skills and enterprise growth but the relation is a low correlation with only two variables (leading and controlling) out of the four used in the study and out of the 16 dimensions used, only 5 are having an influence on high growth, that also having a minimal impact. This implies that lack of managerial skills in the areas of establishing goals, allocating resources, making decisions, developing alternatives, designing structure, co-ordinating parts, arranging delegation, managing conflict and change, developing personnel, taking action and instigating self control are the main factors behind poor performance of growth as asserted by Chuta, (2012) and Nnodim, (2012), Olowu D.Y.M & Aliyu I, (2015) Ikuplati A.O *et al.*, (2017). Therefore, entrepreneurs are to be sensitized about the different managerial functions and need to develop and acquire their skills either through training or short term courses. In the light of the findings, it is imperative that awareness, training and development as well as institutional support to entrepreneurs of Meghalaya needs to be initiated by government agencies, educational institutions and even non-governmental organizations in order to promote and develop entrepreneurs and make entrepreneurship an effective tool for economic growth and development as implicated also by Yahya Z.A *et al.*, (2011), Agbim C.K (2013), Abood N *et al.*, (2014), Olowu D.Y.M & Aliyu I (2015).

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