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An Analysis of Agricultural Commercialisation amongst Smallholder Farmers in
Munyati Resettlement Area, Chikomba District, Zimbabwe

By

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ABSTRACT

There is worldwide consensus among policy makers, economists and business experts that Small and Medium Enterprises (SMEs) contribute substantially to aggregate economic growth. Agro-SMEs in particular, are regarded as the engines of economic growth and catalysts of socio-economic transformation in many countries. However, the resilience of agro-SMEs is increasingly becoming questionable due to a number of challenges which include, economic recession and climate change. Economic recession and climate change pose formidable challenges to the survival and growth of agro-SMEs. These complex challenges and barriers compell agro-SMEs to adopt survival strategies in order to remain operational. Strategies that can appropriately enhance the resilience of agro-SMEs to shocks and how best to implement them, are still unknown. Thus, this case study investigated the survival strategies that were adopted by agro-SMEs in Kwekwe District of Zimbabwe in response to economic recession and climate change induced-stress between the year 2000 and 2010. All the agro-SMEs established before 2005, that survived the 2000-2010 challenging operating environment and were still operational during the time of the research, constituted the study population. Purposive sampling in the form of total population sampling was used. The main data collection tools that were used to gather data to answer the objectives of the study are appreciative inquiry, using key informant interviews and questionnaire survey; preference ranking using matrix scores; data mining of records kept by agro-SMEs government publications, journals and related books; and comparative scaling. The Statistical Package for Social Sciences (SPSS) was used to analyse the data. Thematic content analysis, frequency distribution analysis, measures of central tendency and the Binary Logistic Regression Model were used to analyse specific objectives of the study. Results show that a variety of strategies are available for adoption by agro-SMEs operating in a challenging environment. Adoption rates and preferences varied from one strategy to the other. Contribution of these strategies towards agro-SME survival also varied from no contribution at all to marginal to significant or very significant contribution. The study's results provide compelling scientific information that will act as a guideline on the strategies that can be adopted in challenging operating environments. This will also assist in the creation of a better platform for the implementation of improved agro-SME development strategies.

Key words: adoption, survival strategies, agro-SMEs, economic recession, climate change