Strategic Alliances and Growth of Small and Medium-Sized Enterprises (SMES) in Ibadan Metropolis

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Abstract
This study investigated strategic alliances as a means of enhancing growth of small and medium-sized enterprises (SMEs) in Ibadan metropolis, Oyo State. Specifically, this study: examine the effect of technology alliance on SME growth and also the effect of marketing alliance on SMEs growth. Quantitative method was used, and primary data were gathered from the employees of the selected SMEs in Ibadan metropolis, Oyo State. With the intention to gather quantitative data from the 243 participants, only 224 questionnaires were retrieved fully filled. The simple regression was used to analyse data. The findings revealed that: technology alliance has a strong significant impact on SME growth with (R-Squared = 0.933, F = 3115.360, p < 0.05); marketing alliance has *a strong significant impact on SME growth with (R-Squared* = 0.934, F = 3159.821, p < 0.05). *It was concluded from the results that strategic alliance has a positive significant impact on SME growth in Ibadan metropolis. Based on the findings, this study recommends that top management teams in the SMEs should map technological alliance, logistical alliance, structural alliance and marketing alliance and align such alliances to specific aspects of their value chain to enable their firms to acquire scarce critical resources to improve the effectiveness and efficiency of their primary/support activities thus improving SMEs growth and performance.*

Key words: *Strategic alliance, marketing alliance, technological alliance, SME growth*

INTRODUCTION

Across the globe, small and medium sized enterprises have remained as anchors of local livelihoods and market activity, yet their growth patterns are often fragile rather than steady. The OECD notes that SMEs are key contributors to employment and value creation, but it also emphasises that structural constraints can limit their productivity and scaling capacity (OECD, 2024.; El-Yaqub et al., 2023). In Nigeria, the scale of the MSME sector is striking, with the 2017 national survey reporting a very large enterprise base and a small proportion of firms classified as SMEs relative to micro enterprises (NBS, 2017; SMEDAN and NBS, 2017). The practical problem is that many SMEs operate in environments where competitive pressure is high, finance is expensive, and operational bottlenecks are routine. Evidence reviewed in the Nigerian context continues to highlight familiar frictions such as constrained access to finance, cost volatility, and capacity limitations that complicate sustained performance (Afolabi, 2013; PwC, 2024).

Strategic alliances are an agreement between two parties whereby they decide to pursue a given goal together while at the same time remaining an independent organization in their operations (Wakianda, 2018). The Small and Medium Enterprises manufacturing business environment has confronted several challenges. This has compelled organizations to develop strategies to maneuver the challenging environment; hence, strategic alliances are strategies that businesses have adopted (Chuang & Kelly, 2017). A strategic alliances defined as an intentional association, from essential dealings happening between one or more individuals or independent firms to complex agreements that enable organizations to attain communal objectives about the exchange, distribution, or co-development of products, technology, or services (Osama, Gary, & Zafar, 2019). Firms are inspired to enter into certain alliances to share new technologies and to increase voluntary knowledge transfers and also to commercialize innovations (Wakianda, 2018; Mohd, 2020)

Strategic alliances play a crucial role in the growth of Small and Medium Enterprises (SMEs) by providing access to resources, knowledge and markets. (Dong et al., 2023). These alliances positively impact SME performance in terms of financial, operational and organisational effectiveness, especially in knowledge-intensive industries such as telecommunications. (Emami et al., 2022a) SMEs benefit from alliances by enhancing human resource development, learning and market expansion. (Kustiningsih et al., 2022). Research suggests that SMEs led by professional managers are more likely to engage in alliances compared to those led by owners, leading to greater collaboration and potentially larger alliances in professionalised sectors (Antelo & Peón, 2021). Overall, strategic alliances offer SMEs opportunities to overcome resource constraints, improve competitiveness and address challenges, contributing significantly to their growth and sustainability (Islam et al., 2021).

The formation of strategic alliances can bring various benefits to Nigerian SMEs in different industries. These alliances can improve servitisation, knowledge sharing and resource pooling (Pombo & Franco, 2023). In the pharmaceutical sector, alliances can help expand into cross-border markets and manufacturing for foreign companies (Ferreira & Franco, 2020). For technology-based SMEs, strategic alliances can significantly influence human capital development, overcoming resource constraints and fostering sustainability (Roussakis & Lizarzaburu, 2013). Moreover, from an absorptive capacity perspective, partnerships can boost intellectual capital by enhancing learning, efficiency and knowledge sharing, thus helping to overcome resource constraints (Ferreira et al., 2022). Overall, strategic alliances offer Nigerian SMEs opportunities to improve competitiveness, access new markets and strengthen their capabilities through collaboration across sectors.

In Nigeria, it is evident that many companies lack the necessary knowledge to establish strategic alliances. The value of strategic alliances in Nigeria's retail sector is well acknowledged, many supermarkets in the nation find it difficult to establish and sustain successful relationships, which results in lost chances for expansion, innovation, and enhanced performance (Nwokocha & Madu, 2020). In particular, Nigerian supermarkets' long-term viability and competitiveness in the market are in jeopardy due to their incapacity to use strategic alliances to boost customer satisfaction, spur innovation, and increase operational efficiency (Ezuwore-Obodoekwe et al., 2021). This poses a crucial challenge for their economic growth. At the national level, small and medium-sized enterprises have experienced significant growth, which has had a positive impact on the economy.

Statement of the problem

Small firms in Nigeria face challenges in forming strategic alliances, including difficulties in tailoring alliances to their interests (Nwokocha & Madu, 2020). These firms may face governance misalignments and make substantial investments without adequate contractual safeguards, which can lead to delays during renegotiations (Ariño et al., 2023). In addition, SMEs in Nigeria often lack planned production, suffer from low productivity and struggle with inefficient processes, which hampers their competitiveness (Tijani et al., 2021). To address these challenges, the implementation of Lean Manufacturing and SLP models can improve production efficiency, eliminate waste and improve productivity, enabling SMEs to meet customer demands effectively (Montesinos-Rosales et al., 2019). Furthermore, the adoption of information security risk management models can mitigate the threats faced by SMEs, improving their resilience and competitiveness in the market (Garay et al., 2020).

From the foregoing, it is evident that much of the studies on strategic alliance in Nigeria indicate its benefits and usefulness on firm's growth, competitiveness, and development. However, few studies have been conducted to determine the influence of strategic alliance on performance of SMEs in Nigeria as a whole. Considering the pecuniary nature of the SME sector, findings from studies from other industries cannot be generalized or used to assess the SME sector, given that each sector has unique competitive strategies. In view of the above discussed gaps and problems. This study is therefore carried out to fill the gap by investing the influence of strategic alliances on the growth of small and medium-sized enterprises (SMEs) of selected firms in Ibadan metropolis.

Research Objective

In order to investigate the impact of strategic alliances on the growth of small and medium-sized enterprises (SMEs) in Ibadan metropolis, the following specific research objectives are produced

i. To examine how the technological alliance influence SME growth in Ibadan metropolis

ii. To examine the extent to which marketing alliance affect SME growth in Ibadan metropolis.

Research Hypothesis

Based on the above stated specific research objectives, the following research null hypotheses are formulated.

H_1: Technological alliance does not have a significant impact on SME growth in Ibadan metropolis

H_2: Marketing alliance has no significant impact on SME growth in Ibadan metropolis.

LITERATURE REVIEW

Concept and Measures of Strategic Alliances

An alliance is a partnership between two or more businesses formed to enter a new market or overcome the current business climate (Russo & Cesaran, 2017). Strategic alliances are growing in popularity in today's changing business environment as organizations band together to pool their resources, experience, and strengths in an effort to gain enduring and competitive advantages (Musili & Deya, 2023). A strategic alliance is a cooperative arrangement between two or more distinct enterprises to achieve a common goal and share risks and benefits, as opposed to destructive rivalry and conflicts. (Mgaaa, 2018). Businesses are considered to be in a collaborative relationship when they voluntarily work together to trade, share, or jointly manufacture commodities, technologies, or services while taking advantage of each other's advantages (Ryan-Charleton, Gnyawali & Oliveira, 2022). A strategic alliance is a cooperative partnership in which two or more firms pool resources, expertise, and risks to achieve a common goal while giving up some control over the joint venture, (Njoroge & Mbugua 2017). In the context of this study, the technological alliance and marketing alliance are considered to the measures of the strategic alliances.

A technological alliance is a strategic collaboration between organizations to jointly develop, acquire, or commercialize technologies, research findings, innovations, or intellectual property.

According to Wesley and Daniel (1990), technological alliances enhance firms' absorptive capacity, enabling them to recognize, assimilate, and apply external knowledge. Furthermore, Doz and Hamel (1998) emphasize that technological partnerships are essential for organizational learning and sustained innovation. More recently, the term 'strategic technology alliances' (STAs) (Colombo, Grilli, & Piva, 2006) has received much attention in the literature, where these types of partnerships involve research joint ventures, technology transfer, joint product development, technology sharing, and commercial agreements involving technology.

A marketing alliance is a strategic partnership in which firms collaborate to promote, distribute, advertise, or sell products and services while remaining independent organizations. Marketing alliances enable firms to leverage each other's brand reputation, distribution channels, market knowledge, and customer relationships. Michael A. Hitt et al. (2020) argue that marketing alliances facilitate market expansion while allowing firms to share promotional risks and resources. According to Thomaz and Swaminathan (2015), marketing alliance is the sole measure to adequately solve and increase marketing capability. Further, a growing stream of research in marketing has investigated how organizations can gain a competitive advantage and how researches in marketing add value to the market position of the firm (Zhang and Wu, 2017).

Small and Medium-Sized Enterprises (SMEs)

Small and medium-sized enterprises are often viewed as the backbone of national economies, especially in developing countries like Nigeria. According to the National Bureau of Statistics (NBS, 2017), SMEs in Nigeria account for a large proportion of businesses and employment. The definition of an SME varies across countries and institutions, but in the context of this study, SMEs are firms with fewer than 250 employees and annual revenues not exceeding a defined threshold (SMEDAN and NBS, 2017). These firms are typically more agile and innovative compared to larger enterprises, but they also face numerous challenges, such as limited access to finance, inadequate infrastructure, and difficulties in scaling operations

SMEs Growth

SME growth is often measured in terms of three primary indicators: sales growth, profitability, and employment growth. Each of these indicators provides insight into different aspects of a firm's performance and viability. Sales Growth refers to the increase in the firm's revenue over time. This indicator is often used as a proxy for market success and expansion, as higher sales usually reflect greater customer acceptance and demand for a firm's products or services (Goh et al., 2022). However, it is important to note that sales growth does not necessarily equate to profitability, as a firm can experience increased sales but struggle with thin margins, leading to limited financial sustainability (Yoo & Kim, 2015).

Theoretical Review

The theories underpinned this study are Resource Based View and Dynamic Capabilities Theory

Resource Based View (RBV)
The economist Edith Penrose is considered as the originator of the RBV theory in 1959 (Sminia, 2014). Significant contribution to the development of the RBV theory was also done by Wernerfelt (1984), Barney (1991), and Peteraf (1993). The resource-based view considers strategic alliance a network of resources that can be an essential means of acquiring valuable, rare, inimitable, non-substitutable resources (Gulati, 1999). This is made possible by restricted membership into a strategic alliance which only presents an opportunity for the members to maximize on the strategic alliance resources exclusively, thus making such resources valuable rare, inimitable, and non-substitutable to firms outside the strategic alliance. As such, a strategic alliance as well as the resources contained therein brings about competitive advantage and improved organizational performance (Dyer & Singh, 1998; Gulati et al., 2000; Das & Teng, 2000;). This study embraced the RBV to back the argument that resources, both tangible and intangible, create superior performance and strengthen competitiveness.

Strategic Choice Theory (SCT)
This theory was developed in the 1970s and was advanced by Chandler (1962) and Child (1972). The theory was proposed to contribute to the already established perspective that the external environment determines organizational behaviour. The emphasis of the interaction between organization strategy and structure was regarded as an output of what organizations experience from their external environment. The theory articulates a partial influence of the business environment on organization behaviour and argues that top management teams are the primary influencers of organization behaviour based on their strategic choices (Gopalakrishna & Dunal, 1998). Strategic choice theory is applicable to this study as it is perceived to support the actions of top managers among SMEs in addressing the pressures from their external operating environment. As such, it is conceived that top managers in SMEs can proactively embrace the strategic choice of forming a strategic alliance to mitigate the pressure exerted by institutions present in their environment. Consequently, the SMEs would minimize the pressure exerted by the external environment and further reduce the effect such pressure would have on the performance of SMEs (Lin & Darnall, 2010).

Empirical Review
Nwokocha and Madu, (2020) examined the impact of strategic alliances on the performance of small and medium-sized enterprises (SMEs) in Enugu State. The study utilized a quantitative methodology consisting of field observations, references to pertinent literature, and a questionnaire survey of 137 SMEs. Multiple linear regression was used to evaluate the data. The results demonstrated that the strategic collaboration resulted to an increase of 0.55 units in revenue growth, 0.58 units in market share growth, and 0.56 units in product success.
Ikechukwu (2020) assessed the impact of collaboration strategy on the performance of Small Businesses in Enugu State. Examine the impact of workforce diversity on the profitability of Small Business in Enugu State and assess the impact of communication on the quality of service provided by Small Business in Enugu State are the particular objectives. The findings indicated that Workforce diversity had positive effect on the profitability of Small Business in Enugu State Z (95, n = 262) = 7.445 < 8.958, p > 0.05. Communication had positive effect on the quality of service of Small Business in Enugu State Z (95, n = 262) = 6.147 < 7.753, p > 0.05.
In a study on strategic alliances and performance of food and beverage manufacturing companies in Kenya by Muteshi & Awino (2018), the authors gathered and analyzed data from 125 Large-

Scale Food and Beverage Manufacturing Companies (FBMC) in Kenya for this study. Using regression analysis, the paper examined the alternative hypothesis that strategic alliances have a significant impact on performance. There was found to be no correlation between strategic cooperation and performance. This

Muthoka et al,.(2021) investigated the effect of firm-based motives on firm performance and targeted manufacturing SMEs in Kenya. The target population consisted of 74 SMEs with existing strategic alliances and was based in Nairobi City County. The survey findings showed that firm-based motives have a positive and significant effect on the performance of manufacturing SMEs in Kenya.

Nwokocha (2021) examined the effects of spatiality in the utilization of strategic alliance by SMEs in an emerging market economy such as Nigeria. A case study approach, survey research design and a questionnaire survey of 233 SMEs were adopted for the study. The result of the study showed that SMEs had three distribution patterns in cluster, regular and random distribution in the study. SMEs in these distribution patterns had a total mean score of 3.93, 3.58 and 3.05 as well as an average mean score of 2.00 in cost reduction, risk reduction, resource and knowledge accessibility in the use of strategic alliance.

Nwokocha (2021) researched how SMEs use the strategic partnership to enhance their operations. The study's findings revealed that SMEs had three distribution designs: cluster, regular, and random. This meant that the necessity of achieving cost reduction, risk reduction, and resource accessibility, rather than the physical distribution of SMEs, drove the formation of strategic alliances.

The Impact of Supply Chain Resilience Practices on the functioning of Foodstuff businesses in Kenya was investigated by Muli and Muricho (2021). According to the findings, the supply chain substantially impacts food stuff enterprises' functioning. They should embrace supply chain risk management, agility, supply chain collaboration, and integration.

METHODOLOGY

The study was conducted in Ibadan North Local Government Area (LGA) of Oyo State, Nigeria. This study adopts a quantitative research design using a cross-sectional survey approach. This design is chosen for its ability to capture a snapshot of SME behaviour and alliance strategies across a diverse range of firms in the region. The target population for this study consists of small and medium-sized enterprises (SMEs) operating in Ibadan metropolis, Oyo State, Nigeria. This study employed a stratified random sampling technique to ensure a representative sample of SMEs from different sectors in Ibadan metropolis. The sample size of 243 was determined using the Taro Yamane formula.

Primary data were collected directly from SME owners, managers, and key decision-makers operating within Ibadan North Local Government Area through the administration of structured closed-ended questionnaires. The data were analysed using descriptive and inferential statistics to test the study's hypotheses and explore the relationships between strategic alliances and SME growth indicators. To examine the effect of strategic alliances (technology alliance and marketing alliance) on SME growth, the study adopts simple regression models. The mathematical relationship between the dependent variable and independent variables is clearly expressed in the table 1 below:

Hypothesis 1	Hypothesis 2
SMEG.= $\beta_0 + \beta_1$ TECH + μ…………. Model 1 Where: SMEG = SME Growth TECH = Technology Alliance β_0, and β_1, are regression coefficients μ = Error term	SMEG.= $\alpha_0 + \alpha_1$ MAKT + e……………..Model 2 Where: SMEG = SME Growth MAKT = Marketing Alliance α_0, and α_1 are regression coefficients e = Error term

Table 1: The Study's Mathematical Model (Author construct)

FINDINGS AND DISCUSSION

Findings

Here, the result is presented from the analysed data and also gives extensive discussion on the obtained results. Academics make use of hypothesis testing as justifiable approach to accept or reject the research's formulated statistical hypotheses (Kolawole, 2017). The formulated research null hypotheses were specifically tested using simple regression and ANOVA analysis.

Hypothesis One: Technological alliance does not have a significant impact on SME growth in Ibadan metropolis

Table 2. Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.966[a]	.933	.921	.22170
a. Predictors: (Constant), Technological Alliance				

Source: Survey, 2026 (processed using SPSS version 28).

The model summary in table 4.6 reveals a strong positive correlation (R = 0966) between technological alliance and SME growth. The R^2 value of 0.933 indicates that technological alliance explains 93% of the total variance in SMEs growth in Ibadan metropolis. The adjusted R^2 (0.921) shows that the model is robust and minimally affected by sampling errors. This implies that technological alliance strongly influences SME growth in Ibadan metropolis.

Table 3. ANOVA Summary

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	153.120	1	153.120	3115.360	.000[b]
	Residual	10.911	222	.049		
	Total	164.031	223			
a. Dependent Variable: SME growth						
b. Predictors: (Constant), Technological Alliance						

Source: Survey, 2026 (processed using SPSS version 28).

The F-statistic (F = 3115.360, $p < 0.05$) indicates that the model is statistically significant. This suggests that technological alliance exerts a substantial and meaningful influence on SME growth in Ibadan metropolis. In practical terms, this implies that when the enterprise strengthens its technological alliance, it significantly enhances SME growth

Table 4: Coefficients of Regression Analysis

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.343	.074		4.612	.000
	Technological Alliance	.922	.017	.966	55.815	.000
a. Dependent Variable: SME growth						

Source: Survey, 2026 (processed using SPSS version 28).

The coefficient results in table 4.8 shows that technological alliance has a positive and significant effect on SME growth (β = 0.966, t = 55.815, $p < 0.05$). The unstandardized coefficient (β = 0.922) indicates that for every one step increase in the level technological alliance, SME growth increases by approximately 00.922 units, holding other variables constant. This result empirically confirms that SMEs in Ibadan tends towards technological alliance. In essence, technological alliance is a key determinant of SME growth in Ibadan metropolis.

Hypothesis Two: Marketing alliance has no significant impact on SME growth in Ibadan metropolis.

Table 5: Model summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.967[a]	.934	.934	.22024
a. Predictors: (Constant), Marketing Alliance				

Source: Survey, 2026 (processed using SPSS version 28).

The model summary reveals a correlation coefficient (R) of 0.967, indicating a very strong positive relationship between the marketing alliance and SME growth. The R^2 value of 0.934 shows that approximately 93.4% of the variation in SME growth is explained by marketing alliance. The Adjusted R^2 value (0.934) confirms that the model remains robust even after accounting for the predictor.

Table 6: ANOVA Summary

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	153.263	1	153.263	3159.821	.000[b]
	Residual	10.768	222	.049		
	Total	164.031	223			
a. Dependent Variable: SME growth						

b. Predictors: (Constant), Marketing Alliance

Source: Survey, 2026 (processed using SPSS version 28).

The ANOVA result ($F = 3159.821$, $p < 0.05$) demonstrates that the overall regression model is highly significant. This means that the effect of marketing alliance significantly predicts SME growth in Ibadan metropolis, Oyo State. Practically, this signifies that when the enterprise strengthens its marketing alliance, it significantly improves SME growth.

Table 7: Coefficients of Regression Analysis

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.447	.072		6.209	.000
	Marketing Alliance	.911	.016	.967	56.212	.000
a. Dependent Variable: SME growth						

Source: Survey, 2026 (processed using SPSS version 28).

The Coefficients Table 7 provides insights into the contribution of marketing alliance into the SME growth in Ibadan metropolis, Oyo State through standardized coefficient ($\alpha_1 = 0.967$, $t = 56.212$, $p < 0.05$). This indicates a positive and statistically significant influence marketing alliance on SME growth. The unstandardized coefficient ($\alpha_1 = 0.967$) indicates that for every one step increase in the level marketing alliance, SME growth rises by approximately 0.967 units, holding other variables constant. This result empirically confirms that SMEs in Ibadan tends towards marketing alliance. In actual fact, marketing alliance is a significant determining factor of SME growth in Ibadan metropolis.

Discussion of Findings

The finding that technological alliance has positively influenced SME growth is supported with current Nigerian evidence revealing that strategic alliances enable small scale enterprises attain flexibility in terms of resource accessibility, innovation and, especially where businesses with limited internal capacity associate with other businesses to access credit facilities, finance and technical resources (Anyanwu et al., 2023; Nwokocha and Madu, 2020). In a correlated quantitative research study centered on women-owned businesses in Nigeria, regression analysis revealed that improved access to new opportunities and cost saving through alliances erected process innovation, while cost saving also enhanced product innovation among the sampled business enterprises (Anyanwu et al., 2023). This finding backs the view that technological collaboration enables resource-limited SMEs, like those SMEs in Ibadan, to enhance product development as well as operational efficiency without incurring the full cost of innovation individually.

The result obtained which indicated that marketing alliance has a significantly effect on SME growth is in line with current literature on combined market access strategies for small business enterprises. Digital platform-driven evidence reveals that SMEs advantage from leveraging shared logistics networks and promotional partnerships that enables them to function with the marketing and distribution capabilities of larger retailers (ITIF, 2025). This is strengthened by evidence from South-East Nigerian, where marketing and distribution partnership was deduced to significantly enhance sales performance, resulting to the suggestion that SMEs should associate strategically via technology, marketing, learning, and delivery partnerships to remain competitive. Basically, the findings jointly corroborate the result that marketing alliance is a major determining factor of SME growth in Ibadan metropolis.

CONCLUSION AND RECOMMENDATIONS

Conclusion

This study set out to examine the effect of strategic alliances on the growth of small and medium enterprises (SMEs) in Ibadan metropolis, focusing specifically on technological, structural, logistical, and marketing alliances. Using a quantitative research approach, the findings provide strong empirical support for the proposition that strategic alliances are a significant driver of SME growth within this context.

The results showed that technological alliance has a positive effect on SME growth, suggesting that firms which collaborate to access shared technology, innovation capabilities, and digital infrastructure are better positioned to improve efficiency, product quality, and competitiveness.

Marketing alliance was shown to significantly affect SME growth, underscoring the importance of joint branding, shared customer intelligence, and collaborative promotional efforts in expanding market reach and customer base.

From the research findings and explanations presented, the study draws this particular conclusion. The study findings have demonstrated that strategic alliance's contribution toward SME growth is positive and significant. Therefore, the study concluded that by embracing technological alliance, structural alliance, logistical alliance and marketing alliance can enrich their resource base, expansion and improve their growth.

Recommendations

The study suggests several recommendations originated on the study findings and conclusions.

Top management teams in the SMEs should plan technological alliance and marketing alliance and align them to enhance the efficiency and effectiveness of their primary and support activities consequently expanding SMEs growth and performance.

SMEs should try to adequately allocate resources and build the capacity of their top managers to help them to regularly analyze their internal and external business environmental factors for purposes of recognizing relevant alliance formation intentions.

The industry professional bodies and the government agencies like Nigerian Association of Manufacturers should urge SMEs to form strategic alliances to increase their resource base and create more capabilities.

Top managers in SMEs should form strategic alliance with entities like local, regional, and international associates, that can help them to build the needed resources, capabilities, and competencies, to tactically position SMEs to proposal and secure government offers in Nigeria.

Government and other professional organizations like banks and non-governmental owned establishments, that drive SMEs to design plans that form reasonable strategic alliances and also incorporate how to effectively manage and operationalize relevant alliances.

The professional bodies are advised to encourage and lobby the government to provide a relevant operating institutional environment. Such an effort can reduce the stress of adjusting to institutional pressure by SMEs consequently allowing them to reallocate their inadequate resources to commence other serious organizational activities.

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