

# **Incidence of Strategic Planning in Small Business:**

## **an Overview**

Nimalathan, B.

### **Abstract**

During the last several years, extensive attention has been paid to the issues relating to strategic planning. Even practitioners and academicians have continued their debates on the merits of strategic planning. The literature on planning in small business has grown considerably over the past decades. With a few notable exceptions, many scholars have recommended that small firms need to use strategic planning as an essential tool for their improved performance. According to Gibb and Scott (1985) strategic planning can almost certainly influence the growth of the company and provide a framework for enhancing this or it can also help maintain the existing size and capability of the firm. However, the preconceived notions of strategic planning support the idea that formal strategic planning practices heighten the owner managers' ability to think strategically (Porter, 1980; Lyles et al., 1993). Hence, the present study is initiated on incidence of strategic planning in small business. Secondary data have been taken from research monographs, books, and journals etc. Therefore, this study will contribute to the existing stock of knowledge in the literature of strategic planning in small business. Finally, based on the empirical findings strategic planning contributed significantly to the relationship with the overall performance of small business under study.