

CHALLENGES FACING SMALL AND MEDIUM SCALE ENTERPRISES IN GHANA: A CASE STUDY OF THE TEXTILE INDUSTRY

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ABSTRACT

The study sought to find out the challenges facing small and medium scale enterprises in Ghana textile industry. The researcher aimed to find out the challenges facing the textile industry in Ghana and the impact of the challenges to the textile industry in Ghana. The methodology employed was the quantitative approach and descriptive survey design. Questionnaire and interview were the research instruments used for the collection of data for the study. Secondary data was collected from books, publications, catalogues, periodicals, brochures, journals, charts and the internet. Data collected from the various sources were assembled, synthesized, critically analysed and interpreted. The study revealed that 80% of the textile businesses are limited liability companies while 20% are partnership businesses. The study found out that marketing, financial, production and managerial obstacles delays business operations, 45 of the respondents agreed, 5 were neutral and none disagreed. 100% of the respondents agreed that the challenges may lead to collapse of business. It was recommended that the government should set up special initiative fund to boost the textile industry. Money lenders, banks and other financial institution should redesign a repayment of loan mode and reduce interest rate on loans to enable the firms survive. Secondly, the management of the textiles firms should undertake a proactive marketing strategy and create massive awareness of their products to the general public.

Keywords: Textile, Textile industry, Small and Medium Enterprises (SMEs).