

Research Article

A Mixed Methods Study on the Mediating Effect of Financial Access on the Relationship Between Managerial Practices and Business Performance of SMEs in Region XI

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Abstract

This study examined the mediating effect of financial access on the relationship between managerial practices and business performance among small and medium enterprises (SMEs) in Region XI, Philippines. Using an explanatory sequential mixed methods design, quantitative data were collected from 560 SME owners and managers, while qualitative data were obtained through in-depth interviews and focus group discussions with 17 participants. Quantitative findings revealed that managerial practices, business performance, and financial access were all rated high. Significant relationships were found among managerial practices, financial access, and business performance. Mediation analysis further showed that financial access partially mediated the relationship between managerial practices and business performance. Qualitative findings supported the statistical results, revealing that effective managerial practices improve organizational credibility, operational efficiency, and opportunities for financial support, which consequently enhance business performance. The study concludes that financial access serves as an important mechanism through which managerial practices contribute to SME growth and sustainability. The findings highlight the need for strengthened managerial competencies and improved financial inclusion programs to support SME competitiveness and long-term development.

Keywords: Managerial practices, Financial access, Business performance, SME's, mediation analysis, mixed-methods, Philippines

1. Introduction

Small and medium enterprises (SMEs) are widely recognized as essential drivers of economic growth, innovation, employment generation, and poverty reduction in developing economies. Across many countries, SMEs contribute substantially to national productivity and local economic sustainability; however, they continue to encounter numerous operational and structural challenges that affect long-term business survival and competitiveness. Among the most persistent concerns are limited access to financing, inadequate managerial systems, weak strategic planning, and insufficient institutional support. Globally, studies have consistently emphasized that financial constraints remain one of the major causes of SME underperformance and business failure. Yoshino and Hesary (2016) identified limited financial access as a major barrier to SME growth, while Fang et al. (2009) highlighted the high failure rates of SMEs due to inadequate managerial and financial capabilities. In developing economies, SMEs frequently experience difficulties obtaining credit because financial institutions often perceive them as high-risk borrowers with limited collateral and unstable operational capacity. Consequently, many SMEs struggle to expand operations, invest in innovation, and sustain market competitiveness.

In the Philippine context, SMEs play a crucial role in economic development, particularly in regional economies where they provide employment opportunities and stimulate local trade. Despite government initiatives supporting MSME development, many enterprises continue to experience operational difficulties linked to managerial inefficiencies and restricted financial opportunities. Reports from the Philippine Statistics Authority and other institutional studies indicate that many SMEs remain vulnerable to declining competitiveness due to inadequate access to resources, poor management practices, and unstable financing mechanisms.

Managerial practices are considered a central determinant of organizational performance because they shape how businesses allocate resources, formulate strategies, manage operations, and respond to market demands. Effective managerial systems improve organizational efficiency, strengthen innovation capability, and enhance long-term sustainability. Bloom et al. (2016) argued that firms with stronger management practices are more likely to achieve superior performance outcomes because managers influence organizational adaptability, productivity, and decision-making quality. Similarly, Martin and Staines (2008) emphasized that managerial competencies significantly affect SME productivity and operational effectiveness.

Financial access likewise plays a critical role in sustaining SME operations and supporting business growth. Access to loans, credit facilities, and other financial services enables enterprises to expand operations, improve production capacity, and maintain competitiveness in increasingly dynamic markets. Previous studies have shown that financial access positively influences organizational growth and profitability, particularly among SMEs operating in emerging economies. However, financial access is often influenced by managerial capability, organizational credibility, and strategic business practices. Several studies have explored the direct relationships among managerial practices, financial access, and business performance. Existing literature confirms

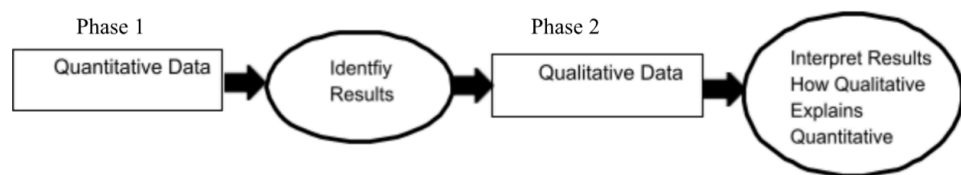
that managerial competencies improve organizational performance, while financial access enhances operational sustainability and growth potential. Nevertheless, limited studies have examined how financial access functions as a mediating mechanism explaining the relationship between managerial practices and business performance, particularly within SMEs in Region XI, Philippines.

Most previous investigations focused only on direct relationships among variables without examining the combined explanatory process linking managerial effectiveness, financing opportunities, and organizational outcomes. This study addresses this gap by examining the mediating effect of financial access on the relationship between managerial practices and business performance among SMEs in Region XI. Anchored on theories of managerial competency and financial inclusion, the study investigates whether managerial practices contribute to business performance directly and indirectly through improved financial accessibility. Understanding this relationship is important because SMEs increasingly operate within competitive and resource-constrained environments where managerial capability and financial support significantly influence sustainability and growth.

2. Materials and Methods

2.1 Research Design

This study employed an explanatory sequential mixed methods design integrating quantitative and qualitative approaches. The quantitative phase utilized a descriptive-correlational design to determine relationships among managerial practices, financial access, and business performance. The qualitative phase employed phenomenological inquiry to explain and validate the quantitative findings. The mixed methods approach enabled a comprehensive understanding of how managerial practices and financial access influence SME performance. Quantitative findings served as the basis for developing interview questions used during the qualitative phase.



Source: Creswell and Plano Clark (2007) cited by West (2012)

Figure 1: Explanatory Sequential Design

2.2 Respondents and Sampling Procedure

The quantitative respondents consisted of 560 SME owners and managers from Region XI, Philippines. Stratified random sampling with proportional allocation was employed to ensure representation across provinces and industries. The sample was derived from a population of 20,162 SMEs using Slovin's formula. For the qualitative phase, 17 participants were purposely selected from the quantitative respondents. Ten participants were involved in in-depth interviews, while seven participated in focus group discussions. Participants

represented various industries, including wholesale and retail trade, manufacturing, hospitality, real estate, and personal services.

2.3 Research Instruments

Three adapted survey questionnaires were utilized in the quantitative phase: **Managerial Practices**. The questionnaire was adapted from Wu (2009) which has seven indicators namely: capability, resource, environment, strategy, process, measure and analysis, and innovation and learning. The tool is a 55 item construct from 5 – Very High to 1- Very Low. According to Santos (2007), the Likert Scale requires individuals to tick on a box/blank in response to a large number of items concerning an attitude, object and stimulus. It is common to treat the number obtained from a rating scale directly as measurements by calculating averages or more generally any arithmetic operations.

Business Performance. This tool was adapted from Akrofi (2016) which has three indicators namely: increase in sales, profitability, and innovativeness. The tool is a 9 – item construct from 5 – Very High to 1 – Very Low. On the other hand, in evaluating the business performance, the following scales were used:

Financial Access. This tool was adapted from Nkahaima (2016) which has no indicators being the mediating variable. The tool is a 5 – item construct from 5 – Very High to 1 – Very Low. In evaluating the financial access, the following scales were used: All instruments employed a five-point Likert scale and demonstrated acceptable reliability with a Cronbach alpha coefficient of .81. For the qualitative strand, researcher-made interview and focus group discussion guides were used to explore participants' perspectives regarding managerial practices, financial access, and business performance.

2.4. Data Collection and Analysis

Permission to conduct the study was secured from the appropriate institutional authorities before data gathering. Quantitative data were collected through personally administered questionnaires. Qualitative data were gathered through audio-recorded in-depth interviews and focus group discussions. Descriptive statistics, Pearson correlation, multiple regression analysis, and MedGraph with Sobel z-test were employed to analyze quantitative data. Thematic analysis was utilized for qualitative data analysis following transcription, coding, theme identification, and interpretation.

2.5 Ethical Considerations

The study adhered to the ethical principles outlined in the Belmont Report, including respect for persons, beneficence, and justice. Ethical clearance was obtained from the University of the Immaculate Conception Research Ethics Committee.

Informed consent was secured from all participants prior to data collection. Confidentiality, anonymity, and voluntary participation were strictly observed. Participants were informed of their right to withdraw from the study at any stage without penalty.

3. Results

3.1 Levels of Managerial Practices, Business Performance, and Financial Access

Results showed that managerial practices among SMEs obtained an overall mean of 4.17, interpreted as high. Among its dimensions, capability recorded the highest mean ($M = 4.17$), while innovation and learning obtained the lowest mean ($M = 3.90$). Business performance also obtained a high rating with an overall mean of 4.03. Profitability showed the highest mean ($M = 3.99$), followed by increase in sales ($M = 3.98$) and innovativeness ($M = 3.97$). Financial access yielded a mean score of 3.90, interpreted as high, indicating that respondents generally experienced favorable access to financial services.

Table 1. Status of Managerial Practices, Business Performance, and Financial Access of Owners/Managers

Main Variables/Indicators	Standard Deviation	Mean	Descriptive Level
Managerial Practices	0.65	4.17	High
Capability	0.65	4.17	High
Resource	0.67	3.97	High
Environment	0.62	4.11	High
Strategy	0.66	3.97	High
Process	0.64	4.06	High
Measure and Analysis	0.66	4.03	High
Innovation and Learning	0.67	3.90	High
Business Performance	0.56	4.03	High
Increase in Sales	0.68	3.98	High
Profitability	0.70	3.99	High
Innovativeness	0.70	3.97	High
Financial Access	0.66	3.90	High

Table 1 reveals the status of Managerial Practices, Business Performance and Financial Access through descriptive statistics of the means and standard deviations. The standard deviation is less than 1.0 which indicates the consistency of responses. The managerial practices reflected an overall mean of 4.17 described as high. This indicates that managerial practices are manifested most of the time. All domains of this variable have a high rating with Capability having the highest mean of 4.17.

This is followed by Environment with a mean of 4.11. The domain with the lowest mean score is Innovation and Learning with a mean of 3.90. However, all these means have a high descriptive level as shown in the table. The business performance reflected an over-all mean of 4.03 described as high. This indicates that business performance is evident most of the time. All domains of this variable have a high rating with Profitability having the highest mean of 3.99.

This is followed by Increase in Sales with a mean of 3.98. The domain with the lowest mean score is Innovativeness with a mean of 3.97.

Similarly, financial access reflected an over-all mean of 3.90 also described as high. This indicates that financial access is evident most of the time. As discerned, all variables are at high levels. The data revealed that the measures in each category of every variable defined in the survey instruments have manifested or evidently observed most of the time. This further means that owners or managers in most instances, reveals business is doing good due to sound management; business is highly competitive; shows willingness of financial institutions to provide credit.

3.2 Mediating Effect of Financial Access on the Relationship between Managerial Practices and Business Performance

Before determining the mediation model, correlation between variables have to be computed to determine their significance. In the case of the three variables, the correlations of the three variables are all significant as shown in Table 2. It can be gleaned in the result that there is a significant relationship between managerial practices and business performance, as indicated in the table by the p-value that is less than 0.05 and correlation coefficient, $r=.811$.

Table 2. Correlation Between Variables

Variable	<i>r</i>	<i>p</i>	Significance Level	<i>r</i>	<i>p</i>	Significance Level
Managerial Practices	.811	< .001	Significant	.749	< .001	Significant
Financial Access	.733	< .001	Significant	—	—	—

Moreover it was observed that the financial and business performance have a significant relationship given the p-value that is less than .05 and the correlation coefficient, $r=.733$. Additionally, it was observed that there is a significant relationship between managerial practices and financial access, as indicated in the table by the p-value that is less than .05 and the correlation coefficient, $r=.749$

Table 3. Data Entry for the Different Paths

Step	Regression Model	Predictor	<i>B</i>	<i>SE</i>	β	Part <i>r</i>	<i>p</i>
1	Business Performance regressed on Managerial Practices (Path <i>c</i>)	Managerial Practices	0.909	0.028	—	—	< .001
2	Business Performance regressed on Financial Access (Path <i>b</i>)	Financial Access	0.696	0.028	—	—	< .001
3	Financial Access regressed on Managerial Practices (Path <i>a</i>)	Managerial Practices	0.884	0.033	—	—	< .001

4	Business Performance regressed on Financial Access and Managerial Practices	Financial Access	0.273	0.034	.28	.190	< .001
		Managerial Practices	—	—	.59	.395	< .001
						6	
Model Summary		R^2	.694				

Table 3 regression analysis was used to discover the inter-relationships of the variables and helped in verifying the beta coefficients in employment of mediation analysis. Mediation is a process referring to how a third variable affects the relationship of the two variables. There are three steps to be met for a third variable and form a true mediation. The results in Table 3 were classified as Steps 1, 2 and 3. In Step 1 (Path C) Managerial Practices significantly predicts Business Performance ($B = .909$, $p < .05$). While, Step 2 (Path B), disclosed that Financial Access, as the mediating variable, significantly predicts Business Performance, ($B = .696$, $p < .05$) as well. The beta coefficient denotes that in every unit increase of managerial practices, there corresponds an .909 increase in business performance. Likewise, in every unit increase in financial access can lead to .696 increase in business performance.

Further, Step 3 (Path A) revealed that Managerial Practices significantly predicts Financial Access ($B = .884$, $p < .05$), which denotes that for every unit increase in managerial practices it can result in an .884 increase in financial access. Moreover, Step 4 revealed a total r Square of .694, which indicates that 69.4% of the variation of business performance can be attributed to the combined influence of managerial practices and financial access. Hence, 30.6% of the variation is not covered in this research which may be further explored in future studies. The significance of the three paths warranted the use of medgraph employing Sobel z-test. The Sobel z-test in Figure 5 generated a value of 7.691331 ($p < 0.05$), which signifies that financial access has a mediation effect on the relationship between managerial practices and business performance .

As a matter of triangulation, further mediation analysis was made through medgraph, involving the Sobel test to assess the significance of the mediation effect. The model indicates that managerial practices influence business performance by a total of .811 with the inclusion of financial access. Its direct influence to business practice is only .596 and the balance of .215 is due to the inclusion of financial access.

This is an indirect influence which passes through the financial access going to business performance. This means that the influence of .811 is strong because of the help of financial access. If financial access is removed, there is still a relationship (.596) but not strong. Therefore, this is partial mediation, since the mediating variable which is financial access is only responsible for a part (.215) of the relationship between managerial practices and business performance. It becomes full mediation when financial access takes full (.811) responsibility, meaning .596 becomes zero, thus, if we take away financial access the relationship between Managerial Practices and Business Performance disappears.

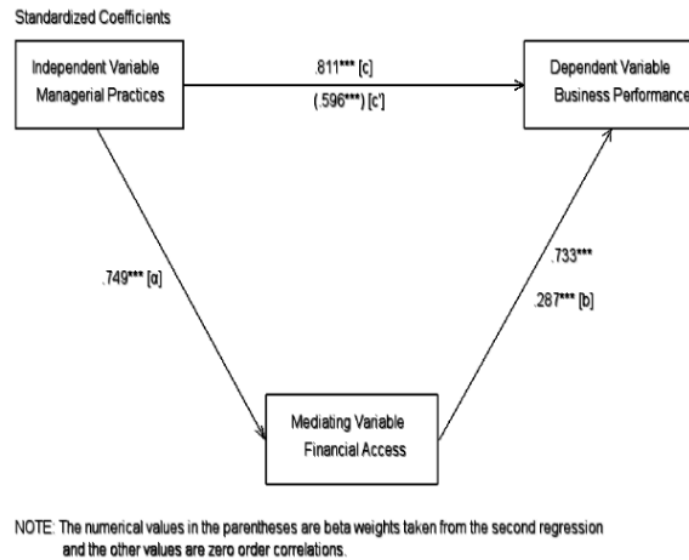


Figure 2. Mediation Model

The results revealed that the mediation effect was significant, as indicated by the Sobel z-value of 7.691331 with a p-value less than .000001. This implies that financial access significantly mediates the relationship between managerial practices and business performance. Furthermore, the 95% symmetrical confidence interval ranging from .17983 to .30283 did not include zero, confirming the significance of the indirect effect. The unstandardized indirect effect ($a \times b$) was .24133 with a standard error of .03138, indicating that managerial practices positively influence business performance through financial access. In terms of effect size measures, the total effect was .811, while the direct effect decreased to .596 when the mediating variable was introduced, suggesting partial mediation.

The indirect effect of .215 and the indirect-to-total ratio of .265 indicate that approximately 26.5% of the total effect of managerial practices on business performance is transmitted through financial access. Overall, the findings suggest that improved managerial practices contribute to better business performance both directly and indirectly by enhancing financial access. This indicates that financial access is only one of the reasons how managerial practices can influence business performance. Since it is only partial mediation, it could not be claimed that financial access is the very reason how managerial practices can influence business performance

Table 4. Profile of the Participants

Pseudonym (Participant ID)	Gender	Industry	Position	Study Group
Thread Fin Salmon (IDI_P001)	Male	Wholesale/Retail	Proprietor	In-Depth Interview
Yellowtail Fusilier (IDI_P002)	Female	Hotels and Restaurants	Proprietor	In-Depth Interview
Pony Fish (IDI_P003)	Male	Community, Social, and Personal Activities	Manager	In-Depth Interview

Milkfish (IDI_P004)	Male	Manufacturing	Proprietor	In-Depth Interview
Mene Moonfish (IDI_P005)	Female	Wholesale/Retail	Proprietor	In-Depth Interview
Yellow Fin (IDI_P006)	Female	Community, Social, and Personal Activities	Proprietor	In-Depth Interview
Spotted Scat (IDI_P007)	Female	Community, Social, and Personal Activities	Proprietor	In-Depth Interview
Catfish (IDI_P008)	Male	Manufacturing	Manager	In-Depth Interview
Yellowtail Scad (IDI_P009)	Male	Hotels and Restaurants	Store Manager	In-Depth Interview
Anchovy (IDI_P010)	Female	Hotels and Restaurants	Store Manager	In-Depth Interview
Rainbow Trout (FGD_P001)	Male	Wholesale/Retail	Proprietor	Focus Group Discussion
Tilapia (FGD_P002)	Male	Repair of Motor Vehicles and Motorcycles	Proprietor	Focus Group Discussion
Mackerel (FGD_P003)	Female	Community, Social, and Personal Activities	Proprietor	Focus Group Discussion
Catfish (FGD_P004)	Male	Manufacturing	Manager	Focus Group Discussion
Red Snapper (FGD_P005)	Male	Wholesale/Retail	Proprietor	Focus Group Discussion
Grouper (FGD_P006)	Male	Real Estate, Renting, and Business Activities	Proprietor	Focus Group Discussion
Striped Red Mullet (FGD_P007)	Male	Community, Social, and Personal Activities	Proprietor	Focus Group Discussion

Table 4 presents the profile of the participants who were involved during the in-depth interview and focus group discussion. There were ten informants in IDI and seven participants in the FGD. The informants were owners/managers of SMEs in Region XI.

The informants came from different industries such as wholesale/retail, hotels and restaurants, manufacturing, repair of motor vehicles and motorcycles, real estate renting and business activities, and community social and personal activities. Using the pseudonyms of the participants is necessary to uphold the ethical standards. The ideas expressed by the participants were used to sort out the issues related to the significant results of the quantitative phase on the business performance.

Table 5. Standpoints of the Participants on the Quantitative Results Regarding the Status of the Independent, Dependent, and Mediating Variables

Variable	Essential Theme (A Priori)	Core Idea
Independent Variable	Managerial Practices (MP)	
	Capability	Business performance improves through sound management practices. Enhanced capabilities enable adaptability to change, effective management of people and resources, business credibility, and continuous employee training.

	Resource	Executives possess managerial experience, sufficient capital is available, and annual operational plans (AOPs) are implemented.
	Environment	Businesses comply with government regulations, understand customer needs and expectations, recognize market demands, and identify customer groups and market segments.
	Strategy	Strategies are developed based on target customers, established products are offered to existing markets, and managers continuously study new strategies locally and internationally.
	Process	Production and delivery processes satisfy customer, quality, and operational requirements, ensuring timely and efficient delivery. Business strategies are regularly reviewed and updated.
	Measurement, Analysis, Information	Information obtained from performance evaluation is used to and improve operations, and organizational strategies are translated into unit- and individual-level goals and objectives.
	Innovation Learning	and Businesses prioritize employee training, adaptability to market trends, and the development of products and services that meet both local and international customer needs.
Dependent Variable	Business Performance (BP)	
	Competitiveness	Businesses remain highly competitive in their respective industries.
	Increase in Sales	Increasing sales is considered a primary business objective.
	Profitability	Businesses sustain profitability despite external challenges, with profit growth resulting from increased production volume.
	Innovativeness	Businesses introduce new products and services and adopt technology to enhance operations and competitiveness.
Mediating Variable	Financial Access (FA)	Financial institutions are willing to extend credit, businesses obtain additional capital from external sources, bank loans are accessible, and business credibility is maintained to facilitate easier access to financing.

3.3 Standpoints of the Participants on the Quantitative

Table 5 shows the standpoints of the participants on the quantitative results regarding the managerial practices, business performance, and financial access. The essential themes for the managerial practices are capability, resource, environment, strategy, process, measure analysis, and innovation and learning. For business performance, the essential themes are increased sales, profitability, and innovativeness. These are a priori themes, since they are based on the indicators of the variables in the quantitative results. Lastly, the financial access has no essential theme being the mediating variable of the study. In order to generate comprehensive results from participants' viewpoints on the issues that surfaced on the quantitative results, an in-depth interview to ten key informants and focus group discussion to seven participants were conducted.

Capability. Majority of the participants find capability as how the company evolves and develops over time and can follow different trajectories and reach different levels, thus these practices may lead to superior business performance. Hereunder are the shared narratives of the participants: Mene Moonfish expressed her insights on capability. In her words, she said:

It is how the entrepreneur optimizes efficiently and effectively his resources to get the desired objective/goal of the business. (IDI_P005_Q1)

Spotted Scat also expressed her insights on capability. She said:

It refers to the working methods and innovations that managers use to improve the effectiveness of work systems.

This includes empowering staff, training, introducing schemes for improving quality and introducing various forms of technology. (IDI_P007_Q1).

Resource. SMEs must continuously improve and develop their performance by ensuring they maintain adequate resources such as information, employees, capital, instruments and use them to generate for a greater benefit for their businesses. Most of the participants share that they have good resources in their respective company. Yellowtail Scad shared his experiences and practices as to how his company ensures and maintains resources. He mentioned that :

Our store has a comprehensive and organizational system, structure and planning because we do have annual operation plans that every store managers to follow, all targets are reflected in the AOP then our performance evaluations kay nabasi man gud ana. (IDI_P009_Q1)

Our store has a comprehensive and organizational system, structure and planning because we do have annual operation plans that every store managers to follow, all targets are reflected in the AOP then our performance evaluations also are based from it. On a similar tone, participant Achovy shared also her experiences and practices. Confidently, she said

Our company is sikat naman siya sa market and basically our company has available capital nga ma sustain na ang adlaw adlaw nga business operation business operation and the years to come. (IDI_P010_Q1)

Our company is already well known in the market and basically our company has available capital to sustain its day to day business operation and the years to come.

Environment. The participants of this study revealed their understanding of the environment in four major sectors: customers, suppliers of material, labor and capital, competitors for both market and resource, and regulatory as governmental agencies.

Participant Achovy revealed her perspective of being compliant, she articulated:

In addition, as managers we should always remember and comply with all the government regulations and policy so as to avoid hassles of the operation. (IDI_P0010_Q1)

On the same point, participant Milkfish emphasized in meeting the customers' expectation, proudly said: Kami ginatagaan gyud namog pagtagad ang kinahanglan sa among mga customers', ginapangutana pud namo sila kung ang among finished products nakatubag ba sa ilang expectations. Naga offer mig suggestions basi sa ilang gusto ug unsaon pagpa improve ang ilang napili nga design of products like sala set, sofa and other furniture repairs. (IDI_P004_Q1)

We are really giving attention to our customers' needs, we also asking them if our finished products have met their expectations. We do offer suggestions based on their wants on how to improve their chosen design of products like sala set, sofa and other furniture repairs.

Strategy. The participants in this study revealed the importance of employing different strategies to increase its business performance. Spotted Scat shared her insights on strategy, she said:

Yes, managers nowadays went to further studies abroad just to gain another knowledge (strategies) to boost their clients. (IDI_P007_Q3)

Rainbow Trout also shared his own experiences in employing strategy to his own business, as he discloses:

In my own business, I usually give promotional activities to attract buyers, at sinisigurado ko na ang mga produkto ko ay nasa mabuting kondisyon para e patronize ng mga customers ang mga products ko. (FGD_P001_Q1)

In my own business, I usually give promotional activities to attract buyers, and making sure that my products are in good condition so that they will patronize my products.

Process. During the in-depth interview two of the participants highlighted their contentions on the processes which they have. Spotted Scat confessed:

In our business, we always make sure na ma deliver gyud namo ang mga products on time because we always consider the waiting time of our customers. (IDI_P007_Q1)

In our business, we always make sure that we can deliver our products on time because we always consider the waiting time of our customers.

Yellow Fin, added and positioned her perspective on process, as she uttered:

Yes, I agree as to managerial practices because of the strategies applied in the business operation but still there is a need for routinary evaluation and

monitoring to identify new techniques to improve more the quality of services for the customers/clients. (IDI_P006_Q1)

Measure Analysis. It provides the basis for an organization to assess how well it is progressing towards its predetermined objectives, helps to identify areas of strengths and weakness, and decides on future initiatives, intending to improve organizational performance.

Yellowtail Scad expressed his mixed emotions on measure analysis, in a smiling face, he said:

It can be measured monthly and yearly based on the target versus the actual sales of a particular branch because our incentives are based on the profitability of our branch. (IDI_P009_Q1)

While Spotted Scat conveyed his contentions on measure analysis, he seriously said:

It is a business management approach which looks at the business as a whole instead of a division level. It entails reviewing the overall business performance and determining how the business can better reach its goals. (IDI_P007_Q1)

Innovation and Learning. Several participants narrated their practices with regards to the innovation and learning as owners/managers. Telapia expressed his contentions on measure analysis, in a soft voice, he narrated:

In our market today, especially in Davao City, business operators dapat gyud innovative in offering products because there are lots of foreigners coming to our place. (FGD_P002_Q3)

Spotted Scat cheerfully shares her practices to compete in the industry, she said:

We do innovation of products since we are into pastries and cake shop, we invests new equipment and other materials to be used for us to compete to our industry specially with the new trends which are constantly changing. (IDI_P007_Q1)

Increase Sales. Most of the informants shared their insights with regards to the increase in sales.

During the in-depth interview, Pony Fish expressed his insights on increase in sales. Confidently, he said: Increase in sales, through its factors, these are the things that every manager needs to really focus on at the end of the day. The level must be high as it always be the top priority and objective. (IDI_P003_Q3)

Similarly, Telapia shared:

With the results so far, mayo man ang dagan sa among negosyo ma consider gihapon siyang highly competitive inspite of the factors affecting in our area in general. (FGD_P002_Q3)

With the results so far, our business is doing good and still it can be considered as highly competitive inspite of the factors affecting in our area in general.

Profitability. External environment is a factor beyond the control of a company that may affect the profitability. Most of the participants expressed their experiences with their business profitability. Milkfish happily shared his profitability, he said:

In our business so far, we are blessed to have increased our sales/profit even though that we have so many competitors in the area. (IDI_P004_Q1)

Similary, Mackarel expressed:

It is the movement of activities in sales of the company. Base sa nature sa among negosyo, kung mo produce mig daghang printed materials the more profit that we can have. (FGD_P003_Q1)

It is the movement of activities in sales of the company. Based on the nature of our business, if we produce a lot of printed materials the more profit that we can have.

Innovativeness. Most of the participants shared their thoughts with regards to innovativeness. Participant, Red Snapper agreed that firms should employ innovativeness irrespective of their firm size or sector in order to compete and survive in the market. With conviction, he expressed:

SMEs cannot afford to sustain if they have limited internal funds specially if they are into developing new products or services for their clients. (FGD_P005_Q4)

Also, Participant, Mackarel believed that being updated is necessary in business. In a soft voice, she said: Specially in our business we should always be updated, the machines and other materials for printing should also be updated. (FGD_P003_Q7)

Financial Access. In this study, participants believed that a firm's superior performance is attributed to the ability of the firm to access required financial capital.

Rainbow Trout, gladly shared his experiences. With a smile, he said:

It is the availability of the credit opportunities from the financial companies like banks. Para sa akong personal experience, dali lang ko ka access ug loans from PSSLA and AFPSLA basically it has a little bit higher interest and processing charges. (FGD_P001_Q1)

It is the availability of the credit opportunities from the financial companies like banks. For my personal experience, I can easily access loans from PSSLAI and AFPSLAI basically it has a little bit higher interest and processing charges. Also, participant Yellowtail Scad shared his experiences. He bluntly said:

For our company, well wala pami naka encountered ug disapproval from any financial institutions since our company is already well known in the market and basically our company has available capital to sustain its day to day business operation and the years to come. (IDI_P009_Q1)

Table 6. Standpoints of the Participants on the Mediating Effect of Financial Access on the Relationship between Managerial Practices and Business Performance

Mediating Model	Essential Theme	Core Idea
Significant Relationship of Managerial Practices (MP) and Business Performance (BP) in the Mediation Model	Confirmed Importance of Managerial Practices to Business Performance	Participants emphasized the need for managers with sufficient knowledge and skills in managing business operations. Excellent managerial practices lead to better business performance, reduce the risk of insolvency, and ensure effective business management. Conversely, weak managerial practices and managerial incompetence may negatively affect business performance and may even lead to business failure.
Significant Mediating Effect of Financial Access (FA) on the Relationship Between MP and BP	Confirmed Mediating Effect of FA on the Relationship Between MP and BP	Participants highlighted that additional capital is necessary for business expansion alongside sound managerial practices. Financial access enables businesses to implement strategies effectively, improve operations, and seize better opportunities. They stressed that managerial practices alone may not produce optimal business performance without adequate financial resources. Funds are considered essential in achieving business objectives through effective managerial practices, and both managerial competence and financial access are viewed as important contributors to improved business performance.
Rejection of the Mediating Effect of FA	Rejection of the Mediating Effect of FA	Some participants believed that excellent managerial practices alone are sufficient to sustain business performance. Others noted that financial access may sometimes create additional management problems, particularly in handling funds. They argued that business performance can still be achieved through effective managerial practices even without financial access, while incompetent managers may fail despite having readily available financial resources.

3.4 Standpoints of the Participants on the Mediating Effect of Financial Access on the Relationship between Managerial Practices and Business Performance

Table 6 reveals the standpoints of the participants on the mediating effect of financial access on the relationship between managerial practices and business performance of SMEs in Region XI. The table further reveals essential themes: confirmed importance of managerial practices to business performance, confirmed mediating effect of financial access relationship of managerial practices and business performance, rejection of the mediating effect of financial access.

Confirmed Importance of Managerial Practices to Business Performance. The participants of this study confirmed the importance of managerial practices to business performance as an essential theme, the following are the shared narratives of the participants:

Participant Thread Fin Salmon, expressed his views on the model. In his words, he said:

Yes, there is a critical relationship that exists between managerial practices[...] to business performance. The model conveys the idea that a strong business performance [...] depend on managerial practices [...] Small businesses need managers with full knowledge on business and are not limited to managing people but also managing the financial resources of the business. (IDI_P001_Q4)

Also, IDI_P004, Milkfish, shared his views, he uttered:

Yes, because proper management reduce the risk of insolvency and could make the business run effectively and efficiently. (IDI_P004_Q5)

Confirmed Mediating Effect of Financial Access on the Relationship between Managerial Practices and Business Performance. Given the standpoints of the participants from in-depth interview and focus group discussion, the participants confirmed the mediating effect of financial access on the relationship between managerial practices and business performance. Below are the utterances of the participants. Striped Red Mullet confirmed that:

Para sa ako, Yes, I confirm, kay sa akong experience sukad nag sugod ko sa akong negosyo nga kung naa koy financial access as tag iya mas dali kong maka apply ug managerial practices nga dako kaayog tabang sa pag increase sa akong business performance. (FGD_P006_Q5)

For me, Yes, I confirm, based on my experience since I started my business, that if I have the financial access as the owner it will be easy for me to apply the managerial practices which are really a big help to increase my business performance.

Telapia believed that financial access is needed in business. In a smiling face, he said:

For me, yes, I agree because I personally manage my own business. Though I applied strategies that I can sell all my stocks but there are some cases that I really need additional financing to increase my business performance. (FGD_P002_Q5)

Rejection of Financial Access as Mediating Variable. In contrast, there were also participants in the study that expressed their rejection of financial access as a mediating variable. Thread Fin Salmon, expressed his rejection of financial access as a mediating variable. He spoke:

Financial access alone in the absence of competent managerial practices is a sure formula for a business disaster. A business awash with capital will soon find these resources down the drain if they have an incompetent managers. If the measure for a successful business is expanding its activities then a competent managerial practice and a steady financial access is similar to a sharp scissor in the absence of its pair it will never cut. (IDI_P001_Q7)

Yellow Fin, also expressed her rejection of financial access as a mediating variable. In a soft voice, she narrated:

Other than these financial access there are still other aspects that can contribute and influence business performance. Without external financial access, I can still accept that managerial practices alone can influence business performance depending on the goals and objectives of the company. Overall, these results very clearly indicate the importance of people management practices in predicting company performance. The results suggest that if managers wish to influence the performance of their companies, the most important area they should emphasize is the management of people. (IDI_P006_Q5)

3.5 Data Integration of Quantitative and Qualitative Results

Since this study is a mixed methods design utilizing an explanatory sequential approach, shown in table 7 is the joint display of the quantitative and the qualitative results based on the data and information gathered.

Status of Managerial Practices. For the status of managerial practices of SMEs, it is shown that in the quantitative results, the mean of the seven indicators of managerial practices ranges from 3.90 to 4.17 which denotes a high level of managerial practices.

The qualitative data confirms the quantitative data as the informants showed positive responses on the seven indicators: capability, quantitative data as the informants showed positive responses on the three indicators: increase in sales, profitability, and innovativeness. Thus the nature of integration is connecting-merging confirmation.

Status of Business Performance. For the status of business performance of SMEs, the mean of the three indicators of business practices ranges from 3.97 to 3.99 which also denotes a high level of business performance. The qualitative data confirms the quantitative data as in the informants showed positive responses

on the three indicators: increase in sales, profitability, and innovativeness, hence the nature of integration is connecting-merging- confirmation.

Status of Financial Access. For the status of financial access of SMEs, it is shown in the table that in the quantitative results, the financial access has an overall mean of 3.90 which indicates a high level of financial access. The qualitative data confirms the quantitative data as the informants showed the presence of financial access in the core ideas generated from their responses, hence connecting-merging-confirmation is the nature of integration.

Table 7. Joint Display of Quantitative and Qualitative

Research Area	Quantitative Results	Qualitative Results	Nature of Integration
1. Status of Managerial Practices (MP), Business Performance (BP), and Financial Access (FA) among SMEs			
1.1 Status of Managerial Practices (MP)	The seven indicators of managerial practices obtained high mean ratings ranging from 3.90 to 4.17, namely capability, resource, environment, strategy, process, measure and analysis, and innovation and learning. These results indicate that respondents manifested these managerial practices most of the time (see Table 1).	Informants and participants confirmed the high presence of the seven indicators of managerial practices through the emergence of positive <i>a priori</i> themes and core ideas in the qualitative findings (see Table 5).	Connecting, Merging (Confirmation)
1.2 Status of Business Performance (BP)	The three indicators of business performance—increase in sales, profitability, and innovativeness—obtained high mean ratings ranging from 3.97 to 3.99, indicating that business performance was evident most of the time (see Table 1).	The qualitative findings supported these results as participants expressed positive views regarding sales growth, profitability, and innovativeness, which emerged as positive <i>a priori</i> themes in the study (see Table 5).	Connecting, Merging (Confirmation)
1.3 Status of Financial Access (FA)	Financial access obtained an overall mean of 3.90 interpreted as high, indicating that respondents frequently experienced financial access in their businesses (see Table 1).	Informants and participants confirmed the presence and importance of financial access through the core ideas generated from their responses (see Table 5).	Connecting, Merging (Confirmation)
2. Relationship Between MP and BP	A significant relationship existed between managerial practices and business performance ($r = .811, p < 0.05$) (see Table 2).	Informants and participants emphasized the importance of managerial practices in achieving better business performance (see Table 6).	Connecting, Merging (Confirmation)

3. Mediating Effect of FA on the Relationship Between MP and BP

Financial access showed a significant partial mediating effect on the relationship between managerial practices and business performance ($z = 7.69$, $p < 0.05$) (see mediation computation/Figure 5).

The majority of informants and participants expressed that financial access supports managerial practices in improving business performance (see Table 6).

**Connecting,
Merging
(Confirmation)**

A few participants rejected the mediating effect of financial access, arguing that managerial practices alone may sustain business performance. However, the majority still confirmed the significance of financial access as a mediator (see Table 6).

**Connecting,
Merging
(Expansion)**

Relationship Between Managerial Practices and Business Performance. Shown in the table is the relationship between independent variable, managerial practices and dependent variable, business performance of SMEs. Also shown is the significant relationship of the independent variable with the dependent variable which is also confirmed by the data gathered in the qualitative phase of the study. It is shown that the participants express their ideas on the importance of the managerial practices to business performance, hence connecting-merging-confirmation is the nature of integration.

On the Mediating Effect of Financial Access on the Relationship Between Managerial Practices and Business Performance. For the mediating effect of financial access on the relationship between managerial practices and business performance of SMEs, it is revealed that there is a significant partial mediating effect of financial access on the relationship between managerial practices and business performance.

The qualitative data confirms the quantitative data as the majority of informants expressed their ideas on the help of financial access to managerial practices in influencing business performance. However, there were few informants who rejected the significant mediating effect of financial access, hence no total rejection because the majority confirmed the significance of the mediating effect of financial access. The two data were brought together for analysis and it results in expansion which means that the findings from two sources of data merge and expand insights, meaning further explanation has to be crafted since the nature of integration is connecting-merging-expansion.

4. Discussion

Status of Managerial Practices, Business Performance, and Financial Access

Managerial Practices. The overall high level of managerial practices is the result of the ratings by the respondents on the indicators such as capability,

resource, environment, strategy, process, measure and analysis, and innovation & learning. This means that the managerial practices of the SMEs owners/managers is manifested most of the time in their respective company. The result supports the findings of Johnston and Loader (2003) that managerial practices is a commitment to quality assurance and benchmarking enables customers to be assured about a firm's product or service integrity, while focusing attention on what constitutes best practice to compete within the industry.

Also, it confirms the study of Hisrich and Drnasek (2002) who stressed that managerial competencies positively impact on the performance of SMEs. In addition, it affirms the findings of Johnson, Scholes, and Wittington (2008) that managerial competency and skills are factors to be considered because it can have or less impact on almost all firms.

Business Performance. The business performance of SMEs is described as high based on the overall mean. It is measured through the indicators that include increase in sales, profitability, and innovativeness having a rating of high. It indicates that the business performance is evident most of the time by the participants. This result confirms the findings of Minai and Lucky (2011) that a firm's performance is divided into three main areas: innovative performance, operational performance and financial performance.

Financial Access. Financial access has no indicator as the mediating variable of the study. The overall mean indicates that the financial access is high which means that the financial access is evident most of the time. This means that owners/managers of SMEs in the region have access to financing being important for the growth of SMEs. This result supports the findings of Cracknell (2012) that financial access is a precondition for business performance of small and micro enterprises and has become an increasingly important development metric which can drive widespread economic development.

Additionally, Kelley et al. (2012), posited that access to financial capital is one of the major critical resources that facilitate SMEs business activities in many nations. Further, the results support the findings of Klonowski (2012) that performance of SMEs can either be affected positively or negatively by the availability of financial resources. Mediating Effect of Financial Access on the Relationship between Managerial Practices and Business Performance One of the objectives of this study is to determine the significant relationship of the mediating variable with the independent variable, and dependent variable. Managerial Practices and business performance was found to have a significant and positive relationship. This implies that the managerial competency and skills shortage affect the business performance (Sitharam & Hoque, 2016). Such relationship substantiates the assertions made by Hisrich and Drnovsek (2002) that managerial competencies positively impact the business performance of SMEs. Further, this is also consistent to the pronouncements of Martin and Staines (2008) that SMEs failure is a result of lack of managerial expertise.

Furthermore, Kayanula and Quartey (2002) pointed out that the owner or manager in this regard takes major decisions in business operations with working capital instability and low technical knowhow which hinders growth potentials.

This is similar to the pronouncement of Johnston and Loader (2003) that business firms could grow and sustain when they have the necessary training and skills coupled with excellent customer service, availability of capital, and establishing partnership between professional organizations and educational establishments.

In addition, Snider (2015) pointed out that partnership could result in learning opportunities for small business owners/managers to mitigate small business failures and improve business performance. Further, this is aligned with the position of Hult, et al. (2005) that applying strategies provide firms with competitive advantage which will lead to better business performance. Having established the interrelationships of the three variables, regression analysis was used to generate the necessary inputs to medgraph formulated by Jose (2003). Through medgraph the mediation model was generated. The model indicates that managerial practices influence business performance with the inclusion of financial access. If financial access is removed, there is still a relationship but not as strong. Therefore, this is partial mediation, since the mediating variable which is financial access is only responsible for a part of the relationship between managerial practices and business performance. It becomes full mediation when financial access takes full responsibility, thus, if we take financial access, the relationship between Managerial Practices and Business Performance disappears. Since it is only partial mediation, it could not be claimed that financial access is the very reason how managerial practices can influence business performance. This indicates that financial access is only one of the reasons how managerial practices can influence business performance. But full mediation rarely happens. It is generally partial mediation (Jose, 2003).

Standpoints of the Participants on the Quantitative Results Regarding the Status of the Independent, Dependent, and Mediating Variables

Managerial Practices. The participants confirm the high rating for managerial practices as obtained in the quantitative results of the study. The different essential themes (a priori) are all positive. This implies that managers of SMEs have the capability to manage people and resources effectively, have the available capital for resources, compliant with the government regulations as part of their environment, have the necessary strategies for target customers, processes for operations are in place, measure analysis are being utilized, have the flexibility to adopt innovation and learning, among others. With these affirmations of the participants on the managerial practices of managers of SMEs, it could be deduced that these managers recognize the claims of various authors (Hisrich & Drnovsek, 2002; Kayanula & Quartey, 2000; Martin & Staines, 2008; Sitharam & Hoque, 2016) that managerial competency and skills are factors to consider in managing a business because it can have considerable impact on almost all aspect of its operation.

Business Performance. The high rating of business performance in the quantitative results are supported by the participants in the context of increase sales, profitability and innovativeness. The core ideas under these essential themes (a priori) are all positive, indicating that their business is doing good where sales are increasing, profit is adequate in spite of external factors and adoption of technology for innovativeness for competitive edge being invariable.

With this scenario, it could be stated that the results of the study run parallel to the outlooks of various authors (Ahmed & Shepherd, 2010; Grimsley, 2019; Hagedoom & Cloudt, 2003; Li, 2000; Pearce & Robina, 2011) declaring that business in the contemporary setting are still surviving despite the competitive business environment due in part to innovativeness and the compelling goal to achieve profitability.

Financial Access. The high rating of financial access in the quantitative results are acknowledged by the participants based on the interviews and focus group discussion with them. They emphasized that financial access is important for SMEs to expand its operations. They have positive views on financial access because of their experiences on the willingness of financial institutions to provide credit, in addition to the accessibility of bank loans. Their recognition on the importance of financial access is an articulation of the declaration of some authors (Aminu & Shariff, 2015; Cracknell, 2012; Dalberg, 2011; Kelly et al., 2012) that access to finance is one of the fundamental necessities for the growth of SMEs.

Standpoints of the Participants on the Mediating Effect of Financial Access on the Relationship between Managerial Practices and Business Performance

In this study, study participants also shared their insights on the influence of managerial practices (MP) to business performance (BP) in the mediation model. Their views were analyzed and revealed five essential themes such as confirmed importance of managerial practices to business performance of SMEs, confirmed significant partial mediating effect of financial access on the relationship between managerial practices and business performance of SMEs. Confirmed Importance of Managerial Practices to Business Performance of SMEs. The informants during the in-depth interview and focus group discussion confirmed the quantitative result that managerial practices can influence business performance.

According to them, excellent manager begets excellent performance. The result supports the proposition of Pearce and Robinson (2011) that critical source of competitive advantage are: the quality of management and leadership, ability to innovate and commercialize new products, ability to pinpoint and respond to emerging opportunities, and ability to organize monetary and human resources. In the light of this, the challenges a company faces have become larger and more complex. A consequence of this has been the increase in the number of acquisitions both within and across borders (Singla & George, 2013).

Confirmed partial mediating effect of financial access on the relationship between managerial practices and business performance. The participants' standpoints confirmed the mediating effect of financial access on the relationship between managerial practices and business performance. The participants believe that better opportunities can be easily obtained if finances are available in the execution of business operations, funds necessary in the attainment of objective through effective managerial practices. Further, without funds no matter how good is the managerial strategy business performance is poor, and both are important to have good business performance.

This opinion is in congruence with ADB-OECD (2014) that availability of funds determines a firm's ability to maximize efficiency gains in almost all areas of its operations, including market research, product development, and production expansion. Mazanai and Fatoki, (2012) pointed out that access to finance is one of the major challenges hindering the growth and survival of start-up SMEs.

However, access to valuable SMEs resources like financial resources is among the significant and crucial factors that burst SMEs entrepreneurial activities in any economy (Aminu & Shariff 2015; Kuntchev, et al., 2012). Other authors posited that access to financial capital is one of the major critical resources that facilitate SMEs business activities in many nations (Kelley, Singer, & Herrington, 2012). Further, the results support the findings of Klonowski (2012) that performance of SMEs can either be affected positively or negatively by the availability of financial resources.

Rejection of the mediating effect of financial access on the relationship between managerial practices and business performance. Some of participants reject the mediating effect of financial access between managerial practices and business performance. Moreover, the participants believe that managerial practices alone can influence business performance without financial access, and even if financial access is readily available but if the manager is incompetent, business is not possible. In the study of Shuying (2006) on exploring the effects of Chinese business management practices on business performance, they concluded that business leaders should adopt certain management practices to enable the strong performance of their businesses. Hence, Wiesner, Poole, Banham, and Heather (2007) emphasized managerial practices as contributory to the firm's performance and are critical to the profitability and financial access of SMEs.

Data Integration of Quantitative and Qualitative Results

What is important in the mixed methods results is the nature of integration which is reflected in the joint display of quantitative and qualitative results. In the explanatory sequential mixed methods, the process of data integration is generally merging since the two databases are brought together for analysis. According to Fetters, Curry and Creswell (2013), there are four approaches in integration: connecting (for explanatory sequential design), building (for exploratory sequential design), merging (for convergent or any design) and embedding (for embedded design). This approach is in combination with the fit of data integration: confirmation (findings from both types of data confirm the results of the other), expansion (findings from two sources of data diverge and expand insights) and discordance (findings are inconsistent, contradict or disagree with each other). It could be noted in the joint display that all quantitative results, except for one expansion item, are confirmed by the qualitative results.

The overall high rating of managerial practices of SMEs in the quantitative results is being confirmed in the qualitative results through interview and focus group discussion, hence the nature of integration is connecting-merging- confirmation. The confirmation shows that SMEs in the

region oftentimes respond to customer needs swiftly. The managerial practices of SMEs, therefore, in this study is an articulation of the statement of Wanjiku (2011) that firms should have the information on customers' needs and wants, and to critically examine features that persuade customers' needs and wants by way of coordinating and reacting appropriately and immediately to clients based on the data gathered. Having an efficient new products development (NPD) process (the input of NPD/output of NPD) was confirmed in the interview and focus group discussion, hence nature of integration is connecting-merging-confirmation. This indicates that innovation is extensively acknowledged as a key factor in the competitiveness of firms and nations (Galia & Legros 2004). This is congruent to the findings of Rosenbusch, Brinckmann, and Bausch (2011); Subrahmanya, Mathirajan, and Krishnaswamy (2010) that in the emerging economies learning and innovation of SMEs are intense in terms of focusing on how innovation will support the SMEs performance.

The overall high rating of business performance of SMEs in the quantitative results is being confirmed in the qualitative results through interview and focus group discussion. The confirmation shows that SMEs in the region oftentimes been able to make profit for the past years despite the external business factors on the business. The business performance of SMEs, therefore, in this study is an articulation of the statement of Bouazza et al. (2015) that external environmental factors, consisting of economic, political, technological, and socio-cultural factors are affecting business operations.

The SMEs have been able to come up with modern technology to improve productivity and efficiency despite the external business environment factors as confirmed in the interview and focus group discussion, hence connecting-merging-confirmation. This indicates that SMEs realize the need for appropriate innovative approaches to gain and maintain competitive advantage in conformance with the statement of an author (Wanjiku, 2011) on the importance of innovation. The overall high rating of financial access of SMEs in the quantitative results is being confirmed in the qualitative results through interview and focus group discussion. The connecting-merging-confirmation integration shows that SMEs in the region oftentimes have access to financing being important for the growth of SMEs. The financial access of SMEs, therefore, in this study is an articulation of the statement of Cracknell (2012) that financial access has become an increasingly important development metric which for small and micro enterprises.

On the relationship between managerial practices and business performance, the participants confirmed the significant relationship, hence integration is connecting-merging-confirmation. Such relationship substantiates the assertions made by Hisrich and Drnovsek (2002) that managerial competencies positively impact business performance of SMEs.

On the partial mediating effect of financial access on the relationship between managerial practices and business performance of SMEs, the connecting-merging-confirmation shows that majority of the SMEs in the region oftentimes have access to financing being important for the growth of SMEs. The financial access, therefore, is an articulation of the report of ADB-OECD (2014)

that availability of funds determines a firm's ability to maximize efficiency gains in almost all areas of its operations, and SMEs in the region recognize this fact.

On the other hand, few of the informants reject the mediating effect of financial access in the relationship between managerial practices and business performance, hence the nature of integration is connecting-merging-expansion, denoting the need to expand the explanation of this findings. These few participants claim that financial access is not needed, that managerial practices alone can contribute to business performance, an articulation of the declaration of Lai, Saridakis, Blackburn, and Johnstone (2015) and Sheehan (2014) on the strong need of SMEs for well-developed managerial practices for successful business performance. However, the participants on this aspect are only very few.

The majority concurred with the contribution of financial access to managerial practices in order to boost its impact to business performance. One explanation for this expansion integration is that these few participants are part of an organization with adequate resources run by a competent manager.

Implication for Business Practice

This study provides an avenue for the business owners/ managers, financial institutions and other stakeholders to explore and understand the expressed ideas of SMEs owners/managers. The result of the study may serve as a guide to the business owners/ managers or those in higher position in identifying appropriate strategies and best practices that would continuously improve the financial access of SMEs. Identifying appropriate strategies and best practices for SMEs may be of great help on making SMEs achieved better business performance. The confirmed importance of managerial practices to business performance implies that managers of SMEs may have to undergo extensive training on the hows and whats of managing a business before assuming the position. Having an excellent manager who applies proper managerial practices reduces the risk of insolvency and can make the business run effectively and efficiently, especially nowadays in a turbulent environment both domestic and international level of SMEs. The confirmed mediating effect of financial assistance on the relationship between managerial practices and business performance indicates that SMEs may establish substantial rapport with different financial institutions for the possibility of greater profit. For the reason that financial access is necessary to boost managerial practices to implement strategies in improving business performance, thus, funds are essential in the attainment of business performance through effective managerial practices. The rejection of the mediating effect of financial access suggests that SMEs may enhance their managerial practices as much as financial access is readily available but if the manager is incompetent, business performance is not possible

5. Conclusion

With the considerations on the findings of the study, conclusions are drawn in this section. The participants of this study exhibited a high level of managerial practices which means that managerial practices are manifested most of the time. Besides, high level of business performance and financial access which indicates that business performance and financial access are respectively

evident most of the time in the SMEs. The results of the study also confirmed that there is a significant relationship between the managerial practices, and business performance. Lastly, the results of the study further suggest that financial access significantly and partially mediates the relationship between managerial practices and business performance of SMEs in Region XI. Since it is only partial mediation, it could not be claimed that financial access is the very reason how managerial practices can influence business performance. This implies that financial access is only one of the reasons how managerial practices can influence business performance. The quantitative results of the study were further substantiated by the essential themes (a priori) that emerged during the thematic analysis on the qualitative data. These identified essential themes (a priori) for all variables which are positive. The themes established confirm the existence of all variables in the quantitative study. It can be inferred that SMEs in Region are manifesting these indicators. The confirmation of the quantitative findings by qualitative results during the integration of results provided concrete evidence of the essential themes that emerged in both phases. This also provided in-depth understanding on the business performance with the essential themes (a priori) that emerge. The themes identified have helped strengthen and explain the profoundness of the level of the variables under study as well as the mediating effect of the financial access on the relationship between managerial practices and business performance of SMEs in Region XI. Results of the study support the theory and proposition espoused in the theoretical lens. Theory on financial inclusion (Jeong and Townsend, 2007) on the importance of financial access to firm's performance; proposition of Drnasek (2002) on the impact of managerial competencies on the business performance of SMEs and proposition of Ukko, Tenhunen, and Rantanen (2007) on the importance of managerial practices to financial access.

6. Recommendations

Based on the results of the study, the researcher proposes the following recommendations: The high level of managerial practices, business performance, and financial access of SMEs indicate that these variables can still be improved and increased to a very high level through employing policies and programs that could effectively enhance their business operation to provide better quality products and services to their target market and the community. Specifically, the managerial practices of SMEs may be enhanced if the SMEs will adapt and invest in an efficient new product development (NPD) process (the input of NPD/output of NPD), and have their organizational structure and system renewed based on the environmental changes. Assessing the SMEs internal competencies such as organizational skills in developing, finding, enlarging and adopting knowledge generated and the interactions of organization with surrounding environment are some of the main organizational abilities on which innovation and learning basically depends. Thus, benchmarking is necessary to adopt key managerial practices that are essential to replicate best practices in the company to increase business performance. In addition, with financial access as the mediating variable between managerial practices in relation to business performance, it is suggested that financial institutions may reduce the cost of finance such as interest rates, application fees, loan insurance premium, and legal fees which hamper SMEs to access finance. Lastly, with the strengthening of

financial access and enhanced managerial practices, SMEs can increase their business performance wherein the community can benefit through the job creation as well as other social services.

Supplementary Details

Conflicts of Interest:

The authors declare no conflict of interest.

Disclosure Statement:

The author acknowledges the use of Grammarly to refine sentence structure, While this AI tool assisted in various aspects of writing, the author affirms that all AI-generated outputs were thoroughly reviewed and validated. The author accepts full responsibility for the content, accuracy, and integrity of this work, in accordance with COPE guidelines.

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