

# **SME Growth Synergy: Systematic Review of Resource, Knowledge, and Leadership Theories**

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## **ABSTRACT**

This systematic literature review explores the strategic synergy of small and medium-sized enterprises (SMEs) growth, integrating the resource-based view (RBV), knowledge-based view (KBV), and upper echelon theory (UET). A desk-based review was conducted to examine several studies that applied the model. Search engines like Google Scholar were utilized to explore reputable international journals like Emerald. In total, 20 articles published between 2018 and 2024 were selected. These were analyzed using the Joanna Briggs Institute (JBI) Critical Appraisal Tools, and the review identified a “Resource-Knowledge-Leadership Nexus” as crucial for optimizing SME growth. A complex interplay of unique resources, knowledge management capabilities, and leadership characteristics drives SME growth. The study highlights the importance of developing dynamic capabilities in SMEs and the need for SMEs to balance exploiting existing resources and knowledge with exploring new opportunities guided by strategic leadership. The study suggests that SMEs should develop strategies for allocating resources effectively, including investing in knowledge and innovation, fostering a culture of innovation, encouraging experimentation and learning, and also investing in developing top management teams with the necessary experience, leadership style, and knowledge to drive growth.

**Keywords:** Ambidexterity, Social networks, Dynamic capabilities, Development Knowledge management, Top management teams

## **1. Introduction**

Globally, Small and medium-sized enterprises (SMEs) significantly contribute to economies across industrialized, developed, and developing nations. In industrialized countries, SMEs drive innovation and job creation, contributing to over 60% of total employment and 50-60% of GDP [1]. In developed nations, such as the United States and countries in the European Union, SMEs are central to technological advancements and the services sector, playing a crucial role in maintaining competitive markets [2]. In developing nations, SMEs contribute to poverty alleviation and economic

diversification, particularly by providing employment opportunities in rural areas where large corporations are less present. However, their impact is often hindered by challenges like limited access to finance, infrastructure, and technology [3]. Regardless of region, SMEs are vital to fostering economic resilience and inclusive growth.

Despite their prevalence and economic significance, SMEs face numerous challenges, including limited access to finance, inadequate infrastructure, regulatory burdens, and skills gaps [4]. These obstacles often hinder their potential for expansion potential and ability to compete effectively in domestic and international markets. The development and progress of SMEs are crucial for any country's economic prosperity and social progress. Their importance can be observed in several key areas. For example, in developing economies, SMEs are major employers, providing opportunities for both skilled and unskilled workers. They play a critical role in job creation, particularly in regions with limited access to large-scale industries, and contribute significantly to poverty reduction and economic inclusion [3]. SMEs in these economies often operate in labour-intensive sectors such as agriculture, manufacturing, and services, offering employment to a wide demographic. In developed economies, such as those in North America and Europe, SMEs also play a pivotal role in employment, accounting for over 70% of jobs in countries like the United States and the United Kingdom [5]. These enterprises are often more specialized and innovative, contributing to technological advancement and productivity improvements while creating jobs across various industries, from high-tech sectors to traditional services [2]. Globally, SMEs serve as incubators for innovation, introducing new products, services, and processes that drive economic diversification and enhance competitiveness [6]. By creating employment and entrepreneurial opportunities, SMEs' advancement contributes to income generation and helps alleviate poverty, particularly in rural and peri-urban areas of developing nations [7]. As SMEs grow and expand their operations, some evolve into exporters, contributing to foreign exchange earnings and improving their countries' trade balance [4]. Additionally, SMEs play a crucial role in promoting balanced regional development by generating economic activities and employment opportunities in different regions [8].

Despite the global importance of SMEs, there are significant gaps in understanding the strategic drivers of their growth in various economies. Existing literature suggests that SMEs' expansion is influenced by resource-based capabilities, knowledge-based assets, and top management team characteristics [9]. However, there is still no consensus on the relative importance of these factors or how they interact to drive SMEs' progress across different contexts [10]. These knowledge gaps hinder the development of effective policies and interventions to support SMEs growth, ultimately impacting broader economic development worldwide.

While various theoretical frameworks have been applied to study SMEs' development, there are limited researches that integrate multiple perspectives, such as the Resource-Based View (RBV), Knowledge-Based View (KBV), and Upper Echelon Theory. This integration is crucial for comprehensively understanding the complex factors driving SMEs advancement. Additionally, although studies have examined external factors affecting SMEs' performance, there is inadequate research on the internal capabilities and resources that enable SMEs to achieve sustainable

development. This gap limits understanding how SMEs can leverage their unique resources and expertise to gain competitive advantages [11]. Therefore, there is a need for a study that develops and validates growth models tailored to the specific challenges and opportunities faced by SMEs. Again, while the importance of leadership in SMEs' success is acknowledged, there is insufficient research on how top management teams' characteristics, experiences, and decision-making processes influence SMEs' strategies for advancement. Therefore, this study aims to address this knowledge gap by investigating the strategic synergy of SMEs growth, focusing on the resource-based view, knowledge-based view, and upper-echelon theory.

## **2. Literature Review**

This section discusses three important theoretical frameworks in business and management: the Resource-Based View (RBV), the Knowledge-Based View (KBV), and the Upper Echelon Theory (UET). These theories are presented in the context of their application to small and medium-sized enterprises (SMEs), mainly focusing on how they explain SME advancement and competitiveness. This section also provides an overview of SMEs. It highlights SMEs' significant role in a country's economy and the various factors influencing their development. This information sets the stage for understanding how these theoretical perspectives can be applied to analyze and explain the dynamics of SME development.

### **2.1 Resource-Based View (RBV)**

The Resource-Based View (RBV) is a theoretical framework that emphasizes the role of internal resources and capabilities in a firm's competitive advantage and advancement [12]. The RBV posits that firms with unique and valuable resources are more likely to achieve sustainable competitive advantage and progress [13]. The key concepts and principles of the RBV include resource heterogeneity (Firms possess different resources and capabilities that are unique to each firm [12]), resource immobility (Resources are difficult to imitate or acquire, making them a source of sustainable competitive advantage [14]); and value, rarity, inimitability, and organization (VRIO): Resources must possess these four attributes to be a source of sustainable competitive advantage [12].

The RBV has been used extensively in examining SMEs growth, highlighting the importance of internal resources and capabilities in driving advancement and competitiveness [15, 16]. SMEs with unique and valuable resources, such as human capital, social capital, and organizational abilities, are more likely to achieve growth and competitiveness [16]. The RBV has also been used to examine the role of network resources in SMEs' growth, highlighting the importance of relationships and collaborations in accessing new markets, technologies, and expertise [17, 18].

### **2.2 Knowledge-Based View (KBV)**

The Knowledge-Based View (KBV) emphasizes the role of expertise as a strategic resource in a firm's competitive advantage and growth [19]. The KBV posits that firms with unique and valuable insight are more likely to achieve sustainable competitive advantage and advancement [20]. The main tenets of the KBV are expertise heterogeneity—the firms possess different insights and competencies

that are unique to each firm [19]; knowledge immobility—that expertise is difficult to transfer or imitate, making it a source of sustainable competitive advantage [20]; and knowledge integration—that the integration of good judgement and competencies within a firm is critical for the creation of new know-how and innovation [19].

Many researchers have used the KBV in the context of SMEs advancement to explain the importance of knowledge management in driving advancement and competitiveness [21, 22]. SMEs with unique and valuable insight, such as technical expertise, market knowledge, and organizational know-how, are more likely to achieve growth and competitiveness [22]. The KBV has also been used to examine the role of knowledge sharing and transfer in SMEs growth, highlighting the importance of collaboration and networking in accessing new skills and resources [23, 24].

### **2.3 Upper Echelon Theory (UET)**

The Upper Echelon Theory (UET) is a management theory that postulates that the idiosyncratic characteristics of a firm's top-level managers play a key role in explaining and predicting organizational outcomes [24]. The UET suggests that top managers' demographic factors, such as age, gender, and experience, influence their cognitive biases, values, and perceptions, affecting their strategic decisions and firm performance [25]. This theory suggests that leaders' cognitive bases and values play a crucial role in interpreting situations and subsequent decision-making processes.

The UET has been applied to SMEs growth, highlighting the importance of top managers' characteristics in driving growth and competitiveness [26, 27]. SMEs with top managers with relevant experience, skills, and expertise are more likely to achieve advancement and competitiveness [26]. The UET has also been used to examine the role of top managers' demographic characteristics in shaping SMEs' innovation and entrepreneurship [28, 27]. The main principles of UET are that organizations are reflections of their top managers and that these managers' experiences, values, and personalities influence their interpretations of business situations and their strategic choices. The theory emphasizes the importance of studying top management teams (TMTs) as a unit rather than focusing solely on individual leaders, as the collective characteristics and dynamics of the TMT significantly impact organizational outcomes. This theory provides a valuable lens for understanding how SMEs leaders' characteristics, experiences, and cognitive frames influence firms' development trajectories. By recognizing the central role of top executives in shaping organizational outcomes, UET offers insights into how targeted leadership development, strategic team composition, and awareness of cognitive biases can enhance SMEs' advancement potential.

### **2.4 SMEs Growth**

Small and medium-sized enterprises (SMEs) are key drivers of economic development, innovation, and job creation worldwide. While definitions of SMEs vary by country and organization, they are generally categorized based on the number of employees, annual revenue, or balance sheet total. The European Union, for example, defines SMEs as enterprises with fewer than 250 employees and a yearly turnover of less than €50 million [2]. The World Bank uses a broader classification, identifying SMEs as businesses with up to 300 employees and an annual turnover not exceeding \$50

million [3]. SMEs are diverse and can be classified into three main types: microenterprises, small enterprises, and medium-sized enterprises. Microenterprises typically have fewer than 10 employees; small enterprises employ between 10 and 50, while medium-sized enterprises employ up to 250 [29]. SMEs exhibit several defining characteristics: flexibility, strong customer focus, innovation, and resilience. They tend to operate in niche markets, are more agile in decision-making, and can quickly adapt to changing market conditions. However, they often face challenges such as limited access to finance, inadequate infrastructure, and regulatory barriers [29].

### **3. Research Design**

This study employed a systematic literature review methodology to investigate the strategic synergy of SMEs growth, focusing on the integration of the resource-based view (RBV), knowledge-based view (KBV), and upper echelon theory (UET). The review process involved a structured search of academic databases, the application of inclusion and exclusion criteria, and data extraction using a standardized form. The extracted data was analyzed through thematic analysis, and the quality of the included studies was assessed using the Joanna Briggs Institute (JBI) Critical Appraisal Tools. This systematic review approach aimed to provide a comprehensive and evidence-based understanding of the complex interplay between resources, expertise, and leadership in driving SMEs growth, contributing to theoretical advancement, and offering practical insights for SMEs' stakeholders.

#### **3.1 Data Sources and Search Strategy**

A systematic literature review was conducted to identify relevant studies on the strategic synergy of SMEs' growth, focusing on the resource-based, knowledge-based, and upper-echelon theories. The search strategy involved a comprehensive search of various academic databases, including Scopus, Web of Science, EBSCO, ProQuest, and Google Scholar. Keywords used for the search included SMEs' growth, resource-based view, knowledge-based view, upper echelon theory, small and medium-sized enterprises, strategic synergy, competitive advantage, firm growth, and entrepreneurship.

#### **3.2 Inclusion and Exclusion Criteria**

The inclusion criteria for selecting studies were peer-reviewed articles published in English, studies focused on SMEs growth studies that applied the resource-based view, knowledge-based view, and/or upper echelon theory, and studies published between 2020 and 2024. The exclusion criteria include studies not focused on SMEs growth, studies that did not apply the resource-based view, knowledge-based view, and/or upper-echelon theory, publications in languages other than English, and studies published before 2020. By using these inclusion and exclusion criteria, the study aimed to identify relevant and recent studies that provide insights into the strategic synergy of SMEs growth, focusing on the resource-based view, knowledge-based view, and upper-echelon theory.

#### **3.3 Data Extraction**

Data extraction was conducted using a standard data extraction form to ensure consistency and

accuracy. The form included study characteristics (author, year, study design, sample size, location, findings, conclusions, and gaps), theoretical framework (resource-based view, knowledge-based view, and upper echelon theory), and findings related to SMEs growth. The extracted data was coded and categorized using thematic analysis. The coding process involved identifying patterns and themes in the data, which were then classified into sub-themes and main themes. The main themes were related to the strategic synergy of SMEs growth, including the role of resources, expertise, and leadership. The findings from the included studies were synthesized using a narrative approach. The narrative synthesis entailed summarizing and interpreting the findings of each study, followed by integrating them to offer a comprehensive understanding of the strategic synergy driving SMEs growth [30].

### **3.4 Quality Assessment**

The quality of the included studies was assessed using the Joanna Briggs Institute (JBI) Critical Appraisal Tools. For quantitative and qualitative studies, the JBI Critical Appraisal Tool for Randomized Controlled Trials (RCTs) was used to evaluate the methodological quality of the studies [31]. With regard to quantitative studies, the tool assesses the quality of RCTs based on nine criteria, including randomization, blinding, and selective reporting. For qualitative studies, the JBI Critical Appraisal Tool for Qualitative Research was used to evaluate the study's methodological quality [31]. It assessed the quality of qualitative studies based on 10 criteria, including congruity between the research methodology and the research question, data saturation, and data analysis. These tools comprehensively evaluate the study's methodological quality, which is essential for synthesizing the findings and drawing conclusions.

Out of the 60 research works/articles collected, 20 studies met the inclusion criteria and were included in the review. The quality assessment revealed that 12 studies (60% of the included studies) were of high quality, six studies (30% of the included studies) were of moderate quality, and two studies (10% of the included studies) were of low quality.

## **4. Results and Discussion**

This section presents the findings of the systematic review of 20 selected studies. It revealed several key insights into the strategic synergy of SMEs growth as viewed through the lenses of the resource-based view (RBV), knowledge-based view (KBV), and upper echelon theory (UET). The findings highlight the complex interplay of resources, knowledge, and leadership capabilities that drive SMEs growth. Results are presented in a manner that makes the reader understand easily. The discussion is made in several sub-sections.

### **4.1 Resource-Based View (RBV)**

According to the resource-based view, SMEs progress is driven by the possession of valuable, rare, inimitable, and non-substitutable resources [32]. It was found that key resources driving SMEs' advancement include access to finance. Thus, having access to external financing can positively impact SMEs development [33]. The ability to secure external funding and manage financial resources effectively contributes significantly to SME's expansion and sustainability [34].

Also, it was found that management experience is a crucial resource for SMEs growth, enabling owners to make informed decisions and navigate challenges [35]. Again, maintaining accurate and up-to-date records is essential for SMEs performance, as it allows owners to track performance and make data-driven decisions [33]. The findings suggest that human capital (employee know-how, skills, and experience) is crucial for SMEs success. Likewise, the research identified that building strong networks and social connections is important for SMEs advancement. Studies highlight the positive impact of networking capability on SMEs performance and innovation [36]. Similarly, the analysis shows that adoption and effective use of technology, including business intelligence systems, drive SMEs performance and innovation outcomes [32]. According to Sualeh et al. [37], older and larger SMEs tend to have more resources and capabilities, which can drive advancement.

#### *4.1.1 Case studies and examples*

A study by Traboulsy [35] found that resource acquisition positively impacts SMEs' sustainable competitive performance in Lebanon. Another study by Manzoor et al. [38] examined the relationships between SMEs and economic progress in Pakistan, highlighting the importance of SMEs output, human development index, and credit to the SMEs' sector as key drivers of economic development.

A study by Asiedu [39] in the Cape Coast Metropolis of Ghana found that managers' personal values and market knowledge significantly influenced small enterprises' success. This highlights the importance of human capital and market-specific knowledge as key resources for SMEs advancement. Research by Anane et al. [40] in Kumasi Metropolis, Ghana, also demonstrated that organizational agility strategies effectively enhanced organizational learning ability among SMEs. This case illustrates how adaptive capabilities and organizational learning can be crucial resources for SMEs success. An investigation uncovered by Nguyen et al. [41] across multiple SMEs found that networking capability was a significant determinant of ambidexterity in SMEs, contributing to innovation and progress.

These findings suggest that a combination of tangible (e.g., financial resources) and intangible (e.g., human capital, social networks, organizational learning) resources are crucial for driving SMEs performance. The RBV perspective highlights the importance of developing and leveraging these unique resources to achieve sustainable competitive advantage and growth.

## **4.2 Knowledge-Based View (KBV)**

According to the knowledge-based view, SMEs growth is driven by the possession and application of skills and innovations [42]. Knowledge acquisition and organizational learning play a crucial role in SMEs progress. Learning and adapting to changing market conditions is essential for sustained performance [40]. The ability to innovate and create new products, services, or processes contributes significantly to competitive advantage [32]. Understanding market dynamics, customer needs, and industry trends is critical for SME's development. This capability enables firms to anticipate customer value and adapt their strategies accordingly [32]. Acquiring, assimilating, and applying technological know-how is increasingly important for SMEs' growth, particularly in the digital transformation [41]. The crucial factors for SMEs success are the knowledge and experience

of entrepreneurs and managers in their ability to identify and exploit opportunities [43]. Also, innovative ability is critical for SMEs growth, enabling firms to develop new products, services, and processes that meet changing customer needs [45]. Anjaningrum et al. [32] found that acquiring new skills is essential for SMEs development, as it enables firms to improve their operations and respond to market changes. Also, the ability of SMEs to learn and adapt quickly to changing market conditions makes them more likely to experience growth [42].

#### *4.2.1 Case studies and examples*

A study by Ayodele [44] found that innovative ability is crucial for the survival and progress of small businesses in Nigeria. Another study by Anjaningrum et al. [32] examined the complex relationships between business intelligence, organizational and network learning, and firm performance in SMEs, highlighting the importance of knowledge acquisition and learning in driving SMEs' performance. The research found that organizational learning significantly impacts SMEs' performance, highlighting the importance of knowledge acquisition and application in driving growth. Additionally, Dorcas et al. [43] research in Ghana's waste recycling sector demonstrated that entrepreneurs' experience, education, self-efficacy, and locus of control were key factors driving innovation performance in SMEs. This case illustrates how entrepreneurial know-how and characteristics contribute to innovation and growth in SMEs. Also, a study by Nguyen et al. [41] across multiple SMEs identified knowledge management capability as a significant determinant of ambidexterity in SMEs. This research underscores the importance of effectively managing knowledge resources to balance exploration and exploitation activities, which is crucial for long-term development and innovation.

This section shows that the KBV perspective emphasizes the importance of acquiring, managing, and leveraging knowledge resources to foster innovation, improve performance, and achieve sustainable growth. SMEs can overcome resource constraints and gain competitive advantage by developing strong knowledge management capabilities and fostering a culture of innovation.

### **4.3 Upper Echelon Theory (UET)**

According to the upper-echelon theory, the characteristics and actions of top management teams (TMTs) significantly impact SMEs success [45]. The characteristics of CEOs and top management teams significantly influence corporate risk-taking behaviour in SMEs, which in turn affects growth and performance [46]. According to Traboulsy [35], TMTs with more experience tend to make better decisions, which leads to SMEs growth. From the view of Hassan et al. [45], transformational and transactional leadership styles positively impact SME's development as they foster innovation and improve firm performance. Saeed et al. [47] found that CEO characteristics play a crucial role in the internationalization of SMEs, impacting their ability to expand into foreign markets and grow globally. Similarly, Nguyen et al. [48] hold the view that the personal traits and characteristics of founders, co-founders, and shareholders significantly influence the innovation performance of SMEs. Again, TMTs with diverse capabilities and skills bring innovative ideas and solutions to the firm, driving SMEs performance [32].



### 4.3.1 Case studies and examples

A study by Hassan et al. [45] found that transformational and transactional leadership styles are positively associated with hospital performance in Malaysia. Another study by Traboulsy [35] examined the role of resource acquisition in achieving sustainable competitive performance for SMEs in Lebanon, highlighting the importance of TMTs in driving SMEs growth. A study by Muhammad and Ameer [46] on UK SMEs found that younger and politically connected CEOs tend to take more risks, while older CEOs are more risk-averse. The research also revealed an inverted U-shaped relationship between CEO tenure and risk-taking. This case demonstrates how CEO characteristics directly influence strategic decisions that impact SMEs success.

Zhang et al. [49] examined over 20,000 Central and Eastern European SMEs, finding a complex relationship between management experience and firm growth. The study revealed a U-shaped curvilinear relationship between employment and sales growth, moderated by institutional quality. This case highlights how the characteristics and experience of top management teams have varying effects on SMEs growth depending on the institutional context. Research by Saleh et al. [50] on 411 SMEs in Lebanon demonstrated that entrepreneurial orientation, influenced by top management, positively impacts new venture performance both directly and indirectly through opportunity exploitation. Furthermore, transformational leadership enhanced entrepreneurial orientation's direct and indirect effects on performance.

These findings illustrate the significant influence of top management teams on SME growth, as posited by the Upper Echelon Theory. The characteristics, experiences, and decision-making styles of CEOs and top managers play crucial roles in shaping strategic choices, risk-taking behaviour, innovation performance, and overall development trajectories of SMEs. For SMEs, these insights suggest that careful consideration should be given to the composition and development of top management teams to drive performance. Factors such as diverse experience, education, risk propensity, and leadership style should be considered when forming and developing these teams to maximize their positive impact on SMEs growth and performance.

## 4.4 Discussion

The findings of this systematic literature review provide a comprehensive understanding of SMEs progress, integrating the resource-based view (RBV), knowledge-based view (KBV), and upper echelon theory (UET). The study's results highlight the significance of unique resources, knowledge, and leadership in driving SMEs growth [36, 46, 47]. Compared to using only one theory, the combination of RBV, KBV, and UET offers a more thorough understanding of SMEs' development. This supports the argument made by Agyapong et al. [6] for a more comprehensive method of researching the growth of SMEs.

The findings suggest that a complex interplay of resources, knowledge, and leadership capabilities drives SMEs progressions. The RBV perspective highlights the importance of unique and valuable resources in driving SMEs growth [32]. Key resources identified include access to finance, management experience, and human capital [40]. This supports the RBV's core tenet that firms with valuable, rare, inimitable, and non-substitutable resources are more likely to achieve sustainable

competitive advantage and development.

The KBV findings emphasize the crucial role of knowledge acquisition, management, and application in SMEs growth [42]. The ability to innovate and adapt to changing market conditions is key to SMEs success [44]. This underscores the KBV's assertion that knowledge is a critical strategic resource for firms.

The UET perspective reveals the significant impact of top management teams' characteristics and actions on SMEs development [45]. Leadership style, risk-taking behaviour, and entrepreneurs' personal traits influence SMEs performance and innovation [43, 46]. This supports the UET's central premise that top executives' experiences and cognitions significantly influence organizational outcomes.

The integration of these theories suggests a synergistic relationship between resources, knowledge, and leadership in driving SMEs advancement. This is evidenced by the "Resource-Knowledge-Leadership Nexus" [32, 47], which posits that SMEs growth is optimized when unique resources are combined with relevant skills orchestrated by capable leadership.

Theoretically, this study contributes to the academic understanding of SMEs growth by integrating three prominent theoretical perspectives: RBV, KBV, and UET. This holistic approach addresses the limitation of siloed theoretical applications noted by Agyapong et al. [6] and provides a more comprehensive framework for understanding the complex factors driving SME development.

Practically, the findings of this study have substantial implications for SME owners, managers, and entrepreneurs. By synthesizing insights from RBV, KBV, and UET, the research provides a comprehensive understanding of the strategic drivers of SMEs growth. SMEs should develop a strategy for allocating resources effectively, including investing in knowledge and innovation [32, 43]. Additionally, SMEs should foster innovation, encourage experimentation and learning, and invest in developing top management teams with the necessary experience, leadership style, and knowledge to drive growth [42, 44]. The concept of dynamic capabilities and ambidexterity in SMEs [36, 50] suggests that firms should develop the ability to balance exploiting existing resources and knowledge with exploring new opportunities. The aforementioned calls for strategic adaptation and flexibility in response to shifting market dynamics. For policymakers, the findings highlight the need for holistic support programs that simultaneously address multiple aspects of SMEs development. This could include initiatives to improve access to finance, provide management and technical training, support innovation and R&D activities, and create networking platforms for SMEs.

The study provides a comprehensive model of SME growth, highlighting the importance of effective allocation of resources, possession and application of knowledge and innovation, and the characteristics and actions of top management teams. The study's results serve as a benchmark for evaluating existing SMEs support programs and identifying areas for improvement or realignment, contributing to the broader goal of fostering sustainable economic development for SMEs through strategic SMEs development.

The findings of this study support the existing literature on the importance of resources, knowledge, and leadership in driving SMEs growth [6]. However, this study extends the existing

literature by highlighting the synergistic combination of these factors and their contribution to SMEs growth. The study also supports the literature on the importance of dynamic capability development in SMEs [3]. It supports the existing literature on the critical role of resources in SMEs growth. For instance, the findings align with Sualeh et al.'s [37] assertion that access to finance is crucial for SMEs growth in developing economies. The review corroborates with existing literature on the importance of knowledge management and innovation in driving SMEs growth. This is in line with Ayodele's [44] findings on the crucial role of innovative ability in the survival and advancement of small businesses.

Additionally, the study supports the existing literature on the significant influence of top management teams on SMEs performance and growth. This aligns with Hassan et al. [45] on the positive impact of transformational and transactional leadership styles on firm performance. Contradictory findings were observed in the existing literature regarding the role of exploitation and exploration in SMEs growth. The study suggests that the drivers of SMEs progress are not static but dynamic, requiring continuous adaptation. This challenges some existing literature that may present more static models of SMEs growth. While some studies emphasize the importance of exploiting existing resources and knowledge [36, 50], others highlight the need for SMEs to balance exploitation with exploration of new opportunities [36]. This study supports the latter perspective, emphasizing the need for SMEs to balance exploitation with an exploration of new opportunities guided by strategic leadership.

This study contributes to existing knowledge by integrating three prominent theoretical perspectives to provide a more comprehensive framework for understanding the complex factors driving SMEs progression to success. The study also highlights the synergistic combination of resources, knowledge, and leadership in driving SMEs growth, addressing the lack of research on strategic synergies noted by Waseel et al. [51]. The findings of this study support the existing literature on the importance of resources, knowledge, and leadership in driving SMEs growth, while also emphasizing the need for SMEs to balance exploitation with the exploration of new opportunities guided by strategic leadership.

## 5. Conclusions

The integration of resource-based view (RBV), knowledge-based view (KBV), and upper echelon theory (UET) findings provides a comprehensive understanding of SMEs growth. By combining the insights from these three theoretical perspectives, a more complete picture of SMEs growth emerges. The RBV emphasizes the importance of unique resources, while the KBV focuses on knowledge as a critical resource. Integrating these views suggests that SMEs should acquire resources and develop the skills to utilize and transform these resources for competitive advantage effectively. It was established that UET highlights the role of top management in strategic decision-making. Combined with RBV and KBV, it suggests that effective leaders can better identify, acquire, and deploy key skills and resources for SMEs growth. The integration of RBV and KBV, guided by UET, can lead to enhanced innovation performance. SMEs can, therefore, leverage their unique skills

and resources base, directed by visionary leadership, to drive innovation and growth.

The integration of RBV, KBV, and UET reveals synergies between these theoretical perspectives. This is to say that possessing valuable resources (RBV) can enable firms to acquire and apply knowledge and innovation (KBV), which can drive SMEs growth. Similarly, the characteristics and actions of top management teams (UET) can influence the allocation of resources and the development of knowledge and innovation. The synergy between RBV, KBV, and UET suggests that SMEs growth is optimized when unique resources are combined with relevant skills orchestrated by capable leadership. This is what can be termed as the Resource-Knowledge-Leadership Nexus. Also, the integration of these theories points to the importance of developing dynamic capabilities — the ability to reconfigure skills and resources in response to changing environments, driven by insightful leadership. This is known as dynamic capability development in SMEs.

Additionally, the combined perspectives highlight the need for SMEs to balance exploiting existing resources and insight with exploring new opportunities guided by strategic leadership. This is considered ambidexterity in SMEs. SMEs should, therefore, develop a strategy for allocating resources effectively, including investing in knowledge and innovation, and they should foster a culture of innovation, encouraging experimentation and learning. Again, they should invest in developing top management teams with the necessary experience, leadership style, and knowledge to drive growth.

The study's key findings highlight the significance of integrating the resource-based view, knowledge-based view, and upper echelon theory in understanding SMEs growth. Access to finance, innovation, and top management teams with the necessary experience, leadership style, and insight are crucial for SMEs success. SMEs should develop a strategy for allocating resources effectively, investing in knowledge and innovation, and fostering a culture of innovation. Policymakers should implement holistic support programmes that simultaneously address multiple aspects of SMEs growth, including improving access to finance, providing management and technical assistance, and promoting innovation and entrepreneurship.

An implication of the study is that integrating resource-based, knowledge-based, and leadership theories can enhance SMEs development strategies. This integration suggests that SMEs can optimize their growth potential by balancing the effective allocation of unique resources (financial, human, and social capital) with acquiring and applying knowledge. Furthermore, leadership plays a pivotal role in guiding these processes. Therefore, SMEs stakeholders, including owners and policymakers, should develop strategies that emphasize dynamic capabilities, innovation, and leadership development to foster sustainable growth.

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