

**Research  
Paper**

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**Moderating Effect of Government Policy on  
Entrepreneurship and Growth Performance of  
Small-Medium Enterprises in Cambodia****<sup>a</sup>Mohd Noor Mohd Shariff<sup>\*</sup>, <sup>b</sup>Chea Peou and <sup>c</sup>Juhary  
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**Abstract:** The role of Small-Medium Enterprises has been recognized to be importance as an engine of growth and poverty alleviation through the creation of jobs and income for the people. The aims of this study are to examine the moderating effect of government policy on the relationship between entrepreneurial values, firm financing, management, market practices and growth performance of SMEs in Cambodia. The survey method was used to gather 220 usable questionnaires from SME owner-managers in the City of Phnom Penh in Cambodia. Hierarchical multiple regression analysis was performed to determine the results. The results of the study showed a positive relationship between entrepreneurial values, firm financing, management, market practices and SME growth performance as hypothesized. The results also confirm that government policy have an important role as full moderator in such relationships. In addition, implications to growth theory and practice, limitations, and suggestions for future research were also discussed.

**Keywords:** SME Growth Performance, entrepreneurial values, firm financing, firm management, market practices and government policy

**INTRODUCTION**

Small and Medium Enterprise (SME) sector development is one of the recent key issues in developing countries (Davidsson, 2004; Gibb and Ritchie, 1982). As a developing country, the development of SME sector in Cambodia is important. The assistance of SME as a support industry helps to strengthen the large

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