ABSTRACT

BAYLOSIS, G.M., *"Determinants of Financial Performance of Retail Micro Enterprises in Cavite".* Master in Business Administration, De La Salle University-Dasmariñas, Cavite. May 2016. Adviser: Dr. Epifania D. Anfone.

The paper analyzed the financial performance of retail micro enterprises in Cavite using measures such as average daily sale, annual sales, gross profit margin, gross profit, total assets, asset turnover ratio, expenses, total expenses, net profit before tax, non-operating expenses, net profit after tax, net profit margin after tax, return on asset before tax and return on asset after tax. The study comprised the profile of retail micro enterprises in Cavite in terms of individual, organization, process and environment dimensions and income classification of cities and municipalities where the business is located and determined the differences among the groups.

Using multiple linear regression determined if there is a causal relationship between the gender, position in the company, age, age at the start of the business, years of experience in running the business, educational attainment, engagement in previous business, previous work experience, current employment status, hours spent in running the business, view of business, civil status, household size, household income, economic role in the family, number of dependents, number of siblings, position among siblings, family members/relatives engagement to business, motivations to start business, business

type, age of the firm, form of business ownership, initial capitalization, manner of establishment, primary source of capitalization, town and income classification of cities and municipalities where the business is located to the net profit margin, asset turnover ratio and return on asset.

The firm's financial performance is significantly different between gender, position, age at the starts of business, years of experience in running the business, current status, hours spent in running the business, view of business, civil status, combined family income economic role in the family, number of dependents, motivations to start a business, type of business, years of operation, type of ownership, initial capitalization, source of capitalization, town and income classification of location where the business is located. Years of experience in running the business, type of business, age, number of dependents, initial capitalization, educational attainment, years of operation, current status, hours spent in running the business, number of family members, number of siblings, engagement in previous business are found to have caused the variations in net income margin, asset turnover and ROA.

The study used strategic profit model to group the variables according to the financial performance in asset management, profit management and return on asset. The said groups are the backbone of the 3 typologies of micro entrepreneurs in Cavite that resulted from this study. The typologies are high performers in asset management, high performers in profit management and high performers in Return on Asset.