

Abstract

This bachelor thesis is focused on an analysis of the impact of the SME size on its performance. Return on assets and cash flow from operations used as the performance measures. Some other additional factors are included in the models such as firm age and liquidity to provide a closer look at the determinants of the firm performance. Although there have been many studies examining the factors influencing the firm performance, these studies were analysing this problem in general. Thus, our research is focused on the private small and medium-sized enterprises in the Czech Republic in years 2010 – 2016. Empirical methods using the panel data were applied to test the hypotheses. The results show that there is a significant and a positive relationship between the firm size and its performance. This relationship does not change with the different measures of the firm performance nor the different measures of the firm size.