



ISSN 2278 – 0211 (Online)

## The Influence of Entrepreneurship Ecosystem for Sustainable Growth on the Rural Small and Micro Retail Businesses: Case Study

**Robert Walter Dumisani Zondo**

Lecturer, Department of Business Management, Durban University of Technology (DUT),  
Faculty of Management Sciences, Durban, South Africa

### **Abstract:**

*This paper investigates the influence of entrepreneurship ecosystem for sustainable growth on the rural small and micro retail businesses in selected Outer West areas of the eThekweni Municipality in KwaZulu-Natal. It examines whether the internal and external entrepreneurship ecosystem factors influence rural small and micro retailers for sustainable growth. The entrepreneurship ecosystem is narrowly defined as the individuals, organisations or institutions outside the individual entrepreneur that are conducive to, or inhibitive of, the choice of a person to become an entrepreneur, and the probabilities of his or her success following the launch.*

*Sixty-four private rural small and micro retailers that were managing their businesses in the selected municipal wards of the Outer West region of the eThekweni Municipality participated in the study. It should be noted that almost 50 per cent of the Outer West region is covered by traditional authorities whilst the other 50 per cent is under the authority of local ward municipalities. The local ward councilors assisted in providing the sample frame of the rural small and micro retail businesses. The participants comprised small grocery shops, fruit and vegetable outlets, liquor shops, hardware shops, saloons and others. The paper recommends that the rural small and micro retailers should be skilled in both business and financial management for business' sustainable growth. The provincial government, local ward municipalities as well as the traditional leaders in the rural areas should provide the necessary entrepreneurship ecosystem support to small and micro businesses operating within their areas. This includes infrastructure. This paper provides valuable data relating to the significance of providing value-added government and private sector services to rural businesses for sustainable growth. It also provides initial baseline data upon which to base future studies.*

**Keywords:** *Entrepreneurship ecosystem, rural small and micro retail businesses, sustainable growth, Small Micro and Medium Enterprises*

### **1. Introduction**

South African entrepreneurs have a fundamental effect on the economy by establishing new and growing businesses that provide not only goods and services to customers, but also job opportunities for individuals in different industries (Nieman and Nieuwenhuizen, 2009:29). According to Fleming (2009), the creative economic projects appear appropriate for sustainable rural development. However, the benefits and challenges of conducting a creative economy in the rural environment are not well understood.

Siemens (2010) explains that the challenges and the resulting limits on business viability, profits and growth in the rural environment is often not perceived to be conducive to small business development. The rural businesses face a particular environment that is generally not experienced by urban enterprises. These challenges may limit effective and efficient business operations. Jyothi and Kamalanabhara (2010) emphasise that the sustainability of small businesses is a matter of serious concern. While the contributions of small businesses to development are generally acknowledged, entrepreneurs face many challenges that limit their long-term survival and development. Mahmood and Abdelnaser (2011) state that the small business sector is facing a number of challenges. These include limited knowledge, low production capacity, ineffective marketing and identification of new markets, constraints on modernization and expansions, non-availability of highly skilled labour at affordable cost as well as the lack of interaction with government agencies on various matters. As a consequence, Urban and Naidoo (2012) explain that, in South Africa (SA), up to 50 per cent of new businesses eventually fail. One of the reasons for such a high mortality rate is the entrepreneur's lack of managerial skills, which eventually impairs the new business. Moreover, such a high mortality rate indicates that there is a deficit of management skills. Okonga (2011) explains that the area of production and / or operations management has failed to attract quality human resources. Perks and Smith (2008) state that the Small, Micro and Medium Enterprises (SMMEs) do not have the full range of skills and expertise to operate their production and / or operations systems efficiently, with one-third of SMMEs recognizing that their

competitiveness has suffered as a result of skill shortages. Rogerson (2008:63) states that a number of studies show poor access to finance and a lack of credit as a challenge to SMME development. According to Underwood (2009), successful SMME start-ups require access to finance, whether as capital from the resources of the entrepreneur or from an external source.

The rural communities are often far from larger urban centres with their concentration of markets, suppliers and support organisations (Govender, 2012). In addition, these businesses may sometimes operate without standard business infrastructure such as banks, broadband internet and a fully developed transportation network, resulting in higher costs and time commitments than may be faced by urban enterprises. Rural businesses are often located in communities that are distant, as measured by mileage and travel time, from urban centres. This situation increases transportation costs and the time required to move goods and supplies in and out of these communities. Siemens (2010: 65) states that rural small business owners face particular challenges in the area of market size, labour availability, access to urban centres and infrastructure. As a result, this study investigates the influence of entrepreneurship ecosystem for sustainable growth of the rural small and micro retail businesses in selected Outer West areas of the eThekweni Municipality in KwaZulu-Natal. The following section presents the objectives of the study.

## 2. Objectives of the Study

- To examine the influence of skills training as a factor for rural small and micro retailers for sustainable growth.
- To establish if the external entrepreneurship ecosystem factors have an influence on the rural small and micro retailers for sustainable growth.

## 3. Literature Review

The theoretical foundation of this paper presents an overview on the concept of entrepreneurship ecosystem; the internal business environment impacting SMMEs' sustainable growth and the external business environment impacting SMMEs' sustainable growth.

### 3.1. *Entrepreneurship Ecosystem: Brief Overview*

Entrepreneurship is the dynamic process of creating incremental wealth (Kuratko, 2009). The wealth is created by individuals who take major risks in terms of equity, time and career commitment by providing value for products or services. The products or services may (or may not) be new or unique but the value must be infused by the entrepreneur through the application of necessary skills and resources. According to Mason and Brown (2013), the entrepreneurship ecosystem consist of a set of interconnected entrepreneurial actors (both potential and existing), entrepreneurial organisation (e.g., firms, venture capitalists, banks), institutions (universities, public sector agencies, financial bodies) and entrepreneurial processes (e.g., the business birth, the number of high-growth firms, the levels of blockbuster entrepreneurship, the number of serial entrepreneurs, the degree of sell-out mentality within firms and the levels of entrepreneurial ambition) which formally and informally coalesce to connect, mediate and govern the performance within the local entrepreneurial environment. However, Okonga (2011) defines entrepreneurship ecosystem as the individuals, organisations or institutions outside the individual entrepreneur that are conducive to, or inhibitive of, the choice of a person to become an entrepreneur, and the probabilities of his or her success following the launch. Farr (2012) adds that entrepreneurship ecosystems result in identifying areas and individuals that can make high-impact entrepreneurial change, and putting the correct systems and support structures in place to make them successful. According to Isenberg (2011), such an ecosystem consists of hundreds of elements that can be grouped into six general domains:

- Markets: this includes early customers and networks as well as multinational companies.
- Policy: this includes solid leadership practices and support from government structures in the form of institutions, regulatory framework incentives and venture-friendly legislation.
- Finance: this includes micro-loans, venture capital funding and investors.
- Culture: this includes visible successes, tolerance for risk and failure, and social status of entrepreneurs.
- Support: this broadly covers infrastructure, support professions such as legal and accounting, and Non-Governmental Organisations (NGOs) that support entrepreneurs.
- Human capital: this covers the labour and educational institutions.

Cassia and Minola (2011:181-182) add that there are various factors that influence the use and exploitation of the entrepreneurial orientation that are found to impact an organisation's performance and growth in particular. These include the strategy of the organization; the structure of the organization; the environment; the availability of resources (for example, finance capital); knowledge; and the acquisition of capital through networks and social capital.

### 3.2. *Internal Environment Impacting SMMEs' Sustainable Growth*

This section provides the internal environmental factors of entrepreneurship ecosystem and how they impact the SMMEs' sustainability.

Lekhanya 2010:34) presents some of the internal challenges faced by the SMME sector that are critical for their success. These include incompetence of management; continuous shortage of capital; marketing and personnel problems; management skills; financial control; cash flow; and costing and trade skills. Okonga (2011:1) on the study of how government and its stakeholders can support SMMEs to enhance their contribution to the national economy through employment creation and poverty reduction,

discovered that despite this kind of support by government and its stakeholders, SMMEs are facing a high rate of failure. Many of them lack relevant, adequate and current information, training in management skills, role models and mentorship. These factors are critical to their sustainability. Seeletse and Ladzani (2012) point out that, besides the fact that rural businesses are negatively affected due to many rural skilled and unskilled people immigrating to urban areas in search of opportunities and apart from poor infrastructure, poor management, management incompetence, lack of leadership, lack of managerial experience and lack of industry experience, management contribute to the high rate of failure of most rural SMMEs in SA. Lekhanya (2010:28-29) adds that most SMMEs generally have certain common challenges to deal with. These include:

- requiring help in diagnosing internal problems;
- requiring increases in productivity and general competitiveness;
- lacking access to appropriate technologies;
- access to better business management practices;
- requiring more access to market and appropriate marketing techniques;
- suffering from poor human development skills; and
- lacking the awareness of available resources.

In addition, Jones (2013) stresses that many SMMEs are prone to poor cash flow management for different reasons such as maturity of the entrepreneur, lack of financial training, lack of awareness, lack of a detailed feasibility study, and a lack of leadership qualities. Chittihaworn, Islam, Keawchana and Yusuf (2011) add that, although there are several important socio-economic characteristics pertaining to small businesses, these are not without the problems linked to the internal functions of small business, including management capabilities; financing; marketing; and people management. Lekhanya (2010:23) states that SMMEs are hampered by a general lack of financial resources that suppresses their ability to grow. Other than the common challenges that impact sustainability on SMMEs, Isenberg (2011) presents the technical skills, the overall management skills, education and overall business skills, leadership skills and the right attitude as key internal business factors.

### 3.2.1. Technical Skills

Mathibe and van Zyl (2011) describe technical and industry-specific competencies as often ignored in SMME settings. These skills are pivotal due to their direct effect on sustainability. Technical skills are requisite for start-up and business operations. They are often acquired through experimental learning. Urban and Naidoo (2012) explain that the individuals involved in executing operations management in the small business sector not only lack specific skills and are poorly trained but they are also by and large technologically illiterate. On the other hand, survival and growth of SMMEs are threatened by challenges that exist in the operations functional area. This was confirmed by Scarborough (2011) who explains that entrepreneurs are expected to have skills in operations function. Their lack of training in this field limits the entire business.

However, in order to determine the kind of knowledge of operations and skills that small businesses need, there is no better approach than the examination of the decisions that are typically made in a production operations environment (Urban and Naidoo, 2012). Strategic decisions are concerned with the long-term game plan and include:

- deciding whether to launch a new-product development project;
- deciding on the design for a production process for a new product;
- deciding on how to allocate raw materials, utilities, production capacity and other resources; and
- deciding what new ventures are needed and where to locate them.

The operating decisions normally pertain to issues that relate to the planning of production aimed at meeting customer's demands. The principal responsibility of operations is to take the orders for products and to deliver the finished product to the customer. Decisions are made in terms of:

- deciding how much finished goods inventory to carry for each product;
- deciding what products and how much of each to include in the following month's production schedule;
- deciding whether to increase production capacity for the following month through overtime and subcontract; and
- deciding the details for a raw materials purchase plan that supports the following month's production schedule.

Control decisions are concerned with a variety of day-to-day execution issues in operations, such as inferior quality and machine breakdowns. Control decisions include:

- deciding what to do about a department's failure to meet the planned baseline labour cost;
- developing labour cost standards for a revised product design that is about to enter production;
- deciding on what the new quality control and the acceptance criteria should be for a product that has had a change in design; and
- Deciding how often to perform preventative maintenance on a major piece of production machinery.

### 3.2.2. Overall Management Skills

It is important for small business managers to develop management skills in order to sustain their businesses. Jones (2013) agrees that the managerial skills are crucial to SMME survival. According to Isenberg (2011), it is important for small businesses to develop skills in all management functional areas, but also to ensure that the critical functional area of operations is not neglected. Operations

are at the centre of many organisations. Ndlovu (2012) adds that most South African small businesses lack financial management skills, as well as the ability to read the market. This challenge contributes to the failure of most small businesses in SA. Okonga (2011:1) states that many SMMEs are run by managers who lack management information, skills and experience. Friedrich and Isaacs (2010) explain that some of the challenges to the growth of SMMEs include the lack of experience on the part of business managers and their unfamiliarity with the industry, as well as in the lack of business skills. Ladzani and Netswara (2009) state that up to 50 per cent of new businesses eventually fail in SA. One of the reasons for such a high mortality rate is the entrepreneur's lack of managerial skills. Such a high mortality rate indicates that there is a deficit of management skills in areas of operation. Urban and Naidoo (2012:147) explain that the area of production and operations management has failed to attract quality human resources. In addition, Ndlovu (2012) states that, SMMEs do not have a full range of skills and expertise to operate their production and operation systems efficiently.

### 3.2.3. Training and the Overall Business Skills

It is important for entrepreneurs to have appropriate skills training. Urban and Naidoo (2012) emphasise that the SA Government acknowledge skills and competencies as crucial factors for driving SMME growth. Karotka (2009) describe that low levels of education and training, as well as poor business skills are contributing factors towards the lack of capacity and poor business efficiencies among SMMEs.

### 3.2.4. Leadership Skills

Leadership is the process of influencing and inspiring others to achieve a common goal (Scarborough, 2011). Without the leadership skills, entrepreneurs and their businesses will not rise above mediocrity. Leaders of small businesses must collect relevant information and quickly make appropriate decisions. Similarly, they must give employees the resources and freedom to deal with problems and exploit opportunities as they arise. Kansikas, Laakkonen, Sarpo and Kontinen (2011:142) state that leadership skill is one of the challenges that the SMMEs lack.

### 3.2.5. Right Attitude

One of the defining characteristics that distinguishes success and failure is passion (Young and Dhanda, 2013). Entrepreneurs who are passionate want to be the best at what they do. They show passion for their products and services, their customers as well as their staff. Having the right attitude is important for the success of the small business entrepreneur.

### *3.3. External Environment Impacting SMME Sustainable Growth*

SMMEs tend to depend on external support to carry out their business initiatives. Lekhanya (2010:24) explains that externally, the SMMEs' nature of small size means that they do not have any control over their environment. The one example of this shortcoming is the vulnerability to adverse environmental change and competitive threats. Okonga (2011:3-4) state that the limited access to information is one of the major problems that SMMEs are facing. Other problems faced by SMMEs include unfavourable business policy environment; unfavourable taxation regime; inhibitive legal and regulatory environments; limited access to markets and limited access to financial services; inadequate access to skills and technology; inadequate business skills; limited access to infrastructure; limited linkages with large enterprises; gender inequality and entry barriers (whether formal and/or informal); and health and safety in workplaces.

Although there are several important socio-economic characteristics pertaining to small business, they are not without problems linked to the external functions of small business (Lekhanya, 2010). These include the current economic climate; political and legislative environment; the high start-up and maintenance costs; and discriminatory practices against small businesses.

The Department of Trade and Industry (DTI) (1996) adds that the economic environment; deregulation and the political environment; demographic changes; interest rate; access to finance; and the lack of funding agencies are amongst the external challenges faced by the SMME sector. Chittitaworn, Islam, Keawchana and Yusuf (2011:185) explain that external environment plays a crucial role in business success. The social network, government support and legality are an important strategic dimension in the external environment for business success. It is widely recognised that the external environment plays a key role in SMME growth (Hashi and Krasniqi, 2011). Jones (2013) states that, not only the lack of finance that hinders SMMEs but also the lack of skills is equally disabling the small business sector's sustainable growth. However, Lekhanya (2010:5) adds that the analyses of the major external challenges on the expansion of rural SMMEs is the lack of access to finance and markets. The tight competition faced by both the formal and urban informal sectors in selling products and rendering services restrict the rural SMME sector to narrow markets. This lack of market access that exists across virtually all cases as a central constraint requires targeted policy intervention. The lack of access is also constrained by inadequate infrastructure in the most remote areas. Nieman and Nieuwenhuizen (2009:12-13) concur that, before there can be any advanced economic activity, the infrastructure such as the roads, electricity, water and telecommunication network should exist. Simpson, Padmore and Newman (2011:267) explain that the business environment of SMMEs is extremely difficult, dynamic and diverse. Even within the same industry, different SMMEs experience different trading conditions.

On the other hand, Jyothi and Kamalanabhara (2010) insist that the lack of investment, or start-up capital and difficulty in accessing investment capital has been identified by SMME owners in SA as a major challenge to the survival and growth of their businesses. Even though the owners may raise most or all of the initial capital on their own, this kind of capital would generally be limited and the growth-oriented small businesses wishing to expand would need external sources of finance such as banks and venture capital (Hashi

and Krasniqi, 2011). External finance is usually not available to most small businesses for a number of reasons. Some of these reasons are described below.

- The market for loans is imperfect and restricted in scope, even in developed economies, in that it fails to address the financing needs of small businesses.
- Small firms are likely to be subject to credit rationing because of the information asymmetry in the capital markets. As a result, banks are more likely to meet the credit needs of bigger businesses whose ability to provide a track record and collateral is greater than smaller firms.
- Small firms are less able to provide the required collateral, and less likely to access finance.

#### **4. Methodology**

The method of this research will be discussed under the following headings, namely: the target population, sample and the procedure, the brief description of the Outer West region of the eThekweni Municipality where the study was carried out, measurements and analysis, the data collection method, findings and the implications of results.

##### *4.1. Target Population*

The target population for this study comprised 67 rural small and micro retailers that were managing their businesses in the selected municipal wards of the Outer West region of the eThekweni Municipality. However, only 64 rural small and micro retailers participated in the study.

##### *4.2. Sample and the Procedure*

The local ward councilors of the Outer West region of the eThekweni Municipality assisted in providing the sample frame of the rural small and micro retail businesses. The respondents were conveniently selected based on the size of their business, as well as the access to both facsimile and electronic mails. However, SMEs that had no mail facilities, had to be accessed by travelling by road. This study focused on the rural small and micro retail businesses with a maximum of up to 50 full time employees (Antonites, de Beer, Cant and Jacobs, 2008:4-5). Recruitment of respondents was undertaken with the aim of ensuring a representative spread of SMEs from the different local Municipality wards. A non-probability cluster sampling method was preferred because of the nature of the study. In this case, the researcher had to divide the Outer West region of the eThekweni Municipality into separate smaller groups. As a result, there were 23 respondents from KwaNyuswa area; 11 from KwaNgcolosi area; 17 from KwaNqetho area and 13 from Embo area. Of the 64 rural small and micro retail businesses that participated in the study, 19 were small grocery shops, 7 fruit and vegetable outlets, 14 liquor shops, 7 hardware shops, 15 saloons and 2 classified as others.

##### *4.3. Brief description of the Study Area*

The Outer West region of the eThekweni Municipality (within which the local rural areas were selected for this study) is approximately 78 438ha, representing 34 per cent of the municipal area (eThekweni Municipality Outer West Review Report, 2011). It accommodates 577 500 people (Statistics SA, 2015). Almost 50 per cent of the Outer West region is covered by traditional authorities whilst the other 50 per cent is under the authority of local ward municipalities.

##### *4.4. Measurements and Analysis*

Descriptive statistics was used to analyse data. It organized and summarised quantitative data (Stephens, 2004). This analysis was employed so that data could be described through the distribution of scores on each variable (Willemsse, 2009). In line with research framework, the study measured variables that are related to skills training as internal entrepreneurship ecosystem business factors. These include three variables related to the type of training received by SME owners and five on the influence of skills training for business sustainable growth. However, it has 13 variables related to external business environment.

The respondents had to affirm or not affirm with the statements using 'yes', 'no' or 'unsure' on the variables relating to the type of skills training; employed a Likert scale ranging from 1 (strongly agree) to 5 (strongly disagree) on variables relating to both the influence of skills training as well as to external entrepreneurship ecosystem that support small and micro retailers for sustainable growth; and 1 (very important) to 5 (not very important) on variables relating to infrastructure within the business' external environment.

The software SPSS (16 Ed) was used to do the data analysis. Descriptive statistics was used to analyse study variables.

##### *4.5. Data Collection Method*

Data were collected from 64 rural small and micro retailers by mailing and hand delivering the questionnaires. The mailing was possible through electronic mail and facsimile. The completed questionnaires were sent back to the researcher via electronic mail, others were physically collected whilst the rest were retrieved through fax facility. Sixty-four questionnaires were returned, representing a 95.5 percentage response rate, considered high compared with the norm for survey responses (Baruch and Holtom, 2008). The main reason for this high response rate was due to the invitation letter sent to all the retail SME owners and consistently following up on the questionnaire through making telephone calls. Sekaran (2010) concurs that a minimum sample size larger than 30 and less than 500 is appropriate to achieve a 95 per cent confidence level.

## 5. Findings

### 5.1. Skills Training as Internal Variable Influencing Rural Small and Micro Retailers for Sustainable Growth

- The type of skills training received by SME owner for business sustainable growth

The type of skills training received by SME owner	Percentage response affirming that the type of training was received for business sustainable growth
Business Management	35.9
Financial Management	23.4
Marketing Management	1.6

Table 1: Type of skills training received by SME owner for business sustainable growth

The majority of the retail owners, at 35.9 per cent, affirmed that they had received skills training in business management. Some of the business owners (at 23.4 per cent) had received financial management training whilst the minority at 1.6 per cent had received marketing management training.

- Skills training as a variable that influence business sustainable growth:

Skills training for business sustainable growth	Percentage response accepting skills training as a variable that influences business sustainable growth
The type of skills training received by SME owner sustains business growth	67.2
There is a need for such skills training by the SME owner aimed at sustaining business growth	71.9
The business can sustain itself without the SME owner receiving skills training	29.7
The business has sufficient skilled labour for sustainable growth	71.9
Employees' skills training help sustain business growth	48.5

Table 2: Skills training as a variable that influence business sustainable growth

The retail owners strongly believe in skills training as an internal variable that influences business sustainable growth. Critical factors as presented in Table 2 include issues relating to: the type of skills training received by SME owners, as well as the need for such skills training. Business owners have affirmed that they have sufficient skilled labour for sustainable growth. These factors have bigger percentage ranges from 67.2 to 71.9 per cent. The retail business owners have also indicated that employees' skills training helps sustain business growth.

### 5.2. External Entrepreneurship Ecosystem Factors that Influence Rural Small and Micro Retailers for Sustainable Growth

- The importance of infrastructure as an entrepreneurship ecosystem variable that influences business sustainable growth:

Importance of infrastructure as an entrepreneurship ecosystem variable for business sustainable growth	Percentage response on the importance of infrastructure for business sustainable growth
Roads	95.4
Transportation	93.8
Access to telecommunications	73.5
Access to power electricity	98.4
Infrastructure to access the target market	87.5
Infrastructure for accounting system	48.5

Table 3: Importance of infrastructure as an entrepreneurship ecosystem variable for business sustainable growth

Table 3 provided high percentage response rates from the retail owners on the importance of infrastructure as an entrepreneurship ecosystem for business sustainable growth. The highest variables that are important range from 73.5 to 98.4 per cent, including: access to telecommunications; the infrastructure to access the target market; the roads; transportation; and access to power electricity. The retail business owners have also indicated that the infrastructure for accounting system is important for business' sustainable growth at 48.5 per cent of the total responses.

- External entrepreneurship ecosystems that support rural small and micro retailers for sustainable growth:

External entrepreneurship ecosystems that support rural small and micro retailers for sustainable growth	Percentage response accepting the external entrepreneurship ecosystems that support rural small and micro retailers for sustainable growth
Information about the resources aimed at assisting SMEs is available in the area	10.9
Business support programmes by the government are available in the area	9.4
Private consulting service is available in the area	10.9
Accessing business related services is expensive	98.5
Access to business suppliers is expensive	96.9
Accessing suppliers positively influences sales in the business	96.9
Accessing suppliers positively influences business sustainable growth	21.8

Table 4: External entrepreneurship ecosystems that support rural small and micro retailers for sustainable growth

Table 4 provided high percentage response rates from retail owners on the external entrepreneurship ecosystems that support business' sustainable growth. The highest entrepreneurship ecosystem factor includes accessing suppliers positively influences sales in the business at 96.9 per cent. However, respondents indicated that access to both business related services at 98.5 per cent and suppliers at 96.9 per cent are expensive.

The least rated responses were those that relates to the availability of information about resources aimed at assisting SMEs, the business support programmes by the government, as well as private consulting services thus indicating the scarcity of such external support variables to the retail SMEs for sustainable growth.

## 6. Implications of Results

The rural small and micro retail businesses located in the Outer West region of the eThekweni Municipality face many entrepreneurship ecosystem challenges. These challenges are both internal and external. They have a potential to influence business' sustainable growth. The following conclusions relating to entrepreneurship ecosystem can be made for business sustainable growth:

- 1) The rural small and micro retailers should be skilled in both business and financial management
- 2) The important factors relating to entrepreneurship ecosystem should effectively be identified and those that influence sustainable growth should be implemented or developed.
- 3) The provincial government, local ward municipalities, as well as the traditional leaders in the rural areas should provide necessary entrepreneurship ecosystem support to SMMEs operating within their areas. This includes the infrastructure.
- 4) The rural small and micro retail businesses should be able to access both government and private-sector services.

## 7. References

- i. Antonites, A., de Beer, A., Cant, M. and Jacobs, H. (2008). *Entrepreneurship and how to establish your own business*. Juta: Cape Town.
- ii. Baruch, Y. and Holtom, B.C. (2008). 'Survey response rate levels and trends in organizational research'. *Human Relations*, Vol. 61 (8): 1139-1160.
- iii. Cassia, L. and Minola, T. (2011). Hyper-growth of SMMEs: towards a reconciliation of entrepreneurial orientation, 18 (2): 179-197. Available: <http://www.emeraldinsight.com/journals.htm?articleid=17019298> (Accessed 27 March 2016).
- iv. Chittihaworn, C., Islam, A., Keawchana, T. and Yusuf, D. H. M. (2011). 'Factors affecting business success of small & medium enterprises (SMEs) in Thailand'. *Asian social science*, 7 (5): 180-190. Available: <http://search.proquest.com/docview/866420579> (Accessed 29 March 2016).
- v. Ethekeeni Municipality. (2011). 2<sup>nd</sup> Draft Outer West Spatial Development Plan. Durban: Development and Planning Unit.
- vi. Farr, A. (2012). 'There is a new wave of high-impact entrepreneurship', *Daily News*, 7 December: 4.
- vii. Fleming, R.C. (2009). 'Creative economic development, sustainability and exclusion in rural areas'. *Geographical review*, 99 (1): 61-80. Available: <http://search.proquest.com.dutlib.dut.ac.za:2048/docview/225329581/fulltextPDF?accountid=10612> (Accessed 27 February 2016).
- viii. Friedrich, C. and Isaacs E. (2010). 'Service delivery to SMMEs: a pilot study of SMMEs in the Western Cape, South Africa'. *South Asian journal of management*, 17 (1): 7-22. Available: <http://search.proquest.com/docview/222725606> (Accessed 31 January 2016).
- ix. Govender, S. (2012). 'Move up with entrepreneurship mind-set', *Daily News*, 7 December: 2015.
- x. Hashi, I. and Krasniqi, B. A. (2011). 'Entrepreneurship and SME growth: evidence from advanced and laggard transition economies'. *International Journal of Entrepreneurial Behaviour and Research*, 17 (5): 456-487. Available: <http://www.emeraldinsight.com/journals.htm?issn=1355-554&volume=17&issue=5&articleid=1949465&show=html> (Accessed 27 March 2016).
- xi. Isenberg, D. (2011). *Introducing the Entrepreneurship Ecosystem: Four Defining Characteristics*. Available: <http://www.forbes.com/sites/danisenberg/2011/05/25/introducing-the-entrepreneurship-ecosystem-four-defining-characteristics> (Accessed 5 January 2016).

- xii. Jones, G. (2013). Small business and entrepreneurship: SMMEs in dire straits. Available: <http://www.financialmail.co.za/fm/CoverStory/2013/06/13/smmes-in-dire-straits> (Accessed 15 March 2016).
- xiii. Jyothi, P. and Kamalanabbara, T.J. (2010). 'A study on the critical success and failure factors affecting the development of small business: international council for small business (ICSB)'. World conference proceedings, 1-25. Available: <http://search.proquest.com.dutlib.dut.ac.za:2048/docview/750965907/fulltextPDF?accountid=10612> (Accessed 5 November 2015).
- xiv. Kansikas, J., Laakkonen, A., Sarpio, V. and Kontinen, T. (2011). Entrepreneurial and families as resources for strategic entrepreneurship, 18 (2): 141-158. Available: [www.emeraldinsight.com/1355-2554.htm](http://www.emeraldinsight.com/1355-2554.htm) (Accessed 15 January 2016).
- xv. Karutko, D.F. (2009). Introduction to Entrepreneurship. 8<sup>th</sup> ed. Mason, OH: Cengage Learning, Inc.
- xvi. Ladzani, W. and Netswara G. (2009). Support for rural small business in Limpopo province, South Africa, 225-226. Available: <http://www.tandfonline.com/doi/pdf/10.1080/03768350902899512> (Accessed 28 December 2015).
- xvii. Lekhanya, L. M. (2010). The use of marketing strategies by small, medium and micro enterprises in rural KwaZulu-Natal, 1-355. Available: [http://ir.dut.ac.za/bitstream/handle/10321/570/Lekhanya\\_2010.pdf?sequence=1](http://ir.dut.ac.za/bitstream/handle/10321/570/Lekhanya_2010.pdf?sequence=1) (Accessed 10 February 2016).
- xviii. Mathibe, M. S. and van Zyl, J. H. (2011). 'The impact of Business Support Services to SMMEs'. The International Business & Economics Research Journal, 10 (11): 101-108. Available: <http://dut.summon.serialssolutions.com/search?s.q=Mathibe+and+van+Zyl> (Accessed 30 January 2016).
- xix. Mahmood, A. and Omran, A. (2011). Factors affecting small business manager's participation in educational programmes, 2 (41). Available: <http://annals.fih.upt.ro/pdf-full/2011/ANNALS-2011-1-40.pdf> (Accessed 18 December 2015).
- xx. Mason, C. and Brown, R. (2013). 'Entrepreneurial ecosystems and growth oriented entrepreneurship'. Dutch Ministry of Economic Affairs: Netherlands.
- xxi. Ndlovu, N. (2012). Road to entrepreneurship, Available: <http://www.bbqonline.co.za/articles/business/521-road-to-entrepreneurship> (Accessed 6 November 2015).
- xxii. Nieman, G. and Nieuwenhuizen, C. (2009). Entrepreneurship a South African perspective: A model for entrepreneurial development. 2<sup>nd</sup> ed. Pretoria: Van Schaik Publishers.
- xxiii. Okonga, B. H. (2011). Sustainability of small, micro and medium enterprises: support by electricity sector and government, 1-14. Available: [http://www.aibuma.org/archive/proceedings2011/aibuma2011\\_submission\\_67.pdf](http://www.aibuma.org/archive/proceedings2011/aibuma2011_submission_67.pdf) (Accessed 10 October 2015).
- xxiv. Rogerson, C. (2009). Tracking SMME Development in South Africa: Issues of Finance, Training and the Regulatory Environment, 19 (1): 63-63. Available: [http://download.springer.com/static/pdf/985/art%253A10.1007%252Fs12132-008-9025-x.pdf?auth66=1360664565\\_f6a9c399d048a8052470100e020fef46&ext=.pdf](http://download.springer.com/static/pdf/985/art%253A10.1007%252Fs12132-008-9025-x.pdf?auth66=1360664565_f6a9c399d048a8052470100e020fef46&ext=.pdf) (Accessed 29 November 2015).
- xxv. Scarborough, N. M. (2011). Essentials of entrepreneurship and business management. 5<sup>th</sup> ed. Harlow: Prentice Hall.
- xxvi. Seeletse, S. M. and Ladzani, W. (2012). 'Social responsibility in the rural businesses of the North-West Province of South Africa: coerced or business-driven?' African journal of Business Management, 6 (46): 11457-11471. Available: [http://www.academicjournals.org/article/article1380715855\\_Seeletse%20and%20Ladzani.pdf](http://www.academicjournals.org/article/article1380715855_Seeletse%20and%20Ladzani.pdf) (Accessed 3 February 2016).
- xxviii. Siemens, L. (2010). 'Challenges, response and available resources: success in rural small business', Journal of small business and entrepreneurship, 23 (1): 65-80. Available: <http://search.proquest.com.dutlib.dut.ac.za:2048/docview/89131439> (Accessed 29 November 2015).
- xxix. Simpson, M., Padmore, J. and Newman, N. (2011). 'Success and performance in SMEs'. Towards a new model of success and performance in SMEs, 18 (3): 264-285. Available: [www.emeraldinsight.com/1355-2554.htm](http://www.emeraldinsight.com/1355-2554.htm) (Accessed 28 March 2016).
- xxx. Soininen, J. S., Puumalainen, K., Sjogren, H., Syrja, P. and Durst, S. (2013). Entrepreneurial orientation in small firms- values attitudes-behavior approach, 19 (6): 611-632. Available: [www.emeraldinsight.com/1355-2554.htm](http://www.emeraldinsight.com/1355-2554.htm) (Accessed 10 February 2016).
- xxxi. South Africa. eThekweni Municipality. (2010). Business Support and Markets Unit improvement of SMME Access to Finance Strategy. Durban: SIGMA International.
- xxxii. Statistics South Africa. (2015). Annual Report 2014/2015 (Book 1). Statistics South Africa: Pretoria.
- xxxiii. The Department of Trade and Industry. (1996). National Small Business Act No 102 of 1996, Available: <http://www.empowerdex.co.za/Portals/5/docs/act.pdf> (Accessed 25 November 2015).
- xxxiv. Stephens, L.A. (2004). 'Advanced Statistics Demystified'. McGraw Hill: New York.
- xxxv. Young, S. T. and Dhanda, K. (2013). Sustainability: essential for business. United States of America: SAGE Publications Ltd.
- xxxvi. Urban, B. and Naidoo, R. (2012). Business sustainability: empirical evidence on operational skills in SMEs in South Africa, 19 (1): 146-147. Available: <http://www.emeraldinsight.com/journals.htm?articleid=17015659&show=abstract> (Accessed 5 November 2015).
- xxxvii. Underwood, P. (2009). Supporting the information needs of entrepreneurs in South Africa, 58 (8): 570-570. Available: <http://www.emeraldinsight.com/journals.htm?articleid=1810439&show=abstract> (Accessed 15 January 2016).
- xxxviii. Willemse, I. (2009). Statistics Methods and Calculation Skills. Juta & Co: Cape Town.