

**MANAGEMENT OF SMALL AND MEDIUM ENTERPRISE (SME)
DEVELOPMENT: AN ANALYSIS OF STUMBLING BLOCKS
IN A DEVELOPING REGION**

Meyer D.F., Meyer N.*

Abstract: Globally, small and medium enterprises (SMEs) contribute significantly to economic growth and development. Yet, various stumbling blocks exist that hinder SMEs growth and development. South Africa is no different and with the current level of economic and political instability, local SMEs are struggling to achieve their full potential. The aim of this study is to identify and analyse the stumbling blocks preventing business success in a developing region in South Africa taking into account the local developmental environment and management factors. The study region selected is the Vaal-Triangle region, which is located south of Johannesburg in the Gauteng Province, South Africa. This study followed a quantitative descriptive cross-sectional research design using two scales namely the SME stumbling block scale and the Enabling Developmental Environment Scale (EDES). A non-probability convenience sample of 386 small business owners were included. Data analysis included descriptive frequencies, Principal Component Analysis (PCA) and Pearson's correlation analysis. Results from the PCA returned five factors. Results indicated the three main stumbling blocks restricting business growth were recession and slow growth conditions, weak and volatile exchange rate and high inflation rates. The correlation results indicated several significant relationships between the various factors. For SME growth, an integrated multiple-sectoral approach is required.

Key words: management, small and medium business, stumbling blocks, Vaal-Triangle, South Africa

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Introduction

Small medium enterprises (SMEs), have been identified for a number of decades as a possible solution for economic and employment growth (BER, 2016; Storey, 1994). Gree and Thurnik (2003) contended that economic growth cannot be sustained without the growth of existing SMEs and the continued creation and establishment of new SMEs. The management of SME's is an important factor in business growth as well as the environment within which businesses operate (Churchill and Lewis, 1983). A sound and supportive environment allows for business success (Meyer, 2014). Research on the reasons for business failure is a comprehensive study field and many stumbling blocks or obstacles have been

* **Daniel Francois Meyer**, Prof.; **Natanya Meyer**, North-West University, Faculty of Economic and Management Sciences, South Africa

✉ Corresponding author: Daniel.meyer@nwu.ac.za

✉ Natanya.meyer@nwu.ac.za

identified by various researchers over the years (Olawale and Garwe, 2010). The study region selected is the Vaal-Triangle region, which is located south of Johannesburg in the Gauteng Province, South Africa. This region has a population of more than 1 million people and is a national industrial hub for steel and chemicals manufacturing. This study region was selected due to the developmental character of the region and its diversity of the economy which include both an advanced manufacturing sector and a traditional agricultural sector.

The significance of this study is based on the identification of stumbling blocks for SME development and solutions formulated to address it in a developing region with challenges such as underperforming local governments. Small business development and entrepreneurship intention and success is relatively low in South Africa (GEM, 2016). Table 1 provides a comparison between a number of African countries regarding the economy and business development.

Table 1. Business development comparison (GEM, 2016)

Country	GDP per capita (\$)	SME contribution to GDP (%)	Entrepreneurial intension rate	Total early stage entrepreneurial activity (TEA)	Established business ownership rate
Botswana	7505	20	61.9	20.9	4.6
Cameroon	1405	36	33.1	37.4	12.8
Egypt	3304	80	36.8	7.4	2.9
Senegal	1072	20	66.6	38.6	18.8
SA	6483	45	10.9	10.6	3.4
Tunisia	4415	51	28.8	10.1	5.0

Although South Africa is classified as a medium income country, it lags behind most African countries regarding entrepreneurial intension, TEA, and established business ownership rate which is low at mere 3.4 percent. Failure rates of small businesses are high in South Africa and approximately 75 percent of new SMEs never become established businesses (Olawale and Garwe, 2010). In terms of the National Development Plan (NDP), government policy indicates that the majority of jobs need to be created by SMEs over the next 20 years in South Africa (The Presidency, 2012). The problem is however that unemployment is currently rising in South Africa to high levels of more than 27 percent and SMEs are struggling to sustain and grow in size (Statistics South Africa, 2017).

The contribution of SMEs to economic growth is significant. Developed countries such as France (58%), Germany (53%), Italy (68%), and Netherlands (63%) all have SME activity contributions to GDP exceeding 50 percent. Even developing countries have high contributions from SMEs including China (58.5%), Egypt (80%), Indonesia (57%) and Turkey (53.9%) (Herrington and Kew, 2017). This indicates that SMEs are significant contributors to economic growth (Ambrish, 2014). In South Africa, SMEs contributed 45 percent to economic growth in 2015 which is lower than global standards (Kelley et al., 2016). Herrington and Kew

(2017), however indicated that SMEs only contributed 36 percent in 2016. This declining contribution to the economy is a cause for concern. According to Business Tech (2016), there are 650 000 SMEs in South Africa, employing approximately 7.8 million people. A gap in the research exists to analyse the factors that are preventing SME growth in a developing region. Therefore, this research has the objective to identify, and analyse the stumbling blocks preventing business success in a developing region in South Africa taking into account the local developmental environment and management factors.

Literature Review

SMEs can be defined as small and medium sized businesses of either formal or informal nature that is a separate entity including cooperative enterprises (RSA, 1996). The National Small Business Act (Act 102 of 1996 as amended in 2003) (RSA, 1996) quantifies businesses according to size (BER, 2016) and SME classification is in terms of number of employees and annual turnover. Table 2 is a summary of the classification criteria.

Table 2. SME classification criteria (RSA, 1996)

Classification	Total number of full time employees	Total turnover
Small	1-49	From R 3 million to R 32 million
Medium	50-200	From R 5 million to R 64 million

The relationship between economic growth and SME development has been studied by a number of researchers over the last few decades where it was in most cases found that SMEs contribute significantly to economic growth if compared to large corporate businesses (Toma et al., 2014; Okpara and Wynn, 2007). Herrington and Kew (2013) found strong evidence of a positive relationship between GDP and small business development. Globally SMEs has been expected to be drivers of economic growth and job creation. This trend towards SMEs has caused a move to an increased focus on entrepreneurship development (Acs, 1992). This move away from large businesses to SMEs is due to an increase in supply of labour, changes in consumer preferences and tastes, relaxation of entry to business regulations, and the phenomenon of creative destruction (Thurik and Wennekers, 2004).

In terms of a theoretical analysis, Schumpeter (1934), argued for the need for new firm creation for economic growth and job creation. New SMEs drive growth through innovative processes creating opportunities and intensified competitiveness and new products and services. He listed five cases of new processes how SMEs can contribute: firstly new products and services; new methods of production; opening of new and expanded markets; the research for new supply of raw materials; and lastly a new structure and organization of an industry. In 1942 Schumpeter framed the concept of “*creative destruction*” as a process that “*incessantly revolutionizes the economic structure from within,*

destroying the old one, creating a new one” (Schumpeter, 1942). SMEs progress through a five stage process from establishment to maturity (Churchill and Lewis, 1983). If at any stage a SME experience stagnation, the risk of failure increases significantly. The five stages of growth are: establishment and existence; survival, success; take-off; and lastly resource maturity. One of the main factors for sustained growth and moving through the stages towards maturity is management. Churchill and Lewis (1983) also identified the following management factors for business success: financial resources which could include cash and access to credit; quality human resources; system resources in terms of control systems; business resources relating to customer; and supplier relationships, reputation and technology. In this theoretical analysis, the rate of establishment of new SMEs in South Africa is not sufficient to create economic growth and employment as the rate of business establishment is too low. SMEs struggle to move through the stages of growth due to constraints in the local business environment. For any SME to be successful and to grow, positive and conducive internal and external business environments are required (Beck and Demircuc-Kunt, 2006;). Major challenges faced by SMEs, which have an impact on SME development in South Africa are listed:

Lack of access to finance and credit resources: According to Business Tech (2016), businesses struggle to secure finance and are mostly self-funded or funded by friends and family, and cash flow is difficult to manage due to late payments and decrease in sales. It was found that local financial institutions are reluctant to assist start-up firms (GEM, 2016). According to a study by FinMark Trust (2006) only 2 percent of SMEs have been able to obtain bank loans. SMEs struggle to move through the stages of growth without finance resources (Okpara and Wynn, 2007; Le Trung and Duc, 2017), which places them at risk to survive.

Business management skills: Management of SMEs plays a vital role in business growth. Management factors include focus on meeting customer expectations, quality at low cost, time management, delegation of tasks, development of staff and workers’ skills, focus on results, financial management, marketing, supply chain management, and product development, (Thurman, 2016). Okpara and Wynn (2007) found that lack of formal management skills and experience are listed as important reasons why SMEs fail to survive and grow. Business Tech (2016), also found that business owners are working long hours with limited time-off.

Poor infrastructure: Access to critical infrastructure such as communication, essential services such as electricity, water, sewer, roads and transport, physical property (land/offices), professional services are required for business growth (Okpara and Wynn, 2007; Olawale and Garwe, 2010).

Low levels of research and development: Research and development assist to translate ideas and innovation into successful businesses. Booyens (2011) and GEM (2016) found that South African businesses are less innovative when compared to similar businesses in developed countries. Business Tech (2016) indicated that technology is an important factor for business growth.

Restrictive labour laws and regulations: The OECD (2015) found that South African labour regulations are a major obstacle in business growth.

Poorly skilled labour force (education and training): The NDP has identified the lack of medium to highly skilled people as a major constraint in business growth (RSA, 2011). This view is supported by the Department of Trade and Industry (DTI) (RSA, 2008).

Government policy, "red tape" and lack of coordination: The World Economic Forum (WEF, 2017) indicated in the Global Competitiveness report of 2016-2017 that government bureaucracy is one of the major stumbling blocks for small business development and entrepreneurship. The GEM (2016) report also indicates poor government policy implementation as a major stumbling block. Business Connexion (2004) states that the low business growth in South Africa can be attributed to lack of support from government.

Crime and corruption: Crime and corruption is at high levels in South Africa and are major costs to businesses. These factors also negatively impacts on the investment climate (WEF, 2017; GEM, 2016; Okpara and Wynn, 2007).

Lack of access to markets (location) and market size: The locality of a business has an impact on access to markets. An isolated spatial locality prevents business growth while a business located within a cluster of other businesses has more opportunities for growth (Porter, 1998). Business Tech (2016) indicated that competition from other similar businesses is the biggest challenge for growth for SMEs in South Africa.

Networking: Networking is an important process to improve and extend the external environment of a business. Networking allows for improved customer base, access to finance, knowledge and innovation (Okten and Osili, 2004).

Production costs: Production costs are affected by external factors such as rising electricity cost, fuel, resource cost and labour (Olawale and Garwe, 2010).

Macro-economic impacts: Significant macro-economic factors that impact the business environment include the exchange rate impacting on international trade, interest rates, inflation and government policy such as monetary and fiscal policy (Ehlers and Lazenby, 2007).

Methodology

Research plays an important role in an attempt to identify causes and to find solutions to everyday problems. Equally important when answering different research questions are the methodology used in this process (Creswell, 2003). This study followed a quantitative descriptive cross-sectional research design. Considering the various research paradigms, this study followed a positivist approach as it aims to identify and analyse the main stumbling blocks small businesses face during their management processes and developing phases. The following sections discuss the methodological process in detail.

Sample

As the study focusses on stumbling blocks faced by SMEs, the sample comprised SMEs operating a business within either one of two regions in South Africa. These regions included Midvaal and Emfuleni local municipal areas. Both of these areas are situated in the southern part of the Gauteng province of South Africa. A non-probability convenience sample of 400 small business owners was drawn and a total of 368 completed and usable questionnaires were returned. This equals a response rate of 92 percent. The Midvaal area had a total of 98 completed and usable questionnaires (26.6 %) and the Emfuleni area a total of 270 questionnaires (73.4%). The Emfuleni municipal area is much larger in extent compared to the Midvaal area. Taking this into consideration the ratios of completed questionnaires are in line with the area size ratios.

Research Instrument and Procedure

The research instrument used for this study comprised a self-administered questionnaire. The questionnaires comprised three sections. Section 1 included general demographic information such as age, race, gender and education levels of the business owners. Section 2 comprised the Enabling Developmental Environment Scale (EDES) developed and validated by Meyer and Keyser (2017). This scale was measured using a Likert scale ranging from 1 (very poor) to 5 (very good). The final section included a scale developed by Olawale and Garwe (2010) testing the stumbling blocks faced by SMEs. This scale was measured using a Likert scale ranging from 1 (strongly disagree) to 4 (strongly agree). Although the research instrument was a self-administered questionnaire, trained fieldworkers were used to distribute the questionnaire to the participating businesses. Questionnaires were completed voluntarily and confidentiality was assured. No incentives were offered as encouragement to participate.

Reliability

When using scales in an attempt to gather information, the reliability of the scale needs to be determined. As such, the reliability of the two scales used in this study made use of the internal consistency measure through the use of Cronbach's alpha coefficient. The degree of reliability determined by Cronbach's alpha affords insight into the magnitude on which items within the scale are interrelated, henceforth measuring the same construct. The EDES scale (N=12) measured a Cronbach alpha of 0.908 and the SME stumbling blocks scale (N=30) yielded a Cronbach alpha of 0.882. Pallant (2010) indicates that a Cronbach alpha value greater than 0.7 indicates an acceptable level of internal consistency therefore, it can be concluded that both scales can be considered reliable.

Data Analysis

Data were analysed using IBM SPSS version 25. The first phase of statistical analysis included the calculation of frequencies from the demographic data obtained. Secondly, Principal Component Analysis (PCA) was used to determine

the various factors within the SME stumbling blocks scale. Although the scale was used before (Olawale and Garwe, 2010) it was slightly amended and therefore the PCA was re-estimated to determine if the factors changed. Before performing principal factor extraction, a principal component extraction was done to determine the estimated number of factors as well as the presence of outliers and factorability of the matrices. The Eigen values and screen plot were studied to determine the number of factors involved which in this case resulted in five factors. A principal axis factor analysis with a direct oblimin rotation was conducted to extract the factors (Tabachnick and Fidell, 2001). As the EDES scale was tested and validated before, all 12 items were used as one scale (factor). The final phase of data analysis included Pearson's correlation analysis in an attempt to determine the correlation between the identified factors.

Results and Discussion

The following section includes the results obtained from the frequency calculations, factor analysis and correlation. Table 3 presents a summary of the descriptive frequencies obtained from the survey reflecting the characteristics if the business owners.

Table 3. Characteristics of participants (Business owners)

Item	Category	Frequency	Percentage
Area of business	Midvaal	98	26.6
	Emfuleni	270	73.4
Age of business owner	Younger than 30 years	84	22.8
	Between 31 and 50 years	196	53.3
	Older than 51	87	23.7
Gender	Male	247	67.1
	Female	114	31.0
Highest level of education	Primary School	84	22.8
	High school (Completed Grade 10 or 12)	153	41.6
	Artisan, Diploma, Certificate	89	24.2
	Degree, post degree	30	8.2

From Table 3 it can be seen that 73.4 percent of the business were situated in the Emfuleni local municipal area. Most of the business owners were between the age of 31 and 50 years (53.3%) and 67.1 percent were male. What is noticeable is that 22.8 percent of the business owners only had schooling up till primary school level. This could be due to many of the businesses included in the survey being informal or micro businesses and in some cases may even be survival businesses.

The business owners were specifically asked whether or not they think the municipality their business is situated in, is creating and enabling environment for them to grow. From the results it was found that 53.5 percent of business owners

agreed that the local municipality is in fact creating an enabling environment. It should be noted that the two municipal areas differ in political management and based on this further analysis was done to determine if there was a difference in the responses between the two areas. Cross tabulation and Pearson Chi-Square indicated that there was indeed a significant difference between the two area's responses. The Cramer's V value equated to 0.303 implying that a medium practical visible association was present. A total of 44.9 percent of business owners from the Emfuleni area indicated that an enabling environment was being created by local government. In contrast, a much higher figure was reported by business owners from the Midvaal area and 78.6 percent felt that local government was creating and enabling environment for businesses to grow and operate in. Table 4 present the descriptive statistics for the perceived stumbling blocks.

Table 4. Descriptive statistics: Perceived stumbling blocks

	N	Mean	Std. Deviation	Skewness	Kurtosis
	Statistic			Statistic	Statistic
Recession and slow growth	363	3.42	.722	-1.187	1.193
Weak exchange rate (weak rand)	362	3.42	.710	-1.183	1.330
High inflation rates	362	3.41	.772	-1.134	.560
Crime	364	3.37	.825	-1.167	.564
Lack of business skills	367	3.37	.816	-1.171	.646
High interest rates	363	3.34	.760	-0.991	.532
Shortage of skilled labour	365	3.32	.897	-1.192	.512
Insufficient government support	361	3.27	.801	-0.947	.395
Lack of collateral	360	3.26	.922	-1.034	.034
High taxes and other tariffs	358	3.25	.855	-0.961	.180
High production cost	356	3.24	.733	-0.751	.353
High transport and logistics costs	357	3.21	.792	-0.631	-.436
Lack of networking	362	3.21	.842	-0.945	.344
Lack of business stands	359	3.16	.858	-0.723	-.311
High levels of "red tape" and regulations	355	3.16	.872	-0.697	-.440
Lack of experience	363	3.15	.843	-0.588	-.589
Poor/bad credit record	360	3.14	.814	-0.795	.248
Corruption	336	3.09	.918	-0.451	-1.076
Lack of business skills training	364	3.08	.920	-0.591	-.714
High levels of competition	360	3.04	.996	-0.628	-.800
Lack of knowledge of market/industry	365	3.01	.868	-0.503	-.525
Lack of access to finance	367	2.98	.971	-0.546	-.615
Inadequate market research and information	362	2.81	.876	-0.295	-.631
Lack of IT and innovation	350	2.81	.839	0.045	-.999
Lack of business ownership	362	2.72	.894	-0.146	-.780
Poor tele-communication	360	2.72	.986	-0.091	-1.107
Locality of the business	356	2.71	.881	-0.288	-.587
Poor service delivery	364	2.66	1.116	-0.212	-1.314
Poor infrastructure	366	2.63	1.109	-0.087	-1.354
Inadequate demand	358	2.62	.858	0.020	-.690

From Table 4 it can be seen that business owners from the study region felt that the three main stumbling blocks restricting business growth were: recession and slow growth conditions (3.42), weak exchange rate (3.42) and high inflation rates (3.41). Ehlers and Lazenby (2007) highlighted that macro-economic conditions such as these have a significant effect especially on small businesses. Unfortunately these barriers are influenced by external factors and not much can be done to restrict these sorts of conditions. SMEs can however plan and try to mitigate these conditions by means of proper risk management strategies.

These results differ from those found by Olawale and Garwe (2010) who found that lack of access to finance, lack of collateral and insufficient owner's equity were the main stumbling blocks restricting business growth. The business owners further felt that inadequate demand (2.62) least impacted business growth. Although the barrier, inadequate demand, scored the lowest mean it is still considered as a problem as it is above the median score. Findings by Business Tech (2016) indicated that SMEs more often than not experience lack of growth due to high competition and not enough demand in the market.

As the research instrument contained thirty stumbling block variables, a PCA extraction method with direct oblimin rotation and Kaiser Normalization was used to group the items into meaningful categories and reduce the large number of variables. Barlett's test of sphericity and Kaiser-Meyer-Olkin (KMO) was done to determine the factorability of the data. The KMO returned a value of 0.831 and Barlett's test was measured at a p-value of 0.000 (p-value < 0.05) indicating that the null hypothesis could be rejected at a 1 percent significance level thus indicating that the correlation between the scale items were sufficient. It therefore confirmed that the data was suited for the PCA. Table 5 illustrates the five components extracted from the PCA.

The total variance explained by the five extracted factors equalled 54.473 percent. Factor 1 (6 items) was labelled 'macro-economic conditions' and Factor 2 (5 items) 'infrastructure and service delivery' (referred to as only infrastructure in the data tables). Factor 3 included six items and was labelled 'market and finance conditions'. The fourth factor was labelled 'management and skills' and included five items. The last factor included seven items and was labelled 'environment'. All of the extracted factors measured a satisfactory Cronbach alpha value.

Table 5 further indicates the mean and standard deviation of the extracted factors. Business owners rated the factor 'infrastructure and service delivery' (2.762) the lowest indicating lesser agreeance with the statements compared to the other factors. Although this factor had the lowest mean, it can still be considered problematic as the mean score is above the median. Okpara and Wynn (2007) opine that good infrastructure is critical for business growth and success. Macro-economic conditions scored the highest mean (3.329) indicating that business owners were most in agreeance with the statements in this factor and this reflects the results found in Table 4 as the three highest scoring barriers were all from this

factor. The EDES scale returned a mean of 2.341 (max = 5) indicating that the business owners do not feel that the local municipalities are creating and enabling environment.

Table 5. Factor Analysis Matrix

	Macro-Economic Conditions	Infra-structure	Market and Finance	Management and Skills	Environment	h ²
High production cost	.789					.662
High interest rates	.755					.668
Weak exchange rate (weak rand)	.734					.572
High inflation rates	.720					.631
Recession and slow growth	.717					.633
High taxes and other tariffs	.436					.472
Poor service delivery		.891				.798
Poor infrastructure		.876				.773
Corruption		.792				.703
Poor tele-communication		.762				.643
Lack of IT and innovation		.476				.475
Inadequate demand			.762			.593
Inadequate market research and information			.759			.590
Locality of the business			.731			.495
Lack of business ownership			.590			.425
Lack of access to finance			.353			.272
Lack of collateral			.317			.521
Lack of knowledge of market/industry				-.792		.684
Lack of business skills				-.767		.618
Lack of business skills training				-.725		.626
Lack of experience				-.654		.508
Shortage of skilled labour				-.644		.613
Lack of networking					-.650	.553
Insufficient government support					-.624	.520
Crime					-.622	.468
Poor/bad credit record					-.533	.375
High transport and logistics costs					-.489	.411
High levels of "red tape" and regulations					-.430	.388
High levels of competition					-.371	.380
Mean*	3.329	2.762	2.767	3.184	3.202	
Standard Deviation	.587	.821	.594	.661	.527	
Number of items in factor	6	5	6	5	7	
Cronbach's alpha	.860	.871	.714	.810	.728	

Note: Extraction Method: Principal Component Analysis; Rotation Method: Oblimin with Kaiser Normalization; *Mean max out of 4

This mean is somewhat higher than the mean of 1.3 found in a similar study conducted in the Vaal Triangle area amongst 152 SMEs (Meyer and Keyser, 2017). This result indicates low overall compliance in the creation and establishment of an enabling environment for businesses to prosper.

The study further made use of a correlation analysis to identify any significant and concerning multicollinearity amongst the different variables. Argyrous (2011) reiterates that variables with correlation coefficients (p-value) higher than 0.8 should be excluded from the analysis as they indicate serious multi-collinearity. No correlation coefficients of above 0.8 were measured. Table 6 indicates the Pearson's correlation analysis. A significant correlation was found between macro-economic conditions and market and finance conditions. Gizycki (2001) found that when macro-economic conditions becomes unfavourable, for example when interest rates increase or economic growth slows down, market conditions for SMEs becomes less appealing and finance possibilities becomes less as the risk of default increases. Similarly, a medium effect significant correlation was found between macro-economic conditions and management and skills. Nickolas (2015) opines that there is indeed a strong relationship between the macro-economic environment and human capital, which in the case of this study can be synonym to the factor 'management and skills'. Investing in the training and education of the business owner and employees could positively affect the economy. Likewise, during low economic growth periods, training and education is many times neglected and considered a luxury rather than an important growth factor. A large effect was found between macro-economic conditions and the environment.

Table 6. Pearson's correlation analysis

	Macro-economic	Infrastructure	Market	Management and Skills	Environment	EDES
Macro-economic	1.000					
Infrastructure	-0.018	1.000				
Market and Finance	0.136*	0.216*	1.000			
Management and Skills	0.339*	0.185*	0.174*	1.000		
Environment	0.537*	0.084	0.334*	0.266*	1.000	
EDES	-0.053	-0.173*	-0.182*	-0.116*	-0.173*	1.000

Note: *Correlation is significant at the 0.05 level (2-tailed)

A medium effect was found between management and skills and the environment. Several small effect relationships were also found between the factors however these effects were negative for the relationship between the EDES factor and the remaining factors. Creating an enabling environment for SMEs to grow in has a positive effect on economic growth (Meyer and Keyser, 2017) and when such

environment is lacking it may negatively affect aspects such as market conditions, finance availability, infrastructure and service delivery and other essential factors assisting in SME growth and development.

Recommendations and Conclusion

The development of new businesses is the drivers of economic growth on a global scale, not only in developing regions, but also in developed regions. Policy should focus on providing incentives and the removal of stumbling blocks for successful SMEs development. This is even more important in developed regions where SMEs contribute even more substantially to growth if compared to developing regions. The overall aim of the study was to analyse the stumbling blocks affecting SMEs in a developing region in South Africa based on a 30 factor scale. Both the external and internal business environment are challenges to SMEs in the South Africa and the study region. In the study region, the business survey indicated that owner's lacks formal skills and only approximately 32 percent of businesses surveyed had post school training. Business owners also indicated that, of the 30 stumbling block factors, external macro-economic factors had the highest impact on SME development, while more localised factors such as local demand was rated the lowest. The results from the study has policy implications for developing and developed regions, which include: Government should ensure stable macro-economic conditions especially regarding exchange rates, interest rates and inflation; SME policy should attempt to protect and support businesses in times of low growth; promotion of new business development by means of incentives and removal of known stumbling blocks; the inclusion of an integrated multi-sector SME strategy; the facilitation of partnerships; entrepreneurial promotion and support; ease of access to finance; focus on export promotion; and competitiveness development (OECD, 2004). Future studies include more comparative studies between developed and developing region and refinement of factors. In conclusion this study agrees with previous studies that SMEs can contribute significantly to economic growth and development, but requires policy support focused on both external and internal factors.

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ZARZĄDZANIE ROZWOJEM MAŁYCH I ŚREDNICH PRZEDSIĘBIORSTW (MŚP): ANALIZA OGRANICZEŃ W REGIONIE ROZWIJAJĄCYM SIĘ

Streszczenie: W skali globalnej małe i średnie przedsiębiorstwa (MŚP) w znacznym stopniu przyczyniają się do wzrostu gospodarczego i rozwoju. Istnieją jednak różnego rodzaju ograniczenia utrudniające wzrost i rozwój MŚP. Republika Południowej Afryki nie jest w tej kwestii inna, a przy obecnym poziomie niestabilności gospodarczej i politycznej lokalne MŚP walczą o osiągnięcie pełnego potencjału. Celem badania było zidentyfikowanie i przeanalizowanie przeszkód uniemożliwiających osiągnięcie sukcesu biznesowego w rozwijającym się regionie Afryki Południowej, z uwzględnieniem

lokalnego środowiska i czynników zarządzania. Badaniem objęto region trójkąta przemysłowego Vaal, który znajduje się na południe od Johannesburga w prowincji Gauteng w Republice Południowej Afryki. W badaniu zastosowano ilościowo opisowy, przekrojowy projekt badawczy, wykorzystujący dwie skale, skalę ograniczeń małych i średnich przedsiębiorstw oraz skalę środowiska sprzyjającego rozwojowi (EDES). W próbie uwzględniono 386 właścicieli małych firm, próbki pobrano bez prawdopodobieństwa. Analiza danych obejmowała częstotliwości opisowe, analizę głównych składowych (PCA) oraz analizę korelacji Pearsona. Wyniki analizy głównych składowych wskazały pięć czynników. Wyniki wskazały, że głównymi przeszkodami ograniczającymi wzrost działalności gospodarczej były: recesja i powolne warunki wzrostu, słaby i zmienny kurs walutowy oraz wysokie stopy inflacji.

Słowa kluczowe: Zarządzanie, małe i średnie przedsiębiorstwa, ograniczenia, trójkąt przemysłowy Vaal, Południowa Afryka

中小企业(中小企业)发展管理:发展中区块的分析

摘要:全球范围内,中小企业对经济增长和发展作出了重大贡献。然而,阻碍中小企业成长与发展的种种绊脚石。南非也不例外,在当前经济和政治不稳定的情况下,当地中小企业正在努力发挥其全部潜力。本研究的目的是在考虑当地发展环境和管理因素的基础上,确定和分析南非发展中地区阻碍企业成功的绊脚石。选定的研究区域是位于南非豪登省约翰内斯堡以南的VaalTriangle地区。本研究采用定量的描述性横断面研究设计,使用两个量表,即SME绊脚石量表和有利发展环境量表(EDES)。包括386个中小企业主的不可能的便利样本。数据分析包括描述性频率,主成分分析(PCA)和Pearson相关分析。PCA的结果返回了五个因素。结果显示,限制企业增长的三大障碍是经济衰退和增长缓慢,汇率疲软波动和通货膨胀率高企。相关结果显示了各种因素之间的几个显著关系。对于中小企业的发展,需要一个综合的多部门方法。

关键词:管理,中小企业,绊脚石,Vaal-Triangle,南非。