The Challenges of Operating Entrepreneurial Businesses in Restituted Land: The Case of KwaZulu-Natal

By

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A thesis submitted in fulfilment of the requirements for the degree of Master of Commerce
School of Management, Information Technology and Governance College
of Law and Management Studies

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2018
Supervisors Permission to Submit Thesis/ Dissertation for Examination

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LIST OF ACRONYMS

ANC: African National Congress
CBOs: Community Based Organisations
DRDLR: Department of Rural Development and Land Reform
GDP: Gross Domestic Product
GEM: General Entrepreneurship Monitor
ITC: Information Technology and Communication
KGFT: KwaZulu-Natal Growth Fund Trust
KZN: KwaZulu-Natal
KZNPGDS: KwaZulu-Natal Provincial Growth and Development Strategy
LBSCs: Local Based Service Centres
NDP: National Development Plan
NGOs: Non-Government Organisations
NP: National Party
SA SMMEs: South African Small Medium and Micro Enterprises
SA: South Africa
SEDA: Small Enterprise Development Agency
SMMEs: Small Medium and Micro Enterprises
ABSTRACT

In KwaZulu-Natal, public and private sectors need to increase support for sustainability of Small Medium and Micro Enterprises and or Entrepreneurial businesses. Many SMMEs struggle to overcome failure due to lack of strategic interventions from both government and the private sector. This study focuses on the Land Restitution programme as one of the vehicles that should be used by government to boost SMME development and their business performance. In previous studies, individuals who have received their land back, within the Land Redistribution Programme in KZN have failed to either continue or start viable businesses using the land newly acquired. A total of 76% of the land redistributed has claimants who have not engaged with any business activity using land newly acquired. Attributed to this high level of inactivity is a lack of programmes to assist claimants. Most claimants end up opting for cash instead of land due to fear of failure. Socio-cultural factors, infrastructure and education found to be important elements that add value to small businesses’ behaviour and the way society welcomes them. Methods and strategies employed by the two major sectors in enhancing entrepreneurial businesses were evaluated. Conducted interview sessions with business owners in restituted land contributed to the results of the study. The qualitative research methodology was used and the NVivo programme using thematic analysis was employed for data analyses.

KEY WORDS: Skills Development, Restituted Land, Entrepreneurial Businesses, Private Game Farming
TABLE OF CONTENTS

DECLARATION ........................................................................................................................................... iii

ACKNOWLEDGEMENT ............................................................................................................................... iv

LIST OF ACRONYMS ................................................................................................................................... v

LIST OF TABLES ........................................................................................................................................ xi

LIST OF FIGURES ....................................................................................................................................... xii

APPENDICES ............................................................................................................................................... 1

Chapter One ............................................................................................................................................... 2

1.1 Introduction ......................................................................................................................................... 2

1.2 Brief background of the study ........................................................................................................... 2

1.2.1 Problem Statement ......................................................................................................................... 4

1.2.2 Research Objectives ...................................................................................................................... 5

1.2.3 Research questions .......................................................................................................................... 6

1.2.4 Rationale of the study .................................................................................................................... 6

1.3 Preliminary Literature Review ........................................................................................................ 7

1.3.1 The government ............................................................................................................................. 7

1.3.2 Training and development ............................................................................................................ 8

1.3.3 Accessibility of financial resources ............................................................................................... 8

1.3.4 Socio-cultural conditions ............................................................................................................... 8

1.3.5 Commercial and legal infrastructure ............................................................................................. 8

1.3.6 Openness ....................................................................................................................................... 9

1.4 Research Methodology ..................................................................................................................... 9

1.5 Dissertation Breakdown .................................................................................................................. 10

1.6 Conclusion ......................................................................................................................................... 10

Literature Review ..................................................................................................................................... 12

2.1 Introduction ......................................................................................................................................... 12

2.2 Theoretical framework ..................................................................................................................... 12

2.3 The government ................................................................................................................................ 14

2.3.1 KwaZulu-Natal Provincial Growth and Development Strategy (KZN PGDS) ............................... 15

2.4 Private sector ..................................................................................................................................... 17

2.5 Problem areas for land beneficiaries ............................................................................................... 18

2.5.1 Training and development ............................................................................................................ 18

2.5.2 Accessibility to financial resources ............................................................................................... 19

2.6 Factors influencing entrepreneurial businesses of land beneficiaries ........................................... 21

2.6.1 Socio-cultural conditions .............................................................................................................. 21

vii
LIST OF TABLES

TABLE 2.1: ALIGNMENT OF THE TRUST TO PGDS STRATEGIC GOALS ................................................................. 15
TABLE 2.2: LITERATURE REVIEW SHOWS LIMITED ACCESS TO FINANCING OPPORTUNITIES FOR SA SMMEs ....... 19
TABLE 2.3: KWAZULU-NATAL STRATEGIC INTEGRATED PROJECTS .............................................................. 23
TABLE 2.4: STATS SA, KZN ECONOMIC OVERVIEW ......................................................................................... 24
LIST OF FIGURES

FIGURE 2.1: GENERAL ENTREPRENEURSHIP MONITOR CONCEPTUAL FRAMEWORK .......................... 14
FIGURE 4.1: AGE DISTRIBUTION OF BUSINESS OWNERS ........................................................................ 39
FIGURE 4.2: GENDER OF BUSINESS OWNERS ..................................................................................... 40
FIGURE 4.3: MARITAL STATUS OF BUSINESS OWNERS ........................................................................... 41
FIGURE 4.4: EDUCATIONAL LEVEL OF BUSINESS OWNERS .................................................................... 42
FIGURE 4.5: EMPLOYMENT STATUS OF PARTICIPANTS ............................................................................ 43
FIGURE 4.6: DURATION OF BUSINESS IN RESTITUTED LAND ................................................................. 44
APPENDICES

Appendix I: Research Instrument.................................................................69
Appendix II: Consent Form .................................................................75
Appendix III: Gatekeeper’s Letter .........................................................78
Appendix IV: Ethical Clearance...............................................................80
Appendix V: Turnitin Report .................................................................81
Appendix VI: Editorial certificate ...........................................................82
Chapter One

Introduction to the Study

1.1 Introduction

Restituted land refers to the land given back to its original owners who had lost it as a result of racially discriminatory practices such as forced removals (Atuahene, 2014).

This study investigates the challenges of operating Small Micro and Medium Enterprises (SMMEs) in restituted land. It was conducted from land beneficiaries in the province of KwaZulu Natal (KZN). This helped to address the objectives of the study and provide content discussion and answers for the research questions. Researchers have found that black people in restituted land are usually not educated and depend on nearby farms to get jobs to alleviate poverty (Chitonge, 2014). However, Qalam (2012) argues that farms, where blacks usually seek for employment are on land that should be restituted yet currently occupied by the historically advantaged race which is the white race in South Africa. Mahlangu (2008) argues that poverty, unemployment and inequality are products of the forceful removal of black people by the apartheid government in the province of KZN.

The citizens of KZN have as a result, engaged with business activities in an attempt to eradicate poverty and overcome unemployment (Mahlangu, 2008). This chapter firstly provides background information on the land issue in the province; secondly, it lays the foundation by outlining the problem statement followed by research objectives and questions. The chapter then provides a brief discussion of the research methodology chapter. This study contributes to literature on business development in restituted land in KZN. There is paucity in literature defining this phenomenon (Kepe & Tessaro, 2014).

1.2 Brief background of the study

Researchers regard land restitution as a topic that draws attention of people in areas where land was dispossessed (Anseeuw, Wily, Cotula, & Taylor, 2012). Previously disadvantaged people, of which the majority is black, have been beneficiaries of the Land reform programme (Cousins, 2016). However, this has created different views on the manner in which land redistribution is governed. According to Cousins (2016), project failures which seek to redress imbalances of the past during years 1999 to 2009 created a belief that land reform is in trouble. Amongst failed policies, the expanded use of expropriation is included, which came into effect
after the National Land Summit held in 2005 and agreed to review a “willing seller, willing buyer”. Claassens, Matlala, and Khadiagala (2014) argue that other policy thrusts that did not benefit land beneficiaries include the Pro-action Land Acquisition Strategy, area-based planning, reports on foreign land ownership, the Draft Expropriation Bill, and land ceilings and land taxes. The mentioned policy failures are the reasons that led to the development of the following research questions to address small business failure in KwaZulu-Natal (KZN).

Boudreaux (2010) postulates that government has not been focusing on bringing liberty to people removed from the land that they occupied during colonisation and later the apartheid regime. This has seen the majority of black people placed in homelands, following the invasion by the apartheid government. Boudreaux (2010) argues that when the democratic South African government took over in 1994, it introduced new policies that aimed at redistributing 30% percent of land to black South Africans by 1999. The slow progress led government to postpone the due date for this to 2014. Though their attempts have been plausible, these policies lack implementation strategies Boudreaux (2010).

Cousins (2016) maintains that during the transition of power from National Party (NP) to African National Congress (ANC), 86% of land already belonged to white farmers. After two decades of democracy in South Africa, this has not changed significantly, as there has been only seven percent 7% land that has been restituted (Qalam, 2012). In land that has been restituted, government has failed to implement strategies which seek to enhance business skills and management capacity to people who are land beneficiaries (Khoase & Govender, 2013).

Ladzani and Netswera (2009) maintain that the aim of government development strategies is to encourage the establishment of small businesses in previously disadvantaged areas. However, both the private sector and public sectors have little evidence in developing entrepreneurial businesses in restituted land of KZN (Khoase & Govender, 2013).

Khoase and Govender (2013) maintain that there is little being done to implement measures that will assist small enterprises in South Africa. According to Kelley, Singer, and Herrington (2012), the General Entrepreneurship (GEM) reports that black owned businesses are struggling to overcome failure, and some do not last longer than three years of existence known
as the nascent stage. Kelly et al. (2012) further argue that the main challenges in developing countries are unemployment, poverty and inequality. According to Ladzani and Netswera (2009), these social ills are government responsibilities as they are part and parcel of the previous government who created the huge economic imbalances and exclusions through its inhuman policies.

The current government is therefore obliged to provide revised strategies that will ensure the enhancement of black owned businesses in the KZN province in order to deal with unemployment, poverty and inequality (Nxaba, 2014). The land issue is viewed as the main impediment to the success of small businesses (Nxaba, 2014).

According to Ngubane and Brooks (2013), land that is due for redistribution in KZN has been converted to private or protected property. This land is usually used by the historically advantaged (white race) as game farms. Game farms are protected areas used to safe-keep nature that is in danger of extinction (Child, 2013). These areas are important in South Africa as they contribute to the tourism sector. However, this is in contradiction with the government objective under the ANC where land redistribution is a priority (Ngubane & Brooks, 2013). The development of game lodges, also referred to as game farms in KZN, has been identified as an economic development strategy to enhance tourism (Ezemvelo, 2011). However, Nustad (2011) maintains that these businesses are usually not operated by black land owners. This raises concerns for previously disadvantaged people (blacks) post 1994. The democratically elected government introduced new policies and amendments to the bill of rights and the constitution. Amongst these rights was the prioritisation of land by government, as per the land Act of 1994 (Nustad, 2011). According to Nustad (2011), the status-quo on land ownership in South Africa reflects that the imbalances of the past have not been addressed by the Land Act of 1994.

1.2.1 Problem Statement
Researchers indicate that, in lower middle-income countries, entrepreneurship is regarded as the main source in alleviating social ills such as poverty, unemployment and inequality (Proches, Bodhanya, & Hardman, 2012). The National Development Plan (NDP) mentions that
at-least eleven million jobs will be created by the year 2030 by prioritising small businesses and/or entrepreneurial businesses (Fourie, 2015). The problem facing entrepreneurial businesses is inadequate support from public and private sectors to sustain their operations in restituted land. Therefore, it is critical to take into consideration older statutory documents such as the Land Redistribution Programme Act of 1994 to assess feasibility of achieving the main objective of the NDP. As a result, this study aims at finding answers from existing entrepreneurial businesses in restituted land to measure whether existing policy conditions favour small businesses in terms of poverty reduction, job creation and elimination of inequality.

According to Khoase and Govender (2013), one of the major problems start-up businesses need to contend with in South Africa is the issue of not having access to land to use as a resource for business ventures. Despite new regulations regarding the governing of land in KZN, vast tracts of the land still belong to private previously advantaged land owners. Most of the land that must be restituted or has been restituted is in land regarded as rural. About 80% of the land in South Africa is rural, suitable for agricultural, commercial or subsistence farming (Hall, 2011). However, rural areas in South Africa remain the least contributors to Gross Domestic Product (GDP) (Kepe, 2016).

The issue that exacerbates the problem is that, the majority of the population dwells in rural areas and suffer from poverty and other economic challenges such as crime and in-accessibility to quality education. According to Kepe (2016), development of small businesses is a solution to ease living conditions of the majority of black people who suffer from these social issues and have benefitted from the little land restitution that has taken place thus far. Therefore, this solicits the question that; have those who benefitted from land restitution used this opportunity to develop businesses on land received, which is mostly in rural areas from the outside reserves (Hall, 2011) Therefore, objectives of this study are outlined in the following subsection.

1.2.2 Research Objectives

1. To ascertain whether there are strategies the government and/or the private sector use to enhance the performance of SMMEs in the restituted land.
2. To ascertain whether custodians of restituted land obtain training and development from government or the private sector to develop businesses.

3. To examine the ability to access financial resources required to do business in restituted land.

4. To examine the impact of socio-cultural conditions in operating business entities in restituted land.

5. To examine the accessibility of required commercial and legal infrastructure by business entities in restituted land.

6. To ascertain the affordability of openness to business entities in restituted land.

1.2.3 Research questions
1. What are the strategies in place used by government and/or private sector to enhance the performance of SMMEs in restituted land?

2. To what extent do custodians in restituted land obtain training and development from government and/or private sector to develop businesses?

3. At what capacity are businesses entities in restituted land able to access financial resources required to do business?

4. What impact does socio-cultural conditions have on business entities in restituted land?

5. To what extent do businesses entities in restituted land able to access required commercial and legal infrastructure to do business?

6. To what rate are business in restituted land afford the ability of openness in doing business with other entities?

1.2.4 Rationale of the study
According to Hirson (2017), during the introduction of the Natives Land Act of 1913, the government of the time introduced laws that had restrictions on people residing in native land and 7% of land was given to African people to share as a result of the act. Hirson (2017) further argues that this saw the reduction of grazing areas for livestock owned by African people, the culling of livestock, and the reduction of field sizes, which prohibited people from ploughing.
Hirson (2017) maintains that during the late 1930s, political debates in parliament led to consensus to increase of land for African people due to an increase of black population seeking employment in urban areas. Therefore, that saw the birth of The Native Trust and Land Act of 1936.

However, according to Kepe and Ntsebeza (2012), even the introduction of the Native Trust and Land act of 1936, the freedom of land ownership by African people was not achieved, this increased the area of land that was reserved for Africans from seven percent to thirteen percent. According to Kepe and Ntsebeza (2012), the objective of all these policies and laws was to create a landless working-class dependent on wage labour rather than being owners of an economic resource; land. This study, therefore, seeks to understand the phenomenon of land restituted to previously disadvantaged South Africans as an economic resource that drives entrepreneurial businesses.

1.3 Preliminary Literature Review
This section of the research study is about different aspects on land redistribution, relevant theoretical views are discussed in accordance to the theoretical framework.

1.3.1 The government
According to Ladzani and Netswera (2009), the South African government has created several programmes in an attempt to assist small businesses, however, there is still more work that needs to be done as SMMEs are increasingly perceived as the pioneer into the future economic development of rural areas (Ladzani & Netswera, 2009). The problem facing the small business sector in South Africa is the high failure rate (Ladzani & Netswera, 2009). According to SEDA (2016), five out of seven small businesses fail within a first year of operation. The land redistribution has been seen to have little or no correlation with the development of Small businesses by the black land beneficiaries.
1.3.2 Training and development
According to SEDA (2016), SMMEs face different challenges which include the inadequate skills and business training, the level of education in rural areas also contribute to a slow growth of businesses and towards a high failure rate. The analysis by the Small Enterprise development Agency (SEDA) indicates that a profound business mentorship in the rural areas can bring more awareness to important aspects which rural business owners lack (SEDA, 2016).

1.3.3 Accessibility of financial resources
According to Lawrence; Mpele and Lekhanya (2010), South Africa is a hostile environment for small businesses in order to survive; marketing strategies and financial planning in small businesses are different from those of big businesses. Lawrence et al. (2010) maintain that small businesses have more effect in the country’s economic development as they employ more workforce compared to bigger companies, however, when it comes to the survival in the market, small businesses fail and collapse. Lawrence et al. (2010) further argue that environmental hostility is understood by small businesses, but they lack strategies to adopt to keep up with changes brought by the bigger corporations. Hall (2011) argues that the business success in rural South Africa is not easy as nearly a third of the population is congested in thirteen percent of the land.

1.3.4 Socio-cultural conditions
This study also examines the social and cultural conditions in the restituted land to understand issues such as access to physical infrastructure. Cultural and social norms of the custodians of the restituted land. Language, beliefs and religion are some of the factors considered to have influence in the way business is done (Saleem, 2017).

1.3.5 Commercial and legal infrastructure
According to Bhardwaj, Jain, and Jain (2010), infrastructure refers to a requisite in business that plays a critical role in assembling a competitive enterprise. Dykstra and Sherman (2012) maintain that infrastructure is part of the basic requirements that are imperative for factor driven economies, which are those that also have a large agricultural sector. It must be noted that this
notion applies to the South African economy as agriculture contributes almost 3% to the economy (Kepe and Ntsebeza, 2012).

1.3.6 Openness
Cant and Wiid (2013) mention that marketing management has a significant bearing to the success of small businesses; it leads to clear understanding of the targeted market and well-formed market segment. According to Bertot, Jaeger, and Grimes (2010), openness is one of the general national framework aspects that permits small firms to compete efficiently. This also applies to government departments and large corporations. Makhaya and Roberts (2013) mention that state owned enterprises and large corporations are often encouraged for transparency by the South African Competition Act No.89 of 1998. The Act made provisions “To provide for the establishment of a Competition Commission responsible for the investigation, control and evaluation of restrictive practices, abuse of dominant position, and mergers; and for the establishment of a Competition Tribunal responsible to adjudicate such matters; and for the establishment of a Competition Appeal Court; and for related matters” (Makhaya & Roberts, 2013 pp.18).

1.4 Research Methodology
According to Sekaran and Bougie (2010), research methodology explains the process for the collection of data, the methods used in collecting data which this instance are the direct and telephonic interview, as well as instruments that will be used to analyse the results after the collection of data such as the NVivo using thematic analysis. The section of the methodology chapter will discuss therefore and explain the components in detail such as the research philosophy and instrument used to collect data.
1.5 Dissertation Breakdown

Chapter 1: Introduction

This chapter focusses on the background information of land restitution programme in KZN, Furthermore, the chapter outlines the research objectives and rationale of the study.

Chapter 2: Literature Review

The critical literature review is observed in this chapter together with the theoretical framework, Different aspects on the land restitution and entrepreneurial development are observed with the aid of various opinions from researchers.

Chapter 3: Research Methodology

This chapter outlines the different forms of research strategies, A chosen methodology for the study is therefore outlined in detail with the aim of eliminating the other methods.

Chapter 4: Results Analysis

This chapter depicts the results obtained using NVivo from the data analysis and further give detailed breakdown of the research questions in to different themes.

Chapter 5: Discussion of results

The discussion of results is conducted in this chapter with the purpose to check the link between literature and the information collect from the participants.

Chapter 6: Recommendations for further research and conclusions

The chapter contains the recommendations for further research and draws conclusions from the overall perspectives on land restitution and the development of entrepreneurial businesses in the restituted land of KZN.

1.6 Conclusion

This chapter introduced the objectives of the study which focuses at finding out whether there are strategies used by the KZN provincial government in enhancing the performance of small micro and medium enterprises in the restituted land. The methods used by small businesses to survive a hostile business environment in the restituted land were examined with the purpose of gaining knowledge and understanding of challenges that small businesses encounter in
restituted land. The chapter looks at issues of training and development by private and public sector to people running businesses in the restituted land. The dissertation breakdown was provided in this chapter. This chapter highlighted the general entrepreneurship conditions as drivers of economic growth which lead to creation of jobs which are immensely discussed in chapter two.
Chapter Two

Literature Review

2.1 Introduction

This section addresses each objective by providing various theoretical analysis by experts/researchers in each sub-headed topic. This chapter focuses on a critical literature review on restituted land and the programs that support entrepreneurial businesses/SMMEs in restituted land. Associated entrepreneurial conditions that determine business success or progress are the government, training and development, accessibility of financial resources, socio-cultural conditions, commercial and legal infrastructure and openness to do business.

This chapter presents the theoretical background and views by various authors who wrote about the land redistribution. However, the focus of this chapter is to give insight on theory behind each objective of the study in-order to uncover all the relevant insights on entrepreneurship and land redistribution. The chapter outlines a detailed explanation on the theoretical framework adopted for the study.

2.2 Theoretical framework

This section discusses the theoretical framework used in this study and its importance. Furthermore, it discusses the method employed to choose the framework. Literature on land redistribution is examined and linked to the chosen framework employed for meeting the objectives of this study.

Gleeson (2016), defines theoretical framework as the mapping of the research context regarding the questions asked in the research, and recitation of the conditions that lead to a valid set of answers. Furthermore, Gleeson (2016) maintains that the theoretical framework assist researchers to assess theory and describe the results. Yin (2016) argues that theoretical framework guides the research, giving direction on what aspects will be measured and the statistical relationship that will be considered.
Therefore, the theoretical framework that this research uses as a guide is connected to the objectives of the study. The study examines the social, cultural and political context of businesses that exist in the restituted land. The political aspect refers to the government factor which is addressed in the discussion section of the first objective in this study. Addressing the research questions and the objectives of this study, it should be noted that the chosen theoretical framework has some interrelated concepts that the study seeks to examine.

The general national conditions, which consist of openness; government; management (skills); technology (Research and Development); infrastructure; financial markets; labour markets and institutions, lead to entrepreneurial opportunities and entrepreneurial capacity. According to the GEM (2015) the opportunities refer to the extent where entrepreneurs can make profit by exploiting market imperfections. Entrepreneurial capacity is the firm’s ability to use its cognitive capacity through experience of different challenges, the firm therefore gain exposure to alternative methods of conducting its operations which enables it to make sustainable profits (GEM 2015).

These, therefore, create a business environment that has dynamics which include job creation, innovation and creativity. As a result, the market environment contributes to an increase in Gross Domestic Product. Figure 1.1 in the next page depicts the theoretical framework employed in this study. From the GEM framework below, it must be noted that entrepreneurial conditions refer to the cultural and social norms, government programs, education and training, financial, government policies, commercial and legal infrastructure, research and development transfer, access to physical infrastructure, entrepreneurship and openness.

These conditions are a fundamental part of this study as the rest of the objectives are based on some of the mentioned elements such as commercial and legal infrastructure that inform objective three and openness which form objective six of the study. Literature below further discusses each factor of the framework aligning it with the objectives of the study.
Figure 1.1 General Entrepreneurship Monitor Conceptual framework (Reynolds, 2009)

The first observed is the social, cultural and political context. Literature is reviewed with the sole interest of finding the scholarly background with regards to the government’s role and the private sector in the betterment of small businesses in the restituted land. The rest of the chapter critically evaluate and discuss the entrepreneurial conditions against the policies in place which guide small business development.

2.3 The government

According to Cousins (2016), failure of government policies for the land reform dates back in the years referred to as the Mandela years from 1991 to 1999. During this period, South African government formulated committees that were specifically designed for land issues after the first democratic elections. Kamuti (2014) argues that, for the past ten years, the number of game farms has been increasing in KZN. Furthermore, the author maintains that this increase of game farms only benefits the private sector. Land that was meant to be restituted to previously disadvantaged people is regulated through new government policies such as “willing buyer” “willing seller”. This made it difficult for poor people to be part of the land redistribution programme (Kamuti, 2014).
According to Kalina and Rogan (2017), implemented development policies by the South African government fail to address the core issues such as unemployment in the country. Kalina and Rogan (2017) maintain that the strategic plan for years 2015 to 2020 of the Department of the Rural Development and Land Reform (DRDLR) aimed at developing business skills of rural youth, does not specify the actual skills requirements in order to achieve its development objective.

The functions and objectives of the Department of Land Reform are to:

- Provide land acquisition and strategic institutional partnerships.
- Provide Provision of Land and Assistance Act 126 of 1993 trading account's financial management services.
- Develop and provide strategic support to farmers and cooperatives.
- Provide land reform programme support and service delivery coordination.
- Provide land acquisition and recapitalisation and development services at regional and district level.

Affairs (2007) maintain that the Land Reform aims to focus on the following strategic plans, to reach the objective of full settlements of land claims in 2019:

- The policy on strengthening relative rights for people working the land (50/50).
- The establishment of and support to district land committees.
- The regulation of land holdings.
- The establishment of Agri-Parks.

2.3.1 KwaZulu-Natal Provincial Growth and Development Strategy (KZN PGDS)

According to Kalina and Rogan (2017), provincial growth strategies provide inadequate explanation that gives direction on how economic growth will be achieved. The highlighted sections in the KZNPGDS that draw attention are the seven strategic objectives. The first noted objective is that of job creation. Other outlined objectives are unleashing agricultural potential, enhancing industrial development, expanding government–led job-creation programmes,
promoting Small Micro and Medium Enterprises (SMMEs), Entrepreneurial and youth development and enhancing the knowledge economy (Kalina & Rogan, 2017). However, Thobatsi (2014) argues that strategic goals for the KZNPGDS are aligned with the formed KZN growth Fund Trust (KGFT).

According to this trust fund, provincial economic development is eminent if attention is paid to detail with the following highlighted goals amongst the seven mentioned above. Table 2.1 below depicts the aligned strategies.

Table 2.1: Alignment of the Trust to PGDS strategic goals

<table>
<thead>
<tr>
<th>Provincial strategic goal</th>
<th>Short description</th>
<th>KGFT Alignment</th>
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<tbody>
<tr>
<td><strong>Goal 1:</strong> Job Creation</td>
<td>To expand Provincial economic output and employment</td>
<td>KGFT funds projects with a high potential of creating sustainable jobs in the province in major economic sectors i.e. Tourism, Mining and Mineral Beneficiation, Agro processing and Transport and Logistics</td>
</tr>
<tr>
<td><strong>Goal 4:</strong> Strategic Infrastructure Development</td>
<td>To provide Infrastructure for the social and economic growth and development needs of KZN</td>
<td>KGFT funds projects which are infrastructural in nature i.e. ITC, Telecoms and Healthcare infrastructure in the province. It also seeks to improve energy production in the province by funding projects which seek to generate, transmit and distribute energy sources such as coal, hydro, wind, solar, gas, steam, biodiesel, wave power and nuclear.</td>
</tr>
</tbody>
</table>
Goal 5: Environmental Sustainability

To reduce global greenhouse gas emissions and create a social ecological capacity to adapt to climate change

KGFT aligns itself by ensuring that projects being funded adhere to Equator Principles (the principles adopted by the financial industry as a benchmark for determining, assessing and managing social and environmental risk in project financing) and fund alternative energy generation projects.

According to Grimsholm and Poblete (2010), other factors that hinder SMME growth in rural areas include political, socio-economic conditions and technology which include infrastructure development. Grimsholm and Poblete (2010) maintain that KZN experiences similar slow growth conditions in entrepreneurial businesses. Grimsholm and Poblete (2010) believe that unavailable financial assistance to small businesses is the common factor to least developed countries (Grimsholm & Poblete, 2010). The contribution from private sector is believed to be one of the necessary factors to enhance disadvantaged people residing in restituted land.

2.4 Private sector

Mkhize (2014) argues that contradictions continue between land reform beneficiaries and white farmers as land given back to them is partly owned by private game farmers. Restituted agricultural land is being converted to tourism sites as part of economic development in previously disadvantaged or rural economic development areas. However, Mkhize (2014) argues that in the management of the game farms, new land owners are required to be in co-management arrangement with private game famers. According to Cousins (2016), the land reform department formed after the 1994 democratic elections aimed at redistributing land to twenty-five million South Africans whose rights were deprived of this natural resource. However, Cousins (2016) maintains that land redistribution only afforded to give land back to five hundred thousand people even after 22 years of democracy in South Africa.
Brooks and Kjelstrup (2014) argue that in South Africa, private landowners are privileged to be supported by the legislations of the land governance. Brooks and Kjelstrup (2014) maintain that farm dwellers who are land beneficiaries struggle to run their businesses successfully due pressure imposed by regulations on private property. Laws and policies drafted by government favour private property land owners in restituted land (Brooks & Kjelstrup, 2014).

Barrett, Brooks, Josefsson and Zulu (2016) hold the view that private land claims in KZN by the traditional authorities have been converted to be a contributing factor in the growth of tourism industry. Moreover, Barrett, Brooks, Josefsson, and Zulu (2016) argue that in the tourism sector, game farming is being super imposed to land beneficiaries; as a result, they agree to enter into partnerships with the private sector and the state-owned businesses that will assist them with the wildlife management skills. In this regard, Andrew, Brandt, Spierenburg, Marja and Mkhize (2013) define privatisation as the transformation of the industry or enterprise that belongs to the public sector and managed by private owners with private property rights. These authors hold the view that private landowners exclude the rightful owners from benefiting in their land in the case where they work together in a co-management arrangement. However, Brooks and Kjelstrup (2014) believe that the persisting problem that seem to arise is the skills and training development required by land beneficiaries to run businesses (Brooks & Kjelstrup, 2014).

2.5 Problem areas for land beneficiaries

2.5.1 Training and development
According to Njoroge and Gathungu (2013), success in business depends on the owner’s capability to manage all business requirements and meet the customer demands. These capabilities include factors such as age of land beneficiaries that contribute to the basic understanding of the land policy dynamics involved and experience acquired through educational background. However, Njoroge and Gathungu (2013) state that all this is impossible without proper knowledge acquired through skills training and business development.
Phillips, Magaret, Moos, Menisha, Nieman and Gideon (2014), also asserted that entrepreneurship education is the necessary tool that can be used to alleviate small business skills training and development. Philips et al. (2014) argue that educating the young generation who can be change in the development of the economy by becoming the much-needed entrepreneurs in South Africa is the method to be prioritised. Phillips, Moos, and Nieman (2014) state that business training, technical skills and entrepreneurial training are key areas of focus.

Botha, Van Vuuren, and Kunene (2015) state that business skills’ training includes the necessary management training aspects for a business enterprise. Botha et al. (2015) state that entrepreneurial training covers the confinement and development of a business initiative and contains amongst other entrepreneurial qualities innovation; creativity; risk propensity and the need for achievement which all contribute towards the successful business. Botha, et al. (2015) postulate that technical skills and training help small business owners to enhance the ability to use knowledge, systems and techniques acquired during training toward attainment of business objectives.

According to Botha, et al. (2015), for South Africa to achieve economic growth, the country needs entrepreneurs who are keen in using their skills and to the best of their abilities to achieve growth. These authors believe that this is a crucial method in the fight against poverty, inequality and unemployment. Komppula (2014) states that the current role players in the development of small businesses should concentrate on the training of business trainers. According to Komppula (2014), these role players are all the Non-Government Organisations (NGOs) and Community-based Organisations (CBOs) also known as Local-Based Service Centres (LBSCs).

### 2.5.2 Accessibility to financial resources

According to Lee, Sameen and Cowling (2015), during the 2008 global financial crisis, many small businesses had to shut down. However, Lee, Sameen, and Cowling (2015) argue that regardless of the financial crisis experienced during the global recession, small business are not usually given financial assistance. Mutanda, De Beer, Myers, (2014) argue that according to the research concentrated on the perception of small micro and medium enterprises owners
towards financial planning, owners lack knowledge and understanding of financial planning. Mutanda, De Beer, and Myers (2014) maintain that entrepreneurial businesses need to be well aware of their financial position before seeking further financial advice. Mayombe (2016) postulates that many small business owners are intimidated by the financial aspect of their business plans. Furthermore, research indicated that access to business capital for most small businesses in rural Kwazulu-Natal is raised from personal savings, family members and friends. This makes it difficult for businesses to sustain themselves after facing failure (Mayombe, 2016). According to Mayombe (2016), entrepreneurial business owners do not have what is called collateral, which is the payment option that financial institutions such as banks use upon failure to repay the borrowed capital, hence, they do not get finance from these institutions.

Schmidt, Mason, Bruwer and Aspeling (2016) indicated that the small business sector in South Africa has trouble in finding the right financial assistance. Table 2.2 shows literature from different authors who did research on similar studies.

According to Haron, Said, Jayaraman and Ismail (2013), SMMEs in South Africa suffer from the inability to access capital from financial institutions although they are the back bone of economic growth. Haron et al. (2013) state that some of the reasons financial institution are reluctant to fund small and entrepreneurial businesses is the failure to produce a good track record of the company’s financial statements. Moreover, Haron et al. (2013) Haron, Said, Jayaraman, and Ismail (2013) argue that financial institutions do not fund these businesses because they do not meet the requirements of the principles of lending.

Table 2.2: Literature review shows limited access to financing opportunities for SA SMMEs

<table>
<thead>
<tr>
<th>Authors</th>
<th>Description of issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orobia, Byabashaija, Munene, Sejjaaka, and Musinguzi (2013)</td>
<td>Considering that SA SMMEs’ daily volume of transactions varies, their net income (in most cases) cannot be guaranteed to repay debt (external financing).</td>
</tr>
<tr>
<td>Lawrence; Mpele and Lekhanya (2010)</td>
<td>There are many financing opportunities available to SA SMMEs; however, these entities do not “cash in” on these opportunities due to extensive red tape.</td>
</tr>
</tbody>
</table>
The biggest support which cooperatives and/or small businesses require in all nine provinces of SA is that of financing.

Lack of finance is one of government’s greatest challenges for co-operatives and/or small businesses.

Financing opportunities are available to SA SMMEs; however, access is generally granted to those business entities that can guarantee returns on investments.

Lack of financial support is a limiting factor, which adversely affects the sustainability of cooperatives and/or small businesses.

<table>
<thead>
<tr>
<th>Reference</th>
<th>Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nkonki-Mandleni and Anim (2014)</td>
<td>The biggest support which cooperatives and/or small businesses require in all nine provinces of SA is that of financing.</td>
</tr>
<tr>
<td>Department of Trade and Industry (2015)</td>
<td>Lack of finance is one of government’s greatest challenges for co-operatives and/or small businesses.</td>
</tr>
<tr>
<td>Jere et al., (2015)</td>
<td>Financing opportunities are available to SA SMMEs; however, access is generally granted to those business entities that can guarantee returns on investments.</td>
</tr>
<tr>
<td>Kanyane and Ilorah (2015)</td>
<td>Lack of financial support is a limiting factor, which adversely affects the sustainability of cooperatives and/or small businesses.</td>
</tr>
</tbody>
</table>

(Seid, Mason, Bruwer, & Aspeling, 2016)

These are referred to as the triple Cs for lending, namely Character, Capacity and Collateral. Character relates to the owners’ management character. In this regard, financial institutions (banks) consider four factors namely the knowledge of the business experience and past projects, past repayment records, reputation and commitment to business, key management and business style, succession plan, age and health. Capacity (financial), is where the banks consider the capacity and ability of the business to repay loan, primarily from the generation of adequate cash flow and other sources of repayment. Collateral refers to the security or the assurance for the loan borrowed (Duffie, Scheicher, Martin and Vuilleme, 2015). Duffie et al. (2015), further reflected that collateral acts as an indication supporting the bank to reduce or eliminate or the contrary selection problem instigated by the existence of information irregularities between the bank and the borrower at the time of the loan decision.

2.6 Factors influencing entrepreneurial businesses of land beneficiaries

2.6.1 Socio-cultural conditions

According to Dempsey and Jennings (2014), socio-cultural conditions refer to systems that include society factors such as language, religion and beliefs. These conditions are believed by Dempsey and Jennings (2014) to have direct impact in the manner people view
entrepreneurship and affect their behaviour. They are usually factored in the people of similar kind that have common interests, in this case an example for KZN will be the clan of the Zulu people. The majority of people in KZN suffered from the illegal land dispossession. This led to the deprivation of economic freedom; consequently, the previously disadvantaged groups have lived under similar social problems and adopted poverty as the normal situation. The 1994 democratic elections in SA saw the rise of some of these people as they are now engaging in entrepreneurial activities. However, Dempsey and Jennings (2014) maintain that socio-cultural conditions of the disadvantaged groups were compromised as their level of self-esteem was affected.

According to Barrett, Brooks, Josefsson and Zulu (2016), KZN has the aboriginal population that was previously deserted by the education system prior to 1994; these communities sometimes face language barrier when they get into businesses. Barrett et al. (2016) hold the view that the cultural values of the aboriginal society do not have education as part of the communal norm, which is passed to generations, thus they were excluded from learning the basics of doing business. Mbedu (2014) argues that a large number of Zulu speaking populations was evicted from their rightful land in KZN. This cannot be put into exact numbers as there is death in literature that contains such information (Mbedu, 2014).

Iankova, Hassan, and L'Abbe (2016) state that success of business activity in restituted land is determined by social values of the society, class structure and the education system. Therefore, Iankova et al. (2016) maintain that entrepreneurs are bound to understand what they refer to as “game rules” which denote the prevailing conditions in which an entrepreneur does business. Furthermore, Iankova et al. (2016) reveal that amongst other important factors that entrepreneurs fail to understand is the income distribution existing in the society.

In the cultural condition aspect, Lawrence, Mpele, Lekhanya (2016) use a term “social climate” which they define as the existing relationship amongst individuals, cultural values and compartments that exist amongst the society. According to Lawrence et al. (2016), business owners must study the communities in which they conduct business and analyse their attitudes towards the business culture. Iankova et al. (2016) postulate that research indicates that it is critical to know cultural aspects of the target market as a business owner as this has an indirect effect on economic growth and business development through innovations and
entrepreneurship. Culture and training encourage entrepreneurial activities, bringing them to introduce innovations to support society. This indirectly would encourage economic growth, Iankova et al. (2016). This is supported by Lawrence, Mpele, Lekhanya and Visser (2016) who state that indigenous communities value collaboration amongst the members. Their focus is on family responsibilities and peruses the community as the unity of action. Lawrence et al. (2016) argue that these aspects are critical to be carefully analysed during marketing research as they lead to more suitable conditions of doing business and positive economic growth.

According to Phoswa (2013), there are three cultural factors that are of paramount importance to understand when doing business in KZN, namely the place and role of traditional leaders, the place and role of women and the norms and beliefs of the local communities. However, Phoswa (2013) states that one would argue that it is not important to consider these factors as they may not barricade the opportunities to do business, but she holds the perception that if they are neglected, they can affect the development of businesses and their progress. Contrary to the other scholars who have done research on the study of land reform and business activities, Mbedu (2014) believes that there is still a need for social cohesion where both white land owners and black emerging farmers have agreements to work together and find solutions to cut the racial divisions. Mbedu (2014) further adds that in order for this to happen, the Land Reform Department has a responsibility to play a mediation role to cut racial divisions caused by the Natives Land Act of 1913. This leads to a question of whether black land owners do have adequate infrastructure support to successfully run their businesses in restituted land.

2.6.2 Commercial and legal infrastructure
Dubihlela and Van Schaikwyk (2014) define infrastructure as the basic physical systems of a business or nation, which include communication, transportation, sewage, water and electricity. The aforementioned elements fit the definition of the commercial infrastructure.

However, legal infrastructure is defined by Sale (2014) as the collective structures of constitutional, statutory, decisional and administrative law. Sale (2014) argue that legal infrastructure differs from the commercial infrastructure, where the latter depends on the government’s ability to collect tax from its citizens in order to provide for infrastructure such as roads, hospitals, and educational facilities such as public schools and universities. Legal
infrastructure on the other hand may be associated mostly with the private legal service providers such as independent law firms (Sale, 2014).

Hove and Tarisai (2013) postulate that factors affecting small business growth in KZN include the lack of institutional support from both private and public sector. The success of small businesses is dependent on the provision of appropriate infrastructure to run businesses such as land and shelter, lack of access to services, access to tender contracts, compliance costs associated with Value Added Tax (VAT) and labour legislations. All these factors are perceived as the main constraints to the success of the small businesses. Hove and Tarisai (2013) believe both public and private sectors should address all these factors in order to alleviate three most fundamental issues identified by the South African parliament, which are poverty, inequality and unemployment. Glover and Kusterer (2016) argue that small businesses have the potential to provide jobs that will bring down the unemployment rate in the country given the necessary infrastructure is available.

Glover and Kusterer (2016) claim that high legal costs associated with small businesses discourage entrepreneurs from taking legal assistance as they have inadequate financial support to maintain their legal fees. Rudenko, Zaytseva, Dzhandzhugazova, Petrovskaya, and Larionchikova (2015) argue that there should be an establishment by government to develop infrastructure support for small entrepreneurial businesses. This initiative is believed by these authors to be the key start in the development of conceptual foundations of management of infrastructure for small entrepreneurship. Rudenko et al. (2015) argue that there is a positive relationship in the development of infrastructure and the growth of small businesses. Table 2.3 represents the strategic objective of provincial infrastructure development and economic growth. It indicates the eighteen key strategic projects aimed at developing the economy of the province. However, the strategy that is specific to the development of small businesses and that refer to land reform projects are unavailable in the provincial strategic plan. This raises a concern about the achievement of Vision 2035 which seeks to increase employment through the development of small businesses.
Table 2. 3: KwaZulu-Natal Strategic integrated projects

<table>
<thead>
<tr>
<th>No</th>
<th>18 Strategic Integrated Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Unlocking the Northern Mineral Belt with Waterberg as a Catalyst</td>
</tr>
<tr>
<td>2</td>
<td>Durban -Free State - Gauteng Logistics and Industrial Corridor</td>
</tr>
<tr>
<td>3</td>
<td>South Eastern Node and Corridor Development</td>
</tr>
<tr>
<td>4</td>
<td>Unlock the Economic Opportunities in the North West Province</td>
</tr>
<tr>
<td>5</td>
<td>Saldanha - Northern Cape Development Corridor</td>
</tr>
<tr>
<td>6</td>
<td>Integrated Municipal Infrastructure Project</td>
</tr>
<tr>
<td>7</td>
<td>Integrated Urban Space and Public Transport Programme</td>
</tr>
<tr>
<td>8</td>
<td>Green Economy in support of the South African Economy</td>
</tr>
<tr>
<td>9</td>
<td>Electricity Generation to support Socio-Economic Development</td>
</tr>
<tr>
<td>10</td>
<td>Electricity Transmission and Distribution for all</td>
</tr>
<tr>
<td>11</td>
<td>Agri-logistics and Rural Infrastructure</td>
</tr>
<tr>
<td>12</td>
<td>Revitalisation of Public Hospitals and other Health Facilities</td>
</tr>
<tr>
<td>13</td>
<td>National School Build Programme</td>
</tr>
<tr>
<td>14</td>
<td>Higher Education Infrastructure</td>
</tr>
<tr>
<td>15</td>
<td>Expanding access to communication technology</td>
</tr>
<tr>
<td>16</td>
<td>SKA and Meerkat</td>
</tr>
<tr>
<td>17</td>
<td>Regional Integration for African Co-operation and Development</td>
</tr>
<tr>
<td>18</td>
<td>Water and Sanitation</td>
</tr>
</tbody>
</table>

Source KZN PDGS (2016)

2.6.3 Openness to trade
The province of KZN is perceived by Phoswa (2013) and Stat SA (2010) as the second largest economic contributor to the economy. Based on the study conducted by Stat SA (2010), the
province contributes 15.8% of the country’s economy. Stat SA (2011) declared KZN as the second largest populous province following the Gauteng province. According to Phoswa (2013), doing businesses in KZN requires entrepreneurs to understand the level of income distribution of the society. Phoswa (2013) further argues that this has a significant bearing on the way in which the business develops and progresses. Furthermore, Iankova et al. (2016) supports this view by stating that a good understanding of the market targeted leads to business prosperity thus creating a base for openness, which they define as the ability of the local business to attract the outside customers and businesses from the area of operation. Mutoko (2014) maintains that in Botswana, one of the main problems small businesses face is the inability to market their business to outside potential customers. Mutoko (2014) further argues that local government fails to support these businesses as they are paralysed through the excessive red tape thus fail to trade with large industries outside of their territory. KZN’s brief economic overview is depicted in Table 2.4. The table is aimed at illustrating the potential that the province has which in turn benefits the entrepreneurial businesses in the restituted land.

Table 2.4: STATS SA, KZN Economic Overview

<table>
<thead>
<tr>
<th>Capital City</th>
<th>Pietermaritzburg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Cities and Towns</td>
<td>Durban, Ladysmith, Newcastle, Port Shepstone and Richards Bay</td>
</tr>
<tr>
<td>Provincial Head</td>
<td>Premier Willies Mchunu</td>
</tr>
<tr>
<td>Population</td>
<td>10.3-million (Census – 2011)</td>
</tr>
<tr>
<td>Economically Active Population</td>
<td>3.2-million (Q3:2012)</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>21.3% (Q3:2012)</td>
</tr>
<tr>
<td>Area</td>
<td>94 361 km²</td>
</tr>
<tr>
<td>GDPR</td>
<td>R313.0-billion (US$43.2-billion)</td>
</tr>
<tr>
<td>GDPR Growth</td>
<td>3.6% (2011)</td>
</tr>
<tr>
<td>Per Capital GDP</td>
<td>R30 392 (US$4 190) (2011)</td>
</tr>
<tr>
<td>CPI</td>
<td>5.9% (Nov:2012)</td>
</tr>
<tr>
<td>Exports</td>
<td>R77.4-billion (US$10.7-billion) (2011)</td>
</tr>
</tbody>
</table>
Main Ports | Port of Durban, Port of Richards Bay, King Shaka International Airport.
---|---

Source (Stats SA, 2011)

Mutoko (2014) stresses the need for private and public sector collaboration to offer infrastructural development support for small businesses. Mutoko (2014) further argues that partnership system between two sectors will create an inflow of new ideas for the development of the key national projects that will open gates for innovation thus benefit entrepreneurial and small businesses. The areas of focus Mutoko (2014) suggests are, to advance the law and reduce the long-term risks associated with investing in the province of KZN in order to allow outside market to invest in local small businesses.

Rogerson (2013) argues by stating that the main area of focus is the policy transformation through the formulation of new regulations that will specifically address the issue of land redistribution and the development of small businesses. Rogerson (2013) maintains that this should address local business constraints into market access and stimulate new market opportunities.

Nkonge (2013) believes that entrepreneurial and small businesses that operate in remote communities particularly in previously disadvantaged areas, fail to do business at a larger scale because they are failing to get tenders from the government. Part of the reason is the lack of information on public procurement and the tendering systems, and the financial challenges which include regulations and the lack of own capital (Nkonge, 2013). Openness to trade is affected by many factors as Waugh and Ravikumar (2016) argue that poor developing countries with weak economies find it difficult to trade outside their boarders. Waugh and Ravikumar (2016) further maintain that rich countries referred to as first world countries are able to trade beyond borders with little or no barriers. These countries target poorer countries as their market to consume exported goods and services (Waugh & Ravikumar, 2016).
Upon investigating the challenges of rural SMMEs in the southern region of KZN, Lawrence et al. (2016) discovered that the firm’s survival in the rural area tends to increase with its size and the growth aspect is determined by the age of the enterprise. Lawrence et al. (2016) argues that the firm’s openness to trade is characterised by its ability to adopt the four identified theoretical perspectives, namely, the resource-based perspective, the strategic adaptation perspective, the motivation perspective and the configuration perspective. Lekhanya et al. (2016) believe that resources, finance, market, customers and the external environment have been recognised by the Thailand’s small business department as the most influential elements in business growth. The scholars state that similar elements have an impact in the South African small business sector. Nason and Wiklund (2015) postulate that the resource-based perspective approach refers to the firm’s ability to access resources in exploiting the extant vast opportunities beyond the scope of the firm. Nason and Wiklund (2015) believe that this leads to the firm’s development and exposure to do business with the external environment.

On the other hand, the strategic adaptation perspective is defined by Grant (2016) as the firm’s ability to share its objectives with all the internal stakeholders involved in the development of the organisation. Grant (2016) states that this may be in the form of top down approach where the leaders of an organisation lay the foundation of new strategic view to the subordinates. An organisation may choose to implement a low-cost strategy or choose a competitive advantage strategy and differentiation (Grant, 2016). According to Piercy (2014), the success of small businesses in restituted land in the case of openness depends on the formulation and application of strong export strategy. Piercy (2014) states that through in-depth analysis of the market and the market spreading strategies, small business should explore new ways that have not been used before in order to succeed in the exportation of goods and services. Scientific research has indicated that motivation contributes towards the success of individuals, businesses and the society (Wood, Logar and Riley, 2015)

Wood et al. (2015), postulates that initiation of export decisions depends on the managers’ motivation to do trade with external markets. Yitshaki and Kropp (2016) hold the view that an entrepreneur’s perspective towards the pull and push factors on the market has an impact as it motivates decisions to trade beyond the local industries. A rise in the demand of goods or services from untapped markets is considered as the pull factor for entrepreneurs to offer their
services thus increasing the opportunity of openness to trade (Yitshaki & Kropp, 2016). The fourth perspective that Lekhanya et al. (2016) discovered to have impact in the state of business openness to trade is the configuration perspective.

Harms, Breitenecker, Schwarz (2014) describe a configuration perspective as the process that involves the multidimensional composition of theoretically discrete characteristics that normally occur together. Harms et al. (2014) substantiate that the contained variables in this approach are the person, venture and the environment. The authors further state that the way the business start-up is decided depends on the different stages in which configuration takes effect. Entrepreneurs are influenced amongst other pointed factors by the educational level, availability of opportunities and the ambitious feeling towards starting a business.

The success of small business to trade openly depends on discussed perspectives which are however, in conjunction with the necessary training and skills development as entrepreneurial businesses in restituted land are mainly run by the previously disadvantaged society.

**Conclusion**

This chapter has discussed in-depth the overview of the six fundamental objectives of the study through examining different theoretical perspectives. First, the strategic initiatives of the private and public sector towards the development of small businesses in the restituted land were examined; the literature review has indicated that although the KZN province has the strategies in place aimed at developing the provincial economic growth, the government still has not been able to identify and position itself with the necessary skills required to equip the youth. Provincial Development Growth Strategies aligned with the KZN growth Fund Trust still do not stress the issue of small business development. Necessary taring and skills development appear to be of paramount importance to be addressed in entrepreneurs operating in the restituted land. The literature indicated that financial access to small businesses still requires detailed attention by both the private and public sectors.
Social characteristics of the communities in restituted land have power to impact the way small businesses operate. The availability of commercial and legal infrastructure determines the possibility of small businesses entering the big industry and becoming international businesses. The four theoretical perspectives discussed have indicated that entrepreneurs need to do thorough research before deciding to enter into bigger market space as there are different factors which may have an impact in the operations of the enterprise.
Chapter Three

Research Methodology

3.1 Introduction
The previous chapter discussed the theoretical literature of the study. This chapter will discuss the methodology involved in the process of collecting data to the analysis stage. As stated in Chapter 1, the research objectives are:

1. To ascertain whether there are strategies the government and/or the private sector use to enhance the performance of SMMEs in the restituted land.
2. To ascertain whether custodians of restituted land obtain training, and development from government or the private sector to develop businesses.
3. To examine the ability to access financial resources required to do business in restituted land.
4. To examine the impact of socio-cultural conditions in operating business entities in restituted land.
5. To examine the accessibility of required commercial and legal infrastructure by business entities in restituted land.
6. To ascertain the affordability of openness to business entities in restituted land.

This study investigates the challenges of operating the entrepreneurial businesses in restituted land in KwaZulu-Natal. In doing that, the study uses the theoretical framework adopted from the General Entrepreneurship Monitor (GEM) conceptual framework. This assist the researcher to evaluate objectives in the attempt to provide answers for research questions of the study.

The GEM research identifies that a comprehensive entrepreneurship sector is a determinant of a strong economy (Kelley et al., 2012). This is also supported by Rogerson (2013) who stresses that small medium and micro businesses bring economic growth and the entrepreneurship ladder as they create job opportunities which result in great alleviation of poverty (Rogerson, 2013). However, Döckel and Ligthelm (2015) argue that there are social and economic
limitations of business policies that severely hinder the small business sector as a whole (Döckel & Ligthelm, 2015). This is supported by Akinboade (2008) who states that access to land is regarded as one of the limiting factors to small business growth in South Africa.

Akinboade (2008) further argues that land sanctuary by Afrikaans and white government in the 20th century is the cause of poverty in South Africa.

According to Hall (2007), white population holds the majority of the South African land estimated to 87 per cent (85.5 million hectares). This has caused rural urban migration to result in human congestion in most big cities of South Africa which led to an increase in unemployment, poverty and crime (O'Laughlin, Bernstein, Cousins, & Peters, 2013). Despite land reform legislation in South Africa, people who provided labour skills to commercial farming have been evicted from farms, these people are now part of the population residing in informal settlement and small rural towns (O'Laughlin et al., 2013).

Ntsebeza, (2007) maintains that the population affected by poverty in South Africa works for white farmers and most earns least per capita income (Ntsebeza & Hall, 2007). Vink and Van Rooyen (2009) support this by stating that commercial farming contributes 3% of the gross domestic product in South Africa. This chapter aims at evaluating the challenges facing custodians of land reform after they embark on business activities in restituted land. The chapter pays attention on research methodology adopted for this study, which will be discussed in detail, and methods that will be used for data analysis.

Table 3.1 exhibits the settled claims that took place from 1995 to 2015 February, divided according to districts in the Province of KwaZulu-Natal. The first column displays districts alphabetically, the second column consists of the number of total claimants, the third column demonstrates the number of claimants who received land and the fourth column lists the number of financially compensated claimants (Affairs, 2007). The Department of Land Reform was chosen for this research because of its responsibility on the provision of land acquisition and strategic land reform, which support interventions in South Africa.
Affairs (2007) state that the department outlines land reform inclusively of the following four roles that consist of Restitution of land rights; Redistribution of land; Land tenure reform; and Development of the land. First, the table 3.1 exhibits the number of settled claims in the province of Kwazulu-Natal per district. This information is divided into total of land claims settled and financial claims.

Table 3.1: Settled claims -1995 February 2015 district breakdown

<table>
<thead>
<tr>
<th>Row labels</th>
<th>Count of claim(projects)</th>
<th>Count of Land Cost</th>
<th>Count of Financial compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amajuba</td>
<td>15</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>Ethekwini</td>
<td>77</td>
<td>16</td>
<td>60</td>
</tr>
<tr>
<td>Ilembe</td>
<td>13</td>
<td>16</td>
<td>0</td>
</tr>
<tr>
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<tr>
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<tr>
<td><strong>Grand Total</strong></td>
<td><strong>445</strong></td>
<td><strong>248</strong></td>
<td><strong>164</strong></td>
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(Affairs, 2007)

3.2 Research Methodology

According to Sekaran and Bougie (2010), research methodology explains the proposed process for the collection of data, the methods used in collecting data as well as instruments used to analyse the results after the collection of data. The following section will therefore explain the components of the research methodology chapter for this study.
3.3 The research philosophy
The importance of research philosophy to qualitative studies is described by Creswell and Poth (2017) as the pioneer of the study. Creswell and Poth (2017) refer to philosophy as the origin of research goals and outcomes which influences the how researchers formulate problems and research questions to study, and this is influenced by the assumptions, and in turn, influences how researchers seek information to answer the questions. Furthermore, Creswell and Poth (2017) postulate that a research philosophy assists researchers to develop scope of training and research experiences and also forms the basis of evaluative criteria for research-related decisions.

The research philosophy to this study is the interpretivism approach. According to Sekaran and Bougie (2010) interpretivists researchers are interested in how people reach certain decisions in life, basically on what happens in peoples’ mind. Part of the research purpose is finding the unique and specific data set, which will be collected in a studied area, which is KZN. This makes the chosen philosophy suitable for research that is qualitative in nature, which qualifies it for this study (Creswell, 2012).

3.4 Research approach
According to Creswell (2012), there are two types of research approaches: the deductive and the inductive approach. The deductive approach develops assumption based on already existing theory and then creates the research approach to test it (Creswell, 2012). According to Sekaran and Bougie (2010), the inductive approach is characterised as a move from the definite method to a broad-spectrum method. This approach is more suited for the qualitative studies; hence, it was adopted for this study. The information regarding the land reform and the development of businesses has been characterised with paucity in South Africa.

3.5 Research Strategy
According to Creswell (2012), research strategy refers to the way in which the researcher aims to finish the work. It involves several approaches that include: experiments; case studies; surveys; interviews; grounded theory; ethnography and action research. All these approaches are further explained in this research methodology chapter.
This study employed the qualitative research method. According Sekaran and Bougie (2010), the purpose of choosing qualitative design is to get to a deeper level of understanding a specific phenomenon. According Dunne (2011), paucity in literature is one of the factors that lead to researchers doing qualitative studies. For this study, the actual land claimants who run businesses in the restituted land provided the data. However, the purpose of this study is to find the objective truth from the land claimants. Quantitative research was not used for this study, as it is scientific research type that uses statistical inferences, as a result, human experience responsible for choices made cannot be antiqued and examined.

3.5.1 Experiments
Sekaran and Bougie (2010) define experiments as the type of research strategies that are related with the deductive research and a scientific or hypothetico-deductive approach to research.

3.5.2 Case studies
Case studies are described as the strategies of collecting information paying attention to a specific object, event or activity such as a particular business unit or organisation (Sekaran & Bougie, 2010)

3.5.3 Surveys
According to Sekaran and Bougie (2010), a survey refers to a system for collecting information from or about people to describe, compare, or explain their knowledge, attitudes, and behaviour. Creswell (2012) maintains that surveys comprise setting of objectives for the gathering of data, designing the study, preparing a reliable and valid survey instrument, administering the survey, managing and analysing survey data and reporting the results.

3.5.4 Observations
According to Creswell (2012), observations refer to the premeditated inspecting, recording, analysis, and interpretation of behaviour, actions or events. These activities are conducted by researchers through different key dimensions such as control; whether the observer is a member of the group that is observed or not, structure which refers to the extent in which observation is focused on (Creswell (2012).
3.5.5 Interviews
Sekaran and Bougie (2010) define interviews as data collection techniques that can be either structured and unstructured in nature. They further state that unstructured interviews are not categorised because the interviewer does not enter the interview setting with a planned sequence of questions to be asked to the respondents. On the other hand, structured interviews refer to those sessions conducted with the known questions from the outset and the information required from the respondents. An interviewer gets into the interview session with predetermined questions (Sekaran & Bougie, 2010). This research used direct structured interviews for data collection from the land beneficiaries.

3.5.6 Grounded theory
Feilzer (2010) argues that the grounded theory refers to a methodical set of events to develop an inductively derived theory from the data. According to Feilzer (2010), the grounded theory is the qualitative research strategy that does not look at solving the hypothesis but is rather a vehicle for generating ‘middle range’ or ‘substantive’ theories.

3.5.7 Ethnography
Sekaran and Bougie (2010) state that ethnography is a research methodology that has its roots in anthropology; it is a research type in which anthropologists closely observe, record and engage in the daily life of another culture, and then write accounts of this culture, emphasizing descriptive detail. This type of research strategy involves studying the group of people and their culture.

3.5.8 Action research
Creswell and Poth (2017) describe action research as the system where the researcher begins with a problem that is already identified and gather data to provide a tentative problem solution.

This study will employ the qualitative research method. According Sekaran and Bougie (2010), the reason for choosing a qualitative design is to get to a deeper level of understanding of a specific phenomenon. According to Myers (2008), paucity in literature is one of the factors that
lead to researchers doing qualitative studies. According to Creswell and Poth (2017), qualitative research is a situated activity that locates the observer the world. Creswell and Poth (2017) argue that qualitative research commences with the expectations and the practice of interpretive or theoretical frameworks that explain the study of research problems, addressing the meaning individuals or groups assign to a social or human problem. To study this problem, the qualitative researchers use an emerging qualitative approach to inquiry; they gather data in a natural setting sensitive to the people and places under study, and data analysis is both inductive and deductive and creates patterns or themes (Creswell & Poth, 2017).

Myers (2013) postulates that after the data examination in qualitative studies, the final written report usually encompasses the voices or views of participants, the reflexivity of the researcher, a complex description and interpretation of the problem and its contribution to the problem, and its contribution to the literature or a call for a change.

For this study, the actual land claimants who run businesses in the restituted land provided data. Quantitative research was not used for this study, as it is mostly suitable for scientific research type that uses statistical inferences. Qualitative research was therefore used to account for human experiences.

3.6 Time Horizon
According to Creswell (2012), studies can either be longitudinal or cross sectional in nature. Sekaran and Bougie (2010) maintain that a cross sectional time horizon is the one, which is used to accumulate data at a given point in time for a specific purpose. The longitudinal time horizon refers to the data collection process that involves repeated observation over the long period of time (Sekaran & Bougie, 2010). This study is cross sectional in nature as it is aimed at collecting data for a given point in time with a specific purpose.

3.7 Research Design
According to Sekaran and Bougie (2010), research design can either be exploratory, descriptive or explanatory. Feilzer (2010) maintains that exploratory studies seek information in un-tapped field where every information found is produced for the first time. Descriptive research relates
to the reflection of the respondents’ experiences (Sekaran & Bougie, 2010). Explanatory research design focuses on how to efficiently explain the characteristics relating to a social phenomenon or population (Sekaran & Bougie, 2010). The research design for this study is exploratory as there is not much information researched before, thus, it was used to inform further research on the subject.

3.8 Sampling method
The following section discusses different kinds of sampling techniques. The chosen technique is indicated and the explanation of eliminating other types is provided.

The non-probability sampling was employed in this research study. This is the type of sampling in which the elements to the population have unequal probability to be chosen, which means the findings of the study cannot be generalised to the population. However, convenient probability sampling will be used for this study for the conveniently available participants; this is because business owners in the restituted land are not all guaranteed that they would participate in this study.

The sample size for this study is 30; the original population that was studied is 248. According to Hitchcock, Nastasi, Summerville and Meredith (2010), when one chooses a sample size for a qualitative research, rules of thumb can be used to satisfy the objectives of the study. A studied population for this study is (N=248) According to Hitchcock et al. (2010), when one uses in-depth interviews as a data collection method, a rule of thumb appropriate for reaching saturation point is to interview 30 people. For this reason, a sample population for this study is (n=30) by the time a thirtieth respondent is interviewed the point of saturation will however be reached, therefore it does not necessarily mean that all the thirty people would have to be interviewed.

It should be noted that the rule of thumb used to choose sample size for this study is the one based on data collection method, which satisfy the sample size required. Through convenient sampling, one can choose the sample based on the convenience of the studied population.
3.8.1 Probability sampling
Sekaran and Bougie (2011) maintains that a probability sampling occurs when every element in a population has equal chance of being selected as a sample. Simple random sampling reduces bias associated with other probability techniques. However, this was not suitable for this study as it is usually used for the analysis in the quantitative studies (Sekaran and Bougie, 2011).

3.8.2 Non-probability sampling
Sekaran and Bougie (2011) states that a non-probability sampling is a sampling technique in which the population elements do not possess equal chance of being selected in a study (Sekaran and Bougie, 2011). The shortcoming of this type of sampling is its inability to measure reliability as the quality of data are measured by the comparison of study result with accessible information.

Despite this shortcoming, non-probability sampling is known to be cost effective and convenient to conduct (Wilson, 2014). Below are the major types of non-probability sampling techniques. The chosen technique was the convenience sampling

3.8.3 Haphazard/convenience sampling
Sekaran and Bougie (2011) maintains that convenience sampling refers to a sampling technique in which samples are drawn from a target population based on their accessibility. This sample technique was the most suitable for the study in restituted land.

3.8.4 Quota sampling
This is a type of non-probability sampling techniques in which samples are selected based on certain characteristics similar to the target population (Sekaran and Bougie, 2011). In this method, researchers characterise the major features of a target population with a sample of proportion of it.
Purposive sampling also known as judgmental sampling is a method in which the researcher uses self-judgement to select respondents, which have adequate knowledge to participate in a study (Sekaran and Bougie, 2011). Bryman and Bell (2015) maintain that purposive sampling is mostly adopted in qualitative studies.

3.8.5 Snowball sampling
According to Bryman and Bell (2015), snowball sampling is a non-probability sampling technique in which samples are drawn from few members of a target population, the drawn samples provide information about other members of the population until the required samples are found.

The sample method involves captivating an illustrative range of the population and using the data collected as research information and it is representative in the sense that each sampled unit will represent the characteristics of a known number of units in the population (Latham, 2007).

According to Feilzer (2010), the sample method involves attracting an illustrative range of population and using the data collected as research information and it is representative in the sense that each sampled unit will in the study present the characteristics the known number of units.

3.9 Target population
The target population of this study comprised post-land claimants in KwaZulu-Natal who are businesses owners in their land. Out of the 445 total land claims in KwaZulu-Natal, 197 were financially compensated and the remaining 248 opted for the land. Therefore, this study targeted a population of 248. The relevant data was provided by the Land Reform Department as they have the statistics of the land beneficiaries in the province of KwaZulu- Natal (Kepe & Tessaro, 2014).
3.10 Study site
The study area for this research is the province of KwaZulu-Natal. This province was deemed suitable to fulfil the purpose of this study as it consists of people who were previously evicted from their lands and have successfully claimed their land back where they have started small businesses. The KZN land is mostly dominated by farming industry which is operated by people who are not the rightful owners of the land; the previously disadvantaged are still seeking control of their natural resources. The few that have got their land back are engaging in entrepreneurial businesses, but they are faced with various challenges. This study seeks to understand what these challenges are and find out if the government and the private sector are doing any means to assist the custodians who just received their land back to develop their business skills.

3.11 Data collection
According to Feilzer (2010), data collection refers to the methods used to get the required information in order to produce the results. Data collected can be primary or secondary type of data. Feilzer (2010), maintains that primary data refers to the first-hand information which has not been manipulated. Secondary data is the type that is obtained from the other sources of information such as other journal articles and books. The collection was conducted through personal interviews; thus, the type of data is primary in nature for this study. Sekaran and Bougie (2010) maintains that direct interviews refer to the method of obtaining primary information from the respondents without any interpretation. This study will use direct interviews for the data collection process. The questions entailed in the interviews were in line with the objectives of the study. each interview was allocated the duration of thirty minutes, participants were contacted telephonically a day before the actual interview took place. All interviews were conducted in the place of participants. Those who were not available agreed to do telephonic interviews.

3.12 Data analysis
The data collected through the interviews were analysed using the thematic analysis in this study, this is the method of content analysis. According to Sekaran and Bougie (2010), it allows
the researcher to examine large amount of written data to detect the words, themes and patterns. This analysis method was employed in this study using the NVIVO programme for the purpose to ascribe data to different themes. The responses obtained from the participants were sorted according to the research objectives they were addressing. This process resulted in to research themes which therefore led to the final stage of the analysis where outcome was presented.

3.13 Reliability and Validity

The quality of a research is related to generalisation of the result and thereby to the testing and increasing the validity or trustworthiness of the research. To ensure this was achieved, this research used the rule of thumb technic to allow the testing of the validity of the results. This was achieved through the checking of the number of people participated in the study and the common expected number by the rule of thumb. During the testing of the results, saturation point was reached before the last person was interviewed which ensured reliability and trustworthiness of the information obtained.

3.14 Ethical consideration

The University of KwaZulu-Natal ethical clearance procedure was followed to safeguard that the work adheres to the ethical provisions. The data that was collected will be reserved at the administrator’s office for the period of five years. It is in the interest of the researcher to keep and treat the information obtained with a high level of confidentiality for the aim of protecting the dignity and the rights of the study participants and external organisations. The Land Reform Department was be consulted prior to the data collection period.

Conclusion

The research methodology and the data analysis tools that will be employed in Chapter 4 were discussed in this chapter. The research philosophies were also discussed, and the data collection plan was outlined. This chapter also highlighted the settled claims in the province of KZN since the year 1995 until 2015. This information was then used as part of the targeted population for this study. The chapter provided the discussion of the different sampling tools. The nonprobability sampling was adopted for the study for collecting the information from the participants.
4.1 Introduction

This chapter aims to present the data analysis using a thematic analysis method with the aid of NVivo software for qualitative data analysis. After data collection through conducted interviews, the researcher transcribed and imported the data into NVivo for coding and analysis. The research objectives formed the main themes, followed by the interview questions which formed the sub-themes, thereafter their responses subsequently formed the sub-subthemes. The method used to select the sample size is the rule of thumb which was explained in Chapter 3. This method indicated that the saturation point is easily reached when one is conducting interviews; this depends on the size selected. For this research, the selected sample size was 30. However, at the sixteenth respondent the point of saturation was reached. Therefore, only sixteen participants formed part of the study.

4.1.1 Section A: Demographics

Figure 4.1: Age distribution of business owners

![Age Distribution Chart](chart.png)
Interpretation

Upon conducting the interviews with entrepreneurs in the restituted land, research shows that the majority of land owners who concurrently manage businesses are older than 50 years of age. Figure 4.1 indicates that out of 100% interviewed participants, 50% indicated that they belong to the age group of fifty years and above. The 37% of the participants belonged to the 30 to 40 years age group and 13% participants were the age group of 40 to 50 years. According to this research outcome, the age groups who were affected by the historic land invasion during apartheid regime are the older generations above the age of fifty. The younger generations inherited the land and they are children or grandchildren to the older generation. This age group did not necessarily experience the real removal from the land.

Figure 4.2: Gender of business owners

Interpretation

Figure 4.2 shows that from all the interviewed participants, business ownership in the restituted land belonged to 87% who are male participants. Female business owners are made up of only 13%. Further discussion is provided in Chapter 5 regarding the gender balance in the ownership of businesses in restituted land.
Figure 4.3 indicates that demographics under marital status. It shows that out of the 100% participants, 56% were married and 44% of them were single. No respondents indicated that they are widowed.

**Race and Nationality**

All 16 respondents interviewed are black in terms of their race. As the study was conducted from the province of KwaZulu-Natal, all respondents indicated that they are South Africans with regards to their nationality.

**Educational level**

The educational levels include: Degree /Diploma, Matric, FET-Certificate, others.
Figure 4.4: Educational level of business owners

**Interpretation**

The education factor was evaluated from the respondents. This was done to measure whether business performance is affected by the level of education that the participants have received. Figure 4.4 shows the results from the respondents. All participants responded to the question of education. A total of 13% of business owners indicated that they have studied up to a tertiary level and obtained a diploma or a degree. A total of 6% of the respondents had a college certificate and 31% of the entrepreneurs indicated that they have studied up to a matric level. Participants who either have not finished their matric or did not go to school were classified as other, amongst the 100% participants interviewed. A total of 50% indicated the “other” option. This means half of the participants did not study up to matric level.

**Employment status**

Entrepreneurship means one is self-employed. Therefore, there was no issue of nonemployment, as all targeted respondents had either their own business plus another job (dual employment).
Interpretation

All participants were running some form of business on the land that they own. This means the focus was only for entrepreneurial businesses. Figure 4.5 shows that 87% of the interviewed participants were full entrepreneurs. However, in some instances the business owner has a formal job and runs a business on the side (dual employment). A total of 13% of the participants indicated they have dual employment.

Duration in business

This is to show the number of years interviewed respondents have spent in business.

Figure 4.6 below depicts the duration of businesses in restituted land.
Figure 4.6: Duration of business in restituted land

**Interpretation**

The duration factor was for the researcher to see if the challenges experienced by entrepreneurs in restituted land are influenced by their experience in business or the other conditions examined in the study. There were five categories for business duration. A total of 12% of the respondents indicated that they have been running business for not more than five years. Furthermore, 38% of the respondents indicated that they have been in business for six to ten years; these are more matured businesses as they have passed the nascent stage, which according to the GEM refers to the first three years of business start-up (Acs, Szerb, & Lloyd, 2017).

Other businesses have existed for more than a decade in the restituted land. A total of 25% of the respondents indicated that their businesses have existed for eleven to fifteen years. It must be noted that some of these businesses are no longer operated by their founders, but the generations took over after the real owners have passed away. This study also discovered that there are entrepreneurial businesses that have been in operation for two decades and more. A
total of 19% of the respondents had their businesses existing for sixteen to twenty years and only 6% of businesses operated for more than two decades.

All these demographic factors discussed have impacted the entrepreneurial businesses in restituted land in both negative and positive ways. The section below focuses on the findings as per research objectives. This study had six different objectives that sought to address and examine the entrepreneurship challenges for businesses existing in the restituted land. Ten questions were asked in the questionnaire which helped to fulfil the objectives and answer each research question.

4.2 Section B: Objective Analysis
The section below provides analysis as per each objective of the study, the analysis is based on the responses obtained from the participants in the restituted land.

4.2.1 Objective 1: To ascertain whether there are strategies the government and/or the private sector use to enhance the performance of SMMEs in the restituted land.

This objective intended to examine if there is any program or strategy designed by the government or private sector in a way to give support to entrepreneurs in restituted land. The objective posed two questions which sought to find if there were any strategies in place and if so, what those strategies were.

Question I. Intervention strategies employed by private sector or government for SMMEs, two sub themes were generated from the responses:

No intervention strategies from government or private sector. For this sub theme, all respondents affirmed that both the government and the private sector were not forthcoming or assisted them with any interventions. One participant indicated that there was intervention which therefore formed the second sub-theme:

There is intervention from the government or private sector. The comments from the respondents are cited below:

Respondent 8: There is none that I know of. The government does not contribute to our community trust that we manage.
Respondent 15: There has never been any form of training and or skills development by any government and private sector.

Only respondent 1: stated that he received training before, right after he started his business. **Respondent 1:** I have only received help from the National Agriculture and Food cooperation (NAFCO). This took place only once after I started my business.

**Question II. Kind of strategies from either the Government or the private sector:**

The responses to this question, generated two main sub-themes:

**Business management strategies:** This is evident in the cited response from Respondent 1 below.

**Respondent 1:** The workshop attended focused on business management strategies as small business farmers.

**No strategies from the government or private sector.** All the respondents except Respondent 1, as cited above stated emphatically that there was no strategy from the government. Below are two of the comments from Respondents 5 and 10:

**Respondent 5:** This does not apply to my business.

**Respondent 10:** This do not take place in my community.

**Interpretation**

Objective 1 reveals that entrepreneurial businesses in restituted land have the challenge of receiving any form of government and or private sector intervention strategies for their business enhancement. Interviewed business owners mentioned that they hardly have any form of intervention from both the public and private sector. Some respondents showed little interest in participating when asked about the government strategies. They expressed dissatisfaction with the view that the government had abandoned them after receiving land. They revealed that no assistance was provided to their initiatives by the government and private sector.

4.2.2 To ascertain whether custodians of restituted land obtain training, and development from government or the private sector to develop businesses.

This objective was aimed at investigating and helping support business development skills with training programs. This was expected from both the private and public sectors.
Question III. Types of training received

This question elicited the following responses sub-themed into two: “Business management training”. Only Respondent 2 stated that they had a business management training before: I have attended workshops from different institutions providing business training, either government or private sector, I do not know who was responsible.

“No training available”. The respondent’s comments are as follows:

Respondent 3 stated that I have not received any training either by government department or private sector to enhance my business operations.

Respondent 5 also alluded to non-training by stating the following: Not yet received any business training. I used my skills obtained from the University as I have done Business Management and Economics at tertiary level.

Whether government and private sector provide training and development strategies to SMMEs? The responses to the questions returned only the following sub-theme:

“No training in place by government or private sectors”. Cited below are some of the comments to show the pattern of responses.

Respondent 3: There is no help I receive from the government and the private sector.

Respondent 10: There are no training activities that take place in my area; government and private sector have never offered any assistance.

Respondent 11: I have never received any form of training from a business management point of view; I started on my own.

Interpretation

The findings of objective two from the analysis showed that; entrepreneurial businesses in restituted land do not have proper training and business development offered to them. It is evident from Respondent 5’s response that university experience was the only training he had received. Those who do not have an opportunity to go to the university do not stand a chance to have formal and professional business development. This is indicated in the responses that the majority of the respondents gave; there is no training offered to rescue their businesses by either the government and/ or private sector.
4.2.3 To ascertain whether custodians of restituted land obtain training and development from government or the private sector to develop businesses.

This objective aimed to know if entrepreneurs have access to funding or financial infrastructures. Two questions were posed.

**Question IV.** Type of financial assistance. The following two sub-themes were generated from the responses.

“**No financial assistance was rendered**”. The sub-themes were generated from the following comments:

**Respondent 1:** There is non-received except using my own capital.

**Respondent 11:** I have never received financial assistance.

“**Own capital investment**”. A few of the respondents stated that they relied on their own personal capital, which means there was no funding from the government or any private sector support. The respondent’s comments are cited below:

**Respondent 10:** There is none that exists; we use our own money to finance businesses that we own.

**Respondent 14:** The money I use is the one I raised by myself.

**Respondent 2:** I use my own money to finance my business activities.

**Question V.** Whether funding is accessible for business? The second question was posed to know if funding was made accessible by either the government or private sector. The subthemes below emanated from the responses.

“**Inability to access funding because of collateral and red-tape**”

“**Unavailability of funding**”. The respondent’s comments are as follows:

**Respondent 1:** It is difficult to find financial assistance or funders; I do not have collateral to put in place for the loan borrowed.

**Respondent 12:** There is no easy access to financial assistance for me to be able to do business.

**Respondent 13:** The finance is not accessible as the banks ask for collateral if I request to be given a business loan; I do not have strong collateral.
Interpretation

One of the pressing issues that emanated from the participants’ responses is collateral for business loans required to support business operations. Entrepreneurs also mentioned excessive red tape as the hindering factor to small business development. They also highlighted the financial sector policies put in place to guide financial access to small businesses, such as the number of years that the business has been in operation. Such a policy is meant to measure how experienced the owner of the business is. The results highlighted the issue of business training and development programmes that are in place for these businesses. It was evident that there is paucity from both sectors of these programs from being implemented by either the government or private sector. This implies that there is contradictory factor between espoused policies and policies in action. It was noted that the objectives of the land reform do not favour small businesses in the restituted land as they provide responses that indicate limited access to financial assistance.

4.2.4 To examine the impact of socio-cultural conditions in operating business entities in restituted land.

This objective intended to examine how culture in the society affects entrepreneurial businesses.

Question VI. Do cultural aspects support businesses? The respondents were all in agreement that cultural aspects have a great impact on business operations. The following sub-themes were generated.

“Culture has to be considered when doing business” and “culture is an important influence on our businesses”. Cited below are the actual comments from respondents:

Respondent 12: Culture is an important aspect in doing business; it requires the authorities and communities to take it seriously.

Respondent 13: Culture is important for business. It needs to be treated with respect.

Respondent 8: The cultural aspects have to be considered when doing business because they contribute to the manner in which we do business in our communities.
Respondent 9: The culture aspect has to be highly considered in doing business as it contributes in the way people behave. I support putting culture in to consideration when dealing with business activities.

Question VII. Influence of cultural events on business. The responses from respondents show that there are positive and negative influences; these have been themed as follows:

“Negative influences on our businesses” The comments are cited below:

Respondent 1: This used to cause problems at times as criminal activities take place.

Respondent 11: It depends, sometimes the outcome is negative.

“Positive influences on my businesses”. Most of the respondents stated that culture was more impactful. These range from increased patronage to increase in profits to the business and increase in sales. Below are some of the comments from the respondents:

Respondent 3: This depends on a type of business one is doing; sometimes cultural activities bring business and I make bigger revenue during these times.

Respondent 4: The cultural events have a positive effect on my business because when there are many people in the area, they come to spend their time at my business.

Respondent 5: Yes, there has been a lot of influence since I live in a rural area.

Interpretation

Socio-cultural influences were also examined during the interviews from respondents in the restituted land. The findings of the study were that; culture is an important aspect to consider in the business environment. The responses range from the different views which were investigated. There are those who mentioned negative impact because of cultural events; they complained about criminal activities such as burglary during the events. There is also positive impact in the way businesses operate. This will be further explained in the discussion chapter as culture goes a long way when it comes to business and entrepreneurial behaviour. This was evident after interviewing different people who mostly were from the rural areas. Behaviour was mentioned as an aspect shaped by culture and the link in which an entrepreneur conducts business and manages good customer relationships. Culture was perceived as the fundamental foundation that create a sense of respect and bravery to people who are raised under the difficult
conditions such as poverty and impoverishment due to lack of employment especially in the rural areas. This is the case of the interviewed entrepreneurs since the majority of them are from the rural and farm areas.

4.2.5 To examine the accessibility of required commercial and legal infrastructure by business entities in restituted land.

This objective was designed to measure accessibility of both legal and commercial infrastructure available to entrepreneurs operating in restituted land. Two questions were asked, and the responses produced the sub-themes below:

**Question VIII. Accessibility to infrastructure:** The general responses on the field were as follow:

“Infrastructures is available”. Few of the respondents affirmed that the infrastructure was partially available for many businesses. Cited below are some of the comments from respondents.

**Respondent 1:** Since I operate in a rural area, at times we spend a long period without water. The roads are in a bad condition. Only electricity is available.

**Respondent 11:** Not all infrastructure is available in my community; the roads are in a bad condition.

**Respondent 12:** Infrastructure is partially available in my community; not all is accessible, roads are not well maintained. Water is not always available as well.

**Question IX.** Accessibility to legal infrastructures: Many of the respondents regarding access to legal infrastructures are hampered by the following sub-themes:

“Expensive to access for us”, “Not readily available to us”.

“Cost of litigation is burnt solely by the owner”. The respondent comments are cited below:

**Respondent 16:** There is no legal help for me as a small business because of the high costs involved.

**Respondent 12:** The legal costs are too high; therefore, I have a challenge in affording legal costs.
Respondent 13: The legal infrastructure is not easy to access; this service is very expensive. As small businesses we do not have enough money to cover the legal costs.

Respondent 14: Legal infrastructure is not easily accessible, so I do not have legal help to protect my business.

Interpretation

Majority of interviewed businesses operate in the previously disadvantaged areas such as rural communities. One difficulty they must deal with is slow delivery of infrastructure. Small business owners indicated that availability of infrastructure determines the successful operation for their business ventures. This is the major challenge to the business’ success.

The legal protection for small businesses in restituted land proved to be hindered by accessibility to finance. High costs involved were the reason why many owners indicated that they have difficulty in accessing legal help.

4.2.6 To ascertain the affordability of openness to business entities in restituted land.

This objective was aimed at understanding if entrepreneurs have any working relationships with bigger markets or entrepreneurs who operate in bigger markets. To answer this objective, the following question was developed:

Question X: Is there demand for product and services outside the area of business?

All the respondents were emphatic in their responses stating that there was:

“No demand for goods or services from bigger markets”,

“No engagement with bigger markets”. Except for a single respondent who confirmed he engages with bigger markets. The rest of the respondents reiterated that there was no demand for goods or services from bigger markets, or any form of engagement with bigger markets. Cited below are some of the extracts from respondents affirming the themes above.

Respondent 1: There is no demand from outside bigger businesses; I only get support from my local community where I operate.

Respondent 10: It is hard to get bigger market request service from small businesses. There is no demand from the bigger market for my services.
**Respondent 11:** The bigger markets take our business instead of helping us grow. They come in our communities and open their stores and we lose our customers.

“Do you enjoy doing business with bigger businesses or markets?”

This question was posed to respondents to know if they are comfortable to do business with bigger markets. Their responses generated the following sub-themes:

“I enjoy doing business with bigger markets”, “My business needs no engagement with bigger markets”, and “No enjoyment from doing business with bigger markets because of their exorbitant prices”. Below are some extracts of their comments:

**Respondent 8:** This has no effect in my community as there are no bigger business demands for our services.

**Respondent 9:** I do not have a relationship with bigger markets, except buying from them. I therefore do not enjoy doing business with them.

**Respondent 1:** I have no experience of dealing with bigger markets as I only buy my stock from them. They are expensive in terms of their prices.

**Respondent 11:** I do not enjoy doing business with bigger markets, their prices are killing our markets.

**Interpretation**

The issue of openness in small business determines whether there is collaboration between bigger and smaller businesses with regards to mentorship programmes. Responses of the interviewed participants indicate the lack of openness among small and medium enterprises. This crack creates unfavourable trade relationships between the smaller and bigger markets. Small businesses claim that the larger markets take their customers thus killing their success within the industry. This poses a challenge as it opposes the fundamental objective of the government’s mentorship programmes, where bigger businesses are encouraged to work together with small businesses to develop their business management skills.

The results of the study are in line with each objective and they have contented the desired outcome. The following chapter will discuss the results in detail.
Conclusion
This chapter covered the discussion regarding the government and private sector intervention strategies. The respondents revealed that they are having challenges receiving any kind of assistance from the two aforementioned sectors. Furthermore, the chapter revealed that training and development is of paramount importance in the entrepreneurial businesses operating in restituted land. In this chapter, culture was discussed with respondents to assess its impact in doing business. It was revealed that cultural events contribute positively to the success of small businesses in restituted land of KZN. Business owners also mentioned that the culture must be treated with respect as it shapes the mindset in the customers and societal behaviour towards business.

Financial accessibility to entrepreneurial businesses operating in the restituted land of KZN is still a problem. The chapter revealed that the entrepreneurs largely depend on their own capital to finance their businesses. There is no assistance from the financial industry or private sector with regards to easy access to business loans. The barrier to obtain business loans to finance operations stemmed unaffordability of collateral. This chapter also discovered that bigger markets are not supporting the development of smaller businesses, rather, smaller business view bigger markets as stealing their clients. They also complain about the fact that they inflate prices and the customers no longer support the smaller businesses.
Chapter Five

Discussion of Results

5.1 Introduction
This chapter aims to discuss the research findings in detail and linking the major findings with the literature review. The previous chapter covered the analysis of the results after the NVivo 11.0 was employed to simplify the questions and produced the related themes. The research questions were answered together with the review of research objectives.

5.1.1 Demographics
The results analysis of the study revealed that with regards to the age distribution, half of the population that participated in the study were fifty years of age. This is found to be the direct group who were affected by the illegal removal from their lands. The study found that some of these people continue to struggle from getting their land back from the farmers who took it from them. The other 37% and 13% respectively were the mix of the children and grandchildren who inherited their parents’ properties. According to Njoroge and Gathungu (2013), young generation need to be informed about the land policy dynamics that contribute to their knowledge and experience especially in the restituted land.

Demographics observed by this study indicated that a larger percentage of restituted land is owned by males as opposed to women. The historic traditional method still prevails in the issues of land where men are looked as the rightful figures to lead in such matters. Gender inequality was one of the factors that was eminent within the households who are business owners. Males were the ones who were referred to as the source of all the information related to business management and the challenges faced by the entrepreneurs. There was both married and single participants who contributed to the study. A total of 56% of the participants were married and 44% were single. The nationality and race for the demographic section was made of black South Africans. This was the significant contributing factor in a measure of business success in the previously disadvantaged groups.
Education is still the major contributing factor in terms of business success in KZN. Philips et al (2014) believe that entrepreneurship education is the necessary tool that must be used to increase the success of entrepreneurial businesses in the restituted land. This was supported by the results as the 50% who did not reach matric level indicated that they have difficulty in understanding some of the business documents due to lack of business knowledge acquired through education. These range from the preparation of business financial statements, business plans and the filing of the compliance documents to the revenue services department. From the results, it was evident that a majority of participants were self-employed. With a total of 13% had dual employment; these are people running their businesses as well as having other careers in the private and public sectors. Business duration was observed where it was found that 38% were businesses who had survived for more than 21 years. The shortest duration was 12% of businesses who had zero to five years. The duration was important in terms of measuring the success rate of businesses in the restituted land. Hence, this helped with clear understanding with regards to the challenges faced by business owners and the passion they have for growth in their businesses.

5.1.2 Research Objective 1

To ascertain whether there are strategies the government and/or the private sector use to enhance the performance of SMMEs in the restituted land.

The findings regarding government and private sector strategic interventions to improve performance of entrepreneurial businesses in KZN revealed that there is rather a failure from both sectors. This is supported by Kalina and Rogan (2017) who state that, implemented growth policies by the national and provincial governments fail to address the core issues such as unemployment in the country. Respondents in the study mentioned the issue of no intervention as the hindrance to their business growth. The failure of government land reform policies is viewed by Cousins (2016) as a political failure which started back in the years of the first democratic South Africa. This outcome raised concerns regarding the government policies that are in place when it comes to small business development as stated in the article written by Döckel and Ligthelm (2015), that there are social and economic limitations posed by government policies in developing small businesses in South Africa. The literature review chapter mentioned the triple “C” protocol used by financial institutions as the criteria to give funding to small businesses. One of the Cs was: character, which measures the owner’s
capability to formulate strategic decisions to sustain a business. This was revealed in the interviews with the respondents that institutions judge them by their appearance when they need business advice, and that leads to no attention given to their business challenges.

5.1.3 Research Objective 2

To ascertain whether custodians of restituted land obtain training and development from government or the private sector to develop businesses.

The information produced after the analysis of the results revealed that respondents in the restituted land are in demand of training and development of their skills. Business researchers agree with this outcome. According to Njoroge and Gathungu (2013), success in business depends on the owner’s capability to manage all business requirements and meet the customer demands. However, Njoroge and Gathungu (2013) state that all this is impossible without proper knowledge acquired through skills training and business development.

Participants interviewed indicated that there is no training that they receive from government and the private sector regarding their business management skills. The education factor was noted as an important aspect during the interviews conducted. Some respondents mentioned that doing well in business studies contributed to all the skills and knowledge obtained from the university, hence the business performance turned to be a success.

5.1.4 Research Objective 3

To examine the ability to access financial resources required to do business in restituted land.

Financial challenge to entrepreneurial businesses in the restituted land is a major barrier to their trading ability. This is supported by the triple “Cs” postulated by Haron et al. (2013), where they maintain that the third C is for financial “Capacity”. According to Haron et al. (2013), financial institutions contemplate the capacity and capability of the business to repay loan, mainly from the generation of satisfactory cash flow and other sources of repayment. However, the major challenge when it comes to presentation of financial statement is to know how to prepare them; these businesses are situated in rural communities. Education, training for business management and mentorship remain as the core requirements for the upliftment of the standard operating procedures in rural businesses of the restituted land in KZN.
There is evidence that SMMEs in South Africa find it hard to access finance due to excessive red tape. This is supported by the number of research papers in the field of entrepreneurship; this is presented in the following literature from Chapter 3: Orobia et al. (2013) “Taking into account that SA SMMEs’ daily volume of transactions varies, their net income (in most cases) cannot be guaranteed to repay debt (external financing)”. According to Lawrence, Lekhanya and Mason (2014), there are several financing prospects existing to SA SMMEs. However, these entities do not “cash in” on these opportunities due to widespread red tape.

5.1.5 Research Objective 4

To examine the impact of socio-cultural conditions in operating business entities in restituted land.

Culture has emerged as the foundation of respect by respondents of this study. Respondents go as far as to mention that; if one has not received fundamental cultural lessons from home, they cannot be successful in life. Even starting a business requires a certain business culture. This is seconded by the researchers in the entrepreneurship articles by Dempsey and Jennings (2014) who believe that socio-cultural factors such as language, religion and belief systems of the society have a direct influence in the way people perceive entrepreneurship. These conditions were indicated by the business owners in the restituted land as the foundations of their behaviour towards the clients. KZN is the province where most of the citizens speak isiZulu language, hence the Nguni culture is dominant (Brenzinger, 2017).

Respondents mentioned that the cultural events that take place in their area of operation bring customers and increase their sales. The land in the province is governed by two structures which are the government (provincial) and chiefs under the Ingonyama trust. Areas under chiefs are mostly the rural areas where representatives are chosen to deal with the issues of land redistribution. Respondents revealed that it is not always possible for them to gain from the land reform programme as corrupt representatives deprive them of their rightful land. During the interviews, one respondent mentioned that in their area a park was developed; however, the project was not finished. The amount that was announced for the project was R2 million, but the project was left incomplete with no explanation to the rightful stakeholders.
5.1.6 Research Objective 5

To examine the accessibility of required commercial and legal infrastructure by business entities in restituted land.

According to Dubihlela and Van Schaikwyk (2014), infrastructure such as the basic physical systems of a business or nation, which include; communication; transportation; sewage; water and electricity are the cornerstone of any business success. Respondents in the restituted land have indicated that in the communities where they operate, businesses are partially provided with adequate basic infrastructure. Participants cited cases such as water shortages in their communities. Other business owners complained about not having access to tarred roads. It is noted that the government as a policymaker maintains that Vision 2035 aims at addressing infrastructural problems in all parts of the province; it aims to support small business development KZN PDGS (2016). Participants in the study feel this needs to be expedited.

Hove and Tarisai (2013) argued that factors that contribute to slow growth of small business in KZN include, amongst other things, the inadequate institutional support from both the private and public sectors. Furthermore, the authors added availability of appropriate infrastructure to run businesses such as land and shelter, lack of service delivery; inaccessible tender contracts; compliance costs associated with Value Added Tax and labour legislations.

Other KZN restituted land is engulfed by farm dwellers who maintained that in their communities, white farmers decide which infrastructure they get. They highlighted that conditions are still very hard for them as they are not even allowed to trade within their homes. Under these circumstances, it makes the role of provincial government strategic projects questionable regarding its implementation plan as development is seeming to be guided by other forces within the province governed by the same government. This phenomenon is what Mkhize (2014) classifies as the contradiction between land reform beneficiaries as their land is comparatively owned by private game farmers. Restituted land is being converted to tourism sites as part of economic development in previously disadvantaged areas or rural economic development areas. Mkhize (2014) maintained that farm dwellers are therefore persuaded by the state to be in co-management arrangement with private game famers. This is argued to be
non-beneficial to the previously disadvantaged group as they do not have necessary training and management skills (Brooks & Kjelstrup, 2014).

5.1.7 Research objective Six

**To ascertain the affordability of openness to business entities in restituted land.**

Affordability to do business with external businesses rather than those within the restituted land was indicated as non-existent by respondents in the KZN. This was revealed by entrepreneurs as they argue that bigger markets simply do not give room for growth for smaller businesses. They maintain that instead, the government does not protect them from what they call “ferocious” situations where shopping malls are built in communities where they operate. The entrepreneurial conditions in their areas are understood to favour those with bigger pockets who have buying powers as they manage what entrepreneurs in restituted land classify as “buying groups”. This supported by researchers in the literature, for example, Nkonge (2013) believes that entrepreneurial and small businesses that operate in remote communities and those in previously disadvantaged areas, fail to do business in a larger scale because they are failing to get tenders from government.

However, Waugh and Ravikumar (2016) argued that the openness to trade in South Africa especially for small businesses is affected by the monopolistic competition imposed by those bigger markets. Waugh and Ravikumar (2016) maintain that small businesses are forced to be price takers when they do business with bigger markets, hence, they lose moral to continue trade as price setters (bigger markets) control the markets.

The next chapter will discuss the study limitations and provide recommendations and conclusions to the study.
Conclusion

This chapter discussed the elements that were discovered during the analysis of results in Chapter 4. It was further revealed in this chapter that general entrepreneurship conditions require attention of the government and the private sector in alleviating the performance of entrepreneurship in the restituted land of KZN. Demographic section revealed that gender inequality is still a major issue in the ownership of land. The education factor plays a major role in the success of a business. The majority of the population in the restituted land who have businesses are older generations who were direct victims of the removal from land. Six objectives of the study were critically evaluated together with answers to the research questions. The responses were closely analysed using the additional comments that were provided by respondents during interviews. Literature that supported the findings of the study was also cited to give authenticity of the research interview sessions held with participants.
Chapter Six

Recommendations and Conclusions

6.1 Introduction
This chapter seeks to distinguish the limitation to the study. It will provide conclusion to each research objective discussed and later the recommendations will be provided. The study found that the average age of businesses owners in the restituted is fifty years of age. The demographics proved that gender equity favours males over females in terms of business and land ownership. Education was found to be the key factor in providing the required business knowledge and management skills.

6.2 Research Objective 1
This objective was aimed at understanding whether there are any intervention strategies used by the government and or private sector to enhance the performance of entrepreneurial businesses in restituted land. The outcome of the results analysed using NVivo, indicate that there are no intervention strategies that are provided by both the public and private sectors to assist entrepreneurial businesses operating in restituted land in KZN. The respondents rather used their own resources to uplift their business performance. The study found that due to scarce resources, the challenge of moving forward overcomes the business existence then business experiences failure.

6.3 Research Objective 2
The main aim of this objective was to ascertain whether the land custodians receive necessary training and skills development in restituted land. The study discovered that there is a gap in terms of skills development and necessary business training to entrepreneurial businesses in the restituted land. The government and private sector have not been active in growth strategies for business owners in these areas, hence the feeling is that of being abandoned by the system.

6.4 Research Objective 3
The focus of this objective was to assess whether the entrepreneurial business in restituted land can access financial resources required to do business and manage their daily operations. The
study discovered challenges such as the issue of having collateral to be able to qualify for business loan as the big hinderance to the success of small businesses operating in restituted land. Other issue found to be hampering progress was the inability to draft professional business plans that will assist in funding the enterprise. This was further compounded by inadequate background knowledge of running the business. The owners’ character was also marked as an important aspect that financial institutions consider when they are assessing for funding.

6.5 Research Objective 4
Socio-cultural conditions which include religion, language and the cultural beliefs were revealed to be of supreme importance when doing business. Respondents of the study indicated that cultural events bring profit in their businesses, therefore, the society must treat culture with respect. Individual behaviour was found to be shaped by the cultural background one has. The business mindset is believed to be influenced by the way one is raised in the society they belong.

6.6 Research Objective 5
Access to commercial and legal infrastructure was discovered to be a necessity for all business operation in the restituted land. The study found that most of the business owners had challenges of accessing the legal infrastructure due to high costs involved. Business owners indicated that they use own capital to legally protect their businesses. According to the findings of the study, government institutions and the private law firms are not reaching out to their needs.

6.7 Research Objective 6
The purpose of this objective was to assess whether entrepreneurial businesses have access to openness which is to freely trade with other bigger businesses and the small businesses. The study discovered that small businesses do not enjoy doing business with bigger markets. The challenge was found to be dominance of bigger markets as they are price setters. Small businesses were found to be bound by trading conditions set by larger operations in the markets. The study discovered that the expansion of shopping malls in areas where small businesses operate kills the ability to continue trade as all customers switch to shopping malls.
6.8 Study Limitations
The study site was the province of KwaZulu-Natal. Travelling across the KZN province proved to be a challenge. Furthermore, financial resources hindered the data collection process. It was a lengthy process to find willing participants as the topic of land redistribution appeared to be controversial; participants had to be convinced first before agreeing to participate in the study even after the researchers’ presentation of personal information.

6.9 Recommendation for further research
The recommended topics for further research are as follows:

1. The evaluation of the relationship between private game farms and the development of small businesses in KwaZulu-Natal.

Recommendations
The study’s recommendations are as follows:

1. Business alignment with the policy makers is required in KwaZulu-Natal; the issue of land commercialisation after the restitution requires cooperation of both the public and private sectors. The government must develop the skills that will propel the communities living in restituted land and private sector can provide all the necessary support.
2. Skills training and business development is of paramount importance in the development of small businesses for the KZN province, This can be achieved by the Department of Small Business Development. through initiatives that seek to uplift the operating business with access to funding, creation of market base for small businesses in local private and public institutions
3. Education factor must be directed towards developing entrepreneurial mindset to the society since the country prioritises the development of small businesses for future, in combating poverty, unemployment and inequality. This drive can be achieved through
the cooperation of both lower and higher education ministries in introducing mandatory entrepreneurial courses at schools

4. Financial literacy must be taught to the society as it the cornerstone of any business success. Commercial banks should have campaigns that seek to provide knowledge to entrepreneurial businesses in restituted land, teach them risk management techniques, investment opportunities available and provision of workshops on sound credit management skills.

5. Entrepreneurship culture must be expanded to all public and private sector education institutions to develop generations capable of innovative solutions for the economic challenges. Early childhood development can be used to foster this culture, communities are responsible to teach young people to practice how to trade and invest at their early childhood stages.

6. There should be policies that support small businesses in restituted land of KZN. These are of paramount significance to avoid exploitation of land custodians by the privately-owned game farms. One of the realised policies is the land expropriation without compensation which is to be signed to the constitution by parliament in 2019

Conclusion

This study discussed the challenges of operating entrepreneurial businesses in restituted land in KZN. The government and private sector intervention strategies to the entrepreneurial businesses were examined. The fundamental policies governing provincial economic development were critically evaluated. The study discussed the different theoretical perspectives toward the development of entrepreneurial culture. Methodologies that underpin the results analysis to the study were discussed in detail. This study provided discussion of results which formed the understanding of the research objectives and answered the research questions. Terms of reference were made toward the sustainability culture that seeks to balance the private and public institutions regarding the development of small businesses.
References


Myers, M. D. (2013). *Qualitative research in business and management*: Sage. California


Appendices

Appendix I: Research Instrument

Interview Questions

Demographics of business owners

Gender

<table>
<thead>
<tr>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Marital Status

<table>
<thead>
<tr>
<th>Single</th>
<th>Married</th>
<th>Divorced/Separated</th>
<th>Widow</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>

2. Education Level

<table>
<thead>
<tr>
<th>Matric</th>
<th>Certificate</th>
<th>Diploma/Degree</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
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<td></td>
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</table>

3. I am Employee

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
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<tbody>
<tr>
<td></td>
<td></td>
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</table>

4. I am self employe

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
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<td></td>
<td></td>
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</table>
5. Duration of the business

<table>
<thead>
<tr>
<th>Up to 5 years</th>
<th>6-10 years</th>
<th>11-15 years</th>
<th>16-20 years</th>
<th>21 years and above</th>
</tr>
</thead>
</table>

6. Age

<table>
<thead>
<tr>
<th>18-23 years</th>
<th>24-29 years</th>
<th>30-35 years</th>
<th>36-41 years</th>
<th>46-51 years</th>
<th>52 and above</th>
</tr>
</thead>
</table>

7. Nationality

<table>
<thead>
<tr>
<th>South African</th>
<th>Non-South African</th>
</tr>
</thead>
</table>

8. Race

<table>
<thead>
<tr>
<th>Black</th>
<th>White</th>
<th>Indian</th>
<th>Coloured</th>
<th>Other</th>
</tr>
</thead>
</table>

1. Section B: Objective 1

a) What are the strategies in place used by the government and/or private sector to enhance your business performance?

b) What kind of strategy does government and/or private sector use?
3. Section C: Objective 2

c) To what extent do government and/or private sector do provide business training and or skills development to improve your business performance?

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d) Name the type of business training you ever received from the government and or private sector?

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4. Section D: Objective 3

e) At what capacity is financial assistance accessible to you in order to be able to do business?

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f) Type of financial assistance received.

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5. Section E: Objective 4

g) What impact does Cultural aspects have in your area when conducting business?

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h) Cultural events have influence in the way I do business in my community?

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6. Section F: Objective 5

i) To what extent is infrastructure accessible in your area of operation?

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j) Legal infrastructure is easily available to me as a small business owner in redistributed land? elaborate.

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7. Section G: objective 6
k) There is a demand of my products and or services from bigger market apart from my area of operation

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l) I enjoy/do not enjoy doing business with bigger markets because?

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Appendix II: Consent form

Dear Respondent,

My name is Sakhile Dlamini; I am a student at the School of Management, Information Technology and Governance of the University of KwaZulu Natal (UKZN). You are invited to participate in research project entitled ‘The Challenges of Operating Entrepreneurial Businesses in The Redistributed: The case of KwaZulu-Natal’. The aim of this study is to determine whether there are challenges facing small business operations in the redistributed land.

Through your participation, I hope to understand the business activities taking place in the redistributed land in the province of KwaZulu-Natal, the challenges in the operations of small businesses and role played by government and Private sector to enhance the performance of small businesses. the study will investigate whether small business owners receive business training and skills development in redistributed land. The results of the study are intended to contribute to expanding academic knowledge in the field of Small business management. Professional entrepreneurial practitioners can also use the information in the study to enhance practice.

Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in the survey. Confidentiality and anonymity of records identifying you as a participant
will be maintained by the School of Management, IT and Governance of UKZN. Your responses will not be used for any purposes outside of this study. 
Data collected will be stored during the study and archived for 5 years. After this time, all data will be destroyed.

If you have any questions or concerns about completing the questions or about participating in the study, you may contact me or my supervisor at the numbers listed above.

The interview should be about 30 minutes long. Your time to take part in this survey is highly appreciated.

Sincerely

Sakhile Dlamini

Date: 11 September 2017

UNIVERSITY OF KWAZULU-NATAL

SCHOOL OF MANAGEMENT, INFORMATION TECHNOLOGY AND GOVERNANCE

M COM (Small Business Development and Management) Research Project

Researcher: Sakhile Dlamini (cell. 0796400190)

Supervisor: Ms. Lindiwe Kunene (Tel: +27312607152)

CONSENT

I………………………………………………………………………… (Full names of participant) hereby confirm that I understand the contents of this document and the nature of the research project, and I consent to participating in the research project.

I have been given an opportunity to ask questions about the study and I have had answers to my satisfaction.

I understand that I am at liberty to withdraw from the project at any time, should I so desire. I declare that my participation in this study is entirely voluntary.
I hereby consent / do not consent to have this interview recorded.

If I have any further questions/concerns or queries related to the study I understand that I may contact the researcher at dlaminisakhile86@gmail.com or the phone numbers provided above.

If I have any questions or concerns about my rights as a study participant, or if I am concerned about an aspect of the study or the researcher then I may contact:

HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS ADMINISTRATION

Research Office, Westville Campus Govan Mbeki Building

Private Bag X
54001 Durban

4000

KwaZulu-Natal, SOUTH AFRICA

Tel: 27 31 2604557 - Fax: 27 31 2604609

Email: HSSREC@ukzn.ac.za
Appendix IV: Ethical Clearance
Appendix V: Turn it in Report

Appendix VI Editorial report

