“Daring to survive or to grow? The growth aspirations and challenges of survivalist entrepreneurs in South Africa”

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Daring to survive or to grow? The growth aspirations and challenges of survivalist entrepreneurs in South Africa

Abstract

Until recently survivalist entrepreneurs were viewed as having little or no significant impact on economic growth. This is against the backdrop of the numerous studies that have focused on the so-called high impact and well established businesses which are regarded as major vehicles for economic growth and development. Whilst there has been growing concern over the support directed at survivalist entrepreneurs given that a majority of them do not grow, this article investigates the survival and/or growth aspirations of survivalist entrepreneurs and the perceived challenges that they encounter. Mixed methods were employed for data collection using in depth semi-structured interviews and questionnaires. The snowballing sampling method was employed resulting in a sample size of 100 respondents. Contrary to the popular view that survivalist entrepreneurs, venture into businesses primarily to obtain self-employment and sustain family needs, it was noted that the majority of them (87%) pursue growth as the ultimate objective of their businesses. Nonetheless, 13% indicated meeting family needs as their primary objective. Further strengthening the foregoing results, was the fact that 90% of the survivalist entrepreneurs that enrolled in incubator programs did so because of their aspiration to grow. These entrepreneurs, however, re-echoed the need for financial support (61%), infrastructural support (23%) and favorable government regulations (16%). Growth-oriented entrepreneurs can have a greater impact on economic growth and development through employment creation and poverty reduction. This article concludes that survivalist entrepreneurs should not be discriminated against in entrepreneurship development programs, but rather provided the necessary support. They make a significant contribution towards economic development as most communities depend on the goods and services provided by them.

Keywords: survivalist entrepreneurs, economic development, entrepreneurship, incubation and business growth.
JEL Classification:

Introduction

More than ever before, entrepreneurship continues to gain traction as a vital element for emerging economies (Kuratko & Hodgetts, 2001). Much of a country's needed employment comes as a result of entrepreneurial activities. The United States Department of State (2007) identified entrepreneurship as the necessary ingredient for stimulating economic growth and employment opportunities in the developing world. In South Africa, entrepreneurship (through innovation) has led to the creation of new competitive markets, jobs and a multiplying effect on the economy (GIBS, 2010). Entrepreneurs in their individual ventures have also enjoyed benefits such as independence, financial rewards and job security amongst other things (Luke, Verreynne & Kearins, 2007).

In order for entrepreneurial ventures to fully contribute towards economic growth and employment, there is an increasing need to support entrepreneurs in their business ventures. Such support has traditionally been anchored on the needs of the small and medium-size enterprises (SMEs), which most people would agree to be disproportionately disfavored by the current business environment in most countries (Tengeh, 2013). Entrepreneurs face a number of challenges in running their businesses, which hinder their full contribution towards economic growth and development. These challenges include lack of training and support, funding challenges, lack of skills, and lack of entrepreneurial mindset (Organization for Economic Co-operation and Development (OECD), 2010).

Since 1994, the South African government has embarked on implementing policies aimed at supporting SMEs. Among these policies is the Reconstruction and Development Program (RDP) (Amra, Hlathswayo & McMillan, 2013). However, many business support services are directed towards growing or high impact and well established ventures in exclusion of survivalist enterprises (GEM, 2012, p. 79). In fact, Jesslyn (2006), called for an intensified support for survivalist entrepreneurs because of their perceived role in the economy. No doubt, therefore that survivalist entrepreneurship also presents some significance in a burgeoning economy, such as South Africa. The uniqueness of this study, therefore, does not only rest on the foregoing, but more importantly on the calls made by Tengeh (2013) and Gwija, Eresia-Eke and Iwu (2014a,b), who advanced the need to provide customized support to SMEs (survivalist included). Heeding this call in the context of survivalist entrepreneurs in South Africa, would mean understanding their survival and/or growth aspirations.

1. Problem

Parsons (2004, p. 1) asserted that over the past centuries, the South African economy has grown and

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developed into a much stronger, wealthier and fairer economy. On the contrary, it is still faced with high small business failure and unemployment. Research by Willemse (2010) revealed a failure rate of SMEs varying between fifty percent and ninety-five percent within five years of operation, which clearly shows a high failure rate of SMEs. The current unemployment rate is 25.5 % (Statistics South Africa, 2014). Regardless of the efforts being made by the national government, the unemployment rate persists.

Entrepreneurs grow small businesses. Thus the significance of entrepreneurship at different levels should not be overlooked as small businesses are important vehicles for job creation, income distribution and economic development in South Africa (Amra et al., 2013). Within the concept of entrepreneurship are survivalist entrepreneurs. According to Kay (2012), the concept of survivalist entrepreneurship has been in practice for some time, even though little attention and support have been directed at this cohort. This has been verified by Beats (2013) who is of the view that business schools should not pay attention to survivalist entrepreneurship, rather they should focus on supporting high-impact businesses.

Research questions

The study was guided by the following research questions:

1. What are the growth aspirations of survivalist entrepreneurs?
2. What are the challenges of growth-orientated survivalist entrepreneurs?

2. Literature review

The literature was reviewed under the following headings: the theoretical background; definitions of survivalist entrepreneurship; and the challenges faced by survivalist entrepreneurs in running their business ventures.

2.1. Theoretical background. Many theories have been propounded to explain entrepreneurship. Sharma and Chrisman (2007, p. 84) identified two distinct clusters of thoughts to defining entrepreneurship, namely entrepreneurship focusing on characteristics such as creativity, innovation, growth and uniqueness and entrepreneurship focusing on the outcomes such as the creation of value.

Focusing on the characteristics, Rwigema and Venter (2004) suggest that entrepreneurship is the processing, organizing, launching and through innovation nurturing a business opportunity into a potentially high growth venture in a complex unstable environment. In the same notion, Stevenson and Jarillo (1990) regard entrepreneurship as a process of pursuing opportunities by individuals either on their own or within organizations.

Muljadi (2011) came up with two definitions of entrepreneurship focusing on the outcomes; first entrepreneurship was defined as the act of being an entrepreneur, who undertakes innovations transforming them into economic goods, and the second definition observes entrepreneurship as a process of discovering opportunities in the market, planning, organizing and arranging the necessary resources to exploit long-term gain.

2.2. Who are survivalist entrepreneurs? Jesselyn (2006) describes survivalist entrepreneurs as individuals who run and manage enterprises due to being unable to secure employment in the formal sector, but who have to find alternative ways to survive. These individuals are not employed on a formal basis; their income levels are generally below the minimum poverty lines; the business ventures they run require minimal capital, and they lack training and experience. Jesselyn (2006) further provides examples of survivalist entrepreneurs by classifying them into three categories which are as follows: producers (shoemakers, dressmakers, tailors, subsistence farmers); distributors (hawkers, vendors and street traders) and Service providers (taxi operators, bookkeepers, repair services and backyard mechanics).

Fisher's (2011) own description of survivalist entrepreneurs is that of people who see going into business as merely a means of economic survival; they depend on the profits of the business from one day to the next and they keep very little long-term wealth. Fisher (2011) gave examples of survivalist entrepreneurs, which are basket sellers, sunglass sellers and people selling flags in the streets. Falkena, Abedian, Blottnitz, Coovadia, Davel, Madungandaba, Masilela and Rees, (2001) describe survivalist enterprises as business ventures that generate an income below the standard of poverty line. Falkena et al. (2001) indicated that survivalist entrepreneurs fall in the micro enterprise sector and provided examples of survivalist enterprises, which include hawkers, vendors and subsistence farmers.

Light and Rosenstein (1995) in Valenzuela (2000) identified two useful types of survivalist entrepreneurs which are value entrepreneurs and disadvantaged entrepreneurs. Value entrepreneurs are those that choose self-employment rather than low wage jobs due to a number of reasons such as independence, autonomy, social status and flexibility, whilst disadvantaged survivalist entrepreneurs are those who undertake self-employment due to labor market disadvantages, earning higher returns on their hu-

man capital in self-employment than in wage and salary employment or not having other options of employment (Light, 1979; Min, 1988).

Although survivalist entrepreneurial activities constitute a significant and growing proportion of entrepreneurs in South Africa, their exact number seems to elude researchers. Jesselyn (2006) estimated that there were between 1.2 million and 2.8 million survivalist entrepreneurs in South Africa who offer employment opportunities to about 3 million people.

Drawing from the foregoing definitions, survivalist entrepreneurs operate on a small scale, mainly for the purpose of sustaining family needs and employment. Although they operate on a small scale, they still contribute towards economic growth and development as identified by Jesselyn (2006) who reported that they employ up to about 3 million people and the services and products they provide make a difference in improving people's lives, hence the need to support them.

Survivalist entrepreneurs are providers of the much-needed employment in South Africa. According to the City of Cape Town (2014), the informal sector produces 12% of the goods and services for the Cape Town economy and employs about 18% of the Cape Town residents.

2.3. Challenges faced by survivalist entrepreneurs. Most research has found that SMEs are major contributors to economic growth in South Africa, though they face numerous challenges that hinder entrepreneurial growth. Among the identified challenges are poor management skills, which arise from insufficient training and education in entrepreneurship (GEM, 2010; GPI, 2010). Previously, the GEM Report (2006) hypothesised that an individual's ability to react to start-up opportunities is influenced by business condition and the entrepreneurial framework in which they operate. These entrepreneurial conditions affecting decision making and the rate of response to opportunities include access to finance, education and training, government regulations, legal and financial infrastructure, research and development among others.

2.3.1. Education and training. Isaacs, Visser, Friedrich and Brijlal (2007) acknowledge education as the key to establishing a culture of entrepreneurship in South Africa. Entrepreneurship education is the purposeful intervention by the educator to impart entrepreneurial qualities and skills in the life of a learner in order to enable the learner to survive in the business world (Isaacs et al., 2007). GEM Report (2001) indicated that lack of education and training was a major inhibitor of entrepreneurial growth in the economy.

According to the Western Cape Status of the Youth Report (2008), the apartheid era influenced access to basic education; one in four black adults in 1996 whilst six percent of South African adults had tertiary education thus the ability to interact with mainstream economy was affected. Furthermore, people's confidence and self-esteem suffered because critical thinking, questioning and entrepreneurial education were not encouraged during the apartheid period (Western Cape Status of the Youth Report, 2008). Apartheid education deliberately instilled into many South Africans does not favor the drive and edge to run successful entrepreneurial ventures (Western Cape Status of the Youth Report, 2008).

Education systems have an influence on entrepreneurial success. This view has been supported by the GEM Report (2002) which shows that there is a positive and strong relationship between educational levels and business success. Findings from the Western Cape Status of the Youth Report (2008) showed that the average level of education of a formal business entrepreneur is significantly higher than their informal counterparts.

According to the Global Practice in Incubation Policy Development and Implementation (2010), there is a gap in entrepreneurial training, suggesting that the education systems in South Africa do not encourage entrepreneurship as a career; entrepreneurship is seen as something that people can do when they fail to secure a job and when they do not have a profession. Thus support levels are very low. The GEM Report 2004 cited in Western Cape Status of the Youth Report (2008) suggests that entrepreneurship education can have a significant influence on entrepreneurial self-confidence, entrepreneurs understanding of financials, the desire to start own business not solely for employment and the desire to undertake higher education.

2.3.2. Limited resources. Entrepreneurs are generally faced with limited resources challenge in their business ventures. This is a major challenge for survivalist entrepreneurs and a push factor for them to be involved in entrepreneurial activities. According to the World Bank (2010), there are limited resources available to support entrepreneurs in starting their business ventures, and this invariably determines the capacity at which they operate. Access to finance is the most widespread problem facing many entrepreneurs. This notwithstanding the GEM Report (2001) indicated a low prevalence as far as access to finance was concerned. Another GEM report (2003), notes and relates South Africa's limited access to financial capital to other developing countries.

In support of the above view, Light and Rosenstein (1995) maintain that although entrepreneurship is momentous to economic development, entrepreneurial resources affect the level of entrepreneurial contribution to the society as well retracting equal economic opportunities of individuals in their business ventures. Furthermore, GEM (2003) identified personal saving and income as the most significant sources of funding for entrepreneurial ventures, as reported by South Africans.

The Western Cape Status of the Youth Report (2008) studies showed that a lot of small businesses could benefit financially from adopting a few relatively simple administrative and managerial practises and in order to adopt these managerial and administrative skills there is a need for mentoring and coaching from business incubators. Although these skills have been consistently linked to entrepreneurship growth, very little research has been done to genuinely confirm the link between these skills and the financial health of an entrepreneurial venture (The Western Cape Status of the Youth Report, 2008).

2.3.3. Government regulations. The regulations implemented by the South African government create huge administrative burdens and high costs when starting a business. These discourage entrepreneurs from starting a sustainable business venture (World Bank, 2010). International evidence has shown that the regulatory environment has a greater stimulus on the survival and growth of new entrepreneurial ventures. Furthermore, research conducted in the a number of countries (South Africa, Tanzania, Ghana, Uganda, Kenya, Zambia, Poland, Hungary and Latvia) all attest to the importance of conducive regulatory environment for enterprise development (Bannock, Gee et al., 2002 cited in Western Cape Status of the Youth Report, 2008).

Due to the existence of these onerous regulatory requirements in South Africa, entrepreneurs find it difficult to register a business, hence the existence of survivalist entrepreneurs. The Western Cape Status of the Youth Report (2008) mentioned that while it should be ideally easy to register a business, in South Africa this involves several frustrating steps and takes about thirty-eight days.

2.3.4. Infrastructure. The World Bank (2010), states that infrastructure and other necessary skills required for entrepreneurship development are lacking. Infrastructure refers to the basic physical and organizational structures needed for the successful operation of an enterprise or services and facilities that enable an economy to function (Soji & Hannah, 2009). Infrastructure facilitates the production of goods and services as well as the flow of the goods and services to the final consumer (Soji & Hannah 2009). Ekeledo and Bewayo (2009) are of the view that the basic physical infrastructure which necessitate economic development is of poor shape in most African countries, examples being poor transportation systems and irregular power supply which stifle small business operations. Furthermore, poor transportation facilities result in high cost for the entrepreneur. According to Cogburn and Adeya (2000) cited in Ekeledo and Bewayo (2009), information and communication infrastructure is also a challenge to entrepreneurial operations: poor communication infrastructure results in poor access to important information, poor communication networks which are essential for the success of an entrepreneurial venture.

2.3.5. The negative individual mind-set. Western Cape Status of the Youth Report (2008) identified an entrepreneurial mindset built on three characteristics which are individual drive, passion, self-confidence, initiative and perseverance. Survivalist entrepreneurs lack the ability to sustain the level of drive and determination that entrepreneurial success requires; they see themselves being unable to influence the outcome of their lives. Therefore, there is a need for business incubators to chip in to assist survivalist entrepreneurs in building an entrepreneurial mind-set.

2.3.6. Isolation from markets. Survivalist entrepreneurs are isolated from markets because of the common perception that they add no value to economic development. Naude (2011) is of the view that promoting entrepreneurial activities in the informal sector is not worthwhile due to ambiguous statistical evidence on whether they contribute to economic growth. Naude (2011) further mentioned that the seeming irrelevance and or importance of entrepreneurs is the danger that well-intended support policies may have unintended negative consequences like patronage, corruption, rent seeking and prolonging the life of inefficient and low productivity firms.

2.3.7. Unaware of their potential. Survivalist entrepreneurs face a challenge of being unaware of their potential because they do not understand the broader ideas that are required for enterprise sustainability, and they have a narrow and short term view of business development (Global Practice in Incubation Policy Development and Implementation, 2010).

3.3.8. Few income generating activities. Due to operating on a small scale, the activities of survivalist entrepreneurs are usually low income generating activities; hence they do not make sufficient funds for growth.

Possible solutions to the challenges identified above include improving small business support infrastructure (Gwija et al., 2014a, b), building networks (Xesha, Iwu & Slabbert, 2014) and establishing government policies that focus on small businesses (Fatoki, 2014).

3. Research methodology

For this study, mixed methods were employed comprising both qualitative and quantitative research methods. The necessity of a dual method is the opportunity to extract as much important information as possible from the participants in a study. Often, the questionnaire might be limiting and would not present an extensive opportunity for elaboration, whereas interviews provide the necessary ground for better interrogation.

3.1. Population. Population refers to any group of individuals that has one or more characteristics in common that are of interest to the researcher (Haralambos, 2005). It also refers to the number of the people or unit from which research information will be obtained. The participants in this study were:

Survivalist entrepreneurs who attended and completed a business incubation program in the Cape Metropolitan Area.

Survivalist entrepreneurs who attended and did not complete the incubation program in the Cape Metropolitan Area.

Survivalist entrepreneurs who did not attend incubation programs.

Business incubators in the Cape Metropolitan Area.

3.2. Sample. Latham (2007) cited sampling as involving taking a representative selection of the population and using the data collected from the selection as research information. A sample is a subgroup of the population and a relatively true representative of the unit of analysis (Berinstein, 2003 in Latham, 2007). According to Robert-Lombard (2006), a sample size larger than 30 and less than 500 is appropriate for most research studies. This study made use of 100 particpants. In order to arrive at a sample of 100, the Raosoft sample calculator was also utilized to arrive at a sample of 100 with a confidence level of 95%.

Hair et al. (2008) acknowledged two categories of sampling methods which are probability sampling and non-probability sampling. Snowballing sampling was utilized for this study, it is a non-probability sampling method in which the researcher approaches one member and the member in turn refers the researcher to another member (Mashaba, 2006). The Snowball sampling method was the most appropriate method for this study as the researchers had a few individuals to participate in the study who helped in identifying other participants who best matched the research. Two of the most prominent incubators within the Cape Metropolitan Area, namely the Bandwidth Barn and Shanduka Black Umbrellas provided the referrals for the recruitment of the participants for the study.

3.3. Data collection and analysis. Primary and secondary sources were both utilized as forms of data collection. The researchers employed semi-structured in-depth interviews and questionnaires as primary sources of data collection tools. Secondary sources of data mainly covered annual and impact reports of the business incubators, journals and surveys previously held by other researchers and newspaper articles on survivalist entrepreneurs. The study was conducted over a period of three months. The researchers made appointments with the identified business incubators and survivalist entrepreneurs, hand-delivered the questionnaires and clarification on how to answer the questionnaires was also given. The respondents were given at least two days to complete the questionnaires. 100 questionnaires were distributed and 94 of them were returned without mistakes.

The data gathered from the questionnaires were statistically analyzed with the aid of a statistician. Descriptive statistical analysis was employed to identify the frequencies and percentages of the variables. The SPSS version 22 program was used to capture and analyze data. Data presentation was done in the form of pie charts, tables and graphs. Cross tabulation and chi square test were utilized as data analysis tools in order to establish the correlation between variables.

4. Results and discussion

4.1. Motivation for starting business ventures. In an attempt to understand the survival and/or growth aspirations of survivalist entrepreneurs, it was necessary to understand what motivated individuals to engage in entrepreneurial activities. Accomodating multiple sections, the results (Figure 1) revealed that a notable majority (34%) of the respondents were driven by unemployment into entreprenurial ventures. Twenty five percent of the respondents reported that they started entrepreneurial ventures because they were not satisfied with their jobs. Twenty two percent were driven by the need to improve their finances. Nineteen percent of the respondents become survivalist entrepreneurs out of the sheer need to be independent.

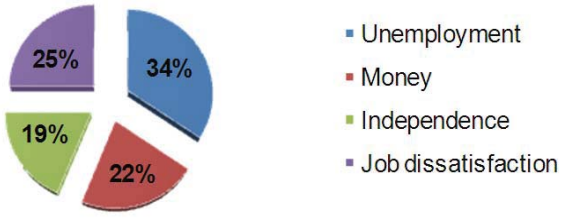

Fig. 1. Motivation for starting a business venture

4.2. The survival and/or growth aspirations of survivalist entrepreneurs. This study examined whether survivalist entrepreneurs were striving to grow or to survive in their businesses in South Africa. This study found that the majority of survivalist entrepreneurs have long term focus for their business venture. They pursue growth as the main objective in their businesses rather than sustaining family needs as identified by previous research (Jesselyn, 2006; Fisher, 2011). Eighty seven percent of the respondents indicated growth as the objective of the business venture whilst less than thirteen percent of the survivalist entrepreneurs have the intention to sustain family needs. The results are shown in the pie chart below (Figure 2).

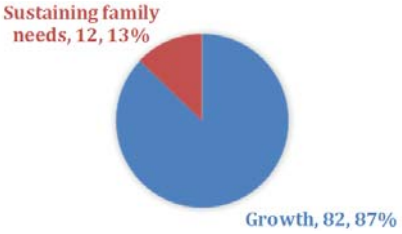

Fig. 2. Objectives of the business venture

In an attempt to understand if the objectives of survivalist entrepreneurs differ with regard to enrolment in and completion of a business incubation program, a cross tabulation was done. The results obtained proved that both survivalist entrepreneurs that enrolled in incubation programs and those who did not, pursue growth goals for their business venture.

Table 1. Cross tabulation on the objective of the business versus enrolment and completion of an incubation program

		Did you attend an incubation program and did you complete it?			Total
		Yes (completed)	Yes (did not complete)	No	
What is the objective of your business venture?	Growth	21	30	31	82
	Sustaining family needs	0	0	12	12
Total		21	30	43	94

To justify the extent of the relationship, a chi-square test was performed. The table (Table 4.2) below shows a p-value < 0.001, which indicates a statistical significance. From the table above, we see that only those who did not attend incubation programs pursue sustaining family needs whilst the majority pursue growth needs. This shows that survivalist entrepreneurs focus on growth goals rather than barely sustaining family needs and with the necessary support the growth objectives can be achieved.

Table 2. Chi-square test on the objectives of the business venture and attendance of incubation programs

	Value	Df	Asymp. p-value (2-sided)	Exact p-value (2-sided)	Exact p-value (1-sided)	Point probability
Pearson Chi-square	16.315[a]	2	.000	.000		
Continuity correction						
Likelihood ratio	20.881	2	.000	.000		
Fisher's exact test	15.743			.000		
Linear-by-linear association	12.754[b]	1	.000	.000	.000	.000
N of valid cases	94					
a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 2.68.						
b. The standardized statistic is 3.571.						

The results of the personal interviews conducted, further strengthen the foregoing results. Drawing from the results, it is clear that survivalist entrepreneurs strive to grow. This is what one of the respondents had to say:

"They say we will help you grow your business and nothing like that happens, if they were really helping us, we wouldn't be having problems paying fees and renting space and stay in the program".

4.3. Challenges of growth orientated survivalist entrepreneurs. The study also revealed that the majority of the survivalist entrepreneurs are mainly faced with financial challenges in running their businesses. More than 50 percent of the survivalist entrepreneurs indicated that they face financial challenges. The results are shown below (see Figure 3).

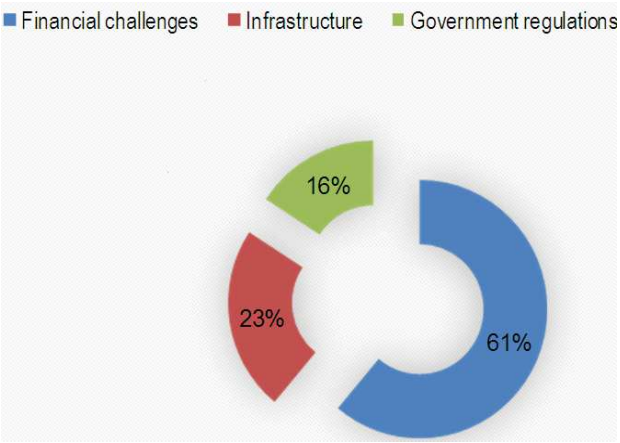

Fig. 3. Challenges faced by survivalist entrepreneurs

The majority who pursue growth as a business objective, identified finance as the barrier that is hindering the growth and expansion of their business venture. The survivalist entrepreneurs indicated that they are unable to get funding from banks as the banks view them to be associated with high risk of failure and lack of collateral security.

Financial challenge is a common problem faced by entrepreneurs, regardless of the category or sector the entrepreneurs are operating in. GEM (2013, p. 38) maintains that most entrepreneurs find it difficult to obtain funding at all levels of entrepreneurship; they do not have the required track record or collateral required by financial institutions. Survivalist entrepreneurs are not mainly affected by government regulations as they are operating in the informal sector and the majority of them are not registered.

Bringing in the qualitative angle, some of the respondents reported the following:

"… Money is a big problem for me, I need to make my business big, because I don't have money my business is small".

Another interviewee said:

"Biggest challenge is generating business networks and cash flow".

Apart from the preceding findings, the results also revealed that the survivalist entrepreneurs are discriminated upon when it comes to entrepreneurial support programs. Only two organizations in the Western Cape have intervention and support aimed at survivalist entrepreneurs. If survivalist entrepreneurs are to be given all the support they need, they could achieve their growth objective thus contributing towards economic development.

The study also revealed that 90% of the survivalist entrepreneurs who had access and enrolled in business incubation programs, indicated that the desire to grow their businesses was the main motivator. The remaining ten percent (10%) specified that they were motivated by lack of skills. The graph below (Figure 4) shows the results obtained.

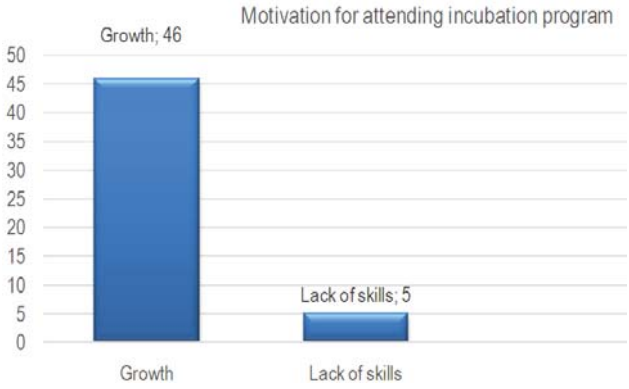

Fig. 4. Motivation for attending incubation programs

Growth emerged as the major driver of survivalist entrepreneurship rather than sustaining family needs and self-employment.

Conclusion

Many previous studies downplay or underestimate the economic contribution of survivalist entrepreneurs in favor of high impact and well established businesses. Furthermore, there is growing concern over the support directed at survivalist entrepreneurs. In view of the foregoing, this paper investigated the survival and/or growth aspirations of survivalist entrepreneurs and the perceived challenges that they encounter.

Contrary to the popular view that survivalist entrepreneurs venture into businesses primarily to obtain self-employment and sustain family needs, it is noted from this study that the majority of them (87%) pursue growth as the ultimate objective of their businesses. Nonetheless, thirteen percent indicated meeting family needs as their primary objective. Further strengthening the foregoing results, was the fact that ninety percent of the survivalist entrepreneurs that enrolled in incubator programs did so because of their

aspiration to grow. In line with previous studies, these entrepreneurs re-echoed the need for financial support (61%), infrastructural support (23%) and favorable government regulations (16%). Growth-oriented entrepreneurs can have a greater impact on economic growth and development through employment creation and poverty reduction. This paper concludes that survivalist entrepreneurship should not be discriminated upon with regard to entrepreneurship development programs and support services. They make a significant contribution towards economic development as most communities depend on the goods and services provided by them.

Regardless of the size of an enterprise, its impact and contribution should not be undervalued. Any positive contribution, regardless of the magnitude is an effort worth considering if the high level of unemployment and poverty confronting South Africa is to be reversed. The intervention programs aiming to assist entrepreneurs and SMEs development should therefore include all stages of entrepreneurs including survivalist entrepreneurs.

Scope for future research

The researchers propose that future research could look into the specific role of survivalist entrepreneurship on employment creation; contribution to community development and poverty reduction. This paper is biased to the extent that only those who were identified to have attended or not attended incubation programs were included in the sample.

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