ROLE OF BUSINESS INCUBATION IN SUSTAINING SMALL AND MEDIUM ENTERPRISES IN THE KINGDOM OF ESWATINI

By

THOBILE MAKHOSAZANA DLAMINI

Thesis submitted in fulfilment of the requirement of the degree of

Master of Technology in Business Administration (Entrepreneurship):

in the Faculty of Business and Management Sciences

at the Cape Peninsula University of Technology

Supervisor: Professor Chux Gervase Iwu

Co-supervisor: Dr Oyebanjo Ogunlela

District Six, Cape Town

19 October 2020

Declaration

I, Thobile Makhosazana Dlamini, declare that the contents of this thesis represent my own work, and that this is the first submission of this thesis for academic examination towards any qualification. Furthermore, it represents my own opinions and not necessarily those of the Cape Peninsula University of Technology.

Signed: TMD **Date: 19 October 2020**

Abstract

Small and medium enterprises (SMEs) are gaining recognition as important stakeholders in achieving economic development. Unfortunately, up to 80% of new businesses fail with two years of existence in the Kingdom of Eswatini. With proper support and nurturing, SMEs can contribute substantially to economic growth and provide employment. Small business incubation is a strategic tool that helps a country to grow its entrepreneurial base, reduce high mortality of SMEs, and subsequently result in poverty reduction in an economy. Although, the government of Eswatini has established business incubators (BIs), business failure continues. This leads one to question the entrepreneurial skills and strategies offered by BIs in Eswatini.

The aim of this study was to determine the nature and scope of entrepreneurial skills, knowledge, and abilities that BIs in Eswatini offer to SMEs for the purpose of sustaining and growing their business ventures. The research sought to determine the extent to which BIs augment entrepreneurial competencies of SME owners in Eswatini; to ascertain specific entrepreneurial competencies offered by BIs in Eswatini; to establish if there are specific strategies used by BIs to equip SMEs; and to measure the impact of the incubation programme on the incubated entrepreneurs. The researcher adopted a quantitative approach that used methodological triangulation of both quantitative and qualitative data collection methods. The participants were SME owners, BI managers, and BI trainers. Their answers in questionnaires and interviews generated data for the study.

The results of the study revealed that a majority of SME owners and BI managers acknowledge the importance of entrepreneurial competencies to enhance business success. BIs in Eswatini offer training in financial management, records management, project management, and marketing. Unfortunately, those competencies are not meeting all of the SME's needs. Research revealed that there is some breakdown in communication on the BI side, as some of the SMEs are not aware of any helpful strategies that BIs offer post business incubation. Measuring the impact of the incubation programme, based on the success of incubates, was difficult as incubators did not have a graduation.

The study recommends that: the government must evaluate the entrepreneurial skills offered by BIs trainers and managers; business incubator stakeholders should include recognised entrepreneurs to assist in mentorship and to share hands on experience to the SMEs; a post incubation programme would assist those SMEs that are still struggling after the set incubation period; and lastly post incubation programme would assist in producing a proper database on performance of SMEs.

Acknowledgements

To God Almighty, my heavenly Father, thank you for making all things work together for my good.

My sincere gratitude goes to my supervisor, Professor Chux Gervase Iwu, for his unabating support, timely feedback, encouragement, and constructive criticism. Through his guidance I have managed to complete my research study. I am equally thankful to Dr Oyebanjo Ogunlela, my co-supervisor for his useful inputs.

I also very much appreciate my family and friends for their invaluable support; emotionally, spiritually and financially. Thank you for the love.

I would also like to express my appreciation to the following people:

- The Apostle, Pastor Zandi, and my Sword & Spirit family, for your prayers and words of encouragement.
- ESWADE, SEDCO, and RSTP CEOs gave me permission to conduct the study.
- Ms Phumlile Dlamini, ESWADE, for help with data collection.
- Mr Sibusiso Motsa, SEDCO, referred me to former incubatees.
- Mr Khetsimphilo Dlamini, HR at RSTP
- Mr Mluleki S. Dlamini, Director of MSME, gave me a wealth of information on SMEs in Eswatini.
- Mr Moses Dlamini, ESWADE, took me to the remote areas to meet with the SME owners and helped me with data collection
- The SME owners, who took part in the study and gave me their time and information
- Dr. Vusi W. Tsabedze helped me to analyse the research data, and awakened my desire to become an academic.
- Cherie Blaine, Editor, for professional services in proofreading and editing my research.

Dedication

I dedicate this thesis to the people who are close to my heart:

My mom, my number 1 supporter, Nkhosi Dlamini: thank you for the sacrifices you made for our education.

Dr. Zanele and Chief Zulwelihle, Maseko Khubonye Wandlovu, I could not ask for better siblings.

My husband Mr. Mandla Dlamini: Thank you for your financial support and being a super dad while I was in Cape Town.

My offspring: Calsile, Bayanda, Mphumelelo, and Wenkhosi: There were times I wanted to give up but your love and support kept me going.

Abbreviations and acronyms

AFDB	African Development Bank
AGOA	Africa Growth and Opportunity Act
BDS	Business Development Support
BEE	Black Economic Empowerment policy
BIs	Business Incubators
COMESA	Common Market for Eastern and Southern Africa Development Community
CPUT	Cape Peninsula University of Technology
DFIs	Development Finance Institutions
DTI	Department of Trade and Industry
ESWADE	Eswatini Water Agricultural Development
EU	European Union
GDP	Gross Domestic Product
GEM	Global Entrepreneurship Monitor
InfoDev	Information for Development Programme
ICT	Information Communication Technology
ISP	Incubation Support Programme
JA	Junior Achievement
MCIT	Ministry of Commerce Industry and Trade
MEPD	Ministry of Economic Planning and Development
MLSS	Ministry of Labour and Social Security
MMR	Mixed Method Research
MSME	Micro, Small and Medium Enterprises
NBIA	National Business Incubator Association
OECD	Organisation for Economic Co-operation and Development
R&D	Research and Development
RSTP	Royal Science Technology Park
SABTIA	Southern African Business and Technology Incubation Association
SACU	South African Customs Union
SADC	South African Development Community
SEDA	Small Enterprise Development Agency
SEDCO	Small Enterprise Development Company
SEFA	Small Enterprise Finance Agency
SMEs	Small and Medium Enterprises
SMME	Small, Micro, and Medium Enterprise
SSELGS	Small Scale Enterprise Loan Guarantee Scheme

SZL	Swazi Lilangeni
TEA	Total Early-Stage Entrepreneurial Activity
UNESCO	United Nations Education Scientific and Cultural Organization
ZAR	South African Rand

Glossary

1. **An entrepreneur** is a person who organises available resources and manages the risks involved in pursuit of opportunities to make profit.
2. **Business incubation** is business support activities, resources, and services, which help start-up and fledgling businesses to be successful and develop into big, well-established entities.
3. **Entrepreneurship** is the activity of identifying a business opportunity, setting it up, and running it for the purpose of financial profit.
4. **Junior Achievement (JA)** is an organisation that offers financial literacy, work readiness, and entrepreneurial education programmes to young people aged 14-35 years.

Table of Contents

List of Figures

List of Tables

APPENDICES

CHAPTER ONE

1.1 Introduction

Small and medium enterprises (SMEs) are gaining recognition as important stakeholders in achieving economic development. This is because they generate jobs, reduce poverty, and generally improve standards of living (Gwija et al., 2014; Fatoki, 2014). Unfortunately, as several studies have reported, when an SME fails, the loss of jobs and poor economic outlook for those involved includes the nation (Choto, et al., 2014; Iwu, 2017; Iwu et al., 2019). However, with proper support, nurturing SMEs can adequately contribute to economic growth and provide employment (Choto 2015:1). The different support mechanisms that can keep SMEs in operation for longer include simple bookkeeping practices, marketing, management, and reduction in red tape such as business registration made simple (Fatoki, 2014; Iwu, 2017). Lately, business incubators (BIs) have emerged as an important contributor to the growth of SMEs in both developed and developing countries. According to many researchers (Masutha & Rogerson, 2014a; Ogutu & Kihonge, 2016), small business incubation is a strategic tool that helps a country to grow its entrepreneurial base, reduce high mortality of SMEs, and subsequently result in poverty reduction in an economy.

The National Business Incubator Association (NBIA) describes a business incubator (BI) as a business that helps new and start-up firms to develop by providing amenities such as management training and office space (NBIA, 2019). According to Wanyoko (2013), BIs have multiplied since their appearance over 50 years ago, and now offer a variety of incubation practices.

Bruneel et al*.,* (2011) classify three generations in the evolution of BIs as follows:

First generation BIs provide office or workspace, and share essential resources in order for SMEs to enjoy economies of scale.

Second-generation BIs focus on providing coaching and training support. This support accelerates the knowledge curve of incubatees.

Third generation BIs provide incubatees with access to technological, professional, and financial networks, so that they become well-informed entrepreneurs.

In acknowledging the contributions that BIs have made towards improving economic development through SMEs, many countries have embarked on this initiative. In 1970, The Kingdom of Eswatini instituted a BI development policy through the formation of the Small Enterprise Development Company (SEDCO). As a **first generation** BI, it provides infrastructure and business development services; registration of start-up ventures, coaching and training on business management (MCIT, 2014). According to SEDCO data bank (2018), the SME sector includes textile, building

construction, woodworking, manufacture of soap and non-edible oils, restaurant/butchery, and miscellaneous other businesses.

Eswatini Water Agricultural Development (ESWADE), established in 1999, is an example of **second-generation** BI evolution. It helps communities to improve their quality of life through commercial agriculture. ESWADE incubation focuses on registration and training of legally operating agri-business schemes, such as farming sugarcane and other crops, as well as livestock enterprises. Post construction of a dam in a chiefdom or community to help the population of a project area to establish sustainable agricultural businesses, there is training in effective use of the irrigation infrastructure (ESWADE, 2019).

The Royal Science Technology Park (RSTP), which started operating in 2017 in Eswatini, represents the **third generation** of BI evolution. It is a platform for research and development in Information Technology (IT), production of high tech products, marketing and trading (RSTP, 2018). It nurtures innovation start-ups of electronics; communication technology; value-added agriculture; renewable energy; environmental management; and health and beauty (RSTP, 2019). This BI provides office space, which includes IT equipment, business development processes, fundraising support, and technical support for innovation development and validation. RSTP's objective is to help enterprises persist and grow through the vulnerable primary stages of business initiation to become bankable and competitive businesses.

1.2 Statement of research problem

SMEs face a number of challenges, and so their contribution to the developmental agenda in Eswatini is sluggish. The degree of success is uncertain in BIs' assisting SMEs to overcome their challenges.

Several writers (such as Abor & Quartey, 2010; FinScope Swaziland, 2017:1; Mukwarami et al., 2018) have indicated the value of SMEs in the socioeconomic development of nations. These writers are convinced that small businesses have the potential to create employment opportunities, improve overall productivity, and ultimately contribute to the fortunes of a country. However, in the case of Eswatini, confusing reports suggest that 40 to 80% of new businesses fail within two years of existence (FinScope Swaziland, 2017:10; Makhubu, 2017). Interestingly, business failure occurs even after their nurture in business incubation services (Arubayi, 2010; FinScope Swaziland, 2017:18; RSTP, 2019). SMEs are therefore unable to create jobs and contribute to economic growth as expected. Thus, there is an urgent need to determine reasons for failure.

It is important to know what kinds of entrepreneurial skills and strategies the business incubators offer SMEs in the Kingdom of Eswatini. Dlamini et al., (2008), Hlatshwako (2012), and Dlamini (2016) examined the support, needs, and challenges of SMEs in Eswatini, yet none of them

investigated the quality of entrepreneurial skills of the business incubator itself. This reveals a yawning gap in literature and research on the nexus between the challenges faced by SMEs and the influence of business incubation services in Eswatini.

For BIs to fulfil their role of catalysts in small business development in Eswatini, a study that gauges the nature and extent of entrepreneurial skills, knowledge, and abilities that business incubators offer needs to be undertaken to determine the capacities of BIs to sufficiently support SMEs.

1.3 Significance of the study

According to Creswell (2003), the significance of any study is measured by how much it adds to the academic research and literature already in the field; also, by how the practice is adding value to the area of interest; and how it helps improve policy making. The findings of this study will provide information to stakeholders in the advancement of incubation services and SME development in the Kingdom of Eswatini, and therefore inform its policy on entrepreneurship.

The research will assist in the development of the SMEs sector of Eswatini by enabling SME owners, trainers, and policy makers to find relevant solutions on how to improve competencies for business owners.

The findings will also help to identify and address challenges in incubation programmes. Most of the small business ventures are survivalist entrepreneurs if new SMEs can grow to make substantial contributions to Eswatini's economy, then they will increase employment opportunities and reduce poverty.

The following benefits will accrue from the study:

- BI managers will realise that an entrepreneurial outlook is necessary for the successful outcome of highly innovative start-ups.
- Government and policy makers will prioritise the implementation of entrepreneurship training, starting at low levels of education, and following through to academic institutions.
- SMEs and potential entrepreneurs will understand the importance of going through the incubation programme.

Furthermore, the study serves as a scholarly contribution and reference for upcoming researchers who are interested in entrepreneurship investigation, not only in Eswatini but also beyond. Conducting research in business incubation in the Kingdom of Eswatini has therefore added to the existing but inadequate knowledge of entrepreneurship. This opens up new avenues for research on entrepreneurship.

1.4 Aim of the study

The aim of this study was to determine the nature and scope of entrepreneurial skills, knowledge, and abilities that BIs in the Kingdom of Eswatini offer to SMEs for the purpose of sustaining and growing their business ventures.

1.5 Research objectives

Based on the broad aim of the study, the specific objectives were to:

1. Determine the extent to which BIs augment entrepreneurial competencies of SME owners in the Kingdom of Eswatini.
2. Ascertain specific entrepreneurial competencies offered by BIs in the Kingdom of Eswatini.
3. Establish if there are specific strategies used by BIs to equip SMEs.
4. Measure the impact of the incubation programme on the incubated entrepreneurs.

1.6 Research questions

1. To what extent do BIs enhance entrepreneurial competencies of SME owners in the Kingdom of Eswatini?
2. What specific entrepreneurial competencies do BIs offer in the Kingdom of Eswatini?
3. What specific strategies do BIs use to equip SMEs?
4. What is the impact of the incubation programme on the incubated entrepreneurs?

1.7 Preliminary literature review

1.7.1 Facilitating entrepreneurial skills

To cope with sudden business changes, new firms need to have the necessary management skills but unfortunately they are often without the requisite experience to deal with such changes. Research findings in Gwija, et al., (2014:14) noted that some respondents did not find entrepreneurship education and training important in establishing their businesses. Fortunately, most respondents strongly agreed that education and training in entrepreneurship could positively contribute to success of any business. The developed routine through experiential practice reshapes the operation of a start-up venture. BI coaching and training services are likely to help start-up ventures avoid the long progression of trial and error as they learn by doing (Bruneel, et al., 2011).

Gwija, et al., (2014:16), suggested there should be a change in the education system in South Africa's Western Cape Province. They posited that if high school and university students learned entrepreneurial skills, it is likely that more graduates would become employers instead of job

seekers. Dlamini (2018) listed a lack of entrepreneurship culture amongst challenges faced by SMEs in the Kingdom of Eswatini.

1.7.2 Importance of strategies in equipping SMEs

Despite the challenges facing SMEs, the sector still has success stories. To some, success comes quickly due to certain strategies; to others, success comes after having gone through challenges and failures.

Acquiring business funding is a challenge to most SMEs in many emerging countries, including Eswatini. Due to lack of funding, aspiring entrepreneurs in Khayelitsha, South Africa, have to opt for paid jobs (Gwija, et al., 2014). Unfortunately, this includes graduates who have acquired tertiary education in entrepreneurship. CEO of Finfind, Menzies (2019) acknowledged that access to funding is crucial for business sustainability and growth; sadly, many SME owners lack the skills to get the right funders and to identify the appropriate finance products. According to Wanyoko (2013:10), almost 50% of respondents in a research project in Kenya stated that they got access to funds through the incubation programme. This raises a concern: are SMEs battling for funding due to lack of strategies on how to acquire it, despite funding being readily available?

Apart from having business education, entrepreneurs still need skills and expertise on how to operate their businesses.

1.7.3 Strategies for success

Failure factors for SMEs are internal and external. According to Fatoki (2014), internal factors include the organisation's management and everyday working skills (planning, organising, leading, and controlling). External factors include the infrastructure, escalating costs of doing business, competition, and crime. It is therefore of great importance for an entrepreneur to know what needs to be done to persist in the competitive market. The following are essential strategies for new ventures to succeed:

1.7.3.1 Business information

For survival and growth, relevant business information such as sources of inputs, availability of markets and regulatory policies are important. According to Fatoki and Odeyemi (2010), in order to acquire funding, it is essential for SMEs to have access to pertinent facts that meet the needs of that particular investor. Learning is one of the key elements in a new entrepreneur's success. The obtainability of information depends on the entrepreneur's level of education and infrastructure qualities (Ngcobo & Sukdeo, 2015). Using a consultant to write up a business plan for an entrepreneur could be helpful in securing funding but it is likely to be counterproductive. Gathering the pertinent information oneself and personally writing it helps the aspirant entrepreneur to learn

more about the industry and to articulate it more confidently. Developing these skills before embarking on a new business is likely to enhance the venture's chance of success.

1.7.3.2 Marketing

According to Strydom et al., (2010), marketing skills of SME owners determine whether their business will succeed or go under in the long term. Fatoki & Odeyemi (2010) suggested that networking among stakeholders and the public could substitute for lack of effective marketing resources. The practicalities of marketing support in an incubation programme are important; SMEs with minimal marketing resources and a deficiency in technical resources are most likely to miss out in large and readily available markets.

The main factors in successful marketing are determining product/service demand; knowing which customers to target to ensure product/service sales; locating the business in the right place; and establishing right pricing for the product/service (Cant & Wiid, 2013). Ignoring any of these factors at business initiation may make business success difficult to achieve. Big businesses employ specialist marketers to direct their product and service advertising to the right customers, because if there are no buyers for the product or service then there is no business.

1.7.3.3 Human capital

Human capital is the expertise of a human being in producing commodities. Education, skills, talents, experience, values, and social influences affect it. For this research, human capital will focus on the capabilities of the business owner (entrepreneur). Entrepreneurs with proficiencies in business management, finance, operations, marketing, and human resources are likely to be successful at start-up (Sin, 2010). An entrepreneur with highly rated human capital skills is most likely to easily organise and coordinate resources to exploit opportunities. Knowledge of the terrains of the business, and how to maintain good relationships adds to the longevity of the business (Sin, 2010)

Some researchers (such as Fatoki, 2014; Xesha et al., 2014a) have pointed out the importance of networking skills. According to them, networking builds relationships with one’s current suppliers and customers and with likely future business stakeholders. In an informal interview between the researcher and a bank official, the latter mentioned that new SME owners with a previous banking relationship are most likely to be successful in a start-up loan application, compared to new SME owners who are first time bank clients.

Some BIs offer facilities to start-up businesses whilst the start-ups are in the incubation programme. This can activate social relationships amongst the incubated peers. By their sharing information and being coaches to each other, incubatees can practise appropriate behaviours to obtain needed support in the future.

1.7.4 Business incubators

BIs are organisations that offer facilities to start-up, small, and medium sized enterprises to ensure survival and growth of these ventures. Facilities include affordable working space, technological connections, secretarial and financial services, and training programmes. The incubation process starts when aspiring entrepreneurs apply for acceptance into the incubation programme. The controlled conditions in the programme intend to guide and protect the infant businesses until their graduation. Establishment and encouragement of new businesses in a community is the main goal of BIs. In assisting entrepreneurs to start new businesses, the community enjoys benefits of increased employment opportunities, additional revenue, and prosperity. (Sanyal & Hisam, 2018:10).

In the Kingdom of Eswatini, the main incubation organisation is the Small Enterprise Development Company (SEDCO), which operates within the Ministry of Commerce, Industry, and Trade (MCIT). The purpose of this government company is to sustain and stimulate the small business sector in the country. SEDCO's main offerings of tailor-made training programmes and very low rental premises available in most of the cities and towns of the country (SEDCO, 2019). Apart from lowering running costs, the provision of physical incubation enables incubatees to build a network of individuals who purchase from one another and assist each other.

BIs started about 50 years ago in the United States of America and Europe (Wanyoko, 2013:2; Sanyal & Hisam, 2018:10) and have spread across the world. Business incubation has evolved over the years, and now some no longer offer physical premises. These are called virtual incubators or ''incubators without walls''. Virtual incubation provided to remote clients includes the use of telephone, internet access, and site visits by a travelling counsellor. These BIs also endeavour to deliver services to incubated entrepreneurs who are not located within the same premises (Milanette, 2016).

Research Park or Science and Technology Innovation Centres are emergent business incubators. A science park is an organisation whose aim is to encourage innovation, high technology production, and competitiveness among associated businesses to create and grow innovative companies (UNESCO, 2019). Developing countries like the Kingdom of Eswatini usually face challenges concerning innovation and creativity (RSTP, 2019: 2). Although BIs are evolving to meet up with changes in the business industry, these challenges hinder BI capacity to assist SMEs.

1.7.5 Key performance indicators

Wanyoko's (2013:11) research findings revealed that skills learned during the incubation period had lower impact on businesses than expected. The failure of businesses to apply the learned skills resulted in reduced success. One of the ways to ascertain the impact of an incubation programme is

to measure how well or otherwise an incubated business continues to operate and grow on its own after discontinuing support from an incubator. The following are success measures to determine if an incubation programme is able to capacitate an SME.

1.7.5.1 Profitability

Attaining a financial return is one of the reasons for running a business (Fatoki, 2014). A business achieves profitability when it is able to generate adequate income to cover all its expenses timeously and still have excess funds (profit). Certain financial calculations can unpack the financial position and performance of a business. If it is successful, that incentivises the entrepreneur to continue with the business as it brings a gain. Business failure happens when the business income is not enough to meet its expenses. Then the business may have to close down.

1.7.5.2 Financial resources

In the corporate sector, SMEs must have enough capital to be able to compete globally, invest in technology that is vital to a firm's productivity, and participate in conducive marketing activities. Only a small percentage of new SMEs obtain funding through banks (Fatoki & Odeyemi, 2010). Therefore, it is important to understand how to qualify for funding in order to avoid failure in obtaining funding. Although financial resources are a key factor in the growth and success of a business, Strydom et al., (2010), argue that finance by itself cannot determine business success.

1.7.5.3 Higher sales

Higher sales can mean that a product or service meets customer satisfaction; more sales mean more profit. Therefore, higher sales are a measure of business success (Lekhanya & Manson, 2014). However, SMEs usually have a small market share and limited customer base (Van Scheers, 2011). If potential customers are not cognisant of a business's products or services, then there are fewer chances of that business's success. Overhead expenses begin before a business officially starts trading. If it takes a long time to build up sales because potential customers are not aware of a product or service, then there may be business losses. Big businesses employ sales personnel specifically to deal with attracting customers and creating demand for their service or product.

1.7.5.4 Increase in employees

The National Policy on Development of SMEs in the Kingdom of Eswatini states that SMEs must create employment for indigenous Swazis (MCIT, 2014). SMEs are the main providers of employment, especially in developing countries (Ayyagari et al., 2011, Nasr & Rostom, 2013, FinScope, 2017). Expansion within a firm denotes its success and it creates new jobs. Some researchers (Kesper, 2001, Nasr & Rostom, 2013) argue that SMEs are able to create jobs because of an excess supply of unskilled labour. Firms squeeze labour costs by exploiting workers instead of upgrading the firm's technology. A disadvantage in this is that unskilled labour has low labour productivity, which may cause an SME to have less access to international markets and to be

vulnerable to competitors. Yet, job creation is essential for a country and an individual's well-being. Receiving an income creates a sense of dignity for an individual, which could result in lowering other social problems in the community like crime.

1.7.6 The Kingdom of Eswatini

Eswatini, previously known as Swaziland, is a landlocked country surrounded by South Africa and Mozambique in the Southern African region. It covers an area of around 17 364 $km^{2,}$ and its population is about 1.09 million people (Swazistats, 2019). Approximately 60% of the people live in rural areas and earn their livelihood through subsistence agriculture.

The country has a dual political governance system with the king, presently King Mswati III, being the head of state. Siswati and English are the country's official languages. Eswatini boasts of unique cultural events, like the Reed Dance Ceremony, Incwala, and the Marula Festival that attract many tourists.

The Kingdom of Eswatini has an open economy and mainly trades with South Africa. As a result, its currency, Lilangeni (SZL) is pegged to the Rand (SZL1:ZAR1). In 2018, the South African economy experienced a technical recession in the second quarter. This caused a deceleration in demand for Eswatini's exports, as they are mainly destined for the South African market (CBE, 2019). GDP Projections by the Macro-Forecasting Team estimate that economic activity grew by 0.6% in 2018, measured by real Gross Domestic Product (GDP) (Ministry of Economic Planning Department & Central Bank of Eswatini, 2019). Like most developing countries, Eswatini has a high unemployment rate at 23% (MLSS, 2016).

Amongst other entities, drivers of the economy are receipts from the South African Customs Union (SACU), Common Market for Eastern and Southern Africa Development Community (COMESA), South African Development Community (SADC), the European Union (EU) and the Africa Growth and Opportunity Act (AGOA) (MEPD, 2019). Presently, the public sector dominates the domestic market, but the Ministry of Commerce, Industry and Trade is working on policies to develop SMEs in the country (Dlamini, 2018).

Figure 1.1 Sourced: geology.com.mapsoftheworld.2019

1.8 Definition of key concepts

The usefulness of a research project is contingent on the clarity of the key concepts that it employs. Tsabedze (2018) argued that defining a key concept adds precision to a scientific study, and that the power of words comes from a combination of the meaning of a word within a specific context. Therefore, the researcher in this study deemed the key concepts used to have specific meanings as follows.

1. **An entrepreneur** is a person who organises available resources and manages the risks involved in pursuit of opportunities to make profit.
2. **Business incubation** is business support activities, resources and services, which help start-up and fledgling businesses to be successful and develop into big, well-established entities.
3. **Entrepreneurship** is the process of identifying an opportunity for making a profit, and then planning, organising and arranging the necessary resources to enjoy the benefits in future.

4. **Small and Medium Enterprises (SMEs)** Countries define SMEs differently, according to the size of each country's economy. Eswatini's definition is summarised in Table 1.1 below:

Table 1.1 Defining SMMEs in Eswatini

Adopted from Eswatini SME policy, 2020

	MICRO	MICRO	SMALL	MEDIUM
CATEGORY	Informal	Formal	Formal	Formal
VALUE OF ASSETS	No Formal Registration	Under E50 000	Over E50 000 to E2 million	Over E2 million to E5 million
EMPLOYEES	0	0 - 10	11 – 20	21 - 60
TURNOVER PER ANNUM		Up to E60 000	Up to E3 million	Up to E8 million

1.9 Methodology

This study embraced the use of an interpretative paradigm because the researcher did not adopt any theory. The researcher relied on respondents' opinions on the effectiveness of their existing businesses. The research approach of this study was not a mixed method approach because the mixing was minimal and it did not cover all the stages of the mixed method research processes. The researcher adopted a quantitative approach that used methodological triangulation of both quantitative and qualitative data collection methods. The research design employed a survey, and then a questionnaire and structured interviews, as research instruments. The study's population included presently incubated SMEs, and SMEs that graduated from BIs and Eswatini's registered BIs, namely SEDCO, ESWADE, and RSTP. The researcher used stratified random sampling on the Mbabane, Siphofaneni, and Matsapha strata groups.

Junior Achievements (JA) Eswatini is an organisation that equips young people with entrepreneurial skills. For validity and reliability, this study conducted pilot research on a small group of entrepreneurs and JA officials to test whether any of the questions were ambiguous or understood differently by different respondents. Then the research moved on to the main sample.

After data collection, the researcher used Microsoft Excel to analyse, present, and draw conclusions from the quantitative data responses collected through questionnaires, and from the qualitative data

responses gathered from structured interviews. Chapter Three presents a detailed discussion of the research methodology.

1.10 Ethical Issues

The researcher followed the Cape Peninsula University of Technology's ethical research conduct guidelines. The researcher obtained consent from SEDCO (Business Incubation Manager), ESWADE (CEO), RSTP (Human Resource Manager), and individual SME owners. Hoyle et al., (2002) advised against giving too much information about the study to participants because it could lead to bias in their responses. The researcher in this study heeded that caution. Those authors also advised against pressuring respondents into participating in the research. Participation in the current study was purely voluntary.

SEDCO and ESWADE trainers introduced the researcher to the SMEs as a way of granting permission to collect data. The researcher explained to the SME owners the purpose and benefits of the study. Respondents were aware from the beginning that participation in this study was voluntary; that if there was a question they were not comfortable about answering, they could leave it out without justifying themselves. They could withdraw their participation at any time without being victimised. Anonymity of respondents ensured confidentiality and protection of their identity.

1.11 Outline of the thesis

The rest of the thesis outline is as follows:

Chapter Two (Literature review) looks at literature related to the state of entrepreneurship and business incubation in Eswatini. Additional review extends to related and empirical literature on the dynamics and status of entrepreneurship generally in Africa, and focuses on business incubation in South Africa.

Chapter Three (Research methodology) presents the research design and methodology of the study. The issues discussed are research paradigms, research approach, research design, population, sampling, research instruments, validity and reliability, data analysis, and research ethics.

Chapter Four (Data presentation) presents the research findings on the role of business incubation in sustaining SMEs in Eswatini. Tables, charts, figures, and narrations present the empirical findings.

Chapter Five (Conclusion and Recommendations) provides a summary of the entire research. The researcher indicates directions for future research and makes recommendations for improving both the work of business incubators and SMEs in Eswatini.

1.12 Summary

The researcher used Chapter One to provide the landscape of this research. It presented the problem statement, along with the aims and research questions pursued in this study. The researcher also gave the economic outlook of the Kingdom of Eswatini, and an introductory literature review. The chapter summarised the research methodology employed, clarified the ethical issues, and defined the key concepts. The next chapter presents and discusses the literature review.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The previous chapter set the arena by laying out the foundation for this study. This chapter explores what other researchers have written regarding challenges of SMEs; also, how business incubation can assist entrepreneurs through those challenges and sustain their business venture. Neuman (2003) recommended that the first step in narrowing a topic into a researchable question is to examine what the literature says about it.

This chapter is structured as follows: Challenges of SMEs in Africa, South Africa, and Eswatini; Complications of high business failure rate in the Kingdom of Eswatini; What can be done to rescue SMEs; Business Incubation; Challenges faced by Business Incubators; Measuring Performance of Business Incubators; Business Incubation in South Africa and Eswatini.

2.2 Challenges of SMEs

There is no conventional definition of SMEs. Each country's definition depends on its SMEs' composition and contribution to the business size. SME definitions are generally quantitative, focusing on the number of employees, business assets, and revenue (Ocloo et al., 2014).

Both developed and developing countries acknowledge the importance of SMEs in job creation and stimulating growth, but the high failure rates of SMEs is an obstacle to economic development. It is therefore of major importance to determine the challenges SMEs encounter in order to reduce their failure.

2.2.1 Africa

The continent has shown substantial advancement in business environment, especially by attracting numerous large businesses from different parts of the world. Unfortunately, according to World Bank (2019), the business environment for SMEs in Africa is still the most unfavourable. The backbone of the private sector in most of the developing countries in Africa, including Eswatini, is the SMEs (Fjose et al., 2010; Muriithi, 2017; Dlamini & Mohammed, 2019). They provide inputs to simple and large complex industries whilst also providing goods and services to consumers scattered across the continent (Benzing & Chu, 2012).

For survival in the 21st century, SMEs must confront and adapt to the forces that permeate the global environment. A variety of industries from manufacturing to retailing face the forces of global competition in home markets and in international markets.

A majority of SMEs in African countries find it difficult to compete in domestic and international markets for the following reasons:

2.2.1.1 Access to finance

According to the enterprise survey of World Bank (2019) covering over 100+ countries, SMEs struggle to grow because of the challenge of accessing finance. Africa's financial system reaches only a small percentage of the population and is costly for SME owners. Table 2.1 shows the number of bank branches per 100 000 adults in different countries. Where banks have less effective structures and higher interest rates, they are likely to offer lower levels of SME financing. The International Finance Corporation (2019) estimates that 40% of formal SMEs in developing countries have unmet financial needs, compared to Europe's and Central Asia's 15%.

Table 2.2 shows a positive link between economic developments measured by income per capita GDP, and financial developments measured by ratio of credit to GDP with level of SME financing. According to the Table, developed countries receive higher volumes of lending than developing countries. Tables 2.1 and 2.2 depict that insufficient bank branches in African countries results in an inadequate supply of financial capital. Scarce access to finance for African SMEs makes it more difficult for them to set appropriate measures to sustain or grow their businesses, as compared to SMEs in other parts of the world. According to literature, financial institutions charge SMEs higher interest rates than large firms (Cressy & Toivanen, 2001; Garcia-Teruel & Martinez-Solano, 2007 cited in Ardic et al., 2011:4). Benzing and Chu (2012), argue that most African countries do not have strong regulations that force defaulters to repay their loans fully; the high cost of administrating SME loans thus reduces bank profits. However, one strand of literature from Beck et al. (2008 cited in Ardic et al., 2011), indicates that most commercial banks see the SME sector as profitable.

Shortage of access to finance is both a barrier to starting a business and an obstacle to SME growth. SMEs often have to depend on friends and family for start-off financing, or they use internal funds to improve operations in their businesses (World Bank, 2019). Young entrepreneurs from a developing country are often regarded as high-risk borrowers for funding by a commercial bank because if one does not have collateral or loan guarantees, nor a good credit history, nor a record of cash flow, the bank will charge high transaction costs. Dietrich (2012) argues that the main reason for the differences in lending rates is that SMEs are unable to negotiate properly.

Underdeveloped financial systems and unwillingness to disclose business information are also obstacles in obtaining bank financing. There is meagre data on SME financing as most African countries use unregulated and informal institutions (World Bank, 2019). Finance is what joins the dots involved in starting-up and growing a business, which is why lack of funds is the primary reason for SMEs not progressing and having to close down.

Table 2.1 – Selected countries' number of commercial banks per 100 000 adults
Financial Access Survey (FAS) 2019

Countries	No. of commercial banks per 100 000 adults
Bolivia	40.69
Brazil	19.51
Canada	20.75
Cyprus	50.46
Eswatini	6.49
France	36.1
Italy	44.61
Kenya	5.1
Mauritius	18.60
Morocco	24.85
Mozambique	4.30
Nigeria	4.4
South Africa	10.40

Table 2.2 – SME financing predictions
Financial Access Database (2010) Source: World Bank 2019

Regions	SME loans/ GDP (medians) percentage	SME loans, USD Billions
East Asia & Pacific	6.40	2,340
Europe & Central Asia	7.00	276
High Income (OECD & non OECD)	15.30	7,540
Latin America & Caribbean	3.90	158
Middle East & North Africa	5.50	48
South Asia	4.30	73
Sub-Saharan Africa	2.60	52

.

2.2.1.2 Management skills

A study conducted on business problems and success factors within some African countries (Benzing & Chu 2012) concluded that good management skill is the number one perceived success variable. In most SMEs, the owner of the business is also the manager, and has a major say over

strategic decisions; yet many business owners lack managerial expertise (Muriithi, 2017). Even if entrepreneurs have feasible ideas and are knowledgeable in their specific fields, they may still lack knowledge on how to run a business. They tend to operate with a trial and error management style, or obsess with routines that lead to short-term gains, while paying no attention to strategic planning.

Education and training endow SME managers with the good management skills of planning, organising, leading, and controlling, which lead to business sustainability and growth. Training is an important element in growth of any business. It is a catalyst, which cultivates competency. However, SMEs tend to invest less in management development than larger organisations do, due to resource constraints or leaders not willing to grow. Businesses with an educated and competent workforce have high productivity and long-term existence (Muriithi, 2017).

Scarcity of competent managers is a challenge faced by SMEs from the different parts of the African continent, due to the high costs of training and fewer cost-effective advisory services. Even if SMEs can attract motivated managers, they can barely compete with benefits offered by large firms (Abor & Quartey, 2010). Even though various institutions offer education and training, not all entrepreneurs realise the necessity to upgrade their skills, due to complacency (Cant, 2016).

2.2.1.3 Access to technological capabilities

Most technologically advanced countries today are those which are knowledge centred (Akomea-Bonsu & Sampong, 2012). Having a computer and internet is important for one to engage in economic, political, and social facets of the world. The challenge of inadequacy of business information facing SMEs in Africa arises from the continent’s underdeveloped technology and communication infrastructures (Kamunge et al., 2014). In this global digital information age, those deprived of Information Communication Technology (ICT) are disadvantaged in access to information. According to Akomea-Bonsu and Sampong (2012), information carried through ICT has become a more important factor of production than land, tools, and labour as economies are moving from industrial to knowledge base. The researchers believe that a country's economic growth depends on its ability to gather and disseminate information.

Presence of appropriate technology and business support systems makes it easier for businesses to lower costs of production and to operate efficiently and effectively. Unfortunately, many SMEs seem to be unacquainted with new technology, especially in less developed countries (Benzing & Chu, 2012; Ocloo et al., 2014; Muriithi, 2017). The researchers echo that the type of physical infrastructure in most African countries is the major deterrent to having access to internet connection and information networks that are essential for business operations.

SMEs also fear obsolescence, as ICT requires frequent updates and must have appropriately skilled human resources to operate it. SMEs' failure to use ICT in their businesses hinders their participation in the global economy. Consoli (2012) argues that the process of adopting ICT is

mainly dependent on the following conditions: business conditions (commitment of top management), organisational conditions (when a business makes a fundamental change), and management conditions (an appropriate committee of skilled workers). Does that mean SMEs do not recognize the benefits of information communication technology?

Figure 2.1 illustrates the importance or benefits of adopting and using ICT to stimulate good business performance and sustain enterprises.

Impact of ICT on organisations

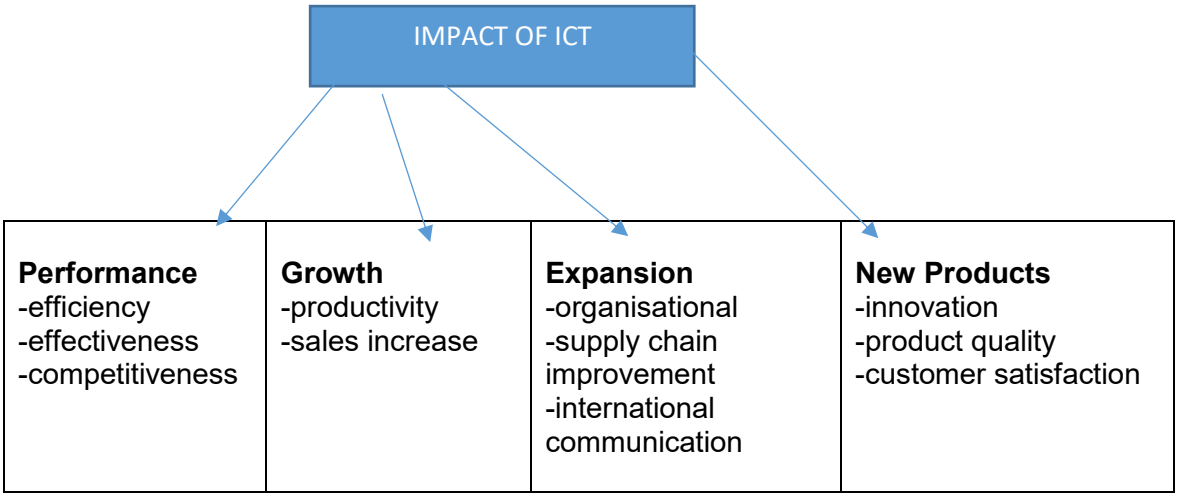

Figure 2.1 Adapted/modified from Consoli, 2012:95

2.2.1.4 Government support

A study by Maseko et al., (2012) revealed that there could be a remarkable increase in turnover and human resources if SMEs received targeted support from government. The study recommended support in research, quality assurance, marketing and financial management. These sectors would help SMEs to do business in foreign markets as they could compete on quality and innovation.

A government's role in supporting its country's SMEs is extremely important; it affects the SME sector, as well as the whole country's economic growth and development. Government regulations on taxation, infrastructure, wages framework, licencing, and technological support can suppress or encourage small business economy (Kamunge et al., 2014).

After gaining independence, a number of southern African countries adopted policies to stimulate SMEs. For example, Zambia assumed the Social Mode of Economic Development; South Africa introduced the Black Economic Empowerment policy (BEE), and Zimbabwe adopted the Growth with Equity Policy (Nyamwanza et al., 2016).

An entrepreneur is inspired to start a business if the environment is supportive. Governments influence the political, economic, legal, and regulatory environments that determine a conducive

atmosphere for positive enterprise development (Muriithi, 2017). Sule (1996 cited in Muriithi 2017), noted that most of the African governments which make development plans to empower SMEs do not implement them; hence there is no evidence of growth in SMEs. The Sub-Saharan African region is the weakest in ease-of-doing-business rankings with a score of 51.8, yet the global average score is 63 (World Bank, 2019).

Support policies for SMEs are different from one country to another. There are limited instances of governments that are responsive to SMEs' sustainability and growth. Mauritius and Rwanda are the only two African countries in the top 50 rankings on ease of doing business (World Bank, 2019). According to the World Bank Ease of Doing Business 2020 for Africa, Kenya improved in protecting minority investors and Nigeria made the cross border trading easier. Togo made getting electricity cheaper, starting a business easier, and improved on access-to-credit information.

2.2.1.5 Corruption

This study adopts the definition by Amadi and Ekekwe (2014), that corruption is any activity that demoralises development. Corruption in Africa exists in agriculture, manufacturing, education, health, and high-level decision making in government and industry. This affects SMEs growth and job creation, as funds that SME owners or managers could have spent on investment have to go to unwarranted activities.

Defining corruption is difficult. Kanu (2015) mentioned that what one society might regard as corruption, another society might not regard it as such. World Bank defines corruption as exploitation of public office for secretive personal gain.

Muriithi (2017) listed corruption by government officials as a major hindrance in SMEs business operations stating that about 70% of SMEs bewailed this ill practice. Corruption practice is a global problem and it has become a norm in many countries. On a scale of 0–100, where 0 is highly corrupt and 100 is very clean, two-thirds of countries world-wide scored below 50 (Corruption Perception Index, 2018).The Sub-Saharan African region is the most corrupt with an average score of 32 (Transparency International Corruption Index, 2019).

Corruption, also known idiomatically as 'greasing the wheels', comes in different forms such as extortion, kickbacks, bribery, and cronyism. Non-African entities also fuel its impact in Africa. Fraudulent foreign businesses are warranted business contracts that are overpriced or do not yield community benefits (Transparency International, 2019). This is not only an out flow of African funds but it critically affects service delivery and goes against government’s efforts in promoting SMEs.

2.2.1.6 Other factors

Accesses to electricity – constraints to electricity access include high costs of electricity provision and power outages (Fjose et al., 2010; Patel, 2019). Lack of access to electricity is a major restraint

to SME's implementation of technological capabilities and use of modern economic systems in banking or marketing. According to World Bank (2019), access to electricity in the Sub-Saharan African region is still lagging compared to the world, Figure 2.2. The region's current coverage is 43% and the report warns that the number of people without electricity will continue with Africa's population boom.

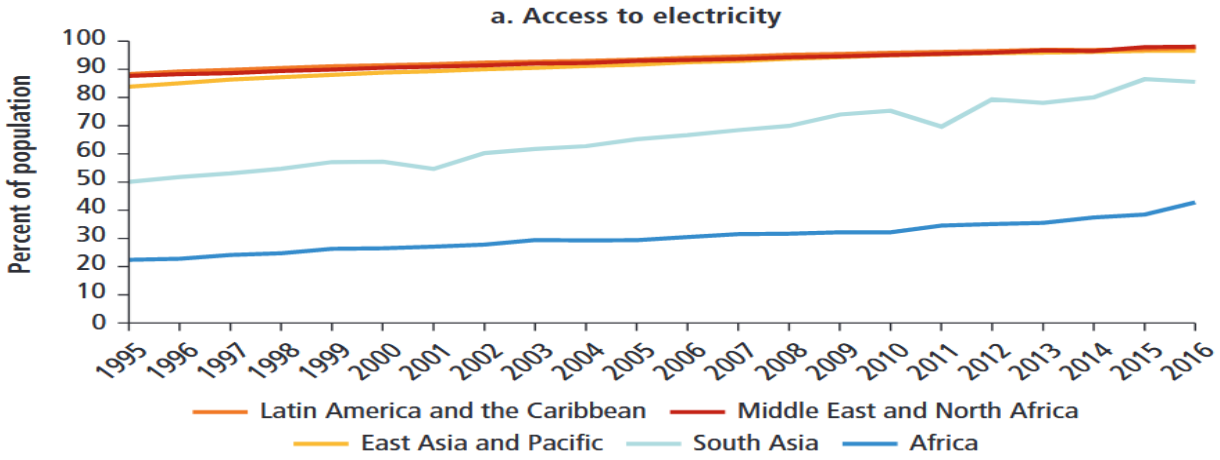

Figure 2.2 Comparing access to electricity in sub-Saharan Africa to other regions

Source: World Bank World Development Indicators and Brookings.edu.

Political instability – the possibility of sudden changes in leadership or conditions of a country affects economic growth. Research blames political instability as reason for underdevelopment in some countries (Aisen & Veiga, 2013; Nurudeen et al., 2015). The African continent still experiences political conflicts that may impose changes in legal requirements of conducting business.

2.2.2 South Africa

As stated in section 1.7.6, South Africa and the Kingdom of Eswatini are neighbouring countries and they have a trade link. According to the Central Bank of Eswatini quarterly report (2020:33), 67.8% of the country's exports represent income from South Africa while South Africa accounted for 75.1% of Eswatini's import bill in the fourth quarter of 2019. There is a free flow of economic activities within the two countries as it is in a common monetary area, and hence a need for the literature to include the South African perspective.

The Global Entrepreneurship Monitor (GEM) 2017/2018 had good news. The creation rate of new SMEs in South Africa was at its highest level in recent years at 11% Total Early-Stage Entrepreneurial Activity (TEA) found an improvement by 4 % compared to 2016 records. However, the TEA figures are still comparatively low, compared to other countries. Moreover, the failure rate of new SMEs is ominously over 70% (Business Environment Specialists, 2014; Heinemann, 2016; Department of Small Business, 2018; Vuba, 2019). Statistics South Africa (2019) fourth quarter report itemised the unemployment rate at 29.1%. The South African economy expects the SME sector to solve the country's economic challenges of job creation, high levels of poverty, and income inequality. The high failure rate of new SMEs impacts negatively on the sector being able to alleviate unemployment, reduce poverty, and contribute to economic growth; so it is imperative to know the challenges.

2.2.2.1 Management skills

Management skills are a set of knowledge competencies, experience in running a business, education, and training that creates a certain behaviour that contributes to personal effectiveness. Lack of management skills is one of the major obstacles to SME growth in South Africa (Fatoki, 2011; Ngek & Smit, 2013; Sitharam & Hoque, 2016; Meyer & Meyer, 2017). Management factors include meeting customers' expectations, financial management, product or service development, development of worker's skills, and delegation of tasks (Thurman, 2016). One of the dominant factors for sustained growth in SMEs is management (Meyer & Meyer, 2017). New SMEs' success relies heavily on initial leaders augmenting their managerial skills to meet new challenges as the business grows. This implies that improvements in the management structure will have positive effects in financial matters, innovation, and marketing, thereby giving a firm a competitive advantage.

2.2.2.2 Access to finance

A study by FinScope (2010) noted that 75% of SME owners were unaware of assistance offered by other organisations to small business owners. A lack of access to funds can be a serious constraint in starting or growing a business. Cant et al., (2014), found about a 75% failure rate in credit applications by new businesses. The process of acquiring a loan from a South African bank requires one to provide collateral, have a good credit record, and provide financial records. Ngcobo and Sukdeo (2015) research findings concurred with FinScope (2010), that business owners in South Africa viewed access to finance as a major problem, even in the face of several public and private interventions available. Respondents in Donga et al., (2016) believed that commercial bank policies are discriminatory; they do not accommodate SMEs that were historically disadvantaged. Most SMEs rely on contributions from owners, family, and friends, which is usually not enough to sustain

or grow businesses. The Department of Small Business Development through the Small Enterprise Finance Agency (SEFA) provides finance to small businesses and co-operatives (South Africa Yearbook 2019/2020.

2.2.2.3 Competition

Competition from similar businesses causes lack of growth in most SMEs in South Africa (Sitharam & Hoque, 2016; Meyer & Meyer, 2017). Small businesses cannot consider themselves as only domestic businesses because they operate in a competitive global environment. The competition standards have changed due to technological developments and globalisation of markets. To be successful, SMEs must view themselves as a business that has no borders, because consumers' needs and expectations can be meet by a competitor from anywhere in the world.

2.2.2.4 Marketing and networks

According to FinScope (2010), only 2% of small business owners belonged to a business network group and over 80% of those network group members said it was beneficial for their business. Networking helps business owners to learn about key stakeholders from whom to obtain assistance when needed. Other causes of failure to new SMEs are inaccurate demand forecasting, bad customer service, ineffective selling techniques and wrong location of business (Olawale & Garwe, 2010; Fatoki, 2014; Meyer & Meyer, 2017). Business owners' networking plays an important role in spreading information about their business.

2.2.2.5 Crime and corruption

Robbery, break-ins, vandalism, injury, and traumatising employees are some of the crimes that negatively affect the growth of SMEs. This increases operational costs for businesses because they have to improve their security, repair damages, and compensate affected employees (Cant et al., 2014). Unfortunately, most small business owners have no mitigation plan (insurance cover) against theft or loss of business stocks, or against damages to their premises (FinScope, 2010).

The South African Corruption Perception index (2019) ranks the country at number 70 out of 180 countries, meaning the corruption rate is high. According to The Department of Small Business Development Plan 2019/2020, corruption was a major challenge in SEFA, such that the agency had to establish measures on how to recover stolen funds from corrupt officers. These funds were supposed to alleviate SME challenges.

2.2.2.6 Lack of information

Numerous participants in studies complained of a lack of information and advice from government departments (Ngcobo & Sukdeo, 2015; Donga et al., 2016). This is unexpected in an era where access to information through technology is readily available. This could suggest a lack of initiative from business owners. However, 70% of SME owners did not have proper training on starting a

business before establishing their business, and this was evident in their lack of financial management and no business plans (Donga et al., 2016).

2.2.2.7 Innovation

Lack of innovation is a serious barrier to growth and survival of SMEs There are many opportunities for a business to profit from open innovation (Chesbrough, 2011). Krause et al., (2012) discovered that several SMEs in South Africa were in the early stages of open innovation. Unfortunately, Booyens (2011) and Gem (2016) cited in (Meyer & Meyer, 2017), found that South African businesses lag behind in innovation compared to similar businesses in developed countries.

2.2.2.8 Laws and regulations

Some government policies and laws seem to deter SMEs in their operations. The Business Environment Specialists report (2014) mentioned that some of the inhibiting factors are coinciding and sometimes-contradictory regulatory requirements through the various government departments; recurrent deviations in the regulatory environment; and poor communication and access to information.

The South African Employment and Minimum Wage Regulations result in high labour costs for some SMEs (Olawale & Garwe, 2010; Ngcobo & Sukdeo, 2015) Yet the National Development Plan expects the SME sector to create about 90% of jobs in 2030, but the labour regulations obstruct the willingness of SMEs to hire in order to reach that goal (Sitharam & Hoque, 2016).

According to a survey conducted by World Bank on ease of starting a business, it takes 45 days for a local entrepreneur to meet regulatory requirements for establishing a business; yet it takes less than 20 days in other countries (Liedtke, 2019).

2.2.2.9 Macro-economic conditions

The exchange rate and high inflation rates are macro-economic factors that may negatively affect the business environment. Inflation is the general increase in prices of goods and services or a fall in purchasing power. Inflation has an impact on production costs, which results in an increase in business expenses, thus reducing profits. Profits ensure continuity and growth of SMEs. Therefore, inflation affects not only SMEs but also the consumers. If consumers remain on the same level of disposable income, then they cannot afford price increases and so they buy fewer items.

Exchange rate is the price of one currency over another. In international trade, a weaker currency encourages exports and makes imports more expensive. The present weak South African Rand situation is good for firms that export, making them competitive in international markets, but it is a disadvantage to importing firms as it causes increase in prices, which then results in inflation.

2.2.3 Kingdom of Eswatini

A healthy SME sector generally contributes to the economy of any country through job creation, more production of domestic products (GDP) and modernisation. Failure of SMEs in developing countries like Eswatini to become large multinational companies regionally or globally has been a concern to some researchers (Farrokh et al., 2016; Donga et al., 2016).

In the Kingdom of Eswatini, SMEs employ 43% of the work force and contribute about 5.2% to the Gross Domestic Product (GDP) (Dlamini and Mohammed, 2019). Following are some of the challenges that hinder growth of SMEs in the country:

2.2.3.1 Financial assistance

Acquiring funding is difficult for SMEs, 45% used their own savings or acquired funds from family or informal sources of finance to start businesses (FinScope, 2017). Only 6% of them could access formal credit and about 90% were completely excluded (FinMark, 2018). Informal finance is more appealing to SMEs because it is faster and has less stringent conditions; yet the loans are small and only usable as working capital, rather than for business expansion. Worse, the informal lenders charge very high interest that erodes the SME profits.

Financial institutions classify SMEs as the high-risk segment, specifically the start-up businesses, because they have no performance record of accomplishment. According to the commercial banks, 12 to 40% of SMEs default in repayment, mainly due to business failure (FinMark, 2018). Through the Central Bank of Eswatini, the government has provided the Small Scale Enterprise Loan Guarantee Scheme (SSELGS), but it is not helpful to SMEs because it is limited to commercial banks. The Scheme excludes Development Finance Institutions (DFIs) which are more likely to take risk than the commercial banks (FinMark, 2018).

2.2.3.2 Management skills

Many SMEs business ventures are viable but lack entrepreneurial capabilities to generate adequate revenue. According to FinScope (2017), business owners are aware of Business Development Support (BDS) services but fewer than 20% use them. This then raises a question of what the motive was for starting the business. In Eswatini, vocational or university-educated entrepreneurs own high-growth SMEs. The understanding is that entrepreneurial education has a positive impact on profitability (FinScope, 2017). FinMark (2018) identified that business owners generally have limited knowledge of business leadership and management, which is a hindrance to business growth.

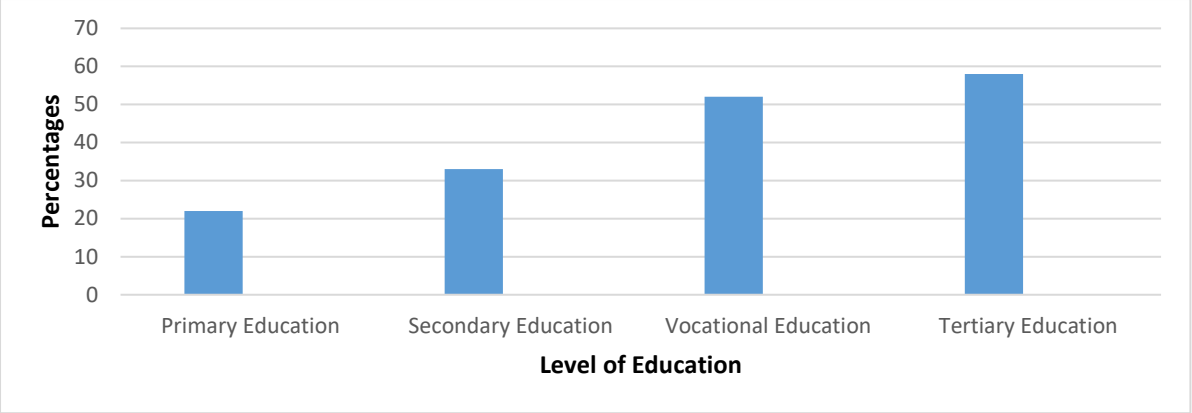

Figure 2.3 Level of education of owners of high growth SMEs

Source: Adapted from FinScope MSME Eswatini 2017

2.2.3.3 Availability of markets

Securing constant markets is usually difficult for SMEs. Issues of supplies not delivered on time, or the quality standards of the products or services being questionable in regular market situations, could result in the intended market losing confidence in the SME (Dlamini, 2018).

The limited use of technology also causes more challenges in securing markets. Marketing is mainly about attracting the attention of the right people to your product or service. Presently, a business's location on the internet and in social media is just as important as its physical location in a shopping centre. A business's presence online informs potential buyers where to find the business and buy from it.

2.2.3.4 Negative perception

There is often a belief that SMEs are unable to provide quality products and services compared to large, well-known businesses. To convince potential customers, SMEs must work extra hard at excelling in their service and product quality to change the negative perception.

2.2.3.5 Lack of innovation

World Bank (2013) observed that in Eswatini's economy there is deteriorating competitiveness and an unwillingness to invest in discovering new products. FinScope (2017) confirmed the occurrence of copycat businesses that simulate the same business activity as the one next-door, with little or no differentiation. Even though science technology and innovation frameworks exist, there are no substantial developmental gains (Hlophe and Dlamini, 2018). SMEs tend to view the present state of their business variables rigidly. They fail to monitor the market and know when to alter the business plan.

2.2.3.6 Reliance on external suppliers

Most of the inventory inputs are from the country's neighbours, South Africa and Mozambique. In that case, there is no control over the high import costs of inputs and this negatively affects profitability (Dlamini, 2018).

2.2.3.7 Laws and regulations

To avoid the onerous licencing and taxation compliance regulations, many SMEs end up being in the informal sector (FinScope, 2017; Dhladhla, 2019). Laws and regulations are a restricting factor to starting a business in Eswatini (Dlamini, 2018). The informal sector is a 'shadow economy' because its income is unreported. Research shows there is a positive relationship between the shadow economy and variables such as tax regulations, agriculture, industry, and self-employment (Zikalala and Sacolo (2018). There are 44 000 unregistered SMEs in Eswatini (Dhladhla, 2019).

2.3 Complications of high business failure rate in the Kingdom of Eswatini

There are different definitions of business failure. This research adopts the Dias and Teixeira (2017) definition that it occurs either for financial reasons or willingly. The researchers further explain that willingly closing down could be due to the business owner not achieving expected returns, or the business poorly performing or not growing as expected, as opposed to personal reasons like retirement or relocation.

When a business closes, there are consequences for individuals and the economic environment. Outlined below are some of the consequences of business failure in Eswatini:

- **Loss of income** - most SME business owners in Eswatini are survivalist entrepreneurs, so business failure means loss of income for a household. This could disturb the provision of a family's basic needs, resulting in an increase in poverty.
  If business failure is due to competition, then closing down of a SME may create a monopolistic market condition and cause an increase in price, which affects consumers' limited disposable income.

- **Loss of resources** – the product or service that a business offered will no longer be available in the market. This could oblige consumers to travel a long distance to get that product or learn to do without it. In turn, that would cause a reduction in the country's GDP and result in an increase in imports.

- **Increase in unemployment** – the SME sector has employed approximately 93 000 people which is less than 20% of the total working population of the country (FinScope, 2017). Discontinuance of a business means loss of employment opportunity and that will increase the poverty rate of the country.

- **Reduction of tax revenue** – Eswatini government revenue is mainly from taxes from business profits and Personal Income Tax from the employees. A high business failure rate creates hollow government coffers.

- **Loss of personal assets** – most SMEs are registered as businesses that have unlimited liability. Moneylenders may take away personal assets to recover debt from the failed business.

- **Interest rates** – one of the reasons that commercial banks charge high lending rates is due to the high risk of SME failure. Each time a SME fails, the moneylender must charge the next SME applicant a higher interest rate to cover the lender's risk in funding it.

- **Social costs** – relationships suffer during the process of business failure, leading to stigma and negative discrimination.

- **Psychological costs** – these costs can be either motivational or emotional. One may believe that successful business owners were not born successful but failed until they achieved success. An emotional person may remain hurt by negative discrimination.

2.4 What can be done to rescue SMEs?

Governments all over the world have prioritised the improvement of the SME sector to boost development and growth of the economy. It is generally accepted internationally by policy makers that SMEs are significant drivers of job creation, wealth creation and expansion of innovation in an economy (Oyelana & Adu, 2015; Donga et al., 2016; Meyer & Meyer, 2017).

The government of Eswatini also recognises the importance of Micro, Small and Medium Enterprises (MSME) sectors' influence towards mitigating poverty, job creation, and economic growth. It has instituted the MSME policy, Micro Finance Policy, Financial Sector Development Implementation Plan and National Financial Inclusion Strategy (FinMark 2018). However, Eswatini still needs to do more to rescue SMEs from the many challenges that lead to the high rate of business failure.

- **Coordination** – most SMEs are not using the government's one-size-fits-all Business Development Support services (BDS) because of a mismatch between a government service and an enterprise's needs (Eswatini Road Map 2018-2023). Government needs to separate foundational sessions from strategic services that affect growth.

- **Innovation** – the key driver in high growth firms is innovation (Ngek & Smit, 2013). Government needs to come up with vigorous motivational strategies to influence mainly the youth on bringing new products into the market and new methods of production. This will result in opening of new markets, expansion of customer base, and reduction in copycat businesses.

- **Entrepreneurship education** – there is a positive link between entrepreneurship education and business success (Malebane, 2012; FinScope, 2017). Policy revision for secondary school education to include entrepreneurship studies and technical skills would result in better- equipped future entrepreneurs.

- **Availability of mentors** – there is a shortage of entrepreneur role models in Eswatini. Families and the community believe that children should finish school and then look for a job rather than start a business. Becoming an entrepreneur is considered only after lengthy unemployment or after normal retirement. Mentors who have the skills and knowledge to stimulate personal and professional growth in SMEs could also offer emotional support, which would help to reduce business failure.

- **Buy local** – government needs to come up with a continuous 'buy local' campaign or policy to support SME products.

- **Value chain** – to solve the issue of negative perception, large firms at the top of the value chain would help SMEs to produce better quality products through skills transfer. Participation in value chain boosts labour productivity and it is an incentive to industrial development (World Bank Group, 2017). Value chain will also result in value-add, especially to the domestic agricultural products, and this will increase SMEs revenue.

- **Business incubation** – BIs such as SEDCO should enhance their support by overseeing financing for their incubatees while the incubatees are still in training in SEDCO's premises. That would solve start-up entrepreneurs' problem of not having collateral because their business assets would be a part of the property of the financier, who can monitor the loan repayment closely.

- **Government payments** – the government is the main customer for some of the SMEs. Government must pay SMEs on time.

2.5 Business incubation

2.5.1 Historical overview of business incubation

Although the business incubation industry originated in Europe and America in the 1950s, developing countries only began recognising it as a development strategy in the 1970s to 1990s (Al-Mubarak et al., 2013; Obaji et al., 2015: Rogerson, 2017; Lose, 2019). It came as a tool to restore the collapsed real-estate industry, which resulted in high unemployment in the Western countries (Commission, 2002; Wiggins & Gibson, 2003 cited in van Huijgevoort, 2012). According to van Huijgevoort (2012), veteran entrepreneurs created business incubation as a resourceful way to share their office spaces with new entrepreneurs, while sharing their knowledge and experience as well. This explains why first-generation business incubators (BIs) offered working space and entrepreneurial services. Governments of many different countries then adopted this vibrant tool for accelerating business growth, fostering innovation, creating employment, and encouraging economic development (Wanyoko, 2013; Fatoki, 2014; Choto, 2015; Sanyal & Hisam, 2018).

2.5.2 What is Business Incubation (BI)?

BI is a service that trains people to become successful entrepreneurs who can eventually operate independently of the incubator and avoid business failure. BI services differ from country to country according to the local culture or economic goal. Services offered include physical space, financial assistance, coaching, networking connections, and partnerships.

Table 2.3: Definitions of business incubation

Researchers	Definitions
Wilber & Dixon, 2003 cited in Choto, 2015	BIs are providers of rental space, shared office equipment, subsidised facilities, business consultancy, and administrative services for small businesses.
van Huijgevoort, 2012	BIs include a wide variety of organisations and initiatives that try to help entrepreneurs build a business idea up to a self-regulated commercial venture.
Obaji et al., 2015	BI is a popular economic development instrument used around the world to alleviate industrial competitiveness caused by globalisation. It encourages private enterprise to use innovative technologies resulting in great strides in a country's industrialisation.

Rogerson, 2017	BIs provide a keen and supportive atmosphere in which to establish start-ups, nurture them through the vulnerable infancy stage, and help them to grow into new firms that can survive in the business world outside the incubator.
Sanyal & Hisam, 2018	BI is a way of satisfying economic and socio-economic needs. These include creating employment opportunities, supporting small businesses, encouraging innovation, and strengthening links between universities or research institutions and the business community.

Wilber and Dixon's (2003) definition emphasises the advantage to incubatees in sharing premises, office equipment and administrative services with BIs. This sharing reduces the operational costs for start-up firms, which in turn increases their chances of survival.

According to van Huijgevoort (2012), the new entrepreneur needs the help of a variety of partners to grow a business idea into a mature business. The partnership could include universities, accountants, lawyers, venture capitalists, market specialists, and potential customers.

Obaji et al., (2015) see BI as a solution to the challenge of fostering innovation and use of technology in order for SMEs to compete effectively in the global market. This can increase the number of sales revenue businesses and likely lead to industrialisation of a country.

Drawing from Rogerson (2017), even if a BI does not offer physical premises, as long as it nurtures and supports new entrepreneurs, then that is good enough to start and grow a business that will be fully operational even on its own.

Sanyal and Hisam (2018) define BI as a solution to economic problems and socio-economic needs. The creation of job opportunities reduces poverty and facilitates a more even distribution of wealth within a country. Links between universities and the business community enrich education, and facilitate research and development (R&D) activities relevant to that community.

This study draws from the foregoing definitions of BI to establish a working definition of BI as a programme that helps new entrepreneurs to be able to survive through start-up challenges, to operate a business effectively through competitive market conditions, and eventually positively contribute towards economic development of a country.

2.5.3 Types of business incubators

The following types of BIs are the most prevalent in the different regions of the world (NBIA, 2019).

1. **Classical** – also called first-generation BIs, these are the original incubators. They assist SMEs mainly with lease of space, business advice, and administrative services. According to Sanyal and Hisam (2018), this type is mostly involved in manufacturing start-ups.

2. **Technological** – a combination of technology and entrepreneurship hastens the development of nascent businesses and thus accelerates the commercialisation of technology. Technology Business Incubators (TBI) primarily provide start-ups with technological infrastructure, prototype development, and research assistance to help them evolve into mature businesses (SINED, 2020).

3. **Virtual** – These are 'incubators without walls' because clients may be too far from incubation premises to benefit from using BIs office space. They receive business assistance electronically using modern communication services. The main users of this model are entrepreneurs who need the advisory services offered by BIs but want to maintain their present working area (Rogerson, 2017; Lose, 2019).

4. Academic incubators – link universities and research centres with industries to train students who want to make a new product, launch a business or have output for R&D activities (Gensler, 2020).

2.5.4 Role of business incubation (success factors)

Not every entrepreneur has the time and resources to obtain an academic business degree. BIs help to tie the broken thread by imparting knowledge and skills to individuals while they are running the business (Sanyal & Hisam, 2018).This could be effective entrepreneurship education.

2.5.4.1 Start-up firms

Lack of business management capabilities can overshadow high aspirations of becoming an entrepreneur and operating a successful business. According to van Huijgevoort (2012), the purpose of BIs is to mitigate the risk of starting a business to ensure economic development. Lose and Tengeh (2015), agree that incubation lessens the chances of a new business failing, especially as it goes through volatile stages. Networking improves the incubatees' ability to access investment resources, market opportunities, and many more development chances for the new business (Rubin et al., 2015). Ayatse et al., (2017) inspired new entrepreneurs to avail themselves for business assistance, training, and monitoring. These value-added activities improve applicants' ability to obtain finance, facilitate business registration, and network. That makes BIs an important

component in helping start-up firms to survive and thereby to decrease the high failure rate of new SMEs.

2.5.4.2 Technology advancement

Innovative start-ups established through Technological Business Incubators are the ones most likely to develop swiftly, especially if the TBI forms strategic alliances with large firms like Microsoft for involvement in the incubatee's product development and testing (Isabelle, 2013). McAdam and McAdam (2008), cited in Rubin et al., (2015), submitted that the effective use of resources in a university's science park becomes more effective as a business matures. Therefore, the incubation phenomenon is an enabler for technology (Ayatse et al., 2017).

TBIs include technology incubation, some university incubators, science parks, and accelerators (Lamine et al., 2018).

2.5.4.3 Existing business

Services that BIs offer to their clients include training programmes, business advisory services, marketing support, facilitating access to finance, technical support, and networking. Existing small businesses can be part of BI to reduce business failure risk or to expand the business. The cooperation of BIs with different entities makes the availability of information and knowledge, which could have been difficult or expensive to get, easily accessible. Lofsten and Lindelof (2001) and Etzkowitz (2002), cited in Rubin et al., (2015:3), noted that, since BIs are not a remote entity but an interacted one, incubated entrepreneurs are more likely to have relationships with those supportive entities than other entrepreneurs are.

An existing business can also benefit from the flow-through of human capital and frequently updated information. Each year, university incubatees come up with new ideas or develop a twist on an existing one (Lamine et al., 2018). This keeps incubated SMEs abreast with latest market developments and might give them an advantage that leads to an increase in their sales.

Various incubation programmes have stretched their service provision to enterprises in order to assist entrepreneurs at all stages and be more visible to the business community (NBIA, 2019).

2.6 Challenges facing business incubators

BIs have emerged as phenomenal organisations that equip SMEs to withstand their challenges and become successful businesses able to reduce poverty and unemployment while contributing to economic growth of a country. However, BIs also face challenges just like any other business, which hinder them in fulfilling their objective of successfully incubating SMEs (Lose & Tengeh, 2015; Nair & Blomquist, 2019).

2.6.1 Access to qualified staff

Incubation managers with knowledge, various professional skills, and experience in getting the right human capital are essential for the efficient performance of an incubation programme (Fukugawa, 2013:72). Marmer's (2014) findings emphasised the importance of guidance by knowledgeable mentors who have been through the implementation of a business project themselves. Mentors can present a wide outlook in the professional and entrepreneurial field to create a clear point of view that will add certainty and increase motivation to incubatees (Marmer, 2014). Customer needs change quickly. Therefore, SMEs need exposure to people with a wide outlook while still in their incubation programme. Lose and Tengeh (2015) noted that BI managers are accused for lack of entrepreneurial background, they have little or no practical business experience. Lack of skilled staff makes BIs end up offering incubation programmes that do not deliver what the new entrepreneurs need (InfoDev, 2010 cited in Lose, 2019). This means that incubatees who graduate from such a programme might not be properly equipped. Lose (2019) found that recruiting staff that is conversant in management, technical capabilities, and consulting services results to successful enterprises.

2.6.2 Sufficient working capital

In some countries like South Africa, there are public BIs and private BIs. Adelowo et al., (2012) distinguished between the two. Public incubators receive their financial assistance from government agencies and non-profit organisations, with the main drive being to stimulate economic development. Private incubators on the other hand receive funds from venture and seed-capital investment groups, and real estate development partnerships. The researchers noted that these incubators are mainly after personal returns on their investment, such as through a stake in the firm or royalties.

A measure of a BI's management skill is its ability to attract sponsors and raise funds for betterment of the incubation programme (Lose & Tengeh, 2015). In the Kingdom of Eswatini, BIs are all government-funded companies. Lose and Tengeh (2015); Khuzwayo (2015), argued that future BIs should be profit-driven organisations that specialise in a specific sector; those have proven better performance than public incubators.

Most BIs are non-profit entities; they receive their funds from government and industry donations (Riggins, 2019), but having a self-sustainability plan for operating capital is difficult. Prashantham (2019) stated that a win-win situation would be possible if large corporations invested in, or acquired, start-ups in a programme initiative, such as an accelerator. The corporations would provide the resources, while the start-ups would add value to the corporations with their swiftness and unique ideas.

2.6.3 Access to advanced technology

Government institutions tend to work on the same topic for over 20 years using the same machinery. South African Technology Business Incubators seem not to have much access to tangible and intangible resources to demonstrate or test a product (Lose & Tengeh 2015; 2016:373). If a system does not continuously upgrade, then it becomes not innovative enough (Lamine et al., 2018). TBIs try to be pertinent in supporting SMEs, but they also have trouble in assisting incubatees to design novel methods that successfully identify, evaluate, and exploit entrepreneurial opportunities, especially in the green markets industry (Lamine et al., 2018). This leaves a gap in the entrepreneurship support system that limits SMEs' innovation and production of high-tech products that are globally competitive.

2.6.4 Networking

BIs usually have good networks with government entities, universities, lawyers, accountants, marketing specialists, investors, and volunteers. These informative partners have experience gathered from former failures and achievements to assist incubatees in having better start-ups. Al-Mubaraki and Busler (2011) felt that they could do more. For example, incubator managers should invest in professional development training courses for themselves and affiliate with international associations. This would strengthen the BI managers' problem solving and general networking skills, thereby resulting in an improved incubation programme as well.

2.6.5 Lack of commitment from entrepreneurs

Rolfe et al., (2010) argued that some entrepreneurs are just concerned with earning a minimal income in the informal sector whilst looking for a formal employment elsewhere. In that case, an incubated SME will have limited commitment to establishing a viable business. Incubated entrepreneurs with weak commitment are less likely to implement the knowledge that BIs impart.

Choto (2015:40) noted that it is important for entrepreneurs to have significant knowledge of their industry. Then they are able to identify gaps in the industry and take advantage of those opportunities in the market. The qualities of the entrepreneurs who take part in an incubation programme determine the accomplishment or failure of the programme (Mbewane, 2007 cited in Lose, 2019:49). Lose (2019) stressed the importance of an entrepreneur having resilience, and passion for the product or service he/she is offering. The economic status, age of entrepreneur, work experience, education, and training also determine entrepreneurship quality (Lose, 2019). Nair and Blomquist (2019) also emphasised that the personal character of an entrepreneur has a significant impact on whether a new business venture will be a success. To become effective entrepreneurs, the recruited incubatees should be visionaries, energetic, prepared to learn, and aspire to succeed.

2.7 Measuring performance of business incubators

Choosing an appropriate measure of performance is a contributing factor to success in BI performance. Graduation of incubatees into mainstream business is one of the performance measures used to evaluate the incubator's economic impact globally (Ravjee, 2010 cited in Masutha & Rogerson, 2014a: 60). Fukugawa (2013) argued that the number of graduates from an incubation programme is not the only reliable measurement of a good BI; the number of graduates who actually survive entrepreneurially outside the incubation programme is equally important.

If an incubator is to be successful it must recruit the management team from the business sector, so that the BI will operate as a regular business and reply to changing market conditions (Khuzwayo, 2015). Lose and Tengeh (2016) further said it is important to determine whether an incubation programme satisfies the needs of SMEs. Nair and Blomquist (2019) advised that BIs must teach incubatees reliable support strategies to help them get through difficult phases in new-business development towards becoming a value creation entity. However, venture failure still occurs after incubatees have exited the incubator.

The following are some of the key indicators used to monitor and evaluate the impact of an incubation programme:

- **Success of incubated businesses** – the higher the survival rate of incubated businesses compared with those discontinued depicts success of incubation programme (Al-Mubaraki & Wong, 2011). The main goal of incubation programmes is to help produce successful business ventures that continue operating (Hackett & Dilts, 2004 cited in Said et al., 2012).

- **Profitability of graduated businesses** - financial stability or turnover generated by SMEs is necessary for a business's independence and continuation of operations. The number of profitable graduated businesses is an important measure for BIs, as their function is to produce sustainable SMEs (Said et al., 2012).

- **Jobs created by incubated** businesses – these are an indirect measure of BIs success. Support services that BIs provide to new entrepreneurs promote the survival and growth of new businesses, thus creating jobs. Al Mubaraki and Schrodl (2011) said the number of jobs created is a measure of success as it points out accomplishments of the incubation industry.

- **Graduation of incubated businesses** – graduation means that a business has efficiently used resources offered by an incubation programme. It has certain elements of self-sufficiency and it is likely to prosper on its own (Al-Mubaraki and Schrodl, 2011).

- **Network interactions** – Efficient networking within the incubation environment is also an indication of successful BIs and science parks (Isabelle, 2013). The extensive network of advisors in public and private organisations is an important service offered by BIs for incubatees' success. This could also stimulate economic development as interaction between SMEs can create diversity in local economic activity to meet the needs of the community (Khuzwayo, 2015).

- **Research potential** – BIs should be involved in the transmission of technology and commercialisation of research from universities (Sipos & Szabo, 2006 cited in Khuzwayo, 2015). This ensures necessary sustenance for SMEs, as they produce market related commodities.

2.8 A snap-shot of South African business incubation

In 1995, South Africa launched the concept of BI and small business support through the Small Business Development Corporation known as Hives of Industry (Rogerson & Da Silva, 1988 cited in Masutha & Rogerson 2014b:144; Khuzwayo, 2015). The hives were infrastructural facilities providing SMEs with highly subsidised rented space, telecommunications, bookkeeping, and storage facilities. The hives were old factories in townships established to facilitate relationships between small and large businesses, and the hives had no set incubation period (Khuzwayo, 2015).

In 2000, the Godisa Trust programme was established (Buys & Mbewane, 2007 cited in Masutha & Rogerson, 2014b). This was a multi-stakeholder supported initiative between NGOs, private sector, provincial and national government (InfoDev, 2010). The programme's aims included the development of technology-based SMEs, enhancement of entrepreneurship culture, innovative thinking, facilitation of business skills, sharing of knowledge, and networking among centres. This programme aimed to promote economic growth and create employment opportunities in order to try solve the challenges of unemployment, inequality, and poverty (Godisa Trust, 2004/5 cited in Masutha & Rogerson, 2014b:145).

During 2000–2006, the Godisa Trust successfully established technology-based incubators and improved the survival rate of incubated start-ups by over 80%, compared to those SMEs who were not part of the incubation programme (Masutha & Rogerson, 2014b).

The Department of Trade and Industry (DTI) established the Small Enterprise Development Agency (SEDA) in 2004 to provide support in business development to small enterprises in areas prioritised by the government. In 2006, SEDA integrated the Godisa Trust and other government support interventions for SMEs to formulate the SEDA Technology Programme (STP) (SEDA, 2020). The

STP's network offers infrastructure and custom-made business support services to help South African SMEs to flourish and be financially independent businesses (SEDA, 2020). STP has managed to reduce the high mortality rate of SMEs; now, 80% of businesses manage to survive their first year of existence and positively contribute to job creation (Masutha & Rogerson, 2014a).

In 2012, the DTI initiated the Incubation Support Programme (ISP), which expects to run for 10 years, until 2022. According to DTI (2019), ISP's primary objective is to improve incubators and build thriving enterprises to strengthen the national economy. ISP is a support measure that encourages private-public-partnership between big businesses and SMEs with skills transfer, enterprise growth, supplier development, and marketing opportunities. Ideally, the programme will provide funding to incubators to a maximum of ZAR 10 million per financial year, for three years, to help establish new incubators or grow an existing one (DTI, 2019). The supported incubators can be private investors, or even corporate, academic, or research institutions.

The birth of ISP has seen an escalation in the number of incubators in the country. According to Koigi (2019), there are 51 Technology BIs, 10 enterprise-supplier development incubators, and 14 youth incubators in South Africa. According to the South African Business and Technology Incubation Association (SABTIA), however, South Africa has around 150 incubators (SABTIA, 2020). This is an enormous growth coming from only four incubators in 2004, then 37 by 2011; but it is still far less than the aspiring target of 250 BIs (Masutha & Rogerson, 2014a: s50).

Majority of the incubators are public sector through SEDA and some are private sector set-ups. The main objective of public sector incubators is the extension of economic participation, even into disadvantaged communities of South Africa, by making employment openings and closing the skills gap. By contrast, private sector incubators focus on increasing sales and profitability in SMEs (Masutha & Rogerson, 2014b).

Unfortunately, BIs are still unevenly distributed. Masutha and Rogerson (2014b:150) observed that there are no private BIs in secondary or small towns, and even public incubators are scarce in underdeveloped rural areas. Virtual incubators can accommodate more incubatees than physical incubators. With the growing demand for incubation services, virtual incubators have naturally become more numerous than physical incubators. In 2013, the largest physical incubator had 64 incubatees, yet the largest virtual one had 300 (Masutha & Rogerson, 2014a: s54). Even though the private sector incubators have physical office space, most of them operate virtually (Schutte, 2019).

An assessment of the merits of private and public BIs is interesting. Masutha and Rogerson (2014a:s60) made a comparison between them on the number of their graduates, number of jobs created, and number of SMEs supported. The conclusion was that private sector BIs outperform public sector BIs. Schutte (2019:10) found that public sector BIs provide less access than the private BIs to financial resources, networks, and entrepreneurial start-up support. The researchers

have accused the public incubators of not keeping proper records and not observing some incubation principles.

The Southern African Business and Technology Incubation Association (SABTIA) first appeared in 2007 to promote BIs in Southern Africa but it had ceased operations. When government saw a need to re-energise BIs to meet the national development challenges, in April 2018, it authorised SEDA to reintroduce SABTIA (Mpala, 2018). SABTIA's mandate was to:

- vest supportive activities for incubation
- improve proficiencies and capacity of incubators
- build a platform for partnership between public and private stakeholders across the region to tackle incubation challenges
- create focused partnerships with international incubation organisations like the International Business Innovation Association (InBIA)
- serve small businesses better by building an inclusive incubation and acceleration ecosystem
- develop an accredited network of incubators, define professional conduct, and develop good practise standards
- serve as an entry point for international incubators in South Africa (SABTIA, 2020)

The relaunch of SABTIA is supposed to adhere to the February 2018, State of the Nation Address on supporting township businesses, and to build a more inclusive incubation system to assist small businesses and start-ups, including the informal sector (Mpala, 2018).

2.9 Business incubation Eswatini

2.9.1 Government initiative

The Kingdom of Eswatini recognises the importance of SMEs in job creation, poverty reduction, and economic development. In April 2001, through the Ministry of Commerce, Industry, and Trade (MCIT) the government of Eswatini established the SME unit (MCIT, 2006). The unit’s objective was to make recommendations to government on SME policy issues and to encourage the formation of indigenous enterprise through an enabling business environment. MCIT (2006) defined 'enabling business environment' as trading conditions in a region in which the government keeps licencing and other costs low. This inspires start-ups and encourages existing businesses in the economy to grow.

Through the SME unit, the government implemented the Small, Micro, and Medium Enterprise (SMME) National Policy of Eswatini in 2004, and revised it in 2009 and 2018. The aim of the 2018 revision was to construct a modern, comprehensive, targeted, empowering, institutional, and

regulatory environment within a relevant framework, for a highly profitable entrepreneurial sector, signalised by innovative, competitive, and sustainable businesses (SMME, 2018). Before the establishment of the SMME policy, un-coordination in development projects and programmes offered by MCIT, other related portfolio agencies, and the private sector, caused insignificant improvements in the SME sector of the country.

To tackle the issue of unemployment and encourage establishment of entrepreneurial ventures, government provides support in the provision of BIs, factory shells, a loan guarantee scheme, and finance for entrepreneurial programmes, such as the Youth Enterprise Fund. The Ministry of Sports, Youth, and Culture administers this Fund, which enables young people to finance start-up businesses.

To encourage entrepreneurial education, the government supports the Junior Achievement (JA) programme at high school level. This programme teaches students the theory of entrepreneurship and then the students put it into practise by establishing a mini-company to yield a profit. At tertiary level, government motivates students through the ENACTUS Eswatini programme to start their own businesses after graduation to create employment. Students must enact their ENACTUS entrepreneurial projects in particular communities, and successful projects help to improve the standard of living in those communities.

2.9.2 Small Enterprise Development Company (SEDCO)

Government's historic support to SME development was the establishment of SEDCO in 1970. This is the country's oldest incubation service provider. The Ministry of Commerce, Industry, and Trade (MCIT) governs it, with operations in nine estates within the four regions of the country (MCIT, 2006; 2014). SEDCO is a mixed incubator of 115 entrepreneurs working in 173 physical working place units in SMEs ranging from construction and manufacturing to retail service providers (SEDCO, 2018).

SEDCO has not always insisted on a limited incubation period; tenants would continue to occupy premises for as long as they wanted to and not graduate out of incubation. Now, according to business counsellor Sibusiso Motsa, incubatees get only three-year contracts. According to SEDCO data bank (2018), the total number of employees in the SMEs in the nine incubation estates was 542. Unfortunately, because there was no set graduation period, it would not be accurate to rate that number of employees as good or bad.

SEDCO's mandate is to reduce poverty in the country by promoting an entrepreneurial culture among Emaswati, providing business development services, and stimulating the SME sector to increase employment opportunities. SEDCO's primary services are provision of workspace,

technology adoption and diffusion, capacity development, business counselling and legal advice (SEDCO, 2020).

2.9.3 Eswatini Water Agricultural Development (ESWADE)

Incorporated in November 1999, ESWADE is a company operating as a public enterprise under the Ministry of Agriculture. ESWADE is not a registered BI but it does act to mitigate negative impacts on the livelihoods of persons displaced through the construction of dams (ESWADE, 2019). ESWADE is a virtual incubator of commercialised agriculture, including the farming of sugar cane, bananas, maize, beans, and vegetables, the production of beef, goat meat and bee keeping. Community members who become shareholders learn entrepreneurial skills that help them to continue operating their businesses after the 3 year incubation period.

Before ESWADE's helpful intervention, Siphofaneni was one of the worst poverty-stricken communities in Eswatini. Most of the people in that area survived on governmental food hand-outs, lived in stick and mud houses, had no easy access to potable water, and their livestock died of hunger during the dry season (ESWADE, 2020). According to Sithole, CEO of ESWADE, because of the developmental intervention, over 300 households graduated from poverty to millionaires, the general level of education in the community increased, and there was significant improvement in housing. Nkambule (2020) reported that during the 2018/2019 financial year the project generated a total revenue of E401.4 million, and the farmers remitted E55.4 million tax to government. Government has commended ESWADE's Smallholder-Led Project (SMLP) for stimulating the country’s economy, transforming the rural communities, and addressing the challenge of food insecurity and poverty. Eventually, self-sufficiency in food will reduce the country's need for imports (ESWADE, 2020).

2.9.4 Royal Science Technology Park (RSTP)

The research institution RSTP was the vision of His Majesty, King Mswati III. Government launched the park in 2012 as a parastatal under the Ministry of Information, Communications, and Technology (RSTP, 2018). There are two divisions at RSTP the Innovation Park and the Biotechnology Park. The incubation facilities that are part of the Innovation Park support the SMEs work in the IT sector of developing innovative products and services, or an idea (RSTP, 2018). As they go through difficult early stages of development, innovative start-ups benefit from the following services: office space, business development, technical support, and fundraising (RSTP, 2020). The services help entrepreneurs to access markets, create job and increase domestic production.

BI begins with the theory that early identification of firms with potential for success but that lack resources increases their chances of survival and growth by meeting their needs (Ayatse et al., 2017; Rogerson, 2017).

The RSTP is beneficial for innovative start-ups as it:

- lowers overheads – incubatees share subsidised facilities and services, and can use available resources for innovation development
- teaches technical and business know-how – limits the challenges of start-up errors which could lead to technology mishaps or business failure
- provides legitimacy – using the BI's networks gives start-ups better chances of project collaboration, attaining financing, and access to markets, compared to those not in RSTP incubation

Incubatees go through an application process to meet set entry requirements. RSTP is the only BI in the country with mandatory graduation. It does not share information about its incubatees.

2.10 Summary

The literature review showed that SMEs in the African continent, including Eswatini, experience more challenges than businesses in developed countries, yet through the use of ICT access to world markets has been globalised. Lack of finance, poor business management skills, difficulty in accessing markets, and availability of advanced technology are their major challenges. Governments of African countries have tried to implement policies that assist SMEs growth, but lack of resources, crime, and corruption negatively affect the contribution of SMEs towards their country's economic development. According to published research, BIs is a solution to entrepreneurial success if there is a good match between the incubator's offering of support services and the entrepreneur's needs.

The next chapter explains the research methods used in this study.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The previous chapter deliberated on the literature review concerning the subject of this study. This chapter provides the reasoning behind the research plan and the research methodology that the researcher chose to achieve the aims of the study. Kalusopa (2011) and Tsabedze (2018) agreed that a research methodology is responsible for the plan that outlines the researcher's gathering, analysis of data and drawing of conclusions. Schensul and LeCompte (2012) concurred that research methodology is a plan that researchers use to warrant that their work can be evaluated, repeated, and adapted.

This chapter is organised under the following thematic areas: research paradigm; research design; study population; sampling; research instruments; procedures; data analysis; validity and reliability, and ethical considerations.

3.2 Research paradigms

Researchers have identified several research paradigms. Cranford (2013) identified the positivist and interpretative research paradigms. The positivist paradigm is concerned with studying natural sciences, identifying causes and testing of hypotheses (experiments), by use of statistics and numbers. The interpretative paradigm focuses on understanding the meaning behind actions in a social context.

Polit and Beck (2008) and Maree (2016) stated that paradigms for human review are often categorised in terms of the ways in which they react to basic philosophical questions: ontological, epistemological, and methodological. A philosophical paradigm is a set of expectations or beliefs about essential aspects of truth that results in a certain world view.

Saunders et al., (2012) identified the pragmatic paradigm, which is concerned with 'what works' and solutions to problems rather than the methods used. It combines both qualitative and quantitative methods, allowing a researcher to be free from mental and practical constraints.
According to Creswell and Plano Clark (2007) cited in Yvonne Feilzer (2010), pragmatism focuses on the impediments to be researched and the significances of the research, therefore this paradigm offers an alternative to positivism and interpretivism.

This study made use of a combination of two paradigms, positivist and interpretative because it had no theory in mind to test. The researcher relied on respondents' opinions regarding the effectiveness of existing practices in the entrepreneurship sector.

3.3 Research approaches

Numerous researchers have identified three different research methods called quantitative, qualitative, and mixed method research (MMR) (Creswell, 2015; Maree, 2016). Qualitative research is an inquest process whereby a researcher develops a compound, all-inclusive picture, analyses words, gives comprehensive views of participants, and controls the study in a natural setting (Creswell, 2015). The quantitative research tests the theories about reality, looks for plausible effect, and uses quantitative measures to gather data to test a hypothesis or answer research questions (Maree, 2016).

According to Maree (2016), MMR is a procedure for collecting, analysing, and merging (or 'mixing') both quantitative and qualitative data at some phase of the research process in order to have a better understanding of a research problem.

This study largely adopted a quantitative approach and used methodological triangulation of both quantitative and qualitative data collection methods. It was not purely an MMR because it did not cover all the stages of the mixed method research processes.

3.4 Research design

Research design refers to how the research is scheduled and accomplished. Bless et al., (2006) defined research design “as the planning of any scientific research from the first to the last step”. Maree (2016) described research design as a strategy that advances from the fundamental philosophical assumption to stipulating the selection of participants, data-gathering methods, and the objectives of data-analysis. According to Maree (2016), the scholar's choice of a research design reflects their ontological, epistemological, and axiological perspectives; research skills; research practices; and guides the way in which data is collected. Research designs vary from case studies to surveys, content analyses, empirical designs, phenomenology, etc. The most frequently used research designs for both quantitative and qualitative research are case studies, surveys, and content analyses (Maree 2016).

Surveys are largely quantitative; business management research has used them extensively. Hlatshwako (2012) utilised survey research to investigate challenges facing SMEs in the Manzini region in Eswatini. Their data collection techniques included questionnaires and structured interviews. Dlamini (2018) also used survey research in her study to investigate “The impact of financial management skills on the performance of small, medium, and micro enterprises in the Hhohho region in Eswatini".

The current study employed a survey design in order to describe, compare, contrast, classify, analyse, and interpret implications of the findings on entrepreneurial competencies of SME owners, strategies BIs use to equip SMEs, and the impact of the incubation programme on the incubated entrepreneurs in Eswatini.

3.5 Population

Salkind (2012) describes population as potential participants to whom researcher wants to generalise the results of the study. Sekaran and Bougie (2013) define population according to context of components, geo-political boundaries and the time-line as a group of people, events, or things of interest that the researcher wishes to investigate. In this study, population refers to presently incubated SMEs, SMEs graduated from BIs, and Eswatini's registered BIs: SEDCO, ESWADE, and RSTP.

3.6 Sampling

A sample is a subgroup of the population under study. The primary goal for sampling is to select sufficient elements from a population, such that the researcher can study the smaller group, and produce correct generalisations about the larger group (Greener, 2008; Kumar, 2011). Kumar (2011) stated that a researcher should choose a sampling strategy that will inspire her capacity to make generalisations from the sample findings about the study population, and to identify the type of statistical tests to apply to the data. The two major types of sampling designs are probability and nonprobability. This study employed probability sampling.

3.6.1 Probability sampling

Chimucheka and Rungani (2011) argued that using a probability sampling helps to eliminate researcher bias in selecting sample elements. According to Creswell (2012), probability sampling allows the researcher to select individuals from the population who are representative of that population and generalise about them. Creswell (2012) discussed three types of probability sampling: simple random sampling, stratified sampling, and multistage cluster sampling. To eliminate bias, this study used a simple random sampling form of probability.

3.6.2 Simple random sampling

Burns & Burns, 2008 (cited in Lose, 2016) defined sampling as a sub-group of the population that represents the study objectives. Kumar (2011) noted that in random or probability sampling it is essential for each division in the population to have an equivalent and independent chance of selection for the sample. The current study based the use of stratified random sampling on BI data of presently incubated SMEs and entrepreneurs no longer part of incubation. The strata groups

called Mbabane, Siphofaneni, and Matsapha came from a division of the sample population into three subpopulations.
The researcher chose Mbabane as a representative for urban SMEs because it is the capital city of the Kingdom of Eswatini, a convenient place for the researcher, and Hlatshwako (2012) had already done research on SMEs in Manzini.

About 70% of Eswatini's population relies on subsistence farming (FAO, 2020). The agriculture sector accounts for 8.59% of the country's gross domestic product (GDP) (Plecher, 2020). The development plan has placed agriculture as a priority (FAO, 2020). The incubator supports commercialisation of agricultural businesses. Siphofaneni is representative of a rural community urbanised by smallholder farming.

The Technology BI located in Matsapha specialises in technology-based start-ups. It incubates people in that area and it is a virtual incubator.

The sample target for this study was 74 participants determined using Table 1 in Kotrlik et al., (2001: 48). Ten participants were supposed to be from the RSTP; unfortunately, its confidentiality of incubation policy prohibited its participation in this study. Hair et al., (2008) (cited in Choto, 2015:48) cautioned that sample sizing should first take into account the cost and time it will take because data collection is the most expensive element of a research study. Sekaran and Bougie (2010) recommended that a sample size with more than 30 participants is acceptable for most research studies. Fifty-five people willingly agreed to be part of this study. Three of them were BI managers, and three were incubator officers who directly assisted incubatees in the three BIs of the country. The remainder were incubated SMEs and previous incubatees of SEDCO and ESWADE.

3.7 Research instruments

Research instruments are means by which a researcher collects data, from a specified sample (Bryman, 2016). Bhattacherjee (2012); McDonald et al., (2006), and Yin (2003) cited in Tetnowski (2015) all supported the use of more than one research instrument for collecting data, which is referred to as the triangulation technique. Qualitative types of research instrument collect data in the form of words or pictures. Quantitative techniques capture data in the form of numbers (Sarantakos, 1993:56-57; Newman, 2000:33 cited in Tsabedze, 2018). Using more than one research instrument can build on the strengths of each type of data collection, while minimising the weaknesses of any single approach (Patton, 2002 cited in Tsabedze, 2018). This study used questionnaires and structured interviews.

3.7.1 Questionnaire

Kumar (2011) stated that closed questions obtain the information the reseacher needs, and it is easier to analyse. The close-ended questions for this study incorporated either fixed alternative items or the choice of a category from a Likert scale based on items that characterised its features and performance. The questions addressed the objectives of the study as stipulated under Section 1.5 of Chapter One.

A questionnaire can be either self-administered, online (via the internet), postal or email, interviewer-administered, or telephonic (Creswell, 2012). According to Bhattacherjee (2012), questionnaires capture responses from respondents in a standardized manner. The questionnaire for this study contained both open-ended and closed questions.

The open-ended questions are for qualitative data collection allowing respondents to provide responses in their own words (Polit & Beck, 2004), this facilitate making of recommendations. Whilst the closed questions are suitable for quantitative data collection. Bryman (2016) stated closed questions as being relatively easier for respondents to understand and render answers in the data collection process.

The researcher self-administered some of the questionnaires, and either emailed or delivered others to SMEs who were presently going through an incubation programme, and to BIs trainers. Finally, the researcher conducted the remainder over the telephone, due to COVID-19 regulations. The intention was to understand entrepreneurial competencies of SME owners, strategies used by BIs to equip SMEs, and the impact of the incubation programme on the incubated entrepreneurs in the Kingdom of Eswatini.

3.7.2 Interviews

Easterby-Smith et al*.,* (2002) noted that a structured interview is mainly applicable when it is necessary to understand the setup that the interviewee uses as a basis for his/her opinions and beliefs about a particular situation. In a structured interview, the interviewer is obliged to ask the set list of questions prepared. This helps the interviewer to redirect the respondent if he/she deviates from main issue of discussion (Welman et al., 2012).

Structured interviews give the researcher a chance to enquire deeply to expose new evidence and open up new dimensions of the studied phenomenon (Hassan, 2011). For the current study, structured interviews were the research instrument to collect data from BIs managers and SMEs that have gone through an incubation programme (incubation graduates). This greatly helped in getting accurate accounts founded on the interviewees' personal experiences.

The researcher first emailed interview questions to BIs managers and then followed-up with telephone in-depth interviews. One-on-one interviews took place with some SMEs, but most interviews had to be telephonic because of the COVID-19 lockdown regulations. The telephone discussions allowed SMEs to be more open, which helped the researcher to get in-depth information. The aim was to understand entrepreneurial competencies of SME owners, strategies that BIs use to equip SMEs, and the impact of the incubation programme on the incubated entrepreneurs in the Kingdom of Eswatini. The researcher informed the BI managers and SMEs prior to the interviews that an interview would last about 15 to 20 minutes, to enable them to adjust their working schedules. The researcher informed participants at the beginning that the researcher would treat the data collected from the interviewees confidentially and that all respondents would be anonymous.
The interview guides and questionnaires are in Appendix A and Appendix B.

3.8 Validity and reliability

Hernon and Schwartz (2009) suggested that investigators ask some individuals, who are not necessarily part of the actual study, to review the wording on questions and confirm that their meanings are clear. To ensure validity and reliability in this study, the researcher sent the structured interview questions and questionnaires to the supervisor for editing and reviewing, and pilot-tested questions on a small group of entrepreneurship students (n=5) from Sifundzani High School and JA Eswatini before applying them to the main sample. This was to test whether any of the questions were vague or understood differently by different respondents. After the pre-test, the researcher revised some of the questions and decided that the questionnaire and interviews should not take more than 20 minutes to complete.

Cohen et al., (2011:106) advised that researchers cannot completely eradicate threats to validity and reliability. The authors suggested ways to try to minimise the threats during design, data collection, data presentation and analysis.

3.9 Data analysis

After collecting data by using the research instruments of questionnaire and structured interview guide, the researcher analysed it, firstly through categorising it by descriptive approaches, and then by merging quantitative and qualitative data. The aim was to provide extensive analysis of the research problem, and to bring out common trends and meaning. The researcher produced a content analysis of the qualitative data gathered from structured interviews. Using Microsoft Excel, the researcher coded and analysed the quantitative data collected through questionnaires. The

researcher used descriptive statistics to present the respondents' responses in the form of tables, pie charts, percentages, and graphs.

3.10 Research ethics

Hesse-Bieber and Leavy, (2006) emphasised that the researcher should consider ethics seriously, and that ethics should lead the researcher's agenda, rather than be an afterthought. This research addressed ethical issues by safeguarding that the data collection techniques used would not cause physical or emotional harm to the respondents. The researcher sought permission from SEDCO, ESWADE, and RSTP, through a written letter explaining the purpose of the study, before administering questionnaires and conducting the interviews. The researcher notified respondents that their participation was voluntary and they could withdraw from the survey at any stage if they were not comfortable. The respondents were also reassured that their privacy and anonymity would be esteemed and the information collected would be only used for academic research work. The researcher acknowledged and referenced appropriately all sources that were used in the study.

3.11 Summary

This chapter discussed the methods and techniques that the researcher used to determine the nature and scope of knowledge, entrepreneurial skills, and abilities that BIs in the Kingdom of Eswatini offer to SMEs for the purpose of sustaining and growing their business ventures. The survey research design used the mixed methods research process to collect information, but it contained more quantitative data than qualitative. The researcher explained the reasons for her selection of each instrument for data collection, and presented her considerations of principles such as validity and reliability, and the ethical standards that informed the research process. This chapter also discussed the data collection and analysis. The next chapter presents the results and discussion of the data collected, based on the research objectives of the study.

CHAPTER FOUR: DATA PRESENTATION AND DISCUSSION OF THE RESEARCH FINDINGS

4.1 Introduction

The previous chapter presented and justified the research method adopted by the current study. This chapter presents and discusses the findings of the study. To recap, the aim of this study was to determine the nature and scope of knowledge, entrepreneurial skills, and abilities that BIs in the Kingdom of Eswatini offer to SMEs for the purpose of sustaining and growing their business ventures. The study sought to answer the following research questions:

1. To what extent do BIs enhance entrepreneurial competencies of SME owners in the Kingdom of Eswatini?
2. What specific entrepreneurial competencies do BIs offer in the Kingdom of Eswatini?
3. What specific strategies do BIs use to equip SMEs?
4. What is the impact of the incubation programme on the incubated entrepreneurs?

The current study gathered data through questionnaires distributed to SMEs that are currently in the incubation programme with SEDCO and ESWADE, and to their trainers. The researcher conducted structured interviews with previously incubated SMEs and BIs Managers from SEDCO, ESWADE, and RSTP. The researcher analysed quantitative data was gathered from the questionnaires and used Microsoft Excel to present descriptive statistics in tables, charts, and percentages. The researcher analysed data from the structured interviews thematically and presented them in narrative discussions.

4.2 Response rate

The response rate refers to the number of questionnaires completed and returned by respondents. It appears as a percentage of total structured interviews and questionnaires issued. Referring to level of response, Babbie and Mouton (2001:261) proposed that a response rate of 50% is appropriate for analysis and reporting, 60% is good, and 70% is very good. In “Challenges facing small and medium enterprises in Manzini, Swaziland” (Hlatshwako, 2012), the researcher initially sampled 30 SMEs but conducted 25 interviews, making a response rate of 83%. In “The role of business incubators in facilitating the entrepreneurial skills requirements of small and medium size enterprises in the Cape metropolitan area, South Africa” (Lose, 2016), 28 questionnaires returned from a distribution total of 70, making a response rate of 40%. Polit and Beck (2004) cited in Tsabedze (2018) argued that a response rate above 65% is likely to be adequate for most research work because lower percentage response rates are common.

Based on the above researches, it is evident that different studies will attain diverse response rates in line with conditions of that study. The current study acquired a response rate of 74% as shown in Table 4.1. According to Babbie and Mouton (2001), this response rate is very good.

Table 4.1: Response rate (N=74)

Respondents	Data collection instrument used	Expected respondent(s)	Actual respondent(s)	Percentage response rate
Incubated SMEs	Questionnaires	48	34	70%
Previously Incubated SMEs	Structured Interviews	20	15	75%
BIs trainers	Questionnaires	3	3	100%
BIs Managers	Structured Interviews	3	3	100%
TOTAL		**74**	**55**	**74%**

The above Table 4.1 shows the response rate from two categories: structured interviews and questionnaire respondents. The table shows that 34(70%) incubated SMEs and 3(100%) BIs trainers managed to return the questionnaires. SMEs from one of the incubators could not be part of the research, while those who did not return the questionnaires reported that they feared the researcher would steal their business ideas. Some participants were unable to make time to respond to the questionnaires. Some promised to make time to respond, but after continuous reminders by the researcher, they were still unable to participate. The researcher intended to interview 23 participants. However, only 18 agreed to an interview. Some of those who did not participate wanted compensation by the researcher, which is against research ethics, whilst with some it became difficult to interview due to COVID-19 virus lockdown regulations.

4.3 Findings

The structure of this study's findings accord with the research question themes as outlined in section 4.1. The themes are: entrepreneurial competencies of SME owners in the Kingdom of Eswatini; specific entrepreneurial competencies that BIs offer in the Kingdom of Eswatini; strategies BIs use to equip SMEs, and the impact of the incubation programme on the incubated entrepreneurs. The researcher grouped together the results of the structured interviews and questionnaire, and presented them under the respective themes identified above.

4.3.1 Entrepreneurial competencies of SME owners in the Kingdom of Eswatini

4.3.1.1 Entrepreneurial competencies of SME owners in Eswatini

The study sought to find out to what extent BIs enhance entrepreneurial competencies of SME owners in the Kingdom of Eswatini. Could a lack of entrepreneurial skills affect the success of an SME? Figure 4.1 depicts that 39(80%) agreed that lack of entrepreneurial skills could affect their success while 3(6%) were neutral and 7(14%) disagreed.

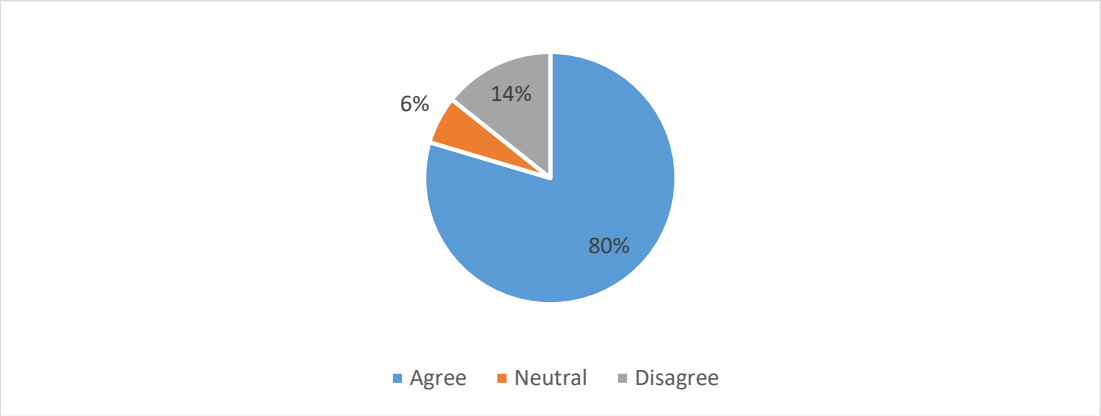

Figure 4.1 Significance of entrepreneurial skills

One of the challenges in Eswatini is lack of entrepreneurial culture (Dlamini, 2018). Van Rensburg (2010 cited in Gwija, et al., 2014) argued that, to attain a great entrepreneurial performance, an entrepreneur must put more effort into development of business management and entrepreneurial skills. The current research findings agree with research findings in Gwija, et al., (2014: 14) where a majority of the participants, 72.7%, felt entrepreneurship education and training does contribute to the success of a business. The 7(14%) respondents in this study who disagreed that entrepreneurial skills are important for business success are a cause for concern.

4.3.1.2 Reasons for being part of an incubation programme

Entrepreneurial education equips incubated SMEs for appropriate business activities (Opuku-Mensuh & Kyere, 2014). This study sought to establish reasons why presently incubated SMEs are participating in an incubation programme. Table 4.2 presents the results: 29(85%) of the respondents wanted training to develop their business skills; 26(76%) needed help with business planning and formally registering their businesses; and 24(71%) needed guidance on how to obtain funding for the business ventures. This aligns with the findings in 4.3.1.1 that a majority of the participants valued entrepreneurship education and training. According to a study by FinMark (2018), only 6% of SMEs can access formal credit in Eswatini; yet 24(71%) of the respondents in this study, who were part of the incubation programme, were hoping to get assistance with obtaining funding for their businesses.

(Please note multiple responses were possible)

Table 4.2 Reasons for being part of an incubation – presently incubated SMEs

Response	Frequency	Percentage
Business planning and forming a company	26	76
Training to develop skills	29	85
Help with raising bank finance, grants or venture capital	24	71
Advice on development of new products and services	10	29
To meet/network purposes	11	32

The most common reasons for participants becoming part of an incubation programme were a readily available workshop space, training in how to use finances rightfully, and effective guidance in sustaining an already operational business.

In an interview, the researcher asked previously incubated SMEs the same question. Table 4.3 presents their responses. Eight respondents (53.3%) said they needed to learn how to operate their business successfully. Two respondents (13.3%) indicated that they needed readily available office space. Then 5(33.3%) got involved because incubation was part of a community development project. They were not necessarily interested in being business owners. Lack of commitment from incubated entrepreneurs is a challenge for BIs because it results in less impartation of knowledge. According to literature, recruited entrepreneurs should have a strong desire to be successful, be energetic and prepared to learn (Lose, 2019; Nair and Blomquist, 2019).

Table 4.3 Reasons for being part of an incubation – post incubation SMEs

Response	Frequency	Percentage
To be equipped on how to operate successfully	8	53.3
Community project	5	33.3
Availability of working space	2	13.3
Total	15	100

In an attempt to understand SME owners' needs, the researcher asked in which areas they still needed more support for their businesses to succeed. Figure 4.2 depicts that majority of participants 19(32%), indicated finance as the area where they need more assistance; closely followed by 16(27%) entrepreneurial and networking skills; 12(20%) marketing; 8(13%) human

resources; and lastly, 5(8%), a business plan. These findings accord with the World Bank survey (2019) that access to finance is a dominant challenge to SMEs in most countries of the world. In the Kingdom of Eswatini, a majority 19(32%) of the SME still needed assistance. It is thought provoking how a lack of access to finance is still viewed as a challenge, yet there are private and public sector initiatives available to assist SMEs (FinScope, 2010; Ngcobo & Sukdeo, 2015; FinMark, 2018). (Please note multiple responses were possible)

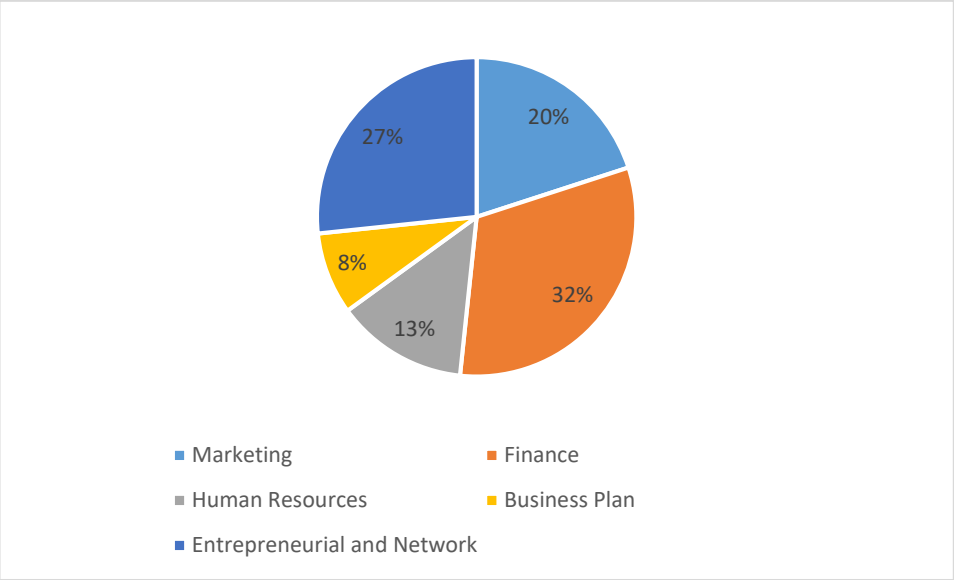

Figure 4.2 Areas where SMEs still need assistance.

4.3.1.3 Level of education of SME owners and BIs trainers

The study also sought to establish the level of education of SME owners and BIs trainers in determining entrepreneurial education. The results disclosed that all 3(100%) of the BI respondents were degree holders. However, the study could not ascertain if the trainers had entrepreneurial experience as well. Findings in Choto (2015) revealed that having formal education is not a determining factor; entrepreneurial spirit is more important. The education status of 21(43%) SME owners was up to tertiary level, 11(22%) had secondary to high school level, of education, 17(35%) had primary, and some had no formal education, as shown in Table 4.4.

Table 4.4: Level of Education of SME Owners

Responses	Frequency	Percentage
Tertiary	21	43
Secondary and High school	11	22
Primary and non- formal education	17	35
Total	49	100

Ncube (2013) noted that, to promote entrepreneurship in Africa, there must be investment in education, vocational education, and training in order to reinforce the skills base. A study by FinScope (2017) stated that over 50% of SME owners in Eswatini have tertiary education. The current study concurs, as 21(43%) of the respondents had tertiary education. A worry, though, is the second-highest number of respondents, 17(35%) who only had primary school education or no formal education. They are likely to be the most easily affected by the challenges of business performance. FinScope's (2017) findings showed that vocational or university-educated entrepreneurs own high growth businesses in Eswatini. Therefore, educated entrepreneurs are generally more likely to contribute to growth in the economy.

The current study also sought to determine if BI managers and trainers realise the significance of entrepreneurial skills. All respondents agreed that entrepreneurial skills are essential, as one cannot teach what one does not know. They stressed that the training they offer matches SMEs' entrepreneurial expertise.

4.3.2 Specific entrepreneurial competencies that BIs offer in the Kingdom of Eswatini

The researcher aimed to find out if BIs in the Kingdom of Eswatini offer any specific entrepreneurial competencies. The researcher asked BI managers which critical skills incubatees need to run a successful business. All 3 of the respondents (100%) indicated that SMEs usually need assistance in financial management, records management, project management, and marketing.

4.3.2.1 Entrepreneurial competencies offered by BIs

The researcher asked the BI trainers which entrepreneurial competencies they teach to their incubatees. Table 4.5 presents the findings.

(Please note multiple responses were possible).

Table 4.5 Entrepreneurial competencies offered by BIs

Entrepreneurial competencies	Frequency	Percentage
Financial management	3	100
Marketing	2	67
Innovation and invention	1	33
Business operations	3	100
Planning	3	100
Principle of entrepreneurship	3	100
Management	3	100

The competencies listed in Table 4.5 were found to be the most significant for business performance. All 3(100%) respondents felt that key competencies are the principles of entrepreneurship because this knowledge equips the incubatees to recognise a business opportunity, develop a business model, and create a business plan. Once again, all 3(100%) of the respondents advocated training in financial management because SMEs must be able to keep proper financial records, set priorities in business cash flow, and make feasible future business plans. Two respondents (67%) felt that marketing skills are also important because they enable SME owners to assess the market viability and competition in a business area. According to literature, there is a shortage of innovation amongst entrepreneurs in Eswatini; SME owners tend to operate copycat businesses (FinScope, 2017). Only one BI offers research on innovation services.

4.3.2.2 Skills obtained from BIs

The researcher asked presently incubated SMEs what skills they obtained from the BIs

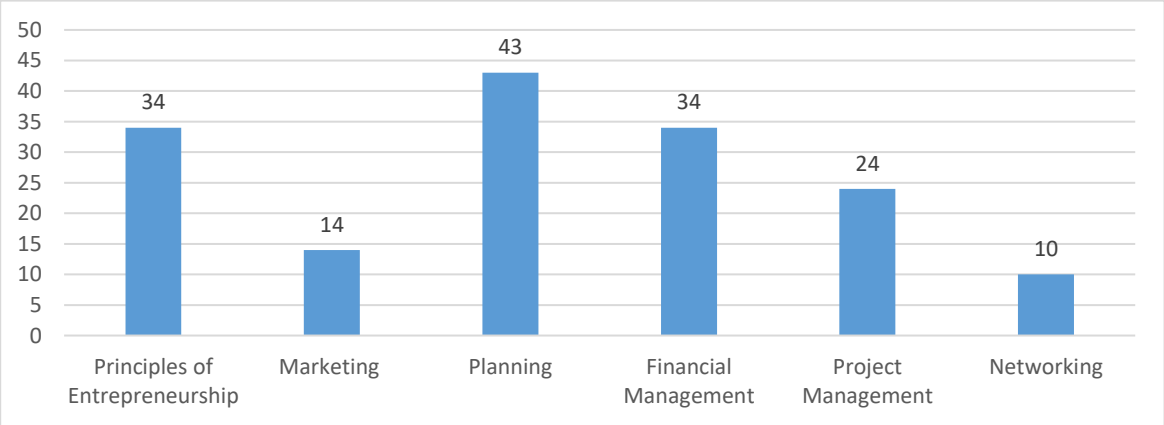

Figure 4.3 Skills obtained from incubation programme

Most of the respondents, 43(27%), mentioned that the incubator assisted them with business plan preparation. That is contrary to Khuzwayo's (2015) findings, where more than half (51.6%) of the respondents were disappointed in BI assistance because they had to complete their business registration process on their own. In this study, 34(22%) respondents picked entrepreneurship and financial management skills as essential skills they learned in incubation. The SMEs' choices agree with some of the key competencies that the BIs trainers mentioned in 4.3.2.1. These findings agree with FinMark (2018) that Eswatini business owners had viable businesses, but lacked entrepreneurial capabilities to generate adequate revenue because they had limited management skills. Similarly, in this study only 24(15%) of the participants received training in project management skills, only 14(9%) learned marketing skills, and only 10(6%) of the participants were equipped in networking.
(Please note multiple responses were possible).

4.3.2.3 Any benefits on being part of an incubation programme

A follow up interview question directed to previously incubated SMEs was to determine if they benefitted by being in an incubation programme. Two (13%) of the respondents indicated that they did not benefit; as a result their businesses have closed down. The other 13 respondents (87%) benefitted, mentioning that they attained business support and assistance. The incubator provided them with relevant training. Some mentioned that the best help was the financial assistance offered by the incubator. Some stated that they could now create strategic alliances with experienced business people and other incubatees who were in the same incubation programme. Three respondents also stated that the project management and business planning skills equipped them to start other businesses after the incubation programme. This agrees with literature that BIs are an important contributor to growth of SME (Masutha & Rogerson, 2014a; Ogutu & Kihonge, 2016).

4.3.3 Strategies BIs used to equip SMEs

The study saw it appropriate to establish if there are specific strategies BIs used to equip SMEs. The researcher asked BI managers what strategies they used to equip SMEs. All 3(100%) respondents mentioned that they used training, coaching, and capacity development on a one-on-one basis with incubatees. One of the respondents (33%) added that the incubator allied with private entrepreneurs who mentored the incubatees, based on the nature of their business. A mentor exposes incubatees to a wide outlook of business operation, creating a clear point of view in that entrepreneurial field (Marmer, 2014). Another incubator 1(33%) said relevant stakeholders are invited to offer training in a specific area of business. For example, a representative from the Eswatini Revenue Authority taught taxation regulations and procedure to the incubatees so that their businesses would be compliant. The same incubator fostered entrepreneurial success by hiring farm supervisors and office clerks and then training them as well for effective operation of the

SME. According to Meyer and Meyer (2017), one of the main hindrances to growth is poor management. The incubator's assistance in hiring and training of supervisors equips SME venture for success.

4.3.3.1 Identify if SMEs are aware of any strategies that BIs Offer

The researcher asked previously incubated SMEs if they were aware of any strategies available in BIs that aimed at developing SMEs. Their responses are presented in Figure 4.4 below showing that 7(47%) were aware of strategies, while 8(53%) were not aware of any strategies offered by BIs.

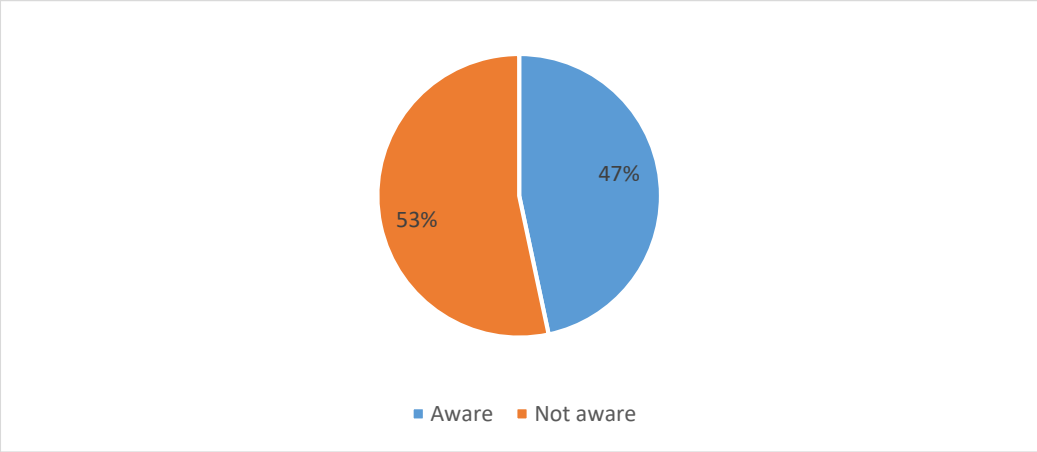

Figure 4.4 Are SMEs aware of strategies used by BIs

The researcher asked the 7 participants who were aware of the development strategies if they had benefitted. Only 4 respondents confirmed that they had benefitted. The incubator had organised a market for their produce, and funding was readily available if they registered their business through that incubation programme. Two respondents stated that they did not benefit from any strategy, but accused the incubator of not being a security for a loan application and not able to equip them adequately for tax laws. One respondent stated that he partially benefitted; the incubator helped in preparing a business plan for a loan application, but the SME did not qualify for that bank loan.

4.3.3.2 Challenges SMEs faced in sustaining their businesses

Figure 4.5 presents some of the challenges 45(91%) responding SMEs owners reported: maintenance of proper records, lack of funding for start-ups, shortage of markets for goods and services, delay in payments (specifically from government), and lack of training. Poor record-keeping 40(81%), and lack of access to funding 39(79%) were problematic. The findings of this study concur with other studies previously done in the region. Phenya (2011) found that SMEs needed to improve their financial management skills through training intervention. Similarly, Dlamini (2018) found that 40.7% of the respondents wanted to enhance their financial management skills

through training. Yet Khuzwayo (2015) found that 50% of SME respondents felt their greatest challenges were achieving credibility in the market and attention from big companies. From all the results obtained, it is clear that most SME owners require training and proper record-keeping skills. (Please note multiple responses were possible).

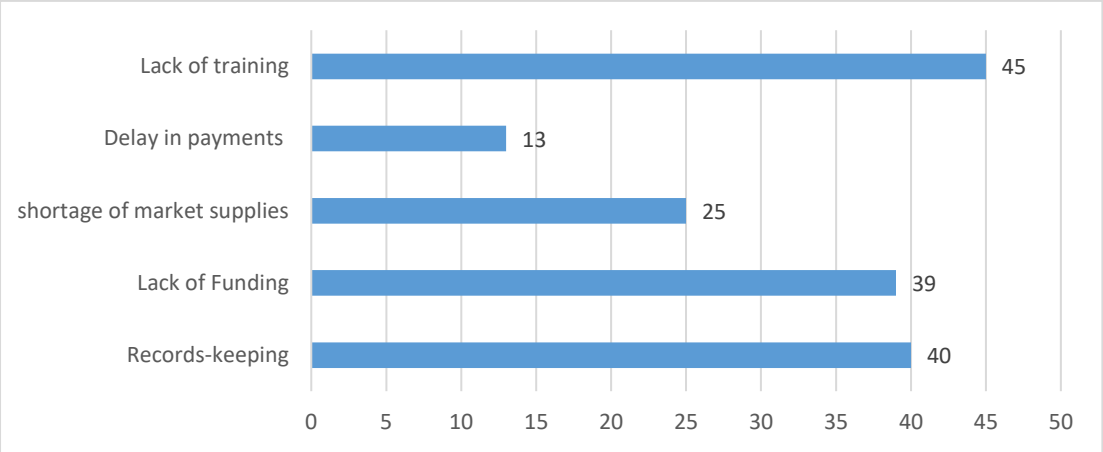

Figure 4.5 Challenges faced by SMEs in sustaining their businesses

4.3.3.3 Intervention strategies to address challenges experienced by SMEs

Following the mentioned challenges, the researcher asked respondents to make recommendations on how to solve the problems they experienced, in order to improve the success of their businesses. Table 4.6 shows their responses.
(Please note multiple responses were possible).

Table 4.6 Intervention strategies to address SME challenges

Strategies	Frequency	Percentage
Facilitate market access	22	45
Mentoring and Coaching	49	100
Provision of Funding	15	31
Revision of procurement policies	22	45

All SME respondents recommended mentoring and coaching by BIs to assist them in operating their businesses efficiently. This agrees with Marmer (2014), who appreciated the importance of experiential knowledge gained through mentors. Facilitating market access for SMEs could enhance demand, improve performance, and possibly increase revenue, but unfortunately, according to the findings presented in 4.3.2.2, BIs are not prioritising marketing skills.

Table 4.6 shows that all 49(100%) respondents specified that mentoring and coaching is essential in order to operate a business successfully; 15(31%) indicated that BIs should directly provide access to business loans; and 22(45%) indicated that government and the private sector should review their procurement policies to accommodate SMEs. The requirement for obtaining tenders should not immediately exclude SMEs and favour large companies with experience. This agrees with literature that hindrances to SME growth in Eswatini are the tight laws and regulations that do not favour SMEs (FinScope, 2017; Dhladhla, 2019).

4.3.4 The impact of the incubation programme on the incubated entrepreneurs

Lastly, the study investigated the effect of the incubation programme on incubated SMEs. The researcher asked BI managers what shows a successfully incubated enterprise. All 3(100%) respondents stated that indications that an incubated business survives post incubation, enjoys an increase in its revenue, and an increase in its number of employees. One of the incubators (33%) added that the business should be able to pay off its debts. Another one (33%) stated that having a good market base indicated a successful business. The findings in this study mirror those of Lose (2016): signs of successful entrepreneurship are advancement in revenue, more employees, and good quality products or services.

4.3.4.1 Strategies for obtaining feedback for incubatees

The researcher asked BIs trainers what strategies they used to obtain feedback from clients. All the respondents 3(100%) had a communication plan, as shown below in table 4.6. They held quarterly meetings to facilitate feedback from their clients. Two (67%) of the respondents also mentioned that they provide incubated SMEs with channels for informal feedback.

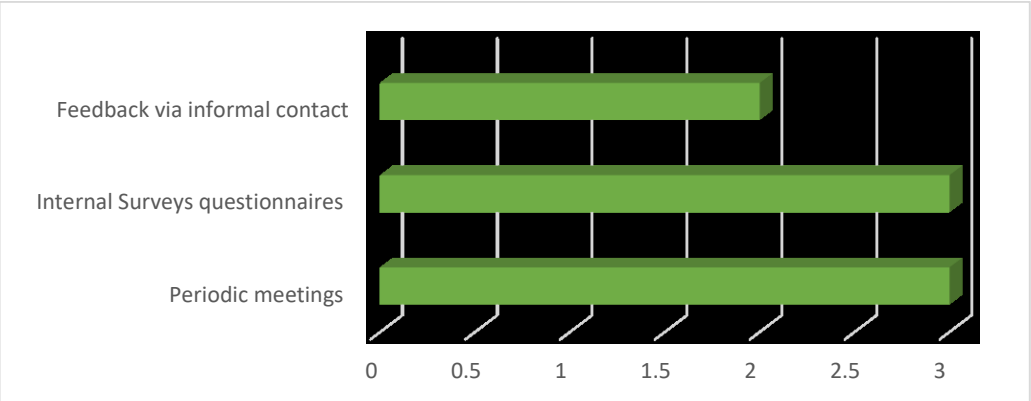

Figure 4.6 Strategies for obtaining feedback from incubatees

As pointed out by Sehitoglu and Ozdemir (2013); Wanyoko (2013:7), lack of impact on business growth can be ascribed to lack of follow up programs for the incubation graduates There is

increasing interest in post-incubation business performance as an assessment of the incubator's own performance. For this study, the researcher asked SME owners who were no longer in incubation if there was a channel for them to report post incubation difficulties to the incubator. Figure 4.7 illustrates that 10(67%) of the respondents said yes, there was a channel. Yet 5(33%) of the post incubation programme respondents were not aware of a channel to report business challenges.

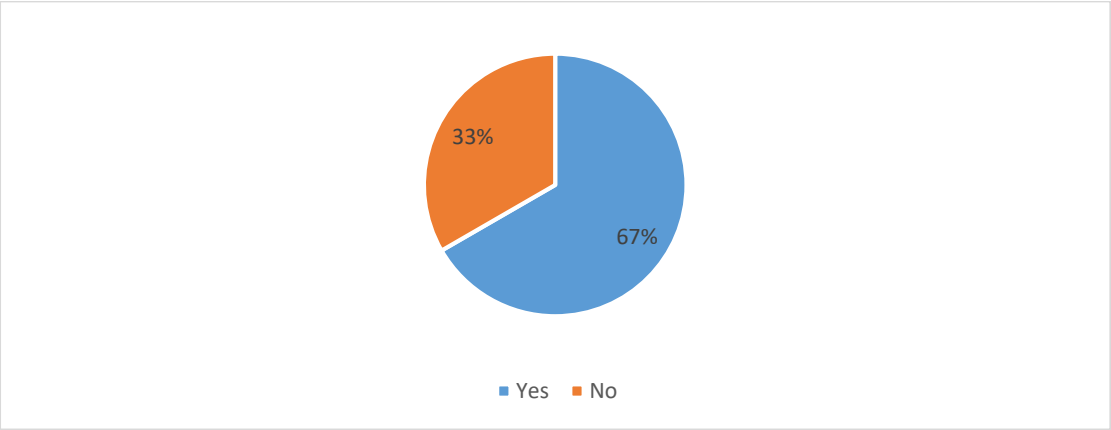

Figure 4.7. Is there a channel to report challenges?

The researcher asked those who responded yes if the incubator was able to address their challenges. Only 3(30%) respondents said yes, the incubator was able to help them. The other 7(70%) respondents stated that unfortunately the incubator was unable to help solve their challenges.

4.3.4.2 The researcher asked BIs trainers if they thought their company was successful, based on the performance of their incubatees. Every BI trainer mentioned that in some ways they had been successful and in other ways unsuccessful.

NO, because:

- there are no proper measurable goals set to determine success.
- lack of graduation makes it difficult to see growth as some remain in the incubation for a long time.
- there is no data on incubates performance especially after leaving incubation programme.

YES, because:

- start-ups have been seen formally trading.
- businesses have continued trading post incubation programme.
- some SMEs have started other businesses using knowledge acquired at incubation programme.

4.3.4.3 To determine the impact of the incubation programme, the researcher further asked incubatees if there was an increase in the following measures of success:

4.3.4.3.1 Increase in sales

Increase in sales or revenue is a measure of business success (Lekhanya & Manson, 2014). Table 4.7 shows that 16(47%) of the respondents indicated that their sales were increasing. Eight (24%) of the respondents stated that their sales were decreasing. Two (5%) of the respondents could not comment since their businesses were still relatively new. The researcher learned that international market conditions in the sugar industry cause fluctuations in sales of sugar cane. Hence 8(24%) of the respondents stated that revenue varied in their businesses.

Table 4.7 Increase in sales

Response	Frequency	Percentage
Increase	16	47
Decrease	8	24
Fluctuating depending on market conditions	8	24
Cannot state. Business is new	2	5
Total	34	100

4.3.4.3.2 Increase in demand

To determine if the increase in sales would continue in the future of the businesses, the researcher asked SMEs if they thought demand for their product or service was likely to increase. According to literature, securing a constant market is a challenge for SMEs in Eswatini (Dlamini, 2018). Figure 4.8 contradicts that as 17(50%) respondents strongly agreed, and 12(35%) agreed, that there was likely to be an increase in demand for their products. Yet 3(9%) of the respondents doubted the future of their product's demand. Lastly, 2(6%) of the respondents disagreed that there was likely to be an increase in demand for their product or service.

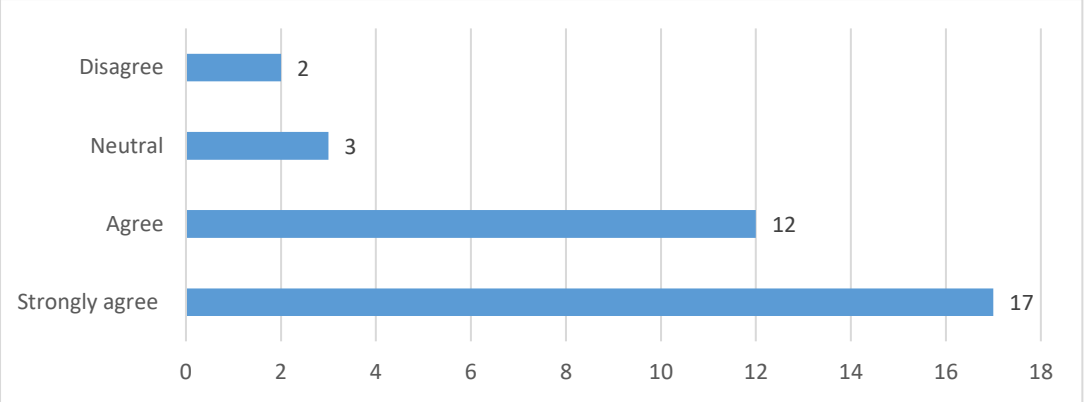

Figure 4.8 Demand for product likely to increase.

4.3.4.3.3 Increase in number of employees

The researcher asked incubated SMEs to compare the number of people they employed before incubation and presently. As illustrated in Figure 4.9, most SMEs reported a positive difference, 30(88%) of the respondents stated that while going through the incubation they were able to employ more people, while 4(12%) of the respondents remained with the same number of employees. These findings agree with literature that SMEs contribute positively to employment in developing countries such as Eswatini (Ayyagari et al., 2011, Nasr & Rostom, 2013, FinScope, 2017).

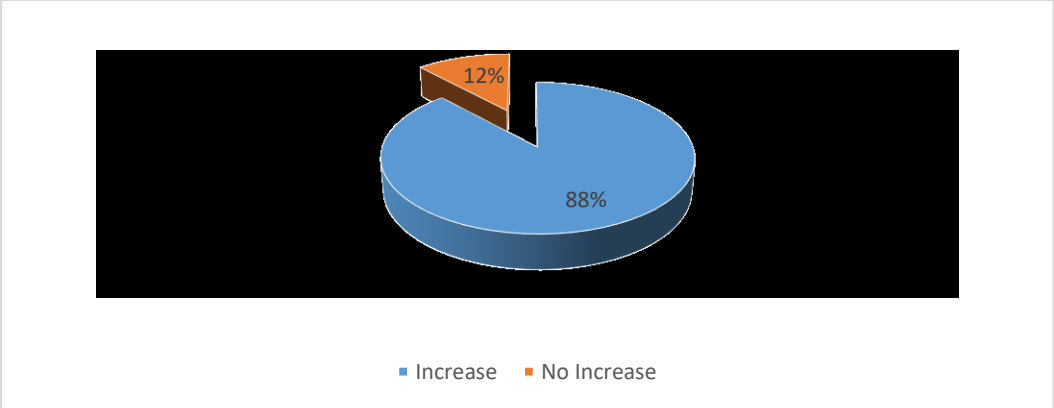

Figure 4.9 Increase in number of employees**.**

The main goal of an incubated business is to continue trading after the incubation period (Said et al., 2012). Graduation is mandatory in all South African incubators, and 3 years is the generally acceptable incubation period (Masutha & Rogerson, 2014a). Eswatini BIs have different incubation periods. RSTP offers a one-year renewable contract up to 3 years; ESWADE offers 2 years of incubation, and SEDCO's graduation plan is supposed to be 3 years. Unfortunately, none of the incubators strictly applies the graduation rule, and none of them has a record of graduation. The researcher asked SMEs for how long their businesses have been operational. Figure 4.10 illustrates the following findings: 11(22%) of the respondents are start-up businesses; 13(27%) of the

participants continued trading for 7 to 10 years; and 9(18%) of the participants' businesses have been operational for over 10 years. Unfortunately, 2(4%) of the respondents were unsuccessful and they closed down their businesses.

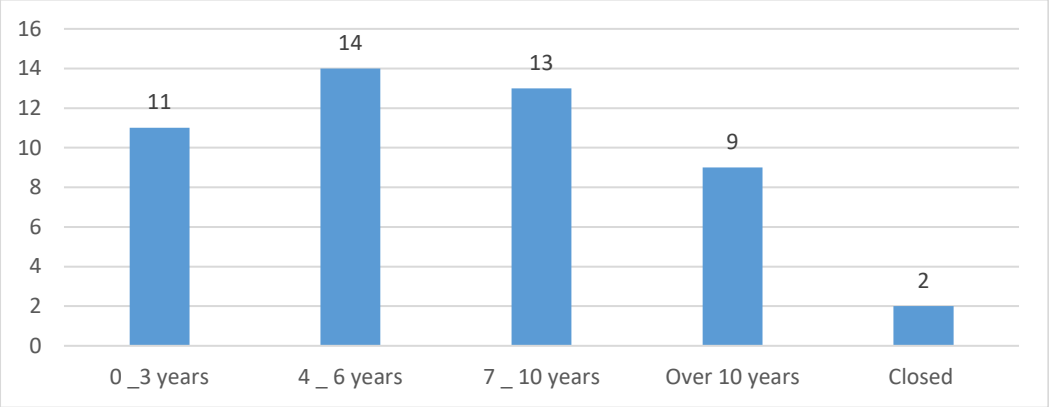

Figure 4.10 Number of years business has been operating

Survival rate based on post incubation was difficult to determine because none of the BIs have officially conducted a graduation. Some SMEs are still in incubation, even though they have passed the maximum of 3 years incubation period. Table 4.8 further details the number of SMEs that are still part of an incubation programme past the expected years. Five (15%) of the respondents with businesses older than 4 to 6 years joined the incubation programme as start-ups, 2(5%) of the respondents have been in the incubator's premises for over 10 years. The main reason for post-incubatees not leaving the incubation premises is that they are afraid of losing customers who are familiar with their business's location.

Table 4.8 SMEs still in incubation post 3 years of incubation period

Period	Frequency	Percentage
4 – 6 years	5	15
7-10 years	4	12
Over 10 years	2	5

Lastly, the researcher asked presently incubated SMEs to rate the incubation programme on a scale of 1 (low) to 10 (high) to determine its success. Figure 4.11 reveals that 22(65%) of the SMEs were pleased with the business assistance they got from the BIs, 2(6%) respondents lowly rated their incubator, which raised a concern in the researcher to find out why. Both respondents explained that they have not had any training by the incubator, even though they are in an incubation programme, because they cannot afford to pay the training as well as the high rental fees of office space in the incubator's premises.

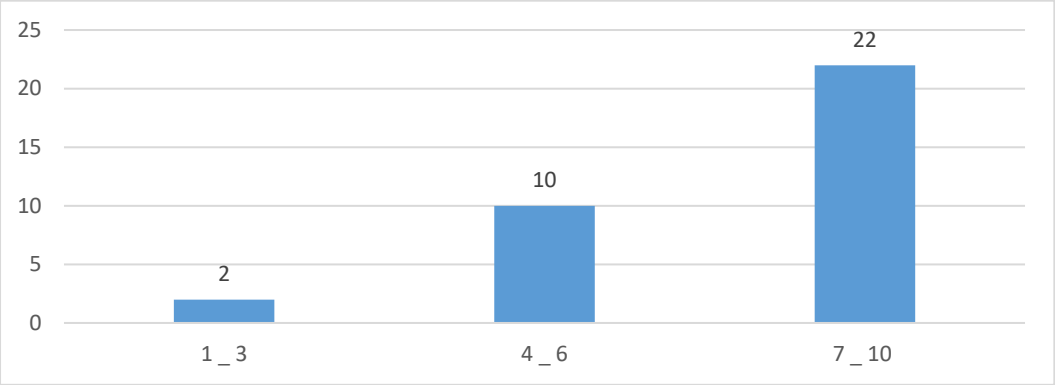

Figure 4.11 Rating for incubation programme.

4.4 Summary

This chapter has discussed and presented the research findings from questionnaires and interviews conducted with SME owners, BIs mangers and BIs trainers. This summary presents the research findings according to the research questions.

In determining entrepreneurial competencies of SME owners in the Kingdom of Eswatini, the study findings are that a majority of SME owners and BIs managers acknowledge the importance of entrepreneurial competencies to enhance business success. However, the lack of entrepreneurial culture is a concern. The SME owners mentioned lack of mentors as one of the challenges. Financial management, records management, project management, and marketing are specific entrepreneurial competencies that BIs offer in the Kingdom of Eswatini. Unfortunately, some SMEs need more than just those competencies. Investigation into whether BIs use any other strategies to equip SMEs in sustaining their businesses revealed that there is some amount of communication breakdown; some SMEs are not aware of any strategies that BIs offer. Lastly, measuring the impact of an incubation programme was difficult. BIs did not have proper graduation for incubates, which resulted in some SMEs being in the incubation programme for more than 10 years. The expectation was that incubated SMEs would graduate from the incubation programme when they were fully-fledged entities and ready to operate on their own. Can it be that the BIs are unable to capacitate the SMEs?

The next chapter will expand on the summary and conclusions of the study.

CHAPTER FIVE: CONCLUSION AND RECOMMENDATIONS

The previous chapter presented and discussed the findings of the study obtained via questionnaires and structured interviews. The summary and concluding chapter of a thesis intends to gather research trends to attain a general conclusion and to recommend a way forward in addressing the research problem (Denscombe, 2007). This chapter revisits this study's research objectives and questions. It presents a summary of the findings, conclusions, and recommendations of the study based on the data presentation discussion from the previous chapter, as well as the literature in Chapter Two. The remainder of this chapter is about the research questions and broader themes around the research problem. It includes a summary of the findings; conclusions; and recommendations; and frames the contribution of the study to other areas of research.

5.1 Summary of the findings

The summary of the findings covers entrepreneurial competencies of SME owners in the Kingdom of Eswatini; specific entrepreneurial competencies offered by BIs in the Kingdom of Eswatini; strategies BIs use to equip SMEs in the Kingdom of Eswatini; and the impact of an incubation programme on incubated entrepreneurs.

5.1.1 Entrepreneurial competencies of SME owners in the Kingdom of Eswatini

The first objective of the study was to determine the extent to which BIs augment entrepreneurial competencies of SME owners in the Kingdom of Eswatini. The study revealed that the majority of the respondents became part of an incubation programme because they wanted training in skills development. In an effort to meet that expectation, BIs offer entrepreneurial education training but some SME owners do not regard having entrepreneurial competencies as essential for business success. This could be because some of the SME owners only have primary education, or do not have formal education at all, which could hinder their level of understanding when training. It could also be the lack of entrepreneurial culture in Eswatini people; some of the respondents became entrepreneurs only because of a government development project and they needed the income.

While undergoing incubation training, SMEs' priorities changed from needing training in entrepreneurial skills to needing financial assistance to keep them going forward. This could mean that the BIs are able to facilitate entrepreneurial skills to achieve SMEs expectations. The study found that BI managers and trainers have high levels of education, which is important in facilitating entrepreneurial skills requirements. However, the research could not ascertain their entrepreneurial background. Yet, according to findings in Lose (2016:81- 82), having had experience in running a business makes one a better teacher of it than one who never did, even if that business failed.

5.1.2 Specific entrepreneurial competencies BIs offer in the Kingdom of Eswatini

The second objective of the study was to ascertain specific entrepreneurial competencies that BIs offer in the Kingdom of Eswatini. Research revealed that in BI managers' opinion, critical skills that SMEs need to have are financial management, records management, project management, and marketing. The incubatees acknowledged that the BI had equipped them in those critical skills, but some of them indicated that they did not receive training in marketing and networking skills. One of the hindrances to growth of SMEs in Eswatini is lack of innovation. It results in duplication of goods and services for sale, which then reduces market demand. The study revealed that only one business incubator assists SMEs owners with innovation and invention for market competitiveness and likely future market demands. It is a concern that the other BIs do not. Nevertheless, the majority of SME owners in the study stated that the incubator equipped them with the necessary entrepreneurial skills, and they benefitted from being in an incubation programme.

5.1.3 Strategies BIs use to equip SMEs in the Kingdom of Eswatini

The third objective of the study was to establish if there are specific strategies BIs use to equip SMEs. Research revealed that BIs use the following strategies to equip SMEs: training, coaching, capacity-development, mentoring, working with relevant stakeholders, and assisting SMEs with hiring supervisors for their business ventures. However, the majority of SMEs in the study said they were not aware of the strategies that BIs offer. This means there is a lack of communication, especially in the incubator explaining to the incubatees what assistance is available.

Based on the challenges that SMEs experience, the respondents believe the following BI strategies could help alleviate their challenges: mentoring and coaching, facilitating market access, revision of procurement policies, and provision of funding directly from the incubator rather than the incubator assisting in getting funding from financial institutions. The study revealed that all the respondents mentioned coaching as a challenge, yet all the BIs claimed to offer that intervention strategy. A revision of the procurement policy should contribute positively towards facilitating access to markets for SMEs.

5.1.4 The impact of an incubation programme on incubated entrepreneurs

The fourth objective of the study was to measure the impact of the incubation programme on the incubated entrepreneurs. The study revealed that BIs measure success of incubatees by an increase in revenue, increase in number of SMEs' employees, and SMEs surviving post incubation period. For the BIs to determine if their incubatees' SMEs are successful there must be channels for

incubatees to give them feedback. The BIs said they have set strategies for SMEs to give them feedback. However, some of the SMEs are not aware that after their incubation period, they can still report challenges they experience in business to the incubator. Even so, most respondents who knew about the channels of reporting challenges to the incubator further mentioned that unfortunately the incubator is unable to help them solve their challenges. Nevertheless, the study revealed that most SMEs have achieved an increase in revenue, which is likely to continue because demand for their products is likely to increase as well. The SMEs also contribute to job creation and economic growth. Most of respondents reported that they have increased the number of their employees or been able to keep the same number of employees.

It is difficult to measure SMEs' trading success after their incubation because none of the BIs has held a graduation. Some SMEs have continued to occupy incubation premises for over 10 years. In rating the BI services offered, the study revealed that most of the participants are pleased with the business assistance they received. However, two of the respondents mentioned that the incubator expects them to pay extra fees to attend BI trainings but they already pay high rental fees for operating their businesses at the business incubator offices.

On the BIs rating themselves, the study revealed that they acknowledged that yes, they have succeeded in helping some incubatees to become successful entrepreneurs, and no, there are certain areas where they have not done well.

5.2 Conclusions

This section provides conclusions based on the key findings of the study. The conclusions were drawn in the order in which the research questions and objectives were stated in Chapter One.

5.2.1 Conclusions on entrepreneurial competencies of SME owners in the Kingdom of Eswatini

The advancement of entrepreneurial skills and entrepreneurship promotes creativity and innovation in SMEs (Rezai et al., 2011). Entrepreneurial education and training empowers incubatees on how to do business well. Mecheke and Smith (2013) suggest that training in business skills keeps a business competitive. The findings in this study agree that entrepreneurial skills are essential for good business performance. The findings also reveal that, in addition to having had formal education, BI managers and trainers must have entrepreneurial skills.

5.2.2 Conclusion on specific entrepreneurial competencies that BIs offer in the Kingdom of Eswatini

This study's findings are that the BIs in the Kingdom of Eswatini equip their incubatees with the following entrepreneurial skills: financial management, records management, project management,

and marketing. However, the incubatees are not satisfied with the assistance they receive in marketing skills. The findings also reveal that only one incubator equips incubatees with innovation and invention.

5.2.3 Conclusions on strategies that BIs use to equip SMEs in the Kingdom of Eswatini

According to Mecheke and Smith (2013), shortage of necessary skills could hinder success of a business. The findings of this study revealed that BIs use different strategies to equip incubatees. They include coaching and mentorship, capacity development, involving other stakeholders in training, and assisting SMEs with recruiting good management teams. The findings also revealed that there is sometimes a lack of communication between the incubator and the incubatees. As a result, some SMEs are not aware of intervention strategies that the incubator offers. Some of the SME respondents stated being in need of coaching, yet the BIs stated coaching as one of strategies they use to equip SMEs. The respondents also believe business incubators should be directly involved in provision of funding, so that incubatees do not have to go to commercial banks for financial assistance.

5.2.4 Conclusions on the impact of an incubation programme on incubated entrepreneurs.

The findings showed that the BIs measure their impact on the SMEs by seeing an increase in revenue of SMEs, increase in number of people employed by SMEs, and SME survival post the incubation period. The SMEs agreed that the incubation programme had a positive effect on their business; most respondents recorded an increase in revenue and number of employees. The study revealed that none of the BIs has had a graduation; for whatever reason that SMEs leave the incubator, it is not because their incubator has officially graduated them. The study also found that some SMEs remain in the incubation for more than 10 years.

5.3 Overall conclusion on the research problem

The aim of the study was to determine the nature and scope of entrepreneurial skills, knowledge and abilities that BIs in the Kingdom of Eswatini offer to SMEs for the purpose of sustaining and growing their business ventures. The study established that entrepreneurship education and training is essential for start-up ventures, and then coaching and mentorship for business ventures already operating.

Based on the findings, the study makes recommendations as presented below on how business incubation can sustain small and medium enterprises in the Kingdom of Eswatini.

5.4 Recommendations

From the research findings, interpretation of them, and the conclusions discussed above, the recommendations presented below cover specific entrepreneurial competencies; strategies to equip SMEs, and how to measure the impact of an incubation programme.

5.4.1 Recommendations on specific entrepreneurial competencies

- A government unit must evaluate the entrepreneurial skills that BI managers and trainers offer.
- The university must establish a university business incubator to encourage entrepreneurship within graduates and strengthen the entrepreneurial culture to make entrepreneurship a career of choice.
- Entrepreneurship education must be introduced as a primary school subject and included in some of the already-offered high school subjects, such that all high school graduates are equipped to start a business.

5.4.2 Recommendations on strategies to equip SMEs

- A procurement policy that will encourage mentorship wherein big firms must work with SMEs in awarding of tenders.
- Business incubator stakeholders should include established entrepreneurs to assist in mentorship and to share hands on experience with the SMEs.
- Remove the commercial banks from the governance structures of the Small Scale Enterprise Loan Guarantee Scheme (SSELGS) housed at the Central Bank of Eswatini. Development Finance Institutions (DFIs) are better suited to such governance and oversight roles. This will solve the challenge of lack of funding to SMEs. The SSELGS government initiative is a product in competition with a service offered by the commercial banks. The DFIs, in contrast, operate under a government mandate to encourage growth of the Eswatini economy.

5.4.3 Recommendations for measuring the impact of an incubation programme

- Properly graduate SMEs from incubation programme; the graduates can become mentors to new start-up entrepreneurs.
- Business incubators must have a post incubation programme to assist those SMEs that are still struggling after the set incubation period. The post incubation programme will also assist in having a proper database on performance of SME.

5.5 Delineation of the research

The study has a number of delineations. One of them is the study's focus was on the role of business incubation in sustaining SMEs in Eswatini. This means the focus was only on SMEs' performance while still in incubation and after incubation, but it did not evaluate the incubation process. This may negatively influence replication of the study; there needs also to be an examination of the offered incubation programme.

The collected responses from 49 SMEs is a small representative of the total number of SMEs that have been through a business incubation programme. Another consideration is that this study's area was restricted to Mbabane and Siphofaneni. Future research should include more towns covering the whole country.

Data collection from SMEs did not happen in same conditions. Some were interviewed face to face, and others by telephone because of COVID-19 lockdown regulations. Due to financial limitations of the researcher, the cost of a telephone call may have limited the extent to which a respondent may have wished to narrate an incident.

5.6 Recommendations for future research

Further research should cover:

- A comparative study between SMEs that have been through an incubation programme and non-incubated entrepreneurs. This will give a comprehensive picture of the SME landscape.
- An assessment of entrepreneurial practices within the SME sector in the Kingdom of Eswatini.

References

Abor, J. & Quartey, P. 2010. Issues in SME development in Ghana and South Africa. *International Research Journal of Finance and Economics*, 39(6): 215-228.

Adelowo C.M., Olaopa, R.O. & Siyanbola, W.O. 2012. Technology Business Incubation as Strategy for SME Development: How far and how well in Nigeria. *Science and Technology*, 2(6):172-181.

Aisen, A. & Veiga, F.J. 2013. How does political instability affect economic growth? *European Journal of Political Economy*, 29:151-167.

Akomea-Bonsu, C. & Sampong, F. 2012. The impact of information and communication technologies (ICT) on small and medium scale enterprises (SMEs) in the Kumasi Metropolis, Ghana, West Africa. *European Journal of Business and Management*, 4(20):152-158.

Al Mubaraki, M. & Busler, M. 2011. The development of entrepreneurial companies through business incubator programs. *International Journal of Emerging Sciences*, 1(2): 95-107.

Al-Mubaraki, H. & Schrodl, H. 2011. Measuring effectiveness of business incubators: a four dimensions approach from a Gulf cooperation council perspective. *Journal of Enterprising Culture,* 19(4):435-452.

Al-Mubaraki, H.M., Busler, M. & Al-Ajmei, R. 2013. Incubators as tools for economic growth and technology transfer in developed countries. *European Journal of Business and Management*, 5(16): 113-119.

Al-Mubaraki, H. & Wong, S.F. 2011, May. How valuable are business incubators? A case illustration of their performance indicators. In *European, Mediterranean & Middle Eastern Conference on Information Systems* (2011):30.

Amadi, L. & Ekekwe, E. 2014. Corruption and development administration in Africa: Institutional approach. *African Journal of Political Science and International Relations*, 8(6):163-174.

Ardic, O.P., Mylenko, N. & Saltane, V. 2011. *Small and medium enterprises: A cross-country analysis with a new data set*. World Bank, January

Arubayi, O.D.F. 2010. An Evaluation Study of Technoserve's Small Business Training Programme in Swaziland. Unpublithe researcherthe researcherd Masters thesis, University of Stellenbosch, Cape Town, South Africa.

Ayatse, F.A., Kwahar, N. & Iyortsuun, A.S. 2017. Business incubation process and firm performance: an empirical review. *Journal of Global Entrepreneurship Research*, 7(1): 1-17

Ayyagari, M., Demirguc-Kunt, A. & Maksimovic, V. 2011. Small vs. young firms across the world: contribution to employment, job creation, and growth. World Bank, April.

Babbie, E. & Mouton, J. 2001. *The practice of social research.* Oxford University Press, Oxford.

Benzing, C. & Chu, H. 2012. The perceived success factors and problems of small business owners in Africa. *Journal of African Development*, 14(1):63-94.

Bhattacherjee, A. 2012. *Social science research: principles, methods, and practices*. [online textbook] http://scholarcommons.usf.edu/oa_textbooks/3 [16 May 2020].

Bless, C., Higson-Smith, C. & Kagee, A. 2006. *Fundamentals of social research methods: An African perspective*: Juta and Company Ltd, Pretoria.

Booyens, I. 2011. Are small, medium-and micro-sized enterprises engines of innovation? The reality in South Africa. *Science and Public Policy*, 38(1):67-78.

Bruneel, J.,Ratinho,T., Clarysse, B. & Groen, A. 2011. The Evolution of Business Incubators: Comparing demand and supply of business incubation services across different incubator generations. *Technovation*, 32:110–121. doi: 10.1016/j.technovation.2011.11.003.

Bryman, A. 2016. *Social research methods*. 5th ed. Oxford: Oxford University Press.

Business Environment Specialists. 2014. Examining the challenges facing small businesses in South Africa. SBP Alert, http://www.sbp.org.za.

Business partners. 2020. https://www.businesspartners.co.za [22 February 2020].

Cant, M.C. & Wiid, J.A. 2013. Establishing the challenges affecting South African SMEs. *The International Business & Economics Research Journal (IBER)*, 12(6):707-716.

Cant, M.C., Erdis, C. & Sephapo, C.M. 2014. Business survival: The constraints experienced by South African SMEs in the financial sector. *International Journal of Academic Research in Business and Social Sciences*, 4(10): 565-579.

Cant, M.C. 2016. The perceived value of advice given to SMMEs at events: catalyst for action or despondency? *Problems and perspectives in management*, 14(4):247-255.

CBE - see Central Bank of Eswatini

Central Bank of Eswatini (CBE). 2019. Economic Activity. www.centralbank.org.sz March. [12 July 2020]

Central Bank of Eswatini. 2020. *Quarterly Review*. www.centralbank.org.sz March. [18 August 2020].

Chesbrough, H. 2011. Everything you need to know about open innovation, *Forbes*, March 21 www.forbes.com>2011/03/21 [06 March 2020].

Chimucheka , T. & Rungani, E.C. 2011. The impact of inaccessibility to bank finance and lack of financial management knowledge to small, medium and micro enterprises in Buffalo City Municipality, South Africa. *African Journal of Business Management*, 5(14) 5509-5517.

Choto, P., Tengeh, R.K., & Iwu, C.G. 2014. Daring to survive or to grow? The growth aspirations and challenges of survivalist entrepreneurs in South Africa. *Environmental Economics,* 5(4):93-101.

Choto, P. 2015 The impact of business incubators on survivalist entrepreneurs in the Cape metropolitan area. Unpublithe researcherthe researcherd M.Tech. Thesis, Cape Peninsula University of Technology, Cape Town, South Africa.

Cohen, L., Manion, L. & Morrison, K. 2011. *Research Methods in Education*. Routledge Falmer, London.

Consoli, D. 2012. Literature analysis on determinant factors and the impact of ICT in SMEs. *Procedia-social and behavioural sciences*, 62: 93-97.

Corruption Perception Index. 2018. Corruption report highlights erosion of democracy. https://www.corruptionwatch.org.za [23 February 2020].

Cranford, N. 2013. Difference between positivism, interpretative and critical sociology. http://education.seattlepi.com/difference-between-positivist-interpretive-critical-sociology-6396.html [18 May 2020].

Cressy, R. & Toivanen, O. 2001. Is there adverse selection in the credit market? Venture Capital*: An International Journal of Entrepreneurial Finance*, 3(3):215-238.

Creswell, J.W. 2012. *Educational Research*: *Planning, conducting, and evaluating quantitative and qualitative research*. 4th ed. Pearson, Boston.

Creswell, J.W. 2015. *Educational research: Planning, conducting, and evaluating quantitative and qualitative research*. 5th ed. Pearson, Boston.

Denscombe, M. 2007. *The Good Research Guide for Small-Scale Social Research Projects.* 3rd ed. Open University Press, Maidenhead

Dhladhla, K. 2019. 44 000 Unregistered SMEs in Eswatini, *Times of Eswatini*, 18 January 2019.

Dias, A. & Teixeira, A.A. 2017. The anatomy of business failure. *European Journal of Management and Business Economics*, 62(1):2-20.

Dietrich, A. 2012. Explaining loan rate differentials between small and large companies: evidence from Switzerland. *Small Business Economics*, 3(4):481-494.

Dlamini, M. 2018. Investigating the impact of financial management skills on the performance of SMEs in the Hhohho region in Swaziland. M.A. Dissertation, University of Namibia, Windhoek.

Dlamini, M.P., Masuku, M.B. & Dlamini, B.M. 2008. Entrepreneurs' business facts and formal support utilised in Swaziland. *Association for International Agriculture and Extension Education:* 112-124.

Dlamini, M.S. 2018. Presentation on SME Development in Swaziland. SMME Department: Ministry of Commerce, Industry, and Trade. Mbabane.

Dlamini, T. & Mohammed, M. 2019. Betting on local SMEs for long-run economic growth. *ESEPARC Eswatini*: 09 July. http://www.separc.co.sz [07 March 2020].

Dlamini, Z.C. 2016. An assessment of entrepreneurial conditions within Swaziland's national SME policy and an evaluation of their impact on venture growth. M.A. Thesis, University of Witwatersrand. Johannesburg, South Africa

Donga, G., Ngirande, H. & Shumba, K. 2016. Perceived barriers to the development of small, medium and microenterprises: a case study of Thulamela Municipality in the Limpopo Province. *Problems and perspectives in management*, 14(4):61-66.

Easterby-Smith, M., Thorpe, R. & Lowe, A. 2002. *Management Research: An Introduction,* 2nd ed. SAGE Publications Ltd, London.

ESWADE - see Eswatini Water and Agriculture Enterprise

Eswatini Water and Agriculture Enterprise. 2019. http://www.eswade.co.sz [04 March 2019].

Eswatini Water and Agriculture Enterprise. 2020. LUSIP1 Communities: From Poverty Stricken To Multimillionaires, *Eswatini Observer*: 27, January 2020:13.

FAO - see Food and Agriculture Organisation

Farrokh, S., Kordnaeij, A. & Zali, M.R. 2016. Factors affecting the growth of small and medium-sized enterprises. *Ijaber*, 14(10): 6199-6216.

Fatoki, O. & Odeyemi, A. 2010. Which new small and medium enterprises in South Africa have access to bank credit? *International Journal of Business and Management*, 5(10):128-136.

Fatoki, O. 2011. The Impact of Human, Social and Financial Capital on the Performance of Small and Medium-Sized Enterprises (SMEs) in South Africa. *Journal of Social Science*. 29(3):193-204.

Fatoki, O. 2014. The causes of the failure of new small and medium enterprises in South Africa. *Mediterranean Journal of Social Sciences*, 5(20): 922-927

Financial Access Survey. 2019. Financial access survey guidelines and manual March 2019. http://data.imf.org/fas [23 January 2020].

FinMark. 2018. Eswatini roadmap 2018-2022. www.finmark.org.za>eswatini-map-sme [20 August 2019]

FinScope. 2010. South Africa Small Business Survey 2010. www.finmark.org.za>finscope-south-africa [18 August 2019]

FinScope. 2017. Micro, Small and Medium Enterprise Survey. Eswatini Report. www.finmark.org.za>finscope-msme-survey-eswatini [18 August 2019].

Fjose, S., Grunfeld, L. A. & Green, C. 2010. SMEs and growth in Sub-Sahara Africa: Identifying SME role and obstacles to SME growth. *MENON Business Economics Publication*, 14:1-28.

Food and Agriculture Organisation of the United Nations. 2020. Swaziland looks to revitalized agriculture sector. http://www. fao.org/in-action/Swaziland. [29 April 2020].

Fukugawa, N. 2013. Which factors do affect success of business incubators. *Journal of Advanced Management Science*, 1(1):71-74.

García-Teruel, P.J. & Martínez-Solano, P. 2007. Effects of Working Capital Management on SME Profitability. *International Journal of Managerial Finance*, 3(2):164-177.

Gensler. 2020. 'The Rise of Academic Incubators', *Dialogue Blog*, https://www.gensler.com. [18 March 2020]

Greener, S. 2008. *Business research methods*. BookBoon. http://books.google.com. [12 May 2020].

Gwija, S.A., Eke, C.E., & Iwu, C.G. 2014. Challenges and Prospects of Youth Entrepreneurship Development in a Designated Community in the Western Cape, South Africa. *Journal of Economics and Behavioural Studies*, 6(1):10-20.

Hassan, H.N. 2011. An investigation of e-service in developing countries: the case of E-governance in Egypt. Unpublished research PHD Thesis, Cranford University school of Applied Science, Cairo. Egypt.

Heinemann, F. 2016. Strategies for a European EU Budget. *The Future of EU-Finances*, January: 91-108.

Hernon, P. & Schwartz, C. 2009. Reliability and Validity. *Library and Information Science Research*, 2(31):73-74.

Hesse-Bieber, S.N. & Leavy, P. 2006. *The practise of qualitative research*. SAGE, Thousand Oaks, CA.

Hlatshwako, P.L. 2012. Challenges facing small and medium enterprises in Manzini, Swaziland. Unpublished research Master's Thesis. University of Kwazulu-Natal, Durban, South Africa.

Hlophe, T.G. & Dlamini, T.S. 2018. Mapping the national system of innovation in Eswatini. *African Review of Economics and Finance*, 10(2):10-43.

Hoyle, R.H., Stephenson, M.T., Palmgreen, P., Lorch, E.P & Donohew, R.L. 2002. Reliability and validity of a brief measure of sensation seeking. *Personality and individual differences*, 32(3):401-414.

InfoDev - see Information for Development Program.

Information for Development Program. 2010. Global good practice in incubation policy development and implementation. www.infoDev.org [12 September 2019]

International Finance Corporation. World Bank. 2019. https://www.enterprise-development.org.

Isabelle, D. 2013. Key factors affecting a technology entrepreneur's choice of incubator or accelerator. *Technology innovation management review*, February16-22.

Iwu, C.G. 2017. Sustaining small businesses in emerging economies: an examination of pre and post startup ramifications. *Problems and Perspectives in Management,* 15(1), 227-236.

Iwu ,C.G., Opute, P.A., Nchu, R., Eresia-Eke, C., Tengeh, R.K., Jaiyeoba, O. & Aliyu, O.A. 2019. Entrepreneurship education, curriculum, and lecturer-competency as antecedents of student entrepreneurial intention. *The International Journal of Management education*, 17(1), 1-13.

Kalusopa, T., 2011. Developing an e- records readiness framework for labour organisations in Botswana. Unpublished Ph.D. Thesis. University of South Africa, Pretoria. South Africa.

Kamunge, M.S., Njeru, A. & Tirimba, O. I., 2014. Factors affecting the performance of small and macro enterprises in Limuru town market of Kiambu County. *International Journal of Scientific and Research Publications,* 4(12):1-20.

Kanu, A.M., 2015. The effect of corruption on small and medium enterprises: Perspective from a developing country. *International journal of small business and entrepreneurship research*, *3*(3):12-27.

Kesper, A. 2001. Failing or not aiming to grow? Manufacturing SMMEs and their contribution to employment growth in South Africa. *SpringerLink Urban Forum*, 12(2):171-203.

Khuzwayo, S.S., 2015. Evaluating the role of business incubators in South Africa Unpublished PhD dissertation. University of Kwazulu-Natal, Durban. South Africa.

Kingdom of Eswatini. Government Statistics. 2019. http//swazistats.org.sz [19 May 2019].

Kingdom of Eswatini. Ministry of Commerce Industry and Trade. 2018. *Small, Micro and Medium Enterprise National Policy*. Mbabane.

Kingdom of Eswatini. Ministry of Commerce Industry and Trade. 2020. *Small, Micro and Medium Enterprise National Policy*. Mbabane.

Kingdom of Eswatini. Ministry of Economic Planning and Development. 2019*. Economic recovery and development agenda*. Mbabane.

Kingdom of Eswatini. Strategic road map 2018-2023 draft. Mbabane.

Koigi, B. 2019. South Africa announces incubation programme for small businesses. http://businesscommunities.com [07 April 2020].

Kotrlik, J.W.K.J.W. and Higgins, C.C.H.C.C., 2001. Organizational research: Determining appropriate sample size in survey research. *Information technology, learning, and performance journal*, 19(1):43-50.

Krause, W., Schutte, C. & du Preez, N. 2012. Open innovation in South African small and medium-sized enterprises. CIE42 Proceedings, 16- 18 July 2012, Cape Town, South Africa.

Kumar, R. 2011. *Research methodology: A step-by-step guide for beginners.* SAGE, London:.

Lamine, W., Mian, S., Fayolle, A., Wright, M., Klofsten, M. & Etzkowitz, H. 2018. Technology business incubation mechanisms and sustainable regional development. *The Journal of Technology Transfer*, 43(5):1121-1141.

Lekhanya, L.M. & Mason, R.B. 2014. Selected key external factors influencing the success of rural small and medium enterprises in South Africa. *Journal of Enterprising Culture*, 22(03):331-348.

Liedtke, S. 2019. SME sector critical to growing South Africa's economy – Pityana. [11 April].

Lose, T. & Tengeh, R.K. 2015. The sustainability and challenges of business incubators in the Western Cape Province, South Africa. *Sustainability*, 7(10):14344-14357.

Lose, T. & Tengeh, R.K. 2016. An evaluation of the effectiveness of business incubation programs: a user satisfaction approach. *Investment management and financial innovations*, 13(2):370-378.

Lose, T. 2016. The role of business incubators in facilitating the entrepreneurial skills requirements of small and medium-sized enterprises in the Cape metropolitan area, South Africa. Unpublished M.Tech. Thesis. Cape Peninsula University of Technology, Cape Town. South Africa.

Lose, T. 2019. A framework for the effective creation of business incubators in South Africa. Unpublished PhD dissertation, Vaal University of Technology. South Africa.

Macheke, R. & Smith, W. 2013. An analysis of business skills and training needs essential for business success in plastic manufacturing industries in developing nations: A case study of the Eastern Cape Province, South Africa. *African Journal of Business Management*, 7(20):2001-2010.

Makhubu M. 2017 Start-Ups Need Mentorship To Succeed. *Swazi Observer*: February 8.

Malebane, M.J. 2012. Entrepreneurial intent of final-year commerce students in the rural provinces of South Africa. Unpublished Ph.D. Thesis, University of South Africa, Pretoria.

Map of Eswatini satellite image, 2019. http://geology.mapsoftheworld.com.swaziland [19 May 2019]

Maree, K. 2016. *First steps in research.* 2nd ed. Van Schaik Publishers, Pretoria, South Africa.

Marmer, K.S. 2014. Fostering Entrepreneurship using University–Industry Interactions. *Engineering news*: www. engineeringnews.co.za [06 March 2020].

Maseko, N., Manyani, O., Chiriseri, L., Tsekea, S., Mugogo, P.C., Chazuza, T. & Mutengezanwa, M. 2011. An analysis of the impact of targeted government support on SMEs growth and development in Zimbabwe: a survey of Mashonaland Central Province. *Journal of Research in International Business Management*, 2(2):51-59.

Masutha, M. & Rogerson, C.M. 2014a. Small business incubators: An emerging phenomenon in South Africa's SMME economy. *Urbani izziv*, 25:S47-S62.

Masutha, M. & Rogerson, C.M. 2014b. Small enterprise development in South Africa: The role of business incubators. *Bulletin of Geography. Socio-economic Series* 26(26):141-155.

McDonald, S., Oates, C.J., Young, C.W. & Hwang, K. 2006. Toward sustainable consumption: Researching voluntary simplifiers. *Psychology & Marketing*, 23(6):515-534.

MCIT - see Ministry of Commerce, Industry, and Trade.

Menzies, D. 2019. Skills gap a hindrance to funding for SMEs. 9 January. http://www.moneyweb.co.za [14 March 2019].

MEPD – see Ministry of Economic Planning and Development.

Meyer, D.F. & Meyer, N. 2017. Management of small and medium enterprise (SME) development: An analysis of stumbling blocks in a developing region. *Polish Journal of Management Studies*, 16(1): 127-141.

Milanette, J. 2016. 25+ years in business incubation, management, and program design. *Quora*. July 20. https://quora.com/what is virtual incubation. [20 July 2020].

MLSS – see Ministry of Labour and Social Security

Mpala, D. 2018. SEDA relaunches, mandates SABTIA to build more inclusive incubation system. *Ventureburn*, April. http://www.ventureburn.com/2018 [12 April 2020].

Mukwarami, J., Tengeh, R.K. & Iwu, C.G. 2018. Success Factors of Immigrant-Owned Informal Grocery Shops in South African Townships: Native Shop-Owners' Account. *The Journal of Distribution Science*, 16(3):49-57.

Muriithi S. 2017. African small and medium enterprises (SMEs) contributions, challenges, and solutions. *European Journal of Research and Reflection in Management Science*, 5(1):36-48.

Nair, S. & Blomquist, T. 2019. Failure prevention and management in business incubation: practices towards a scalable business model, *Technology Analysis & Strategic Management,* 31(3):266-278.

Nasr, S. & Rostom, A. 2013. *SME contributions to employment, job creation, and growth in the Arab world*. World Bank.

National Business Incubation Association. 2014. The History of Business Incubation. Available from: http://www.nbia.org/resource_library/history/index.php [23 May 2020]

National Business Incubator Association. 2019. What is business incubation? http://www.nbia.org/resource centre/ [03 March 2019

Neuman, W.L. 2003. *Social research methods: Quantitative and Qualitative approaches. 4th ed*. Whitewater: University Wisconsin.

NBIA - see National Business Incubation Association

Ncube, N. 2013. Five ways to promote entrepreneurship in Africa. https://www.weforum.org [02 June 2020]

Ngcobo, S. & Sukdeo, R. 2015. Challenges facing SMMEs during their first two years of operation in South Africa. *Journal of Corporate Ownership & Control*, 12(3):505-512.

Ngek, N.B. & van Aardt Smit, A. 2013. Will promoting more typical SME start-ups increase job creation in South Africa? *African Journal of Business Management*, 7(31):3043-3051.

Nieman, G. & Nieuwenhuizen, C. 2009. *Entrepreneurship: A South African perspective*. 2nd edition. Pretoria: Van Schaik

Nkambule, M. 2020. ESWADE farmers generate E401m, *Times of Eswatini Sunday*, 8 March 2020: 17.

Nurudeen, A., Karim, A., Zaini, M. & Aziz, M.I. 2015. Corruption, political instability, and economic development in the Economic Community of West African States (ECOWAS): is there a causal relationship? *Contemporary economics*, 9(1):45-60.

Nyamwanza, L., Paketh, L., Makaza, F. & Moyo, N. 2016. An evaluation of the policies instituted by the government of Zimbabwe in promoting survival and growth of SMEs: The case of Glenview area 8 SMEs. *International Journal of Information, Business and Management*, 8(4):304-316.

Obaji, N.O., Onyemerela, C. & Olugu, M.U. 2015. Entrepreneurship and business incubation programme: The sure couple. *International Journal of Science, Technology, and Management,* 4(01):1627-1633.

Ocloo, C.E., Akaba, S. & Worwui-Brown, D.K. 2014. Globalization and competitiveness: Challenges of small and medium enterprises (SMEs) in Accra, Ghana. *International Journal of Business and Social Science*, 5(4): 287-296.

Ogutu, V.O & Kihonge, E. 2016. Impact of business incubators on economic growth and entrepreneurship development. *International Journal of Science and Research (IJSR*), 5(5):231-241.

Olawale, F. & Garwe, D. 2010. Obstacles to the growth of new SMEs in South Africa: A principal component analysis approach. *African Journal of Business Management*, 4(5):729-738.

Opuku-Mensuh, S. & Kyere, L. 2014. Entrepreneurial intention and employment preference of kumasi polytechnic students. *International Journal of Innovative Social Sciences & Humanities Research,* 2(2):26-41.

Oyelana, A.A. and Adu, E.O. 2015. Small and medium enterprises (SMEs) as a means of creating employment and poverty reduction in Fort Beaufort, Eastern Cape Province of South Africa. *Journal of Social Sciences*, 45(1): 8-15.

Patel, N. 2019. Figure of the week: Electricity access in Africa. *Brookings*. 29 March 2019. www.brookings.edu [28 February 2020].

Phenya, A. 2011. An Assessment of the Financial Management Skills of Small Retail Business Owners/managers in Dr JS Moroka Municipality. Unpublished Ph.D. Dissertation, University of South Africa, Pretoria. South Africa.

Plecher, H. 2020. Share of economic sectors in the GDP in the Kingdom of Eswatini 2018. http://www.statista.com [29 April 2020].

Polit, D.F & Beck, C.T. 2008. *Nursing Research: Generating and Assessing Evidence for Nursing Practice*. Lippincott, Philadelphia.

Prashantham, S. 2019. The Two Ways for Startups and Corporations to Partner. *Harvard Business Review,* https:// hbr.org/2019/01/the-two-ways-for-startups-and-corporations-to-partner? [23 March 2020].

Rezai, G., Mohamed, Z. & Shamsudin, M. N. 2011. Informal Education and Developing Entrepreneurial Skills among Farmers in Malaysia. *International Journal of Social, Education, Economics and Management Engineering,* 5(7):124-134.

Riggings, N. 2019. What is a Business Incubator? *Small Business Trends*, [March 2020]

Rogerson, C.M. 2017. Business incubation for tourism SMME development: International and South African experience. *African Journal of Hospitality, Tourism, and Leisure*, 6(2):1-12.

Rolfe, R., Woodward, D., Lighelm, A. & Guimaraes, P. 2010. *The vialbility of micro-enterprise in South Africa,* Darla Moore School of Business. University of South Carolina: Columbia.

Royal Science & Technology Park. 2018. Newsletter on business incubation. May.

Royal Science & Technology Park. 2019. The Kingdom of Eswatini business incubation report January 2019, available at: https://rstp.org.sz/it-business-incubation/ [20 September 2019].

RSTP see Royal Science & Technology Park

Rubin, T.H., Aas, T.H. & Stead, A. 2015. Knowledge flow in technological business incubators: evidence from Australia and Israel. *Technovation*, 41:11-24.

Southern African Business and Technology Incubation Association. 2020. www.sabtia.org.za. [12 April 2020].

Said, M.F., Adham, K.A., Abdullah, N.A., Hänninen, S. & Walsh, S.T. 2012. Incubators and government policy for developing IT industry and region in emerging economies. *Asian Academy of Management Journal*, 17(1):65-96.

Salkind, N.J. 2012. *Exploring research*. 8th ed. New York: Pearson.

Sanyal, S. & Hisam, M. 2018. The Role of Business Incubators in Creating an Entrepreneurial Ecosystem: A Study of the Sultanate of Oman. *Indian Journal of Commerce & Management Studies*, 9(3):60-77.

Saunders, M., Lewis, P. & Thornhill, A. 2012. *Research Methods for Business Students.* 6th ed. Prentice Hall, London.

Schensul, J.J. & LeCompte, M.D. 2012. *Essential ethnographic methods: A mixed methods approach.* 3rd ed. Rowman AltaMira, Colorado, USA

Schutte, F. 2019. Small Business Incubator Coaching In South Africa: Exploring the Landscape. *International Journal of Entrepreneurship*. 23(4):1-13.

Small Enterprise Development Company. 2018. SEDCO Entrepreneur data bank, August. Mbabane

SEDA. 2020. Small Enterprise Development Agency. Pretoria. www.seda.org.za. [12 April 2020].

SEDCO - see Small Enterprise Development Company

Şehitoglu, Y. & Ozdemir, O.C. 2013. The impact of business incubation on firm performance during post-graduation period -- Turkey example. *British Journal of Arts and Social Sciences*, 12(1):171-190.

Sekaran, U. & Bougie, R. 2010. *Research Methods for Business*: *A Skill Building Approach.* 5th ed. Southern Illinois University: John Wiley & Son. Illinois, USA.

Sekaran, U. & Bougie, R. 2013. *Research Methods for Business*: *A Skill Building Approach.* 6th ed. Southern Illinois University: John Wiley & Son. Illinois, USA.

Sin, K.C. 2010. The success stories of Malaysian SMEs in promoting and penetrating global markets through business competitiveness strategies. *Asia Research Centre, CBS, Copenhagen Discussion Papers,* 2010(33).

SINED-TBI. Technology Business Incubator. 2020. *Transforming Innovations into Business*. www.ndritbi.com [March 2020].

Sitharam, S. & Hoque, M. 2016. Factors affecting the performance of small and medium enterprises in KwaZulu-Natal, South Africa. *Problems and perspectives in Management*, 14(2-2):.277-288.

Small Enterprise Development Company 2019. www.sedco.biz [10 March 2019].

South Africa. Department of Small Business Development. 2018. 2018/19 Annual performance plan: 02 May. http://pmg.org.za [20 January 2020].

South Africa. Department of Small Business Development. 2019. 2019/20 Annual performance plan: 03 July. http://pmg.org.za [20 January 2020].

South Africa. Department of Trade and Industry. 2014. A guide to establishing business incubators in South Africa. South Africa Business Incubator Handbook. www.thedti.gov.za [15 June 2020].

South Africa. Department of Trade and Industry. 2019. Incubation support programme incentive offered by the DTI. https://www. dtcapital.co.za. [06 April 2020].

South Africa. Statistics Department. 2020. www.statssa.gov.za [15 January 2020].

Strydom, J., Ferreira, E. & Nieuwenhuizen, C. 2010. The process of business assistance to small and medium enterprises in South Africa: preliminary findings. *Journal of Contemporary Management*, 7(1):94-109.

Swaziland development finance corporation (FINCORP) limited and subsidiary. 2014. Annual Report http://www.fincorp.co.sz/wp-content/uploads/2019/04/fincorpannualreport2014 [26 June 2020].

Swaziland. Ministry of Commerce, Industry, and Trade. 2006. *National policy on the development of small and medium enterprises*. Mbabane.

Swaziland. Ministry of Commerce, Industry and Trade. 2014. *Swaziland National Development Strategy.* Mbabane.

Swaziland. Ministry of Labour and Social Security. 2016. *Unemployment rate statistics*. Mbabane

Tetnowski, J. 2015. Qualitative case study research design. *Perspectives on Fluency and Fluency Disorders*, 25(1):39-45.

The International Finance Corporation. 2019. World Bank SME Finance. www.//smallbiztrends.com [20 February 2020].

Thurman P.W. 2016, *Entrepreneurship and sustainability: business solutions for poverty alleviation from around the world.* Routledge, London:

Tsabedze, V. 2018. An assessment of e-records readiness at the Institute of Development Management Swaziland campus. Unpublished Masters Dissertation, University of Namibia, Windhoek.

UNESCO - see United Nations Education Scientific and Cultural Organization.

United Nations Education Scientific and Cultural Organization. 2019. www.unesco.org [14 March 2019].

van Huijgevoort, T., 2012. The 'business accelerator': Just a different name for a business incubator. Unpublished Masters' Thesis, Utrecht School of Economics, Utrecht, Netherlands.

Van Scheers, L. 2011. SMEs' marketing skills challenges in South Africa. *African Journal of Business Management*, 5(3):5048-5056.

Vuba S. 2019. The missed opportunity: SMMEs in the South African Economy. Mg.co.za

Wanyoko, A. M. 2013. Influence of business incubation services on the growth of Small and Medium Enterprises in Kenya. *International Journal of Social Sciences and Entrepreneurship,* 1(7):454-468.

Welman, C., Kruger, F., & Mitchell, B. 2012. *Research Methodology*. 3rd ed. Cape Town: Oxford University Press.

World Bank. 2018*. Information and Communications for Development 2018: Data-Driven Development.* Washington, DC: https://openknowledge.worldbank.org/handle/10986/30437. [14 February 2020].

World Bank. www.enterprisesurveys.org. [16 November 2019].

World Bank. 2019. About InfoDev: A World Bank group program to promote entrepreneurship & innovation. https://www.infodev.org [10 February 2020]

Xesha, D., Iwu, C. G., & Slabbert, A. 2014a. Business relationships as a driver of success for small, medium and micro enterprises (SMMEs) in South Africa. *Journal of Economics*, 5(1).37-43.

Yvonne Feilzer, M. 2010. Doing mixed methods research pragmatically: Implications for the rediscovery of pragmatism as a research paradigm. *Journal of mixed methods research*, 4(1): 6-16.

Zikalala, M. & Sacolo, T. 2018. Quantifying the size and trends of the shadow economy in the Kingdom of Eswatini. *African Review of Economics and Finance*, 10(2):44-68.

APPENDICES

Appendix A: Questionnaires

Business Incubators Questionnaire

Dear Respondent,

This survey aims to (1) determine specific entrepreneurial skills offered to incubatees and (2) determine if there is follow-up on incubatees for their sustainability. It will take approximately 10 minutes to complete.

This exercise is purely an academic one. Please provide information as sincerely as possible. The information you provide will be confidential and accessible only to the statistician and me. To guarantee your anonymity, I do not require your name(s). You also have the following rights:

You are at liberty to exit the process at any stage; you are free to refuse to answer any question. In the event that you also agree to be interviewed at a later stage, please note that you are free to indicate whether you want to be recorded using a device or allow the interviewer take notes.

Kind regards

Thobile Dlamini (76030152)

Please fill-in this questionnaire, but first, please indicate your willingness to participate by agreeing to the following:

CONSENT TO PATRTICIPATE IN THE STUDY				
A	**I agree to my participation in this study.**	**Yes**		**No**
B	**I understand that participation in the study is voluntary.**	**Yes**		**No**
C	**I understand that use of the data will be for academic purposes only.**	**Yes**		**No**
D	**I understand that I do not have to answer any question I do not wish to answer for any reason.**	**Yes**		**No**

Answer the questions as they relate to you. Check the box(es) most applicable to you.

Section A: Demographics

1. **Gender**

☐ Male

☐ Female

2. **Role in incubation**
   - ☐ Manager
   - ☐ Trainer
   - ☐ Other -- please specify ……

3. **Highest level of education**
   - ☐ High school level
   - ☐ Diploma
   - ☐ Degree
   - ☐ Post-graduation

Section B: Business Incubators

4. When was the business incubator established? ……....
5. How many businesses has the incubator assisted since it started? …….
6. How many businesses have graduated since the incubator started its operation? ……..

Section C: Impact and operations

7. **What entrepreneurial competencies does the business incubator offer?**
   - ☐ Business planning
   - ☐ Principles of entrepreneurship
   - ☐ Financial management
   - ☐ Management
   - ☐ Marketing
   - ☐ Other –please specify ……..

8. **What methods are in place to obtain feedback from clients?**
   - ☐ Feedback via informal contact
   - ☐ Periodic meeting with clients and stakeholders
   - ☐ No particular methods
   - ☐ Other methods – please specify……..

9. **How do you cover operating cost? (Select only one.)**
   - ☐ Government subsidies
   - ☐ Payments from bank and other private sector organisation
   - ☐ Other – please specify ……..

What methods do you use to promote the incubation programmes? (Select only one.)

☐ Advertising and media promotions

☐ Business events, conference, exhibition

☐ Referrals from other business support agencies

☐ Direct approach to potential clients

☐ Other services – please specify…….

10. **What challenges do you face in servicing incubatees?** (Select only one.)
    ☐ Lack of funding

    ☐ Inconsistent support from stakeholder

    ☐ Lack of commitment of incubatees

    ☐ Geographic Area

    ☐ Other – please specify……

11. **Why do businesses leave the incubation programme?** (Select only one.)
    ☐ Incubation is for a fixed period

    ☐ Entrepreneurs drop out or find better support services

    ☐ Other – please specify ……..

12. **What intervention strategies do you use to equip SMEs?**……
    ……
    ……

13. **Would you say your company has been successful, based on the performance of your clients?**……
    ……
    ……
    ……

Other [Comments and Recommendations]

……
……
……
……

Thank you for your response

Entrepreneur Questionnaire

Dear Respondent,

This questionnaire has two main aims namely (1) to understand your reason(s) for participating in the incubation programme; and (2) to find out if you met your objective(s) for participating in the incubation programme. It will take approximately10 minutes to complete.

This exercise is purely an academic one. So please feel free to provide information as sincerely as possible. The information you provide will be confidential and will only be accessible to the statistician and me. To guarantee your anonymity, I do not require your name(s). You also have the following rights:

You are at liberty to exit the process at any stage; you are free to refuse to answer any question. In the event that you also agree to be interviewed at a later stage, please note that you are free to indicate whether you want to be recorded using a device or allow the interviewer take notes.

Kind regards

Thobile Dlamini (76030152)

Please fill-in this questionnaire but first, please indicate your willingness to participate by agreeing to the following:

CONSENT TO PATRTICIPATE IN THE STUDY				
A	**I agree to participate in this study.**	**Yes**		**No**
B	**I understand that participation in the study is voluntary.**	**Yes**		**No**
C	**I understand that the use of the data will be for academic purposes only.**	**Yes**		**No**
D	**I understand that I do not have to answer any question I do not wish to answer for any reason.**	**Yes**		**No**

Instructions: Please check the box(es) most applicable to you or fill in the blanks.

Demographics

1. **Age**
   - ☐ 20 - 30
   - ☐ 31 - 40
   - ☐ 41 - 50
   - ☐ 51 – 60
   - ☐ 60 and above

2. **Gender** (Select only one)

   ☐ Male

   ☐ Female

3. **What is the highest formal schooling education have you completed?**

   ☐ Primary

   ☐ Secondary

   ☐ High School

   ☐ Tertiary

   ☐ Post- graduation

Section A: Status of incubatee

1. Is your business already operational? ..... If yes, for how long ……...
2. What is the nature or type of your business? …….....
3. Number of employees before incubation programme? …….....
4. Number of employees after or while continuing with incubation programme? ……
5. Is there an increase in sales for your product or service? ……..

Section B: Reason for signing up with this incubator?

6. **Why did you come to this incubator?**

   ☐ Business planning and forming a company

   ☐ Training to develop skills

   ☐ Help with raising bank finance, grants or venture capital

   ☐ Advice on development of new products and services

   ☐ To meet others/for network purposes

   ☐ Other please specify …..…….....

7. Did you achieve the objective?

☐ Yes ☐ No

If no, please Explain

……

……

……

……

8. Indicate the areas where you still need support.

☐ Marketing ☐ Human resources ☐ Finance ☐ Entrepreneurial and Network

☐ Business plan ☐ Other, please specify

……

.....

……

9. What skills did you obtain from this incubator?

☐ Networking ☐ Principles of entrepreneurship ☐ Marketing

☐ Financial management ☐ Project management ☐ Planning

☐ Other, please specify:

……

……..

……..

10. Kindly indicate the extent to which you agree and or disagree with the following statement related to the role of business incubators in the growth of businesses by placing an X in the appropriate box.

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
10.1 Involvement in a business incubator at early stages provides a good entrepreneurial foundation for those who want to succeed.					
10.2 Entrepreneurship education and training enabled me to survive managing my business.					
10.3 Incubation is for a business to obtain funding from financial institutions that support entrepreneurs.					
10.4 The process of registering a business is quick within the incubation programme.					
10.5 Entrepreneurial skills would boost the chances of obtaining success in my business.					

10.6 A business owner with managerial skills could manage his/her business better than one without such skills.					
10.7 The demand for my product and services in the market is likely to increase in the future.					
10.8 A business like mine has a potential to employ more people.					
10.9 Support structures for entrepreneurs like Incubators play a big role in developing entrepreneurship at Eswatini.					
10.10 Owning a business is the best option for economic participation, rather than seeking a job.					

11. Please rate the Business Incubator on a scale of 1-10 [1=very low 10= very high]

☐1 ☐2 ☐3 ☐4 ☐5 ☐6 ☐7 ☐8 ☐9 ☐10

12. In your own words, have you benefited from being at the incubator?

……

……

……

……

……

Feel free to comment about the incubator or offer suggestions/recommendations

……

……

……

……

……

Thank you for your response

Appendix B: Structured interviews
Dear Respondent,

This questionnaire has two main aims: (1) to understand your reason(s) for participating in the incubation programme; and (2) to find out if you met your objective(s) by participating in the incubation programme.

This exercise is purely an academic one. Please feel free to provide information as sincerely as possible. The information you provide will be confidential and accessible to only to the statistician and me. To guarantee your anonymity, I do not require your name(s). You also have the following rights:

You are at liberty to exit the process at any stage; you are free to refuse to answer any question. In the event that you also agree to be interviewed at a later stage, please note that you are free to indicate whether you want to be recorded using a device or allow the interviewer take notes.

Kind regards

Thobile Dlamini (76030152)

Please fill-in this questionnaire but first, please indicate your willingness to participate by agreeing to the following:

CONSENT TO PATRTICIPATE IN THE STUDY				
a	**I agree to participate in this study**	**Yes**		**No**
b	**I understand that participation in the study is entirely voluntary**	**Yes**		**No**
c	**I understand that use of the data will be for academic purposes**	**Yes**		**No**
d	**I understand that I do not have to answer any question I do not wish to answer, for any reason**	**Yes**		**No**

Interview Questions for Entrepreneurs

1. Did you establish your business before or after incubation? How long has it been operating?
2. What motivated you to start your business?

3. What motivated you to join an incubation programme?
4. Did attending make a difference or benefit you and your business in any way? Please explain in what way
5. Do you think a lack of entrepreneurial skills could affect success of a business? Please explain your answer
6. What kind of challenges do you face while running your business?
7. Is there a channel for reporting the challenges to the incubator? If yes, is the business incubator addressing them?
8. Are you aware of any development strategies that the incubator offers? If yes, have you benefitted, and how have you benefitted?
9. State specific improvements in your business since you attended business incubation.
10. What do you think business incubators should improve on?

Dear Respondent,

This survey aims to determine (1) specific entrepreneurial skills offered to incubatees and (2) if there is follow-up on incubatees' for their sustainability. It will take approximately 10 minutes to complete.

This exercise is purely an academic one. Please feel free to provide information as sincerely as possible. The information you provide will be confidential and accessible only to the statistician and me. To guarantee your anonymity, I do not require your name(s). You also have the following rights:

You are at liberty to exit the process at any stage; you are free to refuse to answer any question. In the event that you also agree to be interviewed at a later stage, please note that you are free to indicate whether you want to be recorded using a device or allow the interviewer take notes.

Kind regards

Thobile Dlamini (76030152)

Please fill-in this questionnaire but first, please indicate your willingness to participate by agreeing to the following:

CONSENT TO PATRTICIPATE IN THE STUDY				
a	**I agree to participate in this study**	**Yes**		**No**
b	**I understand that participation in the study is entirely voluntary**	**Yes**		**No**
c	**I understand that the data will only be used for academic purposes**	**Yes**		**No**
d	**I understand that I do not have to answer any question I do not wish to answer for any reason**	**Yes**		**No**

Interview Questions for Business Incubators

1. What do you think is the motivation behind entrepreneurs joining your incubation programmes?

2. What are the selection criteria when choosing to whom to offer services?

3. In your experience and opinion, what critical skills do your clients need to be successful?

4. Do you think it is important for incubator managers or trainers to have entrepreneurial skills? Please explain your answer

5. What are some of the challenges that your clients face in their business venture? How have you aided them in overcoming these challenges?

6. Are there any follow up mechanisms in place to rate the performance of your clients? If yes, please explain what they are

7. How do you measure the impact of your business incubation programmes on clients?

8. What are the qualities of a successful incubate?

9. Do you receive any complaints from clients regarding your services? Tell me about them

10. Would you say your company has been successful, based on the performance of your clients?

Appendix C: Consent letters

ESWADE
Making A Difference

Sincephetelo MVA Building |
3rd Floor, Mbhilibhi Street | Mbabane, Swaziland | P.O. Box
5836 Tel: (+268) 2404 7950/1 | Fax: (+268) 2404 7954
Email: swade@swade.co.sz | Web: www.swade.co.sz

Eswatini Water & Agricultural Development Enterprise

10th July 2019

Thobile Dlamini
Box 5739
Mbabane

Dear Madam

RE: REQUEST TO CONDUCT RESEARCH AT ESWADE

1. The above subject refers.
2. Following your application to conduct research on 'Investigating the role of business incubation for small and medium enterprises in the kingdom of Eswatini, we are delighted to communicate ESWADEs' approval of your request. The approval comes with two conditions;

a) To exercise caution with all information that shall be given to you in the course of the study and which shall remain confidential and strictly for the approved research purposes.

b) At completion of your research, you shall be required to provide ESWADE with a copy of the research findings to the ESWADE offices (either at LUSIP or Mbabane).

3. We look forward to working with you as you strive for your professional advancement.

Yours sincerely

.....

S.S. Sithole
Chief Executive Officer

The Small Enterprises Development Company Ltd.

SEDCO

Industrial sites
Mbabane
Next to Government Stores

P.O. Box A186, Mbabane
Tel: 2404 3046/7 & 2404 2811/2
Fax: 2404 0723
E-mail: business@sedco.co.sz
Web site: www.sedco.biz

"Business Growth is Our Business"

22 January 2020

Thobile Dlamini
P. O. Box 5739

Mbabane

Dear Madam,

RE: APPLICATION TO BE ALLOWED TO COLLECT DATA IN YOUR ORGANISATION

Reference is made to your letter dated 17 January 2020 on the above captioned topic.

This letter serves as a permission to proceed with your research and you will work with Sibusiso Motsa as your contact person.

We kindly request you to share with us your findings, as they might be useful in improving our systems.

Yours Faithfully,

Sydney Dladla
Senior Manager Business Incubation

Appendix D: Other Documents

Turnitin Originality Report
ROLE OF BUSINESS INCUBATION IN SUSTAINING SMALL AND MEDIUM ENTERPRISES IN THE KINGDOM OF ESWATINI by Thobile Dlamini
From MTech2017 (Master2020)

- Processed on 05-Oct-2020 12:01 SAST
- ID: 1405751723
- Word Count: 24997

Similarity Index
10%
Similarity by Source
Internet Sources:
6%
Publications:
2%
Student Papers:
7%

sources:

1

2% match (student papers from 12-Mar-2019)
Submitted to Mancosa on 2019-03-12

2

1% match (student papers from 05-Dec-2017)
Submitted to NCC Education on 2017-12-05

3

1% match ()
http://creativecommons.org/licenses/by-nc-sa/3.0/za/

4

< 1% match (publications)
"Entrepreneurship Ecosystem in the Middle East and North Africa (MENA)", Springer Science and Business Media LLC, 2018

5

< 1% match (student papers from 23-May-2019)
Submitted to Mancosa on 2019-05-23

6

< 1% match (Internet from 27-Oct-2014)
http://196.21.83.35/bitstream/handle/10530/1113/Records%20%20management%20in%20Goverment%20Ministries%20in%20Swaziland%20by%20Vusi%20Tsabedze.pdf?sequence=1

7

< 1% match (Internet from 25-Feb-2014)
http://www.cgap.org/sites/default/files/CGAP-Small-and-Medium-Enterprises-Jan-2011.pdf

8

< 1% match (student papers from 21-May-2018)
Submitted to Mancosa on 2018-05-21

9

< 1% match (Internet from 08-Jan-2019)
http://www.finmark.org.za/wp-content/uploads/2018/06/FinScope_MSME_Report_Eswatini_2017.pdf

10

< 1% match (student papers from 30-May-2018)
Submitted to Mancosa on 2018-05-30

11

< 1% match (student papers from 26-Sep-2015)
Submitted to University of the Western Cape on 2015-09-26

12

< 1% match (Internet from 01-Jul-2020)
http://uir.unisa.ac.za/bitstream/handle/10500/26480/dissertation_chiromo_sj.pdf?isAllowed=y&sequence=1

13

< 1% match (student papers from 28-Nov-2012)
Submitted to University of KwaZulu-Natal on 2012-11-28

14

< 1% match ()
https://researchspace.ukzn.ac.za/handle/10413/16955

15

< 1% match (Internet from 25-Sep-2020)
https://www.engineeringnews.co.za/article/sme-sector-critical-to-growing-south-africas-economy-pityana-2019-04-11/rep_id:4136

16

< 1% match (publications)
Vusi W. Tsabedze. "chapter 3 Managing Electronic Records in Higher Education Institutions", IGI Global, 2020

17

< 1% match (Internet from 12-May-2020)
https://ir.dut.ac.za/bitstream/10321/3124/1/KHUZWAYOSP_2018.pdf

18

< 1% match (Internet from 08-Jun-2018)
http://repository.unam.na/bitstream/handle/11070/447/nengomasha2009.pdf?sequence=

19

< 1% match (Internet from 07-Dec-2019)
https://www.brookings.edu/blog/africa-in-focus/2019/03/29/figure-of-the-week-electricity-access-in-africa/

20

< 1% match (student papers from 02-Dec-2014)
Submitted to University of KwaZulu-Natal on 2014-12-02

21

< 1% match (student papers from 25-Apr-2018)
Submitted to Great Zimbabwe University on 2018-04-25

22

< 1% match (publications)
Boris Urban, Zethu Dlamini. "Intersections between policy and institutions: a focus on enterprise growth in Swaziland", Journal of Entrepreneurship and Public Policy, 2020

23

< 1% match (Internet from 26-Jan-2020)
https://www.sunnewsonline.com/nigerias-corruption-record-improves-transparency-international/

24

< 1% match (student papers from 20-Feb-2007)
Submitted to Tshwane University of Technology on 2007-02-20

25

< 1% match (student papers from 03-Mar-2020)
Submitted to Prestige Academy (Pty) Ltd on 2020-03-03

26

< 1% match ()
http://hdl.handle.net/10539/21039

27

< 1% match ()
http://hdl.handle.net/10353/1016

28

< 1% match (Internet from 17-Jul-2018)
https://www.tips.org.za/research-archive/trade-and-industry/item/download/1089_205ca5921f91b8358c558697e240a2b5

29

< 1% match (student papers from 29-May-2017)
Submitted to University of Cape Town on 2017-05-29

30

< 1% match (Internet from 11-Aug-2020)
https://opendocs.ids.ac.uk/opendocs/bitstream/handle/20.500.12413/14478/ATAP6.pdf

31

< 1% match (student papers from 20-Dec-2015)
Submitted to Laureate Higher Education Group on 2015-12-20

32

< 1% match (Internet from 10-Aug-2020)
https://unitec.researchbank.ac.nz/bitstream/handle/10652/4932/Basra%2c%20A.%20%282020%29%20%2b.pdf?isAllowed=y&sequence=3

33

< 1% match (publications)
Vusi Wonderboy Tsabedze. "chapter 6 E-Records Readiness in the Context of E-Government Strategy in Eswatini", IGI Global, 2020

34

< 1% match (student papers from 16-Jun-2019)
Submitted to University of KwaZulu-Natal on 2019-06-16

35

< 1% match (student papers from 25-Jul-2017)

Submitted to Durban University of Technology on 2017-07-25

36

< 1% match (student papers from 14-Sep-2015)
Submitted to University of Stellenbosch, South Africa on 2015-09-14

37

< 1% match (Internet from 15-Aug-2019)
http://www.fao.org/3/a-bp852e.pdf

38

< 1% match (student papers from 21-Oct-2019)
Submitted to University of Stellenbosch, South Africa on 2019-10-21

39

< 1% match (student papers from 19-Nov-2012)
Submitted to London School of Commerce on 2012-11-19

40

< 1% match (student papers from 05-May-2007)
Submitted to Asian Institute of Technology on 2007-05-05

41

< 1% match (publications)
Ardic, Oya Pinar, Nataliya Mylenko, and Valentina Saltane. "Access to Finance by Small and Medium Enterprises: a Cross-Country Analysis with A New Data Set : Small and medium enterprise finance", Pacific Economic Review, 2012.

42

< 1% match (student papers from 04-May-2018)
Submitted to Nottingham Trent University on 2018-05-04

43

< 1% match (student papers from 16-Jan-2012)
Submitted to University of Stellenbosch, South Africa on 2012-01-16

44

< 1% match (Internet from 21-Jul-2020)
https://www.asian-efl-journal.com/wp-content/uploads/AEJ-TA-101-July-2017-new.pdf

45

< 1% match (student papers from 12-Jun-2018)
Submitted to Mancosa on 2018-06-12

46

< 1% match (student papers from 27-Aug-2014)
Submitted to Mancosa on 2014-08-27

47

< 1% match (student papers from 09-Apr-2018)
Submitted to University of Westminster on 2018-04-09

48

< 1% match (Internet from 20-Jul-2019)
https://pdfs.semanticscholar.org/a2ad/a66dc25499ba8fc3ff85d5f951739eae03a7.pdf

49

< 1% match (Internet from 01-Aug-2020)
http://www.gov.sz/index.php/latest-news/204-latest-news/2324-intergovernmental-committee

50

< 1% match (Internet from 01-Aug-2020)
https://mafiadoc.com/2-scientific-investigation_59ea61101723dd9f42afe1ad.html

51

< 1% match (publications)
Lia Yuldinawati, Dodie Tricahyono, Grisna Anggadwita, Dini Turipanam Alamanda. "Towards a framework for ICT-based entrepreneurship development through business incubation processes: case study of a techno park", International Journal of Business and Globalisation, 2018

52

< 1% match (student papers from 16-Jun-2020)
Submitted to College of Estate Management on 2020-06-16

53

< 1% match ()
http://hdl.handle.net/11394/6883

54

< 1% match (Internet from 21-Jul-2020)
http://scholar.ufs.ac.za:8080/xmlui/bitstream/handle/11660/2274/LoweZ.pdf?isAllowed=y&sequence=1

55

< 1% match (Internet from 13-Jul-2020)
https://howafrica.com/list-southern-african-countries/

56

< 1% match (Internet from 28-Nov-2005)
http://www.bii.ge/eng/studies_&_Papers/[2].ecetrade265.pdf

57

< 1% match (Internet from 25-Oct-2019)
http://www.notn.gov.ng/post_action/41

58

< 1% match (Internet from 23-Jun-2020)
https://institute.global/advisory/missing-links-economic-transformation-securing-policy-coherence-eastern-africa

59

< 1% match (Internet from 11-Aug-2020)
https://www.coursehero.com/file/45741643/Ch-no-10-2ppt/

60

< 1% match (Internet from 19-Jul-2020)
http://uir.unisa.ac.za/bitstream/handle/10500/24337/dissertation_rajaram_sd.pdf?isAllowed=y&sequence=1

61

< 1% match (Internet from 24-Aug-2014)
http://astho.az1.qualtrics.com/SE/?SID=SV_8iiyXJxAw1T3DJa

62

< 1% match (Internet from 27-Aug-2020)
http://www.dailymirror.lk/59885/tech

63

< 1% match (student papers from 17-Jan-2014)

Submitted to Universiti Teknologi Malaysia on 2014-01-17

64

< 1% match (Internet from 09-Dec-2010)
http://dk.cput.ac.za/cgi/viewcontent.cgi?article=1070&context=td_cput

65

< 1% match ()
http://creativecommons.org/licenses/by-nc-sa/3.0/za/

66

< 1% match ()
http://creativecommons.org/licenses/by-nc-sa/3.0/za/

67

< 1% match (Internet from 01-Sep-2020)
https://bura.brunel.ac.uk/bitstream/2438/13575/1/FulltextThesis.pdf

68

< 1% match (Internet from 18-Sep-2018)
https://pure.royalholloway.ac.uk/portal/files/17823949/M._A._Roomi_FS_10_10_13.pdfandEnd

69

< 1% match (Internet from 13-May-2009)
http://www.ileap-jeicp.org/downloads/Aid%20For%20Trade%20For%20Tanzania%20-%20Case%20Study.pdf

70

< 1% match (Internet from 05-Sep-2018)
http://www.ewas.net.nz/Publications/filesEWAS/EWAS_M1.pdf

71

< 1% match ()
http://www.sabtia.org.za/

72

< 1% match (Internet from 06-Sep-2017)
http://journals.univ-danubius.ro/index.php/oeconomica/article/download/3936/4149

73

< 1% match (Internet from 15-Jul-2020)
https://mafiadoc.com/thobekani-lose-supervisor-dr-robertson-k-tengeh-_5977a6b11723dde38bd38f25.html

74

< 1% match (Internet from 06-Jul-2020)
https://pdfs.semanticscholar.org/edee/2147380ba5129529da0d4697ad1e3a20a00f.pdf

75

< 1% match ()
http://hdl.handle.net/11462/75

76

< 1% match ()
http://creativecommons.org/licenses/by-nc-sa/3.0/za/

77

< 1% match (Internet from 07-Jul-2020)
https://slidelegend.com/y_5a5204a91723dd779beea726.html

78

< 1% match ()
http://hdl.handle.net/11394/5617

79

< 1% match ()
http://hdl.handle.net/10547/581885

80

< 1% match (Internet from 22-Jul-2018)
http://uir.unisa.ac.za/bitstream/handle/10500/23383/dissertation_gamede_nw.pdf

81

< 1% match (Internet from 16-Nov-2018)
http://strategicjournals.com/index.php/journal/article/download/125/128

82

< 1% match (Internet from 02-Nov-2018)
http://www.theseus.fi/bitstream/handle/10024/153689/Rukundo_Aimable.pdf?isAllowed=y&sequence=2

83

< 1% match (Internet from 24-May-2012)
http://ir.polytechnic.edu.na/bitstream/10628/280/1/mogos%203.pdf

84

< 1% match ()
http://www.egolibio.co.za/pages/press_archive.htm

85

< 1% match (Internet from 13-Sep-2020)
https://www.emerald.com/insight/content/doi/10.1108/REPS-10-2019-0142/full/html

86

< 1% match ()
http://hdl.handle.net/10353/497

87

< 1% match (Internet from 07-Apr-2019)
http://granthaalayah.com/Articles/Vol6Iss8/26_IJRG18_A09_1660.pdf

88

< 1% match (student papers from 29-Apr-2016)
Submitted to Midlands State University on 2016-04-29

89

< 1% match ()
http://hdl.handle.net/11462/155

90

< 1% match (publications)
Hugo D. Kantis, Juan S. Federico, Sabrina Ibarra Garc﷽a. "Entrepreneurship policy and systemic conditions: Evidence-based implications and recommendations for emerging countries", Socio-Economic Planning Sciences, 2020

91

< 1% match (student papers from 04-Sep-2020)
Submitted to nsbm on 2020-09-04

Freelance Online Editor of Academic Works

Cherie Blaine B.Soc.Sci (UKZN)

Recommended by the University of Cape Town Library, Writing Centre, and Graduate School of Business, based on numerous successful outcomes of examined theses

https://www.linkedin.com/in/cherieblaineb37b111a6

5 Elizabeth Gardens, 12 Wear Avenue, Greendale Park, Howick, KwaZulu-Natal 3290

Phone +27 63 109 6756 Email cherieblaine@gmail.com

5th October 2020

To whom it may concern.

This letter confirms that I proofread and edited the manuscript listed below. The candidate followed my suggestions.

Author: Thobile Makhosazana Dlamini

Manuscript title: ROLE OF BUSINESS INCUBATION IN SUSTAINING SMALL AND MEDIUM ENTERPRISES IN THE KINGDOM OF ESWATINI

Thesis submitted in fulfilment of the requirement of the degree of Master of Technology in Business Administration (Entrepreneurship)

Faculty of Business and Management Sciences at the Cape Peninsula University of Technology

My proofreading service included checking for and correcting where necessary the sentence and paragraph structure, spelling, grammar, punctuation, and consistency in alphanumeric presentation.

My editing service included checking for adherence to the academic institution's rule for referencing system; coherence and relevance of narrative to the research title and purpose; section headings; formatting; layout; figures; tables; and a writing style that is appropriate for an academic paper. The service did not include checking for plagiarism.

Signed:

Cape Peninsula University of Technology

PROOF OF REGISTRATION

To Whom It May Concern

27-Feb-2020

It is hereby confirmed that the under mentioned person is a registered student at the Cape Peninsula University of Technology.

Student Number: 218217102
Name: THOBILE MAKHOSAZANA DLAMINI
Registered for Period: 09-Jan-2020 - 20-Dec-2020
Course: MTBAER M TECH: BUS. ADMIN. (ENTREPRENEURSHIP) PT PART-TIME - DISTRICT 6 CAMPUS

Subject	Description	Qual.	Class Group	Exam Year	Exam Month	Cancel	Offering Type	Amount
R5BA01R	0 YEAR (JAN-NOV) THESIS	MTBAER	A	2020	11	N	PT	7650.00
							Subtotal:	7650.00

YOU HAVE BEEN ENROLLED FOR THE FOLLOWING SUBJECT/S. IT IS IN YOUR INTEREST TO CAREFULLY CHECK THIS INFORMATION AND SHOULD THERE BE ANY ERRORS OR OMISSIONS INFORM THE FACULTY OFFICE IMMEDIATELY! ALL FEES WITH THE VALUE OF R9 990.00 / R99 990.00 MUST BE REPORTED AFTER REGISTRATION TO YOUR FACULTY OFFICE FOR RECTIFICATION