AN EXPLORATORY QUALITATIVE STUDY OF COMPETITIVE STRATEGIES USED BY SMALL AND MEDIUM-SIZED ENTERPRISES IN BOTSWANA

[1*]Krishna K Govender, [2]Micheline Naude, [3]Tadios Munodawafa

[1]Graduate School of Business and Leadership, University of KwaZulu Natal-South Africa
[2,3]School of Management, IT & Governance, University of KwaZulu Natal-South Africa

e-mail:
[1*]govenderkrishna@gmail.com *(corresponding author)*
[2]naudem@ukzn.ac.za
[3]221068848@stu.ukzn.ac.za

ABSTRACT

The study explored factors impacting the sustainable competitive advantage of small and medium-sized manufacturing enterprises (SMEs) in Botswana. Through face-to-face interviews, primary data was collected from a purposively selected sample of seven key government informants. Thematic analysis was used to analyze the data. The main findings revealed that manufacturing enterprises in Botswana are affected by high rentals and high costs of land (space), equipment, and product quality. SMEs that export their products face additional challenges of traceability issues and mileage charges in the countries where they export their products. The study recommends that funding organizations should continue to review collateral issues to increase access to finance for SMEs. The Botswana government and tribal authorities issuing land should remove bottlenecks related to application for land, especially for business purposes. Access to water should also be reviewed to simplify the application process for water rights, especially for youth-funded ventures. The government should continue to promote joint ventures between multinational corporations because such efforts result in the transfer of funds, technology, and skills. Government subsidies should be offered for SMEs which incur significant mileage costs when they export their products to foreign markets. Manufacturing SMEs should also consider SME equity funding as an alternative to funding and offer less risk compared to commercial banks and existing government-sponsored funding agencies. The findings of the study contribute towards the development of a sustainable theoretical framework that can be used by manufacturing SMEs to identify and utilize their internal resources and capabilities to increase their competitiveness and survive. The findings may also help to identify additional intervention strategies for manufacturing SMEs by the Botswana government and other stakeholders from both the public and private sectors.

Keywords: *SMEs; Manufacturing Enterprises; Sustained Competitive Advantage; Developing Economies*

Received : 02-06-2024
Revised : 09-01-2025
Approved : 02-02-2025
Published : 01-03-2025

INTRODUCTION

Small and Medium Enterprises (SMEs) in developed and developing countries contribute toward economic development and employment creation (Botha et al., 2020; Meyer & Kruger, 2021). Despite their importance, SMEs' have been reported as having a low survival rate. For example, 60% of SMEs in Botswana were reported as failing within their first 18 months of operation and an additional 30% over the next 12 months (Ama & Okurut, 2018). Various strategies, for example, financial and technical assistance, have been developed by governments and scholars (Citizen Entrepreneurial Development Agency (CEDA), 2018; Shemi & Procter, 2018) across the globe, but these have yielded little success and many SMEs still fail within their first few years of operation.

The growth of SMEs has been the cornerstone of economic growth around the world because the sustained growth of SMEs helps to spur economic growth in different countries, both developed and developing (Monyake *et al*, 2020). Maziriri and Chivandi (2020) opine that SMEs have been widely accepted as engines of economic growth and development because of their ability to create employment, promote economic diversification, reduce poverty amongst different strata of society, contribute towards GDP, and in some cases help in export earnings. Furthermore, Abisunga-Oyekunle, Patra and Muchie (2020) affirmed that SMEs accelerate the pace of innovation and increase the tax base. The presence of SMEs in an economy also helps to increase the rate of competition, both between SMEs and between SMEs and larger companies. This competition further helps to increase productivity within an economy (Matsongoni & Mutambara, 2021).

It is in the above context that this study aims to explore sustainable competitive advantage as a survival and growth strategy for manufacturing small and medium enterprises (SMEs) in Botswana. Both internal and external firm-based factors that may contribute to the success or otherwise of manufacturing SMEs in Botswana were assessed.

LITERATURE REVIEW

Manufacturing SMEs face several challenges which impact on their survival, growth and sustainability. Firm specific factors like age and size significantly impact on the survival, growth and sustainability because older firms benefit from established reputation and experience compared to newly established firms (Njanike, 2019; Monyake & Kuruba, 2020; Hussain & Andronicenu, 2021). Larger firms also possess more resources and market share and this contributes towards their growth and resilience. Firm-specific factors like profitability, assets, leverage and management efficiency also impact on the survival, growth and sustainability of SMEs (Eldesouky et al., 2023). Firms with more assets and profit tend to survive and realise growth and sustainability compared to firms with few or no assets.

The potential of manufacturing SMEs in contributing towards employment creation, gross domestic product, economic diversification and industrialisation has resulted in governments across the globe to intervene through measures policies that promote SME growth, training of SME owners/managers, funding of SME activities, and marketing of SME products locally and globally (CEDA, 2020; Molefe, 2020; Mokwana, 2021). Policies that are formulated by governments promote a supporting regulatory environment and the training helps SMEs to develop their workforce and managerial skills. The funding by government agencies provide finance to acquire assets and raw materials and marketing of SME products help these firms to identify new markets and

generate revenue leading to their survival, growth and sustainability (Bosire & Muturi, 2020).

Factors of innovation and creativity also impact on the survival, growth and sustainability of manufacturing SMEs. Practices like social media presence, patents registration, networking and collaboration significantly impact on the success of SMEs (Karedza & Govender, 2020; Ngibe & Lekhanya, 2020; Chipambwa et al., 2023). For example, social media increases the visibility and engagement of SMEs with their customers, and registration of patents protects intellectual property. Networking promotes valuable connections and collaboration drives innovation. Altogether, these factors promote a dynamic environment that enhances the continuous improvement and long-term success of SMEs (Chipambwa et al., 2023; Onwe et al., 2024). However, most firms lack resources like latest technology platforms to initiate a social media presence for their activities and government support to protect their intellectual property from being copied by rivals.

Human capital development practices like employee education and training, employee motivation, and employee retention schemes impact the survival, growth, and sustainability of manufacturing SMEs (Dohemer, et al., 2019; Abisuga-Oyekunle et al., 2020; Tebetso, 2021). Education and training help to develop managerial and staff skills and productivity whilst motivation boosts the performance and engagement of employees. Employee retention schemes help to ensure that experienced talent is retained within the firm (Mafoko, 2019). Combined, these factors help to create a skilled, committed workforce, leading to the long-term success of the firm. Despite the importance of human capital, most SMEs struggle to train and retain skilled employees since most of them are lost to competitors who pay better salaries.

Access to finance significantly impacts on the ability of manufacturing SMEs to invest in essential resources like assets, raw materials, technology, machinery and equipment (Guruwo, 2020; Kubanji, Biza-Khupe & Mapharing, 2021; Molefi, 2021). Lack of access to finance ultimately stifles innovation and prevents expansion efforts by SMEs. When adequate funds are lacking, firms struggle to compete with their rivals, manage cash flow and this eventually leads to the collapse of affected SMEs (Svotwa et al., 2022). SMEs face challenges like poor proposal writing skills, lack of collateral and high risk when accessing finance from commercial banks and funding agencies supported by governments.

Financial management skills contribute towards the survival, growth and sustainability of manufacturing SMEs. Through financial management skills, firms are able to prepare budgets, efficiently allocate resources, manage cash flow and ensure financial stability (Folajinmi & Peter, 2020; Mbongo & David, 2021; Mpofu & Sibindi, 2022). The presence of financial management skills helps SME owners/managers in sound decision-making, risk mitigation and strategic planning, resulting long-term success and resilience in a competitive market (Chileshe, 2019; Nautwima & Asa, 2021). Despite their importance, most SMEs lack financial management skills due to inadequate education and training of the workforce, lack of investment in technology and lack of finance to boost training and education and acquisition of suitable technology to promote financial management skills.

Managerial skills are also critical towards survival, growth and sustainability of manufacturing SMEs. When SMEs are effectively managed, it ensures strategic planning, resource optimisation and team leadership (Monyake et al., 2020; Chausi & Imeri, 2021 Mashavira, Guvuriro & Chipunza, 2022)). Managerial skills sustain operational efficiency, innovation, adaptability, promoting a competitive edge. Strong managerial skills enhance

decision-making, risk management and more effective employee engagement (Monyake et al., 2020). Despite their merit, managerial skills are scarce in most SMEs due to inadequate training of development of SME owners/managers in these skills and this results in low survival of these firms.

METHOD

This study adopted an exploratory descriptive research design (Leech & Onwuegbuzie, 2008; Creswell, 2009; Saunders, et al., 2019) to answer the research questions and contribute towards the development of a theoretical framework that can be used by manufacturing SMEs in Botswana to achieve sustainable competitive advantage. A review was undertaken of existing knowledge on the problem under investigation and this was fused with the primary data gathered to provide solutions to the problem.

The study was conducted in the South-Eastern District in Botswana and covers Gaborone City, Lobatse Town, Ramotswa and Tlokweng villages. The South-Eastern District was chosen because the area consists of the highest concentration of manufacturing sector SMEs in Botswana and also from different economic regions (urban, peri-urban and rural). The total population in this district is 60,623 and there are approximately 25,000 manufacturing SMEs in the South-Eastern District (Statistics Botswana, 2011).

The target population was start-up manufacturing SME owners/managers in the South-Eastern District of Botswana that have been in existence for five (5) years or less. These SMEs are registered by the South East District Council to verify their enterprise, performance, and competitiveness. Data was obtained from selected key informants from the Botswana Ministry of Investment, Trade, and Industry since they have in-depth knowledge about challenges affecting manufacturing SMEs operating in Botswana.

Purposive sampling was used to select ten (10) government participants who provided data (Saunders et al., 2018). A statistical qualitative data analysis tool, Nvivo 11 was used to analyze data captured from key informants from the Botswana government's Ministry of Investment, Trade, and Industry. The procedure, called thematic analysis, assisted with the discovery of patterns and specific themes from the responses of key government informants and used the information to make an in-depth analysis of the qualitative data from these participants. Data was collected from key government informants through face-to-face interviews in response to the following questions:

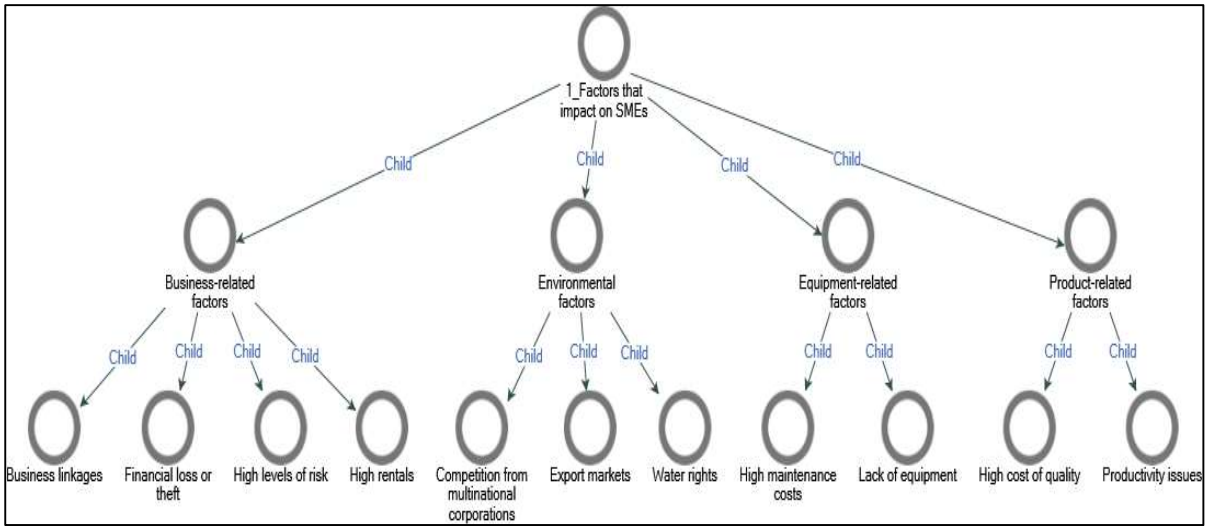
1. What factors impact the survival, growth, and sustainability of manufacturing SMEs in Botswana?
2. To what extent do existing government policies and guidelines contribute to the survival, growth, and sustainability of manufacturing SMEs in Botswana?
3. What factors influence innovation and creativity in the survival, growth and sustainability of manufacturing SMEs in Botswana?
4. To what extent does human capital development affect the survival, growth and sustainability of manufacturing SMEs in Botswana?
5. To what extent does access to finance impact the survival, growth and sustainability of manufacturing SMEs in Botswana?
6. How do financial management skills impact the survival, growth and sustainability of manufacturing SMEs in Botswana?
7. Which managerial skills can be employed by manufacturing SME management to ensure the survival, growth and sustainability of manufacturing SMEs in Botswana?

RESULT AND DISCUSSION

The research findings related to each key question are clustered into themes and sub-themes for analysis purposes.

Factors that impact the survival, growth, and sustainability of manufacturing SMEs

The views from the key government informants on the factors that impact manufacturing SME owners/managers reveal that the factors are categorized under four broad themes, which are business-related factors, equipment-related factors, product-related factors and environmental factors. The first three factors (business-related, equipment-related, and product-related) are internal factors and the last one (environmental) is an external factor. The main themes and sub-themes that were extracted from a response to the above question are shown in a project map in Figure 1.



Source: Primary data,2023

Figure 1
Factors that impact on SMEs

Four sub-themes were extracted under business-related factors and they are business linkages, high rentals, financial loss/theft and high levels of risk. The data analysis revealed that manufacturing SME owners/managers should have the capacity to establish business linkages with their customers, producers, exporters and other stakeholders within their networks. The key government informants were of the view that the ban helped to improve local productivity, technological and managerial capabilities and market diversification. Some participants' views are captured below. For example, Participant 5 said:

"*The ban has resulted in the setting up of business by several foreign firms that are interested in establishing joint ventures with local manufacturers and this has resulted in skills and technology transfer to local manufacturing companies. These foreign firms also have ready markets for locally produced goods in South Africa and beyond and this has helped to establish business linkages across the supply chain.*"

The perception of business linkages was also corroborated by Participant 3 who concurred with above view by stating that:

"*We help manufacturing companies with strategies to identify potential customers through market research and also connect them with local authorities to check their sites for quality and health inspections. We also encourage local manufacturing*

companies to team up with foreign firms to form joint ventures and increase their chances of success in their industry."

Financial loss and theft also impacted the survival of manufacturing SMEs in Botswana. The manufacturing sector deals with material resources that are prone to wastage, loss, and theft, and these issues impact the financial stability of these companies. Participant 1 asserted that:

"*Theft of assets is a challenge that I came across when I was assessing the productivity of one refuse collection company in Gaborone. The company that was hired to collect refuse by this lady to dump refuse was inflating the number of bins to claim more money for work that was not done. To solve this problem, we came up with a system where bins were attached with special tags from collection points to the dumping site*"

Participant 6 also concurred with the above findings by disclosing that:

"*Most local firms in the agribusiness sector include the same maintenance costs for machinery like tractors whether they plough on small or big fields. The same applies to issues like agrochemical costs where farmers are forced to purchase more than what they want because these chemicals are not packaged in smaller bags. In the end, the excess chemicals cannot be used and result in financial loss to the farmers."*

The riskiness of manufacturing SMEs was pointed out as an important factor that impacted on their survival, growth and sustainability. Participant 2 responded and explained that:

"*We do not give all the amount of, say P10 million, to the SME but we give it in installments and monitor how the money is utilized. As time goes on we continue to further release the cash if we are satisfied with the way the funds are used.*"

In addition, Participant 4 explained that:

"*Most firms can sustain themselves over the first few months or years but fail to respond to market fluctuations, especially when business is low. In the end, these firms fail to repay their loans and collapse. It is therefore quite risky to allocate funds to some firms, especially when we do not have their vital statistics*."

The views on risk associated with SMEs were further supported by Participant 5:

"*If we can find ways of de-risking SMEs then we will be able to also deal with issues like collateral. Commercial banks and multinational corporations take the issue of risk seriously and do not want to invest their money where there is high risk. Perhaps we need to identify another organization thatcan absorb the risk which is faced by commercial banks and multinational companies so that they are more willing to invest in local SMEs*."

Land is very expensive in Botswana and this makes it quite difficult for manufacturing SMEs in Botswana to purchase and own the premises that they operate from. Renting business premises is also problematic, especially for start-ups that have minimal financial resources. The high rentals for land, offices and factory warehouses mean that most SMEs fail to break even and cease to operate before they reach 5 years of operation. Concerning the aforementioned issue, Participant 1 noted that:

"*The Botswana government has established agencies that help new firms to establish themselves by renting out factory shells at below market prices for a period of 3 years. These firms are monitored for productivity and profitability and are then required to relocate and give room to other new firms. This has helped these firms in a great way because they can break even and use their profit to grow and expand."*

In summary, the participants concurred that manufacturing SMEs were high-risk entities that were prone to market fluctuations. They also agreed that land was contributing to significant costs for manufacturing firms through high rentals. However,

SMEs that are in the early stages of operation benefitted from subsidized rentals during the incubation period.

The second component of the model revealed product-related factors that impact manufacturing SMEs, namely, high cost of quality and productivity issues.Participants explained product-related factors that impact SMEs. Strategic utilization of these product-related factors can result in the survival, growth and sustainability of manufacturing SMEs.Participant 5 commented as follows:

"*This is why I am saying I think we preach quality on the production side but on the demand side we are not, but customers should be taught to demand quality and then it will actually, that have been said quality is not an option but it is a must but I think by certification, manufacturing invest so much in producing quality but does the market pay them for producing quality but does the market pay them for producing quality but does the market pay them for producing quality, I am not quite sure."*

Equipment-related factors were discussed by key government informants as follows: On the issue of high maintenance costs, Participant 7 raised an important point:

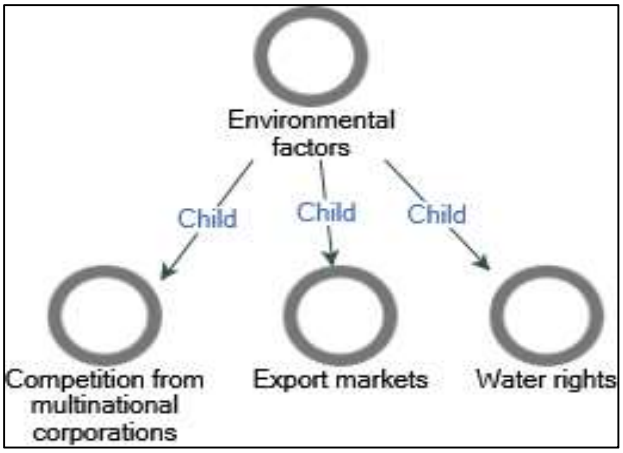
"*The manufacturing industry uses a lot of equipment, some of wAhich is overused leading to high levels of equipment damage. It costs a lot of money to replace damaged parts, especially considering that most of these parts have to be sourced from South Africa and overseas. These recurrent costs affect the profitability of most manufacturing companies"*

Participant 3 explained that:

"*Large established firms from South Africa have more capacity than local firms because these foreign firms have funds to purchase equipment and expand their business. Local companies can only benefit through joint ventures with these outside firms."*

In summary, key government informants confirmed that manufacturing SMEs in Botswana incur high costs associated with equipment purchase, repair and replacement. A significant number of local SMEs cannot raise funds to acquire equipment and resort to hiring equipment, which is an expensive process.

The fourth component of the model illustrates environmental factors that impact manufacturing SMEs. Figure 2 shows the outcome of the model representing the sub-themes under environmental factors.



Source: Primary data, 2023

Figure 2
Environmental factors that impact on SMEs

Participants explained environmental factors that negatively impact on the operation and competitiveness of manufacturing SMEs in Botswana. The research question which was asked is "*To what extent are manufacturing SMEs creative and innovative enough to withstand competition from established multinational companies which have abundant resources?*" It is therefore important that these factors are investigated in this study to identify them and recommend measures that can be used to limit their effect on manufacturing SMEs in Botswana.

Participant 1 responded by revealing that:

"*There is a company which developed a unique perfume in the market and attracted customers from both Botswana government and private customers. Another example is a yogurt manufacturing company based in Molepolole. Despite initial challenges, this company managed to create demand with local hotels and also expanded its business to supermarkets in the country where it is offered shelf space to market its products*."

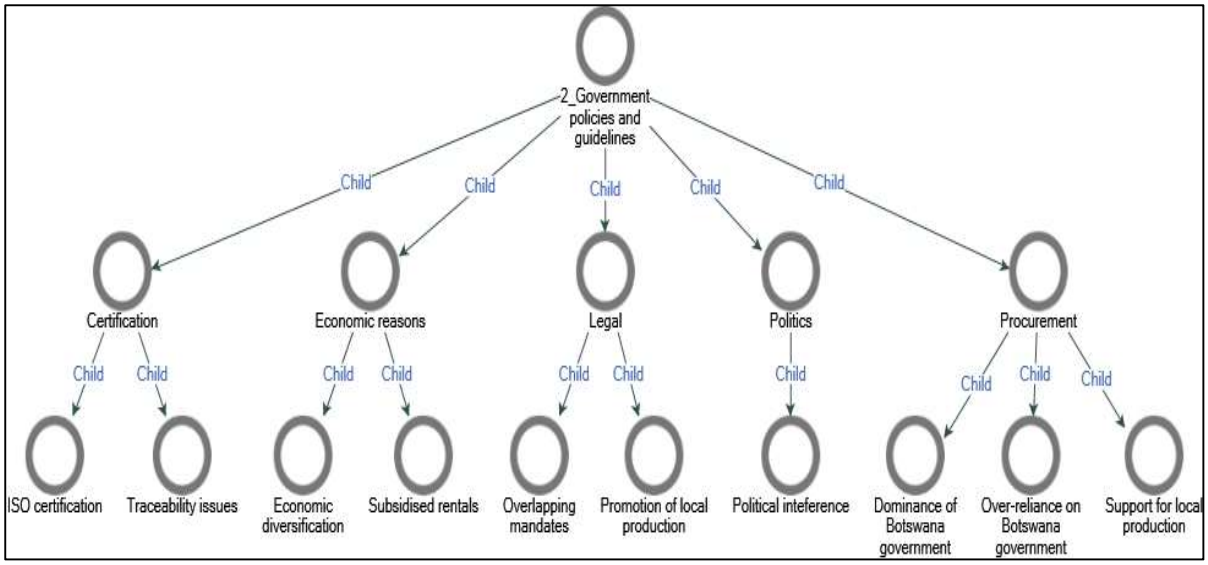
Participant 5 concurred with the above and stated:

"*When prospective entrepreneurs bring their plans, we vet these plans for suitability of their products or services within the market and help these entrepreneurs with market research to ensure that they check the competitiveness of their products or services."*

In summary, key government informants were of the view that competition from established multinational companies was a factor that negatively impacted their growth and sustainability. It was only those SMEs that could engage in joint ventures with these foreign firms that could manage to expand and generate more revenue through exports. The lack of water rights was also another infringement on the survival, growth and sustainability of manufacturing SMEs in Botswana. Youth-owned businesses were the most affected since they do not own the premises that they operate their business from.

Influence of government policies

The second research question focused on obtaining the views of the sampled key government informants on the extent to which existing government policies and guidelines contributed towards the survival, growth and sustainability of manufacturing SMEs in Botswana. To accomplish this, the 7 informants were asked interview questions that solicited their views about the variables related to existing government policies and guidelines and how they impacted on manufacturing SMEs in the country. The main themes and sub-themes which were extracted are shown in a project map in Figure 3.



Source: Primary data, 2023

Figure 3
Government policies and guidelines

The views of the participants on the extent to which existing government policies and guidelines influence the survival, growth and sustainability of manufacturing SMEs depict five broad themes, which are certification, legal aspects, and procurement. Two sub-themes were extracted from certification issues and they are ISO certification and traceability issues. Two sub-themes were extracted from the theme covering economic reasons and they are economic diversification and subsidized rentals. Two sub-themes were also extracted from the theme on legal aspects and they are overlapping of the mandates of some government agencies and promotion of local production. The theme on politics had only one sub-theme which is political interference. Lastly, the theme on procurement had three sub-themes, which are the dominance of the Botswana government, over-reliance on government, and support for local production.

The importance of SMEs across the globe has attracted the interest of governments and government agents who have implemented policies and guidelines that help to promote the operations of SMEs. These policies and guidelines also help in mobilizing funding and technical support for SMEs to achieve sustainable competitive advantage.

Participant 1 explained the issue of traceability issues as follows:

"My organization deals with productivity issues and one of the matters that we focus on is the traceability of export products that are manufactured in Botswana. Through the assistance of my organization and the Japanese Productivity Centre, we have been able to assist several companies to obtain appropriate certifications which helped them to verify that their products were manufactured by companies in Botswana under international best practices."

The issues on traceability were also corroborated by Participant 6 who elucidated:

"Initially locally produced goods faced challenges of traceability since port authorities in host countries demanded that the exporting process is transparent throughout the supply chain. This was done in order to gather evidence of the trail of each product, its components, quality and safety."

Participant 5 also affirmed and commented:

"Prospective firms which requested traceability certification were referred to local authorities who deal with the issue to pave the way for the export of their products."

The participants also stressed that quality was one of the most important factors that impacted the growth and sustainability of manufacturing firms in Botswana. In summary, the participants concurred that manufacturing firms faced genuine challenges in ensuring that their products met specific quality standards and that they obtained certificates that helped to trace their products along the supply chain when they were being exported. All these factors involved significant investment in terms of equipment and time to engage relevant authorities. Several manufacturing firms failed to get loans because of these challenges.

The second component of the model revealed economic reasons that justify the implementation of specific government policies and guidelines on manufacturing SMEs, namely economic diversification and subsidized rentals.

On the issue of economic diversification, Participant 5 posited:

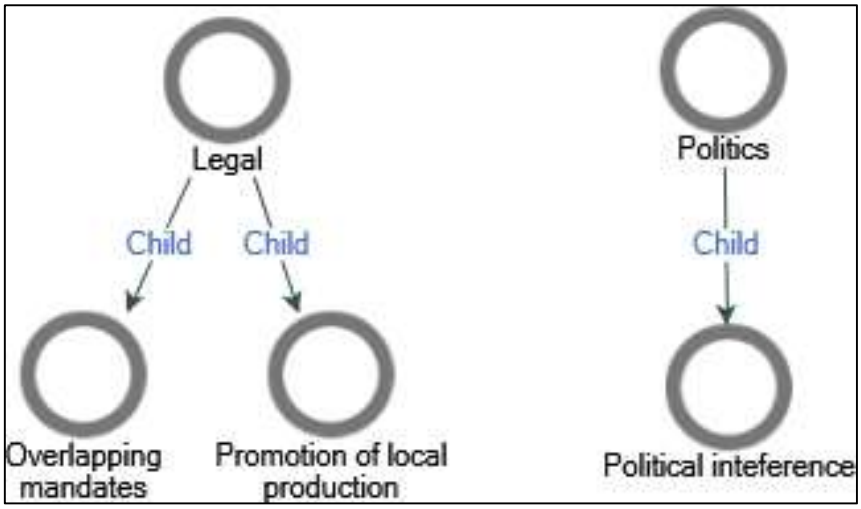
"*The existence of multinational manufacturing companies in Botswana is actually a blessing in disguise because they get into joint ventures with local manufacturing firms. The local manufacturing firms benefit from technology and skills transfer and the multinational companies have a ready export market from their home countries and beyond. So, these efforts help Botswana in its effort to diversify away from diamond mining."*

Participant 2 also supported the views of Participant 5 by remarking:

"*When we inspect business proposals of prospective entrepreneurs, we look at the uniqueness and economic contribution of the product being offered. Viable projects have a high chance of being financially supported because they contribute towards economic diversification."*

In summary, the participants agreed that projects that promoted economic diversification, which is a major strategic initiative by the Botswana government, have higher chances of funding than those that do not. To alleviate the challenges of scarce factory and office space for newly established and funded SMEs, the Botswana government, through BITC and LEA has built several factory shells and offices in and out of Gaborone which can be allocated to them.

The third component of the model illustrates legal and political reasons that justify the implementation of specific government policies and guidelines on manufacturing SMEs. Figure 4 shows the outcome of the model representing the sub-themes under legal and political factors.



Source: Primary data, 2023

Figure4
Legal and political factors

The participants stated that one legal factor that impacts the survival and sustainability of SMEs in Botswana relates to the perceived overlapping of the mandates of key government agencies responsible for SME funding and SME training and business incubation.Participant 2 from the finance agency clarified the anomaly:

"*Our mandate is specifically on evaluation of business proposals to provide loans to SMEs and the other body specifically deals with training, business incubation, and monitoring and control of firms which will have received funds from us."*

The recent import bans of commodities like school uniforms and certain agricultural produce were meant to promote local production of the same products in Botswana.Participant 1 asserted that there are two problems associated with this recent initiative by the Botswana government:

"*Local manufacturing SMEs lack capacity, in terms of both skills and machinery, to meet local demand of goods which used to be imported from South Africa and other countries. The other challenge is that it is multinational companies that are benefitting from these initiatives because they bring in financial and technological investment in Botswana and reap all the benefits."*

However, Participant 7 had a different opinion:

"*The multinational companies help with employment creation, and skills transfer and contribute to the Botswana GDP when they establish their business in Botswana. These companies also help with skills transfer from their host countries back to Botswana since their factories will now be relocated to Botswana. This helps to boost local demand for their products and also help with employment creation, skills and technology transfer*."

In summary, the participants argued that the overlapping mandates of some government-sponsored agencies were a hindrance to the effective management of manufacturing SME projects. Key government informants also concurred that whilst import bans were meant to boost local production of goods in Botswana, there existed challenges of lack of capacity and loss of potential gains to multinational companies based in Botswana. However, there was also a notion that multinational companies bring in funds, technology and skills transfer. The threat of political interference in local manufacturing SMEs was also highlighted.

The fourth component of the model illustrates procurement factors that justify the implementation of specific government policies and guidelines on manufacturing SMEs, namely the dominance of the Botswana government, over-reliance on the government, and support for local production.The bulk of tenders in Botswana are given by the Botswana government to local and international companies operating in Botswana. This means that local firms tend to target the Botswana government as their only source of finance from allocated tenders and the source of their survival and sustainability.

Participant 6 asserted as follows:

"*The Botswana government is the largest provider of tenders in the country and firms compete for these tenders. However, in most cases, local manufacturing SMEs lose out to multinational corporations and also to local competitors which provide cheap and low-quality products. In some cases, firms which fail to get government tenders regularly end up collapsing due to lack of business."*

The Botswana government has also formulated policies that encourage companies to only buy and sell local products to ensure that local manufacturing firms remain viable and sustainable. However, this policy also regularly faces challenges.Participant 4 posited as follows:

"*Local SMEs produce poor quality goods which are rejected by government departments and parastatals when they submit their tenders. It is the large established companies which end up winning government tenders at the expense of local SMEs*."

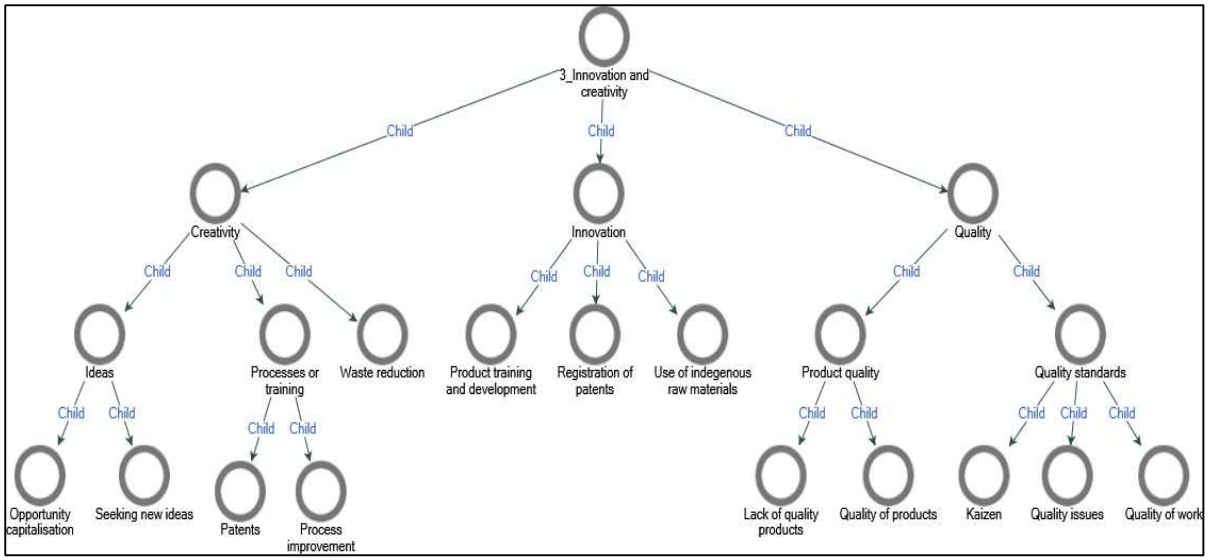
The remarks by Participant 4 were confirmed by Participant 5:

"*The Botswana government imposes quality on producers and suppliers but consumers do not demand the same quality from these bodies. Consumers tend to buy from producers and suppliers who offer cheaper products and are not concerned with the quality attributes of the same products. This means that manufacturing SMEs which invest in quality on their products end up losing business."*

In summary, the survival of some manufacturing SMEs in Botswana depends on their winning of government tenders since the government dominates the funding of tenders in the country. This puts several SMEs at a disadvantage since they cannot compete with large companies that have the capacity and resources. Local manufacturing SMEs are also affected by quality issues that are imposed on them but consumers do not have the same quality focus and prefer to purchase from cheaper producers and suppliers.

Factors that influence innovation and creativity of SMEs

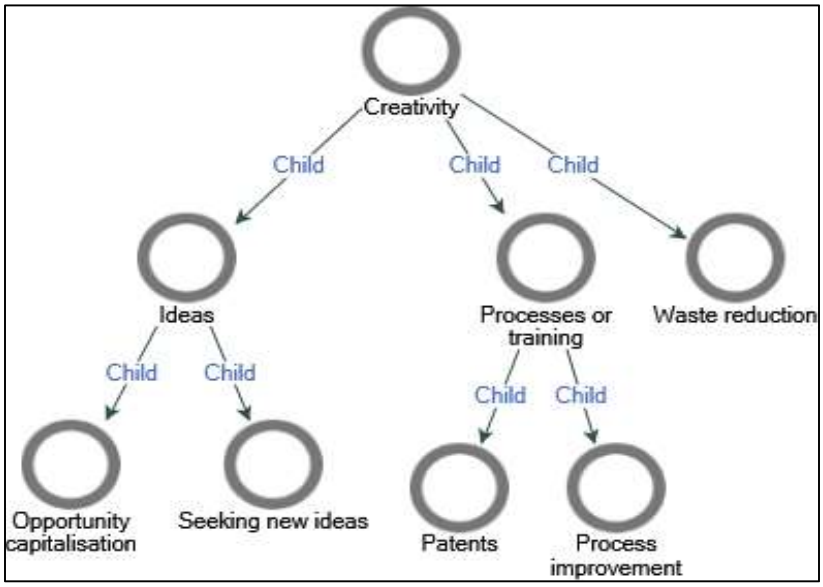
The third research question focused on obtaining the views of the sampled key government informants on factors that influence innovation and creativity by manufacturing SMEs in Botswana. Figure 5 depicts the themes that emerged from the findings.



Source: Primary data, 2023

Figure5
Innovation and creativity

Three sub-themes were extracted from the theme of creativity and they include ideas, processes and training and waste reduction. Three sub-themes were also extracted from the theme on innovation and they are indigenous raw materials, product development, and registration of patents. Two sub-themes were extracted from the theme on quality and they are product quality and quality standards. Figure 6 shows the outcome of the model representing the sub-themes under creativity.



Source: Primary data, 2023

Figure 6
SME creativity

Some manufacturing SMEs in Botswana use their imagination or ideas to create something new.Participant 1 commented as follows on the notion of creativity:

"*Some SMEs use local indigenous raw materials like Morula to make perfumes and have collaborated with supermarkets where they are given shelf space to display and*

sell these perfumes. You need to be strong, and you have to convince someone to purchase your product. Some SMEs easily give up."

The previous view was also supported by Participant 3 who stated as follows:

"The elevation of manufacturing and agribusiness to priority sectors has led to some SMEs capitalising on this opportunity and diversifying their business to agribusiness and manufacturing to increase their chances of acquiring financial assistance. These firms have also managed to compile unique business proposals which enable them to enter niche markets which were never exploited before."

In summary, the participants concurred that the generation of unique businesses helped some SMEs to create sustainable business ideas which helped them to capture a specific niche market in the industry. Their effort was complemented by the Botswana Innovation Hub which helped to register their products as patents and also gave these SMEs training on the protection of their patents. Key government informants also used process improvement and waste reduction strategies to help manufacturing SMEs reduce costs and generate more sales and revenue, thereby becoming sustainable.

The second component of the model illustrates innovation and creativity factors that influence the growth and sustainability of manufacturing SMEs. The sub-themes which emerged included product training and development, registration of patents and use of indigenous raw materials.

Traditionally, SMEs face challenges of scarce resources and key government informants confirmed that highly innovative firms can efficiently utilise scarce resources, develop new products and realise sustainable competitive advantage. Manufacturing SMEs can also safeguard and protect their products by registering them as patents.

Participant 2 confirmed what her organisation did when loan applicants submitted proposals to market new products:

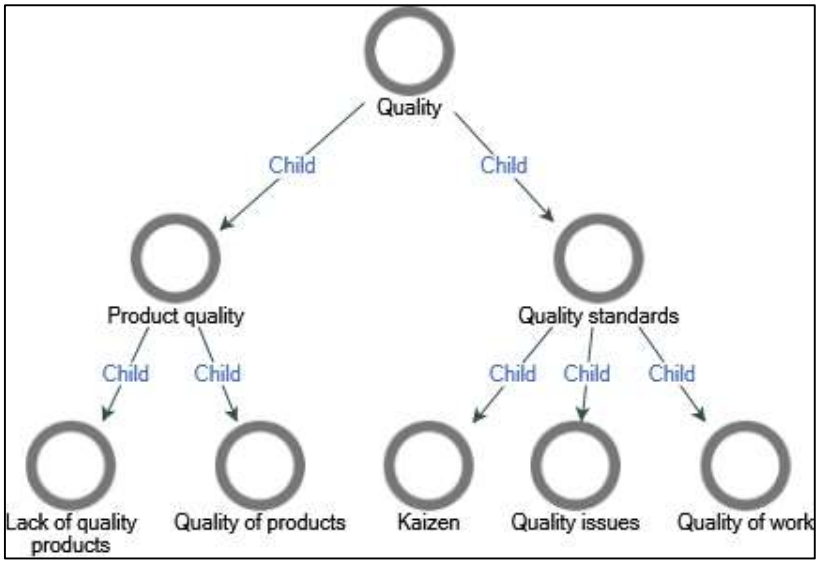
"We refer the entrepreneur to LEA for business training for the product to be effectively marketed. This training also includes bookkeeping, cash flow management, and customer services."

Participant 1 also acknowledged the issue of product training and development:

"*A key productivity strategy that we employ is on how to ensure that SMEs effectively produce and sell their products without running into losses. Some SMEs are capable of producing quality products but lack the skills to set the right price which will help them to realise profit. So, training SMEs on pricing strategies is one of our key activities when we work with SMEs."*

In summary, the participants agreed that the growth and sustainability of manufacturing SMEs can be accelerated by providing them with product training and development skills. SMEs are also encouraged to come up with unique ideas that can help them make unique and marketable products using locally available raw materials.

The third component of the model illustrates the innovation and creativity factors that influence the growth and sustainability of manufacturing SMEs. Figure 7 shows the outcome of the model representing the sub-themes under quality issues.



Source: Primary data, 2023

Figure 7
Quality issues

Traditionally, SMEs face challenges of scarce resources, and highly innovative firms can efficiently utilize scarce resources, develop new products, and realize sustainable competitive advantage. Manufacturing SMEs can also safeguard and protect their products by registering them as patents.

On the issue of quality products, Participant 1 elucidated:

"*The textile firms that we were assisting were affected by quality issues. The tailors that they worked with frequently left them to work on their own and this impacted on the quality of their products. The most affected parts of the garments were button holes, which showed poor finishing."*

Participant 3 concurred with the observations of Participant 1:

"*The statutory instruments which resulted in importation bans of agricultural produce from South Africa resulted in an increase in demand for funds by local SMEs to venture into agribusiness. However, the only challenge is lack of quality of the products which are produced by local SMEs."*

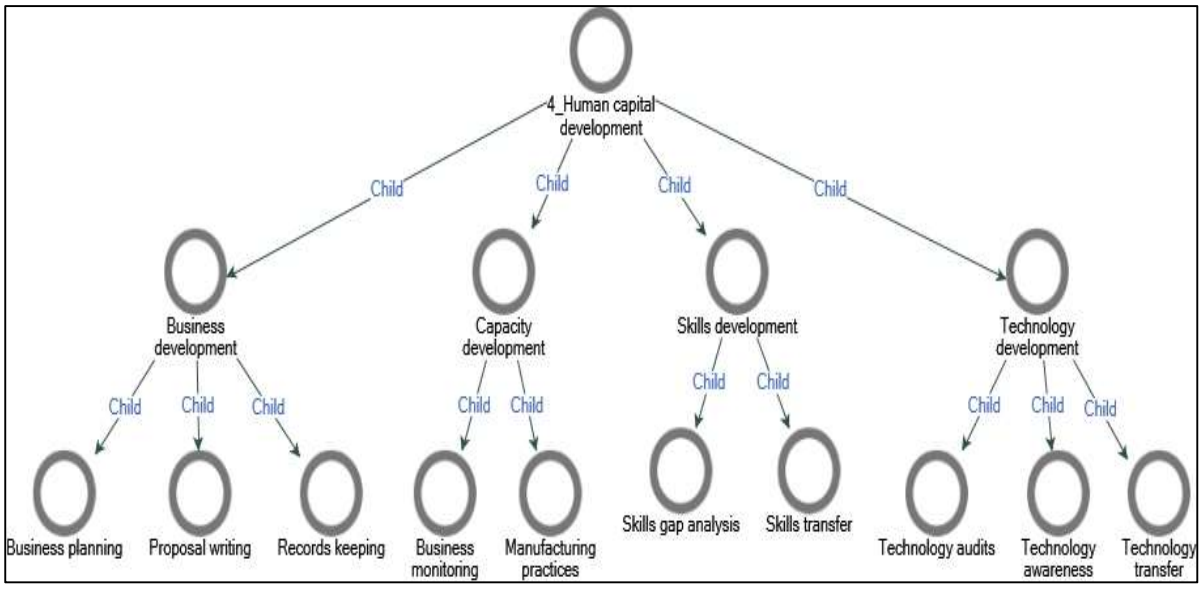
Participant 6 also concurred and highlighted:

"*We refer loan applicants to LEA so that they can undergo training on process improvement when we detect flaws in their production process. We also suggest that their products are aligned with international best practices if they are bound for export markets."*

In summary, the participants argued that quality was an important component of SME growth and sustainability. The organizations that key government informants worked for assisted manufacturing SMEs with training and consultancy on quality issues like certification, quality assurance and adherence to international best practices. Specific quality standards that are currently applied to manufacturing SMEs are Kaizen and ISO 9000. However, there still exist several challenges. A sizable number of manufacturing SMEs cannot access financial loans because they cannot meet product quality specifications. Many manufacturing SMEs also fail to survive and grow in the market because of the poor quality of their products. In some cases, the production process also contains flaws that require inspection to remove defects.

The extent to which human capital development impacts SMEs

The main themes and sub-themes that were extracted from the responses are shown in a project map in Figure 8.



Source: Primary data, 2023

Figure 8
Human capital development

The views from key government informants on the extent to which human capital development affects manufacturing SMEs revealed four broad themes, which are capacity development, business development, skills development, and technology development. Two sub-themes were extracted under the theme of capacity development and they are business monitoring and manufacturing practices. Three sub-themes were extracted under the theme of business development and they are business planning, proposal writing and records keeping. Two sub-themes were extracted from the theme of skills development, which are skills transfer, and skills gap analysis. Lastly, three sub-themes were extracted from the theme of technology development, and they are technology audits, technology awareness, and technology transfer. The first component of the model illustrates the extent to which capacity development factors affect the growth and sustainability of manufacturing SMEs.

Manufacturing SMEs are affected by a lack of skilled manpower, including high employee turnover. This implies that manufacturing SMEs face the challenge of continuously developing their human resources. Business development was a major issue that evolved from the discussions with the key government informants. In support of the aforementioned, the views of certain participants are elucidated. Participant 5 expounded:

"SMEs come to us for business planning training because planning is important for expansion and growth."

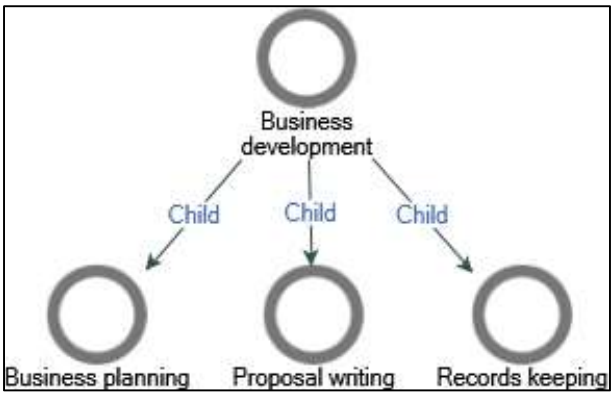
Participant 6 concurred:

"*Planning will help your business as you start and grow. A good business plan guides an entrepreneur through each stage of starting of starting and managing a business."*

In summary, the participants explained that they developed the capacity of their manufacturing SME owners/managers through business monitoring using methods of

business planning training, product remodeling, and assessment of venture profitability. The manufacturing practices are another capacity development strategy that is used by key government informants to ensure that the production processes of these enterprises are efficient, less costly and produce high-quality products along the production line.

The second component of the model illustrates the extent to which business development factors affect the growth and sustainability of manufacturing SMEs. Figure 9 shows the outcome of the model representing the sub-themes of business development.



Source: Primary data (2023)

Figure 9
Business development

Business development is important to manufacturing SMEs because it helps SME owners/managers to create and utilise ideas, initiatives and activities that help a business to become competitive. Business monitoring and enhancing manufacturing practices are two key sub-themes that were identified under capacity development.

Another area of human capital development that was discussed was capacity development. Participant 1 posited as follows:

"*We monitored the 10 textile firms over a period of 3 years to ensure that their processes are efficient. Unfortunately, we did not keep any records of their performance but when we returned to some of these firms, we realised that they were still functioning. Of course, some had changed employees."*

Participant 4 concurred:

"We do not give these SMEs all the loan finance at once but we give them in small amounts and monitor how they spend it on their projects."

In summary, the importance of business monitoring and the incorporation of excellent manufacturing practices in both the products and processes of SMEs was highlighted. Business monitoring was done as part of incubation and manufacturing processes were verified during the processing of business proposals and also as part of business monitoring during incubation.

The third component of the model illustrates the extent to which skills development factors affect the growth and sustainability of manufacturing SMEs. The sub-themes that emerged include skills gap analysis and skills transfer. The manufacturing industry uses different types of skills depending on the nature of manufacturing SME activities. The issue of skills gap analysis and skills transfer were highlighted as being critical in the manufacturing industry in Botswana.

Participant 4 stated:

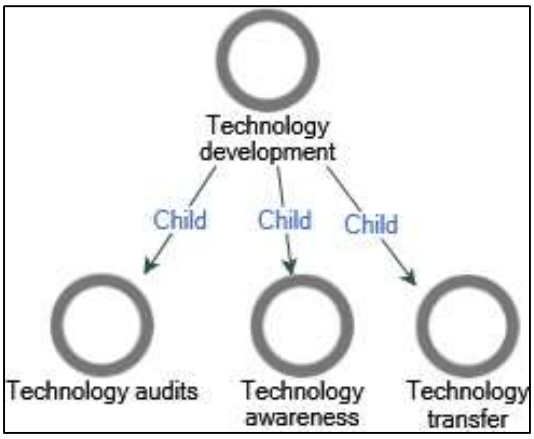
"*We encourage SMEs to enter into joint ventures with foreign companies to promote skills and technology transfer to local SMEs."*

Participant 5 posited as follows:

"*We were part of the introduction of those statutory instruments. The banning of imports from South Africa helped to import these manufacturing skills which used to be in South Africa and now locals can be equipped with the same skills since these multinationals have set up their business in Botswana."*

In summary, it was agreed among the participants that there are serious skills shortages in the manufacturing industry in Botswana and some of the scarcity is due to employee turnover whilst some is due to lack of training of manufacturing SME employees. However, significant effort is being made by LEA and also through the transfer of skills as a result of the relocation of manufacturing firms from South Africa to Botswana following the importation ban of certain products.

The fourth component of the model illustrates the extent to which technology development factors affect the growth and sustainability of manufacturing SMEs. Figure 10 shows the outcome of the model representing the sub-themes of technology development.



Source: Primary data, 2023

Figure 10
Technology development

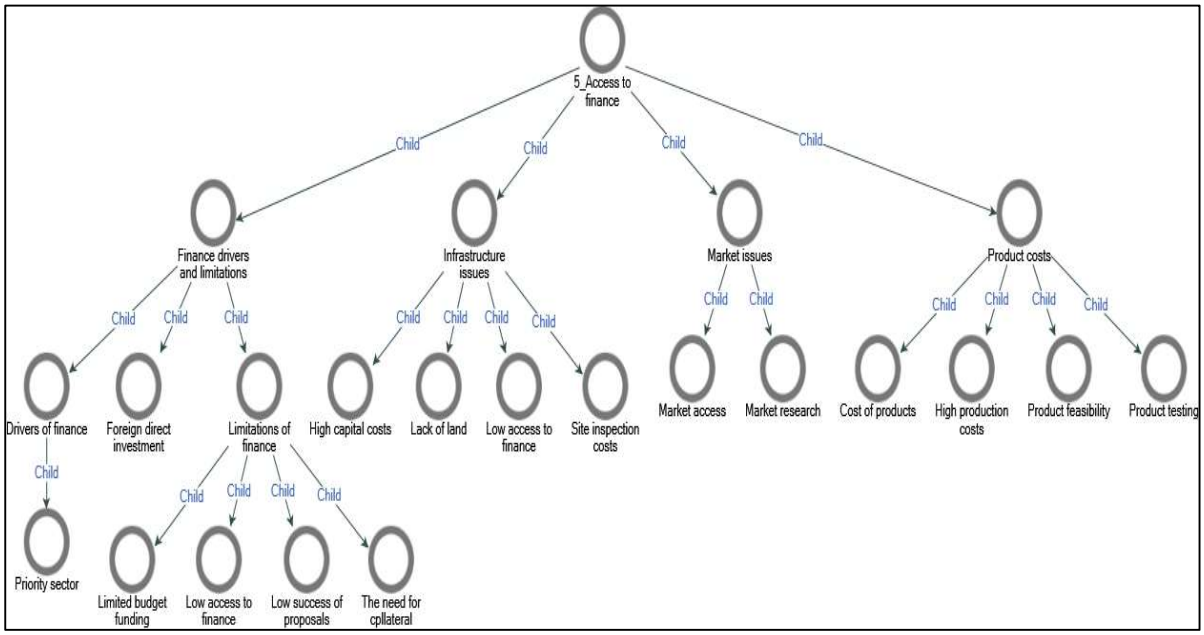
The participants highlighted the importance of technology awareness, technology audits, and technology transfer as being critical for manufacturing SMEs in Botswana. Participant 5 remarked as follows:

"*During the Covid-19 pandemic, most manufacturing SMEs turned to technology to remain operational. However, after COVID-19, what we are seeing now is a reversal of the process where fewer companies are now using technology in their operations. Currently, we are trying to ensure that part of our business development and training programs cover technology audits so that we identify areas where these SMEs can utilize technology to their advantage. We are also developing programs to ensure that we incorporate technology awareness into manufacturing SMEs so that they can improve their processes and products using technology. We also run technology audits in firms to assess the technologies which they have or do not have and what can be done to remedy their challenges, technology-wise."*

In summary, the key government informants concurred that technology was scarce within manufacturing SMEs in Botswana and that they also regularly undertook technology audits during the incubation of new SMEs and imparted technology awareness during the training of entrepreneurs. The participants also highlighted the importance of technology transfer during the formation of joint ventures between local firms and foreign companies. Technology transfer is also happening as a result of the relocation of some South Africans to Botswana following the banning of the importation of certain products from South Africa.

The impact of access to finance on SMEs

The participants were asked questions that solicited their views on the extent to which access to finance impacted manufacturing SMEs in the country. The main themes and sub-themes which were extracted are shown in a project map in Figure 11.

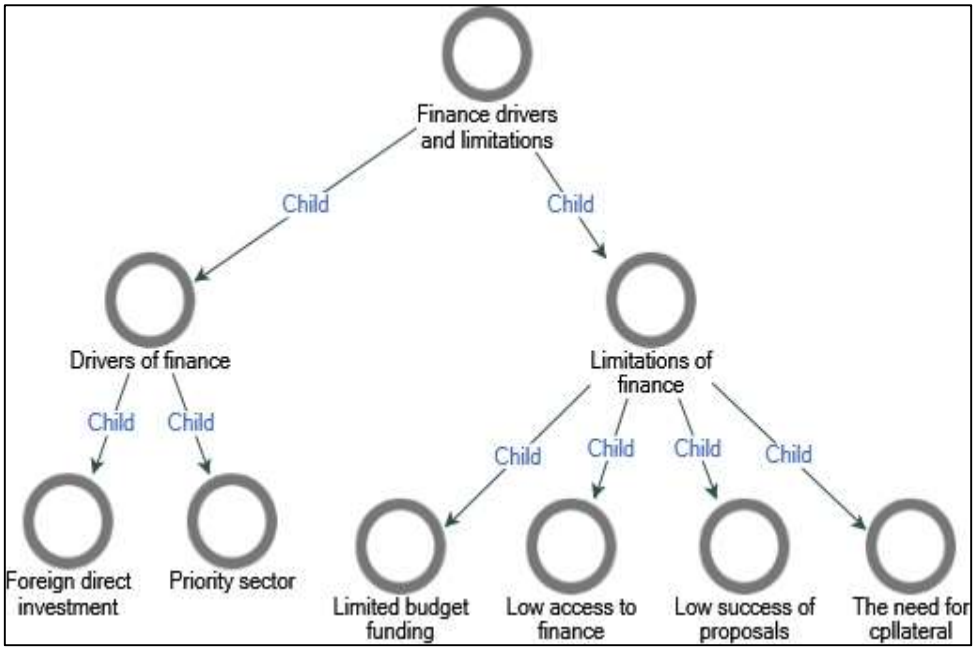


Source: Primary data, 2023

Figure 11
Access to finance

Two sub-themes were extracted from the theme finance drivers and limitations, and they are drivers of finance and limitations of finance. Four sub-themes were extracted from the theme of infrastructural issues, and they are high capital costs, lack of land, low access to finance, and site inspection. Two sub-themes were extracted from the theme market issues, and they are market access and market research. Lastly, four sub-themes were extracted from the theme product costs, and they are the cost of products, high production costs, product feasibility, and product testing.

The first component of the model illustrates the extent to which finance drivers and limitations affect the growth and sustainability of manufacturing SMEs. Figure 12 shows the outcome of the model representing the sub-themes of finance drivers and limitations.



Source: Primary data, 2023

Figure 12
Finance drivers and limitations

Concerning the above, Participant 3 stated:

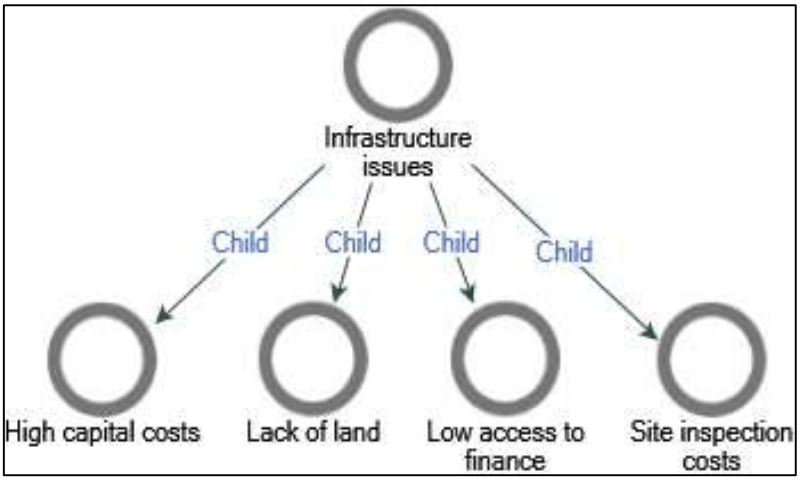
"Our budget is limited so we encourage foreign firms to enter into partnerships with local entrepreneurs and in the end these foreign firms bring finance, technology and skills."

Participant 4 concurred and affirmed:

"It is much safer to give additional funding to foreign firms which bring investment to Botswana because they have assets to give as collateral. They also have a sound reputation in their markets."

In summary, it was confirmed that foreign direct investment and the preferential treatment of loan applicants for manufacturing were important drivers of finance for manufacturing SMEs in Botswana. However, challenges still existed due to the limited funding budget for SMEs in Botswana, the riskiness of SMEs in general, poorly prepared business proposals, and the need for collateral, which in most cases is not available.

The second component of the model illustrates the extent to which infrastructural factors affect the growth and sustainability of manufacturing SMEs. Figure 13shows the outcome of the model representing the sub-themes of infrastructural factors.



Source: Primary data, 2023

Figure 13
Infrastructural factors

The manufacturing sector involves the use of equipment and machinery which costs substantial financial investment. Key government informants highlighted infrastructural factors that impact manufacturing SMEs in Botswana which included high capital costs, lack of land, site inspection costs and low access to finance. On the issue of high capital costs, Participant 1 said:

"*We advised the textile firms to hire machinery and tailors to improve the quality of garments. This was because these firms could not afford to buy their own machinery and staff turnover was very high."*

Participant 3 further elucidated:

"*The importation ban will not result in immediate benefits for Batswana because most of them do not have farming equipment. Instead, it is the established South African companies which will set up business in Botswana and benefit."*

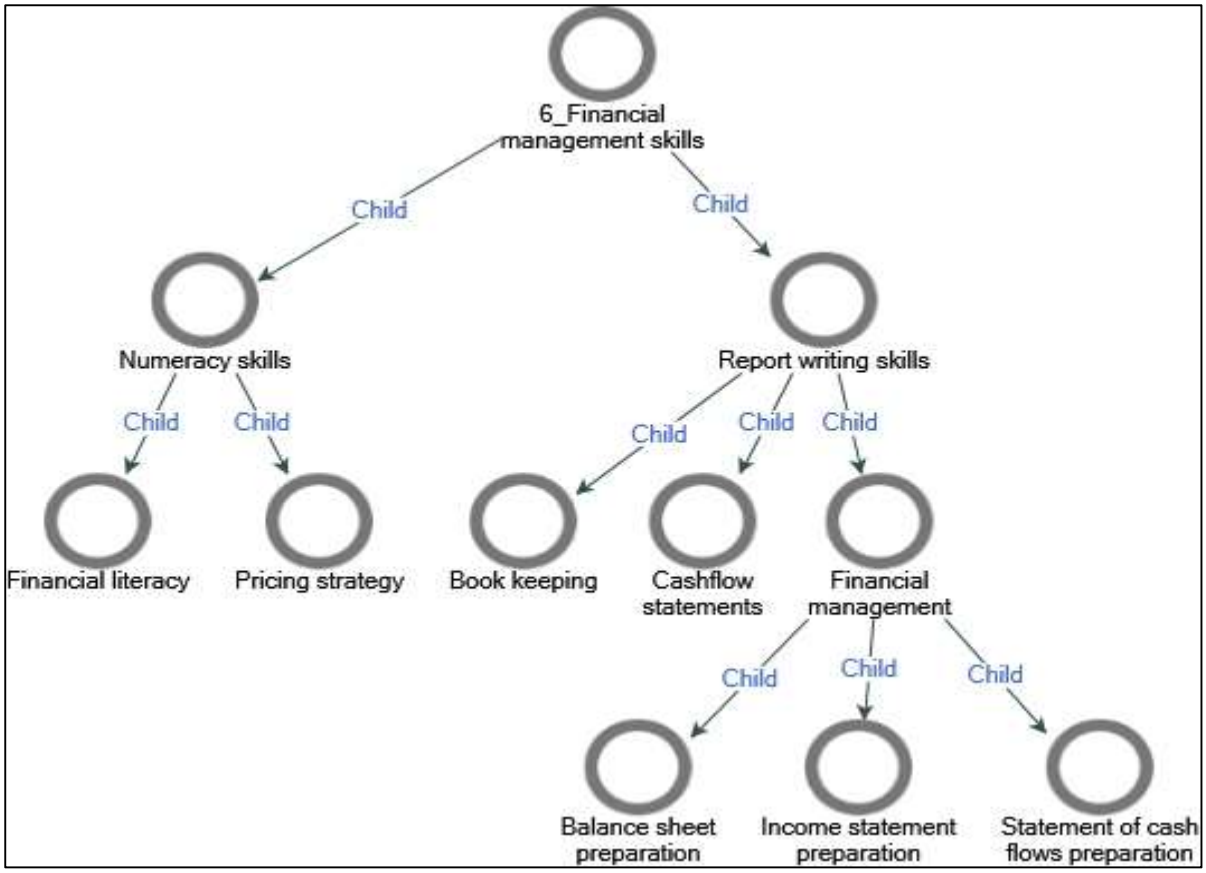
A significant number of manufacturing SMEs fail to take off due to prohibitive inspection fees for their premises. Participant 2 expounded:

"*Before we approve loans to these SMEs we ask them to have their products tested and their sites inspected by the City Council and Health and Safety authorities. Most of these SMEs cannot afford the testing and inspection fees because their loans will not have been approved. "*

In summary, the high acquisition costs for equipment and machinery are an impediment to the establishment of their businesses, coupled with a lack of land. It is also very difficult for these SMEs to acquire finance to purchase machinery and land, thus further disadvantaging them. The sites that they intend to operate from require prior inspection before they can get funding and inspectors must be paid for their service.

The specific financial management skills of SMEs

The sixth research question focused on obtaining the views of the sampled key government informants on how financial management skills impacted manufacturing SMEs in Botswana. To accomplish this, the participants were asked questions that solicited their views on how financial management skills impacted manufacturing SMEs in the country. The main themes and sub-themes which were extracted are shown in a project map in Figure 14.



Source: Primary data, 2023

Figure 14
Financial management skills

The views of key government informants on how financial management skills impact manufacturing SMEs resulted in the identification of two broad themes, which are numeracy-related skills and report-writing skills. Two sub-themes were extracted from the theme of numeracy-related skills, and they are financial literacy and pricing strategy. Three sub-these were extracted from the report writing skills theme, and they are bookkeeping, financial management statements, and cash flow statements.

Access to finance is closely associated with financial management skills. As a result, it was important to delineate the specific financial management skills that SME owners/managers require for them to have optimal readiness when seeking finance from government agencies and commercial banks. The most important financial management skills which were stated by key government skills as being important for manufacturing SME owners/managers in Botswana are financial literacy and pricing strategy skills.

Participant 5 asserted that:

"*Funding for manufacturing SMEs is available but the biggest challenge is financial literacy. Most entrepreneurs cannot compile convincing business proposals because they lack basic skills in bookkeeping, cashflow statements, etc.*"

The views of Participant 5 were reiterated by Participant 7:

"*We mostly return proposals from SMEs on the grounds of lack of financial skills. We refer some of them to institutions like LEA for guidance and some seek specialist consultants to assist them. In most cases, they are assisted and we approve their proposals and release funds when all other areas are also satisfied*."

In summary, the findings from the key government informants seem to suggest that most manufacturing SMEs lack skills like financial literacy and pricing strategy.

Specific managerial skills of SMEs

The views of key government informants on managerial skills that can be employed by manufacturing SME owners/managers to survive, grow, and achieve sustainable competitive advantage revealed three broad themes, which are business management skills, capacity development skills, and records management skills. Three sub-themes were extracted from the theme of business management skills, and they are basic literacy, entrepreneurial training, and risk management skills. Four sub-themes were extracted from the theme on capacity development skills, and they are capacity enhancement, capacity utilization, collaboration, and lack of experience. Lastly, two sub-themes were extracted from the records management skills, and they are business planning skills and records management skills.

The manufacturing SME owners/managers are expected to continuously improve the skills and competencies of their employees through capacity development. On capacity enhancement, Participant 5 commented:

"*We provide capability enhancement where we focus on product development and good manufacturing practices."*

Participant 6 explained:

"*SeveralSMEs have resources like manpower, equipment, and even funds but they fail to make productive use of these resources because they cannot do so. Institutions like LEA and CEDA can help with the training of these SMEs so that they have the skills to increase their capacity to utilise available resources."*

In summary, key government informants explained that SME owners/managers lack capacity development skills in the areas of capacity enhancement, capacity utilisation, collaboration and lack of experience. However, there exist organisationsthatattempt to ensure that SMEs improve their capacity development skills. Business management skills are general management skills that every SME owner/manager should possess. Possession of business management skills results in revenue generation and business growth. On the issue of training, Participant 1 highlighted that SME owners/managers lack entrepreneurial training and said:

"We help them with quality training so that they can prepare their goods for the export market."

Participant 5 concurred and expounded:

"*We are involved in business management and we have five courses that help entrepreneurs with capacity development*."

On risk management, Participant 5 remarked:

"*I do not know if SMEs can ensure adequately to mitigate against the risk of those fluctuations."*

In summary, the participants stated that SME owners/managers lack business management skills: basic literacy, entrepreneurial training, and risk management. However, there is a significant effort from LEA and private consultants on making effort to improve these skills.

CONCLUSION AND SUGGESTIONS

Governments across the globe have implemented strategies to help SMEs by implementing policies to promote entrepreneurship, accelerate economic development and diversification, create employment and improve the livelihoods of individuals

involved in entrepreneurship. An OECD (2017) study noted that established SMEs (2000 and beyond) have higher chances of embracing innovation than those that were established before 2000. The market that an SME is operating in also helps to determine the level of creativity and innovation. Ama and Okurut (2018) concluded that manufacturing SMEs are more innovative than those in agriculture because of the larger size of manufacturing SMEs. Evidence points to a strong link between managerial skills on the one hand and productivity and growth on the other. SMEs that innovate their internal processes benefit from cost reduction (less wastage and fewer employees).

For manufacturing SMEs to fully harness the benefits of creativity and innovation, they should have adequate resources which include finance, materials, human resources and access to skills development opportunities (Chikozero, 2017). Globalisation and technological changes have helped to open more avenues for manufacturing SMEs to gain a larger market share and increase export earnings. However, globalisation has brought about intense competition and this has affected manufacturing enterprises, especially in developing countries that have challenges with access to essential resources (OECD, 2017).

Ama and Okurut (2018) revealed that more than 93% of SMEs never received any assistance from Citizen Entrepreneurial Development Agency (CEDA) or the Botswana Innovation Hub in the form of knowledge sharing on innovation and effective ways to collaborate on innovation efforts. These problems imply that SMEs in Botswana continue to lag behind large companies in terms of innovation which also affects their ability to compete with large companies. Several scholars have studied the contribution of human capital at different stages of the business growth cycle and have commonly agreed that human capital demands are different at each stage of the business cycle (Wach, 2020). It is, therefore, imperative for SME owners/managers to strategically allocate appropriate human and non-human resources at different stages of the business cycle to ensure that firms survive and realise sustained growth (Pansiri&Yalala, 2017). There is also evidence to suggest that human capital invested at the earliest stage of the business has a positive contribution to subsequent stages of the business. However, as Ding and Murinde (2020) observed, the small size of firms forces SME owners/managers to focus on short-term strategies that produce revenue rather than invest in managerial skills that will help the business survive and become sustainable. Firms that do not invest in human resources at the earliest stage of growth have low survival rates and most fail to go beyond five years of growth.

There is abundant empirical evidence to support the notion that efficient utilisation of human capital yields higher firm performance in SMEs, including those in the manufacturing sector. A South African study by Eresia-Eke and Okerue (2020) on SMEs (manufacturing, service and retail) revealed that managerial skills and level of education of SME owners/managers are positively correlated with business performance.

Since the manufacturing sector has been designated a priority sector, there is a need for the Botswana government to preferably consider projects that require land in the sector. This can be through short-term and long-term subsidies for rentals. Manufacturing firms can also be encouraged to form consortiums to combine their financial resources and purchase machinery and equipment that they can share and realise growth and sustainability. The overlapping mandates of some government-sponsored agencies, especially in areas of mentoring, monitoring and control is a possible conflict of interest and duplication of effort. It would be desirable for one agency to focus only on training, mentoring and incubation of businesses, and the other agency focuses

only on proposal and loan approvals. This would improve the operational efficiency of the two most important organizations that deal with SMEs in Botswana by clearly separating their mandate.

REFERENCES

Abisuga-Oyekunle, O. A., Patra, S. K., & Muchie, M. (2020). SMEs in sustainable development: Their role in poverty reduction and employment generation in sub-Saharan Africa, African Journal of Science, Technology, Innovation and Development, 12(4), pp. 405-419.

Ama, N., O. & Okurut, F., N. (2018). *Micro, Small, and Medium-Sized Enterprises (MSMEs) and Open Collaborative Innovation in Botswana.* Working Paper 15, Open African Innovation Research (Open AIR)

Bosire, E. N., & Muturi, W. (2020). Government Entrepreneurial Intervention and Growth of Micro, Small and Medium Youth Enterprises in Kisii County, Kenya. *International Journal of Managerial Studies and Research (IJMSR),* 8(2), pp. 55-63. DOI: https://doi.org/10.20431/2349-0349.0812006

CEDA. (2020). *2019 Annual Report.* Gaborone: Botswana Government Printers.

Chaushi, B. A., & Imeri, R. (2021, October). *Managerial skills and performance of small and medium enterprises–evidence from survey data.* In 37th EBES Conference-Berlin Proceedings-Volume I (p. 102).

Chileshe, K. (2019). *Rural credit and agricultural productivity; does access to credit matter? evidence from smallholder maize farmers in Zambia* (Doctoral dissertation, University of Zambia).

Creswell, J. W. (2009). Mapping the field of mixed methods research, *Journal of mixed methods research,* 3(2), pp. 95-108. https://doi.org/10.1177/1558689808330883

Ding, X. & Murinde, V., (2010). Simultaneous financial decision-making: evidence from UK firms. *Strategic Change,* 19(1-2), pp.45-56.

Domeher, D., Abdulai, R., & Yeboah, E. (2019). Secure property right as a determinant of SMEs access to formal credit in Ghana: dynamics between Micro-finance institutions and universal banks, *Journal of Property Research,* 33(2), pp. 162-188. DOI: https://doi.org/10.1080/09599916.2016.1160948

Eldesouky, R., El Gazzar, S., & Waseem, M. (2023). Investigating the macroeconomic and firm specific determinants of the growth and survival of SMEs: an empirical study of the Egyptian listed SMEs. *The Academic Journal of Contemporary Commercial Research,* 3(1), pp. 24-41. DOI: https://dx.doi.org/10.21608/ajccr.2023.293121

Eresia-Eke, C. & Okerue, C., (2020). Owner-manager human capital and business coping ability in African immigrant small businesses in Southern Africa. *Development Southern Africa,* 37(2), pp.348-361.

Folajinmi, A.F. & Peter, A.O., (2020). Financial management practices and performance of small and medium scale poultry industry in Ogun State, Nigeria, *Journal of Finance and Accounting,* 8(2), p. 90. DOI: https://doi.org/10.11648/j.jfa.20200802.15

Guruwo P., T. (2020). Lack of full market potential exploitation by SMMEs in Botswana, *European Journal of Business and Management,* 10 (202), pp. 108-112. https://www.statsbots.org.bw/sites/default/files/publications/South%20East%20District Population%20and%20Housing%20Census%202011%20Selected%20Indicators.pdf. [Date accessed: 30 May 2021].

Hussain, A. & Andronicieum, M. (2022). E-commerce and SME performance: The moderating influence of entrepreneurial competencies. *Administrative Sciences*, 12(1), 13.

Karedza, G. & Govender, K.., K., (2020). The Impact of Organizational Capabilities on SMEs Export Performance: Application of the Resource Based View Theory. *International Journal of Entrepreneurial Research,* 3(3), pp. 68-75. DOI: http://dx.doi.org/10.31580/ijer.v3i3.1543

Kubanji, T. T., Biza-Khupe, S., & Mapharing, M. (2021). *The causality relationship between the financial sector profitability and the Botswana economy.* In the 5th international conference on business innovation and growth (2019) proceedings & book of abstracts (p. 330).

Leech, N. L., & Onwuegbuzie, A. J. (2008). A Typology of Mixed Methods Research Designs. *Quality & Quantity*, 43, 265-275. https://doi.org/10.1007/s11135-007-9105-3

Mafoko, L. (2019). Assessing Factors Affecting the Performance of Youth Owned Manufacturing SMEs. A case of Kweneng District Council, *The International Journal of Multi-Disciplinary Research,* 1 (1), pp. 1-33.

Majama, N.S. & Magang, T, .I., T. (2017). Strategic planning in small and medium enterprises (SMEs): A case study of Botswana SMEs. *Journal of Management and Strategy,* 8(1), pp.74-103.

Mashavira, N., Guvuriro, S. & Chipunza, C., (2022). Driving SMEs' Performance in South Africa: Investigating the Role of Performance Appraisal Practices and Managerial Competencies. *Journal of Risk and Financial Management,* 15(7), p. 283. DOI: http://dx.doi.org/10.3390/jrfm15070283

Matsongoni, H. & Mutambara, E., (2021). Assessing the role of informal manufacturing SMEs and the effectiveness of government economic programmes to enhance their performance in Zimbabwe. *International Journal of Entrepreneurship,* 25, pp.1-12.

Maziriri, E.T. & Chivandi, A., (2020). Modelling key predictors that stimulate the entrepreneurial performance of small and medium-sized enterprises (SMEs) and poverty reduction: Perspectives from SME managers in an emerging economy. *ActaCommercii,* 20(1), pp.1-15.

Mbogo, M., & David, C. (2021). Effect of budgeting practices on financial performance of manufacturing small and medium enterprises in Nairobi County, Kenya. *Journal of Language, Technology & Entrepreneurship in Africa,* 12(1), pp. 84-110. https://doi.org/10.4314/JOLTE.V12I1

Mokwana, R. M. (2021). *Exploring the sustainability of SMEs in the textile and clothing industry to create employment in South Africa* (Doctoral dissertation, North-West University, South Africa).

Molefe, G. (2020). *Factors hindering export performance in Botswana: a focus on SMMEs*, pp. 1-155. (Doctoral dissertation University of Witwatersrand, Johannesburg, South Africa).

Molefi, B. M. (2021). *Barriers of establishing profitable and sustainable pharmaceutical manufacturing firms in Botswana* (Doctoral dissertation, University of Botswana).

Monyake, J.M. & Kuruba, G. (2020). Challenges of Managing Growing Small & Medium Businesses (SMES) In Botswana, *International Journal of Innovative Science, Engineering & Technology*, 8(2), pp. 12 - 30.

Monyake, J.M., Kuruba, G., Setibi, G., Mmereki, R., Boy, R. & Ditshweu, T., (2020). Entrepreneurship development as a strategic tool for poverty alleviation: Lessons for Botswana. *International Journal of Management (IJM*), 11(10), pp. 320-331. DOI: https://iaeme.com/Home/article_id/10.34218/IJM.11.10.2020.190

Mpofu, O., & Sibindi, A. B. (2022). Informal finance: A boon or bane for African SMEs? *Journal of Risk and Financial Management,* 15(6), p. 270. DOI: https://doi.org/10.3390/jrfm15060270

Nautwima, J., P., & Asa, R., A, (2022). The Impact of Quality Service on Customer Satisfaction in the Banking Sector amidst Covid-19 Pandemic: A Literature Review for the State of Current Knowledge, *International Journal of Management Science and Business Administration,* Inovatus Services Ltd., vol. 8(3), pages 31-38, March.

Ngibe, M. & Lekhanya, L. M. (2020). Environmental factors affecting innovative leadership towards sustainable growth of manufacturing small and medium enterprises, *Journal of Contemporary Management,* 17(2), pp. 1-14. DOI: https://doi.org/10.35683/jcm1910E.97

Njanike, K., (2019). The factors influencing SMEs growth in Africa: A case of SMEs in Zimbabwe. In Regional Development in Africa. *IntechOpen*, 493), pp. 1 - 23. DOI: 10.5772/intechopen.87192

OECD (2017). *Enhancing Productivity in SMEs: Interim Report,* OECD Working Party on SMEs and Entrepreneurship. New York: OECD.

Onwe, J. C., Agada, E. E., Onwe, O. C., Williams, O., & Ogba, R. C. (2024). Factors influencing business and entrepreneurial survival in Africa: A systematic review, *African Journal of Economics and Sustainable Development*, 7(2), pp. 101-113. DOI: 10.52589/AJESDKRB0EP

Pansiri, J. & Yalala, A.T., (2017). *The evolution of entrepreneurship and small-to-medium business development in Botswana. Botswana Journal of Business,* 10(1), pp.53-82.

Saunders, M., N., K., Lewis, P. & Thornhill, A. (2019). *Research Methods for Business Students.* 8th Edition, Pearson, New York.

Statistics Botswana (2015). *South East District: Population and Housing Census Selected Indicators 2011.* [Online]. Available from:

Svotwa, T. D., Jaiyeoba, O., Roberts-Lombard, M., & Makanyeza, C. (2022). Perceived access to finance, entrepreneurial self-efficacy, attitude toward entrepreneurship, entrepreneurial ability, and entrepreneurial intentions: A Botswana youth perspective. *Sage Open,* 12(2), pp. 1-19. DOI: http://dx.doi.org/10.1177/21582440221096437

Tebetso, T. T. (2021). Integrating Human Resource Development and Knowledge Management for Sustainable Botswana Public sector Performance, *Revue Européenne du Droit Social,* (4 (53), pp. 105-120. http://dx.doi.org/10.53373/REDS.2021.53.4.044

Wach, K., (2020). A typology of small business growth modelling: a critical literature review. *Entrepreneurial Business and Economics Review*, 8(1), pp.159-184.