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SMME ATTITUDES TOWARDS FINANCIAL BOOTSTRAPPING: A PERSPECTIVE FROM A DEVELOPING ECONOMY

Abstract:

The national and international literature and research on SMMEs has been developed very strongly in the last decade. There have been many successful attempts on the part of many researchers and scholars to unpack new and innovative dimensions of SMMEs' operations, behaviour, attitudes, functions and other dynamics that boost, sustain or impede their growth and development. There is, however, a gap in research, regarding a very distinct practice within SMMEs in developing economies, that of bootstrapping. This study, therefore, used a sample chosen on a non-probability basis using convenience sampling of small business owners within the eThekweni Municipality, KwaZulu-Natal, South Africa. 83 participants completed the questionnaire. The study found that the practice of financial bootstrapping was very high amongst the investigated SMMEs. The use of financial bootstrapping within SMMEs is coincidental. The majority of the respondents indicated that they did not undergo any formal training on the use of financial bootstrapping methods.

Keywords:

Developing Economy, Financial Bootstrapping, SMMEs

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