

## **The Impact of Firm and Entrepreneur's Characteristics on Networking by SMEs in South Africa**

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**ABSTRACT** The economic significance of SMEs in employment creation, poverty alleviation and income redistribution in South Africa is well documented in literature. However, SMEs suffer from a very high failure rate and weak performance. One factor improving SME performance is networking. The study investigates the impact of entrepreneurs and firm characteristics on networking of SMEs in South Africa. Self-administered questionnaires were used to collect data in a survey. Statistical analysis included descriptive statistics and regression analysis. Results indicate that some entrepreneurs' and firm characteristics impact positively on networking by SMEs.