

Analysis of Predictors of Sustained Growth and Incubation of SMMEs in Gauteng Province, South Africa

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ABSTRACT The paper is based on research carried out in Tshwane, Gauteng Province in South Africa in order to determine key barriers to profitability in startup Small, Micro and Medium-Sized business enterprises (SMMEs) based on data collected from a random sample of 401 SMMEs over a five-year period of study. The study found that the pace of incubation as well as the degree of survival and viability in start-up SMMEs was hampered by lack of mentorship programs, low level of entrepreneurial and vocational skills, lack of monitoring and evaluation programs, and difficulty in securing finance needed for routine operation by startup SMMEs. At the end of the survey, fifty-four percent of SMMEs were not financially viable. The most influential predictors of failure were inadequate expertise in conducting business, the absence or acute shortage of supervision, and inadequate vocational expertise and knowhow.