



Exploring the impact of government skills development programmes on SMMEs' success in the Education, Training and Development sector in Gauteng

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Mini-dissertation accepted in fulfilment of the requirements for
the degree *Master of Business Administration* at the North-
West University

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Graduation: May 2026

ABSTRACT

This study examines the effect of government skills development programs on the growth and sustainability of Small, Medium, and Micro Enterprises (SMMEs) operating within the Education, Training, and Development (ETD) sector in Gauteng, South Africa. Recognising the pivotal role SMMEs play in job creation, economic diversification, and poverty alleviation, this research addresses persistent challenges, including skills shortages, limited access to finance, and inadequate support interventions.

The study adopts an interpretive qualitative paradigm, employing semi-structured interviews to gather rich stakeholder perceptions from SMME owners. The theoretical framework integrates Human Capital Theory, the Resource-Based View, Stakeholder Theory, and Adult Learning Theory to assess how government programmes influence entrepreneurial competencies and operational sustainability.

The study highlights the critical importance of skills development programmes, enacted through Sector Education and Training Authorities and other government agencies, in equipping SMMEs with essential skills to improve competitiveness and innovation. However, it also uncovers gaps concerning programme accessibility, alignment with industry needs, and evidence of long-term effectiveness. Challenges, including financial constraints, infrastructural deficiencies, and market access limitations, are identified as persistent barriers to sustainability.

The study aims to provide empirical insights into the effectiveness of government interventions, informing policymakers and programme implementers on how to tailor skills development initiatives to meet the specific needs of ETD-sector SMMEs in Gauteng. By bridging theoretical constructs and practical experience, the research aims to advance knowledge of sustainable SMME development.

Keywords: Education, Growth, Small, Medium and Micro Enterprises (SMMEs), Skills Development Programmes, Sustainability, Training and Development Sector.

ACKNOWLEDGMENTS

First and foremost, I thank God Almighty, who is my pillar of strength, guidance, and source of wisdom throughout this journey. As **Philippians 4:13** reminds us, "I can do all things through Christ who strengthens me." Without His grace, this achievement would not have been possible.

I extend my deepest gratitude to my supervisor, Prof Stephen Van Der Merwe, for the invaluable academic guidance, patience, and encouragement during the conception and completion of this dissertation. Your expertise and support have been instrumental.

To my partner and the father of my children, Bab' Mshengu-Donga, thank you for your unwavering love, encouragement, and understanding throughout the demands of this MBA journey. To my children, Ntsako, Khensani, and Rhulani, your continuous support, patience, and motivation have been a constant source of inspiration. I dedicate this work to you, hoping to inspire the belief that everything is possible and that education is the key to unlocking all doors. Believe in yourselves, pursue your dreams boldly, and never underestimate the power of knowledge.

I am profoundly grateful to my late parents for instilling in me the value of education and perseverance. I especially honour my grandmother, whose influence shaped my commitment to learning and growth.

To my brothers, Sipho and James, your faith in me, even during moments when I doubted myself, gave me the strength to persist. Thank you for always believing.

Finally, I sincerely appreciate the participants of this study who generously shared their insights and sacrificed their time to contribute to this research. Your input enriched this work and made it possible.

To all mentioned and beyond, I offer my heartfelt thanks for your steadfast support and encouragement. This accomplishment is shared with you.

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LIST OF ABBREVIATIONS

AET:	Adult Education and Training
ECD:	Early Childhood Development
ETD:	Education, Training and Development
ETDP SETA:	Education, Training and Development Practices Sector
DSBD:	Department of Small Business Development
FET:	Further Education and Training
GDP:	Gross Domestic Product
GEP:	Gauteng Enterprise Propeller
NDP:	National Development Plan
NSDS:	National Skills Development Strategy
NQF:	National Qualification Framework
NISED Strategic Framework:	National Integrated Small Enterprise Development Strategic Framework
NWU:	North-West University
NYDA:	National Youth Development Agency
POPIA:	Protection of Personal Information Act
SEDA:	Small Enterprise Development Agency
SEFA:	Small Enterprise Finance Agency
SETA:	Sector Education Training Authority
SMEs:	Small and Medium Enterprises
SMMEs:	Small, Medium and Micro Enterprises

CHAPTER 1 : NATURE AND SCOPE OF THE STUDY

1.1 Introduction

The South African economy is faced with a high unemployment rate, especially among young people and inflation and persistent poverty are among the challenges it faces. SMMEs play a vital and irreplaceable role in driving the economic growth and development in the nation. Recognised as the backbone of the economy, these enterprises make meaningful contributions to job creation, innovation, and overall economic advancement (Bizcash, 2023).

Bruwer and Van Den Berg (2017:4) state that SMMEs in South Africa fail within three years of operation. They continue to say that many factors cause failures, but the significant factor is the lack of sustainability. In South Africa, SMMEs contribute significantly to the Gross Domestic Product (GDP) and employment, facing numerous challenges, including limited access to finance, markets, and skills (Fatoki, 2014:924). SMMEs have a significant impact on the economies of many countries, especially developing countries (Fatoki, 2014:923). SMMEs are dominating the business sector worldwide, and as a result, they are contributing significantly to creating jobs and driving economic activity globally (Fatoki, 2014:923). According to the World Bank (2019), they constitute 90% of businesses worldwide and create more than half of global employment.

SMMEs play a significant role in all sectors of the economy, and the sector of ETD is no exception. Even the SMMEs in this sector face obstacles to growth and sustainability due to limited training and skills gaps (ETDP SETA, 2021). The Sector Education and Training Authorities are implementing various skills development programmes to fast-track the skills gap challenges (ETDP SETA, 2021).

According to the National Planning Commission (2012), these programmes aim to enhance the competitiveness, innovation, and sustainability of the SMMEs. However, the effectiveness of these programmes in achieving their intended outcomes remains a subject of debate. While some stakeholders perceive these initiatives as beneficial, others criticise them as inaccessible, misaligned with industry needs, or poorly implemented (Mothibi & Malebane, 2019:47).

The impact of government skills programmes on the growth and sustainability of ETD SMMEs was examined by exploring the perception of stakeholders in this sector. The research aimed to provide valuable insights into the strengths and weaknesses of the currently implemented development programmes and propose recommendations to improve their effectiveness.

1.2 Background of the study

The South African government has prioritised skills development as a key strategy for addressing unemployment, inequality, and poverty, as outlined in the NDP 2030 (National Planning Commission, 2012). The NDP emphasises equipping individuals and businesses with relevant skills to foster economic growth and social development. In alignment with NDP, the government has established the NSDS and the SETAs to fulfil its vision of skills development in the country (Akoojee & McGrath, 2007:429).

ETDP SETA is a major player in skills development, specifically in the ETD sector. It is entrusted with providing funding for skills development, facilitating training programmes, and ensuring that these programmes align with the industry's needs (ETDP SETA, 2021). For SMMEs in the ETD sector, these programmes offer opportunities to improve their workforce, improve service delivery, and enhance their competitiveness. Subsequently, the sector faces unique challenges, such as the need for digital literacy, curriculum development expertise, and entrepreneurial skills, which existing programmes do not adequately address (Cloete, 2016:49). Gauteng, as a province plays a strategic role in the country economically, hosting the majority of the SMMEs in the ETD sector. SMMEs are significant in providing essential training services to the poor communities (Gauteng Provincial Government, 2020). Consequently, their full potential is hindered by the lack of resources, limited access to markets, and scarcity of skill development opportunities (Gauteng Provincial Government, 2020).

Various government skills programmes are implemented by organisations such as the GEP, SEDA, SEFA, and NYDA, among others, which have been introduced to support SMMEs in the province. Although these initiatives have shown promise, their impact on the growth and sustainability of ETD SMMEs remains under-researched (Mothibi & Malebane, 2019:927). Against this backdrop, this study aims to investigate the

perceptions of stakeholders about the impact of government skills programmes on ETDP SMMEs in Gauteng. By exploring these perceptions, the research will contribute to a deeper understanding of the effectiveness of these programmes and identify areas for improvement.

1.3 Definitions of terms

The following section provides definitions to clarify some of the essential concepts used in this study.

1.3.1 Small, Medium, and Micro Enterprises (SMMEs)

SMMEs according to the Small Business Act No. 102 of 1996 in South Africa, Section 1 of the National Small Business Act of 1996, as amended by the National Small Business Amendment Acts of 2003 and 2004 officially defines a small business as: *“a separate and distinct business entity, including co-operative enterprises and non-governmental organisations, managed by one owner or more which, including its branches or subsidiaries, if any, is predominantly carried on in any sector or sub-sector of the economy mentioned in the first column of the table”* (National Small Business Amendment Acts of 2003 and 2004).

According to the South African National Small Business Amendment Act (2004), SMMEs are categorised into small, medium and micro-enterprises as defined in the National Small Business Act, 1996, as amended in 2003 and 2004.

Table 1-1: The classification of SMMEs

Enterprise Size	Number of Employees
Medium	51- 250
Small	11- 50
Micro	0-10

(Source: Author)

1.3.2 Skills Development Programmes

Skills development programmes in South Africa are occupationally directed learning initiatives, designed to enhance workforce skills by providing focused training that aligns with specific economic needs (Quality Council for Trades and Occupations ,2025). These programmes are composed of a cluster of unit standards, which are components of a larger qualification, registered with the NQF according to the Mining Qualifications Authority (2021:1). According to the Quality Council for Trades and Occupations (2025), skills programmes are occupationally directed, and they focus on practical, simulation, and/or work experience.

1.3.3 Education, Training, and Development (ETD) Sector

According to Nhlabathi (2016:3), the ETD sector comprises of organisations that form part of the following constituencies: ABET training providers, ECD, FET and NPOs in education. This study will focus on privately owned organisations that form part of this sector, especially the SMMEs, such as the private training providers.

1.3.4 Growth

Xesha *et al.* (2014:38) define SMME growth as the realisation of worthy intentions by the business. These intentions might include increased profits, increased assets, expansion, and all other factors signalling the growth and development of the business (Xesha *et al.*, 2014:38). SMME growth should be evident through the creation of employment, making profits to remain sustainable (Bhorat, 2018:5). Sen *et al.* (2016:164) identified innovation and technology as strategic priorities and important growth drivers for the SMME sector.

1.3.5 Sustainability

As Wilkinson *et al.* (2017:1492) articulated, sustainability is about satisfying the needs of the present without compromising the possibility of satisfying the needs of future generations. Sustainability stresses the importance of reducing harm to the environment, advocating for responsible resource management for long-term economic activity viability (Wilkinson *et al.*, 2017:1492).

1.4 Problem statement

SMMEs are crucial in generating revenue and increasing the GDP, eliminating poverty, and boosting economic growth in the country (Mutoko & Wilbert, 2017:1) It might be argued that while the government has made significant efforts to establish various institutions to support the growth of SMMEs, there is still a need to customise these programmes to better align with the specific needs of SMMEs (Kelly *et al.*, 2022:71). SMMEs in education are critical in delivering quality education and training services, particularly in underserved communities. The challenges of resources, limited training opportunities, and limited access to markets have been identified as the stumbling block in their success (Fatoki, 2014:924; ETDP SETA, 2021). The SETAs have been tasked with closing the skills gaps in different sectors, equipping the SMMEs with the required skills to improve their competitiveness and innovation (National Planning Commission 2012).

It is uncertain whether the skills development programmes are effective in achieving their intended outcomes. While some stakeholders perceive these initiatives as beneficial, others criticise them for being inaccessible, misaligned with industry needs, or poorly implemented (Mothibi & Malebane, 2019:925). The effectiveness of these initiatives in addressing the needs of the SMMEs in ETD remains uncertain (Gauteng Provincial Government 2020).

Therefore, this study aims to address this gap by examining stakeholder perceptions of the impact of government skills programmes, providing evidence-based recommendations for enhancing the effectiveness of government skills programmes.

1.5 Objectives of the study

1.5.1 Primary objective

The primary objective of this study is to explore stakeholders' perceptions about the impact of government skills programmes on the growth and sustainability of ETD SMMEs in Gauteng

1.5.2 Secondary objectives

The secondary objectives of this study are:

- To explore and synthesise existing theories, models, and frameworks related to skills development, SMME growth, and sustainability.
- To examine the specific skills gaps faced by ETD SMMEs in Gauteng.
- To assess the accessibility and relevance of government skills programmes for ETD SMMEs.
- To evaluate the long-term impact of these programmes on the sustainability of ETD SMMEs.
- To offer recommendations for improving the effectiveness of government skills programmes.

Based on stakeholder perceptions and empirical findings, the recommendations will focus on enhancing programme design, implementation, and alignment with the unique needs of ETD SMMEs to ensure their long-term growth and sustainability.

1.6 Scope of the Study

1.6.1 Field of study

This study falls under the entrepreneurial and skills development landscape. It focuses on investigating the role of skills development programmes on the success of SMMEs in the sector of ETD. The study investigates the relationship between skills development, SMME growth, and sustainability through the lens of the stakeholders in the sector.

1.6.2 Industries under investigation

The primary sector that will be explored is the ETD sector, which includes a wide range of activities related to education, training, and development, such as the following:

- Skills Development Providers: Also known as the training providers who offer accredited and non-accredited training.
- ECD centres: They are the providers of foundational education to children under the age of 6 years.
- Adult education and training providers: These institutions only focus on adult learning.
- Skills development facilitators: Responsible for managing the skills development for their organisations.

The study focuses specifically on SMMEs and the above-mentioned organisations.

1.6.3 Geographical demarcation

Geographically, the study focuses on Gauteng Province. Gauteng was strategically targeted as it is the economic engine of the country and houses many enterprises, making it an ideal location for this research (Gauteng Provincial Government 2020). According to Gauteng Provincial Government (2020), Gauteng has a high number of private training providers, ECD centres, and skills development facilitators, many of which are beneficiaries of government skills programmes such as those facilitated by the ETDP SETA and others.

The study will focus on three of the provinces' metropolitan municipalities, namely:

- City of Johannesburg
- City of Tshwane
- City of Ekurhuleni

The study aimed to provide insights relevant to the ETD sector while contributing to the broader discussion on skills development and SMME sustainability.

1.7 Research design and methodology

1.7.1 Literature review

The literature review in the study provided a theoretical and empirical foundation for understanding the impact of government skills programmes on the growth and sustainability of ETD SMMEs in Gauteng. The existing knowledge, identified gaps, and the justification of the study were all contextualised in the literature review. The literature review focused on the following: (1) the role of skills development programmes on SMMEs' success in the ETD sector, (2) challenges facing the SMMEs in the sector, and (3) perceptions of skills programmes.

The literature for this study will be sourced from a variety of credible and peer-reviewed sources, including:

- Peer-reviewed articles from reputable journals
- Academic Books

- Publications of the Government.
- Institutional Reports
- Theses and Dissertations
- Online Databases such as Google Scholar, JSTOR, and EBSCOhost will be used to access a wide range of academic and grey literature.

1.7.2 Research paradigm

Terrell (2016:68) describes the research paradigm as the research “*lens*”, noting that individuals may perceive things differently depending on the circumstance. The choice of a research paradigm is crucial, as it reflects the fundamental beliefs about the nature of the world. These beliefs form the foundation for the research strategy and the methodologies employed within that approach (Saunders et al., 2009:118).

Bryman *et al.* (2021:37) identified four paradigms that can be used as a study framework, which consist of functionalist, interpretative, radical humanist, and radical structural. The foundation of functionalism is an approach to problem-solving that produces logical justifications (Bryman *et al.*, 2021:37).

Understanding the phenomena via the experiences of people who are involved with or directly affected by it, is the main goal of interpretative analysis (Bryman *et al.*, 2021:37). Radical humanists consider research as being driven by the urge for change and perceive the phenomenon as a social arrangement where people need to be freed (Bryman *et al.*, 2021:37). According to the radical structuralist worldview, there are fundamental tensions in society (Bryman *et al.*, 2021:37).

This study will adopt an interpretive paradigm due to the nature of the study's objectives. Interpretivism, also known as interpretivism, requires the researcher to interpret elements of the study, thus interpretivism integrates human interest into a study (Alharahsheh, 2020:41). Subsequently, interpretive researchers assume that access to reality (given or socially constructed) is only through social constructions such as language, consciousness, shared meanings, and instruments (Alharahsheh, 2020:41). Interpretivism is associated with the philosophical position of idealism and is used to group diverse approaches (Bryman *et al.*, 2021:34). The interpretive approach is based on a naturalistic approach in data collection, such as interviews and observations (Bryman, 2021:34). The interpretive paradigm is grounded in

phenomenology, which is the philosophical tradition that seeks to understand the world through the direct experiences and interpretation of the lived phenomena (Bryman *et al.*, 2021:34).

The paradigm choice implies whether the researcher will employ a qualitative or quantitative strategy (Bryman *et al.*, 2021:37).

1.7.3 Research approach

Quantitative and qualitative research are the two primary research methodologies highlighted by Bryman *et al.* (2021:48). The quantitative approach concentrates on producing numerical data that is analysed to find trends and patterns. In contrast, qualitative research employs themes rather than numbers to understand attitudes, motivations, opinions, and responses to questions (Bryman *et al.*, 2021:48).

An inductive approach will be employed in this study, aligning with the qualitative research approach outlined above. With an inductive approach to inquiry, the theory is generated from the research (Bryman *et al.*, 2021:58). Inductive reasoning is often referred to as a bottom-up approach to knowing, in which the researcher uses observations and views to build an abstract or describe a picture of the phenomenon that is being studied (Lodico *et al.*, 2010:10).

An inductive inquiry into this study is motivated by the fact that data will be collected directly from the SMME owners before the theory is generated, as confirmed by Creswell (2018:125).

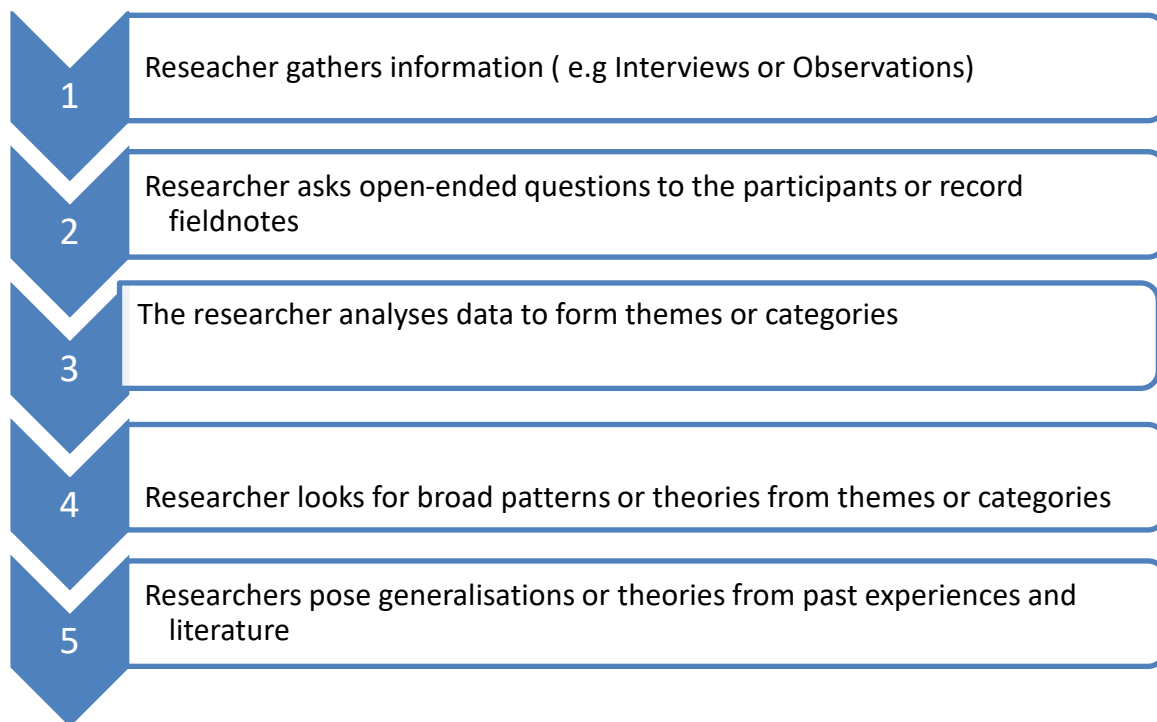


Figure 1-1: The Inductive approach of research in a Qualitative Study (Source: Author)

1.7.4 Methodological choice

The procedures and methods for conducting research are collectively referred to as research methodology (Bryman *et al.*, 2021:38). Research methodology examines and clarifies the reasoning behind the procedures and methods used in the study (Welman *et al.*, 2007:2). The research approach for this study will be qualitative. Creswell 2023:3 describes the research approach as the research plans and procedures that span the steps from broad assumptions to detailed data collection, analysis, and interpretation methods. Qualitative research can range from a short list of responses to open-ended questions in an online questionnaire to more complex data such as transcripts of in-depth interviews or entire policy documents (Saunders *et al.*, 2009:327).

Qualitative research is an approach to explore and understand the meaning individuals or groups assign to a social or human problem (Creswell, 2018:52). This research process involves developing questions and procedures, with data typically collected from the participant's setting. The data analysis, subsequently built inductively from the particulars to general themes, which is interpreted by the researcher to make meaning from the data (Creswell, 2018:51). Qualitative research aims to explore and discover

issues about the problem and uncertainty about dimensions and characteristics of the phenomena (Domegan & Fleming, 2007:24).

The motivation for using a qualitative research design in this study is to gain an in-depth understanding of the SMME owners' perspectives and opinions about the skills development interventions on the growth and sustainability of the SMMEs in the ETD Sector. Bryman *et al.* (2021:58) confirm that qualitative research tends to emphasise words rather than numbers and emphasise how people interpret their views.

1.7.5 Research strategy

This study used semi-structured interviews, which allowed the interviewer to prepare questions that can be asked directly to certain participants in person (Bryman *et al.*, 2021:270). The ability of semi-structured interviews to explore the participants' perceptions makes it a suitable data collection method for this study. These interviews were conducted either in person or via technology.

The interviews thoroughly explored the complex phenomena by allowing participants to share their perspectives and experiences. Semi-structured interviews were used as a qualitative methodology, enabling researchers to modify their questions in response to new information (Bryman *et al.*, 2021:270). This enabled the exploration of how participants perceive the impact of skills programmes on the growth and sustainability of SMMEs in the ETD sector.

1.7.6 Time horizon

Saunders *et al.* (2009:155) state that the temporal horizon establishes the duration of the research project. Two timeframes are normally used in the data collection period they are the cross-sectional, also known as the short-term study, and the longitudinal time frame identified in the Saunders' research onion (Melnikovas, 2018:34).

This study will use a cross-sectional time horizon as the study aimed to understand the perceptions of skills development initiatives on the growth and sustainability of SMMEs in the ETD Sector in Gauteng who operated their organisations for the past five years from 2020-2025. The collection of data was done through interviews because the interview could be conducted once and was less expensive as indicated by Wang (2020:67).

1.7.7 Study population and sampling

Population and sampling

Population

The research population is a predefined collection of units in the universe from which the sample will be drawn (Bryman *et al.*, 2021:210). The target population for this study was the owners and representatives of SMMEs operating within the ETD Sector. The population for this study focused on small to medium businesses that are in the sector of education, training, and development, based in Gauteng, and that have been operating their businesses for more than three years.

Sample

The study sample is a subset of the population chosen for specific research and is representative of the total population for the study. Sampling is a vital research stage as it requires making important decisions (Bryman *et al.*, 2021:209). The main reasons for the use of a sample in this study are confirmed by Brayman *et al.* (2021:212) and indicated below: the cost will be lower; the quality and accuracy of the results will be improved as more in-depth interviewing and better supervision of the process; the time will be reduced between the identification of the need for information and the collection of the data.

Sampling frame

The sampling frame is a list of all the units in the population from which the sample will be drawn (Bryman *et al.*, 2021:210). In this study, the sampling frame was the training providers who are based in Gauteng and have been operating their businesses for more than three years.

Inclusion criteria

The inclusion criteria comprise the characteristics or attributes that prospective research participants must have to be included in the study (Saunders & Thornhill, 2009:93). Common inclusion criteria include demographic, clinical, or geographic factors (Patino *et al.*, 2018:84).

For this study, the following inclusion criteria have been identified:

- SMMEs in the ETD Sector that are operating in Gauteng
- For-profit and not-for-profit enterprises
- Must be willing to participate
- Be in operation for more than 3 years
- The SMME owners should be older than 18 years

Exclusion criteria

Exclusion criteria comprise of characteristics used to identify potential research participants who should be excluded from a study (Saunders & Thornhill, 2009:93). These can also include those that lead to participants withdrawing from a research study after being initially included (Patino *et al.*, 2018:84).

For this study, the exclusion criteria will be as follows:

- SMMEs operating in the ETD Sector that are not registered.
- SMMEs that are not implementing skills and development interventions.
- People or enterprises that cannot participate in the study due to various reasons, including scheduling conflicts.

Sample size

A sample is a controlled and streamlined representation of a larger group. People in this subgroup share characteristics with the general population (Creswell, 2018:242). According to Bryman *et al.* (2021:230), when employing the grounded theory approach, theoretical considerations guide the participants in the research. Therefore, it can be challenging to determine the number of people to be interviewed at the outset of the research (Bryman *et al.*, 2021:230). According to Bryman *et al.* (2021:230), there is no need to specify the minimum and maximum sample sizes because the sample sizes depend on when saturation is achieved, and no new theoretical insights are gained. Sample size in qualitative research is determined by the point at which saturation is achieved (Bryman *et al.*, 2021:231).

Sampling method

This study will employ the non-probability sampling method called purposive sampling. According to Bryman *et al.* (2021:224), purposive sampling is a non-probability form where the researcher cannot generalise the results to a population. The researcher will

not sample participants randomly but will purposefully select those relevant to the research question. The Research Head of the ETDP SETA will email the prospective participants to explain the proposed study and get their consent to be contacted by the researcher. The sampling method is a judgmental sample (convenience sample). The purpose of the ETDP SETA's involvement is to identify initial participants, which will be followed by snowball sampling until data saturation is achieved.

For this study, the aim is to have a research sample size of between 10 and 15 participants. Interviews will be conducted until data saturation is reached or when gathering new data no longer yields new insights or reveals new properties.

1.7.8 Designing the measuring instrument

The chosen instrument will provide a standardised evaluation mechanism and assist in improving the clarity of the research questions (Scott, 1995:43). The instrument was carefully constructed to ensure clarity, validity, and comprehensibility, avoiding sensitive questions to reduce potential risks and ethical concerns (Kimberlin & Winterstein, 2008:2276).

The instrument used consisted of semi-structured interview questions to understand perceptions about the skills development initiatives that government development organisations offer, influencing the growth and sustainability of SMMEs in the ETD Sectors. Refer to the interview schedule.

A semi-structured interview schedule included a list of themes and questions which were asked of the participants (Saunders *et al.*, 2009:351). The semi-structured interviews assisted the researcher in gathering data that often requires qualitative analysis (Saunders *et al.*, 2009: 251).

1.7.9 Recruitment strategy

Recruitment of participants in a research project can be challenging, and selecting participants appropriately is essential for accurately representing the population of interest. However, poor recruitment remains a significant drawback for many studies (Patel *et al.*, 2003:229). Recruitment can be defined as a “dialogue between an investigator and a potential participant before the initiation of the consent process (Patel *et al.*, 2003:229). The recruitment process involves identifying, targeting, and

enlisting potential participants, providing information to potential participants, and establishing their interest in the proposed study (Patel *et al.*, 2003:230).

The participants were contacted via personal emails to arrange a convenient time for the interviews, and the interviews were conducted at the business premises. During the interview, the researcher introduced herself, expressed her gratitude to the participants for participating in the discussion, explained the study's purpose, and asked permission for sound recording and taking notes. The interview was recorded in sound only, using high-quality digital recording equipment. The researcher reminded participants that participation in the study is voluntary and that they can opt out at any time. Each participant was informed that the information obtained during the interview will be kept confidential and used solely for this study, and that their identities will be safeguarded. (refer to the informed consent form).

Furthermore, the researcher adhered to the new POPI Act regulations in accessing and managing participants' personal information. The Act requires accountability from the person collecting an individual's personal information (section 8), as well as processing limitations (sections 9-12), which include the lawfulness of processing, minimality, consent, justification, and objection. Additionally, it mandates direct collection from data subjects (POPIA, 2019). Furthermore, sections 13 and 14 of the POPIA require the specification of purpose, which involves collecting personal information for a specific purpose and retaining and restricting records (POPIA, 2019). The act imposes further processing limitations, information quality, openness, security safeguards, and data subject participation (POPIA, 2019).

This means that the person identifying the potential participants should get their consent before forwarding their contact details to the researcher. Alternatively, the originator should provide the researcher's contact details to the prospective participants to initiate contact. This will ensure that the POPI Act is not breached.

The roles of the key players

- Gatekeepers: This study will involve the following gatekeepers (1) Managers who control access to their owners and executives. (2) Government organisations such as ETDP SETA that are responsible for skills development

interventions that can influence research access. The roles of gatekeepers include (1) granting access to potential participants, (2) permission to contact the potential participants, (3) identifying the participants, and (4) identifying and approving the protocols to be followed.

- Mediators: The mediator in this study is the ETDP SETA. The role of the mediator is to bridge the interests of the participants and the researcher.
- Researcher roles include building a rapport with gatekeepers and mediators, preparing the required templates for data collection, and identifying the person who will collect the data.

The recruitment strategy for this study will involve the following steps:

- Interview the relevant stakeholders to clarify my goals
- Identify the right audience to recruit who can clearly articulate their experiences
- Determine the time, resources such as (adverts, emails, and texts), and budget that will be needed for recruiting
- Recruit the participants using the resources identified and suitable to reach the potential participants
- Confirm the participation of participants
- Compile schedules for participants (time, dates, and venues)
- Send reminders to participants to minimise disappointment
- Collect data by using the appropriate identified tool, such as the interviews
- Incentivise the participants (e.g. by providing lunch or snacks during the interviews)

Informed consent process

The informed consent process involves the steps below:

- The researcher must explain the study to the potential subject verbally or in writing, providing all pertinent information (purpose, procedures, risks, benefits, alternatives to participation, etc.), and must offer the potential subject ample opportunity to ask questions.
- Potential participants may be provided with a study information sheet that provides more details about the study and must be given sufficient time to consider whether to participate in the research.

- The researcher must answer any additional questions the potential participant may have. When the potential participant is satisfied, the investigator may obtain their agreement to participate in the research by having them sign the consent form.

Informed Consent Documents

The documents used in the informed consent process included:

1. A written consent form in the language of the participants anticipated to be enrolled.
2. A consent short form for non-English speaking participants.
3. Written statement of information regarding the study.
4. Verbal consent script.

1.7.10 Collection of data

The data collection method employed in this study is semi-structured interviews. According to the Oxford Dictionary, an interview is a formal meeting at which someone is asked questions to get relevant information (Oxford University Press, 2020). According to Saunders *et al.* (2012:349), an interview can help the researcher gather valid and reliable data relevant to the research question(s) and objectives. The decision to employ interviews is motivated by the nature of the research and the study's research design. Saunders *et al.* (2012:230) confirm that the types of interviews for a qualitative study consist of non-standardised and unstructured interviews.

In semi-structured interviews, the researcher will have a list of themes and questions to cover, although these may vary from interview to interview (Saunders *et al.*, 2012:320). Saunders *et al.* (2012:230) continue to mention the second type of qualitative interview, the unstructured interview, as the informal in-depth interview. There is no predetermined list of questions to work through when employing unstructured interviews. However, it is essential to have a clear understanding of the aspects the researcher wants to explore. The interviewee can discuss freely events, behaviour, and beliefs related to the topic.

This study employed interviews as the primary data collection method due to their qualitative research nature. It also employed the grounded theory, where participants were given opportunities to express themselves freely without limitation, allowing them to discover new theories.

In this study, Interviews were conducted one-on-one between the researcher or interviewer and a single participant. Interviews were conducted face-to-face and others were done online Saunders *et al.* (2009:321). There may be other situations where one conducts a semi-structured or in-depth interview on a group basis, with a small number of participants to explore an aspect of your research through a facilitated group discussion (Saunders *et al.*, 2009:321).

The data collection process

According to Saunders *et al.* (2009:273), the data collection process involves the following steps.

Step 1: Defining the research goal and gaining access to participants: This step involves explaining the research goals and ensuring that all protocols regarding participant access are adhered to.

Step 2: Choosing the data collection method: The researcher must prepare an interview guide for the semi-structured interviews. The guide will list the issues to be covered in a semi-structured interview.

Step 3: Planning data collection procedures: The Interviewer must take note of the important elements that she/he must attend to before the interview, such as (1) the interviewer must be familiar with the setting in which the interviewee works, lives or engages in and the behaviour of interest to the researcher. (2) It is recommended that the interview be recorded and then transcribed the interviews, but it must be ensured that the interviewee agrees and understands. The recording helps ensure that the answers are accurately captured according to the interviewees' words and provides a detailed analysis of the findings. (3) ensure that the interview takes place in a quiet place. (4) the researcher must ensure that the digital recording device is in good working condition and has a backup device as well if the researcher is not taking notes.

Step 4: Collecting Data using the determined tools: According to Saunders *et al.*, (2009:274), the suggested questions that can be used for the qualitative interviews include (1) introduction questions; (2) follow-up questions; (3) probing questions; (4) specifying questions; (5) direct questions; (6) indirect questions; (7) structuring questions; (8) silence to allow the interviewee the opportunity to reflect on and expand on an answer; (9) interpreting questions.

Step 5: Cleaning and Organising the Data: The interviews will need to be transcribed, and then the data will be cleaned and organised accordingly.

Data collection tool

The data collection tool used was the semi-structured interview. In semi-structured interviews, the researcher will have questions and themes that they want to cover (Saunders *et al.*, 2009:320). Saunders *et al.* (2009) further state that questions may differ from interview to interview depending on the organisational context encountered in the research topic and the flow of the conversation (Saunders *et al.*, 2009:320). The order of questions may also vary depending on the conversation flow (Saunders *et al.*, 2009:320). 1.7.11 Data analysis

The data analysis method employed in this study is thematic analysis, utilising open coding. Bryman *et al.* (2021:365) state that researchers in qualitative studies are faced with huge data that can be challenging to analyse and that the analytic procedures are not standardised. Therefore, there are no clear rules for dealing with the data, but there are general approaches for analysing data in qualitative studies, such as the thematic analysis.

Thematic analysis is one of the most common and flexible qualitative data analysis methods (Bryman *et al.*, 2021:365). According to Bryman *et al.* (2021:365), thematic analysis aims to identify, analyse, and describe patterns or themes across the data set. Nowell *et al.* (2017:4) mention that thematic analysis can produce trustworthy and insightful findings. The thematic analysis provides a highly flexible approach that can be modified to meet the needs of various studies, offering a rich and detailed yet complex account of the data (Bryman *et al.*, 2021:366). According to Bryman *et al.* (2021:366), six steps can be used to conduct a thematic analysis. This approach aims to outline a practical and effective procedure for conducting a thematic analysis that seeks to ensure trustworthiness.

The steps are as follows:

Step 1: Familiarising Yourself with Your Data: As data comes in various forms, the researcher must read and re-read the data, noting initial ideas. Bryman (2021:366) argues that trustworthiness can be attained at each step of the thematic analysis process. In this step, the elements of trustworthiness can be obtained by extending the duration of interaction with the data, utilising several methods of data collection to establish triangulation, recording theoretical and introspective reflections, and documenting thoughts regarding prospective codes and themes. Archive raw data in

meticulously organised repositories; Maintain comprehensive documentation of all data field notes, transcripts, and reflexive diaries.

Step 2: Generating Initial Codes. The second phase begins when researchers have thoroughly examined and become familiar with the data by forming concepts of the data's content and identifying aspects of particular interest. This phase involves the initial production of codes from the data, a theorising activity that requires researchers to continually revisit the data. The interesting features of the dataset are coded by the researcher accordingly to form codes and themes (Bryman *et al.*, 2021:336) argue that there are ways to achieve the element of trustworthiness at each step in the thematic analysis process. In step 2, trustworthiness can be achieved through the following methods: peer debriefing, Researcher triangulation, Reflexive journaling, the use of a coding framework, an audit trail of code generation, and documentation of all team meetings and peer debriefings.

Step 3: Searching for Themes: The third step begins when all data have been initially coded and collated, and a list of the different codes identified across the dataset has been developed. This phase involves sorting and collating all the potentially relevant coded data extracts into themes. DeSantis and Ugarriza (2000:362) describe the concept of theme as an abstract entity that brings meaning and identity to a recurrent experience and its variant manifestations. As such, a theme captures and unifies the nature or basis of the experience into a meaningful whole. A theme is not necessarily dependent on quantifiable measures but rather on whether it captures something important concerning the overall research question. Once identified, themes appear to be significant concepts that link substantial portions of the data (DeSantis & Ugarriza, 2000:362). Braun and Clarke (2006) argue that trustworthiness can be achieved in step 3 through the following methods: researcher triangulation, diagramming to clarify theme connections, and keeping detailed notes about the development and hierarchies of concepts and themes.

Step 4: Reviewing Themes: The fourth step begins once a set of themes has been devised, and they now require refinement. During this phase, researchers review the coded data extracts for each theme to consider whether they appear to form a coherent pattern (Bryman *et al.*, 2021:366). They argue that trustworthiness can be achieved in step 4 through the following methods: researcher triangulation, vetting themes and subthemes by team members, and testing for referential adequacy by returning to the raw data (Bryman *et al.*, 2021:366).

Step 5: Defining and Naming Themes: During the fifth step, researchers determine what aspect of the data each theme captures and identify what interests them and why (Bryman *et al.*, 2021:366). For each theme, researchers need to conduct and write a detailed analysis, identifying the story behind each theme. Braun and Clarke suggested that theme names must be punchy and immediately convey to the reader the essence of the theme. Bryman *et al.* (2021:266) argue that trustworthiness can be achieved in step 5 through the following methods: researcher triangulation, peer debriefing, team consensus on themes, documentation of team meetings regarding themes, and documentation of theme naming.

Step 6: Producing the Report: The final step commences after the researcher has thoroughly established the themes and is prepared to initiate the ultimate analysis and composition of the report. The write-up of a thematic analysis should provide a concise, coherent, logical, non-repetitive, and interesting account of the data within and across themes in the 10 International Journal of Qualitative Methods. They argue that in step 6, trustworthiness can be achieved in the following ways: member checking, peer debriefing, describing the process of coding and analysis in sufficient detail, thick descriptions of the context, description of the audit trail, report on reasons for theoretical, methodological, and analytical choices throughout the entire study.

Thematic analysis is appropriate, as indicated by Bryman *et al.* (2021:366), who argue that thematic analysis is a useful method for examining the perspectives of different research participants, highlighting similarities and differences, and generating unanticipated insights. Thematic analysis is valuable for condensing important characteristics of a vast collection of data. It compels the researcher to adopt a systematic method for managing data, resulting in a coherent and orderly final report (Bryman *et al.*, 2021:366). For this study, the use of thematic analysis was appropriate.

1.7.11 Trustworthiness

According to Nowell *et al.* (2017:2), researchers can convince themselves and readers that their study findings are important by being trustworthy. Stahl *et al.* (2020:26) explain that the approach to trustworthiness consists of four general components: credibility, transferability, dependability, and confirmability.

Credibility is an element or criterion concerned with answering the question: how believable are the research findings? (Bryman *et al.*, 2021:44). One way to promote credibility in a study is through the various processes of triangulation, as mentioned by Stahl *et al.* (2020:26). He adds that triangulating entails employing many information sources or field procedures to consistently identify recognisable patterns (Stahl *et al.*, 2020:26).

In this study, the following strategies were employed to ensure credibility, including triangulation, where data was collected from diverse participants, such as SMMEs, employees, and government officials. Another strategy that was employed is member checking. Stahl *et al.* (2020:26) define member checking as the process of providing pre-publication copies of research papers to multiple participants in various roles within a particular qualitative study to obtain their feedback on the accuracy of the data. Therefore, in this study, participants were allowed to review and verify the accuracy of their responses during and after the interview process, ensuring that their perspectives were accurately represented.

Transferability is the second element of trustworthiness suggested by Stahl *et al.* (2020:26). They argue that qualitative researchers maintain that patterns and descriptions from one context can be applied to another. This element of trustworthiness seeks to address the question: Can the study's conclusions be applied in a different setting (Stahl *et al.*, 2020:26).

Transfer is only feasible when a detailed description offers a sufficiently comprehensive depiction of the situation to be applied to other circumstances, and often at the request of the local stakeholders (Stahl *et al.*, 2020:26). These kinds of transfer applications depend on the researchers' detailed descriptions, which would include background details on the fieldwork location according to Stahl *et al.* (2020:26). Dependability, according to Stahl *et al.* (2020:26), is an element of trustworthiness. In a qualitative study, research practices that produce trust, such as peer debriefing or peer scrutiny, are solid communication habits that foster trust when executed. The data must be scrutinised by a peer, another researcher or even the supervisor. These people will assist in reviewing the research process, findings, and interpretations. This can help answer the question: Are the findings likely to apply at other times? (Stahl *et al.*, 2020:26).

Confirmability is the fourth and final element of trustworthiness that qualitative research must adhere to, according to Lincoln and Guba (1985, cited by Stahl *et al.*, 2020:26). Confirmability is concerned with objectivity as it answers the question: to what extent has the researcher allowed their values to interfere? (Stahl *et al.*, 2020:26).

1.8 Ethical considerations

According to Bryman *et al.* (2021:162), the researcher must protect the welfare of all participants, including potential harm related to their development or self-esteem, stress, or harm to their career prospects or future employment. Ethical considerations also include the possibility of harm to the researcher (Bryman *et al.*, 2021:163). To avoid harm to participants, the issues of confidentiality and anonymity must be considered, although this can be challenging in qualitative research (Bryman *et al.*, 2009:163).

Bryman *et al.* (2021:171) state the following ethical considerations in addition to the above: (1) the impact of data protection legislation. (2) copyright and sharing of data. (3) the role of reciprocity and trust in determining the relationship between the researcher and the participants. (4) the need to declare sources of funding and support that may affect the affiliations of the researcher, causing conflicts of interest.

The ethical considerations stipulated by the regulations governing research ethics at North-West University (NWU) will be complied with. All relevant measures will be implemented to ensure that the anonymity of participants in this study is protected. This ensures compliance with the Act and the interview process, as well as how the data is being handled (POPIA, 2020).

The researcher will explain the concept of informed consent and the key elements of the research study to potential participants, ensuring voluntary participation. They will also inform participants of all risks involved in the research study before conducting face-to-face semi-structured interviews (online and/or in-person) (Babbie, 2011:480). Babbie (2011) gave a list of eight basic elements that should form part of informed consent, which will be adhered to and incorporated in the questionnaire's introduction to ensure participation adheres to all requirements (Babbie, 2011:481), which include:

- A statement that explains the purpose of this particular research

- A portrayal of potential risks or discomforts
- A description of potential benefits that may be anticipated from the research
- A disclosure of suitable substitute techniques and processes
- A statement describing the range of confidentiality
- A statement that if there are severe risks, possible compensation, or medical treatment for any risks, which this researcher hopes and trusts, will not be applicable in this study.
- A statement on whom to contact for research-related questions
- A statement that participation is voluntary.

The data will be stored off-site for three years, as prescribed by the NWU's ethics committee, and not on a device connected to the Internet, which could be hacked and the data leaked. The data will be destroyed upon the expiry of this prescribed period in which it must be kept safe. All participants will be assured that their participation is voluntary, and their responses encapsulated in the data collected and analysed will only be utilised for this study. No video recordings of online interviews are to be kept; only sound recordings are allowed for the purpose of anonymity. Signed consent forms can be stored at NWU.

1.9 Contributions of the Study

The study aims to contribute to the body of knowledge in the field of ETD by focusing on stakeholders' perceptions. The following contributions are expected:

Academic Knowledge: Provides insight into the influence of government skills programmes on SMMEs in the sector of Education, Training, and Development.

Policy Makers: Offer evidence-based insights that can guide policymakers and programme implementers in designing more effective skills development initiatives.

Contribution to the country: The study of SMMEs is crucial for the economy, as the SMMEs are strategic to the development of the country. Studying the subject of SMMEs provides a clear understanding of the strategies that can enhance their development, as these SMMEs are making huge contributions to employment and innovation, and ultimately service delivery.

Address Research Gaps: The gap will be closed in empirical research by examining stakeholder perspectives on programme effectiveness and exploring the long-term impact of these initiatives on SMME sustainability.

1.10 Limitations of the Study

While this study aimed to provide valuable insights into the impact of government skills programmes on ETD SMMEs in Gauteng, it is subject to several limitations:

- The research focuses exclusively on Gauteng Province, which may limit the generalisability of findings to other regions in South Africa or internationally. Gauteng's unique economic and social context may not fully represent conditions elsewhere.
- The study relies on stakeholder perceptions, which are inherently subjective and may vary widely based on individual experiences and biases. This could affect the consistency and reliability of the findings.
- While qualitative data provides rich insights into stakeholder perceptions, it may not capture quantifiable metrics such as financial performance or long-term growth trends of SMMEs.
- The study is cross-sectional, analysing perceptions at a single point in time. As a result, it may not fully account for changes or trends that develop over a longer period.

1.11 Layout of the study

This study will adhere to a structured five-chapter framework.

Chapter 1 is designated for the introduction, which elucidates the study's topic, problem statement, research objectives, and methodology, and delineates its limitations.

Chapter 2 is dedicated to an exhaustive literature and theoretical review, focusing on appraising the existing body of literature concerning the perspectives on the impact of government skills programmes on the growth and sustainability of the ETD sector.

Chapter 3 provides an intricate insight into the research's methodological underpinnings. It encompasses a comprehensive review of various research methods, affording readers a compelling rationale for selecting the employed research methodology.

Chapter 4 is instrumental in presenting and dissecting the outcomes derived from the study. Herein, the researcher meticulously analyses the data and delves into the findings procured during the research.

Chapter 5 encapsulates the study's outcome. This final chapter briefly summarises the research findings, extrapolates conclusions pertinent to the research problem, and proffers recommendations grounded in empirical research and the reviewed literature. Furthermore, this chapter assesses the realisation of the study's objectives and proffers directions for prospective research endeavours.

CHAPTER 2 : LITERATURE REVIEW

2.1. Introduction

The foundation of this study lies in the significant contribution of SMMEs to economic growth, especially within the ETD sector in Gauteng. These enterprises are well known for fostering job creation and promoting economic diversification (Regassa *et al.*, 2023:14). However, their sustainability remains a pressing concern as many struggle to maintain growth or even survive amidst challenging socio-economic conditions (Regassa *et al.*, 2023:14). The sustainability of these enterprises is essential for their survival and the broader economic stability they support.

Government skills development initiatives have been introduced as strategic measures to tackle prevailing challenges by empowering SMMEs with essential capabilities for success. These programmes aim to close the skills gaps that constrain operational performance and sustainable growth. Khubisa (2023:2) highlights that resolving skills deficiencies remains a critical issue in South Africa due to ongoing unemployment, poverty, and inequality.

SMMEs are integral to economic growth because of their ability to drive innovation, generate job opportunities, and assist in alleviating poverty (Masingili, 2022:1). Masingili (2022:1) further states that SMMEs are acknowledged as vital participants in the South African economy, particularly in employment generation and reduction of poverty, and overall economic advancement. The enterprises are particularly significant in developing economies like South Africa, which are crucial in addressing unemployment and inequality (Chimucheka, 2013:783).

As noted by Masingili (2022:1), there is no universally accepted definition for SMMEs due to the varied contexts in which they operate, and the diversity of SMMEs further complicates efforts to standardise support mechanisms. This diversity requires that support interventions must be aligned to each sector, taking into consideration the unique challenges specific to a particular sector.

SMMEs play an important role in creating employment and are estimated to provide about 75% of all employment in South Africa (Isaacs 2023:42). However, different

difficulties continue to limit their progress. Skills development programs can mitigate these challenges by providing targeted training that enhances entrepreneurial orientation and operational efficiency (Chimucheka, 2013:787).

The critical role of the government's skills development programmes in advancing the growth and sustainability of SMMEs in Gauteng is the subject of this literature review. It examines the government's skills development programmes and the impediments faced by SMMEs in the ETD sector. It also aims to identify existing gaps in skills development programmes and assess their long-term effects on the sustainability of SMMEs.

2.2. Small, Medium, and Micro-enterprises (SMMEs)

According to the World Bank (2025), many countries, particularly those in developing economies, are promoting SMMEs to drive economic growth. SMMEs make up the most businesses worldwide and play an important role in both employment creation and global economic growth. They account for more than half of global employment and nearly 90% of all businesses globally (World Bank, 2025).

In South Africa, SMMEs play an important role in strengthening the economy, particularly as large organisations continue to restructure and reduce their workforce (Chimucheka, 2013:783). The government has targeted the SMME sector to empower those previously disadvantaged economically (Chimucheka, 2013:783).

The Department of Small Business Development 2023:10 defines SMMEs according to the amended National Small Enterprise Act, 1996 (Act No. 102 of 1996), which considers the total full-time equivalent of paid employees and annual turnover categories. The Act defines a small enterprise as a separate and distinct business entity, together with its branches or subsidiaries, if any, including cooperative enterprises, managed by one or more owners, predominantly carried out in any sector or subsector of the economy as mentioned in Table 2.1 below (National Small Enterprise Act, 1996).

According to the South African National Small Business Amendment Act (2004), SMMEs are categorised into three groups: medium enterprises, small enterprises, and micro-enterprises (DSBD, 2023:10). The classification of SMMEs as defined in the

National Small Business Act, 1996, as amended in 2003 and 2004, Enterprise Size Number of Employees is demonstrated in the table below:

Table 2-1: Size of Enterprises

Enterprise Size	Number of Employees
Medium	51- 250
Small	11- 50
Micro	0-10

(Source: Author)

Table 2-2: The South African definition of SMMEs by Sector

Column 1	Column 2	Column 3	Column 4
Sectors	Size or class of enterprise	Total full-time equivalent of paid employees	Total annual turnover
Agriculture	Medium	51-250	< 35.0 million
	Small	11-50	<17.0 million
	Micro	0-10	<7.0 million
Mining and Quarrying	Medium	51-250	<210.0 million
	Small	11-50	<50.0 million
	Micro	0-10	<15.0 million
Manufacturing	Medium	51-250	<170.0 million
	Small	11-50	<50.0 million
	Micro	0-10	<10.0 million
Electricity, Gas and Water	Medium	51-250	<180.0 million
	Small	11-50	<60.0 million
	Micro	0-10	<10.0 million
Construction	Medium	51-250	<170.0 million
	Small	11-50	<75.0 million
	Micro	0-10	<10.0 million
Retail, motor trade and repair services	Medium	51-250	<80.0 million
	Small	11-50	<25.0 million
	Micro	0-10	<7.5 million
Wholesale	Medium	51-250	<220.0 million
	Small	11-50	<80.0 million
	Micro	0-10	<20.0 million
Catering, Accommodation and other Trade	Medium	51-250	<40.0 million
	Small	11-50	<15.0 million
	Micro	0-10	<5.0 million
Transport, Storage and Communications	Medium	51-250	<140.0 million
	Small	11-50	<45.0 million
	Micro	0-10	<7.5 million
Finance and Business Services	Medium	51-250	<85.0 million
	Small	11-50	<35.0 million
	Micro	0-10	<7.5 million
Community, Social and Personal Services	Medium	51-250	<70.0 million
	Small	11-50	<22.0 million
	Micro	0-10	<5.0 million

(Source: DSBD, 2023:10)

2.2.1. Overview of SMMEs in SA

Like other emerging nations, South Africa has socio-economic issues that require immediate response asserted by Chimucheka (2013:783). The challenges include a high rate of unemployment, a lack of skills, a high prevalence of illiteracy, a rising crime rate, and poverty in rural areas, according to Chimucheka (2013:783).

SMMEs have become a central element of South Africa's economic growth strategy since the early years of democracy. According to Chimucheka (2013:783), South Africa, like other emerging nations, has socio-economic problems that must be addressed immediately. The challenges include poverty in rural regions, a high percentage of joblessness, misalignment of skills and literacy and rising criminal activities (Khumalo, 2020:31). Like other emerging nations, South Africa faces socio-economic issues such as rural poverty, a high unemployment rate, a lack of skills, a high rate of illiteracy, and an increase in crime are some of the issues (Khumalo, 2020:31).

The SMME development policy, documented in 1995, was initiated to focus on the following areas, as stated by BER (2016:5): (1) increasing financial and non-financial support, (2) creating demand for the products and services provided by the SMMEs, and (3) reducing regulatory constraints. Chimucheka (2023:783) asserts that South Africa, like other developing countries, faces socio-economic problems that need to be addressed immediately. Among these problems are rural poverty, a high rate of joblessness, illiteracy, a deficiency of skills, and a rise in crime (Chimucheka, 2013:783).

The South African government recognises the importance of SMMEs in the economy, so much so that a new Ministry of Small Business Development was established in early 2014 (BER, 2016:5). The Ministry of Small Business Development aims to aid in the growth and promotion of small enterprises since they make a substantial contribution to the national GDP (BER, 2016:5). Chimucheka (2013:783) argues that SMMEs are supposed to be capacitated to assist in solving some of the challenges in South Africa. Several institutions are responsible for implementing the government SMMEs development policy, and some are part of the Ministry of Small Business Development (BER, 2016:6).

SEDA is a department within the Department of Small Business Development. It was established in December 2004 through the National Small Business Amendment Act (Act 29 of 2004). They are implementing the government's small business policy, creating and implementing a uniform nationwide delivery network for small business development, and integrating government-funded small business support organisations at all levels of government.

SEFA, which was established later, merged with the South African Micro-Finance Apex Fund (SAMAF) and Khula Enterprise Finance Limited to cater to small businesses requiring funding up to a limit of R3 million. SEFA offers bridging finance, revolving loans, term loans, asset finance, and working capital funds.

NYDA is an institution established to assist young South Africans between the ages of 14 and 35 to establish businesses and finance existing ones.

NEF was established to provide financial and non-financial support to black-owned and empowered businesses.

The Technology and Innovation Agency, established by the Department of Science and Technology, aims to facilitate and promote technological advancement, thereby enhancing the international competitiveness of South African businesses.

Chimucheka (2013:784) argues that the South African government created these institutions to enhance the availability of critical resources for the SMME sector. The major resources include finance, infrastructure, training and counselling, information, markets, and technology. The government must create a favourable environment that will ensure that this sector can thrive (Sintu, 2012:25).

2.2.2 SMMEs in ETD sector

The skills levy-grant system is the government's initiative to establish local economic, educational, and social infrastructure for skills development, fulfilling international obligations (Bisschoff, 2006:70). Various workplace and skills legislation, including the SDA, SDLA, EEA, and the SAQA, aim to train a predominantly unskilled labour force. A skills revolution was prompted by South Africa's 80% (12 million) semi-skilled, unskilled, or unemployed populace compared to the 20% (3 million) skilled or highly qualified professionals, as reported by the South African Department of Labour in 1999, according to Bisschoff (2006:70).

It is universally recognised that skill development is crucial for ideal work effectiveness. Therefore, it serves as a vital instrument for improving production, aiding both the

public and private sectors, stimulating the economy, and reducing poverty, according to Letshaba & Ndlovu (2024:1).

Establishing the SETAs has resulted in acknowledging institutions that offer skills development as fundamental in skills provision (Letshaba & Ndlovu, 2024:2). The SETAs play a vital role in enabling training opportunities through collaboration with SDPs (Letshaba & Ndlovu, 2024:2).

SDPs are also called or known by terms such as training providers, private training providers, skills trainers, or agencies for training and development serve to define SDPs (Letshaba & Ndlovu, 2024:2). Private higher education institutions and training providers are categorised and registered as (Pty) Ltd/for profit or NPC/not for profit according to the regulatory requirements (Ellis & Steyn, 2014:260). For this study, the focus is on companies that are registered, making a profit, and are small, generally known as private training providers. Employers and learners depend on the availability of accredited skills development providers for access to skills development training (Services SETA, 2025).

According to Ellis and Steyn (2014:261), a private higher education institution must register as a (Pty) Ltd firm in accordance with the Companies Act (Department of Trade and Industry, 1973). Consequently, the institution is governed by the regulatory framework established by the Companies Act (Department of Trade and Industry, 1973), as well as the South African Revenue Services Act 34 of 1997 (Department of Trade and Industry, 1997). To achieve accreditation, the SDP or Training Provider must undertake the standard procedures for establishing a company, including registration, opening bank accounts, securing a rental property, formulating a business plan, and determining pricing strategies (SME South Africa, 2025). According to SME South Africa (2025), once the company is registered, it must be accredited to offer various training interventions. Accreditation must be conducted with the following institutions: the QCTO and the SETAs (SME South Africa, 2025).

According to SME South Africa 2025, SDPs facilitate training and organise resources such as personnel who assist with administrative functions, including bookkeeping, financial management, scheduling, marketing, and secretarial duties. Nevertheless, industry-specific positions encompass roles such as facilitators, assessors, moderators, and, in certain instances, training material creators or learning designers. According to McGrath and Akojee (2010:23), it is noted that small training providers fall under the second category (P2) in the private further education sector (Table 2.3).

These are highlighted in Table 2.3 below. As indicated in the table, they are known to be specialist institutions, with fixed single-site premises, and they cater to pre-employed, unemployed, and employed learners (McGrath & Akojee, 2010:23). They offer mostly business training courses. They are small in nature, and there is a perception that they are “fly by night” small institutions, as argued by McGrath and Akojee (2010:23).

McGrath and Akojee (2010:28) contend that sustainability within this category (training providers) is more uncertain and is mostly influenced by unstable enrolment, as they rely on learners who occasionally self-finance. McGrath and Akojee (2010:28) contend that the state should adopt a transformative perspective on quality and its regulation to promote this group of providers, as they closely engage with the population aligned with the national skills development strategy. Numerous providers targeting the most impoverished learners are themselves among the most destitute and susceptible to market failure. This indicates that regulation must be significantly more supportive than it is (McGrath & Akoojere, 2010:29).

Table 2-3: Private FET provider types

Category	P1	P2	P3	P4	P5	P6
	Single/Multi-institute	Specialist institute	Consultant	In-house	NGO	Life-Skill Centre
Description	Single or multiple-site multiple programme provider/ Franchise structure likely	Single site vocationally specific provider	Non-premises based trainer/ materials developer/ intermediary	In-company training	Non-profit donor or philanthropic provider	Non-employment life or leisure skilling
Learner (Client) Type	All (L1;L2;L3; L4;L5)	Pre-; Un-or employed (L1; L2; L3)	Employee Product training (L4)	employee or customer training (L3;L4)	Pre- or unemployed (L1; L2)	Employed (L3)
Funding Source Type (FS Type) (see Table 1)	FS Type A (Not employed) (Benefactor and/or Self funding) FS Type B (Employed) Self-funded FS Type C (Employee/Customer) Employer funded	FS Type B (Employed) Self-funded FS Type C (Employee/Customer) Employer funded	FS Type C (Employee/Customer) Employer funded	FS Type C (Employee/Customer) Employer funded	FS Type A (Not employed) (Benefactor and/or Self funding)	FS Type B (Employed) Self-funded
Delivery mode	Contact or distance	Contact	Contact	Contact + electronic	Contact	Contact or electronic
Size (Small < 100 Medium 101-499 Large > 500)	Large	Small/ medium	Small	Small/ medium	Small	Small
Premises	Premises/ head office	Premises-based	Non-premises	Premises-based	Non-Premises	Non- or Premises-based
Nature of Programme structure	Multiple	Single-related	Single focused	single	Single-related	Single-focused
Predominant skills base	Employment and non-employment focus - ICT, HR, Marketing, Project management	Business skills training	Soft skills (HR) or specific plant-related company skilling	Soft skills or specific company related orientation	Life skills – either employment or self-employment	Life skill e.g. Leisure – photographic/ home cooking Essential - driving licence
Nature	Reputable and well known in the field –national or international	'Fly by night' Smaller provider	Suitcase provider	In-company	Social development	'Lifestyle' centres

(Source: McGrath and Akojee 2010:23)

2.2.3. Contribution and Importance of SMMEs

South Africa's development policy framework has consistently acknowledged SMMEs as a fundamental driver of equitable economic growth and job creation. The advancement of SMMEs has been a fundamental focus of successive policy papers, starting with the Reconstruction and Development Programme in 1994, followed by the

New Growth Path in 2010, and culminating in the current National Development Plan Vision 2030 (DSBD, 2023:5).

SMMEs in South Africa remain key contributors to the national economy and have become more important to the country's overall economic development and growth (Chimucheka, 2013:783). Enaifoghe and Vezi-Magigaba (2023:98) assert that approximately 76% of total employment in the economy can be attributed to SMMEs, which were also responsible for creating 53% of all new jobs between 2004 and 2007. SMMEs constitute around 95% of all global enterprises and contribute over 40% to the world's GDP (Enaifoghe & Vezi-Magigaba, 2023:98).

SMMEs in Africa are essential for promoting economic development, creating job opportunities, and alleviating poverty (Enaifoghe & Vezi-Magigaba, 2023:100). In South Africa, the advancement of sustainable growth and development is recognised as being fundamentally supported by SMMEs (Masingili, 2022:1). Chimucheka (2013:784) argues that the new South African government saw promoting entrepreneurship and supporting small business development as key strategies for achieving the following major national development goals.

2.2.3.1. Creation of Employment

Numerous governments have recognised SMMEs as instruments for employment generation and a plan to address the high rate of unemployment in South Africa (Nieman 2001:1). Enaifoghe and Vezi-Magigaba (2023:97) assert that the expansion of SMMEs within South African local government is seen as a component of a Local Economic Development (LED) strategy designed to tackle poverty and reduce unemployment. These businesses play an important role in creating jobs and supporting economic progress, especially in places with high unemployment rates like South Africa (Enaifoghe & Vezi-Magigaba, 2023:4). In many countries, small and medium-sized enterprises form the main source of employment. These businesses play a crucial role in creating jobs and supporting economic progress, especially in places with high unemployment rates like South Africa (Enaifoghe & Vezi-Magigaba, 2023:4).

2.2.3.2. Poverty Alleviation

The development activities of SMMEs address the socio-economic needs of a community and contribute to poverty eradication by enabling self-employment in the absence of traditional job opportunities (Enaifoghe & Vezi-Magigaba, 2023:97). SMMEs in contrast to large corporations, adopt labour-intensive production techniques, hence generating employment opportunities to mitigate poverty within communities (Enaifoghe & Vezi-Magigaba, 2023:98).

2.2.3.3. Inequality Reduction

SMMEs have the potential to drive industrial progress and help address historic inequalities by involving and empowering groups that were previously disadvantaged (DBSD, 2023:19). The Department of Health (2003:44) defines “previously disadvantaged individuals” as those who suffered from unjust discrimination and, according to section 9(2) of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), require protection and advancement to attain equality. According to Chimucheka (2013:785), the South African government’s approach has concentrated on the growth of SMMEs in historically marginalised communities to mitigate inequities. Mthente (2021:36) underscores the significance of SMMEs as a mechanism to mitigate inequality. Augmenting financial support for SMMEs and enhancing skill development could expedite the expansion of SMMEs, hence generating employment possibilities and narrowing the income inequality gap within the nation (Nanziri & Mawalwa, 2021:452).

2.2.3.4. Stimulating Economic Growth

DSBD (2023:6) asserts that the interventions focused on SMMEs are intended to support and boost the country's economic development. SMMEs are vital to every economy, and enhancing their capacities is essential for promoting economic progress (Masingili, 2022:11). SMMEs are regarded as a catalyst for economic growth through the creation of new employment opportunities (Enaifoghe & Vezi-Magigaba, 2023:99). The development of a robust SMME sector is important for economic expansion, as it tackles various socio-economic issues, including joblessness (Chimucheka, 2013:875).

2.2.3.5. Driving Innovation and Competition

SMMEs play a critical role in economic expansion through innovation, which is essential for promoting sustainability and growth within the industry (Msomi, 2021:103). Chimucheka (2013:786) contends that SMMEs compete with larger corporations and with one another, enhancing the competitive landscape and resulting in superior products and services for consumers.

2.3. Government support programmes

2.3.1 SMME support landscape

The DSBD has made substantial progress in establishing a comprehensive framework for advancing the SMME sector, which was released as the NISED Strategic Framework. The NISED Strategic Framework presents actionable guidance to all stakeholders involved in SMME development, outlining clear instructions, measurable objectives, and a specific set of steps to be taken as outlined in the Department of Small Business Development Gazette (2023:5).

The NISED Strategic Framework was released in January 2023 by the Minister of Small Business Development as a strategic framework delineated according to the definitions in Chapter 1 of the National Small Enterprise Act, 1996 (No. 102 of 1996), as updated by the NSBD Strategy (Department of Small Business Development 2023:3). The NISED Strategic Framework, as stated by Department of Small Business Development Gazette (2023:6), is an integral component of the national government's third strategic integrated plan aimed at the growth and support of small business communities, including cooperatives.

The primary aim of the NISED Strategic Framework is to synchronise the various stakeholders involved in SMME development, providing explicit guidance, quantifiable results, and a targeted program of interventions on critical initiatives outlined in the NDP and the new Economic Reconstruction and Recovery Plan (ERRP) (Department of Small Business Development, 2023:5). Several organisations are responsible for implementing the NISED strategy framework, which is spearheaded by the DSBD and bolstered by entities such as the SETAs, DTIC, Provincial Government, and National Government (Department of Small Business Development Gazette, 2023:40).

According to the DSBD Gazette (2023:10), the NISED Strategic Framework is structured around four pillars, each with specific measurable outcomes and outputs to achieve tangible impact as outlined in the following table.

Table 2-4: NISED Strategic Framework Pillars

NISED Pillars	Output/Outcomes
Pillar 1	Facilitation of well-informed SMMEs with continuous monitoring, evaluation, and learning.
Pillar 2	Focuses on facilitating policy, laws, and regulatory reform to enable the growth of MSMEs and efficient governance.
Pillar 3	Effective support and services are delivered to facilitate the growth of SMMEs, both financially and non-financially.
Pillar 4	Bring together a coordinated government with strengthened private-sector partnerships to support the growth of SMMEs.

(Source: Author)

This study will focus on pillar 3, which addresses the support and services provided to SMMEs, encompassing both financial and non-financial support.

2.3.2 Institutions providing support to SMMEs (National and in Gauteng)

As indicated in the previous section, the NISED Strategic Framework indicates collaboration between all government and private sectors to promote economic development and support SMMEs. The Business Development Sector ecosystem in South Africa comprises various role players, including Development Finance Institutions, incubators, government institutions, corporates, business advisors, and others (DSBD, 2023:24).

2.3.2.1. National institutions that offer support to SMMEs

On the national level, the following organisations play a crucial role, among others:

SEDFA: Is a new organisation of DSBD that was established under the National Small Enterprise Amendment Act of 2024 as a merger between SEFA, SEDA, and CBDA to provide financial and non-financial support services (SEDFA, 2025).

IDC: The Industrial Development Corporation is a state-owned development finance institution that promotes entrepreneurship (Nxopo, 2014:5). It is responsible for providing financial solutions to businesses (IDC, 2025). It was established in 1940 under the Act of Parliament called the Industrial Development Cooperation Act 22 of 1940 (IDC,2025). It is fully owned by the South African Government (Molo, 2018:42). It offers the following funding solutions: Debt, Equity, Quasi-Equity, Guarantees, Trade Finance, Bridging Finance, and Venture Capital (IDC SME Connect 2025:3). According to Molo (2018:43) it generates its funding from commercial banks, development finance institutes, income from loans, equity investment and other lenders.

NEF: The National Empowerment Fund was established in 1998 through the National Empowerment Fund Act No. 105 of 1998 (NEF Act) with a mandate to promote the participation of Blacks in South Africa's economy (Molo, 2018:42).It is mandated to promote and facilitate black economic participation by providing financial and non-financial support to black-owned and managed businesses, and also is entrusted to promote a culture of savings and investment among black people (NEFCORP, 2025).

NYDA: The NYDA was established by an Act of Parliament (Act 54 of 2008). The NYDA was formed in 2009 through a merger between the Umsobomvu Youth Fund and the National Youth Commission (Molo, 2018:44). The institution was established as a single, unitary structure to address youth development issues at the National, Provincial, and Local Government levels (NYDA, 2025). The NYDA enables young entrepreneurs to access financial and non-financial business development support, allowing them to establish or grow their businesses (NYDA, 2025).

SETAs: The SETAs are statutory bodies established under the Skills Development Act No. 97 of 1998 (SDA) as amended, and they are further guided by the NSDP 2030, which aims to provide sufficient, relevant quality skills that supports economic expansion, job creation and broader social development (DHET, 2024:2). SETAs have the responsibility to ensure that the skills development gaps are addressed in line with

the NSDP and other government priorities in line with the NSDP (WRSETA, 2022:5). According to DHET (2024:2), the SETAs have seven pillars that make up their mandate and pillar 4 is responsible for Skilling the SMMEs.

2.3.3. Gauteng Provincial institutions that offer support to SMMEs

In Gauteng Province, the following organisations play a crucial role: Gauteng Growth Development Agency: The Gauteng Growth and Development Agency is an agency of the Department of Economic Development in Gauteng, mandated to support the department by providing guidance, coordinating, and assisting in job creation as well as economic growth and development throughout Gauteng (GGDA, 2025). GGDA has created collaborations and networks that support economic growth and improve the competitiveness of businesses in Gauteng through its subsidiaries, such as the Automotive Industry Development Centre (AIDC), The Innovation Hub OR Tambo SEZ, Vaal SEZ, and Constitutional Hill (GGDA, 2025). According to the GGDA (2025), the GGDA assists businesses in Gauteng by offering various services, including facilitating funds for companies through commercial banks, private lenders, and Development Finance Institutions (DFIs).

Gauteng Enterprise Propeller: According to Molo (2018:40), GEP is the Gauteng provincial government agency that was established in 2005 under the Department of Economic Development to assist SMMEs and cooperatives. It is incorporated under the Gauteng Enterprise Propeller Act (No. 5 of 2005) and Schedule 3 of the Provincial Public Act (Public Management Act). Its goal is to enhance the growth of the Gauteng province by assisting SMMEs with financial and non-financial support to join the mainstream economy. GEP is responsible for supporting the Gauteng Provincial Government in executing its policy for SMMEs (Molo, 2018:4).

2.3.4 Types of SMMEs Government Support Interventions

According to DSBD (2023:10), government support interventions come from financial and non-financial support interventions.

Financial support involves providing SMMEs with funds in the form of cash, investment capital, and access to credit (Rungani, 2022:7). Ogujiuba *et al.* (2023:18) claim that limited access to financial resources is one of the common and important obstacles to SMME growth and innovation. The government institution's financial support includes loans, grants, and equity finance.

Non-financial support includes any business help provided to the SMMEs, such as business advice, training, and consultations (Rungani, 2022:7). Non-financial support includes interventions such as training and development interventions, incubation services, mentoring and coaching, business development services, networking, and chamber business association services (DSBD, 2023:37).

Table 2-5: Summary of Support Services and Institutions

Name of the Institution	National /Provincial	Type Support	Name of the Intervention
SEDFA	National	Financial and Non-Financial Support	Loans, Grants, Mentoring and Coaching, Training, Incubation, Business Development Services
IDC	National	Financial Support and Non-financial Support	Debt, Equity, Quasi-Equity, Guarantees, Trade Finance, Bridging Finance, and Venture Capital
NEF	National	Financial and Non-Financial Support	Loans, Pre-investment business services, and Post-investment business services.
NYDA	National	Financial and Non-Financial Support	Grants, Business Development services, training and development, mentorship, market linkages, etc.
SETAs	National	Non-Financial Support	Skills development interventions such as Learnerships, skills programmes, mentoring and

			coaching, internships, and Entrepreneurial training.
GGDA	Gauteng Province	Financial and Non-Financial Support	Facilitation of Funds, Investment Consultation services for Foreign Companies, and Macro-Business Intelligence services.
GEP	Gauteng Province	Financial and Non-Financial Support	Loans, Training Interventions, and Planning Support Interventions

(Source: Adapted from various Literature)

Programme	BBSDP ^a	CIS ^b	SEIF ^c	NIBUS ^d	IMEDP ^e	EIP ^f
Description	The grant is offered to black-owned small businesses to improve their competitiveness and sustainability to enable employment as part of the economy.	The grant is offered to registered primary co-operatives to improve their viability and competitiveness by reducing their cost of doing business through a road-based black economic empowerment incentive.	The grant is offered to businesses that provide necessary infrastructure to environments that will crowd in investment, especially in the townships, rural areas and inner city where business activities take place.	The grant is offered to entrepreneurs in the informal economy. Its aim is to uplift informal businesses and provide access to upliftment programs. The focus of this grant is mainly on designated groups which includes women, youth and people with disabilities in townships and rural areas.	The grant is offered to developing informal and micro businesses owned by historically disadvantaged individuals operating in depressed areas.	The grant is offered to assist with the establishment of new incubators or growth and expansion to existing incubators.
Grant offering	Up to a maximum of R1 million. - R800 000 for tools, machinery and equipment on 50:50 cost sharing basis. - R200 000 for business development and training on a 80:20 cost sharing basis	Minimum grant of R10 000 up to maximum of R350 000.	A 50:50 reimbursable cost sharing grant. The DTI contributes 50% towards qualifying projects up to a maximum of R5 million (inclusive of VAT).	A 50:50 cost sharing grant up to the maximum of R5 million.	Receive an incentive grant for up to R80 000 for tools, equipment, training, working capital etc.	Minimum value of R5 million up to a maximum of R10 million for up to three years depending on the type of business and its needs, subject to the availability of funds.
Specified qualifying criteria	51% black majority shareholding 51% management positions held by black individuals (historically disadvantaged individuals) - R250 000 to R35 million turnover per year - Operating and trading in business for one year - Businesses registered for VAT	- Incorporated and registered in South Africa in terms of the Co-operative Act of 2005 - Majority of black ownership (historically disadvantaged individuals) - Have projects in any of the economic sectors - Adhere to co-operative principles - Give preference towards women, youth and people with disabilities - Rural or semi-urban based.	The applicant should be a - municipality; - municipal entity as defined in section 1 of the Local government municipal systems act of 2000; or - provincial government entity	No specific qualifying criteria are mentioned but its strategies prioritise five economic sectors – retail, manufacturing, services, agriculture and construction/ maintenance. The business can include any entrepreneurial activities in the informal sector and can include anything from a spaza shop, general dealer, hairdresser, car washers, etc.	100% black-owned informal business - Turnover of between R12 000 and R200 000 per annum - Trading for more than a year	- Registered tax compliant entities - Offering to be used for development support, infrastructure, machinery, equipment and tools

Source: Authors' own.

^aBlack Business Supplier Development Programme.

^bCo-operative Incentive Scheme.

^cShare Economic Infrastructure Facility.

^dNational Informal Business Upliftment Strategy.

^eInformal and Micro Enterprise Development Programme.

^fEnterprise Incubation Programme.

Figure 2-1: Department of Small Business Development key service offerings

(Source: Botha *et al.*, 2021:156)

2.4. SMME growth and sustainability

2.4.1. SMME Growth

SMME Growth refers to increase over time in size, profitability, ability to compete and economic contribution (Shoprite Report, 2025:9). This growth can be measured by factors such as increased sales, increased employment levels, improved efficiency in operations and larger market presence (Shoprite Report, 2025:3). According to Molo (2018:33) business growth can be measured using indicators such as market value, sales figures, employment numbers, production capabilities, assets value, profit margins and overall earnings. Madela (2019:11) indicates that some organisations experience growth in sales without any changes in assets or workforce levels.

Madela (2019:11) explains that a rise in demand for goods and services of a business can drive business growth, resulting in higher revenues in sales, which enables the business to acquire more assets and hire more workforce to address market demand. Policymakers, particularly the government, often regard employment levels as an important measure of economic progress (Molo, 2018:33). Sales growth is widely used as an indicator of business growth however, other indicators, such as revenues, assets, may be misleading due to differences in accounting practices among private companies (Zhou & Zondo, 2023:4).

The SMME sector is diverse, with size and age serving as significant factors in the growth of small firms (Zhou & Zondo, 2023:2). SMMEs are regarded as key important drivers of economic development, employment creation and innovation particularly in South Africa, where their development from start-ups to established entities emphasise the opportunities and challenges encountered at various developmental phases (Shoprite Report, 2025:9). The growth of SMMEs involves not only the proliferation of firms but also the improvement of their stability, scalability, and enduring economic influence (Shoprite Report, 2025:12). SMMEs are expected to create financial returns for their owners however their growth is also important for economic development of the country (Venter, 2014:26). Business growth can be assessed by evaluating aspects of entrepreneurial orientation (Venter, 2014:26).

The government has undertaken SMME development initiatives as a strategy to support the expansion of SMMEs, recognised as essential for employment generation and advancement of local economies (Molo, 2018:1). According to Molo (2018:18) one percent of all new SMMEs are expected to thrive and endure beyond their year, while between fifty percent and ninety-five percent of SMMEs in South Africa is estimated to collapse by their fifth year. Molo (2018:18) contends that a limited fraction of SMMEs in South Africa demonstrates significant development potential and contributes to employment creation. The expansion of SMMEs is regarded as a potential remedy for the nation's elevated unemployment rate and sluggish economic growth (Botha, 2021:153). The fundamental issue hindering the expansion of SMMEs in South Africa is inadequate market access (Molo, 2018:19). Despite their significant contributions to the economy, they confront constraints that could hinder their growth and capacity to achieve their full potential (Wiid & Cant, 2021:5).

Venter (2014:31) contends that a business's growth, sustainability, and financial performance are contingent upon the degree of entrepreneurial orientation exhibited by the owner or manager. According to Venter (2014:31), there is a necessity for entrepreneurs and managers to be educated in the concept of entrepreneurial orientation and to cultivate an entrepreneurial mindset. Zhou and Zondo (2023:6) propose that small enterprises formulate effective growth strategies, such as broadening their customer base, innovating product offerings, or venturing into new areas, to enhance their business growth. Incubators provide SMMEs with essential tools to facilitate development, including funding, mentorship, training programmes, and networking, and provide opportunities for market access (Zhou & Zondo, 2023:7).

2.4.2. Sustainability of SMMEs

Sustainability for South African SMMEs refers to their capacity to secure enduring economic, social, and environmental success while ensuring future generations' needs are met (Rikhotso, 2023:19). Achieving sustainability typically requires adopting practices that reduce adverse social and environmental impact from business activities while improving long-term profitability and business competitiveness (Rikhotso, 2023:19).

Msomi and Olarewaju (2021:112) suggest that for SMMEs to remain resilient and sustainable, they need to have access to funding, understand financial management, and possess strong budgeting in accounting abilities. Ndjwili-Potele (2012:41) identifies the ineffectiveness of state support programmes, red tape, lack of collateral, and competition from mainstream businesses as barriers to achieving growth and sustainability among SMMEs.

2.4.2.1 Access to finance as a driver of SMME sustainability

The World Bank (2005) defines access to finance as having a bank account and be able to use financial services primarily provided by financial institutions such as banks, including services from non-bank entities, and the ability to obtain credit through formal and informal channels. Jordaan (2020:39) asserts that access to finance encompasses the availability of a business-specific bank account, access to a diverse array of financial products and services that facilitate business operations, regular utilisation of these financial offerings, availability of credit lines, and access to reasonably priced loans.

Ndjwili-Potele (2012:3) contends that SMMEs should be afforded economic access to financing to expand their income and asset portfolios. The United Nations regards micro-finance as a significant factor in attaining the Development Goals (Ndjwili-Potele, 2012:3). Additionally, the primary obstacle to small businesses' formation, growth, and sustainability is insufficient access to financing. The sustainability of SMMEs necessitates accessible and effective microfinance and business support programs (Ndjwili-Potele, 2012:1). Mutyeniyoka and Madzivhandila (2014:69) concur those factors such as financial accessibility, training opportunities, and a conducive legislative framework remain essential for the viability and expansion of SMMEs. Improving access to finance can increase the ability of the SMMEs to grow and help to unlock the opportunities required to grow the economy and create the desired employment opportunities (Jordaan, 2020:4).

Jordaan (2020:5) identified that the absence of collateral, inadequate owners' equity investment, elevated interest rates, cash flow difficulties, and poor credit histories posed a risk to the sustainability of SMMEs. The characteristics of the SMME are

significant, as they may either facilitate or hinder the SMME's capacity to secure financing, asserts Jordaan (2020:5).

Msomi and Olarewaju (2021:106) contend that access to funding ensures the sustainable financial performance of small firms and promotes corporate competitiveness by enabling market entry, promoting entrepreneurship, increasing efficiency, and eventually securing sustainability.

2.4.2.2 Business Skills as a driver of SMME sustainability

Jordaan (2020:345) contends that in the rapidly evolving business landscape, small enterprises must embrace a philosophy of perpetual learning to achieve success. Additionally, commercial banks review the academic qualifications and professional experience of the SMMEs' owners as part of their loan application process and cite additional factors that may hinder SMMEs from obtaining credit facilities from commercial banks, including incomplete information, insufficient business management skills, inadequate financial literacy, and substandard business plans.

According to Msomi and Olarewaju (2021:105), financial literacy is essential for the survival of SMMEs in developed and developing nations. Msomi and Olarewaju (2021:105) assert that entrepreneurs with financial acumen are more likely to implement sound financial management strategies to enhance the growth and sustainability of their enterprises (Msomi & Olarewaju, 2021:105).

Buys (2012:22) suggests that more focus should be given to providing New Venture Creation training for individuals lacking business skills and experience. This targeted training will assist the SMMEs in managing their businesses effectively (Buys, 2012:22). SMME owners should strengthen their abilities in managing business operations, handling finances, and the ability to nurture effective business relationships while embracing continuous professional development as part of their journey (Jordaan, 2020:345).

Venter (2014:14) states that entrepreneurial knowledge is crucial to business development and sustainability. A business's success, growth, sustainability, and financial performance are contingent upon the extent to which the owner applies

entrepreneurial knowledge (Venter, 2014:31). Msomi and Olarewaju (2021:105) assert a correlation between financial literacy and sustainable enterprises. Msomi (2021:105) maintains that improving financial literacy is likely to make SMMEs sustainable. Additionally, accounting skills and budgets are essential for mapping business growth, tracking cash flows, and planning expenditure for a specific period. (Msomi, 2021:105). A structured approach to budgeting would assist the SMMEs to review their actual results against their forecasted financial goals (Msomi 2021:106).)

Maintaining accurate accounting records and having reliable accounting systems are important for the sustainability of SMMEs. However, many SMMEs fail to appreciate the importance of accounting records and systems, which can contribute to their failure (Msomi & Olarewaju, 2021:106). Education and training will assist the SMMEs to clearly express and identify the unique requirements of their businesses that will lead to growth and make their businesses sustainable (Jordaan, 2020:345). For businesses to be sustainable over time, sales need to be maintained, and costs decreased, as supported by the profit (Buy, 2012:64).

2.5 Challenges facing SMMEs

SMMEs play a key role in driving economic expansion and creating employment in South Africa and across Africa, nevertheless, they encounter numerous problems that often render them unsustainable, resulting in limited benefits for these enterprises (Wiid & Cant, 2021:1). Numerous individuals are unable of realising their full potential or generating wider economic benefits due to these obstacles according to Wiid & Cant (2021:2). Jordaan (2020:29), observed that since 2001, the GEM survey in South Africa has affirmed that challenges such as regulatory policies, limited access to funding and insufficient education and training have continued to impede the success of entrepreneurs.

2.5.1. Access to Finance

Access to capital is considered a primary impediment for SMMEs in South Africa (Jordaan, 2020:33). Financial access, a facet of financial development or financial inclusion, is characterised by the extent and distribution of credit availability. It includes not only obtaining loans but also gaining access to a range of other financial services such as payment solutions, insurance, and suitable savings products (Jordaan,

2020:34). In South Africa, financial access has two dimensions: official and informal credit (Jordaan, 2020:36).

SMMEs in South Africa use their own finances and money borrowed from family and friends to fund their business activities (Jordaan, 2020:36). The SMMEs avoid seeking financial support from banks or government agencies because they view the application procedures as too complicated, with high interest rates, not having enough collateral, and fear being rejected (Chimucheka & Rungani, 2013:787). Although SMMEs source funds from their family and friends, they require external financial support for expansion and growth such as loans, venture capital and development finance (Molo, 2018:34).

Organisations such as Gauteng Enterprise Propeller, the National Empowerment Fund the Independent Development Corporation, and the Small Enterprise Finance Agency can assist in this context. Mutyeniyoka and Madzivhandila (2014:68) conclude that inadequate access to financial resources constitutes a significant challenge for SMMEs and that the advancement of SMMEs remains hindered by restricted access to financial resources necessary for various operational and investment requirements due to insufficient credit availability.

Due to limited access to financial support from financial institutions, the government, and the private sector, SMMEs are unable to secure business capital through tax incentives, grants, equity financing alternatives, and loans (Sibiya *et al.*, 2023:6).

Banks and financial institutions cite the following reasons for loan rejection: inadequate profitability, insufficient collateral, inadequate owner's equity contribution, inability to repay the loan, issues with the credit history, and lack of information on the loan application (Jordaan, 2020:43).

Jordaan (2020:39) asserts that the notion of financial access for SMMEs encompasses (a) the availability of a business-specific bank account, (b) access to a diverse range of financial products and services that facilitate business operations, (c) regular utilisation of these financial products and services, (d) access to credit lines, and (e) access to loans offered at a reasonable cost.

2.5.2. Education, Training, and Development (ETD)

Training and development in South Africa encompass organised activities and programs aimed at improving employees' knowledge, skills, and competencies, hence facilitating successful performance and contributing to organisational and national goals (Erasmus et al., 2008:1). In South Africa, these programs are significantly shaped by legal frameworks, national skills priorities, and the requirements for historical and socio-economic development (Sekgala & Holtzhausen, 2016:45).

Erasmus *et al.* (2008:1) define and describe the terms as follows:

- Education involves getting important knowledge, skills, and values needed for life and work and often provides the groundwork for further training and development (Erasmus et al., 2008:1).
- Training enhances individuals' knowledge, abilities, and behaviour to assist organisations in attaining their objectives. It is generally tailored to specific job functions and seeks to enhance immediate performance in existing positions (Erasmus et al., 2008:2).
- Development refers to a process that is focused on individuals or groups of employees, designed to prepare them future roles and career advancement. It is broader in scope, not only focusing on skills but also attitudes and beliefs (Erasmus et al., 2008:2).

South Africa's approach to training and development is influenced by key pieces of legislation and strategic frameworks, including:

- The Skills Development Act (No. 97 of 1998) compels organisations to invest in employee training and development. It establishes mechanisms like SETAs, as stated by Sekgala and Holtzhausen (2016:45).
- The Skills Development Levies Act (No. 9 of 1999) requires organisations to allocate a portion of payroll to training initiatives (Erasmus *et al.*, 2008:1).
- The National Qualifications Framework ensures that training programs are standardised and accredited (Sekgala & Holtzhausen, 2016:45).

Training and development are widely regarded as essential for mitigating South Africa's skills deficit, characterised by an excess of unskilled labour and a scarcity of trained professionals (Erasmus *et al.*, 2008:3). In South Africa, inadequate education is considered a major impediment to business endeavours (Chimucheka, 2013:786). The absence of education and training significantly contributes to the elevated failure rate of SMMEs (Chimucheka, 2013:787). Department of Small Business Development (2023:26) cited the deficiency of training and entrepreneurial abilities as a challenge for small enterprises.

Msomi and Olarewaju (2021:112) contend that training and workshops in bookkeeping, financial statement analysis, risk analysis, cash flow analysis, business environment analysis, and investment management should be conducted to enhance the performance of SMMEs. Wiid and Cant (2021:11) assert that training and development in business skills is a significant barrier for entrepreneurs in the small business sector. Zhou and Zondo (2023:2519) state that a lack of technical expertise among entrepreneurs increases the chances of SMME failure. The competencies held by the SMMEs are inadequate for executing the organisations' business activities (Rens *et al.*, 2021:220). Rens *et al.* (2021:220) contend that inadequate managerial experience often leads to losses that result in business closure. The rationale for the closure encompasses insufficient business education, training, and capabilities (Rens *et al.*, 2021:220).

Nxopo (2014:62) asserts that there are many training programmes designed to improve entrepreneurial skills among SMMEs in South Africa however, the persistent lack of managerial abilities highlights shortcomings in both the accessibility and effectiveness of these training offerings for entrepreneurs. Consequently, the training programmes provided to SMMEs lack monitoring and evaluation of their effectiveness and impact (Nxopo, 2014:63). According to Nxopo (2014:63), most training efforts fall short of the necessary standards or expectations of SMMEs and are not applicable in the workplace.

2.5.3 Lack of Infrastructure

Jordaan (2020:335) asserts that access to infrastructure encompasses adequate electrical supply, transportation networks, telecommunications, and internet connectivity, among other elements essential for the effective operation of a firm. Good infrastructure is essential for supporting the growth of SMMEs, while an inadequate infrastructure, such as poor road networks, poor telecommunication services, and frequent power outages, impacts on their growth and sustainability (Rens et al., 2021:222). A deficiency of suitable facilities compels companies to incur elevated expenses for certain services and their close alternatives, such as generators, which are costly, according to Gamba (2019, cited by Rens et al., 2021:222). The demand for infrastructure such as roads, water supply, telecommunications, power, and other utilities presents a significant barrier to SMMEs in South Africa (2019, quoted by Rens et al., 2021:222). Zhou and Zondo (2023:2520) argued that inadequate infrastructure is a primary barrier to SMMEs' sustainability in South Africa, indicating that this issue notably affects local small firms, which are generally less inventive than their counterparts in industrialised nations. Enaifoghe and Vezi-Magigaba (2023:102) contend that regions with insufficient backlog infrastructure exhibit elevated poverty rates.

2.5.4 Access to Markets

Market access refers to a corporation or nation's ability to sell goods and services in an international market (Fiveable, 2025). It is affected by tariffs, quotas, and other trade obstacles that promote or obstruct commerce (Fiveable, 2025). To thrive and succeed, SMMEs must understand how the competitive landscape of their businesses operates and pay attention to the changes in the environment to develop abilities and capabilities to compete (Chimucheka, 2013:787).

Molo (2028:19) argues that inadequate market access poses a significant challenge to SMME growth in South Africa. It is argued that three essential components must be addressed in South Africa concerning market access for various SMMEs, which are sector disadvantage, geographical disadvantage and the competitiveness of SMMEs to improve market access (Molo, 2018:21). Sector disadvantage arises from the overconcentration of SMMEs activities and segments that exhibit minimal growth

potential and yield limited returns, with the majority operating at subsistence levels (Molo, 2018:21). Subsequently, geographical disadvantages refer to the location of SMMEs influences and their capacity to deliver services. Numerous SMMEs are compelled to operate from peripheral regions in both urban and rural settings, thereby limiting their access to market opportunities (Molo, 2018:21). Furthermore, competitiveness of SMMEs is enhancing the competitiveness of black-owned SMMEs compared to white firms, enabling them to access private and public sector procurement chains (Molo, 2018:21). Urban-based small and medium enterprises can occasionally engage in global marketplaces. Zhou and Zondo (2023:2520) observed that the absence of market access is a primary contributor of SMMEs not achieving the desired results.

2.5.5 Lack of Strategic Direction

Strategic direction denotes a collective vision and purpose that guides an organisation's activities and decisions over time, ensuring coherence with its mission and long-term goals (Thompson *et al.*, 2022:22).

SMMEs frequently lack sufficient expertise and information, hindering their businesses' strategic advancement (Sibiya, 2018:32). This is evident in the absence of business plans, strategic plans, and operational models (Sibiya, 2018:32). SMMEs employ tendering as a survival strategy, engaging in the tendering process for government contracts to secure consistent revenue and maintain their operations (Sibiya, 2018:32). This strategy is not sustainable as the tender processes are lengthy and complex for SMMEs (2018:32).

2.6 Theoretical framework development

This study integrates multiple theoretical lenses to understand the impact of government skills development initiatives programmes on SMME growth and sustainability in Gauteng's ETD Sector. The framework combines Human Capital Theory, Resource-Based View, Stakeholder Theory, and Adult Learning Theory to provide a robust analytical structure.

2.6.1 Human Capital Theory

Human Capital Theory asserts that investments in education and training augment the productivity and economic worth of individuals and organisations (Tian, 2024:52). This study conceptualises government skills development programs as investments in human capital designed to alleviate skills deficiencies and cultivate abilities essential for the operational efficiency and competitiveness of SMMEs (Becker, 1993:24). This theoretical perspective posits that skills development programs directly enhance business outcomes and foster innovation within the ETD sector.

Government initiatives are designed to mitigate skills deficiencies in SMMEs by enhancing entrepreneurial, managerial, and technical proficiencies. These investments correspond with Becker's claim that the advancement of human capital propels economic growth (Tian, 2024:52).

2.6.2 Resource-Based View

The Resource-Based View proposes that businesses can obtain a competitive edge by utilising their valuable, scarce resources that are not easily duplicated (Lubis, 2022:25). This study views skills acquired from government initiatives as intangible assets that can strengthen the strategic capabilities and long-term viability of SMMEs. The Resource-Based View framework is particularly relevant for understanding how these interventions can lead to varying levels of performance among SMMEs, depending on whether they can access and effectively use these resources (Lubis, 2022:25). Skills development programmes act as important strategic resources for SMMEs by building the key competencies necessary for their long-term success and sustainability (Bhorat *et al.*, 2018:5). The Resource-Based View framework suggests that providing SMMEs with access to government-sponsored training offers them a resource advantage compared to competitors who do not receive such support.

2.6.3 Stakeholder Theory

Stakeholder Theory illustrates that, for the organisation to achieve its objectives, there must be a consideration of needs and the expectations of all parties that are involved, such as the employees, the owners of the business and the government (Freeman, 2010:53). This theoretical perspective guides the study in examining how well government skills programmes match the actual needs of SMMEs in the ETD sector,

and how gathering input from stakeholders could improve the planning and delivery of these initiatives. The research also explores ETD SMME owners' views to determine how effective the programmes are.

2.6.4 Adult Learning Theory (Andragogy)

Adult Learning Theory, also known as andragogy, asserts that adults tend to learn independently, have clear objectives, and are motivated by practical relevance and usefulness in their training experiences (McGrath, 2009:99). The Adult Learning Theory framework assesses the teaching methods used in government skills development programmes to determine their suitability for adult learners in the SMME sector. Ensuring that training content and approaches align with adult learning concepts is crucial for effectively imparting skills and knowledge.



Figure 2-2: Theoretical Framework (Source: Author)

2.7 Research gaps

While the literature acknowledges that operational models are important for SMMEs, there is limited hands-on research that specifically looks at how these models influence performance and access to finance for SMMEs in South Africa. Much of the available research tends to focus on broad business models or general challenges, rather than on the operational systems that guide everyday business activities and align strategies (Sibiya *et al.*, 2023:12).

Research often categorises SMMEs as uniform despite data indicating that size and sector substantially influence these businesses' problems and support requirements.

Botha *et al.* (2021:154) illustrate that the size of SMMEs statistically affects perceptions of obstacles and governmental assistance. Most academic studies and policy efforts do not adequately separate or highlight these specific components (Botha *et al.*, 2021:155). Many academic studies and government reports focused on SMME support and operational approaches tend to emphasize immediate output measures, like the number of businesses supported or the amount of funding distributed, rather than tracking longer-term outcomes such as ongoing viability, financial success, and employment creation (Njiro & Compagnoni, 2010: 7). There is a clear need for long-term research that follows the sustained impact of changes in operational models on SMME growth and resilience over time (Njiro & Compagnoni, 2010: 7).

Zhou and Zondo (2023:3) observe that there is increasing attention given to the role of development programmes and government support systems, however, little research explores exactly how these interventions influence the way SMMEs adopt and use operational models, as well as their effectiveness. Zhou and Zondo (2023:3) emphasise that development can help level the playing field for SMMEs, however, it remains unclear whether this support leads to stronger day-to-day operations or better access to financing (Zhou & Zondo, 2023:3).

The study acknowledges that many SMMEs are functioning outside major economic hubs and face unique challenges, especially in the areas of education, training, and expansion. However, there is a lack of focused research on how operating models can be tailored to address the varying needs of these businesses and how such adaptations affect their ability to obtain government assistance. (Enaifoghe & Vezi-Magigaba, 2022:5). Even though there is frequent discussion about differences in business models, studies seldom explore how SMMEs truly integrate strategic planning, innovate their business models, and manage daily activities, especially in resource-constrained environments (Sibiya, 2018:17).

Studies are scarce regarding how business operating models are designed to overcome these obstacles or how well the various SMME support institutions work together, which can result in duplication of efforts and wasted resources (Njiro & Compagnoni, 2010:10).

2.8 Conclusion

The literature review shows that SMMEs are very important for South Africa's economic growth, especially in Gauteng's education, training, and development sector. These small businesses help create jobs, reduce poverty, and support a wider range of economic activities. However, they still face ongoing challenges with their structure and operations that make it hard for many to survive (Chimucheka, 2013:789). These challenges include restricted financial resources, poor infrastructure, limited market opportunities, and significant shortages in essential skills, all of which hinder efficiency and threaten sustainability over time.

Government skills development programmes play a pivotal role in tackling these issues. By introducing policies such as the Skills Development Act and creating organisations like the SETAs, efforts have been made to provide SMMEs with the necessary skills for their advancement and long-term success. These measures, which offer both financial and training support, are closely aligned with national strategies such as the NDP Vision 2030 and the NISED Framework. Research shows that focused training programmes improve entrepreneurship, boost financial acumen, and encourage innovation, ultimately making SMMEs more competitive and resilient.

Despite these efforts, the literature review highlights several persistent gaps and shortcomings. Many government support programmes do not have strong monitoring and evaluation mechanisms for tracking results or tailoring their support to the actual needs of SMMEs, which limits their effectiveness in improving business outcomes. The varied nature of SMMEs, including differences in size, sector, and location, calls for more personalised and situational support approaches. In addition, there is a noticeable lack of research into how these interventions impact long-term operational changes and strategic direction. Persistent obstacles such as complex regulations and poor cooperation are among the factors that weaken the success of these support programmes.

The theoretical frameworks underpinning this review, the Human Capital Theory, Resource-Based View, Stakeholder Theory, and Adult Learning Theory, collectively emphasise the significance of investing in skills development as a strategic asset for

SMMEs. However, realising the full potential of these investments requires a more integrated, stakeholder-driven approach that is responsive to the sector's evolving needs.

In summary, while government skills development programmes are indispensable for encouraging the growth and sustainability of SMMEs in the ETD sector, their success depends upon improved customisation, robust evaluation, and enhanced stakeholder collaboration. Addressing shortcomings facing the SMMEs is crucial for economic development in South Africa.

CHAPTER 3 : RESEARCH METHODOLOGY

3.1 Introduction

This chapter is important in this research study as it seeks to explore the perceptions of stakeholders regarding the impact of government skills development programmes on the growth and sustainability of SMMEs within the ETD sector in Gauteng. Building on the theoretical foundation and literature review presented earlier, which emphasised the importance of skills development in enhancing SMME competitiveness and sustainability, this chapter outlines the research design, methodology, and methods used to collect and analyse qualitative data.

This chapter provides an in-depth description of the research paradigm, approach, methodological choices, research strategy, participant selection, data collection, and data analysis processes. The ethical considerations guiding this empirical such as informed consent, participant anonymity, and appropriate data processing, are examined closely and discussed. Through this investigation, the study aims to gather valid and reliable evidence to address the research objectives and close the gaps identified in the existing body of knowledge relating to skills development and its role in the growth and sustainability of SMMEs in the ETD sector.

Given the interpretive nature of this study, qualitative methods are appropriate to capture the nuanced views and experiences of SMME owners and relevant government officials involved in skills development initiatives. The collection of rich, in-depth data will help illuminate the lived realities and perceptions of key stakeholders, contributing to a deeper understanding of the effectiveness and challenges of government skills programmes in this sector.

A layered framework known as the research onion was employed to provide a thorough and cohesive approach to study design and methodology (Saunders *et al.*, 2012:138). It assists researchers in methodically structuring their investigations through a six-layered procedure that delineates the comprehensive study design. The initial layer, research philosophy, builds the epistemological underpinnings for the inquiry by delineating ontology, which pertains to the essence of reality and knowledge. The second layer emphasises the methodology of theory creation, addressing deductive, inductive, or abductive reasoning. Deductive reasoning assesses hypotheses in novel

situations, inductive reasoning formulates hypotheses based on observations and sample data, and abductive reasoning integrates facts and theory to ascertain the most feasible explanation for observed phenomena. The third step, methodological choice, involves selecting the overarching approach, such as qualitative, quantitative, or mixed methods, based on the study questions and the requisite data type. The fourth layer, research strategy, delineates the methodologies for data collection and analysis, integrating diverse approaches such as surveys, case studies, or experiments, each providing distinct data acquisition and processing techniques. The fifth layer pertains to time horizons, differentiating between cross-sectional studies, which offer a snapshot at a single moment, and longitudinal studies, which gather data over prolonged durations to monitor changes and advancements. The sixth layer focuses on techniques and procedures, highlighting the specific methods and tools used for data collection and processing, such as statistical analyses, surveys, and interviews. The research onion guarantees a thorough and cohesive approach to research design and methods.

3.2 Research Approach

The research approach selected for this study is qualitative in nature, aligning with the interpretive paradigm adopted to explore stakeholders' perceptions regarding government skills development programmes on the growth and sustainability of SMMEs in the ETD sector in Gauteng.

Qualitative research emphasises understanding the meanings individuals or groups ascribe to social or human problems and seeks to uncover attitudes, motivations, opinions, and experiences through non-numerical data (Creswell, 2018:125). This approach enables an in-depth exploration of the complex and subjective realities faced by SMME owners and other stakeholders, allowing for rich, detailed insights that quantitative methods may not capture. The inductive nature of the research approach further supports this study, as it involves generating theory and understanding from empirical data collected directly from participants, rather than testing predetermined hypotheses. An inductive inquiry into this study is motivated by the fact that data will be collected directly from SMME owners before the theory is generated, as confirmed by Creswell (2018: 125).

This bottom-up approach facilitates building a conceptual understanding grounded in participants lived experiences and perceptions, which is essential for addressing the nuanced challenges of skills development and SMME sustainability in this specific context. By employing qualitative methods, the study aims to provide a comprehensive and contextualised understanding of the impact and effectiveness of government skills programmes as experienced by the participants.

As explained by Nassaji (2020:427), qualitative research enables an investigation capable of capturing depth and detail, making it an advantageous method for achieving the study's objectives.

3.3 Research design

The research design for this study is qualitative and exploratory, structured to gain an in-depth understanding of stakeholders' perceptions regarding the impact of government skills development programmes on the growth and sustainability of SMMEs in the ETD sector in Gauteng. This design aligns with the interpretive research paradigm, which prioritises understanding social phenomena through the subjective experiences and meanings attributed by participants.

The qualitative design facilitates rich, narrative data collection, enabling the researcher to capture nuanced insights into how government programmes influence SMME success. The use of semi-structured interviews as the primary data collection method enables flexible yet focused dialogue, allowing participants to share detailed personal experiences while permitting the researcher to probe deeper into emerging themes (Saunders *et al.*, 2012:185).

The exploratory nature of the research design is appropriate for addressing gaps in existing empirical knowledge by enabling the discovery of unanticipated perspectives and contextual factors that affect programme effectiveness. This framework enabled the researcher to examine the individuals' diverse perspectives comprehensively. It assists individuals in comprehending how they construct meaning about their decisions and actions within their organisations (Kuvunja & Kuyini, 2017:27).

3.4 Sampling

Population

The population targeted in this study comprises owners and representatives of SMMEs operating within the ETD sector in Gauteng province. This includes small to medium enterprises, predominantly private training providers, which have been in operation for more than three years. Employees of the ETDP SETA involved in providing skills development initiatives are also part of the population frame relevant to the study.

Sampling Frame

The sampling frame mirrors the population, focusing on registered and operational ETD SMMEs within Gauteng Province. The ETDP SETA records, along with other government and sectoral databases, were used to identify potential participants who met the inclusion criteria.

Sampling Method

A purposive non-probability sampling technique was employed to select participants who are most knowledgeable and relevant to the research focus. Purposive sampling is beneficial, as Bryman *et al.* (2021:224) point out, when the objective is to get a thorough understanding of a particular group of people, which is most likely to provide an insightful analysis of the phenomena under investigation.

Initial participants will be identified through consultations with the Research Head of the ETDP SETA, and snowball sampling will follow, allowing recruited participants to recommend further participants until data saturation is achieved, meaning no new information is forthcoming from additional interviews.

Inclusion Criteria

- SMMEs operating within the ETD sector in Gauteng Province
- Both for-profit and not-for-profit entities
- Operational for more than three years
- SMME owners or representatives aged 18 years and older

- Willingness to participate voluntarily in the study

Exclusion Criteria

- Unregistered SMMEs within the ETD sector
- SMMEs not implementing skills development interventions
- Individuals or enterprises unable or unwilling to participate due to various reasons, including scheduling conflicts or refusal

Sample Size

The sample size is projected to range between 10 and 15 participants. This is consistent with qualitative research best practices where sample size is guided by data saturation rather than predetermined numbers (Bryman *et al.*, 2021:230). Interviews will continue until saturation is reached, signifying no new insights or thematic properties emerge from subsequent interviews.

3.5 Data collection

The data collection method employed in this study was semi-structured interviews, chosen for their suitability in qualitative research aimed at exploring participants' perceptions and experiences in depth. Interviews provide a formal setting where the researcher can ask questions to obtain relevant and rich data pertinent to the research objectives (Saunders *et al.*, 2012:349). Given the exploratory and interpretive nature of this study, interviews enable the capturing of nuanced views from SMME owners and representatives on the impact of government skills development programmes on their growth and sustainability.

Semi-structured interviews allowed the researcher to prepare a list of themes and open-ended questions but permitted flexibility to probe further based on participants' responses, thereby uncovering deeper insights (Bryman *et al.*, 2021:270). This flexibility enhances the ability to explore specific experiences and perceptions while maintaining some consistency across interviews for comparability. Saunders (2009:320) points out that the order and nature of questions may vary depending on

the flow of conversation, which facilitates a more natural and comprehensive discussion.

The interviews were conducted one-on-one, some were conducted face-to-face, and others through technological means, ensuring participant convenience and data quality. One-on-one interviews foster rapport that encourages openness and detailed responses, critical for qualitative data richness (Bryman *et al.*, 2021:270).

Data Collection Process

Following Saunders *et al.* (2009:273), the data collection proceeded through the following steps:

1. **Defining Research Goals and Gaining Access:** The researcher clarified and communicated the study's aims to potential participants. Necessary permissions and ethical approvals were secured to ensure access to the target population and adherence to research protocols.
2. **Choosing Data Collection Method:** The interviewer prepared a semi-structured interview guide that lists key themes and questions related to the research objectives, allowing for guided yet flexible discussions.
3. **Planning Data Collection Procedures:** The interviewer familiarised herself with the participant's context to facilitate rapport and relevant probing. Permission to record interviews was obtained, and recordings were made to ensure accurate data capture. Interviews took place in quiet, comfortable environments conducive to open discussion.
4. **Conducting Interviews:** Interview style included a mix of introduction questions, follow-ups, probing, specifying, direct, and indirect questions, to elicit comprehensive and reflective answers from participants.
5. **Data Cleaning and Organisation:** Recorded interviews were transcribed verbatim to prepare the data for rigorous qualitative analysis.

Data Collection Tool

The primary data collection instrument used was a semi-structured interview schedule, comprising a series of open-ended questions designed to explore stakeholders' perceptions of government skills development initiatives. This instrument was constructed to ensure clarity, relevance, and neutrality, avoiding sensitive topics that may pose ethical concerns (Scott, 1995:43; Kimberlin & Winterstein, 2008:2276). The semi-structured format supports capturing rich qualitative data that can reveal complex attitudes, motivations, and experiences relevant to the research questions (Saunders *et al.*, 2009:251).

By employing semi-structured interviews as the main tool, the study ensures that the data collected is flexible enough to adapt to the evolving discourse with participants while sufficiently consistent to identify patterns and themes across the dataset.

3.6 Data Analysis

Data Analysis

The data collected from the semi-structured interviews were analysed using thematic analysis, a widely recognised and flexible qualitative data analysis method. Thematic analysis was chosen because it enables the identification, analysis, and description of patterns or themes within qualitative data, providing a rich and detailed yet complex account of the dataset (Bryman *et al.*, 2021:366). This method enabled the researcher to systematically manage and interpret the large volume of textual data obtained from the interviews, which is typical in qualitative studies (Bryan, 2021:365).

The analysis process followed the six-step approach to thematic analysis as outlined (Bryman *et al.*, 2021:366):

1. Familiarisation with the data: The researcher immersed herself in the data by reading and rereading interview transcripts, noting initial ideas and observations to gain a comprehensive understanding. This step helped establish familiarity with the dataset's depth and breadth.
2. Generating initial codes: This step involved categorising data extracts to facilitate pattern recognition. The researcher systematically coded interesting

features of the data across the dataset, marking and categorising segments relevant to the research questions.

3. Searching for themes: Codes were then collated into potential themes, representing broader patterns of meaning across the data. Themes were conceptualised as coherent and meaningful clusters that addressed the research focus.
4. Reviewing themes: The themes were reviewed and refined by checking the coded data extracts for coherence and consistency within each theme and in relation to the entire dataset. Some themes were combined, separated, or discarded based on the quality and representativeness of the data.
5. Defining and naming themes: The researcher further defined each theme, identifying its essence and narrative contribution to the research. Clear, punchy, and descriptive names were assigned to enable effective communication of the findings.
6. Producing the report: The final step involved weaving together the analytic narrative and data extracts to produce a coherent, logical, and compelling account of the data, relating findings to the research questions and literature.

3.7 Trustworthiness

To ensure the trustworthiness of the study, the criteria outlined by Lincoln and Guba (1985), which include credibility, transferability, dependability, and confirmability, were rigorously applied throughout the research process (Stahl *et al.*, 2020:26). Trustworthiness, as mentioned by Bryman *et al.* (2021:62), refers to a set of standards suggested by several academics for assessing the quality and effectiveness of qualitative research.

Credibility refers to the confidence in the truth of the findings (Bryman *et al.*, 2021: 44). Several strategies were employed to enhance credibility in this study, including triangulation by collecting data from multiple sources, such as SMME owners, employees, and government officials, to identify consistent patterns. Additionally, member checking was employed, where participants reviewed and

verified the accuracy of their responses during and after the interviews to ensure that their perspectives were accurately reflected (Stahl *et al.*, 2020:26).

Transferability pertains to the extent to which the findings can be applied to other contexts. Detailed, rich descriptions of the research context, participant profiles, and settings were provided to enable other researchers and stakeholders to determine the applicability of the results to similar settings (Stahl *et al.*, 2020:27).

Dependability focuses on the consistency and reliability of the research process over time. This was addressed through peer debriefing and external auditing, where the research process, findings, and interpretations were reviewed by peers and the supervisor to ensure that data collection and analysis were conducted rigorously and transparently (Stahl *et al.*, 2020:27).

Confirmability is concerned with the degree to which the findings are shaped by the respondents and not by researcher bias or personal motivations. To ensure confirmability, an audit trail was maintained documenting all research decisions and processes. Reflexive journaling was practised to acknowledge and mitigate researcher biases, ensuring that the findings were grounded firmly in the data (Lincoln & Guba, 1985, cited in Stahl *et al.*, 2020:28).

Collectively, these trustworthiness measures provided a robust framework for producing valid, reliable, and ethically sound qualitative research findings that accurately represent stakeholders' perceptions of government skills development programmes impacting SMMEs in the ETD sector (Stahl *et al.*, 2020:26).

3.8 Ethical considerations

The study adhered to the ethical guidelines as outlined by the North-West University regulations to ensure the protection of all participants involved. The researcher considered potential risks, including harm to participants' self-esteem, stress, and damage to career prospects, as well as risks to the researcher, and took steps to mitigate these (Bryman, 2021:163). Confidentiality and anonymity were maintained throughout, despite the inherent challenges in qualitative research (Bryman, 2009:163).

In compliance with the Protection of Personal Information Act (POPIA, 2020), all personal information was handled with strict accountability. Consent was obtained from prospective participants before accessing their data, either by gatekeepers such as ETDP SETA or directly with participants, thereby ensuring legal and ethical compliance with privacy legislation (POPIA, 2019). Data will be securely stored off-site for three years, as stipulated by NWU ethics committee guidelines, and will be destroyed thereafter. Only audio recordings will be retained to protect participant anonymity.

The informed consent process was conducted thoroughly. Participants received clear explanations about the study's purpose, risks, benefits, alternatives to participation, and confidentiality provisions. They were given sufficient time to consider participation and had opportunities to ask questions prior to giving written or oral consent.

Participation was voluntary, with participants informed of their right to withdraw at any point without penalty. The researcher assured that the data collected would only be used for this study, safeguarding participant identities in reporting.

Prior to granting assent, participants in this study were thoroughly apprised of the research objectives by completing an informed consent document. The document had North-West University's official letterhead, along with the names and phone numbers of the researcher and the research supervisor.

These rigorous ethical practices strengthened the study's integrity and respect for participants, aligning with best practices for qualitative research in sensitive contexts such as skills development and SMME sustainability in the ETD sector.

3.9 Conclusion

This chapter outlined the research methodology adopted to explore stakeholders' perceptions of the impact of government skills development programmes on the growth and sustainability of SMMEs in the ETD sector in Gauteng. The study was grounded in an interpretive research paradigm, which enabled an in-depth understanding of the subjective experiences and views of SMME owners and relevant stakeholders. A qualitative research approach was employed, utilising an inductive inquiry that allowed the theory to emerge from the empirical data.

The research strategy centred on semi-structured interviews, a method suitable for capturing the nuances of participants' perceptions flexibly and responsively. The study adopted a cross-sectional time horizon, collecting data at a single point to provide a snapshot of current perceptions regarding government skills programmes. Purposive sampling was employed to target knowledgeable participants within the ETD SMME community, with a sample size designed to achieve saturation, ensuring thorough and credible insights.

The chapter also detailed the instrument design, recruitment strategy, and rigorous procedures for data collection, ethical compliance, and analysis. Thematic analysis guided the systematic examination of qualitative data, with steps in place to promote trustworthiness through credibility, transferability, dependability, and confirmability.

The methodology was well-aligned with the research objectives, allowing for a rich, contextualised exploration of the effectiveness and challenges of government skills development interventions. This approach supports the generation of meaningful findings and evidence-based recommendations to enhance programme design and impact for SMMEs in ETD sector.

This methodological foundation creates a strong platform for the next chapter, which will present and interpret the empirical findings derived from the study's qualitative data.

CHAPTER 4 : DATA ANALYSIS AND INTERPRETATION

4.1. Introduction

This chapter presents the data analysis and interpretation derived from the interviews conducted with eight participants to explore the impact of government skills development programmes on SMMEs within the ETD sector. The semi-structured interviews were used to explore the perspectives of the participants. This chapter employs a thematic analysis approach to identify and evaluate major recurring themes within the data, providing a systematic knowledge of participants' perspectives.

The key themes from the interviews were thoroughly examined to ensure a detailed analysis. These themes include SMMEs' success, growth, and sustainability, access to skills development programs, design and structure of the skills development programs, skills among the SMMEs in the Gauteng ETD sector, impact of government skills development programmes on SMMEs in the ETD sector, challenges facing SMMEs in the Gauteng ETD sector, and recommendations.

The chapter attempts to understand how the participants perceive the impact of the skills development programs on their businesses, their accessibility, and the skills gaps they have in the ETD sector.

4.2. Fieldwork Notes

The researcher conducted eight interviews as part of the data collection process. One was done in person and recorded using a voice note program on a mobile device, and others were recorded on MS Teams. In ensuring integrity, exact words or phrases expressed by those interviewed were meticulously captured.

Table 4-1: Summary of the interview

Participant	Date of interview	Length of interview	Mode
P001	8-07-2025	1 hour 30 minutes	Physical
P002	28-07- 2025	1 hour	Online
P004	8-08-2025	1 hour 10 minutes	Online
P005	11-8-2025	40 Minutes	Online
P006	28-08-2025	50 Minutes	Online
P007	28-08-2025	2 hours	Online
P008	31-08-2025	1 hour 5 minutes	Online
P009	23-09-2025	1 hour 6 minutes	Online

(Source: Author)

4.3. Background of the participants

The background information provided crucial insights into the establishment and evolution of each business. The demographic information provided valuable information about the participants and provided background to their businesses.

4.3.1. Demographic Information

The participants represent a diversity between age, gender, qualifications, and demographic groups, of which two were females, while the remainder were males.

Table 4-2: Participant demographic summary

Participant Code	Gender	Age	Qualification
P001	Male	72	Certificate in Banking
P002	Male	56	B Tech in HRM
P004	Male	50	A degree NQF Level 7
P005	Male	56	A diploma in Education
P006	Female	36	A degree NQF Level 7
P007	Male	64	A diploma in Education (OTDP)
P008	Female	66	PHD
P009	Male	59	Diploma in Project Management

(Source: Author)

4.3.2. Business Information

The business information provided by the participants is summarised below:

Table 4-3: Summary of business information

Participant Code	Business Main Activity	Years in Business	Number of Permanent Employees
P001	Training and Development	17 years	1
P002	Training and Development	19 years	1
P004	Training and Development	9 years	1
P005	Training and Development	10 years	1
P006	Training and Development	5 years	1
P007	Training and Development	11 years	6
P008	Training and Development	19 years	1
P009	Training and Development	18 years	2

(Source: Author)

4.4. Summary of the themes employed

Table 4-4: Themes: Summary of the main theme

No	Theme	Description
1	SMMEs Success: Growth and Sustainability	This theme focuses on what participants view growth and sustainability to be and what it means to their own business and looks like in their own businesses.
2	Access to Skills Development Programmes	Explores the accessibility of these programmes to the SMMEs in the sector of education, training, and development.
3	Design and Structure of the Skills Development Programmes	This theme explores whether the structure and design of the programmes align with the emerging needs of the sector.
4	Skills among the SMMEs in the ETD Sector	Examines the skills that are important in the sector and the skills gaps affecting the SMMEs.
5	Impact of Government Skills Development Programmes on SMMEs in the ETD Sector	The theme explores the perspectives of the participants about the impact of the skills programmes on their businesses.
6	Challenges facing SMMEs in the ETD Sector	Highlights the barriers to sustainability and growth, such as funding, lack of resources, and access challenges, among others.
7	Recommendations	The participants recommended solutions that they think will improve their business and contribute to growth.

(Source: Author)

4.5. Report on the data collected and research findings

This study was guided by research questions as the fundamental framework for structuring its theme analysis. The identification and development of these primary themes were accomplished through open coding techniques, which facilitated the breakdown and categorisation of qualitative data into codes and themes. The themes jointly examined the influence of skills development programmes on SMMEs within the ETD sector.

The study examines the following themes:

4.5.1. SMMEs Success: Growth and Sustainability (Theme 1)

This theme specifically emanated from question 2 of the interview schedule, and this section covers the sub-themes that the participants identified as the measures of growth and sustainability in business. The different related categories were clustered together to form the sub-themes that fall within theme 1.

The participants reflected on their experiences and perceptions of business growth and sustainability in the context of skills development programs, financial stability, business resources, sustainability, employee growth, diversification in business, market share, long-term resilience, business knowledge, and compliance, and highlighted the challenges.

4.5.1.1 Business Growth

Participants consistently emphasised the importance of business growth measured by physical expansion, employee growth, business resources, and the ability to diversify and comply with all business requirements and accreditation processes. Other participants highlighted the importance of increasing the market share as a sign of growth in business. The aspirations to grow beyond self-employment into scalable enterprises that can operate independently from the owners were also highlighted as a signal for business growth.

The business growth sub-theme was perceived by participants from various perspectives. The responses were thoroughly analysed, with data reduced into

relevant categories and synthesised into sub-themes. Four distinct categories emerged from this process, linked to the business growth sub-theme, and they are highlighted in the table below.

Table 4-5: Participants' responses to business growth

Participant Code	Quotes	Category	Sub-theme
P001	"Growth in business means that your organisation has managed to move from one premises to another."	Business Resources	Business Growth
P002	"The business should be able to operate on its own it must have its own resources."	Business Resources	Business Growth
P001	".....and is able to afford to employ more people to let your business grow."	Employee Growth	Business Growth
P004	"Actually, at the moment, I'm self-employed rather than being an employer who employs people, I'm not employing people, but I want to grow into the level where I will be able to employ more people."	Employee Growth	Business Growth
P007	"You know, a growth in terms of capacity, having the capacity to deliver and meet deadlines and expectations."	Employee Growth	Business Growth
P009	"The concept is to grow the small business to a point where management is released from those responsibilities... pay somebody else to do that."	Employee Growth	Business Growth

P004	"Well, my aim is actually to expand, you know, and diversify my business."	Diversification	Business Growth
P007	"And also getting to new markets and not being just the organisation to grow to be a private HET."	Diversification	Business Growth
P008	"OK. I think for me, growth is expanding our reach and impact by training more learners. Offering diverse programs as well as entering into the new markets or sectors, I mean like for example, from the SETAs to the QCTO."	Diversification	Business Growth
P002	"I want the company to have everything in place, relevant staff, resources, and equipment. Currently, I don't have offices I use my house and my vehicle to organise things for business."	Business Compliance	Business Growth
P007	".....and also comply with all the regulations you know are needed for companies."	Business Compliance	Business Growth
P008	"I got assistance from CATHSSETA, and that was like 20 years ago or twenty-one years ago. They had a skills development program to assist the upcoming or startup SMMEs in training. I applied because at that time they could realise that black companies, we were unable to go for accreditation, so that program actually assisted me to be where I am today."	Business Compliance	Business Growth

(Source: Author)

4.5.1.2 Financial Stability

The concept of financial stability proved to be an important indicator of business growth, as many participants shared perceptions linking financial stability to business growth. P001 and P002 highlighted the importance of having a healthy bank balance that will allow the organisation to meet its financial commitments, while P006 expressed the importance of operating seamlessly and achieving the organisation's goals, and P007 emphasised the importance of financial stability that will lead to an organisation's sustainability. P009 suggests that when the finances of the organisation are in order, financial stability is achieved.

The views from the participants illustrate the widely recognised principle that a sound financial position is inseparable from effective business growth and lasting success.

Table 4-6: Participants' responses to financial stability

Participant Code	Quotes	Sub-theme
P001	"...and when you have a healthy organisational bank balance, that will allow you to pay bills."	Financial Stability
P002	"The business should be able to operate on its own, it should have its own finances."	Financial Stability
P006	"The growth of the business is determined through and defined by its ability to engage in trade and meet objectives."	Financial Stability
P007	"We understand that for the business to be sustainable, we need to be self-sustainable and then have financial stability and proper financial controls."	Financial Stability

P009	".... where you can be effective and efficient and yet make a decent profit, business is all about making a profit. You need to improve your client base to the point or the place where you can then produce a profit as opposed to just getting by."	Financial Stability
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(Source: Author)

4.5.1.3 Sustainability

The categories around sustainability include long-term resilience, increased market share, and business knowledge and compliance and compliance. Participants generally agree that sustainability goes beyond immediate survival, emphasising the importance of achieving long-term resilience and financial stability.

Table 4-7: Participants' responses to sustainability

Participant Code	Quotes	Sub-theme
P001	"Sustainability is when you are now independent and no longer run around looking for funding."	Sustainability
P004	"My understanding is that a business should be able to grow through its market share and be able to sustain itself."	Sustainability
P005	"Sustainability implies growth that can be maintained over the long term. It involves environmentally sustainable growth, such as not exploiting scarce resources." "Then sustainable growth is probably you're for long-term success and it's more than just numbers on a balance sheet."	Sustainability

P008	"Sustainability, on the other hand, it's about long-term resilience, ensuring financial stability, and then also adapting to the changing skills needs and maintaining compliance."	Sustainability
P009	"Sustainability from our perspective is to increase your client base to a place where you're not totally dependent on one client or two or 10."	Sustainability

(Source: Author)

4.5.2. Access to Skills Development Programmes (Theme 2)

This theme developed from question 3, which aimed to understand participants' views on how accessible they find the government's skills programmes for supporting growth and sustainability among SMMEs.

The analysis of the data resulted in five sub-themes, which were combined to form theme 2. Sub-themes include accessibility, communication, application process, publicity and marketing, rigid requirements and resource constraints.

4.5.2.1 Accessibility

The participants express a common concern about limited access to skills development opportunities in the field.

P002 expresses frustration with the lack of accessibility, implying that, to access opportunities, they must have financial resources. P005 reinforces this by noting that many SMMEs remain confused about where to access the skills development programmes that would help them to grow and be sustainable. P006 acknowledged some access but highlighted some limits in access. P007 perceives exclusive treatment, where certain opportunities seem available only to select groups of people or certain organisations. P008 points out the role of technology in limiting access,

especially for those lacking the necessary resources or knowledge about how to navigate access channels. P009 further pointed out limited exposure, suggesting that overall access remains inadequate for many.

Table 4-8: Participants' responses to accessibility

Participant Code	Quotes	Sub-theme
P001	"Not easy to find, only the people who go to the SETA to seek information."	Accessibility
P002	"You see, when you enter these fields, you should be a millionaire already, because they are no accessibility."	Accessibility
P004	"We, as the SMMEs in this sector we are neglected even by the SETAs themselves, who have to assist us,	Accessibility
P005	"Since then, they have been halted to date. Most SMMEs are confused as to where to access it."	Accessibility
P006	"Fairly accessible. The only opportunities that we have been able to access are through special projects funded through discretionary grants."	Accessibility
P007	"Sometimes you hear about people who have attended this and that. I feel that they're exclusive to other people, you know, to other our sectors."	Accessibility
P008	"Let me put it this way, you know, these days, because we use technology, access is limited." "Um, maybe, maybe not, that is why I said access is limited, because if you don't have the resources, if you don't know where to go, how to get there."	Accessibility

P009	"The exposure is fairly limited."	Accessibility
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(Source: Author)

4.5.2.2 Communication

Participants identified communication as a major barrier to their involvement in the skills development initiatives by the government.

P001 communicated frustration over the lack of feedback after submitting applications, leaving them unsure of the reason for rejection meeting all requirements. P004 mentioned low involvement with training programmes except when personally applying for grants, suggesting minimal ongoing communication or support. P008 points to a broader issue of insufficient communication from the SETAs and similar organisations, indicating a gap that hinders effective participation.

The insights from the participants highlighted issues that must be taken seriously and be resolved to improve communication channels to ensure feedback, guidance, support, and ultimately the development of SMMEs in the sector.

Table 4-9: Participants' responses to communication

Participant Code	Quotes	Sub-theme
P001	"The problem is that we do not get the feedback after we have done the applications, you do not even know what you did wrong because we have given them everything that they want."	Communication
P004	"The only time I deal with SETA training is when I apply for grants myself to be able to train other people."	Communication

P008	"There is also limited communication from the SETAs and these other organisations."	Communication
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(Source: Own Compilation)

4.5.2.3 Application Process

The responses from participants indicate varied views on the application process for accessing support.

Participant P001 sees no challenges in the application procedures, indicating a smooth experience. P002 highlights significant difficulties, pointing out that some requirements, such as providing financial documents, are barriers and that the application process itself is not user-friendly for many. P008 emphasises this perspective, pointing out that rigid requirements and complexities in navigating the process create struggles for applicants.

Overall, while some may find the process straightforward, others face considerable obstacles, suggesting the need to simplify and make application procedures more accessible to a wider range of participants.

Table 4-10: Participants' response to the application process

Participant Code	Quotes	Sub-theme
P001	"There are no challenges in application processes;	Application Process
P002	"First of all, it is not easy to access these things because when they ask for things like the financials you do not have....., and the application processes are not user-friendly for some of us."	Application Process
P008	"And as well as the requirements, sometimes they're too rigid. we also struggle with navigating the application processes."	Application Process

(Source: Author)

4.5.2.4 Publicity and Marketing

Participants consistently highlight challenges related to the publicity and marketing of development programs.

P002 noted that the programmes experiences issues with unclear advertising and low awareness. Similarly, P004 comments on their inadequate publicity, mentioning that information about them is seldom shared within the sector. P007 believes that inadequate marketing limits their accessibility for many. P008 points out the shortcomings of traditional media, such as the cost of newspapers, and suggests that digital channels like email would be more effective. P009 adds that awareness efforts should be more targeted so that individuals know what and where to search for appropriate opportunities.

Overall, these observations indicate the importance of improving marketing to be more inclusive and accessible to increase awareness and participation.

Table 4-11: Participants' Response to publicity and marketing

Participant Code	Quotes	Sub-theme
P002	"I do not even know where they are advertised sometimes. What I know is that they normally open the Mandatory grant window for applications to get grants for training purposes."	Publicity and Marketing
P004	"I think these programmes are not well publicised because I have never heard of anyone in the training sector talking about the development programmes for us in the sector."	Publicity and Marketing
P007	"No, they're not accessible to us, you know. Because I think in terms of the exposure or the marketing of those programs, it's not enough."	Publicity and Marketing

P008	"These days, yes, people don't really buy newspapers as such because sometimes these things can appear in the paper. But if you don't have the money to buy newspapers daily to check these things, it's also a dilemma, but an email, I think, can work for all of us."	Publicity and Marketing
P009	"Awareness isn't as significant or effective as one would think. You have to know what you're looking for, and as a result, you know how to direct your search specifically to what you need. Then you would potentially... find training that's available or available opportunities."	Publicity and Marketing

(Source: Author)

4.5.2.5 Resource Constraints

Participants P002 and P008 expressed resource constraints as a major barrier to accessing development programs.

P002 observed that large, well-equipped companies easily obtain accreditation and progress rapidly, while smaller entities lacking resources are often neglected. P008 highlighted resource limitations, noting that small suppliers lacking networks or sufficient resources often miss out due to the inaccessibility of information.

These perceptions demonstrate that limited resources can restrict fair participation and progress in development programmes, deepening the gap between well-established firms and smaller businesses with fewer resources.

Table 4-12: Participants' responses on resource constraints

Participant Code	Quotes	Sub-theme
P002	"Companies such as Sasol, for example, can be accredited easily and move forward easily because	Resource Constraints

	everything is in order, we, who are lacking in resources, are overlooked."	
P008	"While these programs exist, and sometimes as small providers without networks or resources, we often miss opportunities because information is not easily accessible."	Resource Constraints

(Source: Author)

4.5.3. Design and Structure of the Skills Development Programme (Theme 3)

This theme emerged from question 4 of the interview schedule, which was used to explore participants' views on the design and structure of government-subsidised skills development programmes to support growth and sustainability among SMMEs.

The data analysed led to the emergence of four sub-themes, which were combined to form theme 3. Sub-themes include the relevance of the training program, eligibility criteria, the application process, compliance, and quality.

4.5.3.1 Training Programmes Relevance

Participants share concerns about the relevance and effectiveness of training programs for SMMEs.

P001 found the training ineffective and that the content covered was nothing new to him, suggesting a need for more tailored training to suit the audience, while P007 shared the same view that the programmes must be specifically designed to address the practical needs of the SMMEs, such as business management, project sustainability, financial management, and funding acquisition, to enable growth and long-term viability. P008 notes that while the training programs have good intentions, they are often standardised and compliance-heavy, which tends to favour larger institutions, making them less applicable and beneficial for smaller businesses.

This highlights a gap in the alignment between available training and the specific needs of smaller enterprises, suggesting a need for more customised and accessible training approaches.

Table 4-13: Participants' responses on the relevance of training

Participant Code	Quotes	Sub-theme
P001	"No, it was just another course not effective, because I felt that some of the information was something that I already knew. I think I would have a different perspective if the content were something that I didn't know."	Training Programmes Relevance
P007	"I think they should capacitate us by designing programmes that will accommodate the SMMEs in this sector, like how to run a business. How to manage a training project from start to finish, how to make it sustainable, how to manage the finances, how to get maybe funding or donors for that. And also, to make it sustainable, you know, so that we can grow."	Training Programmes Relevance
P008	"I think yes, the programs are well-intentioned. But not always aligned with the realities of us as small businesses. Because they tend to be highly standardised and compliance-heavy, which at times favours the larger institutions."	Training Programmes Relevance

(Source: Author)

4.5.3.2 Eligibility Criteria

Participants expressed concerns related to eligibility criteria for skills development programmes.

P001 suggests that eligibility should prioritise individuals with no prior knowledge of the content to maximise learning benefits, criticising the current system for only checking minimum requirements like matriculation without considering other

qualifications to ensure the right content is delivered to the right person or the person who really requires it.

P006 recognises that although skills development programmes are intended to promote inclusivity and address historical issues like youth unemployment, there is a concern that some participants participate mainly for financial gain rather than to utilise the skills acquired.

This emphasises the importance of establishing eligibility criteria that ensure both accessibility and genuine participation that will lead to impactful outcomes.

Table 4-14: Participants' responses on eligibility criteria

Participant Code	Quotes	Sub-theme
P001	"The criteria should be that the training should be for someone who does not have any knowledge of the content." "They just check the minimum requirement, which is matric; they do not check other courses that the person has done."	Eligibility Criteria
P006	"The design of skills development is inclusive, it allows redress of past injustices. However, the response tends to be diluted and misguided. The youth, for instance, will get into a learning programme for financial benefit, which they will not utilise for the purpose it is intended."	Eligibility Criteria

(Source: Author)

4.5.3.3 Application Process

Participants consistently point to challenges related to the application process, particularly regarding the rigidity and complexity of requirements.

P002 finds the application process lengthy and considers some document demands unnecessary. P006 and P008 emphasise that the requirements can be too rigid, making navigation difficult.

These collective experiences demonstrates that strict and complicated application procedures often hinder progress and cause frustration for applicants, serving as a significant barrier that can restrict many SMMEs from accessing development opportunities. Streamlining and introducing greater flexibility into these processes could enhance participation and improve success rates.

Table 4-15: Participants' responses on the application process

Participant Code	Quotes	Sub-theme
P002	"The application can be lengthy, I feel that sometimes they require unnecessary documents."	Application Process
P006	"And as well as the requirements, sometimes they're too rigid. we also struggle with navigating the application processes."	Application Process
P008	"And as well as the requirements, sometimes they're too rigid. we also struggle with navigating the application processes."	Application Process

(Source: Author)

4.5.3.4 Compliance and Quality

Participants express concerns regarding compliance and quality in skills development programmes.

P002 finds some document requirements unnecessary but recognises the importance of verification. P008 appreciates the need for compliance to avoid the perception of being unreliable and being seen as a fly-by-night but advocates for a more flexible and context-sensitive approach that considers regional differences, digital learning, and operational challenges faced by small businesses. P009 criticises the training materials, arguing that financial considerations seem to take precedence over the

quality of teaching, which diminishes the effectiveness and overall impact of the programmes. These insights indicate that while compliance is essential, there is a need for balanced, flexible, and quality-focused approaches to ensure programs are both credible and practically beneficial for participants.

Table 4-16: Participants’ response on compliance and quality

Participant Code	Quotes	Sub-theme
P002	"I feel that sometimes they require unnecessary documents, because they need to verify the information and so on."	Compliance and Quality
P008	"We're not saying we're not supposed to be compliant. It's important so that we don't look like fly-by-nights, so I think a more flexible, need-driven approach will make them more impactful. More especially if, let's say for example, they considered regional differences, digital learning opportunities, and the actual operational challenges that we are facing."	Compliance and Quality
P009	"The quality of the material is sort of compromised, there's so much more focus on financial gain as opposed to really being effective teachers or trainers."	Compliance and Quality

(Source: Author)

4.5.4. Skills among the SMMEs in the ETD Sector (Theme 4)

Theme 4 emerged from questions 5 and 6 of the interview, which sought to explore participants’ perspectives on the skills gaps faced by ETD SMMEs and to examine whether the skills taught align with the evolving needs of the sector, including areas such as digital literacy, curriculum development, and entrepreneurial skills.

The data analysed led to the emergence of two sub-themes that were combined to form theme 4. Each sub-theme has different categories and codes linked to it. The following table summarises the sub-themes and categories that are part of theme 4.

Table 4-17: Theme 4 and the Sub-themes

Theme 4	Sub-themes	Categories
Skills among the SMMEs in the ETD Sector	Skills Gaps Identified	Business Skills (HR Skills Marketing Skills Financial Skills)
		Soft Skills (Communication skills Writing Skills Presenting Skills)
		Technical Skills (Training management skills Facilitating Skills Conducting Assessment Skills Technological skills)
		Technological Skills (Digital Skills AI skills)
	Do the Skills taught meet the ETD sector needs: 2	Support and Coaching: Need for Training Provider Support
		Misalignment of Skills Programmes
		Quality Management and Compliance

(Source: Author)

4.5.4.1 Skills Gaps Identified

Participants identify a broad range of critical skills gaps affecting ETD SMMEs, with implications for their operational effectiveness and sustainability.

Business skills are prominently noted, including the need for expertise in marketing, financial management, and overall business management, which several participants cited as foundational to overcoming organisational challenges and enabling growth (P001, P002, P004, P007, P008, P009).

Soft skills such as communication, proposal writing, and people management are also reported as vital for effective business operations and stakeholder engagement (P001, P007, P009).

Technical skills constitute another significant area, with participants highlighting the need for specialised training capabilities, curriculum design aligned to standards, and practical training experience to improve service delivery and relevance (P001, P002, P004, P007, P008, P009).

Additionally, technological skills, including digital literacy and emerging areas like artificial intelligence, are increasingly essential for remaining competitive and adapting to changes within the sector (P007, P008).

This extensive skills gap shows that training and development efforts must be balanced and carefully designed to address the specific and varied needs of ETD SMMEs to strengthen their resilience and support their growth.

Sub-theme (Skills Gaps Identified)

The following table highlights the participants responses on skills gaps.

Table 4-18: Participants' responses on skills gaps

Participant Code	Quotes	Category	Sub-theme
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P001	"The SMME should have an HR person, Marketing, and Financial Management."	Business Skills	Skills Gaps Identified
P002	"I think we are lacking the marketing skills because I get stuck, not knowing what to do to expose my business or market my services."	Business Skills	Skills Gaps Identified
P004	"I would say I need marketing. Marketing skills or even getting somebody who can do marketing for me,"	Business Skills	Skills Gaps Identified
P007	"Yeah, I think the first one is the business management skills, you know, financial management, they lack that, and the budgeting and so on. Hence, you find that some of the organisations collapse or face various problems because they won't manage their finances properly."	Business Skills	Skills Gaps Identified
P008	"Entrepreneurial skills, financial management for sustainability, all of these are gaps."	Business Skills	Skills Gaps Identified
P009	"General business management is a huge need for the small businesses... Business management and financial management."	Business Skills	Skills Gaps Identified
P001	"Every skill is important, such as writing skills and communication skills."	Soft Skills	Skills Gaps Identified
P007	"To make proposals, you know, I mean, funding, say for example, there's a	Soft Skills	Skills Gaps Identified

	discretionary grant, how do to make a proposals, capacity building us in those areas and so on."		
P009	"People management... relating to staff and obviously people that you interact with in business."	Soft Skills	Skills Gaps Identified
P001	"The technical skills are required in the sector, so that the training providers can offer these courses."	Technical Skills	Skills Gaps Identified
P002	"We do not have the skills as training providers to identify the skills gaps that we can close in society."	Technical Skills	Skills Gaps Identified
P004	"Even the Training Providers that are actually accredited, and I say that in inverted commas, they themselves don't know how to run proper training."	Technical Skills	Skills Gaps Identified
P007	"Also, some of them lack presentation skills." "And especially the project management skill is lacking, yeah."	Technical Skills	Skills Gaps Identified
P008	"And then, as well as curriculum design, especially for these new QCTO programmes, monitoring and evaluation skills."	Technical Skills	Skills Gaps Identified
P009	"The gaps presented are more around experience and exposure." "Facilitators and trainers and teachers... don't have significant and sufficient experience in the fields they are training."	Technical Skills	Skills Gaps Identified

P007	"And for the artificial intelligence skills, which is also now the thing these days."	Technological Skills	Skills Gaps Identified
P008	"The skills gap so far is digital literacy. We've been talking about that now for trainers."	Technological Skills	Skills Gaps Identified

(Source: Author)

4.5.4.2 Do the Skills taught meet the ETD Sector needs?

Participants strongly emphasised the need for comprehensive support and coaching programmes tailored for ETD SMMEs to build capacity and ensure success.

P002 suggested a comprehensive mentorship and coaching programme that will provide guidance to entrepreneurs from startup through growth. P004 highlighted the need for experienced industry players to design initiatives to assist SMMEs in the ETD sector.

P005 expressed her desire to see black-owned SMMEs receive opportunities to compete effectively. P007 suggested a capacity-building programme that will be implemented to support the small businesses in the sector.

Several participants highlighted a significant misalignment between skills programmes designed for SMMEs in ETD and the current needs of the sector. Notable gaps include digital literacy, entrepreneurial skills, and the ability to adapt to a changing environment.

Concerns were raised about quality and compliance, including the need for better-trained training providers, updated learning materials, and a greater understanding of regulations. There are also concerns about quality management, as noted by several participants, who point out the importance of continuous improvements, modification, and ensuring the relevance and effectiveness of skills development programmes to meet industry needs and support business sustainability.

Table 4-19: Responses on the alignment of skills taught

Participant Code	Quotes	Category	Sub-theme
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P002	"They should design a big programme that will cover all these areas so that from the day we will have all the skills that will make us successful from the day you start, you will be mentored on where to go, what to do, and so on."	Support and Coaching: Need for Training Provider Support Programme	Do the Skills taught meet the ETD Sector needs?
P004	"If we can get people who know this industry very well, who can come up with a program and make it available to assist us, the SMMEs in this sector."	Support and Coaching: Need for Training Provider Support Programme	Do the Skills taught meet the ETD Sector needs?
P005	"Support for black-led SMMEs must go beyond campaigns. These businesses need consistent commercial opportunities, not charity, but a seat at the table."	Support and Coaching: Need for Training Provider Support Programme	Do the Skills taught meet the ETD Sector needs?
P007	"They can design a programme to develop the Providers who are new in the sector. Then all practitioners or I mean the SMMEs, should attend this course to build capacity." "A special qualification can be developed to assist them in managing the companies successfully."	Support and Coaching: Need for Training Provider Support Programme	Do the Skills taught meet the ETD Sector needs?

P009	"If you're operating a business of your own, I think the short courses are way, way, way more effective."	Support and Coaching: Need for Training Provider Support Programme	Do the Skills taught meet the ETD Sector needs?
P001	"Somehow, but there is little in the area of digital literacy, and there are no entrepreneurial skills targeted at SMMEs in the sector."	Misalignment of Skills Programme	Do the Skills taught meet the ETD Sector needs?
P002	"The world is changing, especially with the era of AI and the digital era. We need to adapt and be relevant. Training providers need to be equipped with digital skills so that they remain relevant and can deliver such programmes and courses."	Misalignment of Skills Programme	Do the Skills taught meet the ETD Sector needs?
P004	"So, we're not training our kids for the working world or even the business world to start their own businesses. I think that's where our own work needs to start, people think just because I have accreditation, I can run a business, which is not true. People are actually not equipped to run businesses properly."	Misalignment of Skills Programme	Do the Skills taught meet the ETD Sector needs?
P007	"But the SMMEs in the sector are not trained in entrepreneurial skills and how to run the training companies. Overall, they don't align very well	Misalignment of Skills Programme	Do the Skills taught meet the ETD

	because of the changing environment and so on." "I have never heard somebody say it has been invited to come and attend a course for digital skills, or so it advertised. We have not seen it.		Sector needs?
P008	"Online facilitation and entrepreneurial skills and these skills are very critical in today's environment."	Misalignment of Skills Programme	Do the Skills taught meet the ETD Sector needs?
P004	"The SDP want to save money. So now anybody who can read and write to them can facilitate."	Quality Management and Compliance	Do the Skills taught meet the ETD Sector needs?
P006	"With the QCTO having taken over the entire process of occupational qualifications, part-qualifications and skills programmes, some of the implementation strategies are not clear to us as SDPs."	Quality Management and Compliance	Do the Skills taught meet the ETD Sector needs?
P007	"Providers must also be trained on government regulations or acts." "Firstly, it is the management and also the quality management skills because when you look at in terms of their quality of learning materials, it is not good, they lack those skills, you know,	Quality Management and Compliance	Do the Skills taught meet the ETD Sector needs?

	most of us have quality learning manuals and so on."		
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(Source: Author)

4.5.5. Impact of Government Skills Development Programmes on SMMEs in ETD Sector (Theme 5)

Theme 5 emerged from questions 7 and 8 of the interview, which sought to explore participants' perspectives on the impact of skills development programmes on their organisations operating in the ETD sector.

Three sub-themes emerged from the data, which are indicated below.

4.5.5.1 Positive Impact

The responses from the participants indicate a significant positive impact of the skills development programmes on their professional growth and business development.

Participant P002 reported that the program increased their Awareness and understanding of the skills development sector and provided the momentum to start their own training company, further benefiting from assessor training that enabled them to generate additional revenue. Similarly, P005 described how the program facilitated business expansion into other provinces and the SADC region while retaining existing customers and attracting new ones. Participant P006 emphasised the programme's role in accelerating entrepreneurship by boosting confidence and encouraging innovation, enabling them to effectively use available tools to implement projects. P007 mentioned the acquisition of diverse skills relevant to training and HR through the OTDP qualification, which was instrumental for their development. P009 received intensive mentoring over several weeks, acquiring vital entrepreneurial skills such as client management, communication, financial management, and business tools, which enhanced their effectiveness.

Regarding contributions to growth, P002 mentioned how training on quality management systems and assessor qualifications supported the accreditation process. P005 noted the program's contribution to economic sustainability through partnerships within the rail sector, providing opportunities for skills development and practical training for youth and workforce upskilling. P006 expressed that the program instilled confidence and created a platform to increase sector participation. Finally,

P007 pointed out the crucial need for competent facilitators, as their role directly influences the quality and effectiveness of training delivery, highlighting the importance of proper training for sustained growth.

Overall, these insights emphasised the skills development programmes' success in improving entrepreneurial capacities, supporting business growth, and contributing meaningfully to skills development within the sector.

Table 4-20: Participants' responses highlighting positive impact

Participant Code	Quotes	Category	Sub-theme
P002	"I think it opened my eyes a bit on the skills development sector, and I learned a lot, that is where I got the momentum to start my own training company."	Beneficial Outcome: Increased Awareness	Positive Impact
	"The assessor training opened doors for me because I was able to assess for others as well."	Beneficial Outcome: Gained momentum for entrepreneurship	
		Beneficial Outcome: Increased revenue by assessing others.	
P005	"Expanded business to other provinces as well as in SADC, retained existing customers attracted new customers."	Beneficial Outcome: Business Expansion and	Positive Impact

		Customer Retention	
P006	"The programme has immensely contributed to our competitiveness and innovation by providing the confidence and courage to become self-starters, getting outside of a comfort zone, and making use of tools available to us to implement our own projects."	Beneficial Outcomes: Accelerated entrepreneurship	Positive Impact
P007	"The OTDP Qualification contributed a lot as it's quite a good qualification. When you look at it, it covers a lot of things related to training and HR. I would say it did help me in that."	Beneficial Outcomes: Gained Diverse Skills necessary for the training Sector	Positive Impact
P009	"One of the senior staff sat with us and trained us... over 8 or nine weeks on different models... managing a business, being effective in communication, your finances, and information. Ideas... on how to approach a client, what information to look for, what information to pass on." "Giving us tools, business management tools, online information... way more effective than just searching."	Beneficial Outcomes: Entrepreneurial skills (Client approach skills, Information management, effective communication, Business management Tools, financial management).	Positive Impact
P002	"Yes, it was in Petersburg. I was trained on QMS, how to develop the QMS, and also the assessor training from Construction SETA."	Contribution to Growth: Development of the QMS and be	Positive Impact

		the qualified Assessor to be able to start the accreditation Process	
P005	"It contributed meaningfully as it afforded our SMME to participate in growth and sustainability of the economy by skilling youth as well as upskilling workforce within the rail sector. It also provided us opportunity to partner with rail operators for trainees' practical training."	Contribution to Growth: Through partnerships	Positive Impact
P006	"It has instilled confidence, provided a platform for growth, and enabled sector participation."	Contribution to Growth: Provided a platform	Positive Impact
P007	"The provider or facilitator who was there did not know how to do it, so they asked me to show them." indicates the importance of competence and proper training."	Contribution to Growth: Competence to deliver quality training	Positive Impact

(Source: Author)

4.5.5.2 Limited Contribution

The responses from participants P004, P008, and P009 reflect a perception of limited contribution from the programmes they attended to their current business and skills development needs.

Participant P004 indicated that although the programme assisted with skills that could be shared with future employees, it had limited benefit for their own business. Likewise,

P008 observed that the programme did not sufficiently address current needs and recommended the establishment of an incubation centre to provide greater practical experience and ongoing support, as these elements were lacking. Participant P009 reported taking part in informal training and workshops organised by a private client, highlighting that while some learning took place, the absence of formal accreditation and delivery by government entities signalled an unmet need for officially recognised and structured training provision. Collectively, these responses indicate areas where the programme might improve to better support participant needs, particularly through more practical, continuous learning options and stronger pathways to formal recognition.

Table 4-21: Participants' responses confirming limited contribution

Participant Code	Quotes	Sub-theme
P004	"If I can get someone to do those jobs, having done this course, I can be able to transfer those skills to the person. So I think it will have a huge positive impact on my business."	Limited Contribution
P008	"I wouldn't say so as such, right now things have changed. Maybe what they could have done is probably they could have had maybe an incubation centre where we could go and learn more,"	Limited Contribution
P009	"We've done some, not certified, training. One of our clients, a big organisation... offered us an opportunity to do some training and workshops through them."	Limited Contribution

(Source: Author)

4.5.5.3 Lack of Support

Participants P001, P008, and P009 highlighted a clear lack of support as a significant challenge affecting their engagement with the skills development program.

Participant P001 stated plainly that the programme had never provided any help, suggesting a complete absence of meaningful support from their perspective. P008 recommended the establishment of an incubator to offer mentorship and ongoing guidance, emphasising the need for personalised support to navigate the development process effectively. Participant P009 expressed frustration over the inability to fulfill the intended role of the training provider to transform the lives of people and contribute to the development of people in the country, due to insufficient support, which also threatens their sustainability.

These responses indicate that while the programmes may offer training, they fall short in providing the necessary follow-up support, mentorship, and sustainability assistance that participants need to translate training into long-term success and impact.

Table 4-22: Participants' responses to lack of support

Participant Code	Quotes	Sub-theme
P001	"No, they have never helped me."	Lack of Support
P008	"They should think of other ways to support the provider, the Incubator can assist, where you will have a mentor to hold your hand."	Lack of Support
P009	"The training provider is supposed to change the lives of people and contribute to their development of people. We are not able to do that because we need help to be sustainable."	Lack of Support

(Source: Author)

4.5.6. Challenges facing SMMEs in the ETD Sector (Theme 6)

The participants repeatedly expressed challenges throughout the interview questions. Financial challenges, access and communication, lack of resources, compliance and quality challenges emerged from the interviews as the four sub-themes under theme 6.

The sub-themes under challenges are discussed below:

4.5.6.1 Financial Challenges

Financial challenges were pointed out by participants P001, P004, and P008 as a critical barrier to their progress and participation in the skills development programmes. Participant P001 clearly noted that the programme had never provided any help, pointing out that funding has always been an issue, which emphasises persistent financial constraints. Similarly, P004 expressed a belief that the main assistance needed is financial support, indicating a perception that other forms of aid may be less urgent or effective without adequate funding. Participant P008 communicated that the lack of financial resources limits the ability to adopt modern training methods, such as digital or innovative approaches, forcing reliance on traditional face-to-face training. These reflections clearly demonstrate that limited funding places constraints on participants' ability to grow, innovate, and fully utilise the programme, emphasising the need for more effective financial support systems.

Table 4-23: Financial challenges

Participant Code	Quotes	Sub-theme
P001	"Lack of Access to Funding" "No, they have never helped me, and the funding has always been an issue."	Financial Challenges
P004	"I've always thought that they wouldn't be able to assist me because I'm thinking the only thing that I need right now is funds."	Financial Challenges
P008	"If you don't have money, you're not able to have that in place. So, you're still on the traditional way of doing face-to-face training."	Financial Challenges

(Source: Author)

4.5.6.2 Access and communication Challenges

Participants P001, P002, P004, P006, and P008 collectively identified significant challenges related to access and implementation of skills development programs.

Participant P001 pinpointed issues both in the application process and the subsequent implementation, suggesting these weaknesses undermine program effectiveness. P002 acknowledged the existence of opportunities such as mandatory grants but criticised their limited availability periods and complicated application procedures, which are not user-friendly for many participants. P004 expressed a concern that the government lacks effective implementation of these programmes, indicating systemic implementation gaps. P006 highlighted a sectoral challenge, noting the ETD sector's slow progress in inclusivity and difficulties penetrating private sector spaces dominated by minority race groups. Finally, P008 raised concerns about limited communication from SETAs and related bodies, emphasising the struggle for non-computer-literate individuals to adapt, which impedes access to resources and information.

This collective feedback reveals multifaceted barriers involving administrative processes, inclusivity, communication, and practical programmes rollout that restrict participants' full engagement.

Table 4-24: Access and communication challenges

Participant Code	Quotes	Sub-theme
P001	"The problem is the application, secondly, is the implementation that is failing them."	Access and Implementation Challenges
P002	"I think there are opportunities, especially the mandatory grants, but they are open for a short period of time, and the application processes are not user-friendly for some of us."	Access and Implementation Challenges

P004	"Implementation of these programs, I think that is the one thing that is lacking in government."	Access and Implementation Challenges
P006	"The ETD sector has not fully transformed in terms of inclusivity. It is a challenge to infiltrate the private sector, and this is because some sectors and businesses are dominated and owned by minority race groups."	Access and Implementation Challenges
P008	"There is also limited communication from the SETAs and these other organisations. Yes, remember we are from an old era. Those who are not computer literate find it's not easy to adjust."	Access and Implementation Challenges

(Source: Author)

4.5.6.3 Lack of Resources

Participants P002 and P004 highlighted a significant lack of essential resources as a major obstacle to their business development.

Participant P002 described operating under constrained conditions, managing business activities from home, and using a vehicle to organise operations due to the absence of formal office space, relevant staff, and necessary equipment. This illustrates how insufficient physical and human resources limit their ability to establish a professional and efficient business environment. Similarly, P004 expressed the need for financial support specifically aimed at acquiring additional staff and securing office space, underscoring the critical role of resources in scaling their operations.

Both participants' responses reveal that without access to adequate infrastructure and personnel, their businesses face serious challenges in growth and sustainability.

Table 4-25: Lack of Resources challenges

Participant Code	Quotes	Sub-theme

P002	"I want the company to have everything in place. Relevant staff, resources, and equipment, currently, I don't have offices, I use my house and my vehicle to organise things for the business."	Lack of Resources
P004	"I've always thought that they wouldn't be able to assist me because I'm thinking the only thing that I need right now is funds to get people, if I can get these two extra people, and then hire office space."	Lack of Resources

(Source: Author)

4.5.6.4 Compliance, Quality, and Misalignment

Participants P002, P004, P006, P008, and P009 revealed significant challenges related to compliance, quality assurance, and misalignment within the skills development sector.

Participant P002 expressed frustration over the requirement for what they perceive as unnecessary documentation during verification processes, implying bureaucratic hurdles that complicate compliance. P004 emphasised the struggles faced by businesses that rigorously adhere to accreditation and auditing standards, noting this often puts them at a disadvantage compared to competitors who cut corners. P004 also criticised the SETAs for poor communication and outdated information systems, calling for a more streamlined ETD industry free from actors motivated solely by profit rather than educational quality. Participant P006 described feelings of intimidation due to unclear guidance on executing projects, which hinders a confident response to opportunities. P008 advocated for a flexible, needs-driven approach to compliance, considering regional differences, digital learning opportunities, and practical operational challenges, warning that misalignment risks leaving small businesses and learners unprepared for the future of work. Finally, P009 highlighted the problematic transfer of accreditation powers from SETAs to the QCTO, which has caused distress for many small businesses. They also pointed to a proliferation of “fly-by-night” operators offering substandard training and poor-quality facilitators, further undermining sector credibility and quality.

Collectively, these responses reveal systemic weaknesses in compliance requirements, communication, and regulator effectiveness that compromise the integrity and impact of skills development initiatives.

Table 4-26: Challenges raised on compliance and quality

Participant Code	Quotes	Sub-theme
P002	"I feel that sometimes they require unnecessary documents. Because they need to verify the information and so on."	Compliance, Quality, and Misalignment
P004	"I play by the rules because this is one of the things that makes my business struggle, is that I'm accredited, I always get audited." "So that is why they always end up with these competitors who are cutting corners." "I would blame the SETAs for a lack of communication, they need to update their mailing list so that we can get up-to-date information." "The SETAs, together with the regulatory bodies, can assist us in actually trimming or streamlining the ETD industry because it is bloated with people who just don't care about education, they just want the money, you know."	Compliance, Quality, and Misalignment
P006	"It becomes intimidating to respond to opportunities without a full understanding on how to execute a project."	Compliance, Quality, and Misalignment
P008	We're not saying we're not supposed to be compliant. It's important so that we don't look like fly-by-nights. So, I think a more flexible, needs-	Compliance, Quality, and Misalignment

	driven approach will make them more impactful. More especially if, let's say for example, they considered regional differences, digital learning opportunities, and the actual operational challenges that we are facing." "Online facilitation and entrepreneurial skills and these skills are very critical in today's environment. So, this misalignment is a risk, leaving both SMMEs and the learners underprepared for the future of work."	
P009	"The issue of taking the Accreditation powers from the SETA to QCTO is a huge problem. It's a lot of small businesses that are in trouble as a result of it. Fly-by-night businesses and people just looking for a quick buck, not having decent material and not being effective in terms of the training and the quality of the facilitators."	Compliance, Quality, and Misalignment

(Source: Author)

4.5.7. Recommendations (Theme 7)

The participants suggested recommendations that they think will assist the policy makers and programme implementers to improve the effectiveness of the government skills programmes for SMMEs in the sector of education, training, and development. The recommendations have been grouped into six sub-themes: Funding Support, Improving Government Role, SMME Comprehensive Support Programme, Centralised Skills Development Programme for SMME, Establish an Incubator Centre, Application Process, and Increase Awareness.

The sub-themes under challenges are discussed below:

4.5.7.1 Funding Support

Participants P001, P002, P008, and P009 collectively emphasised the critical importance of funding support for SMMEs and small businesses.

P001 highlighted the need for patriotic support from government or relevant agencies, specifically pointing out funding as a fundamental enabler for empowerment. P002 echoed this sentiment, stressing that support should commence with financial assistance, especially for operational costs such as staff salaries and working capital. P008 questioned the accessibility of funding from SETAs, suggesting that a more direct funding support mechanism from these bodies could alleviate the reliance on banks, which can be difficult for small businesses to access. P009 underscored that financial resources represent a significant barrier to growth, with many small businesses either shutting down or perpetually surviving on a fragile, "living from hand to mouth" cycle. Overall, these responses underline that insufficient funding remains a pervasive obstacle, hampering the growth, sustainability, and formalisation of small enterprises in the sector.

Table 4-27: Participants' suggestions about funding

Participant Code	Quotes	Sub-theme
P001	"Firstly, they must be patriotic and give people full support in the form of funding." "The SMMEs should be empowered through support such as funding."	Funding Support
P002	"The support should start from the finance, because even the staff I do not have staff, the people need money to work for you, so we need working capital support."	Funding Support
P008	"How can the SETA really assist us in terms of funding? Unlike me, I'm supposed to go to the bank. Can the SETA fund us?"	Funding Support

P009	"Financial resource is a big problem. You know, financial capacity is a huge problem for growing any business." "Small businesses end up literally either shutting down or are stuck in the cycle of living from hand to mouth."	Funding Support
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(Source: Author)

4.5.7.2 Improve Government Role

Participants highlighted multiple areas where government intervention could be improved to enhance the effectiveness of skills development initiatives.

P001 emphasised the need for a stronger government focus on project management to ensure that program objectives are consistently met and outcomes are realised.

P002 called for a fundamental change in government mechanisms, urging the creation of platforms where stakeholders can voice their needs and influence decision-making.

P004 pointed out a lack of oversight regarding the use of funds, questioning accountability and criticising government shortcomings in program implementation.

Meanwhile, P005 stressed the importance of the government ensuring that unit standards are regularly registered and reviewed, keeping the curriculum up to date to meet evolving industry demands.

Collectively, these responses underscore that improved project oversight, stakeholder engagement, accountability, and curriculum management by the government are critical for advancing the skills development sector.

Table 4-28: Participants' suggestions about Improving the role of government

Participant Code	Quotes	Sub-theme
P001	"The government should focus more on Project Management to ensure that the objectives of the initiatives are met."	Improve Government Role

P002	"Firstly, let us change the whole mechanism around and provide the platform to voice out what we need."	Improve Government Role
P004	"Where was the oversight to say, Hey, what have you done with the money?" "Implementation of these programs, I think that is the one thing that is lacking in government."	Improve Government Role
P005	"....ensures that unit standards are registered and reviewed periodically in order to incorporate new curriculum."	Improve Government Role

(Source: Author)

4.5.7.3 SMME Comprehensive Support Programme

Participants P002, P004, P006, P007, and P008 expressed the need for a comprehensive support program tailored specifically for SMMEs and SDPs.

P002 emphasised the importance of step-by-step guidance to equip SMMEs with business knowledge that extends beyond basic selling skills, addressing the complexity of the industry. P004 proposed designing a program that combines general small business management with specific management training targeted at SDPs, recognising the unique challenges they face. P006 stressed the critical role of mentorship, observing that accreditation alone is insufficient if SDPs are not supported to capitalise on opportunities. P007 reinforced this by advocating training in project management, financial planning, budgeting, and overall business management to enable entrepreneurs to successfully enter and thrive in the sector. P008 focused on entrepreneurship and curriculum innovation, particularly the need to better understand the evolving QCTO curriculum compared to SETA offerings, emphasising the importance of clarity and training on these changes.

Together, these responses call for a structured, multifaceted support program that combines mentorship, business skills, and curriculum awareness to strengthen SMME and SDP capabilities in the skills development sector.

Table 4-29: Participants' suggestions about the comprehensive SMME development programme

Participant Code	Quotes	Sub-theme
P002	"I would really advise them to provide support the SMMEs by providing step-by-step guidance on how to go about running their business because this industry needs a lot of knowledge beyond just selling on the streets."	SMME Comprehensive Support Programme
P004	"I would design and implement a programme specifically for SDPs, where there will be a component of business management or small business management. Then there will be a second component for SDP specifically on how to manage."	SMME Comprehensive Support Programme
P006	"Provide mentorship. It is all well and good to accredit the previously disadvantaged. However, without mentorship, SDPs may not know how to take advantage and respond to opportunities."	SMME Comprehensive Support Programme
P007	"Yeah, given the platform, I will give them what you already mentioned. In terms of project management, financial planning, budgeting, you know, business management, all those things, so that the support will be available for the person to enter into this profession in this field as an SMME in the sector."	SMME Comprehensive Support Programme
P008	"Entrepreneurship and curriculum innovation, like I mentioned the regarding the QCTO, some of us have no clue in terms of what is going on there. If I can have an opportunity to be trained to say the QCTO curriculum, this is how it works, this is how it differs from the SETAs."	SMME Comprehensive Support Programme

(Source: Author)

4.5.7.4 Centralise Skills Development Programme for SMMEs

Participants P001 and P002 suggested the centralisation of skills development programmes delivery as a means to enhance accessibility and effectiveness for SMMEs.

P001 recommended that programmes be conducted in central locations such as TVET colleges, which could provide a more structured and convenient environment for learning and resource sharing. P002 proposed a transformative approach where SETAs could evolve into university-like institutions, with one SETA acting as a central university and others functioning as faculties, while training providers deliver the actual training. This model aims to create a more cohesive and institutionalised framework for skills development, potentially improving coordination, standardisation, and availability of training resources.

Both participants emphasised centralisation as a strategy to streamline the delivery of skills development programs and better support SMMEs.

Table 4-30: Participants' suggestions about centralising the delivery of the skills programmes

Participant Code	Quotes	Sub-theme
P001	"If the programmes can be run in a central place, such as TVET colleges."	Centralise Skills Development Programme for SMMEs
P002	"Maybe the SETA can be changed to be Universities to provide the skills that are needed by people. There should be one SETA that will be the university, the different SETAs being the faculty, and we as the training providers, will offer the actual training."	Centralise Skills Development Programme for SMMEs

(Source: Author)

4.5.7.5 Establish Business Incubators Hubs

Participants P007 and P008 underscored the importance of establishing incubators to support startups and providers within the skills development sector.

P007 emphasised that business incubators should be established at the grassroots level, targeting local communities where emerging entrepreneurs are based, to provide accessible, relevant support from the outset. P008 advocated a shift away from discretionary grants toward a partnership model where government invests directly in providers' well-being through mentoring and coaching. This approach would offer continuous strategic guidance, helping providers avoid mistakes and enabling them to refine their operations and ultimately grow their businesses.

Together, these responses highlight the critical role of business incubators in fostering sustainable growth, offering hands-on support, and creating continuous engagement rather than one-off financial assistance.

Table 4-31: Participants' suggestions about the establishment of the business Incubator hubs

Participant Code	Quotes	Sub-theme
P007	"They must also create an incubator for the startups. It should be done at the lowest level, at a grassroots level, in terms of the areas where people are."	Establish an Incubator
P008	"Instead of these discretionary grants and all that, can they really look at you as a provider to say, your well-being as a provider because the money is there government should invest in partnership with us. To have mentors, coaches that can assist in saying no, we are going the wrong route. Let's go back to the drawing board. Let's strategise."	Establish an Incubator

(Source: Author)

4.5.7.6 Application Process and Increase Awareness

Participants P002, P007, P008, and P009 highlighted challenges with the application process and the need to increase awareness of skills development opportunities.

P002 pointed out that application windows are often too short, and the processes themselves are not user-friendly, creating barriers for some participants. P007 suggested using community channels, such as churches and media platforms, to widely advertise programs, thereby making information more accessible to those interested in entering the field. P008 noted that small providers frequently miss opportunities due to a lack of networks and resources, coupled with inaccessible information, and called for the simplification of application and reporting procedures. P009 echoed these concerns, emphasising that government programs are neither sufficiently available nor well-advertised, and urged the government to increase outreach efforts actively.

Participants' responses indicated that improving communication, increasing Awareness, and simplifying the application process can enhance access to skills development programmes.

Table 4-32: Participants' suggestions to the application process and awareness

Participant Code	Quotes	Sub-theme
P002	"But they open for a short period of time, and the application processes are not user-friendly for some of us."	Application Process and Increase Awareness
P007	"Also, in churches or media, they can advertise that and make it available to people who are starting or interested in entering the field."	Application Process and Increase Awareness
P008	"While these programmes exist, and sometimes as small providers without networks or resources, we often miss opportunities because information is not easily accessible."	Application Process and Increase Awareness

	"Simplify applications and reporting processes for us as providers."	
P009	"They are not as easily available or advertised. Government needs to get out more..."	Application Process and Increase Awareness

(Source: Author)

4.6 Conclusion

The analysis in this chapter reveals multiple facets of how government skills development programmes affect SMMEs in the ETD sector. Participants identified critical factors influencing business growth and sustainability, including financial stability, access to resources, diversification, and regulatory compliance.

While programmes have contributed to professional growth and business expansion, challenges persist, including limited accessibility, rigid application processes, a lack of tailored training content, and inadequate ongoing support. Skills gaps were identified across business, technical, soft, and technological domains, underscoring the need for comprehensive, targeted capacity-building interventions.

The findings further recommend enhanced funding support, improved government oversight, a mentorship programme, and centralised delivery of skills programmes, and better communication. Overall, this chapter underscores the complex interplay between skills development initiatives and SMME development, pointing towards structural improvements necessary to maximise programme impact and sustainability.

CHAPTER 5 : CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the study's key findings and proposed recommendations. It brings together the results and practical guidance developed through the analysis of government skills development initiatives for SMMEs in the ETD sector.

The study's limitations are clearly outlined, along with the attainment of its objectives and the evidence-based insights that underpin the recommendations. The chapter summarises the major conclusions and presents practical implications for policy and practice and provides suggestions for future research.

5.2 Limitations

This section outlines the limitations inherent in the present study, which explores the impact of government skills development programmes on the SMMEs ETD sector in Gauteng.

The study focuses only on SMMEs in the ETD, limiting the relevance of the findings to SMMEs in other sectors or regions of South Africa, given that Gauteng's economic and social context may differ notably from those of other provinces.

Furthermore, the study focused only on the perspectives of the training providers, which are subjectively influenced by their experiences, expectations, and biases. This can affect data reliability, as perceptions may not always align with broader trends and views.

Lastly, the qualitative data collected provides rich, in-depth insights from participants; however, it does not capture quantifiable metrics such as financial performance indicators or long-term growth indicators for SMMEs.

5.3 Achievements of objectives

The primary and secondary objectives of this study guided the exploration of the impact of government skills development programmes on SMMEs operating in the education, training and development sector. In the following section, the researcher highlights how the study's objectives were achieved through insights from the participants.

5.3.1 Primary Objective

The primary objective of this study was to explore stakeholders' perceptions of the impact of government skills programmes on the growth and sustainability of ETD SMMEs in Gauteng. The semi-structured interviews were conducted to gather SMMEs' perceptions of the impact of skills development programs on their businesses.

The formulated interview questions aligned with the secondary objectives to facilitate achieving the primary objective.

5.3.2 Secondary Objectives

The following secondary objectives were formulated to achieve the primary objective.

- To explore and synthesise existing theories, models, and frameworks related to skills development, SMME growth, and sustainability: The study accomplished this objective by undertaking a thorough literature review of models and frameworks for SMME development in Chapter 2. To inform this review, the researcher consulted a diverse range of sources, including academic journals, peer-reviewed articles, books, and online resources.

Section 2.3 in Chapter 2 reviewed the landscape of support for SMMEs and outlined the structures intended to advance their growth and sustainability. The Department of Small Business Development manifested as the principal actor driving SMME advancement through the development of the comprehensive NISED Strategic Framework. This framework provides practical guidelines to all stakeholders in SMME development (DSBD, 2023:5).

- To explore the specific skills gaps faced by ETD SMMEs in Gauteng, semi-structured interviews were conducted, during which participants highlighted different skills gaps impacting the SMMEs in the sector. They identified these skills as critical and required for the growth and sustainability of these businesses. In section 4.5.4 of Chapter 4, participants identified business skills such as marketing, financial management, communication, proposal writing, and people management as critical to succeeding in business. They also cited curriculum design, digital, and training delivery skills as lacking in the sector. The literature in Chapter 2 emphasised the importance of financial literacy as essential for the survival of small, medium, and micro enterprises (Msomi and

Olarewaju, 2021:105). The participants' perceptions aligned with the literature presented by Venter (2014:31), which confirms that the success, development, sustainability, and financial performance of a business depend on the degree to which the owner utilises entrepreneurial expertise.

- To assess the accessibility and relevance of government skills programmes for ETD SMMEs: This objective was achieved through semi-structured interview questions, which revealed concerns about limited access to skills development programmes. Section 4.5.2 of Chapter 4 outlines the theme and sub-themes related to the accessibility of these programmes. Participants cited challenges such as accessibility and communication, application processes, and publicity and marketing as barriers to accessing these programmes.
- To evaluate the long-term impact of these programmes on the sustainability of ETD SMMEs: Through targeted interviews with SMMEs in the education, training, and development sector, the impact of the skills development programs on SMME sustainability was assessed. Questions 7 and 8 focused specifically on the participants' perception of the impact of the skills development programmes on their businesses. Some participants reported a positive impact, such as increased awareness and understanding of the sector, while others gained momentum to continue and pursue the entrepreneurial journey with greater understanding. In contrast, some participants expressed limited contribution and no impact on others, as discussed in chapter 4, section 4.5.5 of this study.
- To offer recommendations for improving the effectiveness of government skills programmes: This objective was achieved through interviews with participants, in which they were asked, in question 9, to provide suggestions and recommendations they perceive as having the potential to improve the effectiveness of the skills programs targeted at SMMEs in the ETD sector. The recommendations expressed by participants were discussed in section 4.6.7 of Chapter 4 of this study. The recommendations include the following: Funding Support, Improving Government Role, SMME Comprehensive Support Programme, Centralised Skills Development Programme for SMME, Establish an Incubator Centre, Application Process, and Increase Awareness.

The interview research questions were designed and aligned to achieve the secondary objectives and the primary objective of the study. This process ensured a structured

approach to data collection and analysis. The table below highlights the objectives and the aligned interview questions.

Table 5-1: Secondary objectives and corresponding interview research questions

Secondary Objectives	Interview research questions	Question No.
To explore and synthesise existing theories, models, and frameworks related to skills development, SMME growth, and sustainability.	Has your organisation participated in any government skills development programmes? If yes, which ones?	8 (Under general questions?)
To examine the specific skills gaps faced by ETD SMMEs in Gauteng	Can you elaborate on skills gaps faced by ETD SMMEs and how these impact their businesses?	5
To assess the accessibility and relevance of government skills programmes for ETD SMMEs.	How accessible do you find the government skills development programmes for ETD SMMEs?	3
To evaluate the long-term impact of these programmes on the sustainability of ETD SMMEs.	In what ways, if any, have government skills programmes contributed to the growth and sustainability of your SMME?	8
To offer recommendations for improving the effectiveness of government skills programmes.	Finally, from your perspective and experiences, what recommendations would you give to policymakers and programme implementers to improve the effectiveness of government skills programmes for ETD SMMEs?	9

(Source: Author)

5.4 Summary of research findings and conclusions

The findings of this study emphasise the role of government skills development programmes in promoting the growth and sustainability of SMMEs in the ETD sector. However, the findings also identify challenges such as limited accessibility, rigid processes, and gaps in business, technical, and technological skills as obstacles that require a comprehensive, structured approach to improve the effectiveness and sustainability of SMMEs in the sector.

The following table provides a summary of the key findings.

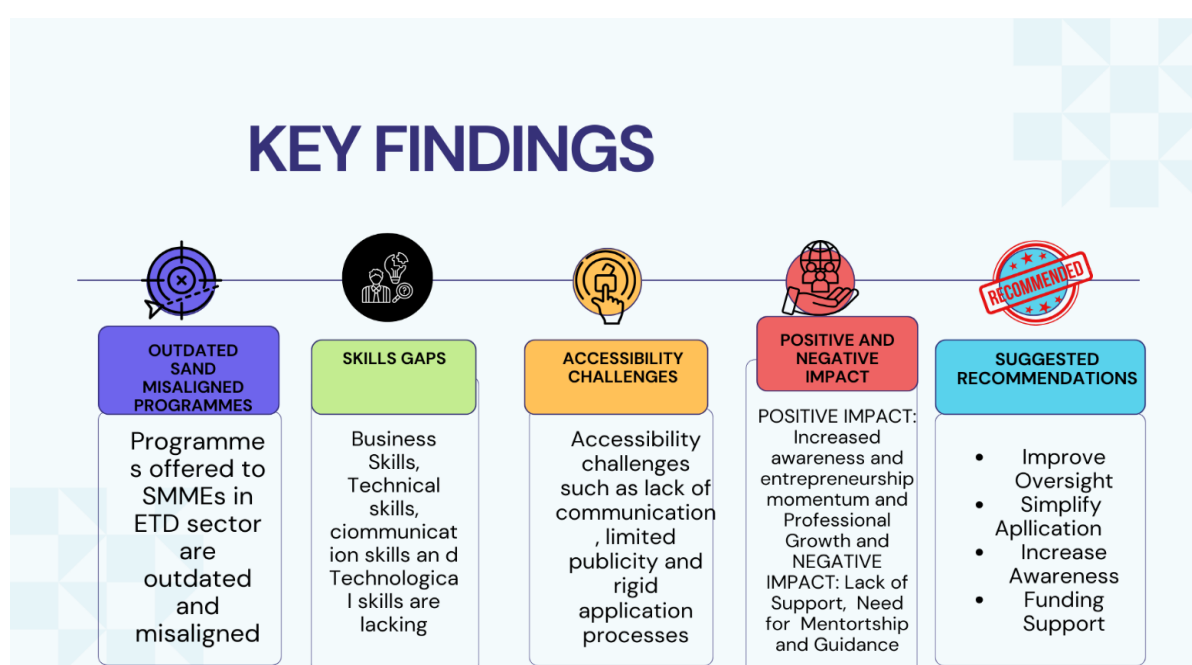


Figure 5-1: Summary of key findings (Source: Author)

Table 5-2 summarises these findings as per the secondary objective and indicates the relevant sections in Chapter 4.

Table 5-2: Summary of findings aligned with secondary objectives

Secondary Objective	Key Findings	Supporting Sections
Existing theories, models, and frameworks related to skills development, SMME growth, and sustainability.	Most participants know and have participated in Skills Programmes; however, they highlighted the need for revision and alignment with current challenges.	Section 2.3
Skills gaps faced by ETD SMMEs	Business Skills, such as marketing, financial management, and business management skills. Soft Skills, such as communication, proposal writing, and people management, were also cited as skills gaps in the sector. Technical skills constitute another significant area identified by participants, highlighting the need for specialised training capabilities, curriculum design aligned to standards, and practical training experience to improve service delivery and relevance. Technological skills, including digital literacy and emerging areas like artificial intelligence, were also identified as skills gaps in the sector.	Section 4.5.4
Accessibility and relevance of government skills programmes for ETD SMMEs.	The findings highlight significant structural barriers in programme accessibility, communication, application ease, promotion, and resource equity that need addressing to enhance SMME participation and growth.	Section 4.5.

Impact of these programmes on the sustainability of ETD SMMEs.	Participants highlighted positive contributions, including increased awareness and knowledge of the skills development sector, entrepreneurial momentum, and professional growth. However, participants also identified gaps in practical support, ongoing mentoring, and guidance in some instances.	Section 4.5.5
Recommendations for improving the effectiveness of government skills programmes.	Key recommendations include increasing funding support, improving government oversight and stakeholder engagement, and developing a comprehensive SMME support programme for businesses in the ETD sector, simplifying application processes, and boosting awareness through targeted marketing and communication.	Section 4.5.7

(Source: Author)

Figure 5.2 below exhibits a structured alignment of the secondary objectives with the main themes of this study. The themes highlight the research's essential findings. The figure demonstrates how the themes are interconnected and clearly contribute to the study's primary objective.

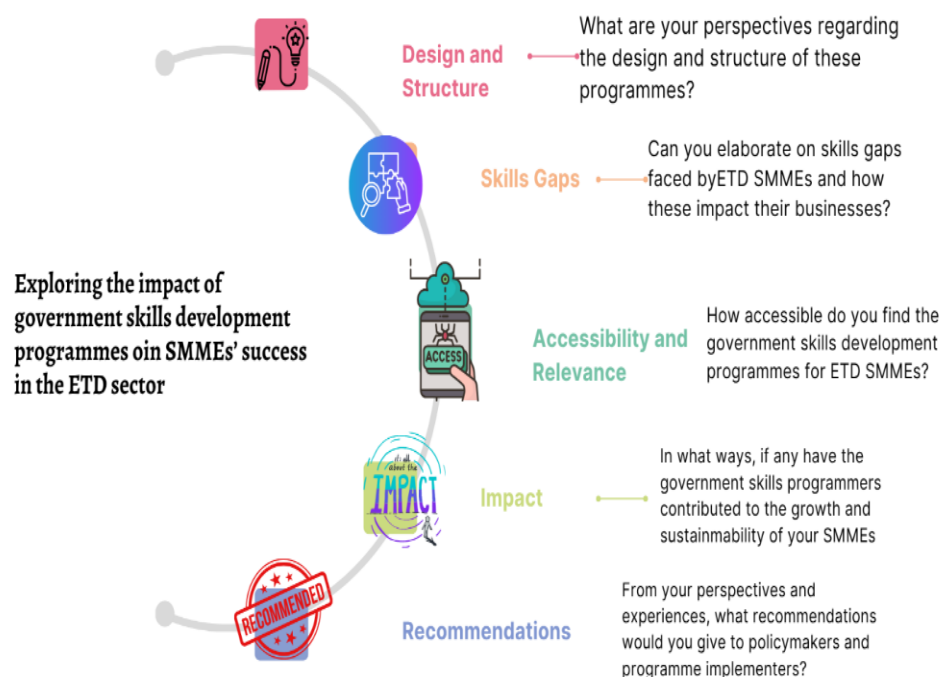


Figure 5-2: Secondary objectives aligned with themes and research questions
(Source: Author)

5.5 Recommendations

5.5.1 Recommendations: Literature Review

Based on key ideas in the literature, the following strategic recommendations are proposed to enhance the impact of government skills development programmes on SMMEs in South Africa's ETD sector. These recommendations address significant gaps, barriers, and theoretical insights presented in Chapter 2.

5.5.1.1 Strengthen Skills Development through Entrepreneurial Training

The literature reviewed in Section 2.5.2 asserted that SMMEs often face limitations in key financial and managerial areas, including bookkeeping, analysis of financial statements, cash flow management, and understanding of the business environment. Therefore, implementing focused training and development programmes is advised to build entrepreneurial orientation, increase financial knowledge, and encourage innovation, which in turn will enhance the competitiveness and resilience of SMMEs.

It is recommended that government agencies responsible for SMME development and the SETAs deliver more tailored, accredited, and result-driven entrepreneurial training. This recommendation aligns with Human Capital Theory, which asserts that training investments raise productivity and competitiveness (Section 2.6.1). The SMMEs can benefit from such an initiative and can improve their business success rate.

5.5.1.2 Customise Government Skills Programmes for Sectoral and Size Diversity

Botha *et al.* (2021:154) affirm that there is a lack of differentiation among SMMEs in terms of size and sector. As the results of development programmes are not designed for specific SMMEs, they are generic, which affects the efficiency of these programmes (Section 2.7). Sector-specific training initiatives are recommended to improve the effectiveness of government training and development programs. This proposal will ensure that the needs of various actors, from microenterprises to medium-sized training providers, are accommodated, as suggested by stakeholder theory (Section 2.6.3).

5.5.1.3 Improve the Monitoring and Evaluation of the programmes

In Section 2.5.2, Nxopo (2014:63) states that government programmes lack the monitoring and evaluation element to measure their effectiveness and impact. This shortcoming undermines the effort that the government is trying to achieve. It is then suggested that the monitoring and evaluation processes should be strengthened. Department of Small Business Development, (2023:10), outlines NISED Strategic Framework Pillar 1 outcome also as focussing on continuous monitoring and evaluation (Section 2.3.1). Monitoring and evaluation processes will identify gaps in the initiatives and design programs to address them.

5.5.1.4 Foster Public-Private Collaboration

The literature (Section 2.2.1) highlights the siloed existing SMMEs development programmes offered by different agencies. This has been recommended in the NISED Strategic Framework Pillar 4 (Section 2.3.1). The government must ensure that this becomes a reality, not just a framework that remains unimplemented.

5.5.1.5 Enhance Access to Finance as a Complement to Skills Programmes

The literature (Section 2.4.2.1) is clear about the challenge of accessing finance among SMMEs. It is recommended that access to finance be improved to enhance the growth and sustainability of SMMEs. Combining financial access with business training can transform knowledge into tangible growth outcomes.

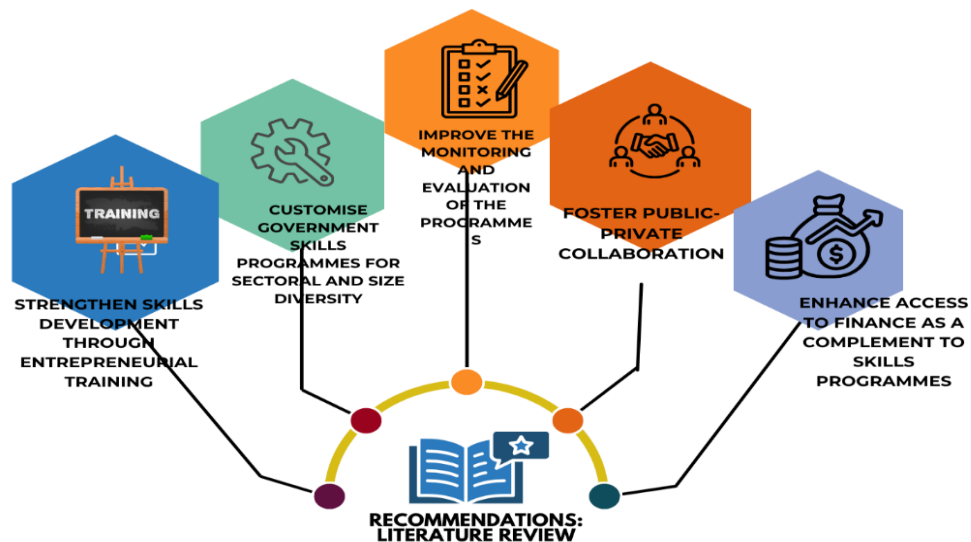


Figure 5-3: Recommendations: Literature Review (Source: Author)

5.5.2 Recommendations: Empirical- Chapter 4

In Chapter 4, eight participant-driven recommendations emerged from the findings to strengthen the impact of government skills development programmes on SMMEs' success in the ETD sector.

5.5.2.1 Expand Financial Support Mechanisms

Insufficient financial resources prevent SMMEs from expanding their workforce and fulfilling compliance requirements, which hinders their growth and long-term viability. Consequently, it is suggested that adaptable funding mechanisms be established through the SETAs to address these constraints.

5.5.2.2 Strengthen Government Oversight and Evaluation

In Section 4.5.7.2 of Chapter 4, participants highlighted weaknesses in oversight and evaluation. It is therefore recommended that the government strengthen oversight and evaluation to ensure accountability and that the objectives of the programmes are met.

5.5.2.3 Introduce a Comprehensive Support Programme for SMMEs

The participants highlighted in Section 4.5.7.3 the need for a comprehensive support programme that will address the different needs of the SMMEs in the sector, addressing training in business management, technical training such as presentation skills and facilitation skills, curriculum development, digital literacy mentoring, and coaching, among others.

5.5.2.4 Centralise and Streamline Skills Development Programme Delivery

Participants in section 4.5.7.4 suggested a centralised training hub; they visualised the SETAs as integrated into one institution to ensure coherence, quality control, and standardised delivery. This recommendation is said to reduce duplication, improve coordination, and facilitate equitable access.

5.5.2.5 Establish Incubator

In section 4.5.7.5, the participants emphasised the importance of establishing incubators to support start-ups and providers within the skills development sector. This will ensure that the SMMEs in the ETD sector are nurtured through targeted mentoring and coaching. This approach will enhance growth and sustainability by embedding technical, managerial, and business management skills.

5.5.2.6 Improve Awareness and Application Processes

Participants in section 4.5.7.6 reveal a complex and unfriendly application process. Secondly, participants lack awareness of the programmes offered in the ETD sector. They therefore recommended a need for an improved awareness of the programmes and the application process.

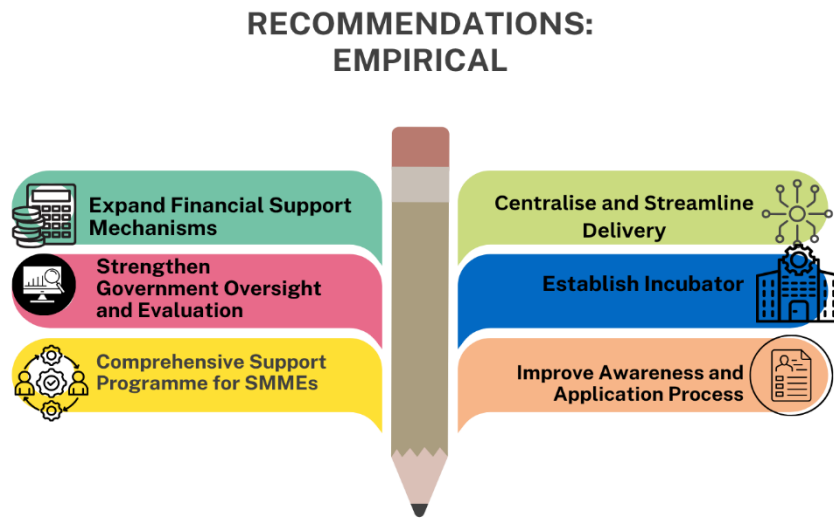


Figure 5-4: Recommendations: Empirical (Source: Author)

5.5.3 Overall Recommendations

This section discusses the synthesis of literature-based and empirical findings, highlighting the alignment and reinforcing themes that inform strategic recommendations for improving government skills development programmes within South Africa's ETD sector.

5.5.3.1 *Strengthen Entrepreneurial and Managerial Competence*

Entrepreneurial training must be expanded to include comprehensive development models that integrate financial literacy, creativity, and business leadership skills to improve the resilience and sustainability of small, medium, and micro enterprises (SMMEs). A comprehensive, sector-tailored programme must be developed that will integrate entrepreneurial, managerial, and technical training for SMMEs in the ETD sector.

5.5.3.2 Foster Private-Public Collaboration

Fostering collaborative ecosystems that include private sector mentorship, academic input, and government facilitation can deliver comprehensive incubation programmes supporting innovation and market access. This aligns with the NISED Framework's Pillar 4, which emphasises collaboration to align programmes across different SMME development agencies.

5.5.3.3 Develop a Comprehensive development programme for ETD SMMEs

A programme that will address the needs of the SMMEs in the sector can enhance the competence of the providers, provide much-needed support in compliance with regulations and standards within the sector, and provide step-by-step guidance on how to run a training and development company. This will ensure that the development is not generic, but a programme that addresses sectoral realities and gaps within the ETD sector.

5.5.3.4 Increase Access to Finance and Enhance Funding Mechanisms

Access to funding has consistently been identified as a major obstacle to the growth and sustainability of SMMEs. It is therefore advised that government agencies connect financial assistance with capacity-building programmes, using blended approaches such as conditional grants or performance-linked funding to promote lasting business stability. The SETAs in the space of training and development are encouraged to consider providing financial support to SMMEs in the ETD sector so that they can be sustainable and assist the SETAs in fulfilling their mandate of skills development and reaching all rural and small areas that the SETAs sometimes are unable to reach on their own.

5.5.3.5 Strengthen Monitoring, Evaluation, and Oversight

The government is encouraged to enhance its monitoring and evaluation systems to ensure stronger oversight, promoting accountability, transparency, and evidence-based improvement of skills development programmes. These systems should include effective feedback processes to enable ongoing refinement of SMME support initiatives.

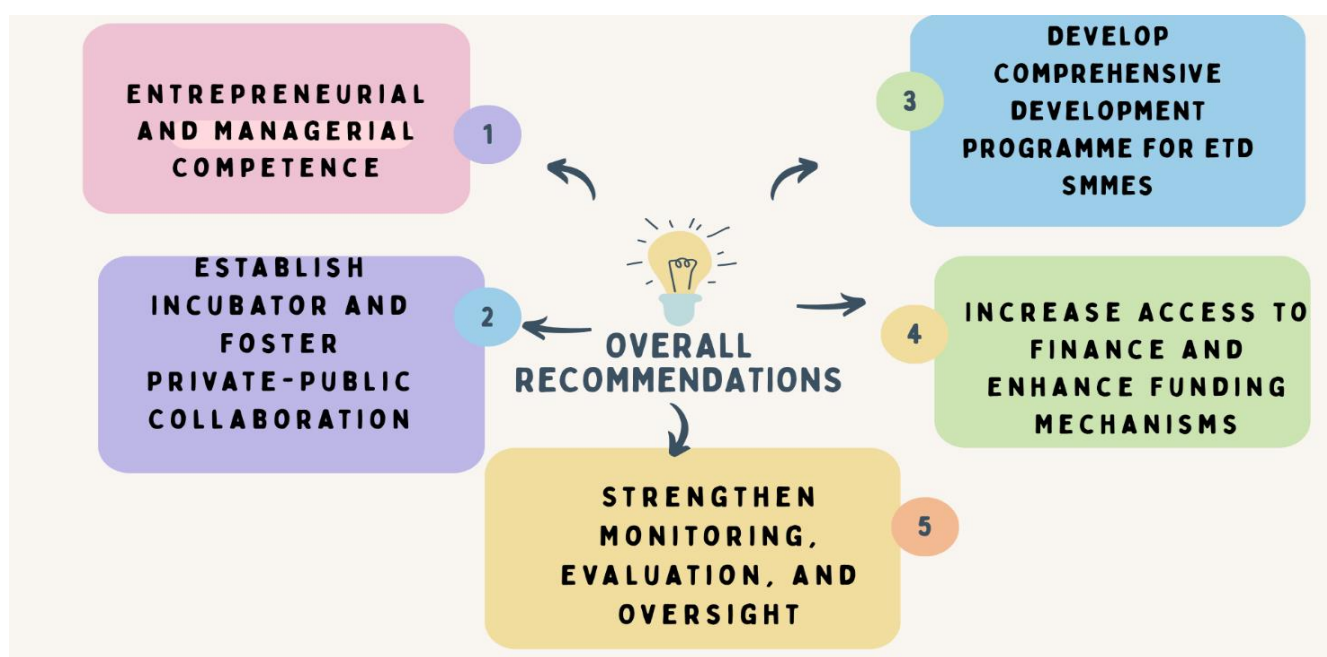


Figure 5-5: Overall Recommendations (Source: Author)

5.6 Practical Implications

The practical implications extend widely for policymakers and government bodies within the ETD sector. Government agencies tasked with supporting SMME development, especially the SETAs, should revise their capacity-building programmes to align with specific sectors and enterprise sizes. These initiatives should also be contextually relevant, results-oriented, and accredited, focusing on improving financial literacy, strategic management, and innovation. Policymakers and programme implementers must move away from generic interventions toward tailored solutions that address the distinct challenges faced by SMMEs. Such differentiation would ensure that limited public resources are targeted more effectively and that developmental outcomes are measurable and equitable. This move will improve the efficiency and competitiveness of the SMMEs and enable them to remain sustainable in a changing business environment.

Secondly, establishing an incubator can be useful in the context of personalised development to ensure sustainability. This initiative should be a private-public partnership collaboration platform through which SMMEs can access mentorship, business advisory services, technology innovation support, and networking opportunities. This will help close the gap between knowledge acquisition and practical

application, creating an entrepreneurial environment that supports both growth and long-term sustainability. Monitoring, evaluation, and oversight systems within government structures should be strengthened to ensure greater accountability and transparency in the use of funds allocated for SMME development. These frameworks should incorporate clear performance indicators and feedback processes to facilitate the ongoing refinement of support interventions. To enhance access and simplify application procedures, government bodies should modernize and digitize their communication systems to boost participation and make administrative processes more accessible, especially for rural and resource-constrained SMMEs. Overall, these implications highlight the importance of a coordinated and inclusive strategy for skills development and enterprise growth. The suggested recommendations can greatly enhance SMME performance by promoting focused interventions, strategic collaboration, and stronger governance. Emphasizing accountability and the use of digital platforms will support fair access and encourage long-term development within the sector.

5.7 Suggestions for future research

Future studies may need to explore how SMMEs of varying sizes and from different sectors uniquely experience and benefit from skills programmes, and how support can be customised to address their specific requirements.

Longitudinal studies are necessary to track the long-term impact of government skills development initiatives on SMME growth and sustainability over extended periods.

Studies that will focus on developing a robust Evaluation Framework for monitoring and evaluating skills development programmes, not only for outputs but also for outcomes such as job creation, profitability, and long-term sustainability, must be considered.

Another area that must be investigated is the collaboration between SMME development agencies and the identification of best practices to be adopted to achieve Pillar 4 of the NISED SMME development framework.

5.8 Final Summary

This study aimed to explore the impact of government skills development programmes on SMMEs' success in the ETD sector in Gauteng. Upon a comprehensive exploration, it was found that the skills programmes offered to SMMEs in the ETD sector need updating and are misaligned.

Some skills gaps were identified, including business skills (marketing, financial management, and business management) and technical skills (presentation, proposal writing, and facilitation).

Positive impacts were also highlighted in the growth of SMMEs, as some participants gained greater awareness and knowledge of the ETD sector landscape, and the momentum to continue their entrepreneurial journey was fuelled by the programmes they attended. On the negative side, a lack of support to some degree was an issue; they identified a need for mentoring and guidance, which they feel negatively impacts them.

Lastly, recommendations identified by the participants; others came from the literature review, such as a need to increase government oversight, Simplified application processes, and increased awareness of the availability of opportunities. The SMMEs in the sector also require funding support. The above-mentioned recommendation outlines actions to improve and empower SMMEs in the sector to achieve growth and sustainability.

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ANNEXURES A: LANGUAGE EDITING CERTIFICATE



CERTIFICATE: LANGUAGE EDITING

Herein, confirmation that the following document was edited:

MASTER OF BUSINESS ADMINISTRATION (MBA)

Title

Exploring the impact of government skills development
programmes on SMME's success in the Education,
Training and Development sector in Gauteng

Z E Sandlana

Student number: 45961336

orcid.org/0009-0003-7697-9374

The following was edited according to requirements, subject to Harvard Guidelines :

*Clarity and coherence, grammar, punctuation, consistency of style, citations and references,
formatting and layout, word choice and clarity, consistency of terminology, and readability*

(Academic integrity of the document was upheld and final changes and suggestions must be made by the student.
Editing check sheet annexed as page 2 of this certificate)

W Smith

Registered Psychometrist
HPCSA: PMT0097012
Editors' Guild Reg #: SMI027

R du Plessis

Ethics Editing Advisor
Editors' Guild Reg #: DUP022

Registered with the Professional Editors Guild

EDITING CHECK SHEET

Clarity and coherence	EDITOR REMARKS
Paper was presented clearly and in a coherent manner Logical flow of information	Checked with suggestions
Grammar and punctuation	
Grammatical errors, subject-verb agreements, grammar consistency and punctuation	Checked with suggestions
Consistent Style	
Writing style, consistency in tone, voice and formatting	Checked with suggestions
Citations and References	
Harvard Referencing style applied	Checked with suggestions / corrections
Formatting and Layout	
According to specific formatting guidelines (Arial 12pt, Line Spacing 1.5, Justified)	Checked with amendments
Word choice and clarity	
Precise and appropriate use of words	Checked
Consistency in Terminology	Checked
Objective and Tone	Not applicable
Review Figures and tables	
Check the accuracy of placement and alignment Ensure properly labelled	Checked Revisited and re-edited list of abbreviations, figures and tables with suggestions
Abstract and Conclusion	
Grammar, spelling, flow and layout	Checked
Readability	
Overall readability	Checked
Headings, subheadings and bullet points	Checked
Use of paragraphs	Checked

ANNEXURE B: ETHICAL APPROVAL LETTER



Private Bag X1290, Potchefstroom
South Africa 2520

Tel: 018 299-1111/2222

Fax: 018 299-4910

Web: <http://www.nwu.ac.za>

Senate Committee for Research Ethics

Tel: 018 299-484

Feziwe.Mseleni@nwu.ac.za

ETHICS APPROVAL LETTER OF STUDY

Based on approval by the **North-West University Economic and Management Sciences Research Ethics Committee (EMS-REC)** on _____, the Economic and Management Sciences Research Ethics Committee hereby **approves** your study as indicated below. This implies that the North-West University Senate Committee for Research Ethics (NWU-REC) grants its permission that, provided the special conditions specified below are met and pending any other authorisation that may be necessary, the study may be initiated, using the ethics number below.

Study title:															
Study leader/Supervisor (Principal investigator/Researcher):							University no.:								
Student:							University no.:								
Ethics number:	N	W	U	-						-	2	5	-		4
Institution Study number Year Status Status: S = Submission; R = Re-submission; P = Provisional authorisation; A = Authorisation															
Application type:							Risk level:								
Commencement date:															
Expiry date:															
Approval of the study is initially provided for a year, after which continuation of the study is dependent on receipt and review of the annual (or as otherwise stipulated) monitoring report and the concomitant issuing of a letter of continuation.															

Special in process conditions of the research for approval (if applicable):

General conditions:

While this ethics approval is subject to all declarations, undertakings and agreements incorporated and signed in the application form, the following general terms and conditions will apply:

- The study leader/supervisor (principal investigator)/researcher must report in the prescribed format to the EMS-REC:
 - annually (or as otherwise requested) on the monitoring of the study, whereby a letter of continuation will be provided, and upon completion of the study; and
 - without any delay in case of any adverse event or incident (or any matter that interrupts sound ethical principles) during the course of the study.
- The approval applies strictly to the proposal as stipulated in the application form. Should any amendments to the proposal be deemed necessary during the course of the study, the study leader/researcher must apply for approval of these amendments at the EMS-REC, prior to implementation. Should there be any deviations from the study proposal without the necessary approval of such amendments, the ethics approval is immediately and automatically forfeited.
- Annually a number of studies may be randomly selected for an external audit.
- The date of approval indicates the first date that the study may be started.
- In the interest of ethical responsibility, the NWU-SCRE and EMS-REC reserves the right to:
 - request access to any information or data at any time during the course or after completion of the study;
 - to ask further questions, seek additional information, require further modification or monitor the conduct of your research or the informed consent process;
 - withdraw or postpone approval if:
 - any unethical principles or practices of the study are revealed or suspected;
 - it becomes apparent that any relevant information was withheld from the EMS-REC or that information has been false or misrepresented;
 - submission of the annual (or otherwise stipulated) monitoring report, the required amendments, or reporting of adverse events or incidents was not done in a timely manner and accurately; and / or
 - new institutional rules, national legislation or international conventions deem it necessary.
- EMS-REC can be contacted for further information or any report templates through the secretariat. Botlenyana Maluleka (Botlenyana.Maluleka@nwu.ac.za/ +27 18 2852436) or the chair Prof Diana Viljoen-Bezuidenhout (Diana.Viljoen@nwu.ac.za / +27 16 9103403).

The EMS-REC would like to remain at your service as scientist and researcher, and wishes you well with your study. Please do not hesitate to contact the EMS-REC or the NWU-SCRE for any further enquiries or requests for assistance.

Yours sincerely,

Prof Diana Viljoen-Bezuidenhout

Chairperson: NWU Economic and Management Sciences Research Ethics Committee

ANNEXURE C: INTERVIEW CONSENT FORM



NWU Business School
North-West University
Private Bag x6001
Potchefstroom, 2520

<http://commerce.nwu.ac.za/business-school>

To: Potential interview participant

INFORMED CONSENT TO PARTICIPATE IN AN INTERVIEW

Date: _____

Participant code: _____

Title: Exploring the impact of government skills development programmes on SMME's success in the ETD sector in Gauteng

Dear

I am **Zandile Sandlana**, a North-West University Business School Master of Business Administration candidate. As part of my research for an MBA, I am exploring the perspectives about the impact of government skills development programmes in supporting the growth and sustainability of SMMEs in the Education, Training and Development (ETD) sector in Gauteng. This study aims to contribute to a deeper understanding of how government skills programmes impact ETD SMMEs, highlighting both their strengths and limitations and offering evidence-based insights that can guide policymakers and programme implementers in designing more effective skills development initiatives that can contribute to the growth and sustainability of SMMEs in the ETD sector in Gauteng.



Potchefstroom Campus: (+27) 18 299 1406

Mahikeng Campus: (+27) 18 389 2095

Vanderbijlpark Campus: (+27) 16 910 3011

There are a total of ten questions, and it will take approximately 60 – 90 minutes of your time to complete.

- **Important notices, terms and conditions:**

- The study is part of a post-graduate qualification conducted by North-West University.
- This study is subject to the Protection of Personal Information Act (POPI Act 4 of 2013), and the researchers commit to complying with the regulations of this legislation. Any personal identifying information, such as demographics will remain confidential.
- This interview is voluntary, and you are under no obligation to participate.
- You possess the right to discontinue or withdraw from the interview at anytime.
- You will have no negative consequences if you do not participate in the interview.
- Results will only be used and presented anonymously, and you will not be named at any time (We will use pseudonyms).
- By participating in the interview, you agree that the information you provide can be used for research purposes, specifically for potential academic publications and conferences.
- The interview will be recorded to ensure accurate transcriptions and coding.
- Data will be password-protected, kept and destroyed based on the NWU guidelines and protocols.
- There are no correct or incorrect answers to any of the questions.
- This study has been approved by the Economic and Management Sciences Research Ethics Committee (EMS-REC), which reserves the right to audit this study to ensure compliance.

If you have **ANY** questions or concerns, you are welcome to contact the researchers:

My supervisor for the mini dissertation is Prof. Stephan Van der Merwe. He can be reached at 018 299 1414 (Email address: stephan.vandermerwe@nwu.ac.za) for further questions or concerns about the research project.

Should you have any questions or concerns, please contact me at 079 073 6782 or via email at zandile.sandlana@gmail.com.

Thank you for considering this opportunity to contribute to a vital area of research.

Sincerely,

Zandile Sandlana

MBA Student

Student Number 45961336

North-West University Business School

ANNEXURE D: INTERVIEW GUIDE



NWU Business School
North-West University
Private Bag x6001
Potchefstroom, 2520
<http://commerce.nwu.ac.za/business-school>

INTERVIEW GUIDE:

ZANDILE SANDLANA

Exploring the impact of government skills development programmes on SMME's success in the ETD sector in Gauteng

I am Zandile Sandlana, an MBA (Masters in Business Administration) student at the North-West University Business School. **This interview, which we are about to conduct, seeks to explore the perspectives about the impact of government skills development programmes in supporting the growth and sustainability of SMMEs in the ETD sector in Gauteng.**

Before we start with the interview, I would like to ask an important question.

Please provide your verbal confirmation indicating your informed consent to participate in this interview and acknowledge that the session may be recorded.

Before we begin the interview, I would like to gather some demographic information to create a profile of the participants. The purpose of gathering demographic information is to profile the participants. The data will not be used to conduct further statistical analysis. Please be assured that this information will be kept confidential and used for research purposes only.

Please state the following:

1. Could you please share your current age?
2. What is the highest level of academic education you have achieved?
3. Before establishing this organisation, what kind of professional experience have you accumulated?
4. How long has your organisation or business been in operation?
5. Where in Gauteng is your business or organisation located?
6. Could you briefly describe your organisation and its primary activities?

7. Could you provide information on the number of full-time employees currently working within your business or organisation?
8. Has your organisation participated in any government skills development programmes? If Yes, which ones?

Thank you, we will now start with the interview.

1. Firstly, can you tell me about your role in the business?

Probe: Could you elaborate on the key responsibilities that define your role in this business?

Probe: Has your role evolved since you started the business?

2. As we dive into this research, I would like to hear your understanding of growth and sustainability in business.

Probe: Could you please elaborate further on your understanding of growth and sustainability?

3. How accessible do you find the government skills development programmes for ETD SMMEs?

Probe: What specific challenges have you faced in accessing these programmes?

Probe: Are you aware of the application process and eligibility criteria?

Probe: Do you think the programmes are well-publicised and easy to find?

Probe: What could be done to improve accessibility?

4. What are your perspectives regarding the design and structure of these programmes?

Probe: Are they well organised and effectively delivered?

5. Can you elaborate on skills gaps faced by ETD SMMEs and how these impact their business?

Probe: In your opinion, which skills gaps are the most critical for ETD SMMEs to address?

Probe: Could you give specific examples of the skills that are lacking in ETD SMMEs?

6. Do you believe the skills being taught align with the evolving needs of the ETD sector, such as digital literacy, curriculum development, and entrepreneurial skills?

Probe: How could these programmes be better tailored to meet the unique requirements of ETD SMMEs?

7. How have these programmes contributed to enhancing the competitiveness and innovation of your SMME?

Probe: To what extent have these programmes helped your organisation? Elaborate and provide examples.

Probe: Have you observed any improvements in the skills and performance of your employees or organisation as a result of participating in these programmes? Please provide specific examples.

8. In what ways, if any, have government skills programmes contributed to the growth and sustainability of your SMME?

Probe: Have these programmes helped your organisation increase its revenue, expand its operations, or create new jobs?

Probe: Have these programmes helped your organisation improve its financial stability, reduce its environmental impact, or enhance its social responsibility?

9. Finally, from your perspective and experiences, what recommendations would you give to policymakers and programme implementers to improve the effectiveness of government skills programmes for ETD SMMEs?

Probe: What specific changes could be made to the design, implementation, or content of these programmes to better meet the needs of SMMEs in the ETD sector?

Probe: How can the accessibility and relevance of these programmes be enhanced to reach a wider range of ETD SMMEs in Gauteng?

Probe: What support mechanisms or resources would be most beneficial to ETD SMMEs in leveraging the skills acquired through these programmes?

10. Thank you so much. Is there something else that we might have left out or that you might want to add?

This is the end of the interview.

Thank you for your time.

