ENTREPRENEURIAL INNOVATION FACTORS INFLUENCING AFRICAN IMMIGRANT-OWNED MICRO BUSINESSES IN DURBAN, SOUTH AFRICA

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ABSTRACT

The innovativeness of the African immigrant-entrepreneurs hampers the growth and progress of their various business enterprises. Hence, the need arises to investigate the innovation factors that influence the success of the African immigrant-owned micro businesses in Durban, South Africa. Cluster sampling technique was employed in order to determine the sample size of three hundred and sixty-four from the entire population. In this study, questionnaire was used to collect the required information from the 364 African immigrant-entrepreneurs that was sampled. Data was analysed using descriptive and inferential statistics. Subsequently, the results of the study revealed that the entrepreneurial innovation factors positively influenced African immigrant-owned micro businesses in Durban towards achieving business success and sustainability. The study therefore, recommends formal entrepreneurship education, training and development to the entrepreneurs.

Keywords: African Immigrant, Innovation Factors, Micro Business, Entrepreneurship, Durban.

INTRODUCTION

African immigrant entrepreneurship has been recognised as an important propeller of economic growth and the regeneration of economies via the contributions to economic development, innovation and job creation (Khosa & Kalitanyi, 2014). African immigrant-owned micro businesses assume a welfare enhancing business activity which takes place under good institutions playing important roles in channelling entrepreneurial imagination and initiatives into productive activities that enable consumers to maximise their utility at a lower cost (March, Martin & Redford 2016). These activities benefit both the immigrant-entrepreneur and the society at large and generate economic wealth informed by innovativeness and an ability to adapt and filling the gaps in the market (Herman & Szabo 2014). Invariably, personal qualities do enhance immigrant-entrepreneurs’ zeal to embark on any enterprise, abound with risk and uncertainty, and squarely face challenges. These traits allow the entrepreneur to pick himself up after unfortunate business fall or failures and continue with their innovative, renewing, and enterprising intuitiveness (Miller, 2015).

African immigrants and their businesses were subjected to a well-entrenched tradition of repression, harassment and persecution prior to 1980s, however, it was allowed to operate with relatively few restrictions in the last three decades (Consultancy African Intelligence 2013). this was made possible as a result of Section 22 of the Constitution of South Africa, which guaranteed freedom of trade, occupation and profession. That notwithstanding, a series of attacks were recorded against the African-immigrants, which also affected their various businesses. In April 2019, xenophobic attacks reared its ugly head on African immigrants resulting in the loss
of two lives in Durban, which created a tensed atmosphere that gripped the entire resident African immigrants in and around Durban, South Africa. However, some people called these attacks xenophobic; others brush it away as just mere crime, while some others argue that South Africans are not xenophobic (News24 2019). For instance, while African Ambassadors to South Africa were with the South Africa government representatives (Minister of International Relations and Co-operation Lindiwe Sisulu; Minister of Police Bheki Cele; and Minister of Home Affairs Siyabonga Cwele) to obtain South Africa government’s response on the xenophobic attacks against their citizens in South Africa on April 2019, the South Africa ministers chose to present instead a litany of crimes being committed by African immigrants in South Africa and literally avoided addressing issues squarely (Fabricius 2019).

As a result of incessant attacks, the hostility and unsympathetic treatment meted out on African immigrants, which were generated by the sentiments peddled by some South Africans, the overall atmospheric conditions, as regards business and livelihood changed for African immigrants. Retrospectively, Alfreds & Phakgadi (2019) indicated that the President of South Africa, Mr Cyril Ramaphosa said that people come into the townships and rural areas of South Africa, set-up businesses without licences or permits and that the government will bring an end to this. The statement appeared to have threatened the African immigrant-owned micro businesses in South Africa. As a result of this and other comments, especially from the government personnel and politicians, African immigrant-owned businesses continue to suffer while facing many other challenges, such as victimisation. The objective of this study was to ascertain the entrepreneurial innovation factors that influence the African immigrant-owned micro businesses in Durban, South Africa.

LITERATURE REVIEW

Entrepreneurship has been one of the main sources of job creation which has a direct influence on economic growth and also guides national propensity. Foreign national entrepreneurship has been recognised as an important propeller of economic growth and the regeneration of economies via the contributions to economic development, innovation, and job creation made by foreign national entrepreneurs (Khosa & Kalitanyi, 2014). Nevertheless, Foreign national entrepreneurship flourishes in South Africa, especially since the defunct apartheid regime. South Africa is seen as fertile ground for entrepreneurship and other opportunities by the foreign nationals who come from the several continents of the world, for new and better opportunities from various fields of international endeavours.

However, there is a large congregation of Asian and African nationals in South Africa, making up more than other people from other continents. Asians from China, Pakistan, Bangladesh, India, Korea, and Africans from Zimbabwe, Ethiopia, Ghana, Congo, Cameroon, Somalia, Kenya, Nigeria, and Senegal, for instance. The foreign nationals possess refined entrepreneurial qualities that enhance their ability in establishing and running successful businesses in their host countries (Tengeh et al., 2011). According to Park and Rugunanan (2010). For almost every major town, secondary towns, and even the smallest settlements, at least one Chinese shop is visible. Beside any Chinese shop, at least one or two of either Bangladeshi or Pakistani shops are situated (Park & Rugunanan, 2010); Grant & Thompson (2015); Kalitanyi & Visser (2010) also note that the vast space of inner-city Johannesburg has been taken over by the African foreign national entrepreneurs who are building their businesses, this is also seen in other South African cities and townships.
According to Lin (2014); getting to hear about the success of foreign national-entrepreneurs in South Africa boosts the conviction of other economically minded foreign nationals to move to South Africa, not only for profit-making but also inclusion in the social class and being one’s own boss. Fatoki (2014) notes that foreign nationals may be a significant catalyst in the creation of new businesses, and that foreign national entrepreneurship can positively impact the economy of South Africa, which (foreign national entrepreneurship) have proved to be key engines of growth in their host countries. According to Fatoki (2013); the failure of the private and public sectors to absorb the growing number of job seekers in South Africa has led to an increase in attention paid to entrepreneurship and its potential to economic growth, job creation, and poverty alleviation. Hence, South Africa’s economy readiness for foreign national entrepreneurs’ investment in economy.

Value-adding entrepreneurial actions create employment than legislation, which suggests that in order for any labour legislation to ameliorate unemployment it must be flexible and business friendly (Mahadea, 2012). In South Africa’s new democracy, following the former apartheid regime, several initiatives have been implemented to boost the economy, especially entrepreneurship. Nevertheless, the report shows that South Africa’s rate of Total early-stage Entrepreneurial Activity (TEA) declined by 34% from 2013 to 2014, with only 7% of the country’s adult population engaging in entrepreneurship (Illingworth, 2015). The 2014 TEA rate showed that South Africa backslid three times lower than its expected entrepreneurial activity rate, given its per capita income (Illingworth, 2015). According to a World Bank Group study, more than half of South Africa’s population are found in townships and informal settlements (38% of working population) but this has not translated into widespread interest in entrepreneurial activity (Mulligan, 2015).

However, the current Global Entrepreneurship Monitor’s (GEM) report on entrepreneurial activity in South Africa affirmed that, “Although the entrepreneurial activities were very low, they have increased marginally over the last 10 years, but in 2014 dropped by a staggering 34 percentage points (from 10.6% to 7%). There has been an increase in women’s entrepreneurship primarily due to government support, but the perception of opportunities to start a business, and confidence in one’s own abilities to do so, remains alarmingly low compared to other sub-Saharan African countries” (GEM, 2016). At the current stage of economic development in South Africa today one would expect the entrepreneurial activity rate to be higher than it was, this might be as a result of the level of education and training, access to finance, cultural and social norms, and government regulation (Preisendorfer et al., 2012; Mahadea, 2012).

Having mentioned the above, the effects of apartheid are not left out. Many South Africans, especially blacks, were disadvantaged and denied opportunities to embark on entrepreneurial activities, which contributed also to the South Africa’s low entrepreneurial activity rate (Preisendorfer et al., 2012; Mahadea, 2012). Moreover, the rate with which extant business terminates exceeds the rate of business start-ups, consequently causing a loss of business activity and possible job losses (GEM, 2016). However, according to Global Entrepreneurship Monitor’s report, “There exist two categories of entrepreneurship motivation; ‘opportunity entrepreneurship’ in which the entrepreneur discovers exploitative opportunity and ‘necessity entrepreneurship’ where there is no other choice to making a living. The latter has been reported to be more prevalent in low-income countries. The level of necessity entrepreneurship decreases as the country record growth in economic development. Invariably, it has a low effect on economic development and growth” (Sautet, 2013).
African Immigrant Entrepreneurship in South Africa

The transformation of South Africa’s socio-political structure from 1990 into 1994 brought about a massive change in the country and made it a financially attractive destination, which invited not only the investors and entrepreneurs but also the skilled and educated workers from within the continent and beyond. An estimated population of about five million people from almost every country in Africa have migrated to South Africa since 1994 (Halkias & Anast, 2009), the Congo DRC, Kenya, Ghana, Nigeria, Mali, Cameroon and Senegal especially seem to be the majority in terms of recent foreign nationals, among which are refugees, from the African continent. They ply their foreign-owned micro businesses in South Africa’s streets and other locations as entrepreneurs and have strong growing trade links with South Africa. Nigeria, Kenya, Ghana, Ivory Coast and Uganda became South Africa’s largest trading partners outside the SADC in 1998 (Peberdy, 2000).

The rise in foreign-owned entrepreneurship, which has proved an international trend, is also being experienced in South Africa, because of the country’s economic and political leverage that is beyond Africa. South Africa has become a common destination, as well as, home for many African immigrants, and has enhanced the growth of African foreign-owned entrepreneurship in South Africa. African foreign nationals believe that South Africa offers a great opportunity for both personal growth and economic advancement, and venturing is worth the risks (Moyo, 2014). Furthermore, the relaxing of immigration policies and unauthorised entry (in some cases) into South Africa has also made the country a new destination for African asylum seekers, whom on arrival engage themselves in entrepreneurial activities as a means of survival (Crush & Williams, 2002).

This entrepreneurship provides foreign nationals (immigrants) work and income imminently, as it is very difficult to enter into the labour market to find jobs. Hence, African foreign nationals can become a vital force in the creation of new businesses because of their high self-employment level, instinct, and entrepreneurship, and this can influence the rate of employment in South Africa positively (Fatoki, 2014).

Innovative Entrepreneurial Factors and Characteristics

Innovation, according to Gündoğdu (2012) can be described using the new contemporary magic words; dream, create, explore, invent, pioneer and imagine. The etymological roots of innovation stretch to the Latin word innovare, which means - to do something new. The key common points from different innovation definition perspectives imply change and renewal for a better condition. The change can centre around, but not be limited to, the products, processes, and organisations or institutions (Audretsch & Link, 2012). Wynarczyk (2013) postulates that, “Innovative small medium enterprises seem to be important components of a dynamic procedure of national and regional economic development, but only a lesser percentage of them are capitilized and opportune to effectively and efficiently pursue growth, expansion and diversification”. Hence, the entrepreneur has been referred to as a creative destroyer (Miller 2015) and would take immense motivation and enthusiasm to deal with daunting challenges on a business venture that faces failure.

Aujiraponpan et al. (2011) define innovation as the ability of the firm to undertake the development of innovations including process innovation, product innovation, or innovative ideas in organisation. Lee & Hsieh (2010) refer to innovation as resources and a new ability to create wealth, which can be trained and learned. Saravanan (2002) perceives innovation as the,
design and implementation of creativity to generate business, overcome setbacks, and enhance existing systems.

However, to establish a business venture that would surmount certain challenges is a function of innovation which enhances the process of the development of the business and the economy. Funds must be raised, people must be employed for training, and development must be undertaken to harness the innovative ideas for proper economic development, creation of new products and/or services, and these form part of the challenges confronting the entrepreneur (Wynarczyk, 2013; Miller, 2015). New business firms today, to a greater extent, are endangered and exposed to structural impairments, for example; size, managerial capability, skills, information accessibility, and funding. Additionally, there exists a lack of internal resources to control new determining factors for production, innovation, and competitiveness, for instance; diversifying the product range, introducing new products onto the market, investing in research and development, acquiring modern proficiencies of management, exploring other innovation opportunities (Gündoğdu, 2012; Wynarczyk, 2013), and converting new ideas into value-creating outputs such as new products, methods or services (Gündoğdu, 2012). New ideas are derived and generated from an individual’s extant knowledge and intuition on business experience (Chaston & Scott, 2012).

Notwithstanding the existence of wide unanimity that innovation portends an application of new ideas that induce economic growth, the term (innovation) closely draws several interpretation levels that, to a large extent, are contingent upon the circumstance under which the innovation takes place. Specific, functional innovative challenging areas that have attracted more attention are retail planning and format, product evolution, clientele marketing, packaging, pricing, promotion, and logistics (Hristov & Reynolds, 2015). Innovation is a function of entrepreneurship which encapsulates capital or resources required by the entrepreneur for the successful implementation of innovatively conceived ideas. In other words, through the entrepreneurial activities, innovation is manifested by introducing the idea or concept to practical activities enhanced by the available resources or capital (Crumpston, 2012).

Socially, innovation cannot be found wanting, hence it is a great challenge to the entrepreneurial business activities. As Grimm, Fox, Baines and Albertson (2013) assert, “The intent of social innovation is what differentiates it from the common social change. Potentially, it can meet the social needs demanded by the community with the use of new social processes to deliver products and services. Therefore, social innovation can effectively introduce new products and services to meet up with the demanded social needs and enhance the building of more sustainable, cohesive and inclusive societies. In other words, social innovative entrepreneurship is motivated by the goal of meeting-up with the societal social needs”.

Innovation is not unique to large multinational business organisations but also affects new and small businesses, which have proved to be the modern drivers of economic growth. Thus, entrepreneurship as the economic driver is a function of new business ideas, concepts, and new value propositions, and has become desirable by several economies for growth and development. Nevertheless, innovation and entrepreneurship are two vital strategies for economic development and are indivisible of each other (Ng, 2012).

In today’s competitive environment, studies (Hossain, 2013) have discovered that innovation and entrepreneurship are regarded the most essential driving forces of progress and prosperity in any business venture. However, much attention has not been focused on identifying and exploiting factors that drive the development of innovative solutions and the emergence of entrepreneurial dynamics. Contrary to the above assertion, Feldman et al. (2005) argue that
several efforts were made in developing more effective innovation systems based around new technological knowledge, process optimisation, business models, networking, and collaboration. Drucker (2002) suggests that innovation can only take place when the entrepreneur places emphasis and value on innovation development.

Saravanan (2002) discovers that there are three main predictors of innovative capability which assist SMMEs in their survival and success in business operations, namely; the ability to take risks, the ease with which businesses make connections, and the need to consistently pursue new and different work approaches to enhance the production of goods and services or processes. Aside from this, there are other factors that enhance innovation, many of which are discussed below.

Training and Development

Training and development have been identified as important factors which drive innovation processes in an organisation. A study by Phuangrod (2015) also reaffirms that employees can benefit a lot from training and development and the can use what they learned to adapt and develop new creative products and systems. Messeni Petruzzelli & Savino (2015); in their study, also confirm that innovativeness and entrepreneurial dynamism can be achieved through learning from other types of industry and organisational systems.

Business Skills

Solesvik (2012) posit that entrepreneurship innovation largely depends on the kind of skills possessed by the entrepreneur and their team members. Morales & Marquina (2013) suggest that entrepreneurs from around the world possess varying skills. Chell (2013); Morales & Marquina (2013); in their studies, argue that defining and specifying skills is ambiguous and complex. In spite of the controversy about the definition of skills, McLarty & Dousios (2006) refer to skill as the ability to perform a task.

According to Brière et al. (2014) South Africa is an emerging economy and creates employment through entrepreneurship. However, Herrington and Kew (2016) argue that entrepreneurship innovation in South Africa is challenged by a shortage of business skills. Adendorff et al. (2013) also discovered that there are only a few entrepreneurs in South Africa who identify opportunities and believe that they have the necessary skills to create business ventures. The authors further confirm that here is a research gap on specific entrepreneurial skills suitable for entrepreneurs in South Africa (Adendorff et al., 2013).

Generating Innovative Ideas

Chell (2013) points out that one way of creating innovative business is through ideas generation. He perceives ideas generation as the ability of the entrepreneur to be aware of the business environment and the factors that are conducive to opportunity exploitation. According to Paltoniemi (2015); business ideas can be generated through the analysis of the business environment and learning from other organisations.

Gibb (2011) sees idea generation in entrepreneurship as an embedded practice within the unique personality traits of an entrepreneur. Ben (2013) argues that generating business ideas is the central pillar of the entrepreneurship innovation process. According to Ben (2013), most entrepreneurial discoveries are reached after a business opportunity is recognised or an idea is
generated. He further adds that the recognition and generation of business opportunities and ideas creates an enabling environment for the smooth take-off and management of business outfits.

Active Participation in Community Development

According to Ammetller et al. (2014) business creation is important for innovation. The effects of business creation are crucially reflected in economic growth and competitiveness. Ammetller et al. (2014) claim that innovation contributes to the economic development of a country. Taking on a similar opinion, Carvalho & Jonker (2015) argue that entrepreneurship can have economic, psychological, and social consequences in any country.

According to the Organisation for Economic Co-operation and Development (OECD) (2010), there is a growing demand for entrepreneurs with a new vision to solve global, national, and local problems that the market and the state have failed to solve. Santos (2012) argue that innovative entrepreneurs participate in the development of their communities by responding to the social needs of its target publics. Chell et al. (2010) point out that the involvement of entrepreneurs in community development is a useful means of creating innovative ideas that contribute to solving the social challenges that might confront the community.

Design and Introduction of New Products

According to Aujiraponpan et al.(2011), innovativeness is a firm’s ability to undertake the development of innovations including product innovation. Doran et al. (2013) argue that there are four main dimensions of innovation, namely; process, product, organisational, and marketing. Knosková (2015), in his study, discovers that new product introduction with high levels of novelty is positively influenced by foreign ownership. Ettlie & Elsenbach (2007) are of the opinion that new product introduction is influenced by a number of factors, such as formalised innovation processes, highly developed and efficient systems for new product development, including technology and market trend evaluation, and alternative and parallel process for radical innovation that is not in line with common procedures. Ettlie & Elsenbach (2007) found that innovative entrepreneurs are successful in developing new products which help in promoting economic growth and development.

Establishment of New Line of Businesses

Knosková (2015) proposes that the innovativeness of an entrepreneur can be measured based on the kind of business that they establish. Knosková (2015) is of the view that innovative entrepreneurs are those that have multiple lines of businesses which contribute to economic development through job creation and the alleviation of poverty. The author argues that entrepreneurship is perceived as an engine of socioeconomic growth and development.

According to Mortara & Minshall (2011), entrepreneurship innovation can allow the entrepreneur to create different kinds of business, not only for their personal gain but also for the socio-economic development of their country. As discussed above, Mortara & Minshall (2011) also contend that the entrepreneurship business or SMME sector is the engine of growth in any country. This is because it helps in job creation, poverty reduction, and the improvement in the standard of living. Mortara & Minshall (2011) strongly believe that successful entrepreneurs have the ability to establish more business which can partly result in economic development.
DISCUSSION OF RESULTS

In addressing the innovation factors that influence African immigrants-owned micro businesses in Durban, eight questions were asked, each with 5-point Likert scale of 1 (strongly disagree) to 5 (strongly agree). The questions asked were based on training and development, business skills, community economic development, new product introduction, new line of business and marketing skills.

The demographic data Table 1 shows that 84.91% of the participants were males, whilst 15.1% were females. Majority of the participants, a total of 153 (45.3%) were between the ages of 31-40, followed by the participants in-between the ages of 41-50 years which were 132 (39.1%). Most of the participants have lived in South Africa for a 10-12year period. Accordingly, it was revealed that most businesses owned and run by African immigrants in Durban were under the categories of African food and groceries (28.1%) and household items and services (28.4%). These groups are followed by those that deal in ICT (Information and Communication Technology) and Innovation, which made 19.2% of the population sample, whilst the category of wearables and cosmetics made 16.9% of the sample. The least of the categories is the ungrouped items that made only 7.4% of the entire population sample.

<table>
<thead>
<tr>
<th>Innovation Factors</th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>I offer training and development for my kind of business to interested entrepreneurs</td>
<td>35.3</td>
<td>20.8</td>
<td>12.4</td>
<td>16.0</td>
<td>0.0</td>
</tr>
<tr>
<td>My enterprise serves as a marketing outlet for companies</td>
<td>35.8</td>
<td>17.6</td>
<td>28.8</td>
<td>12.1</td>
<td>5.8</td>
</tr>
<tr>
<td>I have acquired business skills to strengthen business culture</td>
<td>43.8</td>
<td>39.9</td>
<td>6.9</td>
<td>7.6</td>
<td>1.8</td>
</tr>
<tr>
<td>I generate innovative ideas for industries</td>
<td>41.4</td>
<td>19.0</td>
<td>24.5</td>
<td>14.5</td>
<td>0.6</td>
</tr>
<tr>
<td>I partake in economic development of the community</td>
<td>47.7</td>
<td>46.5</td>
<td>3.6</td>
<td>2.1</td>
<td>0.0</td>
</tr>
<tr>
<td>I have introduced a new product onto the market</td>
<td>48.0</td>
<td>30.2</td>
<td>16.9</td>
<td>3.6</td>
<td>1.2</td>
</tr>
<tr>
<td>I have opened up a new line of businesses</td>
<td>48.3</td>
<td>34.4</td>
<td>8.8</td>
<td>8.5</td>
<td>0.0</td>
</tr>
<tr>
<td>I introduce new ideas to develop the business</td>
<td>63.4</td>
<td>29.6</td>
<td>5.7</td>
<td>1.2</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Source: Derived from study  
(SA= Strongly agree, A= Agree, N= Neutral, D= Disagree and SD= Strongly disagree)

The findings from Table 1 above revealed that most of the participants (56.1%) agreed that they offered training and development in line with their particular kind of business to other interested, would-be entrepreneurs, 53.4% reported that their enterprise serves as a marketing outlet for other companies, and 83.7% indicated that they acquired business skills in order to strengthen business culture. Furthermore, 60.4% of them indicated that they generated innovative ideas for other industries, 94.2% agreed that they took part in the economic development of the community, 78.2% of them agreed that they had introduced new products into the market, and 82.7% indicated that they had opened up a new line of business. Lastly, 93% of the participants revealed that they have introduced new ideas to further aid the development of the business.

T-test

T-test was carried out at a test value of 3 on each question to test for significant agreement/disagreement. The mean score >3 indicates significant agreement while a value with a mean score <3 is interpreted as disagreement. Analysing each question showed that there is significant agreement that: African immigrant entrepreneur can offer training and development
to interested entrepreneurs (M=3.45), t (337) = 5.48, p<.0005; their enterprise serves as a marketing outlet for companies (M=3.65), t (337) = 9.60, p<.0005; they have acquired business skills to strengthen business culture (M=4.16), t (337) = 21.72, p<.0005; they generate innovative ideas for industries (M=3.86), t (337) = 13.86, p<.0005; they partake in economic development of the community (M=4.40), t (337) = 38.34, p<.0005; they have introduced a new product to the market (M=4.20), t (337) = 23.52, p<.0005; they have opened up a new line of businesses (M=4.23), t (337) = 24.06, p<.0005 and they introduced new ideas to develop their business (M=4.55), t (337) = 42.80, p<.0005. This indicates that there was a significant strong positive relationship between innovation factors and African immigrant owned micro-businesses in Durban.

**Inferential Statistics**

The validity of the self-developed research instrument was evaluated using Factor Analysis. In extracting the factors, only items with loadings > 0.4 were significant. One factor was identified and it accounts for 58.81% of the variance in the data.

<table>
<thead>
<tr>
<th>Table 2</th>
<th>PATTERN MATRIXa</th>
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<tbody>
<tr>
<td></td>
<td>Factor</td>
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<tr>
<td>4. I generate innovative ideas for industries</td>
<td>0.862</td>
</tr>
<tr>
<td>7. I have opened up a new line of businesses</td>
<td>0.743</td>
</tr>
<tr>
<td>2. My enterprise serves as a marketing outlet for companies</td>
<td>0.733</td>
</tr>
<tr>
<td>1. I offer training and development for my kind of business to interested entrepreneurs</td>
<td>0.716</td>
</tr>
<tr>
<td>6. I have introduced a new product onto the market</td>
<td>0.675</td>
</tr>
<tr>
<td>5. I partake in economic development of the community</td>
<td>0.669</td>
</tr>
<tr>
<td>3. I have acquired business skills to strengthen business culture</td>
<td>0.638</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Axis Factoring.
Rotation Method: Promax with Kaiser Normalization.
a. Rotation converged in 3 iterations.

The reliability of the measuring instrument was evaluated using Cronbach’s Coefficient Alpha to test the reliability of these factors. According to Sekaran & Bougie (2016) a Cronbach’s coefficient alpha score of 0.7 and beyond is considered reliable. The findings reveal that the Cronbach’s alpha value of 0.872 is highly reliable and therefore considered acceptable.

<table>
<thead>
<tr>
<th>Table 3</th>
<th>KMO AND BARTLETT’S TEST</th>
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<tbody>
<tr>
<td>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</td>
<td>0.814</td>
</tr>
<tr>
<td>Bartlett’s Test of Sphericity</td>
<td>Bartlett’s Test of Sphericity Approx. Chi-Square df Sig.</td>
</tr>
<tr>
<td>1255.368</td>
<td>21</td>
</tr>
</tbody>
</table>

Accordingly, KMO and Bartlett’s test was further employed, to determine the validity of the research instrument. Hair et al. (2010) suggest that the, KMO measure of sampling adequacy index ranges from 0 to 1, reaching 1 when each variable is perfectly predicted without any error by other variables. A KMO value of 0.814 indicates adequacy of the data for data extraction; while the significant result of Bartlett’s test (p<0.0005) indicates that the items do not correlate either too highly or too lowly with each other shows in Tables 2 & 3.
One-sample test with an average mean score (M=3.99), t (331) = 22.30, p<0.0005 shows that innovation factors enhances the process of business development thereby improving business sustainability towards attaining successful entrepreneurship shows in Tables 4&5.

From Table 6 we can infer that the mean scores when compared to a maximum attainable score of 5, on a 1 to 5-point Likert scale, suggests that there was a significant strong positive relationship between innovation factors and African immigrant-owned micro-businesses in Durban.

CONCLUSION

African immigrant-owned micro businesses are pervasive in South Africa. Although they may have been established in response to the owners’ quest to become entrepreneurs or for self-employment purposes (owing to the difficulty of securing employment by immigrants), their contribution to the economic development of the host country is in no doubt. In this study, the influence of entrepreneurial innovation factors on African immigrant-owned micro businesses was investigated. The innovation factors considered in the study were; the kinds of training and development offered to the interested entrepreneurs, the potential of the enterprise to serve as a marketing outlet for companies, the acquisition of business skills to strengthen business culture, the generation of innovative ideas for industries, partaking in economic development of the community, introducing a new product onto the market, opening up a new line of businesses, and introducing new ideas to develop the business.
marketing outlet for other companies, skills required to strengthen business culture, innovative ideas generated for other industries, participation in economic development of the community, the potential to introduce a new product onto the market, the ability to open up a new line of businesses, and the potential of introducing new ideas to develop the business more.

The results indicate that entrepreneurship innovation factors positively influenced African immigrant-owned micro businesses in Durban. The result of this study is in consistent with previous researcher (Hossain, 2013) that entrepreneurship innovation factors are considered the most essential driving forces of progress and prosperity in any business venture. The study therefore, recommends formal entrepreneurship education, training and development to the entrepreneurs because the success of an entrepreneurial business depends on the educational background of the entrepreneur and the training received. Secondly, innovative business ideas should be generated. Some entrepreneurs are dependent on the ideas generated by others while some are totally out of it. It is against this setback that the study recommends that the business owners, especially the African immigrants-owned micro businesses should endeavour to participate in generating innovative business ideas and attend workshops to enhance their extant businesses or new business ventures.

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Gündoğdu

Grimm

Grant,

Gibb

Fatoki

Fatoki,

Fabricius

Ettlie

Drucker

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