

ENTREPRENEURIAL PSYCHOLOGICAL CHARACTERISTICS THAT INFLUENCE AFRICAN IMMIGRANT-OWNED MICRO BUSINESSES IN DURBAN, SOUTH AFRICA

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ABSTRACT

The psychological imbalance of African immigrant-entrepreneur hampers the growth and progress of their businesses. Therefore, there is a need to investigate the entrepreneurial psychological factors that influence the ability of African immigrants to sustain their micro businesses in Durban. The research approach adopted was a cross-sectional field survey with a total of 364 questionnaires distributed to African immigrant-entrepreneurs in Durban. The results of the study showed that entrepreneurial psychological factors have a strong significant influence on African immigrant owned micro businesses to sustain their businesses in Durban. Therefore, the study recommends; acquisition of managerial skills, education, training and development, identification of business opportunities and generating innovative business ideas as measures to address psychological challenges affecting African immigrant-owned micro businesses in Durban.

Keywords: African Immigrant, Entrepreneur, Micro Business and Psychological Factors.

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-entrepreneur 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 et al., 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). The business activities of these immigrant-entrepreneurs also create socioeconomic values which are profitable and can lead to business break-even (Zoltan et al., 2013). 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 any failures and continue with their innovative, renewing, and enterprising intuitiveness (Miller, 2015).

The psychological imbalance of the entrepreneur in the field of business operations or activities hampers the growth and progress of such ventures in a way that may lead to complete loss or liquidation of the business establishment. Having considered this, it became imperative to

investigate the psychological factors that may influence the African immigrant-entrepreneur owned businesses in Durban.

Background

African immigrant-entrepreneur owned micro businesses in Durban were subjected to a well-entrenched tradition of repression, harassment and prosecution prior to 1980s, yet, the first three decades of the twentieth century, street trading flourished, as it was allowed to operate with relatively few restrictions (Nesvag, 2002 & Consultancy African Intelligence 2013). This was as a result of Section 22 of the Constitution which guarantees freedom of trade, occupation and profession. They (micro businesses) are a critical component of and major contributor to the strength of local economies (Brown, 2018).

That notwithstanding, The Herald online (2015) reported that one traditional ruler submitted that foreigners (African Immigrants) should go back to their home countries because they are changing the nature of the South African society with their amanikiniki (rags) and enjoying wealth that should have been for local people. The traditional ruler further stated that it is unacceptable for South Africans to compete with people from other countries for few available economic opportunities. He also mentioned that when you walk in the streets you cannot recognise a shop you used to know because it has been taken over by foreigners, who mess it up by hanging amanikiniki (rags).

Additionally, xenophobic attacks on foreign nationals reared its ugly head again in April 2019 resulting in the loss of two lives in KwaZulu-Natal, which created a tensed atmosphere that gripped the entire resident foreign nationals in and around Durban. Some people call these attacks xenophobic; others brush it away as just mere crime, while others argue that South Africans are not xenophobic (News24, 2019). African Ambassadors to South Africa met 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 government's response on the alleged xenophobic attacks against their citizens in South Africa on April 2019. The Ministers chose to present a litany of crimes being committed by foreign nationals in South Africa instead of addressing issues squarely (Fabricius, 2019).

Problem Statement

Micro businesses are considered one of the vital vehicles for enhancing economic growth in South Africa due to the numerous contributions of the small, medium and micro enterprises (SMMEs) sector and this made the South African government call for support of these businesses (Fatoki & Smit, 2011). SMME sector do have a significant percentage contribution towards employment and gross domestic product (GDP) in South Africa (Li-Wei et al., 2007). African immigrant-owned micro businesses inclusivity in this sector also partake in these contributions. The presumption that African immigrant-owned micro businesses cause up-swing of unemployment in South Africa was against the statement made through the research conducted by Gebre et al. (2011) that revealed the opposite is the reality; that foreign-owned micro businesses actually create jobs for South Africans. Gebre et al. (2011) state that failure to acknowledge the relevance of foreign-owned micro businesses feeds the public with negative sentiments towards foreign nationals which affects their ability to prosper.

The hostility and unsympathetic treatment of foreign nationals generated by these sentiments in South Africa had resulted in the xenophobic outbreaks towards African immigrants. As indicated by Alfreds & Phakgadi (2019) it was said by the President of South Africa, Mr Cyril Ramaphosa that people come into the townships and rural areas set-up businesses without licences and permits and that the government will bring an end to this. The statement appeared to have threatened the foreign-owned micro businesses. As a result of this and other comments, especially from the government and politicians, African immigrant-owned businesses continue to suffer while facing many challenges, such as victimisation. The fears created by actions of the local populace coupled with other criminal activities and corruption meted-out on African immigrant's causes setbacks on their business development and sustainability, thereby affecting them psychologically (Ngota et al., 2018).

Objective

The objective of this study was to ascertain the entrepreneurial psychological factors that influence the African immigrant-owned micro businesses in Durban.

LITERATURE REVIEW

The concepts such as foreign-owned businesses, micro businesses and foreign owned micro businesses will first be explained in order to provide a general understanding of the entire study. There is no clear definition of foreign-owned businesses. Thompson & Zang (2018) conceptualised the term 'foreign-owned businesses' as businesses owned and controlled by individuals who are not citizens but residents in different countries. Conversely, the South Africa's Companies Act of 2008 defines foreign-owned businesses as businesses that are incorporated outside of South Africa. According to the Companies Act of 2008, should such companies wish to establish business operations in South Africa, they may be required either to set-up branches of the companies by registering them as foreign companies (external companies) or incorporate wholly-owned subsidiaries of the foreign companies.

Micro businesses have no standard definition. Micro businesses have been understood differently by various scholars, individuals and organisations. The common features or indicators contained in previous definitions include the size of labour force, total assets, annual returns and capital investment (Bouazza et al., 2015).

Mutoko (2015) describes micro businesses in the context of Botswana as those firms which employ six or less workers and have annual turnover of P60 000. In the South African context, micro businesses have been defined as those companies with an annual turnover of less than R10 million (Ansary, 2016). National Small Business Act 102 of 1996 as amended in 2019 also describes micro businesses as those entrepreneurial ventures that generate an annual turnover of R7.5 million and less.

Contrary to the above definitions Ayandibu & Houghton (2017) describe micro business as one that employs between one to five employees, usually the owner and family. Ayandibu & Houghton (2017) further add that micro businesses have certain features such as informal - no license, formal business premises, labour legislation. According to Ayandibu & Houghton (2017) the micro businesses have turnover below the VAT registration level of R300, 000 per year. Falkena et al. (2001) have also conceptualised micro business in a similar way to Ayandibu & Houghton. According to them, micro business refers to the type of business which employees few than five members with an annual turnover of less than R150, 000. The authors further state

that micro businesses in South Africa have less than R100, 000 gross assets, excluding fixed property.

Having considered the above definitions of micro businesses and their characteristics, the study therefore, adopted the definition by Falkena et al. (2001), which characterised micro businesses in South Africa as a micro business with less than R100, 000. 00 gross assets, excluding fixed property. The reason is that, it best suits the population of African immigrant-owned micro businesses in Durban this study is based on. The majority are found in this category because of the proven difficulties in raising capital and lack of adequate support.

Sources of Finance for Foreign-Owned Micro Businesses

Sources of finance remain a key issue to many businesses across the world. According to Abdulsaleh & Worthington (2013) the sources of finance for micro businesses differ from business to business and country to country. Researchers (Ibrahim & Ibrahim, 2015; Ibrahim & Shariff, 2016; Moses & Adebisi, 2013) have classified sources of financing micro businesses into two, namely: internal and external sources. Abdulsaleh & Worthington (2013) described external sources of financing as those sources which come from outside the business. The external sources of finance include banks, commercial institutions, and securities markets. Internal sources on the other hand, refer to those sources of finance which come from the owner, including personal savings, retained earnings, support from family members and friends (Abdulsaleh & Worthington, 2013; Ibrahim & Shariff, 2016).

Financial Constraints to Foreign-Owned Micro Businesses

In the last decades a number of studies have examined small, medium and micro enterprises (SMMEs) sectors globally due to the fact that SMMEs have been acknowledged as powerful engines of economic development. Despite the immense contributions of the SMMEs sector towards economic growth and development, studies such as Aziz, et al. 2014; Daskalakis et al. (2014) revealed that foreign-owned micro businesses or SMMEs face several challenges in accessing funds, including lack of opaqueness and lack of collateral. Daskalakis et al. (2014) in their study argued that size does matter when it comes to accessing finance. They postulated that micro businesses determine their capital structure irrespective of their sizes.

Obaji & Olugu (2014) in their study found that in developing countries, banking systems provides little or no financial products to micro enterprises. They also alleged that securing credit by micro enterprises requires borrowers to pledge collateral against the loan. The study discovered that the condition of pledging collateral (security for the loan) affects the establishment of new SMMEs as well as the expansion of the existing ones. Haron et al. (2013) discovered that in Malaysia, most financial institutions are reluctant to disburse funds to micro enterprises because of lack of collateral, size and business records. Pandula (2015) in his study examined the situation of SMMEs financing in Sri Lanka. The study also highlighted some key challenges faced by banks and SMMEs.

Challenges Faced By Foreign-Owned Micro Businesses in South Africa

African immigrant entrepreneurs face many challenges in the day-to-day operations of their micro-businesses in South Africa and some of these challenges negatively affect the businesses which may lead to their extinction (Azmat, 2010). But for the lack of job

opportunities in South Africa, many immigrants were pushed into setting up their own enterprises despite the challenges (Tengeh, 2013).

Xenophobia

The incidence of xenophobia has been found in other areas of Africa, Europe, Asia, Australasia and Americas. Studies conducted since the last two decades provided compelling arguments that negative comments and severe hostility towards foreign nationals have surged among the general public and the government officials internationally (Mkhize & Makau, 2018). Beetar (2018) stated that ‘events that have unfolded in South Africa should not be viewed as a surprise to anyone who follows constant demonization and denigration of foreign nationals’. The author further noted that the government deals with other economic and political issues while denying the dual recognition of the anger of its citizens and the hostility it creates. Hence, these rhetorical statements shape everyday life for the citizens while designing everyday suffering and death for the African immigrants.

Access to Finance

Studies by Basu (2011); Ibrahim & Galt (2011) cited that access to finance as the major constraint to foreign-owned micro businesses in South Africa. Basu (2011) asserts that micro businesses face greater financial challenges when compared with small enterprises in general, in acquiring credit for business start-up. Urban & Naidoo (2012) examined in a study titled ‘business sustainability: empirical evidence on the SMMEs operational skills in South Africa’. The findings revealed that access to funding is one of the main challenges confronting SMMEs in South Africa. Mthimkhulu & Aziakpono (2015) in their study also confirmed that limited access to finance is one main reason for the inability of the SMMEs to expand.

Lack of Managerial Skills

A skill has been described as the ability of doing something. It refers to the abilities possessed by individuals of which there is a demand for within the formal economy. On the other hand, lack of managerial skills is a common phenomenon which affects micro businesses not only in South Africa but across the world over (Cox & Rigby 2013). Managerial skill remains a critical factor for the success of any organisation (Bureau of Economic Research (BER) 2016). In South Africa, skills-gap is a national issue which is affecting many businesses, micro businesses inclusive. Micro business, especially those in the service sector is negatively affected by the shortage of skills.

Crime

Crime has proved to be a key constraint in South Africa towards doing business and has evoked vital attention from policy makers in recent years. Robbery and assault rates in all South African provinces are very high (Mahofa et al., 2016). Crimes that do affect businesses may be further categorized into three groups that do commit them: employees, non-employees (clientele and other persons that come into the business) and cybercriminals (including people who steal from or damage the business without walking-in the business). Most small businesses face the challenges of shoplifting, burglary and cybercrime, where the business computer is linked to the internet to facilitate its business or keeping records (Hendrickson, 2019).

Psychological Entrepreneurial Characteristics

Several studies (Farrington et al., 2012; Korunka, et al., 2003; Nieman et al., 2003; Nieuwenhuizen & Kroon, 2002) have shown that successful entrepreneurs possess several psychological characteristics, which are discussed below.

Need for Achievement

According to Shaver & Scott (1991) the individual's need for achievement has the longest history of all the psychological characteristics which is associated with entrepreneurship. McClelland (1961) in his study refers to the need for achievement as “*A measurable factor in groups and individual measured by coding his/her spontaneous thoughts for the frequency with which he/she thinks about competing with standard of excellence or doing something better than before.*” Darroch & Clover (2005) also claimed that the need for achievement is linked to Maslow's need for self-actualization and “*Goal accomplishment*”, which is considered as an essential driving trait in the personality of successful entrepreneurs.

Locus of Control

It has been argued that successful entrepreneurs possess the characteristic of locus of control (Chell, 2008; McCarthy, 2000; Rotter, 1966). The concept of locus of control was developed by Rotter in the 1960s. This concept emanated from Rotter's ‘social learning theory’ of what affect does a person's perception of control have on his/her behaviour. Shane et al. (2003) also viewed locus of control as the extent to which an individual believes that his/her actions or personal characteristics affects his/her outcomes.

Leadership Quality

Early researchers such as (Moore & Buttner, 1997) believed that leadership is important for the survival and success of entrepreneurial ventures. Greenberg & Baron (2000) see leadership as the process whereby an individual influence the rest of others towards the achievement of desired goals or objectives. In the context of entrepreneurship, leadership is the process where the business owner creates an entrepreneurial vision and motivates the team members to perform the vision in high velocity and uncertain situations.

Commitment and Determination

A number of studies such as Avolio et al. (2004); Longenecker et al. (2006) have shown that commitment and determination form part of psychological characteristics of successful entrepreneurs. Collura & Applegate (2000) perceived commitment and determination as the “*Passion with which entrepreneurs pursue an opportunity*”.

Risk-Taking Propensity

Researchers (Farrington et al., 2012; Brettel et al., 2015; Liu et al., 2019) noted that entrepreneurs are risk takers. The scholars refer to risk-taking propensity as the perceived probability of receiving rewards which is linked to the success of a situation that is required by managers to make large and risky resource commitments to ventures in uncertain environments.

Further, they assert that being disposed for moderate, calculated risk-taking, provides a reasonable chance for success. Moreover, new ventures with a tendency for entrepreneurial risk-taking will likely commit resources to risky strategic choices (Liu et al., 2019).

Self-Confidence

According to Ho & Koh (1992) self-confidence is an important entrepreneurial characteristic which is related to other psychological characteristics. Koh (1996) opines that self-confidence is a pre-requisite for successful entrepreneurship. Good (2003) believes that entrepreneurs who demonstrate high level of self-confidence, base their feelings on the fact that they can overcome all setback that are likely to impede their success and still attain their desired goal.

Innovativeness

Researchers (Damanpour 1996; Mirela 2008; Robinson et al., 1991) believe that the success or failure of entrepreneurship depends on the owner's innovativeness. Robinson et al. (1991) assumed that innovativeness is associated with perceiving and acting on business activities in new and unique ways. Mirela (2008) perceives that innovation is the characteristic technique of entrepreneurs because it acts as a means of exploiting change to accomplish different businesses or services.

METHODOLOGY

The study site was Durban Central Business District in KwaZulu-Natal province, South Africa. The target population was the informal micro businesses with a population of 6,238 (Economic Development & Growth in eThekweni 2013). A cross-sectional research design was adopted to investigate the research phenomenon. Sample size of $n=364$ participants was drawn from the population to participate in the study. Two main statistics were employed to analyse the data, namely; descriptive and inferential statistics. The inferential statistics employed were; Spearman correlations, Analysis of variance (Anova), Post Hoc Scheffe's Test, T-test, Factor analysis and Cronbach's coefficient alpha.

DISCUSSION OF RESULTS

Addressing the psychological factors that influence African immigrants-owned micro businesses in Durban, eleven questions were asked each with 5-point Likert scale of 1 (strongly disagree) to 5 (strongly agree). The questions asked were based on the need for achievement, locus of control, leadership quality, commitment and determination, risk taking, self-confidence and innovativeness.

Biographical Data

The aim of the data was to ascertain the biographical distribution of the participants for further data analysis. The details are shown in Table 1 below.

| | Variables | Frequency | Percentage | Valid Percentage | Cumulative Percentage |
|--|------------------------------|------------------|-------------------|-------------------------|------------------------------|
| Gender | Male | 287 | 84.9 | 84.9 | 84.9 |
| | Female | 51 | 15.1 | 15.1 | 100.0 |
| Age | 0-30 years | 40 | 11.8 | 11.8 | 11.8 |
| | 31-40 years | 153 | 45.3 | 45.3 | 57.1 |
| | 41-50 years | 132 | 39.1 | 39.1 | 96.2 |
| | 51-60 years | 13 | 3.8 | 3.8 | 100.0 |
| Years stayed in South Africa | 0-3 years | 43 | 12.7 | 12.7 | 12.7 |
| | 4-6 years | 72 | 21.3 | 21.3 | 34.0 |
| | 7-9 years | 64 | 18.9 | 18.9 | 53.0 |
| | 10-12 years | 86 | 25.4 | 25.4 | 78.4 |
| | 13 years and above | 73 | 21.6 | 21.6 | 100.0 |
| Years of doing business in Durban | 0-3 years | 109 | 32.2 | 32.3 | 32.3 |
| | 4-6 years | 48 | 14.2 | 14.2 | 46.6 |
| | 7-9 years | 90 | 26.6 | 26.7 | 73.3 |
| | 10-12 years | 54 | 16.0 | 16.0 | 89.3 |
| | 13 years and above | 36 | 10.7 | 10.7 | 100.0 |
| Types of Business | African food and groceries | 95 | 28.1 | 28.1 | 28.1 |
| | ICT and innovation | 65 | 19.2 | 19.2 | 47.3 |
| | Wearables and Cosmetics | 57 | 16.9 | 16.9 | 64.2 |
| | Household Items and Services | 96 | 28.4 | 28.4 | 92.6 |
| | Ungrouped Items | 25 | 7.4 | 7.4 | 100.0 |

Source: Derived from study

From Table 1 above, it is evident that majority of the participants (84.91%) were males, whilst 15.1% were females. In terms of age, majority of the participants (45.3%) were between the ages of 31-40, followed by the participant's in-between the ages of 41-50 years which were 39.1%. However, the least of the distribution are the participant's in-between the ages of 0-30 years that made 11.83% of the sample and lastly, the participant's in-between the ages of 51-60 years which made 3.8% of the population sample. For duration of stay, most of the participants that made 25.4% of the population sample have lived in South Africa for a 10-12 year period. This group was followed by the group of participants that have lived in South Africa for 13 years and above who made 21.6% and also followed by another group that have stayed for 4-6 years making 21.3% of the participants. The least groups in the distribution are the group of participants that have lived in South Africa for 7-9 year period making 18.9% of the participants and finally, the 0-3 year period group that made 12.7% of the participants that formed the sample of the population.

32.3% of the participants have done business in Durban for lesser years (0-3 years). This group was followed by the participants that have survived the business storm for 7-9 years which made 26.7% of the sample and those that have done business for 10-12 years that made 16% of

the sample. 14.2% of the participants managed to scale through the first three years of having done business in Durban, which got them in the bracket of 4-6 years, whilst 10.7% of the entire population sample have managed to survive doing business in Durban for 13 years and above.

Accordingly, the information in the Table 1 above 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 wearable's 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. The percentage distribution above revealed that the majority of the businesses established by African immigrants in Durban South Africa fall under the categories of African food and groceries, household items and services, ICT and Innovation.

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 pursue challenging goals ($M=4.64$), $t(337)=57.45$, $p<0.0005$; they have the desire for higher achievement ($M=4.86$), $t(337) = 96.72$, $p<0.0005$; they do not rely on external funding ($M=4.48$), $t(337) = 39.21$, $p<0.0005$; they always ask for feedback to evaluate the business ($M=4.20$), $t(337)=24.72$, $p<0.0005$; they possess managerial skills needed for the business ($M=4.45$), $t(337)=32.77$, $p<0.0005$; they continuously strive for improved business performance ($M=4.72$), $t(337)=56.06$, $p<0.0005$; they maintain business and inter-personal relationships with locals ($M=4.55$), $t(337)=49.52$, $p<0.0005$; they have the ability to face opposition ($M=4.67$), $t(337) =44.01$, $p<0.0005$; they have self-confidence ($M=4.84$), $t(337)=80.96$, $p<0.0005$; they are passionate about the business ($M=4.89$), $t(337) =109.33$, $p<0.0005$ and they are inclined to possess vision or foresight ($M=4.56$), $t(337)= 42.36$, $p<0.0005$.

Inferential Statistics

Factor analysis was applied and a premix rotation with Kaiser Normalization was used. A KMO value of 0.806 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 (Table 2).

| | | |
|--|--------------------|----------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | 0.806 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 1884.033 |
| | df | 45 |
| | Sig. | 0.000 |

Two factors were identified, and they account for 64.468% of the variance in the data. Factor 1 seems to be personal/emotional characteristics comprising of includes items and labelled PSYCH1. Factor 2 is about dealings with business/people and labelled PSYCH2. A

Cronbach's alpha value of 0.881 on the extracted PSYCH1 and 0.776 on PSYCH2 is considered acceptable (Tables 3-5).

| Table 3 PATTERN MATRIX^a | | |
|--|---------------|-------|
| | Factor | |
| | 1 | 2 |
| 4. I always ask for feedback to evaluate the business | 0.962 | |
| 5. I possess managerial skills needed for the business | 0.860 | |
| 7. I maintain business and inter-personal relationships with locals | 0.808 | |
| 11. I am inclined to possess vision or foresight | 0.697 | |
| 3. I do not rely on external funding | 0.558 | |
| 2. I have the desire for higher achievement | | 0.816 |
| 10. I am passionate about the business | | 0.774 |
| 9. I have self-confidence | | 0.607 |
| 8. I have the ability to face opposition | | 0.553 |
| 1. I pursue challenging goals | | 0.447 |
| Extraction Method: Principal Axis Factoring. Rotation Method: Promax with Kaiser Normalization. | | |
| a. Rotation converged in 3 iterations. | | |

| Table 4 ONE-SAMPLE STATISTICS | | | | |
|--|----------|-------------|-----------------------|------------------------|
| | N | Mean | Std. Deviation | Std. Error Mean |
| PSYCH1 | 338 | 4.4478 | 0.60711 | 0.03302 |
| PSYCH2 | 338 | 4.7751 | 0.34774 | 0.01891 |

| Table 5 ONE-SAMPLE TEST | | | | | | |
|------------------------------------|----------|-----------|------------------------|------------------------|---|--------------|
| Test Value = 3 | | | | | | |
| | | | | | 95% Confidence Interval of the Difference | |
| | t | df | Sig. (2-tailed) | Mean Difference | Lower | Upper |
| PSYCH1 | 43.843 | 337 | 0.000 | 1.44778 | 1.3828 | 1.5127 |
| PSYCH2 | 93.851 | 337 | 0.000 | 1.77515 | 1.7379 | 1.8124 |

One-sample test with an average mean score ($M=4.45$), $t(337)=43.84$, $p<0.0005$ for PSYCH1 and ($M=4.78$), $t(337)=93.85$, $p<0.0005$ for PSYCH2 shows that both factors boost performance. Further paired samples t-test conducted to see if they are equally important to performance showed that PSYCH2 is more indicative of a boost for performance than PSYCH1.

CONCLUSION

The study investigated the entrepreneurial psychological characteristics that influence African immigrants-owned micro businesses in Durban. The psychological factors considered in

the study were; the need for achievement, locus of control, leadership quality, commitment and determination, risk taking, self-confidence and innovativeness. The findings revealed that these psychological factors positively influenced African immigrants-owned micro businesses in Durban.

RECOMMENDATIONS

In accordance with the findings from the study, the following recommendations are suggested:

Managerial Skills

Taking into account that the study found that the African immigrants-owned micro businesses in Durban lack the necessary managerial skills to propel their various businesses to an expected successful level. The study therefore, recommends that African immigrants business owners should strive to acquire the necessary managerial skills in order to enable them to achieve and maintain business success.

Education, Training and Development

Mindful of the fact that the study found that not all the owners of African immigrant's micro businesses in Durban received formal entrepreneurship education, training and development. Also, that the success of an entrepreneurial business depends on the educational background of the entrepreneur, as well as, the kind of training and development programmes that was received. The study therefore, recommends formal entrepreneurship education, training and development to African immigrant owners of micro businesses in Durban.

Identification of Business Opportunities

The findings of the study revealed that not all the African immigrants were able to identify business opportunities in Durban before investing into the economy. It is against this drawback that the study recommends to the African immigrant owners of micro businesses in Durban to indulge in research and feasibility studies to enable them to develop and to be able to identify several extant business opportunities beckoning them for investment.

Generation of Innovative Business Ideas

The study findings revealed that not all the African immigrants-owned businesses operating in Durban were able to generate innovative business ideas. Some 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 workshops to enhance their extant businesses or new business ventures.

LIMITATIONS OF THE STUDY

The study investigated the entrepreneurial psychological factors that influence African immigrants-owned micro businesses in Durban. By implication, the study was conducted only among the African immigrants in Durban central business district, who operate micro businesses

and limited to them alone. All other foreigners or immigrants from other continents were excluded from the study because of time constraints and the nature of the study. These delimitations do not allow the results of the study to be generalized to cover all foreign-owned micro businesses in Durban. The findings then, can only reflect or be applied to Durban, South Africa.

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