Factors Affecting Black Copreneurial Businesses Performance: Western Cape Experience, South Africa

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Abstract

This study investigated the factors affecting black copreneurial businesses performance in the Western Cape, South Africa. The primary objective of this study is to identify the factors affecting black copreneurial businesses performance in the Western Cape. This study adopted a quantitative research method. The data collection instrument selected for this study was a questionnaire involving one hundred and nineteen (119) subjects. The findings of this study revealed that black copreneurial businesses experience internal and external factors in the Western Cape. The recommendation explainsthe necessary measures that needs to be taken, regarding the addressing of both internal and external factors affecting black copreneurial businesses performance in the Western Cape. The implications of this study are to provide information to the policy makers, to investors and to big companies that are registered on the Johannesburg Stock Exchange to support black copreneurial businesses in South Africa.

Keywords: Copreneurial businesses, Black, factors, Western Cape, South Africa.

1. Introduction

Copreneurial business ventures are existing worldwide (Farrington et al., 2011). The copreneurial business venture sector is growing very fast, worldwide. Copreneurial businesses are family run businesses whereby a married couple decides to run a business together (Farrington et al., 2011). In South Africa, black copreneurial business ventures play a vital role in the national economy, through job creation and poverty reduction. Farrington et al., (2011) revealed that one third of South African businesses are family-run ventures. These couples agree to take-on the risk of running their business as partners. Venter et al., (2009) emphasised that copreneurial business ventures are increasing worldwide.

This type of family business makes huge contributions to various countries such as the United State of America and Australia, where copreneurial businesses are estimated to have contributed about 1.5 million dollars to these countries' economies in the 1990s (Othman et al.,2016). The number of copreneurial businesses is growing throughout the world, and this brings about a lot of changes to peoples' lives. Despite the huge contribution of copreneurial businesses in the national economy the survival rate is very low (Farrington et al., 2011). The performance of copreneurial businesses depends heavily on the relationship between the couples who are running the business together. The term copreneurial business ventures forms part of family businesses. Copreneurial businesses comprise a husband and wife who run their business together (Muske et al., 2009).

This study mainly focuses on the factors affecting black copreneurial businesses performance in the Western Cape, South Africa. In South Africa there is little literature available on the factors affecting black copreneurial businesses. This is even though copreneurial businesses are receiving special research attention in family business literature (Farrington et al., 2011). Although the recognition of copreneurial businesses in the family business has increased, very few projects about black copreneurial businesses have been undertaken and few guidelines have been outlined regarding this type of business venture. It is very difficult to get black copreneurial business literature in South Africa; let alone the factors affecting black copreneurial businesses performances. Marshack (1993) argues that copreneurial business ventures are receiving special attention in small and family business literature. There is little empirical research focused on copreneurial businesses (Venter et al., 2009). Family business literature is silent regarding the factors affecting black copreneurial businesses performances in South Africa. Black copreneurial businesses are a phenomenon where it has become extremely imperative to understand the dynamics between a husband and a wife who are involved in such business ventures. This indicates that the policymakers and the academics cannot find enough information about such business performances, from existing literature. This study will contribute to the body of knowledge of academics and policy makers on this subject. The researcher intends to close the existing research gap on black copreneurial businesses performances in South African literature. The study interrogated the factors affecting black copreneurial businesses performances in Khayelitsha and Langa. Its findings have been drawn from an empirical research study and from quantitative research. The empirical research study mainly focuses on black copreneurial businesses performances in the Western Cape, South Africa.

2. Problem Statement

The problem in this study is to investigate the factors affecting black copreneurial businesses performances in the Western Cape Province business ventures. The factors affecting black copreneurial businesses performances received little attention from academic researchers throughout the world. According to Hirigoyen and Villeger (2017) academic researchers pay scant attention to black copreneurial business ventures research and few debates are held on the subject, worldwide. Black copreneurial business ventures play a particularly vital role in economic growth throughout the world. This type of business has many factors affecting black Copreneurial businesses performances, and it makes a huge contribution to the national economy. Hirigoyen and Villeger (2017) revealed that coprenerial businesses contribute around 22 million dollars to the United States of America's national economy. This shows that copreneurial businesses play an extremely important role in the national economy of the United States of America.

There are major internal and external factors affecting black copreneurial businesses in the Western Cape, South Africa. These factors affect the black copreneurial businesses needs that needs to be investigated, to come up with proper solutions that can improve the businesses performance. Some business family literature shows that copreneurial businesses have various negative factors affecting their business ventures.

3. Research Objectives

This studies objectives were:

i. To identify the factors affecting the business performance of the black copreneurial business ventures in the Western Cape Province.
ii. To seek solutions to the factors affecting the business performance of black copreneurial businesses in the Western Cape Province.

4. Research Questions

Due to the above objectives, the following questions are necessary:

i. What are the factors affecting the business performance of black copreneurial businesses in the Western Cape Provence?
ii. What are the best solutions to the factors affecting the business performance of black copreneurial businesses in the Western Cape Provence?

5. Literature Review

Despite the limited research on factors affecting the business performance of black copreneurial businesses in the Western Cape, it is clear that there are many unique factors affecting the business performance of black copreneurial businesses in the Western Cape Province.

5.1 Definition of Copreneurial Businesses

The various scholars and researchers define copreneurial businesses in different ways. The common view is that copreneurial businesses refers to husbands and wives who run businesses together. According to Myeko (2018) copreneurial businesses are part of the entrepreneurship sector, although it is a family-owned business. Copreneurial businesses are not a new concept within family businesses. This type of business has existed for many years under the heading of family business. Copreneurial businesses have been practised by married couples as family businesses for a long time (Muske, 2009).

According to Myeko (2018) copreneurial business is not a new term in the family business environment, but they have been ignored for many decades, by both scholars and by researchers. Copreneurial businesses refer to husbands and wives who are willing to share the risk of running a business together (Myeko & Iwu, 2019).Copreneurial businesses refer only to husbands and wives or life partners, who run businesses together daily, as part of their family income (Cole & Johnson, 2007; Blenkinsopp & Owens, 2010).Blenkinsopp and Owens (2010) contends that "copreneurial businesses comprise husbands and wives where both are directly involved in the business's activities and governance." Copreneurial businesses occupy an equal position and perform equal tasks in business ventures as family business's do (Othman et al., 2016). This form of a family business grows much faster than any other form of business, throughout the world. This type of family business created a huge debate in certain countries such as the United States of America and Canada in the 1980s (Othman et al., 2016). The lives of these couples are complicated because they look after one another and the family twenty-four hours a day. These couples incorporate family and business as one operation. The family has its own needs while the business has its needs also; and these needs are totally different. The family's needs focus on harmony, while the business's needs focus on profit making (Blenkinsopp & Owens, 2010).

Copreneurs are married couples who not only live together, but who are also responsible for profits and losses in their business venture. These couples are women and men who are in business together, and this can be a formal or an informal business venture (Alessandrini& Winter, 2014; Machek et al., 2016; Hnilica, 2015; Myeko & Iwu,2019; Myeko,2018).

5.2 Theoretical Framework

The theoretical framework relevant to this study is the input-process-out (I-P-O) framework, which was used by Farrington et al., (2011). They advocate that input turns-out to be a process and the process also turns-out be an output. According to Farrington et al., (2011) the input/output emphasises that to have the right teamwork changes need to be happen. The right team work happens between husbands and wives who run businesses together. It is important for them to allocate tasks and to set up a proper structure in their businesses. This depends on how the team has been structured from the beginning (Guzzo &Dickson, 1996). The chance of improving the team depends on the team's daily tasks. According to Yancey (1998) the input can be changed to suit the interests of the team such as job design, composition and context, which is easier than the process. According to Farrington et al., (2011) input refers to the composition of the team and on resources that can contribute to access. Such input is associated with duties, teamwork and the business ventures undertaken.

Farrington et al., (2011) argue that in the I-P-O framework, the process stage refers to the functions which the team members are performing in the organisation, to address the demands of the task. However, the team member to perform these duties needs to have resources available. The process plays a critical role between input and output. The internal process includes the following aspects: managing conflict, communicating, making decisions and learning (Farrington et al., 2011). The output has three major stages, namely; performance, satisfaction and the willingness of the team members (Farrington et al., 2011). Input is also associated with group composition, which focuses on skilled labour, heterogeneity, organisational tenure and job tenure. Group structure includes role, goal clarity, specific work norms, task control, size and formal leadership (Farrington et al., (2009). The next stage after the process is the output. The output includes productivity, quality, innovation, customer satisfaction and employee satisfaction (Farrington et al., 2009)

6. Internal Factors Affecting Copreneurial businesses

6.1. Skills and Experience

The internal factor that affects the business performance of copreneurial businesses is often the shortage of skilled labour and a lack of experience in the management of the businesses. A business venture can perform well when the top management of the business has relevant high levels of skills, and proper experience. The high level of skills in top management opens-up opportunities for management to see the direction of the business venture, and to observe its financial performance (Farrington et al., 2011b). In all its aspects skilled top management is imperative, for the effectiveness of the entire business. A lack of experience may also cause poor performance on business ventures. A person who has diverse experience can perform tasks better and can improve the level of business performance (Farrington et al., 2011b). Farrington et al., (2011b) reveals that complementary skills refer to copreneurial businesses that can perform different tasks within the business, without obtaining assistance from outside sources. The outcome of being competent in different areas can lead to better performances within copreneurial businesses. Furthermore, when copreneurial businesses combine their different skills and their experiences from various fields and working environments, their business venture is more likely to improve performance and be successful.

This highlights that a lack of management skills amongst copreneurial businesses, caused by low levels of education, posed a major plight for their business ventures. GEM, (2015/16) revealed that there is an association between education levels and the success of a small business. The level of education in most small businesses is an important contributory factor to the country's success in this sector. A lower level of education was a key problem amongst small businesses preventing them from expanding and growing into the mainstream of the country's economy (Choto & Iwu, 2014). This suggests that a lower level of education amongst copreneurial businesses will have a negative impact on their businesses ventures

6.2. Business Structure

An internal factor affecting the performance of copreneurial businesses can be caused by not setting up a clear structure of leadership or management of the business, which should be overseeing the business venture. Leadership and management is extremely important in any business venture, particularly to fulfill the organisation's objectives and goals (Farrington et al., 2011b).

Copreneurial businesses should set up team leaders who are responsible for ensuring that their business is successful in the long-term. However, because of the different sizes of such businesses, some businesses are not able to appoint strong governance structures such as an advisory board or a board of directors.

It seems that some even seem to be unable to have a family meeting, to discuss fundamental issues, which affect their business. Sometimes there is an over-emphasis on the fact that in copreneurial businesses, governance structures are informal (Farrington et al., 2011b). A governance structure can sometimes help a business to formulate and to implement policies and procedures within their business, which ensures that their business becomes successful.

Another difficulty in copreneurial business ventures is sibling involvement. According to Farrington et al., (2011a:), the term siblings refers to daughters and sons of the married couple, who may participate in the business's activities and even occupy senior management positions in the business, as family members. At some point, certain siblings may be seen not to have the necessary skills that are required by the nature of the business venture but they are given jobs by virtue of being family members, and this may result in a poor financial performance for the business. At times though, siblings may even be aware that they do not have the necessary skills to operate a business (Farrington et al., 2011b).

6.3. Financial Management

Another factor affecting the performance of copreneurial business ventures centres on cash flow and cost control. Mukwarami and Tengeh (2017) propose that small businesses have a problem relating to a lack of business skills, such as financial management of the business, marketing, managing workers, leadership skills and business administration duties.

Myeko (2018) revealed that most copreneurial couples who own and operate small businesses do so for their families to merely survive, and not to grow for competitive and/or other purposes, which, in turn, relates to South Africa's economy. Choto and Iwu (2014) aver that small businesses operate on a small scale, and that the money that they generate is normally lower, because they do not make or have enough funds for growth.

6.4. Access to Finance

Gombo and Kele (2016) argue that copreneurial businesses play an extremely important role, considering their contribution to the South Africa economy through job creation and poverty alleviation. Chimucheka and Rungani (2013) reveal that inaccessibility to bank finance for small businesses is a major challenge in this country. The lack of access to financial institutions may have a negative impact on business profits and on growing opportunities, for copreneurial businesses. The internal challenges of copreneurial businesses often deeply affect the business's performance.

Farrington et al., (2011b) emphasize that access to necessary resources, information, infrastructure and employees, are extremely important in a copreneurial business. Support and infrastructure arrangements are extremely important. The internal challenges of copreneurs often deeply affect the business's performance.

Kazimoto (2014) claims that, in spite of existing financial support for small businesses, few entrepreneurs receive financial help, when they need it. A lack of access to financial institutions creates further bottlenecks to SMMEs. Mukwarami and Tengeh (2017) mention that this aspect of access to financial institutions is a bottleneck to all small businesses. Some small businesses are created because of unemployment; hence these are the people who deserve to receive financial support from the government, through facilitating processes to access financial institutions' funding.
GEM (2015/16) noted that accessing finance to start a business, remained a major challenge for small, medium and micro businesses in South Africa. Gwija (2014) and Mukwarami and Tengeh (2017) contend that in South Africa, access to business funding for small, medium and micro businesses is a huge challenge; hence most black copreneurial businesses simply used their own money to start businesses.

7. External Factors Affecting Copreneurial businesses

7.1. Government Policies and Laws

Government policies and laws are part of the external factors that affect business performance of copreneurial businesses in South Africa. Most copreneurial business ventures face significant negative impacts from governmental policies and laws in their businesses, as businesses have to comply with various regulations and legislation. Business owners have to comply with government regulations such as taxes and other policies (Klaus, 2012).

The South Africa government policies and laws do not help copreneurial businesses; rather they frustrate the small business sector. According to Leboea (2017) the South Africa government mainly focuses on enforcing rules, regulations and policies as government wants to promote the national interest not the small business sector's interest. This over-regulation is a big challenge for the small business sector.

This shows clearly that deregulation of small businesses is needed, to open a space for a small business to be successful and to receive the necessary support from the South Africa government. The South Africa government implements rising tax rates that affect the performance of small businesses. According to Leboea (2017), South African VAT and corporate taxes are among the highest worldwide. The South African tax system is very complicated for the small businessperson who does not have formal education qualifications. The majority of South African small businesses do not have the skills to comply with tax return requirements that affect their cash flow, as they must employ consultants to assist them in meeting tax requirements.

7.2. Political Instability

Regional political instability is affecting the South African black copreneurial businesses' performance in many ways. Regional political instability forces most of the people to move out of their original country to enter the South African small business environment. Once people from other countries start their businesses, local copreneurial businesses start to face serious competition in their business ventures. Leboea (2017) argues that foreigners flooding into South Africa affect the small business sector, as they create more competition than normal for South African small businesses to cope with.

7.3. Socio-economic Conditions

According to Bommes and Kolb (2004), economic factors affecting entrepreneurs stem from two different levels; namely structural and personal levels. The structural level focuses on constraints and opportunities, while the personal level focuses on goods, services, access to credit and on loans. Olowa and Olowa (2015) contend that this affects skilled, trained staff, human capital and income levels.

The South African interest rate affects the black copreneurial businesses when they want funds for their businesses. Once the interest rate falls, this could afford an opportunity for growth and success for the South African small business (Leboea,2017). A lower interest rate could allow the small businesses to acquire money for their businesses. According to the South African Reserve Bank (2017) since March 2016, the South African interest rate has been around the 10,5% mark.

The South African interest rate is very high for the new small business to cope with. The South African inflation rate affects the performance of small businesses. According to the South African Reserve Bank (2017), the South Africa inflation rate was around 5.3% in 2017. This indicates that consumer's wealth has drastically decreased which allows very little opportunity for growth.

8. Methodology

This study adopted quantitative data obtained through questionnaires with Non-probability selected subjects with conjuction of snowball participants to answer the research problem and the research question (Zikmund et al., 2013). The study utilized nonprobability sampling conjunction with snowball sampling with the aims of investigating factors affecting black copreneurial business performance in the Western Cape. There is no official database distinguishing family businesses and non-family business in the Western Cape and in South Africa. The quantitative data is collected in the form of numbers (Durrheim, 2006). The questionnaires were distributed by the researcher to the target population five weeks prior to the collection, as most of the population did not have contact details and personal information for their respective workstations. The selected participants were one hundred and nineteen (119) black copreneurial businesses to respond to the questionnaires. The participants for this study comprised black copreneurial businesses that operate in Khayelitsha and Langa in the Western Cape Province only. The study selected Khayelitsha because is the largest and fastest growing black township and Langa is the oldest black township in the Western cape in South Africa. It was limited to those black copreneurial business owners who are either married couples or life partners. The study utilized the Statistical Package for the Social Science (SPSS) software, for data analysis. The data were presented in the form of tables. The study also utilized cross tabulation and chi square as data analysis tools in order to analysis correlation between variables.

9. Findings and Discussion

9.1. Factors Affecting Black Copreneurial Businesses

9.1.1. Highest Education Level

The table below illustrates the highest level of school education that the black copreneurial businesses have obtained. The results provide a clear picture of the business's performance and the education levels of the business owners.

Table 1 : Highest education levels

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No formal education	1	.8	.8	.8
	Grade 1-11	26	21.8	21.8	22.7
	Matric	53	44.5	44.5	67.2
	Certificate/diploma	29	24.4	24.4	91.6
	Undergraduate degree	9	7.6	7.6	99.2
	Postgraduate degree	1	.8	.8	100.0
	Total	**119**	**100.0**	**100.0**	

Table1above, shows that of the one hundred and nineteen (119) respondents who participated in the study, the majority, namely fifty-three (53) (44.5%), were matric holders. This was followed by twenty-nine (29) (24.4%) who had certificate/diploma qualifications; twenty-six (26) (21.8%) who had Grade 1-11; nine (9) (7.6%) respondents who had undergraduate degree qualifications; one (1) respondent (.8%) who had a post-graduate degree; and one (1) (.8%) who had no formal education.

The above results clearly indicate that the majority of black copreneurial businesses studied up to matric level. This highlights the lack of management skills amongst the black copreneurial businesses, caused by low levels of education, posed a major challenge for their business ventures. These findings could relate to GEM's (2015/16: 53) revelation that there is an association between education levels and success of the small business, hence the level of education in most small businesses is an important contributory factor to the country's success in this sector.

9.1.2. Ethic Groups

Table 2 below illustrates the percentages applicable to the black copreneurial businesses studied. The results of this study can be utilised as a guide, in terms of black copreneurial businesses in the Western Cape.

Table 2: Ethnic groups or home language

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Xhosa	86	72.3	72.3	72.3
	Zulu	7	5.9	5.9	78.2
	Sotho	26	21.8	21.8	100.0
	Total	**119**	**100.0**	**100.0**	

Of the one hundred and nineteen (119) research study respondents, eighty-six (86), namely 72.3%, were Xhosa, while twenty-six (26), 21.8%, were Sotho, and seven (7), 5.9%, were Zulu.

These findings demonstrate that black copreneurial businesses were well represented in this study. The results of the study also indicated that the research was conducted amongst predominantly Xhosa-speaking copreneurial businesses, who live in black townships within the Western Cape. It also indicated that most of the black copreneurial businesses were owned by Xhosa people in the Western Cape.

9.1.3. Business Turnover

Table 3 below illustrates the business turnover received by black copreneurial businesses. The results of this study can be used to determine the level of performance of black copreneurial businesses, and their contributions to the country's economy.

Table 3: Business turnover

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	R0-R1000	40	33.6	33.6	33.6
	R1001-R2000	62	52.1	52.1	85.7
	R2001-R3000	11	9.2	9.2	95.0
	R3001-R4000	1	.8	.8	95.8
	More than R5000	5	4.2	4.2	100.0
	Total	**119**	**100.0**	**100.0**	

Most of the respondents, namely sixty-two (62) (52.1%) had a business turnover per week, of between R1001 and R2000; followed by forty (40) (33.6%) who made between R0 and R1000 per week; eleven (11) (9.2%) made between R2001 andR3000 per week; five (5) (4.2%) whose turnover was more than R5000 per week; and one (1) (.8%) who made between R3001 and R4000 per week.

These findings demonstrate that most of the black copreneurial businesses who own and operate small businesses do it so that their families can merely survive, and not to grow for competitive and/or other purposes, which relates to South Africa's economy.

These results could relate to a previous suggestion by Choto and Iwu (2014), who profess that small businesses operate on a small scale, and that the money that they generate is normally lower than other businesses, because they do not make enough funds for growth.

9.1.4. Cross tabulation of business turnover and age group

Table 4 : Cross tabulation of business turnover and age group

		Age group				
		18 - 30	31 - 40	41 - 50	51 or above	Total
Q3 Business Turnover	R0-R1000	3	22	14	1	40
	R1001-R2000	2	26	29	5	62
	R2001-R3000	1	4	2	4	11
	R3001 or more	0	1	3	2	6
Total		**6**	**53**	**48**	**12**	**119**

Statistically, there is a significant relationship between age and business turnover (Chi-square = 19.513, df =9, exact p-value = 0.025). The crosstab shows that respondents over 50 years of age indicated that their turnover ranged from R1000 to R3000 or more, whereas most of the younger respondents reported turnovers of between R0 to R2000.

9.1.5. Chi-square tests on the business turnover and age group

Table 5: Chi-square tests on the business turnover and age group

	Value	Df	Asymptotic Significance (2-sided)	Exact p-value (2-sided)	Exact p-value (1-sided)	Point Probability
Pearson Chi-Square	19.513[a]	9	.021	.025		
Likelihood Ratio	17.076	9	.048	.058		
Fisher's Exact Test	17.120			.022		
Linear-by-Linear Association	9.385[b]	1	.002	.002	.001	.001
No. of Valid Cases	119					

a. Eleven (11) cells (68.8%) have expected counts of less than five (5). The minimum expected count is .30.

b. The standardized statistic is 3.064.

9.1.6. Cross tabulation of premises of business and business turnover

Table 6 : Cross tabulation of premises of business and business turnover

		Q3 Business Turnover				
		R0-R1000	R1001-R2000	R2001-R3000	R3001 or more	**Total**
Q8 Premises of Business	Home	35	39	3	3	**80**
	Business Area	5	23	8	3	**39**
Total		**40**	**62**	**11**	**6**	**119**

To explain and to demonstrate the relationship, a chi-square test was conducted. Table 7 below demonstrates a p - value < 0.001, which demonstrates a statistical significance.

9.1.7. Chi-square tests on the premises of business and on business turnover

Table 7: Chi-square tests on the premises of business and on business turnover

	Value	Df	Asymptotic Significance (2-sided)	Exact p-value (2-sided)	Exact p-value (1-sided)	Point Probability
Pearson Chi-Square	16.766[a]	3	.001	.001		
Likelihood Ratio	17.425	3	.001	.001		
Fisher's Exact Test	16.985			.000		
Linear-by-Linear Association	13.168[b]	1	.000	.000	.000	.000
No. of Valid Cases	119					

a. Three (3) cells (37.5%) have an expected count of less than five (5). The minimum expected count is 1.97.

b. The standardized statistic is 3.629.

10. Implications and Contributions

This study provides insight into the factors affecting black copreneurial businesses performance in South Africa. The government should deregulate laws that are affecting the black copreneurial businesses, through policies and laws that allow them to grow in their space as family businesses.

Those who intend to start this form of business need to investigate all the factors affecting copreneurial businesses, prior to the work arrangement being completed. An interesting finding of this study is that the performance of a copreneurial business does not appear to affect business owner's marriages.

The contribution of the black copreneurial businesses was assessed by looking at family business literature and practitioners. The black copreneurial businesses, being businesses operated by a husband and a wife working together. The contribution of this study was directed to inform the City of Cape Town metropolitan municipality, and the Western Cape provincial government. This study used input-process-out (I-P-O) framework, to investigate factors affecting copreneurial businesses. This theoretical framework tested husband and wife business partners in family businesses.

11. Recommendation and Limitations

Participants were asked what are recommendations made by black copreneurial businesses owners about their business turnover in order to improve their business performance. The participants recommend that government agencies and other financial institutions should create a program that will accommodate small businesses in this respect, in particular those that operate their businesses in Black urban area townships. Most of these small businesses operate in informal structures, where they cannot guarantee the pay-back of a loan from financial institutions. The national government should intervene with understanding that most of the small businesses in particular those who operate their business in black townships are not registered, and that they operate their businesses from homes, which are often in informal settlements, or on rented premises. The Department of Trade and Industry should play a leading role to ensure that small businesses are registered so that they can be in a stronger position to access funding from financial institutions in order to improve their business turnover. The Department of Trade and Industry should establish programs to educate the small business owners in particular black copreneurial businesses about growth opportunities such as expand businesses and get finance from financial institutions.

The limitation of this study is that the researcher investigated black copreneurial businesses in the Western Cape comprising South African citizens only. Whereas there are many foreign black copreneurial businesses who operate their business ventures in the Western Cape. The study focused on black copreneurial businesses that operate in black townships only, whereas the experience of black copreneurial business in the Western Cape in general might bring different dimensions that could enrich the study. The study concentrated on black townships in the Western Cape and hence cannot be used to generalize for other provinces. Snowball sampling is extremely important in a situation whereby the target population does not have a database to draw a sample from (Zikmund,2013). Nevertheless, it is clear that snowball sampling has its limitations in a research study. A further limitation of this study is that it only assessed black copreneurial businesses, located in the black townships of the Western Cape

12. Conclusion

The findings of this study show that, indeed, black copreneurial businesses have factors affecting their businesses performance in the Western Cape. They experience various factors such as internal and external factors that affect their businesses performance. The main objective of this study was to find out the factors affecting black copreneurial businesses performance. Recommendations have been proposed, accordingly. The Researcher recommends that the government should develop a policy that will protect black copreneurial businesses that are involved in business ventures. All business organisations should recognise the role of black copreneurial businesses in South Africa. The researcher recommends that all levels of the South African government should assist in developing black copreneurial couples, who are involved in businesses to avoid negative factors negatively affecting their business ventures. The researcher also recommends that black copreneurial business owners should establish a forum that will represent them in all government development policies.

In addition to pinpointing the factors affecting black copreneurial businesses, the following factors were found; economic factors, political instability, government policies and regulations, personnel skill, financial management, and business structures.

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