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To cite this article: D.S. Nheta, R. Shambare & C. Sigauke (2020): Micro-perspective lens on entrepreneurs in the early stage of business: Expectations vis-à-vis realities, African Journal of Science, Technology, Innovation and Development, DOI: [10.1080/20421338.2020.1835175](https://doi.org/10.1080/20421338.2020.1835175)

To link to this article: <https://doi.org/10.1080/20421338.2020.1835175>



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Published online: 01 Dec 2020.



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Micro-perspective lens on entrepreneurs in the early stage of business: Expectations vis-à-vis realities

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In the early stage of business, which is where most new ventures fail, many entrepreneurs experience discrepancies between their entrepreneurial expectations and business realities. These discrepancies referred to by this paper as an entrepreneurial gap (EG) are, therefore, among other factors, professed to be responsible for the high attrition rate of emerging ventures in South Africa. An oversight in this area of EG, despite the provision of most required resources, may still lead to business failure. This paper argues that there is more yet to be comprehended regarding early-stage business success, concerning the entrepreneur component. The purpose of this paper was to recognize and classify factors responsible for establishing entrepreneurial gaps with the intent to improve the level of preparedness among emerging entrepreneurs. A qualitative approach with in-depth interviews was employed in the data collection. ATLAS ti 8 was used to unpack factors that instigate entrepreneurial gaps while posing challenges to emerging entrepreneurs in the early stage of business. The groups identified were: entrepreneur management, familism and personal management. The findings provide information that is credible to improving the level of preparedness among emerging entrepreneurs, and could be used by mentors, coaches and relevant support structures.

Keywords: business failure, early-stage business, entrepreneurship, gaps, preparedness, South Africa

Introduction

In South Africa, a concurrence among scholars exists which illuminates an alarming rate of three in every four early-stage businesses collapsing (Fatoki and Garwe 2010; Luiz and Mariotti 2011; Mthabela 2015; Kalitanyi and Bbenkele 2017; Mamabolo, Kerrin, and Kele 2017). In support of this account are some scholars and organizations (Arasti 2011; Radipere and Ladzani 2014; Kalane 2015; Hyder and Lussier 2016; GEDI 2017) that previously argued on the cause(s) of business failure and challenges, identifying a lack of finance and poor access to markets as the causes of failure. But these accounts convincingly relate to business failure and not necessarily the individual entrepreneur who gives in to failure. In terms of causes of failure emanating from the entrepreneur component, the lack of marketing skills, among others, should be investigated.

Moreover, Schwartz and Hornyh (2010), Cant (2012) and Chimucheka and Mandipaka (2015) persuasively argue that the lack of such marketing skills is a convincing dead end for the entrepreneurship journey. In this case, the entrepreneur who aligned business success to his or her marketing skills, might give in to failure and divert from entrepreneurship if his or her marketing skills do not materialize as expected. Then again, it is according to this conception – the presence of marketing skills – that Cheung and Jim (2013), Sheena, Mariapan, and Aziz (2015) and Zhang et al. (2015) boldly state that simply being a good marketer will not necessarily make one's business a success as there is more to achieving such a status.

Against this background, it is evident that within the first three years of founding a business, which is when

most new ventures fail, Neneh (2011) and Kambourova and Stam (2016) accentuate that many entrepreneurs experience discrepancies between their entrepreneurial expectations and business realities. These discrepancies could be derived from the expectation that running a successful business depends on the entrepreneur's key capabilities – as mentioned earlier – such as being a good marketer which attributes to business skills (Hyder and Lussier 2016). Nonetheless, a successful business is a product of many elements such as strategizing, budgeting, the entrepreneur's ability to implement necessary changes and being resourceful within effective marketing (Trevelyan 2008; Vermeulen and Curseurseu 2010; Salamouris 2013; Ngwira 2016).

These differences or discrepancies for that matter referred to by this paper as an entrepreneurial gap (EG) between entrepreneurial expectations and business realities faced in the early stage of entrepreneurship, are, therefore, among other factors, deemed responsible for the high attrition rate of emerging ventures in South Africa. For instance, 'consistent negative feedback'¹ on business performance such as constant work demands and unrealized business expectations, would at a certain point derail the emerging entrepreneur who would possibly opt to discontinue business activities. This variance is given prominence by Ucbasaran et al. (2010) as they indicated unmet business venture expectations (entrepreneurial gap) of the entrepreneur to be the blanketing challenge leading to business failure. Furthermore, Ucbasaran et al. (2013) denoted business failure due to unmet expectations as the discontinuity of ownership due to poor performance below the threshold, which is directly linked to

ineffective/failure to effect business adjustments by the entrepreneur.

An oversight in this area of EG, despite the provision of most required resources and access to markets for emerging ventures, may still lead to business failure. This paper thereby argues that there is more yet to be comprehended regarding early-stage business success, concerning the entrepreneur component. Therefore, the notion that research work has overlooked one important factor – entrepreneurs' inability or ability to adapt to the volatile business environment, instituted on micro factors – becomes of interest to explore. Pragmatically, one then should understand the factors evolving around EG taking a micro-perspective lens on the emerging entrepreneur. To attend to the dearth in empirical evidence towards understanding EG issues, this paper was grounded on the need to address the research question: what are the factors that South African entrepreneurs struggle with during the early stage of business formation? Therefore, the purpose of this paper was to recognize and classify factors responsible for the establishment of entrepreneurial gaps with the intent to improve the level of preparedness among early-stage business entrepreneurs.

Literature

The argument of this paper focuses mainly on the entrepreneur component. Micro factors of entrepreneurs occupy a considerable role in developing entrepreneurial expectations which, in turn, would motivate and possibly retain individuals in entrepreneurship. This then creates a need to expand on these factors, while examining the effects that they have on the entrepreneur within the early stage of business. In that sense, Farouk, Ikram, and Sami (2014) outline several factors that exist within the entrepreneur's sphere of control. The scholars' focus was on identifying factors that influence the intent to start an entrepreneurial venture among university students. It is noteworthy that their research paper made use of the Theory of Planned Behaviour which promotes an understanding of how an individual will perform for a certain action based on micro aspects.

It is important to note that what these scholars' research paper outlined, are indeed factors that influence an individual's actions. However, what this paper intends to achieve, is to illustrate that when that individual has the intent to set up a small business, and proceeds to do so, there comes a time where changes occur along the entrepreneurship process. For example, what might have influenced the entrepreneur to tackle entrepreneurship in the first place, might no longer exist, resulting in a discrepancy. If the entrepreneur then fails to adjust accordingly, then that intent to pursue the entrepreneurial journey could be short-lived. To illuminate the entrepreneurship gaps, the discrepancy theory establishes the ambit of this paper and is presented next.

Discrepancy theory

Discrepancy theory has been applied for understanding the individual (entrepreneur) concerning the expectations against achieved standards, presented by the business

component (Fast et al. 2014). Cooper and Artz (1995) suggested that discrepancies are primarily based on goals and expectations. A discrepancy in this matter is a perceived difference of set standards (goal) and the level of accomplishment attained thereof or an expectation-reality gap (what was expected – not necessarily a goal – differs from what materialized).

Discrepancy theorists articulate that the existence of such a difference may lead to emotive or active reactions, even to an extent of dismissal of set standards. This outcome is derived from various sources, e.g. social pressure, threshold requirements and personal expectations (Locke 1969; Oliver 1981). The discrepancy theory thereby suitably sets the thought process for this paper, as it adequately provides a framework for understanding the discrepancies faced by an emerging entrepreneur in the world of business. Therefore, upon the realization of a discrepancy which in this context is an EG, there are consequences that an emerging entrepreneur should encounter. In such circumstances, entrepreneurial abilities to deal with the consequences become significant. The situation may further be exacerbated if the entrepreneur was not adequately prepared (Nheta 2020). Thus, micro factors play a considerable role in influencing the intent of an individual, while simultaneously influencing the ability of an individual to cope with business struggles, specifically in the early stage of business.

Equally important to note is how entrepreneurs exist and respond to diverse influential structures. In a similar study by Talebi, Nouri, and Kafeshani (2014) that sought to identify individual factors influencing entrepreneurs' decision-making skills, various factors like cognitive and personal characteristics were indicated. Some of these factors are shaped by social structures and enhanced by institutional structures (Belas et al. 2017; Tur-Porcar, Roig-Tierno, and Mestre 2018). It is such findings that allude to the critical role played by micro factors in an entrepreneur's journey.

Personal factors

Personal factors contribute to the entrepreneur's way of dealing with matters. Scholars in the field of entrepreneurship have given a reference to traits of an individual playing an integral role in influencing the success of an entrepreneur (Belas et al. 2017; Chaudhary 2017; Tur-Porcar, Roig-Tierno, and Mestre 2018). Complementary factors such as the level of income, education and managerial experience are considered to also influence and shape the intents and expectations of an emerging entrepreneur (Hermans et al. 2015).

In the works of Carree and Verheul (2012), they sought to investigate factors which influence satisfaction levels of emerging entrepreneurs. The degree of measurement used to assess the participants of their study, solely focused on entrepreneurs' expectations. This was captured in five categories, with the first category measuring outcomes that were 'much worse than expected', and the fifth category measuring those that were 'far better than expected'. Interesting to note is that the scholars' purpose was to identify the determinants of satisfaction among emerging entrepreneurs to establish a key

measure of individual entrepreneurship success. Their argument was based on the view that the existing literature at the time their study was conducted, concentrated on determining the satisfaction of employees, rather than the entrepreneurs.

Furthermore, they supported their argument by indicating that even though satisfaction was mainly measured by the performance of the venture, individual factors also influenced satisfaction levels. In their study, the scholars empirically examined how income, psychological well-being and leisure time influence individual entrepreneurship success. In an attempt to coin determinants of satisfaction, the scholars outlined the influence of intrinsic and extrinsic motives. A special note was made on the differentiation of entrepreneurs with regard to type or complexity of the business, as well as the commitment towards the business (full-time or part-time managers).

The note was made to address the different levels of satisfaction that exist among heterogeneous entrepreneurial ventures. At this point, the scholars' study simply addressed the determinants of satisfaction and did not unravel how such findings could be directed towards improving the preparedness of emerging entrepreneurs. Broadly stated, personal factors that influence the level of preparedness among entrepreneurs in the early stage of business include: self-efficacy, risk-taking ability, personal optimism, overconfidence, escalation of commitment, planning skills, freedom and sense of achievement (Townsend, Busenitz, and Arthurs 2010; Carree and Verheul 2012; Rietveld et al. 2013; Ucbasaran et al. 2013; Talebi, Nouri, and Kafeshani 2014; Hermans et al. 2015; Bradley and Klein 2016; Dawson 2017; Farzana 2018; Shava and Chinyamurindi 2019). However, of interest to this paper is how expectations were used to measure satisfaction towards individual entrepreneurship success. This then highlights the importance of addressing EG issues to improve, among other factors, the levels of preparedness during the early stage of business.

Social structures

Social structures have a certain degree of influence on the character and expectation of any individual. Shapero and Sokol (1982) pointed out that the perceptions that an individual has of persons or social groups (friends, family, referrals) are influenced by cultural and societal variables. Subjective norms increasingly hold significance for the outcome of the character of the entrepreneur. However, the character is not necessarily in question at this point, but the influence of social structures towards shaping the expectations of the entrepreneur and likewise framing the micro perspectives of the individual are important. As pointed earlier in the personal factors' section, an entrepreneur might demonstrate or possess some of the factors indicated. However, the extent of the effect the respective personal factors have on the entrepreneur, are subject to the social structures that an individual has experienced (Hermans et al. 2015).

Due to the interplay of entrepreneurship and social structures, scholarly works have put forward the issue of social embeddedness in entrepreneurship (McKeever,

Anderson, and Jack 2014). The understanding thereof is based on how entrepreneurs are anchored within social structures that provide both opportunities and constraints or threats. Also, entrepreneurs are connected to the various sources of motivation intertwined within their social networks. The impact of social structures on the entrepreneur, therefore, has an effect, depending on how deeply rooted the entrepreneur interacts with a specific social aspect – the extent of congruence with the social structures by the entrepreneur (Kazeem and Asimiran 2016).

Social structures consist of networks that provide various opportunities and resources for the entrepreneur. It is within these structures where networks such as familism emerge (Canedo et al. 2014). As for Uzzi and Gillespie (2002), their thoughts on social structures as being an integrated part of entrepreneurship, are sided with a specific view. They conferred that socialization influences the expectations of the entrepreneur by shifting the business focus from an economic perspective to a socialized and personal perspective. Therefore, the entrepreneur becomes more oriented towards the fulfilment of social expectations. For instance, an entrepreneur expecting to achieve societal recognition is likely to orientate business focus towards realizing such expectations. Understandably, different types of entrepreneurs like lifestyle entrepreneurs may suit such a descriptor. But even so, other types of entrepreneurs such as entrepreneurs (Chakuzira 2019), could become caught up in chasing societal expectations due to the extent of embeddedness within the social structure.

Consequently, networks such as familism cannot be overlooked with regard to how the social aspect influences the micro perspectives of the emerging entrepreneur (Paunescu, Popescu, and Duennweber 2018). In Canedo et al. (2014), familism is defined as a value expressed within the culture of a respective family. Most important is the role of overseeing individual interests which are enacted by the family. In the maintenance of familism, the individual should prioritize family values. That factor of familism thus has an undeniable influence on the entrepreneur. Therefore, Talebi, Nouri, and Kafeshani (2014) signify the importance of the emerging entrepreneur's ability to filter social aspects in the attempt to maintain a positive balance of the social network and entrepreneurship. The ability to filter or not depends on how deeply tied the emerging entrepreneur is within that social construct. Thus, the entrepreneur's personal factors can, therefore, become aligned with heightened social expectations (Hermans et al. 2015; Paunescu, Popescu, and Duennweber 2018). In the event of such expectations failing to materialize once more, the social structure would have its toll on the emerging entrepreneur. Comprehending this relationship of entrepreneurship and social structures, thus becomes of great value to the emerging entrepreneur and the business coaches, as well as mentors for future use.

Institutional structures

Institutions have been generally accepted to determine the rules of the game (Salamzadeh et al. 2015). Scholars have

presented the institutional structure mainly in two perspectives – formal institutions and informal institutions. In an analogous approach routed towards social structures, institutional factors are influenced by the entrepreneur's perception (Shapiro and Sokol 1982). The perceptions may be oriented towards factors such as regulative, normative and cognitive which are the total of the two institutional perspectives – formal and informal (Garcia-Cabrera, Garcia-Soto, and Dias-Furtado 2018). Furthermore, institutional factors, e.g. tax environment, competitiveness, economic freedom, social security, fiscal policy and corruption are directly connected to entrepreneurial activities (Crnogaj and Hojnik 2016; GEM 2018). With regulative factors, the importance is on laws that encourage or discourage entrepreneurship and influence entrepreneurial development thereafter (Stenholm, Acs, and Wuebker 2013). With normative factors, they refer to cultural values that promote good behaviour, while cognitive factors frame business acumen shared among organizations in an area (Garcia-Cabrera, Garcia-Soto, and Dias-Furtado 2018).

The influence of institutional factors on entrepreneurship development is necessary whether it turns out to be a positive or negative outcome (Salamzadeh et al. 2015). With such level of importance placed on institutional factors, this section draws attention to how the regulative factors encourage or discourage entrepreneurship inherently, influencing the expectations of an emerging entrepreneur. The justification supporting the selection of the regulative factor is, that an entrepreneurship discourse already exists. The discourse is roused by the misunderstandings between the government's intention towards developing entrepreneurship and the entrepreneur's perception towards government support. Regulative factors thus present the government's intention, while entrepreneurs have no option but to react to the intention. Similarly, micro perspectives of an emerging entrepreneur may be influenced by the regulative factors existing in the country's laws. Additionally, the normative aspects and cognitive aspects have been partly discussed in the social structure section, as these generally overlap in the two constructs (social and institutional structures) (Garcia-Cabrera, Garcia-Soto, and Dias-Furtado 2018).

Expectations of emerging entrepreneurs can be framed, observing the institutional framework in which entrepreneurship is developed (Salamzadeh et al. 2015). For instance, an assessment by the entrepreneur on how the entrepreneurship policy influences aspects such as protection of property rights, labour markets, capital markets and the development of entrepreneurship within the geopolitical area, would influence the crafting of the individual's micro perspectives and consequently entrepreneurial expectations. Therefore, Crnogaj and Hojnik (2016) affirm that the institutional framework has a direct influence on entrepreneurial activities pursued by the respective individuals.

From the assessments of Hermans et al. (2015), entrepreneurial motivations translate into entrepreneurial expectations, specifically in the start-up phase of business. Therefore, for example, if regulatory factors within the labour markets are seemingly unfavourable for a

respective type of entrepreneurial venture, the entrepreneur might be discouraged to pursue business activities (Salamzadeh et al. 2015; GEM 2018). Sometimes the entrepreneur decides to pursue the entrepreneur venture and the expectations thereof will then be linked to the motivations that pushed or pulled the individual into business.

Therefore, institutional factors are decisive in influencing the micro perspectives of an emerging entrepreneur. The extent of the influence of institutional factors on the entrepreneur is thus dependent on the ability of the entrepreneur to dissect and filter respective institutional factors (Nheta 2020). In the advent of coaching and specialized mentoring, emerging entrepreneurs may skilfully filter factors towards increased survival chances for their business. To illustrate how micro factors, influence the entrepreneur, Figure 1 illustrates the conceptual framework for this paper.

As illustrated within the conceptual framework, three key areas, namely personal factors, social structures and institutional structures are presented as a source of micro factors (Tur-Porcar, Roig-Tierno, and Mestre 2018). For the micro factors to emerge and shape up the respective entrepreneur, the individual should filter information from the three identified areas. The ability of the entrepreneur to filter from such sources, would in turn influence the types of micro issues – expectations – that influence the entrepreneur (Talebi, Nouri, and Kafeshani 2014). The presence of certain micro factors could then influence the level of preparedness an individual has towards entrepreneurship. However, the existence of an EG in between the entrepreneur and business reality poses a threat to the entrepreneur as the ability of the individual to deal with an EG becomes of significance. Nheta (2020) argues that an entrepreneur who is adequately prepared for business is more likely to successfully manage EG related issues as compared to another who is inadequately prepared. Therefore, an adequately prepared entrepreneur who successfully manages EG issues is likely to improve the chances of the business surviving the early stage of formation.

Methodology

To address the purpose of this paper, a qualitative research approach was used. The justification of the approach is embedded within the need to understand the entrepreneur component (micro-perspective factors). The aim was not to quantify the factors but acquire an in-depth understanding of the factors that stimulate the development of an entrepreneurial gap and classify them. Thus, this paper employed a non-probability sampling technique grounded on purposive sampling design. This design is aimed at accessing individuals based on an existing understanding of the population – entrepreneurs, its elements, and the purpose of the study (Babbie 2010). The scholar defines purposive sampling as a sampling design that requires the researcher's judgment in selecting the units for the study.

Illker, Sulaiman, and Rukayya (2015) state that when using purposive sampling, supporting theories are not necessarily required to establish the sample size,

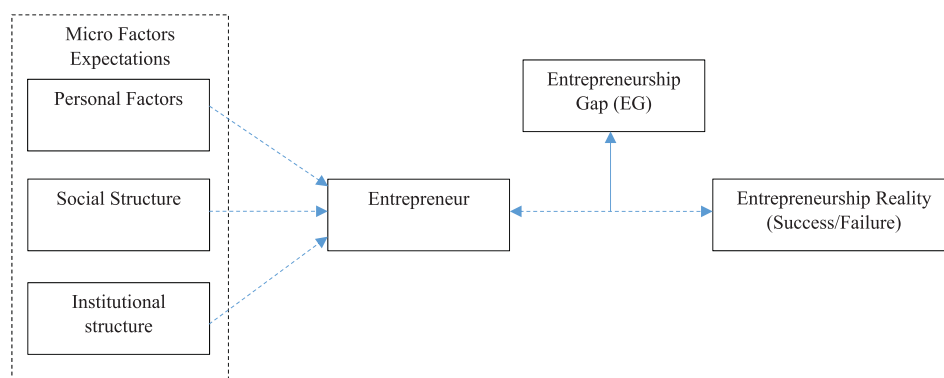


Figure 1: Conceptual Framework: Micro factors of entrepreneurs. *Source:* Authors' own construct

especially if certain characteristics are observed in the elements of the study. This is the case for Sibindi and Aren (2015) as well as for this paper. The authors applied judgment in selecting the units that would reasonably represent the population in this study, at the same time being useful to the successful progression of data collection (Babbie 2010). Due to the phenomenon being studied, measures were put in place to ensure that information-rich sources were accessed. Gaining access to the right sources enhanced the quality of data collected, hence sample selection criteria were used (Table 1).

The pool of interviewees came from an internationally recognized entrepreneurship conference. The authors attended one of the largest gatherings with participants that were mainly emerging youth entrepreneurs in South Africa at Sandton Convention Centre in 2018. The yearly event known as Enactus South Africa national competitions, which runs for two days and provides room for emerging entrepreneurs to network with established entrepreneurs thus provided a lucrative information-rich source opportunity for data collection of this paper. A maximum of five in-depth interviews was conducted as data saturation was achieved. The interview transcripts were analyzed using ATLAS ti 8 making use of a top-down theoretical thematic analysis, which was driven by this paper's purpose and the authors' focus (Braun and Clarke 2014). Ethical aspects were considered and adhered to during and after data collection. This meant that the interviewees expressed their consent, were willing to provide data while their identity was protected throughout the process of data analysis and publication.

Discussion and findings

The purpose of this paper was to recognize and classify factors responsible for the establishment of entrepreneurial gaps with the intent to improve the level of preparedness among early-stage businesses. A review of extant literature revealed some of the areas in which these factors emerge. From the entrepreneurial sphere, factors that instigated challenges were found to be embedded within the business component and the entrepreneur component. With the business component, external factors such as government's role in entrepreneurship were noted to be a platform that triggers off business factors that affect early-stage entrepreneurs. Issues that arose

were mainly due to the supposedly misconceived perception of entrepreneurship development by the government and its support structure.

However, factors posing challenges while developing entrepreneurial gaps were identified to be predominant within the micro perspective of entrepreneurs. Most business factors revolve around the immediate environment of the entrepreneur. Personal factors, social structures and institutional structures were documented to be a prevalent source of intertwined business factors, which present reasonable challenges for the emerging entrepreneur instigating entrepreneurial gaps.

Since extant literature provided insight and assisted in identifying some common areas that present business factors associated with problematic issues, an attempt to unravel underlying issues were made in this paper. This paper sought to address the research question: what are the factors that South African entrepreneurs struggle with during the early stage of business formation? Factors that instigate entrepreneurial gaps while posing challenges to emerging entrepreneurs in the early stage of business were, therefore, generated for analysis. Firstly, data were transcribed verbatim. Secondly, open coding was conducted, and this was a repetitive process until open coding was completed. Extant literature was referred to during the coding process Thirdly, constant comparison with selective coding was initiated. Lastly, themes were developed. The last step marked the final process of data coding and paved the way for network diagram development and code refinement through peer audit reviews (Creswell 2015).

The issues identified from the network diagrams were then grouped to form three themes, namely; entrepreneur management, familism and personal management. These themes hereafter referred to as group factors were identified to be the frames in which an entrepreneurship gap is developed. Table 2 presents a summary of this paper's findings – business factors that were recognized and the group factor they were classified under – accompanied by the operational definitions. The summary provides insight into issues that emerging entrepreneurs struggle within the early stage of business inherently, leading to the existence of EG.

To comprehend the group factor classifications and how they relate to the institution of EG as an example, consider the group factor of *personal*

Table 1: Sample selection criteria.

Variable	Selection criteria	Reason for inclusion
Years in business	At least three years	Entrepreneurs would have survived the early-stage of business, thus provide realistic data based upon their past experiences.
Type of business	No restriction	To cover a wide spectrum of what entrepreneurs across the field experience.
Size of business	SMEs	Due to limited resources, formalized businesses within small to medium enterprise category were considered.
Location of business	Within national borders	Entrepreneurs might have businesses across the country.

Source: Authors' own construct

management which consists of a business factor namely 'Relational'. How does such a business factor cause challenges and instigate entrepreneurial gaps that emerging entrepreneurs encounter within the early stage of business? To adequately address the question, one should refer to the operational definition presented in Table 2. Consider an emerging entrepreneur who either assumes or is certain that he or she is relational, henceforth closing deals and retaining clients will be an easy task.

Such a predisposition of success concerning that area of client relationships could mislead the entrepreneur. If the success fails to materialize, challenges could arise which would require certain adjustments to be initiated by the entrepreneur. However, consistent corroboration of negative feedback regarding client relationship as an example could yield several challenges that the emerging entrepreneur would struggle with. The struggles are fortified, especially when the emerging entrepreneur was not adequately prepared, since the relational trait was expected to 'deliver', thus establishing EG.

As reiterated in the extant literature, the effects of such factors if inadequately addressed, could deter the entrepreneur from the business. Respectively, an emerging entrepreneur who believes is committed to business (*entrepreneur management*) is likely to have high expectations. When these expectations fail to materialize on the realistic side of the business, this paves way for EG development. If intervention is not rendered, it could affect the survival chances of the entrepreneur in business.

Conclusion

The generated group factors are representative of issues that instigate entrepreneurial gap development among emerging entrepreneurs within the early stage of business. Multitudes of research work have taken a similar slot of identifying such factors, but mainly from a macro-business perspective (Fatoki and Garwe 2010; Arasti 2011; Luiz and Mariotti 2011; Radipere and Ladzani 2014; Kalane 2015; Mthabela 2015; Hyder and Lussier 2016; GEDI 2017; Kalitanyi and Bbenkele 2017; Mambolo, Kerrin, and Kele 2017). This paper, however, took a twist and focused on the union of the entrepreneur

Table 2: Summary of factors affecting emerging entrepreneurs.

Group Factor	Business factor	Operational definition
Personal management	Astuteness	The intellectual capacity demonstrated by the individual
	Detach from societal anxiety	A skill to set business boundaries from societal concerns
	Good individual welfare	A sense of well-being of the individual
	Individual sense of balance	The intrinsic balance to handle demands
	Inquisitive	A research skill for harnessing information
	Intellectualize	The ability to apply logic in decision-making skills
	Preparative	The evidence of readiness by an individual
Entrepreneur management	Relational	Initiate and nurture profitable direct relationships
	Business capable	An individual who demonstrates the ability to operate a business
	Committed to business	One who is dedicated to business and its profitability
	Courage to lead	An individual who is able to empower the stakeholders of the business
Familism	Entrepreneurial drive	The desire linked to business success that keeps the individual in business
	Entrepreneurship reverence	The ability to perceive entrepreneurship as a better source of individual economic stability
	Receptive to coaching	The willingness of an entrepreneur to learn, be corrected and be guided
	Emotional support	Emotive and intangible support provided by family members to the entrepreneur
	Entrepreneur upbringing	The way in which the entrepreneur was nurtured from childhood
	Family dissuasion	An indirect disagreement to the propositions of the entrepreneur
	Financial support	The provision of capital by family members towards the entrepreneur's business
Labour support	The provision of labour by family members towards the entrepreneur's business	
Passive agreement	An indirect agreement with leverage to deny the propositions of the entrepreneur in the event of unfavourable business situations	

Source: Authors' own construct

component from a micro-entrepreneur perspective and the business component at large.

The intention was to determine how an emerging entrepreneur deals with business factors and in that process, how the same individual degenerates the situation due to EG. Going against the common trends in entrepreneurship research, this paper has revealed some underlying issues with a focus on the micro-perspective factors of emerging entrepreneurs that research has generally overlooked. Policymakers, scholars and the entrepreneurs have comparably ascribed factors that challenge entrepreneurs to be mainly external, yet such an assessment is misleading. With the emergence of the generated factors, a platform has been created to further inquire on different resolutions that could be of use in improving the preparedness of emerging entrepreneurs.

Emerging entrepreneurs encounter a series of macro-business-related challenges in the early stage of business. These challenges could be dealt with reasonably if the individual – an entrepreneur – is adequately prepared. Improved levels of preparedness can be enhanced through supplement coaching and advisory services that are grounded on the business factors, generated by this paper and among other factors of relevance in arresting early-stage business failure. Thus, the generated issues provide pragmatic information that is credible in improving the level of preparedness among emerging entrepreneurs.

Disclosure statement

No potential conflict of interest was reported by the author(s).

Funding

This work was supported by University of Venda.

Note

1. Feedback which contradicts what the emerging entrepreneur expected from operating a business.

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