

Research Report:

A case study exploring entrepreneurial resilience in Durban, South Africa

Menokin Reddy
Supervisor: Leigh De Wet
Bachelor of Commerce Honours in Management

I hereby declare that the Research Report submitted for the Bachelor of Commerce Honours in Management degree to The Independent Institute of Education is my own work and has not previously been submitted to another University or Higher Education Institution for degree purposes.

Abstract

South Africa is currently experiencing a high level of unemployment, and entrepreneurship is regarded as a tool that can help solve the problem (Business Tech, 2017). Resilience is believed to influence a person's course of action and is considered to be one of the motivating factors that are necessary for entrepreneurship. With this in mind, the persistent question is how do entrepreneurs motivate themselves after failure?

Data was collected using a semi-structured interview approach as it enabled the researcher to explore the views, experiences and beliefs of the participants on specific matters thus providing the researcher with a deeper understanding of the phenomenon.

The study found that perseverance and a positive mindset are prominent components that contribute to entrepreneurs staying motivated even after experiencing failure. Furthermore, the study found that all participants had a desire to be in control of their destiny.

Recommendations were made for future researchers to increase the sample size so more rigorous data could be generated. It was also recommended that entrepreneurial resilience is analysed across the country, but more specifically in Johannesburg, as it has the most entrepreneurs in South Africa (Statistics South Africa, 2017).

Table of Contents

Introduction

Contextualisation	1
Rationale	1 – 2
Purpose statement	3
Problem statement	3 – 4
Research goal & questions.....	4
Objectives.....	4

Literature Review

Theoretical Foundation.....	4 – 6
Review of literature	6 – 10

Research Design & Methodology

Research paradigm	10 – 11
Research design.....	11 – 12
Population.....	12
Sampling.....	12 – 13
Data collection methods	13-14
Data analysis methods	14 – 15

Presentation of Findings

Interpretation and presentation of findings.....	15 – 25
Trustworthiness and Rigor	25 – 26

Conclusion

Summary of findings	26 – 27
Ethical considerations and Limitations of the study	27 – 28
Heuristic Value	29
Recommendations for future research	29

References List

References	30 – 32
------------------	---------

Annexures

A. Consent Form:	33 – 36
B. Interview schedule.....	37
C. Ethical clearance letter	38
Originality report	39

Introduction

Contextualisation

There has been considerable curiosity surrounding how entrepreneurs have reached the level of successes they have, even though these entrepreneurs have experienced setbacks and failures in their initial stages (Hayward, Forster, Sarasvathy and Fredrickson, 2010). To be an entrepreneur requires a combination of skills in order to succeed. De Vries and Shields (2006) identify resiliency, self-reflection and the ability to identify strengths and weaknesses as entrepreneurial skills. Entrepreneurs are important because they create new businesses thus creating new employment, which improves the economy and economic development (Hayward et al., 2010). South Africa's economy is in a declining state and the current economic situation of the country is stressful (Statistics South Africa, 2017). According to Hayward et al., (2009) the primary factor leading to a stressful economy is political instability. Political instability in South Africa has caused a double non-growth of the countries economy over the past two years meaning that the countries economy has entered a recession (Statistics South Africa, 2017). This was caused by credit rating agencies such as, Moody's and Standard and Poor, who both downgraded South Africa's credit rating to junk status (Business Tech, 2017). Therefore the research study will explore what causes people to start a business and persevere in South Africa despite the concerning political, legal and economic factors he/she may face.

Rationale

Unemployment is one of the most serious socio-economic challenges we face in South Africa as insufficient job creation has left the countries unskilled and semi-skilled workers as well as the youth, facing the prospect of long term unemployment (Business Tech, 2017). Entrepreneurship will create jobs and offer income to many unemployed South Africans identified above. Therefore it is important to study entrepreneurial resilience in the face of all challenges that South African entrepreneurs may encounter. Furthermore the rationale behind the study is to explore people's experiences of entrepreneurship, and failure and what motivates them to persevere despite challenges they might encounter along the way.

South Africa has many corrupt politicians and government officials who exploit their positions of power for personal gain (Frue, 2017). This causes inconveniences for entrepreneurs wanting to start up new businesses (Frue, 2017). Due to high levels of corruption in South Africa there is political instability that leads to a business experiencing difficulties (Frue, 2017). Due to this high unemployment rate, the government wants to promote youth entrepreneurship, which consists of a variety of programmes and initiatives (Trading Economics, 2017). According to a survey conducted by Statistics South Africa (2017) these programs were only found to be good in theory. Many aspiring South African entrepreneurs have criticised the government by saying the government has not factored in barriers a business will face, and what is required to start a business in South Africa (World Bank, 2017).

To start a business, capital is required, and obtaining a loan from a bank is difficult. According to Fitch Ratings (2017) and Standard and Poor (2017), South Africa has a weak currency, which leads to higher interest rates on repayments of loans. Aspiring entrepreneurs also need to be aware of import tax and unfavourable exchange rates (Trading Economics, 2017). The quality and quantity of labour is another factor that will have an influence on the emergence of entrepreneurship. According to Hayward et al., (2010) entrepreneurship is attractive if there is labour available, as well as the presence of a highly skilled workforce. In South Africa, there is a lack of highly skilled workers, which also contributes to unemployment (World Bank, 2017).

One of the biggest challenges entrepreneurs in South Africa face is labour law (Labour Guide, 2017). The government implements labour laws with the aim to stop exploitation of the labour force (Labour Guide, 2017). According to a study conducted by Statistics South Africa (2017) South African labour laws are excessively one-sided in terms of benefiting the employee over the employer. As a result of this, entrepreneurs constantly have to be aware of labour laws as they are always changing with serious fines imposed for non-compliance (Labour Guide, 2017). Labour laws are a huge contributing factor as to why many individuals decide to work for a business, rather than open their own (Labour Guide, 2017).

Purpose Statement

The purpose of this study is to explore entrepreneurial resilience of individuals using a case study design. The result is a discussion of themes and patterns that arise from interviews with entrepreneurs.

Problem Statement

The most serious socioeconomic challenge faced in South Africa is unemployment; in 2016, South Africa had the highest unemployment rate in thirteen years at 26.6% (World Bank, 2017). Policymakers, which cost the government and businesses more money, cause unemployment in South Africa through poor policy decisions that cause a decrease in investor confidence, and as a result, businesses are not able to employ as many people as they previously could have (Trading Economics, 2017). Unemployment is a gross waste of human potential and could have drastic effects on human dignity (Trading Economics, 2017). As a result of increased unemployment in South Africa, there has been an increase in entrepreneurs. According to Statistics South Africa (2017) this increase is caused by individuals in their twenties and early thirties who do not possess the necessary qualifications to get a job and therefore start their own businesses as a means of survival. The problem with this however is that the youth and individuals in their early twenties are considered to be the future generation of the country. Existing business literature by De Vries and Shields (2006) provides compelling evidence that suggests that starting a business, as a means of survival does not result in entrepreneurial success. De Vries and Shields (2006) further indicate that entrepreneurial success is more likely to occur when an individual starts a business due to a desire to be an entrepreneur, rather than starting a business out of necessity.

Entrepreneurs are able to provide employment in communities that they operate in through job creation (Hayward et al., 2010). Entrepreneurs play a vital role in the South African economy, but the current economic situation makes it difficult to keep a business functioning (Trading Economics, 2017). On an individual level, this can cause doubt, fear and other emotions that could cause an entrepreneur to be skeptical about continuing his/her business (Groves, Vance and Choi, 2011). However, many entrepreneurs do persevere and show resilience, therefore it is imperative that the factors that cause an entrepreneur to persevere after failure are explored and understood. Compelling literature by De Vries and Shields (2006) suggests that

entrepreneurs display exploratory perseverance as they have a tendency to keep exploring a broader set of alternatives to solve a problem they might encounter.

Research Questions

Main Question

How do entrepreneurs motivate themselves after failure?

Sub-questions

1. What motivates entrepreneurs to become entrepreneurs, initially?
2. How do legal, political and economic factors affect entrepreneurial resilience and motivation?
3. What thoughts/emotions/processes did entrepreneurs go through when they initially experienced failure that inspired or motivated them to persevere?

Objectives

1. To explore how entrepreneurs motivate themselves after experiencing failure.
2. To explore what makes individuals decide to become entrepreneurs
3. To explore the impact political, legal and economic factors have on entrepreneurial resilience and motivation.
4. To explore the various thoughts, processes, and emotions entrepreneurs experienced when they initially failed that inspired them to persevere.

Theoretical Foundation

The research study will use McClelland's Human Motivation theory in order to gain an understanding as to how entrepreneurs motivate themselves after failure. Psychologist David McClelland's theory suggests that entrepreneurs inherently have three needs that are acquired

over time and shaped by one's life experiences (Simonson and Nowlis, 2000). McClelland's Human Motivation theory suggests that entrepreneurs possess a need for achievement as well as a need for power and a need for affiliation (Simonson and Nowlis, 2000). McClelland's theory focuses on the mental and emotional elements that drive entrepreneurial individuals, by elaborating further on the three needs (Simonson and Nowlis, 2000).

The Need for Achievement deals with motivation and explains the difference between high achievers and ordinary individuals (Simonson and Nowlis, 2000). Studies conducted by Groves, Vance and Choi (2011) have shown that there is a strong correlation between achievement and entrepreneurial behaviour, as the need for achievement of high achievers demands that they seek out challenges that are right at the edge of their abilities. Literature by Simonson and Nowlis (2000) suggests that entrepreneurs exhibit high levels of motivation that usually come from an internal locus of control which enables them to complete these challenges (Simonson and Nowlis, 2000). Entrepreneurs as opposed to ordinary individuals are also more optimistic and willing to take long term risks even when the outcome is unknown because they display a high need for level of achievement (Groves et al., 2011).

The Need for Power produces a need to be influential and effective and to make an impact (Simonson and Nowlis, 2000). Entrepreneurs possess a strong need to lead and for their ideas to prevail (Groves et al., 2011). An individual's need for power can be one of two types, it can either be personal or institutional (Groves et al., 2011). Studies conducted by Simonson and Nowlis (2000) have shown that entrepreneurs enjoy personal power as it enables them to direct others although it is seen as undesirable for those being directed.

The Need for Affiliation is defined as a desire to establish and maintain friendly and warm relations with other people (Royle, et al., 2009; Royle and Fox, 2011). Individuals with a high need for affiliation have the following characteristics: they have a strong desire for acceptance and approval from others; they tend to conform to the wishes of those individuals whose friendship and companionship they value and they value the feelings of others (Royle, et al., 2009; Royle and Fox, 2011). These characteristics are not usually associated to entrepreneurs,

as these characteristics have been shown to have a strong correlation with those who are being led rather than the leader themselves (Groves et al., 2006).

With regards to the above-mentioned three needs, McClelland holds the view that all three needs may simultaneously be acting on an individual (Groves et al., 2011). However, in the case of an entrepreneur, the high need for achievement has been found to be the most dominating factor and the need for affiliation is considered to have the least impact (Groves et al., 2006).

Literature Review

Resilience

Resilience is primarily defined in terms of the presence of protective factors (personal, social, familial, and institutional safety nets), which enables individuals to resist life stress (Bullough, Renko and Myatt 2013). According to Luthar and Zelazo (2006) resilience is one's ability to bounce back from a negative experience with "competent functioning". To summate, resilience can be thought of as a set of qualities that develop over time and with experience. Resilience is not a rare ability among individuals and the reality is it can be found in the average individual as it can be learned and developed by virtually anyone (Prince-Emberg and Saklofske, 2013).

Most of the literature surrounding resilience focuses on resilience required after experiencing failure but not in an entrepreneurial sense. Resilience is emerging as a critical phenomenon in entrepreneurship with entrepreneurs, academics, journalists and bloggers pointing to its importance to success (Luthar and Zelazo, 2006). However, as it is an emerging field there is not much literature on resilience from an entrepreneurial perspective. Entrepreneurial resilience is variously conceptualised as a phenomenon associated with distinct aspects of entrepreneurship, most frequently the individual, the venture, and the team (Himelski and Carr, 2008; Hayward et al., 2010).

However, this study will only look at resilience on an individual level. The individual approach to resilience has tended to emphasize resilience as an internal phenomenon (Hayward, 2010). The literature of individual level resilience provides an explanation as to why some individuals and not others are able to develop successful new ventures (Himelski and Carr, 2008; Luthar

and Zelazo, 2006). The literature suggests that individual resilience in entrepreneurs can be conceptualised as hardiness and persistence (Hayward et al., 2010). As stated previously there is a lack of literature on this emerging field. However, due to unemployment in general and more specifically unemployment in South Africa, literature regarding resilience in entrepreneurs is becoming increasingly urgent. The literature places an emphasis on resilience based on literature drawn from psychology, education, and business (Bullough et al., 2013). Therefore resilience in individuals can be categorised into four behavioral qualities, which are: motivation, perseverance, flexibility, and optimism (Green and Campbell 2004, as cited in De Vries and Shields, 2006).

Motivation

In simplified terms, motivation can be defined as, “what causes people to behave as they do” (Himelski et al., 2008:16). However, this simplified definition fails to take into account the finer details of motivation. Therefore, there is no universally accepted definition for motivation, as motivation can have different meanings to different individuals. Instead of researchers defining what motivation is, researchers have rather defined what motivation is not. According to De Vries and Shields (2006) motivation is not observable directly, as it is not the same as being satisfied and cannot be directly controlled.

However, the literature surrounding motivation confirms that individuals tend to respond to two types of motivation; intrinsic and extrinsic motivation (Groves et al., 2002). Intrinsic motivation deals with factors inside the individual such as a desire, a need for achievement and a sense of responsibility whereas extrinsic motivation deals with factors outside the individual, such as getting a promotion or increase in pay (Groves et al., 2011). Motivation stimulates desires and activates enthusiasm in entrepreneurs (De Vries and Shields, 2006). Motivation involves the energy, direction, and persistence of activation as well as intention (Groves et al., 2002). This indicates that goals and motives play a role in determining human behaviour, and it can be assumed that entrepreneurs have the same motivations as any other human being wanting to fulfill their needs and wants in the world.

The literature surrounding extrinsic motivation deals with individuals as employees rather than entrepreneurs, as the two main factors are promotion and pay (Groves et al., 2011). The literature also provides research that shows that entrepreneurs can be both intrinsically and

extrinsically motivated simultaneously: “Internally, entrepreneurs may be motivated to succeed and accomplish a goal, whereas externally, they may be motivated to obtain wealth and status” (Himelski et al. 2008:19). According to Locke and Baum (2004) Motivation is a force that drives entrepreneurs to and through the growth process. There is a lack of research surrounding the literature around entrepreneurial behavior and the literature mainly focuses on entrepreneurs being extrinsically motivated with very little literature available on entrepreneurs being intrinsically motivated (Groves et al., 2011). Therefore, it can be seen that there is a lack of research showing that entrepreneurs are intrinsically motivated.

Perseverance

Perseverance is defined as an individual’s ability to persist and maintain interest with passion in the pursuit of long-term goals and success even when faced with adversity (Pandame, 2014). Literature by De Vries and Shields (2006) regards perseverance as being accepting of situations but also being determined not to let a situation hold one back in the pursuit of one’s goals. Furthermore the literature suggests that there is a general consensus that perseverance is used in order to achieve a goal (Pandame, 2014). The literature surrounding perseverance primarily focuses on long-term goals. According to Van Gelderen (2012), success is almost never easy and takes time and this is why perseverance is required.

Entrepreneurs display exploratory perseverance as they have a tendency to keep exploring broader sets of alternatives (Pandame, 2014). The reason that they explore is that they prefer to learn by trial and error (Pandame, 2014). The literature also suggests that entrepreneurs, even after reaching a long-term goal or success, still show sustained perseverance (Pandame, 2014). There are limited studies on entrepreneurial perseverance and small sample sizes are used in existing studies (Pandame, 2014). The literature surrounding entrepreneurial perseverance is important because entrepreneurs are always faced with challenges and it is important to see how they make the necessary adjustments when faced with adversity. None of the literature focuses on entrepreneurial perseverance in a developing country with a high unemployment rate and, more specifically, there is no literature on entrepreneurial perseverance in South Africa. The studies conducted with small sample sizes failed to ask follow-up questions in order to explore a more in-depth reasoning (Pandame, 2014).

Optimism

De Vries and Shields (2006:35) define optimism as a “positive outlook when encountering challenges and working to improve a situation as opposed to just doing what is required”. Some literature around optimism suggests that optimistic individuals are only willing to take risks or action if there is no long-term effect (De Vries and Shields, 2006). However other literature suggests that optimistic entrepreneurs have a positive attitude towards risk-taking and actions even when the outcome is unknown (De Vries and Shields, 2006). Optimism is classified as a narrower definition when it pertains to entrepreneurs because entrepreneurs are goal focused and tend to have a positive outlook when they encounter challenges (De Vries and Shields, 2006).

The literature suggests that, together with entrepreneurs’ positive attitude towards risk-taking, it is possible that failure is part of the process to achieving entrepreneurial success (Locke and Baum, 2004). The literature regarding optimism suggests that it is goal focused (Locke and Baum, 2004). A problem is that most of the literature surrounding optimism focuses on the youth and university students (Locke and Baum, 2004). There is very little literature on optimism in entrepreneurs. It is important that more literature becomes available as there is an increasing curiosity regarding entrepreneurial behavior.

Flexibility

Flexibility is conceptually related to the idea of resilience (De Vries and Shields, 2006). There is very little literature on entrepreneurial flexibility; however, from what is available, it suggests that entrepreneurs as opposed to individuals who are employed, show a higher tolerance to change and as a result of this are better able to adapt to change (De Vries and Shields 2006). There needs to be more literature available on entrepreneurial flexibility because in South Africa due to economic instability, political instability and unfavorable labour laws that excessively tend to favor employees, entrepreneurs have to constantly adapt in order to reach their long-term aspirations.

Research Design and Methodology

Research Paradigm

The research study has used an interpretivist paradigm. Interpretivism looks for deeper meaning in order to bring it to the surface, which entails the understanding of certain notions rather than proving or disproving them (Dudovskiy, 2016). Interpretivistic studies involve both the researcher and his or her participants co-constructing findings from interactive dialogue and interpretation, and as a result, interpretivism integrates human interest into the study (Shuttleworth, 2017). Interpretivist studies place an emphasis on meaning in order to reflect different aspects of the issue being studied (Du Plooy-Cilliers, 2014). Therefore it can be seen that interpretivism is based on a naturalistic approach towards data collection using methods such as interviews or observations (Du Plooy-Celliers, 2014). According to Dudovskiy (2016) different and diverse approaches are grouped together in interpretivistic studies to show different philosophical points of view.

Interpretivists believe that human behavior is affected by knowledge of the social world. Interpretivists cannot separate an objective reality from the participants (Shuttleworth, 2017). As a result interpretivists share the values and feelings of the person they are studying. Therefore entrepreneurial resilience and motivation are best explored from within the worldview of an entrepreneur with regards to an interpretivist paradigm. However, it can also be observed from an objective point of view. Interpretivism focuses on individual subjective experiences and how an individual connects to the social world by sharing meaning and interacting with each other as individual's experiences become more meaningful to the researcher (Dudovskiy, 2016). In terms of the research study, it was of utmost importance to understand the meaning and opinions of the participants being interviewed.

The study has been conducted using a qualitative approach. A qualitative approach is suitable for an interpretivistic paradigm because qualitative research focuses on the way people interpret and make sense of their experiences within the world they live in (Du Plooy-Celliers, 2016). This approach was therefore used in order to interpret and understand the participants' opinions (Thanh, 2015). The aim of this research study was to interpret the interviews so that it was possible to explore the participants' thought processes. The research study was therefore conducted in order to explore what makes entrepreneurs persevere after failing rather than trying to disprove or prove any relationships.

Research Design

A qualitative approach has been used for the research study. A qualitative research study was chosen because it relates to understanding some aspect of social life and its methods generate words, rather than numbers, for data analysis (Bezuidenhout and Cronje, 2014). The research study has aimed to explore what makes an entrepreneur persevere after experiencing failure; therefore it has attempted to understand some aspects of social life (Suttleworth, 2017). According to Creswell (2016), qualitative studies are inexpensive to conduct and meaningful results can be obtained from any sample size. An inductive theorising approach was selected for this study. The reason this approach was selected is because the researcher was able to analyse specific entrepreneurs' stories and was then able to generalise the findings from the specific themes, thus arguing specific to general (Bezuidenhout and Cronje, 2014).

The research study has used exploratory research because the research study intended to merely explore the research questions, rather than offer final and conclusive solutions to existing problems (Shuttleworth, 2017). This is of relevance to the study, as it has enabled the researcher to gain a better understanding of the problem.

A case study was the chosen research methodology for this study. A case study approach deals with in-depth, multi-faced explorations of complex issues in real life settings (Shuttleworth, 2017). A case study approach is commonly used in the field of business and entrepreneurs as it goes beyond the qualitative results and enables the researcher to understand entrepreneurial behaviors (Shuttleworth, 2017). It is appropriate for this research study, as the case study approach selected a small geographical area and a limited number of individuals as subjects of the study (Dudovskiy, 2016).

A cross-sectional design was used to collect information for the research study, because the information was only collected from the participants on a single occasion (Grove, 2001). According to Du Plooy-Cilliers and Cronje (2014) ontology deals with what is real and epistemology deals with what is true. Therefore, within an interpretivist paradigm ontology is subjective and created by human interaction whereas epistemology within an interpretivist paradigm asserts that there are multiple realities and truths, which are co-created through social interaction (Du Plooy-Cilliers and Cronje, 2014).

Population

A target population is an entire population or group of individuals to whom a researcher wants to generalise findings (Pascoe, 2014). The target population for this research study was entrepreneurs whose businesses still exist in South Africa. Since it is usually impossible to obtain access to the target population due to its broad size and nature, an accessible population was used (Pascoe, 2014).

An accessible population can be defined as a population that enables the researcher to apply conclusions to (Shuttleworth, 2017). This population is known as the study population. Therefore the population parameters for this study were entrepreneurs whose businesses still exist in the Durban region of KwaZulu-Natal.

A population is a group of people or things as a whole that can be identified by a minimum of one common characteristic. For the purpose of data collection and data analysis the common characteristic is that the participants are entrepreneurs in Durban (Crossman, 2017).

According to Crossman (2017), a unit of analysis is the smallest element of a major entity that can be analysed. It is the “who” or “what” that is being analysed (Crossman, 2017). Therefore the units of analysis of the research study were the following: A group of entrepreneurs who experienced failure but motivated themselves to persevere.

Sampling

The main reason for using a sample is that it is often impractical or even impossible to collect data from the entire population. A sample is a subset of people from a larger population from which one collects information in order to analyse (Pascoe, 2014). Non-probability sampling is often a popular choice within qualitative studies as the findings of this study do not need to be generalised to the larger population, when it is nearly impossible to determine or access the entire population (Pascoe, 2014). A non-probability sample has been chosen based on characteristics of a population and the objective of the research.

Non-probability purposive sampling will be the preferred method of sampling. Convenience sampling refers to subjects or a class that is the easiest to recruit for the study (Pascoe, 2014). Purposive sampling was suitable as it relied on the judgment of the researcher to select the unit of analysis (Shuttleworth, 2017). In terms of this study, the unit of analysis that was used was entrepreneurs in Durban whose businesses currently exist. The sample consisted of three Durban-based entrepreneurs with a cross section of ages, race groups and genders whose businesses currently exist. Ethical concerns had to be taken into consideration and the sample was deemed to be feasible both in terms of money and time (Creswell et al., 2016).

Data Collection Method

An interview was chosen as the preferred data collection method that was used in this study. An interview involves two-way communication between an interviewer (researcher) and participant where data can be collected (Bezuidenhout and Cronje, 2014). The purpose of the research interview was to explore the views, experiences, beliefs and/or motivations of individuals on specific matters (Creswell et al., 2006). Qualitative methods, such as interviews, are believed to provide a 'deeper' understanding of social phenomena (Creswell et al., 2016). As the research is of a qualitative nature, the data collection method of a semi-structured interview was chosen. A semi-structured interview contains components of both structured and unstructured interviews (Creswell et al., 2016). In semi-structured interviews the interviewer prepares a set of questions to be answered by all interviewees (participants of the study); however, additional questions were asked during interviews to clarify and further expand on certain issues (Shuttleworth, 2017). Semi-structured interviews consist of several key questions that help to define the areas to be explored (Creswell et al., 2016). This interview format is used most frequently in the corporate world, as it provides participants with some guidance on what to talk about, which many find helpful (Bezuidenhout, 2014). The interviewer guided the participants through the interview with opportunities for further questions and elaborations (Creswell et al., 2016). The interview comprised of a series of open-ended questions (See Annexure B – Interview Schedule).

Each interview was approximately twenty to forty-five minutes long and was conducted with the entrepreneur personally. The interview began with more general questions and then moved on

to more sensitive or difficult questions (Creswell et al., 2016). This eases the participant and builds confidence and trust between the interviewer and interviewee. A certain level of trust had to be created between the interviewer and participant in order to obtain true descriptions and feelings necessary for this study (Shuttleworth, 2017).

Data Analysis Method

In order to analyse what was said in the semi-structured interviews, thematic analysis was chosen to analyse the data. Thematic analysis is considered to be one of the most common forms of qualitative data analysis as it emphasizes pinpointing, examining and recording patterns or themes within data (Braun and Clarke, 2006). The result was a discussion of themes and patterns. Themes are patterns across data sets, which are important to the description of a phenomenon and are associated with a specific research question (Shuttleworth, 2017). Thematic analysis is simple to use and has been proven to be useful to novice researchers (Shuttleworth, 2017). Therefore thematic analysis enabled the researcher to draw further conclusions and themes from the results that guided the research report.

Researchers Braun and Clarke (2006) have come up with a six-step method in which the researched carried out thematic analysis. They were the following:

1. The researcher was required to familiarise themselves with the data: This step provided the foundation for the analysis and the researcher was required to be actively engaged and be fully immersed in the data (Braun and Clarke, 2006).
2. Generate initial codes: these are features of the data that are meaningful, which needed to be identified by the researcher (Braun and Clarke, 2006).
3. Searching for themes: a theme is a coherent and meaningful pattern in the data relevant to the research question (Braun and Clarke, 2006).
4. Reviewing themes: this involved the researcher checking that the themes worked in relation to the coded extracts and the full data set (Braun and Clarke, 2006).
5. Defining and naming themes: this required the researcher to conduct and write a detailed analysis of each theme (Braun and Clarke, 2006).
6. Producing the Report: The researcher was required to transform his analysis into an interpretable piece of writing by using vivid and compelling extract examples that relate

to the themes and research questions and further contextualise it in relation to the existing literature (Braun and Clarke, 2006).

Presentation of Findings

Interpretation and Presentation of Findings

For the research study, three participants (two males and one female) from Durban, South Africa were interviewed. All participants wished to remain anonymous and have therefore been given pseudonyms.

Before opening her own business, Susan worked for Dermalogica for over 14 years. Susan believed that from her years of working for Dermalogica, she was able to exploit the knowledge she gained to venture out on her own. Susan started her entrepreneurial pursuit 12 years ago when she opened the first men's grooming salon in Durban. Susan has experienced many failures over the years but does not regret pursuing her dreams of being her own boss.

Tim has been an entrepreneur for over 36 years and has dealt with many failures over the years. Tim has also started many businesses that drastically failed. Despite this, Tim continued his entrepreneurial pursuits, as he had no desire to work for someone else. Tim currently owns three bakeries in Durban and attributes his success to his hard work and determination.

Mark has been an entrepreneur for just over four years and owns two fast food franchise outlets in Durban. Mark is in his early twenties and is currently a student. Mark decided to become an entrepreneur because he has a strong desire to be in control of his own destiny. Mark has experienced failure, although it is not as significant as the other two participants.

Five themes emerged from the data inductively, namely: A Never Give Up Attitude, Self-Sacrifice, A Need to be in Control, Coming from a Family of Entrepreneurs and Constant Awareness.

A Never Give Up Attitude

A prominent pattern that arose from the research among all participants was their willingness to never give up no matter how difficult things got. Existing literature by Pandame (2014)

suggests that the majority of entrepreneurs never give up in the face of adversity, as they prefer to learn by trial and error. Existing literature by De Vries and Shields (2006) suggests that entrepreneurs tend to have a positive outlook when they encounter challenges and pursue long-term goals. A positive mindset also emerged as a sub-theme.

Regarding what keeps an entrepreneur motivated after failing, the participants answered the following:

Susan: Never give up, perseverance. Do you know ,uh, maybe it's a bit of that stubbornness like even when the cards were down like flip I worked so hard and I've thrown so much at this business, I'm not letting it go [...] in business terms it's not the short sprint stuff but it's the long hold stuff that makes a difference.

Mark: Definitely perseverance and resilience I think as much as much energy you put into things [...], so for me it was just about taking on board your failures and persevere through those hard times. So in terms of failure sometimes you don't want to deal with this but you have to persevere through it. You have to be patient and trust what's happening around you.

Both Susan and Mark identified that perseverance was a key aspect that played a crucial role in staying motivated after experiencing failure. According to De Vries and Shields (2006) existing literature, perseverance is used in order to achieve a goal, more specifically a long-term goal, as mentioned by Susan "in business terms it is not the short sprint stuff but it is the long hold stuff that makes a difference". Van Gelderen's (2012) literature also suggests that success is almost never easy and takes time and this is why persevering after failure is required.

De Vries and Shields (2006) research suggests that together with entrepreneur's positive attitude towards risk-taking, it is possible that failure is part of the process of achieving entrepreneurial success.

Tim: I am a very optimistic person and uh I believe that it is crucial that you have a positive mindset [...], uhm, I have been my own boss for around 36 years now and I

have had my fair share of failures, but over time I learnt that It is crucial that you have a positive mindset and believe that this isn't how your story ends [...] there's no way I worked this hard to just give up now.

It is evident from the information gained from the participants that De Vries and Shields (2006) existing literature supports the notion that perseverance and a positive mindset are prominent components that contribute to entrepreneurs staying motivated even after experiencing failure.

Self-Sacrifice

The concept of self-sacrifice among entrepreneurs is a dominant theme. According to Pandame (2014), sleep and a social life is a sacrifice successful entrepreneurs make because they know they do not necessarily need it. The information gained from both Mark and Tim supports this notion to a certain extent.

Mark: I said I'm the boss and I need to make sure everything is fine [...] you know there would be times where I go to college at 8:30 and finish at 1 and I will be uh, at the store till it closes at 9 pm [...] On Saturdays we open at 9 am and close at 3 am and I would be there to open the door and close the door [...] I work very long hours and would do accounts till 2-3 in the morning [...] I believe self-sacrifice is the most [...] look, Friday night you working, Saturday you working, Sunday you working. Even if your friends or family want to do something it can't be done.

Tim: I'm up at 4:30 every day because we open at 6 am and close at 6 pm, and I'm there 6 days a week, most weeks 7 days a week. The only holiday I get is Christmas day and New Year's day. I can't do a lot of things with my family because I'm always at work making sure everything is fine. It is difficult at times but it needs to be done [...] I'm the boss, and i cannot give up.

It is evident that both Mark and Tim spend the majority of their day at their respective businesses and sacrifice time with their family and friends just to ensure that their businesses are successful. Susan, however, believes that by being her own boss, she has more time for herself and her family.

Susan: *I love being my own boss, I mean what mother who works can say their day starts at half 9 or 10 or sometimes 11 every day, it's fantastic because, er, it means I get to spend more time with my little ones in the morning and uh, I have an hour lunch break so I can pick them up from school. I also don't work on weekends and public holidays.*

Existing literature does distinguish between male and female entrepreneurs with regards to self-sacrifice. The literature suggests that most females sacrifice more time than males, as they have to take care of their family and follow their entrepreneurial pursuits simultaneously (Kepler and Shane, 2007). What arose from Susan's information was that she has flexibility. Entrepreneurs depending on their profession can have varying degrees of flexibility. The food and services industry is seen to have the least flexibility (De Vries and Shields, 2006). It must be acknowledged that both Tim and Mark own food-related businesses, which could be a possible factor as to why they are required to sacrifice leisurely time.

A Need to be in Control

A noticeable factor that emerged from the participants' information was that all the participants had a desire to be in control of their own destiny. Therefore, a need to be in control was identified as a prominent theme with a desire to stand out as a sub-theme. A new theme that also emerged from this information was, coming from a family of entrepreneurs, which will be discussed separately. The participants gave different reasons as to why they chose to become entrepreneurs.

Susan: *I really loved what I was doing although I was getting frustrated working for someone else and uh, they were always telling me what do and how to do it. I mean I was in a relatively high position of employment [...] one day I just decided that I want to be my own boss and control the various outcomes in my life [...] like if I wanted to do something I thought to myself I should be able to do it.*

Tim: *(laughs), uh I was fired from my first job over 40 years ago because I didn't follow orders and I was a junior manager at the time so for someone lower than me to tell me*

how to do my job, I definitely didn't appreciate that. I felt I needed to be in control [...] so when the opportunity presented itself for me to become my own boss, I didn't think twice about it.

Both Susan and Tim felt a sense of frustration working for someone else and did not enjoy following instructions. Although Susan was in a profession she thoroughly enjoyed, she felt belittled at times, whereas Tim felt that he needed to be in control and did not approve of taking instructions from people in a lower position than him. Both Susan and Tim displayed a strong desire to be in control of their own destiny.

Mark: The main reason I wanted to be an entrepreneur was a sense of self-control, being in charge of your own destiny and being able to direct which way you want to go [...] being an entrepreneur and being in charge of your own destiny, being autonomous and having a locus of control is the most important thing to me.

McClelland's Human Motivation Theory identifies that entrepreneurs possess a strong need to be in control and lead. Furthermore Siminon and Nowlis (2000) have posited that individuals who choose to become entrepreneurs have to satisfy certain entrepreneurial desires, such as an internal locus of control, a need for power and a need for achievement. All participants to a certain extent have a desire to be in control of their own destiny. Existing literature suggests that individuals who choose to become entrepreneurs enjoy personal power as it enables them to direct others (Siminon and Nowlis, 2000). Although it must be acknowledged that Both Susan and Mark want to be in control of their own lives rather than being in a position of power, whereas Tim has a desire to be in a position of power and control.

De Vries and Shields (2006) literature suggests that entrepreneurs also have a strong need to stand out. This need to stand out is considered to be a prominent factor.

Susan: I just had this dream of running a men's business. For me it just felt right uh, as I am naturally a risk taker [...] I jump and don't think too much of the consequences, I jump and trust God to make the rest happen and () was a first of its kind in the country [...] so again I love to swim upstream, so I didn't want to do ordinary, so I've always

wanted to be extraordinary and I've always wanted to be the one that stood out in a crowd.

Mark: Even though I am still fairly young to own a business I believe that I can always improve on things and do something to take me further in life, I have no desire to go out and drink with friends all the time, sure uh, it is great [...] I want to look back one day and say I achieved my goals. I aspire to be that 1 in a 1000 person who is successful at what they wish to achieve.

Both Susan and Mark support De Vries and Shields (2006) suggestion that entrepreneurs have a strong need to stand out. Susan is seen to be an individual who goes against the flow rather than with the flow. By Susan wanting to stand out and having great aspirations for herself, she successfully managed to open () which was the first of its kind in South Africa. Studies conducted by De Vries and Shields (2006) suggest that entrepreneurs have a positive attitude towards risk-taking and actions even when the outcome is unknown. By wanting to be extraordinary she also managed to achieve her desired goals.

McClelland's Human Motivation theory suggests that entrepreneurs have a strong need for achievement. McClelland's theory further states that there is a strong correlation between wanting to stand out and entrepreneurial behavior as the need for achievement of high achievers demands they seek out challenges that are right at the edge of their capabilities (Siminson and Nowlis, 2000). Entrepreneurs further have a strong internal locus of control that enables them to complete these challenges (Pandame, 2014).

Coming from a Family of Entrepreneurs

A prominent factor that emerged from that data for participants wanting to become entrepreneurs in addition to wanting to be in control showed a strong correlation to family influence. Therefore the theme "coming from a family of entrepreneurs" has been identified.

Susan: I come from a family of entrepreneurs, so it was a very natural step for me and uh, my dad almost impregnated into us a good business sense from when we were little, like little things, you must not spend what you don't have [...] that sense of saving money

and just being money conscious [...] but you don't realise it is where the seeds of the future come from, yeah so definitely because of my father as well.

Mark: I think I would not be the same person if it was not for the environment I grew up in, growing up in the home of an entrepreneur shows you what you have to do. When I was much younger we use to do catering and I used to work late hours on a school night [...] it showed me from a young age the lifestyle that is required [...] from that young age I always wanted to be an entrepreneur because I saw the lifestyle that we were able to live from my parents being entrepreneurs.

It is evident from these quotes that both Susan and Mark were influenced to a certain extent due to their family members being entrepreneurs themselves. Furthermore it can also be seen that they were both influenced at a young age to practice to a varying degree different entrepreneurial behaviors, such as saving money and making self sacrifices.

Existing literature suggests that how individuals grow up and the things they are exposed to in their early years can play a significant role in what type of person you become (Pandame, 2014)). The literature further states that growing up in the home of an entrepreneur is likely to benefit a child as business is likely to always be a topic that is discussed (Prince-Emberg and Saklofske, 2013). Studies conducted by Bullough, Renko and Myatt (2013) suggest that children who have an entrepreneurial upbringing are most likely to become entrepreneurs in their older years. The literature also adds that seeds of entrepreneurial growth are planted at a young age. This can be confirmed by Susan's quote which states: "but you don't realise it is where the seeds of the future come from". According to Bullough, Renko and Myatt (2013) being exposed to the notion and reality from an early age seems to be a factor that makes individuals want to become entrepreneurs. It is important to acknowledge that coming from a family of entrepreneurs is not the only contributing factor for individuals to become entrepreneurs. Mark's quote " I always wanted to be an entrepreneur because I saw the lifestyle we were able to live from my parents being entrepreneurs" supports De Vries and Shields (2006) suggestion that states, some people choose to become entrepreneurs because they are actively seeking something they believe that lifestyle will provide them with.

Constant Awareness

The concept of constant awareness has been identified as the fifth and final theme that emerged from that data. This theme has two sub themes, namely: the importance of forecasting and dealing with staff. All three participants raised a varying degree of concern regarding the current Economic, Legal and Political factors in South Africa and the impact it is having on their businesses.

Susan: The big challenges that we face has been the economy and you know how you have to completely um, in my case I've completely reformulated my business strategy and I have had to reinvent myself [...] Our economy forced us to do that where you know we couldn't do things like we use to.

Tim: Even though the prices of goods were going up with my supplier, I couldn't increase my product prices, because I noticed that my competitor, who did that uh, did not even make his rent that month. I really had my antenna on and was aware that the economy is not performing well at all.

It is evident that both Susan and Tim displayed constant awareness of the economic situation of the country. They both had to do things differently in order to survive. By Susan reformulating her businesses strategy, she displayed an element of resilience that enabled her to get through the trying times. Tim realised that if he wanted to make ends meet he had to be patient and smart about how he priced his products. Existing literature suggests that entrepreneurs can become more aware of external factors, by increasing their knowledge of how to conduct a SWOT analysis so that they can be more wary of various factors that might influence their business (Frue, 2017).

All three participants highlighted the importance of forecasting which can be seen through the various quotes.

Susan: If you're not looking forward and planning ahead, you can never grow your business, so you always have a knee jerk reaction as opposed to a planned jerk reaction. If you plan long-term then uh, you're more successful long-term.

Tim: *It took me a good 5 years before I actually realised the importance of planning ahead and how beneficial it can be to your business. If I didn't plan ahead uh, I would be in the same situation as my competitor. Sometimes you just need to let things take its course but make sure you're at the wheel to steer the ship if things start to go wrong.*

Mark: *I believe you need to forecast and think way ahead of what's in front of you, you need to think minimum 6-9 months to a year ahead of you and that comes down to research and reading and being you know uh, and understanding of what's going on in the economy. Doing your research and understanding what's going on around you is so important.*

Existing literature suggests that forecasting in increments of one month is likely to produce more accurate information, as it is likely you will be able to predict the following month unless a drastic change occurs. Due to South Africa's severe political and economic instability, forecasting on a month-to-month basis is like to be more beneficial for an entrepreneur (Mashiloane, 2016). It can also be seen that the participants are flexible in their approaches which links to De Vries and Shields (2006) literature that suggests entrepreneurs in order to be successful must have a varying degree of flexibility.

Dealing with staff in terms of South Africa's legal system was also an eminent concern.

Susan: *My biggest challenge has always been staff, maintaining staff and growing staff [...] in my industry because it is so difficult to find incentives that excite and motivate because everyone is uh, so different. Staff coming and being trained by me and then leaving and then working in their restraint of trade [...] even though they sign the document to say they will not do it, they do it anyway. From a business owner's perspective to pursue the whole legal thing is a timely process and is costly.*

Tim: *When it comes to month end I always have staff problems, because they don't want to work hard and that's when we need as many people as possible. The problem is they will come after a few days and because the laws are for them it is difficult to fire them without facing severe implications. I always hear "I'll take you to CCMA I know my*

rights” the shit thing is there’s nothing I can do because they always throw the race card at me.

It is evident that both Susan and Tim are aware that proceeding with legal proceedings is unlikely to result in a successful outcome. They also display frustration in the legal system. One of the biggest challenges entrepreneurs in South Africa face is labour laws (Labour Guide, 2017). According to a study conducted by LAWSA, South African labour laws are excessively one-sided in terms of benefiting the employee over the employer. This has resulted in entrepreneurs constantly having to be aware of the labour laws, as they are frequently changing, and non-compliance results in serious fines and consequences.

Mark: Uh don't even get me started on staff problems; I have an absolute nightmare dealing with them! If you ask a person in South Africa if they would work for someone or be their own boss they always say, they rather work for someone because it is a well-known fact that labour laws don't favour the entrepreneur even in the slightest bit.

It is evident from Mark’s response that legal issues in South Africa hinder his business operations due to the leniency in terms of labour laws that employees are afforded. Labour laws in South Africa are a huge contributing factor as to why many individuals decide to work for a business, rather than open their own (Labour Guide, 2017).

Trustworthiness and Rigour

Trustworthiness is a quintessential framework for evaluating qualitative research and is made up of four dimensions, namely: credibility; transferability; confirmability and dependability (Du Plooy-Celliers., 2014).

According to Shenton (2004) and Collis and Hussey (2003) credibility is the first aspect or criterion that must be established and is one of the most important factors in establishing trustworthiness. Credibility refers to the accuracy with which the researcher interpreted the data that was provided by participants (Du Plooy-Celliers, 2014). Credibility is increased when the researcher spends long periods of time with the participants in order to understand them better and gain insight into their lives. It must be acknowledged that the researcher attempted as best

as possible to interpret the data as accurately as possible. Furthermore it must also be acknowledged that the researcher did not spend long periods of time with the individual. Although this study has been conducted by means of thematic analysis and the researcher was unable to spend long periods of time with the participants, the trustworthiness of this particular study has been enhanced by its credibility as the researcher has ensured that more than a substantial amount of time was used to accurately interpret the data from the participants' perspective.

The ability of the findings to be applied to a similar situation, delivering similar results is known as Transferability (Shenton, 2004). Transferability is the degree to which results and analysis can be applied beyond a specific research project as it allows for generalisation within an approach that does not lend itself to generalisation (Shenton, 2004) and (Collis & Hussey, 2003). Other researchers conducting similar studies on entrepreneurs will be able to make use of the findings of this particular study and this will, therefore, increase the transferability of this study.

Confirmability is the degree of neutrality in the research study's findings. According to Shenton (2004) it refers to how well the data collected supports the findings and interpretation of the researcher. In order to ensure confirmability the researcher did not base his findings in a biased manner or for the researcher's self gain. Findings were therefore based on the participants' responses. It is important to acknowledge that the findings of this study may have drawn similar conclusions to that of any other researcher conducting this study or that of a reader who interprets the study.

Dependability is an evaluation of the quality of the integrated process of data collection, data analysis and theory generation (Shenton, 2004) and (Collis & Hussey, 2003). In order to ensure the dependability of the study the researcher identified the specific data collection and analysis methods that were used in order to gather data from the participants.

Rigour in qualitative research is associated with being open to the data, and thoroughness in collecting data. For this study, the researcher used inductive reasoning and was open to the data and collected it using thematic analysis.

Conclusion

Summary of Findings

Although the interpretation and presentation of findings provided some answers to the research question and sub questions, this section aims to draw together key aspects from the interpretation and presentation of findings in order to answer the research question and sub-questions in a more comprehensive manner.

The first research question was how do entrepreneurs motivate themselves after failure. Theme one along with its sub-theme answered this research question. Perseverance was seen to be a critical factor for the participants to motivate themselves after experiencing failure. The literature surrounding entrepreneurial resilience also supported this notion. The participants also identified optimism as a key component to motivating themselves. Furthermore a positive mindset was also deemed to be an important attribute that results in entrepreneurial success. The objective to explore how entrepreneurs motivate themselves after failure was therefore met.

The first sub question was what motivates entrepreneurs to become entrepreneurs, initially. Theme three and theme four answered this sub question. It is evident from the findings that the participants had a strong desire to be in control. Two participants (Tim and Susan) expressed that they did not enjoy following instructions from other people. Existing literature also supported these findings as it states that entrepreneurs enjoy personal power and prefer to lead others rather than to be lead by others. Family influence was also seen to be a reason as to why the participants chose to become entrepreneurs. Participants (Susan and Mark) also believe that the seeds of entrepreneurial growth and entrepreneurial ways were planted at a young age. In the study conducted by Bullough, Renko and Myatt (2013), it was found that children who have an entrepreneurial upbringing are likely to become entrepreneurs. Although it is important to acknowledge that it was a small-scale study so findings therefore cannot be generalised. The objective to explore what makes individuals decide to become entrepreneurs has therefore been satisfied.

The second sub question asked how do legal, political and economic factors affect entrepreneurial resilience and motivation. It must be acknowledged that even though all three participants spoke about the legal, economic and political factors, they did not specifically mention how these factors affected their entrepreneurial resilience and motivation. Therefore the research question was not answered and as a result the research objective was not achieved.

The last sub question asked what thoughts/emotions/processes did entrepreneurs go through when they initially experienced failure that inspired or motivated them to persevere. It must be acknowledged that the participants did not specifically answer this question, but rather spoke about how they dealt with various failures they have encountered over the years. Therefore the research question has not been answered resulting in the objective not being achieved.

Ethical Considerations and limitations of the study

When human subjects are the focal point of research, there are unique and complex ethical, legal and political issues that are raised (Tripathy, 2013). There are various objectives that research ethics must. The first objective is to protect human participants; this means that researchers must not place participants in a situation where they might be at risk (Louw, 2014). The interview was therefore carefully compiled to eliminate the use of any offensive or discriminatory language (Resnik, 2011).

The second objective is to ensure that the research conducted does not only serve the individual conducting the research for his/her personal gain but rather serves a group or the interest of society as a whole (Louw, 2014). The data analysis and data reporting approach conducted in this study by the researcher has ensured that the researcher has not falsified information and/or distorted the results or findings to produce results in the researcher's favour.

The third objective is to examine specific research activities and projects for their ethical soundness by looking at aspects such as protection of confidentiality and process of informed consent (Louw, 2014). In order for the study to meet all ethical aspects, participants of the research study can remain anonymous throughout the research, should they wish to do so. Anonymity guarantees the participants privacy (Tripathy, 2013). The participants wished to

remain anonymous and were therefore given pseudonyms by the researcher to guarantee anonymity

Informed consent is a process of obtaining permission before conducting the interview. Informed consent implies that the participant/s are aware of the facts, implications, and consequences of their actions (Louw, 2014). All participants were therefore required to sign a consent form before participating in the study. This consent form was made available by the researcher (see Annexure A).

The participants will also be able to have the right to withdraw from the research study at any time without any consequences (Bryman and Bell, 2007). The researcher must also ensure that there is no bias towards the participants and that the researcher does not influence or lead the participants into answers (Tripathy, 2013). Deception or exaggeration has been avoided at all costs. The study was conducted with transparency and honesty (Singer, 2005). Bias has been avoided in terms of participant influence and data representation.

Du Plooy-Cilliers et al., (2014) describes the limitations of a study as the constraints or limits that are beyond the control of the researcher. According to Bryman and Bell (2007), a limitation is that this study was only conducted once, thus reducing the reliability and trustworthiness. Another limitation of this study can arise from the weaknesses of a thematic study, which includes: a reductive analysis (Louw, 2014).

Heuristic Value

This study is academically important as the implementation of the knowledge or tools used to address the challenges being faced impact South African entrepreneurs and aspiring entrepreneurs. Therefore this research study aims to build the overall existing body of knowledge around entrepreneurial perseverance in developing countries, more specifically South Africa however it must be acknowledged that due to the limited sample size used, findings cannot be generalised. This study also aims to contribute to optimism and flexibility in entrepreneurs given the political, legal and economic conditions that hinder entrepreneurship in South Africa. Furthermore the study also aims to provide insight into the mindset of

entrepreneurs in South Africa and whether it is worthwhile becoming an entrepreneur in South Africa given the country's concerning political, legal and economic factors.

Recommendations for Future Research

Two objectives of the study have not been met due to the sample size used. Although the researcher asked the participants about resilience, rigorous data was not generated. Therefore it is recommended that future researchers use a larger sample size, as it will enable the researcher to generate more rigorous data, thus making a significant contribution to the existing body of knowledge surrounding entrepreneurial resilience. Furthermore it is recommended that entrepreneurial resilience should be looked at in other parts of the country, more specifically Johannesburg as it is considered to be the economic hub of South Africa and has the most entrepreneurs in South Africa (Statistics South Africa, 2017).

References

- Bezuidenhout, R., Cronje, F. 2014. *Research Matters*, Chapter 16: *Qualitative Data Analysis*. 1st Edition. Juta & Company Ltd. Cape Town, pp. 228-251.
- Braun, V., and Clarke, V. 2006. *Six simple steps to conduct a thematic analysis*. JVR Africa Group - Qualitative Research in Psychology. [Online]. Available at: <https://jvrafricagroup.co.za/six-simple-steps-to-conduct-a-thematic-analysis/>[Accessed: 8 June 2017]
- Bryman, A and Bell, E. 2007. *Ethical Considerations. Research Methodology*. [Online]. Available at: <http://research-methodology.net/research-methodology/ethical-considerations/>[Accessed: 20 April 2017]
- Bullough, A., Renko, M., and Myatt, T. 2013. *Danger Zone Entrepreneurs: The Importance of Resilience and Self-Efficacy for Entrepreneurial Intentions*. Baylor University. [Online]. Available at: https://www.researchgate.net/publication/259487089_Danger_Zone_Entrepreneurs_The_Importance_of_Resilience_and_Self-Efficacy_for_Entrepreneurial_Intentions [Accessed: 14 August 2017]

- Business Tech. (2017). *SA unemployment rate hits worst level in 14 years*. [online] Available at: <https://businesstech.co.za/news/government/177337/sa-unemployment-rate-hits-worst-level-in-14-years/> [Accessed 17 Oct. 2017].
- Collis, J. and Hussey, R. (2003). *Business research: A practical guide for undergraduate and postgraduate students*. 1st ed. New York, NY: Macmillan.
- Creswell, JW, Ebersohn, L, Eloff, I, Ferreira, R, Ivankova, NV, Jansen, JD, Neiuwenhuis, J, Pietersen, J, and Plano Clatk, VL. 2016. *First Steps in Research – Second Edition*. Van Schaik Publishers, Pretoria, South Africa.
- Crossman, A. (2017). *Understanding Purposive Sampling*. [online] ThoughtCo. Available at: <https://www.thoughtco.com/purposive-sampling-3026727> [Accessed 14 May 2017].
- De Vries, H., Shields, M. (2006) *Towards a theory of entrepreneurial resilience*. New Zealand Journal of Applied Business, 3(1), pp.13-24.
- Du Plooy-Cilliers, F. 2014. *Research Matters*, Chapter 2: *Research Paradigms and Traditions*. 1st Edition. Juata & Company Ltd. Cape Town, pp. 18-35.
- Dudovskiy, J. (2016). *Interpretivism (interpretivist) Research Philosophy - Research Methodology*. [online] Research Methodology. Available at: <http://research-methodology.net/research-philosophy/interpretivism/> [Accessed 24 May 2017].
- Fitch Ratings (2017). *Fitch Home*. [online] Available at: <http://www.fitchratings.com/site/unemployment/southafrica> [Accessed 13 Jun. 2017].
- Frue, K. (2017). *PESTLE Analysis of South Africa*. [online] PESTLE Analysis. Available at: <http://pestleanalysis.com/pestle-analysis-of-south-africa/> [Accessed 30 Apr. 2017]
- Groves, K., Vance, C and Choi, D. (2011). *Examining Entrepreneurial Cognition: An Occupational Analysis of Balanced Linear and Nonlinear Thinking and Entrepreneurship Success*. *Journal of Small Business Management*, 49(3), pp.438-446.
- Himelski, J. and Carr M. (2008) *Entrepreneurial motivation: what do we still need to know?*, *Journal of Small Business Management* 49(5), pp.9-26.
- Hayward, M., Forster, W., Sarasvathy, S. and Fredrickson, B. (2010). *Beyond hubris: How highly confident entrepreneurs rebound to venture again*. *Journal of Business Venturing*, 25(6), pp.569-578.
- Labour Guide. (2017). *Your guide to labour in South Africa* labour guide. [online] Available at: <http://www.labourguide.co.za> [Accessed 30 Apr. 2017].
- Locke, E. & Baum, J. (2004). *The Psychology of Entrepreneurship*. *Journal of Small Business Management*, 40, pp. 312-330.

- Louw, M. 2014. *Research Matters*, Chapter 18: *Ethics in Research*. 1st Edition. Juta & Company Ltd. Cape Town, pp. 262-273.
- Luthar, S.S., & Zalazo, L.B. (2006). *Research on resilience: An integrative review*. Cambridge University Press. 2(4), pp. 510-549.
- Mashiloane, K. 2016. *Unemployment rate: South Africa is a ticking time bomb*. News24. [online]. Available at: <http://www.news24.com/mynews24/unemployment-rate/south-africa-a-ticking-time-bomb-20161123> [Accessed 13 May 2017]
- Pandame, R. 2014. *Entrepreneurial Intent and Perseverance among South African Students*. University of Witwatersrand. [Online]. Available at: <http://wiredspace.wits.ac.za/handle/10539/15568> [Accessed: 14 May 2017].
- Pascoe, G. 2014. *Research Matters*, Chapter 11: *Sampling*. 1st Edition. Juta & Company Ltd. Cape Town, pp. 131-146.
- Prince-Emburg, S., and Saklofske, D.H. 2013. *Translating Resilience Theory for Assessment and Application with Children, Adolescents, and Adults: Conceptual Issue*. The Springer Series on Human Exceptionality. [Online] Available at: <http://journals.sagepub.com/doi/abs/10.1177/0829573508316560?journalCode=cjsa> [Accessed: 14 May 2017].
- Resnik (2011). *What is Ethics in Research & Why is it Important?*. [online] National Institute of Environmental Health Services. Available at: <https://www.niehs.nih.gov/research/resources/bioethics/whatis/> [Accessed 8 Jun. 2017].
- Royle, M.T., Fox, G., & Hochwarter, W.A. (2009). *The relationship between select entrepreneurs*. *International Journal of Management and Marketing Research*, 2(2), pp.113-133.
- Royle, M.T., & Fox, G. (2011). *The relationships between strain and and greatness*. *International Journal of Management and Marketing Research*, 4(3), pp.29-43
- Shenton, A. (2004). *Strategies for ensuring trustworthiness in qualitative research projects*. *Education for Information*, 22(2), pp.63-75.
- Shuttleworth, M. 2017. *Qualitative Research Design*. Explorable. [Online]. Available at: <https://explorable.com/qualitative-research-design> [Accessed: 20 April 2017]
- Simonson, I., Nowlis, S. (2000). *The role of explanations and the need for uniqueness in achieving greatness*. *Journal of Consumer Research*, 27(2), pp. 49-68.
- Standard and Poor. (2017). *Standard and Poor's/Americas*. [online] Available at: <http://www.standardandpoors.com/en/us/web/guest/ratings/press-releases> [Accessed 13 Jun. 2017].

Statistics South Africa. (2017). *Work and labour force* [online] Available at: <http://www.statssa.gov.za/?cat=31/> [Accessed 16 May 2017].

Thanh, N. (2015). *The Interconnection Between Interpretivist Paradigm and Qualitative Methods in Education*. *American Journal of Educational Science*, 1(2).

Trading Economics. (2017). South Africa Unemployment Rate/2000-2017/data/chart/calendar. [online] Available at: <http://www.tradingeconomics.com/south-africa/unemployment-rate>. [Accessed 29 Apr. 2017].

Tripathy, J. (2013). *Secondary Data Analysis: Ethical Issues and Challenges*. [online] PubMed Central (PMC). Available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4441947/> [Accessed 6 May 2017].

Van Gelderen, M. (2012). *Perseverance Strategies of enterprising individuals*. *Journal of Small Business Management*, 3(2) pp.126-134

World Bank (2017). *South Africa Overview*. [online] Available at: <http://www.worldbank.org/eng/country/southafricaoverview> [Accessed 13 Jun. 2017].

Annexure A: Example of consent form

EXPLANATORY INFORMATION SHEET AND CONSENT FORM FOR PARTICIPANTS

To whom it may concern,

My name is Menokin Reddy and I am a student at Varsity College Durban North. I am currently conducting research under the supervision of Leigh De Wet about what makes entrepreneurs persevere after experiencing failure. I hope that this research will enhance our understanding of whether it is worth becoming an entrepreneur in South Africa given the current Political, Legal and Economic factors.

I would like to invite you to participate in my study. In order to explain to you what your participation in my study will involve, I have formulated questions that I will try to fully answer so that you can make an informed decision about whether or not to participate. If you have any additional questions that you feel are not addressed or explained in this information sheet, please do not hesitate to ask me for more information. Once you have read and understood all the information contained in this sheet and are willing to participate, please complete and sign the consent form below.

What will I be doing if I participate in your study?

I would like to invite you to participate in this research because you are an entrepreneur whose business/es exists in KwaZulu-Natal. If you decide to participate in this research, I would like to conduct a one on one interview with you once off. The interview will take approximately forty-five minutes to one hour of your time. It will be scheduled at a time that it is convenient for both of us, and will take place at a location that is convenient to you. You can decide whether or not to participate in this research. If you decide to participate, you can choose to withdraw at any time or to decide not to answer particular interview questions.

Are there any risks/ or discomforts involved in participating in this study?

Whether or not you decide to participate in this research, there will be no negative impact on you. There are no direct risks or benefits to you if you participate in this study. If you find at any stage that you are not comfortable with the line of questioning, you may withdraw or refrain from participating.

Do I have to participate in the study?

- Your inclusion in this study is purely voluntary;
- If you do not wish to participate in this study, you have every right not to do so;
- Even if you agree to participate in this study, you may withdraw at any time without having to provide an explanation for your decision.

Will my identity be protected?

I promise to protect your identity. I will not use your name in any research summaries to come out of this research and I will also make sure that any other details are disguised so that nobody will be able to identify you. I would like to ask your permission to record the interviews, but only my supervisor and I will have access to these recordings. Nobody else, including anybody at Varsity College Durban North, will have access to your interview information. I would like to use quotes when I discuss the findings of the research but I will not use any recognisable information in these quotes that can be linked to you.

What will happen to the information that participants provide?

Once I have finished all interviews, I will write summaries to be included in my research report, which is a requirement to complete my Bachelor of Commerce Honours in Management degree. You may ask me to send you a summary of the research if you are interested in the final outcome of the study.

What happens if I have more questions about the study?

Please feel free to contact my supervisor or me should you have any questions or concerns about this research, or if there is anything you need to know before you decide whether or not to participate.

You should not agree to participate unless you are completely comfortable with the procedures followed.

My contact details are as follows:

Menokin Reddy
079 850 9982
menokinreddy@gmail.com

The contact details of my supervisor are as follows:

Leigh De Wet
0723151842
leighdewet2014@gmail.com

Consent form for participants

I, _____, agree to participate in the research conducted by Menokin Reddy about what makes entrepreneurs persevere after experiencing failure.

This research has been explained to me and I understand what participation in this research will involve. I understand that:

1. I agree to be interviewed for this research.
2. My confidentiality will be ensured. My name and personal details will be kept private.
3. My participation in this research is voluntary and I have the right to withdraw from the research at any time. There will be no repercussions should I choose to withdraw from the research.
4. I may choose not to answer any of the questions that are asked during the research interview.
5. I may be quoted directly when the research is published, but my identity will be protected.

Signature

Date

Consent form for audio-recording/ video recording

I, _____, agree to allow Menokin Reddy to audio record my interviews as part of the research about What makes entrepreneurs persevere after experiencing failure.

This research has been explained to me and I understand what participation in this research will involve. I understand that:

1. My confidentiality will be ensured. My name and personal details will be kept private.
2. The recordings will be stored in a password protected file on the researcher's computer.
3. Only the researcher and the researcher's supervisor will have access to these recordings.

Signature

Date

Annexure B: Interview Schedule

- What made you decide to become an entrepreneur?
- What were the biggest hurdles you faced with building your business and how did you overcome them?
- Did you ever deal with contention from your family concerning your entrepreneurial pursuits? And how did you handle it?
- What would you say was the single most influential factor in your business' success?
- What is the biggest mistake you've made as an entrepreneur?
- How did you deal with failure?
- What do you think are the key skills and interests that a good entrepreneur needs?
- What mindset do you think you possessed that helped make you successful?
- What is your future plans for the business given the political, legal and economic factors in South Africa?

Annexure C: Ethical Clearance Letter



ADvTECH House
Inanda Greens
54 Wierda Rd West
Wierda Valley
2196

P.O. Box 2369
Randburg 2126

Tel: (011) 676 8021
Fax: (011) 783 2574

28 June 2017

Student name: Menokin Reddy

Student number: 12020655

Campus: Varsity College Durban North

Re: Approval of Bachelor of Commerce Honours in Management Proposal and Ethics Clearance

Your research proposal and the ethical implications of your proposed research topic were reviewed by your supervisor and the campus research panel, a subcommittee of The Independent Institute of Education's Research and Postgraduate Studies Committee.



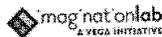
Your research proposal posed no significant ethical concerns and we hereby provide you with ethical clearance to proceed with your data collection.



There may be some aspects that you still need to address in your proposal. If this is the case, feedback will be provided to you in writing. You will need to address these aspects in consultation with your supervisor.



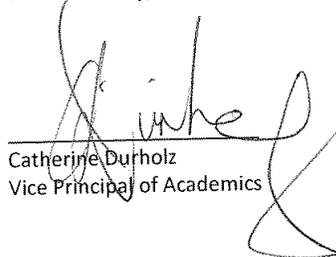
In the event of you deciding to change your research topic or methodology in any way, kindly consult your supervisor to ensure that all ethical considerations are adhered to and pose no risk to any participant or party involved. A revised ethical clearance letter will be issued in such instances.



We wish you all the best with your research!



Yours sincerely,


Catherine Durholz
Vice Principal of Academics





Leigh de Wet
Campus Postgraduate Coordinator

Directors: RJ Douglas (UK), JDR Oesch (non-executive), A Isaakidis (non-executive) **Company Secretary: C Koopman**



The Independent Institute of Education (Pty) Ltd (The IIE) is registered with the Department of Higher Education and Training as a private higher education institution under the Higher Education Act, 1997 (reg. no. 2007/HE07/002). Company registration number: 1987/004754/07.

