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Immigrant Entrepreneurship: A Focus on Entrepreneurs in Rustenburg, South Africa

Clarence Mutsvanga

A research proposal submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Business Administration

Johannesburg, 2025

DECLARATION

I, Clarence Mutsvanga, hereby declare that this research report is my own work and has not been submitted before for any other degree or examination in any other university.

Signature: _____ Date: _____

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List of acronyms

Table 1: List of acronyms

CBD	Central Business District
DHA	Department of Home Affairs
ID	Identification Document
POPIA	Protection of Personal Information Act
SA	South Africa
SMME	Small, Medium and Micro Enterprises
ZDP	Zimbabwe Documentation Process

Key Words

Table 2: Key words and terms

Terms	**Definition**
Immigrant entrepreneurship	A process whereby an immigrant settles in a host country from their country of origin and then creates value by establishing a business in that host country (Mosquera & Jardim da Palma, 2020). A process undertaken by immigrants in their host countries to create wealth through business enterprises (Tshishonga, 2022; Chisala, 2021).
Informal Economy	The informal sector is a section of the economy that falls outside of legal frameworks, is not regulated, and cannot be traced for tax purposes because of regulatory hurdles; this is the economy in which most immigrant entrepreneurs find themselves operating (Caceres Cabana et al., 2021; de Sousa Lopes et al., 2023; Ncube & Chirisa, 2019). It is estimated that the informal economy accounts for a third of economic activities in most developing countries and, therefore, requires serious attention (Deléchat & Medina, 2020). In South Africa, it accounts for 29% of economic activity and, if supported, can be a

	conduit for poverty alleviation and employment creation (Bhorat et al., 2018).
Small, Medium and Micro Enterprises	These are businesses ranging in size from single-owner-operated to employing up to 49 employees, and they are mostly survivalist and informal (Bhorat et al., 2018).
Zimbabwe Documentation Process (ZDP)	A South African government initiative to set up a database of Zimbabweans who fled from their country due to political and financial instability and might have been living in South Africa illegally to regularise their status in the country (Amit, 2011)

Acknowledgement

This research project is the culmination of an incredible journey filled with challenges, discoveries, and invaluable lessons. I am profoundly grateful to all those who contributed to its success.

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To Sibanye Stillwater, my sponsor, the dedicated academic and support staff at Wits Business School, and my fellow students, this journey has been a multifaceted experience encompassing much more than just academic pursuits. Thank you all for your unwavering support and guidance, which enriched my experience immeasurably.

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To my family, my gratitude knows no bounds. Thank you for your unwavering love, encouragement, and understanding throughout this journey. You stood steadfast by my side during the most challenging moments, offering support and faith in me that has served as my anchor. Your sacrifices and love have been essential to my success.

Lastly, I dedicate this work to the memory of my late father, whose spirit continues to be a constant source of strength and inspiration for me. Your values, dreams, and unwavering support have profoundly shaped who I am today. As I pursue my goals, I carry your legacy with me, and I hope this accomplishment makes you proud.

Abstract

This study investigates the experiences of immigrant entrepreneurs in Rustenburg, South Africa, highlighting their unique pathways to business establishment and the challenges they face. Through qualitative research, in-depth interviews were conducted with immigrant business owners to gain insights into their motivations, barriers, and the role of social networks in their entrepreneurial journeys. The findings reveal that immigrant entrepreneurs often start businesses due to limited employment opportunities, financial necessity, and the desire for independence. They utilise resources available to them to adapt their businesses to their specific circumstances; however, they encounter significant obstacles, including crime, complex regulations, limited access to finance, and bureaucratic inefficiencies. The research underscores social networks' importance in supporting the enterprises' initial formation and ongoing success. Policy implications indicate the need for regulatory reforms that facilitate immigrant entrepreneurship, such as streamlined business registration and improved financial assistance. Furthermore, the study addresses a critical gap in entrepreneurship literature concerning under-explored regions in South Africa, providing insights into how socio-political factors influence immigrant business experiences. Limitations, such as a small sample size and challenges in participant diversity, highlight opportunities for future research that could incorporate quantitative methodologies to enhance findings and facilitate broader generalisations. Overall, the research emphasises the significant contributions of immigrant entrepreneurs to the South African economy and advocates for systemic support to help navigate the barriers they encounter.

Chapter 1. Introduction

1.1. Statement of Purpose

This study aims to explore the experiences of immigrant entrepreneurs, focusing on the factors that motivate them to establish businesses, the challenges they face, and the strategies they employ to overcome these difficulties. Specifically, this research seeks to understand the role of personal and community networks in supporting immigrant entrepreneurs throughout their business journey. By examining these aspects, the study aims to provide valuable insights into the entrepreneurial experiences of immigrants and contribute to a broader understanding of the influences on their business success.

1.2. Background of the Study

Immigrants turn to entrepreneurship in their host countries for various reasons. Some do so to diminish the impact of discrimination, while others turn to entrepreneurship due to a lack of employment opportunities, integration issues, or economic hardships (Fatoki, 2014; Khosa & Kalitanyi, 2015). Immigrant entrepreneurs often encounter obstacles such as limited access to finance, weak markets, and lack of support (Fatoki & Patswawairi, 2012). Prior research suggests that entrepreneurially-minded immigrants set up their business ventures out of necessity (O'Donnell et al., 2021). With no work experience, entrepreneurship becomes a means they leverage for survival in a challenging environment (Fubah & Moos, 2022; Khosa & Kalitanyi, 2015). Although societal and regulatory conditions are not always conducive to the success of immigrant entrepreneurs, research suggests that immigrants are often adept, and they come up with strategies to help them thrive in their host countries (Hamid & Senik, 2020; Ngota et al., 2019). Research on immigrant entrepreneurship in the North West Province is limited, and existing literature has often neglected this part of the country (Fatoki, 2019) . Scholarship on immigrant entrepreneurship tends to be fragmented and context-specific, indicating that findings from one geographical location may not easily translate to another (Gurău et al., 2020). Additionally, while literature recognises that the establishment of immigrant entrepreneurs' enterprises differs from that of their native counterparts, the focus on these initiation strategies has not been as robust as that concerning native entrepreneurs (Duan et al., 2023).

1.3. Problem Statement

While there is a substantial body of research on immigrant entrepreneurship in major cities like Johannesburg and Cape Town, there is a notable scarcity of studies specifically addressing smaller cities such as Rustenburg (Fatoki, 2019; Fubah & Moos, 2022; Radipere & Dhliwayo, 2014). Rustenburg hosts a sizable immigrant community that has established small to medium enterprises across nearly every sector of the economy and contributes significantly to its socio-economic growth (Mosiane, 2015). However, a significant gap in research exists regarding this community, resulting in insufficient information available to local leaders to develop and implement effective policies and allocate resources that could facilitate the integration of these entrepreneurs into their communities (Fubah & Moos, 2022). Addressing this gap would ultimately benefit all parties involved (Fatoki, 2019; Radipere & Dhliwayo, 2014). Therefore, this study is a foundational step towards addressing this imbalance in the existing literature.

1.4. Research Aims

The main goal of this research project is to build on existing entrepreneurial knowledge and deepen the understanding of immigrant entrepreneurship in South Africa using the context of Rustenburg. Gaining this understanding will yield significant economic and social benefits for South Africa, as entrepreneurship plays a crucial role in the economic development of nations (Doran et al, 2018).

1.5. Research Objectives

a) To investigate why immigrants who come to South Africa (SA) choose entrepreneurship instead of seeking employment in Rustenburg, SA.

b) To examine potential barriers that might affect the successful running of businesses owned by immigrant entrepreneurs in Rustenburg, South Africa

c) To examine how immigrant entrepreneurs initiate and develop their enterprises within the context of South Africa.

The following questions will serve as a guide to comprehensively address the aforementioned objectives.

1.6. Research Questions

a) What motivates immigrants to pursue entrepreneurship instead of other options, including employment in Rustenburg, South Africa?

b) What are the primary challenges immigrant entrepreneurs encounter in Rustenburg, and how do they overcome them?

c) What factors influence how immigrant entrepreneurs establish their enterprises in South Africa?

1.7. Research Contributions

This research extends the theory of immigrant entrepreneurship to incorporate the behaviours of individuals compelled to start businesses due to integration challenges in a foreign country. It elaborates on how they proactively change their behaviours to align with their new context (Thai *et al.,* 2024). The narratives emerging from a previously underexplored region in this research provide valuable insights that significantly deepen our understanding of immigrant entrepreneurship. The findings of this study have important implications for academia, society, the economy, and policymaking. The theoretical frameworks it presents promote new approaches to supporting immigrant entrepreneurs, who are recognised for their contributions to regional and economic development through their business activities (Mago, 2023; Ngota et al., 2018).

1.8. Delimitations of the Study:

a) The study will focus on immigrant entrepreneurs, mainly those in informal/small-to-medium enterprises, such as spaza shops, restaurants, hardware shops, and general dealerships.

b) The study will focus on business owners' previous and current behaviours and actions.

c) The study will focus on sole proprietorships or single-owner businesses, not registered corporations.

d) The study will focus on the urban region of Rustenburg.

1.9. Assumptions

a) Respondents will answer questions honestly and accurately.

b) The sample of immigrant entrepreneurs who will be part of the research represents the behaviour and actions of the population of immigrant entrepreneurs in Rustenburg.

Chapter 2: Literature Review

2.1. Introduction

Immigrants comprise approximately 7.7% of the Rustenburg population, with 40% employed in formal positions (StatsSA, 2024). This suggests that the majority are either unemployed or are involved in other economic activities outside the formal job market, such as entrepreneurship. Immigrants coming to Rustenburg establish businesses that benefit the local economy through job creation and the promotion of local industries, but at the same time, they face challenges unique to their circumstances (Mosiane, 2015).

This literature review is grounded in that premise. It critically analyses and synthesises existing research on immigrant entrepreneurship, assesses the challenges these entrepreneurs encounter in establishing their businesses, and, most importantly, examines the theoretical frameworks that underpin the concept of immigrant entrepreneurship.

2.2. Necessity or opportunity-driven entrepreneurship

Research focused on necessity-driven entrepreneurship assumes that people enter entrepreneurship not because they want to but because there are no other opportunities; it is a source of self-employment and income (Batz et al, 2024; Block et al, 2015; O'Donnell et al, 2021; Urban, 2011; Weber et al, 2023). Research on opportunity-driven entrepreneurship posits that individuals with available employment options may opt for entrepreneurial ventures after recognising a viable business opportunity. The primary motivations for this choice are often increased income potential and the desire for greater independence (Boudreaux & Nikolaev, 2019; Cervelló-Royo, 2020; Venter, 2017). Necessity-driven entrepreneurs are 'pushed' into entrepreneurship by external, uncontrolled circumstances such as unemployment, while opportunity-driven entrepreneurs are 'pulled' into entrepreneurship by identifying financial or personal opportunities (Benzing et al., 2009; Fairlie & Fossen, 2018; Van der Zwan et al., 2016).

2.2.1. Immigrants and Entrepreneurship

Many immigrants turn to entrepreneurship out of necessity due to limited employment opportunities; unemployment is a significant push factor driving them to start businesses in South Africa (Khosa & Kalitanyi, 2015).

Moreover, unemployment is a critical motivator for immigrants pursuing entrepreneurship for survival (Fatoki & Patswawairi, 2012). However, other studies indicate that some immigrant entrepreneurs also identify business opportunities through different networks, suggesting that their decision to become entrepreneurs can be influenced by choice rather than necessity (Gurău et al., 2020; Storti, 2014; Toli & Tengeh, 2017).

Ultimately, multiple factors determine the motivations for immigrants to pursue entrepreneurship in their host countries. These include pull factors, such as the entrepreneurial culture in their home country; push factors, such as structural barriers, including a lack of employment opportunities; and the interplay of resources between their home and host environments (Hamid & Senik, 2020). Research indicates that an immigrant's culture and past experiences from their home country often shape their entrepreneurial decisions, influencing whether they are driven by opportunity or necessity (Duan et al., 2021; Engle et al., 2011; Jonsson & Ouyang, 2023). Whether necessity or opportunity-driven, immigrant entrepreneurs take calculated risks when starting their businesses in South Africa. They understand that being an immigrant entrepreneur involves inherent challenges, such as potential discrimination and the risk of criminal attacks (Omorede & Axelsson, 2022).

Proposition 1: *Various factors in the immigrants' environments and personal circumstances push them to pursue entrepreneurship and affect their entrepreneurial decisions.*

Proposition 2: *Immigrants who identify business opportunities in South Africa are likely to engage in entrepreneurial activities in the long term, even if their initial circumstances compel them to seek employment.*

2.2.2. Obstacles Faced by Immigrant Entrepreneurs

In South Africa, immigrant entrepreneurs face various challenges, which include a lack of finance, markets, human capital, and enterprise support (Fatoki & Patswawairi, 2012). Afrophobia, xenophobia, and administrative red tape also add significant barriers (Chimucheka et al., 2019; Khosa & Kalitanyi, 2014; Ngota et al., 2018; Reginald & Millicent, 2014). However, it is noteworthy that countries that adopt non-discriminatory practices toward immigrant entrepreneurs and implement supportive policies and legislation have demonstrated notable economic growth and job creation (Azoulay et al., 2022; Chodavadia et al., 2024; Kerr & Kerr, 2020). This

positive impact can be attributed to the substantial contributions made by these entrepreneurs to their economies.

Proposition 3: *Immigrant entrepreneurs encounter distinct challenges that differ from those experienced by their native counterparts. These challenges are particularly evident in the economic and regulatory domains, which can significantly impede their success within the host country's environment.*

Proposition 4: *Without official support channels and facing discrimination, immigrant entrepreneurs rely on their financial resources, social networks, and human capital to engage in entrepreneurial activities.*

2.3. Theoretical Framework

The study of immigrant entrepreneurship is not a novel concept; it has evolved significantly over the years. Recent research has focused on understanding the motivations behind individuals starting businesses in foreign countries, particularly in Africa (Fubah & Moos, 2022). While this has paved the way for new insights, further exploration is needed. New research should aim to examine immigrant entrepreneurship from various angles, including the individual attributes of immigrant entrepreneurs, the characteristics of the host country, the immigrants' home countries, and how they mobilise and utilise available resources. This comprehensive approach can yield valuable insights into immigrant entrepreneurship at both individual and national levels (Duan, 2023).

Consistent with that, the theory of ‘blocked mobility’ suggests that immigrants often turn to entrepreneurship as a response to discrimination, cultural shock, and limited economic opportunities within the host country (Duan, 2023; Tengeh et al., 2011). Furthermore, deliberate policies and actions targeting immigrants have hindered their job prospects, frequently leaving self-employment as their only viable option (Asoba & Mefi, 2020). Conversely, the ethnic market niche or pull factor theory posits that immigrants engage in entrepreneurship in response to recognised business opportunities that they choose to pursue. This theory asserts that immigrants are attracted to these opportunities because native populations may lack the skills or knowledge necessary to identify or capitalise on them, thereby creating a niche market (Garg & Phayane, 2014).

2.4. Conclusion

A theoretical framework illustrated in Figure 1 is derived from the various theoretical perspectives critically analysed and evaluated in the literature review section above. It suggests that immigrants migrating to a host country often face societal challenges, such as limited job opportunities and cultural differences. These challenges serve as a "push" factor, motivating them to consider entrepreneurship. In contrast, opportunity entrepreneurship involves individuals who are already engaged in or planning to start a business and have chosen to migrate to a new environment where they have identified potential business opportunities. In this context, they are "pulled" into entrepreneurship by the opportunities they have recognised in the new country.

Overall, Figure 1 shows that whether individuals are motivated by challenges or opportunities in their entrepreneurial journey, they face various obstacles that they must overcome to succeed. They must identify, utilise, and effectively manage available resources to navigate these challenges and achieve their goals.

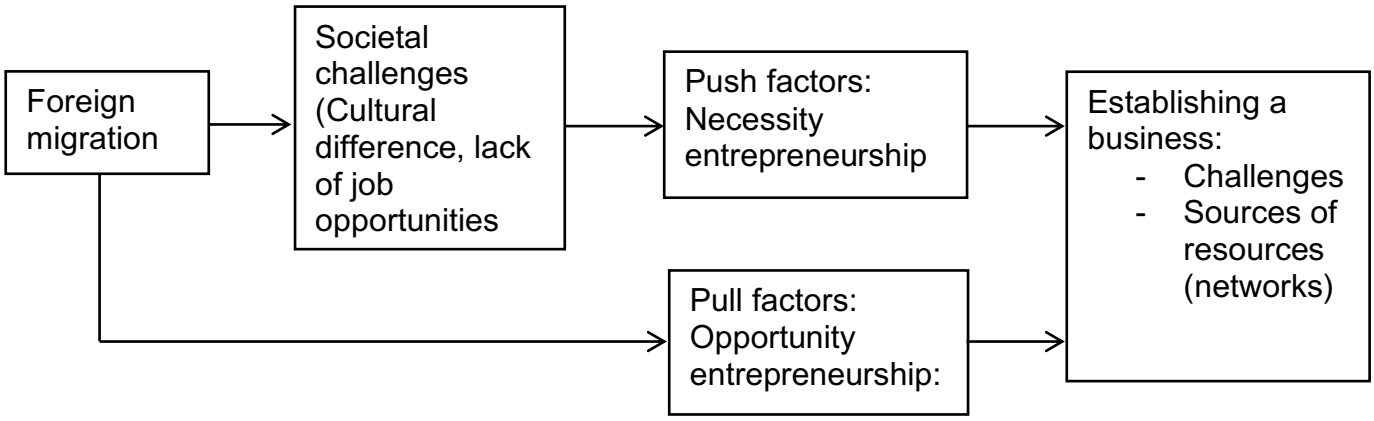

Figure 1: Theoretical framework.

Chapter 3: Research Methodology

3.1 Introduction

For this research study, a qualitative research approach was chosen over a quantitative alternative because qualitative research provides deeper insights into complex social phenomena that cannot be fully understood through the numerical analysis typical of quantitative studies (Miles & Huberman, 1994). This study focuses on the subjective social factors influencing immigrant entrepreneurs' experiences and decision-making, which quantitative methods cannot capture. Moreover, qualitative research offers the flexibility to adapt methodologies to the unique circumstances that are encountered during data collection (Raimo, 2019).

The methodology of this study was carefully formulated to align with the research project's objectives. The proposed methods and methodology function as a framework for the selected research philosophy, data collection techniques, and analytical processes employed throughout the study.

3.2 Research Design

This research study employed a case study approach involving an in-depth investigation of a specific phenomenon within its real-world context, aiming to comprehensively understand its complexity (Miles & Huberman, 1994). The cases explored in this study were of immigrant entrepreneurs focusing on their motivations, the trajectories they pursue, and the challenges they encounter throughout their journeys.

3.3 Population, Sample and Sampling Method

The population targeted for the research were immigrant entrepreneurs operating small to medium informal businesses in Rustenburg, South Africa. This population was targeted because it is a group of entrepreneurs that has not been previously fully researched and yet offers unique perspectives on entrepreneurship due to their resilience and economic, social, and cultural impact on the communities they serve (Fatoki, 2019; Fubah & Moos, 2022; Radipere & Dhliwayo, 2014). No information on immigrant entrepreneurs in Rustenburg was available to determine the population size. However, based on information sourced from (StatsSA, 2018) and (StatsSA, 2024), it was deduced that Rustenburg has an immigrant entrepreneurs' population of about 2,000. Research has shown that a sample size of twelve to fifty respondents

for qualitative studies is adequate and yields rich and meaningful results, allowing for diverse perspectives (Baker et al., 2012). Due to the informal nature of the immigrant entrepreneurs, no register could be obtained; therefore, referrals and informal networks were used as sampling frames.

The absence of available data on the population of immigrant entrepreneurs, combined with time and cost constraints, permitted the use of a more efficient non-probability sampling technique—purposive sampling (Miles & Huberman, 1994). Purposive sampling was chosen for its replicability and the predictable behaviour patterns of the targeted population (Yin, 2009). Additionally, it is a convenient method for reaching this particular demographic, which is often challenging to access due to their circumstances and the absence of a formal sampling frame (Nikolopoulou, 2022). This approach facilitated the identification and selection of immigrant entrepreneurs for interviews, allowing for the gathering of necessary insights. Previous researchers investigating immigrant entrepreneurs have also successfully utilised this methodology (Fatoki, 2018; Khosa & Kalitanyi, 2014, 2015; Reginald & Millicent, 2014; Tengeh et al., 2011).

Immigrant entrepreneurs from various industries in Rustenburg were purposefully selected and visited at their business locations to ensure a diverse representation of their entrepreneurial experiences. However, some individuals declined to participate in the interviews due to concerns regarding disclosing their legal status in South Africa. Furthermore, language barriers posed challenges for others, resulting in the abandonment of certain interviews when it became apparent that only limited information could be obtained.

Other participants for the study were recruited using the snowball sampling method. Initially, individuals who consented to be interviewed were then asked to refer others within their social networks who met the research criteria. This technique is particularly effective for engaging individuals who may be challenging to reach due to personal circumstances (Naderifar et al., 2017). A sample of twenty immigrant entrepreneurs were interviewed, a number determined to be the saturation point, as participants began to share largely repetitive insights similar to those previously mentioned (Saunders et al., 2018). Data collection was conducted from July through the end of August 2024.

3.4 Research Instrument

This study employed semi-structured interviews as the primary research instrument to collect data from immigrant entrepreneurs. This format was chosen because it allows for flexibility in responses, enabling participants to share their experiences in detail while ensuring that the key themes relevant to the study are addressed and aligned with the research objectives (Miles & Huberman, 1994).

The interview guide was developed based on a review of existing literature on immigrant entrepreneurship and the research objectives. It included open-ended questions designed to explore themes such as motivations for starting a business, challenges faced in starting and maintaining the business, and the use of social and business networks to start and maintain the business.

The questions were carefully worded to be clear, neutral, and culturally sensitive to ensure participants felt comfortable sharing their experiences. Each interview lasted approximately one hour and was scheduled at the participant's convenience, typically at their business premises.

No identifiable data was collected from the participants. All interviews were recorded with the participant's consent to ensure accuracy and facilitate subsequent analysis.

3.5 Sample Description

This section provides an overview of the profiles of the participants who were interviewed. Female participants constituted only 15% of the group. Among the participants, 35% held a post-matric qualification, 20% chose not to disclose their academic qualifications, and the remainder possessed a matric equivalent. The average age of the participants was 43, with the youngest being 22 and two participants being 54 years old.

Participants arrived in South Africa at an average age of 28. The youngest, who was just 13, came from Pakistan, while the oldest, at 41, came from Zimbabwe, having previously spent seven years working in Australia. All participants had been residing in South Africa for at least five years, with an average stay of 15 years; one individual had lived in South Africa for 30 years.

Upon their arrival, two participants initiated their own businesses, whereas the rest were initially employed for 1 to 15 years. On average, each business employed two people, although one participant had as many as 35 employees. The participants’

businesses spanned various industries, including education, beauty, fashion, food, and engineering. Notably, only two participants were not of African descent, being from Pakistan. Additionally, a distinct relationship was observed between the participants' countries of origin and the types of businesses they established.

Table 3 contains the biographical information of the participants interviewed.

Table 3: Biographical details of respondents

Respondent	Gender	Age	Highest educational qualification equivalent	Home country	Type of business	No of employees	Years resident in SA	Years running business in SA
1	Male	54	Grade 12	Nigeria	Clothing retail	3	19	18
2	Male	48	Grade 12	Nigeria	Clothing retail	3	18	15
3	Male	38	Diploma	Zimbabwe	Electrical Engineering	2	15	6
4	Male	32		Pakistan	Mobile phones retail	5	19	13
5	Male	41	Grade 12	Ghana	Beauty	32	12	10
6	Male	45	Grade 12	Pakistan	Mobile phones retail	8	8	6
7	Male	39	Certificate	Zimbabwe	Manufacturing	5	19	7
8	Male	47	Post grade	Zimbabwe	Business consultancy	2	7	6
9	Male	36	Diploma	Zimbabwe	Education	8	14	8
10	Male	54	Bachelors	Zimbabwe	Education/Bus consultancy	25	13	13
11	Male	45		Algeria	Restaurant	35	17	15
12	Male	22		Pakistan	Mobile phones retail	2	4	2
13	Male	45	Bachelors	Ghana	Restaurant	3	12	12
14	Female	38	Grade 12	DRC	Beauty	2	7	3
15	Female	38		Zimbabwe	Transport	2	16	7
16	Male	50	Grade 12	Ethiopia	Clothing retail	2	25	20
17	Female	53	Bachelors	Zimbabwe	Education	16	15	7
18	Male	49	Diploma	Ethiopia	Grocery Retail	4	30	15
19	Male	45	Diploma	Zimbabwe	Manufacturing	3	16	10
20	Male	43	Grade 12	Ethiopia	Clothing retail	4	21	20

3.6 Data Analysis

Thematic analysis was employed to identify, analyse, and report patterns (themes) within the participants' responses. This methodology was preferred over alternative

approaches due to its user-friendly nature in uncovering key themes, particularly within extensive datasets. It offers a rich interpretation of interview data and highlights commonalities and divergences among participants. Furthermore, its structured and transparent approach to coding and reporting identified themes ensures rigorous analysis (Braun & Clarke, 2006).

The process involved compiling data from the interviews, transcribing it, and capturing all the insights shared by each participant for subsequent processing and analysis. This transcribed data underwent a coding process, which involved carefully reviewing all interview transcripts to gain a comprehensive understanding and breaking down the text into meaningful units (Gibbs, 2007). Codes such as "unable to find employment," "thieves break into our shops", and "lack of South African ID" were assigned to identify patterns and themes within the narratives of immigrant entrepreneurs.

The codes were then thematically organised into broader categories, including "reasons for choosing entrepreneurship," "challenges faced by immigrant entrepreneurs," and "use of networks by entrepreneurs" to more effectively represent the shared experiences of these individuals (Gibbs, 2007). These themes were then analysed for frequency to uncover participant commonalities (Miles & Huberman, 1994). Ultimately, interpretations and conclusions were drawn from this information to address the research objectives (Sekaran & Bougie, 2016).

3.7 Quality Assurance

In qualitative research, quality assurance focuses on ensuring the trustworthiness of findings, which includes credibility, dependability, confirmability, and transferability (Cypress, 2017).

3.7.1 Transferability

The transferability of research findings refers to the extent to which the results of the research can apply in a different context, at a different time, and with different participants. The results were evaluated by comparing them to the chosen research methodology and the theoretical and conceptual frameworks developed for the research project (Middleton, 2023). Using purposive sampling to identify participants who best represent the phenomenon being studied ensured transferability.

3.7.2 Credibility

Credibility refers to the extent to which the results of a research project accurately depict the causal relationship between the independent and dependent variables (Mark & Reichardt, 2001; Sekaran & Bougie, 2016). To ensure the credibility of the results, the following are some of the measures that were taken, as suggested by (Hassan, 2024)

a) A pilot test to refine the study design and instrument was conducted before the main study.
b) Reliable and valid measures were used to ensure consistency in the research.
c) The procedures of the interviews were standardised.

3.7.3 Dependability

Dependability is how similar results can be obtained when research is conducted under similar methods and circumstances (Middleton, 2023; Sekaran & Bougie, 2016). Reliability can be measured by observing the results of research across time, observers, and parts of the research itself (Middleton, 2023). Dependability was maintained by standardising the research methods and conditions and keeping an audit trail of the thematic analysis (Middleton, 2023).

3.7.4 Confirmability

Confirmability ensures that the findings reflect the true data collected and that there is no researcher bias (Stenfors et al., 2020). The supervisor's role in guiding the research process served as a check and guide against researcher bias.

3.8 Ethical Considerations

Ethics and a strong code of conduct are essential for both researchers and participants to ensure the success of a research project (Sekaran & Bougie, 2016). To uphold ethical standards, the researcher adhered to the following principles:

a) Personal and confidential information was safeguarded in compliance with regulations such as the Protection of Personal Information Act (POPIA).
b) Unnecessary personal information that did not pertain to the research objectives was not solicited.
c) Participants were not pressured into participating; they willingly provided their consent.
d) The data collected during the research was neither manipulated nor distorted.

Chapter 4: Research Results

4.1 Findings

This section of the research report outlines the study's key findings. The data collected during the interviews were transcribed, organised, coded, and thematically grouped to identify patterns and significant themes aligning with the project's research questions and theoretical frameworks. The prominent themes that emerged from the interviews include migration and entrepreneurial factors, networks, resource utilisation for starting a business, and the challenges encountered in managing the businesses.

4.1.1 Entrepreneurial Choices

4.1.1.1 Migration Reasons

People are motivated to migrate from one country to another for various reasons. Certain factors, such as socio-political instability, drive individuals away from their home countries, while other factors, including freedom and economic stability, draw them to new destinations.

This research identified political persecution and limited economic and job opportunities in migrants' home countries as significant factors that drove them to leave. In contrast, South Africa's economic and political stability made it a highly attractive destination for many immigrants. Additionally, some individuals initially arrived as visitors, identified opportunities during their stay, and later decided to settle in South Africa permanently.

Following a comprehensive analysis of the motivations driving immigrants to migrate to South Africa, the researcher sought to investigate their motives for engaging in entrepreneurship. The insights shared by the participants are presented below.

4.1.1.2 Necessity-driven Entrepreneurship - Push Factors

Many of the immigrants interviewed turned to entrepreneurship out of necessity, compelled by their challenging circumstances. The four stories presented below exemplify this trend. Some immigrants faced discrimination in their workplaces, resulting in salary reductions due to the financial difficulties confronted by the organisations that employed them.; for example, a Zimbabwean immigrant who worked as a teacher stated that. “*I was employed as a teacher at a local private college in Rustenburg. Although I enjoyed my job and gave my all, we would*

sometimes not get paid. I started offering extra classes after work to supplement my salary. Some parents who brought their children to my extra classes encouraged me to open a school since they could see that I was doing a good job with their children."

Reflecting on similar experiences of salary reductions at his previous workplace, a Zimbabwean entrepreneur who served as a facilitator for a company providing training services to mining operations in Rustenburg recounted his perspective on the issue. "*Ten years ago, mines began closing and retrenching employees, leaving the company I worked for with limited contracts." When our salaries were cut due to this, I quit my job and opened a business that offered similar services. Because I did not have many overheads, I knew I had a chance to do well in the business.*"

A Zimbabwean immigrant recounted his decision to pursue entrepreneurship upon realising that he was consistently overlooked for promotions due to his non-South African status. This experience highlighted the challenges he faced in the workplace and motivated him to seek alternative avenues. *"I was disappointed that people less experienced than me were being promoted. When I queried this, I was informed that the company got more contracts by employing more South Africans in senior positions. That is when I decided I was better off running my own business.*"

To sum up, the examples of necessity entrepreneurship, a Zimbabwean entrepreneur encountered significant challenges in securing employment in South Africa due to the lack of proper documentation. *"I relied on odd jobs like tending people's gardens during the first two years of my arrival in South Africa. Later, I got a job with an aluminium products manufacturing company. I was so good at my job that my employer applied for my permit through the Zimbabwe Documentation Process (ZDP) so that he could formally employ me. However, I was unhappy with my salary and decided to start my own business."*

These narratives highlight how professionals migrate for career advancement without intending to become entrepreneurs. However, challenging conditions in the host country often drive them toward entrepreneurial opportunities that leverage their skills.

Conversely, immigrants in the necessity entrepreneurship category provide a distinct perspective. These individuals are often not formally employed because they lack the required professional qualifications, leading them to pursue entrepreneurship out of necessity, as they have few alternatives. An example is an Ethiopian entrepreneur

who had been in South Africa for twenty-one years. He said, "*I came to South Africa 21 years ago as a political refugee and could not speak English. No one wanted to hire me because I could not communicate in English. I was eventually employed as a shelf packer at a spaza shop owned by an Ethiopian family. Although I barely survived with the salary I was getting, I still managed to save some money. I then used the money to buy things to sell on the streets until it was enough to open a clothing shop. I can tell you it is hard to get employment as a foreigner here, my brother. It is even worse when you cannot speak any local languages.*"

Another entrepreneur from Ethiopia chronicled his necessity-inspired entrepreneurial journey:" *I worked for five years for a South African who owned a clothing retail business. The business owner abruptly closed his store and relocated from Rustenburg, leaving me unemployed. Unable to find alternative employment, I used the experience gained working in the shop to sell clothes on the streets until I saved enough money to open a shop.*"

These narratives underscore how immigrants are often compelled to pursue entrepreneurship due to various challenges they encounter in their host countries. Factors such as limited job opportunities, language barriers, and discrimination significantly contribute to this phenomenon. Professionals may engage in entrepreneurial ventures that align with their skills and qualifications, while those lacking formal credentials frequently face restricted choices when deciding on a type of business to establish.

4.1.1.3 Pull Factors – Opportunity Entrepreneurship

Entrepreneurs can be categorised into two types: necessity-driven and opportunity-driven. Necessity-driven entrepreneurs are compelled to pursue entrepreneurship due to their circumstances, while many individuals actively choose to become entrepreneurs after identifying business opportunities in South Africa. This is referred to as opportunity-driven entrepreneurship. Participants shared insightful stories illustrating their experiences in recognising these business opportunities, which are described below.

Two Ghanaian and a Nigerian participant recounted their experiences of visiting South Africa, where they recognised business opportunities that encouraged them to pursue entrepreneurship. One of the Ghanaian immigrants established his business

right upon arrival. At the same time, the other opted to work for two years to gain experience and accumulate funds before launching his own venture.

An example of business opportunity identification in Rustenburg was illustrated by a Zimbabwean immigrant who said, "*I came to South Africa seeking employment. After failing to get work, I recognised an aluminium fabrication business opportunity. I returned to Zimbabwe, obtained a metal fabrication qualification, and then returned to South Africa to establish a business that manufactured aluminium building products. I had to be employed for a couple of years to gain experience in the field and save funds to start the business.*"

Participants from Algeria, Ghana, Nigeria, and Pakistan reported that, although they initially secured employment upon their arrival in South Africa, they never intended to seek permanent positions. Instead, their true aspiration was to become entrepreneurs. Some were encouraged by family and friends to gain work experience first to improve their English skills and learn about business management, while others focused on saving funds for their own ventures. They emphasised that their families significantly impacted the nurturing of their entrepreneurial spirit from an early age.

To exemplify this familial impact on entrepreneurship, a Pakistani immigrant operating a mobile phone retail business shared, *"I have an uncle who owns a shop also selling mobile phones. I worked for him for two years to learn how to run the business. I never intended to work for anyone because my family believes that one must own a business. South Africa has many business opportunities.*"

The Algerian participant indicated that he travelled to South Africa at the invitation of a friend who had resided there for five years and operated a business. He expressed a keen interest in the prospect of owning a business in a country like South Africa. He said, "*When I came to South Africa, I had no intentions of being an employee, but because I did not know the culture, could not speak English, and did not have funds to start a business, I had to work in my friend's business for two years. I had been a street vendor in Algeria, and there was no way I would come to South Africa to work for someone*."

The narratives emphasised how some immigrants identify and seize business opportunities in their host countries, choosing to embark on entrepreneurial ventures rather than seeking traditional employment, except as a means to raise capital.

4.1.2 Immigrant Entrepreneurial Challenges

Participants articulated the challenges they experienced as immigrant entrepreneurs. Several recurring themes emerged from the interviews, including elevated crime rates, a complex regulatory environment, and difficulties securing financing.

4.1.2.1 Crime

Almost all the participants mentioned crime as a significant challenge in doing business in Rustenburg. Crimes experienced ranged from shoplifting to armed robbery.

To highlight the level of crime in the city, a Nigerian entrepreneur in the clothes retail business said, "*As a foreign business owner, the only thing that disappoints me is crime. We close our shops earlier than we would like because we get robbed if we close late. We now pay monthly protection fees to protect our shops from being broken into. This is not right; it is killing our businesses and eating into our profits.*"

Retail business entrepreneurs in the central business district (CBD) frequently reported break-ins and robberies. They indicated that crime significantly increased their operating costs due to heightened security measures, protection fees to prevent burglaries, the need to replace stolen goods, and reduced business hours.

Ethiopian entrepreneurs specifically felt that their community was targeted by criminals who knew they often kept large sums of cash at home, as they were unable to open bank accounts without South African IDs. Additionally, they shared that the police were unresponsive, often providing no follow-up after these incidents were reported. One of them shared a robbery experience. "*Can you believe that I have been robbed twice at gunpoint? During the first incident, robbers followed and shot at me multiple times while driving from my shop. It is a miracle that I was not injured or killed during that incident. Although I reported it to the police, giving them all the details, I was told they could do nothing. The people who are supposed to help and protect us do not care. That is why these criminals do as they please. Now, we do not even bother reporting to the police; it's a waste of time*."

The narratives demonstrate that immigrant entrepreneurs are developing strategies to safeguard themselves against criminal activity, as they believe they cannot depend on law enforcement for support, perceiving the police as antagonistic towards them.

4.1.2.2 Regulations

Many participants articulated their frustration with the perceived complexity of South Africa's regulatory environment, viewing it as a significant obstacle to their entrepreneurial pursuits. They described the bureaucratic processes as slow and inconsistent, which hindered their ability to regularise their stay in the country, register their businesses, and gain access to financial services. Most shared that their interactions with authorities during the business registration process were unhelpful, and the requirements often seemed to change based on the individual with whom they dealt with, underscoring a lack of policy consistency. Consequently, some participants felt compelled to resort to bribery and, in certain instances, operated their businesses without the necessary documentation and licencing. To illustrate this point, a Ghanaian entrepreneur said, "*I face a lot of harassment from municipal officials whenever I go to their offices wanting to register my business. They require you to fill out official forms, and yet they don't want to give them to you when you request them*".

Some participants reported difficulties when applying for visas and permits, voicing their concerns about the treatment they received from Home Affairs officials. Ethiopian immigrants who arrived in South Africa as asylum seekers more than twenty years ago indicated that they still had not obtained permanent residence status, even though they qualified for it and submitted their applications over ten years ago. An Ethiopian entrepreneur who had lived in South Africa for twenty-one years lamented that he had to constantly renew his refugee status, saying, "*Every year, I must go to the Home Affairs office to renew my refugee status. There, we are harassed and made to feel worthless. They deliberately make life difficult for you, so that you can pay them a bribe. I have been in South Africa for more than twenty years, and I am still made to feel that I do not belong in this country. Not only is this frustrating, but it is also costly because I must pay for the renewal, travelling, and the bribes, not to mention that I must close my shop for the day*."

Zimbabwean emigrants received permits through the Zimbabwe Documentation Process (ZDP), but these permits did not permit them to apply for permanent residency, unlike other permit categories. Although the ZDP allowed for legal residency in South Africa, it did not grant access to services such as bank loans or government tenders, which were exclusively available to foreign nationals with South African IDs obtained through permanent residency or citizenship. To illustrate this

point, a Zimbabwe entrepreneur reported, "*I cannot get government tenders because I do not have a South African ID. South African companies subcontract me to work on government tenders because of my skills. I am a better-skilled electrician than most, but I cannot get tenders from the government because I am not South African. South African contractors get tenders, but they have no clue about the work. They end up paying us peanuts to do the work for them. What can I do? I do not have the papers, and I need the work.*"

These narratives underscore the ways in which regulatory constraints encountered by immigrants not only hinder their ability to reside in South Africa but adversely impact the successful operation of their businesses.

4.1.2.3 Access to Finance

Many immigrant entrepreneurs seek to grow their businesses and create additional jobs but frequently encounter challenges in securing funding. Participants identified a key obstacle: obtaining financial support for expansion. Many entrepreneurs struggle to access assistance from local banks and investors. The absence of South African IDs, business registration certificates, collateral, and credit history exacerbate this obstacle. Consequently, they often depend on personal savings or their networks for capital, as most financial institutions are reluctant to offer support.

An example of this problem is illustrated by an entrepreneur from Zimbabwe who owns a school and spoke about how she had failed to expand her school due to a lack of funds. "*Parents have been begging me to expand the school because we have few classrooms. They can see the value of what I am doing, but I cannot; I do not have the funds. It is frustrating to have a dream and not be able to fulfil it. Education is my passion, and it is my dream to have every child get a quality education, but if I do not get funding, it will remain just a dream.*"

A Zimbabwean immigrant who manufactures aluminium products also complained about how lack of funds was hampering his business expansion efforts, saying, "*If I can get funding, I will (be able) expand my business, employ more people, and pay more tax, which would also benefit South Africa. Banks do not even want to talk to you about loans if you do not have a South African ID*."

Financing is a widespread challenge for businesses; however, this issue is exacerbated for immigrant entrepreneurs. These individuals frequently lack the requisite documentation and credit history to secure bank loans, which hampers their

ability to grow and formalise their enterprises. Consequently, this limitation hinders their capacity to make meaningful contributions to the economy.

4.1.3 Business Establishment and Networks

This section explores immigrants' entrepreneurial intentions, sources of capital, and the resources they utilise to establish their businesses. Although existing literature indicates that immigrants are often influenced by the culture and experiences of their home countries when pursuing entrepreneurship, this study did not observe significant evidence of this phenomenon. The limited entrepreneurial experience that some immigrants had prior to migrating to South Africa was primarily in street vending. Most individuals embarked on their entrepreneurial journeys after arriving in South Africa. Some migrated soon after completing their education without any prior work experience, while the majority held jobs in their home countries. This study highlights that for most immigrants, the entrepreneurial journey begins in the host country, which offers more favourable business opportunities than their countries of origin.

This research indicated that the majority of immigrants relied on their savings to launch businesses. Some received financial support from their home countries and ethnic networks, while a few secured funding through street vending. Ethiopian entrepreneurs emphasised that their community offers assistance to those aiming to start a business by providing both funding and logistical support. However, these funds must be repaid within an agreed-upon timeframe to ensure that other immigrants can also access them. One of them said this about their networks, *"The Ethiopian community in South Africa is mainly made up of asylum seekers. Most do not seek formal employment but will establish businesses through our networks. The banks will not fund us, so we must rely on each other to ensure the success of our businesses. Honesty is an essential part of our community. If you receive assistance, you must pay it back because the next person also wants to use it*."

Similarly, Nigerian, Ghanaian, and Pakistani entrepreneurs indicated that while they initially relied on personal funds to start their businesses, they received significant support from their co-ethnic networks. This assistance encompassed financial backing, access to business premises, merchandise, and essential advice on managing a business in South Africa, especially during their initial settlement in the country. For example, an immigrant from Pakistan stated, "*My uncle taught me everything about the cellphone business, where to buy cheap merchandise, how to*

speak to customers, and how to deal with government officials. Even when I was ready to start my own business, he loaned me merchandise and offered a corner of his shop to operate from until I was ready to open my own." Without my uncle's assistance and other people from my home country, I would not have been able to have my own business. Even now, we rely on each other for assistance."

All female entrepreneurs interviewed reported that their spouses had played a crucial role in supporting them during the establishment of their businesses. One entrepreneur from Zimbabwe who operates in the transport sector, provided insights into this dynamic, *"My husband loaned me the money to buy my first minibus and for the day-to-day expenses until I could break even and start generating income from my business.*"

Entrepreneurs operating in specialised businesses such as manufacturing, engineering, and education relied on their expertise and work experience to establish their businesses. For example, a Zimbabwean entrepreneur in a business consultancy said, "*Before coming to South Africa to establish my business, I worked for seven years in Australia doing consultancy work. The networks and skills I acquired there made it easy to start this business here. I was able to call upon experts in the field from Australia so that I could offer specialised services that my competitors could not offer here in Rustenburg.*"

An entrepreneur from Ghana revealed that he had received assistance to start his business from a lady from his church. "*A white elderly lady from my church helped me start my business. I often talked to her after church, and she was interested in what I was doing. I told her I was working at a friend's hair salon and wanted to open my own but lacked the funds to do so. She asked me how much I needed. When I told her, she eventually gave me the money. Without her, it might have taken me longer to start my business. I have realised that in life, the network of people you have determines whether you succeed or not*."

The interviews indicated that immigrants need to have specialised skills or valuable networks to launch their businesses successfully. Participants noted that they often relied on their relationships to secure the resources essential for establishing their ventures. This emphasises the vital role that networks play in the success of immigrant entrepreneurs.

4.2 Discussion

This research concentrated on an important issue in South Africa, aiming to provide nuanced insights into the social and economic dynamics influencing the entrepreneurial activities of immigrants. The study addressed key research questions to deepen our understanding of this critical phenomenon.

First, it examined the factors that motivate immigrants to pursue entrepreneurship upon their arrival in South Africa. The findings indicated that most of these immigrants are either pushed or pulled into entrepreneurship. This observation is consistent with existing literature, which suggests that an individual's circumstances can drive them away from traditional employment (push factors) or draw them toward entrepreneurial opportunities (pull factors) (Asoba & Mefi, 2020; Cobbinah & Chinyamurindi, 2018).

The study identified a significant distinction among immigrant entrepreneurs, focusing on two primary types: necessity-driven and opportunity-driven entrepreneurship, especially within the group of formally qualified professionals (Duan et al., 2023). Many of these individuals faced workplace discrimination, which prompted them to recognise opportunities that aligned with their expertise. Instead of seeking alternative professional employment, they opted to pursue entrepreneurship. This contrasts with immigrants lacking formal qualifications, who often find their options limited and are consequently pushed into necessity-driven entrepreneurship (Malerba and Ferreira, 2021).

Additionally, some individuals were able to identify entrepreneurial opportunities from the outset and actively choose to embark on this path.

The concept of being both pushed and pulled into entrepreneurship noted in the group of formally qualified professionals offers a unique perspective on immigrant entrepreneurship. It illustrates how their circumstances shape a distinct viewpoint that diverges from the traditional understanding of entrepreneurship as being driven solely by opportunity or necessity (Boudreaux & Nikolaev, 2019; Cervelló-Royo, 2020).

Research shows that immigrant entrepreneurs in South Africa face a unique set of challenges different from those faced by native entrepreneurs, and this prevents them from realising their potential (Mago, 2023). This study investigated the challenges encountered by immigrant entrepreneurs in Rustenburg and the

strategies they employed to overcome these obstacles. While a variety of issues were identified, three emerged as particularly significant: crime, regulatory constraints, and access to finance. Although these challenges are prevalent among entrepreneurs of all backgrounds, immigrant entrepreneurs reported that their lack of South African documentation intensified these difficulties. For instance, Ethiopian entrepreneurs felt particularly vulnerable to criminal targeting because of their nationality.

Many immigrant entrepreneurs voiced concerns about the bureaucratic red tape they faced when attempting to register their businesses and regularise their residency in South Africa. This suggests that the regulatory environment may be discouraging immigrants from engaging in entrepreneurship (Azoulay et al., 2022; Chodavadia et al., 2024; Kerr & Kerr, 2020). The immigrant entrepreneurs interviewed mitigate these obstacles by relying on their resources, networks, and ingenuity. In contrast, research indicates that other countries often adopt policies designed to facilitate and support immigrant entrepreneurship, recognising its vital contribution to the economic development of host nations (Azoulay et al., 2022; Chodavadia et al., 2024; Kerr & Kerr, 2020). If immigrant entrepreneurs can get assistance and support from authorities, they will likely succeed in their entrepreneurial endeavours.

In addition to the above, the study explored how immigrant entrepreneurs navigate their distinct challenges to acquire the necessary resources to establish and sustain their businesses (Glinka et al., 2023). The research findings indicated that immigrants who embarked on entrepreneurship out of necessity relied heavily on their co-ethnic social networks, including family, friends, and acquaintances, to obtain resources for their business ventures (Battisti et al., 2022). In contrast, immigrants with formal qualifications leveraged their expertise to establish niche businesses, drawing more on their human capital and knowledge resources (Urban et al, 2024). These findings highlight how immigrant entrepreneurs effectively assess their needs and utilise their available resources.

Studies show that immigrant entrepreneurs are influenced by their culture and experience acquired from their home countries to engage in entrepreneurial activities (Duan et al., 2021). A few participants reported being street vendors before coming to South Africa. Most had no prior entrepreneurial experience and only started businesses in South Africa. The findings do not align with previous research that indicated prior experience is fundamental to immigrant entrepreneurship (Dabič et

al., 2020; Duan et al., 2021; Jonsson & Ouyang, 2023). In this study, there was no direct correlation between the cultural experiences from the participants' home countries and their entrepreneurial activities. Nevertheless, some participants mentioned receiving encouragement from family and friends to pursue the establishment of their businesses.

Chapter 5: Conclusion

5.1 Summary of Findings

The research project investigated immigrant entrepreneurship in Rustenburg, South Africa, to understand the motivations that compel immigrants to pursue entrepreneurial ventures rather than other available opportunities within the region. The study also aimed to identify the challenges that hinder these entrepreneurs' success and examine the factors influencing the establishment of their businesses. Based on the findings, four propositions were formulated to elucidate the observed phenomena related to immigrant entrepreneurship.

Rustenburg is recognised as a rapidly developing commercial centre in South Africa, characterised by a significant influx of immigrants from diverse backgrounds, ages, experiences, and skill sets who have settled in the area and initiated businesses across various economic sectors. The research identified that personal circumstances, including economic and political instability in immigrants' countries of origin, serve as push factors, compelling their migration. In contrast, favourable conditions, such as employment opportunities and political stability, act as pull factors attracting them to South Africa.

Immigrants in South Africa engage in entrepreneurship for various reasons, frequently driven by necessity due to limited job opportunities and workplace discrimination. The study distinguishes between two forms of necessity entrepreneurship.

The first group comprises immigrants with professional qualifications who were initially employed but felt compelled to establish their own businesses due to workplace discrimination. While they had the option to seek alternative employment, they opted to pursue entrepreneurial opportunities that aligned more closely with their qualifications.

The second group includes individuals lacking formal qualifications who face a scarcity of job prospects and are thus compelled to engage in necessity entrepreneurship.

In contrast, opportunity entrepreneurs arrive in South Africa explicitly intending to start businesses and attain financial independence. Although they may initially take employment to accumulate the necessary capital, their primary aspiration remains centred on entrepreneurship.

Despite the divergent pathways to entrepreneurship, participants shared a common characteristic: they effectively utilised available resources to establish businesses tailored to their unique circumstances.

Nonetheless, immigrant entrepreneurs encounter significant obstacles that impede their ability to expand their enterprises and restrict their potential contribution to the South African economy. Among these challenges are rampant crime, complex regulatory frameworks, and limited access to financial resources. Additionally, the bureaucratic hurdles encountered when interacting with government officials exacerbate these difficulties.

The study highlights the critical role of social networks in the success of immigrant entrepreneurs. It reveals that these individuals rely on their networks during the initial stages of business formation and for established enterprises to secure the necessary resources for effective operation.

5.2 Implications

This research underscores several important implications. From a policy perspective, South African policymakers should consider establishing regulatory frameworks that support immigrant entrepreneurship. Evidence suggests that immigrant entrepreneurs make significant contributions to the economy and culture of their host communities. Potential policy measures could include streamlining the process for immigrants to register their businesses, expediting residency permits for those who fulfil registration and tax obligations, improving access to financial assistance, and ensuring business security. Socially, it is crucial to foster social cohesion and integration between local residents and immigrant entrepreneurs through community-based initiatives.

From an academic point of view, this research addresses a notable knowledge gap in the study of entrepreneurship in under-explored regions like Rustenburg, which has been largely neglected in previous studies. It also provides context-specific insights that enhance our understanding of how various socio-political factors—such as bureaucratic inefficiencies, corruption, and local neglect—uniquely influence the entrepreneurial experiences of immigrants in this region, presenting a different scenario compared to other areas.

5.3 Limitations and Suggestions for Future Research

The limitations outlined below present opportunities for further research.

This study was conducted with a small sample of immigrant entrepreneurs based in Rustenburg. Consequently, the findings are specific to this context and cannot be generalised to larger populations nationwide. While qualitative data provides valuable contextual insights, it lacks the objectivity and validation that comprehensive data collection and quantitative research methods can offer. Due to its objectivity and statistical rigour, quantitative research is typically more reliable and yields more accurate conclusions.

Challenges such as trust issues and language barriers hindered access to a diverse range of participants. Some individuals hesitated to engage in interviews, while others lacked proficiency in English. This limitation affected the data collection process and led to a narrower representation of immigrant entrepreneurs. It would be advantageous to employ trusted interpreters from the participants' countries of origin who are fluent in their languages to address these trust and language barriers.

The researcher employed purposive and snowball sampling techniques, which may have introduced sampling bias. Participants were not selected from a representative sample, and some may have responded in ways they believed the researcher was seeking, further exacerbating this bias. To mitigate this issue, it would be advantageous to consider quantitative research methods that utilise probability sampling techniques to reduce sampling bias.

In conclusion, this research underscores the broader issues influencing immigrant entrepreneurship in Rustenburg and South Africa. The insights gained can assist policymakers, financial institutions, and the wider community in supporting immigrant entrepreneurs as they navigate the barriers and challenges they encounter, ultimately enabling them to make meaningful economic contributions to their communities and the country.

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APPENDIX A: Participants information sheet

Dear Sir / Madam

My name is **Clarence Mutsvanga**. I am an **MBA** student at the Wits Business School of the University of the Witwatersrand, Johannesburg. My supervisor is **Prof. Amon Simba**. I am conducting a research study about **Immigrant Entrepreneurship**. The study title is **Immigrant entrepreneurship: A focus on entrepreneurs in Rustenburg South Africa**. My study will focus on what drives immigrants to start their own businesses instead of working for other people and what challenges they face in conducting their businesses in Rustenburg.

I am inviting you to participate in an interview concerning my research focus. If you decide to participate, this research study will last about an hour. The interview will take place at your premises, during your working hours and at your convenience.

With your permission, I would like to record your answers. This data will be stored in hard copy form for one year. Only the researcher will have access to the data.

During the research activity, I will need to ask for some personal information about you, including your age, gender, country of origin and level of education.

Participating in the interview will be confidential and anonymous. When I share the research study's results, I will not include your name or anything else that could identify you. With your permission, other researchers may use the data collected from this research study, but no personal information will be used or passed on.

If you decide to take part in the research study, it should be because you want to volunteer. You do not have to take part. You can stop being in the study at any time. You do not have to answer any questions if you do not want to. You will not get any direct benefits if you choose to join the research study. You will not lose any services, benefits or rights you would normally have if you decide not to join. Taking part in the research study will not cost you anything. You will not be paid for being in this research study.

The risks for this research study are no more than what happens in everyday life.

This research study will be written up as a research report. I will be happy to send you a summary of this report if you would like it.

If you have any questions during or after this research study, feel free to contact me or my supervisor using the details listed below. If you have any concerns or complaints about the ethical procedures of this research study, you are welcome to contact the University Human Research Ethics Committee (Non-Medical) at +27(0) 11 717 1408 or email hrecnon-medical@wits.ac.za.

Yours sincerely,

Researcher:

Clarence Mutsvanga, 710501@students.wits.ac.za

Supervisor:

Professor Amon Simba, Wits email, amon.simba@wits.ac.za

APPENDIX B: Consent Form for research project

Title of project: Immigrant entrepreneurship: A focus on entrepreneurs in Rustenburg South Africa

Name of researcher: Clarence Mutsvanga

I, …….., agree to participate in this research project.

I agree to the following:

(Please circle the relevant options below)

The research study was explained to me. I understand what this study is about.	YES	NO
I understand that I can volunteer to take part in the study	YES	NO
I agree that the answers I provide in the questionnaire may be used by the researcher in their research report.	YES	NO
I agree that my participation will remain anonymous (my name or other identifying data will not be used by the researcher in their research report	YES	NO

…… (signature)

…… (name of participant)

…… (date)

…… (signature)

…… (name of researcher/person seeking consent)

…… (date)

APPENDIX C: Semi-structured interview guide

Question	Response
1. **Age**	
2. **Gender**	
3. **Highest educational qualification**	
4. **Country of origin**	
5. **Type of business**	
6. **How many people do you employ**	

Section 2: Reasons for starting a business (Entrepreneurial Motivation)

1. How long have you lived in South Africa?
2. What were your reasons for coming to South Africa?
3. Have you ever been employed in South Africa?
4. How long were you employed?
5. What was the reason for leaving your employment?
6. If you were never employed, what was the reason?
7. What made you decide to start your own business?
8. Have you ever run another business before the current one? Where was this?
9. How many years in total have you been running a business other than in South Africa?

Section 3: Problems/challenges in running your business (Entrepreneurial Challenges)

10. What problems (challenges) do you face in running your business?
11. How do you try to overcome these problems (challenges)?

Section 4: Assistance in running business (Social Networks)

12. What was your source of funding when starting the business?

13. Did you receive any assistance to run your business, from whom, and what kind of assistance was it?
14. Are you still receiving any assistance to run your business, from whom, and what kind of assistance is it?

APPENDIX D: Qualitative coding

Example quote	Code	Theme
"I saw that South Africa had many business opportunities that were not available back home."	Identification of business opportunities	Reason for choosing entrepreneurship
"I recognised an aluminium fabrication business opportunity."		
"When I came to South Africa, I had no intentions of being an employee"		
"My intention from the start was to start my own business. I never wanted to work for anyone."	Desire for independence	
"I always wanted to have my own business, but initially worked to learn about the business and raise money."		
"When I came to South Africa, I didn't have a work permit, so I couldn't get a job."	Lack employment prospects	
"I worked for five years for a South African who owned a clothing retail business. The business owner abruptly closed his store and relocated from Rustenburg, leaving me unemployed."		
"I relied on odd jobs like tending people's gardens during the first two years of my arrival in South Africa."		
"I never intended to work for anyone because my family believes that one must own a business. South Africa has many business opportunities."	Encouragement from family	
"I was employed as a teacher at a local private college in Rustenburg. Although I enjoyed my job and gave my all, we would sometimes not get paid. Foreign teachers were not paid regularly."	Workplace discrimination	
"Ten years ago, mines began closing and retrenching employees, leaving the company I worked for with		

limited contracts." When our salaries were cut due to this, I quit my job."		
"I was disappointed that people less experienced than me were being promoted."		
"As a foreign business owner, the only thing that disappoints me is crime."	High crime levels	Entrepreneurial challenges
"I face a lot of challenges, but the biggest is crime. You can't grow (as a businessperson) with this crime."		
"Thieves break into our shops; it is a big problem."		
"I don't know how many times I have had to replace stolen tools and equipment."		
"Can you believe that I have been robbed twice at gunpoint?"		
"Thieves break into our shops. We must now put alarms and cameras so that they cannot get in."		
"We can't get loans to expand our business because our permits are not recognised by the banks. They want someone with a South African ID."	Difficulties in accessing finance	
"Banks do not even want to talk to you about loans if you do not have a South African ID."		
"Education is my passion, and it is my dream to have every child get a quality education, but if I do not get funding, it will remain just a dream."		
"Getting financing from banks ."		
"I cannot market my business, buy equipment, and expand my business because funds are tight."		
"Home affairs is always harassing me and my employees for documentation. They want me to pay bribes."	Corrupt officials	

“Municipality sends inspectors their workers to harass us and demand bribes.”		
“I face a lot of harassment from municipal officials whenever I go to their offices wanting to register my business.”		
“It now takes very long to renew permits”	Regulatory hurdles	
“I cannot get government tenders because I do not have a South African ID.”		
“Getting the paperwork from council (to register the business) is a problem.”		
“Every year, I must go to the Home Affairs office to renew my refugee status. There, we are harassed and made to feel worthless.”		
“It is difficult to find committed and hardworking local employees, that’s why we end up employing foreigners.”	Finding the right employees	
“Finding and keeping employees who know how to do this job is a challenge.”		
“My uncle taught me everything about the cellphone business, where to buy cheap merchandise, how to speak to customers, and how to deal with government officials."	Mentorship from experienced entrepreneurs	Sources of resources to establish and maintain businesses
“Although he didn’t give me any funds, my uncle gave me tips on how not to get into trouble here in South Africa.”		
" Without my uncle's assistance and other people from my home country, I would not have been able to have my own business. Even now, we rely on each other for assistance.”	Community referral for resources	
“Family members helped me to find places where to buy things for the shop.”		

“The banks will not fund us, so we must rely on each other to ensure the success of our businesses.”	Access to resources from family and community	
“My husband loaned me the money to buy my first minibus and for the day-to-day expenses until I could break even and start generating income from my business.”		
“When I started, I received stock from my fellow Nigerians, which I sold on the streets.”		
“My uncle helped me with everything. I also got some money from my father in Pakistan to buy merchandise.”		
“A white elderly lady from my church helped me start my business.” Without her, it might have taken me longer to start my business.”		
“I used my personal savings. I didn’t receive assistance from anyone.”	Self-resourcing	
‘I used my own funds and skills to start the business.”		
“I was hawking in the streets and used the savings from that to start my own business.”		

APPENDIX E: Project title approval

UNIVERSITY OF THE WITWATERSRAND, JOHANNESBURG

Private Bag 3 Wits, 2050
Fax:
Tel:

Reference: Ms Jennifer Mgolodela
E-mail: jennifer.mgolodela@wits.ac.za

02 July 2024
Person No: 710501
PAG

Mr C Mutsvanga
9 Nylrivier Ave
Cashan Ext 5
0299
South Africa

Dear Mr Clarence Mutsvanga

Master of Business Administration: Approval of Title

We have pleasure in advising that your proposal entitled *Immigrant entrepreneurship: A focus on entrepreneurs in Rustenburg South Africa* has been approved. Please note that any amendments to this title have to be endorsed by the Faculty's higher degrees committee and formally approved.

Yours sincerely

Mrs Marike Bosman
Faculty Registrar
Faculty of Commerce, Law and Management

APPENDIX F: Ethics Approval

Graduate School of Business Administration
University of the Witwatersrand, Johannesburg

Wits Business School Ethics Committee
Constituted under the University Human Research Ethics Committee (Non-Medical)

Ethics Clearance Certificate

Ethics protocol number: WBS/BA710501/724
This certificate is only valid with a legitimate ethics protocol number and signed by the Researcher (below).

Project title	Immigrant entrepreneurship: A focus on entrepreneurs in Rustenburg South Africa
Investigator / Researcher	Mr Clarence Mutsvanga
Nature of Project	MBA (Research Article)
Decision of the Committee	Approved, provided stakeholders and participants are guaranteed anonymity and confidentiality.
Issue Date of Certificate	04/07/2024
Expiry date	Date of submission of the project / research report
Chairperson	Dr Ayanda Magida ☎ +27 11 717 3953 ✉ ayanda.magida@wits.ac.za

Declaration by Researcher

One copy must be signed by the Researcher and returned to the Chairperson of the Wits Business School Ethics Committee.

I fully understand the conditions under which I am authorized to carry out the abovementioned research and I guarantee to ensure compliance with these conditions. Should any departure to be contemplated from the research procedure as approved I undertake to resubmit the protocol to the Committee.

Mutsvanga
Signature

05/07/2024
Date: