

Venture success attribution: directives for sponsor funding

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Abstract

This study identifies and explains the key success factors of start-up and growth ventures receiving support by a sponsor organisation. Large amounts of money to develop entrepreneurs are channelled yearly to expand sponsor businesses. No guarantee exists that the selection process gives consistent results or that the key success factors are clearly identifiable before the support allocation takes place.

The research investigated nineteen ventures associated with a specific sponsor. Entrepreneurs were interviewed based on their own specific venture, own perceptions of success factors, self-evaluated personal attributes, specific context and support services received. Although the key success factors varied, all the entrepreneurial ventures had fundamental similarities. That success is relative, and not attributable to one factor, but achieved through a range of elements are confirmed.

The value of the study is the range of contributing factors to meaningfully allocate resources. It also directs training focuses that must support sponsor programs.

Key phrases

development of entrepreneurs; key success factors; sponsor organisations or donors; support programs

1. INTRODUCTION

Not a lot has been written scientifically about the phenomenon of sponsorship and small business according to Flynn (1993:39) and this statement still holds true for today. However, the phenomenon on sports and events sponsorship is widely researched. Large amounts of money have been channelled to the development of the unemployed to address job creation. Much donor funding that is directed towards “social upliftment”, is, however, applied in such a way to benefit the sponsor organisation through the increase of turnover and product sales. Sponsor organisations often believe such programs to be part of their so-called “pursued advantage” and therefore do not share such information voluntarily.

Social responsibility programs, thus, often create self-benefit as it expands business for sponsor organisations. This phenomenon is not only relevant to BRICS countries but generally used to address unemployment across the world. Still there is no guarantee that the funding process gives consistent results or that the key success factors are clearly identifiable before the support allocation to beneficiaries.

Current theories of small business growth and success describe the selection of entrepreneurs for donor funding insufficiently. Shepherd, Zacharias and Baron (2003:382) suggested that even venture capitalist performance in identifying potentially successful new ventures did not linearly increase with experience. Explanation of the factors associated with success seems hard to achieve especially when one wants to use it in decision making for resource allocation. While sponsor funding perspectives are not well reported, venture capitalists face similar questions and have been well researched.

2. BACKGROUND AND CONTRIBUTION OF THE STUDY

Different global companies across the world act as sponsors in BRICS countries spending large amounts of resources over many years to develop entrepreneurs and small businesses in these regions. Often the aim of the sponsor companies is to meet their own social responsibility targets and simultaneously enlarge their product base for their own business growth. It is widely known that they regard this as part of their strategy to optimise access to markets in order to achieve market penetration.

According to Phitidis (2011:21) it is an excellent opportunity to fund businesses that feed directly into the sponsors' own supply chain and product sales. These are the businesses that will become their service providers, suppliers and customers and their future. In a South African context many of them are expected to be black-owned enterprises which will tackle a number of broad-based economic empowerment imperatives such as skills development, enterprise development and preferential procurement. Often these businesses are located in remote areas and townships targeted for economic development.

Many reasons for success of sponsor support to ventures have been suggested. These include selecting the right entrepreneurs to support, giving the right support or having the right products (Pretorius & Holtzhausen 2013: 4). There is however little scientific support for the different claims to distinguish them from pure marketing rhetoric. It is known that success and failure are complex concepts with many variables influencing them (Pretorius 2009:12). What specific factors can be attributed to the success of small business is investigated. Therefore this study attempts to explore success factors of township/nascent entrepreneurs.

If more accurate success factors can be identified it may lead to new opportunities for sponsor organisations to direct their resource application.

For large retail companies that have as one their strategies to create or sponsor small business that sell their products, it is vital to seek alternatives and additional elements associated with success that they may exploit. If alternative success factors can be identified it can lead to new opportunities for sponsor organisations to direct their resource application.

The research was designed to explore what township entrepreneurs (often originating from unemployed or necessity backgrounds) attribute their success to and also to investigate and determine whether the specific support given by sponsors contribute to their success. The sample consisted of successful entrepreneurs purposefully selected by the sponsor. The literature describes entrepreneurial success factors but finding a generic profile of these success factors seems to be difficult to prove. Venture capitalists and financing organisations still struggle to determine whom to fund or support or not and mainly falls back on selecting the “jockey” rather than the “horse”. Large retail companies who have as one of their strategies to create or sponsor small businesses that sell their products, seek alternative and additional elements associated with success that they want to exploit to ensure success.

Therefore, this study attempts to explore success factors of these typical entrepreneurial ventures. If alternative success factors could be identified it could lead to new opportunities for sponsor organisations to direct their resource application.

2.1 Venture capitalists

Numerous authors have investigated the issue of venture capital and its relationship with entrepreneurial ventures, especially in the start-up phase, with the conclusion that venture capital is an important source of finance for the on-going operations of the enterprise (Ahlstrom & Bruton 2006:299; Berger & Schaeck 2011:1; Hsu 2007:722).

Although viewed as an important source of finance for entrepreneurial ventures, venture capital may also be a source of professional support for entrepreneurs, by filling gaps and helping business founders with aspects relating to marketing strategies, customer attraction, selecting reliable suppliers and the hiring of personnel; in essence, raising further funding requires managerial/business experience and they have access to capital as well as industry knowledge (Hsu 2007:724).

This is one of the differentiating characteristics of venture capitalists, where, unlike the more traditional, more passive, forms of bank financing, venture capitalists “arrange for

entrepreneurs to receive support by creating links to suppliers and possible customers, attracting key personnel, providing strategic and marketing advice and helping in the professionalization of the enterprise” (Hsu 2007:724). Similarly, sponsor organisations have an interest over and above the basic finance provision as they pursue additional benefits (own product sales and economic expansion) from their involvement.

This evidence suggests that venture capitalists and sponsor organisations play an increasingly important role especially for SMEs by filling funding and logistic gaps, as well as assisting entrepreneurs that may have difficulty attaining access by more conventional means due to an absence of conventional track-records for marketable products, as well as a lack of assets which may be used as security for bank loans (Berger & Schaeck 2011:3).

While sponsor organisations profess different goals for involvement such as social responsibility, economic development and upliftment, many do so to indirectly benefit their own growth by expanding their product markets. The research in this study attempts to determine some understanding about the effect of such programs.

2.2 The contribution of the study

It is important to investigate the entrepreneurs who were selected as extension of the sponsor organisation business and operating in their system. Do these entrepreneurs attribute their success to anything specific and how is it related to the sponsor support they receive?

Knowing such factors may help to understand the development of support programs and expand the theory of entrepreneurial success and training. Explaining the relationships between the venture, the entrepreneur and context also has important practical value for training entrepreneurs. Sensitising prospective entrepreneurs and learners about these relationships can be critical for their own endeavours.

This paper starts by shortly outlining the core thoughts on entrepreneurial success factors and preconditions associated with small business start-up and success. Secondly, it explains the role of success factors in decision making of venture capitalists, banks and specifically development support organisations. Thirdly, it explains the research design. Fourthly, the study describes the findings. Thereafter, the researchers discuss the findings whilst looking for substantiation and insights from the literature. Finally, the researchers draw conclusions about:

- The role that the identified success factors can play in the identification of more entrepreneurs or ventures to extend the sponsor strategies;

- What can be included in training support given to potential future entrepreneurs?

It is doubtful whether there is a single cause for the success of a venture. However, there may be a combination of factors. The link between the entrepreneur, the opportunity and the context is not new to the literature (Le Roux, Pretorius & Millard 2006:51) but this research helps to better understand these interactions in the search for directives to sponsor organisations.

3. RESEARCH DESIGN

This section covers three aspects of the research design. These are the research approach, the case study as the research strategy and the research methodology. This is similar to the design that Serfontein, Basson and Burden (2009:51) describe.

Thus, the research question of this study is: What are the key success factors that successful respondents attribute their venture success to?

Therefore, the research objectives are:

- to identify, understand and describe the key success factors that respondents consider as responsible for their venture success;
- to investigate the role of support mechanisms in the success of such ventures.

These objectives are researched by answering four stated propositions (see also Table 1). These are:

- To what specific factors do respondents attribute their success; thus: Is there a generic profile that describes the respondents?
- Is there a generic profile for the sample ventures (that were identified as successful)?
- Can the role of the support received be quantified? and If so, what is it?
- Are there specific tipping points?

3.1 Research approach

The research approach was explanatory and qualitative in nature. It explains the embedded experiences and opinions of several entrepreneurs that have been purposively identified by the support program sponsor as successful entrepreneurs and start-up ventures at a micro level rather than a macro level.

Table 1 summarises the research design for this study.

TABLE 1: Research design components

Component	Description
Research aim	To better understand selection of fundable ventures
Problem	There is a lack of guidelines that sponsors organisations can use to direct funding and support services towards “successful” ventures.
Research question	What are the key success factors to which the sample ventures (ventures identified as successful by the sponsor) attribute their success?
Context	SMME environment, especially townships
Propositions*	1: The specific factors that are responsible for their success can be identified by the subjects 2: There is a generic profile for the sample ventures 3: The role of the support received can be identified and quantified 4: There are specific tipping points
Phenomenon investigated/analysed	Factors that success are attributed to Factors associated with success
Units of observation	Primary — successful ventures Secondary —support factors
Methodology	Multiple case analysis
Logic linking the data to the propositions	Entrepreneurial ventures that were deemed successful by the sponsor organisation were investigated to determine success factors and judge the role of support factors in apparent success. Successfully identifying the support factors can direct future support programs.
Criteria for interpreting the findings	Factors to which success is attributed Support factors value Tipping points (minimum levels to contribute to success)
* = Propositions are set to structure the research process in support of the research question. Research questions are converted to statements for which support (or not) is sought	

Source: Adapted based on the original design description of Yin 2003:21

In the multiple case study approach, that covers the ventures of the identified entrepreneurs with apparent success, several unanswered questions arise.

Firstly, the researchers needed to identify whether there were any factors that entrepreneurs attribute their success to and may lead to the creation of a generalisable profile that sponsors could apply to select future sponsorships.

Secondly, this study was interested in whether there were factors not necessarily identified by the respondents that could be discriminators for success. These may include external and contextual factors.

Thirdly, the researchers wanted to know the specific effects of support provided by the sponsor organisations and whether it is recognised by respondents as contributors. A by-product of the process was the identification of support elements that respondents would like to receive.

Finally, the researchers wanted to know if there are “minimum” requirements for these businesses to come into existence and grow (referred to as tipping points). These factors would suggest the minimum elements that should exist for such SME’s to become viable businesses.

3.2 Case study as a research strategy

Case studies to explain the phenomena in a real world context where the boundaries between phenomena and context are not always clear were used. Yin (2003:34), like others, (Henning 2011) suggests that the uniqueness of a situation is a sufficient rationale for using it as contributing to knowledge.

The specific cases investigated are unique because the ventures were selected by the support sponsor as classic examples of successful ventures. It was an important step forward to identify these entrepreneurs, who were willing to participate in the research. The multiple subjects created some variation that originates from the different ventures, entrepreneurs and contexts associated when investigating the status of several entrepreneurs.

The reasoning used was mostly inductive to explore the subjects’ experiences of their ventures and support received. The researchers gave a shortened version of the specific and salient circumstances and key issues of the general context in which the different ventures operate.

3.3 Research method

3.3.1 Research setting

The research investigated nineteen ventures (subjects) associated with the support sponsor and purposively selected from four regions.

Entrepreneurs were interviewed based on their own specific venture, own perceptions of success factors, self-evaluated personal attributes, specific context and support services received. Thereafter they were prompted with specific questions as described in the protocol.

3.3.2 Background and contextual setting of the venture operations

The specific sponsor organisation operates in the retail industry where it sells a range of beverages including a large variety of bottled water, fruit juices, soft drinks, energy drinks in various size containers. Its products are widely distributed. To achieve optimal market penetration its strategy of empowering small business (even to the extent of cannibalisation) has proven to be successful. However, to achieve continuous growth, there is a need to refine their strategies.

Typically entrepreneurs start out as survivalists and through sponsor support expands their ventures very slowly. When they achieve certain levels of sales they get more support such as fridges added to their deliveries. Often, the entrepreneurs start to add complementary products, especially foods. These become accessible through the expanded supply system as well a credit provision from the sponsor.

Progression of the subject development process can typically be described as follows: At start-up the subject is provided with a mobile trolley to operate at different public assembly points. Once they are successful the product range is expanded and the facility becomes semi-permanent with occupation on a daily basis. Sometimes sections of residential houses are converted into “spaza” shops where fridges are supplied by the sponsor organisations. Product range is expanded based on the turnover of the subject. At the final stage and after significant growth the subject can operate as a regional distributor for the sponsor organisation.

3.3.3 Entrée and researcher roles

The support sponsor approached the researchers to execute the research as an independent party. With the assistance of the regional representatives each subject was informed of the pending visit to their premises and the interviews. Subjects had to agree to voluntarily participate in research. The two researchers, each with their own ways of investigating and questioning, participated in the process governed by the protocol.

Both researchers gathered their own field notes during the interviews. The notes led to some interchange between the two researchers’ paradigms. This interaction of paradigms emphasised the value of the supplementary and complementary character of the two ontological positions. They investigated each venture separately to explore the success contributing factors.

3.3.4 Sampling

The support sponsor identified five entrepreneurs each in four regions where the researchers had prior knowledge of similar ventures in order to benefit from the understanding of the direct environments of the different ventures. Ventures were selected on the basis of three elements namely: sales volume growth, profit growth and employment creation. All sample ventures were regarded as “key account” small businesses that act as an extension of the sponsor company’s business.

The researchers were taken by the sponsor organisation to visit one entrepreneur at a time. The unique circumstances and general contexts of each venture were documented before interviews commenced. These include but are not limited to location, perception of activity, target market (feet) and supported by questions about demand, social development and more. A formal protocol containing the relevant questions was kept at hand.

3.3.5 Data collection methods

The phenomena the researchers investigated involved the ventures, the entrepreneurs, their thinking, experiences and decision-making on the one hand and their (subjects) attributions to success factors with their specific contexts, on the other. Therefore, the boundaries between the entrepreneur and the venture contexts were not clearly distinguishable. This meant that the researchers had to pursue several sources of evidence to find convergence. Visits lasted on average between ninety minutes and two hours with the longest visit at three hours and 10 minutes.

Because each venture was visited individually, it was possible to take photographic evidence, access documents, observe directly, access archival records (if they existed) and participant observation (sales representatives and customers) (Yin 2003:21) to optimise the evidence. Therefore, the researchers explored the all main sources of evidence to enhance the entrepreneurs’ own interpretations of the conditions of each venture and the attributions associated with each venture. When visiting the ventures, the researchers were accompanied by the local sales representative of the sponsor organisation, who could supply general information of the regional context, entrepreneur and the venture. These were used to corroborate observations.

Secondly, after the researchers held the in-depth interviews, they used the interview notes and interpretations for making sense of them. Interview protocols for each individual venture included but were not limited to:

- Tell the story of this specific venture.
- What was your role?
- Who else was involved?
- Why, in your opinion, is this venture successful?
- Barring your own perceived factors, what else contributed?
- Does your venture have any advantage over competitors?
- How do you compete?
- What support did you receive, if any? (Probe sponsor contribution.)
- In your opinion, what was the role of ...? (Different elements such as context and sponsor representative visits and more that were not mentioned initially by the respondent were included here.)
- If you were to give advice to a new start-up about what worked the best for you, what would it be?
- Biographical information.

The researchers could probe for explanations about the answers the respondents gave throughout the interviews. The researchers also made observations about competitors, location, store presentation and arrangement and more while visiting the sites.

The authors individually and separately used these by searching for key issues, insights, similarities and anomalies together with their own field notes. Once they had identified the issues, they coded them.

3.3.6 Data analysis

'Data source triangulation' (Yin 2003:98) was used to extract as much richness as possible. Through the many views of the evidence, specifically those of the entrepreneur's own version of his experiences, each venture evaluation, in-depth interview notes, the contributions of the sales representatives and checking the interpretations, the researchers identified and recorded aspects relevant to the research propositions. They mapped the success factors for each venture to understand sequences, events, effects, relations, causation, outcomes and timelines.

3.3.7 Strategies employed to ensure quality of data

As there were several sources of evidence, the researchers used both investigator and data triangulation. They recorded their individual observations and interpretations on site. They asked the entrepreneurs, as the key informants, to “judge” the researchers’ interpretations of the different issues.

As this was an explanatory study, these interviews focused on why the factors are seen as contributing to the success thus employing ‘explanation building’ to improve internal validity (Yin 2003:34). Photographic records were crucial and assisted in countering potential memory loss once the discussions and categorisations took place.

3.3.8 Reporting the findings

The findings were reported stating the key observations and responding to the research propositions individually. The style was explanatory, aiming to describe the relationships and finding support (or its lack) for the propositions. The findings are presented firstly as general description of the ventures, entrepreneurs and contexts and secondly by addressing the propositions.

4. FINDINGS

The first research objective was to identify the factors (venture, entrepreneur and context) and their relationships to the venture’s success. The second research objective was to describe the factors and respond to the propositions.

4.1 General description of the ventures, entrepreneurs and contexts

Ventures were mostly situated in different townships such as Soweto and Tembisa, – regions around Gauteng as well as Rustenburg and Vaal Triangle, South Africa. Some operated from the entrepreneur’s dwellings, where structures were established, while others operated from “proper” premises ranging from containers to established formal shops. Often the ventures were in residential areas serving residents, near schools and transit points where taxi traffic exists or where commuters pass on their way to such points.

Entrepreneurs were mainly Africans and Indians, generally with little or no formal education and who started out under “necessity conditions” such as being unemployed, forced through job loss or driven by survival needs of their families. Product contexts were mostly similar as all were retailing the sponsor organisation products (beverages) at least but also supplemented or in combination with groceries, food products and often liquor (not sponsor

organisation supplied) especially beer. Few had alternatives like night club, conference and meeting facilities.

After collecting the data, the initial 19 ventures were subjectively categorised as highly (6), medium (11) and not successful (2) despite being selected by the sponsor for the sample as successful. Criteria used included judgments on: demand, capacity to supply demand, business model, cash generation and potential caveats (fatal flaws). Two sample ventures were judged as unsuccessful for lack of or insufficient evidence of being successful based on the criteria. The two unsuccessful ventures were still investigated and served as an excellent contrast to the successful ones.

4.2 Findings linked to Proposition 1

The detailed analysis yielded some interesting but salient insights pertaining to the differences, similarities and degrees of success of the ventures (high, medium and not successful). In several cases factors were visible but at different degrees.

Similarities were found at two levels suggesting factors that were universal to most of the ventures and entrepreneurs interviewed. The medium and highly successful ventures all had reference to the following factors:

Medium success ventures are associated with the following:

- Location of the venture scored three or higher on a 5-point Likert scale.
- The entrepreneur paid himself/herself a salary as part of the cost structure.
- Showed understanding of costing basics.
- Showed understanding of management basics.
- Implemented control systems and record keeping.
- Has a formal bookkeeper or auditor.
- State that it competes /pursues advantage based on customer service.

Most successful ventures are associated with the factors above but additionally had additional distinguishing factors including:

- All reported hard work and many hours per day as a crucial contributor to their success. Some subjects would go so far as to discourage others interested in start-up to not do so as it is “too hard”.

- Entrepreneurs are very control sensitive and employ advanced techniques such as scanners, cash registers and software to manage stock and costs. They showed personal knowledge of their basic cost structures and margins.
- Entrepreneurs focus on problem solving or finding a way to overcome any barriers they face. They would often approach them through small steps to achieve their goals.
- Are highly sensitive and responsive to changes in customer needs. While most subjects from the medium performance category recognised customer service as important, the subjects in this category took this aspect to the extreme.
- Know the competition well.
- The entrepreneurs in this category compete on differentiation – such as “I get volume discounts which I pass on to the customers, which translates into lower prices for my customers”.
- They have clear growth plans.
- They read deliberately including management and business press.
- Willingness to forego short term profits to achieve their long term plans.
- All were more formal ventures that include registration, tax paying, vat registered with bookkeeping services.

Contrary, the least successful ventures are not associated with the above but rather with the following:

- Entrepreneurs who wait for suppliers (expect assistance) to help and provide support performed the worst in the group – low action orientation.
- High levels of blame for problems and circumstances such as competitors opening near them, slow delivery, insufficient cash and more.
- Complaints – for example about demand that is low.

Several factors, in the opinion of the subjects, do not contribute to the differentiation between least and most successful ventures. These factors included support services by suppliers such as delivery, provision of equipment, such as fridges, and advertising support, such as provision of sign boards.

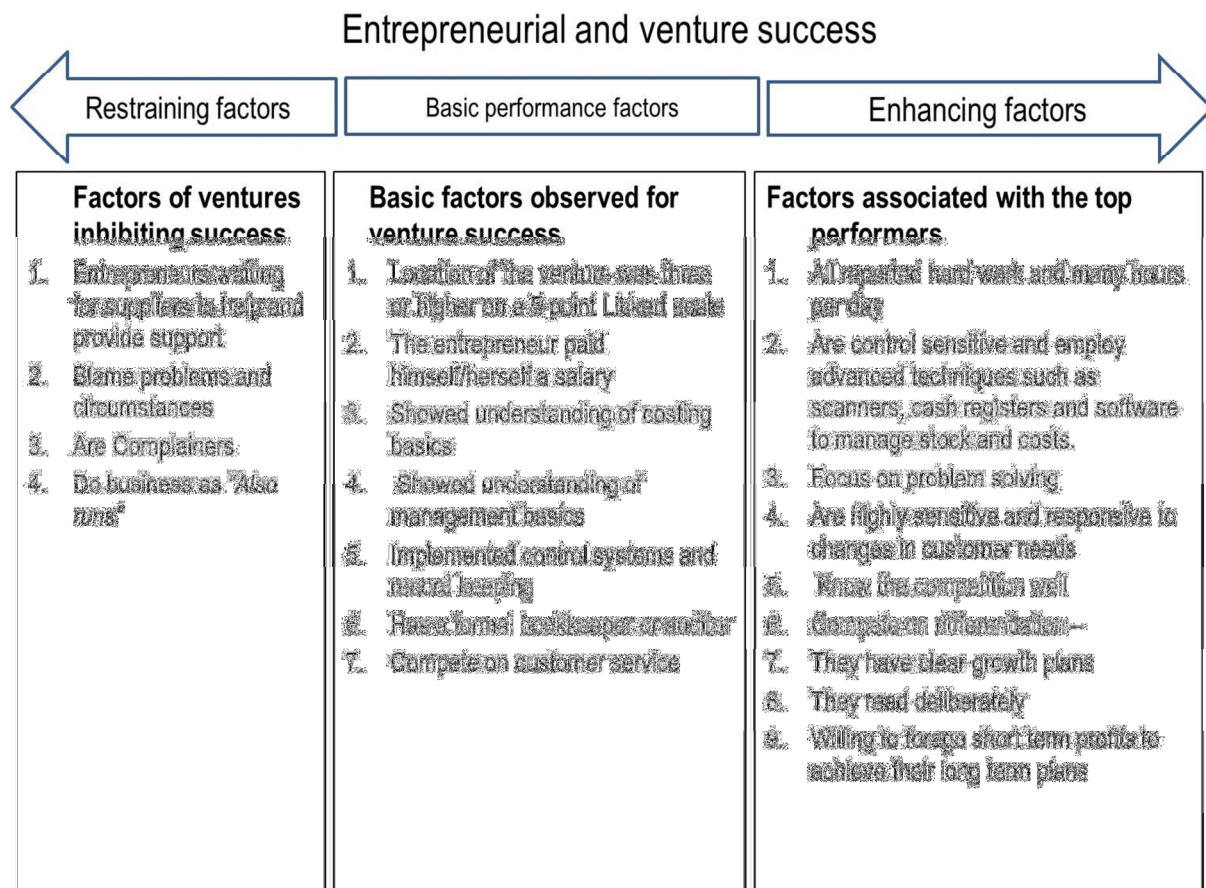


FIGURE 1: Framework for success factors of entrepreneurial ventures

Source: Authors own compilation

At the same time, subjects reported that they valued highly the credit as received from a brewing company in cases where liquor was also sold as part of the product mix. The same holds true for volume discounts but these were generally not identified as contributing to their success. The researchers however disagree radically with this perception and it rather seemed that subjects could not evaluate or judge the value of these services nor the cost implications or margin contributions thereof.

Subjects were not able to explain their apparent "success" but ascribed it to different elements including hard work, customer friendliness and sacrifice. They could not necessarily verbalise the factors contributing which left it to the researchers to interpret their comments and narratives. High levels of self-serving bias were also observed.

Therefore, the researchers found insufficient support for the proposition that the subjects could identify the contributing factors. However, interpretation of the subject responses identified three categories of factors as shown in Figure 1 were associated with the most

successful ventures and entrepreneurs as well as for the least and medium performance ventures.

4.3 Findings linked to Proposition 2

Based on the findings reported under proposition 1, there is no generic profile for the interviewed subjects whereby they could be measured. This is so because a venture's success depends on a complex configuration of entrepreneurial, venture specific and context specific circumstances. The pattern that arose from the research, however, suggests the following:

- For businesses to do well, they have to achieve similar to those categorised as the medium performing businesses. This is not different to what has been reported in the general business literature.
- Entrepreneurs excel on the path of success if they are able to master or obtain many of the elements as reported for the most successful companies. Factors such as the best location which directly impacts demand can hardly be fully controlled by the entrepreneurs that started out very small and are not first entrants to the market.
- Eliminating factors that are associated with the non-successful ventures were observable.

Thus, no support was found for proposition 2 that there is a generic profile for the sample ventures.

4.4 Findings linked to Proposition 3

Little evidence was found to suggest that support factors played a significant role in the success of the ventures based on the opinions of the subjects interviewed. While they acknowledge the role of the support from especially the supplied fridges and delivery, subjects do not emphasise its contribution to their apparent success. The reason may be that the perceived impacts are difficult for the subjects to quantify, while the "causal" relations may be indirect and therefore not visible to the untrained eye.

The most successful entrepreneurs showed a good insight into the benefits of logistic support of the sponsor as well as the value of owning vehicles for transporting goods.

One subject suggested: "I do not have a liquor licence, so the breweries won't deliver. Therefore I collect the goods myself and only distribute from my store to smaller users".

Therefore no support was found for proposition 3 that support factors can be identified and quantified. This was specifically true for the subjects while the researchers were able to judge the value of the support received.

4.5 Findings linked to Proposition 4

There appears to be three tipping points for ventures to move into the most successful category. These are:

- Firstly, achievement of insight and control over exactly what are the specific circumstances (context) of venture regarding costs, logistics and monitoring the finances of the process. These entrepreneurs monitor these issues themselves, thereby taking charge of the business by being present in the business most hours of the day.
- Secondly, when they start to think strategically about differentiating their venture, the unique positioning of its offering and how to grow the venture based on the chosen strategy, there seems to be directional movement towards being a successful venture. This is in line with the work of Urban and Motshusiwa (2014:61) that report strategic thinking to be positively related to performance.
- Finally, being willing to forego short term profits to achieve long term goals, seems to play a crucial role in the achievement of their strategy.

The tipping points described are the interpretations of the researchers. It is based on previous contextual experience and visits to similar businesses during other projects involving 40 women entrepreneurial ventures in the same regions. Support was found for proposition 4 that tipping points could be identified.

5. DISCUSSION

There was support for propositions one and four that the specific factors that are responsible for their success can be identified by the subjects and that there are specific tipping points. No support was found for propositions two and three that there is a generic profile for the sample ventures and that the role of the support received can be identified and quantified.

The findings reveal some key observations about the entrepreneurs, the contexts and the support services received. It further revealed three levels of factors associated with the levels of success namely inhibitors/ restraining factors, basic requirements and enhancing factors. This section expands on these findings.

- Firstly, there are inhibitors or restraining factors such as entrepreneur's who wait for suppliers to help and provide support, blame their problems and circumstances and those who complain.
- Secondly, there are basic requirements/circumstances that must exist. Factors such as a proper location, paying you a salary, understood costing and management basics, implemented control systems and record keeping or has a formal bookkeeper or auditor and compete on customer service.
- Thirdly, there exist factors associated with enhanced performance in ventures. The top performers reported hard work, long hours, are control sensitive and use advance techniques such as scanners, cash registers and software to manage stock. They know their customers and are sensitive and responsive to their needs. They are aware of the competitors and compete on differentiation such as giving volume discounts through to their customers. They have clear growth plans, read deliberately and will forgo short term profits to achieve their long term plans.

The three levels of factors are difficult to predict. Although the key success factors and their levels varied, all the entrepreneurial ventures had minimum levels of certain factors in order to be a player. An apparent difference between unsuccessful and successful ventures is the attitude of entrepreneurs to the available resources. Yusuf and Sloan (2013) link this to the application of effectuation processing rather than causal processing when making decisions.

For this study its application suggests that successful entrepreneurs apply such effectual decision making more often but further research should investigate this relationship.

Subjects "claimed" their own abilities, efforts and characteristics as contributing factors but underplayed the effects of basic business factors such as location, market demand, logistics, and facilities. This study confirms that success is relative and not attributable to one factor only but could be achieved through a range of elements that meet at least the minimum level requirements.

6. MANAGERIAL IMPLICATION OF THIS STUDY

The managerial implication of this study is threefold:

- Firstly, selecting the entrepreneur remains elusive so sponsor organisations should focus on contextual issues and the venture capabilities (through basic feasibility analysis). The existence of factors such as complaining and blaming can be used as

“red flags” regarding the individual especially when used as heuristics during the application or selection phase.

- Secondly, the tipping points suggest a progression of development in a venture and should therefore guide training to be incorporated by the support sponsor. Business educators should also realise the opportunity for learning from these tipping points. Success and failure case studies lend themselves to this purpose (Forbes & Pavone 2006:561).
- Finally, an additional observation from the researchers is noteworthy. This is that they presented the provisional findings of this research to the sponsor, advanced trainees as well as academics. The findings resonated well with both sponsor and academics during these presentations while trainees acknowledged their existence with their own experiences. The effect of these respondents’ support was almost as if the research had received face validity as a truthful description of the reality.

7. LIMITATIONS AND FUTURE RESEARCH

There is no research without limitations. However, the case studies generated valuable insights for academics as well as practitioners. Its richness confirms the complexity of the entrepreneurial perceptions, the context in which entrepreneurs operate (Gartner, Davidsson & Zahra 2006:322) and the context of success. Future research could attempt to devise a measurement scale for “Return on support”. It may however distract from the principles professed by sponsor firms that they do it as part of their corporate social responsibility but may not be unsurpassable.

Future research may want to investigate how the successful ventures can be assisted to accelerate growth as this may be much more effective and efficient for sponsor organisations.

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