



**FACTORS INFLUENCING THE COMPETITIVENESS OF SMALL AND MEDIUM  
CLOTHING MANUFACTURING ENTERPRISES IN THE ETHEKWINI  
MUNICIPAL DISTRICT IN KWAZULU-NATAL**

Submitted in fulfilment of the requirements of a degree of Master of Management  
Sciences specialising in Business Administration in the Faculty of Management  
Sciences at Durban University of Technology

Dalisu Mhlengi Mkhize

(21648874)

September 2022

Signature

Date: 06 September 2022

Supervisor: Dr L.M Lekhanya

Ph.D. (UWC): Management, D-Tech (DUT): Marketing

## **Declaration**

I, the undersigned, Mr. D.M Mkhize, hereby declare that this dissertation is my own original work, and it has not been submitted and will not be presented at any other University for a similar or any other degree award.

—  
Dalisu Mhlengi Mkhize

## **ABSTRACT**

The purpose of this study is to determine factors influencing the competitiveness of small and medium clothing manufacturing enterprises in the eThekweni municipal district in KwaZulu-Natal. SMEs in the clothing manufacturing industry remain at lower competency. This appears to be as a consequence of a lack of knowledge and understanding of those factors that contribute to their competitiveness. The study aimed to determine which factors contribute to the competitiveness of manufacturing SMEs, while also describing how they impact these small clothing manufacturing industry enterprises in the eThekweni District Municipality of KZN.

Data were collected from different parts of the eThekweni district municipality, which include Durban central, South Coast of Durban, North Coast of Durban, and west parts of Durban. The sample consisted of 80 SME owners and managers of clothing manufacturing companies who are members of the National Bargaining Council for the clothing manufacturing industry in the eThekweni District Municipality. The research design embraces a quantitative research approach with a closed-ended questionnaire distributed to participants by the researcher. Due to lockdown restrictions posed by the COVID-19 (coronavirus) pandemic, and some participants restricting visitors, arrangements were made to receive and return the completed questionnaire through email. Data were analysed using the Statistical Package for Social Sciences (SPSS) version 27 for Windows.

Numerous factors were anticipated to challenge the competitiveness of clothing manufacturing SMEs in the eThekweni District Municipality, with cheap imports, technological advances, and a lack of competitiveness knowledge by both employers and employees amongst these.

## **Acknowledgements**

I hereby wish to express my gratitude to the following people for the support, input and motivation that enabled this work to be successfully completed:

- First and foremost, God Almighty, for making it possible for me to reach this far.
- My Supervisor, Dr Lawrence Mpele Lekhanya, for his encouragement, his WhatsApp calls and emails left and right, is the reason this study was completed.
- Special thanks to my uncle, Herman Jabulani Ngubane, for his encouragement and continuous support.
- I would like to extend my deepest gratitude to all participants (owners/managers) of SMEs in the clothing manufacturing industry for their time with data collection; without them this study would not have been finished.
- The Durban University of Technology and NRF for their financial support.
- Special thanks to Lindokuhle Senamile Ntuli for her prayers, and continuous support.
- My sincere appreciation goes to all those who have assisted me, and whom I have not mentioned.

Ngiyazibongela

## **Dedication**

I dedicate this study to my late Mother, Ntombikhona Florence Ngubane, my late Grandmother Zilondile Mkhize (MaMpungose), my late Aunt Nokuthula (Nanga) Buthelezi and of course my super supportive Uncle Jabulani Ngubane, and to everyone who supported me, from my first year at the university, till now.

## Table of Contents

ABSTRACT .....	ii
Declaration .....	ii
Acknowledgements .....	iv
Dedication .....	v
Table of Contents .....	vi
List of Tables .....	xi
List of Figures .....	xiii
List of Abbreviations and Acronyms .....	xv
<b>CHAPTER 1 .....</b>	<b>1</b>
<b>OVERVIEW OF THE STUDY .....</b>	<b>1</b>
1.1 Introduction .....	1
1.2 Background of the Study .....	1
1.3 Problem Statement .....	2
1.4 Research Aims and Objectives .....	3
1.5 Rationale of the study .....	3
1.6 Literature Review .....	4
1.6.1 Overview of South African Clothing Industry .....	4
1.6.2 Definition of Competitiveness .....	4
1.6.3 Determinants of Competitiveness .....	4
1.6.4 Competitiveness of SMEs in the South African Clothing Manufacturing Industry .....	5
1.7 Research Methodology .....	6
1.7.1 Research Design and Methodology .....	6
1.7.2 Pilot Test .....	6
1.7.3 Study Location .....	6
1.7.4 Target Population .....	6
1.7.5 Inclusion Criteria .....	7

1.7.6 Exclusion Criteria .....	7
1.7.7 Sample Size.....	7
1.7.8 Sampling Procedure .....	7
1.7.9 Measurement Instrument .....	8
1.7.10 Data Collection Method.....	8
1.7.11 Data Analysis .....	8
1.7.12 Validity and Reliability .....	8
1.7.13 Anonymity and Confidentiality.....	9
1.7.14 Ethical Consideration .....	9
1.7.15 Limitations of The Study .....	9
1.8 Structure of Dissertation/ Thesis Chapters.....	9
1.9 Conclusion .....	10
<b>CHAPTER 2.....</b>	<b>11</b>
<b>LITERATURE REVIEW .....</b>	<b>11</b>
2.1 Introduction .....	11
2.2 Overview of SA Clothing industry.....	11
2.2.1 Overview of SA Clothing manufacturing industry using macro- environmental analysis .....	13
2.2.2 Overview of SA Clothing industry using Porter's five forces.....	18
2.2.3 The contribution of SWOT analysis to SME competitiveness .....	23
2.3 State of South African SMEs.....	25
2.4 Definition of Competitiveness.....	26
2.4.1 Determinants of Competitiveness .....	27
2.5 Factors Contributing to Competitiveness.....	30
2.5.1 Labour Cost .....	30
2.5.2 Firm Size.....	30
2.5.3 Foreign Investment .....	30

2.5.4 Working Conditions.....	31
2.5.5 Human Capital .....	31
2.5.6 information technology and innovations.....	32
2.5.7 Access to Finance and credit.....	33
2.5.8 Internationalisation.....	34
2.6 Competitiveness of SMEs in the South African Clothing Manufacturing Industry .....	35
2.7 Sustaining competitiveness through the resource-based view.....	36
2.8 Porter's Generic Strategies .....	37
2.9 Conclusion .....	39
<b>CHAPTER 3.....</b>	<b>40</b>
<b>RESEARCH METHODOLOGY.....</b>	<b>40</b>
3.1 Introduction .....	40
3.2 Research Design and Methodology .....	40
3.3 Research Objectives .....	40
3.4 Development of Questionnaire.....	41
3.4.1 Content of the questionnaire.....	41
3.4.2 Pilot Test.....	41
3.5 Study Location .....	42
3.6 Target Population .....	42
3.6.1 Inclusion Criteria .....	43
3.6.2 Exclusion Criteria.....	43
3.7 Sample Size .....	43
3.8 Sampling Procedure.....	43
3.9 Measurement Instrument .....	44
3.10 Data Collection Method.....	44
3.11 Data Analysis.....	44



3.12	Validity and Reliability .....	44
3.13	Anonymity and Confidentiality .....	45
3.14	Ethical Consideration .....	45
3.15	Study Limitations.....	46
3.16	Conclusion .....	46
<b>CHAPTER 4 .....</b>		<b>47</b>
<b>DATA ANALYSIS, PRESENTATION AND DISCUSSION .....</b>		<b>47</b>
4.1	Introduction .....	47
4.2	Section A: Presentation of Results (Business Activities).....	47
4.3	Section B: Analysis.....	52
4.4	Factor Analysis.....	76
4.5	Cronbach’s Alpha .....	78
4.5.1	Validity and Reliability .....	78
4.6	Pearson’s Chi-Square Test .....	79
4.7	Conclusion .....	83
<b>CHAPTER 5 .....</b>		<b>84</b>
<b>RECOMMENDATIONS AND CONCLUSIONS.....</b>		<b>84</b>
5.1	Introduction .....	84
5.2	Summary of Key Findings .....	84
5.3	Literature Review Findings.....	86
5.4	Conclusions.....	88
5.5	Implications of The Study .....	90
5.6	Recommendations .....	90
5.7	Suggestions for Further Research .....	91
5.8	Conclusion .....	92
REFERENCES.....		93
APPENDICES.....		112

Appendix 1: Letter of Information and Consent Letter.....	112
Appendix 2: Gatekeeper Letter .....	116
Appendix 3: Questionnaire.....	117
Appendix 4: Proposal Approval Letter.....	120
Appendix 5: Ethical Clearance Letter.....	123
Appendix 6: Turnitin Report .....	124
Appendix 7: Editor’s Letter .....	130

## List of Tables

Table 4.1: Area of respondents .....	47
Table 4.2: Type of business .....	48
Table 4.3: Number of employees .....	49
Table 4.4: Number of years in business .....	50
Table 4.5: Competitors .....	51
Table 4.6: Intense competitor pressure .....	52
Table 4.7: Lower production costs.....	53
Table 4.8: Lack of knowledge.....	54
Table 4.9: Access to market.....	55
Table 4.10: SMEs find the industry extremely competitive .....	56
Table 4.11: SMEs need industrial machines to stay competitive.....	57
Table 4.12: Lack of competitiveness .....	58
Table 4.13: Global factors hinder SME growth.....	59
Table 4.14: Cheap imports harm clothing manufacturing industry growth.....	60
Table 4.15: Unreliable raw material suppliers harm the growth of competitiveness.....	61
Table 4.16: Gaining competitiveness can be an excellent tool for SMEs .....	62
Table 4.17: Changes of customer expectations and needs.....	63
Table 4.18: Technological developments and market globalisation .....	64
Table 4.19: Internationalisation has been considered by participants .....	65
Table 4.20: Poor use of information technology by respondents.....	66
Table 4.21: Cheap labour costs can help respondents .....	67
Table 4.22: Rapid advances in ICT .....	68
Table 4.23: Access to finance .....	69
Table 4.24: Political, economic, social, environmental, and legal factors .....	70
Table 4.25: National minimum wages .....	71
Table 4.26: Outsourcing productions as a strategic tool for participants .....	72
Table 4.27: Government regulations limit participants to gain competitiveness .	73
Table 4.28: Mismanagement of cash .....	74
Table 4.29: Cheap labour and less cheap imports to help participants .....	75
Table 4.30: KMO and Bartlett's Test .....	76

Table 4.31: Human Capital.....	77
Table 4.32: Cheap Imports.....	77
Table 4.33: Reliability Statistics.....	79
Table 4.34: Pearson's Chi-Square Test .....	80-82
Table 5.1: Main Findings on Statistical Tests .....	86

## List of Figures

Figure 2.1: PESTEL Analysis .....	14
Figure 2.2: Porter's Five Forces Model.....	19
Figure 2.3: Swot analysis .....	23
Figure 2.4: Porter's Generic Strategy Model .....	37
Figure 3.1: Map of eThekweni Municipality District of KZN .....	42
Figure 4.1: Area of respondents .....	48
Figure 4.2: Type of business .....	49
Figure 4.3: Number of employees .....	50
Figure 4.4: Number of years in business .....	51
Figure 4.5: Competitors .....	52
Figure 4.6: Intense pressure of competitiveness .....	53
Figure 4.7: Lower production costs .....	54
Figure 4.8: Lack of knowledge.....	55
Figure 4.9: Access to market.....	56
Figure 4.10: SMEs find the industry extremely competitive .....	57
Figure 4.11: SMEs need industrial machines to stay competitive.....	58
Figure 4.12: Lack of competitiveness .....	59
Figure 4.13: Global factors hinder SME growth.....	60
Figure 4.14: Cheap imports harm clothing manufacturing industry growth.....	61
Figure 4.15: Unreliable raw material suppliers harm the growth of competitiveness.....	62
Figure 4.16: Gaining competitiveness can be an excellent tool for SMEs .....	63
Figure 4.17: Changes of customer expectations and needs .....	64
Figure 4.18: Technological developments and market globalisation .....	65
Figure 4.19: Internationalization has been considered by participants .....	66
Figure 4.20: Poor use of information technology by respondents.....	67
Figure 4.21: Cheap labour costs can help respondents .....	68
Figure 4.22: Rapid advances in ICT .....	69
Figure 4.23: Access to finance .....	70
Figure 4.24: Political, economic, social, environmental, and legal factors.....	71
Figure 4.25: National minimum wages .....	72

Figure 4.26: Outsourcing productions as a strategic tool .....	73
Figure 4.27: Government regulations limit respondents to gain competitiveness .....	74
Figure 4.28: Mismanagement of cash .....	75
Figure 4.29: Cheap labour and less cheap imports to help respondents.....	76

## List of Abbreviations and Acronyms

CMT	Cut, Make, Trim
COSATU	Congress of SA Trade Unions
CTFL	Clothing, Textile, Footwear and Leather
DTI	Department of Trade and Industry
FPP	Full Package Production
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
ICT	Information and Communication Technology
KMO	Kaiser Meyer Olkin
KZN	KwaZulu-Natal
OECD	Organisation for Economic Co-operation and Development
PESTEL	Political, Economic, Social, Technological, Environmental and, Legal
PPE	Personal Protective Equipment
R&D	Research and Development
SA	South Africa
SEDA	Small Enterprise Development Agency
SME	Small and Medium Enterprise
SMME	Small- medium and micro-enterprise
SPSS	Statistical Package for Social Sciences
SWOT	Strengths, Weaknesses, Opportunities, Threats
UKZN	University of KwaZulu Natal
WTO	World Trade Organisation

# **CHAPTER 1**

## **OVERVIEW OF THE STUDY**

### **1.1 Introduction**

The clothing manufacturing industry is of great significant because of its substantial contribution to economic growth, job creation and innovation. According to Ambe and Matsoma (2017), the clothing manufacturing industry has been a key to the economy by employing low-skilled employees; it is one of the oldest sectors in the world. Locally, the South African clothing manufacturing industry has been faced with international competitiveness since 1994, due to authorised trade with other countries.

Satapathy (2020) stated that although the drive to promote and support products “made in South Africa”, South African clothing retailers are under a growing pressure, mainly due to international competitiveness, cheap imports from international countries such as China, which makes clothing manufactured in South Africa (SA) more expensive. This has resulted in the South African clothing manufacturing industry shedding many jobs, in addition to the closure of factories.

### **1.2 Background of the Study**

According to Economic Development and Growth in eThekweni (2014: 18), the clothing manufacturing industry has been key to the economy by creating jobs that primarily employ low-skilled employees; it is one of the oldest sectors in the world. While the South African clothing manufacturing industry has been faced with international competitiveness since 1994, it is also one of the sectors in the country that has received much attention from government through funding schemes.

Hans (2019) explained that a “master-plan” to revive the textile and clothing industry was submitted to the Department of Trade and Industry (DTI) in January 2019, aiming to reshape the industry by ceasing illegal imports. Hans (2019) further stated that the SA clothing industry hopes the master-plan could be achieved by reducing the ports of entry by which illegal imports are allowed; the plan also expects to create approximately 60 000 jobs by the year 2030. Therefore, the government has supported the proposed master-plan in protecting local clothing manufacturers from foreign competitors, which would hopefully increase competitiveness.



With the world facing the COVID-19 pandemic, the SA government decided to introduce national lockdown levels with regulations that forced the clothing industry to shut down and stop most production in progress as they were not recognised as essential. Some small factories did not survive the storm. However, the industry had been struggling even prior to COVID-19, as illegal imports dominate its market. In addition, while SA is no longer competitive in the clothing industry, it can rebuild through government intervention (Satapathy 2020).

As a result, small and medium enterprises (SMEs) in the SA clothing manufacturing industry still face intense pressure to maintain competitiveness. Nonetheless, these small enterprises remain at lower competency.

### **1.3 Problem Statement**

SMEs are regarded as a significant contributor to economic growth, job creation, and innovation. While SMEs contribute to large firms as suppliers, they need to cope with factors that contribute to their viability to maintain competitiveness (Taçoğlu, Ceylan and Kazançoğlu 2019). SMEs are also highly flexible, enabling them to respond quickly to market and customer needs.

However, SMEs in the clothing manufacturing industry continue to face intense pressure to maintain competitiveness. This is contributed to inadequate government regulations that have resulted in increased cheap importation from international markets, hence affecting local competitiveness, while SMEs are incapacitated. This seems to stem from a lack of knowledge and understanding of the factors that contribute to their competitiveness (Lekhanya and Visser 2016: 73).

Nonetheless, Thulo (2019) stated that the 2018/19 SME South African report revealed some contributing challenges for SMEs, such as access to markets, with 52 percent of SME owners saying they need much assistance in this area. Furthermore, entrepreneurs find the industries they are operating in highly competitive. In addition, South African SMEs face competitive pressure from illegal imports, poor planning, and poor cash flow, while inefficient management skills have remained a critical factor that hinders their ability to grow and achieve competitiveness (Mugo, Kahuthia and Kinyua 2019: 136).

Furthermore, even before the coronavirus outbreak and national lockdown, SA SMEs in the clothing industry struggled to maintain competitiveness (Kalidas, Magwentshu

and Rajagopaul 2020), highlighting the pressure COVID-19 put on their operations and competitiveness. Hence, the inability of these small enterprises to cope with competitive standards that change radically is also due to changing customer needs and expectations, technological developments, and market globalisation (Sitharam and Hoque 2016: 279). SME growth and achieving competitiveness are increasingly dependent on the ability to cope with changing factors that contribute to their competitiveness.

#### **1.4 Research Aims and Objectives**

The aim of this study is to determine factors influencing the competitiveness of small and medium clothing manufacturing enterprises in the eThekweni municipal district in KwaZulu-Natal (KZN).

To achieve the aim of this study, the following objectives are pursued:

- To identify factors contributing to the competitiveness of SMEs in the clothing manufacturing industry at the eThekweni municipal district in KZN.
- To investigate how factors of competitiveness influence SMEs in the clothing manufacturing industry at the eThekweni municipal district in KZN.
- To assist the SMEs of the eThekweni municipal district in KZN within the clothing industry with improving the understanding of factors affecting their competitiveness.
- To suggest and recommend relevant measures that could be employed to improve the competitiveness of SMEs in the clothing manufacturing industry at the eThekweni municipal district in KZN.

#### **1.5 Rationale of the study**

As the SA economy opens to international competition, firms must collaborate and pool their resources to meet the intense competitiveness challenges that emerge (KZNCTC 2017). The study will contribute to the body of knowledge of SME competitiveness, particularly in the clothing manufacturing industry. In addition, the research will be helpful to SMEs in clothing manufacturing by guiding them in making informed decisions regarding competitiveness.

Furthermore, the study intends to enable SMEs to grow, as the research will support SMEs in making strategic decisions concerning competitiveness factors and thus increase their level of competitiveness.

## **1.6 Literature Review**

### **1.6.1 Overview of South African Clothing Industry**

Nattrass and Seekings (2019: 2) stated that the SA clothing industry, which also forms part of the SA manufacturing industry, is labour-intensive and plays a crucial role in the country's economic growth by creating jobs. The Organisation for Economic Co-operation Development (OECD 2019) reported that the clothing industry is collectively responsible for most employment (90 percent) and value-added (80 percent) to the Clothing, Textile, Footwear and Leather (CTFL) industry. This industry employs approximately 95 000 workers, contributes eight percent to the manufacturing Gross Domestic Product (GDP) and nine percent to the overall GDP of SA. The experience of the SA clothing industry is much as that of other countries such as Bangladesh (Hossian, Kabir and Latifee 2019: 46). For instance, the manner and rate at which competition escalated at an elevated level both locally and internationally after 1994, when the industry re-joined the global economy.

### **1.6.2 Definition of Competitiveness**

Competitiveness means being able to win or be the best in the market in comparison to others of the same kind. Blas (2018) added that it is the ability of competing more successfully than others, while Martinović (2018: 178) defined competitiveness as "the ability of a firm to produce a unique strategy that adds value to its success". Bismala and Handayani (2017: 417) and Prasada *et al.* (2020) described competitiveness as derived from value creation; it is thus a tool used to create the value of the business and a barrier for competitors.

### **1.6.3 Determinants of Competitiveness**

According to Mastamet-Mason and Mbatha (2018: 144), the "determinants of competitiveness are Porter's factor conditions, which refer to inputs necessary for production to occur and conducive for a company to gain competitive advantage". As explained by Ergashxodjaeva *et al.* (2018), the competitive advantage of the enterprise is mainly dependent on the competitive environment created in the enterprise. Guan *et al.* (2019) state there are numerous means an enterprise can use to determine a competitive environment, adding that "factors of production are essential for the enterprise's competitiveness" (Guan *et al.* 2019: 7). A study by Matruty, Franksisca and Damayanti (2018) shows that improvement in living standards is considered a contributing factor in accelerating demand.

## **Factors Contributing to Competitiveness**

Although labour cost is one of the significant variables influencing the competitiveness of the industry, Taylor *et al.* (2021) further deliberated that labour costs impact the sector's performance in many ways, such as lack of exports, as experienced by the South African clothing manufacturing industry. Bibi *et al.* (2020) investigated the relationship between firm size and innovation, with the results indicating that firm size and creation positively influence a firm's competitiveness. In addition, Führer and Michel (2004: 251) maintained that the size of a firm could be used as the key determinant of cooperative competitiveness. Sibiya and Kele (2019: 14) find the importance of international market expansion by SMEs and stresses some challenges in accessing the foreign markets, these include a bureaucratic red tape hinders SMEs to access foreign markets.

Moreover, informal recruitment, lower wages, longer working hours, and unsafe working conditions remain as obstacles to achieving better working conditions (Islam and Islam 2018; Khan *et al.* 2020). Muda and Rahman (2016) also stressed the importance of human capital to the business world, while Susanto and Wasito (2017: 283; 284) reviewed that the application of technological innovations is essential to ensure continuous improvement, hence, to achieve competitiveness. SMEs strongly depend on finance to grow, restructure, and innovate, with finance still seen as the key to any business becoming successful.

### **1.6.4 Competitiveness of SMEs in the South African Clothing Manufacturing Industry**

It is asserted by Mohan (2018) that competitiveness could be achieved by deciding the firm's resources, also known as a resource-based view, so it can be noted whether the firm has potential resources to achieve competitiveness. Therefore, the ability of the firm to build competitiveness also depends on its resources and capabilities. However, due to a lack of financial resources, the shortage of industrial machines has negatively influenced the competitiveness of SMEs in the clothing manufacturing industry. Shen (2017) stated that most SMEs are not ready for emerging technologies, such as automation, due to the lack of finance and most believing it to be cheaper to hire foreign workers instead of implementing these technologies.

## **1.7 Research Methodology**

### **1.7.1 Research Design and Methodology**

Research design and methodology can be described as the specific procedures or systematic plan which focuses on the research process. This is achieved through a specific way research data is selected, to be collected, analysed, and interpreted by the researcher (Almalki 2016: 290). Based on the market size for this study, the research design and methodology approach used comprised a quantitative research approach, which emphasises objective measurements and the statistical, mathematical, or numerical analysis of data collected through a questionnaire (Queirós, Faria and Almeida 2017).

Therefore, for this study, data were analysed using the Statistical Package for Social Sciences (SPSS) version 27 for Windows, generating graphs, and charts to illustrate findings.

### **1.7.2 Pilot Test**

As explained by Wright (2018), pilot testing is used to test the accuracy of the research approach on a small number of participants prior to it being distributed to the entire population. To reduce risk and refine the questionnaire, pilot testing was done on 10 randomly selected SME owners/ managers who did not participate in the main study. Results obtained from the pilot testing were not included in the main study.

### **1.7.3 Study Location**

The researcher selected participants in the study based on their membership of the National Bargaining Council for the clothing manufacturing industry in the eThekweni District Municipality, located in the SA province of KZN. The identified enterprises operate their clothing manufacturing SMEs in the south of Durban, to the north of Durban and Durban central, while some indicated their operations area as 'other'. These areas of operations were determined by where respondent businesses were located.

### **1.7.4 Target Population**

The target population refers to a group of people or objects the researcher requires to generalise the results of the research (Mugo, Kahuthia and Kinyua 2019: 141). According to the National Bargaining Council for the clothing manufacturing industry (2021), the council consists of 290 members of the small and medium clothing

manufacturers in South Africa, 120 members in KZN and 80 members in the eThekweni District Municipality as of May 2021. Therefore, the target population for this study was clothing manufacturers that are members of the National Bargaining Council for the clothing manufacturing industry in the eThekweni District Municipality; clothing manufacturing owners and managers were sent a questionnaire.

#### **1.7.5 Inclusion Criteria**

The term “inclusion criteria”, as Patino and Ferreira (2018) explained, refers to the target population that the researcher is willing to investigate and the group that will participate in the study. Therefore, the study was confined only to SMEs in clothing manufacturing industry at the eThekweni District Municipality of KZN that are members of the National Bargaining Council for the clothing manufacturing industry in the eThekweni District Municipality, due to time constraints and costs.

#### **1.7.6 Exclusion Criteria**

Patino and Ferreira (2018) state that exclusion criteria refer to the target population of the potential participants of the study who meet all the requirements to participate in the study but have additional characteristics that could interfere with the success of the study. According to the National Bargaining Council for the clothing manufacturing industry (2021), the council has 290 members, however, due to geographical factors, costs, and time, this study could not investigate all 290 members.

#### **1.7.7 Sample Size**

Sewraj (2020) asserted that the sampling size refers to the number of sample units selected for which data will be collected, too small sample yields unreliable results while large sample demands more resources. Therefore, to gather reliable results, the sample size for this study comprised 80 participants who are members of the National Bargaining Council for the clothing manufacturing industry in the eThekweni District Municipality.

#### **1.7.8 Sampling Procedure**

According to Elfil and Negida (2017), there are two types of sampling methods, probability, and non-probability methods. In a probability sample all individuals have a chance of being chosen for the sample, while with a non-probability sample there is no guarantee who is going to be chosen. However, non-probability methods tend to be

cheaper and more convenient. For this study, non-probability sampling was used for its convenience.

#### **1.7.9 Measurement Instrument**

Yaya (2014) states that measuring instruments refer to the method through which data will be obtained from the respondents. The measuring instrument used in this study to collect data from participants was a self-completion, 5-point Likert scaled questionnaire with closed-ended questions. All questions were developed from the literature review and objectives of the study.

#### **1.7.10 Data Collection Method**

Moises Jr (2020: 80) defined data collection as the action of gathering data using variables of interest in a way that participants can answer questionnaires. In addition, Dossetto (2020) stated that a closed-ended questionnaire is easier and quicker to answer, while it is also extremely easy to compare responses from different respondents. Therefore, a closed-ended questionnaire was used in this study to collect information from participants.

Due to lockdown restrictions posed by COVID-19 (coronavirus), which resulted in some participants restricting visitors, arrangements were made with those participants who do not allow visitors on their premises to complete questionnaires online, therefore, a link of questionnaire was sent through participant's emails.

#### **1.7.11 Data Analysis**

All data obtained from the closed-ended questionnaire were analysed using SPSS version 27 for Windows, a package designed for analysing statistical data using graphs and charts.

#### **1.7.12 Validity and Reliability**

Validity and Reliability are used, according to Middleton (2019), to measure the quality of research, however, while the accuracy of the research is used to measure reliability, the consistency of the research is used to measure validity. Therefore, to ensure both study validity and reliability, the researcher measured the results obtained from the pilot test.

### **1.7.13 Anonymity and Confidentiality**

Njogu (2019) explained that the act of keeping personal respondent information secret from the public is known as confidentiality, whereas anonymity is when respondents remain anonymous throughout the entire study. The researcher ensured not to disclose identifiable information about participants and protected their identity by not publishing respondent names; no personal details of any respondent were revealed when compiling the report. Confidentiality and anonymity were clarified in the letter of information; therefore, participants had the right to participate or withdraw from the study.

### **1.7.14 Ethical Consideration**

Obtaining consent from all participants was researchers' responsibility, protecting them from harm and maintaining confidentiality, this view is supported by Akaranga and Makau (2016), who state that ethical consideration is important in the research journey and requires that researchers should protect the dignity of their participants and publish well the information that they both agreed about.

Therefore, in this study, ethical clearance was obtained from the University Ethics Committee before the study was conducted. The researcher also assured the respondents that information provided for this study was going to be used solely for study purpose and participants were inform that they can withdraw from the study at any time.

Completed and returned questionnaires will be stored in safe storage for five years and thereafter be shredded, electronic records will be kept on the researchers' cloud software system for five years and thereafter be deleted.

### **1.7.15 Limitations of The Study**

This study did not cover all clothing manufacturing SMEs in all municipal districts in KZN and other provinces of SA and was limited to only one district municipality. Therefore, the results of the study cannot be generalised to all SA enterprises. Due to the size of the country's geographic profiles, it was difficult to research every company in every province; therefore, further research needs to include a large sample of other companies in other provinces.

## **1.8 Structure of Dissertation/ Thesis Chapters**

Chapter 1: Background and overview of the study:



Chapter 1 gives an overview of the study. Addresses the problem statement, the main aim of the study research objectives, key research questions, and rationale or significance of the study.

Chapter 2: Literature Review:

Chapter 2 provides an overview of previous research on the competitiveness of SMEs in the Clothing Manufacturing industry.

Chapter 3: Research methodology:

Chapter 3 discusses the research design and methodology, target population, sampling method, measuring instruments, data collection, data analysis, pilot testing, validity and reliability, anonymity and confidentiality, and ethical considerations.

Chapter 4: Presentation, analysis of results, and discussion of findings. Findings from the primary and data analysis will be provided in this chapter.

Chapter 5: Conclusion and recommendations:

Chapter 5 concludes with interpretations of the study findings and tentative recommendations arising from the empirical analysis. The chapter concludes with direction for future research.

## **1.9 Conclusion**

The main aim of this study is to determine factors influencing the competitiveness of small and medium clothing manufacturing enterprises in the eThekweni municipal district in the KZN province. With the study outline provided, the next chapter focuses on a review of literature pertaining to the topic and related matters.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

In this chapter, a literature review is presented to examine the theories associated with the factors influencing the competitiveness of SMEs in the clothing manufacturing industry. The purpose of the literature review is to highlight those factors SMEs use to achieve competitiveness and combine with general challenges faced by the SA clothing manufacturing industry. The study will include all aspects of the topic, for instance, the influence of competitiveness on SME growth, different theories of sustaining competitiveness, which can be used to improve competitiveness.

#### **2.2 Overview of SA Clothing industry**

While it forms part of the SA manufacturing industry, the SA clothing industry is described by Natrass and Seekings (2019: 2) as labour-intensive and by creating jobs, plays a crucial role in the country's economic growth. Most employment (90 percent) in the CTFL industry is reported to be collectively generated by the clothing industry while it is also responsible for value-added (80 percent) to the sector. Not only does this industry employ approximately 95 000 workers, it also contributes eight percent to the manufacturing GDP of SA and nine percent to the country's overall GDP (OECD 2019).

In addition, the clothing industry is one of the SA industries with a tremendous absorptive capacity for employing unskilled labour and many uneducated people. The sector believes to be in a highly competitive environment with its challenges, ranging from international imports to the shortage of raw materials, such as fabric, which has negatively impacted its ability to cope with the lower prices of imported garments.

The experience of the SA clothing industry is quite like that of other countries such as Bangladesh (Hossian, Kabir and Latifee 2019: 46), for instance, how competition escalated at an elevated level both locally and internationally after 1994 when the industry re-joined the global economy. The industry is currently affected by several issues, including managerial skills and import tariffs:

- **Managerial skills**

According to Islam and Islam (2018: 64), one of the most significant challenges for the clothing industry lies in management training and development. The rising complexity and speed of business, productivity pressures, innovation, process upgrading, chain management, strategy formulation, coordination, and information management. In addition to people development, some areas require specialised attention and development interventions for managers to meet the demands of modern business. Both management and the workforce need to pay attention to skills development for the growth of an organisation. Russel (2018) acknowledged that the shortage of skills in the clothing industry remains a challenge while finding that failure to respond to skill shortages will affect the industry's performance; the author added that improving the industry performance collectively lies between all players in the supply chain.

In addition to the lack of management skills, SA clothing manufacturers, particularly SMEs, also lack skills required at the management level. These poor management skills amongst SME owners and managers can be attributed to insufficient education and training (Leboea 2017: 58); therefore, this has reduced management capabilities in the SME sector. Lack of education and training is one reason there is an extremely high failure rate of SMEs.

- **Import tariffs**

As explained by Wardle (1996: 26), tariffs refer to the tax charged on imports. High tariffs negatively affect clothing manufacturers that source raw materials such as fabric from foreign markets. SA signed the General Agreement on Tariffs and Trade (GATT) proposal in 1994, which marked the onset of trade liberalisation in SA, with the expectation of promoting export growth and increased direct foreign investment.

In 1995, the GATT, which covers international trade in goods, led to the World Trade Organisation (WTO) creation, which superseded the international trade agreement, dealing instead with international trade rules between member nations. The Council for Trade in Goods is responsible for implementing the GATT agreement, with council members drawn from representatives of all WTO member countries (WTO 2021).

Tariff barriers on imports are significantly lower in SA, resulting in higher imports than exports and lower import tariffs on goods, which have created tight competition between SA clothing manufacturing firms and retailers, such as Mr. Price and the

Edcon Group (MSME 2020; OECD 2020). An annual report on the outlook of SME competitiveness stated that SA must increase trade access for its firms to fast-growing developing economies in order to harness growing demand (OECD 2020).

Furthermore, it is necessary to push for reduced tariffs on SA exports and remove non-tariff barriers as the SA clothing industry is lagging in terms of international competition and innovating within the organisation, which is aggravated by poor managerial skills.

### **2.2.1 Overview of SA Clothing manufacturing industry using macro-environmental analysis**

Improving the industry essentially requires an understanding of its external and internal environments to identify any hindering factors. Nonetheless, macro environmental factors affecting the clothing industry lie outside the company, and business owners have less control over these external factors, with their impact in changing them thus minimal.

To gain a better insight into factors contributing to SME competitiveness in the clothing industry, Political, Economic, Social, Technological, Environmental, and Legal (PESTEL) analysis (Figure 2.1) will be applied to determine the state of the SA clothing industry. According to Nguyen and Le (2020: 23), the six external factors that form the term PESTEL affect the function of any organisation, either good or bad. It is a strategic analysis tool used to make sense of the external environment.



**Figure 2.1: PESTEL Analysis**

*Source: Adapted from Ulubeyli and Kazanci (2018)*

### **2.2.1.1 Political Factors**

SA gained political independence after the release of former President Nelson Mandela from jail, following which SA acquired its freedom and democracy in 1994. In becoming a democratic country, SA manufacturing faces tense global competition from Asian countries such as China. In addition, most SA clothing manufacturers have been struggling to cope with global competition due to cheap imports (Wood and Bischoff 2019).

According to Jenvey (2020), the country's clothing industry has been under intense pressure since the establishment of the WTO in 2004. However, workers' rights from various sectors were a priority with the SA government and different unions. As a result, the Congress of SA Trade Unions (COSATU) and the Clothing Bargaining Council still regulate working conditions on shop floors, labourers' employment equity, and fair wages through the participation of government departments, such as the department of employment. Matthyse (2018: 17), however, stated that "The Bargaining Council and

many clothing companies are in dispute over the new minimum wage rate. Many smaller companies that are dissenting with the new minimum wage rates indicate that, should the execution be enforced, they will have to close permanently, and more jobs can be lost."

Pressures faced by the clothing industry are echoed in findings by Fundira (2016), reporting that import restrictions such as the government response on imports from China and Asia were shown to have negatively impacted on SA clothing industry due to these countries offering inexpensive and low-priced products that local enterprises could not compete with it.

Furthermore, Nieuwenhuizen (2019: 673) found that confusion caused by regulatory measures is a burden faced by SMEs in SA, with frequent changes in the regulatory environment, "the need to keep track of overlapping and sometimes conflicting regulatory requirements across multiple departments and levels of government, poor communication and access to information, and administrative inefficiencies in government departments and municipalities." All the above regulatory matters mean that SME owners and managers spend a disproportionate amount of time dealing with regulatory compliance. In addition, time spent dealing with governmental compliance, legal and regulatory red tape, and not focusing on income-generating activities represents income loss.

Nieuwenhuizen (2019) concluded that the SA Government has failed to achieve its own goal of supplying a stimulating and empowering environment for small-, medium-, and micro-enterprises (SMMEs). Therefore, more outstanding commitment is needed to implement the government's existing development plans, cease continuous increases in regulations, and focus on limiting red tape that affects SMEs.

#### **2.2.1.2 Economic Factors**

Matthyse (2018: 12) argued that SMEs contribute to many countries' economies due to their contribution to job creation. While Nguyen and Le (2020: 24) found the economic factor to be an uncontrollable factor, companies cannot change any economic impact; instead, they can prepare for any financial circumstances. Therefore, future customer spending, tax rates, exchange rates, interest rates, and the country's GDP, inflation, and employment, can be planned by assessing economic factors (Leboea 2017). The high rate of unemployment that pushes people to open a small

business to survive, not to grow, also kills the country's economy. Leboea (2017) added that tax is one of the major inhibitors for the development of SMEs. The higher the tax rate implemented by the government for SMEs, the more significant the reduction in profit.

Key economic factors affecting the clothing industry are economic growth, interest rate, exchange rate, employment, inflation, and disposable income of consumers and businesses. The MSME (2020) determined that the economic damage from the COVID-19 pandemic with lockdown regulation has left the SA economy unstable, with many economic activities forced to stop by these restrictions unless producing essential goods or services. As a result, the clothing industry's economic activity has only been limited to producing protective cloth masks. In addition, it is not easy for the SA economy to recover, due to the shortage of electricity from the power utility resulting in load shedding/reduction (MSME 2020; OECD 2020). Moreover, issues such as policy uncertainty also hold SMEs back in terms of decision-making.

### **2.2.1.3 Social Factors**

According to Nguyen and Le (2020), social factors include population groups, age, gender, and carrier attitudes; these factors should be considered as it is believed they shape fashion trends. Nguyen and Le (2020: 24) described social factors as socio-cultural aspects that affect the organizations' operation. In addition, by classifying these factors into two categories, namely demographic and cultural characteristics, the authors explain demographics as the factor that relates to the structure of populations. Schaltegger and Wagner (2017: 65-68) discuss critical social factors that companies need to consider affecting a company's performance; these include rate of employment, living and working conditions, population size, availability of skills, level of income. Tran (2020: 9) maintained that an organization needs to adapt to the community's attitude as they cannot change the above-mentioned social factors.

The SA population continues to grow, with growth in various industries such as the clothing industry. At the same time, population growth also shows that people will continue to buy clothes, and as fashion changes, they would like to buy the latest trend in the market. Hernandez (2019: 33) maintained that social factors are more related to economic factors. Companies need to pay attention to these factors to achieve higher productivity, better performance, and higher growth (Ferreira 2020: 23-24).

#### **2.2.1.4 Technological Factors**

Technological factors that are found outside the business, can influence how the business functions, and are associated with a company's systems development and improvement. As stated by Bush (2019), technological factors refer to the variables of technological trends available within the industry. Some may be favourable, and some may be unfavourable, including research and design (R&D), automation, 3D printing, and smart factories. Ferreira (2020: 24) highlighted that investing in new technologies can help businesses improve their innovations and operations. Thus, Tran (2020: 9) adds that adopting new technological factors may influence company communication with their stakeholders. It was also asserted by Phan (2021: 38-39) that technological developments continue to force businesses to change the way of doing business; for instance, technological developments have influenced many businesses to move from the traditional business world, to doing business online.

In terms of technological developments, it must be considered that SME growth may be hindered because of the limited available resources. Furthermore, Leboea (2017) established that corruption, lack of infrastructure, tight competition among SMEs, insufficient communication skills, and the lack of finance obstruct SMEs in implementing innovations.

#### **2.2.1.5 Environmental Factors**

Bush (2019) described the environmental analysis as those variables that include weather, pollution, geographical locations, and climate changes, adding that these factors usually negatively impact business. These factors could result in customer changing behaviour, their willingness to buy services or products, while the variables could also lead to a scarcity of raw materials, such as water needed to die of fabric and grow cotton.

According to Toprak and Anis (2017: 429), government and public awareness have forced companies and organizations to produce environmentally friendly; this includes reusing, recycling, and reduce waste. Giannetti *et al.* (2020) state that, for this reason, clothing manufacturing companies have focused on an environmentally friendly way of production, which includes the globalised strategy of sending all waste from cutting and trimming the fabric back to suppliers; this strategy helps suppliers who can turn the waste into new material.



The chain of minimizing waste in the clothing manufacturing industry should start with the designers; they should work closely with suppliers, ensuring accurate measurements; this means SMEs should provide proper training and education for designers to minimise waste (Silva *et al.* 2021).

#### **2.2.1.6 Legal Factors**

Bush (2019) defined the legal factor as referring to the laws and regulations that affect business operations and customer behaviour, including consumer laws and employment laws. In addition, Bush (2019) argued that inflexible SA labour legislation has led to many clothing manufacturers moving to neighbouring countries where the labour cost is lower. Bartik *et al.* (2020) agreed that some laws and regulations could restrain companies from operating normally; in reference to the SA COVID-19 lockdown. The authors added that lockdown regulations, such as the closure of businesses that do not supply essential services, can be regarded as a legal factor that resulted in many companies, specifically small enterprises, losing business, either shut down or forced to revert retrenchment. According to Nieuwenhuizen (2019: 667), however, some SA regulations negatively impact the growth of SMEs, including compliance with specific regulations not being an easy task for all small enterprises.

Syed (2020: 214-215) asserts that government and bargaining councils and workers' unions are forcing factories to comply with minimum wage legislation. Nompumelelo (2014) reported that most of these factories are operating as SMMEs and should not be compared to big formal firms. She adds that, should SMMEs be forced to pay the minimum wages, people will be retrenched, resulting in more imports entering the country.

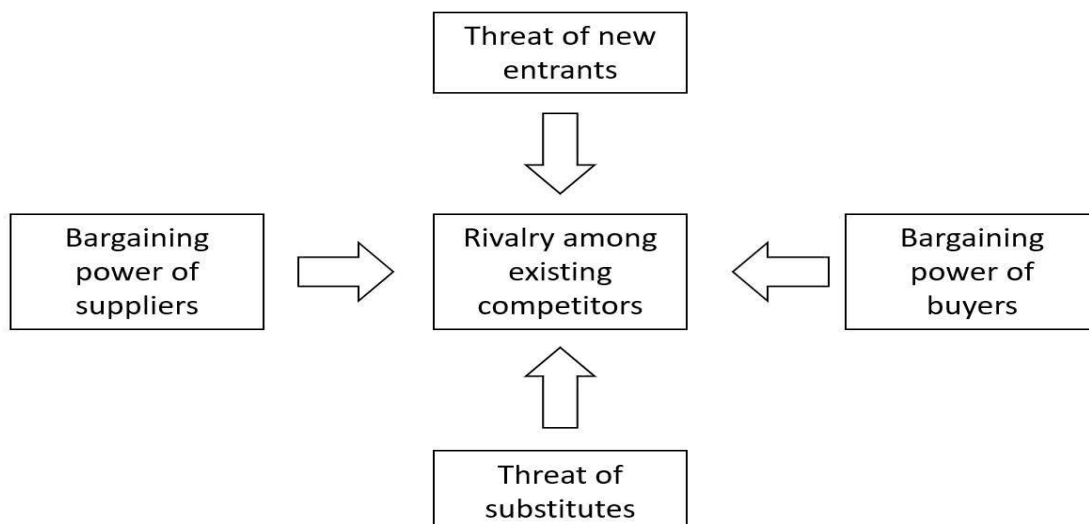
#### **2.2.2 Overview of SA Clothing industry using Porter's five forces**

Watchravesringkan *et al.* (2010: 577) found that using Porter's Determinants can help the clothing manufacturing sector achieve global competitiveness; for instance, the Thai Apparel Industry has gained global competitiveness using Porter's five forces.

Not only do Porter's five forces supply tools to analyse competitiveness, they also help to understand firm competitiveness or the industry within the market. Therefore, it is crucial to consider Porter's five forces to conclude the firm or industry's competitiveness.

According to Martin (2019), it is crucial for any enterprise to understand the level of competitiveness within its industry and this can be achieved by using Porter's five forces, which determine whether a business can gain competitiveness among its competitors in the same field or industry. Hence, Matthyse (2018: 29) described the importance of Porter's five forces in analysing the competitive intensity of a business and its profitability.

The competitiveness of SMEs is analysed by considering Porter's five forces with its dimensions of competitive rivalry, the threat of new entrants, bargaining power of suppliers, and bargaining power of customers, as well as threats of substitute products. These forces and their influence on SA SMEs (Figure 2.2) in the clothing manufacturing industry are described below.



**Figure 2.2: Porter's Five Forces Model**

*Source: Adapted from Joan Magretta (2011)*

### 2.2.2.1 Competitive rivalry

Blas (2018), on the one hand, defined competitive rivalry as competitors supplying the same market with the same products and services that have the same characteristics. On the other hand, Martin (2019) described competitive rivalry as one of the forces used to examine the level of competitiveness among existing competitors. However, Amelia *et al.* (2019: 171) explained it as the determinant a company must use to check its level of competitiveness; besides, competition may be tight or slack. Whereas tight

competition can indicate more rivalry targeting the same market share, slack competition decreases this activity.

Furthermore, Amelia *et al.* (2019: 170) argued that competitive rivalry is developed when a company feels pressure from its competitors. It was further found that factors associated with competitive rivalry include the number of competitors, industry growth, fixed costs, and differentiation or switching costs (Amelia *et al.* 2019: 170; Martin 2019). According to Matthyse (2018: 33), rivalry is intense, with companies potentially being profitable when industry growth is slow, while identical products and services can restrain a competitor to not increase their prices.

It was also asserted by Bush (2019) that although competitors within the clothing industry are producing related products, it does not restrain a competitor from increasing their prices. Assorted brands offer a competitive advantage to companies with a strong brand; therefore, brands are used to dictate price.

#### **2.2.2.2 Threat of New Entry**

Blas (2018) described a new entry as a company able to compete with other businesses by supplying the same market and identical products and services. This classifies the clothing industry as an elevated risk of new entries; barriers to entry are low, with low fixed costs and simple technology, labour intensive production, and high traceability of goods. The sector is a significant absorber of large numbers of unskilled, primarily female, workers supplying upgrading opportunities, hence, affecting the sustainability of development processes (Morris, Barnes and Kao 2016).

Nonetheless, Amelia *et al.* (2019: 171) found that, in most cases, some barriers can limit the possibilities for new competitors to enter the same industry, which among others, include the following:

- **Product differentiation**

Product differentiation can relate to a design or even after-sales service, making it difficult for new entrants to compete with existing companies. It may not be an easy task for new entrants to act quickly on product changes.

- **Brand Recognition**

This new entry barrier relates to brand loyalty and trust that an existing company has with its market. Thus, new entrants may find it difficult to compete against a well-recognized and established brand.

- **Initial capital requirement**

New companies may struggle with capital to invest in start-up costs, such as equipment and materials.

- **Access to distribution channels**

It is exceedingly difficult for new entrants to trust clients when they cannot be sold through them.

- **Government barriers**

The government may impose regulations that may limit new entries, including barriers such as license requirements, operating times, and taxes.

- **Cost advantage**

Lowering product or service prices may hinder new entrants, as it can be difficult for new entrants to gain entry by reducing their costs.

- **Economies of scale**

Producing products on a large scale can serve as an entry barrier to new companies, with these new enterprises finding it challenging to make in volume while they are fresh in the market.

According to Islam and Pattak (2017: 106), encouragement and support from the government may motivate the industry to increase export income. Gonyora *et al.* (2021: 2) further report that because there are many unutilized resources, the threat for the local market is not so high. Many scholars have asserted that factories could not reach the economies of scale and thus allow new entrants into the market (Leboea 2017; Vendrell-Herrero *et al.* 2017). Since there is high growth, the threat to new entry is negligible. Nevertheless, there is an increased threat of new entrants internationally because it is a labour-intensive industry. In addition, many countries such as China and India are trying to capture the international market with their technological and huge labour advantage.

### **2.2.2.3 Bargaining Power of Suppliers**

As Izni and Wandebori (2020: 2) explained, the bargaining power of suppliers refers to the pressure suppliers can be put on companies by raising their prices, lowering their quality, or reducing the availability of their products. This framework is a standard part of business strategy. Martin (2019) acknowledged that the bargaining power of the supplier in an industry affects the competitive environment, profit, and potential for buyers.

In addition, Matthyse (2018) argued that several suppliers determine the importance of the relationship between a supplier and firms, while other scholars identified that mutual understanding between supplier and buyer helps to grow the industry (Amelia *et al.* 2019: 173; Sithole, Sithole and Chirimuta 2018). SA clothing manufacturers are, however, not powerful where raw material such as fabric is concerned, because most rely on imported fabric, primarily from China. Moreover, SA textile factories do not have capacity to satisfy local clothing manufacturers; even though some may have the capability, prices are too high compared to imports.

#### **2.2.2.4 Threat of Substitute products**

Amelia *et al.* (2019: 171) described the threat of substitute products as a shift of customers driven by similar, cheap, innovative substitute products. Literature by Izni and Wandebori (2020) agreed that the clothing manufacturing industry from developing countries has been experiencing a decline due to cheaper international imported garments. Miao, Yushi and Borojo (2020) found that China has been exporting manufactured garments to African countries cheaply for many years. SME manufacturers find it exceedingly difficult to make and sell their products because of these cheap imports.

Kumbara (2020) determined that the relationship between substitute products and the bargaining power of buyers, is such that customers can influence firms to suppress prices and demand quality products.

#### **2.2.2.5 Bargaining Power of Buyers**

According to Bush (2019), the power of customers is an essential force as it holds the bargaining ability of buyers, who can choose to push down prices, not buy products, or switch retailers. In the case of the clothing industry, buyer power is a considerable force. In addition, Matthyse (2018) asserts that buyers in the SA clothing industry do not have much power; this is attributed to clothing manufacturers not supplying quality products at a lower price due to high labour costs. Therefore, buyers are switching to international garments that offer both quality and lower prices.

It was additionally asserted by Sithole *et al.* (2018) that firms could create value for customers and build a solid relationship to capture customer value. Thus, this can help SMEs to gain more popularity and more customers than big companies.

### 2.2.3 The contribution of SWOT analysis to SME competitiveness

According to Habimana, Mutambuka and Habinshuti (2018: 59), SWOT analysis is likely to contribute to increasing the competitiveness of an organization; understanding of firms' strengths, weaknesses, opportunities, and threats helps to make improvements and thus, improve the performance of an organization. A study by Jatmiko *et al.* (2021) showed that some other factors that contribute to an organisation's competitiveness can only be realised by conducting a SWOT analysis. Therefore, strengths and opportunities of the firm will be highlighted. Nonetheless, before developing strategies, it is essential to find both the internal and external capability of the industry or organisation. SWOT analysis has been recognised as the best tool in measuring internal and external factors.

Izni and Wandebori (2020) confirmed that a four-phased analysis, focused on strengths, weaknesses, opportunities, and threats (SWOT), is a valuable tool for understanding the current state of the organisation or industry, highlighting where improvements are required. Espinoza (2020) showed that organisations could use SWOT to find helpful factors that drive their success, while also determining harmful elements limiting their success, allowing results applicable to the planning purpose.

SWOT analysis works with four different types of environments, with strengths and weaknesses being the organisation's internal positive and negative factors. In contrast, opportunities and threats are the external positive and negative factors that affect the organization.

The difference between each of these factors is illustrated below:

	HELPFUL	HARMFUL
INTERNAL	Strengths	Weaknesses
EXTERNAL	Opportunities	Threats

**Figure 2.3: SWOT analysis**

*Source: Espinoza (2020)*

The analysis combines internal factors (strengths and weaknesses) with external factors (opportunities and threats).

According to Kanat *et al.* (2018), strengths refer to the internal activities business excels in to help achieve competitiveness. The main strength SA clothing manufacturers have, particularly small factories, is getting closer with their customers. Kanat *et al.* (2018) stated that weaknesses refer to internal factors that limit a company's ability to achieve its competitiveness.

Izni and Wandebori (2020: 4) showed that the clothing industry is open to opportunities like online sales and marketing and future integration. The SA government (2021) reports opportunities in assisting SMEs to grow. These include SEDA organizations, which offer various supporting programmes for SMEs, including information and advice referrals, grants for SMEs, technical support, and business training.

According to Naidoo (2021), COVID-19 has shaken many SMEs very badly and forced many to shut down, mainly due to the uncertainty the pandemic poses; however, some have benefited from government support as part of relief measures for small businesses.

Nonetheless, Izni and Wandebori (2020: 4) asserted that the clothing industry has a high potential for newcomers and high competencies. This corroborates findings by Kanat *et al.* (2018: 6) that external threats affecting the SA clothing industry can include factors such as the effect of climate change on the industry's resilience, with the focus impact of drought. While some SA studies stress the effects of increased load shedding and electricity cost that affect production, matters such as lack of finance, the economic crisis, and unemployment have also been investigated.

Dewa, Van Der Merwe and Matope (2020: 111) found that SMEs are more vulnerable to power cuts posed by load shedding. They lack the finance to rent or own backup generators or other alternative power-generating systems. However, while power cuts severely impact small firms during the load shedding schedule, it delays production and causes interruptions.

Clothing imports into SA have grown steadily since the birth of democracy in 1994. Some industries, such as manufacturing, see Chinese imports as a threat because they cannot compete with the low prices of these imported goods (Wood and Bischoff

2019). It was argued by Strauss, Isaacs and Capaldo (2017: 10) that the implementation of a national minimum wage had been a threat to many SA companies from different industries. This has resulted in many clothing manufacturing firms outsourcing their production to countries that offer cheap labour, such as Lesotho and Swaziland.

### **2.3 State of South African SMEs**

The role of SMEs in SA continues to be regarded as essential, with SMEs said to contribute to economic growth, employment and approximately 35 percent to GDP and 60 percent to employment. Leboea (2017) determined that although SA SMEs are regarded as the key to boosting the country's economy, these small enterprises also experience challenges, including a high rate of failure, with red tape and barriers to finance further hindering SME growth.

SA is a developing country where the unemployment rate is high, and poverty is also a challenge; therefore, most literature has shown the effort by SMEs trying to fight this challenge in recent years. According to Cant and Wiid (2013: 707), SMEs play a crucial role in the country's economy, particularly in SA as a developing country, in contributing to employment and GDP. Further to this, Lekhanya and Dlamini (2017: 38) mentioned that "SMEs contribute significantly to the wealth, social stability, reduction of poverty and create employment". Nonetheless, some of these enterprises still struggle to operate in a competitive environment, more so since the pandemic.

Even though SMEs are exposed to macro-environmental and marketing variables, some are country or region-specific. For instance, Hodgkinson and Andresen (2020) discuss that crime is the leading macro-environmental variable affecting many SA SMEs. During national lockdown in the country, businesses from various industries encountered several break-ins and robberies, which means the cost of high security will move to an elevated level.

The coronavirus has been a threat internationally, with the SA government having to set out new regulations and rules, such as the lockdown of the country and every company producing non-essential goods or services having to cease operations to reduce the spread of the virus. This pandemic has caused massive and rapid losses affecting the country's economy, including job losses and firm closures. Francis, Valodia and Ramburuth-hurt (2020) stated that the impact and damages caused by the



coronavirus and the resulting lockdown levels had left much uncertainty; SA has experienced a sharp decline in income while an extreme increase in unemployment and job losses are reported.

According to Martin (2020), before the COVID-19 pandemic, roughly 260 000 SMEs in SA each employed 50-200 employees in the formal sector alone. This was considered a record since 2004, prior to the pandemic and accompanying containment measures imposed by governments triggered economic hardship within the country, especially for smaller businesses. In the process, the suffering by small companies has been brought into sharp relief.

The shortage of personal protective equipment (PPE) has, as Mathe (2020) explained, created an opportunity for the clothing industry, especially SMEs, to manufacture face masks. However, most SMEs in the clothing manufacturing industry are unhappy about the way they were receiving orders through middle men (government tenders) with no experience with regard to the operation of the industry. As a result, clothing manufacturing companies, such as Africa Bespoke Apparel in Durban, had to undergo business rescue at the height of lockdown and limit their number of employees to survive.

With the coronavirus outbreak eventually disrupting the operation of businesses at a critical point, Naidoo (2021) found that SMEs are the most affected by the pandemic, and the sector can no longer be a buffer for the economy, as it was before the coronavirus outbreak. Although the government has decided to ease lockdown restrictions, it will take time for SMEs to recover to their fullest potential. Furthermore, University of KwaZulu Natal (UKZN 2020) reported that government must, therefore, deploy emergency measures, especially for SMEs, to help mitigate the impact of COVID-19 on SMEs.

#### **2.4 Definition of Competitiveness**

Competitiveness means being able to win or be the best in the market in comparison to others of the same kind. Blas (2018) added that it is the ability of competing more successfully than others, while Martinović (2018: 178) defined competitiveness as "the ability of a firm to produce a unique strategy that adds value to its success". Prasada *et al.* (2020) and Bismala and Handayani (2017: 417) described competitiveness as

derived from value creation; it is a tool used to create the value of the business and a barrier for competitors.

A well-known concept across different nations, competitiveness studies involve different disciplines, such as competitive advantage, competitiveness perspective, strategy, as well as management perspective (Carvalho and Costa 2014: 89). According to Cann (2016), competitiveness is understood as the ability to increase productivity, market share, profitability, and growth, as well as value-added, more than competitors; it also refers to any company or business able to predict the future of the business and offer innovative products that suit market needs more than its competitors.

Feurer and Chaharbaghi (1994: 54) argued that competitiveness applies to a framework, which includes measuring customer value, shareholders value, the performance of competitors, and financial strength, along with cash flow and its ability to raise capital without depending much on government funding. Nevertheless, new literature by Sánchez *et al.* (2019: 619) and Prasada *et al.* (2020) agreed that customer value creation helps achieve the business's competitiveness. The authors further acknowledged that practicing solid communication with customers and innovating marketing strategies can help gain competitiveness by applying available resources accordingly.

The agreement was indicated by Sariannidis *et al.* (2019) that being innovative and value creation contribute much to firm competitiveness; however, it is challenging to apply all these factors to SMEs. Lack of finance, however, remains the main reason hindering SMEs from achieving competitiveness.

#### **2.4.1 Determinants of Competitiveness**

According to Mastamet-Mason and Mbatha (2018: 144), the “determinants of competitiveness are Porter's factor conditions, which refer to inputs necessary for production to occur and conducive for a company to gain competitive advantage”. As explained by Ergashxodjaeva *et al.* (2018), the enterprise's competitive advantage mainly depends on the competitive environment created in the enterprise. Guan *et al.* (2019) assert that a variety of means exist with which an enterprise can determine a competitive environment.

Khan and Shah (2017: 18) concluded that "key determinants of the competitiveness of the textile sector of Pakistan had been extracted. These include cost of capital, financial markets, Training facilities, work attitude, learning organization, Low cost of local inputs, low cost of imported inputs, easy access to information, government role, and support in enhancing the demand", which are found to play the most significant role in enhancing industry competitiveness. Some fundamental driving forces are described by Ergashodjaeva *et al.* (2018) as promoting the competitiveness of an enterprise, namely production and demand factors, public services and infrastructure, as well as geographic proximity and vertical integration:

#### **2.4.1.1 Production factors**

The results from a study by Guan *et al.* (2019: 7) implied the necessity for the Chinese textile and clothing industry to increase investment in fixed assets, speed up the pace of upgrading equipment, improve the level of industrialization while strengthening the supply of raw materials through the lowering of raw material prices, thereby reducing costs for textile and clothing enterprises. Guan *et al.* (2019: 7) added that factors of production are essential for the enterprise's competitiveness as the more adequate production factors are, the lower the cost factor and the lower production costs, therefore, improved competitiveness of the enterprise. Ahmedova (2015) defined and analysed critical factors for enhancing SME competitiveness.

Mastamet-Mason and Mbatha (2018: 146) asserted that production factors that can help enhance an enterprise to achieve its competitiveness are those at the core of the manufacturing process, further stating that in the apparel manufacturing industry, these factors can be identified as skilled labour, capital, land, and fabric, in addition to machinery. Getahun *et al.* (2018) revealed that the advantage held by the Ethiopian manufacturing industry lies in the abundant and inexpensive workforce, natural resources, closeness to global markets, and growing domestic demand for manufacturers, which have helped in boosting the competitiveness of its manufacturing sector.

#### **2.4.1.2 Demand Factor**

Demand is the primary factor that promotes the development of the clothing manufacturing industry. Guan *et al.* (2019: 8) found that companies have benefited from this factor and have an advantage in the high level of demand. A study by Matruttu,

Franksisca and Damayanti (2018) shows that improvement in living standards is considered a contributing factor in accelerating demand. Some scholars have shown that a high level of domestic demand and the capability to produce high-quality products also contribute to innovations and technological developments (Ahmedova 2015; Genc, Dayan and Genc 2019).

#### **2.4.1.3 Public services and Infrastructure**

Mastamet-Mason and Mbatha (2018) highlighted that SA has quality infrastructure because there is well-oiled transportation, water, and electronic systems that support the economy. However, some studies reveal that the country is not efficient due to poor infrastructure maintenance and show that SA suffers greatly where developed infrastructure is concerned, particularly in information and communication technology (ICT) (Ondiege, Moyo and Verdier-Chouchane 2013; Mbanda and Chitiga-Mabugu 2017; Kubickova 2019). It was confirmed by Rathnayake *et al.* (2020) that infrastructure is the primary factor that indirectly affects the supply chain process. Wood and Bischoff (2019) find that the SA clothing industry has been influenced by industrialisation and globalisation, highlighting the need for investments in infrastructure development and process standards.

#### **2.4.1.4 Geographical Proximity and Vertical Integration**

Rathnayake *et al.* (2020: 5) established that “managing vertical integration and own backward supply chain processes can improve cost saving and thus increase the level of competitiveness”. This echoes findings by Ergashxodjaeva *et al.* (2018: 2) that an enterprise applying this strategy can benefit from various factors, which can help achieve competitiveness; these factors include “the level of comfortability of an enterprise's geographical location, ease of interaction with suppliers, production chain with full-cycle integration, access to market information, and a strong relationship between vendors, suppliers, and raw material processors”.

Kapetaniou and Lee (2019) and Micek (2019) assert that geographical location has a positive effect on innovations because firms are exposed to international markets and can access international resources, as well as new and advanced knowledge, which may not be available locally.

## **2.5 Factors Contributing to Competitiveness**

### **2.5.1 Labour Cost**

Although labour cost is one of the significant variables influencing the competitiveness of the clothing manufacturing industry, Taylor *et al.* (2021) further deliberated that labour costs impact the sector's performance in many ways, such as lack of exports, as experienced by the South African clothing manufacturing industry. Findings by Pasquali, Godfrey and Nadvi (2020) proved that due to high labour costs in the country, some SA clothing manufacturers moved their production plants to lower labour cost countries, such as Lesotho and Swaziland. Shubbak (2019: 1000) found that large industrial sectors with a large workforce can easily take advantage of mass production, thus minimising labour costs. Gelb *et al.* (2017) state that it must have a competitive labour cost for the industry to succeed and grow; however, Rahman and Kabir (2019) maintain that cheap labour is not the only factor in gaining competitiveness, with industrial location, transportation, and ease of integration other contributing factors.

### **2.5.2 Firm Size**

Bibi *et al.* (2020) investigated the relationship between firm size and innovation, with the results indicating that firm size and creation positively influence a firm's competitiveness. In addition, Führer and Michel (2004: 251) maintained that the size of a firm could be used as the key determinant of cooperative competitiveness. However, several scholars argue about the experience and size of the firm and its contribution to competitiveness (Gelb *et al.* 2017; Joffe, Mailer and Webster 2019).

### **2.5.3 Foreign Investment**

Aritenang (2021: 10) finds that foreign investment is essential for the competitiveness of firms, with the study also revealing those sectors such as textile and clothing industries that are labour intensive for production, are experiencing lower competitiveness compared to technology-intensive industries, such as the automotive and electronic industries. Interestingly, as described by Inotai (2019), technology-intensive industries have also benefitted from a higher share of foreign investments, thus confirming the importance of global networks and industrial concentration.

Sibiya and Kele (2019: 14) confirm the importance of international market expansion by SMEs and stress some challenges in accessing foreign markets, including bureaucratic red tape that hinders SMEs to access foreign markets. Furthermore,

Leboea (2017) proposed that SMEs need to consider foreign investment and locate their plants where there is high government capital expenditure, in more populated areas, and in a population with a higher level of education, as this would produce higher competitiveness.

#### **2.5.4 Working Conditions**

The International Labour Organisation (2017: 1-2) stated that worker management cooperation and better management systems could result in better working conditions and thus increase productivity and competitive advantage. However, research by Mmelesi, Daw and Mongale (2019) shows that most clothing factories in SA (KZN) are failing to build better working conditions. Moreover, informal recruitment, lower wages, longer working hours, and unsafe working conditions remain as obstacles to achieving better working conditions (Islam and Islam 2018; Khan *et al.* 2020).

#### **2.5.5 Human Capital**

Roopchand (2017: 2) defined human capital as “an experience gathered by an employee from on-the-job training, academic achievements, skills, and knowledge”. According to Dar and Mishra (2019: 4), the “role of globalization in the success and growth of SMEs is due to human capital in any organization, the knowledge, and skills of employees are counted among valuable resources,” and the lack of any of these personnel skills result in a firm's “internal resource barrier to export.”

The coronavirus pandemic has had a profound impact on the labour force, with Duffy (2020) stating that high-tech companies, such as Amazon and Google, have adopted a remote working strategy since the pandemic continues to spread; besides. Kalidas, Magwentshu and Rajagopaul (2020) found many businesses in SA have considered the use of remote working. However, the question does arise as to what small business owners are to do who cannot afford the implementation of remote working, as this has resulted in job losses, business closures, and a sharp rise in unemployment in both the private and public sectors.

On the one hand, Huggins, Prokop and Thompson (2017: 370) view human capital as “the most potential factor for firm survival, highlighting that human capital cannot be achieved without either good motivation or a suitable location firm”. Muda and Rahman (2016), on the other hand, discussed human capital as a firm's resource and a crucial

element in transforming information to practical knowledge that will enhance the standard and growth of the firm. The authors also stressed the importance of human capital to the business world and some challenges most SMEs face; they cannot afford to invest in human capital for their enterprises because of insufficient finance. Therefore, they cannot afford to pay highly qualified and skilled persons (Muda and Rahman 2016). The study further found human capital to be great contributor to SME performance and growth.

### **2.5.6 information technology and innovations**

Susanto and Wasito (2017: 283; 284) reviewed that the “application of technological innovations is essential to ensure continuous improvement”, hence, to achieve competitiveness.

According to Lekhanya (2014: 2719), technology has a significant impact on enhancing firm competitiveness. Furthermore, the author stresses the importance of internationalisation and the “exchange of knowledge using ICT as a contributing factor in increasing the long-term sustainability of SME competitiveness” (Lekhanya 2014: 2719). As explained by Akram and Jamal (2018: 511), the use of IT has contributed much to the competitiveness of SMEs, “influencing the attracting of potential customers and vendors online, while an enterprise must also differentiate itself in terms of costing and the offer of quality products and services to gain competitiveness”.

Smales (2020) showed that modern technologies enable SMEs to achieve global markets at a much lower cost, while the use of e-commerce has helped clothing retailers with rapid growth of sales, competitive advantage and reducing marketing costs. Susanto and Wasito (2017: 282) argued that SMEs could improve performance and enhance competitiveness through innovation strategies.

The OECD (2019: 108) presented data on SME attitudes towards e-commerce, showing it has been “a significant driver in changing physical stores into online stores, with specific reference to using ICT to do online transactions. Having reliable internet connectivity is thus crucial to competitiveness and the daily business of SMEs in remaining competitive”. Warner (2019) and Van Niekerk (2020) concur that some situations are beyond the control of SMEs, such as load shedding, due to most of these enterprises not having the infrastructure to cope with rolling blackouts and poor internet

connectivity; these result in the loss of productivity and profits, as well as damage to electronic devices.

To achieve a competitive advantage, SMEs have engaged in e-commerce (Hamad, Elbeltagi and El-Gohary 2018: 214), which has become known in the business environment and SMEs are aware of its advantages to boost sales and increase competitiveness. However, the lack of individuals with skills to run an online market is extremely high within SMEs as some are unable to afford experts, while others who try to become involved in e-commerce often do not have enough ICT capacity, therefore, cannot host complex sites on their own.

SMEs in SA have a tendency of being businesses with a limited productivity rate and because of this, SMEs tend to use primitive technologies, resulting in these small enterprises being uncompetitive in relation to larger firms. According to Kitsios and Kamariotou (2018: 59), SMEs can neither align business strategies with IT strategies nor maximise their machinery utility; in addition, these businesses are severely limited with regard to improving technology. Not only are SMEs in SA not innovative with their technology due to financial restraints, but these business owners also have limited knowledge with reference to technological developments.

Leboea (2017) stated that SME owners and managers currently do not have the correct knowledge and ability to choose the right technology for their business needs. While Meijer *et al* (2019: 118-119) found that technological innovation in the sustainability landscape is quite complex, consequently, it is a major barrier in commercialising technology. Furthermore, technological complexity requires SMEs to hire highly skilled engineers. Yet, SME owners themselves need to have a profound understanding of the technology, to be able to convince lead customers and other stakeholders of its commercial value.

### **2.5.7 Access to Finance and credit**

SMEs strongly depend on finance to grow, restructure, and innovate, with finance still seen as the key to any business becoming successful. However, while many SMEs face a huge financing gap, possibly as a result of not having enough knowledge about loans application, some SMEs do not have bank accounts, with others using personal bank accounts for business, resulting in the mismanagement of cash flow (Udell 2015). Nonetheless, Dladla (2016: 23) found SA banks and other funding agencies to be



hesitant to fund or supply resources to small businesses such as SMEs, as they often require the assurances that come with a longer trading history. Frequently, this increases the difficulty for SMEs to access finance from these funding agencies.

Beck and Demirguc-Kunt (2006: 2932) found that the terms and conditions posed for SMEs by funding agencies involve much red tape and “business opportunities can often be lost by the time a loan is eventually approved”. Furthermore, some evidence suggests that “access to finance plays a particularly key role in a business environment, potentially developing the growth of the firm”. A recent study by Kariuki (2020) additionally showed that SMEs in the clothing industry require funding from government and other micro institutions. However, access requirements are a major challenge that hinder these small businesses in gaining access to funding, with high interest rates the biggest challenge; while other obstacles include loan securities and credit constraints.

### **2.5.8 Internationalization**

Internationalization has become a powerful tool for SME survival and competitiveness; however, some internal and external barriers stop SMEs from internationalization. Examples of internal barriers comprise financial issues, lack of foreign exposure, and limited technical aspects, and external barriers include, for instance, policies and regulations (García-Álvarez de Perea, Ramírez-García and Cubo-Molina 2019).

Mchunu (2019: iv) on the one hand established that SME leaders need to keep a strong management system and leadership style that creates a competitive advantage for the survival and long-term growth of the businesses. On the other hand, Bianchi, Glavas and Mathews (2017: 179) showed that SMEs from Latin America started to engage in new developments such as internationalisation and modern technologies and have experienced significant growth in their businesses. This has set a good example for SA SMEs regarding the importance of adapting to new developments.

The textiles and clothing industry acts as a crucial element in the economies of many developing countries due to its characteristics, such as low start-up costs, being labour intensive, generating a high amount of employment and an opportunity for export expansion (Venkatesh, Dubey and Bhattacharya 2015). However, the opportunity for export expansion may have some barriers for SMEs to enter foreign markets, which can include lack of capital resources, as well as skilled and experienced individuals.

The majority of studies, specifically current research, have shown interest in SME internationalization, with the growing relationship between productivity, SME competitiveness and the presence of global markets being stressed (Venkatesh, Dubey and Bhattacharya 2015; Mchunu 2019). Nonetheless, Bianchi *et al* (2017: 180) emphasised that although researchers are showing more interest in internationalization, most SMEs are found to still be lagging in competitiveness, adding that quick adoption of internationalization by SMEs varies, being dependent on the country and industry's competitiveness.

Costa, Soares and de Sousa (2020: 4) confirmed potential growth of firms from SME internationalization; however, with SMEs experiencing challenges where the lack of resources are concerned, they find it more difficult than larger firms to compete in foreign markets, therefore, any attempt to trade internationally becomes a challenge. According to Bianchi *et al.* (2017: 179), internationalization relies on a firm's capacity to adapt to new developments, such as new technological innovations.

## **2.6 Competitiveness of SMEs in the South African Clothing Manufacturing Industry**

It is asserted by Mohan (2018) that competitiveness could be achieved by deciding the firm's resources, also known as a resource-based view, so it can be noted whether the firm has potential resources to achieve competitiveness. Therefore, the ability of the firm to build competitiveness also depends on its resources and capabilities. However, due to a lack of financial resources, the shortage of industrial machines has negatively influenced the competitiveness of SMEs in the clothing manufacturing industry. Shen (2017) stated that most SMEs are not ready for emerging technologies, such as automation, due to the lack of finance and most believing it to be cheaper to hire foreign workers instead of implementing these technologies.

As reported by Kaine, Payne and Coneybeer (2020), the SA clothing industry has experienced a rapid decline in sales due to the ongoing pandemic and lockdown restrictions, as lockdown regulations have restricted factories through applying physical distance limits while working, resulting in SMEs having to minimise employee numbers in the factory. This industry used to have a massive number of employees working in factories, nonetheless, due to lockdown restrictions such as physical distancing being required in factories and offices, big companies can still maintain the

same amount of production by investing in an automated workforce, however, SMEs cannot afford these machines.

According to Ensor (2019), the DTI 2019 report exhibited a high regard for the industry because of its capacity to create employment and its contribution in growing the economy of SA. Whereas Hailemariam (2018: 2) found systems followed by clothing industries, in terms of managerial skills, accessibility to raw materials, and ability to produce on time and quality products in line with customer requirements, are at a minimal level.

## **2.7 Sustaining competitiveness through the resource-based view**

Small businesses experience lack of finances as well as inadequate technologies that can boost them in achieving competitiveness. Scholars have identified that limited capital leads to the inability of firms to acquire competitive resources, affecting capability to produce competitive products, with the resultant inability to achieve a competitive advantage, therefore, an ability to acquire financial resources could improve the ability to increase its competitiveness (Pulka, Ramli and Bakar 2018; Izni and Wandebori 2020).

Resources may refer to inputs that enable firms to carry out its activities. Firms therefore need to analyze their internal resources, while competing externally with other organisations, in addition to which not all resources can help to achieve competitiveness, only those that add value to customers. Izni and Wandebori (2020: 2) find that “companies should update recent resources to create unique products, these include both tangible and intangible resources such as machinery, emerging technologies, skilled personnel, knowledge, brand names, technologies, and marketing expertise”. The authors further argue that the lack of human resources would negatively impact the final product quality.

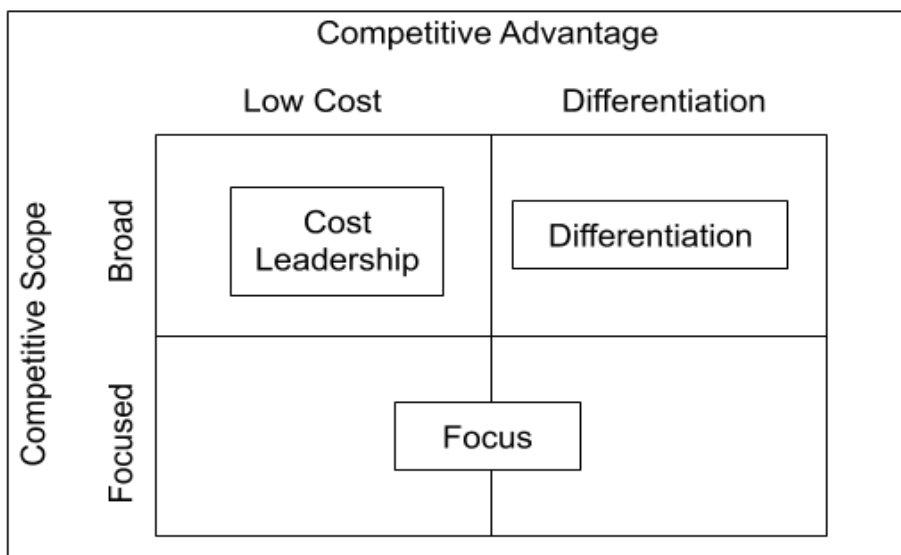
Donnellan and Rutledge (2019) stated that these resources may assist firms to implement better strategies to gain competitiveness and grow the firm, while they further determined that firm resources must be sustained and managed effectively by putting some inventory management systems in place, for both tangible and intangible resources. Silva, Gohr and Santos (2019) discussed that small companies do not yet have sufficient organisational resources for proper implementation, such as pulled production, features considered most important for bulk productions such as lean

implementation, operational workforce, and qualified managers, as well as heavy machinery.

## 2.8 Porter's Generic Strategies

According to Hales and Mclarney (2017: 7), generic strategy is the tool established by Porter to manage competitive advantage of the firm. Islami *et al.* (2020) discussed how businesses should apply Porter's generic strategies to outperform their competitors. The authors further argued for the use of Porter's generic strategies in the belief that when business owners focus on improving competitive advantage, they should adapt a major stream of generic strategies. This echoes findings by Borocki *et al.* (2019: 265), who highlighted the harshness faced by SMEs, in terms of the limited time they have for the decision-making process, therefore, SMEs should select the most appropriate strategy.

Ouma and Oloko (2017) established a relationship between generic strategies and competitive advantage, while Njuguna (2015) examined the effect of generic strategies on competitive advantage among SMEs, finding that generic strategies are the determinants of competitive advantage. Njuguna (2015) also recognised that SMEs find it difficult to attain competitive advantage.



**Figure 2.4: Porter's Generic Strategy Model**

Source: Adapted from Russel McGuire (2020)

Muigai (2018: 9) argues that cost leadership is a pivotal strategy that should be used by any organisation, including SMEs, to gain competitive advantage and lowering their

costs compared to other competitors within the same industry and market. Mita, Ochie'ng and Mwebi (2017) found that once businesses have adopted a cost leadership strategy, they are subjected to lowering the entire cost of production, while increasing the number of assemblies or fabrications and lowering the cost of distribution channels. Therefore, should a business adopt a cost leadership strategy, it should be prepared to compromise its profitability.

According to Mita *et al.* (2017) and (Al-Hyari 2020), SMEs could reduce costs and improve their competitive advantage; hence, these include increasing the number of fabrications or assemblies, SMEs could implement these changes more quickly and effectively than big enterprises because of their flexibility in changing the way of doing. Al-Hyari (2020) added that mass production is a tool to increase competition in the manufacturing industry, although this strategy may increase SME competitiveness. In addition, some SMEs may struggle to undertake mass production since it may demand bulk raw materials and ongoing operational expenses, with SMEs hampered by a lack of industrial machines to produce mass, insufficient finances, and a lack of management and leadership skills.

Mita *et al.* (2017) asserted that companies that invest in a differentiation strategy should be able to provide unique products or services, after-sales service, and effectively use high technology support to deliver innovations and segmentation. According to Muigai (2018: 16), the purpose of differentiation is "to gain competitive advantage by providing unique services or products that add value to consumers, thus providing products and services that are different from those of competitors". Muigai (2018: 17) also determined that "product uniqueness helped many firms to achieve their competitiveness; other than cost leadership, it also provides value to the entire organisation".

Focus strategy, as explained by Ouma and Oloko (2017), is a mixture of both cost leadership and differentiation strategies. Islami *et al.* (2020) additionally defined focus strategy as the strategy of concentrating on a specific target market, while Muigai (2018: 23) further stated that achieving focus strategy can be done in two different ways; by lowering costs, targeting the niche market or by both.

## **2.9 Conclusion**

The information gathered from the literature concerning factors influencing the competitiveness of SMEs that were set out in this chapter will be interpreted in the fourth chapter to suggest and make recommendations in the fifth chapter about factors that could be employed to improve the competitiveness of SMEs within the clothing industry.

Based on the literature reviewed, SA SMEs in the clothing manufacturing industry are failing to cope with some factors contributing to competitiveness, therefore, that needs to be addressed so that SMEs and decision makers are aware of them.

## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

In the previous chapter, the literature review was presented, which was a fundamental source of information to complete a conceptual framework of the areas of research.

The literature review discussed the stated theory relating to objectives. However, this study aimed to determine factors influencing the competitiveness of small and medium clothing manufacturing enterprises in the eThekweni municipal district in KZN. Therefore, the aim of this chapter is to explain how data were collected and analysed, along with the sampling methods and study population used. Quantitative data gathering and analysis was used to conduct the study.

#### **3.2 Research Design and Methodology**

Research design and methodology can be described as the specific procedures or systematic plan which focuses on the research process. This is achieved through the “specific way research data are selected, to be collected, analyzed, and interpreted by the researcher” (Almalki 2016: 290). Based on the market size for this study, the research design and methodology approach used was quantitative, which emphasises objective measurements and the statistical, mathematical, or numerical analysis of data collected through a questionnaire (Queirós, Faria and Almeida 2017).

Therefore, for this study, data were analyzed using SPSS version 27 for Windows, producing graphs, and charts to illustrate the results.

#### **3.3 Research Objectives**

The aim of this study is to determine factors influencing the competitiveness of small and medium clothing manufacturing enterprises in the eThekweni municipal district in KZN.

The following objectives were identified as appropriate for this study and hence, they served as the basis for the chosen methodology.

- To identify factors contributing to the competitiveness of SMEs in the clothing manufacturing industry at the eThekweni municipal district in KZN.

- To investigate how factors of competitiveness influence SMEs in the clothing manufacturing industry at the eThekweni municipal district in KZN.
- To assist the SMEs of the eThekweni municipal district in KZN within the clothing industry with improving the understanding of factors affecting their competitiveness.
- To suggest and recommend relevant measures that could be employed to improve the competitiveness of SMEs in the clothing manufacturing industry at the eThekweni municipal district in KZN.

### **3.4 Development of Questionnaire**

The questionnaire was developed from the research objectives and literature reviewed. Questions were structured as closed-ended because it was anticipated it would be easy for respondents to complete, as well as for the researcher to compare responses from different respondents (Dossetto 2020).

#### **3.4.1 Content of the questionnaire**

The questionnaire addressed factors influencing the competitiveness of small and medium clothing manufacturing enterprises in the eThekweni municipal district in KZN; these may include PESTEL factors.

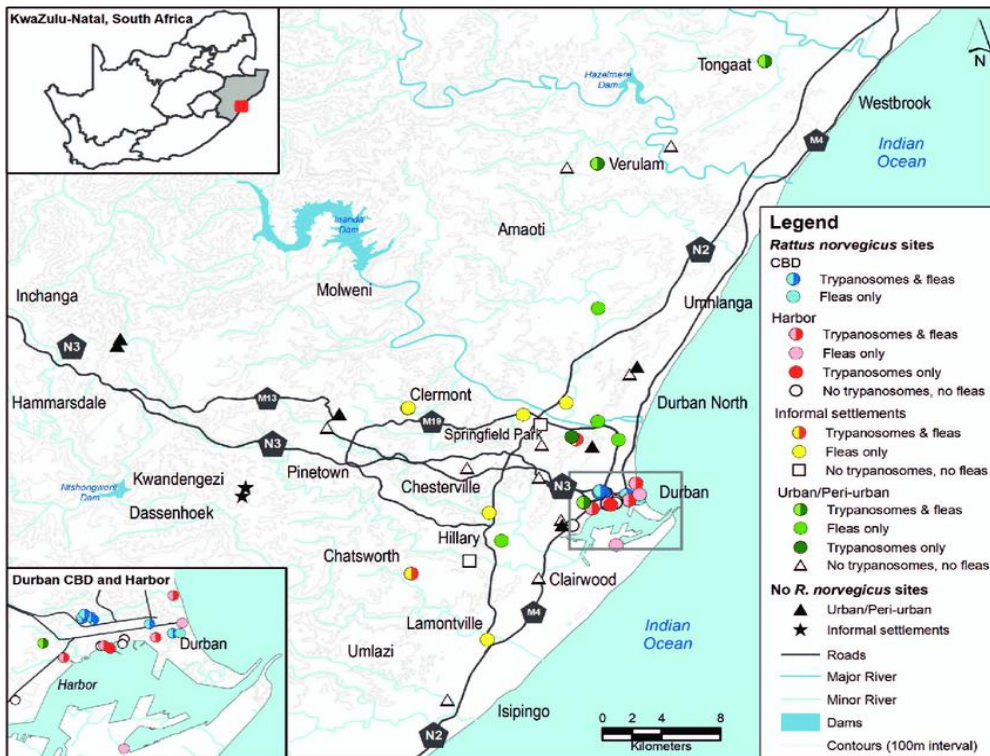
The final questionnaire was distributed to 80 respondents in the selected areas of the eThekweni District Municipality, in the province of KZN. Participants were encouraged to take part voluntarily. However, COVID-19 regulations brought many challenges; such as relying on email and telephonic communication between researcher and participants, with the researcher experiencing ignorance and delays of feedback from participants.

#### **3.4.2 Pilot Test**

According to Wright (2018), pilot testing is used to assess the accuracy of the research approach with a small number of participants, before it can be given or distributed to the target population. To reduce risk and refine the questionnaire, pilot testing was done with 10 randomly selected SME owners/ managers who did not participate in the main study, and results obtained from the pilot testing were not included in the main study.



### 3.5 Study Location



**Figure 3.1: Map of eThekweni Municipality District of KZN**

*Source: Adapted from Colleen Edith Archer et al. 2018.*

Map of eThekweni Municipality district of KZN showing areas where participants were located.

Participants in the study were selected as they are members of the National Bargaining Council for the clothing manufacturing industry in the eThekweni District Municipality, located in the SA province of KZN. These enterprises operate their clothing manufacturing SMEs south of Durban, north of Durban and Durban central, while some indicated the area where they are located as ‘other’. These areas of operations were determined by respondents’ business location.

### 3.6 Target Population

Target population refers to a group of people or objects the researcher requires to generalize the results of the research (Mugo, Kahuthia and Kinyua 2019: 141). The National Bargaining Council for the clothing manufacturing industry (2021) is comprised of 290 members of small and medium clothing manufacturers in South Africa. As of May 2021, there are 120 council members in KZN and 80 members in the eThekweni District Municipality. Therefore, the target population for this study was

clothing manufacturers that are members of the National Bargaining Council for the clothing manufacturing industry in the eThekweni District Municipality, with the questionnaire sent to these 80 owners and managers.

### **3.6.1 Inclusion Criteria**

Patino and Ferreira (2018) explain that inclusion criteria refer to the target population the researcher is willing to investigate and the group that will participate in the study. Therefore, the study was confined only to SMEs in the clothing manufacturing industry of the eThekweni District Municipality in KZN that are members of the National Bargaining Council for the clothing manufacturing industry in the eThekweni District Municipality, due to time constraints and costs.

### **3.6.2 Exclusion Criteria**

As stated by Patino and Ferreira (2018), exclusion criteria refer to the target population of potential study participants who meet all the requirements to participate in the study but have additional characteristics that could interfere with the success of the study. The National Bargaining Council for the clothing manufacturing industry (2021) consists of 290 members. Due to geographical factors, costs, and time, this study could not investigate all 290 members. Furthermore, while the clothing manufacturing SMEs examined were situated in the eThekweni District Municipality, these enterprises indicated that their operations were located in specific areas on the north coast, south coast, CBD and 'other'.

### **3.7 Sample Size**

Sewraj (2020) affirmed that sampling size refers to the number of sample units selected for which data will be collected; too small a sample yields unreliable results, while a large sample demands more resources. Therefore, to gather reliable results, the sample size for this study was 80, namely SMEs that are members of the National Bargaining Council for the clothing manufacturing industry in the eThekweni District Municipality.

### **3.8 Sampling Procedure**

Two types of sampling methods are outlined by Elfil and Negida (2017) namely, probability, and non-probability methods. In probability sampling all individuals have a chance of being chosen for the sample, while with non-probability sampling there is no guarantee who is going to be chosen. Furthermore, non-probability methods allow the

researcher to select samples based on the subjective judgment of the researcher, rather than random selection. In addition, while non-probability sampling tends to be cheaper and more convenient, it also relies heavily on researcher expertise. For this study, non-probability sampling was used for its convenience.

### **3.9 Measurement Instrument**

According to Yaya (2014), the term measurement instrument refers to the method through which data will be obtained from respondents. The instrument used in this study to collect data from participants was a self-completed, closed-ended, 5-point Likert scale questionnaire, with a response range from 1-5, with 1= strongly agree, 2=agree, 3=neutral, 4=disagree, or 5=strongly disagree. All questions were developed from the literature review and objectives of the study.

### **3.10 Data Collection Method**

Moises Jr (2020: 80) defined data collection as the action of gathering data using variables of interest in a way that participants can answer questions. Furthermore, Dossetto (2020) stated that a closed-ended questionnaire is easier and quicker to answer, while it is also extremely easy to compare responses from different respondents. Therefore, a closed-ended questionnaire was used in this study to collect information from participants, even though it limited participant responses.

Due to lockdown restrictions posed by COVID-19 (coronavirus), which resulted in some participants restricting visitors, arrangements were made with those participants who do not allow visitors on their premises to complete the questionnaire online, therefore, a link for the questionnaire was sent through participants' emails.

### **3.11 Data Analysis**

All data obtained from the closed-ended questionnaire were analysed using SPSS version 27 for Windows, a package designed for analysing statistical data using graphs and charts.

### **3.12 Validity and Reliability**

According to Middleton (2019), validity and reliability are used to measure the quality of research. Validity can only be used to measure the consistency of the research, while reliability can be used to measure the accuracy of the research. Therefore, to ensure both the validity and reliability of this study, the researcher measured the results obtained from the pilot testing. A study by Surucu and Maslakci (2020) revealed that

although these concepts are closely related, they express different properties of the measurement instrument, further stressing that measuring instruments must meet these two concepts in order to interpret quality research findings.

The validity of the study was ensured by carefully examining questionnaire responses to ascertain whether they in fact represent the research expectations through closed-ended questions. The questionnaire was pre-tested using a pilot study to establish the credibility and validity of the findings. Reliability of the study was ensured by distributing questionnaires to all clothing manufacturers registered with the National Bargaining Council for the clothing manufacturing industry in the eThekweni District Municipality. The instructions on the questionnaire were the same and consistent throughout for all participants.

### **3.13 Anonymity and Confidentiality**

Njogu (2019) highlighted that confidentiality is the act of keeping respondents' personal information secret from the public, whereas anonymity is when respondents remain anonymous throughout the entire study. The researcher ensured not to disclose identifiable information about participants and protected their identity by neither publishing their names, nor revealing personal details when compiling the report. Confidentiality and anonymity were clarified in the letter of information; therefore, participants had a right to participate or withdraw from the study.

### **3.14 Ethical Consideration**

Obtaining consent from all participants was the researchers' responsibility, as well as protecting them from harm and maintaining confidentiality. This view is supported by Akaranga and Makau (2016), who state that ethical consideration is important in the research journey and requires that researchers should protect the dignity of their participants and publish information as agreed. Therefore, in this study, ethical clearance was obtained from the University Ethics Committee prior to the study being conducted. The researcher also assured respondents that information provided for this study would solely be used for study purposes, with participants informed that they could withdraw from the study at any time.

Completed and returned questionnaires will be stored in safe storage for five years and thereafter shredded, while electronic records will be kept on the researcher's cloud software system for five years and thereafter deleted.

### **3.15 Study Limitations**

This study did not cover all clothing manufacturing SMEs in all district municipalities in KZN and other provinces of SA and was limited to only one district municipality. Therefore, the results of the study cannot be generalised to all SA clothing manufacturing SMEs. Due to the size of South African geographic profiles, it was difficult to research every clothing manufacturing SME in every province; therefore, further research needs to include a large sample of other SMEs in the clothing manufacturing industry of other provinces.

### **3.16 Conclusion**

This chapter presented the research methodology undertaken by the researcher for this study. Based on the market size for this study, a quantitative research approach was selected because of its ability to ensure reliable results. The following chapter will present and interpret data collected from the participants of the study.

**CHAPTER 4**  
**DATA ANALYSIS, PRESENTATION AND DISCUSSION**

**4.1 Introduction**

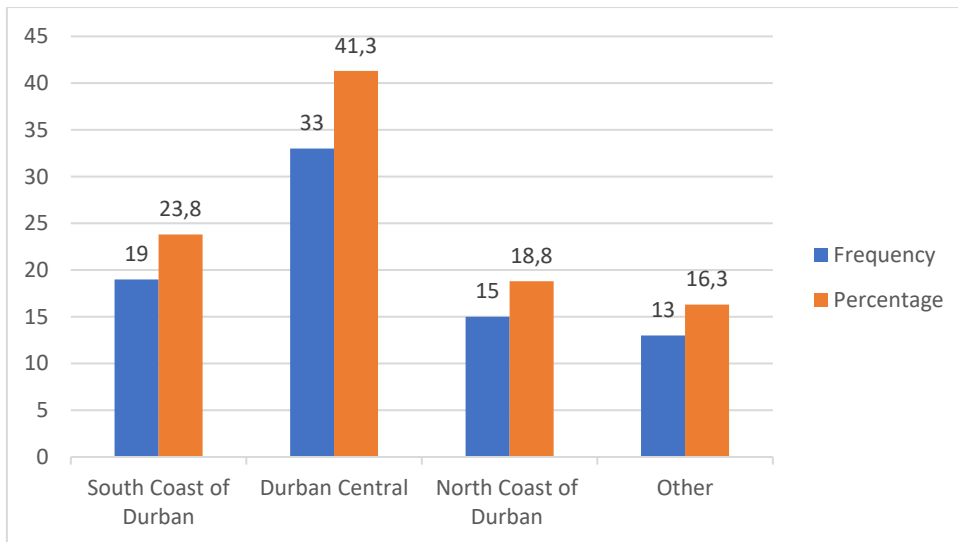
In this chapter, analysis of research outcomes are presented to examine the overall results of the study. The purpose of this chapter is to present and interpret data extracted from questionnaires administered to owners and managers from SMEs in the clothing manufacturing industry. Analysis of this chapter entails the use of graphs, tables, and descriptive statistics.

**4.2 Section A: Presentation of Results (Business Activities)**

This section presents tables and graphs to illustrate the area from which respondent clothing manufacturing SMEs operate; their type of business; number of employees; and number of years in business, as well as who they consider as main competitor.

**Table 4.1: Area of respondents**

			Frequency	Percent	Valid Percent	Cumulative Percent
Valid	South Coast of Durban	19	19	23.8	23.8	23.8
	Durban Central	33	33	41.3	41.3	65.0
	North Coast of Durban	15	15	18.8	18.8	83.8
	Other	13	13	16.3	16.3	100.0
	Total	80	80	100.0	100.0	

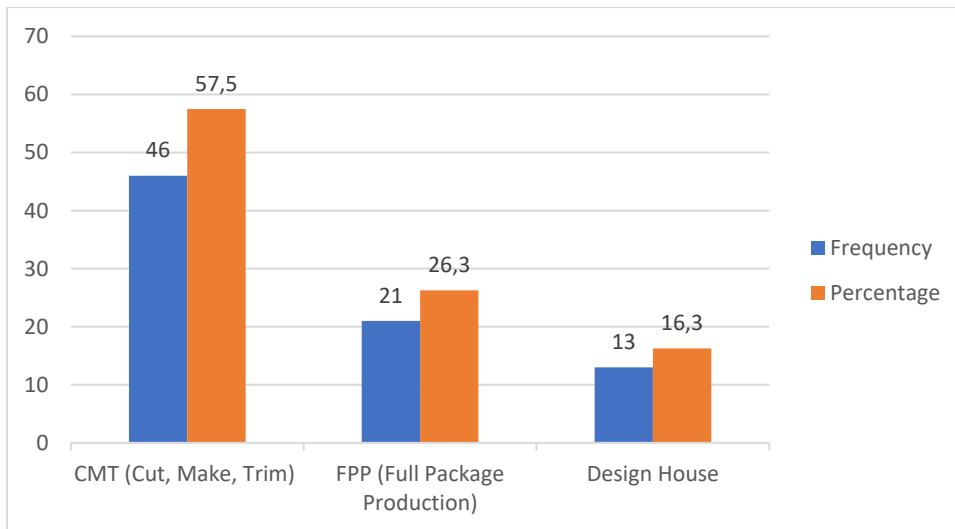


**Figure 4.1: Area of respondents**

The areas where respondents operate are shown in Table 4.1 and Figure 4.1, which indicate that most (41.3 percent) respondents were from Durban central, with 23.8 percent of respondents located on the South Coast of Durban, 18.8 percent of respondents were from the North Coast of Durban, followed by other areas with 16.3 percent of respondents.

**Table 4.2: Type of business**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	CMT (Cut, Make, Trim)	46	57.5	57.5	57.5
	FPP (Full Package Production)	21	26.3	26.3	83.8
	Design House	13	16.3	16.3	100.0
	Total	80	100.0	100.0	



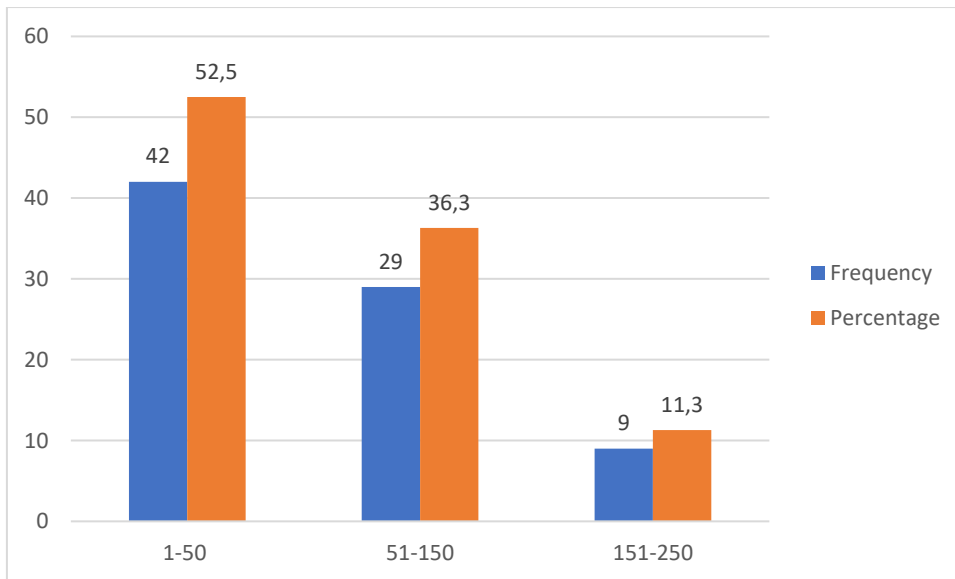
**Figure 4.2: Type of business**

Table 4.2 and Figure 4.2 show that most SMEs in the clothing manufacturing industry are from Cut, Make, Trim (CMT) (57.5 percent), and Full package production (FPP) (26.3 percent), followed by Design House at 16.3 percent.

**Table 4.3: Number of employees**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-50	42	52.5	52.5	52.5
	51-150	29	36.3	36.3	88.8
	151-250	9	11.3	11.3	100.0
	Total	80	100.0	100.0	



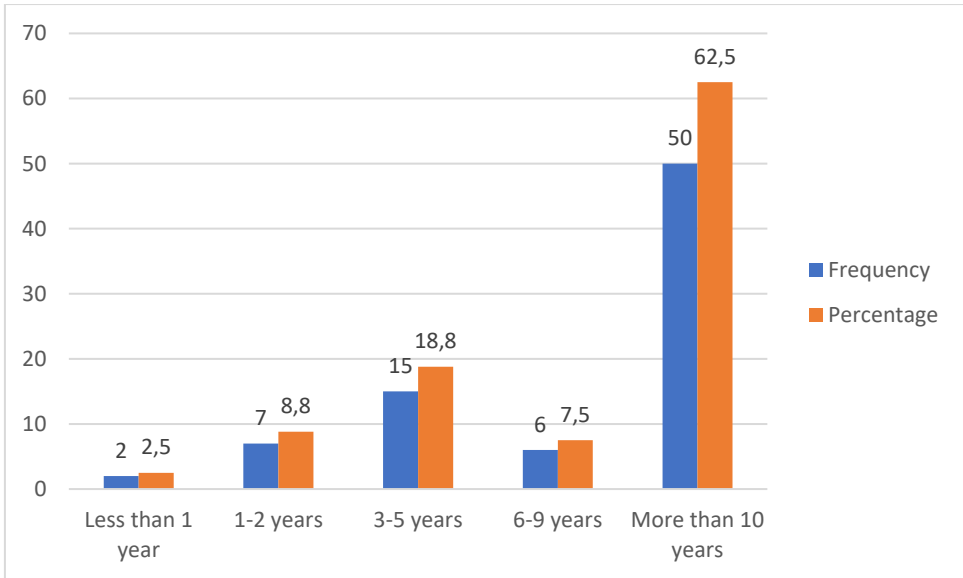


**Figure 4.3: Number of employees**

Table 4.3 and Figure 4.3 illustrate that the sample mostly consisted of SMEs with 1-50 employees (52.5 percent), followed by 36.3 percent with 51-150 employees and 11.3 percent with 151-250 employees.

**Table 4.4: Number of years in business**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than one year	2	2.5	2.5	2.5
1-2 years	7	8.8	8.8	11.3
3-5 years	15	18.8	18.8	30.0
6-9 years	6	7.5	7.5	37.5
More than ten years	50	62.5	62.5	100.0
Total	80	100.0	100.0	

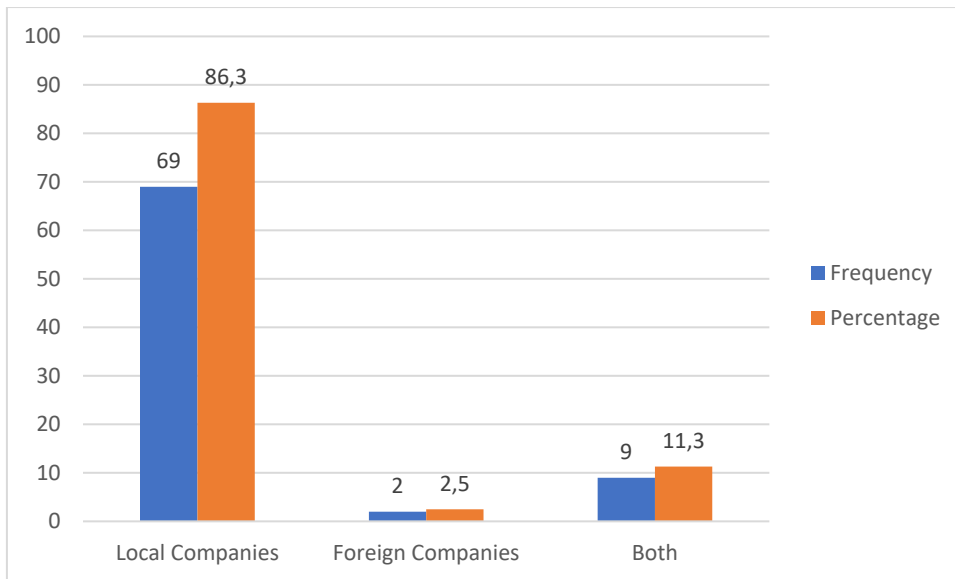


**Figure 4.4: Number of years in business**

Table 4.4 and Figure 4.4 reflect that the majority of respondent SMEs have been in business for more than 10 years (62.5 percent), followed by 18.8 percent with 3-5 years, while 8.8 percent have been in business between 1-2 years, 7.5 percent have been operational for between 6-9 years and 2.5 percent have just less than one year in business.

**Table 4.5: Competitors**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Local companies	69	86.3	86.3	86.3
	Foreign companies	2	2.5	2.5	88.8
	Both	9	11.3	11.3	100.0
	Total	80	100.0	100.0	



**Figure 4.5: Competitors**

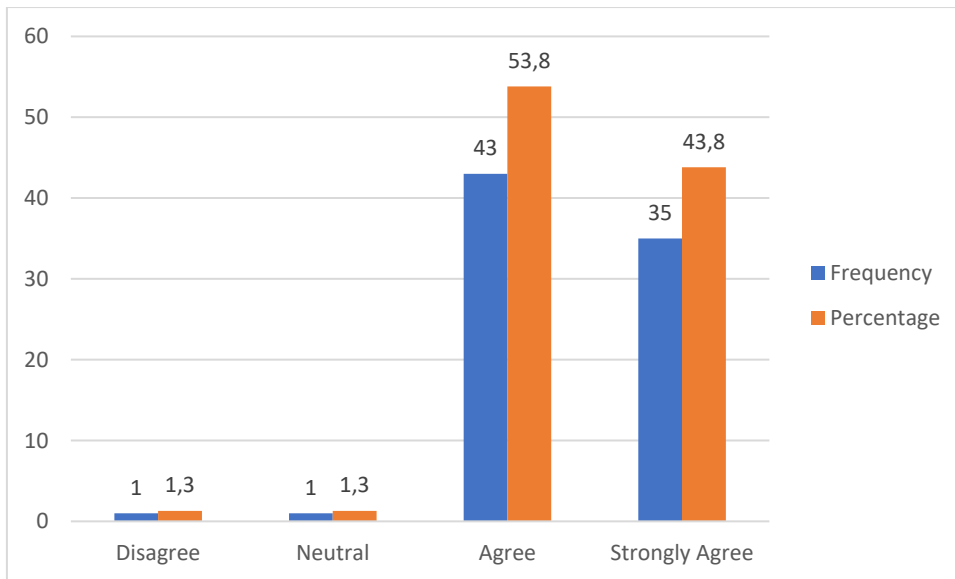
Table 4.5 and Figure 4.5 show that the majority (86.3 percent) of SME respondents saw local competitors as their main rivals, followed by 11.3 percent who indicated both local and foreign competitors and 2.5 percent indicated only foreign competitors.

#### 4.3 Section B: Analysis

In this section, questionnaire statements are analysed, with results tabled and graphically illustrated.

**Table 4.6: Intense pressure of competitiveness**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	1	1.3	1.3	1.3
	Neutral	1	1.3	1.3	2.5
	Agree	43	53.8	53.8	56.3
	Strongly Agree	35	43.8	43.8	100.0
	Total	80	100.0	100.0	

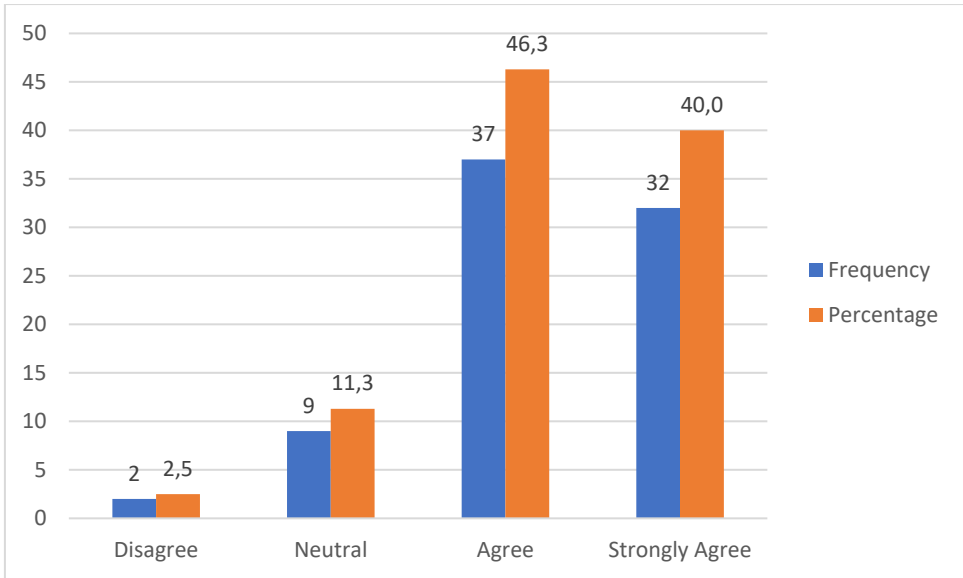


**Figure 4.6: Intense pressure of competitiveness**

Table 4.6 and Figure 4.6 indicate the responses from owners and managers of SMEs in the KZN clothing manufacturing industry, as to whether they experience intense pressure of competitiveness among industry role players, most respondents agreed with the statement, with 53.8 percent that agreed and 43.8 percent that strongly agreed, while 1.3 percent were neutral and 1.3 percent disagreed with the statement.

**Table 4.7: Lower production costs**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	2	2.5	2.5	2.5
	Neutral	9	11.3	11.3	13.8
	Agree	37	46.3	46.3	60.0
	Strongly Agree	32	40.0	40.0	100.0
	Agree				
	Total	80	100.0	100.0	

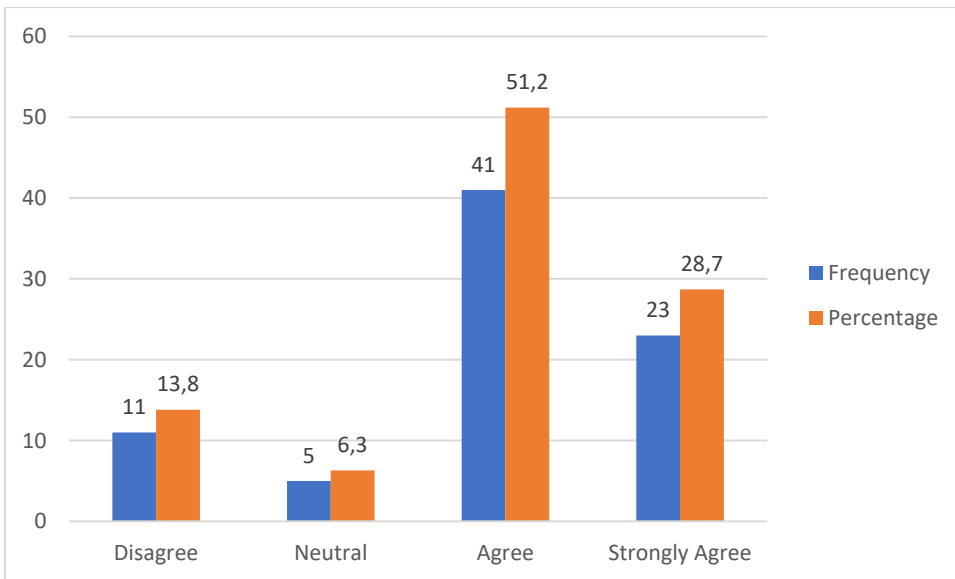


**Figure 4.7: Lower production costs**

Table 4.7 and Figure 4.7 illustrate responses of participants whether customers demand lower production costs when placing their orders. Most (46.3 percent) respondents agreed with the statement, 40 percent strongly agreed, while 11.3 were neutral and 2.5 percent of the clothing manufacturing SME respondents disagreed.

**Table 4.8: Lack of knowledge**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	11	13.8	13.8	13.8
	Neutral	5	6.3	6.3	20.0
	Agree	41	51.2	51.2	71.3
	Strongly Agree	23	28.7	28.7	100.0
	Agree				
	Total	80	100.0	100.0	

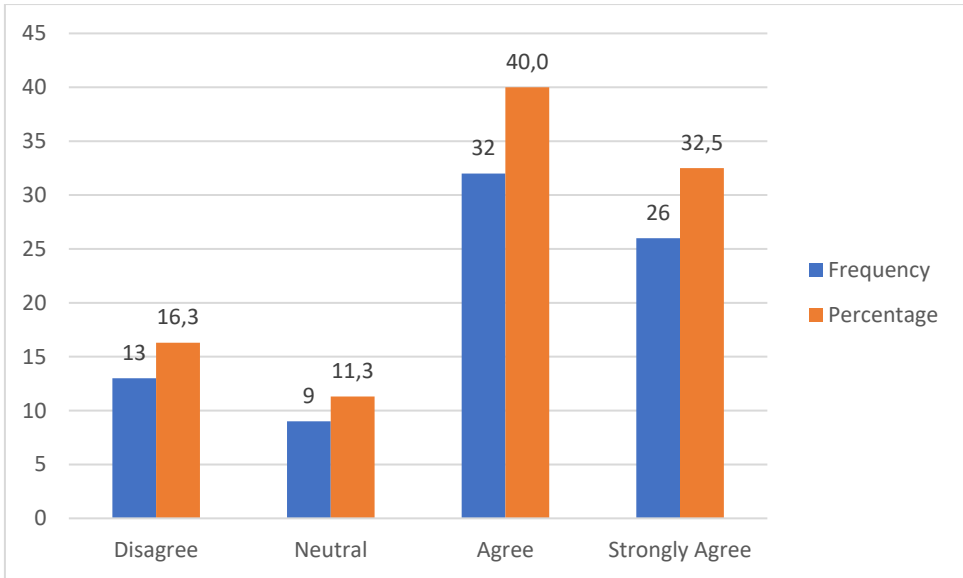


**Figure 4.8: Lack of knowledge**

Table 4.8 and Figure 4.8 illustrate respondent views regarding there being a lack of knowledge and understanding concerning factors contributing to the competitiveness of SMEs in the clothing manufacturing industry. The majority (51.2 percent) of respondents agreed and 28.7 percent strongly agreed, while 13.8 percent disagreed, and 6.3 percent were neutral.

**Table 4.9: Access to market**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	13	16.3	16.3	16.3
	Neutral	9	11.3	11.3	27.5
	Agree	32	40.0	40.0	67.5
	Strongly Agree	26	32.5	32.5	100.0
	Agree				
	Total	80	100.0	100.0	

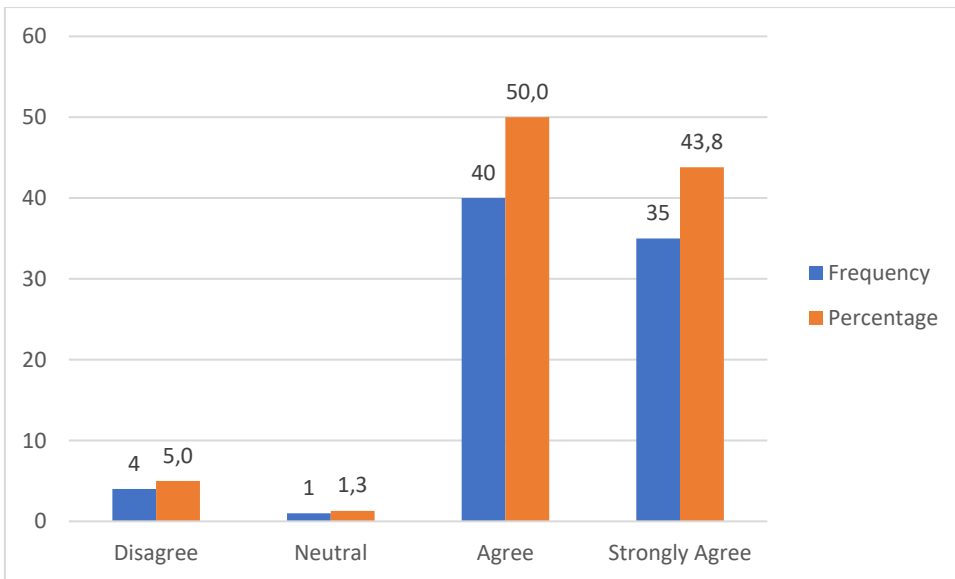


**Figure 4.9: Access to market**

Table 4.9 and Figure 4.9 illustrate respondent views with regard to market access being a challenge for many clothing manufacturing SMEs in the eThekweni district municipality of KZN. Most (40 percent) of the respondents agreed and 32.5 percent strongly agreed, while 16.3 percent disagreed and 11.3 percent were neutral.

**Table 4.10: SMEs find the industry extremely competitive**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	4	5.0	5.0	5.0
	Neutral	1	1.3	1.3	6.3
	Agree	40	50.0	50.0	56.3
	Strongly Agree	35	43.8	43.8	100.0
	Total	80	100.0	100.0	



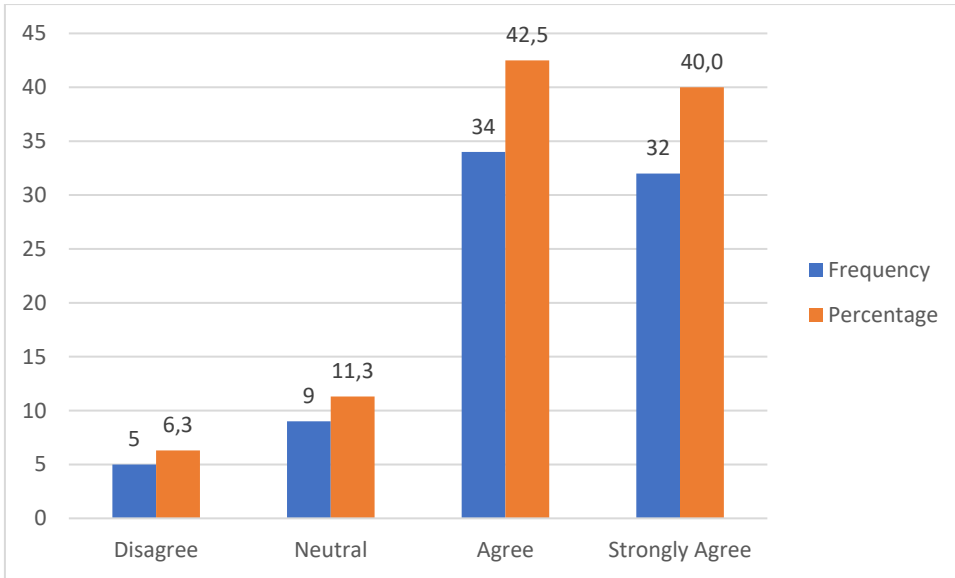
**Figure 4.10: SMEs find the industry extremely competitive**

Table 4.10 and Figure 4.10 show the responses from clothing manufacturing SMEs whether they find the industry extremely competitive. Half (50 percent) of the respondents agreed and 43.8 percent strongly agreed, while five percent disagreed and 1.3 remained neutral.

**Table 4.11: SMEs need industrial machines to stay competitive**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	5	6.3	6.3	6.3
	Neutral	9	11.3	11.3	17.5
	Agree	34	42.5	42.5	60.0
	Strongly Agree	32	40.0	40.0	100.0
	Total	80	100.0	100.0	



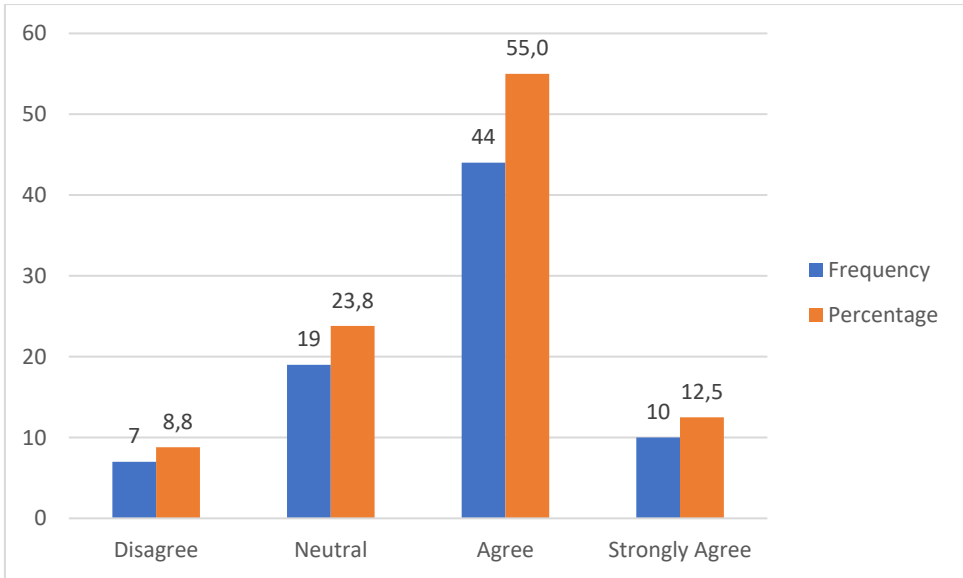


**Figure 4.11: SMEs need industrial machines to stay competitive**

Table 4.11 and Figure 4.11 indicate respondent views whether factories in the eThekweni District Municipality of KZN in the clothing manufacturing industry need more industrial machines to stay competitive. Agreement was indicated by the majority (42.5 percent) of respondents and 40 percent strongly agreed, while 11.3 percent of the respondents indicated neutral and 6.3 percent disagreed.

**Table 4.12: Lack of competitiveness**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	7	8.8	8.8	8.8
	Neutral	19	23.8	23.8	32.5
	Agree	44	55.0	55.0	87.5
	Strongly Agree	10	12.5	12.5	100.0
	Total	80	100.0	100.0	

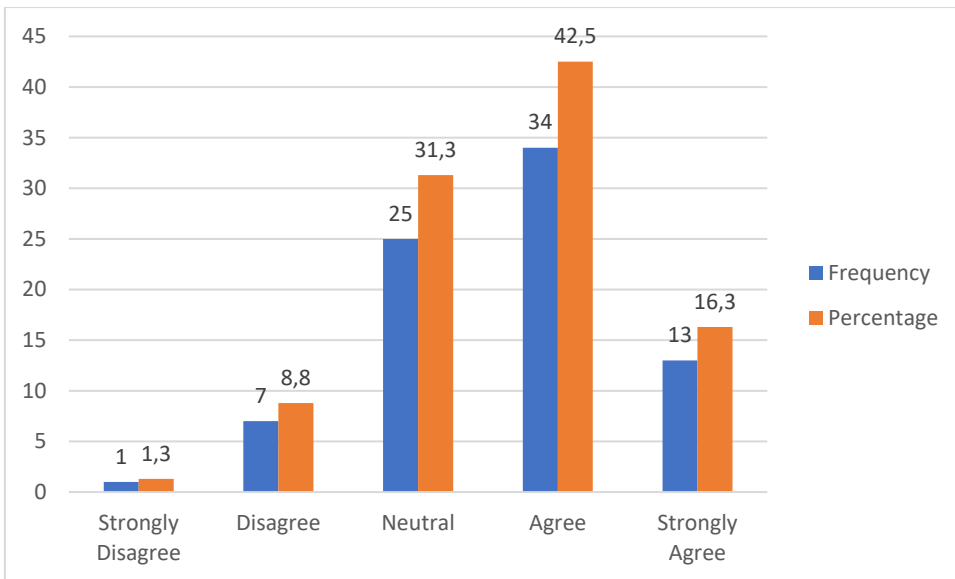


**Figure 4.12: Lack of competitiveness**

Table 4.12 and Figure 4.12 illustrate responses whether a lack of competitiveness has limited the growth of SMEs in the KZN clothing manufacturing industry. Most (55 percent) respondents agreed, with 23.8 percent that remained neutral and 12.5 percent that strongly agreed, while 8.8 percent of the SME respondents disagreed.

**Table 4.13: Global factors hinder SME growth**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong Disagree	1	1.3	1.3	1.3
	Disagree	7	8.8	8.8	10.0
	Neutral	25	31.3	31.3	41.3
	Agree	34	42.5	42.5	83.8
	Strongly Agree	13	16.3	16.3	100.0
	Total	80	100.0	100.0	

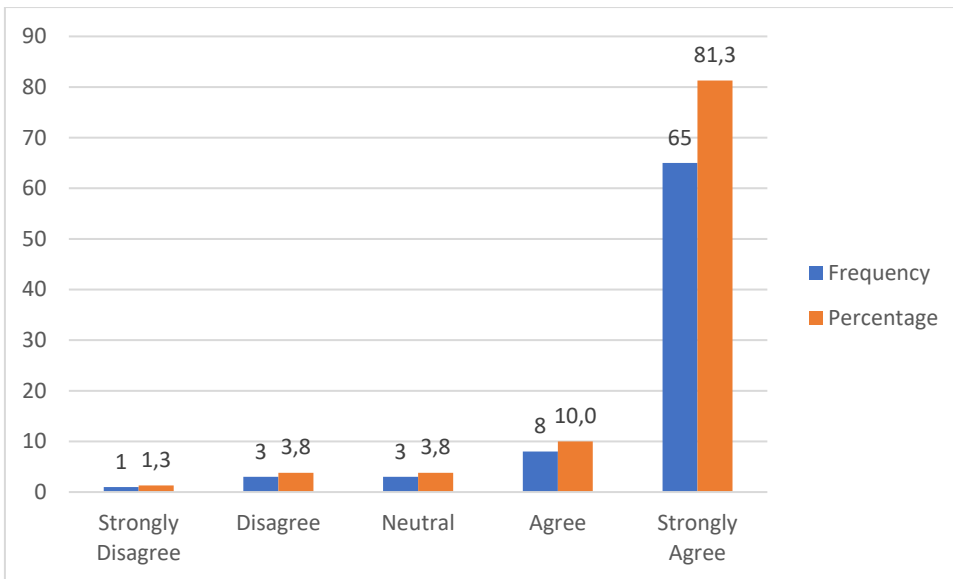


**Figure 4.13: Global factors hinder SME growth**

Table 4.13 and Figure 4.13 provide the study findings as to whether respondents agreed or disagreed that some factors that hinder SME growth in the clothing manufacturing industry, also affect SMEs from outside SA. Agreement was indicated by 42.5 percent of the respondents, 31.3 percent remained neutral and 16.3 percent strongly agreed, while 8.8 percent of the respondent SMEs disagreed and 1.3 percent strongly disagreed.

**Table 4.14: Cheap imports harm clothing industry growth**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong Disagree	1	1.3	1.3	1.3
	Disagree	3	3.8	3.8	5.0
	Neutral	3	3.8	3.8	8.8
	Agree	8	10.0	10.0	18.8
	Strongly Agree	65	81.3	81.3	100.0
	Total	80	100.0	100.0	

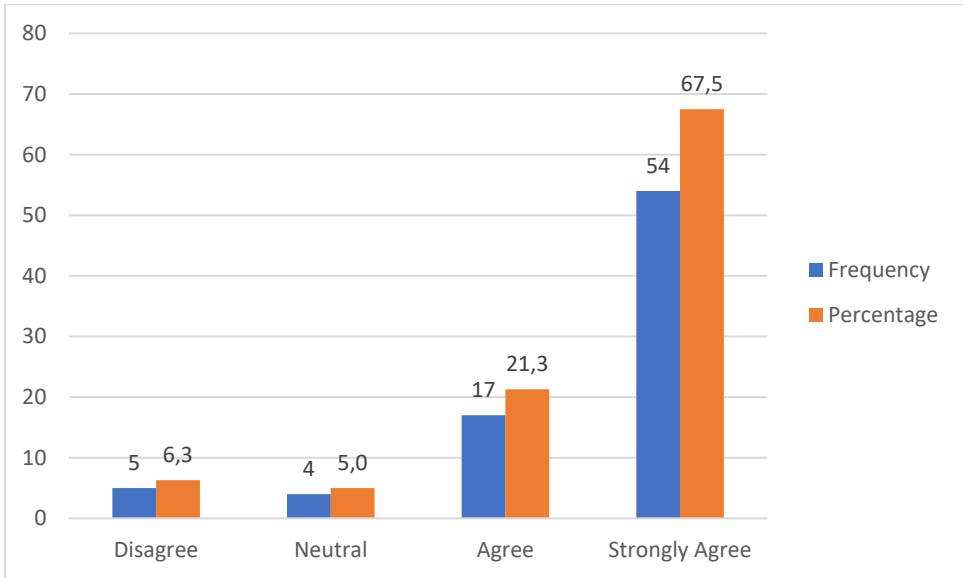


**Figure 4.14: Cheap imports harm the growth of the clothing industry**

Table 4.14 and Figure 4.14 present the study findings with regard to respondent agreement or disagreement that Cheap imports harm the growth of the clothing industry. Most (81.3 percent) participants strongly agreed with the statement, 10 percent agreed, while 3.8 percent indicated neutral and another 3.8 percent disagreed and 1.3 percent strongly disagreed.

**Table 4.15: Unreliable raw material suppliers harm the growth of competitiveness**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	5	6.3	6.3	6.3
	Neutral	4	5.0	5.0	11.3
	Agree	17	21.3	21.3	32.5
	Strongly Agree	54	67.5	67.5	100.0
	Total	80	100.0	100.0	

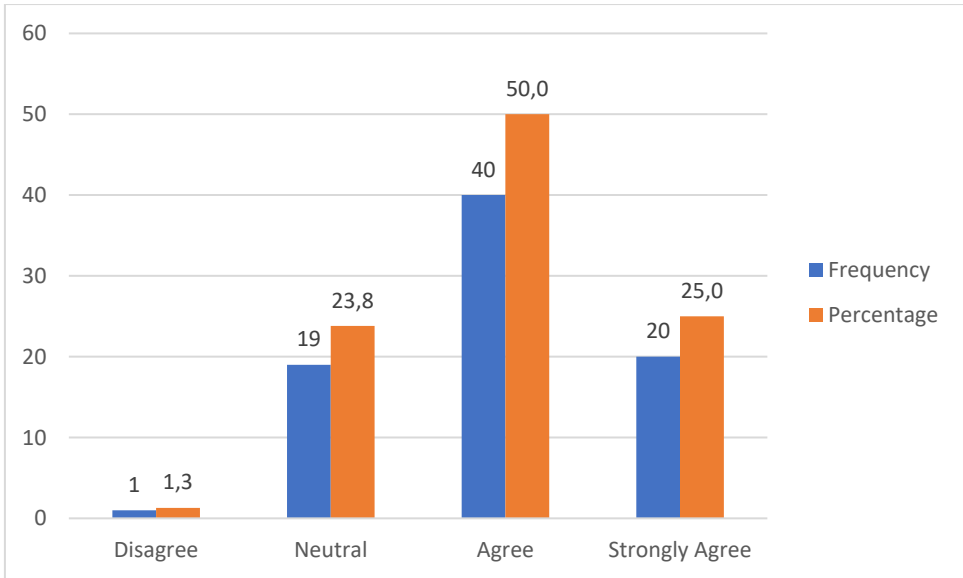


**Figure 4.15: Unreliable raw material suppliers harm the growth of competitiveness**

Table 4.15 and Figure 4.15 indicate that most respondents agreed that unreliable raw material suppliers harm the competitiveness of small businesses in the KZN clothing manufacturing industry, as a result, 67.5 percent strongly agreed and 21.3 percent agreed, while 6.3 percent disagreed and five percent remained neutral.

**Table 4.16: Gaining competitiveness can be an excellent tool for SMEs**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong Disagree	1	1.3	1.3	1.3
	Neutral	19	23.8	23.8	25.0
	Agree	40	50.0	50.0	75.0
	Strongly Agree	20	25.0	25.0	100.0
	Total	80	100.0	100.0	

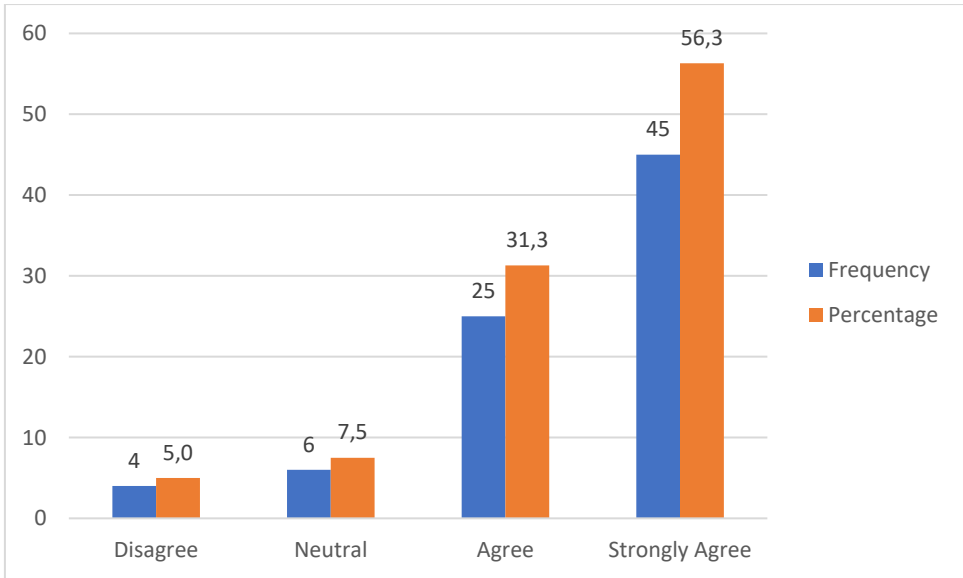


**Figure 4.16: Gaining competitiveness can be an excellent tool for SMEs**

Table 4.16 and Figure 4.16 show respondent views as to whether gaining competitiveness can be an excellent tool for many SMEs in the clothing manufacturing industry to achieve long-term business growth. Half (50 percent) of the respondents agreed and 23.8 percent indicated neutral, 25 percent strongly agreed, while 1.3 percent disagreed.

**Table 4.17: Changes of customer expectations and needs**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	4	5.0	5.0	5.0
	Neutral	6	7.5	7.5	12.5
	Agree	25	31.3	31.3	43.8
	Strongly Agree	45	56.3	56.3	100.0
	Total	80	100.0	100.0	

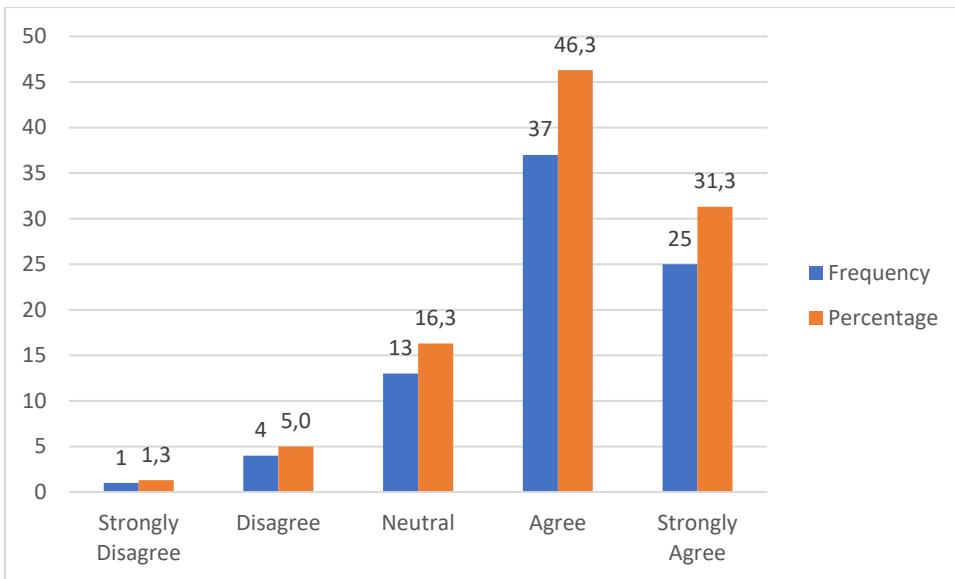


**Figure 4.17: Changes of customer expectations and needs**

Table 4.17 and Figure 4.17 illustrate whether customer expectations and needs are constantly changing in the clothing manufacturing industry, and this negatively affects SMEs. Most responses from participants were positive, as 56.3 percent strongly agreed and 32.3 percent agreed, while 7.5 percent indicated neutral and five percent disagreed.

**Table 4.18: Technological developments and market globalisation**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong	1	1.3	1.3	1.3
	Disagree				
	Disagree	4	5.0	5.0	6.3
	Neutral	13	16.3	16.3	22.5
	Agree	37	46.3	46.3	68.8
	Strongly Agree	25	31.3	31.3	100.0
	Total	80	100.0	100.0	



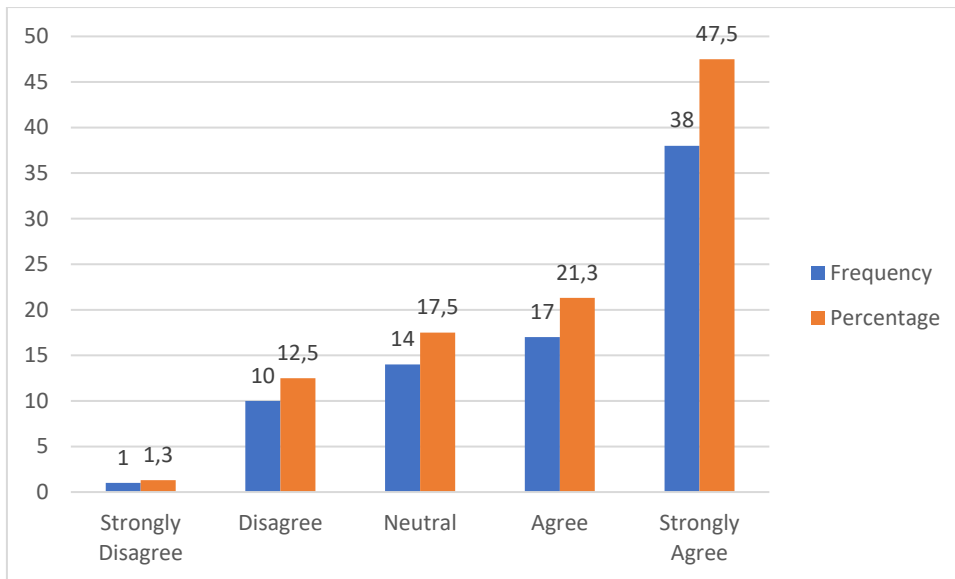
**Figure 4.18: Technological developments and market globalisation**

Table 4.18 and Figure 4.18 show respondent perceptions as to whether in the clothing manufacturing industry, SME survival increasingly depends on coping with factors such as technological developments and market globalisation. The majority (46.3 percent) of respondents agreed and 31.3 percent strongly agreed, while 16.3 percent indicated neutral, five percent disagreed and 1.3 percent strongly disagreed.

**Table 4.19: Internationalisation has been considered by participants**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong Disagree	1	1.3	1.3	1.3
	Disagree	10	12.5	12.5	13.8
	Neutral	14	17.5	17.5	31.3
	Agree	17	21.3	21.3	52.5
	Strongly Agree	38	47.5	47.5	100.0
	Total	80	100.0	100.0	



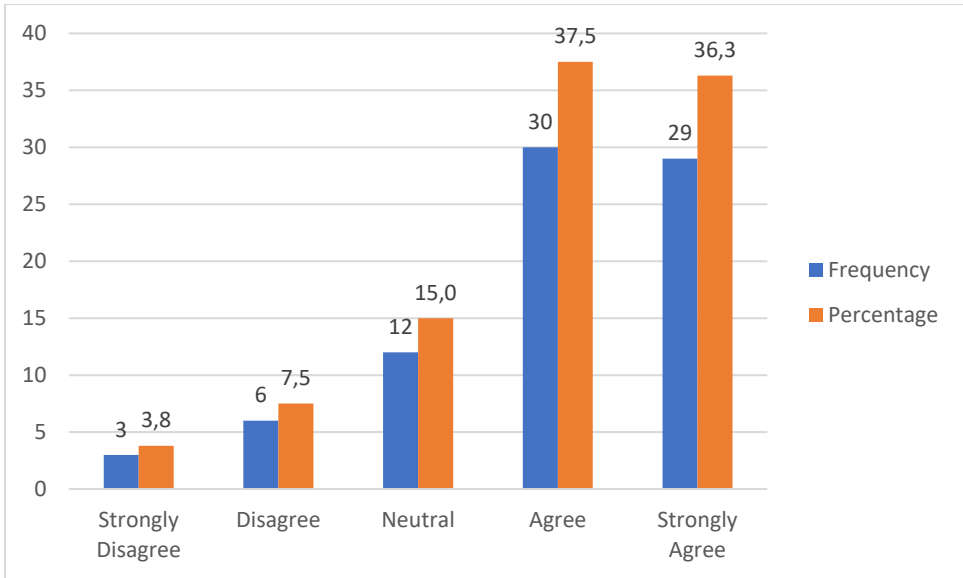


**Figure 4.19: Internationalisation has been considered by participants**

Table 4.19 and Figure 4.19 indicate whether respondents agreed or disagreed that internationalisation has been considered a factor that enables SMEs in the clothing manufacturing industry to become competitive and grow. Most respondents (47.5 percent) strongly agreed with the statement and 21.3 percent of respondents agreed, while 17.5 percent were neutral, 12.5 percent disagreed and 1.3 percent strongly disagreed.

**Table 4.20: Poor usage of information technology by participants**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong Disagree	3	3.8	3.8	3.8
	Disagree	6	7.5	7.5	11.3
	Neutral	12	15.0	15.0	26.3
	Agree	30	37.5	37.5	63.7
	Strongly Agree	29	36.3	36.3	100.0
	Total	80	100.0	100.0	

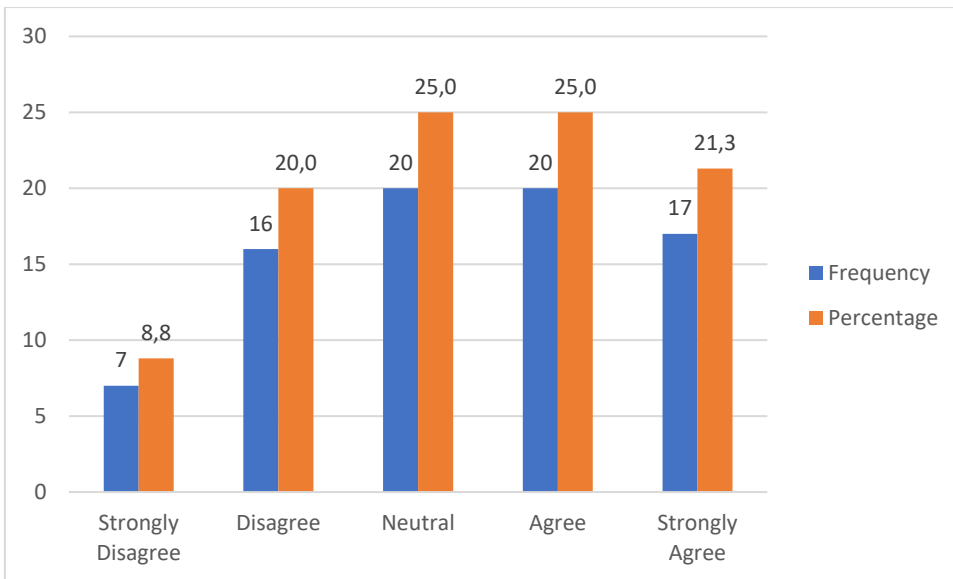


**Figure 4.20: Poor use of information technology by participants**

Table 4.20 and Figure 4.20 reflect whether respondents agreed or disagreed that the use of information technology by SMEs in the clothing manufacturing industry is feeble. Most respondents (37.5 percent) agreed with the statement, 36.3 percent of respondents strongly agreed, while 15 percent were neutral, 7.5 percent disagreed and 3.8 percent strongly disagreed.

**Table 4.21: Cheap labour costs can help participants**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong Disagree	7	8.8	8.8	8.8
	Disagree	16	20.0	20.0	28.7
	Neutral	20	25.0	25.0	53.8
	Agree	20	25.0	25.0	78.8
	Strongly Agree	17	21.3	21.3	100.0
	Total	80	100.0	100.0	

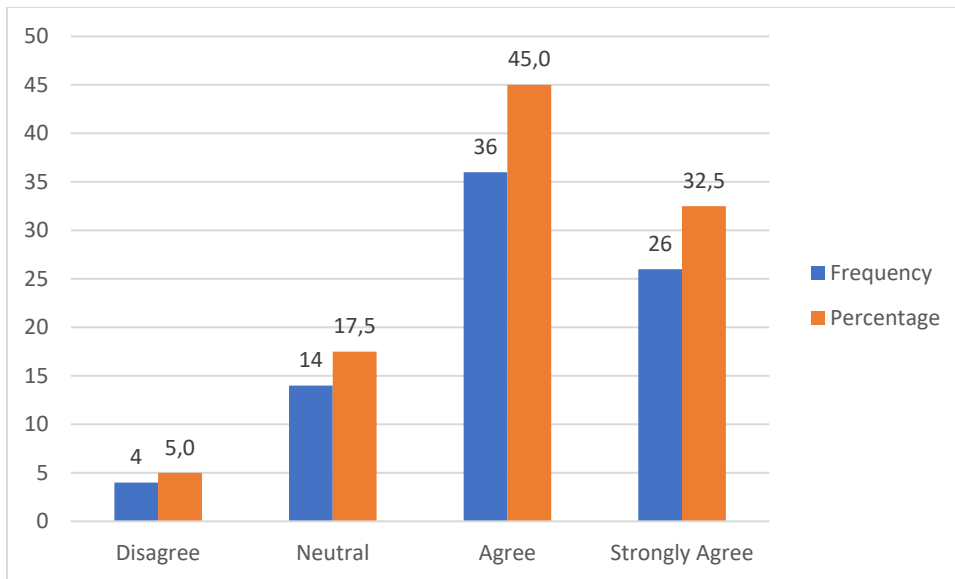


**Figure 4.21: Cheap labour costs can help respondents**

Table 4.21 and Figure 4.21 shows whether respondents agreed or disagreed that cheap labour costs can help the clothing manufacturing industry to revive its competitiveness. The same percentage of respondents (25 percent) agreed with the statement as those who indicated neutral, with 21.3 percent that strongly agreed, 20 percent of the respondents that disagreed and 8.8 percent that strongly disagreed.

**Table 4.22: Rapid advances in ICT**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	4	5.0	5.0	5.0
	Neutral	14	17.5	17.5	22.5
	Agree	36	45.0	45.0	67.5
	Strongly Agree	26	32.5	32.5	100.0
	Total	80	100.0	100.0	

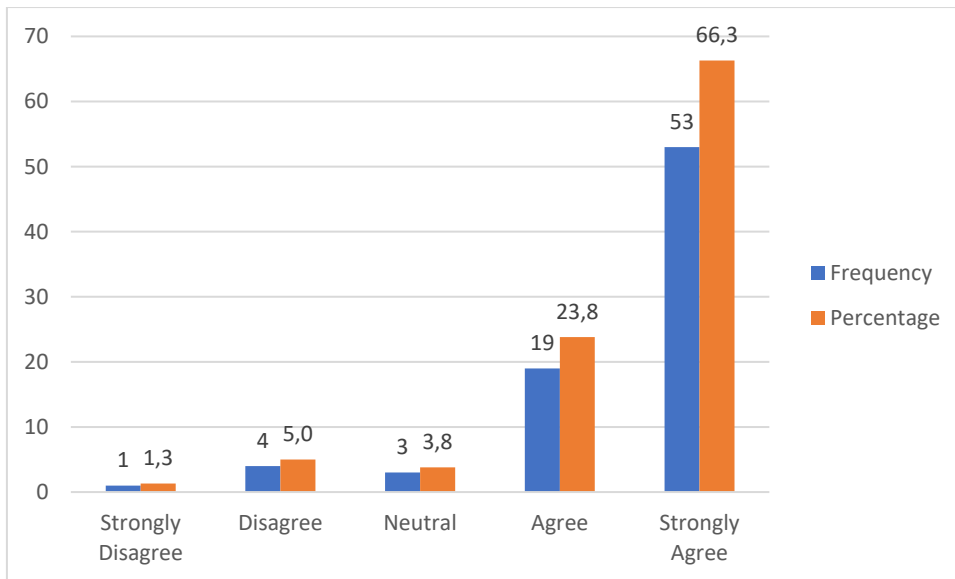


**Figure 4.22: Rapid advances in ICT**

Table 4.22 and Figure 4.22 indicate whether participants agreed or disagreed that the rapid advances in ICT have contributed to the competitiveness of SMEs in the clothing manufacturing industry. Most respondents (45 percent) agreed with the statement, 32.5 percent strongly agreed, while 17.5 percent indicated neutral and five percent disagreed.

**Table 4.23: Access to finance**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong Disagree	1	1.3	1.3	1.3
	Disagree	4	5.0	5.0	6.3
	Neutral	3	3.8	3.8	10.0
	Agree	19	23.8	23.8	33.8
	Strongly Agree	53	66.3	66.3	100.0
	Total	80	100.0	100.0	

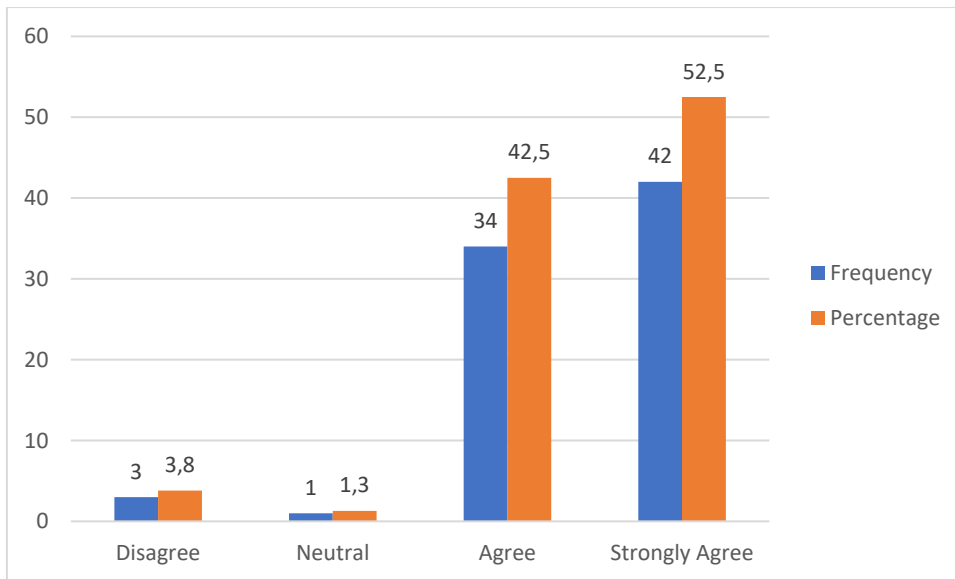


**Figure 4.23: Access to finance**

Table 4.23 and Figure 4.23 show whether participants agreed or disagreed that access to finance continues to be a significant problem for SMEs in the SA clothing manufacturing industry, of the eThekweni District Municipality. Results show most (66.3 percent) respondents strongly agreed with the statement and 23.8 percent agreed, while five percent disagreed, 3.8 percent remained neutral and 1.3 percent strongly disagreed.

**Table 4.24: Political, economic, social, environmental, and legal factors**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	3	3.8	3.8	3.8
	Neutral	1	1.3	1.3	5.0
	Agree	34	42.5	42.5	47.5
	Strongly Agree	42	52.5	52.5	100.0
	Total	80	100.0	100.0	

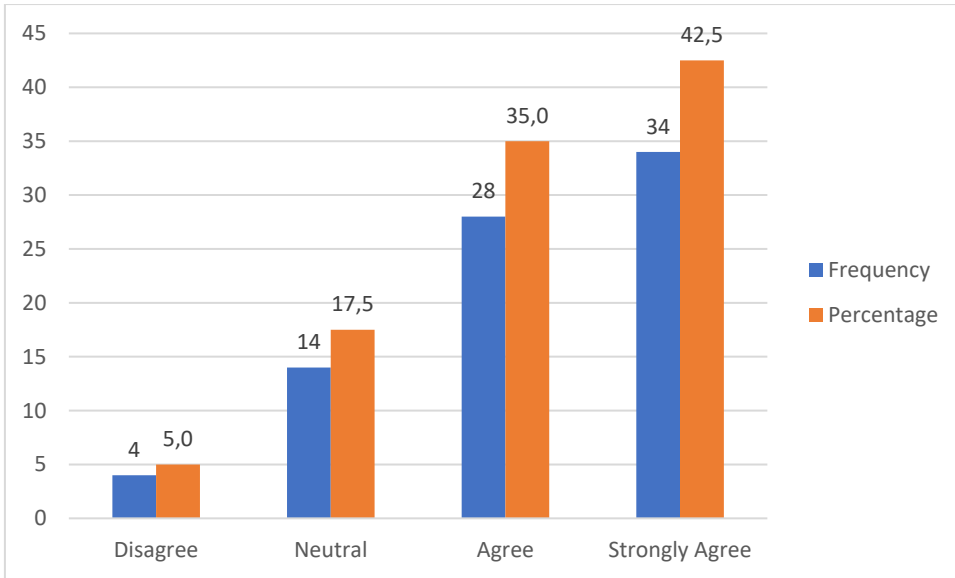


**Figure 4.24: Political, economic, social, environmental, and legal factors**

Table 4.24 and Figure 4.24 show respondent perceptions whether external factors such as political, economic, social, environmental, and legal factors hinder SMEs from achieving competitiveness and growth. Results show that most respondents (52.5 percent) strongly agreed with the statement and 42.5 percent agreed, while 3.8 percent disagreed and 1.3 percent indicated neutral.

**Table 4.25: National minimum wages**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	4	5.0	5.0	5.0
	Neutral	14	17.5	17.5	22.5
	Agree	28	35.0	35.0	57.5
	Strongly Agree	34	42.5	42.5	100.0
	Agree				
	Total	80	100.0	100.0	

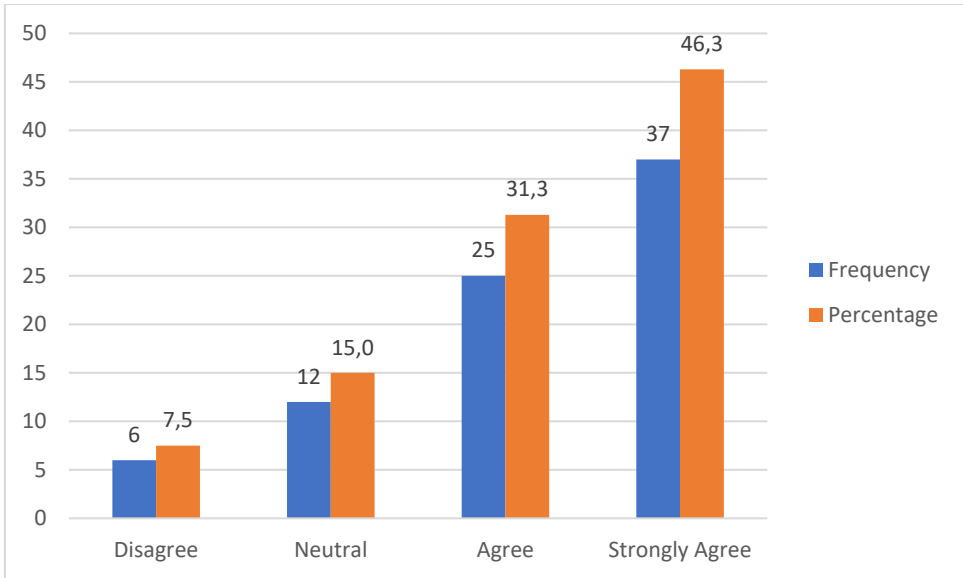


**Figure 4.25: National minimum wages**

Table 4.25 and Figure 4.25 indicate whether respondents agreed or disagreed that national minimum wages have been a threat for many SMEs in the clothing manufacturing industry. Results show that most (42.5 percent) respondents strongly agreed with the statement and 35 percent agreed, while 17.5 percent remained neutral and five percent of the respondents disagreed.

**Table 4.26: Outsourcing production as a strategic tool**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	6	7.5	7.5	7.5
	Neutral	12	15.0	15.0	22.5
	Agree	25	31.3	31.3	53.8
	Strongly Agree	37	46.3	46.3	100.0
	Total	80	100.0	100.0	



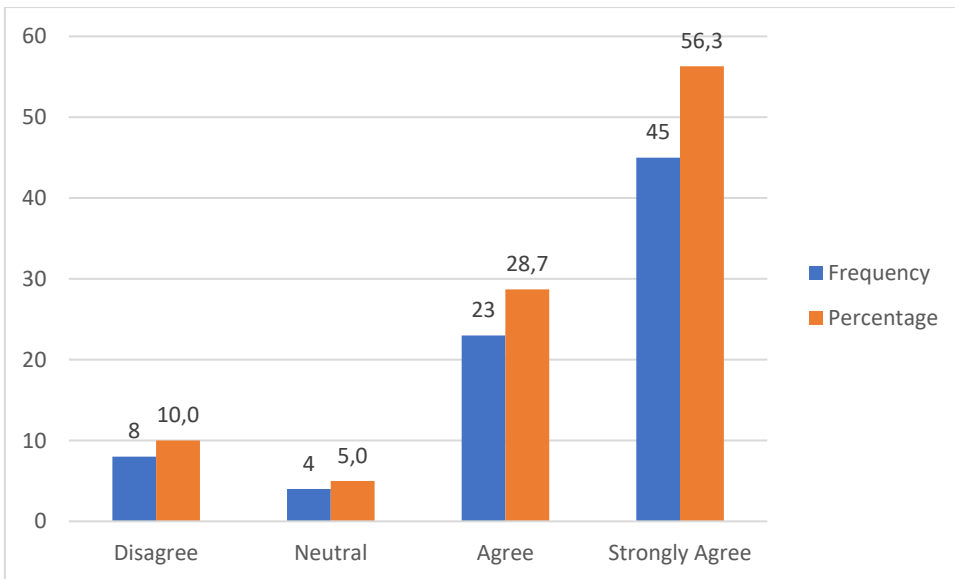
**Figure 4.26: Outsourcing production as a strategic tool**

Table 4.26 and Figure 4.26 show whether participants agreed or disagreed that high labour costs have resulted in many SMEs in the clothing manufacturing industry outsourcing their production to neighbouring countries such as Lesotho for cheap labour. Results illustrate that most (46.3 percent) respondents strongly agreed with the statement and 31.3 percent agreed, with 15 percent indicating neutral and 7.5 percent of respondents that disagreed.

**Table 4.27: Government regulations limit respondents to gain competitiveness**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	8	10.0	10.0	10.0
	Neutral	4	5.0	5.0	15.0
	Agree	23	28.7	28.7	43.8
	Strongly Agree	45	56.3	56.3	100.0
	Agree				
	Total	80	100.0	100.0	



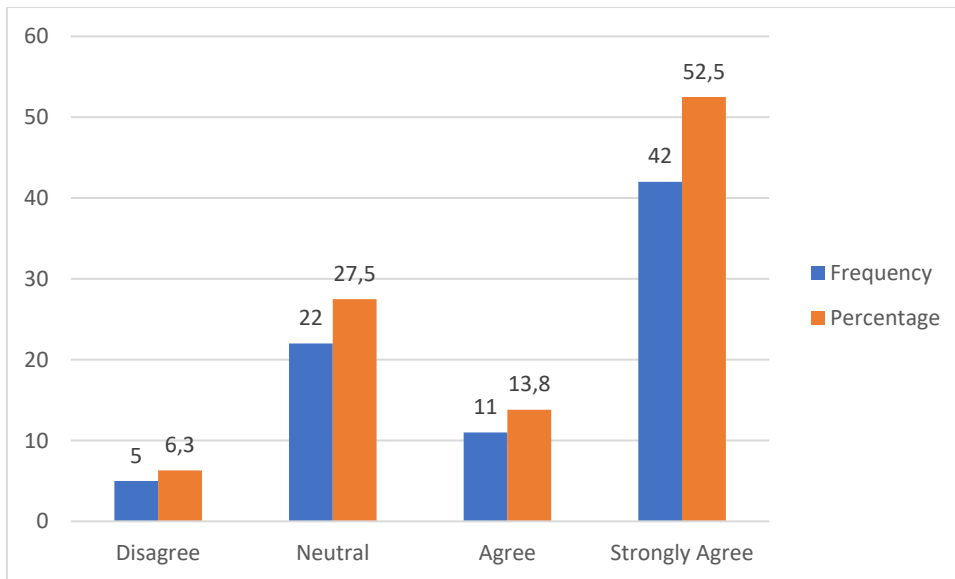


**Figure 4.27: Government regulations limit respondents to gain competitiveness**

Table 4.27 and Figure 4.27 illustrate respondent agreement or disagreement that the government may impose regulations that may limit SMEs in clothing manufacturing to gain competitiveness. Results show most respondents (56.3 percent) strongly agreed with the statement and 28.7 percent agreed, while 10 percent disagreed and five percent were neutral.

**Table 4.28: Mismanagement of cash**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	5	6.3	6.3	6.3
	Neutral	22	27.5	27.5	33.8
	Agree	11	13.8	13.8	47.5
	Strongly Agree	42	52.5	52.5	100.0
	Agree				
	Total	80	100.0	100.0	

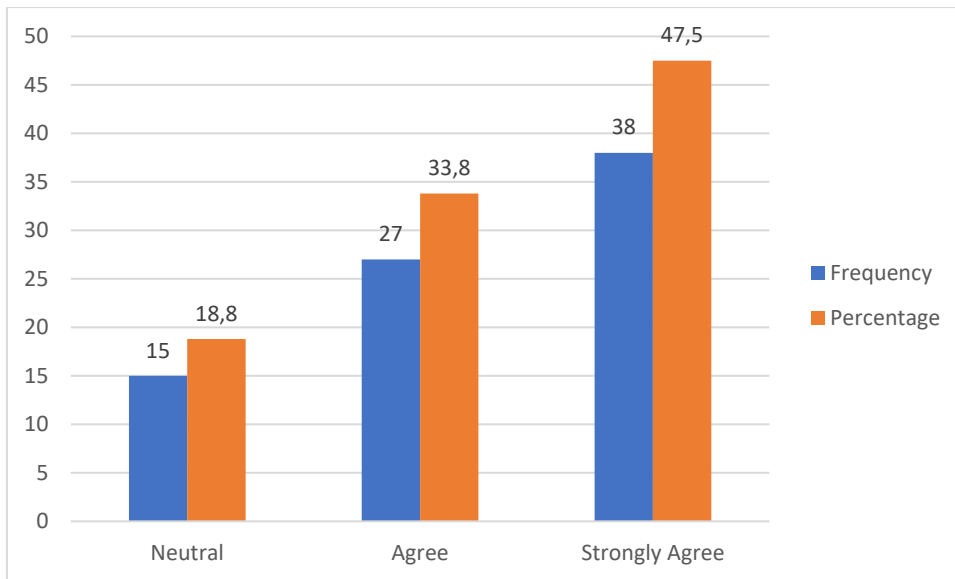


**Figure 4.28: Mismanagement of cash**

Table 4.28 and Figure 4.28 show whether respondents agreed or disagreed that mismanagement of cash continues to be a significant problem for SMEs in the clothing manufacturing industry. Results indicate that most (52.5 percent) respondents strongly agreed with the statement, while 27.5 percent remained neutral, 13.8 percent agreed and 6.3 percent disagreed.

**Table 4.29: Cheap labour and less cheap imports to help participants**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Neutral	15	18.8	18.8	18.8
	Agree	27	33.8	33.8	52.5
	Strongly Agree	38	47.5	47.5	100.0
	Total	80	100.0	100.0	



**Figure 4.29: Cheap labour and less cheap imports to help respondents**

Table 4.29 and Figure 4.29 indicate respondent views that the clothing manufacturing industry in countries with cheap labour and less cheap imports have more of a competitive advantage. Results show that most respondents (47.5 percent) strongly agreed with the statement and 33.8 percent agreed, while 18.8 percent were neutral.

#### 4.4 Factor Analysis

According to Ngibe (2020: 111), an acceptable Kaiser Meyer Olkin (KMO) measure of sampling adequacy value should be greater than 0.500, with Bartlett's Test of Sphericity having to be less than 0.05 to be considered significant.

**Table 4.30: KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.609
Bartlett's Test of Sphericity	Approx. Chi-Square	125.63
	df	9
	Sig.	.000

Table 4.30 reflects the summarised results of KMO and Bartlett's tests. Results from the above table indicate a 0.609 KMO measure of sampling adequacy has a strong significant impact on Bartlett's test of sphericity, which is 0.000 (Dlamini 2017: 95) and shows that there were sufficient items for each factor.

**Table 4.31: Human Capital**

Human Capital	1
High Labour cost has resulted in many SMEs in the clothing manufacturing industry outsourcing their production to neighbouring countries such as Lesotho for cheap labour.	0.868
National minimum wages have been a threat for many SMEs in the clothing manufacturing industry.	0.755
SMEs in the clothing manufacturing industry find the industry extremely competitive.	0.727
The rapid advances in information and communication technology have contributed to the competitiveness of SMEs in the clothing manufacturing industry.	0.654

Two component tests were conducted on the responses from the questionnaire statement, the first component indicated a positive significance as illustrated (Table 4.31), with a first variable of 0.868. This is indicated as a positive significance regarding the statement “High Labour cost has resulted in many SMEs in the clothing manufacturing industry outsourcing their production to neighbouring countries such as Lesotho for cheap labour”. The first factor contributes 41.69 percent to the overall variance.

A figure of 0.755 is also indicated as a positively significant factor that contributes 21.89 percent to the overall variance regarding its statement of “National minimum wages have been a threat for many SMEs in the clothing manufacturing industry”. Another positive significance of 0.727 and contribution of 13.78 percent were found to the overall variance that SMEs in the clothing manufacturing industry find the industry extremely competitive. The final factor contributes 12.38 percent to the overall variance and shows 0.654 that the rapid advances in ICT have contributed to the competitiveness of SMEs in the clothing manufacturing industry.

**Table 4.32: Cheap Imports**

Cheap Imports	1
Customer expectations and needs are constantly changing in the clothing manufacturing industry, and this negatively affects SMEs.	0.883

Cheap imports harm the growth of the clothing industry.	0.753
---	-------

The second component test conducted also showing a positive significance as illustrated from (Table 4.32) as to whether customer expectations and needs are constantly changing in the clothing manufacturing industry, the respondents indicated a positive significance of 0.883 and contributes 6.38 percent to the overall variance. Changes in customer expectations and needs shows a positive significance of 0.753 that cheap imports harm the growth of the clothing manufacturing industry and contributes 4.26 percent to the overall variance. All tested variables therefore indicate a strong significance.

#### **4.5 Cronbach's Alpha**

According to Dlamini (2017: 61) the Cronbach's Alpha is used to test correlation in all variables, correlation is either strong or no significance, reliability indicating a strong correlation should be as close to 1 as possible.

##### **4.5.1 Validity and Reliability**

According to Middleton (2019), validity and reliability are used to measure the quality of research. Validity can only be used to measure the consistency of the research, while reliability can be used to measure the accuracy of the research. Therefore, to ensure both validity and reliability of this study, the researcher measured the pilot testing results. A study by Surucu and Maslakci (2020) revealed that although these concepts are closely related, they express different properties of measuring instruments, adding that measuring instruments must meet these two concepts in order to interpret quality research findings.

The validity of the study was ensured by carefully examining questionnaire responses to ascertain whether they in fact represent the research expectations through closed-ended questions. The questionnaire was pre-tested using a pilot study to establish the credibility and validity of the findings. Reliability of the study was ensured by distributing a questionnaire to all clothing manufacturers registered with the National Bargaining Council for the clothing manufacturing industry in the eThekweni district municipality. The instructions on the questionnaires were consistent throughout the questionnaires.

**Table 4.33: Reliability Statistics**

Reliability Statistics	
Cronbach's Alpha	N of Items
.834	29

Table 4.33 above reflects the Cronbach's alpha score for all the items that are in the questionnaire. The above table indicates the average reliability score of 0.834, which is considered as an acceptable and consistent score since it exceeds the recommended score of Cronbach's Alpha.

#### **4.6 Pearson's Chi-Square Test**

The traditional approach to reporting study results requires a statement of statistical significance, or a p-value generated from the test statistic. A significant result is indicated by p-values greater than 0.05 ( $p > 0.05$ ), with Table 4.34 indicating all highlighted p-values as significant results because  $p > 0.05$ .

Table 4.34 shows both null hypothesis and alternate hypothesis. (Mertler and Reinhart 2016) null hypothesis is a type of hypothesis used in statistics that states there is no association between two different variables, whereas, alternate hypothesis indicates an association between variables. Table 4.34 summarises results obtained from the Chi-Square test.

As shown in Table 4.34, results indicate, for example, that the p-value for the statement "SMEs in the clothing manufacturing companies experience intense pressure when it comes to competitiveness", and "There is a lack of knowledge and understanding about factors contributing to the competitiveness of SMEs in the clothing manufacturing companies", is 0.185, which indicates a significant result because 0.185 is greater than 0.05 ( $p > 0.05$ ). The p-value for the statement "SMEs in the clothing manufacturing companies experience intense pressure when it comes to competitiveness", and "Customer demands lower production costs which make SMEs in clothing manufacturing uncompetitive" is 0.035, which means there is no significant results since 0.035 is less than 0.05 ( $p < 0.05$ ).

**Table 4.34: Pearson's Chi-Square Test**

															p-value of the Pearson's coefficient of correlation											
	1.1	1.2	1.3	1.4	1.5	2.1	2.2	2.3	2.4	2.5	2.6	2.7	2.8	2.9	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.2	2.2
															0	1	2	3	4	5	6	7	8	9	0	1
1.1	1	.027	.600	.596	.158	.121	.468	.731	.475	.790	.829	.293	.612	.039	.575	.945	.281	.332	.666	.327	.458	.449	.031	.011	.686	.081
1.2		1	.161	.072	.096	.432	.074	.224	.001	.299	.044	.232	.493	.022	.065	.006	.134	.086	.169	.127	.077	.013	.722	.186	.158	.852
1.3			1	.000	.088	.107	.509	.030	.557	.695	.167	.327	.067	.650	.298	.287	.487	.088	.466	.051	.003	.007	.080	.154	.029	.147
1.4				1	.146	.003	.182	.001	.056	.116	.030	.563	.028	.476	.070	.015	.496	.006	.011	.101	.061	.183	.012	.003	.094	.074
1.5					1	.550	.571	.009	.257	.082	.589	.618	.528	.025	.018	.885	.097	.081	.501	.014	.177	.077	.512	.975	.071	.037
2.1						1	.035	.185	.027	.000	.350	.268	.294	.809	.004	.648	.370	.065	.025	.570	.502	.155	.265	.795	.050	.007
2.2							1	.002	.375	.096	.032	.033	.071	.025	.219	.035	.088	.199	.087	.041	.104	.059	.027	.482	.150	.098
2.3								1	.014	.049	.056	.002	.104	.583	.024	.005	.022	.001	.000	.018	.671	.000	.169	.107	.343	.090
2.4									1	.002	.348	.002	.203	.376	.305	.000	.311	.098	.015	.004	.013	.002	.068	.431	.027	.360
2.5										1	.197	.015	.000	.696	.001	.002	.170	.004	.000	.048	.069	.013	.394	.548	.005	.002

2.6											1	.08	.00	.92	.81	.76	.03	.18	.32	.11	.08	.01	.51	.29	.08	.15
												8	0	6	2	7	3	7	5	1	3	7	7	8	4	9
2.7												1	.07	.96	.00	.02	.00	.13	.00	.00	.00	.09	.00	.26	.06	.00
													4	8	3	9	5	8	0	0	1	7	2	4	2	9
2.8													1	.00	.00	.00	.09	.00	.00	.00	.08	.00	.04	.59	.10	.00
														2	3	0	0	0	0	0	7	1	4	7	1	4
2.9														1	.00	.47	.00	.11	.19	.00	.70	.26	.37	.86	.00	.47
															0	3	0	8	2	0	9	5	0	5	1	2
2.1															1	.00	.00	.00	.00	.01	.00	.00	.00	.01	.00	.00
0																0	3	1	0	8	0	0	0	0	0	0
2.1																1	.05	.00	.00	.00	.10	.00	.06	.26	.55	.02
																	6	0	0	1	3	0	8	8	0	5
2.1																	1	.00	.00	.00	.16	.00	.04	.64	.00	.06
																		2	2	0	8	0	2	6	0	7
2.1																		1	.00	.00	.00	.00	.00	.05	.00	.00
																			0	0	0	0	1	6	0	0
2.1																			1	.00	.31	.00	.00	.10	.00	.02
																				0	8	0	4	7	8	1
2.1																				1	.00	.00	.00	.55	.00	.00
																					0	4	3	9	0	0
2.1																					1	.12	.00	.07	.11	.00
																						7	2	4	2	0
2.1																						1	.01	.22	.00	.00
																							1	2	0	0



2.1 8																							1	.00	.00	.00	
2.1 9																								1	0	.13	.00
2.2 0																									8	1	.00
2.2 1																											0
2.2 2																											1
2.2 3																											
2.2 4																											

#### **4.7 Conclusion**

Analyses of data collected for the study were presented in this chapter. From the frequency tables, it is indicated that the response rate from participants of the study was 100 percent. It can be concluded from the analyses that specific and significant factors exist that influence the competitiveness of small and medium clothing manufacturing enterprises in the eThekweni municipal district in KZN. The following chapter provides conclusions and recommendations from the results of the study.

## **CHAPTER 5**

### **RECOMMENDATIONS AND CONCLUSIONS**

#### **5.1 Introduction**

The previous chapter presented the analysis of research outcomes and examined the overall results of the study through frequency tables and bar graphs. The purpose of this chapter is to provide the findings related to the literature reviewed, research questions, conclusions of the study, recommendations about factors that could be employed to improve competitiveness of SMEs in the clothing manufacturing industry, as well as suggestions for further research.

#### **5.2 Summary of Key Findings**

The study reveals:

- The intense pressure of competitiveness faced by SMEs in the clothing manufacturing industry at the eThekweni district municipality of KZN.
- SMEs in the clothing manufacturing industry find the industry extremely competitive.
- Customers may demand lower production costs, which make SMEs in clothing manufacturing uncompetitive.
- SMEs lack knowledge and understanding about factors contributing to competitiveness, this could result in a high risk of incompetency.
- There is a clear indication that access to market (customers) is a challenge for many companies at the eThekweni District of KZN in the clothing manufacturing industry.
- Factories at the eThekweni District of KZN in the clothing manufacturing industry need more industrial machines to stay competitive.
- There is a lack of competitiveness which has limited the growth of SMEs in the clothing manufacturing industry.
- Some factors hindering the growth of SMEs in the clothing manufacturing industry also affect SMEs from outside SA.
- Cheap imports have a negative impact on the growth of the clothing manufacturing industry.
- Unreliable raw material suppliers harm the competitiveness of small businesses in the clothing manufacturing industry.

- Gaining competitiveness can be an excellent tool for many SMEs in the clothing manufacturing industry to achieve long-term business growth.
- Customer expectations and needs are constantly changing in the clothing manufacturing industry, and this negatively affects SMEs.
- SME survival increasingly depends on coping with factors such as technological developments and market globalization especially in the clothing industry.
- Internationalisation has been considered as a factor that enables SMEs in the clothing manufacturing industry to become competitive and grow.
- The use of information technology by SMEs in the clothing manufacturing industry is feeble.
- Cheap labour costs can help the clothing manufacturing industry revive its competitiveness.
- Rapid advances in ICT have contributed to the competitiveness of SMEs in the clothing manufacturing industry.
- Access to finance continues to be a significant problem for SMEs in the clothing manufacturing industry.
- There is a clear indication that external factors such as political, economic, social, technological, environmental, and legal hinder SMEs from achieving competitiveness and growth.
- National minimum wages have been perceived as a threat for many SMEs in the clothing manufacturing industry, which has resulted in many SMEs retrenching staff and, therefore, lowering productivity.
- High labour cost has resulted in many SMEs in the clothing manufacturing industry outsourcing their production to neighbouring countries such as Lesotho for cheap labour.
- Government may impose regulations that may limit SMEs in clothing manufacturing to gain competitiveness.
- Mismanagement of cash continues to be a significant problem for SMEs in the clothing manufacturing industry.
- Countries with cheap labour and less cheap imports have more of a competitive advantage, especially in the clothing manufacturing industry.

**Table 5.1: Main Findings on Statistical Tests**

STATEMENTS	Component
	1
High Labour cost has resulted in many SMEs in the clothing manufacturing industry outsourcing their production to neighbouring countries such as Lesotho for cheap labour.	0.868
National minimum wages have been a threat for many SMEs in the clothing manufacturing industry.	0.755
SMEs in the clothing manufacturing industry find the industry extremely competitive.	0.727
The rapid advances in information and communication technology have contributed to the competitiveness of SMEs in the clothing manufacturing industry.	0.654
Customer expectations and needs are constantly changing in the clothing manufacturing industry, and this negatively affects SMEs.	0.883
Cheap imports harm the growth of the clothing industry.	0.753

Results from a statical analysis of major variables, found using a component matrix are illustrated (Table 5.1); the test was done on the questionnaire statements.

### 5.3 Literature Review Findings

It has been indicated in the literature review that the sector is believed to be in a highly competitive environment, with challenges ranging from international imports to raw materials shortages, such as fabric, which has negatively influenced its ability to remain competitive against lower prices of imported garments (Fundira 2016). The findings of this study also supported that SMEs in the clothing manufacturing industry find the industry extremely competitive and effects of cheap imports in harming the clothing industry.

The reviewed literature shows that labour cost is one of the significant variables influencing industry competitiveness. Taylor *et al.* (2021) further deliberated that labour costs impact the sector's performance in many ways, such as lack of exports, as experienced by the SA clothing manufacturing industry. The issue of high labour cost is also found to be the main finding of this study, this study supported that high labour

costs have resulted in many SMEs in the clothing manufacturing industry outsourcing their production to neighbouring countries, such as Lesotho, for cheap labour.

The literature also finds the lack of management skills, particularly SMEs, is a big challenge at managerial level. Inadequate management skills amongst SME owners and managers can be attributed to deficient education and training (Leboea 2017: 58); therefore, resulting in reduced management capabilities in the sector. Lack of education and training is one reason there is an extremely high failure rate of SMEs. Therefore, the findings of this study again finds that SMEs' lack of knowledge and understanding about factors contributing to competitiveness, has contributed to high risk of incompetency.

Akram and Jamal (2018: 511) state that the use of IT has contributed much to the competitiveness of SMEs, "influencing the attracting of potential customers and vendors online, while an enterprise must also differentiate itself in terms of costing and the offer of quality products and services to gain competitiveness". Smales (2020) showed that modern technologies enable SMEs to achieve global markets at a much lower cost, while the use of e-commerce has helped clothing retailers with rapid growth of sales, competitive advantage and reducing marketing costs. Susanto and Wasito (2017: 282) argued that SMEs could improve performance and enhance competitiveness through innovation strategies. The findings of this study also supported that rapid advance in information and communication technology have contributed to the competitiveness of SMEs in the clothing manufacturing industry.

The findings of this study supported the notion that customer expectations and needs are constantly changing in the clothing manufacturing industry, and usually this negatively affects small enterprises. Literature published by Matratty, Franksisca and Damayanti (2018) supported that improvement in living standards is considered a contributing factor in accelerating demand. Some scholars have indicated that a high level of domestic demand and the capability to produce high-quality products also contribute to innovations and technological developments (Ahmedova 2015; Genc, Dayan and Genc 2019).

## 5.4 Conclusions

The conclusions of this study are grounded on the key findings. Additionally, conclusions also cover the aim and objectives of the study. Key findings show that increasing labour cost and cheap imports can be viewed as the major determinants of the increasing lack of SA clothing manufacturing industry competitiveness.

Additional conclusions drawn from the study are highlighted based on those factors that affect:

- Business location - most respondents operated from the Durban central area. This is a significant sign that being in the central part of the city brings some benefits, such as access to customers and availability of transport for employees.
- Type of business - the majority type of business operated by participating SME clothing manufacturers was shown to be CMTs.
- SME employee numbers - more than half of the respondent SMEs have 1-50 employees, thus indicating small businesses.
- Number of years of operation - a large percentage (62.5 percent) of respondents indicated they had been in operation for more than 10 years. It is also noted from various studies that once a business has operated for more than ten years, that business is regarded as having survived.
- Competitor type - the highest number of respondents indicated this as local competitors.
- Intense pressure of competitiveness - most (53.8 percent) respondents indicated agreement that competitiveness brings intense pressure and strong agreement was indicated by 43.8 percent of the respondent clothing manufacturing SMEs.
- Production costs - Most respondents were in agreement that customers demand lower production costs when placing their orders, with 46.3 percent of respondents that agreed and 40 percent that strongly agreed this factor affects their production costs.
- Lack of knowledge - respondents include the lack of knowledge and understanding about factors contributing to the competitiveness of SMEs in the clothing manufacturing industry. Most (51.2 percent) of the respondents agreed and 28.7 percent strongly agreed that competitiveness knowledge and understanding were lacking.

- Access to market, - most (40 percent) of the respondent clothing manufacturing SMEs in the eThekweni District Municipality agreed and 32.5 percent strongly agreed that access to market is a challenge for them.
- SME competitiveness -, SMEs in the clothing manufacturing industry find the industry extremely competitive, with half (50 percent) of respondents that agreed and 43.8 percent that strongly agreed.
- Industrial machinery - Owners of factories in the SME clothing manufacturing industry of the eThekweni District Municipality agreed that they need more industrial machines to stay competitive. The majority (42.5 percent) agreed, and 40 percent strongly agreed.
- SME growth - lack of competitiveness has limited the growth of SMEs in the clothing manufacturing industry with most (55 percent) respondents that agreed. Unreliable raw material suppliers harm the competitiveness of small businesses in the clothing manufacturing industry, as a result 67.5 percent of participants strongly agreed and 21.3 percent agreed. The study found that some factors hindering the growth of SMEs in the clothing manufacturing industry also affect SMEs from outside South Africa. Furthermore, gaining competitiveness can be an excellent tool for many SMEs in the clothing manufacturing industry to achieve long-term business growth.
- Cheap imports - the growth of the SA clothing industry is harmed by cheap imports. Most (81.3 percent) respondents strongly agreed and 10 percent agreed.
- Customer expectations and needs - as these are constantly changing in the clothing manufacturing industry, this negatively affects SMEs.
- Technological developments and market globalisation - SME survival increasingly depends on coping with these factors. Agreement was indicated by 46.3 percent and 31.3 percent strongly agreed. The use of information technology by SMEs in the clothing manufacturing industry was found to be feeble, with rapid advances in ICT contributing to clothing manufacturing SME competitiveness. Most respondents (45 percent) agreed with the statement, while 32.5 percent strongly agreed.
- Cheap labour costs and minimum wages, these factors can help the clothing manufacturing industry to revive its competitiveness. In addition, national minimum wages have been a threat for many SMEs in the clothing manufacturing industry. Most (42.5 percent) respondents strongly agreed with the statement and 35 percent agreed that high labour cost has resulted in many SMEs in the clothing



manufacturing industry outsourcing their production to neighbouring countries such as Lesotho for cheap labour. Furthermore, the majority (46.3 percent) of respondents strongly agreed with the statement and 31.3 percent agreed. The clothing manufacturing industry in countries with cheap labour and less cheap imports has a more competitive advantage.

- External factors - such as political, economic, social, environmental, and legal factors hinder SMEs from achieving competitiveness and growth. Results indicate that most (52.5 percent) respondents strongly agreed with the statement and 42.5 percent agreed.
- Government regulations - these are perceived to limit SMEs in the clothing manufacturing to gain competitiveness. The results show that most (56.3 percent) of the respondents strongly agreed with the statement and 28.7 percent agreed.
- Mismanagement of cash - this continues to be a significant problem for SMEs in the KZN clothing manufacturing industry.

## **5.5 Implications of the Study**

The study highlights many varied factors influencing the competitiveness of small and medium clothing manufacturing enterprises in the eThekweni municipal district in KZN.

## **5.6 Recommendations**

It is evident from the findings that competitiveness of the clothing manufacturing industry is challenged by various factors that hinder small businesses to cope with competitiveness. These include:

- High labour cost has resulted in many SMEs in the clothing manufacturing industry outsourcing their production to neighbouring countries such as Lesotho for cheap labour. Therefore, this study recommends that SMEs should consider employing both un-educated and unskilled labour and train them to take advantage of cheap labour.
- National minimum wages have a direct impact on workers and competitiveness of companies, it has been also a threat for many SMEs in the clothing manufacturing industry. This study recommends a well-established and modified minimum wage system, developed or adopted in full cooperation with both employers and employees. The adoption of appropriate measures should also comprise adequate inspection to ensure effective application of minimum wage provisions.

- SMEs in the clothing manufacturing industry find the industry extremely competitive. This study recommends that for SMEs to be considered competitive; they should design their strategies to compete with various factors that include better working conditions for workers and pay attention to purchasing conducive and quality inputs to gain competitive advantage.
- The rapid advances in ICT have contributed to the competitiveness of SMEs in the clothing manufacturing industry. This study recommends that SMEs avail themselves of a technologically skilful workforce and identify emerging technologies within the industry that could assist in the process of innovation and contribute to their competitiveness.
- Customer expectations and needs are constantly changing in the clothing manufacturing industry, and this negatively affects SMEs. According to Gonda *et al.* (2020) SMEs need to focus more on better understanding and meeting consumer expectations.
- Cheap imports harm the growth of the clothing industry. Government must, therefore, convince South Africans to buy local made products, they should also tighten border posts and ensure proper searches and security forces to ensure that no illegal cheap imports enter the country; this may cause unfair competition. Furthermore, high duties and tariffs should be levied on all imports.

## **5.7 Suggestions for Further Research**

The study recommends that:

- Further studies be conducted in other districts of the KZN province;
- Support structures by public and private sectors that can mitigate the effects of illegal cheap textile and clothing imports should be researched;
- Future research ought to examine the potential of skills training for manufacturing SME employees, regarding not only management, but also technology and business administration;
- An added area to investigate, is whether higher education programmes equip graduates to survive as SMEs in the clothing manufacturing industry.

## **5.8 Conclusion**

This chapter presented the summary of the findings related to the literature reviewed, research questions, conclusions of the study, recommendations about factors that could be employed to improve competitiveness of SMEs in the clothing manufacturing industry, as well as suggestions for further research.

Factors influencing the competitiveness of small and medium clothing manufacturing enterprises in the eThekweni municipal district in KZN have been shown as varied and reflect the challenges faced by these small enterprises, while competitive strategies and worker conditions were shown to need improvement.

## REFERENCES

Ahmedova, S. 2015. Factors for increasing the competitiveness of small and medium-sized enterprises (SMEs) in Bulgaria. *Procedia-Social and Behavioral Sciences*, 195: 1104-1112.

Akaranga, S. I. and Makau, B. K. 2016. Ethical Considerations and their Applications to Research: a Case of the University of Nairobi. *Journal of educational policy and entrepreneurial research*, 3(12): 1-9.

Akram, W. and Jamal, F. Q. 2018. Affective modeling of information technology (it) practices towards business environment competitiveness in small and medium enterprises (SMEs). Paper presented at the *Contemporary Issues In Business & Economics (Iccibe)*. 508. Available: [https://www.researchgate.net/profile/Rim\\_Bakhat/publication/332333216\\_bildiri\\_kitabi\\_artik\\_bitti/links/5cae5431a6fdcc1d498c07f8/bildiri-kitabi-artik-bitti.pdf#page=508](https://www.researchgate.net/profile/Rim_Bakhat/publication/332333216_bildiri_kitabi_artik_bitti/links/5cae5431a6fdcc1d498c07f8/bildiri-kitabi-artik-bitti.pdf#page=508) (Accessed 08 March 2020).

Al-Hyari, K. 2020. Lean bundles within Jordanian manufacturing SMEs and their effect on business performance. *Problems and perspectives in Management*, 18(2): 302.

Almalki, S. 2016. Integrating Quantitative and Qualitative Data in Mixed Methods Research--Challenges and Benefits. *Journal of education and learning*, 5(3): 288-296.

Ambe, I. and Matsoma, N. 2017. Demand planning approaches employed by clothing industry stakeholders in Gauteng, South Africa. *Journal of Transport and Supply Chain Management*, 11(1): 1-9.

Amelia, D., Murni, I., Putri, A., Badri, J. and Johan, H. 2019. A study of clothing industry competitiveness with porter's five force approach in Kabupaten Agam central industry (a preliminary study of Ampek Angkek, Banuhampu, Sungai Puar). Paper presented at the *First ELEHIC Social Sciences on Sustainable Development for World Challenge: The First Economics, Law, Education and Humanities International Conference Volume 2019*. Knowledge E,

Aritenang, A. F. 2021. The contribution of foreign investment and industrial concentration to firm competitiveness in Jakarta Megacity. *Cities*, 113: 103152.

Bartik, A. W., Bertrand, M., Cullen, Z., Glaeser, E. L., Luca, M. and Stanton, C. 2020. The impact of COVID-19 on small business outcomes and expectations. *Proceedings of the National Academy of Sciences*, 117(30): 17656-17666.

Beck, T. and Demircuc-Kunt, A. 2006. Small and medium-size enterprises: Access to finance as a growth constraint. *Journal of Banking & Finance*, 30(11): 2931-2943.

Bianchi, C., Glavas, C. and Mathews, S. 2017. SME international performance in Latin America. *Journal of Small Business and Enterprise Development* 24(1): 176-195. Available: <https://www.emerald.com/insight/content/doi/10.1108/JSBED-09-2016-0142/full/pdf> (Accessed 23 April 2020).

Bibi, S., Khan, A., Qian, H., Garavelli, A. C., Natalicchio, A. and Capolupo, P. 2020. Innovative climate, a determinant of competitiveness and business performance in Chinese law firms: The role of firm size and age. *Sustainability*, 12(12): 4948.

Bismala, L. and Handayani, S. 2017. Improving competitiveness strategy for SME's through optimization human resources management function. In: *Proceedings of Proceedings of AICS-Social Sciences*. 416-424.

Blas, A. 2018. The Competitiveness of the Spanish Clothing Industry. Master's international business management, JAMK University of Applied Science.

Borocki, J., Radisic, M., Sroka, W., Greblikaitė, J. and Androniceanu, A. 2019. Methodology for strategic posture determination of SMEs. *Engineering economics*, 30(3): 265-277.

Bush, T. 2019. *PESTLE Analysis: Environmental Factors Affecting Business*. Available: <https://pestleanalysis.com/environmental-factors-affecting-business/> (Accessed 01 November 2020).

Cann, O. 2016. *What is competitiveness*. Available: <https://www.weforum.org/agenda/2016/09/what-is-competitiveness/> (Accessed 16 September 2020).

Cant, M. C. and Wiid, J. A. 2013. Establishing the challenges affecting South African SMEs. *International Business & Economics Research Journal (IBER)*, 12(6): 707-716.

Carvalho, L. and Costa, T. 2014. Small and medium enterprises (SMEs) and competitiveness: An empirical study. *Journal of Management Studies*, 2(2): 88-95.

Costa, E., Soares, A. L. and de Sousa, J. P. 2020. Industrial business associations improving the internationalisation of SMEs with digital platforms: A design science research approach. *International Journal of Information Management*, 53: 102070.

Dar, I. A. and Mishra, M. 2019. Human capital and SMEs internationalization: Development and validation of a measurement scale. *Global Business Review*: 0972150918817390. Available: <https://journals.sagepub.com/doi/pdf/10.1177/0972150918817390> (Accessed 15 March 2019).

Dewa, M. T., Van Der Merwe, A. F. and Matope, S. 2020. Production scheduling heuristics for frequent load-shedding scenarios: a knowledge engineering approach. *South African Journal of Industrial Engineering November*, 31(3): 110-121.

Dladla, S. C. 2016. Factors influencing operational performance for SMMEs in the Textile and Clothing manufacturing sector in the eThekweni district. Master of Business Administration, Durban University of Technology.

Dlamini, H. L. 2017. Customers' perceptions towards product quality in automotive small and medium enterprises in Durban Metropolitan areas. Master's Degree in Business Administration, Durban University of Technology.

Donnellan, J. and Rutledge, W. L. 2019. A case for resource-based view and competitive advantage in banking. *Managerial and decision economics*, 40(6): 728-737.

Dossetto, F. *Open-ended questions vs. close-ended questions: examples and how to survey users* (online). 2020. Available: <https://www.hotjar.com/blog/open-ended-questions/> (Accessed 02 November 2020).

Duffy, C. 2020. *Big tech firms ramp up remote working orders to prevent coronavirus spread*. Available: <https://edition.cnn.com/2020/03/10/tech/google-work-from-home-coronavirus/index.html> (Accessed 12 September 2020).

Elfil, M. and Negida, A. 2017. Sampling methods in clinical research; an educational review. *Emergency*, 5(1).

Ensor, L. 2019. DTI incentive plan a major boost to cars and clothing sectors: Rob Davies has stressed the need for a well-resourced industrial policy and for incentives to be scaled up to create jobs in struggling sectors. Available: <https://www.businesslive.co.za/bd/national/2019-02-26-dti-incentive-plan-a-major-boost-to-cars-and-clothing-sectors/> (Accessed 15 September 2020).

Ergashxodjaeva, S., Kyvyakin, K., Tursunov, B. and Ahmadovich, H. 2018. Evaluation of textile and clothing industry clustering capabilities in Uzbekistan: based on model of M. Porter. *International Journal of Economics and Management Sciences*, 7(439): 2.

Espinoza, F. 2020. *SWOT Analysis: what is it, how to do it, examples, and templates*. Available: <https://www.whitesharkmedia.com/blog/digital-marketing/swot-analysis-how-to/> (Accessed 05 November 2020).

Ferreira, C. 2020. Developing a framework that supports the entrepreneurial orientation of small clothing manufacturing enterprises in Gauteng. M.Tech degree clothing management, University of Johannesburg.

Feurer, R. and Chaharbaghi, K. 1994. Defining competitiveness. *Management Decision*, 32(2): 49-58.

Francis, D., Valodia, I. and Ramburuth-hurt, K. 2020. *COVID-19: The full economic impact will only be known later*. Johannesburg: University of Witwatersrand. Available: <https://www.wits.ac.za/covid19/covid19-news/latest/covid-19-the-full-economic-impact-will-only-be-known-later.html> (Accessed 10 September 2020).

Führer, C. and Michel, J. 2004. An empirical study of firm size and competitiveness in German life insurance. *Zeitschrift für die gesamte Versicherungswissenschaft*, 93(2): 251-267.

Fundira, T. 2016. *State of South Africa's import trade in textile and clothing*. Available: <https://www.tralac.org/publications/article/9710-state-of-south-africa-s-import-trade-in-textiles-and-clothing.html> (Accessed 05 September 2020).

García-Álvarez de Perea, J., Ramírez-García, C. and Cubo-Molina, D. 2019. Internationalization business models and patterns of SMEs and MNEs: A qualitative multi-case study in the agrifood sector. *Sustainability*, 11(10): 2755.

Gelb, A., Meyer, C., Ramachandran, V. and Wadhwa, D. 2017. Can Africa be a manufacturing destination? Labor costs in comparative perspective. *Center for Global Development Working Paper*, (466).

Genc, E., Dayan, M. and Genc, O. F. 2019. The impact of SME internationalization on innovation: The mediating role of market and entrepreneurial orientation. *Industrial Marketing Management*, 82: 253-264.

Getahun, T. D., Gebrehiwot, A., Kebedew, B. G. and Fikru, D. 2018. *Manufacturing competitiveness in Ethiopia: developments, challenges and prospects*. Research Report 32, Addis Ababa: Ethiopian Development Research Institute.

Giannetti, B. F., Agostinho, F., Eras, J. J. C., Yang, Z. and Almeida, C. M. V. B. 2020. Cleaner production for achieving the sustainable development goals. *Journal of Cleaner Production*: 122127.



Gonda, G., Gorgenyi-Hegybes, E., Nathan, R. J. and Fekete-Farkas, M. 2020. Competitive Factors of Fashion Retail Sector with Special Focus on SMEs. *Economies*, 8(4): 95.

Gonyora, A. M., Migiro, S., Ngwenya, B. and Mashau, P. 2021. Investigating open innovation strategic alignment for sustainable competitive advantage in the automotive supply chain in South Africa. *Journal of Transport and Supply Chain Management*, 15: 554.

Guan, Z., Xu, Y., Jiang, H. and Jiang, G. 2019. International competitiveness of Chinese textile and clothing industry—a diamond model approach. *Journal of Chinese Economic and Foreign Trade Studies*, 12(1): 2-19.

Habimana, T., Mutambuka, D. and Habinshuti, P. 2018. The contribution of SWOT analysis in the competitiveness of business enterprises in Rwanda. *Journal of Economics, Business and Management*, 6(2): 56-60.

Hailemariam, S. S. 2018. Study on export competitiveness factors for Ethiopian clothing industries. *Journal of Textile and Apparel, Technology and Management*, 10(4).

Hales, G. and Mclarney, C. 2017. Uber's competitive advantage vis-à-vis Porter's Generic Strategies. *IUP Journal of Management Research*, 16(4): 7-22.

Hamad, H., Elbeltagi, I. and El-Gohary, H. 2018. An empirical investigation of business-to-business e-commerce adoption and its impact on SMEs competitive advantage: The case of Egyptian manufacturing SMEs. *Strategic Change*, 27(3): 209-229.

Hans, B. 2019. Simple Random Sample: Advantages and Disadvantages. *IOL News*, 23 January. Available: <https://www.investopedia.com/ask/answers/042815/what-are-disadvantages-using-simple-random-sample-approximate-larger-population.asp> (Accessed 14 September 2020).

Hernandez, L. A. Y. 2019. Business opportunities for Finnish companies in the label industry in emerging Mexican market. Degree in Supply Chain Management, Saimaa

University of Applied Sciences. Available:  
<https://www.theseus.fi/bitstream/handle/10024/166278/Thesis%20Final.%20Adriana%20Luna.pdf?sequence=2> (Accessed 05 November 2020).

Hodgkinson, T. and Andresen, M. A. 2020. Show me a man or a woman alone and I'll show you a saint: Changes in the frequency of criminal incidents during the COVID-19 pandemic. *Journal of Criminal Justice*, 69: 101706.

Hossian, M. S., Kabir, R. and Latifee, E. H. 2019. Export competitiveness of Bangladesh readymade garments sector: challenges and prospects. *International Journal of Research in Business and Social Science (2147-4478)*, 8(3): 45-63.

Huggins, R., Prokop, D. and Thompson, P. 2017. Entrepreneurship and the determinants of firm survival within regions: human capital, growth motivation and locational conditions. *Entrepreneurship & Regional Development*, 29(3-4): 357-389.

Inotai, A. 2019. Liberalization and foreign direct investment. In: *Foreign Economic Liberalization*. Routledge, 99-111.

International Labour Organisation. 2017. *Improving working conditions and promoting competitiveness in global supply chains: The ilo/ifc better work programme*. Geneva: ILO.

Islam, M. S. and Pattak, D. C. 2017. Impact of macro environmental factors on garments industry that drives export in Bangladesh. *Studies in Business & Economics*, 12(2): 100-110.

Islam, S. and Islam, T. N. 2018. Insight into the skill development issues of management jobs: A study on RMG and textile sectors of Bangladesh. *Asian Social Science*, 14(12): 56-66.

Islami, X., Latkovikj, M. T., Drakulevski, L. and Popovska, M. B. 2020. Does differentiation strategy model matter? Designation of organizational performance using

differentiation strategy instruments—an empirical analysis. *Business: Theory and Practice*, 21(1): 158-177.

Izni, A. A. and Wandebori, H. 2020. Proposed business strategy for small medium enterprises (SMEs) (case study: Rimbang SMEs of clothing industry). *European Journal of Business and Management Research*, 5(4): 1-6.

Jatmiko, B., Udin, U., Raharti, R., Laras, T. and Ardhi, K. F. 2021. Strategies for MSMEs to Achieve Sustainable Competitive Advantage: The SWOT Analysis Method. *The Journal of Asian Finance, Economics and Business*, 8(3): 505-515.

Jenvey, N. 2020. South Africa clothing sector master plan key to revival. *Just-Style* Available: [https://www.just-style.com/analysis/south-africa-clothing-sector-master-plan-key-to-revival\\_id139513.aspx](https://www.just-style.com/analysis/south-africa-clothing-sector-master-plan-key-to-revival_id139513.aspx) (Accessed 22 September 2020).

Joffe, A., Mailer, J. and Webster, E. 2019. 5. *South Africa's Industrialization: The Challenge Facing Labor*. Cornell University Press.

Kaine, S., Payne, A. and Coneybeer, J. 2020. What COVID-19 means for the people making your clothes. *The conversation*. Available: <https://theconversation.com/what-covid-19-means-for-the-people-making-your-clothes-134800> (Accessed 20 September 2020).

Kalidas, S., Magwentshu, N. and Rajagopaul, A. 2020. How South African SMEs can survive and thrive post COVID-19. Available: <https://www.mckinsey.com/featured-insights/middle-east-and-africa/how-south-african-smes-can-survive-and-thrive-post-covid-19#> (Accessed 12 September 2020).

Kanat, S., Abbasi, S. A., Peerzada, M. H. and Atilgan, T. 2018. SWOT analysis of Pakistan's textile and clothing industry. *Industria Textila*, 69(6): 502.

Kapetaniou, C. and Lee, S. H. 2019. Geographical proximity and open innovation of SMEs in Cyprus. *Small Business Economics*, 52(1): 261-276.

Kariuki, P. M. 2020. Strategic factors influencing the growth of the local fashion industry in Nairobi county. MBA, United States International University-Africa.

Khan, M., Sulaiman, R., Nazir, O. and Ahmad, W. 2020. Small Size, Bigger Impact: Do SMEs Care About Social Responsibility In Pakistan? *Corporate Social Responsibility in Rising Economies: Fundamentals, Approaches and Case Studies*: 73-89.

Khan, S. and Shah, S. M. A. 2017. Study on Key Empirical Factors of Competitiveness: Case of Textile Industry of Pakistan. *Journal of Managerial Sciences*, 11(1): 1-22.

Kitsios, F. and Kamariotou, M. 2018. Decision support systems and strategic planning: information technology and SMEs' performance. *International Journal of Decision Support Systems*, 3(1-2): 53-70.

Kubickova, M. 2019. The impact of government policies on destination competitiveness in developing economies. *Current Issues in Tourism*, 22(6): 619-642.

Kumbara, A. 2020. The analysis of porter's five forces in lucky textile group in facing the competition of textile industry. *Dinasti International Journal of Economics, Finance & Accounting*, 1(3): 397-412.

KZNCTC. 2017. *Industrial symbiosis and the CTFL industry*. KwaZulu Natal Clothing and Textile Cluster.

Leboea, S. T. 2017. The factors influencing SME failure in South Africa. Master of Commerce in Development Finance, University of Cape Town.

Lekhanya, L. M. 2014. The significance of emerging technologies in promoting internationalization of rural SMEs in South Africa. *Mediterranean Journal of Social Sciences*, 5(20): 2717-2717.

Lekhanya, L. M. and Dlamini, H. L. 2017. Customer's perception towards product quality of automotive SMEs operating in Metropolitan areas, and consideration of environmental impact. *Environmental Economics*, 8(1): 36-45.

Lekhanya, L. M. and Visser, K. 2016. Risks and factors contributing towards rural entrepreneurial orientation growth of business in an emerging economy. *Risk governance & control: financial markets & institutions (Online)*, 6(4): 72-83.

Magretta, J. 2011. *Understanding Michael Porter. The Essential Guide to Competition and Strategy*. Harvard Business Press. ISBN: 1422142299, 9781422142295.

Martin, J. 2020. *The state of SMEs in South Africa*. Available: <https://info.ikhokha.com/current/the-state-of-smes/> (Accessed 12 November 2020).

Martin, M. 2019. *Porter's Five Forces offer businesses a way to analyse and outmanoeuvre their competitors in the marketplace*. Available: <https://www.businessnewsdaily.com/5446-porters-five-forces.html> (Accessed 25 September 2020).

Martinović, M. 2018. Competitiveness Through Consumer Loyalty: The Influence of Switching Costs. Paper presented at the *6th International OFEL conference on governance, management and entrepreneurship. new business models and institutional entrepreneurs: leading disruptive change. April 13th-14th, 2018, Dubrovnik, Croatia*. Zagreb: Governance Research and Development Centre (CIRU), 177-191.

Mastamet-Mason, A. and Mbatha, S. 2018. *Chapter nine analysis of apparel manufacturing industries Using Porter's factor condition determinant: A case study in Kwazulu-Natal*. Newcastle: Cambridge Scholars.

Mathe, T. 2020. *PPE scandal takes the bread out of SMEs' mouths*. Available: <https://mq.co.za/business/2020-08-27-ppe-scandal-takes-the-bread-out-of-smes-mouths/> (Accessed 16 September 2020).

Matrutty, E. S., Franksisca, R. and Damayanti, T. 2018. SMEs competitiveness in an integrated economy: A preliminary study from Indonesia. *Oradea J. Bus. Econ*, 2: 7-16.

Matthyse, M. J. 2018. Constraints facing SMEs in the pursuit of job creation: the case of the Cape Metropolis clothing industry. Master of Technology in Business Administration, Cape Peninsula University of Technology. Available: [http://etd.cput.ac.za/bitstream/handle/20.500.11838/2901/Matthyse Moses Johannes\\_202088502.pdf?sequence=1&isAllowed=y](http://etd.cput.ac.za/bitstream/handle/20.500.11838/2901/Matthyse_Moses_Johannes_202088502.pdf?sequence=1&isAllowed=y) (Accessed 05 October 2020).

Mbanda, V. and Chitiga-Mabugu, M. 2017. Growth and employment impacts of public economic infrastructure investment in South Africa: a dynamic CGE analysis. *Journal of Economic and Financial Sciences*, 10(2): 235-252.

Mchunu, N. A. 2019. The influence of leadership styles on small medium enterprise survival in the manufacturing sector within Msunduzi Municipality. Master in Administration and Information Management, Durban University of Technology. Available: [https://openscholar.dut.ac.za/bitstream/10321/3344/3/MCHUNUNM\\_2019.pdf](https://openscholar.dut.ac.za/bitstream/10321/3344/3/MCHUNUNM_2019.pdf) (Accessed 11 August 2020).

Mertler, C. A. and Reinhart, R. V. 2016. *Advanced and multivariate statistical methods: Practical application and interpretation*. Routledge.

Miao, M., Yushi, J. and Borojo, D. G. 2020. The impacts of China–Africa economic relation on factor productivity of African countries. *Economies*, 8(2): 47.

Micek, G. 2019. Geographical proximity paradox revisited: The case of IT service SMEs in Poland. *Sustainability*, 11(20): 5770.

Middleton, F. 2019. *Reliability vs validity: what's the difference*. Available: <https://www.scribbr.com/methodology/reliability-vs-validity/> (Accessed 04 March 2020).

Mita, G. O., Ochie'ng, I. and Mwebi, R. 2017. Influence of generic strategies on performance of metal works SME businesses in Naivasha town. *International Academic Journal of Human Resource and Business Administration*, 2(3): 477-500.

Mmelesi, K., Daw, O. D. and Mongale, I. P. 2019. The impact of exchange rate on clothing exports in South Africa. Paper presented at the *4th Annual International Conference on Public Administration and Development Alternatives 03 - 05 July 2019*. Johannesburg. Available: <http://hdl.handle.net/10386/2764> (Accessed 31 May 2021).

Mohan, N. 2018. *Using resource-based view strategy for a competitive advantage*. Available: <https://www.saviom.com/blog/using-the-resource-based-view-strategy-for-competitive-advantage/> (Accessed 15 June 2018).

Moises Jr, C. 2020. Online data collection as adaptation in conducting quantitative and qualitative research during the COVID-19 pandemic. *European Journal of Education Studies*, 7(11): 78-87.

Morris, M., Barnes, J. and Kao, M. 2016. *Global value chains, sustainable development, and the apparel industry in Lesotho*: Geneva: International Centre for Trade and Sustainable Development (ICTSD).

MSME. 2020. Covid-19 the great lockdown and its impact on small business. Paper presented at the *SME Competitiveness outlook 2019*. International trade centre, Available: <https://www.intracen.org/uploadedFiles/intracenorg/Content/Publications/ITCSMECO2020.pdf> (Accessed 02 November 2020).

Muda, S. and Rahman, M. R. C. A. 2016. Human capital in SMEs life cycle perspective. *Procedia Economics and Finance*, 35: 683-689.

Mugo, A. N., Kahuthia, J. and Kinyua, G. 2019. Effects of infrastructure on growth of small and medium enterprises in Kenya: A case of clothing and textile businesses in Nairobi Central Business District. *International Academic Journal of Human Resource and Business Administration*, 3(6): 133-149.

Muigai, N. 2018. Effect of Generic strategies on competitive advantage of media agencies: A case study of Saracen Media Limited. Master in Business Administration, United States International University-Africa.

Naidoo, V. 2021. SME Sustainability in South Africa Post-COVID-19. In: *Handbook of Research on Sustaining SMEs and Entrepreneurial Innovation in the Post-COVID-19 Era*. IGI Global, 419-437.

Nattrass, N. and Seekings, J. 2019. *Inclusive Dualism: Labour-intensive development, decent work, and surplus labour in Southern Africa*. Oxford University Press.

Ngibe, M. 2020. A proposed integrated model for innovative business leadership for the attainment of sustainable growth in small and medium manufacturing enterprises in KwaZulu-Natal. Doctor of Philosophy: Business Administration, Durban University of Technology.

Nguyen, N. and Le, P. 2020. Macro-environment of Second-hand Clothing Business in Helsinki. Bachelor of Business Administration, LAB University of Applied Sciences. Available: [https://www.theseus.fi/bitstream/handle/10024/342055/Macro-environment%20of%20Second-hand%20Clothing%20Business%20in%20Helsinki\\_%20Nhung%20Nguyen%20%26%20Phuong%20Le.pdf?sequence=2&isAllowed=y](https://www.theseus.fi/bitstream/handle/10024/342055/Macro-environment%20of%20Second-hand%20Clothing%20Business%20in%20Helsinki_%20Nhung%20Nguyen%20%26%20Phuong%20Le.pdf?sequence=2&isAllowed=y) (Accessed 02 November 2020).

Nieuwenhuizen, C. 2019. The effect of regulations and legislation on small, micro and medium enterprises in South Africa. *Development Southern Africa*, 36(5): 666-677.

Njogu, T. 2019. *Difference between Anonymity and Confidentiality*. Available: <http://www.differencebetween.net/business/difference-between-anonymity-and-confidentiality/> (Accessed 12 September 2020).

Njuguna, V. N. 2015. Effects of Generic Strategies on Competitive Advantage: Evidence From SME's in Nyahururu, Kenya. *Kenya (July 7, 2015)*: 1-50.

Nompumelelo, M. 2014. Wage levels are sewn up. *Business Report*, 20 April 2014



OECD. 2019. *SME and entrepreneurship outlook* Available: <https://www.oecd.org/industry/smes/SME-Outlook-Highlights-FINAL.pdf%22> / (Accessed 16 September 2020).

OECD. 2020. An OECD scoreboard. Paper presented at the *Financing SMEs and entrepreneurs 2020*. OECD library Available: <https://www.oecd-ilibrary.org/sites/37b75ad0-en/index.html?itemId=/content/component/37b75ad0-en> (Accessed 17 November 2020).

Ondiege, P., Moyo, J. M. and Verdier-Chouchane, A. 2013. Developing Africa's infrastructure for enhanced competitiveness. In: Proceedings of *World Economic Forum, the African Competitiveness Report*, 69-92.

Ouma, G. and Oloko, M. 2017. the relationship between porter's generic strategies and competitive advantage a case study of bus companies plying the kisumu-nairobi route, Kenya. *International Journal of Economics, Commerce and Management*, 3(6): 1058-1092.

Pasquali, G., Godfrey, S. and Nadvi, K. 2020. Understanding regional value chains through the interaction of public and private governance: Insights from Southern Africa's apparel sector. *Journal of International Business Policy*: 1-22.

Patino, C. M. and Ferreira, J. C. 2018. Inclusion and exclusion criteria in research studies: definitions and why they matter. *Jornal Brasileiro de Pneumologia*, 44(2).

Prasada, P., Febrian, E., Komaladewi, R. and Zusnita, W. 2020. Competitiveness of SMEs: The support of value creation and market orientation. *Management Science Letters*, 11(2): 645-656.

Pulka, B. M., Ramli, A. B. and Bakar, M. S. 2018. Marketing capabilities, resources acquisition capabilities, risk management capabilities, opportunity recognition capabilities and SMEs performance: A proposed framework. *Asian Journal of Multidisciplinary Studies*, 6(1): 12-22.

Queirós, A., Faria, D. and Almeida, F. 2017. Strengths and limitations of qualitative and quantitative research methods. *European Journal of Education Studies*, 3(9): 369-387.

Rahman, S. M. T. and Kabir, A. 2019. Factors influencing location choice and cluster pattern of manufacturing small and medium enterprises in cities: evidence from Khulna City of Bangladesh. *Journal of Global Entrepreneurship Research*, 9(1): 1-26.

Rathnayake, D., Malsha, H., Dissanayake, C. and Gunathilaka, L. 2020. Factors behind the success of international competitiveness of Apparel industry in Sri Lanka with special reference to vertical integration strategy. Paper presented at the *13th International Research Conference*

Roopchand, R. 2017. Understanding the contribution of human capital for the competitiveness of Mauritius. *International Journal of Competitiveness*, 1(2): 119-135.

Roostika, R. 2019. SMEs craft industry application of resource based view: capabilities role of SMEs performance. *Review of Integrative Business and Economics Research*, 8: 423-440.

Russel, M. 2018. *Fashion industry faces war for talent across the supply chain*. Available: [https://www.just-style.com/news/fashion-industry-faces-war-for-talent-across-supply-chain\\_id134672.aspx](https://www.just-style.com/news/fashion-industry-faces-war-for-talent-across-supply-chain_id134672.aspx) (Accessed 02 October 2020).

Sánchez, G. J., Cabanelas, P., Lampón, J. F. and González-Alvarado, T. E. 2019. The impact on competitiveness of customer value creation through relationship capabilities and marketing innovation. *Journal of Business & Industrial Marketing*, 34(3): 618-627.

Sariannidis, N., Lemonakis, C., Garefalakis, A. and Paraskevas, T. 2019. Manufacturing SMEs competitiveness against the crisis: management characteristics and new perspectives. *International Journal of Supply Chain Management (IJSCM)* 8(4): 126. Available: <https://core.ac.uk/reader/230749220> (Accessed 30 November 2020).

Satapathy, D. *S Africa sees R-CTFL master plan, industry revival efforts* (online). 2020. Available: <https://www.fibre2fashion.com/industry-article/8528/s-africa-sees-r-ctfl-master-plan-industry-revival-efforts> (Accessed 17 September 2020).

Schaltegger, S. and Wagner, M. 2017. Managing and measuring the business case for sustainability: Capturing the relationship between sustainability performance, business competitiveness and economic performance. In: *Managing the business case for sustainability*. London: Routledge, 1-27.

Sewraj, R. T. 2020. *A Qualitative Cross-Sectional Study Describing the Challenges of Value-Added Tax as Perceived by Low Economic Group Consumers in Durban, Kwa-Zulu Natal*. The IIE.

Shen, N. M. 2017. Manufacturing SMEs need funds, mind-set change for Industry 4.0. *The Malaysian Reserve* Available: <https://themalaysianreserve.com/2017/08/07/manufacturing-smes-need-funds-mindset-change-industry-4-0/> (Accessed 10 September 2020).

Shubbak, M. H. 2019. The technological system of production and innovation: The case of photovoltaic technology in China. *Research Policy*, 48(4): 993-1015.

Sibiya, V. and Kele, T. 2019. Barriers and public policies impeding SMEs' international market expansion: A South African perspective. *International Journal of Entrepreneurship*, 23(1): 1-19.

Silva, A. T. C. d., Gohr, C. F. and Santos, L. C. 2019. Lean production from the perspective of the resource-based view: a study in an organization in the footwear industry. *Gestão & Produção*, 26(2).

Silva, P. C., Neto, O. G. C., Correia, J. M. F. and Tucci, H. N. P. 2021. Evaluation of economic, environmental and operational performance of the adoption of cleaner production: Survey in large textile industries. *Journal of Cleaner Production*, 278: 123855.

Sitharam, S. and Hoque, M. 2016. Factors affecting the performance of small and medium enterprises in KwaZulu-Natal, South Africa. *Problems and perspectives in Management*, 14(2): 277-288.

Sithole, L., Sithole, M. J. and Chirimuta, C. 2018. Marketing challenges experienced by small-to-medium enterprises over formal clothing industries in Harare, Zimbabwe. *Cogent Social Sciences*, 4(1): 1488234.

Smales, L. A. 2020. One cryptocurrency to explain them all? understanding the importance of bitcoin in cryptocurrency returns. *Economic Papers: A Journal Of Applied Economics And Policy*, 39(2): 118-132.

Strauss, I., Isaacs, G. and Capaldo, J. 2017. *The impact of minimum wage increases on the South African economy in the Global Policy Model*. International Labour Organization.

Surucu, L. and Maslakci, A. 2020. Validity and reliability in quantitative research. *Business & Management Studies: An International Journal*, 8(3): 2694-2726.

Susanto, A. B. and Wasito, W. 2017. Improve the performance Of SMEs through innovation strategies in developing countries. *International Journal Of Scientific & Technology Research* 6(10): 282-285.

Syed, R. F. 2020. Theoretical debate on minimum wage policy: a review landscape of garment manufacturing industry in Bangladesh. *Asian Journal of Business Ethics*, 9(2): 211-224.

Taçoğlu, C., Ceylan, C. and Kazançoğlu, Y. 2019. Analysis of variables affecting competitiveness of SMEs in the textile industry. *Journal of Business Economics and Management*, 20(4): 648-673.

Taylor, M., Jack, R., Madsen, T. and Alam, M. A. 2021. The nature of service characteristics and their impact on internationalization: A multiple case study of born global firms. *Journal of Business Research*, 132: 517-529.

Thulo, L. *South Africa's SMEs Landscape Report* (online). 2019. Available: <https://smesouthafrica.co.za/south-africas-smes-landscape-report/> (Accessed 16 February 2020).

Toprak, T. and Anis, P. 2017. Textile industry's environmental effects and approaching cleaner production and sustainability, an overview. *J Textile Eng Fashion Technol*, 2(4): 429-442.

Tran, H. 2020. Entering the Vietnamese textile and apparel consumer market: Case: Marimekko. Bachelor of Business Administration, LAB University of Applied Sciences.

Udell, G. F. 2015. *Issues in SME access to finance*. Available: <https://european-economy.eu/wp-content/uploads/2015/10/Issues-in-SME-Access-to-Finance.pdf> (Accessed 24 April 2020).

Ulubeyli, S. and Kazanci, O. 2018. Holistic sustainability assessment of green building industry in Turkey. *Journal of Cleaner Production*, 202:197-212. doi: 10.1016/j.jclepro.2018.08.111.

UKZN. 2020. *Economic Impact Of COVID-19 Lockdown on SMEs In South Africa*. Available. University of KwaZulu-Natal. Available: <https://clms.ukzn.ac.za/economic-impact-of-covid-19-lockdown-on-smes-in-south-africa/> (Accessed 19 September 2020).

Van Niekerk, Y. 2020. *Load shedding is now the number 1 enemy of South African businesses, but here's why you can't let it win the war*. Available: <https://ibiliti.co.za/load-shedding-is-now-the-number-1-enemy-of-south-african-businesses-but-heres-why-you-cant-let-it-win-the-war/> (Accessed 11 September 2020).

Vendrell-Herrero, F., Gomes, E., Mellahi, K. and Child, J. 2017. Building international business bridges in geographically isolated areas: The role of foreign market focus and outward looking competences in Latin American SMEs. *Journal of World Business*, 52(4): 489-502.

Venkatesh, V. G., Dubey, R. and Bhattacharya, S. 2015. An analysis on internationalisation barriers of Indian apparel SMEs in the post-MFA period-a modelling approach. *International Journal of Business and Globalisation*, 14(3): 351-381.

Wardle, C. 1996. An analysis of the tariff structure applicable to the clothing industry. Master's in commerce, Rand Afrikaans University. Available: file:///C:/Users/Student/Downloads/PDF%20Document.pdf (Accessed 05 November 2020).

Warner, J. 2019. *The five challenges SMEs face due to poor internet connectivity*. Available: <https://www.computerweekly.com/microscope/opinion/The-five-challenges-SMEs-face-due-to-poor-internet-connectivity> (Accessed 14 March 2020).

Watchravesringkan, K. T., Karpova, E., Hodges, N. N. and Copeland, R. 2010. The competitive position of Thailand's apparel industry. *Journal of Fashion Marketing and Management: An International Journal*, 14(4): 576-597.

Wood, G. and Bischoff, C. 2019. Challenges and progress in integrating knowledge: cases from clothing and textiles in South Africa. *Journal of Knowledge Management*, 24(1): 32-55.

Wright, M. 2018. How pilot testing can dramatically improve your user research. *Retrieved November*, 19: 2019.

Yaya, J. A. 2014. Choosing the right measurement instrument for your project. *Retrieved February*, 11: 2020.

## APPENDICES

### Appendix 1: Letter of Information and Consent Letter



#### LETTER OF INFORMATION

**Title of the Research Study:** Factors contributing to the competitiveness of Small and Medium Enterprises in the clothing industry at the eThekweni Municipality, District of KZN.

**Principal Investigator/s/researcher:** Mr. Dalisu Mkhize

**Co-Investigator/s/supervisor/s:** Dr L.M Lekhanya, PhD

**Brief Introduction and Purpose of the Study:** The study intends to enable SMEs to grow. The findings of this study will support SMEs in making strategic decisions about competitiveness factors and thus increase the level of competitiveness. This study also aims to contribute to the competitiveness literature by finding the factors that affect SMEs' competitiveness and their influence in the clothing manufacturing industry and suggests the best mechanism on how South African SMEs in a clothing manufacturing industry can improve their level of competitiveness.

**Greeting** Hello, I hope you are doing good.

**Please introduce yourself to the participant:** I am a registered student at the Durban University of Technology in Entrepreneurial Studies and Management. I am currently pursuing a master's degree in Management Sciences (Business Administration).

**Invitation to the potential participant:** I would like to invite you to participate in the research study. I shall be grateful if you could please complete the attached questionnaire. The questionnaire should take 15 minutes to complete and requires only a tick to the relevant column. You can be assured that your response will receive the utmost confidentiality.

**Outline of the Procedures:** You will have to answer the questionnaire sent to you by the researcher through email due to COVID-19 and lockdown regulations. The questionnaire should take about 20-30 minutes to complete. The researcher will make follow-up through email to check the progress and take questions you may have.

The purpose of this study is to figure out factors contributing to the competitiveness of SMEs and describe their influence on the clothing manufacturing industry at the eThekweni Municipality District of KZN. The measuring instrument used to collect data from you is a self-completion closed-ended 5-point - Likert scale questionnaire, where you choose whether you strongly agree, agree, neutral, disagree, or strongly disagree. All questions are developed from the research problem and objectives of the study.

**Risks or Discomforts to the Participant:** No physical, social, or economic risks are posed to you, and taking part in the study will not affect your business status.

**Explain to the participant the reasons he/she may be withdrawn from the Study:** The study is voluntary; should you suffer from illness, adverse reaction during participation, you may withdraw anytime. There will be no consequences should you choose to withdraw anytime.

**Benefits:** The study intends to enable SMEs to grow. The study will support SMEs in making strategic decisions about competitiveness factors, thus increasing the level of competitiveness.

**Remuneration:** Taking part in this study is voluntary; you will not receive any reward or payment.

**Costs of the Study:** Please note that no reward or payment will be given to you, and there is no cost attached to the study.

**Confidentiality:** Only the researcher and supervisor have access to contact information and responses. Your identification will only be used to contact you; your response will be recorded on a form with a code number created by the researcher (respondent A or B); by using code numbers, your responses cannot be singled out.

**Results:** The findings of this study will be made available through publications in accredited peer-reviewed journals, presentations at local and international conferences, seminars, and workshops conducted to increase competitive awareness in the industry. Any new findings developed during the research will be conveyed to you via email.

**Research-related Injury:** The study seeks you to answer the questionnaire. Therefore, there are no research-related injuries expected for this study.

**Storage of all electronic and hard copies, including tape recordings:** Completed and returned questionnaire will be stored in safe storage for five years and after that be shredded; Electronic records will be kept for five years and after that be deleted.

**Persons to contact in the event of any problems or queries:** Please contact the researcher Mr. D.M Mkhize, 063 494 3618 or [21648874@dut4life.ac.za](mailto:21648874@dut4life.ac.za)., my supervisor Dr L.M Lekhanya,

079 757 1631 or [lawrencel@dut.ac.za](mailto:lawrencel@dut.ac.za) or the Institutional Research Ethics Administrator on 031 373 2375. Complaints can be reported to the Director: Research and Postgraduate Support Dr L Linganiso on 031 373 2577 or [researchdirector@dut.ac.za](mailto:researchdirector@dut.ac.za).





**CONSENT**

**Full Title of the Study:** Factors contributing to the competitiveness of Small and Medium Enterprises in the clothing industry at the eThekweni Municipality, District of KZN.


**Names of researcher/s:** Mr. Dalisu Mkhize

**Statement of Agreement to Participate in the Research Study:**

- I hereby confirm that I have been informed by the researcher, Mr. Dalisu Mkhize (name of researcher), about the nature, conduct, benefits, and risks of this study - Research Ethics Clearance Number: IREC 036/21,
- I have also received, read, and understood the above written information (Participant Letter of Information) regarding the study.
- I am aware that the results of the study, including personal details regarding my sex, age, date of birth, initials, and diagnosis will be anonymously processed into a study report.
- In view of the requirements of research, I agree that the data collected during this study can be processed in a computerised system by the researcher.
- I may, at any stage, without prejudice, withdraw my consent and participation in the study.
- I have had sufficient opportunity to ask questions and (of my own free will) declare myself prepared to participate in the study.
- I understand that significant new findings developed during this research which may relate to my participation will be made available to me.

<b>Full name of Participant</b>	<b>Date</b>	<b>Time</b>	<b>Signature / Right Thumbprint</b>

I, Dalisu Mkhize (name of researcher) herewith confirm that the above participant has been fully informed about the nature, conduct, and risks of the above study.

Dalisu Mkhize	27 May 2021	
<b>Full Name of Researcher</b>	<b>Date</b>	<b>Signature</b>

\_\_\_\_\_  
Full Name of Witness (If applicable)

Date

Signature

\_\_\_\_\_  
Full Name of Legal Guardian (If applicable)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

## Appendix 2: Gatekeeper Letter



11 May 2021

Request for Permission to Conduct Research

Dear Sir/Madam.

My name is Dalisu Mkhize, I am currently registered as a master's student in Management Sciences, specializing in Business Administration, at the Durban University of Technology. The research I wish to conduct for my master's dissertation involves: Factors contributing to the competitiveness of Small and Medium Enterprises in the clothing manufacturing industry at the eThekweni Municipality District of KZN.

I am hereby seeking your consent to give me permission to conduct my study to your organisation.

I have provided you with a copy of my proposal which includes copies of the data collection tools, consent/ letter of information and assent forms to be used in the research process, as well as a copy of the approval letter which I received from the Institutional Research Ethics Committee (IREC).

If you require any further information, please do not hesitate to contact me on 063 494 3618 and email address: 21648874@dut4life.ac.za. Thank you for your time and consideration in this matter.

Yours sincerely,

Dalisu Mhlengi Mkhize (Master's student).

Durban University of Technology.

### Appendix 3: Questionnaire

Email: \_\_\_\_\_

Please answer the following questions by ticking (v) to the relevant column:

1. In which part of eThekweni Metropolitan is your business situated?

South of Durban	
Durban Central	
North of Durban	
Other	

2. What type of clothing manufacturing are you owning?

CMT (Cut, Make, Trim)	
FPP (Full Package Production)	
Design House	
Other	

3. How many employees are currently employed?

1-50	
51-150	
151-250	
More than 250	

4. How many years you have been operating in this business?

Less than 1 year	
1-2 years	
3-5 years	
6-9 years	
More than 10 years	

6. Which one is regarded as your competitors?

Local companies	
Foreign companies	
Both	

Please indicate your response to the following statements with regards SMEs at the eThekweni Municipality District of KZN in the clothing manufacturing industry by ticking (v) To the relevant column:

KEY: SA= Strongly Agree, A= Agree, N= Neutral, D= Disagree, SD= Strongly Disagree

	<b>Statement</b>	<b>SA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>SD</b>
1.	SMEs in the clothing manufacturing companies experience intense pressure when it comes to competitiveness.					
2.	Customer demands lower production cost which makes SMEs in the clothing manufacturing become uncompetitive.					
3.	There is a lack of knowledge and understanding about factors contributing to the competitiveness of SMEs in the clothing manufacturing companies.					
4.	Access to market (customers) is a challenge for many companies at the eThekweni District of KZN in the clothing manufacturing industry.					
5.	SMEs at the in the clothing manufacturing industry find the industry extremely competitive.					
6..	Factories at the eThekweni District of KZN in the clothing manufacturing industry needs More resources such as industrial machines to stay competitive.					
7.	Lack of competitiveness has limited the growth of SMEs in the clothing manufacturing industry.					
8.	Some factors hindering the growth of SMEs in the clothing manufacturing industry also affects SMEs from outside South Africa.					
9.	Cheap imports harm the growth of clothing industry.					
10.	Unreliable raw material suppliers harm the competitiveness of small businesses in the clothing manufacturing industry.					
11.	Gaining competitiveness can be a great tool for many SMEs in the clothing manufacturing industry to achieve a long-term business growth.					
12.	Customer expectations and needs are always changing in the clothing manufacturing industry and this negatively affect SMEs.					
13.	SMEs in the clothing manufacturing industry its survival increasingly depends on being able to cope with factors such as technological developments and market globalisation.					
14.	Internationalisation has been considered as a factor which enables SMEs in the clothing manufacturing industry to become competitive and to grow.					
15.	The use of information technology by SMEs in the clothing manufacturing industry is very weak.					

16.	Cheap labour cost can help the clothing manufacturing industry to revive its competitiveness.					
17.	The rapid advances in the information and communication technology have contributed to the competitiveness of SMEs in the clothing manufacturing industry.					
18.	Access to finance continue to be a major problem for SMEs in the clothing manufacturing industry.					
19.	There are external factors such as political, economic, social, environmental, and legal which hinders SMEs to achieve competitiveness and growth.					
20.	National minimum wages have been a threat for many SMEs in the clothing manufacturing industry.					
21.	High Labour cost has resulted many SMEs in the clothing manufacturing industry to outsource their production to neighbouring countries such as Lesotho for cheap labour.					
22.	Government may impose regulations that may limit SMEs in the clothing manufacturing to gain competitiveness.					
23.	There is mismanagement of government grants by SMEs in the clothing manufacturing industry.					
24.	Clothing manufacturing industry in countries with cheap labour and least of cheap imports have more competitive advantage than South African clothing manufacturing industry.					

Thank you for taking the time to complete this questionnaire. The information you have provided is truly valued.

## Appendix 4: Proposal Approval Letter



**Professor Fulu G. Netswera**  
Executive Dean  
Faculty of Management Sciences  
Durban University of Technology  
P O Box 1334, Durban, 4000,  
South Africa

03 November 2021

**Student number: 21648874**

Dear Mr D.M. Mkhize

### **MASTER OF MANAGEMENT SCIENCES: BUSINESS ADMINISTRATION**

This serves to confirm the approval of your research proposal by the Faculty Research Committee, at its meeting on **3<sup>rd</sup> November 2021**, as follows:

- Research proposal and provisional dissertation title:  
**Factors influencing the competitiveness of small and medium clothing manufacturing enterprises in the eThekweni municipal district in KwaZulu-Natal**

Supervisor: **Dr LM Lekhanya**

Co-supervisor: **N/A**

Please note that any proposed changes in the thesis/dissertation title require the approval of your supervisor/s, the Faculty Research Committee, as well as ratification thereof by the Higher Degrees Committee.

- Research budget to the amount of: **R10 000.00(Masters) / R15 000(DPHIL)**

Please note that this funding is not a scholarship or bursary and is therefore not paid directly to you, but is controlled by the Faculty. Any proposed changes to the use of this funding allocation requires the approval of your supervisor and the Dean. Please note that funding will be reimbursed to you after the provision of receipts.

The Institutional Research Committee has stipulated that:

- (a) This University retains the ownership of any Intellectual Property (patent, design, etc.) registered in respect of the results of your Masters/Doctors Degree in Technology studies as a result of the award and the provisions of the above Act;
- (b) Should you find any of the terms above not acceptable then you are given the option to decline the Research budget award to your project in writing.

May we remind you that in terms of Rule G25(2)(b), if you fail to obtain the Masters/Doctors degree within the maximum time period allowed after first registering for the qualification, Senate may refuse to renew your registration or may impose any conditions it deems fit. You may apply to the Faculty Research Committee for an extension.

Please note that you are required to convert your registration from the informal to the formal course and re-register each year.

Please note that the following must be adhered to:

**Registration:**

1. Ensure registration has taken place ***(the onus is on the student and the supervisor to ensure registration takes places at the beginning of each year whilst the student is currently engaged with his/her Masters or PhD qualification)***
2. Ensure that application for Conferment of Status has been made in the event of your undergraduate qualification being different to this application. ***Your attention is drawn to the fact that Conferment of Status is required for registration.***
3. Ensure that your supervisor has submitted your proposal to the Faculty Research Officer (FRO) for IREC clearance (institutional research ethics committee). This is in the case of Ethics level 2 and level 3 IREC (in the case of a study dealing with vulnerable populations). See guideline attached. ***It is the researcher's responsibility to check the***

***Ethics requirements and submit to the relevant bodies irrespective of the reviewer's recommendation.***

**Dissertation submission for examination:**

1. Ensure that you submit the intention to submit form **(PG 5)**, signed by the HOD and Supervisor
2. Ensure that the signed checklist is submitted with the **PG 5**
3. Once your dissertation is submitted to the supervisor for examination purposes, communication from here on will only be with you supervisor and not with the faculty.
4. Your supervisor **MUST** nominate the examiners three months prior to submission of the dissertation/thesis for examination.
5. On submission for examination, please note that a PDF signed copy must be submitted to your supervisor along with the completed and signed **PG 7** form, **FMS Checklist** and signed **Turn it in report**.
6. Feedback will be provided to your supervisor regarding the examination result after the result is ratified by the Higher Degrees Committee (HDC).
7. In the event of a resubmission the reports will be submitted to the supervisor who will communicate with you for revision. Once revision has taken place your supervisor will submit to the FRO for resubmission to the examiners.



8. In the case where there is a discrepancy in examiners results, an Arbiter will be nominated via the HOD and supervisor and tabled at FRC and ratified at HDC. On completion of this process, the Arbiters report will be tabled at FRC and ratified at HDC.
9. Results of the Arbitration process will be communicated to your supervisor

**Graduation requirements:**

1. Ensure that you submit a completed signed PG10 form
2. one hard bound dissertation/thesis with a pdf version to be sent upon HDC ratification
3. response to post graduate examination form
4. completion of study form (IREC form)

Should you experience any problems relating to your research, your supervisor must be informed of the matter as soon as possible. If the difficulties persist, you should then approach your Head of Department and thereafter the Faculty Research Coordinator.

Please refer to the 2020 General Rule Book and the Postgraduate Students' Guide 2020 concerning the rules relating to postgraduate studies, which include *inter alia* acceptable minimum and maximum timeframes, submission of thesis/dissertations, etc. Please do not hesitate to contact this office for any assistance. We wish you success in your studies.

Kind regards,

---

Dr Melanie Lourens obo the FRC Chair/Executive Dean: Professor Netswera  
Faculty of Management Sciences.

## Appendix 5: Ethical Clearance Letter



**Institutional Research Ethics Committee** Research and Postgraduate Support Directorate 2<sup>nd</sup> Floor, Berwyn Court Gate I, Steve Biko Campus Durban University of Technology

P O Box 1334, Durban, South Africa, 4001

Tel: 031 373 2375

Email: [lavishad@dut.ac.za](mailto:lavishad@dut.ac.za)

[http://www.dut.ac.za/research/institutional\\_research\\_ethics](http://www.dut.ac.za/research/institutional_research_ethics)

[www.dut.ac.za](http://www.dut.ac.za)

25 May 2021

Mr D M Mkhize  
477 Anton Lembede Street  
Durban  
4001

Dear Mr Mkhize

**Factors contributing to the competitiveness of Small and Medium Enterprises in the clothing manufacturing industry at the eThekweni Municipality District of KZN.**

**Ethics Clearance Number: IREC 036/21**

The Institutional Research Ethics Committee acknowledges receipt of your final data collection tool for review.

We are pleased to inform you that the data collection tool has been approved. Kindly ensure that participants used for the pilot study are not part of the main study.

Please note that **FULL APPROVAL** is granted to your research proposal. You may proceed with data collection.

Any adverse events [serious or minor] which occur in connection with this study and/or which may alter its ethical consideration must be reported to the IREC according to the IREC Standard Operating Procedures (SOP's).

Please note that any deviations from the approved proposal require the approval of the IREC as outlined in the IREC SOP's.

Yours Sincerely,

---

Prof J K Adam  
Chairperson: IREC

## Appendix 6: Turnitin Report

### Turnitin Originality Report

Processed on: 18-Sep-2021 13:28 SAST  
ID: 1651386025  
Word Count: 21630  
Submitted: 1

Similarity Index	Similarity by Source
19%	Internet Sources: 13% Publications: 3% Student Papers: 13%

FACTORS CONTRIBUTING TO THE COMPETITIVENESS OF  
SMALL AND MEDIUM ENTERPRISES IN THE CLOTHING  
MANUFACTURING INDUSTRY AT THE ETHEKWINI  
MUNICIPALITY DISTRICT OF KZN By Dalisu Mkhize

3% match (student papers from 23-Mar-2021)

[Submitted to University of Johannesburg on 2021-03-23](#)

1% match (student papers from 15-Feb-2018)

[Submitted to Durban University of Technology on 2018-02-15](#)

1% match ( )

[Lekhanya, Lawrence Mpele. "The Impact Of Viral Marketing On Corporate Brand Reputation", 'Clute Institute', 2014](#)

1% match (publications)

[Mohammad Islam, Dulal Chandra Pattak. "Impact of Macro Environmental Factors on Garments Industry That Drives Export in Bangladesh", Studies in Business and Economics, 2017](#)

< 1% match (student papers from 19-Oct-2019)

[Submitted to Durban University of Technology on 2019-10-19](#)

< 1% match (student papers from 27-Jun-2021)

[Submitted to Durban University of Technology on 2021-06-27](#)

< 1% match (student papers from 25-Jul-2017)

[Submitted to Durban University of Technology on 2017-07-25](#)

< 1% match (student papers from 18-Sep-2017)

[Submitted to Mancosa on 2017-09-18](#)

< 1% match (student papers from 23-Oct-2019)

[Submitted to Mancosa on 2019-10-23](#)

< 1% match (student papers from 10-Sep-2020)

[Submitted to Mancosa on 2020-09-10](#)

< 1% match (student papers from 05-Jul-2013)

[Submitted to Mancosa on 2013-07-05](#)

< 1% match ( )

[Cant, Michael C., Wiid, Johannes A.. "Establishing The Challenges Affecting South African SMEs", 'Clute Institute', 2013](#)

< 1% match (Internet from 15-Aug-2018)

[https://open.uct.ac.za/bitstream/item/28704/thesis\\_com\\_2017\\_leboea\\_sekhametsi\\_tshe\\_po.pdf?s=](https://open.uct.ac.za/bitstream/item/28704/thesis_com_2017_leboea_sekhametsi_tshe_po.pdf?s=)

< 1% match (Internet from 30-Aug-2017)

[http://open.uct.ac.za/bitstream/handle/11427/22815/thesis\\_com\\_2016\\_christie\\_zara\\_danielle.pdf?sequence=1](http://open.uct.ac.za/bitstream/handle/11427/22815/thesis_com_2016_christie_zara_danielle.pdf?sequence=1)

< 1% match (student papers from 17-May-2021)

[Submitted to Ishik University on 2021-05-17](#)

< 1% match (student papers from 17-May-2021)

[Submitted to Ishik University on 2021-05-17](#)

< 1% match (Internet from 29-Sep-2015)

<http://www.iol.co.za/business/news/wage-levels-are-sewn-up-1.1678251>

< 1% match (Internet from 12-Mar-2016)

<https://www.iol.co.za/business/news/wage-levels-are-sewn-up-1678251>

< 1% match (Internet from 06-Aug-2020)

[https://openscholar.dut.ac.za/bitstream/10321/2645/1/GOVENDER\\_V\\_2017.pdf](https://openscholar.dut.ac.za/bitstream/10321/2645/1/GOVENDER_V_2017.pdf)

< 1% match (Internet from 17-Dec-2019)

[http://openscholar.dut.ac.za/bitstream/10321/1531/1/SIMAMANE\\_2016.pdf](http://openscholar.dut.ac.za/bitstream/10321/1531/1/SIMAMANE_2016.pdf)  
< 1% match (Internet from 18-Oct-2020)

[https://openscholar.dut.ac.za/bitstream/10321/3117/1/NTOYAKHEMW\\_2018.pdf](https://openscholar.dut.ac.za/bitstream/10321/3117/1/NTOYAKHEMW_2018.pdf)  
< 1% match (Internet from 21-Jul-2019)

[https://ir.dut.ac.za/bitstream/10321/2919/1/MUSASA\\_T\\_2016.pdf](https://ir.dut.ac.za/bitstream/10321/2919/1/MUSASA_T_2016.pdf)  
< 1% match (Internet from 31-Oct-2017)

[https://ir.dut.ac.za/xmlui/bitstream/handle/10321/1376/GOVENDERV\\_2015.pdf?sequence=1](https://ir.dut.ac.za/xmlui/bitstream/handle/10321/1376/GOVENDERV_2015.pdf?sequence=1)  
< 1% match (Internet from 12-Jan-2020)

[https://ir.dut.ac.za/bitstream/10321/2563/1/QUAO\\_KH\\_2017.pdf](https://ir.dut.ac.za/bitstream/10321/2563/1/QUAO_KH_2017.pdf)  
< 1% match (Internet from 21-Feb-2019)

[https://ir.dut.ac.za/bitstream/10321/2641/1/CHIBVURA\\_FR\\_2017.pdf](https://ir.dut.ac.za/bitstream/10321/2641/1/CHIBVURA_FR_2017.pdf)  
< 1% match (Internet from 10-Sep-2021)

<https://idl-bnc-idrc.dspacedirect.org/bitstream/handle/10625/13300/107384.pdf>  
< 1% match (Internet from 06-Feb-2019)

[https://repository.up.ac.za/bitstream/handle/2263/45869/Candiotos\\_Evaluation\\_2015.pdf?isAllowed=y&sequence=1](https://repository.up.ac.za/bitstream/handle/2263/45869/Candiotos_Evaluation_2015.pdf?isAllowed=y&sequence=1)  
< 1% match (student papers from 21-Apr-2018)

[Submitted to Hellenic Open University on 2018-04-21](#)  
< 1% match (student papers from 30-Mar-2015)

[Submitted to University of Mauritius on 2015-03-30](#)  
< 1% match (student papers from 27-Aug-2016)

[Submitted to University of Mauritius on 2016-08-27](#)  
< 1% match (student papers from 04-Jan-2018)

[Submitted to Universiti Teknologi MARA on 2018-01-04](#)  
< 1% match (student papers from 18-Jun-2019)

[Submitted to Universiti Teknologi MARA on 2019-06-18](#)  
< 1% match (Internet from 09-Aug-2020)

<https://pdfs.semanticscholar.org/82b8/b86a288b73b7d0428b94d89ea5750454ce75.pdf>  
< 1% match (Internet from 09-Aug-2019)

<https://pdfs.semanticscholar.org/bec8/713045ca3bd0377cd4fe0072c6b3867a6c9f.pdf>  
< 1% match (publications)

[L.L.J. Meijer, J.C.C.M. Huijben, A. van Boxstael, A.G.L. Romme. "Barriers and drivers for technology commercialization by SMEs in the Dutch sustainable energy sector", Renewable and Sustainable Energy Reviews, 2019](#)  
< 1% match (student papers from 21-Dec-2018)

[Submitted to University of Greenwich on 2018-12-21](#)  
< 1% match (student papers from 19-Dec-2018)

[Submitted to University of Greenwich on 2018-12-19](#)  
< 1% match (Internet from 13-May-2019)

[https://researchspace.ukzn.ac.za/xmlui/bitstream/handle/10413/10713/Jugmohan\\_Neetesh\\_2013.pdf?isA=&sequence=1](https://researchspace.ukzn.ac.za/xmlui/bitstream/handle/10413/10713/Jugmohan_Neetesh_2013.pdf?isA=&sequence=1)  
< 1% match (Internet from 26-Aug-2021)

[https://researchspace.ukzn.ac.za/jspui/bitstream/10413/19155/1/Mbele\\_Kokela\\_Feziwe\\_Flora\\_2020.pdf](https://researchspace.ukzn.ac.za/jspui/bitstream/10413/19155/1/Mbele_Kokela_Feziwe_Flora_2020.pdf)  
< 1% match (Internet from 19-Feb-2018)

<http://gsdl.easternuni.edu.bd/greenstone/collect/4internship/index/assoc/HASH328c.dir/doc.pdf>  
< 1% match (Internet from 02-Jun-2020)

<http://scholar.mzumbe.ac.tz/bitstream/handle/11192/2224/ERASTO%20DISSERTATION%20FINAL.doc?sequence=1>  
< 1% match (Internet from 24-May-2016)

[http://dr.library.brocku.ca/bitstream/handle/10464/1850/Brock\\_McCaughey\\_W\\_2002.pdf?isAllowed=y&sequence=1](http://dr.library.brocku.ca/bitstream/handle/10464/1850/Brock_McCaughey_W_2002.pdf?isAllowed=y&sequence=1)  
< 1% match (Internet from 13-May-2020)

<http://etd.cput.ac.za/bitstream/handle/20.500.11838/2589/209115572-Nsengimana-Simon-M.Tech-Business-Administration-Entrepreneurship-BuS-2017.pdf?isAllowed=y&sequence=1>  
 < 1% match (Internet from 28-Oct-2020)  
<https://www.tandfonline.com/doi/full/10.1080/0376835X.2019.1581053>  
 < 1% match (student papers from 26-Oct-2011)  
[Submitted to Segi University College on 2011-10-26](#)  
 < 1% match (Internet from 18-Jul-2020)  
<https://www.slideshare.net/rshahriar2/agent-banking-and-its-prospects-in-bangladesh-prepared-by-md-riad-shahriar-riaz-dept-of-marketingcomilla-university>  
 < 1% match (publications)  
[Adiwan F. Aritenang. "The contribution of foreign investment and industrial concentration to firm competitiveness in Jakarta Megacity", Cities, 2021](#)  
 < 1% match (student papers from 09-Dec-2020)  
[Submitted to Colorado Technical University on 2020-12-09](#)  
 < 1% match ()  
[Mujinga, Prosperine Tshijika.. "An exploratory study of Congolese refugees' experiences in developing small, medium and micro enterprises in Durban city centre.", 2016](#)  
 < 1% match ()  
[Van Heerden, Petro. "The perception of patients regarding comprehensive care rendered by Clinical Nurse Practitioners in the West Coast rural district in the Western Cape", Stellenbosch : Stellenbosch University, 2012](#)  
 < 1% match (student papers from 26-Oct-2020)  
[Submitted to General Sir John Kotelawala Defence University on 2020-10-26](#)  
 < 1% match (publications)  
[Venkatesh, V.G., Rameshwar Dubey, and Sonali Bhattacharya. "An analysis on internationalisation barriers of Indian apparel SMEs in the post-MFA period - a modelling approach", International Journal of Business and Globalisation, 2015.](#)  
 < 1% match (student papers from 14-Mar-2021)  
[Submitted to Kardan University on 2021-03-14](#)  
 < 1% match (student papers from 13-Jul-2016)  
[Submitted to Asia Pacific University College of Technology and Innovation \(UCTI\) on 2016-07-13](#)  
 < 1% match (Internet from 07-Apr-2021)  
<https://msocialsciences.com/index.php/mjssh/article/download/469/341>  
 < 1% match (student papers from 13-Mar-2018)  
[Submitted to British University In Dubai on 2018-03-13](#)  
 < 1% match (Internet from 22-Mar-2015)  
<http://espace.library.uq.edu.au/view/UQ:342115/UQ342115.pdf>  
 < 1% match (student papers from 26-Mar-2014)  
[Submitted to Amity University on 2014-03-26](#)  
 < 1% match (student papers from 31-Aug-2020)  
[Submitted to Arts, Sciences & Technology University In Lebanon on 2020-08-31](#)  
 < 1% match (Internet from 29-Aug-2017)  
[http://siteresources.worldbank.org/INTAFROFFCHIECO/Resources/Africas\\_Silk\\_Road\\_09\\_24\\_06.pdf](http://siteresources.worldbank.org/INTAFROFFCHIECO/Resources/Africas_Silk_Road_09_24_06.pdf)  
 < 1% match (Internet from 14-Jul-2010)  
<http://www.usiu.ac.ke/events/wasc/wasc08/Docs/Exb.%202.13%202006%20Community%20Service.doc>  
 < 1% match (Internet from 02-Dec-2015)  
<http://es.slideshare.net/neyamulhasan1/factors-influencing-to-switch-to-other-university>  
 < 1% match (student papers from 01-Nov-2016)  
[Submitted to Stephen F. Austin State University on 2016-11-01](#)  
 < 1% match (Internet from 29-Jun-2018)  
[http://www.edri.org.et/Resources/Research\\_Reports/Research\\_Report\\_032.pdf](http://www.edri.org.et/Resources/Research_Reports/Research_Report_032.pdf)  
 < 1% match (student papers from 25-Oct-2020)  
[Submitted to Gordon Institute of Business Science on 2020-10-25](#)

< 1% match (student papers from 14-Jun-2017)  
[Submitted to London School of Marketing on 2017-06-14](#)

< 1% match (student papers from 09-May-2012)  
[Submitted to Universiti Sains Malaysia on 2012-05-09](#)

< 1% match (Internet from 12-Dec-2020)  
<https://www.emerald.com/insight/content/doi/10.1108/JCEFTS-01-2018-0003/full/html?skipTracking=true>

< 1% match (student papers from 14-May-2019)  
[Submitted to Management & Science University on 2019-05-14](#)

< 1% match (student papers from 01-May-2020)  
[Submitted to University of Portsmouth on 2020-05-01](#)

< 1% match (student papers from 28-Jun-2018)  
[Submitted to Kenyatta University on 2018-06-28](#)

< 1% match (student papers from 15-Jan-2019)  
[Submitted to Middle East College of Information Technology on 2019-01-15](#)

< 1% match (student papers from 10-Sep-2012)  
[Submitted to University of Sheffield on 2012-09-10](#)

< 1% match (student papers from 13-Mar-2012)  
[Submitted to The Art Institute Online on 2012-03-13](#)

< 1% match ()  
 OTIENO, MAUREEN. "EFFECTS OF DOMESTIC VIOLENCE ON GROWTH AND DEVELOPMENT OF CHILDREN IN INFORMAL SETTLEMENT IN KENYA: A CASE STUDY OF KIAMBIU SLUMS IN NAIROBI COUNTY.", 2018

< 1% match (publications)  
[Musawenkosi Ngibe, Lawrence Mpele Lekhanya. "Governance of the research activities in higher educational institutions: factors and outcomes", Risk Governance and Control: Financial Markets and Institutions, 2016](#)

< 1% match (student papers from 19-May-2021)  
[Submitted to University of Pretoria on 2021-05-19](#)

< 1% match (Internet from 07-Dec-2011)  
[http://ep3.uum.edu.my/1671/1/Khaled\\_Omran\\_Alfartas.pdf](http://ep3.uum.edu.my/1671/1/Khaled_Omran_Alfartas.pdf)

< 1% match (Internet from 19-Jul-2020)  
<https://scholarcommons.sc.edu/cgi/viewcontent.cgi?article=4196&context=etd&httpsredir=1&referer=>

< 1% match (Internet from 20-May-2016)  
<http://digilib.teiemt.gr/jspui/bitstream/123456789/1646/1/022013034a.pdf>

< 1% match (Internet from 10-Apr-2020)  
<https://www.eajournals.org/keywords/gender/>

< 1% match (student papers from 22-Jan-2018)  
[Submitted to University of Stellenbosch, South Africa on 2018-01-22](#)

< 1% match (Internet from 16-Aug-2021)  
<https://rgu-repository.worktribe.com/248935/1/PIRIE%202017%20I%27ve%20got%20a%20feeling>

< 1% match (student papers from 10-May-2013)  
[Submitted to Victoria University on 2013-05-10](#)

< 1% match (Internet from 25-Nov-2020)  
<https://kar.kent.ac.uk/67412/1/8a.%20Child%20et%20al.%2C%202017%20%20SME%20International.pdf>

< 1% match (Internet from 19-Aug-2021)  
<https://www.abacademies.org/articles/critical-sociocultural-factors-affecting-performance-of-women-in-leadership-positions-in-quasigovernment-organizations-in-zimbabwe-9503.html>

< 1% match (Internet from 31-Jul-2020)  
<https://www.studymode.com/essays/Internal-Environment-722349.html>

< 1% match (Internet from 17-Mar-2021)  
<https://www.tralac.org/news/article/14823-tralac-s-daily-news-selection-friday-31-july-2020.html>

< 1% match (Internet from 04-Feb-2021)  
<https://www.coursehero.com/file/17885374/Basics-of-Strategic-Planning-P1-IP/>

< 1% match (student papers from 03-Sep-2010)  
[Submitted to European Business School London, Regent's College on 2010-09-03](#)

< 1% match (student papers from 26-Oct-2015)  
[Submitted to University of KwaZulu-Natal on 2015-10-26](#)

< 1% match (Internet from 03-Sep-2021)  
<http://dspace.unza.zm/bitstream/handle/123456789/6415/Final%20Dissertation.pdf?isAllowed=&sequence=1>

< 1% match (Internet from 14-Jul-2019)  
<https://journals.co.za/content/jefs/9/2/EJC197470>

< 1% match (Internet from 19-Mar-2018)  
<https://chesterrep.openrepository.com/cdr/bitstream/10034/620971/1/Rattu+%2C+T+A+dissertation.pdf>

< 1% match (Internet from 15-May-2018)  
<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.429.3175&rep=rep1&type=pdf>

< 1% match (Internet from 11-Sep-2020)  
<https://repository.nwu.ac.za/bitstream/handle/10394/33731/Madela%20T%2026933772.pdf?isAllowed=y&sequence=1>

< 1% match ()  
[Mrosso, Alphonse D.. "Factors Contributing to Job Satisfaction among Public Primary School Teachers at Temeke Municipal Council", 2014](#)

< 1% match (Internet from 07-Sep-2021)  
[https://uir.unisa.ac.za/bitstream/handle/10500/25140/thesis\\_kashora\\_t.pdf?sequence=1](https://uir.unisa.ac.za/bitstream/handle/10500/25140/thesis_kashora_t.pdf?sequence=1)

< 1% match (Internet from 27-Apr-2019)  
[http://www.agba.us/pdf/Final\\_2018\\_agba\\_conference\\_proceedings.pdf](http://www.agba.us/pdf/Final_2018_agba_conference_proceedings.pdf)

< 1% match (student papers from 21-Aug-2017)  
[Submitted to Africa Nazarene University on 2017-08-21](#)

< 1% match (student papers from 06-Sep-2016)  
[Submitted to University of Venda on 2016-09-06](#)

< 1% match (Internet from 25-Sep-2018)  
<https://corporatefinanceinstitute.com/resources/knowledge/strategy/bargaining-power-of-suppliers/>

< 1% match (Internet from 01-Mar-2018)  
<http://ptdocz.com/doc/416104/bioestat%C3%ADstica-hep--146---faculdade-de-sa%C3%BAde-p%C3%BAblica>

< 1% match (Internet from 13-Jan-2021)  
<http://repository.usu.ac.id/bitstream/handle/123456789/66373/Appendix.pdf?isAllowed=y&sequence=1>

< 1% match (student papers from 21-Apr-2020)  
[Submitted to Cape Peninsula University of Technology on 2020-04-21](#)

< 1% match (Internet from 18-May-2014)  
[http://eprints.utas.edu.au/12523/1/Wong\\_Whole\\_thesis.pdf](http://eprints.utas.edu.au/12523/1/Wong_Whole_thesis.pdf)

< 1% match (Internet from 07-Sep-2021)  
<http://eprints.uthm.edu.my/870/1/24p%20SYUKUR%20SALEH.pdf>

< 1% match (student papers from 09-Dec-2015)  
[Submitted to Institute of Graduate Studies, UiTM on 2015-12-09](#)

< 1% match (Internet from 06-Aug-2021)  
[https://ir.uz.ac.zw/bitstream/handle/10646/3043/Mutetwa\\_An\\_assessment\\_of\\_factors\\_in\\_fluencing\\_the\\_growth\\_in\\_market\\_share\\_of\\_mobile\\_money\\_business.pdf?isAllowed=y&sequence=1](https://ir.uz.ac.zw/bitstream/handle/10646/3043/Mutetwa_An_assessment_of_factors_in_fluencing_the_growth_in_market_share_of_mobile_money_business.pdf?isAllowed=y&sequence=1)

< 1% match (Internet from 01-Feb-2020)  
[http://repositori.uji.es/xmlui/bitstream/handle/10234/186091/TFG\\_2019\\_Lujan%20Miravet\\_Raquel.pdf?isAllowed=y&sequence=1](http://repositori.uji.es/xmlui/bitstream/handle/10234/186091/TFG_2019_Lujan%20Miravet_Raquel.pdf?isAllowed=y&sequence=1)

< 1% match (Internet from 03-Oct-2018)

[http://www.qurtuba.edu.pk/jms/default\\_files/JMS/11\\_1/JMS\\_January\\_June2017\\_1-22.pdf](http://www.qurtuba.edu.pk/jms/default_files/JMS/11_1/JMS_January_June2017_1-22.pdf)

< 1% match (student papers from 06-Jan-2021)

[Submitted to University of West London on 2021-01-06](#)

< 1% match (publications)

[Zhijie Guan, Yan Xu, Hong Jiang, Guogang Jiang. "International competitiveness of Chinese textile and clothing industry – a diamond model approach", Journal of Chinese Economic and Foreign Trade Studies, 2019](#)

< 1% match (Internet from 01-May-2020)

[http://eprints.utar.edu.my/2499/1/MEBH\\_15109\\_Project-Koh\\_Chin\\_Woon-Final\\_Project-Final\\_Make\\_Good.pdf](http://eprints.utar.edu.my/2499/1/MEBH_15109_Project-Koh_Chin_Woon-Final_Project-Final_Make_Good.pdf)

< 1% match (Internet from 23-Aug-2021)

[http://erepository.uonbi.ac.ke/bitstream/handle/11295/102729/Adhaya\\_Determinants%20of%20Adoption%20of%20Lifestraw%20Family%20Water%20Treatment.pdf](http://erepository.uonbi.ac.ke/bitstream/handle/11295/102729/Adhaya_Determinants%20of%20Adoption%20of%20Lifestraw%20Family%20Water%20Treatment.pdf)

< 1% match (Internet from 06-Aug-2019)

<https://fr.scribd.com/doc/297413988/ARDHIANSYAH-FEB-unlocked-pdf>

< 1% match (Internet from 16-Jul-2021)

<http://research.unilus.ac.zm/xmlui/bitstream/handle/123456789/143/KALYONGWE%2c%20JONES%20J..pdf>

< 1% match (Internet from 19-Oct-2009)

<http://student.brighton.ac.uk/hitch/test.html>

< 1% match (Internet from 12-Aug-2021)

[http://ulspace.ul.ac.za/bitstream/handle/10386/2971/rikhotso\\_et\\_2019.pdf?isAll=&sequence=1](http://ulspace.ul.ac.za/bitstream/handle/10386/2971/rikhotso_et_2019.pdf?isAll=&sequence=1)

< 1% match (Internet from 23-Aug-2021)

<https://www.diplomarbeiten24.de/document/351361>

Supervisor's Signature

Date: 20/ 12/ 2021



## Appendix 7: Editor's Letter

**Helen Richter**  
Advanced Editing, Proofreading  
& Copywriting  
[feetjieding@gmail.com](mailto:feetjieding@gmail.com)  
+27 729538169

---

29 September 2021

To whom it may concern

---

### CERTIFICATE OF EDITING & AUTHENTICATION

---

I have proofread and language edited the master's thesis titled:

**“Factors Contributing to the Competitiveness of Small and Medium Enterprises in the Clothing Manufacturing Industry at the eThekweni District Municipality of Kwazulu-Natal”**

by

**Dalisu Mhlengi Mkhize**

To the best of my knowledge, the work remains free of spelling, grammar, structural and stylistic errors and the contents are certified as the author's own work.

With thanks.

H. S. Richter

---