GOVERNANCE OF SMALL BUSINESS: THE ROLE OF NETWORKING

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Abstract

The study aimed at determining the extent to which business people within eThekwini municipality share information through networking. The study was conducted in KwaZulu-Natal, within eThekwini Municipality. The targeted population represented a variety of business people of different age and race groups. The study had a sample size of 206 respondents. The research instrument was a structured questionnaire and was self-administered. The research was quantitative in nature. The study revealed that most small business owners are not members of bodies representing businesses like theirs. Secondly, while small businesses in eThekwini have confidence in the future of eThekwini economy, they feel so individually, and not as members of network groups. Thirdly, most of the respondents except those that are members of bodies representing businesses like theirs, do not talk to competitors. Fourthly, small business owners with low self-confidence are less likely to network. They tend to keep information to themselves.

Keywords: Networking, Drivers of Networking, Small Business

1. INTRODUCTION

This paper is based on the study conducted in KwaZulu-Natal, within eThekwini Municipality in South Africa. This study is of particular interest in South Africa in that it was conducted prior to the establishment of the new ministry called the Ministry of Small Business Development (MSBD). The new ministry identified six factors as inhibitors of the development of small businesses in South Africa and lack of access to information was one of them. Access to information can take a variety of forms and networking is one of them. The results of the study are important in that they provide a basis of where the small businesses of eThekwini were with regards to networking prior to the formation of the Ministry of Small Business Development. Also further studies can be conducted to see if there are any improvements since the formation of the MSBD. Networking is a concept that some people dread, yet it can unlock many doors of business relationships. Networking is important to both profit and non-profit organizations and can also be used to advance one's own career prospects.

1.1. Aim and objectives of the study

The main aim of the study was to analyze the extent to which small businesses in eThekwini use and value networking. Furthermore the study aimed to achieve the following objectives:

- To determine the extent to which small business owners within eThekwini Municipality regard networking as important?
- To determine the extent to which the level of confidence of small business owners in eThekwini affect the extent to which the y are prepared to be members of bodies representing businesses in their respective sectors?
- To determine the extent to which small businesses in eThekwini regard information sharing as important and if so to what extent do they keep themselves informed about the developments in their respective fields
- To determine the extent to which small businesses in eThekwini keep information to themselves.
- To determine the extent to which small business owners in eThekwini regard developing themselves as their main responsibility or they feel they have to be assisted by the Government to a large extent.
- To determine the extent to which small business owners in eThekwini recognize the possible benefits that could be derived from cooperating with other players in their respective sectors.
- To determine the extent to which small business owners in eThekwini talk to their competitors?
- To what extent has technological changes contributed to the success of eThekwini businesses and to what extent do the managers keep themselves informed of new technological changes?

2. LITERATURE REVIEW

Networking is an old concept. A number of authors such as Wiehahn (2001:30), Schermerhorn (2004:13), Ekstein (2008:2) and others have provided the definitions of networking and all these definitions subscribe to the one provided by the Oxford dictionary (2007:609)which says "networking is to keep in contact with each other to exchange information". Wolff and Moser (2011) view networking as comprising three main parameters namely building of contacts, maintenance of contacts, and thirdly usage of such contacts with a

view of enhancing the position of the business entity.

According to Moller and Halinen (1999) the competitive environment of firms is undergoing a fundamental change . This view is shared by Gay (2014) who argues that this competitive environment is dynamic, complex, global, and dynamic. Traditional markets are being replaced by networks. Moller and Halinen (1999) argue that from a conceptual point of view this means that businesses have to look beyond ordinary customer and supplier relationships into intricate webs of forming research and development networks, deep supplier networks, and competitive coalitions. According to Nierenberg (2007) networking is a mindset and a strategy for life to create connections that could last a lifetime in all areas of one's life. "People come into your life for a reason, a season, or a lifetime. When someone is in your life for a reason, it is usually to meet a need you have expressed. They have come to assist you through difficulty to provide you with guidance and support, to aid you physically, emotionally and spiritually. They may seem like a godsend and they are. They are there for the reason you need the m to be" (Nierenberg 2007:1). Nierenberg (2007) emphasized the importance of relationships both to individual people and business organizations. The author argued that when making a deliberate contact you are aiming to gain something , could it be guidance, spiritual support, or words of wisdom. The author's words suggest that networking is therefore a tool for relationship building. Parties that are involved in a relationship share information. It could be argued therefore that networking is a deliberate meeting of people with the aim of sharing information. It is very important to note that the key word here is "deliberate". According to Nierenberg (2007:3) networking is about creating and developing opportunities through meeting and "connecting the dots" among the people you know. This description of networking by Nierenberg does not mean that people do not network with people they do not know but is an emphasis that networking is all around us. In other words it means that the people you know are the beg inning of a great networking process. It has become extremely important that once the business organization has found clients that they are nurtured. According to Nierenberg (2007) this requires the business organization to perform a number of tasks, including befriending their clients, providing dazzling service to their clients, and placing their needs first(Nierenberg 2007:45). To be able to do this, the business organization has to rely on other stakeholders. It follows therefore that a good relationship with those stakeholders would have a great impact on the relationship the business organization has with its clients. Such positive relationships are a product sharing information. According to studies conducted by Landes (1998) and Chandler (1977) until the 19th century organizational forms like the functional form, vertical integration, the divisional form, business units and the matrix developed. The authors argue that all of these acted autonomously simple because these were the days when the communication infrastructures as well as transport facilities were still underdeveloped. The authors argue that for these forms of business to ensure

effective production processes they had to ensure continuous throughput of materials. According to De Man (2004) in the course of the 1980s a change in this trend gradually took place and companies started to look actively for new partners to jointly develop business. According to De Man (2004) this new trend has become greater and that firms are increasingly embedded in networks of alliances. The author argued that the overall effect is that networks are becoming the dominant organizational form in many economies. Ford, Gadde, Hakansson, Snehota (2003) supported De Man's (2004) argument when they said that no company can be an island in today's business world. It could be argued that in today's business world business organizations are locked into a complex network of relationships with sup pliers, customers and other business partners. Ford et al (2003) argued that to be effective, small business owners must form relationships with other businesses and constantly assess these relationships and the intentions, actions and reactions of their counterparts within them. Networking among other things involves sharing information and keeping abreast with technological changes. It can be used as a strategic tool of forming new relationships.

2.1. Areas in which networking plays a role

Networking is not only important to people who know one another but is also important to people who have just met. The world is full of people who, from time to time, move from one place to another. In some cases people relocate to other countries taking their families with them. In such cases, as Widzio (2015) argues, networking helps in integrating such families with existing social network. According to Widzio (2015) networking in such cases can take different dimensions such as attendance of birthday parties right up to exchanging vital business information. Networking need not necessary be undertaken physically in this day and age networking can be embarked on via electronic networks. According to Nowinski and Rialp (2015) the formation of new ventures is frequently preceded by networking. Nowinski and Rialp (2015) went further to suggest that networking unlock international business opportunities and this is evidenced by an increase in the internalization of certain firms. According to Al-Mommani, Al-Afifi and Mahfuz (2015) networking is not only limited to establishing new markets or new ventures but is also important in increasing the competitive value of a business especially Small, Micro, and Medium Enterprises (SMME's). A-Mommani et al. (2015) argue that such maximization of competitive value of the business depend largely on the way social media has shaped the marketing strategies of businesses. They further argue that partnerships formed through networking and the development of electronic media businesses has been able to reach a broader market than was the case before. According to Ajdari and Talebi (2015) networking also reduces innovation obstacles that Small and Medium-sized Enterprises often have to deal with. According to Adjari and Talebi (2015) such obstacles can be classified into three categories namely cost related innovation obstacles, Knowledge-related innovation obstacles, and market-related innovation obstacles. Through networking with these obstacles can be mitigated.

Networking is not a western notion but is embraced by all nations and all religious beliefs. For example, Jan, Abdullah, and Momen (2015) indicate that social networking within the Muslim communities especially in Malaysia, has increased beyond expectations.

2.2. Common mistakes about networking

• *Others are better than me at networking.* According to Clifton (2006) people make assumptions that others are better at networking than they are. The author recommends that one must not make assumptions about others' effectiveness at networking. The author argues that making such assumptions is something that can strike fear into the hearts of even seasoned professionals (Clifton 2006:11).

• *Networking is for extroverts.* According to Lynch (2009) one does not need an outgoing personality to be a good networker. The author argues that while extroverts may find it easier to start conversations they may shine the spotlight too long on themselves. Lynch said "what's important about your personality is not how you come across on the outside, but the kind of person you are on the inside that gets others to react to you in a favorable way." (Lynch 2009:2). The author also argues that introverts tend to be good at listening and that this is an advantage in relationship building. The author gives examples of famous introverts as listed by Marti Olsen Laney in his book 'The Introvert Advantage' Michael Jordan, Bill Gates, Steve Martin all made the list.

• *Networking is about manipulating others.* Lynch (2009) argued that a good networker is the one who people help because of the kind of person he or she is, not because they have been manipulated or forced to help (Lynch 2009: 2).

• *Networking is about joining e very group available.* Clifton (2006) argued that while it is important to be enthusiastic when joining groups, care ought to be taken. Lynch (2009) argued that it is important for a business person not to spread himself or herself too thinly to attend all the meetings since he or she has a business to run and/or personal commitments to keep as well. (Lynch 2009:17).

• *I will start networking once I am totally comfortable about dealing with people.* Clifton (2006) argued that successful networking is not the same thing for everyone. The author said "some people may just want to learn how to approach a roomful of strangers at a party; others may have been told that an important part of their job is meeting new people and finding clients" (Clifton 2006: 5). The author argued that it is important to take it one step at a time.

2.3. How to develop a smart networking system

• *Have realistic goals.* According to Lynch (2009) some people do not network because they fear to be branded as having an 'agenda'. The author quotes the American Heritage Dictionary when defining the word 'agenda'. According to Lynch (2009) the dictionary defines 'agenda' as "a list of things to be done." The author argue d that based on the definition of the term 'agenda'

business people should not fear anything since it also means persuading a goal. (Lynch 200 9:16). Zeigler (2005) said "if you don't believe you can reach your goal, there is a high statistical probability you won 't," (Zeigler 2005:26). The author argued that one needs to make sure that one has the time and the resources to achieve the goals in the allotted time frame. The author alsoargued that in order to complete a project or task, it is important to believe you can do it. (Ziegler 2005: 27). According to Ziegler (2005) setting realistic goals requires one to identify obstacles to achieving one's goal. According to the author, the number one reason why people fail to achieve their goals is that they don't leave room for anything to go wrong. The author argued that obstacles could be tangible or only in a person's mind. (Ziegler 2005: 18).

• *Develop the correct mindset.* According to Lynch (2009) the business person's interest and desire to have his or her business grow have to be strong enough to break the inertia of keeping information to himself or herself. The author argue d that understanding what networking is, how it can help a business person achieve his or her business goals is the first step in developing a w inning mindset. (Lynch 20 09:6). Nierenberg (2007) gives a few tips on how a business person can change the mindset. Any business person must: understand that networking is part of his or her life, understand that networking is all around, understand that networking becomes natural, and understand that networking is an exercise in attitude. (Nierenberg 2007: 1-6).

• *Position yourself.* According to Nierenberg (2007) a business person's brand is who he or she is. The author said "Your brand is who you are and what people think about when they hear your name or think about you ," (Nierenberg 2007:16). The author suggested four steps to get started in branding yourself as a business person. The author suggested that firstly, one has to write down his or her unique selling points. Nierenberg (2007) argued that we all have them. The author suggested that the second thing to do is to define what makes one unique. Thirdly, one has to identify how one 'lives' his or her brand. Fourthly, one needs to identify what people think of when they hear one's name. Once the above has been done the positioning statement could then be put together and continually upgrade it (Nierenberg 2007:15). According to the author the positioning statement should answer the following: Who are you?, What business are you in? Or what business do you want to be in?, Who do you serve?, Who is your competition?, How do you differentiate yourself?, What unique benefit do you provide so that someone says: "He/ she is the one for you on this project, job, etc ," (Nierenberg 2007:16). The author argues that your personal brand statement should meet the following requirements: Hearing it makes people go "wow", Is only one breath long, Clearly states practical benefits, Reflects your own personality, Projects confidence and energy, Can be made into an even shorter form, Can change over time, and Can be repeated easily by others. (Nierenberg 2006: 18-19).

• *Create connections.* According to Clifton (2006), four things can happen to a person when creating connection s for the first time and

they are sense of hum our failure, loss of memory, odd or embarrassing behavior, and becoming breathless. The author argue d that sometimes people get caught up in the business of networking and achieving their goals that they end up forgetting to relax and make the most of the experience. The author argues that it is important for one to be oneself and let one's personality do the work. The author also argues that people cannot remember everything and therefore it is advisable to write down important names, dates, place, etc so that one remembers key information. According to Clifton (2006), odd or embarrassing behavior is all too common when meeting people especially for the first time.

• *As for becoming breathless, the author recommends that a deep breath be taken if one feels nervous.* (Clifton 2006:48).The author also recommended that a person should be himself or herself, professional and be prepared for each specific event. Nierenberg (2006) also gave good tips on how to create connections. Nierenberg argue that one needs to be curious about the people one is networking with or meeting by asking questions about themselves. The author said "when you ask people – even those you know well –about themselves, you find new things, topics, and interests to file away and share with them when life presents them ,"(Nierenberg 2006: 28). Nierenberg (2006) also suggested that when creating connections it is vital to notice people and things about them. This includes acknowledging their presence, using their names and giving cred it where it is due.

• *Know that you can do it since you have done it already.* As mentioned above, as people we have a network already in the form of our families, our friends and people we have gone to school with. It follows therefore that when business people network they are not starting from scratch.

• *Dream about a better tomorrow.* Rubino and Terhune (2006) said "people who are on a mission to accomplish great things find having a great attitude much easier because such an attitude comes with a high degree of expectation for a better tomorrow. If you know that tomorrow is going to be no better than today, it is hard to be optimistic in moo d and activity"(Rubino and Terhune 200 6:10).

• *Have a personal mission and values statement.* Rubino and Terhune (2006) also suggested that one needs to create written values, and vision statements which spell out who one is and what one wants one's life to become. The authors argue d that the written values and mission statement s could be used when one is left momentarily disheartened after a setback. They argued that the written statements will he lp one to refocus on one's ultimate destination and reconnect with one' s passion ,"(Rubino an d Terhune 20 06:11).

• *Associate with people who will be a fertile ground for a great attitude.* Robino and Terhune (2006) quoted the proverb that reads "bad company corrupts, '' when emphasizing the effect that bad people could corrupt a previously good attitude. The authors argue d that you need to associate with people who energize you if you want to create and maintain a great attitude (Rubino and Terhune 2006:11).

• *Master the critical basic skills.* One of the critical basic s kills a person needs to master is to be self-disciplined. According to Robino and Terhune (2006), there are four applications of self- discipline that can pay huge dividends.

• *Do your research.* Nierenberg (2007) in her book titled 'savvy networking' emphasized the importance of doing research before going out to network. Nierenberg said "Before you attend a meeting, research who is organizing it. Research the speakers, the topics, and the issues relevant to the meeting"(Nierenberg 2007:55).

• *Be informed.* Wiehahn (2001) said that it took the radio thirty years to build up an audience of fifty million listeners. It took the computer sixteen years, television took thirteen years, but the Internet only took four years to do the same. This statement emphasizes the importance of keeping up to date with new information and technology. According to Wiehahn (2001), the new sources of information are crucial in keeping one informed. Besides using Internet, world wide web , chat rooms business people could keep themselves informed by joining professional bodies, subscribe to magazines, increase their genera l knowledge by reading newspapers, weekly journals, and by attending seminars and conferences" (Wiehahn 2001:28).

• *Use social networking site.* We live in a technology world therefore technology should be used to network. Social networking sites are highly recommended as a tool to develop a smart networking system. According Hopkins (2003) the main purpose of social networking sites is the explicit representation of relationships.

3. RESEARCH DESIGN

3.1. The population of this study

The population of this study comprised of a variety of small business owners in eThekwini i.e Durban area in KwaZulu-Natal. These are the business people registered with the Small enterprise development agency and at the time of the study there were about 1500 of them.

3.2. The sample of the study

The sample of this study comprised of 206 small business owners. That is approximately 14% of the total population. These were selected using simple random sampling meaning small business owners within eThekwini area had an equal chance of participating in the study.

3.3. Research methodology

The study was of a quantitative nature due to the large sample that was targeted.

3.4. Research instrument

The questionnaire arranged in a form of a Likert scale was used as the research instrument. This questionnaire was self-administered and comprised of 25 closed questions written in English.

3.5. Reliability

The study used Cronbach's alpha coefficient to measure reliability and in this study it was calculated to be 0.78 which meant the results could be relied on.

3.6. Data analysis

Data was analyzed using the Statistical Package for Social Sciences software (SPSS).

4. DISCUSSION OF THE RESEARCH FINDINGS

Table 1. To what extent do small business owners within eThekwini Municipality regard networking as important?

	Frequency	*Percent*	*Valid percent*	*Cumulative percent*
Least likely	3	1.5	1.5	1.5
Less likely	6	2.9	2.9	4.4
Unsure	33	16.0	16.0	20.4
Definitely	79	38.30	38.30	58.7
Most definitely	85	41.30	41.30	100.0
Total	206	100.00	100.00	

The responses that were received indicated that 79.6% of them viewed networking as definitely important. Furthermore analysis of the data showed that 64% of the respondents are not members of business organizations representing business in their respective sectors and yet when asked whether or not they would like join such bodies representing business in their respective sectors, a total of 73.7% indicated that they would. This suggests that they realize the importance of networking.

Table 2. To what extent does the level of confidence of small business owners in eThekwini affect the extent to which they are prepared to be members of bodies representing businesses in their respective sectors?

	Frequency	*Percent*	*Valid percent*	*Cumulative percent*
Least likely	2	1.0	1.0	1.0
Less likely	4	1.9	1.9	2.9
Unsure	39	18.9	18.9	21.8
Definitely	112	54.4	54.4	76.2
Most definitely	49	23.8	23.8	100.00
Total	206	100.0	100.0	

The study revealed that 78.2% of the sample indicated that they are confident about the future of eThekwini economy and more than 80% indicated that they are confident about themselves as business people. One would assume that when a business person is confident about the future of the economy within which he operates and is confident about himself as a business person he would be more likely to be a member of a networking group. Confident people are outgoing and can easily make contacts and form relationships. This study does not show that positive correlation between the two variables namely self-confidence and joining a networking group. The correlation analysis also indicated that there is a positive relationship between the confidence of the respondent s in themselves as well as in the economy of eThekwini and the extent to which they are prepared to join network groups.

Table 3. To what extent do small businesses in eThekwini regard information sharing as important and if so to what extent do they keep themselves informed about the developments in their respective fields?

	Frequency	*Percent*	*Valid percent*	*Cumulative percent*
Least likely	5	2.4	2.4	2.4
Less likely	6	2.9	2.9	5.3
Unsure	23	11.2	11.2	16.5
Definitely	102	49.5	49.5	66.0
Most definitely	70	34.0	34.0	100.0
Total	206	100.0	100.0	

The study revealed that 83.5% of the respondents are prepared to share information with other people. Only a small port ion of 7.7% indicated the opposite. Strangely only 44% of the small business owners indicated that they are prepared not to keep information to themselves. Given such a high percentage of those who said that they are prepared to share information, one would also expect a high percentage of those that would not like to keep information to themselves. This is a bit of a contradiction. Perhaps the study should have been more specific in terms of what type of information the question referred too. Certain information could be easily shared by businesses. For example, some small business people may feel uncomfortable sharing information regarding their salaries or wages of their employees.

Table 4. To what extent do small businesses in eThekwini keep information to themselves?

	Frequency	*Percent*	*Valid percent*	*Cumulative percent*
Least likely	30	14.6	14.6	14.6
Less likely	62	30.0	30.0	44.7
Unsure	44	21.4	21.4	66.0
Definitely	44	21.4	21.4	87.4
Most definitely	26	12.6	12.6	100.0
Total	206	100.0		

The results indicated that there is a small percentage that likes to keep such information to themselves. An inference could be made that small business owners in eThekwini regard information sharing as very important.

Table 5. To what extent do business owners and senior managers in eThekwini regard developing themselves as their main responsibility or they feel they have to be assisted by the Government to a large extent?

	Frequency	*Percent*	*Valid percent*	*Cumulative percent*
Least likely	15.0	7.3	7.3	7.3
Less likely	10.0	4.9	4.9	12.2
Unsure	4.0	1.9	1.9	14.1
Definitely	100.0	48.5	48.5	62.6
Most definitely	77.0	37.4	37.4	100.0
Total	206	100.0	100.0	

The study indicated that 86% of the respondents take initiative to develop themselves. The questionnaire showed a limitation with regards to this question because it did not contain any question that could indicate the extent to which respondents feel they have to be assisted by the Government in order to develop themselves. There is a question in the questionnaire that relates to the extent to which government department s should brief respondent s on issues relating to their respective industries. It could be argued that this question does not really relate to the above research question. One could take initiative to develop oneself but still strongly fee l that Government departments must brief them on important issues relating to one's business. Relying on the available information an inference could be made that small business owners in eThekwini regard developing themselves as their main responsibility.

Table 6. To what extent do small business owners in eThekwini recognize the possible benefits that could be derived from cooperating with other players in their respective sectors?

	Frequency	*Percent*	*Valid percent*	*Cumulative percent*
Least likely	10	4.9	4.9	4.9
Less likely	15	7.3	7.3	12.2
Unsure	45	21.8	21.8	34.0
Definitely	99	48.0	48.0	82.0
Most definitely	37	18.0	18.0	18.0
Total		100.0	100.0	

The respondents were asked to indicate the extent to which cooperation with other players in their respective sectors would enhance the success of their businesses. Approximately 66% of the respondents indicated that such cooperation with other business players in the industry would enhance the success of their businesses. There was another question where the respondents had to indicate the extent to which they are tempted to collaborate with their competitors. The result indicated that only 35% were tempted to collaborate with their competitors. This creates some doubt as to whether or not the word competitors was used synonymously as the phrase 'other players in the industry '. If these two were not used synonymously then an inference could be made that small business owners in eThekwini recognize the possible benefits that could be derived from cooperating with other players in the industry. If they were used synonymously then it would be difficult to comment on the above research question because the result would contradict themselves.

4.1. To what extent does the number of employees the small business owners have affect the extent to which they network?

When the correlations of variables were done the study revealed that there was no correlation between the number of employees the respondents have and the extent to which they are willing to join organization representing bodies like theirs. An inference could be made that the extent to which business owners and senior managers in eThekwini network, is not affected by the number of employees they employ.

Table 7. To what extent do small business owners in eThekwini talk to their competitors?

	Frequency	*Percent*	*Valid percent*	*Cumulative percent*
Least likely	20	9.7	9.7	9.7
Less likely	35	17.0	17.0	26.7
Unsure	28	13.6	13.6	40.3
Definitely	81	39.3	39.3	79.6
Most definitely	42	20.4	20.4	100.0
Total	206	100.0	100.0	

The respondents had to indicate the extent to which they talk to competitors. Only 9% indicated that they do not at all talk to their competitors, however, almost 60% of them indicated that they talk to their competitors. An inference could then be made that business owners in eThekwini talk to their competitors.

Table 8. To what extent has technological changes contributed to the success of eThekwini businesses and to what extent do the managers keep themselves informed of new technological changes?

	Frequency	*Percent*	*Valid percent*	*Cumulative percent*
Least likely	4	1.9	1.9	1.9
Less likely	3	1.5	1.5	3.4
Unsure	39	18.9	18.9	22.3
Definitely	99.0	48.1	48.1	70.4
Most definitely	61.0	29.6	29.6	100.0
Total		100.0	100.0	

The analysis of the data obtained from the respondents suggests that in eThekwini technological changes have hugely contributed to the success of the businesses. Of the 206 respondents that indicated the extent to which technology has contributed to the success of their businesses 80.5% of them indicated that indeed technological changes contributed positively. Data analysis also indicates that 78% of the respondents keep themselves informed of technological developments in their respective sectors. An inference could then be made that small business owners in eThekwini keep have benefited from technological changes and also keep themselves informed of new technological changes.

4. RECOMMENDATIONS

Based on the analysis of the data obtained from the respondent s the following recommendations are made:

It is recommended to the Durban Chamber of Commerce as an organization whose members come from the different sectors of eThekwini economy, to play a major role in promoting the concept of networking. This it could do by making it a condition that each member join a network group or give membership fee discounts to those who are network group members.

Literature review showed that network support increases the probability of survival and growth. It is therefore recommended that new entrepreneurs join network groups to increase the probability of survival. This would help them refer to a broad and diverse social network thus increasing their chances of survival and profitability.

The study revealed that there is a positive correlation between the respondent s' business success and their confidence in themselves. As a major of boos ting business confidence a recommendation is made that small business owners in eThekwini send their employees to seminars, courses, and other relevant institutions that specialize in confidence boosting.

It is recommended that business owners must encourage their employees to join online business networking groups. Such online networking could be used until one is confident enough to go out and meet other business people in person. Networking online is even more important to new entrepreneurs and small and medium enterprises since they probably have less available time than big business owners.

It is recommended that Government department must brief business owners and senior managers on issues relating to their respective fields. Such briefing sessions as mentioned above could encourage interaction among Business people thereby increasing the probability of them forming networking groups.

5. CONCLUSIONS

The study was also able to address the critical research questions. The study showed that the business people in eThekwini realize the importance of networking to them as business people. The research revealed that there is a positive correlation between the confidence of the business owners and senior managers and the extent to which they would like to join bodies representing businesses like theirs. The study also showed that networking is not affected by age of the business owners and senior managers. This means that business owners and senior managers of all ages can engage in networking. The study showed that while business people realize the importance of networking they nevertheless do not engage in it as much as they should. The study also revealed that although business people may see themselves as not withholding business information they nevertheless do. Business organizations as well as individuals should regard networking as a necessity not a luxury.

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