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The Performance of Small and Medium-Sized Enterprises: Financial Innovation and Barriers

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ABSTRACT

Small and medium-sized enterprises have emerged as a major source of persistent, rapid, and energizing development in the South African economy. Furthermore, small, and medium-sized enterprises have played a crucial role in the advancement of South Africa economic growth, serving as a breeding ground for entrepreneurs as well as a provider of solutions to the problems of unemployment in all consuming labors and the promotion of marketing growth. Because of the rapid evolution of the global economy, there was a chance for the healthy advancement of small and medium-sized businesses (SMEs) in South Africa in connection to the transformation and growth policy. However, because of global economic integration, the operating environment for small and medium-sized businesses is undergoing significant changes, as well as more severe competition. In this regard, the purpose of this paper is to present the sources of SME firm financing, conceptualize its financing challenges, and source causes, with the objectives of exploiting innovative ways to improve financing provision via crowdsourcing of financing and the necessity of providing a regulatory environment that will support it for the growth and advancement of SMEs in the future. SMEs are expected to grow and advance in the future. The approach is also critical in assisting entrepreneurs to stay highly motivated while marketing their own fields of expertise and expertise. Furthermore, it will give a person the confidence they need to become a successful entrepreneur. It is hoped that this research will contribute to the current literature in the academic subject of entrepreneurship while also serving as a springboard for further empirical investigation in this sector. Furthermore, it provides essential information and techniques that would assist entrepreneurs in understanding how

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crowdfunding may be used as a source of finance supply as well as the beneficial effect on the performance of Small and Medium-Sized Enterprises.

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I. Introduction

The success of the SMEs sector is critical to the overall performance of the country. The overwhelming majority of businesses globally are small and medium-sized enterprises (SMEs), which serve as a breeding ground for entrepreneurs as well as a supplier of solutions to issues such as unemployment in all consuming labors and the promotion of marketing growth. The importance of small and medium-sized enterprises (SMEs) in the evolution of the economy, the reduction of poverty, the increase in employment and output, technological innovation, and the elevation of social position and standard has been demonstrated and acknowledged throughout the world, in both emerging and developed economies. According to Enola and Ketapang (2014), Small and Medium-Sized Enterprises (SMEs) have been recognized as having a tremendous potential for long-term sustainable development and growth. As a result of the expansion of SMEs, the excess of workforce workers from larger corporations could return to the workforce and find new job opportunities. Firms rely on several sources of funding, both internal and external, to achieve their objectives (Taranga, 2012). When a company's performance is limited, it is due to both internal variables (such as resources and strategy decisions) and external ones (such as the carrying capacity of the environment or competition). Based on this perspective, the firm's competitive advantage is derived from the ownership and deployment of resources that are in some manner superior to those of its rivals, which is referred to as resource-based thinking. Access to financial resources has been identified as one of the most significant obstacles influencing the performance and growth of SMEs and small and medium-sized enterprises (SMEs/SMIs) in Africa. According to Fadahunsi (1997), the high death rate of small and medium-sized enterprises (SMEs) in Africa is about 85 out of every 100 because of a lack of access to sources of finance and entrepreneurial skills.

The ability to get financing, according to Mukhtar (2009), is a prerequisite for the success of businesses. There are many methods through which businesses may finance their operations and expansion. It is the preferences of each firm's entrepreneurs, as well as the alternative financing options that are available to them, which affect their financing decisions. small and medium-sized businesses have been established in South Africa to date, with each one contributing significantly to the country's economic growth and development. Despite this, they face many obstacles in their pursuit of advanced development. According to Beck and Kunt (2006), small and medium-sized enterprises (SMEs) continue to face a variety of challenges to spur their growth, especially in finance. This study describes and conceptualizes the financing difficulties faced by SMEs in financing provision sources, as well as the conventional and innovative financing options available to them, which is of great significance for the performance of SMEs firms in South Africa and the improvement of the country's economy. It is critical for this research

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to understand the relevance and viability of various funding options. First, an introduction to the topic matter of this article is presented in section one of this article Muayad, A. (2021). The second part begins with a study of the literature on the definition of SMEs. The third part is concerned with the topic of SMEs and their sources of funding. The fourth part examines the financial condition of small and medium-sized enterprises (SMEs) in South Africa. The reasons of SME financing difficulties, as well as the sources of funding, are discussed in the fifth part. The insights for financial innovation in South Africa are given in the sixth and final part, which also contains the conclusions.

II. Small and Medium-Sized Enterprises (SMEs)

SMEs, according to a review of the literature on small and medium-sized enterprises (SMEs), are defined differently in different countries based on factors such as the number of employees in each country, the value of fixed assets in each country, production capacity, basic characteristics of the inputs, level of technology used, capital employed, management characteristics, economic development, and the specific problems that SMEs face (Harabi, 2005). Based on this certainty, comparing SMEs across various countries is very difficult, particularly when the index used is not the number of workers, but the economics of the company, such as yearly turnover and total assets. To operationalize the small company, researchers and other interested parties have utilized a variety of criteria, starting with the number of workers, which is the size comparison and description that they have used as their distinguishing criterion for categorizing SMEs as small businesses. Small and medium-sized enterprises (SMEs) are defined by the Central Bank of South Africa based on their asset base, revenue, and number of employees.

III. Small and Medium-Sized Enterprises (SMEs) And Sources of Financing

According to Shepherd (1997), access to all the resources on which SMEs owners/managers rely affects whether they may get financing. Credit is a source of money for small and medium-sized enterprises (SMEs) that may be used in the creation and maintenance of a firm's competitive advantage process (Eisenhardt & Martin, 2000). Finance may be classified in a variety of ways according to various criteria; this article classifies financing according to the sources from which it comes. Internal finance refers to the process through which businesses generate money on their own, mostly via retained earnings and depreciation. This is a critical component of the survival and growth of the business. As a rule, internal finance is the first option considered and is a significant source of capital acquisition. Previously recognized by researchers, academics, and practitioners such as Gélinas (1998), Pretorius (2004), and Shaw (2004), two key finance ideas for SMEs were identified: internal financing and external funding. Business funding may originate from a variety of sources, both internal and external. Even said, more lucrative SMEs rely on external sources of finance, such as financial institutions, private investors, venture capital, and crowdsourcing, which results in fewer successful companies being created. I According to Fischer and Reuber (2003), external resource providers are a critical component of fast development in any organization. Both, most SMEs rely on internal sources of funding, which has an impact on their performance. Business start-up, development, and performance for small and medium-sized businesses (SMEs) are heavily influenced by their ability to get external or internal funding. Formal

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sources of funding are those that are established. Small and medium-sized enterprises (SMEs) are commercial banks, merchant banks, and development banks that offer official sources of financing to SMEs. This is defined as a financial organization with the goal of profit acquisition that is managed by the government or by an individual capitalist. There are a variety of responsibilities that financial institutions play to achieve this fundamental goal. One of the measures is the reversal of the adoption of deposits as a kind of credit to businesses and businesspeople for the purpose of producing goods and providing services. In the article, it is said that bank financing is critical for the successful launch and ongoing operation of any business company Ahmed, A. (2021). This kind of business may take on any shape or scale. In addition to the initial need for capital for investment objectives, it is also necessary to coordinate the activities of other elements of production. Bank lending has a good impact on the performance of SMEs, which in turn has a favorable impact on the scale of economic activity in the state. Likewise, it has the capability of determining what is to be produced, for whom and how it is to be produced, as well as at what price the product or service is to be made accessible to customers, among other things. Obtaining debt finance may be accomplished via two different channels: official and informal. Formal sources are often referred to as institutional sources, while informal sources are generally referred to as family, friends, directors, trade credit, and other informal sources of information Ahmed, M. Y., & Younis, H. (2021). Debt financing happens when investors give money in the form of loans to the management and owners of a firm, who then utilize the funds to operate the business as a going concern. In exchange, the company agrees to pay a rate of interest for the use of the credit created by the money borrowed from the investors. Smaller businesses that need external financing tend to utilize debt financing from lending institutions as a source of funding. Lending institutions, particularly banks, are the most common source of debt financing for smaller businesses (Brayshaw, 1997). Information asymmetries and moral hazard have a significant effect on the operations of banks and other financial institutions, especially at the start-up stage. Due to the absence of collateral and market presence that characterizes most high-tech start-ups, this has occurred. Banks demand that the company have collateral, which is an asset that will be used to guarantee the loan, although this condition is often flexible. The ability to negotiate new conditions for bank funding rather than issuing securities is usually preferred when a company is having trouble fulfilling its commitments. This degree of adaptability is due to the continuous connection that exists between the bank and the company. Equity financing is a kind of financing arrangement that a company may use to fund its business operations in a variety of ways (Higgins, 2012). When a company receives equity funding, it receives a proportionate share of the company's total worth. It is the value of a company's assets minus the value of its financial liabilities; it is the net worth of a company. The value of a business's equity is the amount of money that remains after the company has satisfied all its creditors' claims (residual claim). Known as internal equity, equity capital may be provided by the owner or board of directors of the company. Profits earned and maintained by a company may also be used to supplement internal equity in the company. Third-party equity, often known as external equity, may be provided at the discretion of the investor. Obtaining external equity is a method of obtaining money by selling stock in a corporation. A fundamental definition of equity financing is the selling of a portion of one's ownership stake to advance funds for company operations. Equity financing encompasses a wide variety of activities in terms of size and

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scope, ranging from a little amount of money obtained by an entrepreneur from friends and family to massive initial public offerings (IPOs) that generate large amounts of money. While the requirement is most often linked with financings by publicly traded businesses that are traded on the stock market, it may also apply to financings by private companies that are not publicly traded Younus, A. M., & Younis, H. (2021)..

Short-term financing is defined as a loan or credit facility having a maturity of one year or less, unless otherwise stated. Also known as a credit arrangement, it is a financial arrangement that is made with a mortgage banker to fund an inventory of loans that are resold to investors. Bates and Hally (1982) discovered that small businesses are often compelled to seek short- and medium-term forms of financing at high prices, such as overdrafts, trade credit, credit cards, leases, and bank loans, because of the difficulties in obtaining sufficient funding for growth. Even while small businesses are increasingly relying on long-term financing rather than short-term loans to fund their operations, they continue to rely heavily on short-term bank loans and overdrafts to fund their daily operations and business activities (Stanworth & Gray, 1991).

In finance, long-term financing is a kind of funding that is given for a length of time more than one year in duration (Higgins, 2012). It is a financial commitment that will continue for more than one year. In this case, it would include any financing or leasing commitments that are due in a period longer than 12 months. The provision of long-term finance services is made available to commercial organizations who are experiencing a lack of working capital. Long-term financing is usually used for assets and projects, while short-term financing is typically used for day-to-day operations and maintenance. It differs from short-term financing, which is often used to provide funds that must be repaid within a year of the loan being granted. Furthermore, the period may be less than twelve months in duration. As an example, when a company issues shares to raise money for an investment, long-term financing may include a 30-year mortgage or 10-year treasury note, respectively. Long-term funding may be accomplished via the use of equity. As noted by Broadbent and Cullen (2003), sources of long-term funding include equity and debt securities as well as public deposits and retained profits, term loans from banks, and loans from financial institutions. The public has given its approval for the issuance of shares. The stockholders own most of the company's stock. There are two kinds of preferences: equity and preference. Debentures are also available to the public to purchase. The company's creditors are represented by the holders of debentures. It is possible to have public deposits because the public is interested in depositing their money with a well-known and well-established business that can pay interest on a regular basis and repay the deposit when it is due.

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Table 1. Summarizes Commercial Banks' Aggregate Lending and Advances to SMEs (1999-2013)

Banks Make Small-Scale Loans		**Total Credit of Banks**	**Banks Make Loans to Small Businesses**
1999	46,824.00	353,081.10	13.26
2000	44,542.30	508,302.20	8.76
2001	52,428.40	796,164.80	6.59
2002	82,368.80	954,628.80	8.63
2003	90,176.50	1,210,033.10	7.45
2004	54,981.20	1,519,242.70	3.62
2005	50,672.60	1,899,346.40	2.67
2006	25,713.7	2,524,297.9	1..02
2007	41,100.4	4,813,488.8	0.85
2008	13,512.2	7,806,751.4	0.17
2009	16,366.5	9,667,876.7	0.17
2010	12,550.3	9,198,173.1	0.14
2011	15,611.7	9,614,445.8	0.16
2012	13,863.5	10,440,956.3	0.13
2013	15,353.0	11,591,979.4	0.1

According to the CBN's 2014 survey bulletin on SME finance, commercial bank loans and advances to SMEs have decreased over the years. Commercial bank loans to SMEs as a proportion of overall credit fell from 48.8 percent in 1992 to 22.19 percent in 1994, according to the research. In 1995 and 1996, the trend rose slightly to 22.94 percent and 25.0 percent, respectively. In 1997, the rate decreased significantly from 25% to 16.96%. Credit to commercial banks rose from N2.5 trillion in 2006 to N4.8 trillion in 2007, and finally to N7.8 trillion in 2008. Despite these gains, loans to SME's have decreased significantly from N25.7 billion, or 0.99 percent, in 2006, to N41.1 billion, or 0.85 percent, in 2007, and N13.5 billion, or 0.17 percent, in 2008. From 2009 to 2012, commercial bank lending to the economy continued to grow, but overall credit to SMEs continued to decline, eventually reaching 0.13 percent in 2012. Similarly, merchant bank loans to SMEs fell from 31.2 percent of overall credit in 1992 to 9% in 2000. The following data show that South Africa financial structure is well capitalized and active; nevertheless, her entrepreneurship and MSMEs sectors are underdeveloped. Elias (2013) studied the historical trend in the growth of SMEs in South Africa and noted that, because of the South Africa n Content Act 2010, many possibilities that may result in competitive advantages are now restricted to South Africa n firms. The study emphasized the importance of access to financing for the development of SMEs' capital bases and suggested that the Act would serve as a watershed moment in the future acknowledgment of all policy initiatives established for the growth of SMEs in South Africa. Despite their size and significance in terms of job generation, SMEs have historically had difficulties getting formal loan or equity from financial markets. This demonstrates that the primary impediment to South Africa industrial growth is a lack of long-term and, in certain instances, short-term financing for SMEs.

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Table 2. International Comparison of Financing Sources

Percentage of short-term financing	Brazil	China	India	Indonesia	Kenya	S. Africa
from :(%)	2003 %	2003 %	2005 %	2003 %	2007 %	2003 %
Internal Funds/ Retained Earnings	44	13	47	38	73	66
Borrowed from banks and other financial Institutions	30	27	32	16	7	17
Purchases on credit from suppliers and advances from customers	15	2	9	4	17	12
Borrowed from family, friends and other informal sources	5	8	9	20	3	1
Issued new equity/debt	4	12	2	2	-	1

Source: Siren et al. (2010).

It is clear from the table above that small and medium-sized enterprises (SMEs) in South Africa always depend on retained profits. According to Idowu (2010), small and medium-sized enterprises (SMEs) depend on overdrafts to fund long-term projects, which must be properly collateralized. According to the ECA (2001), even access to these overdrafts and short-term loans is severely limited in many cases. According to a survey conducted in South Africa by the United States Agency for International Development in 2005, about 70% of respondents used commercial banks' overdraft facilities.

To pledge collateral in the form of land (48%) and buildings (31%), fixed assets such as equipment (35%) and other assets (14%) lower interest rate facilities were required (8 per cent). It should be noted that the table above does not contain long-term finance, which should be removed. Supplier credit is not an option for long-term financing of entrepreneurs, and as a result, businesses prefer to depend on their own money for more than 90 percent of the time.

According to empirical research such as those conducted by Shepherd (2005) and Zou and Chen (2008), small and medium-sized enterprises (SMEs) need financial capital in order to acquire physical resources in order to take advantage of business possibilities. According to the findings of the Sanusi (2003) research, small and medium-sized enterprises (SMEs) in South Africa have limited access to formal finance. To establish and maintain a small and medium-sized enterprise (SME), the entrepreneur must have access to a variety of resources, including human capital, physical capital, and financial capital, all of which serve similar but distinct functions throughout the life cycle of a new SME (Fatoki, 2014).

As a result, some writers have looked at the problems that SMEs have in obtaining financing (demand side characteristics), while others have investigated the major concerns that exist in bank lending procedures (supply side characteristics). Recognizing the reasons why SMEs have a financing gap, which

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is generally described as the difference between the amount of money at their disposal and the volume of funds they need, necessitates identifying the numerous constraints that exist on both sides of the equation. When the terms and circumstances are not acceptable for SMEs, as well as when appropriate sources of financing are not available, the supply side barrier becomes apparent. Demand-side limitations occur when entrepreneurs do not take use of available funding possibilities due to a lack of excellent ideas, a lack of finance literacy, a lack of compelling business plans, or a lack of collateral presentation (OECD, 2004).

IV. The Root Causes of SME Financing Obstacles as Determined by Their Sources

The problem of small and medium-sized enterprise funding snag is brought about by a variety of factors, including corporate difficulties, bank restrictions, and credit institutions, among others. This study focuses on funding sources, particularly finance strategy, to break down the financial difficulties that small and medium-sized enterprises (SMEs) face. Commercial banks altered their lending improvement process to favor big companies because of the South Africa n financial institutions framework, which was put in place to prepare for monetary risks. As a result of these changes, small and medium-sized enterprises (SMEs) with a lower number of employees or a smaller organizational structure have had difficulties in obtaining credit facilities. Furthermore, obtaining bank advances for small and medium-sized enterprises (SMEs) continues to be a significant problem due to the structural, viability, and sustainable quality of bank loans. On the supply side, collateral guarantee is the most important criterion for loan acceptance; furthermore, bank credit continues to lean toward large ventures or small and medium-sized enterprises (SMEs) that are profitable; and long-term lending remains astonishingly low. Small and medium-sized enterprises (SMEs) have been hampered by this unbalanced structure, which has resulted in quick poor lending, a scarcity of credit oversight, and a lack of an evaluation framework in SMEs. SME-focused financial institutions are few and far between, at least according to the current situation for financial institutions in relation to SMEs, and they face numerous issues and challenges in their continued development, making them unable to adequately serve the needs of small and medium-sized enterprises. Given the weak credit financing and non-subjective or mortgage asset resources that banks evaluate, increasing financing provision becomes considerably more difficult than it was previously thought possible. In addition, there are no third-party organizations with a sufficient credit rating to provide guarantees, making it a trustworthy source of money for banks to lend to. Furthermore, the distance between the entrepreneur and the bank affects the cost of the transaction. The closeness of a bank to a borrower allows for more regular face-to-face contact, which in turn strengthens the bank's connection with the borrower. Small and medium-sized enterprises (SMEs) in rural regions of South Africa lag behind their counterparts in metropolitan areas. This is owing to the significant risk involved with SMEs, as well as a chronic shortage of bank loans for rural entrepreneurs. As a result, financial institutions still have tremendous breaking points when it comes to collecting funds for SMEs. To overcome these issues, the missing middle introduces innovation in the supply of funding sources for SMEs, namely in the form of crowdsourcing for money.

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V. Financial Innovation

Alternative finance, such as crowdsourcing of financing or crowdfunding, is becoming increasingly important in assisting businesses in obtaining the financing they require to grow and contribute to the economy. Crowdsourcing of financing or crowdfunding is an innovative idea that has the potential to overcome financing challenges and fill in the gaps in the market. Crowdfunding is a technique of collecting funds for a business initiative by soliciting financial contributions from many individuals who are known to be reliable via the internet. Having an interdisciplinary character, crowdfunding exists at the crossroads of management, information systems, sociology, economics, and finance disciplines. It is the technique through which small company owners who have been turned down by banks utilize to get their businesses back on their feet Younus, A. M. 2021. Commercial banks and financial institutions now can reach out to small investors on an instantaneous basis, which is a welcome development. Crowdfunding offers finance for commercial enterprises by bringing together many small-scale investors (Collins, 2013). Crowdfunding as a financing source has the potential to overcome many of the limitations of conventional financing models since it makes it possible to seek and raise money for a new company or projects without the need for traditional finance.

The lack of available finance, along with the rise of social media and interactive online platforms, has resulted in a growth in the popularity of crowdfunding as a possible source of alternative funding. Crowdfunding is a viable alternative way of collecting funds for individuals with creative ideas who want to achieve their financial objectives. A huge number of individuals must be approached and collected relatively modest sums of money, which is what this job entails. According to Bellflower, Lambert, and Steinbach (2014), the goal of crowd financing is to gather money for investments via the use of social media networks on the internet to raise money.

The most distinguishing feature of crowdfunding is that each contribution is often represented by a little sum of money as its symbol. As a result, the greater the number of individuals who make donations, the greater the likelihood that the relevant project will collect sufficient money to complete it. In this way, it helps to expand finance for small and medium-sized enterprises (SMEs) and entrepreneurs by providing financial backing when traditional forms of finance are unavailable; it removes geographical barriers to raising finance; it serves as a path to identify good investment projects, which is a unique way to validate original ideas in front of a specifically targeted audience; and it attracts investment by appealing to both financial and non-financial motives of investors (Collins, 2013). The concept of crowdsourcing is evolving all the time, according to experts. In South Africa and Africa, however, it has not yet gained widespread acceptance, as opposed to the United States, where $1.5 billion was collected via crowd financing in 2011. (Ijatomi, 2012). According to Kuti and Madarász (2014), a total of USD 2.7 billion was raised via crowdfunding in 2012, with the industry insider predicting that the market would grow to USD 5.1 billion in the future. According to the Internet World Stats report from June 2014, South Africa has the highest number of internet users in Africa and the eighth highest number in the world. The number of people a budding entrepreneur can reach through crowdfunding in South Africa is staggering, with more than 70.3 million internet users. Many people already conduct financial transactions online through platforms such as gogoafrika.com, Push and start, Funda Solva, 234give.com, Jumpstart Africa, and startcrunch.com, but this is a small and unreliable number for an economy that is alleged to be thriving

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at a rapid pace. The practice of crowdfunding in South Africa is, however, not highly regulated by law in comparison to nations like the United States, Canada, Turkey, United Kingdom, and other parts of Europe where legislation plays an important role in regulating the activity extensively. For example, the Italian government enacted legislation in 2012 that allows creative start-up businesses to seek equity financing via specialized crowdfunding platforms (Piattelli, 2014). As a result of this law's guidance and implementation, the number of crowdfunding platforms in Italy has more than quadrupled in recent months, with 24 platforms and more than 1700 projects launched between October 2012 and June 2013. According to Petrakis and Collins (2013), technological advancements have aided in the development of crowd financing initiatives. The ability to effortlessly build a free online connection structure, secure online money transferring services, accurate credit scores that can be utilized by a variety of different financiers, and free social media marketing tools that can be utilized to engage geographically dispersed large crowds of people are all examples of technological advancements, according to the authors. When it comes to SMEs in South Africa, crowd funders may help them get access to capital and possibly correct some market inefficiencies, such as the inadequate availability of financing for start-ups and early-stage businesses. Its unique architecture allows for more adaptability, cost-effectiveness, and a faster time to raise capital than the competition. Entrepreneurs will also benefit from a market-testing tool that will allow them to assess demand and gather input from potential customers in real time. Contributors get a variety of benefits, including civic or community involvement, as well as an investment opportunity in the case of theoretical accounts with financial returns. Fundraising for SMEs, according to Widuto (2014), can be an effective source of capital for small and medium-sized enterprises (SMEs), but it is not without risks. These risks include fraud, platform closure or failure, project default, cyber-attack, donor exhaustion, misleading advertising practices, legal uncertainty resulting from differing legislation, liquidity risk (lack of exit options), and infringement of intellectual property rights. Several nations have already taken steps to address some, or all of the issues raised above via proper legislation and regulation. It would be critical for the government to realize the potential platform of the Internet. enact laws to protect it from being taken over by forces of dubious character and ensure that those who profit from it do so in a manner that is consistent with best practices enact laws to protect it from being taken over by forces of dubious character and ensure that those who profit from it do so in a manner that is consistent with best practices.

VI. Conclusion

Small and medium-sized enterprises (SMEs) have emerged as a significant factor in the sustained, fast, and healthy growth of the South Africa n economy. There are many different types of funding options available for small and medium-sized businesses to choose from. It is critical for a small and medium-sized enterprise (SME) to be creative in selecting the most suitable and appropriate funding options to address the company's financial problems. This paper primarily examines financial innovation and the factors that contribute to financial challenges. Its findings reveal that a lack of bank loans, geographic issues, and a lack of standardization in public funds have all contributed to the failure of SMEs to obtain successful financing, according to its sources. Similarly, the research examined different methods of funding SMEs and found that the availability of external finance for a small and medium-sized enterprise

(SME) in South Africa is still limited.

According to the findings of the research, one of the creative methods for small and medium-sized enterprises (SMEs) to become more essential and irreplaceable in supporting economic growth in South Africa is to enhance finance availability via crowdsourcing. However, the government must create a legislative framework that would allow for the growth of crowdfunding in South Africa to be a successful venture. This review is one of just a few studies that have attempted to address this issue. It is a critical technique that will help entrepreneurs in remaining highly motivated in their efforts to promote their field of work. Additionally, it will give a person the confidence to become a successful entrepreneur. At the same time, it will make a significant contribution to the current literature in the academic subject of entrepreneurship, and it will serve as a springboard for further empirical investigation into this topic. Furthermore, it provides essential information and techniques to assist entrepreneurs in understanding how crowdfunding may be used as a source of financial support, as well as the beneficial effect it has on the performance of Small and Medium-Sized Enterprises (SMEs).

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