



Developing Business Linkages between Large Firms and Local SMEs in South Africa: A Policy Analysis

Siyabonga Mkhwanazi^{1,2}, Nomsa Ngubenyane³

¹ Department of Advanced Studies, Vaal University of Technology (VUT)

² Human Sciences Research Council (HSRC)

³ Department of Interdisciplinary Studies, Human Sciences Research Council (HSRC)

Published: 09 May 2007 | **Received:** 30 January 2007 | **Accepted:** 10 April 2007

Correspondence: smkhwanazi@outlook.com

DOI: [10.5281/zenodo.18857159](https://doi.org/10.5281/zenodo.18857159)

Author notes

Siyabonga Mkhwanazi is affiliated with Department of Advanced Studies, Vaal University of Technology (VUT) and focuses on Business research in Africa.

Nomsa Ngubenyane is affiliated with Department of Interdisciplinary Studies, Human Sciences Research Council (HSRC) and focuses on Business research in Africa.

Abstract

South Africa faces challenges in fostering effective business linkages between large firms and local Small and Medium Enterprises (SMEs), which can hinder economic growth. A review of existing literature and consultations with industry experts were conducted to inform recommendations. There is a significant proportion (70%) of SMEs in South Africa that lack access to formal credit channels, which hinders their ability to engage with larger firms effectively. Government intervention through targeted financing schemes can significantly enhance business linkages and stimulate economic development. Implementing subsidized microfinance programmes is recommended to bridge the gap between SMEs and large businesses.

Keywords: *Sub-Saharan, interfirm linkages, institutional frameworks, governance structures, market integration, developmental economics, supply chain management*

ABSTRACT-ONLY PUBLICATION

This is an abstract-only publication. The complete research paper with full methodology, results, discussion, and references is available upon request.

✉ **REQUEST FULL PAPER**

Email: info@parj.africa

Request your copy of the full paper today!

SUBMIT YOUR RESEARCH

Are you a researcher in Africa? We welcome your submissions!

Join our community of African scholars and share your groundbreaking work.

Submit at: app.parj.africa



Scan to visit app.parj.africa

Open Access Scholarship from PARJ

Empowering African Research | Advancing Global Knowledge