

Basic Business-Forces behind the Surviving and Sustainable Organizations: The Case of Medium Scale Contractors in South Africa

Authors : Iruka C. Anugwo, Winston M. Shakantu

Abstract : The objective of this study is to uncover the basic business-forces that necessitated the survival and sustainable performance of the medium scale contractors in the South African construction market. This study is essential as it set to contribute towards long-term strategic solutions for combating the incessant failure of start-ups construction organizations within South African. The study used a qualitative research methodology; as the most appropriate approach to elicit and understand, and uncover the phenomena that are basic business-forces for the active contractors in the market. The study also adopted a phenomenological study approach; and in-depth interviews were conducted with 20 medium scale contractors in Port Elizabeth, South Africa, between months of August to October 2015. This allowed for an in-depth understanding of the critical and basic business-forces that influenced their survival and performance beyond the first five years of business operation. Findings of the study showed that for potential contractors (startups), to survival in the competitive business environment such as construction industry, they must possess the basic business-forces. These forces are educational knowledge in construction and business management related disciplines, adequate industrial experiences, competencies and capabilities to delivery excellent services and products as well as embracing the spirit of entrepreneurship. Convincingly, it can be concluded that the strategic approach to minimize the endless failure of startups construction businesses; the potential construction contractors must endeavoring to access and acquire the basic educationally knowledge, training and qualification; need to acquire industrial experiences in collaboration with required competencies, capabilities and entrepreneurship acumen. Without these basic business-forces as been discovered in this study, the majority of the contractors gaining entrance in the market will find it difficult to develop and grow a competitive and sustainable construction organization in South Africa.

Keywords : basic business-forces, medium scale contractors, South Africa, sustainable organisations

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