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Challenges of Record Keeping for Engcobo Small, Micro and Medium Businesses, South Africa

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Keywords: record keeping, small, micro, medium businesses, challenges, engcobo local municipality, south africa.

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Challenges of Record Keeping for Engcobo Small, Micro and Medium Businesses, South Africa

Zolile Myeko [α] & Vuyolwethu Madikane [σ]

Abstract- The study investigated challenges to record keeping practices experienced by small, micro, medium businesses in Engcobo Local Municipality. The objective of this study is to look at the barriers of record keeping when growing small, micro, medium businesses. The study used a mixed research method. We collected data through an interview schedules and questionnaires from eighty-five (85) participants. The questionnaires' data were analyzed using a Statistical Package for Social Sciences (SPSS), and the personal interviews data was analyzed using content analysis. The findings showed that the majority of our participants did not implement proper record keeping practices and that they did not understand the importance and the role of keeping records for their businesses. This study conveys information that contributes and helps small, micro, medium businesses owners to keep business records and to practice good record keeping practices, to maintain accurate business records of transactions. It is therefore recommended that small, micro, and medium businesses learn to use good record keeping and link the records keeping practice with business performance, to keep accurate records for their organizations.

Keywords: record keeping, small, micro, medium businesses, challenges, engcobo local municipality, south africa.

I. Introduction

Record keeping plays an imperative role in the success of the small, micro and medium businesses (SMMBs) worldwide. The small, micro, and medium businesses are popular in urban and rural areas of South Africa. The small, micro, and medium businesses reduce the unemployment rate and increase poverty alleviation in South Africa through job creation. According to Ghasia et al., (2017), proper record keeping enhances better performance and productivity in business ventures. Good record keeping assists SMMBs owners to improve business performance, and make the right business decisions in their business ventures. According to Danford et al., (2014), record keeping is very crucial because it involves the capturing, the maintenance and creating the provision for authentic and readily available records of business ventures. Good record keeping promotes the survival of business ventures through monitoring and evaluating their business progress (Ghasia et al., 2017).

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According to Danford et al., (2014), previous studies revealed that in Tanzania, most of the SMMEs operated their business ventures without considering the impact of poor record keeping on their businesses.

Record keeping in SMMBs is a new player in the academic world. Ghasia et al., (2017) argues that there are very few empirical research projects about record keeping in SMMBs, particularly regarding connections with local government. Some scholars are still paying little attention to the matter of record keeping in the SMMBs' environment. According to Ghasia et al., (2017), most scholars spend their time exploring the dynamics of the SMEs performance and yet they ignore the role of record keeping. The scholars pay particular attention to certain things in the SMMBs, such as best performance and productivity. Interestingly, this study adds to what is currently known as record keeping challenges by investigating record keeping in the Engcobo SMMs. No research study has focused on the business records kept by the SMMBs owners in the Engcobo Local Municipality; even though there are limited empirical research studies regarding record keeping in small business in local government (Ghasia et al., 2017).

The study findings have been drawn from an empirical research study and quantitative and qualitative research. In this study SMMBs, SMMEs, and SMM's will be use interchangeably.

II. Statement of Research Problem

There are little information and knowledge about the concept of record keeping amongst the SMMBs owners in the Engcobo Local Municipality. Poor record keeping has hurt SMMBs in the Engcobo Local Municipality. The challenge of record keeping in the small businesses at local government level has received little attention from scholar's worldwide (Ghasia et al., (2017). Webster et al., (1999) asserts that worldwide, no information or academic discussion about the record keeping in SMMBs in local government has taken place. According to Danford et al., (2014), since 2012, Tanzania, for the first time, has admitted that record keeping was a greater problem contributing towards the performance and success of Small businesses. Record

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keeping made a main contribution to the performance and the success of small businesses.

Danford et al., (2014) emphasizes that the small businesses faced unique challenges regarding record keeping in their business ventures. Most SMMBs owners pay more attention to making and sell their products rather than on keeping their books and records correct (Kengere et al., 2010).

III. Objectives of the Study

The objectives of this study are as following:

- To investigate the challenges of record keeping faced by Engcobo small, micro, medium businesses
- To identify the causes of poor record keeping in Engcobo small, micro, medium businesses.
- To investigate how Lack of proper record keeping impacts Engcobo small, micro, medium businesses.
- To zoom into solutions on how to address record-keeping challenges at Engcobo small, micro, medium businesses.

IV. Research Questions

Due to the above objectives, the following questions are necessary.

- What is the record- keeping challenges facing Engcobo small, micro and medium businesses?
- Why Engcobo small, micro, and medium businesses faced record-keeping challenges?
- What can be done to solve poor record- keeping for Engcobo small, micro, and medium businesses?

V. Literature Review

a) Definition of records keeping

According to Musah and Ibrahim (2014) and Danford et al., (2014), record keeping refers to the process that involves the capturing, the maintaining and the provision of authentic and readily available business records. According to Nketsiah (2018), record keeping refers to documents created or received and maintained by an organization or by an individual, in pursuance of legal obligations or in transacting business.

The emphasis is that throughout the world, all organizations create records daily maintain them in a proper manner, and disposes of them through destroying or keeping permanent records. According to Roper and Millar (1999) record-keeping practice passes through various stages such as the current stage, a semi-current stage, and a non-current stage. The current stage is when the records are maintained daily in an organization, the semi-current life cycle is whereby record are still use every quarter as part of referencing, while non-current records are where record are no longer used by the organization.

According to Walsham (2016), record-keeping refers to the skill of preserving and storing recorded information for important events and actions within business ventures. The emphasizes is that record-keeping is a particular skill that is used to manage all the recorded information regarding businesses. Abdul-Rahaman and Adejare (2014) describe record keeping as the process of identifying and classifying, storing and protecting essential business records. Record keeping is the process of keeping significance records for evidence and references for present, and future use.

b) Theoretical framework

This study draws from two different theoretical frameworks, namely the Record Continuum Model and the Decision Usefulness Accounting Theory. According to Ghasia et al., (2017), the Records Continuum Model and the Decision Usefulness Accounting Theory are theoretical frameworks that can be used to explain record keeping in small, micro, medium businesses. The Records Continuum Model emphasizes the importance of keeping good relationships going between records managers and archivists to address the issues of the life cycle of records, in all businesses. The model looks at records keeping in organizations in different ways; for example, a record manager focuses on current and future recorded information while the archivist looks at past, present and future use of recorded information in the organizations.

Mutua (2015) argues that the Decision Usefulness Accounting Theory plays a significance role in business management. The Decision Usefulness accounting theory explains all business processes that might lead to relevant information being made available to the decision maker of the business venture. The Decision Usefulness Accounting Theory is directly to the record- keeping in SMMBs by owners because it helps them to make correct decisions regarding their business ventures. Hendriksen (1965) argues that the Decision usefulness accounting theory provides a guideline to those who want to develop a clear financial statement of the state of a business venture, particularly small businesses.

c) Challenges of Record-Keeping in Small, Micro, Medium Businesses

i. *Lacking of proper record keeping*

According to Danford et al. (2014), poor record-keeping is a big challenge for SMMBS in all sectors, worldwide. It is clear that a lack of good record-keeping in SMMBs creates obstacles in the way of good business performance and success. Kengere et al., (2010) argues that a lack of proper record keeping causes a serious plight for SMMBs owners. Most of SMMBs owners spend their time focusing on purchasing and production rather than looking at record

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keeping practices in their business venture (Mbona et al., 2010).

Due to the lack of proper record- keeping in SMMBs, business owners are unable to maintain the progress of financial transactions in their business ventures. A lack of acceptable record-keeping practice in SMMBs affects financial institutions and government agencies, in terms of providing the necessary support to them when they want to borrow money.

According to Masuke (2010), SMMBs struggle to get funds from financial institutions and government agencies because they fail to keep accounting records and annual financial statements. The lack of proper record-keeping practice in SMMBs has a hurt them when they need financial assistance. Most SMMBs neglect good record- keeping practice whereas it is extremely imperative for them to be successful and sustainable in their sectors. SMM's play an essential role in terms of reducing poverty and job creation in various countries worldwide (Mutalemwa, 2010). Because majority of SMM's are not registered, proper record keeping practice is not a daily issue for them. Even though some of them are growing fast in terms of their business performance, but without proper record keeping practices. The government fails to provide guidelines for SMMBs in terms of accounting records in their businesses (Mutalemwa, 2010).

The lower levels of education in SMMBs causes a problem of poor record keeping in many business ventures. Danford et al., (2014) argues that the lower level of understanding of the importance and the non-compliance to proper record keeping procedures causes the negative performance of many business ventures.

Musah and Ibrahim (2014), assert that a lack of proper record keeping leads to the failure of many SMMBs because they are unable to provide records for necessary managerial decisions in their business ventures. The benefits of right way of record-keeping in business ventures are not doubted in terms of recording information when it's necessary, but the lack of proper record keeping remains a big problem in SMMBs.

ii. *Lacking knowledge*

Musah and Ibrahim (2014), emphasize the lack of knowledge about the contribution made by poor record keeping in small business ventures. However, recorded information can be collected manually or electronically. Most of the manually recorded information comprises sales, purchases on credit, cash payments, and receipt records (Musah & Ibrahim, 2014). Manually recorded information does not require technical skills to run as part of a business venture.

Most SMMBs do not understand the relationship between their businesses' performance and proper record keeping. According to Muteti et al., (2018),small businesses face a big problem with the lack of knowledge on record keeping in their business ventures. The abovementioned statements indicate that the SMMBs do not regard record keeping as a contributory factor to the success, and the business performance of their businesses. According to Muchira (2012), proper record keeping is the best tool to improve a business's performance and to ensure the business's survival for a long time in its sector. This emphasis that a lack of knowledge about the necessity of record keeping in many SMMBs is a greater challenge because poor record keeping affects the business's performance.

Even though lacking knowledge of record keeping in SMMBs may be caused by various reasons, such as a lower level of education, or business management skills, inadequate personnel, and a lack of business information.

iii. *Lack of time*

According to Muteti et al., (2018), most SMMBs do not have the time to look after their business records because they are focused on selling their products. SMM's have a lot of work to do in their businesses, and therefore, they focus on other business needs and thus may not have enough time to look after their business records (Muchira, 2012). The business's profit motive forces SMMBs personnel to occupy various positions in their business, and thus, they neglect the maintenance of business records.

iv. *Manual records*

The SMM's face a challenge with keeping manual records for their organizations. According to Muteti et al. (2018), manual record keeping is a serious challenge for many SMM's. Manual record keeping needs somebody to be responsible for filling its business records. The SMM's has to employ an extra person to handle the filing of their business's recorded information regarding costs, which, in turn, affects the profitability of the organizations. The emphasizes the fact that SMM's owners should take record-keeping seriously as a contributory factor to the business's performance and success (Muchira, 2012).

v. *Lack of facilities*

Most of the SMM's face the challenge of a lack of business facilities in their firms. According to Muteti et al., (2018), SMM's experience this lack, particularly in respect of facilities in their workplaces or workstations. Shows that most of the SMM's do not have enough space to keep their products and their records in the same place. Proper record keeping needs its own space for filing business records. The SMM's owners chose to ignore record keeping and had decided to pay special attention to their business products space in their business rather than allocating space for record keeping.

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vi. *Lack of finance*

The SMM's do not have enough money to employ a worker for the filing of business records for their businesses. A lack of money is a main challenge in SMM's because this lack does not allow firms to employ skillful personnel for record keeping (Muteti et al., 2018). It shows clearly that proper record -keeping needs money to hire skilled workers who can perform record-keeping duties. According to Howard (2009), poor record keeping might lead to the closure of most of these businesses. It shows that proper record-keeping plays an important role in the success of a firm, particularly small businesses. According to Muchura (2012), small business owners should be directly involved in record keeping processes to save money.

vii. *Do not know*

Some SMM's do not understand why they should keep records for their business. It emphasizes that some small business owners do not know or they do not understand the link between business performance and record keeping. The small firms that do not understand why they should keep records for their organizations are associated with those who have a lower level of education (Muteti et al., 2018).

viii. *Competence of clerical staff*

Most small businesses face a challenge with the lack of record keeping skills in their firms. The majority of the small business owners do not have record keeping skills, and their staff also have no proper record keeping skills to help them to improve their record keeping system. According to Muteti et al., (2018), small businesses face the challenge of a lack of competence of clerical staff to handle record keeping.

ix. *Retrieving information*

The SMM's owners and employees face a challenge in retrieving written documents for their organizations, due to poor record keeping. Ghasia et al., (2017) revealed that fifty-four percent (54%) of the majority of small businesses in the Vigaeni ward in the Mtwara-Mikindani Municipality in Tanzania confirmed that they struggle to retrieve information due to poor record keeping. This attributed to a lack of knowledge and skills in proper record keeping. Such poor record-keeping indicates the possibility of losing extremely imperative recorded business information.

x. *Standardization of the record keeping method*

Most of the SMM's owners complain about the lack of guidance from the government regarding record keeping for their business and other relevant authorities. The lack of a standardized method of record-keeping in SMM's has caused a big challenge for their organizations (Ghasia et al., 2017). This emphasizes the fact that the government failed to provide clear direction regarding record-keeping for SMM's. This lack of guidance occurs not only in Tanzania, but it also faces the whole East and Southern region (Ghasia et al., 2017).

This emphasizes that the Eastern and the Southern African countries face a similar challenge of poor record keeping in their business ventures. Interestingly, both the Eastern and the Southern African regions struggle to capture and to preserve business records, due to a lack of a standardized method of record keeping.

xi. *Fear of discouragement in case of loss*

Business owners fail to keep proper records in their businesses for many different reasons. According to Muchira and Ambrose (2014), some business owners mention fear of discouragement in the case of a loss in their businesses as a main contributing factor. This emphasizes that some business owners are not interested in knowing details about their business's performance from a financial transaction point of view.

xii. *Retention schedule*

The SMM's face a challenge regarding how long they should keep their records for in their firms. Some small businesses owners were not sure about how long they should keep their recorded information for their organizations due to a lack of retention policies and guidelines (Ghasia et al., 2017). The majority of small businesses do not know about the use of a disposal program for their business records. This indicates clearly that retention schedules are needed for small businesses to use as a guideline.

VI. Research Methodology

a) Methodology

The study adopted mixed research method involving qualitative and quantitative research (Creswell, 2009). The mixed-method provides an opportunity to extract as much significance information as possible from the SMMBs regarding the challenges of record keeping. Mostly, questionnaires alone do not provide an opportunity for clarifying and for explaining some issues, whereas the interview schedule gives enough opportunity a better explanation, for interrogation, and interaction between the researchers and the participants.

b) Research population

The research population for this study comprised of SMMBs owners and Local economic development officers in the Engcobo Local Municipality. This study, SMMBs is a small business which has been existed in more than one year and employed workers up to 5 but not more than 200 employees. This study was limited to those who own SMMBs in the Engcobo Local Municipality from various industry sectors. The research population focuses on both registered and non-registered SMMBs from different industry sectors.

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The researchers selected the research population with the view that the selected participants would reveal important information about the research problem. Due to the cost and the time constraints on finishing the study, the researchers decided not to study the entire population; instead, a sample taken from few target population.

c) Sampling method

This study, a non-probability technique was used to reach the target population in selected areas. Many attempts were made to get a database of Engcobo SMMBs; there is no official list or database of small business in Engcobo Local Municipality or entire Eastern Cape. As a result, Non-probability sampling used in conjunction with snowball sampling in this study. The researchers selected subjects from different industrial sectors in Engcobo Local Municipality, Eastern Cape in South Africa. The sample size was eighty-five (85) respondents.

d) Analysis

The data collected from the questionnaires was descriptive, statistically analyzed. Descriptive statistical analysis was utilized to identify the frequencies and the percentages of the variables. The Statistical Package for the Social Science (SPSS) software used as a tool to analyze quantitative data. The Statistical Package for the Social Science is computer- based software which can be use as a tool for analyzing data, and it is useful because it creates charts, graphs and table presentations of patterns (Field, 2009). Qualitative data were used for analysis using content analysis.

VII. Discussion of the Findings

The researchers intend to present the data collected through quantitative data.

a) Gender respondents

Table 7.1 below illustrates the gender of the SMMBs owners. This result may help SMM's owners to understand the numbers of males and females respectively, who are directly involved in SMMBs in the Engcobo Local Municipality.

Table 7.1: Gender of SMMBs Owners

Gender		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	23	51.1	51.1	51.1
	Female	22	48.9	48.9	100.0
	Total	45	100.0	100.0	

The table above shows that the majority of respondents were male, which totaled twenty-three (23) out of the forty-five (45) respondents. Hence a percentage of 51.1 percent and twenty-two (22) were females, which represented 48.9 percent of the total number of respondents.

These results show that the number of male respondents were much higher than the female respondents. The male is responsible for providing food, clothing, finance, and shelter in some family cultures. The findings above are in line with those of previous studies by Nketsia (2018), revealed that among the small business operators in the Sekondi-Takoradi Metropolitan area in Ghana, that the majority of business owners were male. Interestingly, the reason for this situation was that females dominate in certain industry sectors such as hairstyling, tailoring or dressmaking. GEM (2015/16) reveals that there is a wider gender gap between males and females in South African society. For example, there are only six (6) women to every ten (10) men engaged in early-stage small business activities. Furthermore, it reflects gaps or differences in their cultures, and their customs regarding female participation in the economy.

b) Highest level of education

Table 7.2 below illustrates the highest level of school education that the SMMBs owners obtained. The results provide a clear picture of the education in the SMMBs owners in the Engcobo Local Municipal area.

Table 7.2: Level of Education

Education		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Grade 1 - 11	20	44.4	44.4	44.4
	Matric	20	44.4	44.4	88.9
	Certificate/Diploma	5	11.1	11.1	100.0
	Total	45	100.0	100.0	

The table above shows that of the forty-five (45) respondents that participated in the study majority, twenty (20) (44.4%), were both Grade 1-11 and matric holders. This was followed by five (5) (11.1%), who had certificate/diploma qualifications.

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The above results indicate that the majority of the SMMBs owners studied up to matric level. The findings above are in line with those of previous studies by Nketsiah (2018) that revealed that only a few numbers of small businesses owners completed tertiary education qualification and that the majority of the small business owners completed primary and secondary school qualifications only. Danford et al. (2014) which found that SMEs at Madukani Ward-Dodoma region in Tanzania majority level of education was from primary to secondary school and few numbers of those who managed to obtained university education level. In the majority of business owners relatively low level of education links to the poor standard of record keeping in their businesses.

This highlights that the lower level of education leads to non-compliance for proper record keeping for their business, because of the lack of management skills caused by low levels of education. This posed a big challenge for their business record keeping.

c) Causes for poor record keeping in SMMBs

Table 7.3 below illustrates an indication of the causes for poor record keeping of the SMMBs owners. The results of this study can be utilised to check the causes for poor record keeping in SMMBs owners at Engcobo Local Municipal area.

Table 7.3: Causes for poor record keeping in SMMBs

Causes		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Keep business records information in my head	2	4.4	4.4	4.4
	Preparing business records is cost and time consuming	3	6.7	6.7	11.1
	Don't have to keep any business records in my business, I own the business	14	31.1	31.1	42.2
	Don't know how to keep business records	20	44.4	44.4	86.7
	Use my own experience to keep business records	6	13.3	13.3	100.0
	Total	45	100.0	100.0	

The results above shows that out of the forty-five (45) respondents twenty (20) respondents (44.4 percent) indicated that Engcobo SMMBs confirmed that they don't know how to keep their business records. Fourteen (14) respondents (31.1 percent) said that they don't have to maintain any business record in their businesses. Six (6) respondents (13.3 percent) confirmed that they own the business ventures. Three (3) respondents (6.7 percent) said that preparing business record is cost and time consuming, and two (2) respondents (4.4 percent) said that they keep business record information in their heads.

These results indicate that the majority of SMMBs owners think that they don't know how to keep a business record in their business ventures. These findings are line with Olukotun et al. (2012) revealed that the majority of small businesses in Ijumu local government of kogistate experienced the lacking of knowledge, skills, time and some avoid cost for record keeping in their business ventures.

d) Handle business records

Table 7.4 below illustrates an indication of how the SMMBs owners handle their business records in their business ventures. The results of this study can be utilized to check how SMMBs owners handle or manage their business records in the Engcobo Local Municipal area.

Table 7.4: Handle business records

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Owners	31	68.9	70.5	70.5
	Employees	13	28.9	29.5	100.0
	Total	44	97.8	100.0	
Missing	System	1	2.2		
Total		45	100.0		

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In this study, the majority of the respondent's thirty-one (31) (68.9 percent) indicated that Engcobo SMMBs owners are responsible for record keeping in their business ventures. Thirteen (13) (28.9 percent) delegate the duty of keeping records in their business ventures to their employees.

These results demonstrate that the majority of SMMBs owners are responsible for record keeping in their businesses. These results could be related to the previous suggestion made by Ghasia et al., (2017), that revealed that most of the business owners assign their record keeping tasks to their relatives who have a lower level of education. The advantage of using their close relative for these tasks was to pay them lower salaries or not paying them, which also contributed to the lower level of performance in the record keeping tasks.

Danford et al., (2014) who revealed that most of the small businesses (62 percent) though that keeping records added unnecessary costs to their business and affected their profits. "You need to pay employees, buy computer equipment and necessary stationery and pay your staff." These results indicate that the SMM's owners keep records themselves because they want to avoid extra costs. Interestingly, this demonstrates the lower level of education for small business owners regarding record keeping. The SMM's owners need to understand the benefit of keeping records for their businesses.

e) Record-keeping system

Table 7.5 below illustrates an indication of the type of record keeping systems that SMMBs owners are utilizing in their organizations. The results of this study can be utilized to check which type of record keeping systems SMMBs owners prefer to use.

Table 7.5: Record keeping system

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Only paper based	18	40.0	40.0	40.0
	Both paper and electronic	25	55.6	55.6	95.6
	None	2	4.4	4.4	100.0
	Total	45	100.0	100.0	

The table above shows that out of forty-five (45) respondents twenty-five (25) respondents (55.6 percent) indicated that SMMBs owners utilized both paper-based and electronic record keeping systems for their businesses. This was followed by eighteen (18) respondents (40.0 percent) who confirmed that they used only a paper-based record keeping system. Interestingly, very few, two (2) respondents (4.4 percent) did not use any record keeping system; instead, they used their memory only.

These results demonstrate that the majority of SMMBs owners are utilizing both papers-based and electronic systems in their business ventures. These findings are in line with Ghasia et al., (2017), revealed that SMEs in Mtwara-Mikindani Municipality use both paper-based and electronic systems in their business ventures. These two systems are complemented to each other because paper-based keep backup for electronic system, and also use as backup when paper- based information missing in their business ventures.

f) Challenges of record keeping

Table 7.6 below indicates the challenges of record keeping amongst SMMBs owners. The results of this study can be utilized to identify barriers of record keeping by SMMBs owners in the Engcobo Local Municipal area.

Table 7.6: Challenges of record keeping

Challenges		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Lack of facilities	22	48.9	48.9	48.9
	Knowledge of record keeping	22	48.9	48.9	97.8
	Cost and time	1	2.2	2.2	100.0
	Total	45	100.0	100.0	

The table above shows that out of the forty-five (45) respondents that twenty-two (22) respondents (48.9 percent) indicated that SMMBs owners experience the challenge of lack of facilities in their business. Twenty-two (22) respondents (48.9 percent) experience challenges of lacking of knowledge about record keeping in their business. Interestingly, only one (1) respondent (2.2 percent) experience challenge of cost and time for record keeping in their business.

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These results demonstrate that the majority of SMMBs owners experience challenges of manual records and standard methods in their business ventures. These results could be related to the previous suggestion made by Muteti et al., (2018) revealed that small businesses in Makueni County in Kenya experience challenges of time, manual record, knowledge, lacking finance and lacking facilities in their business ventures.

g) Keeping of records before disposal

Table 7.7 below illustrates an indication of the how long the SMMBs owners keep records before destroying them. The results of this study can be utilize to check how long the SMMBs owners keep their business records before disposition them in their business ventures.

Table 7.7: Keeping of records before disposal

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	One year	15	33.3	33.3	33.3
	Two years	8	17.8	17.8	51.1
	Not sure	22	48.9	48.9	100.0
	Total	45	100.0	100.0	

The table above shows that out of forty-five (45) respondents that twenty-two (22) respondents (48.9 percent) indicated that SMMBs owners are not sure how long they keep records for their businesses before destroying them. This was followed by fifteen (15) respondents (33.3 percent) who confirmed that they keep a record for one year only. Interestingly, very few, eight (8) respondents (17.8 percent) keep records for two years for their businesses.

These results demonstrate that the majority of SMMBs owners are not sure how long to maintain their business records for before disposal. These results could be related to the previous suggestion made by Ghasia et al., (2017) revealed that all small business owners and their employees do not know how long to keep their business records before disposal.

h) Reasons not having any records keeping awareness or training

Table 7.8 below illustrates an indication of the record keeping awareness of the SMMBs owners. The results of this study can be utilize to check whether SMM's owners need recordkeeping awareness or not in their business ventures.

Table 7.8: Reasons not having any records keeping awareness or training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Don't know how to contact them	5	11.1	11.1	11.1
	Too cumbersome to get help	15	33.3	33.3	44.4
	Have not yet been approached	25	55.6	55.6	100.0
	Total	45	100.0	100.0	

The table above shows that out of the forty-five (45) respondents that twenty-five (25) respondents (55.6 percent) indicated that SMMBs owners have not yet been invited to attend record- keeping trainings in their business ventures. This was followed by fifteen (15) respondents (33.3 percent) indicated that it is too cumbersome to get help in their businesses. Interestingly, very few, five (5) respondents (11.1 percent) showed that don't know how to contact the people who can provide them record keeping training in their businesses.

These results demonstrate that most SMMBs owners have not yet been approached about record keeping awareness or training. These results could be related to the previous suggestion made by Mbroh and Assah (2015) revealed that most small businesses did not receive any request to attend record- keeping workshops.

i) Records as business assets

Table 7.9 below illustrates an indication of the records as business assets of the SMMBs owners. The results of this study can be utilize to check whether SMM's owners consider keeping records as one of their business assets.

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Table 7.9: Record as business assets

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	6	13.3	13.3	13.3
	Don't know	20	44.4	44.4	57.8
	Agree	18	40.0	40.0	97.8
	Strongly Agree	1	2.2	2.2	100.0
	Total	45	100.0	100.0	

The table above shows that out of the forty-five (45) respondents that twenty (20) respondents (44.4 percent) indicated that SMMBs owners do not know whether records form part of their business assets. This was followed by eighteen (18) respondents (40.0 percent) who agreed that record keeping is one of their business assets. Interestingly, very few, six (6) respondents (13.3 percent) did not consider record keeping as one of their business assets.

These results indicate that most SMMBs owners did not sure whether they consider business records as business assets for their businesses. These results could be related to the previous suggestion made by Muchira and Ambrose (2014) revealed that most small businesses do not require record-keeping in their business because their firms can be successful even though they do not keep records of its operation. Muteti et al., (2018) contended that a lack of knowledge on record keeping is a contributing factor to poor record keeping in their business ventures.

VIII. Personal Interviews with Engcobo SMMBS Owners

The researchers present the data collected through the interviewing technique.

a) *Question 1:* How do you allocate time for filing and reading records?

Most of the SMM's owners responded by saying that keeping records for their business takes too much time some of the responses are below.

"*We do not have time for filing business record.*"

The findings above are in line with those of previous studies by Danford et al., (2014), which found that the small businesses experience the challenges of record keeping due to lacking knowledge, cost and time constraints in their business ventures.

b) *Question 2:* Do you have record- keeping challenges in your business?

The researchers asked the interviewees about the record keeping challenges that the SMMBs owners faced, considering that they worked long hours every day. Many of the interviewees said that this had become a greater challenge for them. Some of their responses are written below.

"*I do not have time to organize business records properly because I am alone and responsible for everything in my business.*"

The findings above are in line with those of previous studies by Danford et al, (2014), revealed that the majority of the SMEs at Maduka ward Dodoma region in Tanzania said that recordkeeping takes more time in their businesses.

"Record keeping adds an unnecessary task to my business."

The findings above are in line with those of previous studies by Danford et al. (2014) which found that majority of SMEs were of the views that record keeping adds unnecessary cost to their business and take a portion of their profit in their firms.

"*I do not know how to manage my business records.*"

The findings above are in line with those of previous studies by Ghasia et al., (2017), which found that majority of the small businesses owners and employees in Nigeria were lacking professional knowledge on recordkeeping due to a lower level of education. Olukolun et al. (2012), revealed that the majority of the small businesses in Ijumu local government area of Kogi state does not know how to keep records properly.

c) *Question 3:* Why did you decide to maintain or destroy business records?

The researchers asked the interviewees about the reasons why they decided to keep records or why they destroyed the records of the SMM's. Some of their responses are noted below.

"*I keep business records because they are important for my business, although, I do not have enough time to look after the business records and I do not have the space to keep business records for my business."*

The findings above are in line with those of previous studies by Ghasia et al., (2017), revealed that the several SMEs in Nigeria said that certain aspects of record keeping are very imperative to their business ventures.

"I keep business records for a few weeks, and then I destroy them after that."

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The findings above are in line with those of previous studies by Ghasia et al.,(2017), which found that record keeping from the creation to disposal was very poor and those SMEs have facilities for record keeping were not used I proper way.

d) *Question 4:* Do you have rules or procedures in your business for record- keeping practices, and if yes, how does it work?

The researchers wanted to check whether the SMMBs owners have any established business rules and procedures for record keeping. The majority of the SMM's owners did not have rules and procedures for record keeping for their businesses; while a few said:

"I keep only those important business record for my business."

The findings above are in line with those of previous studies by Ghasiaet al. (2017) revealed that few small business owner were of the view that the lacking of policy for business records management in small businesses created a lot of challenges which have negative impact on the record keeping including a lack of clear methods of records creation and disposition.

e) *Question 5:* How do you manage business records and your personal records?

This question included because the researchers wanted to know how the SMMBs owners managed their business records. A number of the SMM's owners indicated that they kept their business records for a year, on their business premises.

"*A few of them said that they put their business records in big boxes, once the boxes were full; they destroy the old business records and keep the new business records*".

The findings above are in line with those of previous studies by Ghasia et al., (2017), which found that the greater challenge faced by SMEs at Vigani ward in Mtwara-Mikindani Municipality in Tanzania was lacking retention schedules and procedures for disposal of records. Danford et al., (2014), revealed that some small businesses destroy their business records due to the fact that they avoid tax burden can be imposed to them by the government.

IX. Recommendations

The researchers recommend that there is a need to strengthen our education system in such a way that certain aspects and principles of simple business recording are taught at primary and secondary education levels in subjects such as accountancy and business studies, considering that the majority of the SMMBs owners have completed a matriculation level of education.

The researchers recommend that a national Small business Development Department, a Finance Department, and an Arts and Culture Department should arrange training sessions for small businesses; in particular for small, micro, medium businesses enterprises, as well as encouraging increased awareness of record keeping through the media and social media for the benefit of small, micro, medium businesses.

The local economic development department at Engcobo Local Municipality should prepare a training program on proper record keeping. The municipality should develop and implement a business records management policy to improve record-keeping practices in the municipalities. This policy should clearly define the guidelines, the procedures, and the responsibilities of a small business owners and employees, about record-keeping.

X. Conclusion

Many previous studies have underestimated the economic contribution made by small, micro, medium businesses worldwide. Some SMMBs are well established and have made huge profits in their businesses. This study has shown clearly that the majority of SMMBs owners lack knowledge about the importance of record keeping. Most of them do not understand how to choose which records they need to keep and which to destroy. However, this study emphasized that record keeping is an extremely significant aspect in all business ventures worldwide. The record- keeping is not only South Africa challenge is global challenges.

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