

Setting SMEs up for success

South Africa's small and medium-sized enterprises (SMEs) represent more than 98% of registered businesses, employ between 50% and 60% of the country's workforce, and are responsible for a quarter of job growth in the private sector.



Photo by The Lazy Artist Gallery from [Pexels](#)

“It’s no wonder then that these companies are the country’s hope for economic recovery. But what is being done to ensure their success?” asks Andrew Hardie, chief executive officer at Pay@, a payment aggregator and provider of secure payment solutions.

South African SMEs have the highest failure rate in the world. In fact, 70% to 80% of small businesses fail within five years. Studies conducted by the Universities of the Free State, Limpopo and Cape Town have found that a lack of business capabilities (including skills and tools) is one of the key reasons for this.

Hardie notes that while training is an essential part of overcoming this challenge, most business owners simply do not have the time and means to upskill themselves. “However, both the private and the public sector are developing tools and resources to aid and empower SMEs.”

Pay@ launched a solution for the sector last year called Yap which is an electronic bill presentment and payment tool for on-the-go invoicing and payment requests. Yap not only helps business owners present single and bulk payment requests across multiple digital channels, but also enables them to collect payments across retailer and digital platforms.

The CEO adds that Pay@ follows the SME servicing space with interest and notes other third-party service providers that are making a difference, including:

- **Real Receptionist:** Geared towards business owners who don't have the resources for a full-time receptionist, Real Receptionist answers calls on their behalf, freeing them up to focus on driving, attending to clients, or working. When a call comes through, it either gets transferred to the business owner, or if they are unavailable, a message will be taken and emailed to them.
- **LegitLaw:** Created as a one-stop-shop for legal needs, LegitLaw is an automated technology system that allows users to file their trademark and patent online, draw up customised partnership and employment agreements, as well as draft day-to-day legal documents like wills.



#StartupStory: LegitLaw - the new self-service platform for basic business contracts

Shan Radcliffe 18 Mar 2021



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- **Mobile Business Hub:** The City of Cape Town has recently launched the Mobile Business Hub which will be visiting communities across Cape Town to offer on site business support. The Mobile Business Hub will connect entrepreneurs and SMEs with city services to grow local business through support programmes as well as provide access to new markets and business development assistance. Plus, it will be used to facilitate programmes that promote investment, trade, and sector-specific training skills development.

"With tools like these and others helping business owners, the future looks bright both for SMEs and the South African economy," concludes Hardie.

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