

## THE AFRICA CAFÉ: A CASE STUDY ON THE SUCCESS FACTORS ASSOCIATED WITH SUSTAINABLE ENTREPRENEURSHIP IN SOUTH AFRICA

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### ABSTRACT

*This study describes the case study of a Black South African sustainable entrepreneur who formed a new venture in Cape Town after the Apartheid. The purpose of this article is to further investigate entrepreneurial activities in South Africa. It is often presumed that the black population of South Africa has a low participation rate in entrepreneurial activities and a low level of ambitions regarding self-employment. This study examines a case of how the South African Tourism and Hospitality industry cultivated an entrepreneur and a small successful restaurant by the name of Africa Café. Although the founder was a black South African and had to overcome racism and adversity associated with the Apartheid era, he still managed to grow a successful business that continues to expand operation today. This paper presents the accounts of the successful entrepreneur, Mr. Hector Mbay and the strategy he used in developing a sustainable small business in Cape Town, South Africa. The data collection in this study involved administering inductive interviews and analyzing the information after. The interviews were conducted with the owner Mr. Hector Mbay. He was chosen because of his direct and hands on experience with the sustainable development of the Africa Cafe. The examination of this particular individual and his unique business model is essential because it further substantiates previous research undertaken in other contexts and paradigms on the components of sustainable entrepreneurship. The purpose of this paper is to review and extend the current literature by further developing an integrated model of sustainable entrepreneurship.*

**Keywords:** sustainable entrepreneurship; innovation management; competitive advantage; value capture, value creation, shared value

### 1. INTRODUCTION

Entrepreneurial activities fuel economic growth and development. Countries all across the world promote innovation and have programs and policies to encourage entrepreneurship. Political support is extremely important in less developed countries as the need for economic stability is greater (Bates, 1990; Parker, 2009).

The urgency and need for growth in underdeveloped economies make entrepreneurship a significant ingredient needed to create sustainability. The article will address the data suggesting that there is an overall lack of black entrepreneurship in South Africa (Preisendoerfer, Bitz & Bezuidenhout, 2014). We want to shed light on a successful black entrepreneurship case and the success factors associated. Specifically, in an atmosphere with a multitude of political obstacles and unfavorable environmental forces.

When examining entrepreneurship in South Africa it is imperative to consider the political, social and economic environments as well. After the end of Apartheid in 1994, South Africa experienced rapid political and socio-economic change. GDP growth rates have been consistent and new business ventures have been established. However, the level of entrepreneurial activities is sometimes miscalculated because South Africa doesn't account for informal and businesses and economic activities (Morris, Leyland & Berthon, 1996). This is notable because a large portion of the informal businesses would be considered entrepreneurship.

There are many cultures ethnic backgrounds and languages in South Africa. This host of different ethnic backgrounds in one concentrated area is also an element that must be factored in as well. There are