

**Perceptions of Start-up Small and Medium-Sized Enterprises  
(SMEs) on the Importance of Business Development Services  
Providers (BDS) on Improving Access to Finance in South Africa**

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**ABSTRACT** The effectiveness of efforts to address challenges facing start-up SMEs in South Africa is an area of controversy. South Africa is characterised by one of the highest start-up SME failure rates despite several institutional and policy arrangements to address the challenges. The present study investigated the perceptions of start-up SME owners, managers and owner-managers about the services they receive from Business Development Services providers (BDS). In particular, the opinions about the need for access to finance dedicated services, the relevance of government subsidies, and their experiences with BDS providers and the risk perceptions of financial institutions were investigated. The results of the study revealed mixed reaction about the perception of start-up SMEs about the effectiveness of BDS.