



Resilience and Survival Strategies for Small and Medium Enterprises (SMEs) Within the Legal Sector of Durban, South Africa

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ABSTRACT

The existence of Small and Medium-Sized Enterprises (SMEs) in the legal sector has been confronted by political, economic, social, and technological factors. This has necessitated fostering resilience and survival strategies for such SMEs in South Africa. This study's main objective was to determine resilience and survival strategies of small to medium-sized legal firms in Durban, South Africa. Researchers used the interpretivist philosophy, where a qualitative research approach was applied with an explanatory research design. Theoretically, the key theories that explained the present study were the Resource-Based View (RBV) theory and the Dynamic Capabilities Theory. Researchers conducted 13 interviews with owners and managers of Small and medium-sized legal firms in Durban. After reaching saturation level at the 13th interviewee, with the participants purposively selected, the main themes were generated. Word cloud analysis was used in the production of themes. The study obtained partnerships and collaborations, community engagements, niche markets, client engagement, and market change agility are the key resilient and survival strategies for SMEs in the legal sector of Durban. The study makes recommendation that SMEs give priority in the building of partnerships and have collaborations with other companies and professional organizations to enable them to access new markets, share knowledge and improve their overall competitiveness.



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1. Introduction

The Small and Medium Enterprises (SMEs) from developing countries have been faced by different challenges that have threatened their growth and survival. Some of the SMEs in Africa have faced the challenges of limited access to finance (Olawale & Garwe, 2010). As an example, in Zimbabwe SMEs have also been faced with the challenge of limited access to formal financing. This as a result affected, their operational capacities further affecting such SME growth and development (Matsongoni & Mutambara, 2021). In countries such as Namibia, SME have faced similar problems of limited access to finance, low skilled human resources and limited collateral security (Shangadi, 2017). The presented challenges are not only unique to these mentioned African countries but many of the developing countries thus the need to determine strategies for SME resilience growth and survival. According to Fjose et al. (2010) changing SME laws, corruption and lack of government support have further

made complicated the challenges faced by SMEs in developing countries. In Botswana Siphambe et al. (2018) posits that SMEs have been faced by the challenge of regulatory frameworks that are bureaucratic, corruption and sometimes low government support which all have caused low SME growth and survival. The existence of these challenges has caused the need by SMEs in Africa to come up with strategies for growth and resilience.

SMEs in South Africa have been important in contributing to the socio-economic growth by facilitating job creation, innovation and the overall economic health (Smit & Watkins, 2012). Despite their significance to the economy, SMEs in South Africa have been faced by many challenges that have threatened their growth and survival. A report by the Small Enterprise Development Agency (SEDA) in 2020 shows that SME failure rate in South Africa is estimated to be around 70% in the first five years of their operation. Fatoki (2014) has attributed this SME failure rate to factors such as stiff competition, limited access to finance and customer price sensitivity. SMEs in the legal sector have been confronted by challenges that are unique and shaped by industry-specific characteristics and regulatory requirements. The legal sector within the South African boundaries has emerged to be very competitive, with many of the law firms competing for a limited client base (Madzimure & Tau, 2021). Large law firms have more resources and expertise hence making it difficult for small SMEs to compete (Makwara, 2022). Within the legal sector in South Africa, there exist strict regulatory requirements that also include the Legal Practice Act which acts as a challenge for these SMEs in the legal sector (Xulu, 2025). In the same view, T. Msomi and O. Olarewaju (2021) further assert that SMEs in the legal sector face challenges of limited access to financing their activities hence hindering their ability to invest in latest technology, attract best human capital and digital marketing.

Some of the SMEs in South Africa significantly face the challenge of limited access to finance, which has negatively impacted their growth and survival (Mago & Toro 2018). This has been a concerning issue for SMEs particularly those in the legal sector which capital is integral for technological investment and acquiring the expertise needed to ensure SME competitiveness. In Durban, South Africa, where the present study was conducted, SMEs in the legal sector are not an exception as they also face a myriad of such challenges that inhibit their growth and survival. Durban is an economic hub in the KwaZulu-Natal Province of South Africa with different industries and a significant number of legal firms (Legal, 500, 2023). Notably the SMEs in the legal sector in Durban have been strategically positioned to enable them to adapt to the change in socio-economic demands thereby leveraging their strategic demands to maintain and enhance their market positions (Legal 500, 2023). SMEs in the legal sector of Durban South Africa have however been subjected to similar challenges SMEs in other parts of South Africa are facing which include stiff competition, limited access to finance and stricter regulatory requirements. In this regard, Mokofo (2023) highlights that the SMEs in the Durban legal sector must draw survival strategies in the face of ongoing changes happening within the global legal market in which issues such as data protection and cybersecurity have become so pronounced.

The increase in environmental, social and governance (ESG) issues has greatly reshaped the environment in which businesses operate largely in how legal services are provided. SMEs in the legal sector are expected to integrate these ESGs into their corporate decision-making processes (Legal 500, 2023). For this to happen, SMEs within the legal sector need to be adaptive and responsive to changes in customer needs and the changes in regulatory requirements. Although SMEs in the legal sector of Durban are important, there is a knowledge gap in the understanding of specific challenges they face, which enables the crafting of resilience and survival strategies of these SMEs. There is a limited body of knowledge on SMEs in South Africa, specifically for such SMEs within the legal sector (Naradda Gamage et al., 2020). The present study seeks to address such a knowledge gap by narrowing the focus on examining SME resilience and survival strategies within the legal sector of Durban, South Africa. In this regard, the study explores the challenges faced by SMEs in the legal sector of South Africa hence building up resilience and survival strategies for such SMEs. The study informs policy on the survival and growth of SMEs in the niche sector and the legal sector by building up their resilience and survival strategies. Ultimately, the study helps in closing the knowledge gap, thereby providing practical solutions to support the growth and survival of such SMEs in the legal sector within the geographical boundaries of South Africa. In so doing, the study contributes to the development of effective strategies of legal sector SME resilience and survival thus informs policy and practice in this dimension.

For a long time, SMEs in the legal sector of Durban, South Africa have been important to the provision of affordable and accessible legal services hence allowing diversity in the legal profession (Legal 500, 2023). However, SMEs in the legal sector operate in a volatile, uncertain, complex and ambiguous (VUCA) business environment that is earmarked with stiff competition, evolved customer expectations and a changing regulatory landscape (Cant et al., 2016). SME failure rate in South Africa is estimated to be 70% in the first 5 years of operation (SEDA, 2020). This warrants research and attention particularly for SMEs in the legal sector where limited research has been conducted despite them facing a unique set of challenges. The legal sector, particularly in Durban is highly competitive as many law firms compete for a small clientele base (Madzimore & Tau, 2021). As noted earlier, a significant number of SMEs in the legal sector have been confronted by challenges ranging from a limited access to finance, inadequate infrastructure and limited capacity to attract quality expertise (T. S. Msomi & O. M. Olarewaju, 2021). A rapidly changing legal environment that includes the Legal Practice Act which requires law firms to adapt to new regulatory requirements has further added to the set of challenges (Xulu, 2025). To substantiate this claim, Naradda Gamage et al. (2020), posit that research on SMEs in South Africa has paid much focus on the general spectrum of SMEs with a neglect of the set of challenges faced by SMEs in the legal sector. This shows that there is a knowledge gap in terms of SME resilience and survival strategies especially in the legal sector of South Africa. It is because of the important role of SMEs to the economy that there is a need to build such SME resilience and survival strategies. It is against this backdrop that this qualitative study unpacks SMEs resilience and survival strategies by focusing on SME in the legal sector of Durban, South Africa

2. Literature Review and Theoretical Framework

2.1. Theoretical Framework

The current study is underpinned by the Resource-Based View (RBV) theory and the Dynamic Capabilities Theory. The two theories aid in the understanding of legal sector SME resilience and survival strategies.

2.1.1.Resource-Based View (RBV) Theory

The Resource Based View Theory (Barney, 1991) postulates that an organization's competitive advantage emanates from its internal resources which are seen as valuable, rare, inimitable and not substitutable. This places emphasis on the importance of internal resources and capabilities in achieving competitive advantage and not factors that are external such as market structure and other industry characteristics (Wernerfelt, 1984). The RBV notes that organizations that bear unique resources and capabilities can develop strategies that enhance efficiency and effectiveness. As firms leverage their internal resources and capabilities, SMEs within Durban can develop effective resilience and survival strategies. Illustratively, SMEs within the legal sector possess unique resources that may include skilled human capital that bears expertise in specific areas of the law, strong connections with clients and partners and state-of-the-art technology or software that enhances efficiency and effectiveness. As such, by harnessing these resources and capabilities, SMEs may thus improve their efficiency and effectiveness thus resulting in a sustainable competitive advantage.

2.1.2.Dynamic Capabilities Theory

The Dynamic Capabilities (DC) Theory by Teece, Pisano and Shen (1997), espouses the importance of dynamic capabilities for the achievement of a sustainable competitive advantage in a fast-changing environment. The theory posits that organizations must bear dynamic capabilities to integrate, build, and reconfigure internal and external competencies to enable the address of a rapidly changing environment. Eisenhardt & Martin, (2000) points out that Dynamic Capabilities refers to an organization's ability to adapt, be innovative, and ability to respond quickly to the changing environment which are all important for the thrive and survival in market turbulence and dynamism. The theory makes assumption that firms operate in rapidly changing environment that require traits of adaptability and innovativeness for survival and growth (Teece et al., 1997). Through the identification of dynamic capabilities for SMEs within the legal sector, the present study can give insight into how such SMEs can adapt to changing business environments hence developing strategies for resilience, growth and survival. Legal sector SMEs need to develop such dynamic capabilities that include the

ability to innovate and adopt new technologies and software that help to respond fast to customer needs, thereby building and maintaining strong relationships with customers and other business partners. By having these dynamic capabilities, SMEs within the legal sector may respond quickly to the changing environment, hence develop effective resilience and survival strategies that enable their survival, and growth in a turbulent and dynamic market. The application of the Dynamic Capabilities theory in this study helps in the identification of internal resources and capabilities that enable SMEs within the legal sector to achieve a competitive advantage thereby responding quickly to changing environment hence the study informs theory and practice.

2.2. Conceptualization of Resilience and Survival

SME resilience and survival are the key concepts of the current study on SMEs in the legal sector of South Africa. In this context resilience refers to the ability of an entity to make recovery and being able to withstand disruptions, shocks and distress (Williams et al., 2017). It involves the development of capabilities that allow SMS to be able to adapt to the changing environments while keeping operations of the business afloat thereby achieving long term sustainability (Burnard & Bhamra, 2019). Meanwhile, survival is the ability of an organization to be able to continue operating and being able to reach its objectives despite the challenges and adversity (Altman & Sabato, 2007). SME survival as applied to the current study means the ability to adapt to the changing market conditions, the management of risks and being innovative in response to opportunities and threats (Bessant et al., 2012). The development of dynamic capabilities by SMEs in the legal sector helps them give a quick response to market changes (Teece et al., 1997).

2.3. Characteristics of SMEs in the Legal Sector

SMEs in the legal sector from South Africa have specific features that distinguish them from those the large law firms. The Small Enterprises Development Agency (SEDA) defines SMEs as those organizations that have less than 200 employees and an annual turnover of not more than R64 million.

Mkhize (2018) alludes that SMEs in the legal sector are also defined by their high degree of flexibility, adaptability, and innovativeness to their legal practices. The management of these SMEs in the legal sector is mainly by lawyers who also serves the needs of their customers (Benson & Bociga, 2024). The SMEs within the South African legal sector is governed by the Legal Practice Act 28 of 2014, that regulates the legal profession and gives provisions for the establishment and operations of law firms within South Africa. According to Makwara (2022), the other defining feature of SMEs in the legal sector is their ability to offer more personalized and specialized legal services to their customers. More importantly, SMEs within the legal sector gives focus on specialized areas of the law such as labor law, commercial law, family law amongst other areas of specialization which this specialization gives them expertise and knowledge depth in these areas Mkhize (2023). The Legal Practice Council regulates the legal profession in South Africa, which also requires SMEs in the legal sector to comply with the rules and regulations of the legal practice in South Africa (Legal Practice Council, 2020). In terms of the Companies Act of 2008, legal sector SMEs in South Africa are required to register with the Companies and Intellectual Property Commission (CIPC) and to give compliance with the relevant laws and regulations of South Africa (Mkhize, 2023). Also, the SMEs operating within the confines of the legal sector of South Africa are also subject to the National Small Enterprise Amendment Bill which has the objective of promoting the growth and development of SMEs in South Africa (Department of Small Business Development, 2020). In can thus be noted that there are several unique features separating legal firms SMEs from larger law firms and other forms of businesses. Notably, the SMEs in the legal firms are governed by them by various Acts and laws include the Legal Practice Act, the companies Act which requires them to comply with the rules and regulations of the Legal practice Council. It is critical to understand the defining and unique features of SMEs in the legal sector of South Africa for the policymakers and other relevant stakeholders to be able to develop effective strategies to foster growth and development of these firms.

2.4. Socio-economic significance of SMEs in the Legal Sector

The Socio-Economic Importance of SMEs within the legal sector cannot be overemphasized (Pulka & Gawuna, 2022). SMEs are important economically as they significantly contribute to job creation in the country, thereby spearheading economic growth and poverty reduction. For communities, SMEs in the legal sector serve community justice by providing access to justice to the marginalized societies, promoting legal awareness, and contributing to the growth and development of the legal profession within communities (Winczorek & Muszynski, 2023). Legal sector SMEs also help promote economic transactions, dispute and conflict resolution, promote the rule of law within communities by them providing legal services to communities and the business fraternity. Notably, SMEs in the legal sector provides socio economic development through the provision of legal support and services to small business entrepreneurs (Ragolane, 2024). These SMEs help to promote economic transactions, conflict and dispute resolution, advice on legal compliance hence contributes to SME growth and sustainability. The legal sector SMEs contribute to legal policies towards small business as they provide innovative legal solutions and challenging unjust laws and practices (Bello et al., 2024). In doing so, this promotes a just and equitable society. Additionally, such SMEs operating in the legal sector spearheads social justice by giving access to legal justice to vulnerable groups that includes people with justice, women in the rural areas and the children (Powell & Khachaturian, 2023). The provision of access to legal services, the legal sector SMEs promotes the rule of law, best governance and upholding of human rights. This is important especially in South Africa in which legacy of apartheid has left deep mark of social and economic inequality (Tshoose, 2023). The importance of SMEs of the legal sector within the socio-economic confines is also shown in their capacity to create job opportunities for the young lawyers and other legal professionals (Zhakupov et al., 2023). SMEs provides a stage for upcoming and early-stage lawyers to gain practical experience, develop their skills and build their careers. By creating job opportunities, SMEs in the legal sector aid the development of the legal profession and economy. Additionally, these SMEs promote social justice for the vulnerable groups of the community. This therefore helps build trust and confidence in the legal system, hence advance and promote social cohesion and uprightness. By so doing, it reinforces trust and confidence within the legal community. Provision of access to justice, provision of legal awareness, and contribution to the development of the legal profession positively impact the development of the legal profession, thus aiding the well-being of individuals, communities, and the whole economy at large.

2.5. Challenges Facing SMEs in the Legal Sector

The SMEs in the legal sector have been faced with multifaceted and complex challenges, thereby giving a reflection of dynamism and the competitive business environment in which these SMEs are operating. SMEs within this sector are faced with significant challenges that includes but not limited to limited access to finance, regulatory compliance challenges and human capital shortages (Telukdarie et al., 2023). These challenges greatly impact SME sustainability, and their growth hence makes it difficult for the SMEs to face stiff competition posed by larger and well-established law firms. According to (Galli-Debicella, 2021). A study by (Oyedepi & Porras, 2024) alludes that SMEs in the legal sector faces adaptability challenges particularly the adoption of technology and digital transformation. These SMEs need to adapt and comply with a complex and ever-changing complex regulatory environment. Nougayrede (2019) notes that SMEs in the legal sector struggle to comply with such regulatory requirements that includes the anti-money laundering and know your client rules. This notion is also supported by the scholarly works of (Shaikh et al., 2021), who postulates that SMEs from the legal sector faces regulatory requirements compliance challenges in areas such as data protection and cybersecurity. Similar view points out that SMEs face critical challenges that are technologically related and adapting to the pace of digital transformation. The research findings of (Kritzinger et al., 2023), shows that SMEs within the legal sector of struggle in the adoption and implementation of new technologies in the areas of artificial intelligence and block chain. Substantiating this claim is the work of Lubbe (2020), who found out that SMEs in the legal sector faces a lot of challenges in the leverage of technology that improves efficiency in reaching out new clients. This is further complicated by limited access to finance and skills attrition. The SMEs in South Africa faces challenges in having access to sources of finance from financial intermediaries hence negatively impacting on their growth and development (Wiid & Cant, 2021). Sharing similar sentiments is (Mkhize, 2023), who found out that SMEs from the legal sector faces

challenge of being unable to attract and retain top talent with a decorated law background and practice. This bears evidence that challenges facing SMEs in the legal sector are widespread and complex, which gives a reflection of a dynamic and competitive legal profession. Through understanding these challenges, policy makers and other key stakeholders are therefore able to provide support towards the development of strategies that promote growth and development of SMEs in the legal sector.

2.6. Strategies to foster the survival of SMEs

In today's dynamic and competitive business environment, resilience strategies have become a critical issue for the survival of SMEs in the legal sector. This is necessary given a myriad of challenges faced by SMEs, which include limited access to finance and skills attrition. (Herbane, 2019) argues that SMEs that can adapt financial management strategies and sound financial planning strategies navigate capital challenges thereby becoming resilient. Validating the findings, is the scholarly work of (Naradda Gamage et al., 2020) who found that SMEs that prioritizes financial planning and budgeting approaches are able to maintain financial stability hence achieving long term stability. SMEs have navigated the complex regulatory environments through the development of such adaptation and responsiveness strategies thereby achieving resilience, survival and sustainability (Teece et al., 2016). Research by (Franco & Haase, 2019) shows that SMEs that are engaged in strategic partnerships with other firms and regulating bodies become better informed on the changes in regulatory requirements and best practices, which helps them stay compliant and competitive. To address skills shortage and skills attrition SMEs investing in employee training and development sharpen their employee technical skills and capabilities hence aiding to their organizational resilience growth and survival (Alegre et al., 2022). In addition, SMEs adopting digital technologies that encompass automation and artificial intelligence augments employee skills hence a rise in productivity (Rahman et al., 2016). In order to stay competitive and achieve resilience, growth and survival SMEs need to prioritize innovation, new product development enabling them to conform the obstacle of technological disruption (Ferreira et al., 2020). The body of literature signifies the importance of understanding specific challenges related to SMEs in the legal sector as such enabling effective strategies for their resilience, growth and survival. As such, by examining literature on SME resilience and survival, researchers have gained an in-depth understanding of the relationships between SMEs, their operational environments, further reinforcing and strengthening resilience.

3. Data and Methodology

To investigate SME resilience and survival strategies in the legal sector of South Africa, researchers used a qualitative research approach. To understand the lived experiences and interpretations by the owners, managers and leaders from SME legal sector, an interpretivist philosophy was used. The target population was selected because it had a hands-on understanding of the resilience and survival strategies by SMEs (Thanh & Thanh, 2015). The interpretivist or constructivist philosophy gave the researchers to the researchers to have a more understanding of SME resilience and survival strategies. The researchers utilized an exploratory research design in order to fulfil the objectives of the study. An exploratory research design allowed the researchers to have an understanding of the research participants' experiences and perspectives of the research phenomenon (Sekaran, 2016). A sample of thirteen (13) participants were purposively reached through saturation. A semi - structured interview guide was administered. The qualitative responses were presented through thematic analysis hence allowing for the identification, analysis and interpretations of the resilience and survival strategies by Durban SMEs in the legal sector (Kiger & Varpio, 2020).

4. Results and Discussion

4.1. Resilience And Survival Strategies by SMEs in the Legal Sector

The themes that emerged from the study on resilience and survival strategies for SMEs in the legal sector of Durban included partnerships and collaborations, community engagement, client engagement, niche markets, and market change agility.

4.1.1. Partnerships and Collaborations

Interviews with the research participants when they were asked about what resilience strategies may be adopted by SMEs in the legal sector yielded dominant themes such as partnerships and collaborations, community engagement client engagement, niche markets and market agility.

One participant shared:

"We have been partnering with one local accounting firm that has been offering joint services to our customers. This does not only add value to our customers but also help the company with reaching new markets." (Participant 7).

Participants highlighted that collaboration with other legal professionals allows firms to refer to cases that fall outside their expertise, ensuring that clients receive the best possible service. Participant 14 shared her experience of attending property shows on weekends to provide conveyancing guidance during open houses. She noted,

"By attending the property shows, offers not only a great opportunity for immediate advice but also a chance to get referral work thereafter. This assists in coming out with networks and connections which then brings on some new clients".

Collaborations foster goodwill and good reputation and thus mutual referrals that benefit all parties involved. Through good collaborations, it enables firms to maintain customer satisfaction while enhancing customer capabilities, which is important for the SMEs in the legal sector, especially in a competition intense market. The study signifies the importance of having partnerships and collaborations in building resilience strategies for SMEs in the legal sector. This finding is consistent with previous findings by (Franco & Haase, 2019) who posit that partnerships and collaborations are a key factor to the success and survival of SMEs. Through such partnerships with other professional organizations, SMEs can widen their access to new markets and also share knowledge and expertise, thereby improving their competitiveness (Ciasullo et al., 2020). The findings are consistent with previous work of (Günther et al., 2020) who elaborates those partnerships and collaborations help SMEs access new markets. Partnerships and collaborations help SMEs gain more customers due to increased market presents and visibility fostered by partnership synergies (Kraus et al., 2019). Through building partnerships, with other companies or firms, SMEs can tap into partnerships expertise and knowledge hence helping them build good reputation and also offering comprehensive services to a wider client base (Kraus et al., 2019). The finding may be substantiated by the previous research which opines that networking and building some meaningful partnerships can help as an important factor in the success and survival of SMEs (Alegre et al., 2022).

4.1.2.Community Engagement

Participant 7 also emphasized the significance of community engagement, stating:

"Customers tend to trust and make referrals to more visible legal practitioners of the community. We often conduct free legal clinics and workshops which not only make us accessible and knowledgeable but also help in bringing customers who in the end require paid services." This response shows how firms may at times use community outreach as a corporate social responsibility initiative and a business growth, resilience, and survival strategy. Through fostering goodwill and demonstrating expertise, firms can differentiate themselves in a more competitive legal market. In a similar view, Participant 10 noted that *"I vehemently believe that through giving back to our community, it helps not just in building credibility but also building trust within the community. We usually sponsor local events and provide some pro-bono services to those that need them thereby helping them to connect with potential customers and demonstrating our legal expertise."* The study emphasized and highlighted the significance of community engagement as an ingredient for resilience and survival of SMEs in the legal sector. This is similar to a study by (Du & Cai, 2020), who pointed out that community engagement is a necessity in an attempt by organizations to grow and build trust and credibility with clients. As SMEs engage with their communities, they demonstrate their expertise, build networks and relationships with potential customers hence driving business resilience growth and success. By engaging in the community, this helps

SMEs to brand, build niche and differentiate themselves from competitors in the same legal market. The demonstration of such expertise and the building relationships with potential customers, SMEs in the legal sector build their reputation as trusted and knowledgeable providers of legal services. Echoing the same sentiments is the research work of (Yeboah, 2021) who elaborated that community engagement can effectively build brand awareness and reputation.

4.1.3.Client Engagement

Customer engagement has come out as one of the key themes from the responses that were provided by the respondents. The Respondents from the different SMEs of the legal sector underscored the significance of being able to maintain strong relationships with customers by offering personalized services and being agile and responsive to the needs of customers. The respondents raised that community engagement helps build trust with customers through keeping them up to date and well-informed. The participants highlighted that long-term relationships and engaging with customers encourages more referrals which is critical for SMEs in the legal practices who are often faced with stiff competition from bigger and well-established firms.

One participant explained:

"Personalized services being offered to us are very critical and important to us. The clients that we provide our services appreciate the fact that they can directly speak to the attorney handling their case and being involved. This has assisted the organization to retain customers over the past years." (Participant 5.) Similarly, one of the participants (Participant 10) stated that *"Our clients place more value on one-on-one interaction. Being reachable for direct communication helps build customer trust and loyalty, thereby feeling involved, hence contributing to our client retention strategy."*

Another participant echoed these sentiments, emphasizing the value of consistent communication:

"Our customers have developed trust with us because in the delivery of our service, we try to ensure that they have understood each step of their legal journey. We keep our customers up to date, well informed by receiving timely updates which gives them reassurance hence builds their confidence in our services." (Participant 9).

The results have shown that client engagement was a recurring theme with firms paying much focus on the provision of more personalized services and timely communication to build long-term relationships. This finding is congruent with the research of (Chaudhary, 2021) who puts forward the argument that engaging clients and responding to their needs helps in building trust and loyalty which are critical for business growth and success. The study signifies how using alternative payments methods and more personalized communication acts as key strategies in achieving customer retention. In the same view, (Masri & Jaaron, 2017) makes a suggestion that by providing value-added services and a more flexible pricing, SMEs can build client satisfaction, improving client retention hence reliance and survival of the SMEs. The focus on the building of good relationships and offering more customer-tailored services aligns with the growing body of literature on client-centric business practices. The findings have revealed the importance of customer feedback mechanisms such as regular surveys and customer meetings so as to understand customer expectations, hence adapting accordingly. This proactive approach to building customer trust and loyalty is closely related to the concept of customer-driven strategies, which puts more emphasis on the customer in the shaping of business best practices (Anwar et al., 2023).

4.1.4.Market change agility

As another strategy for the provision of resilience and survival of SMEs, the study revealed adaptation to market as a necessary ingredient. The participants in the study have highlighted how they have been able to be agile and adapt to the changing needs and expectations of customers that come as a result of changes in technology and an increase in business competition within the legal sector. Such adaptation involves the integration of new

tools, adjusting service offerings and the adoption of flexible pricing and payment models that capture the interests of many customers.

One participant illustrated this by saying:

"The company had to adapt to the changes in technologies and coming out with new ways on how we offer our services. As an example, we now provide online consultations thus enabling us to get reach of customers who might not have the time of making a physical visit to our offices." (Participant 2).

In addition to the technological adaptations, legal firms have further expanded service offerings by including niche areas of law that have emerged to be high demand such as cybersecurity, data privacy and compliance. The flexibility in the delivery and offering of services has allowed firms to capture new market segments thereby minimizing risks that come with fluctuations in the market.

Another respondent emphasized the importance of diversification:

To remain buoyant and competitive, SMEs in the legal sector need to diversify their practices. WE have of late noticed an increase in the demand for cyber law and environmental regulations; thus, we have invested so much in the training of our advocates and associates in this field so as to strategically position ourselves in these niches" (Participant 6)

The findings indicate adaptation to market changes as an important aspect in maintaining SME survival, resilience and market competitiveness. The study has in this aspect revealed the need to adjust service offerings and integrate with some new technologies to stay relevant in the dynamic market. This view is substantiated by (Pantoja et al., 2020) who posits that adaptability is important in the face of evolving market landscape. The results also reveal that SMEs have expanded into niche areas that include data privacy, compliance which demonstrates SMEs capability to survive by taking advantage of the emerging opportunities hence adjusting marketing strategies accordingly. This dimension is supported by (Knight & Paterson, 2018), who reinforces the importance of strategic thinking and being agile in achieving SMEs long term survival and sustainability. Firms could establish themselves as experts in niche fields of law and attract clients seeking specialized legal services through identification of emerging areas of law and investing in personnel training and development. Adopting technology such as sophisticated software, document automation and client communication tools is critical in maintaining efficiency and meeting client needs and expectations. Echoing the same sentiments is the findings by (Hansen-Addy et al., 2025) who stressed the importance of leveraging on technology to improve service delivery and improve customer satisfaction.

4.1.5.Niche Markets

Coming out with market niches came out as a strategy that SMEs in the legal sector may use to survive and differentiate themselves in a competition intense environment. The findings highlight how focusing on niche areas of law may allow SMEs in the legal sector to build on specialized knowledge enabling them to attract clients hence SME survival and resilience.

Participant 9 shared,

"To compete effectively, we have come to the realization that maritime law and intellectual property is a good niche rather than being a flat and general law firm. This has enabled us get customers who values our expertise in these niche areas of the law".

SMEs in the legal sector can distinguish themselves from their competitors through specializing in niche areas of the law. Research has shown the importance of niche market development for SMEs. (Ferreira et al., 2020), posits that niche markets can help reduce competition and enhance SME market visibility. In a similar view, (Kraus et al., 2019) found that firms offering niched services are able to build customer loyalty and evade competition. Such service of specialized markets of law enables SMEs to position themselves as experts in

particular fields, strengthens client relationships, and enhances their reputation. (Khan et al., 2022) further substantiate this claim by highlighting customers are more likely to trust firms that have an understanding of unique industry needs which therefore leads to a long -term client relationship and high customer satisfaction.

5. Conclusion

The study made an investigation of resilience and survival strategies of SMEs within the legal sector of Durban, South Africa. Through this investigation, research has highlighted the importance of partnerships and collaborations, community engagement, client engagement, and market change agility in driving business growth and sustainability. The results of the study conclusively highlight the importance of SMEs having partnerships and collaborations, community engagement, client engagement, market change agility and niche market focus as resilience and survival strategies by SMEs in the legal sector.

As SMEs adopt these resilience and growth strategies, they can build on customer trust, build credibility, differentiate themselves in a competitive legal market thereby allowing SMEs in the legal sector to be resilient and survive. Conclusively, through the adoption of these strategies highlighted in the study, SMEs in the legal sector can become more resilient and improve survival chances and remain buoyant in a competitive market.

5.1. Recommendations

The results of the study carry implications for policy and practice therefore the following recommendations are laid out.

5.1.1. Recommendations to Practice

Owners and managers for SMEs in the legal sector must give priority to the building of partnerships and collaborations with other companies in the legal sector which allows for the access to new markets, sharing of expertise and improving chances of survival in the competitive landscape. This can be achieved through strategic networking, collaborative marketing initiatives and collaborative service delivery. Investment may also be made in community engagements by sponsoring local events and giving free legal clinics and workshops.

5.1.2. Recommendations to Policy

In terms of policy, study recommends that policy makers and SME regulatory bodies may invest in such legal sector SME supporting initiatives such as training programs, mentorship programs and provision of capital financing. In the same vein policymakers should implement policies that foster partnerships amongst SMEs in the legal sector. These may include development of legal sector business incubators and funding of business networking events.

5.2. Areas of Further Research

There is limited generalizability of the current study findings. The study focused on SMEs in the legal sector which is a services sector. To allow for generalizability, future research may conduct a comparative study on SME resilience and survival strategies in the manufacturing sector.

Author Contributions

Nonduduzo Khanyile S.: Manuscript typing, recommendations and conclusions.

MacDonald Kanyangale: Authorship, relevant literature search

Admire Mthombeni: Study background and methodology

Conflict of Interests/Disclosures

The authors declared no potential conflicts of interest w.r.t the research, authorship and/or publication of this article.

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