



# Small and Medium Enterprises in Africa: What Kind of Management for Adequate Growth?

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## Abstract

This article focuses on the development issues faced by African enterprises, particularly in relation to the delay in development compared to other continents. Entrepreneurship plays a crucial role in providing assets for these enterprises. According to the World Bank, Small and Medium Enterprises (SMEs) account for a majority of businesses worldwide and contribute significantly to employment and global economic development. In emerging economies, formal SMEs can contribute up to 40% of national income. In the context of Burkina Faso, 90% of businesses are small, but the mortality rate is high at 16.37%. The article aims to propose concrete solutions to accelerate SME growth in Africa by utilizing research methodology. The significance of management for company sustainability is highlighted, particularly in a globalized and connected world. The choice of management style, such as authoritative, democratic, or transformational, and the decision-making processes for strategic choices are crucial. Africa has its own unique management styles and principles, which business owners must consider continuously for productivity and sustainability.

## Subject Areas

Economics

## Keywords

Small Businesses, Africa, Management

## 1. Introduction

The issue of development is still relevant for many African enterprises and is the result of Africa's delay behind other continents.

The place of entrepreneurship turns out to be very important as this sector is

the main provider of assets.

According to World Bank [1], SMEs account for most businesses worldwide and are important contributors to job creation and global economic development. They represent about 90% of businesses and more than 50% of employment worldwide. Formal SMEs contribute up to 40% of national income (GDP) in emerging economies. These numbers are significantly higher when informal SMEs are included.

In a developing country like Burkina Faso we have:

- 90% of small businesses.
- Companies' mortality rate at 16.37% from 2016 to 2013 based on a study in 2016.

It's from this perspective that the main objectives of this article will be for us to propose concrete solutions to accelerate the growth of small and medium enterprises in Africa, and for this we will base ourselves on the "Research Methodology" which is a method that we find able of producing results for African enterprises.

Among a great number of reasons of economic stagnation and continuous mortality rate increase (access to finance, business environment, concurrence) we think management plays a great role in companies' sustainability, particularly in a globalized and connected world.

Should you be authoritative, democratic, or transformational when it comes to choose a management style? A vertical or horizontal management structure fits the best when you open a business in your context [2].

Additionally, how do you make strategic choices when it comes to plan, human resources, finances, marketing, communication, and public relations?

Our analysis based on secondary sources shows that Africa has its own realities when it comes to management styles and principles. Therefore, any business owner must take this in consideration continuously if they want to be productive and sustainable entities.

Verhoef (2017) [3] underlined that Africa evokes an image of poverty and underdevelopment. The painful emigration of millions of people annually underlines this. Africa also evokes a dramatic distant history from slave trade to colonization. Africa is nevertheless full of contradictions. Across its vastly diverse regions, in a process of non-linear growth, enterprises or groups of enterprises have emerged, actors able to mobilize the most advanced technical and organizational resources.

In this context, we must find means and methods to help African economies grow and one important aspect is to visit or revisit the reasons why our economies are stagnating. Among all the possible reasons, we will mainly focus on small businesses management (when we know that in all the African economies, small businesses often represent more than 90% of the economy). Here we envision management has the possibility to make strategic choices relative to the life of the business. The lifecycle of businesses in Africa is relatively short and more importantly most of them fail to transition from small to medium or big busi-

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nesses. In this globalized world, African economies must also show what they can bring of valuable in the marketplace and we must not always be the ones consuming other countries' goods and services.

Sometimes, due to their size, small business owners think that they don't need the same level of organization and strategy as the big ones because they likely operate at a low level. However, when it comes to organizations, no matter the size and the level, adequate management, rules, and strategy must be applied to take the entity to the next level.

We can even state that in the case of Africa, the need to be organized and strategic is vital because the environment is not stable, and the regular rules and principles of management might not be relevant and efficient. Because of such context, small business owners need to develop important management skills if they want to be successful.

Can we state that poor management represents a great percentage of the reasons for small businesses mortality in Africa (in a scale of 100, can we say poor management represents 50%, 60% and 10%)? Do we have concrete and relevant solutions to poor management in small businesses across Africa?

The main objective of such research is to contribute significantly to the debate about the reinforcement of Africa's economy and help to drive the continent to the development.

As a small business owner in Africa, I came across many challenges when it comes to taking my business to the next level. In 2014, while working for companies as a freelance web marketer, I wanted to open my own business, but I didn't have the necessary knowledge on management and other disciplines needed to become a successful entrepreneur. Moreover, I didn't have enough finances to hire specialists for my business. Failure has been at the rendezvous.

This is the main reason why I consider that this research can help many entrepreneurs as me and help them avoid constant mistakes that we do when it comes to entrepreneurship in Africa.

Another key reason is also the necessity to produce content for other stakeholders (policy makers, students) who might have any interest in this subject.

Find many answers to our research will be grounded on existing literature, simple observation and personal experiences related to the topic of management for small businesses in our African context.

Thus, we assume that finding the real answers to our questions cannot be clear if we don't understand the main problem of business mortality. Then we will try to see if there is any relation between management and business collapse for small businesses. Such link is not obvious and may even appear insignificant.

If the link is established, can we have solutions or any mechanisms to help small business owners avoid common mistakes in management?

All among the reflection, while trying to understand the link between small businesses mortality and management, we will not occult other disciplines like sociology, education, culture, capitalism or any other fact that influence or might influence such link.

## 2. Literature Review

Management is present in any type of organization and through years has been theorized by diverse authors. All the aspects (definition, history, characteristics, importance) of management have seen prolific writings and authors trying to unravel the mystery of efficient and relevant management, key element for strong and viable organizations.

The question of effective management in general interest diverse stakeholders like scholars, policy makers, entrepreneurs, writers and leaders. In the case of Africa, international organizations and governments have been trying to find the best recipe to development since their accession to independence in the 60's. Structural programs and plans have been developed to help boost the entrepreneurial ecosystem.

- Every country dedicated special entities like Company Houses to accompany entrepreneurs at the national level.
- International organizations like the United Nations, ECOWAS, WAEMU, United Africa, European Union have flooded countries with programs aiming at strengthening businesses capacities in terms of finances, organization.
- Non-Government Organizations (NGOs) and associations have also done a lot to support local initiatives for young people, girls and women in rural and urban areas.
- The Academic world or the intelligentsia have organized seminars, trainings, and conferences to support.

All these actors are interested in spreading the good news about the best recipe to successful and sustainable management for small businesses in Africa.

### 2.1. The Classic Theories of Management

Lamond (2005) [4] insisted on the fact that there are few general management texts today that do not start with homage to the late nineteenth and early twentieth century writers on management and administration, Weber [5] and bureaucracy [6], Taylor and scientific management [7], Fayol, and the classical school of management, and so on. A quick “tiptoe through the tulips” of their (claimed) main ideas, a passing nod to Chester Barnard and Elton Mayo, and then it is on to Maslow, Mintzberg, Drucker, Porter *et al.*, with nary a backward glance. The notion appears to be that these writers, mostly long dead, are only of “historical” interest, quaint in their ideas that more modern minds have evolved beyond in their thinking. Yet, as the quote at the head of this paper so cogently observes, the past is never fully gone, it is absorbed into the present and future, it stays to shape what we are and what we do. And so, we need to consider the past more than merely.

Lamond is emphasizing the large number of theoreticians regarding management, all of them have influenced management some way.

The classic theories of Management have different assumptions, but they are advocating the same objective: rationality in production.

With the aim of improving productivity, the first reflections on the organization focus on the rationalization of work, structures, management and seek to give a unique and universal solution to the problems encountered by companies in the management of their activities. According to this logic, it is possible to distinguish three main contributions associated with this approach: scientific management (productive rationality), the principles of proper administration (administrative rationality) and the foundations of bureaucratic administration (structural rationality). Such contributions are still influencing today's management.

The classic approach is led by M. Weber (1864-1920), F.W. Taylor (1856-1915), H. Fayol (1841-1925) (**Table 1**).

Weber stated that the best Management deals with Hierarchy [8] and the respect of established rules. Every member of the organization is obliged to follow the rules and act within the extend of power linked to his position. In such a situation, everyone knows specifically his role (what, why, when, how).

Frederic Winslow Taylor stated that Management principles can be scientifically addressed. Considering the context (places where the work could be quantified, systemized, and standardized, such as in factories.) various techniques such as standardization, wage incentive, specialization, and proper planning of work to be performed by workers (Taylor, 2004) [7].

Henry Fayol has set forth the administrative principles of management based on his own experience in mining company (Ramasamy, 2009) [9].

**Table 1.** Classic theories on management.

Author	Theory	Comments
Frederick Taylor 1856-1915	Scientific management: standardization, wage incentive, specialization, and proper planning of work are principles that boost production.	Values like humanity must not be ignored.
Henri Fayol 1841-1925	Principles of Administrative Management: management has six paramount functions: to forecast, plan, organize, command, coordinate and control. Fayol developed 14 principles of administration that outline how managers should organize and interact with employees.	Innovation and creativity threatened.
Max Weber (1864-1920)	Bureaucratic Management: an ideal bureaucratic system includes a clear division of labor, a hierarchical chain of command, separation between the personal and organizational assets of the owner, meticulous record keeping and documentation, strict and consistent regulations and rules, and the selection and promotion of employees based on qualifications and not personal relationships or personalities.	Threat to individual freedom.

He elaborated about 14 principles: division of work, authority and responsibility, discipline, unity of command, unity of direction, subordination of individual interest, remuneration, the degree of certification, scalar chain, order, equity, stability of tenure of personnel, initiative, and esprit de corps.

Henry is mainly known for establishing the principles of Work Division, the description of tasks and the principle of unity of command.

## 2.2. The Human Theories of Management

The human approach led by Elton Mayo (1880-1940), Kurt Lewin (1890-1947), Abraham Maslow (1908-1970), Douglas Mac Grégor (1906-1964), Frederick Herzberg (1923-2000, Mary Parker Follet (1868-1933).

The human relations theory [10] focuses specifically on the individuals needs and resultant behaviors. It takes an interpersonal approach to managing human beings. It presents the organization as made up of formal and informal elements.

At the contrary of the classic approach that considers the relation between the employee and the manager as a question of money, human approach suggests that human assumptions should be introduced in Management.

Also, central to the understanding of human relations theory is the concept of individual motivation. Indeed, the reasons why people may accept a position may differ from one person to another.

The drawback of this theory is that it requires the acceptance of numerous assumptions about human behavior which may hinder productivity and efficiency in the organization.

## 2.3. Management in Small Businesses in Africa

In African countries, management might require different perspectives or additional considerations. Particularly for small businesses considering that the number of small businesses is important. Many authors have tried to understand the context, challenges of small businesses owners in Africa regarding Management (Table 2).

Leona Achtenhagen, Ethel Brundin in their book *Entrepreneurship and SME Management across Africa: Context, Challenges, Cases* (2016) [11] are trying to understand the challenges relative to operating businesses in an African context. More specifically Pages 87 - 103 explores the role of employee empowerment, trust, and engagement through organizational citizenship behavior. That means that managers should incorporate a way to engage with their employees to be effective.

In the case of formal small businesses in Africa where the minimum guaranteed wage is very low compared to other continents (1.9 U.S. dollars per day in Uganda and Rwanda for example according to Statista [14]) and employment precarious, it is crucial to have motivated employees. When you have the feeling of belonging to a family, you care more about the company well-being because you want this community to grow and remain powerful.

**Table 2.** Theories on African SMEs management issues.

Authors	Theory
Leona Achtenhagen, Ethel Brundin [11]	Employee Empowerment, Trust, and Engagement: Small businesses must take in consideration the role of human resources in their success.
Mamman, Aminu [12]	Importance of SMEs internal management: policy-oriented actions will not be enough if we want to help SMEs grow. Internal management is quite important in the African context.
Niewenhuizen, C [13]	A 360° view of what adequate management in SMEs could be: Due to their specifics (small scale, little financial capacity, dynamic environment, corruption, political instability etc.), SMEs in Africa must consider looking at all the aspects relative to their actions (Human resources, strategic planning, marketing etc.).

That's why the type of management for small businesses must take in consideration such variables and find activities or strategies to engage with employees.

For example, if the employee has the feeling that his personal situation is not often considered or if his efforts are not rewarded (worse he is not well treated), he will only leave the company as soon as he has another opportunity or will not even wait to have another opportunity.

It has been reported that the failure of SMEs in Sierra Leone to live up to expectations was largely due to poor management practices rather than a lack of finance (Islamic Development Bank, 1994). However, most books and other materials on African SMEs ignore the internal management of SMEs in favor of policy-oriented, financial, and technical assistance issues, which are not sufficient to build a total understanding of the challenges and issues associated with the sustainability of SMEs in Africa (Aminu, 2015) [12].

Aminu through the above statement tries to revisit the question of SMEs mortality rate. Many SMEs has poor internal management methods and practices, and this is fatal to most of them. Most of the time they fail to maintain consistency in many areas of management:

- Authoritative, Vertical, or horizontal management style for the employees and collaborators?
- Effective planning process.
- Human resources: what are the real competences needed and where to find them.
- Assessing the business model constantly as things evolve?
- Communication within the company is efficient or not?
- Is everyone happy to work with you or are they just seeing your work as a constraint?
- Does everyone know their roles and what does it takes to fulfill it correctly?

Operating at a low scale even requires paying more attention to dynamics that

can influence the company's situation. Taking continuous bad decisions like not having a clear view on the company's financial situations, recruiting only people from his family, not ensuring that the company will survive if the owner is not present, choosing a poor business model will only cause issues to one's business.

Essentials of Business and Management in Africa: This series of shortform textbooks offers a range of books which focus on the essentials of various aspects of business and management in the African context.

❖ Betty Jane Punnett, Lemayon Lemilia Melyoki, 1<sup>st</sup> Edition Essentials of General Management in Africa, 2021 [15]: for example, relative levels of poverty, prevalence of small and informal businesses and the inadequacy of infrastructure will influence aspects of planning and decision-making, and motivation.

Looking at all these theories we can see that they have some **similarities**:

❖ Importance of the context: They have all considered the African context to write their books because there are some elements to be taken in consideration. This means that we can expect a European, American, Asian context of management applicable to small businesses. To some extent we can expect that the results might be different.

Therefore, small businesses in Africa are operating in very dynamic environments:

- First, we can talk about poverty since most of its population is poor. Besides having economic giants (Nigeria, Morocco, South Africa, Algeria etc.) most African countries are struggling with poverty in this capitalistic context. Some SMEs owners have only been obliged to open businesses because they couldn't find a governmental or private job due to unemployment. This poverty characteristic should be at the heart of every business model in order to be effective.
- Secondly corruption is prevalent in Africa due to the fact that many political regimes haven't been able to eradicate it or even dedicated themselves to fighting it. Generally, leaders are presented as the most corrupt ones. For a business owner, it is important to anticipate corruptions cases and prepare the different ways he must address them efficiently. A contract granted by the CEO of a public company may take up to three months to be paid if you haven't offer gifts of percentage of the amount of the CEO and some of its staff.
- Political instability: Political coups are frequent in Africa as well as frauds in elections and all this, this is sometimes accompanied by rebellions, civil wars. More recently.
- ❖ The combination of other inhibitors: Most of the authors agree that there is a necessity to address other important issues as the access to finances and the development of human resources. Most authors and many international reports from World Bank, AFDB [16], IMF show that accessing to finance in Africa is very rough and this is a real obstacle to development.

Joseph and Tambandini (2022) [17] believe that the importance of Human



Capital in representing the entire wealth of an economy has long been part of financial economics, beginning with Roll's (1977) seminal work [18]. Roll (1977) focused on the disagreement that the market portfolio represents the entire wealth of an economy and claimed that aggregate wealth needs to be measured using every asset in the economy, including intangible assets, such as HC. Only more recently has HC emerged as a key factor for economic growth (Diebolt & Hippe, 2019) [19].

At the other end, some differentiations can be found between such theories:

- ❖ For example, Leona Achtenhagen and Ethel Brundin consider that putting the employees at the Centre of our strategy is crucial. Business owners must work to transform their staff in ambassadors, those who will be happy, proud to be part of the organization. This point of view is closed to the human approach of management developed by Mayo.
- ❖ Betty Jane Punnett and Lemayon Lemilia Melyoki believe that decision making competences need to be acquired by small business owners.

In general, we need to consider studying the topic further because Africa is essential to Africa in terms of maintaining stability. Until Africa hasn't reached a relevant development status, it will contribute to the entire world instability. Therefore, as showed above, such development cannot be done without reinforcing small businesses. In this case reinforcing small business owners' capacities in terms of strategic management is vital. Another point is also relative to the development of the world regarding new technologies, human rights. They will also have an impact on management for the next years. That's why further research on this topic can help update the knowledge for the small business owners.

This research will show the different theories existing towards the topic and precisely what are the key recommendations of reputable authors to small business owners. A list of authors who have written papers on the topic is critical to small businesses as practitioners because they will need such knowledge to grow their businesses. Also important for the academic world in terms of research anytime we are looking for references and the different theories relative to the topic.

### 3. Research Methodology/Design

Undertaking research on the appropriate management for small businesses on Africa might seem irrelevant at the first sight. However, after a careful analysis of how small businesses works, you can see that this topic is at the utmost importance. Indeed, the main objective is to tool small businesses owners with relevant theories on the domain written by important authors all around the world.

Therefore, reaching the expected results for the research have followed different steps:

- ❖ **Who are the authors who have already written on the topic?**

In order to find the relevant authors, we have explored only secondary sources

such as eBooks, ejournals, books, online articles or general online libraries. It is also important to ensure that the different sources are relevant to the topic and provide high quality content for the research. Indeed, using poor or irrelevant sources will end up with a useless, irrelevant, and inaccurate analysis.

For example, in addition of the author background, the editor can be a clue of relevant source.

Books: The content written by the management classic authors like Ford, Fayol and Weber are available on the books that they have written. Revisiting such authors is important in understanding what management has been in the 19<sup>th</sup> century and what has possibly changed in this 2022. They remain the main source of scientific management content for anyone studying management.

Ejournals like the South African Journal of Business Management where the management theory and practice are the main categories topics discussed. (Figure 1)

ProQuest with UNICAF access where diverse resources can be found. The search box shows millions of results depending on the keywords (Figure 2).

Internet articles: International institutions like the WB, AFDB and governmental ones like “Maison de l’Entreprise du Burkina Faso” publish content on their digital platforms that can be relevant to the topic. We can also relate on general content available online.

### Journal Impact

A journal's Impact Factor was originally designed in 1963 as a tool for libraries to compare journals, and identify the most popular ones to subscribe to. It was never intended to measure the quality of journals, and definitely not the quality of individual articles.

The Impact Factor is a journal-level measurement reflecting the yearly average number of citations of recent articles published in that journal. It is frequently used as a proxy for the relative importance of a journal within its field; journals with higher Impact Factors are often deemed to be more important than those with lower ones. Therefore, the more often articles in the journal are cited, the higher its Impact Factor.

The Impact Factor is highly discipline-dependent due to the speed with which articles get cited in each field and the related citation practices. The percentage of total citations occurring in the first two years after publication varies highly amongst disciplines. Accordingly, one cannot compare journals across disciplines based on their relative Impact Factors.

We provide several citation-based measurements for each of our journals, if available. We caution our authors, readers and researchers that they should assess the quality of the content of individual articles, and not judge the quality of articles by the reputation of the journal in which they are published.

Citation-based measurement	2021
Journal Impact Factor, based on Web of Science (formerly ISI)	0.84
CiteScore, based on SCOPUS, Elsevier	1.4
Source-Normalized Impact per Paper (SNIP), based on SCOPUS, Elsevier	0.39
Scimago Journal Rank (SJR), based on SCOPUS, Elsevier	0.24
H5-index, based on Google Scholar	14.00

Figure 1. JBM ejournal impact.

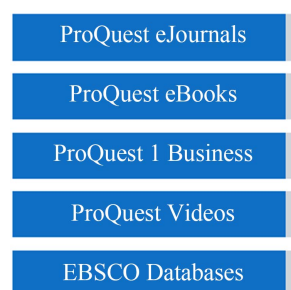


Figure 2. ProQuest digital type of resources.

Different resources have been used in order to find important authors who have written about the topic. Particularly internet has been a prolific source of content. At the same time internet can cause serious ethical issues in terms of research integrity.

- It is quite easy to find content on internet or even similar research with the possibility of only copying and pasting.
- Content founded on internet can be difficult to verify if we don't pay enough attention, particularly in cases where we pick content from general websites.

#### ❖ **Understanding their theories**

It is a fact that all the authors will not address the issue identically. They might even be some contradictions with their theories. That's why it is very important to understand every theory in terms of strengths and weaknesses. In my work I found that most of them agree on the fact that scientific management is important for small businesses in Africa.

- It is important because the traditional management structure promoted by the classic approach will not necessarily work on the African context because of some major hindrances.
- It is also important because they are many plans, strategies to help Africa leave his situation of poverty and eradicating poverty comes with strengthening small businesses capacities.

Moreover, in a context where there are various sources of content, taking the relevant ones are necessary to produce valuable research and gaining time in the research (researches can time months to years depending on our methodology and how we address the issue of sources). Many students might be lost when it comes to finding the adequate content for our research and we easily get lost in this flow of content (for example with internet). The historical aspect of the theories is also important to be sure that we produce compelled and recent analysis.

That's why my strategy has been focused on using sources that are relevant to the academic world: Journals, Books, and reputable online libraries.

Whereas scientific management is important, Africa has its own realities, and it becomes necessary to adapt such general rules with the contexts and specific cases in the aim of transforming empirical statements to operational and practical ones for business owners.

#### ❖ **Research approach**

Qualitative approach has been used in our case because of the sources available.

According to Williams (2007) [20], There are several different methods for conducting qualitative research; however, Leedy and Ormrod (2001) [21] recommend the following five: Case studies, grounded theory, ethnography, content analysis, and phenomenological.

Choosing the type of method is critical in terms of producing successful documents. That's why in this case we mainly used grounded theory and content analysis, considering that we can only use secondary sources.

All along the research we have looked after authors who have produced theories regarding effective management of small businesses in Africa. After finding such theories, it was important to analyze them and find their relevancy in regards of our study objectives.

Some authors found that the topic has been left behind for a long time and even been confused with other issues that seemed more important in the path to find sustainable solutions to Africa's economic stagnation. As an entrepreneur that has been awarded financial prizes, we realized that they haven't been enough in taking our business to the next level. A concrete example is the fact that we received for free a capital of 5000 USD as a startup in 2019 and after investing it, we only had an immediate return of investment of 25 USD; that means a mere lost.

This situation has been possible because we recruited people without real professional commitment and deontology and one important thing is that we haven't taken enough time to oversee what they were doing on the field.

Qualitative approach appeals to the researcher sense of analysis since he will consider theories from his own perspectives, experiences, and knowledge in the topic. It is a situation of discovery for him during the process.

As a result, the research methodology used in this research has been based on secondary sources through a qualitative method using grounded theory and content analysis.

#### 4. Critical Evaluation of Secondary Data

Along the research, we have used theories contained on books, journals, and blogs to analyze the issue of management within small businesses in Africa. Such authors have built their theories from case studies, reports, and a variety of data sources. Different theories have emerged from such secondary data:

First Theory: Effective management is human centered.

Leona Achtenhagen and Ethel Brundin have used different conceptual, empirical, and case studies to show that empowering employees in small businesses can boost productivity.

For example, as a small business owner, I have always considered employees as money makers for my company. Anytime, they fail to do so, the reasonable action is to fire them immediately. Additionally, in the process of recruiting them, I am mostly focused on their competences that their motivations. Therefore, as a small business, you are likely paying less attention to your employee's motivations. Nowadays employees want to feel home when there are going to work and such employees will stay with the company for a long time, even on tough times.

Many small business owners will even employ their family members and make them work hardly without paying attention if they thrive. Instead of just focusing on their competences, below questions must be addressed:

- What are they motivations in working with you? Gaining more experience on a specific aspect? A short-term contract or continued one, money to feed

his family, passion?

- Can you fulfil such motivations without putting your company in danger?

Listening to your employees is critical if you want to take efficient decisions concerning them. This will help you know what motivates everyone working for you and how you can use such knowledge to utilize their full potential for the company wellbeing.

Finally, we can notice that such theory is mainly based on the human approach of management. This approach is being adopted by companies nowadays, particularly in this era of digital communication and marketing.

Many companies are looking for strategies to turn their employees to ambassadors, a place where the employers are the first ones to promote the company to the public.

With your employees, you must commit yourself to respecting the labor law and grant them all the necessary advantages when possible. Keeping promises is also important; many times, some will use the argument of small business to pay less and promise to pay more when the business will grow. Years later as the company appears to have grown, employees will not see any of the promises fulfilled. Undoubtedly that it will create frustration and anger.

Besides anticipating the next move your employees is important and this is only possible if you have understood its motivations at the beginning for you to plan strategically for his definitive stay or his possible departure from the company.

Employees must learn to work as a team and managers must learn to decrease the level of competition by having specialists for any aspect of the work. High competitiveness while being important to maintain a certain level of dynamics within the company can be harmful in some cases. Teamwork must be encouraged and taught at all levels to maintain a sense of family and interdependence between the employees.

Second theory: Poor management is the most important cause of small businesses mortality in Africa.

While revisiting the main causes of company's mortality that has been attributed to the lack of finances, writer Mamman Aminu emphasized that poor management is rather a main cause in countries like Sierra Leone. That even means that even if such businesses are given the necessary financial means to operate, they will still fail because they don't have the minimum knowledge in how to manage efficiently a business in their context. Poor management is at all the levels of the company, strategic thinking, to planning and decision-making, the small business owner must know exactly what to do.

Some will even open the business just because they have some money but didn't take enough time to calculate the necessary starting capital (in cases where the minimum needed for a 6-month sustainability is 10,000 USD, he will find 5000 USD).

We exactly find the same situation issue with business competitions where the main awards were money given to entrepreneurs without accompanying them

with management and leadership skills. However, trends have changed during the last five years. For example, the Tony Elumelu Foundation Entrepreneurship Program since 2015 granted more than \$100 million to more than 15,000 young small businesses in 54 African countries. The program grants 5000 USD as starting capital for such young entrepreneurs. But one of the conditions is to succeed to a 12-week entrepreneurship training where management issues are discussed.

Third theory: Depending on the possible influences of the context adequate management should be adapted to the environment.

Niewenhuizen, C [13] thinks that all the areas of management should be scrutinized.

- Planning is important in management and small businesses should also plan. In many cases small businesses in Africa think that planning is only for big companies with important staff and knowledge. An important fact is that most small businesses appear to be informal and the business owners are sometimes illiterate.

Talking about business plan, business model, strategic plan, marketing plan etc. ... seem blurred for him.

Political instability (military coup, election frauds), litigation (more often people prefer not filing cases because of the justice delays or possible injustice) can affect your initial plan if you don't incorporate them and prepare backup plans.

- Finance management: The difference between accounts payable and receivable is certain, and any business manager should know it. This helps control expenditures and avoids payment defaults.
- Human resources: the competences needed in your business may depend on the resources available on the market. If your business needs people who are not in the country, you will need to find them elsewhere. Sometimes due to financial issues, we want to employ someone who will be the manager, the accountant, the marketer and the driver at the same time. In this case, many African universities and schools have outdated curricula and what is taught is quite inadequate to the employment market needs. You might need to train your staff first before they can be fully competent. Most importantly you must enable a teamwork culture in a way that everybody knows his role.
- Marketing, Communications, and external relations

Your product must fit your customer needs and you must know your targets very well when it comes to promoting your goods and services. Poor marketing plan may result in lost and erosion of confidence among the team. This new digital era has even complicated anything related to promotion and visibility.

New technologies of communication and marketing are constantly developing in Africa with the development of internet infrastructures. Digital platforms like social media accounts and profiles, websites hosting, mobile apps, digital content production are now necessary for marketing and communications. Also avoiding bad buzz is critical to avoid reputation issues (any bad thing discovered on

you can be seen by anyone in the world within a minute).

Therefore, a business owner that is not IT literate will be less productive in our context.

## 5. Conclusions & Recommendations

Management theories and principles have emerged in the 19<sup>th</sup> century as the new competences necessary for success in any organization. Academic programs, seminars, conferences, and trainings are proposed widely to help current and aspiring managers strengthen their capacities. The Forbes Magazine and many other entities even propose the List of Best managers every year, meaning that best management is related to best turnover, best benefits.

Benefits enhances growth (for countries, it means GDP) and high GDP entails development.

Therefore, our research has shown that management is important for small businesses in Africa and such management should be adapted to our dynamic environments.

Entrepreneurs were possible and must always seek to strengthen their management capacities before embarking on entrepreneurship. And if this hasn't been done at the beginning, strengthening the capacities all along is mandatory if you want to be a successful entrepreneur. Most of the time small business owners learn management by experience and this can cause serious damages and lost. We could have understood this curative position (find the solution after facing the problem) at a time when the knowledge was not available. However, we can be preventive nowadays, anticipate management issues that can endanger our businesses.

Policy makers and all the stakeholders involved in accompanying small businesses must find a way to support them the best regarding management.

While authors develop content for small businesses, we must also recognize that the immediate beneficiaries (entrepreneurs) are not taking profit of such content due to some reasons like illiteracy, the academic language and sometimes the cost of such knowledge. Then I would recommend the following:

- Develop content in local languages that can be spread in communities preferred canal of communication. Some African countries have even succeeded to have some local languages as viral; for example lingala, Swahili, Wolof are very strong and can sometimes more than one African country. Management oriented trainings can be developed by the different stakeholders for small business owners who might not be literate or doesn't understand well national languages like English, French and Portuguese.
- Strengthen management companies or provide subventions to them regarding trainings for small business owners.

Regarding the research itself, further research is necessary to meet the current changing world needs. Terrorism, pandemics, new technologies, multiculturalism and human rights will affect gradually the extend of management in our



African contexts. It is necessary to keep small business owners updated on continuous changes that they have to take in consideration in the coming years. Management is also changing regarding new technologies, human rights, pandemics, and international instability. That's why small businesses owners must take all of this in consideration when operating in Africa.

The truth also is that everyone doesn't have the necessary financial and intellectual capacities to enter in higher studies in Business and Administration as me. Indeed, we have decided to learn more about management by enrolling ourselves in this program at UNICAF and we learnt a lot. We have become more careful in our choices.

For example, we understood that in our industry we need to ensure that the following aspects are successfully met if we want a relative or absolute competitive advantage:

- Financial means to ensure that the company doesn't enter a situation of default payment by paying attention to the accounts payable and receivable.
- Technology: the domain of digital marketing and communication is evolving rapidly, and we need to be updated and provide relevant technology to our clients.
- Equipment is very important in terms of ensuring excellent content production in the industry.
- Human resources: Men and women to make all this work efficiently. They need to have the adequate vision and the motivation in other to perform well.

From such perspective, we are always planning and controlling all the aspects of the process to ensure consistency.

Thus, we can't expect an illiterate small business owner or even a literate one starting with 1700 USD as capital to have 2000 or 5000 USD for a training on management. We must find endogenous solutions to help them learn what effective management represents.

Finally, we would say that implicating the private sector in this major issue is important because most of the stakeholders involved are not able to have a great impact (the government most of the time is focused on fighting terrorism or rebellions, the international organizations have mostly inadequate programs and insufficient funds). Business owners' corporations are likely the ones able to address the issue efficiently because they are already organized and know each other very well.

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## Conflicts of Interest

The author declares no conflicts of interest.

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## Abbreviations and Acronyms

**IMF:** International Monetary Fund

**WB:** World Bank

**AFDB:** African Development Bank

**SMEs:** Small and Medium Enterprises

**CEO:** Chief Executive Office

**HC:** Human Capital

**GDP:** Gross Domestic Product