



Swansea University  
Prifysgol Abertawe



## Cronfa - Swansea University Open Access Repository

---

This is an author produced version of a paper published in:  
*Journal of Small Business and Enterprise Development*

Cronfa URL for this paper:

<http://cronfa.swan.ac.uk/Record/cronfa44936>

---

### Paper:

Jones, P., Maas, G., Dobson, S., Newbery, R., Agyapong, D. & Matlay, H. (2018). Entrepreneurship in Africa, Part 3: Conclusions on African Entrepreneurship. *Journal of Small Business and Enterprise Development*, 25(5), 706-709.  
<http://dx.doi.org/10.1108/JSBED-10-2018-401>

---

This item is brought to you by Swansea University. Any person downloading material is agreeing to abide by the terms of the repository licence. Copies of full text items may be used or reproduced in any format or medium, without prior permission for personal research or study, educational or non-commercial purposes only. The copyright for any work remains with the original author unless otherwise specified. The full-text must not be sold in any format or medium without the formal permission of the copyright holder.

Permission for multiple reproductions should be obtained from the original author.

Authors are personally responsible for adhering to copyright and publisher restrictions when uploading content to the repository.

<http://www.swansea.ac.uk/library/researchsupport/ris-support/>

### **Entrepreneurship in Africa, Part 3: Conclusions on African Entrepreneurship**

This issue offers the last instalment of the special issue focusing on African entrepreneurship. The call has produced 24 published manuscripts which is a reflection of the considerable interest in the area as a research focus. The initial instalment entitled “Entrepreneurial Dynamics in Africa”, explored various aspects of entrepreneurial behaviour including: female entrepreneurship, venture capital investment, information and communication technology and the influence of entrepreneurial leadership (Jones et al., 2018)a. The second issue entitled “Entrepreneurship in Africa, Part 2: Entrepreneurial Education and eco-Systems” evaluated literature related to entrepreneurial education and eco-systems creation (Jones et al, 2018)b. This issue presents seven further papers considering various elements of entrepreneurial behaviour including portfolio entrepreneurship, diversification, export behaviour and entrepreneurial failure in an African context. The papers included here offer the following insights.

The study by Coetzee, Bruwer and Meiring considers the empirical relationships that exist between two of the elements of an internal control system, namely internal control activities and managerial conduct, and the perceived sustainability of South African small, medium and micro enterprises (SMMEs). The study found that only general management competencies had a relationship with the economic sustainability of business entities. The study noted that it is crucial for management of SMMEs as well as government bodies have an influence sphere over these entities, to ensure that SMME management incorporate crucial internal control activities and appropriate management conduct.

Malfense Fierro, Noble, Hatem and Balunywa study considers large-scale portfolio entrepreneurship in Egypt, Uganda and Malawi and its impact on the creation of stable wage employment using an inductive qualitative methodology. This study finds a connection between the creation of stable wage paying jobs and portfolio entrepreneurship. It also found a strong connection between the development of new industries and portfolio entrepreneurship. The findings indicate that portfolio entrepreneurs are a major influence in the creation of employment opportunities and potentially may be a more effective focus than focusing solely on SMEs for government policy in mitigating some of the drivers for emigration and terrorism.

The study by McElwee and Wood explores enterprise diversification amongst wetland farmers in Zambia as a way of reducing poverty and improving sustainability. The study identifies ways in which such entrepreneurial activities were supported and applied more widely using a qualitative study of Zambian farmers. Key findings noted despite adopting new technologies most farmers were restricted to local markets where their increased production restricts prices. A limited number of farmers were able to progress to production and marketing for markets in major urban centres and considerably more were able to use the capital accumulated from wetland farming to diversify their household enterprises to reduce poverty and improve the sustainability and resilience of their livelihoods.

The final paper by Haddoud, Jones Newbery and Beynon analyses the determinants of Small and Medium Enterprises’ (SMEs) propensity to export using data from a North African country, namely Algeria. Drawing on the extended RBV, the study examines the role of firms’ resources and capabilities in explaining the probability to export. The study employs the nascent fuzzy c-means clustering technique to analyse a sample of 208 Algerian SMEs. While a preliminary analysis established the existence of five clusters exhibiting different

levels of resources and capabilities, further discernment of these clusters has highlighted significant variances in relation to export propensity. Thus, clusters exhibiting combinations that include higher levels of export-oriented managerial resources showed greater export propensity, whereas clusters lacking such assets were less likely to display high export propensity, despite superior capabilities in marketing and innovation. The findings provide a comprehensive insight into the critical resources shaping SMEs' internationalisation in a North-African context. The paper offers important implications for export promotion policy in North Africa. The study makes a twofold contribution. First, the use of the fuzzy c-means clustering technique to capture the joint influence of discrete resources and capabilities on SMEs' export propensity constitutes a methodological contribution. Second, offering novel evidence on SMEs' internationalisation from the largest country in the African continent, in terms of landmass, constitutes an important contextual contribution

Eyana, Masurel and Paas, paper investigated the implications of causation and effectuation behaviour of Ethiopian entrepreneurs on the performance of their newly established small firms. This empirical research was conducted amongst Ethiopian tour operators using a survey questionnaire of approximately 115 respondents. Hierarchical multiple regression was used as the main statistical tool to predict firm performance as determined by entrepreneurs' behaviour. The findings revealed a varied effect of causation and effectuation on financial and nonfinancial measures. Causation was positively related to an increase in employment size, whereas the overall effect of effectuation was positively related to financial performance measures, even though its dimensions vary in their separate effects on sales, profit and assets increase. The study concludes that both causation and effectuation have varied implications on firm performance. Thus, unlike the findings of other research in Western contexts, a strong empirical support is not found to claim that effectuation is superior to causation in outcomes such as firm performance in an African context.

El Ebrashi study builds on the resource-based view of the firm to study the intangible resources available for social ventures, and presents a typology of growth strategies based on the intangible resources possessed by these enterprises. The study uses a multiple case study technique for ten social enterprises in Egypt using a purposive sampling technique. The study offers three main findings. 1. Describing the intangible resources required by social ventures to grow; 2. Detailing the growth strategies adopted by social ventures and corresponding funding mechanisms; 3. Explaining how intangible resources affect the selection of growth strategies, and how these interact with the context to produce expected outcomes. A typology for growth strategies of social ventures is presented. This research is beneficial for social ventures and venture philanthropists who wish to learn about the specific resources important for venture growth, and understand the suitable strategies and context for organization growth and impact scale-up.

Acheampong and Tweneboah-Koduah study examines the relationship between past entrepreneurial failure and future entrepreneurial intentions. It considers the moderating role of past entrepreneurial failure on the relationship between attitude, subjective norms and perceived behavioural control and entrepreneurial intentions. Using data from the Ghana Global Entrepreneurship Monitor (GEM) Adult Population Survey (2013) is used to test the hypotheses developed after an extensive literature review. The mean future entrepreneurial intent is 63.2% of the sample with 75% having failed in the past and 60% never failed before. Moreover, only 20.9% of the interviewed entrepreneurs have failed at a past entrepreneurial activity. Past entrepreneurial failure has a positive effect on future entrepreneurial intentions.

The interaction between attitude and failure yields a positive effect on future entrepreneurial intentions. The same effects can be reported for the interactions between subjective norms and failure as well as perceived behavioural control and failure. The study demonstrates the mean moderational effects are important they can also be deceptive. Rather, a decomposition helps us to disaggregate these effects to more effectively understand the underlying mechanism.

So what conclusions can we draw from this special issue? The call was inspired by the recognition that there was a need to encourage further research in an African context especially from African scholars (George et al., 2016). These issues have presented a range of papers predominantly written by African scholars either based in Africa or working in Europe. It is apparent that entrepreneurship research spans the continent with countries such as Ghana leading the way in terms of quantity of emerging research (Ali, 2018; Nyadu-Addo and Mensah, 2018). It is gratifying to see considerable emergent research on entrepreneurial education and eco-system development (Co and Mitchell, 2006; Isaacs et al., 2007). The endemic problems related to graduate unemployment, inferior infrastructure and overreliance on necessity entrepreneurship have been long recognised and reported (Le Pere and Ikome, 2009). The African continent rightly perceives encouraging effective entrepreneurial behaviour as a mechanism to alleviate the systemic problems.

In terms of future entrepreneurial activity it has been gratifying to see the wide range of activities been undertaken across the African continent. However, the guest editors would suggest there is a need to further embed relevant entrepreneurship education and related ecosystems in specific regions. For example, tourism related entrepreneurship education in areas related to game reserves and historical sites which have global interest. Universities must effectively engage with their local communities to enable change. Technology focused entrepreneurship needs to clustered around the major cities where existing infrastructure can be further developed. Identifying ways to create wealth within outlying regions is essential to deter the current population relocation to the major cities. There needs to be specific investment in environmental entrepreneurial to alleviate limitations in existing power networks. Certain African countries could specialise in solar and hydroelectric generation technologies drawing on the natural resources available within their regions. All these proposals present opportunities for further research and development

There is need for further ongoing research especially in terms of contrasting entrepreneurial behaviour between African nations and regions and specific forms of entrepreneurial behaviour such as social enterprise, family business and gender entrepreneurship. Many African regions and countries remain underexplored especially the economically weaker regions. Africa is experiencing significant growth, however this should not disguise the systemic societal and economic problems that need to be overcome to ensure further prosperity.

## **References**

Ali, R.S. (2018), "Determinants of female entrepreneurs growth intentions: A case of female-owned small businesses in Ghana's tourism sector", *Journal of Small Business and Enterprise Development*, Vol. 25 No. 3, pp. 387-404,

Co, M.J. and Mitchell, B. (2006), "Entrepreneurship education in South Africa: a nationwide survey", *Education + Training*, Vol. 48 No. 5, pp. 348-359.

George, G., Corbishley, C., Khayesi, J., Haas, M. and Tihanyi, L. (2016), "Bringing Africa in: promising directors for management research", *Academy of Management Journal*, Vol. 59 No. 2, pp. 377–393.

Jones, P., Maas, G., Dobson, S., Newbery, R., Agyapong, D. and Matlay, H. (2018)a, "Entrepreneurship in Africa, part 1: Entrepreneurial Dynamics in Africa", *Journal of Small Business and Enterprise Development*, Vol. 25 No. 3, pp. 346–348.

Jones, P., Maas, G., Dobson, S., Newbery, R., Agyapong, D. and Matlay, H. (2018)b, "Entrepreneurship in Africa, part 2: Entrepreneurial Education and eco-Systems", *Journal of Small Business and Enterprise Development*, Vol. 25 No. 4, pp. 550-553.

Isaacs, E., Visser, K., Friedrich, C. and Brijlal, P. (2007), "Entrepreneurship education and training at the Further Education and Training (FET) level in South Africa", *South African Journal of Education*, Vol. 27 No. 4, pp. 613–629.

Le Pere, G. and Ikome, F. (2009), "Challenges and Prospects for Economic Development in Africa", *Asia-Pacific Review*, Vol. 16 No. 2, pp. 89-114.

Nyadu-Addo, R. and Mensah, M. (2018), "Entrepreneurship education in Ghana – the case of the KNUST entrepreneurship clinic", *Journal of Small Business and Enterprise Development*, Vol. 25 No. 4, pp. 573-590.