DEVELOPING ENTREPRENEURSHIP IN THE AFRICAN AREA

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ABSTRACT

Introduction: Political programs and results depend largely on the incentives faced by political leaders. The African model is vitiated by a pathological level of clientelism, which is extremely inappropriate for the business climate, investment and development. Economic growth in recent years has failed, unemployment, demographic change, urban-urban migration, etc. all have contributed to the current situation (Neil, 2019).

Material and Methods: The methodology of the research was based on fundamental research, using analysis-specific procedures such as observation and reasoning. The first stage of the work was documentation, and a bibliographic documentation was needed. This was done on the basis of specialized work. The deductive method was used and observations were made at national level with an extension in different fields of activity.

Results: Aspects of the entrepreneurial environment have been identified at the level of the African continent.

Conclusion: Starting a business in Africa is not a simple task, and achieving profitability and sustainability is even more difficult. Even in the most favorable business environments, about 50% of start-ups fail within 5 years (Otar, 2018)

KEYWORDS: entrepreneurial environment, sustainability, economic efficiency

Introduction

From the late 19th century to the early 20th century, European powers occupied, divided and colonized Africa. With the rise of the global ecological crisis, the 21 century is witnessing an ongoing struggle for African resources. Here we can talk from minerals and fossil fuels to forests and land. In a world capitalist system, characterized by the tension between a growing global economy and shrinking resources, Africa has become the last frontier for resources. Africa holds 41% of the world's cobalt reserves, 56% of diamond resources, 34% of gold resources, 10% of oil resources, etc.(Frame, 2022)

Technology has played a major role in creating and sustaining global markets. (Friedman, 2006) Actually the mobile network played an important role. It is interesting to note how this network spread to rural Africa, which in some areas exceeded electricity and running water.(Etzo, 2010) These technologies have outgrown traditional telecommunications, allowing regions of Africa to go up the road following the path of the developed world, having the ability to communicate over long distances. (Fong, 2009)

Fig. 1 Mobile penetration in Africa 2000-2014

Sorce: data from Global Entrepreneurship Monitor's (GEM) Adult Population study, and the International Telecommunication Union's (ITU) World Telecommunication/ICT Development Report.

In general, African countries have been able to adopt the latest and most advanced technologies, skipping the costs associated with the implementation of technologies. (Comin, 2004) The cost of fixed-lines in developed countries was high, but developing countries did not have to make considerable investments in fixed-lines, instead developing other necessary infrastructure. In some villages, the local mobile service tower serves as a charging station for community members who have no other way to charge their mobile devices.

Countries such as Bangladesh, Iran, Pakistan and Thailand had comparable levels of GDP with the top four economies in Africa in the 60.

Tabel nr. 1 African and Asian economies by nominal GDP and per capita in 1960

African countries	GDP (billion)	Per capita	Asian countries	GDP(billion)	Per capita
South Africa	$7.56	$2 191	Bangladesh	$4,27	$952
Nigeria	$4,20	$567	Pakistan	$3,71	$638
Algeria	$2,72	$1 723	Thailand	$2,76	$943

Source Compiled from the listed sources: World Bank (2020) "GDP in Sub-Saharan Africa," 1 April 2020. https://addictedtodata.com/gdp-in-sub-saharan-africa/; see also: CEPR (2005) "Per Capita GDP Growth, 1960-2000," https://cepr.net/documents/publications/econ_growth_2005_11_27_t able_1.htm; https://tradingeconomics.com/sudan/gdp

Tabel nr. 2 African and Asian economies by nominal GDP and per capita in 2020

African countries	GDP (billion)	Per capita	Asian countries	GDP(billion)	Per capita
South Africa	$302	$5067	Bangladesh	$329	$2695
Nigeria	$429	$2083	Pakistan	$262	$1260
Algeria	$144	$3263	Thailand	$501	$7189

Source Compiled from the listed sources: Statistics Times (2020) "List of Asian Countries by GDP", Sept 12, https://statisticstimes.com/economy/asian-countries-by-gdp.php; Statistics Times (2020) "List of African Countries GDP," Sept 2, http://statisticstimes.com/economy/afr ican-countries-by-gdp.php. http://statisticstimes.com/economy/asian-countries-by-gdp-per-capita.php. http://statisticstimes.com/economy/african-countries-by-gdp-per-capita.php

The structure of exports to high performing economies in Asia has changed radically from primary commodities in the early 60 to high tech produced in the contemporary era. As for the rise of Asian countries, it can be seen that compared to 2020, 2021 shows an increase in GDP.

Chapter 1. Business environment in Africa

In terms of the political environment it is quite diverse, but it also presents common elements. With the exception of a few countries affected by conflict (South Sudan, Congo, etc.), there is a growing trend toward a degree of political stability in most countries. This is primarily due to the acceptance of democracy by the elite. This has often led to civil unrest. Despite this apparent stability, many countries still face high levels of political polarization. Entrepreneurs are forced to associate themselves in different political structures. These countries are developing various support programs for the development of entrepreneurs. Ghana, for example, under two different government programs, set up a Medium and Medium loans Centre (MASLOC) to implement microfinance programs for micro-enterprises in 2006, the National Program for Youth Employment (NYEP) in the same year, Local Business Development Program (LESDEP) in 2010, etc. (Sriram, Lingelbach 2021)

Over the past three decades, African economies have faced more problems than global economies. They continue to depend on exports of natural resources, high fiscal deficits, high inflationary trends, large-scale unemployment, underemployment and poor computer infrastructure. Although some African countries have achieved improvements in some sectors, they are due to macroeconomic structural reforms and the boom in raw material prices.

The opportunities of sub-Saharan Africa are vast, with a market of 1.2 billion people, the continent is ready to create a path of development by harnessing the potential of natural and human resources. The current pandemic has had a negative impact on the global economy and has made the situation worse in many African countries. According to the World Bank, production losses range from $37 to $79 billion. Growth is expected to decline, with negative effects on the well-being of society. The already fragile economies have become even more fragile.

The International Monetary Fund also highlights the risks from an economic perspective. Growth in sub-Saharan Africa is expected to remain constant at around 3.2%. This growth will be slower than previously expected for around 2/3 countries in the region. The downturn reflects a more challenging external environment, continued production disruptions in oil-exporting countries and weaker than expected growth in South Africa. It is estimated that 21 countries will have lower per capita growth than the world average.

Despite the fact that there are millions of entrepreneurs in Africa, it is quite difficult to highlight the differences and similarities between them. Economists like Dani Rodrik have pointed out that the African continent will have a difficult period of growth over the next 10 years, because African economies have not industrialized enough to take advantage of their low-cost potential. Rodrik believes that only a significant devaluation will change this aspect. (Rodrik, 2018)

From this we can infer that many of the African economies will remain blocked by certain factors of production, which will have low efficiency, characterized by poor productivity. To increase productivity, one of the factors is the skill level, which unfortunately is quite low. As Rodrik draws attention, it is much harder to move agricultural workers from the field to sectors of activity such as programmers or call center employees. This is of increasing importance for the entrepreneur because it is an important stimulus for entrepreneurial opportunities. Regarding how entrepreneurship in Africa differs from other areas George (2016) stated that the continent's biggest business challenge is institutional gaps. African entrepreneurs are trying to reduce these gaps through technology.

In a more recent paper on entrepreneurship (Devine, Kiggundu, 2016), references have been made to the fact that African entrepreneurs seem to have a higher risk tolerance than non-entrepreneurs, are oriented toward an entrepreneurial mindset and are more innovative. Most young people who are active in the entrepreneurial field tend to be young people from the diaspora. Family businesses are also particularly important for African entrepreneurship. Family start-ups have community obligations that limit performance. There is a predisposition to social entrepreneurship. (Assenova, 2019)

Researchers have examined the role of personality in stimulating entrepreneurial skills. (McClelland, 1961) this is where both internal (personality) and external (political and economic) factors intervene. An important role is played by the need for achievement that pushes some people to considerable efforts to achieve their goals.

This is related to the need to solve problems and take moderate risks. (Ghalwash, 2017) People with a high level of internal control have a higher inclination toward entrepreneurship. The need for autonomy is also another factor that influences entrepreneurial ability.

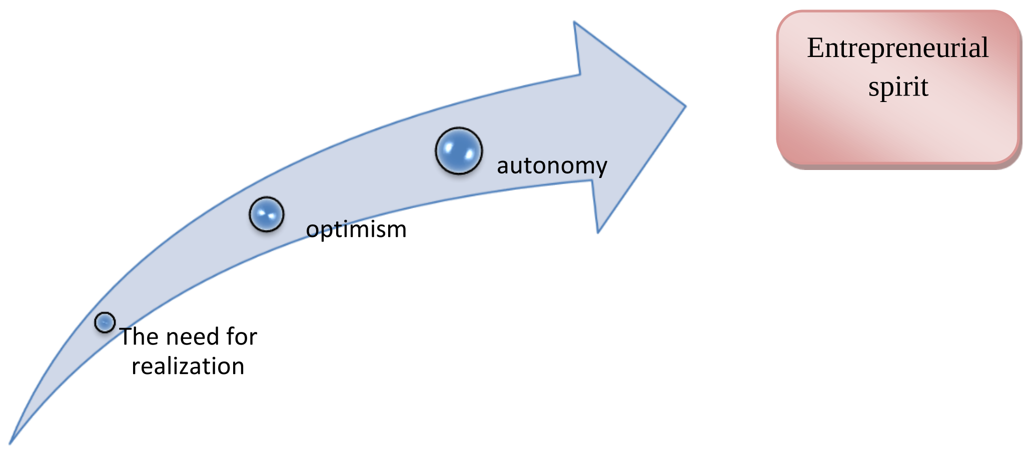


Fig.2 Factors that influence entrepreneurship

Source own conception

In addition, research has shown that ethnicity and culture can play a rather important role. Some ethnic communities and rasial flourish despite their minority status, such as the Chinese of Indonesia and Malaysia, the Indians of East Africa, the Lebanese of West Africa. (Chua, 2003) some of these groups are seen as foreign, others are widely recognized for both the ability to start a business and to develop existing businesses. Research on Spanish students reflects the fact that young students have high entrepreneurial intentions. (Munoz, 2019)

With regard to business financing, this is a major challenge for most entrepreneurs regardless of the environment and the economic sector. Access to finance is a key barrier encountered by most African entrepreneurs and especially those in developing economies. In Africa, it is estimated that between 60 and 80% of entrepreneurs work in the informal sector. Funding for new businesses is limited. Most African entrepreneurs use the bootstraping strategy that consists of using personal savings, selling available assets such as land and houses, using DIY, etc.

Most African governments have some form of incentive program to encourage entrepreneurship in certain sectors, especially for rural areas.

Venture capitalists expect high profits in short periods of time. Venture funding is low, but growing. South Africa has a developed venture capital and private equity market with nearly 150 members listed in the South Africa venture Capital and Private Equity Association (SAVCA). A 2015 venture Capital of Africa report found that venture capital activity in Africa is gaining ground with Nigeria, Kenya, South Africa and Egypt. (O'Brien, 2015)

Chapter 2. China's influence on African entrepreneurship

The United States is generally the largest foreign investor in Africa, with significant investments in sectors such as oil and gas, electricity, technology, automotive, agriculture and others. However, the United Nations Conference on Trade and Development (UNCTAD) does not provide accurate data on the investments made by each country, as investments can be made by multinational companies with headquarters in different countries.

China is a major investor in Africa and ranks among the top countries in terms of foreign direct investment (FDI) in the region. According to data released by the United Nations Conference on Trade and Development (UNCTAD) on 2021, China ranks second as a direct foreign investor in Africa, with a total of 2.8 billion invested that year.

China has significant investments in many African countries, and they are generally concentrated in sectors such as infrastructure, energy, mining, agriculture and manufacturing. In recent years, the largest Chinese investment in Africa has focused mainly in the following countries:Angola, Nigeria, Sudan,South Africa, Democratic Republic of the Congo, Ghana, Algeria, Ethiopia, Tanzania, Kenya.

It is important to note that Chinese investments in Africa can be made through state-owned companies, development banks or private investors.

China's growing role in the global economy was a decisive factor for the African continent. At the diplomatic level, relations between Africa and China had an upward trend, being win-win, in which the benefit was mutual. (Mthembu, 2018)

1. Access to natural resources: Africa has a wealth of natural resources, such as oil, gas, minerals and rare metals, and China has invested in these resources to secure its raw materials supply.

2. Economic growth: Many African countries have started to grow economically in recent years, making them attractive markets for foreign investment.
3. Diplomacy and International Relations: Chinese investments in Africa have played an important role in developing and strengthening diplomatic relations with the governments of this region.

4. China has launched a major infrastructure initiative called the Belt and Road Initiative, which aims to connect the Asian region with Europe and Africa through a comprehensive set of infrastructure construction projects.
5. Economic benefits: Chinese investment in Africa offers economic benefits such as low labor costs and investment opportunities in sectors such as manufacturing and agriculture.
6. Competition with other countries: China has competed with other countries, such as the United States and Russia, to expand its influence and interests in Africa through investment.

China sees Africa as an important partner in achieving its strategic goals and is a responsible power. China's strategic thinking underscores the Belt and Road Initiative (BRI) as a central element of Chinese foreign policy, with the aim of enhancing connectivity between Central Asia, the middle east, Africa and Europe. The implementation of the BRI project was based on the expansion of investments and intercultural promotion.(Xing, 2018)

The specialists propose a decolonization based on Africa-China cooperation, proposing political dialog as a useful tool. By emphasizing these strategic aspects of convergence between China and Africa, including pressure for global reforms, emphasis on development, prioritization of infrastructure development and cultural dialog, African countries can align their development priorities at national level; this can lead to the construction of a strong African continent in close cooperation with China.

China announced its first Africa policy in 2006 and its second policy in 2015. Africa has had no policy towards China over this period giving rise to the view that the continent is lagging behind China for nearly two decades as of 2019, a case of failure of African agency. An overall observation is that China had a lot more to say to Africa in its 2015 policy than in its 2006 policy. The 2006 policy is just over 3000 words while the 2015 one is 8000-plus words. The new, 2015 policy is much more detailed and elaborate, so much so that it begins to lose a strict policy feel and reads like a strategy as it draws on and incorporates elements of the FOCAC declarations and action plans.(Mthembu, 2021) The upshot is that China has a detailed plan towards Africa while Africa largely has none. This may in part explain why the FOCAC mechanism is indeed "a veritable extension of China's Africa Policy" (Wekesa, 2014) rather than being a completely equal mechanism.

China has influenced entrepreneurship in Africa through its investments in sectors such as infrastructure, agriculture and manufacturing, which have created opportunities for local entrepreneurs and facilitated the development of new businesses. In addition, Chinese entrepreneurs have started to actively engage in entrepreneurship in Africa, launching joint ventures with local partners or acquiring existing companies.

This involvement of Chinese entrepreneurs in Africa has had a significant impact on the economy and society of this region. On the one hand, it has contributed to economic growth and job creation, and on the other, it has raised some concerns about the social and environmental impact of their business activities.

Overall, Chinese investment in Africa and Chinese entrepreneurs' involvement in business in this region have been a source of opportunities and challenges for local entrepreneurs, and their long-term impact is still being debated and monitored by various international organizations and communities.

Chapter 3. Increase the performance of the company by optimizing the management

According to the latest available data (September 2021), the nation with the largest investments in Africa is Egypt, with a total of 13.7 billion invested that year. The source of this information is the United Nations Conference on Trade and Development (UNCTAD), which publishes annual reports on global flows of foreign direct investment. Morocco ranks second in terms of investment in Africa, with a total of 4.6 billion invested that year. According to data released by the United Nations Conference on Trade and Development (UNCTAD) on 2021, South Africa ranks third in terms of foreign direct investment in Africa, with a total of 4.2 billion invested that year.

China has made significant investments in Morocco in recent years, covering various sectors of the economy. Among the largest Chinese investments in Morocco are:

Noor Solar Project: China has been involved in financing and construction of the Noor Solar Project, one of the largest solar parks in the world, located near the city of Ouarzazate.

Infrastructure development: China has been involved in the development of Moroccan infrastructure through the construction of highways and railways, in particular projects that are part of the Belt and Road initiative.

Investment in the banking sector: China has invested in several banks in Morocco, such as Attijariwafa Bank and BMCE Bank. Automotive industry: China has invested in the automotive sector in Morocco through BYD, which opened an electric bus factory in Casablanca.

Agriculture: China has been involved in the development of agriculture in Morocco through farm construction and investment in food processing. These Chinese investments in Morocco have had a significant impact on the country's economy, contributing to infrastructure development and job creation.

The case study presents an analysis of the economic sector of the 3 countries: Morocco, Egypt and South Africa.

The creation of a comparative business environment between three countries can be achieved by following the following steps:

1. Identifying relevant indicators to compare the business environment in the three countries. Indicators may vary depending on the selected objectives and criteria, but could include, for example, ease of setting up a business, level of corruption, taxation, regulation of the business environment, access to finance or availability of employment.

2. Data collection for each indicator for each selected country. This can be done by researching available official data, such as reports from international organizations such as the World Bank or the IMF, but also by consulting other sources of information, such as company reports or business experts with experience in the three countries.

3. Analyzing and interpreting the data collected to create an overview of the business environment in each country. This can be achieved by comparing the values of the indicators in

the three countries and by identifying the strengths and weaknesses of the business environment in each of them.

4. Presentation and communication of results, preferably in a clear and accessible format, such as a table or graph. This should include objective and reasoned conclusions on the significant differences between the three countries and recommendations for companies interested in expanding or starting businesses in those countries.

It is important to note that creating a comparative situation of the business environment can be a complex process and may require adequate time and resources to be carried out with accuracy and wisdom.

Taxation

Taxation in Morocco is based on the Moroccan tax Code, which sets out the applicable rules and taxes. In accordance with Moroccan tax law, natural and legal persons operating in Morocco are subject to taxes and duties.

The income tax applies to both individuals and legal entities, and the rate varies between 10% and 38%, depending on the level of income. Value added tax (VAT) generally applies at a standard rate of 20%, with a reduced rate of 7% for certain goods and services. In addition, there are other taxes and fees, such as income tax and property tax.

Taxation in South Africa is based on South African tax law, which sets out the applicable rules and taxes. Under this legislation, natural and legal persons carrying out economic activities in South Africa are subject to taxes and duties.

The income tax applies to both individuals and legal entities, and the rate varies depending on the level of income. For example, the income tax for individuals varies between 18% and 45%, depending on the level of income. The corporate tax is 28% and the value added tax (VAT) applies at a standard rate of 15%, with a reduced rate of 0% for some goods and services.

Taxation in Egypt is based on the Egyptian tax Code, which sets out the applicable rules and taxes. Under Egyptian tax law, individuals and legal entities operating in Egypt are subject to taxes and duties.

The income tax is applied to both individuals and legal entities, and the rate varies between 10% and 22.5%, depending on the level of income. In addition, there are other taxes and duties, such as income tax and value added tax (VAT).

VAT in Egypt is generally applied at a standard rate of 14%, with a reduced rate of 5% for some goods and services. There are also other taxes, such as property tax and inheritance tax.

From a tax perspective, it is difficult to determine exactly which of South Africa, Morocco and Egypt favors the business environment, as the tax system is very complex and varies depending on the business sector, the size and legal form of the company, the level of revenues and profits and other factors.

However, there are a few aspects that can be taken into account. In the World Bank's doing Business ranking in 2020, Morocco ranked 40 in terms of ease of paying taxes, South Africa ranked 29, and Egypt ranked 96. This suggests that South Africa and Morocco could offer a more favorable tax system than Egypt.

For example, Morocco has recently introduced tax reforms aimed at reducing taxes for SMEs and improving tax transparency, which could help make it more attractive to business. South Africa has a well-developed tax system, which includes a variety of tax reduction schemes and an electronic tax reporting platform, which could be advantageous for business.

Business environment

To identify the business environment for each of the 3 countries in the study, we introduced several economic indicators to see the sustainability of economic development at national level.

According to the World Bank doing Business 2022 report, Morocco ranks 96 out of 190 economies in terms of ease of doing business. In general, setting up a business may involve registering the company, obtaining the necessary permits and permits, renting or buying a commercial space, hiring staff and meeting other legal and administrative requirements.

According to the World Bank's doing Business 2022 report, South Africa ranks 84 out of 190 economies in terms of ease of doing business.

According to the World Bank's doing Business 2022 report, Egypt ranks 114 out of 190 economies in terms of ease of doing business.

From the perspective of the World Bank's "doing Business" ranking in 2020, Morocco has the most competitive business environment among the three countries mentioned. That year, Morocco ranked No. 53 in the world ranking, followed by South Africa No. 84 and Egypt No. 114.

Morocco stands out for its ongoing reforms to improve the business environment, as well as the development of infrastructure and the tourism sector. South Africa has a diversified economy and a skilled workforce, but is affected by political and social instability and high unemployment. Egypt has great economic potential due to its size and strategic position in the region, but is plagued by security problems and underdeveloped infrastructure.

In conclusion, each of the three countries can offer interesting business opportunities, but the final decision depends on the sector in which the entrepreneur wants to develop his business and the specific preferences and needs of the company.

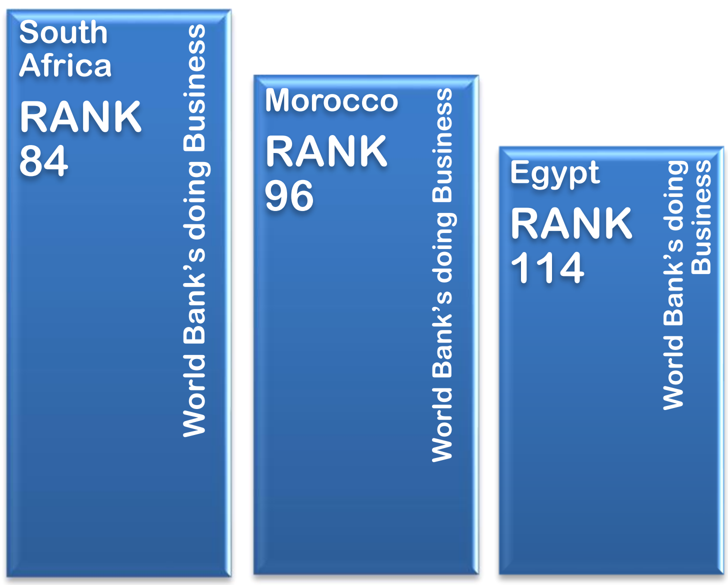


Fig. nr. 3 Ranking the business environment in three african contries

Source: World Bank's douing Business

Acces To Finance

Access to finance in Egypt can be difficult for some entrepreneurs, but there are a variety of options available.

An important source of funding are commercial banks in Egypt, which provide loans and loans to entrepreneurs and businesses. In addition, there are microfinance organizations and credit institutions that offer smaller loans for small and medium-sized businesses.

In Egypt, there are also non-governmental organizations (NGOs) and investment funds that can provide finance for business. For example, the Sawiris Foundation provides funding and support for start-ups in Egypt, and Qalaa Holdings Group provides finance for businesses in various sectors.

Access to finance in Morocco is possible through various channels, from commercial banks, non-governmental organizations and investment funds to government funding programs.

Commercial banks in Morocco offer different types of loans and loans to entrepreneurs and businesses, depending on their financing needs. In addition, there are also microfinance organizations that offer small loans to entrepreneurs who start small businesses.

There are also government funding programs in Morocco, such as the "Hassan II Fund for Economic and Social Development", which aims to support the country's economic and social development. This fund provides funding in the form of loans and grants for projects in different sectors, such as agriculture, tourism, infrastructure and renewable energies.

Funding in South Africa is possible through various channels, such as commercial banks, microfinance organizations and investment funds.

Commercial banks in South Africa offer various financing options for entrepreneurs and businesses, from bank loans to credit lines and financial leasing. In addition, there are microfinance organizations that offer small loans to entrepreneurs who start small businesses.

There are also investment funds that provide finance for businesses in various sectors, from the agricultural sector to technology and renewable energies. For example, the Africa Investment Forum is an African Development Bank initiative that aims to attract investment in projects in various sectors in South Africa.

From the perspective of access to finance, it is difficult to determine exactly which of South Africa, Morocco and Egypt is the most business-friendly country, as there are many variables that can influence access to finance in these countries.

However, there are a few aspects that can be taken into account. For example, in the World Bank's doing Business ranking in 2020, Morocco ranks 85 in terms of access to credit, South Africa ranked 76, and Egypt ranked 135. It suggests that South Africa could provide the best access to finance among the three countries.

On the other hand, it is important to note that there are many other sources of financing besides bank loans, such as venture capital, investment funds and government, which can vary from country to country and from sector to sector. There are also many other factors that can influence access to finance in these countries, such as the size and state of the economy, the level of financial development and government regulations on foreign investment.

In conclusion, the final decision on the most favorable business environment in terms of access to finance depends on the specific needs of the company.

Availability Of Workforce

The availability of labor in Egypt is quite high, given that it has a population of over 100 million inhabitants. However, there are a number of problems with the qualifications and skills of the workforce, as well as the level of literacy.

According to the doing Business 2020 report published by the World Bank, the unemployment rate in Egypt in 2019 was 8.1%, down from 9.9% in 2018. However, the youth unemployment rate remained high, reaching 29.7%.

In addition, there is a concern about the qualifications and skills of the workforce in Egypt. Although there are higher education institutions and vocational training programs, they do not have the capacity to meet labor market needs. Literacy is also relatively low, with an adult literacy rate of about 73%.

Labour availability in Morocco is considered good, given that it has a population of around 36 million and a relatively high unemployment rate, especially among young people.

According to the doing Business 2020 report published by the World Bank, the unemployment rate in Morocco in 2019 was 9.2%, down from 10% in 2018. However, the unemployment rate among young people under 25 is much higher, reaching 22.4%.

In terms of qualifications and skills of the workforce, Morocco has a well-developed educational system with a number of higher education institutions and vocational training programs. However, there are concerns about the level of adequacy of labor force qualifications with labor market needs, especially in the technical and innovation sectors.

The availability of labor in South Africa is relatively good, although there are some challenges in terms of skilled labor and unemployment.

According to the African Statistics 2021 report, the unemployment rate in South Africa in the fourth quarter of 2020 was 32.5%, the highest rate in 17 years. In addition, the unemployment rate among young people under 25 was 63.2%, which shows that there is a great need for jobs for young people at the beginning of their careers.

However, South Africa has a well-trained workforce with a range of technical and professional universities and colleges. In addition, there are well-qualified people in areas such as engineering, it, finance and business. However, there are concerns about the level of adequacy of qualifications with labor market needs, as well as the differences in remuneration between different groups of employees.

The availability of the workforce can be an important factor in choosing a country to develop a business. From this point of view, each of South Africa, Morocco and Egypt have their own advantages and disadvantages.

In the case of South Africa, there is a well-educated and diverse workforce with skills and competences covering a wide range of sectors and industries. However, the unemployment rate is quite high and the labor cost is relatively high compared to other countries in the region. In the case of Morocco, there is a large and relatively cheap labor force, with high unemployment rates especially among young people. There is also concern about the qualifications and skills of the workforce, as many people do not have access to adequate education and training.

In Egypt, there is a large and relatively cheap labor force, with high unemployment rates especially among young people and women. However, there are also problems with the skills and abilities of the workforce, as well as the level of literacy. In general, each of these countries has its own advantages and disadvantages in terms of labor availability.

The success of a company depends on the work of all the employees of the company. Each one has its own role as a puzzle. Even if the managers are the ones who make the decision, it is necessary to evaluate their decisions, because these decisions are not always the best for the companies. In order to see the effectiveness of the decisions, it is necessary to evaluate them, that is, to measure the results obtained.

These evaluations are aimed at rewarding employees according to performance. This assessment also provides feedback on the company's activity, the degree of profitability and the future actions that need to be taken at the company level. By identifying some weaknesses, the action can be improved. Decisions can also be made regarding the promotion, maintenance or dismissal of persons within the company.

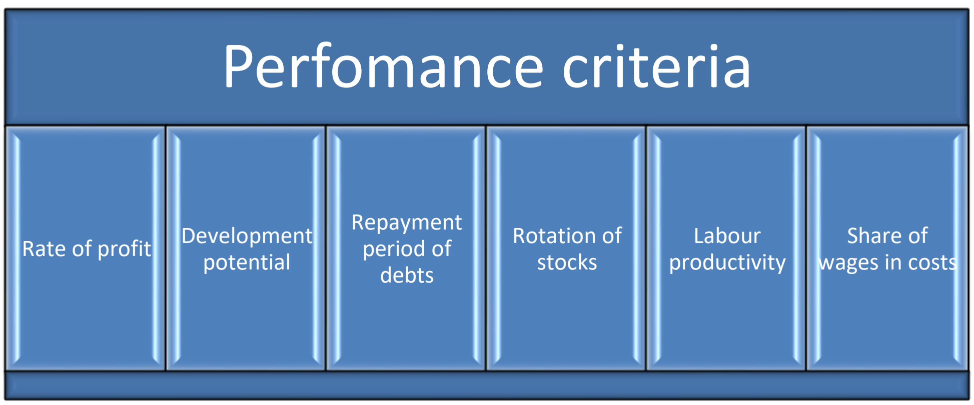


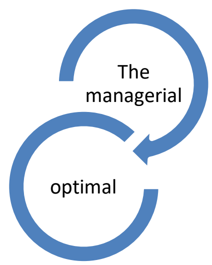
Fig. 4 Performance criteria in the evaluation of managerial activity

Source: Minzberg H. Structure in five Designing efective Organizations, ed Irwin, US, 1991

In order to increase the efficiency of the managers, an important role is played by the methods of improving the managers. Thus we have classical methods by which the participants have a low degree of involvement, they can be in the form of lectures, demonstrations, etc. after which there are active methods for example case studies, programmed training, simulation, etc. third we have mixed methods such as; The group discussions, round tables, etc. the increase in managerial efficiency is reflected in a strong personality, ability to identify opportunities, ability to analyze, etc. in order to increase the efficiency of entrepreneurial activity one can recall several aspects:

• Efficient use of time
• Increase the efficiency of meetings
• Improving the relationship manager-employees; manager-management
• Efficient use of human resources

When there is an efficient relationship between the manager and the rest of the staff, the manager can organize and carry out his activity in optimal conditions, one can talk about a managerial optimal.



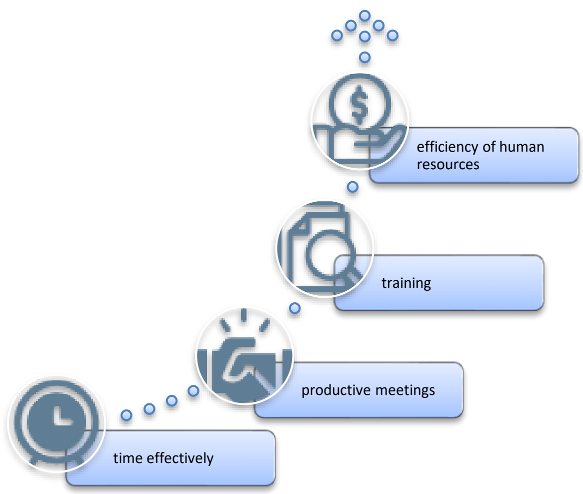


Fig. 5 Elements of increasing the efficiency of the activity

Source: own projection

The relationship between the manager and the company members may be different for objective and subjective reasons. The effectiveness of the group depends on how the leader exercises influence. A group that is more United exercises its attributions better. It can be said that a good connection between the manager and the group leads to an increase in the economic efficiency of the company.

The environment in which the manager develops plays a decisive role in his performance. A successful company in the market is more likely to promote successful managers.

To demonstrate these aspects we have a case study involving three African companies from different fields of activity. One company is in the field of construction, the second is in the field of pharmaceuticals and the third is in the segment of auto parts.

The first company is in the construction industry. It is located in South Africa, with about 200 employees, with an income of about 5 million. The second company is from Egypt into the pharmaceutical industry, with 128 employees having an annual income of 25 million. The third company is from Morocco in the auto parts industry, with 400 employees with an annual income of 620 million.

This case study was attended by managers from each of these companies, using the questionnaire as a research tool. Thus, 5 managers from the company in Morocco answered the questionnaire, 7 managers from the company in Egypt answered the questionnaire, and from the company in South Africa answered 3 managers

In terms of age of participants, about 46% of respondents are aged between 31 and 40.

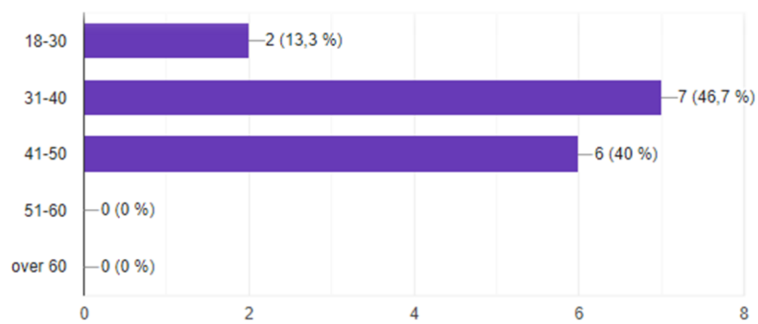


Fig. 6 Age of study participants

Sorces: own design developed in Forms

Between management and employees there is communication in about 86% of respondents. Communication is an important element in organizational culture.

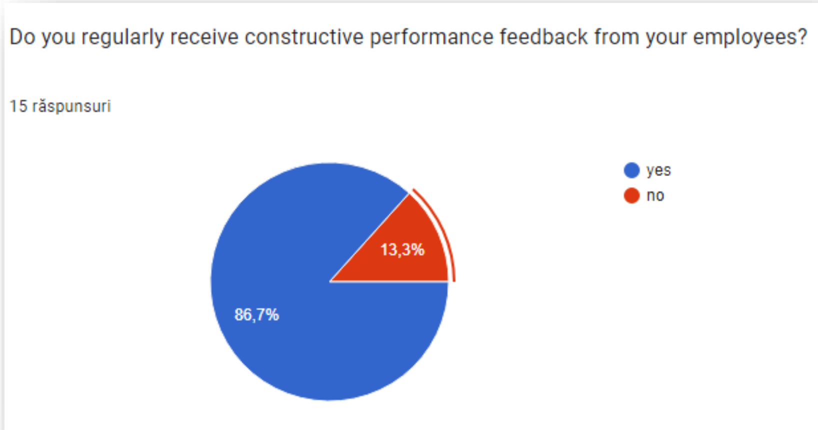


Fig. 7 Managers situation who receive feedback from employees

Sorces: own design developed in Forms

Almost all managers understand how to measure performance. This is relevant in terms of how employees approach their work.

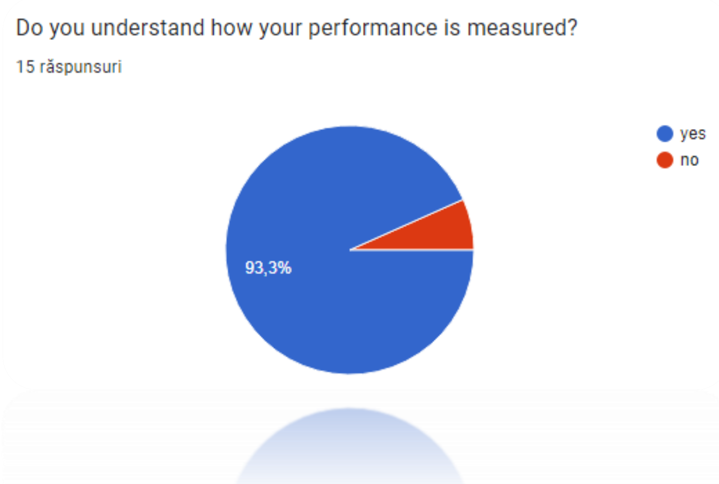


Fig.8 The situation of managers who understand how to measure performance

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Employees fully understand the expected performance. This reveals a permanent communication between the different sectors of the companies.

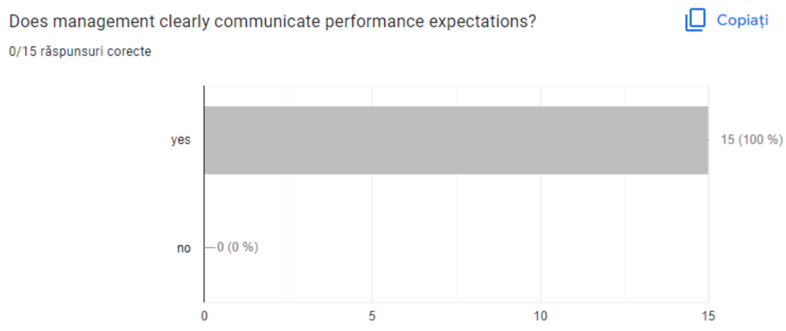

Fig. 9 How to communicate expected performance

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In the following question we find that the management of the company does not always explain the reasons for making decisions. About 13% of employees say this is completely missing.

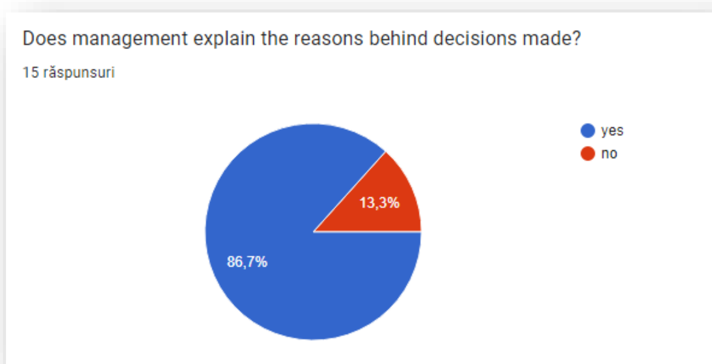

Fig. 10 How leadership explains decision-making

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Only 26% of employees generally receive recognition for their work from management.

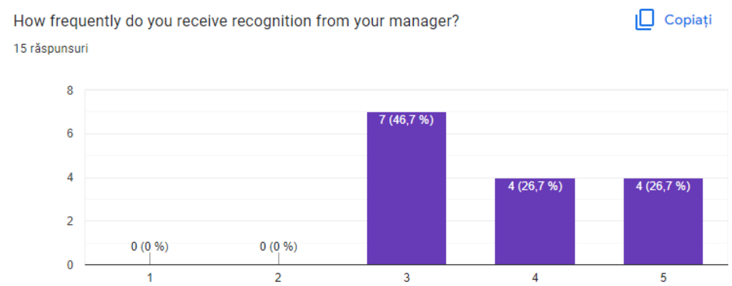

Fig.11 Frequency of receiving gratitude

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This is also why only 80% of employees identify themselves to grow in the company they work in in in the future.

Fig. 12The situation of managers in terms of career development in the company

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In finding out the performances, the efficiency calculation of the managers at the company level was also made.

Business sector	**Country**	**Efficiency human resources**	**Training**	**Productive meetings**	**Time effectively**	**Total ETPT management**
Construction	South Africa	6	7	6	6	25
Pharmaceutical	Egypt	6	8	6	7	27

Auto parts	Morocc o	8	8	7	7	30

Tabel nr 3 The situation of the elements of increasing efficiency

Source: Data collected from companies

The managers of the construction company obtained the lowest score of the study, with a score of 25 points. From the table it can be seen that from the point of view of the use of resources the score obtained is identical to that of the managers in the pharmaceutical company, but inferior to the car parts company.

From the point of view of perfecting the auto parts managers is on par with the pharmaceutical managers, with the maximum score. In terms of the productive meetings the highest score was obtained again by the auto parts managers.

In terms of the efficient time aspect, both in the pharmaceutical and auto parts sectors scored high. In total, the managers of the auto parts company scored the highest 30 points. The managers of the pharmaceutical company got 27 points and the managers of the construction company got the lowest score of 25 points.

These results underline once again that the managers has higher chances of development within companies with higher turnover, higher income, higher market coverage.

Conclusions

Starting a business in Africa is not a simple task, and achieving profitability and sustainability is even more difficult. Even in the most favorable business environments, about 50% of start-ups fail within 5 years (Otar, 2018).

Compared to developed areas, the failure rates of new companies are higher in Africa. (Ahmad, see, 2009) in Botswana for example, a study showed that over 80% of new SMEs failed in five years and only 2% of them managed to grow. (Temtime, 2004) Poor access to finance (Wang, 2016), poor management (Temtime, 2004), unfavorable business environment (Siriam, 2010) are just some of these elements that stand in the way of the development of the African entrepreneurial environment.

The African continent has witnessed the widespread introduction of various technologies in agriculture, the rate of adoption of such technologies has justified the practical attention of researchers.

There is a close link between the investment environment and entrepreneurship in Africa. A favorable investment environment can encourage entrepreneurship and innovation, enabling new business development and job creation. At the same time, an unstable or hostile investment environment can discourage entrepreneurship, slowing economic development and reducing business opportunities.

In Africa, the investment environment can be influenced by factors such as corruption, poor infrastructure, political instability, tax and customs regulations, as well as access to finance and skilled human resources. Foreign investment can be important for improving the investment environment in Africa, as it can bring capital, technology and know-how, thereby improving infrastructure and facilitating the development of new businesses.

At the same time, entrepreneurship can also help improve the investment environment in Africa. Entrepreneurs can be innovative and help identify new business opportunities, bringing added value to the economy and providing new jobs. Through entrepreneurship, Africa can improve its image and encourage foreign investment, which can help long-term economic growth.

In conclusion, the investment environment and entrepreneurship in Africa are interdependent and mutually influence. A favorable investment environment can encourage entrepreneurship, and strong entrepreneurship can improve the investment environment, thus creating a virtuous circle that can stimulate economic development and reduce poverty in the region.

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