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Dr. Joseph Omondi Oketch

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Dr. Joseph Omondi Oketch

Email: joseph_omondi2000@yahoo.com

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Abstract

Micro Small and Mediums enterprises (MSMEs) in Africa have experienced a major economic setbacks associated with the novel corona virus pandemic. Several enterprises have had to close down while others still struggle to bounce back to normalcy. The quest for a return to normalcy in the wake of the uncertain entrepreneurial eco-system has ushered the need for reimagining, reinventing and repositioning businesses despite the pandemic, hence the rationale for a paradigm shift from business survival to thriving to withstand the harsh realities of the pandemic. Thus, the purpose of this review was to examine the dynamic scope of entrepreneurial ecosystem and SME resilience while imagining the future of business post-COVID-19 in Africa. The study entailed a detailed empirical review of published scholarly resources, credible peer reviewed journal articles and resources which were obtained from organizational databases and platforms, guided by Isenberg's model of entrepreneurial ecosystem. The empirical review results were further discussed in details and perspectives on the future of business post-COVID provided. Notably, the study recommends: appropriate policy mechanisms that seek to create a more conducive and inclusive entrepreneurial ecosystem to support innovation, re-invention, business resilience and sustainable economic growth; right leadership, resources, digitalization technologies and business strategies that permit creative disruption while safeguarding scale-up opportunities; forward-looking support systems, and responsive entrepreneurship policy and regulations that address unique challenges and opportunities that emanate from the COVID-19 crisis.

Keywords: *Entrepreneurial Ecosystem, SME Resilience, Future of Business, COVID-19, Africa*

1. Introduction

The novel coronavirus disease struck the whole world at a time the world economy least expected a universal health crisis and has utterly wreaked havoc in virtually all sectors of the global economy. Currently, a number of interventions have been designed, adopted and enforced globally yet the disease remains uncontained. Business organizations of diverse sizes, nature and orientations have not only suffered but continue to be tormented by the ravages of the coronavirus pandemic. However, with the uncertainties surrounding the future of the global economy amid the disparaging effects of the corona virus disease on the entrepreneurial ecosystem, entrepreneurs have had to come to terms with the reality that there is need for reimagining, reinventing and repositioning businesses as going concerns despite the pandemic. This requires a paradigm shift from business survival to thriving to withstand the harsh realities of the pandemic.

Whereas many enterprises continue to emerge and grow while others are struggling, the level of business activity has been dwindling especially in developing and underdeveloped countries where technology is largely untapped to its full potential (Kapur, Dawar, & Ahuja, 2014). Enterprises around the world now face the challenge of how to return from the torment inflicted on businesses by the CoVID-19 pandemic to normalcy or adapt to the new normal sustainably. However, organizations are apparently concerned about how good the post-crisis rebound would look like and what it would take to be resilient in the dynamic entrepreneurial ecosystem. Among the approaches that are under consideration include reimagination and reformation of business models as well as providing the requisite organizational leadership in building cohesive teams and resilient enterprises innovatively and sustainability (Sneider & Sternfels, 2021). These approaches may have to be holistic and backed by appropriate strategies for tapping into the opportunities that arise from the new market conditions associated with the covid-19 crisis (Ratten, 2021).

1.1 Scope of the Post-COVID-19 Entrepreneurial Ecosystem

Lately, there has been an increasing research and policy interests focusing on entrepreneurial ecosystems. The concept of entrepreneurial ecosystem has largely attracted the attention of researchers, policy experts, scholars and enterprise development professionals. The concept of entrepreneurial ecosystem has been understood and applied differently in different contexts with focus on diverse facets and perspectives of the ecosystem (Canter, Cunningham, Lehmann, & Menter, 2021). According to Spigel (2017), an entrepreneurial ecosystem entails a combination of social, political and cultural elements within a context that supports enterprise growth and development while harnessing risk-taking propensity amongst budding and established enterprises. Isenberg (2011) defines an entrepreneurial ecosystem as a conglomerate of policy, markets, finance, culture, human capital and support systems for start-up and effective scale-up by enterprises.

The thinking behind the entrepreneurial ecosystems draws from the systems theory as well as environmental considerations where the system entails a collection of interrelated parts that interdepend and work towards pursuit of a particular objective. In the entrepreneurial ecosystem, there exist a number of stakeholders and players, each playing a distinct role from the rest while depending on the others' inputs in order to thrive (Canter, Cunningham, Lehmann, & Menter, 2021). Where facilitating regulatory and policy mechanisms are put in place (Audretsch, Belitski, & Cherkas, 2021), building a stronger, better and a more resilient entrepreneurial ecosystem requires mutually beneficial interactions among various players and actors in the entrepreneurial

ecosystem, appropriate systems and processes that would foster growth during and after the crisis. Isenberg (2011) observes the paucity of high growth businesses even in stable environments which are supportive and conducive to business start-ups and proposes an entrepreneurial ecosystem with six domains: markets, policy, finance, culture, human capital and support system.

2. Statement of the Problem

The COVID-19 crisis has greatly impacted the global economy and caused disruption in businesses, especially, the Micro, Small, and Medium enterprises. The crisis has exacerbated economic and social vulnerabilities to individuals, households and further become a major setback to enterprise growth and development across Sub-Saharan Africa (Ganum, & Thakoor, 2021; Makumi, Kimotho & Sissay, 2021). According to Cuyper, Kucukkeles and Reuben (2020), employees of over 70% of the start-up enterprises globally have lost incomes and employment since the pandemic began. Even the large, multinational and well-established enterprises have not been spared as they have all suffered significant consequences of the pandemic. However, as the world seeks to design and adopt new approaches to dealing with the challenges associated with the crisis as a new normal, a lot of focus has to be placed on building a supportive entrepreneurial environment, the strategies for business recovery, resilience and survival amid the adverse effects of the post-pandemic crisis in the ever dynamic but uncertain entrepreneurial ecosystem. According to Mason and Brown (2014), a supportive policy and regulatory framework alone is not enough as the creation of an enabling environment for start-up enterprises is of a sufficient condition for all enterprises to recover, grow and develop. In this regard, the entrepreneurial ecosystem approach to post crisis rebound and resilience is gaining recognition in response to the COVID-19 crisis. It is upon this basis that we conducted a literature review towards imagining and unearthing factors and forces behind a more stable and resilient entrepreneurial ecosystem in Africa's developing economies where enterprises can not only survive, but thrive sustainably during and post-COVID-19 crisis period (Castro, & Zermeno, 2020).

3. Research Objective

This general objective was to examine the dynamic scope of entrepreneurial ecosystem and SME resilience while imagining the future of Business post-COVID-19 in Africa.

4. Empirical Literature Review

Micro Small and Mediums enterprises (MSMEs) in developing and underdeveloped countries in Africa have experienced a major economic downturn due to the impact of the novel corona virus pandemic. Quite a number of the enterprises have had to close shops, halt business activities while others still struggle to bounce back to business as it were prior to the crisis caused by the global outbreak of the disease. Whereas the pandemic has presented a host of challenges and opportunities for the African enterprises, some MSMEs leveraged the existing and new technologies to build better, stable and resilient organizations in the dynamic and uncertain entrepreneurial environment. Various studies done in different contexts have touched on entrepreneurial ecosystem, business recovery, resilience and the future of business post-COVID-19 (Gregurec, *et al*, 2021; Ganum, & Thakoor, 2021; Sneader, & Sternfels, 2021; Kampel, 2020; Hartwick, & Isaksson, 2020).

The global outburst of the corona virus pandemic ushered in a number of interventions that were aimed at containign the spread of the disease and its associated impacts. Some of the interventions that have been undertaken at scale include, restriction of movement into and out of designated places, compulsory wearing of face masks, use of hand sanitizers, as well as the enforcement of curfews and lock downs. As a result, some of these containment measures have had a toll on businesses especially those involving transportation and other service sectors. Notably, the hospitality and transport sectors in developing countries suffered most due to the enforcement of restrictions on movement of people, services and products. The World Travel and Tourism Council (WTTC) came up with global travel safety protocols which have necessitated substantial business restructuring, adjustment of infrastructure and alteration of work schedules from the traditional office system to remote working, just to mention a few (Kampel, 2020). Technology and innovation adoption in developing economies has been catalyzed by the pandemic. Forward-looking businesses have had to rethink their strategies, refocusing on long-term recovery plans considering the uncertainty regarding how long the disease is likely to last before a permanent solution to it is found.

In their survey on the policy response to COVID-19 towards supporting African Industry through the pandemic, Hartwick and Isaksson (2020) observe that the impact of the pandemic could be less severe in Africa since the coronavirus disease reached the continent relatively late. However, the impact of the pandemic on business in the entrepreneurial ecosystem in Africa's developing countries cannot be gainsaid since the pandemic has had farr reaching direct and indirect impact not only on business, but the African economy at large.

Gregurec, Furjan, and Tomicic-Pupek (2021) in their study on the impact of COVID-19 on sustainable business models in SMEs sought to gain insights into the SME influence on their redefinition of sustainable business models. The study involved a review that was based on three main dimensions and 30 sub-dimensions which was organized into a business model canvas and the results revealed a distribution of drivers and technologies across service sectors. The results of the study expounded extant literature that has so far been published about the SME responses to the global crisis associated with the coronavirus disease. In particular, the study established a shift of transformational initiatives from technology to social, customer-centric and organizationally-driven changes during the course of the COVID-19N disruption. The study also pointed out resource and expertise constraints as major impediments to business recovery and re-orientation towards the dynamic needs of the market in an uncertain environment. In addition, the study revealed new perspectives to enterprise resilience during and post-COVID-19 pandemic period including: acquisition of new competencies to utilize the emerging technologies to easen and expedite strategic responses to the umpacts of the pandemic; well-structured collaborations between actors in the entrepreneurial ecosystem; adoption of innovations and appropriate technologies as well as investing in Research and development Initiatives to inform evidence-based policy and action towards building better, reilient and vibrant enterprises both presently and in the future.

5. Research Methodology

This paper was based on an empirical review of published scholarly resources, credible peer reviewed journal articles and resources which were obtained from organizational databases and platforms. A qualitative analysis of content was done drawing from Isenberg's model of entrepreneurial ecosystem. The content so analyzed related to studies related to entrepreneurship in the wake of COVID-19, entrepreneurial ecosystems, and resilience during and after crises. The empirical review results were further discussed in details and perspectives on the future of business post-COVID provided.

6. Discussions

Whereas pressure has been mounting on governments, regional organizations and other development partners to devise interventions and support mechanisms for enterprise recovery and resilience during and even after the uncertain pandemic period, there are a number of options for policy, decision and action. First, developing countries in the Sub-Saharan region need to foster stronger partnerships with other development partners including international financial institutions, regional development banks and national development financial institutions to provide adequate and affordable liquidity of cash to enterprises towards building and sustaining a more stable entrepreneurial ecosystem. In the same stride, international debate and agenda addressing the future of business in Africa and other developing parts of the world should continue and be made more inclusive. On the same note, policy and national decision making organs in Africa's developing countries should revise their respective national development plans and prioritize programmes and interventions that are geared towards recovery, business resilience and sustainable enterprise growth and development.

Enterprise recovery is not an end in itself. There is the need to leverage the existing data and emerging technologies to model the future of business and take appropriate policy action towards building a more cohesive and productive entrepreneurial ecosystem. In this regard, significant investments in education, science, technology and innovation are imperative to supporting long-term development strategies addressing pandemics across the continent. Such investment efforts also need to be undertaken at global scale in collaboration with strategic investment and development partners as well as the private sector players towards realization of sustainable economic recovery and resilience of enterprises (African Union Development Agency - NEPAD, 2020). Whereas, the pandemic is reshaping the business and the entrepreneurial ecosystem as a whole, enterprises, entrepreneurs and business leaders have to reimagine, rethink and reinvigorate their business models and strategies, both in the medium-to-long term, in order to adapt to the new normal and still remain relevant.

7. Recommendations

Governments should design policy mechanisms that seek to create a more conducive and inclusive entrepreneurial ecosystem that supports, innovation, re-invention, business resilience and sustainable economic growth.

Enterprises need to get equipped with the right leadership, resources, digitalization technologies and business strategies that permit creative disruption while safeguarding scale-up opportunities for a better entrepreneurial environment where all enterprises can thrive.

The enterprises in emerging economies will only thrive when the entrepreneurial ecosystem is reinforced with forward-looking support systems, leadership and responsive entrepreneurship policy and regulations that address unique challenges and opportunities that emanate from the COVID-19 crisis.

Global and multinational organizations that have physical presence in different regions and countries ought to leverage technologies and innovation in their recovery strategies towards resilience. Importantly, organizational leaders should now recognize and appreciate the rationale for decentralizing decision-making, operations and business activities and as well empower the decentralized units with some controlled level of operational autonomy. This will make it possible for the enterprises to take advantage of the opportunities which emerge from the uncertainty associated with the crisis.

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