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**Balancing Passion and Reality: What No One Tells You About
Starting a Business**

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Abstract

Economic development depends largely on a vibrant and growing business sector. Statistics show that SMEs in Africa represent up to 90% of all businesses and contribute around 40% of gross domestic product (GDP) in Sub-Saharan Africa, all riding on the proliferation of entrepreneurship. Yet entrepreneurship is not as easy as it is portrayed to be. Failure rates are reported as high as 80% for start-ups in the first five years of business. This statistic is not lost on the fact that entrepreneurs are usually passionate people with visions of success. This study aims to engage entrepreneurs to interrogate the gap between the passion of entrepreneurship and the reality of sustaining a business for the long term. Using qualitative research methods, the study engages 28 entrepreneurs around a variety of businesses to collect data on their experiences in their businesses. A sample of 28 entrepreneurs completed an online questionnaires that collected data for analysis using the grounded theory method of coding, categorising and analysing data. The key findings highlighted the following:

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- Competencies of the business owner are critical for businesses to survive and thrive, and therefore a need for continuous skills development in changing environments that businesses thrive in.
- The need for competent teams and systems that deliver to purpose. Businesses that grow to scale can only do so on the backs of efficient human resource and robust systems that are often lacking.
- Entrepreneurship thrives where there is adequate support structures, networks and Alliances. Entrepreneurs need to build the capacity to find and engage with this level of support. This calls for intentional building of networks and alliances.

This study contributes to practice by highlighting that the passion which fuels entrepreneurship is not adequate on its own. The reality of business sustainability and growth calls for continuous skills development for the entrepreneur and their teams to navigate the numerous challenges they will face as they develop the business.

Key words: entrepreneur, entrepreneurship, small and medium enterprise (SME), financing, strategy, economy

Introduction

Vibrant and growing businesses strengthen economies by providing essential goods and services, creating more resilient economic environments with benefits like job creation and higher income levels, which help reduce poverty in communities. Increased economic activity results in higher tax revenues, allowing governments to invest in public service infrastructure and promote overall development. Entrepreneurship fuels business activity and is vital to economic growth, regardless of a business's size or stage. Entrepreneurs are often very passionate individuals pursuing their dreams tirelessly. Most of these businesses fall under the categorization of small and medium enterprises (SMEs).

However, literature shows that business failure rates can be as high as 80% for start-ups within the first five years (Noui and Dehane 2023; Mcdon Consolidates 2025). This contradicts the passion with which entrepreneurs typically begin their ventures. Visions of success are often replaced by the harsh reality of survival as they face subsequent challenges. The accumulation of these obstacles can lead to downward trends and, ultimately, business failure.

Africa in particular, presents a dichotomous position in the development of SMEs. On the one hand is the acknowledgement of the transformation taking place in the entrepreneurial space with “individuals [who] are seizing opportunities to create businesses that not only address local challenges but also contribute to the broader economic development...Africa's entrepreneurial ecosystem is vibrant and diverse” (Odeyemi et al 2024). This transformation is driven by a youthful demographic, an expanding population presenting a diverse consumer base. Yet on the other hand is the alarming statistic of up to 80% of business failure in the first five years of an SME (Mcdon Consolidates 2025).

This paper examines 28 business owners to understand how they perceive the conflict between passion and the challenging realities they encounter.

Literature review

The role of entrepreneurship is an important global phenomenon as countries strategise to ensure sustainable economic growth, competitiveness, and increased employment prospects. In their compendium of entrepreneurship research articles, Donckels and Mietinnen assert: “The role of entrepreneurship and SMEs for economic and social development, welfare and well-being is going to be emphasised more than ever before” (Donckels and Mietinnen 2019). A World Bank report indicates that Small and Medium Enterprises (SMEs) represent about 90% of all businesses and provide more than 50% of employment. They also contribute up to 40% of national incomes. This report further states that in emerging markets, 7 out of 10 jobs are generated by SMEs (World Bank Group 2025). Another World Bank Group report says that ‘over the next decade, 1.2 billion young people will reach working age [with] projections showing that only about 420 million jobs are expected to be generated in that time’ (World Bank Group 2025). The pressure to ensure SMEs deliver to expectations is therefore high.

However, the failure rates of SMEs is alarmingly high, thus negating the hope of meeting societal expectations as indicated above. Some estimates put the failure rate at 80% in the first five years of business (Bridge-Taylor 2023). In reviewing the reasons for start-up failures given in CB Insights, Noui and Dehane note that “3 out of 4 of venture-backed startups fail, 9 out of 10 startups fail and only 40% of startups actually turn a profit” (Noui and Dehane 2023). Their analysis recognizes the entrepreneur “as one of the most important actors in startups failure...” (ibid: 11). This statement locates startup business failure with the

entrepreneur, suggesting that within the creative passion of pursuing a business idea lies a harbinger of failure. Among the important factors that cause business failure is the entrepreneur. This background frames this article. This article interrogates the gap between the entrepreneur's passion and the subsequent reality that, in many cases, leads to business failure. It engages entrepreneurs to locate their own motive and undergirding mindset that drives their business ideas, and a reflection of their experiences once the businesses have taken off.

Methodology

Qualitative methods

The study employed qualitative research methods - a research method involving the collection of non-numeric data from interviews, observations, and reflections. It considers the voices of the participants as credible data that can be analysed to inform critical findings. An important part of qualitative research methods is the process of reflexivity, which involves a critical reflection by the researcher through the lens of their own assumptions and experiences, to influence every stage of the research, from formulating research tools through to data interpretation and reporting. This component enables researchers to study things in their natural settings, navigating their experiences, opinions, feelings, and knowledge through in-depth interviews. In this way, the researcher is not an objective outsider, but an active participant, enhancing rigor and credibility (Denzin and Lincoln- 2005). Qualitative inquiries are not constrained by pre-determined categories and therefore, research tools can include open-ended questions that will enable openness.

The research method identified samples of different-sized business owners to participate in interviews that would generate primary data on specific aspects of entrepreneurship. Using a questionnaire that we developed, we collected data from 28 participants, on their reasons for going into business; the challenges they experienced; the skills they had to develop to meet the challenges etc. Respondents responded via an online questionnaire portal. The following diagram indicates the process of the survey.

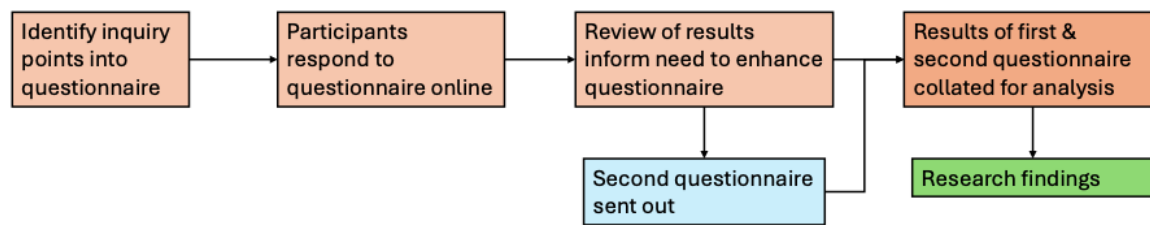


Figure 1- Research Design

Limitations of Qualitative Research

Unlike quantitative research that enables measurable and quantifiable data, and therefore more robust and verifiable analytical frameworks, qualitative research delves into the socially constructed realities of respondents, using value-laden inquiry to determine the creation of social experience. This allows for navigating those spaces to give meaning to social experiences. Qualitative research also recognizes the relationship between what is being studied and the researcher, thus creating inadvertent opportunity for the researcher's opinions that may affect the results (Denzin & Lincoln 2005). This research engages the voices of entrepreneurs; thus, the limitations are noted within the context of verifiable voices of the specific entrepreneurs we interacted with.

Grounded Theory

Grounded theory in research is a systematic qualitative method for developing a theory from real-world data, rather than starting with a hypothesis. It is premised on collecting and organizing data in a manner that enables analysis to enable a theory (or theories) to emerge. Therefore, the emergent theory is grounded in the data or participant experiences (Strauss & Corbin 2008; Glaser 2007). The process is iterative and cyclical, involving continuous collection and analysis of data through methods like interviews and observations to identify themes and concepts.

In this particular research, we started with a questionnaire labeled Annex 1. As we collected the data, it informed a second cycle to dig a little deeper and determine new information. Annex 2 shows the coding that we employed.

Generating Themes

Grounded theory enables the coding of data to generate themes that inform findings.

This research generated the final six themes using the following steps:

- i. First line coding using questions in the questionnaire
- ii. Identifying broad categories within the data around each question. These categories formed themes that we worked with
- iii. Spotlighting overlaps in the themes, leading to a more summarized and reduced list of themes. See Annex 4

The ensuing six themes found informed the analysis of findings are discussed under section 5 below:

- The Business Model
- The Customer Interface
- Business Processes and Systems
- Acquiring business skills
- Building teams
- Navigating internal and external factors

Respondents' Profile

28 entrepreneurs participated in the survey and sent in their responses

Business Life

Table 1- Business Life

Business Life	Respondents	Percentage
Less than 1 year	3	10.71
2 to 5 years	6	21.43
6 years and over	18	64.29
No answer	1	3.57
Total	28	100.00

28 business owners responded to the inquiry. All the respondents were in active business with a higher percentage (64.29%) having businesses that were over 6 years old.

Category of Business

Table 2- Category of Business

Category of Business	Respondents
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Services	17
Manufacturing	4
Retail	3
Technology and Digital Products	3
Total	28

- Services included consultancy firms, air conditioning business, education (a school), car hire/ logistics business, real estate and agriculture support.
- Manufacturing businesses are in fashion design and clothing
- Retail businesses included pharmacy and healthcare, general hospitality supplies, and a hardware store.
- Technology and digital products included ICT and Agro-technology support, and digital marketing and multimedia business

While the business category was fairly wide, it was not a critical factor for the analysis. The key component was the reflections of the entrepreneur concerned.

Reason for Starting Business

Table 3- Reason for Starting Business

Reason for starting business	Respondents	Percentage
Had a brilliant business idea	13	46.43
Got tired of working for someone	11	39.29
Could not find a job	2	7.14
Blank	2	7.14
Total	28	100.00

This factor mirrors the passion that entrepreneurs often start with. 46% had a brilliant idea and decided to act on that desire, and 39% felt they needed to get out of being employed to self-employment. Their views allow for a window into the gap between passion and the reality of entrepreneurship. This is echoed by Oyedemi et al who see individuals seizing opportunities to start business (Oyedemi et al 2024)

Business Owner Expectations

Table 4- Business Expectations

Respondent Expectations	Respondents	Percentage
To attract a lot of customers	4	14.29

Build a big business and make a lot of money	7	25.00
Meet a need and help others	17	60.71
Total	28	100.00

This factor speaks to the passion of the entrepreneur. 60 % felt they could contribute to society. This is a good reflection of the passion that drives entrepreneurship, but also links to the assertion that small businesses can and do contribute to country economies. (Botha 2025).

Presentation and Discussion of Results

This section discusses the results and findings of the study using responses from 28 entrepreneurs in various categories as indicated in the tables above. Using the grounded theory method, the data generated six (6) themes around which we have categorized the findings discussed below.

The Business Model

A business model is the logical framework by which a firm or business creates, delivers and captures value for its customers (Osterwalder & Pigneur, 2010). It provides the basis upon which business owners acquire and use resources, customer relationships, and strategic activities to achieve both profitability and sustainability. Most importantly, a business model is a dynamic system that is meant to evolve in response to market forces and customer needs as they arise (Teece, 2010). Without a clear understanding of one's business model or an adequate framework to reinforce it, businesses risk employing wrong strategies, unstable revenue streams, and reduced capacity for business sustainability in the long term (Chesbrough, 2010).

In terms of understanding and engaging with the business model, respondents pointed to two critical factors:

- Customers will likely pay for solutions to the needs they have. It was therefore important to know and meet their needs
- For Business sustainability, entrepreneurs need to be innovative, flexible and ready to adapt to a changing environment.

A majority of respondents (60%) noted that meeting customers' needs is the most critical component of business sustainability and the true basis of a successful enterprise, and in turn, a key component in the business model. This demonstrates a crucial recognition of entrepreneurship as value creation for the customer rather than profit maximization. One participant responded when asked what advice he would give someone starting a business: *“Do not enter business with a view of making quick money. Take your time and build [the business]-the profits will come. Solve a problem.”* The findings align with theoretical perspectives that view business models as dynamic and adaptive frameworks that ought to be adjusted continually to suit customer needs. The respondents' recognition that customer needs, rather than short-term profit, are the foundation of a viable business model aligns with Teece's (2010) assertion that value creation forms the bedrock of entrepreneurial success. This suggests that in practice, entrepreneurs have become more aware that businesses thrive when they are in a position to address real customer needs rather than when they are more focused on financial outcomes.

While emerging as a critical theme and a determinant of long-term success among participants, business sustainability was cited as a significant challenge affecting the business model. Approximately one-quarter of respondents identified “establishing a clientele or attracting clients” as a continuous challenge. Without an assured market or clients to patronize the business, sales become elusive and along with it, the chances of sustained revenues that buttress the business. Business sustainability becomes both a goal and an obstacle in the entrepreneurial journey. Additionally, adaptability/flexibility and innovation were emphasized by the majority of participants, stressing the need for modifying their business models to fit customer needs to remain sustainable. Specifically, product innovation, was cited as a strategy to enhance business sustainability. This aligns with studies in the subject such as Kosa and Mohammed (2017) who cite financial backing, marketing and product competencies as being among the major challenges faced by small businesses. One participant's reflection echoed this stance saying:

“Validate your business idea by thoroughly researching your market. Understand the business side and stay flexible. Be ready to pivot and adapt. Pay attention to feedback even though it may mean changing your original plans.”

Remember your passion will keep you going but your flexibility will keep you growing.”

Therefore, innovation and product/ business model adaptation are critical to meeting customers’ needs, thereby enhancing sustainability.

The emphasis on flexibility and innovation resonates with the literature on business model innovation, which prescribes the need for enterprises to be ready to pivot in response to environmental shifts (Chesbrough, 2010; Foss & Saebi, 2017). The experiences of the participants reinforce this assertion and recognize it as a continuous process embedded in sustainable business practices as opposed to being a one-time activity. This link between real-time experiences and theoretical evidence strengthens the understanding that adaptability is not merely advantageous but essential for survival in any business model.

That the participants reported difficulties in client acquisition and retention, illustrates the weaknesses of underdeveloped or weak business models. This finding echoes Zott and Amit’s (2010) perspective that robust customer relationship mechanisms are indispensable for sustaining business activity. In practice, entrepreneurs’ inability to acquire and maintain client relationships demonstrates the risks of insufficient customer-focused strategies embedded in business models. This, therefore, validates the theoretical claim that the customer interface represents a critical transaction zone in the business model. Therefore, the sentiments expressed by respondents underpin the need to balance entrepreneurial passion with strategic adaptability. While passion may serve as the catalyst for enterprise creation, the study’s findings suggest that flexibility and responsiveness to feedback are what ultimately sustain growth. This finding adds to prior theoretical discussions by showing that in reality, passion without adaptability may prove insufficient for achieving long-term sustainability.

Overall, the survey results emphasize the importance of understanding, operationalizing, and continuously refining business models in entrepreneurship. By bridging the gap between theory and practice, this study both confirms and extends the conceptual understanding of business models as dynamic, customer-centered, and innovation-driven frameworks. The conformity of theory to practice, demonstrates sustainability as being both the ultimate goal of business ventures and a recurring challenge at the same time - a dichotomy that

requires entrepreneurs to integrate flexibility, innovation, and customer orientation into their business models.

Customer interface

The customer makes the business - firstly as the central source of value creation (i.e., revenue) and secondly, as the recipient of value delivery (Osterwalder & Pigneur, 2010). The business therefore, exists to create value for a customer, which the customer then pays for. The customer interface, where transactions and interactions between business owner and customer occur, therefore represents a critical zone that determines the effectiveness of any business in capturing revenue and sustaining growth (Zott & Amit, 2010). Interactions at the customer interface can therefore be said to be the basis of customer loyalty - if transactions at the customer interface are well handled, it creates the right environment for breeding customer loyalty, which has over the years been recognised as a strategic asset that enhances businesses' long-term profitability, reduces marketing costs and stabilizes revenue flow (Reichheld & Sasser, 1990). This in turn, feeds into the long-term sustainability of the business; when business owners fail to strengthen or develop the customer interface dimension of their business models, they risk introducing structural weaknesses to their businesses, which eventually lead to reduced competitiveness and in the long run threaten business sustainability.

The survey results demonstrate the centrality of the customer in the development of a viable business model - a critical factor in business sustainability which emerged as a major theme in this study.

Findings in Relation to Customer Roles

The majority of the participants mentioned that they enjoy interacting with both current and potential customers, and identified this as an essential factor in ensuring business sustainability. Ironically, however, they also stated their challenges in converting customer engagement into tangible sales and customer retention - acknowledging that this was a skill most of them lacked. This indicates a gap between recognizing the centrality of customer relations on the one hand, and possessing the capabilities necessary to manage them effectively on the other; a gap which eventually directly affects profitability. One participant specifically

cited “expanding into new markets” as a challenge, while another emphasized the difficulty of “retaining customers.” These findings align with the theoretical perspective that emphasises the customer’s place as being the “heart” of any business model. The challenge in converting customer interactions into new and repeat sales align with Zott and Amit’s (2010) argument that the customer interface represents both an opportunity and a vulnerability point for the entrepreneur in business models.

To bridge this gap, the majority of respondents expressed the need for external support, including networks, mentorship, and training, which they viewed as essential resources for building customer relationship management skills. These findings are consistent with prior research, which highlights the cost associated with weak customer loyalty. In their article, Reichheld and Sasser (1990) demonstrated that retaining customers can be more profitable than acquiring new ones, as loyal customers often generate repeat sales, reduce acquisition costs, and promote sales through word-of-mouth referrals. In reality, the respondents’ struggles to maintain long-term relationships with clients suggest that businesses risk revenue instability when the customer engagement and loyalty strategies of a business model are not adequately developed.

Furthermore, the respondents’ emphasis on training, mentorship, and networks points to the importance of continuous capacity-building in customer relationship management for entrepreneurs, a sentiment reflected in Foss and Saebi’s (2017) paper, where they state that business model innovation requires both internal and external resources to enhance entrepreneurial competencies for business owners. The expressed need for external support also illustrates the role of business ecosystems in assisting business owners to strengthen their customer engagement capabilities. Overall, the commonality between the findings and theoretical perspectives supports the assertion that the customer has a critical role for a business, both as a driver of sustainability and a challenge that entrepreneurs must strategically address. These findings add to existing literature by providing evidence that while entrepreneurs value and acknowledge customer engagement as being vital for a business, the absence of well-developed skills to convert interactions into loyalty weakens the business model’s effectiveness.

Business Processes and Systems

Sustainable business processes form the bedrock of operational efficiency for any business. These include structured systems and practices that support operational efficiency, adaptability, and long-term profitability (Dyllick & Hockerts, 2002; Epstein & Roy, 2001). They are designed to maximize short-term gains as well as safeguard a business against external shocks and internal inefficiencies. These will include financial management systems and statutory compliance to cover legal, regulatory, and institutional compliance requirements, which, if not adhered to, may present external constraints that businesses must navigate to maintain continuity.

Financial management involves the planning, organizing, directing, and controlling financial resources to ensure business stability, liquidity, and long-term growth (Brigham & Ehrhardt, 2016). These systems build a strong operational framework for businesses, protecting them from both internal and sometimes external shocks that would otherwise cripple the business in their absence. Hubbard (2009), supports this assertion highlighting that profitability and resilience are outcomes of embedding sustainable business systems and processes into operations.

Findings in Relation to Business Processes and Systems

The study revealed that respondents acknowledged the importance of structured systems in ensuring profitability and structural resilience, yet many struggled to establish consistent processes that could drive long-term growth. While some business owners emphasized that proper systems helped them track operations and make informed decisions, others admitted to operating on a reactive rather than proactive basis. These findings reinforce the argument that sustainability in business is built on effective systems that reduce inefficiencies and promote resource optimization (Porter & Kramer, 2011). A lack of structured processes has been shown to expose small businesses to operational risks and reduce their ability to scale in the long term (Barney, 2014). Further, research in this area shows that small firms often struggle with execution gaps - business owners understand the value of sustainability and processes to support the same, but lack the capacity to translate it into daily practice (Nguyen et al., 2020).

All respondents acknowledged the importance of good financial management to their business survival. However, many expressed difficulties with maintaining accurate financial records, managing debt, and monitoring cash flow. Several admitted that while they recognized and understood the importance of financial planning, they lacked the technical skill to apply it effectively to their businesses. This finding is consistent with previous studies that show that financial literacy is a critical determinant of SME sustainability (Fatoki, 2014). Poor cash flow management and limited knowledge of financial planning are continuous barriers that SMEs in developing economies continue to grapple with (Abanis et al., 2013). Literature, particularly (Eton et al., 2017), further suggests that inadequate financial record-keeping for small businesses contributes to liquidity crises and, in some cases, business failure. The results of this study reinforce this perspective, showing that without effective financial management systems, entrepreneurs, especially SMEs are ill-prepared to sustain profitability and profitability shocks in competitive environments.

Statutory compliance was also identified by participants as a continuous challenge, noting that taxes, licenses, and regulatory processes were often complex and financially demanding on small businesses. For some, compliance was perceived as necessary for legitimacy, while others saw it as a barrier, one that drained financial resources. These findings align with previous studies which suggest that compliance burdens SMEs, often due to high administrative costs relative to firm size (Djankov et al., 2010). Beck and Demirgüç-Kunt (2006) similarly note that regulatory frameworks, when overly burdensome, can stifle entrepreneurial growth. This study supports those arguments by showing that while entrepreneurs recognize the role of compliance in ensuring accountability and legitimacy, the lack of supportive institutional structures increases the financial strain on small firms. Thus, regulatory frameworks and capacity-building support systems could mitigate these barriers. The mixed experiences in this study suggest that while awareness of sustainable processes exists, implementation is fragmented, leaving profitability vulnerable to inconsistencies.

Acquiring business skills

The acquisition of business skills involves the continuous development of entrepreneurial and managerial competencies, which can be facilitated by conventional

training, but more so with peer-to-peer learning, industry networks, and strategic business alliances. Literature shows that small firms often struggle with execution gaps due to a lack of entrepreneurial capacity i.e., they know they require skills to manage, market, and keep the business operational, yet they lack the skills to do so effectively (Nguyen et al., 2020). Therefore while most small business owners understand the value and importance of entrepreneurial and managerial competencies, they lack the capacity to translate that understanding into daily tangible practices.

Findings in Relation to Acquiring Business Skills

On industry interactions, some participants considered industry interactions enjoyable and necessary for acquiring entrepreneurial skills through networking, knowledge sharing and keeping up with market trends. These results are consistent with the social capital theory, which argues that networks provide access to resources, knowledge, and opportunities that enhance business performance (Nahapiet & Ghoshal, 1998). Others, however, found this a challenge stating that competition and lack of knowledge sharing posed a challenge to meaningful industry interactions, and consequently led to mistrust. Prior research in this field confirms that alliances, though beneficial through accelerated innovation and adaptability (Burt, 2000), also depend heavily on trust and reciprocity (Uzzi, 1997). The divergent views expressed by the participants highlight the polarisation of networks - while they can enhance competitiveness on the one hand, they may also be constrained by relational and cultural barriers on the other. This suggests that business ecosystems should be structured in such a way that they foster trust-based collaboration to maximize the benefits of industry interactions.

Building Teams

Building competent and reliable teams is cited as one of the most essential factors in running a successful business. This includes activities such as recruiting, developing, and retaining employees whose skills, commitment, and cohesion contribute to overall organizational goals and efficiency (Smith, 2005). Having a reliable and competent team is therefore central to translating strategy into practice and ultimately achieving an organisation's mission. In essence, an organisation cannot rise above its team's competencies.

Findings in Relation to Building Teams

Almost all participants consistently reported difficulties in building and retaining effective and competent teams. They recognized the importance of having the “right team” for business success but struggled with aligning employee skills to organizational needs, and ensuring long-term retention. This finding is supported by Katzenbach and Smith’s (2005) view stating that cohesive teams are an indispensable asset to business success. Without a reliable team, organisational growth is, for the most part, constrained - a usual challenge faced by SMEs. Similarly, Cardon and Stevens (2004) highlight that SMEs often lack a structured human resource function, which leads them to face challenges such as high turnover and misaligned skills in the long run. These results confirm that without solid team structures, even the strongest business strategies remain unimplemented and ineffective. This reinforces the importance of human capital investment as a driver of competitive advantage and organisational efficiency (Becker, 1993).

Navigating internal and external factors

Successful entrepreneurship requires managing both internal dynamics (e.g., product development, strategy execution, financial management) and external forces (e.g., competition, market shifts, and regulatory requirements). Entrepreneurs have therefore got to develop dynamic capabilities i.e., capabilities to help them run a successful business such as product development, strategy execution, marketing, financial management (Teece, 2007).

Findings in Relation to Navigating Internal and External Factors

Almost all respondents emphasized that entrepreneurship was a multi-skilled undertaking, noting that success depends on simultaneously mastering various aspects of running a business as well as being aware of industry trends. These included skills in relation to product development, marketing, financial management, and human resource management. Many, however, acknowledged lacking the skill and being underprepared to handle this complexity. These findings are consistent with the resource-based view (RBV), which postulates that businesses derive competitive advantage by mobilizing internal resources in alignment with external opportunities (Barney, 1991). This is further supported by Teece

(2007), who argues that dynamic capabilities are a requirement for every business owner for navigating volatile business environments i.e., the ability to integrate, build, and reconfigure resources. The evidence here suggests that many SMEs lack these dynamic capabilities, leaving them vulnerable to environmental uncertainties. This reflects earlier research by Julien (1998), who observed that small firms often face a “competence gap” in adapting to complex business environments.

Conclusions and Recommendations

Overall, the findings indicate that SMEs face multi-dimensional challenges in building sustainable businesses. In bringing together the findings, this research juxtaposes these with well-documented challenges such as limited access to financing, regulatory complexities, bureaucratic hurdles, and political instability that complicate the entrepreneurial landscape (Odeyemi et al 2024). This study contributes to the discourse in engaging the voices of the entrepreneurs to highlight the gaps they experience. We cluster these as indicated hereunder:

- Competencies of the business owner

At the top is the entrepreneurial competence of the business owner - continuous capacity building is essential for every business owner. With the overall management and success of the businesses squarely dependent on the capacity of the business owner, it is essential for business owners to continuously develop skills in various aspects of running a business, including human resource recruitment and management, strategy, and business model development, among others. Successful business ownership therefore, involves developing a multi-faceted skill set that would help business owners in navigating the dynamic nature of running a business. From financial management and strategy, to compliance, operations and team building, business owners need to continuously evolve in order to keep up with the realities of running a successful business. Teece (2007) supports this assertion arguing that dynamic capabilities, defined as the ability to integrate, build, and reconfigure resources, are essential for navigating volatile environments.

- Competent teams and systems that deliver to purpose

While financial management and regulatory compliance form critical foundations of business, they are often undermined by gaps in systems, skills and human resources. Businesses that grow to scale can only do so on the backs of efficient human resource and robust systems. Yet these are often lacking as was evident in this study.

- Support Structures, Networks and Alliances

While entrepreneurship often starts with the passionate visionary, it is not a lone-sport. It requires the ability to understand the environment and the players within. This calls for intentional building of networks and alliances. These demonstrate the collective nature of entrepreneurship, that will create a collective contribution beyond individual capabilities. Yet this is threatened by trust barriers that weaken their potential.

- Exploiting Internal and External Changes

As entrepreneurs strive to thrive, they will find the need to not only balance the internal and external changes, but to identify factors that can bolster their businesses. Unfortunately, this balancing act is an area that we found poses difficulties for the entrepreneur and therefore presents as a competence gap that is also widely documented in SME research.

Recommendations for Future Research at Policy Level

This research observed areas that need further exploration to generate findings that can inform not only players in the entrepreneurial space, but also decision-makers at policy level.

The three are:

- The interface between entrepreneurial capacity and barriers to entry for start-up entrepreneurs- discourse in this area often highlights several barriers to entry into the entrepreneurial space, including things like company registrations and statutory compliance. This study has, however, recognized the importance of high competencies for entrepreneurs to enable business stability and growth. Further research would zoom in on the extent to which the capacity of entrepreneurs can be a real barrier not only for entry, but to survive and grow the business.
- The extent to which limited access to finance affects entrepreneurs, given their limited entrepreneurial skills. Access to funding is widely understood to impede SME growth. A study to determine the veracity of this factor in the face of diminished entrepreneurial

capacity can help identify remedial measures before small businesses obtain funding that may not help the business.

- Creating a knowledge pathway between entrepreneur motivation rooted in individual capacity for business versus the expectation for scale that feeds into national economies, employment prospects, innovation, and macro-competitiveness. This level of study will aim to connect the narrative that promotes SME growth as important to country economies, and the motivation that entrepreneurs have to develop their businesses. At policy level, the results of this study may inform strategies that inform a segregation between SMEs with growth potential and those that have not been built for that. It will therefore ensure that the right support goes to specific targeted businesses.

It is important to end by recognizing that the passion that entrepreneurs start with can deliver successful business and should be supported through various policy engagements, capacity building, and facilitation that can ameliorate despondency from having to deal with unending challenges. The evidence of business failures is quite rampant and calls for concerted efforts in coming up with both preventative and remedial measures that can sustain entrepreneurship. If left unattended, can lead to wastage of critical resources. Overall, the study recommends that interventions aimed at SME development ought to adopt an integrated approach that simultaneously strengthens the various facets of entrepreneurship discussed in this paper.

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