

How to succeed as an entrepreneur in Africa: A practical guide and cases

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If African economic environment is difficult, African business environment is even more challenging. In spite of all this, however, there are glimpses of hope that entrepreneurial capitalism is gradually but surely gaining momentum in Africa. In this fundamental regard, entrepreneurial success story in African environment is not at all an oxymoron. Across African continent, individuals in several countries, such as Botswana, Ghana, South Africa and Zimbabwe, have enacted entrepreneurial triumphs, and the success stories are largely untold.

Narrating the eventual successful entrepreneurial journeys of humble beginners who have built business empires, the book by John Kuada and Madei Mangori is a fascinating reading. The book is unique in staking a new frontier for a proper understanding of business terrain in Africa and the individuals who have emerged as entrepreneurial trailblazers. Fourteen chapters, profiles of eight successful entrepreneurs and five illustrative cases constitute the fulcrum of the book. Faithful to its title, the authors offer practical guides that capture the experiences of those who are already doing well in various business ventures. More importantly, the book promises to be an invaluable template in the hands of those who are contemplating business ventures in Africa.

The book is organized into three parts. Part 1 comprises 14 impactful chapters (pp. 1–98). Each chapter explores different angle of entrepreneurship in the African context as well as provides practical guidance for prospective entrepreneurs in the region. Part 2 contains well-documented profiles of eight successful individual entrepreneurs (pp. 100–142); while Part 3 contains five case studies (143–153).

In Chapter 1, Kuada and his associate set the stage for the entire book by exploring the mindset as a catalytic agent that fuels latent entrepreneurial ambition and subsequent manifest behavior. They made the point that entrepreneurial mindset can be cultivated and nurtured. The key that unlocks the entrepreneurial mindset is the determination of the individuals. With determination emerges the desire and commitment to achieve and succeed. Personal efforts and inner determination help stimulate in individuals the creative abilities and potential to see success as an achievable task. The authors crown the chapter with the story of Mr. Roland Agambire who illustrates the embodiment of entrepreneurial mindset and personification of determination to succeed. From hawking kerosene and cigarette in the border towns, Mr. Agambire has become an entrepreneurial genius, presiding over a vast business empire with an annual turnover of two billion US dollars. Well told by the authors, such a breathtaking entrepreneurial success is a story that prospective entrepreneurs need to know and try to emulate.

Chapter 2 examines the issue of making profits for a purpose. In other words, making profits is not just for its own sake; rather, profit-making ought to be for a social purpose. The



chapter is designed to help guide entrepreneurs in their approaches to making critical decision centering on their visions and missions for their ventures. It chronicles the lives of two prominent Ghanaians who have leveraged their entrepreneurial successes for the benefits of the larger society. The authors documented the experience of Fred Swaniker who saw leadership deficit in Africa and used his vast knowledge in the corporate world to set up the African Leadership Academy, African Leadership Network, Global Leadership Adventures and Africa Advisory Group.

Drawing on his Silicon Valley connections, Swaniker raised funds to launch the Academy in 2004. In 2016, he established the African Leadership University in partnership with Scotland's Glasgow Caledonian University. The overriding goal of the university is to train high caliber leaders who will drive Africa's development and inspire future generations. Located in Mauritius, the university has a towering ambition of building 25 campuses across the continent and training three million leaders in five decades. The authors also narrated the story of Mr. Robert Asare who took the handicraft industry in Ghana from a mere US\$200,000 in annual sales in the 1990s to a multimillion-dollar (US\$28m) industry in 2011, creating blossoming export market for local producers, who previously were struggling to sell their crafts locally, and generating employment for hundreds, who previously were jobless. The entrepreneurial ingenuity of Mr. Asare helped extricate hundreds from the clutches of poverty.

Chapter 3 focuses on growing entrepreneurial ventures. The chapter identifies the key drivers of business growth. Growing businesses require entrepreneurs to be focused – targeting time, energy, and financial resources. Kuada and his colleague identify key attributes of growth-oriented entrepreneurship to include tenacity, perseverance, persistency, determination, commitment, resilience, self-confidence, adaptability, flexibility, networking abilities and passion. They entered a caveat that although these attributes may not be present at the embryonic stage of one's entrepreneurial journeys, they can be developed as the entrepreneurs harness knowledge and gain experience with their business ventures. Central to building growth-oriented ventures are clear intentions; passionate commitment and consistent actions. The importance of growth entrepreneurship is the ability to recognize and take advantage of opportunities in the business environment. The authors cast entrepreneurial orientation as the ability to identify a problem or gap, and come up with an innovative solution. The evolution of Danso Fruit Drinks is used to demonstrate how Mr. Charles Danso was able to identify the lack of fruit-processing industry in Ghana as a potential business opportunity to establish a blossoming tropical juice market. He capitalized on the opportunity to become the pioneer local Ghanaian company to produce, expand and grow a variety of tropical fruit juice for both local and international markets.

In Chapter 4 (Designing a Winning Strategy) and Chapter 5 (Managing Efficiently and Effectively), Kauda and Mangori spark the interests of both practicing and prospective entrepreneurs in designing a winning strategy and addressing the management concepts of efficiency and effectiveness as they pertain to entrepreneurial ventures, respectively. The authors not only defined entrepreneurial strategic planning process (Chapter 4) as well as efficiency and effectiveness (Chapter 5), but they also operationalized and contextualized them. The chapter brings to life some important ideas to help guide entrepreneurs in their understanding of the strategic planning process and how to design and implement strategies that have high potential to achieve goals. The strategic planning process helps entrepreneurs to establish the long-term goals and objectives of their enterprises; identify steps to be implemented and allocate scarce resources for achieving the goals; and evaluate whether or not the goals have been achieved.

In designing a winning strategy, entrepreneurs ought to be cognizant of the import of efficiency and effectiveness as they pertain to turning their dreams into reality. Scarce resources need to be used in efficient and effective ways to achieve business goals. It is commonplace for African entrepreneurs to assume that strategic planning for business

venture is an exclusive territory of large corporations, and that efficiency and effectiveness apply only to such corporations. By contrast, the authors lay out granular steps and specific process to guide entrepreneurs who undertake small-scale business ventures. The process of strategic planning helps to instill discipline not just in terms resource allocation, but also with regards to efficient and effective management of the resources and maintaining entrepreneurial focus.

Chapter 6 addresses the critical question of developing and sustaining trust with business partners. Kuada and Mangori indicate the difficulty for people to engage in long-term business relationships in Africa. This means a pervasive trust deficit in the African business environment. The authors enumerate the adverse consequences of trust deficit. According to them, “The lack of trust imposes additional costs on businesses, including shortages of critical inputs, delays in payments of wages and salaries to employees and non-delivery of goods to customers” (p. 49). Building trust is the key to creating and expanding network in business. There is a truism in the dictum that “one’s network equals one’s net worth.” If trust is the foundation of successful business undertaking and trust-building is a learnable skill, how do entrepreneurs go about developing it? The authors provide practical learnable skills in building and sustaining trust.

Chapter 7 dwells on managing employees well. In this chapter, Kuada and Mangori navigate the terrain of hiring and firing employees. In African context, hiring one’s family member is considered an absolute obligation, while firing a nonperforming family employee who actually hurts the business is almost an unpardonable taboo. The authors indicate how creative entrepreneurs have endeavored to successfully navigate this treacherous terrain to circumvent “the predatory demands of the families” by staying away from family social gatherings to avoid undue pressure until they have built up substantial financial resources before re-joining the family and be welcomed back into the family fold, “just like the biblical prodigal son” (p. 55). The authors provide useful practical guidance on how to identify and hire talented employees and the do’s and don’ts of firing employees that hurt the business.

In Chapter 8, Kuada and Mangori explore the choice of an appropriate leadership style for business ventures. Leadership is everything for all organizations, but even more so for the success of entrepreneurial ventures. The authors explain the two dominant leadership styles: task-oriented and employee-oriented. Sometimes these two leadership styles are perceived as polar opposites and mutually exclusive. But as Kuada and his colleague made clear, the two leadership styles can be practiced by the same individuals, depending on the circumstances they face, or the maturity and competencies of the employees they lead. While employees are generally considered stakeholders of organizations, the authors advocate for them to be given a psychological sense of ownership. They also discuss the seven roles a leader can assume as a mentor. The “ACHIEVE” model – Ability, Clarity, Help, Incentive, Evaluation, Validity and Environment – proffers a useful framework for gauging successful leadership performance.

Chapter 9 addresses communication with maturity. Kuada and Mangori anchor communication as a phenomenon that facilitates daily operations of ventures and mediates effective coordination of business activities. According to them, while both external and internal communications are crucial, the latter binds employees together and improves morale in the business; facilitates planning and co-ordination of business activities; and helps employees make the right decisions. While speaking up is important, the authors argue that managers need to learn and understand the import of active listening. They discuss the role of personality in interpersonal communication processes. The chapter concludes with a thought-provoking story of the beggar that clearly demonstrates that there is a better way to communicate and elicit the intended positive responses.

Chapter 10 deals with engaging in fast learning. Learning is the lifeblood of entrepreneurship. Kuada and Mangori discuss the role of absorptive capacity in learning

that entrepreneurs assume they know a lot more about running their businesses than they actually do often prevents them from investing requisite time and resources to upgrade their knowledge and optimize their skills. Rather than engaging in such self-deception, entrepreneurs need to humble themselves and recognize the inadequacy of their knowledge and seek opportunities to improve on it. The authors delineate four stages of learning or the hierarchy of competence that will be helpful in guiding the entrepreneurs to be cognizant of the need to adopt constant learning mindset. Henry Ford, the icon and pioneer entrepreneur in the US automobile industry, is reputed to have said that “Anyone who stops learning is old, whether at twenty or eighty. Anyone who keeps learning stays young.”

Chapter 11 concerns how to generate and sustain positive human energy to drive firms to higher levels of achievements. Entrepreneurs are encouraged to become conversant with emotional knowledge to enable them explore ways to energize themselves and their employees. Engaging in meditation and self-reflection could help them sharpen their intuitive capabilities to make decisions that could change the trajectory of their enterprises for the better. The authors enumerate the attributes of positive human energy to include appreciation, collaboration, virtuousness, vitality and meaningfulness. Kuada and Mangori contend that the inherent positive characteristics of employees means that they should be managed as “assets” in contrast to “resources”. Because individual human beings are transmitters of energy within organizations, efforts should be exerted to encourage them to transmit positive energy to induce self-reinforcing effect. Finally, drawing on Asian religious philosophies, the authors discuss 10 fundamental life tendencies of human beings. Of these, 6 are lower-level life conditions (hell, hunger, animality, anger, tranquility and rapture) which are governed by external circumstances, while the four higher-level life conditions (learning, realization, altruism and compassion/wisdom) are inner-driven and attainable by deliberate personal efforts.

In Chapter 12, Kuada and Mangori tackle entrepreneurial effective time management. Central to effective time management, they argue, is the ability to appropriately define and label those tasks that are urgent or not urgent as well as important or unimportant. Effective entrepreneurial time management is informed by the well-known adage that “time is money.” Entrepreneurs in Africa often conflate social and business affairs during working hours. Time squandered on trivialities will not be available for “urgent” or “important” tasks facing the company. The authors discuss the importance of delegation and the associated concepts of authority, responsibility and accountability in time management. Managers who understand and practice effective delegation would free up their valuable time to deal with thorny issues confronting their companies. Managers who show fidelity to these guidelines by putting them into effect will evolve a new entrepreneurial culture with potential to raise employee productivity and performance without extra resources or costs.

Chapter 13 advocates for putting customers at the center of management decision-making.

In this chapter, Kuada and Mangori articulate the pivotal role of customers in the success of any enterprise. They provide practical guides to entrepreneurs on how customer orientation can help them develop a strong business management culture that can enhance the prospects of their business performance. The authors highlight meeting the customer expectations as critical to building up customer support base to guarantee sustainable business success. Employees play a crucial role in making customers happy, by treating them as kings and queens as well as princes and princesses. Managers need to develop vital skills in customer care and relational management as well as how to handle and address customer complaints.

In Chapter 14, Kuada and Mangori discuss the importance of effectively managing business finances to create a stable financial future. Entrepreneurs need to understand

financial statements (cash flow statement, income statement and balance sheet) in order to properly know and appreciate how their businesses perform. The authors state the truism that “Without [understanding] these financial statements, business owners will be blind to the financial health of the business.” If total revenue equals total expenses, entrepreneurs can continue in business as long as they want. However, the goal of every business is to operate above the break-even point. The authors painstakingly explain the financial ratios in granular details. The entrepreneurs need to know and understand what each figure on the financial statements represents. Knowledge and understanding of the basic key financial indicators are not esoteric skills reserved for financial gurus; they are very basic skills that will help entrepreneurs to monitor the financial health of their enterprises.

In Part 2 (100–142), Kuada and Mangori provide synoptic profiles of eight successful African entrepreneurs. It is not uncommon for young Africans who are dazzled by successful entrepreneurs who live flamboyant lifestyles to want to be like them. The simple reason is that many prospective young African entrepreneurs are familiar with how well successful entrepreneurs do, but not how they started and what they went through to arrive at where they currently are. The stories of the individuals and their journeys profiled by Kuada and Mangori inform that the road to entrepreneurial success is not paved with gold. So, both practicing and aspiring entrepreneurs should not only learn the lessons of successes, but they should also learn the lessons of failures. While the lessons of success will guide them in developing successful mindset, lessons of failure will help to avoid the proverbial entrepreneurial valleys of death.

In Part 3 (143–153), Kuada and Mangori present cases of successful business ventures in a variety of industries, ranging from poultry farming, waste management, hospitality, to clothing. In each of them, there are case study questions to engage the minds of the readers and provide additional insights about the inner operations of the enterprises.

Taken together, the books make invaluable contributions to our stock of knowledge of entrepreneurship in the African context. The profiles of successful entrepreneurs and case studies of successful business ventures in a variety of industries and countries across African continent are all a testament to the expertise of the authors in articulating the growing and deepening entrepreneurship in the region. The book is enriched and very informative by embedding the stories of specific entrepreneurial journeys; profiling of individual entrepreneurs; documenting cases as well as operationalizing and applying contemporary management concepts to the African business environment. This book belongs in its own class in contrast to comparable work in the field. I have enjoyed the book, and I recommend it to researchers, students, entrepreneurs and policymakers who are interested in practical guidance on how to navigate and succeed in the African entrepreneurial environment.

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