

## Entrepreneurial Dynamics of Moroccan SMEs: Analysis and Direction for Further Research

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## Entrepreneurial Dynamics of Moroccan SMEs: Analysis and Direction for Further Research

### Abstract:

In Morocco, small and medium enterprises (SMEs) play a central role in the economic landscape, representing nearly 97% of the national productive fabric and operating across diverse sectors, according to the latest report from the Moroccan Observatory of SMEs published in 2021. They contribute to approximately 38% of the national wealth creation and generate around 74% of the jobs. However, with the advent of trade liberalization, competition has intensified within the domestic market, posing significant challenges to the competitiveness, overall performance, and even the survival of Moroccan SMEs.

In response to these evolving dynamics, it becomes imperative for SMEs to embrace an entrepreneurial orientation. This strategic shift is crucial for preserving their competitive position and strengthening organizational performance in a context marked by increasingly complex challenges. A proactive entrepreneurial stance enables these enterprises to adapt with agility, innovate, and navigate market turbulence effectively, positioning them for long-term success.

This document aims to delve deeply into the theoretical and empirical dimensions surrounding the concept of SMEs in Morocco. It explores their economic and social roles, highlighting the major obstacles they face in the contemporary business environment. Additionally, it analyzes existing support programs dedicated to fostering entrepreneurship within Moroccan SMEs, recognizing the need for a comprehensive approach to address the multidimensional issues these businesses encounter. By synthesizing insights from various studies, this analysis seeks to contribute to a thorough understanding of the complex dynamics shaping the landscape for SMEs in Morocco and proposes strategic frameworks to fortify their resilience and sustainability within an ever-evolving business ecosystem.

**Keywords :** “SMEs; Entrepreneurship; Competitiveness; entrepreneurial orientation; Morocco.”

**JEL Classification :** M1

**Paper type :** Theoretical Research

### Résumé:

Au Maroc, selon le dernier rapport de l'Observatoire marocain des PME publié en 2021, le PME jouent un rôle central dans le développement économique et social du pays, représentant près de 97% du tissu productif national et opérant dans des secteurs diversifiés. En outre, elles contribuent à environ 38% de la création de richesse nationale et génèrent environ 74% des emplois. Cependant, avec l'avènement de la libéralisation des échanges extérieurs, la concurrence s'est intensifiée sur le marché intérieur, posant des défis importants à la compétitivité, à la performance globale et même à la survie des PME marocaines.

En réponse à ces dynamiques évolutives, il devient impératif pour les PME d'adopter une orientation entrepreneuriale. Ce changement stratégique est crucial pour préserver leur position compétitive et renforcer la performance organisationnelle dans un contexte marqué par des défis de plus en plus complexes. Ainsi, une attitude entrepreneuriale proactive permet à ces entreprises de s'adapter avec agilité, d'innover et de pouvoir survivre dans les turbulences du marché, les positionnant pour un succès à long terme.

Ce document vise à explorer les dimensions théoriques et empiriques entourant le concept des PME Marocaines. Il examine leurs rôles économiques et sociaux, mettant en évidence les principaux obstacles auxquels elles sont confrontées dans l'environnement commercial contemporain. De plus, il analyse les programmes de soutien existants dédiés à la promotion de l'entrepreneuriat au sein des PME marocaines, reconnaissant la nécessité d'une approche globale pour aborder les problématiques multidimensionnelles auxquelles ces entreprises sont confrontées. En synthétisant les insights de diverses études, cette analyse vise à contribuer à une compréhension des dynamiques complexes des PME Marocaines et propose des cadres stratégiques pour renforcer leur résilience et leur durabilité dans un écosystème commercial en constante évolution.

**Mots clés :** "PME ; Entrepreneuriat ; Compétitivité ; orientation entrepreneuriale ; Maroc."

**Classification JEL :** M1

**Type du Paper :** Recherche Théorique

## 1. Introduction

In recent times, researchers worldwide have shown a growing interest in the contribution of SMEs to the enhancement of national wealth, job creation, and the development of economic and social sectors of a country (Obi et al., 2018). Indeed, their role is crucial in most economies, especially in developing and emerging economies (Ndiaye et al., 2018). Unlike large enterprises, SMEs are highly flexible and exhibit greater adaptability to technological changes, a better distribution of income, the ability to respond to market fluctuations and customer demands, and a streamlined organizational structure that enables swift strategic decision-making (Pilar et al., 2018).

Moroccan SMEs confront a myriad of obstacles and challenges that pose potential threats to their overall performance. In response to these challenges, the Moroccan government has implemented a series of strategies and reforms in recent years, with a particular emphasis on the liberalization of foreign trade. This is evident through various free trade partnerships, notably with European countries (an agreement concluded in 1996 and implemented in 2000), the United States (an agreement concluded in 2004), and other regional partners like Turkey or Jordan.

The liberalization of foreign trade has undeniably expanded market opportunities but has concurrently introduced heightened competition within the domestic sphere. This surge in competition has profound implications for the competitiveness, performance, and even the survival of Moroccan SMEs, especially considering the evolving demands of the global economy and their inherent resource limitations.

This article seeks to delve into a fundamental question arising from this context: *Considering the current context of Moroccan SMEs, to what extent can they contribute to the country's economic and social development, and how can entrepreneurship support programs be optimized to address the challenges they face?* By addressing this central question, the article aspires to provide insights that contribute to the formulation of targeted and impactful policies, fostering an environment where Moroccan SMEs can not only thrive but also play a vital role in propelling the nation's economic and social progress.

From this main question, several secondary questions can be addressed to deepen our understanding and provide further insights. Among these questions, we can inquire:

- *What does the concept of SMEs mean?*
- *To what extent do Moroccan SMEs contribute to the country's economic and social development?*
- *Are the main entrepreneurship support programs relevant?*
- *What are the challenges faced by Moroccan SMEs?*

To address these questions comprehensively, the structure of this article will be as follows: Firstly, we will present the characteristics and criteria defining the concept of Small and Medium Enterprises (SMEs), as well as their social and economic roles. This foundational exploration aims to establish a solid understanding by highlighting the fundamental elements that characterize these businesses, showcasing their diversity, and emphasizing their significance in the Moroccan economic and social fabric.

Subsequently, our analysis will delve into the specific entrepreneurial context in which SMEs operate in Morocco. This part of the article will thoroughly examine the support programs devised by the Moroccan government to encourage and strengthen the SME sector. The objective is to evaluate the relevance of these programs in the current context, shedding light on their impact on entrepreneurial growth and their contribution to the economic dynamics of the country.

Furthermore, a substantial portion of our exploration will be dedicated to identifying the key challenges and obstacles faced by Moroccan SMEs. This will encompass a critical analysis of regulatory barriers, difficulties in accessing financing, and other contextual factors that may hinder the development and prosperity of these businesses. Understanding these challenges is essential to formulate practical recommendations aimed at improving the business environment for SMEs in Morocco.

Finally, in the concluding phase, we will be transparent about the inherent limitations of our study. Recognizing these limitations, we will also provide useful suggestions to guide future research and address some of the complexities inherent in studying Moroccan SMEs. This comprehensive approach aims to make a significant contribution to understanding the entrepreneurial ecosystem in Morocco and to offer tangible avenues for its continuous improvement.

## **2. The concept of SMEs (Small and Medium-sized Enterprises)**

Although SMEs are the most predominant type of organization in world economies, researchers have struggled to define them satisfactorily and establish the management of small and medium-sized enterprises as a specific academic discipline (Storey, 2016; Torrès & Julien, 2005). As Welsh et White (1981) emphasized forty years ago, an SME is also managed differently compared to a large enterprise. Therefore, it is important to examine the definition of an SME to delineate the field of SME management.

There are mainly two major ways to define a business. The first approach focuses on the quantitative aspects of the business. These are objective parameters that are relatively easy to define and measure. Among the commonly used quantitative variables for categorizing and sorting businesses are the total number of employees, the annual revenue it generates, and the total assets it possesses. Most countries use quantitative variables to define SMEs. For example, the European Union defines an SME as one that employs fewer than 250 employees and has an annual turnover limited to 50 million euros and/or a total balance sheet not exceeding 43 million euros (Commission européenne, 2016).

The second approach involves examining certain qualitative or intangible characteristics of the business. This is a useful mechanism for understanding how an SME is organized, how it functions, and how it is managed. In fact, several studies conducted in recent years have proposed a number of qualitative criteria as the main characteristics of an SME. For example, Schaper et al. (2004) suggest that, in general, a business is characterized by the following elements:

- It is owned and operated independently;
- The owners provide most, if not all, of the operating capital;
- The owners assume the main decision-making functions;
- The business has a small market share.

Therefore, SMEs are much more than small-sized commercial units. For this reason, many authors have sought to identify the distinctive characteristics of SMEs (Blackburn, 2000; Mugler, 2008; Schmitt et al., 2012). Because there is a segmentation of research in the field of SME management, D'Amboise & Muldowney (1988) recommended that researchers "look for relationships and strive to have a broader perspective that encompasses the task environment, organizational configuration, and managerial characteristics for each unit studied empirically" (1988, p. 237). Over the past decades, this line of research has led to the development of the « small and medium-sized enterprise » concept, resulting in an understanding of how SMEs operate, namely their independence, limited resources, and the fact that one or two key individuals assume most of the responsibilities, risks, and rewards of the venture. Consequently,

SMEs are much less able to influence their economic and regulatory environment compared to large enterprises: « On the contrary, they are much more likely to be opportunistic than large enterprises and to adopt a "random walk" approach to management practices, survival, and business development » (Curran, 2006). Nevertheless, we acknowledge that no classification system will be complete enough to cover all types of SMEs. Similarly, Torrès & Julien (2005) questioned the idea that all SMEs practice a specific management method since it cannot be a universal principle. They instead suggested a contingent approach to the managerial specificity of SMEs, which would define a validity framework for managerial practice.

Based on these observations, we can affirm that SMEs are defined differently worldwide. Each country provides certain well-defined characteristics that distinguish SMEs from large enterprises. The dimension and categorization of an SME, through quantitative or qualitative criteria, can thus be used to differentiate between businesses.

According to the latest revision by the European Commission (2016), defining the scope of SME definition, it is important not to consider only the size criterion. An enterprise can be very small in terms of size, but if it has access to significant additional resources (e.g., in the case of SMEs belonging to large enterprises through partnership contracts or others), they cannot be considered SMEs. On the other hand, when dealing with a complex organizational structure, it is recommended to conduct an individual analysis of each enterprise and verify compliance with the European Commission guidelines (Table N°1).

According to this guideline, the main factors determining whether a company can have SME status are the number of personnel and the turnover or total assets.

**Table 1: Types of businesses according to the European Commission, revised in 2020.**

Business Category	Number of Employees	Sales	Total Assets
Medium-sized	< 250	≤ 50 million euros	≤ 43 million euros
Small	< 50	≤ 10 million euros	≤ 10 million euros
Micro	< 10	≤ 2 million euros	≤ 2 million euros

*Source: Recommendation of the European Commission, revised on May 6, 2016, and 2020*

In Morocco, a definition for SMEs was established with the promulgation of Dahir No. 1-02-188 on 12 Jumada I, 1423, forming the SME charter. According to Article 1 of the charter, “A small and medium-sized enterprise is understood to be any enterprise managed and/or directly administered by individuals who are its owners, co-owners, or shareholders, and which is not held more than 25% of its capital or voting rights by one or jointly by several enterprises that do not correspond to the SME definition”. However, if the enterprise is owned by mutual funds, private equity firms, venture capital organizations, or financial institutions authorized to collect public savings, this limit can be exceeded, provided that they do not exercise any control over the enterprise individually or collectively (Dahir n° 1-02-188 du 12 jomada I 1423, 2002). The article also mentioned two main criteria for identifying SMEs:

- A total workforce of no more than 200 individuals.
- Having achieved, during the last two years, either a turnover excluding taxes not exceeding 75 million MAD or a total balance sheet not exceeding 50 million MAD.

The charter also addressed newly established enterprises (up to two years). These enterprises are considered SMEs if they have made investments not exceeding 25 million MAD. On the other hand, the latest report prepared by OMTMPE on the different types of enterprises is based on two main criteria: turnover and number of employees (Table No. 2).



**Table No.2: Types of enterprises according to OMTPE developed in 2021**

Types of Business	Annual Sales	Employment Size
Micro-enterprise	An annual turnover not exceeding 3 million MAD	1 to 10 employees
Very small enterprise	An annual turnover equal to or greater than 3 million MAD and less than 10 million MAD	11 to 50 employees
Small enterprise	An annual turnover equal to or greater than 10 million MAD and less than 50 million MAD	51 to 100 employees
Medium-sized enterprise	An annual turnover equal to or greater than 50 million MAD and less than 175 million MAD	101 to 500 employees
Large enterprise	An annual turnover exceeding 175 million dirhams	Over 500 employees.

*Source: Annual report 2020-2021 prepared by the Moroccan Observatory of TPME*

Other definitions have been developed subsequently by a group of Moroccan institutions. For example, ANPME, currently known as MAROCPME, considers that turnover is the only relevant classification criterion (Table No. 3). According to this institution, an enterprise can be considered small and medium-sized if the annual turnover does not exceed 175 million dirhams.

**Table No.3: Types of enterprises according to MAROCPME**

Company Size	Annual Sales
Very Small Enterprise	Less than 3 million MAD
Small Enterprise	Between 3 and 10 million MAD
Medium-sized Enterprise	Between 10 and 175 million MAD

*Source: Annual report of the CDVM for the year 2011 (CDVM, 2011)*

The Moroccan central bank has also provided a definition in its circular on capital adequacy requirements to cover credit, market, and operational risks using internal approaches of credit institutions, published in Rabat on December 31, 2010. It has indeed provided a definition primarily based on the criterion of turnover (Table No. 4).

**Table No. 4: Types of companies according to BAM**

Company Size	Sales
Very small company	Less than 10 million MAD.
Very Small Enterprise and small Enterprise	Greater than 10 million MAD and less than or equal to 175 million MAD.
	Less than 10 million MAD and the total amount of receivables is greater than 2 million MAD.
Large Enterprise	Greater than 175 million MAD

*Source: Circular No. 8/G/2010 published by BAM*

From these criteria, we can observe that the definition proposed by BAM is in line with the one mentioned by MAROCPME, in such a way that a small and medium-sized enterprise is primarily characterized by a turnover not exceeding 175 million dirhams.

### 3. The contribution of SMEs to economic development

#### 3.1. The role of SMEs in the global economy

SMEs constitute the most dominant form of business organization worldwide and play a central role in the global economy (Banque mondiale, 2019) In fact, the numbers reveal that SMEs

make up over 90% of businesses globally, generating more than 70% of total revenue and employing over half of the global workforce (Bank, 2019; Kaminskaite, 2017). SMEs account for 99% of all businesses in Europe (European Commission, 2019), 98% of all businesses in Asia, providing two out of three private jobs in the region (Yoshino & Taghizadeh Hesary, 2016), and over 90% of all commercial enterprises in Africa, contributing 50% to the GDP (Muriithi, 2017). SMEs serve as a major driving force for both developed and developing economies. In particular, several reports have highlighted the economic development of China with the contribution of the SME sector.

According to the Chinese National Bureau of Statistics, SMEs represent 99% of all commercial enterprises, employ 80% of the workforce, and contribute to nearly 60% of GDP formation. Similarly, SMEs in developing countries like Pakistan account for around 90% of all enterprises, employing 80% of the non-agricultural workforce and contributing 40% to the GDP annually (Small and Medium Enterprises Development Authority, 2019). Moreover, significant contributions of SMEs to development have been observed in the majority of African countries. For example, in terms of job creation, they account for 90% in Ethiopia, 80% in Kenya, and 70% in Nigeria (Muriithi, 2017). Therefore, due to the dominance of SMEs in the economic landscape of countries, it is quite logical that they have a considerable impact on environmental and social well-being (Westman et al., 2019) as well as an important role to play in sustainable development (Ayuso & Navarrete-Báez, 2018; Higgs & Hill, 2019). In this context, governments, policymakers, and scholars primarily focus their attention on the crucial role and significant contributions of SMEs in global business activity.

### **3.2. The economic and social role of Moroccan SMEs**

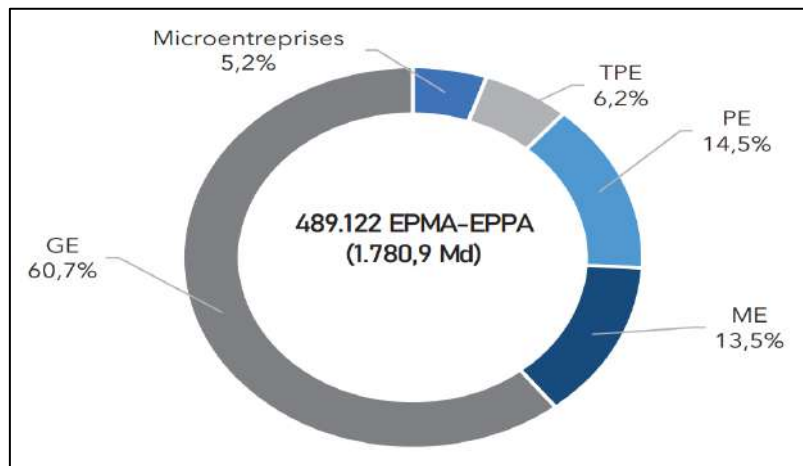
Unlike large enterprises, SMEs are highly flexible and exhibit greater adaptability to technological changes, a better contribution to income distribution, better responsiveness to market fluctuations and new customer requirements, and a less complex organizational structure that facilitates quick decision-making (Pilar et al., 2018). In Morocco, the crucial role of SMEs in the economic fabric has been realized. According to the latest report from the Moroccan Observatory of Very Small and Medium Enterprises published in 2021 (OMTPME, 2021), SMEs represent almost 97% of the Moroccan productive sector and operate in diversified sectors. These sectors include industry, crafts, construction, commerce, as well as services such as tourism, communications, transportation, and financial services.

The organization has identified a total of 572,000 active companies, with a predominance of very small and medium-sized enterprises accounting for approximately 99.7%. In contrast, large enterprises represent only a small fraction, about 0.3%. In terms of activity sectors, 35.2% of VSMES operate in the trade and repair of automobiles and motorcycles, while those in construction account for 10.6%, those in transportation and storage represent 10.6%, and those in accommodation and food services account for 5.8%. The report also highlights the contribution of each type of enterprise to the total revenue generated by them (Fig.<sup>1</sup> No. 1).

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<sup>1</sup> The choice of statistics from the year 2019 is justified by their reliability, avoiding the influence of the Covid-19 health crisis from the year 2020 onwards.

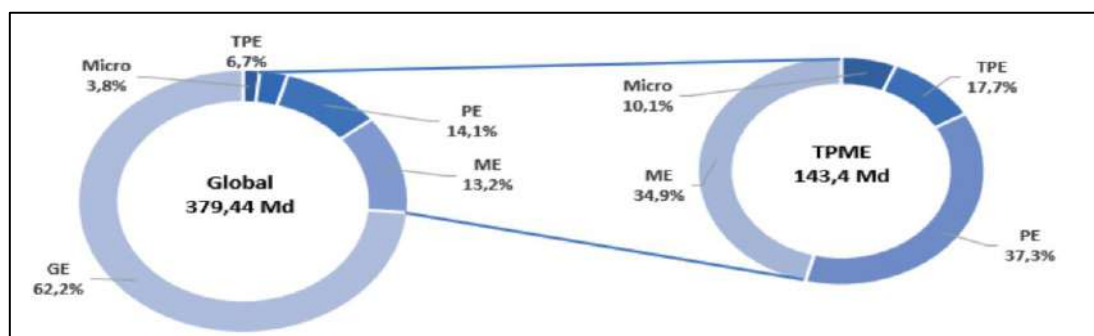
**Fig. 1: Distribution of cumulative turnover by company category - 2019**



*Source: General Directorate of Taxes*

overall revenue, highlighting the importance of these units in value creation and their contribution to economic development. On the other hand, the total value added created by companies operating in the national territory is distributed as follows (Fig. No. 2).

**Figure No. 2: Distribution of Cumulative Value Added by Company Category - 2019**



*Source: General Directorate of Taxes*

The graph shows that the total value added by all companies amounted to 379.44 billion dirhams, with a significant share of 28% and 10% attributed to SMEs and micro-enterprises, respectively. On the other hand, large companies capture the majority share at around 62%. In terms of job creation, TPMEs fulfill their social function very well, employing nearly 74% of the workforce registered with the CNSS in 2020. For the same year, they had a positive impact on employment by creating 25,357 direct and indirect jobs, with 15,960 direct jobs occupied. However, large companies contribute 26% to the labor market.

### 3.3. Initiatives to support the creation and growth of small and medium-sized enterprises in Morocco

To realize their development potential and overcome their challenges, SMEs require a continuous source of long-term financing and supportive programs to invest in and capitalize on growth opportunities (Dowling et al., 2019). Therefore, if we aim to strengthen the spirit of entrepreneurship in Morocco and create favorable conditions for the practical development of innovative businesses, it is necessary to establish a mechanism for long-term financing and a set of supportive programs. This has been realized through the implementation of various



support programs, especially in the difficult context marked by the negative repercussions of the Covid-19 pandemic on the development of Moroccan SMEs.

For example, the investment support program "ISTITMAR" aims to stimulate investment by providing financial assistance. The technical support and consultancy program "MOWAKABA" aims to enhance the competitiveness and productivity of SMEs by covering a portion of the costs associated with the services provided. The "ECOSTART" program, implemented in 2020, focuses on strengthening green economy practices within SMEs. The "SKILL CAP INDUSTRIAL ACCELERATION» program, launched in 2019, targets industrial sector SMEs and aims to address their specific needs in terms of operational skills and human resources capabilities. The "ENTREPRENEURIAL SUPPORT AND PROMOTION OF ENTREPRENEURSHIP" program aims to help future entrepreneurs prepare for their future by fostering initiative, innovation, the ability to seize opportunities, and better risk identification. Similarly, the government has considered several programs aimed at strengthening and encouraging innovation among Moroccan SMEs. Among these programs, we can mention:

- **The National Program for the Promotion of Industrial Clusters** (since 2011): The program aims to stimulate the formation of business groupings around industrial and technological sectors, as well as promote the development of innovative collaborative projects. To do so, it relies on a fund of 62 million dirhams over a period of 3 years to support the animation of clusters through a labeling approach. Currently, Morocco has nine labeled cluster structures, as well as six others considered similar to clusters.
- **The Investment Promotion Scheme for Technology Transfer and/or R&D:** The Investment Program (IP) aims to promote technology transfer by subsidizing a portion of investment expenses, with financial support from the State through the Investment Promotion Fund and the Hassan II Fund for Economic and Social Development. To date, six IP projects have benefited from this financial support, totaling over 484 million dirhams and generating 400 highly skilled jobs.
- **The INNOV'ACT Program (2009-2012):** The objective of this mechanism is to provide financial and logistical support to innovation and R&D projects submitted by SMEs in collaboration with public research laboratories or technical centers, with the aim of improving their competitiveness. To date, this program has benefited 20 projects, of which 15 have been successfully completed, with a total funding of 2.9 million dirhams.

**The Technology Diffusion Network (RDT) (2003-2011):** The network aims to support SMEs in the field of innovation by enhancing their competitiveness through a range of public and private stakeholders. Technological diagnostics conducted by specialists (TDC) and networked technological services (NTS) are the main forms of assistance provided by private firms, European Union interfaces, or public research laboratories. Between 2009 and 2011, 215 PTRs and 132 DTRs were carried out. Since 2012, the Moroccan Innovation Center (MIC) has transformed the network into a support tool for innovation and technological development projects led by companies or business groupings. The MIC finances up to 75% of the expenses related to these projects, up to a maximum of 100,000 DH. So far, four editions have been launched between 2012 and 2014, with nine projects selected.

#### **4. Challenges faced by Moroccan SMEs:**

Despite the support programs aimed at promoting the development of SMEs, they still face certain obstacles that hinder their growth opportunities. Several empirical studies have been conducted in this regard. One such study conducted between 2013 and 2015 by the World Bank on the Middle East and North Africa (MENA) region identified three main obstacles faced by

Moroccan entrepreneurs (OECD, 2020). According to the respondents, several constraints have hindered the development of Moroccan SMEs. Firstly, competition from the informal sector, primarily represented by young people and women from rural areas, has been a major handicap as it operates outside regulations and taxes. Furthermore, corruption and a lack of qualified human resources have also been identified as significant obstacles.

Aftiss (2019) confirmed in her article published in 2020 titled "*Entrepreneurship in Morocco: Constraints and Development Conditions*" that most Moroccan entrepreneurs interviewed face a set of constraints that affect their entrepreneurial activities and development, particularly related to startup challenges such as access to financing and various administrative, environmental, commercial, and financial constraints.

Additionally, these businesses operate in a turbulent external environment. Since the 2000s, the government has signed a series of free trade agreements with the rest of the world, which has imposed tough competition on Moroccan SMEs, impacting their competitiveness. Moreover, they face changes in the business environment and economic crises. The emergence of the COVID-19 pandemic is a notable example, with its negative effects, particularly the rise in oil prices leading to a drastic decline in their performance. Moroccan SMEs find themselves in a turbulent environment where they are expected to take calculated risks to enter new markets or make new investments, using their limited resources in an uncertain environment, even if the investment may not generate immediate profitability.

Moreover, a survey conducted by the R&D Association of Morocco in 2010 revealed that research and development (R&D) and innovation activities within Moroccan companies were low. Out of a sample of 300 companies representing industrial sectors, only 29% reported engaging in R&D and innovation activities. Additionally, only 0.21% of the total workforce was dedicated to R&D, amounting to 1,053 people, and only 0.13% of the turnover, equivalent to 460 million dirhams, was allocated to R&D and innovation work.

Bennani & Zouiri (2021) concluded in their study on 328 Moroccan SMEs that the majority of companies faced constraints related to knowledge, such as a lack of personnel competence and technological information, market handicaps primarily related to risk and uncertainty, and financial obstacles related to R&D expenditures.

Similarly, MOHAMED (2020) revealed in their survey of 300 Moroccan SMEs that the majority of the surveyed companies (294 out of 300) did not engage in any research and development activities in the past three years. This lack of innovation practices is attributed to various constraints faced by SMEs. According to the author, the main hindrance for the majority of companies.

Another study by Rachidi & El Mohajir (2021) revealed that Moroccan SMEs face three main obstacles, with the primary one being the absence of an entrepreneurial culture of openness and innovation.

## 5. Discussions

Entrepreneurship is a key driver of economic and social development in Morocco, exerting a major influence on job creation, wealth generation and income enhancement. Entrepreneurs, through the creation of small and medium-sized businesses, make a substantial contribution to economic diversification, a key element in reducing dependence on specific sectors and promoting more balanced economic growth. Their ability to innovate gives Moroccan entrepreneurs a critical role in the country's transition to high value-added sectors, strengthening its competitiveness on a global scale.

This entrepreneurial dynamic acts as a catalyst, stimulating economic vitality and fostering the creation of employment opportunities that are essential for socio-economic fulfillment. Small and medium-sized enterprises, as the true engines of entrepreneurship, contribute not only to

the creation of new jobs, but also to the consolidation of a diversified economy. This diversification is of strategic importance, reducing the risks associated with over-dependence on certain sectors while fostering more balanced and resilient growth.

Furthermore, the innovative orientation of Moroccan entrepreneurs is crucial in the transition to high value-added sectors. The constant quest for innovation not only boosts the competitiveness of local companies on the world stage, but also contributes to the creation of cutting-edge products and services. This focus on high value-added sectors enables Morocco to play a more proactive role in the global economy, strengthening its position and opening up new opportunities on the international market.

However, this positive scenario faces notable challenges. Limited access to financing remains a major obstacle, hindering the growth of SMEs and limiting their maximum contribution to economic development. Entrepreneurs, especially those focused on technology and innovation, often encounter difficulties in securing the necessary financial resources for their projects. Complex administrative procedures, a lack of suitable infrastructure, and a deficit in entrepreneurial skills also pose significant challenges.

To address these challenges, comprehensive and targeted solutions are essential. Reforms aimed at simplifying administrative procedures and improving the business environment are necessary to facilitate the creation and growth of enterprises. Access to financing mechanisms tailored to the needs of SMEs, with specific support for innovative entrepreneurs, must be established. The promotion of training and mentorship programs to enhance entrepreneurial skills is also crucial, fostering a robust entrepreneurial culture within the population. Additionally, an entrepreneurial orientation in public policies is vital to creating an ecosystem conducive to business creation, incorporating fiscal incentives, support programs, and awareness initiatives.

In summary, entrepreneurship remains a vital catalyst for development in Morocco, but its full realization requires a strategic approach and concerted actions to overcome obstacles and fully harness the country's entrepreneurial potential.

## 6. Conclusion

In this study, we have examined the participation of Moroccan SMEs in the economic and social development of the country, the main support programs for Moroccan SME entrepreneurship, and the challenges faced by these enterprises. The results of our analysis have highlighted the importance of Moroccan SMEs in creating national wealth, generating employment, and reducing inequalities.

Moroccan SMEs have demonstrated their significant contribution to the country's economy, representing nearly 97% of the national productive fabric. They have played a key role in economic growth by contributing 38% to the creation of national wealth. Moreover, they have created approximately 74% of the jobs, providing essential opportunities for the Moroccan population.

The support programs for SME entrepreneurship in Morocco have proven to be relevant in supporting the development and growth of these businesses. These programs have provided valuable financial and technical support, facilitating access to finance, enhancing entrepreneurial capacities, and encouraging innovation. However, it is crucial to improve coordination and communication among stakeholders to optimize the effectiveness of these programs.

Despite the progress made, Moroccan SMEs face several challenges. Increased competition in the domestic market, resulting from the liberalization of foreign trade, has impacted their competitiveness and survival. Obstacles related to accessing finance, complex administrative procedures, and slow program implementation remain major concerns.

To overcome these challenges, it is essential to strengthen financial and technical support for Moroccan SMEs, simplify administrative procedures, and expedite program implementation. Specific attention should be given to the specific needs of SMEs, focusing on innovation, research and development, and enhancing entrepreneurial capacities.

In conclusion, Moroccan SMEs play a crucial role in the economic and social development of the country. The support programs for entrepreneurship are relevant but require improvements to better address the needs of SMEs. By overcoming the challenges, they face, Moroccan SMEs can continue to contribute significantly to economic growth, job creation, and the reduction of inequalities, thereby strengthening the sustainable development of Morocco.

One of the limitations of this research lies in the lack of temporal perspective and the absence of a longitudinal analysis over a longer period. Although this study is based on recent data, an analysis over the long term could provide more in-depth insights into the evolving participation of Moroccan SMEs in the country's economic and social development. Additionally, the study does not take into account certain external factors such as economic policies and macroeconomic conditions that can influence the participation of Moroccan SMEs. Including these external factors in future studies could allow for a more comprehensive analysis of the impact of these variables on the contribution of Moroccan SMEs to economic and social development. Considering these limitations, it is crucial to continue research in order to gain a better understanding of long-term dynamics and assess the effectiveness of policies and programs supporting Moroccan SMEs.

This research has identified several important perspectives for future investigations on the participation of Moroccan SMEs in the country's economic and social development. Firstly, conducting longitudinal studies would provide valuable insights into the evolving nature of SME participation over an extended period. By tracking their progress and analyzing trends over time, a more comprehensive understanding of the impact of SMEs on economic and social development can be obtained. Secondly, a comparative analysis that compares Moroccan SMEs with their counterparts in other countries would offer valuable insights into the specific factors that influence their participation. This cross-country perspective could help identify best practices and areas for improvement. Lastly, exploring the effectiveness of policies and programs supporting SME entrepreneurship would be crucial. Evaluating the impact of these initiatives on the growth and development of Moroccan SMEs would provide valuable insights for policymakers to enhance their effectiveness. By considering these perspectives, future research can contribute to a deeper understanding of the role and potential of Moroccan SMEs in driving sustainable economic growth and social development.

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