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HINDERS THE CREATION OF VALUE IN CAMEROONIAN SMEs: A LITERATURE REVIEW

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Abstract: Research in management sciences has proposed a body of work on value creation for more than decades. However, the literature lacks consensus to delimit this concept. In this sense the nature of the literature review of this article is conceptual in nature. This article aims to analyze in depth the specificity of Cameroonian SMEs and present the obstacles faced by Cameroonian SMEs. Thus, to better examine the complexity of value creation in Cameroonian SMEs, we presented a review of the literature on the specificity of Cameroonian SMEs, definition of SMEs according to Cameroonian legislation then the importance of SMEs in the economy Cameroonian. We also considered it necessary to give the Objectives of the study on the specificities of Cameroonian SMEs because SMEs represent a significant share of employment and contribute to the economic diversification of the country. Finally, the last section of our article presented the obstacles of SMEs to value creation. SMEs often face challenges that limit their ability to create sustainable value. These obstacles can be linked to a variety of factors, such as issues with strategy, financial management, and regulatory compliance. Understanding and overcoming these barriers is essential for the growth of SMEs, especially in emerging economies like that of Cameroon, where the business environment is often unpredictable (Moubouyi,2020).
Keywords: value creation; SMEs; government; institutions

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1 Introduction

In a constantly evolving global economic context, Small and Medium Enterprises (SMEs) play a crucial role in economic dynamism and job creation, particularly in developing economies. SMEs are often seen as engines of innovation, flexibility and local growth. However, despite their potential, they encounter many obstacles that can hinder their ability to create and maximize value. In Cameroon, as in many other developing countries, SMEs represent a significant part of the economic fabric. They are essential not only for regional economic development, but also for improving the living conditions of local communities. However, these companies face challenges that limit their performance and growth. These challenges include issues with access to financing, infrastructural constraints, and obstacles related to human resource management and regulatory compliance. The specificity of Cameroonian SMEs is based on several factors which influence their ability to create value. Firstly, the lack of access to suitable sources of financing is a major obstacle. Cameroonian SMEs often struggle to obtain loans on favorable terms, which limits their ability to invest in growth projects or modernize their operations. Additionally, insufficient infrastructure, such as roads, electricity and information technology, can hamper operational efficiency and increase costs. The objective of this article is thus to analyze in depth the specification of Cameroonian SMEs (section 1). To close this article, we will present the obstacles faced by Cameroonian SMEs (section 2).

2. SPECIFICITIES OF CAMEROONIAN SMEs

Small and medium-sized businesses occupy an important place in the economy of all countries, whether developed or undeveloped, because they are considered a cell of wealth, a tool for permanent renewal of the economic fabric, an instrument for local development, source of job creation and reduction of unemployment. In Cameroon, the industrial fabric is largely dominated by SMEs. The latter were born from the end of the 1980s, during this period the Cameroonian government understood that recourse to the private sector was very important for the development of the country's economic structure. Indeed, small and medium-sized businesses are now at the heart of restructuring and transition policies from the command economy to the market economy. This section is intended to present the specificities of Cameroonian SMEs, then present a typology of Cameroonian SMEs

2.1 General and external environment of the Cameroonian SME

General environment of SME plays a crucial role in creating jobs, stimulating innovation, and boosting local economies. However, Cameroonian SMEs operate in a complex external environment, shaped by various economic, political, and social factors that influence their performance and development. In this context, it is essential to understand how these external factors interact and influence the capacities of Cameroonian SMEs to create value and develop. This analysis will highlight the specific challenges faced by SMEs. The analysis of the general environment of the SME is accessed in our study on the general framework of the Cameroonian SME, the economic and institutional environment of the SME and in order to the regulations and legislation of the SME.

2.2. General context of SMEs in Cameroon

Small and Medium Enterprises (SMEs) occupy a crucial place in the Cameroonian economy, contributing significantly to the economic dynamism and socio-economic development of the country. To understand their role and importance, it is essential to examine the legislative framework that defines them, their economic impact, as well as the objectives of a study aimed at exploring their specificities.

2.3. Definition of SMEs according to Cameroonian legislation

The acronym SME stands for: small and medium-sized enterprises. It is used to designate a heterogeneous set of companies (OECD, 2004) that are distinguished from large companies by their size and other characteristics that we will present in the next subsection. There are no official, unanimously accepted and established definitions of SMEs, but two approaches are generally used to define and describe these businesses: qualitative and quantitative (Curran and Blackburn, 2001).

In the quantitative approach, statistical elements are used to define SMEs. These are generally the number of employees (full-time employees), the amount of turnover and/or the value of assets (OECD, 2004). The values assigned to each of these elements vary depending on the country. For example, in the European Union, SMEs are all companies that have fewer than 250 employees and whose turnover does not exceed 50 million euros and the balance sheet total 43 million euros. In Botswana, small businesses are classified as those with between 6 and 25 paid employees, and medium businesses are those with between 26 and 99 paid employees (Temtime, 2008). In Canada, businesses are classified into three categories based on the number of paid employees: small businesses (1-99; micro businesses between 1-4), medium businesses (100-499), large businesses (from 500 employees). In a study where they are interested in the relationship between the size of SMEs and the business environment, Ayyagari, Beck and Demirguc-Kunt (2007) realize that to define SMEs, several sources increasingly use the limit of 250 employees.

In Cameroon, since 2010, SMEs have been classified into three categories according to two criteria: the number of full-time employees and turnover. Thus, we have very small businesses (VSE), small businesses (PE) and medium-sized businesses (ME). VSEs are companies with a number of employees less than or equal to five and a turnover less than or equal to 30,000 Canadian dollars. PEs are companies with between 6 and 20 employees and whose turnover is between 30,001 and 200,000 Canadian dollars. Among MEs, we find companies with between 21 and 100 employees and whose turnover is between 200,001 and 2,000,000 Canadian dollars. This law specifies that when there is ambiguity in classifying a company, it is the turnover that should be used as the classification criterion.

Table 1. Classification of SMEs in Cameroon

Types of SMEs	VSE	PE	ME
Number of jobs	≤5	6-20	20 and more
Turnover (in Canadian dollars) (valued at 1 CDN = 500 F CFA)	≤30.000	30.001-200.000	200.001-2.000.000

Source: LUC FOLEU (2018, p.53)

The definition of SMEs is governed by national legislation, specifically by Law No. 2015/010 of July 16, 2015 relating to SMEs. According to this law, SMEs are classified into three categories: micro-enterprises, small enterprises and medium-sized enterprises.

The statistical approach facilitates the economic classification of SMEs but it does not capture the diversity and specificity of these companies. Furthermore, the Bolton report (1971) suggests that the definition of SME should instead highlight the characteristics of these companies which make their performance and their problems significantly different from those of large companies.

In the qualitative approach, the authors define the SME based on its organizational specificities. The Bolton report (1971) mentions the absence of a dominant position on its market, personalized management of the owners and not through a formalized management structure, the independence of the company (not being a subsidiary of a company). Some of these elements will prove unsuitable for the reality of all SMEs, notably the market position and the absence of a formal management structure. As Wtterwulghe (1998) observes, these parameters do not take into account the fact that there are SMEs which operate in niches and are therefore in a dominant position on their market. On the other hand, in certain large SMEs, it is very likely that we will find a formalized managerial structure.

In this exercise of defining the SME, Woitrin (1966) finds more realistic the proposition of Staley (1958) for whom an SME must respect at least two of the following criteria: a relatively unspecialized management staff; close personal contacts between higher management bodies

and workers, customers, suppliers or owners; the impossibility of obtaining capital through the money market and significant difficulties in obtaining credit, even in the short term; not having a strong position to negotiate purchases or sales; a relatively close integration into the local community to which the owners and managers belong and a greater or lesser dependence on the markets and sources of supply in the neighborhood. Some of these criteria are linked to the (small) size of SMEs, an element which can be a source of handicap in certain markets (either in relation to customers, suppliers or unions) for these companies (Wtterwulghe, 1998).
Several authors mention other elements, notably a strong centralization of management methods and a short hierarchical line, the absence of separation of tasks and functions, strategic behavior that is more reactive than anticipatory (Torrès, 1999), the remuneration of the owner often ensured by sources other than the profit of the company (Ang, 1991), tacit knowledge, the search for flexibility, the absence of external orientation and the focus on internal operations, the horizon short term, weak managerial skills, entrepreneurial orientation, culture of control and limited resources (Ates et al., 2013).
Mais il convient de relever que tous ces critères ne s'appliquent pas, de façon concomitante, à toutes les PME. La pertinence de ces critères pourrait varier en fonction de la taille de l'entreprise, du secteur d'activités, de l'orientation du dirigeant et même de la localisation géographique. Par exemple, on sait aujourd'hui qu'on retrouve dans certaines PME des outils ou techniques qui peuvent être aussi sophistiqués que ceux des grandes entreprises : système de mesure de la performance, certification, système de production, etc. (Cagliano et Spina, 2002 ; Garengo; Biazzo et Bititci, 2005; Mehmet Sitki et Aslan, 2012). D'autre part, de plus en plus de PME globalisent leurs activités, bien que la majorité de ces entreprises reste concentrée sur les marchés locaux et nationaux (Antoldi, Sass et Smallbone, 2012 ; OCDE, 2000). En somme, « [...] les PME sont différentes non seulement à cause du caractère holistique de leur fonctionnement, mais aussi à cause de leur hétérogénéité [...] (Julien et StPierre, 2015, p. 20).

2.4. Importance of SMEs in the Cameroonian economy

SMEs play a fundamental role in the Cameroonian economy, with significant impacts on economic growth, employment and regional development.

- ✓ Contribution to GDP: SMEs represent a significant part of Cameroon's Gross Domestic Product (GDP). According to data from the Bank of Central African States (BEAC) and the International Monetary Fund (IMF), SMEs contribute nearly 30% of the national GDP. They are essential drivers of economic activity, particularly in the agri-food, commerce and services sectors.
- ✓ Job creation: SMEs are also a major pillar in terms of job creation. They are responsible for employing a significant proportion of the Cameroonian workforce. According to the National Institute of Statistics (INS) of Cameroon, SMEs employ around 70% of the active population. They play a crucial role in reducing unemployment and improving the living conditions of workers.
- ✓ Regional development: SMEs contribute to local economic development by promoting the decentralization of economic activities. They support local economies by creating employment opportunities and stimulating demand for local products and services. In addition, they contribute to regional balance by promoting a more equitable distribution of economic opportunities across the country.
- ✓ Innovation and competitiveness: SMEs are often at the forefront of innovation and creativity. They are able to quickly adapt to market changes and introduce innovative products and services. Their flexibility allows them to respond quickly to consumer needs and adjust to economic and `technological developments.

2.4. Objectives of the study on the specificities of Cameroonian SMEs.

SMEs represent a significant share of employment and contribute to the economic diversification of the country. However, the specificities of these companies require in-depth study to better understand their operation and their impact on the national economy. The essence of our study is:

- ✓ Analyze the socio-economic context: One of the first objectives is to situate SMEs in the socio-economic context of Cameroon. According to Dufour and Ndjodo (2018), SMEs operate in an environment marked by challenges such as political instability and insufficient infrastructure. Understanding these external factors allows us to understand the conditions in which these companies operate.
- ✓ Identify the characteristics of SMEs: The study aims to identify the distinctive characteristics of Cameroonian SMEs, such as their size, their sector of activity and their organizational structure. For example, work by Tchouassi and Tchouangueu (2020) highlights that the majority of Cameroonian SMEs are family businesses, which influences their management and decision-making methods.
- ✓ Assess the challenges faced: Another crucial objective is to assess the specific challenges faced by SMEs. These challenges may include access to financing, regulatory constraints, and competition in the local and international market. According to a World Bank report (2019), access to credit remains a major barrier for SMEs, limiting their ability to grow and innovate.
- ✓ Examine growth opportunities: The study also aims to identify the opportunities available to Cameroonian SMEs. This includes exploring untapped market niches and growth sectors, such as information and communications technology (ICT). According to Nguetse and Nguegno (2021), digitalization represents a promising path to improving the competitiveness of SMEs.
- ✓ The most important objectives of this study is to provide practical recommendations for policy makers, entrepreneurs and financial institutions. These recommendations could focus on creating a more favorable regulatory framework, improving access to financing, and supporting training and skills development for entrepreneurs. An example in this sense is the report by Akindele and Ouedraogo (2022), which proposes specific public policies to support innovation in the SME sector. By analyzing the socio-economic context, identifying characteristics and challenges, examining growth opportunities and formulating recommendations, this research aims to strengthen the positioning of SMEs as drivers of sustainable development in Cameroon.

2.5. Economic and institutional environment

Cameroon's economic and institutional environment plays a determining role in the development of small and medium-sized enterprises (SMEs). Understanding this environment is essential to analyze the specificities of Cameroonian SMEs, their functioning and their contribution to the national economy.

2.5.1. General overview of Cameroon's economy

Cameroon is a central African country with marked economic diversity, combining agriculture, industry and services. According to the National Institute of Statistics (INS, 2021), the Cameroonian economy is characterized by a strong dependence on the primary sector, particularly agriculture, which employs more than 50% of the active population. Major cash crops include cocoa, coffee, and cotton, while logging and petroleum resources also account for a significant portion of the country's revenue.

Over the past decades, Cameroon has experienced relatively stable economic growth, but challenges remain. According to the World Bank report (2020), the country recorded a GDP growth of 3.7% in 2019, but the COVID-19 pandemic had devastating effects, causing the economy to contract in 2020. Despite this, diversification efforts have been undertaken, and the government has put in place initiatives aimed at strengthening the SME sector to stimulate employment and innovation.

The Cameroonian economy also faces structural challenges, such as informality, corruption, and insufficient infrastructure. According to Nguene (2019), these obstacles hinder the competitiveness of SMEs and limit their access to local and international markets. It is therefore crucial to understand how this economic environment influences the development and sustainability of SMEs.

2.5.2. Role of government and SME support institutions

The Cameroonian government plays a key role in supporting and developing SMEs. Several institutions have been set up to support entrepreneurs and foster an environment conducive to the growth of small and medium-sized businesses.

The national development strategy for SMEs, adopted in 2015, aims to promote entrepreneurship and strengthen the institutional framework for SMEs. This strategy includes measures such as the creation of incubators, support for training of entrepreneurs, and improving access to financing. According to Njong and Nguegno (2020), these initiatives aim to strengthen the competitiveness of SMEs by facilitating their integration into national and international value chains.

Institutions such as the Ministry of Small and Medium Enterprises, Social Economy and Crafts (MINPMEESA) and the Development and Innovation Company (SODEPA) play a central role in the implementation of support policies to SMEs. They offer support, advice and financing services. According to a study conducted by Ngoh (2021), these institutions have contributed to the creation of thousands of jobs and an increase in the number of SMEs in the country.

2.6. Regulation and legislative framework for SMEs

The legislative framework that governs SMEs in Cameroon is fundamental for their development. Proper regulation helps create a safe environment for business and encourages investment.

Law No. 2013/004 of April 18, 2013 governing SMEs in Cameroon is an important milestone in the recognition and support of these companies. This law defines SMEs, establishes classification criteria, and establishes a legal framework for their development. According to Kouadio (2022), this legislation has made it possible to formalize a large number of businesses previously operating informally, thus providing them with legal rights and protections.

SMEs are also subject to various tax and commercial regulations. The investment code, adopted in 2015, aims to attract foreign investment while protecting the interests of local SMEs. However, challenges remain, particularly regarding administrative complexity and costs associated with regulatory compliance. According to a study by Nsoh (2020), entrepreneurs often face bureaucratic obstacles that slow down the business creation process and increase operating costs.

The economic and institutional environment of Cameroon constitutes a complex framework for SMEs. Although efforts have been made to support this sector, challenges remain, particularly in terms of regulation, financing, and market access. Improving this environment requires collaboration between government, financial institutions, and entrepreneurs themselves. By strengthening public policies and simplifying regulations, Cameroon can better support its SMEs, transforming them into engines of economic growth and job creation.

2.7. The structural specificities of Cameroonian SMEs

Cameroonian small and medium-sized enterprises (SMEs) are distinguished by their structural specificities which influence their operation, management, and performance. Understanding these particularities is essential to understanding the challenges these companies face as well as their growth potential.

2.7.1. Organizational structure and management of the SME

Most SMEs in Cameroon adopt a family management model, often characterized by informal dynamics. According to Tchouassi and Tchouangueu (2020), around 70% of Cameroonian SMEs are family businesses, which implies informal management where decisions are often made in an ad hoc manner. This model can facilitate rapid decision-making, but it also has disadvantages, particularly in terms of professionalism and formalization.

Informal management can lead to difficulties in accessing finance and wider markets. According to Dufour and Ndjodo (2018), businesses that are not formalized struggle to establish relationships with financial partners and benefit from government support programs. This limits their growth and competitiveness.

The governance of Cameroonian SMEs is often marked by a concentration of decision-making power within the family or a small group of people. According to Nguetse and Nguegno (2021), this governance structure can lead to conflicts of interest and resistance to change, thus limiting innovation and adaptation to market developments.

Additionally, decision-making processes in these companies are generally not very transparent, which can affect employee motivation and overall company performance. The absence of formal boards of directors in many SMEs also contributes to weak governance, making these companies vulnerable to economic risks and market fluctuations.

Another striking aspect of Cameroonian SMEs is the weak separation between ownership and management. The owners, often members of the same family, also hold key management roles. This situation can lead to problems of ineffective management and lack of accountability, as decisions are often made without consultation or objective assessment of performance. According to a study by Nguene (2019), this situation prevents SMEs from quickly adapting to market challenges and opportunities.

2.7.2. Human resources and training of the SME

The level of training of entrepreneurs and employees in Cameroonian SMEs is often insufficient. According to a survey conducted by the Ministry of SMEs (2020), almost 60% of entrepreneurs have not received formal training in business management. This lack of training directly impacts the management of SMEs and their ability to innovate and develop.

Employees, for their part, also have gaps in technical and managerial skills. This not only limits productivity, but also the competitiveness of SMEs in the local and international market.

Talent and skills management in Cameroonian SMEs is often poorly structured. According to Tchouassi (2021), many SMEs do not have clear strategies for recruiting, training and developing the skills of their employees. Resources allocated to training are generally limited, leading to stagnation of skills within teams.

This situation makes it difficult to retain employees, who are often attracted by better opportunities elsewhere. SMEs must therefore adopt proactive approaches to develop the skills of their teams and manage talent in order to remain competitive.

Cameroonian SMEs face significant challenges in personnel management. High employee turnover is a common problem, often caused by uncompetitive salaries and poor working conditions. According to a study by Nguene (2021), most SMEs offer remuneration below market standards, which makes attracting and retaining talent difficult.

In addition, the absence of career and personal development prospects within SMEs contributes to the low attractiveness of these companies for qualified workers. This represents a major barrier to growth and innovation within the sector.

Access to basic infrastructure constitutes another major challenge for SMEs in Cameroon. Businesses, especially those located in rural areas, face problems accessing energy, the Internet and adequate means of transportation. According to a World Bank study (2020), more than 60%

of SMEs surveyed reported difficulties related to access to the infrastructure necessary for their operations.
This situation creates logistical constraints which affect the productivity and competitiveness of SMEs. Rural businesses, in particular, suffer from logistical isolation, making it difficult to access markets and resources. Inefficient transport and communications infrastructure also reduces the ability of SMEs to connect with their customers and suppliers.
The structural specificities of Cameroonian SMEs, whether it be their family management, the weak separation between ownership and management, or the challenges linked to human resources and infrastructure, play a crucial role in their performance. Although these businesses are essential to Cameroon's economic development, their potential is often hampered by informal governance structures and skills gaps. To promote the growth of SMEs, it is imperative that targeted policies be put in place to improve training, structure management and strengthen access to infrastructure. This will not only strengthen the competitiveness of SMEs, but also stimulate the Cameroonian economy as a whole.

3. SME OBSTACLES TO VALUE CREATION

SMEs often face challenges that limit their ability to create sustainable value. These obstacles can be linked to a variety of factors, such as issues with strategy, financial management, and regulatory compliance. Understanding and overcoming these barriers is essential for the growth of SMEs, especially in emerging economies like that of Cameroon, where the business environment is often unpredictable (Moubouyi, 2020).

3.1. Obstacles related to SME Strategy and Planning

SMEs are often affected by a lack of clear strategy and inadequate planning. Poor definition of long-term vision and goals makes these businesses vulnerable to market instability. This lack of strategic direction is a recurring problem in several Cameroonian SMEs, which struggle to develop sustainable strategies and adapt to new market trends (Tchouapi, 2018).

3.2. Lack of clear strategic vision for SMEs

The lack of a clear strategic vision is a major obstacle faced by many SMEs. This deficiency is mainly manifested by a poor definition of long-term objectives and strategies poorly adapted to market developments. The lack of strategic vision can have serious repercussions on the performance and sustainability of SMEs, especially in a constantly changing economic environment. This phenomenon has been the subject of numerous studies and analyses, particularly in the context of developing economies such as Cameroon, where SMEs play a crucial role but are often poorly prepared to face the challenges of competition and sustainable growth.
Setting long-term goals is a fundamental part of a company's strategy. However, many SMEs struggle to establish clear and achievable long-term objectives. According to Fomba (2021), this weakness generally comes from a short-term approach that pushes managers to focus on the immediate survival of the company rather than its long-term development. Decisions are often made in reaction to day-to-day problems without considering the overall direction the company should take to achieve its goals.
In the absence of these long-term goals, SMEs do not have a clear framework for evaluating their progress or adjusting their strategies as they evolve. They can easily lose sight of growth or diversification opportunities that could allow them to establish themselves more firmly in the market. The lack of strategic vision also leads to poor allocation of resources. As Diallo (2017) points out, a clear vision allows financial, human and material resources to be channeled towards precise objectives, which is crucial for long-term competitiveness. Without this, SMEs risk dispersing their efforts into irrelevant or unprofitable initiatives.
Additionally, setting long-term goals requires a thorough understanding of the market, industry trends, and customer expectations. Many SMEs do not invest sufficiently in market research

and competitive analysis, which prevents them from formulating relevant strategies and predicting future developments. Gnonhossou (2019) indicates that this lack of foresight is particularly detrimental in sectors where innovation and the ability to anticipate customer needs are essential to maintaining a competitive position.

In addition to the lack of definition of long-term objectives, SMEs often suffer from strategies poorly adapted to rapid market changes. This is due to several factors, including a lack of tools and skills to keep up with market trends and a resistance to change. In the Cameroonian context, as Tchouapi (2018) points out, SMEs are often reluctant to review their business strategies due to an attachment to traditional management methods, which are no longer effective in a globalized and technologically advanced environment.

One of the main consequences of this strategic mismatch is the inability of SMEs to capture new market shares or build customer loyalty in the face of more agile competitors. As Mbog (2017) notes, SMEs that do not adapt their strategies to market developments risk becoming obsolete. For example, the rise of e-commerce and digital platforms has radically transformed many industries, but SMEs that have not integrated these tools into their business strategies continue to lose ground to more innovative companies.

Several solutions can be put in place to overcome the lack of a clear strategic vision in SMEs. First, it is essential to strengthen the strategic management skills of SME managers. This can be done through training in strategic management, long-term planning, and innovation management. Governments and financial institutions can play a key role in supporting these initiatives through training and mentoring programs (Simo, 2020).

Second, SMEs need to take a more proactive approach in their decision-making process. They must invest in research and market analysis to better understand the dynamics of their sector. Talla (2021) recommends that SMEs devote part of their resources to collecting data on their customers, competitors, and the regulatory environment, in order to better adapt their strategies and anticipate market developments.

Third, SMEs need to improve their organizational flexibility. This involves creating a more agile structure where decisions can be made quickly and different departments within the company communicate effectively. Fotso (2019) suggests that SMEs adopt more horizontal management models, which allows for better flow of information and greater responsiveness to market changes.

Finally, it is crucial to encourage innovation at all levels of the company. SMEs must not only invest in technological innovation, but also review their internal processes to make them more efficient and more resilient. As Mbog (2017) points out, innovation is the key to differentiating yourself from the competition and meeting new consumer expectations.

A major obstacle facing SMEs is the lack of a clearly defined strategic vision. Long-term goals are often not formalized, which prevents effective resource allocation. According to Fomba (2021), without a clear strategy, SMEs are unable to identify market opportunities and position themselves effectively against the competition. This lack of vision also limits their ability to respond proactively to changes in their external environment.

3.3. Insufficient planning of SMEs

Insufficient planning is a key concept that refers to situations where a business or organization fails to develop a clear and comprehensive strategy to achieve its financial and operational goals. This can result from poor risk assessment, insufficient anticipation of growth opportunities, or a lack of long-term vision in management processes. In this context, we will explore two important facets of insufficient planning: inadequate financial planning and poor anticipation of risks and opportunities.

Financial planning is a crucial component of any successful business. It involves establishing financial forecasts, budgets and managing cash flow to ensure the long-term viability of the business. Inadequate financial planning occurs when these processes are not robust enough to meet business needs or market conditions.

According to Brigham and Houston (2019), financial planning is essential to ensure that businesses have the necessary resources to finance their future operations and projects. When this planning is inadequate, the company may lack liquidity to cover its immediate or long-term needs, which can lead to delays in financing new projects, or in some cases, bankruptcy.

A typical example of inadequate financial planning is the lack of accurate forecasts regarding future sales or income. If a company overestimates its revenue, it may end up investing excessively in new, unprofitable initiatives or projects, resulting in financial losses. Conversely, underestimating revenue could mean the company is not capitalizing on growth opportunities.

“Poor cash flow management” is another common consequence of insufficient financial planning. Gitman and Zutter (2015) explain that cash flow is the backbone of financial management, allowing a company to pay its employees, suppliers and invest in new projects. Without a correct assessment of these flows, companies can find themselves in situations where they lack liquidity to honor their short-term commitments, which can damage their reputation with business and financial partners.

Another aspect related to inadequate financial planning is the lack of provisions for unforeseen events, such as economic crises or business interruptions due to unforeseen events such as pandemics or natural disasters. Burns and Dewhurst (2016) point out that many companies overlook the need to put in place cash reserves or cost-cutting strategies that could enable them to weather sudden crises. So when disruptive events occur, these businesses may be forced to scale back operations or even close.

In addition to financial planning, the ability to “anticipate risks and opportunities” is crucial for any organization. However, in many situations this anticipation is insufficient, leading to lost opportunities and increased exposure to risks.

“Low risk anticipation” often stems from a lack of in-depth analysis or misinterpretation of market trends and economic environments. Hillson (2017) states that risk analysis is a key part of the strategic planning process. When a company fails to take into account external risk factors, such as exchange rate fluctuations, regulatory changes or technological developments, it becomes ill-prepared to deal with them, which can harm its financial performance. .

Financial planning is often neglected in SMEs, exposing them to major financial risks. Inadequate cash flow management and poor anticipation of opportunities and threats contribute to the vulnerability of SMEs to unforeseen events. Gnonhossou (2019) highlights that poor planning increases financial risks and compromises the stability of business operations.

3.4. Difficulties in differentiating yourself from the competition

The “difficulty differentiating yourself from the competition” represents a major challenge for many companies, regardless of their size or sector of activity. In a market environment where products and services are multiplying and technology is evolving rapidly, companies must not only meet consumer expectations, but also clearly distinguish themselves from their competitors. Without effective differentiation, they risk seeing their market share decline and their growth stagnate. This problem can be exacerbated by a “lack of innovation in products or services” and “unsuitable marketing strategies”. This essay will explore both aspects in depth.

“Differentiation” is a key element of competitive strategy. Michael Porter (1985), in his book Competitive Advantage: Creating and Sustaining Superior Performance, popularized the idea that companies must choose between three basic strategies to remain competitive: cost leadership, differentiation, or focus on a specific market segment. For businesses looking to differentiate themselves, it is crucial to offer unique products or services that stand out from competitors and are perceived to have higher value by consumers.

However, this differentiation is not always easy to achieve. In many industries, businesses are battling saturated markets, where products and services are becoming increasingly similar. This saturation often leads to commoditization, where consumers perceive little difference between companies' offerings. According to Kotler and Keller (2016), in such a context, companies must find ways to innovate not only in their products, but also in the way they communicate with consumers and position their brand.

One of the main obstacles to differentiation is the lack of innovation. Innovation, which can result in the creation of new products, the improvement of existing products or the adoption of new technologies, is crucial to remaining competitive. When companies fail to innovate, they risk ending up with offerings that are outdated or unattractive compared to their competitors.

According to Christensen (1997), in his book The Innovator's Dilemma, established companies often struggle to innovate because they focus on incrementally improving their existing products instead of seeking disruptive innovations. This phenomenon occurs especially in industries where companies have managed to maintain their dominant position through high-quality products, but where new technologies or business models are emerging quickly. By not paying attention to these new opportunities, these companies risk losing their competitive advantage.

Innovation failure can also result from a lack of investment in research and development (R&D). Studies show that companies that allocate a larger portion of their budget to R&D tend to have a greater ability to differentiate themselves in the marketplace (Schilling, 2017). For example, Apple and Tesla are known for their constant innovation in their products, which allows them to maintain a significant competitive advantage. Conversely, companies like Kodak, which were slow to adopt new technologies, saw their market share collapse.

In addition to lack of innovation, an inadequate marketing strategy can also harm a company's ability to differentiate itself. An effective marketing strategy involves identifying and communicating the unique value of the company's offering. If this strategy is poorly designed or executed, consumers may not perceive this value, even if the company offers innovative products or services.

3.5. Obstacles linked to the financial management of Cameroonian SMEs

SMEs face problems related to managing their finances, which directly affect their ability to create value and grow. These challenges include difficulties accessing financing, poor cost management and insufficient tax planning. These elements can limit profitability and compromise the long-term viability of SMEs (Fotso, 2019)

3.5.1. Limited access to financing

Access to financing is one of the main challenges facing SMEs, particularly in developing countries like Cameroon. This challenge manifests itself in difficulties obtaining loans or attracting investors, as well as poor cash flow and liquidity management. The ability of an SME to access financing is essential for its growth, innovation, and long-term survival. However, structural and economic constraints, combined with internal weaknesses, often limit SMEs in their quest for adequate financing.

One of the main difficulties that SMEs face in accessing finance is obtaining loans from banks or private investments. According to Fotso (2019), commercial banks often consider SMEs as high-risk entities, due to their financial instability, lack of credit history, and low transparency of their financial management. Banking institutions often require significant guarantees that SMEs cannot provide, preventing them from obtaining loans on favorable terms.

In sub-Saharan Africa, and more specifically in Cameroon, the financial environment is often perceived as being unfavorable to small businesses. The interest rates charged by banks are often high, making the cost of borrowing prohibitive for many SMEs. Furthermore, as Nana (2018) points out, SMEs frequently lack adequate documentation and robust financial reporting,

putting them at a disadvantage in loan application processes. Banks and other potential lenders want to have clear visibility into the company's ability to repay its debts, but in the absence of reliable financial data, SMEs are often denied access to credit.
Another factor is the reluctance of private investors to finance SMEs due to the perception of high risk. Investors are often attracted to companies with rapid growth potential and rigorous management. Cameroonian SMEs, in particular, suffer from the absence of well-structured business plans and a clear strategic vision, making them unattractive to foreign and local investors (Tchouapi, 2018). As a result, these businesses must turn to self-financing or informal sources of financing, which are often insufficient to cover their cash flow needs or finance their expansion.
Furthermore, the venture capital market, which could represent a potential source of financing for SMEs with high growth potential, remains underdeveloped in Cameroon and in the region in general. As Gnonhossou (2019) notes, lack of awareness of alternative financing mechanisms such as venture capital, crowdfunding or business angels also limits SMEs' opportunities to obtain external funds. In the absence of a strong investment culture, most SMEs have to make do with limited funds from their own family or friend network.
In addition to difficulties obtaining loans or attracting investors, SMEs face problems managing cash flow and liquidity. Effective cash flow management is crucial to ensuring the financial stability of a business, but many Cameroonian SMEs lack adequate systems to monitor and control their cash inflows and outflows. This often results in cash flow deficits that make it difficult to pay suppliers, employees, and other short-term financial obligations (Diallo, 2017).
Another crucial aspect of cash flow management is the need to have sufficient cash reserves to deal with unforeseen circumstances. However, many SMEs do not have the capacity to build these reserves due to the constant pressure on their finances. They often rely on daily revenues to cover operational expenses, making them vulnerable to payment interruptions. For example, a sudden drop in sales or an unexpected increase in costs can quickly deplete their cash reserves, plunging the company into financial difficulties (Simo, 2020).
Limited access to financing and difficulties in managing cash flow and liquidity constitute major challenges for SMEs, particularly in countries like Cameroon. Barriers to obtaining loans or investments hamper their ability to grow, innovate, and compete in an increasingly competitive market. At the same time, inefficient cash flow management increases their vulnerability to liquidity crises, which can quickly compromise their viability.

3.5.2. Poor cost management

Cost management is an essential aspect for the survival and growth of small and medium-sized enterprises (SMEs). However, many of them, particularly in developing countries like Cameroon, encounter difficulties in this area. Poor cost management can lead to deteriorating profit margins, reduced competitiveness, and even business bankruptcy. Two of the main problems that characterize this mismanagement are inefficiency in the management of operational costs and the absence of rigorous budgetary controls.
Operational costs represent expenses related to the day-to-day activities of a business, such as personnel costs, supplies, raw materials, and administrative expenses. Effective management of these costs is crucial to the long-term profitability of any business. However, many SMEs in Cameroon and elsewhere in Africa suffer from inefficiency in managing these costs, which can compromise their financial stability.
According to Fotso (2019), one of the main causes of this inefficiency is the lack of precise monitoring and control of costs. SMEs often lack sophisticated accounting systems that can accurately track expenses in each area of business. As a result, they lose sight of the impact of costs on their profitability. For example, an SME may continue to use expensive production

methods without realizing the more economical alternatives available, simply because it does not closely monitor its operational costs.
Inefficiency in managing operational costs can also be attributed to a lack of training and management skills among SME managers. As Talla (2021) points out, many SME owners in Africa have a self-taught entrepreneurial background and have not necessarily acquired formal expertise in accounting or cost management. This gap results in rudimentary management practices, where decisions are often made based on instinct or personal experience, rather than rigorous financial analysis.
Additionally, SMEs often lack the technology needed to automate and optimize their processes. The use of cost management software or enterprise resource planning (ERP) would improve the efficiency of operations by identifying unnecessary costs and implementing more cost-effective processes. However, many SMEs in Cameroon do not have the financial resources to invest in these tools, or they are simply not aware of their usefulness (Nana, 2018).
Another factor that contributes to inefficiency in cost management is the inability of SMEs to negotiate favorable terms with their suppliers. As Diallo (2017) notes, due to their small size and lack of bargaining power, SMEs often struggle to obtain discounts or competitive prices on raw materials and other resources needed to operate. This leads to higher operational costs, which reduce the profit margin. Ineffective inventory management is also a recurring problem in SMEs, with over- or under-purchasing leading to additional costs related to storage or stock-out. The complexity of local regulations and taxes can also increase operational costs for SMEs. Businesses must comply with a multitude of tax and administrative regulations, which are often costly to comply with due to paperwork and frequent inspections (Tchouapi, 2018). This bureaucracy added to compliance costs increases the financial burden on SMEs.
Another major obstacle to effective cost management in Cameroonian SMEs is the lack of rigorous budgetary controls. Budgetary control involves planning and monitoring a company's revenues and expenses to ensure it meets its financial goals. When implemented well, budgetary control makes it possible to detect budgetary deviations and take corrective measures to keep the company on track. However, many SMEs lack effective budgetary control mechanisms, leading to cost overruns and financial losses.

3.5.3 Lack of tax planning

Lack of tax planning is a common problem faced by many small and medium-sized enterprises (SMEs), especially in developing countries like Cameroon. Ineffective tax management and non-compliance with tax obligations can lead to disastrous consequences, such as sanctions, penalties, and an increased tax burden that reduces business profitability. This article addresses the two key aspects of this problem: inefficient tax management and non-compliance with tax obligations, while proposing solutions to improve the tax situation of SMEs.
Effective tax management involves planning, monitoring and optimizing a company's tax obligations in a way that complies with legislation while minimizing tax burdens. However, in many Cameroonian SMEs, tax management is often ineffective, leading to higher than necessary tax costs and disruptions in business operations.
One of the main reasons for ineffective tax management in SMEs is the lack of a clear tax strategy. As Diallo (2018) points out, SME managers often focus on operational aspects and neglect the tax aspects of their business. This lack of long-term tax planning prevents them from taking advantage of the various tax incentives and deductions to which they may be entitled. For example, an SME that does not take into account the tax advantages linked to investments in certain geographic areas or in specific sectors may find itself paying more taxes than necessary.
An effective tax strategy would allow companies to better structure their transactions and adopt accounting practices that reduce their tax base while remaining compliant with the legislation.

However, many SMEs do not have the expertise to develop such a strategy and end up dealing with their tax obligations in an ad hoc manner, often paying their taxes as they arise without any anticipation (Tchouapi , 2019).
Another major cause of ineffective tax management is the lack of recourse to professional tax advisors. SMEs, especially those operating on tight budgets, are often reluctant to hire tax consultants or accountants due to the perceived cost of their services. However, as Nana (2020) points out, the cost of a tax advisor is often offset by the savings made in terms of tax reductions and avoided penalties.
SMEs that fail to hire experts risk missing out on advantageous tax planning opportunities and not being informed of frequent changes in tax laws. In the absence of professional expertise, these businesses often find themselves managing complex tax obligations without the proper knowledge, which can lead to costly errors.
Additionally, SMEs that do not use tax advisors may also misinterpret tax laws, exposing them to penalties or tax audits. As Fomba (2021) notes, the tax environment in Cameroon is often perceived as complex and constantly evolving, with frequent changes in tax rates, special tax regimes and tax incentives. Without appropriate expertise, it becomes difficult for an SME to effectively navigate this complex landscape.
Poor tax management can also lead to cash flow problems for SMEs. Businesses that do not adequately plan for their tax obligations may find themselves short of cash when it comes time to pay their taxes. This situation is particularly problematic for SMEs, which often have limited cash flow margins. As Fotso (2019) points out, SMEs in Cameroon often struggle to accurately predict the amount of their tax obligations, leading to financial surprises when they have to settle their tax debts.

Conclusion:

Having reached the end of this work, the theme of which is “the obstacles to the creation of value in Cameroonian SMEs: a literature review”, it would be interesting to take stock. This work has highlighted the specificities of small and medium-sized enterprises (SMEs) in Cameroon and the major obstacles to value creation in these structures. In Section 1, we saw that Cameroonian SMEs are characterized by their flexibility, their capacity to adapt and their significant contribution to the national economy. However, they also face challenges related to their small size, informal management structure and limited resources, which affects their competitiveness and growth. In Section 2, the obstacles to value creation were examined from various angles: Strategic and planning challenges include a lack of clear strategic vision, insufficient planning and difficulties in differentiating in the market. Financial constraints, such as limited access to finance, poor cost management and a lack of tax planning, are significant obstacles to value for money and growth. Obstacles related to compliance and regulation, where SMEs must navigate a complex and unstable legal environment, add to their difficulties, as do challenges in quality management, with insufficiently rigorous standards. These challenges, although significant, underline the need for reinforced support for SMEs, in particular through adapted government policies, better access to financing and improved management capacities. By overcoming these obstacles, Cameroonian SMEs could exploit their potential and play an even greater role in creating value within the economy.

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