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Proposal for a Conceptual Model Explaining Entrepreneurial Dynamics in the Moroccan Southern Provinces

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Abstract

The present study intends to build an integrated conceptual model that captures the nature of entrepreneurial dynamics features in this structure-based territory geographically remote with a number of socio-economic particularities and which embodies Southern Provinces of Morocco. Considering that entrepreneurship is a multidimensional construct with existence of several determinants, the study follows a multidimensional analytical framework to combine individual, internal and territorial determinants (extended analysis can be seen in [83]). The work adopts fundamental theoretical lenses such as human capital theory, social capital theory, institutional theory and territorial resilience and captures the complex interactions that define entrepreneurial ecosystems across peripheral regions. Articles are also organized by subject and in reverse chronological order.

It includes socio-demographic characteristics, factors of human and social capital, governance quality, public support arrangements, infrastructure availability finance accessibility and structural territorial limitations. It also incorporates strategic dimensions such as innovation, diversification, and environmental sustainability as mediators that influence entrepreneurial outcomes.

The findings stress that the entrepreneurial performance in the Southern Provinces cannot be read as a problem of (individual) capabilities or macroeconomic framework

conditions, but rather as an emergent outcome of a systemic interplay between actors, institutions and territorial arrangement. This study is a contribution to the literature of green growth, providing a place-specific and comprehensive model applicable in coming up with sustainable territorial development pathways for emerging and peripheral economies.

Keywords: Entrepreneurial dynamics; Territorial resilience; Human capital; Social capital; Governance; Southern Provinces of Morocco; Innovation; Economic diversification; Institutional environment; Sustainable development.

Introduction

During the last decades of entrepreneurship conceptualizes itself as a leading strategic factor for territorial advancement, above all in spaces presenting some structural and geographical constraints. Because of their geographical context, natural assets and socio-economic characteristics, the Southern Provinces of Morocco appear to be a unique case study that may provide an example for taking advantage of these opportunities for digital transformation.

Key structural problems that these territories face are isolation and low population densities as well as sectoral dependence, which directly affect not only business creation but also the performance of companies. But they also offer opportunities that come with their geostrategic location, particularly in terms of logistics, renewable energy and access to sub-

Saharan Africa. Thus, the entrepreneurial dynamics in these also have to be understood by combining factors because neither (of) individual or macroeconomic ones will supply satisfactory explanation.

Theoretical literature on economics and management suggests that human capital is an important way to entrepreneurial performance. Skills, education and professional experience are contested as strong predictors of the potential to identify and seize opportunities (Clarke et al., 2025). Additionally, in the environment of weak formal institutions social capital is both an important determinant and a mediator for tapping into (local) resources, knowledge and opportunities (Zalluhoğlu et al., 2025).

Further, from an institutional perspective, the quality of governance and regulations has an impact on entrepreneurship in its own right; it affects both the ability to promote investment confidence and transactional efficiency related to administrative procedures (Caccialanza et al., 2025). These dimensions become even more salient in more peripheral regions because they determine territorial attractiveness and inclusion opportunities along value chains.

Lastly, the theory of territorial resilience provides a system's level perspective by seeing the territory as a system that can adapt to economic environmental shocks. Even more is the case in the Saharan context which stands conditioned by an explicit geographic and structural constraints (Poddar & Roy, 2026).

Therefore, the purpose of this paper is to propose a conceptual model that attempts to explain entrepreneurship dynamics in Southern Provinces of Morocco taking into account individual, institutional and territorial dimension. It is intended to enhance understanding of the mechanisms that create entrepreneurial performance, and economic resilience in aging territories, as well as those strategic levers that act towards their sustainable and inclusive development.

1. Research objectives and theoretical framework

This research aims to study the structural, institutional and individual determinants affecting entrepreneurial dynamics in the Southern Provinces of Morocco. This includes explaining the factors behind business creation, determination, implementation and business support mechanisms, and how businesses contribute to a region's economic resilience. It also involves explaining the determinants of public policies and support frameworks in relation to the structure of a region's entrepreneurial ecosystem, focusing on the analysis of its

geographical characteristics and socio-economic specificities (Lesage, 2022).

Other research objectives include analysing entrepreneurial dynamics in relation to certain characteristics of the region, with a focus on the region's isolation and particularities, logistical connectivity, the size of the local market, and the availability of other infrastructure. It is also a study of the impacts of human and social capital development on the emergence of local economic initiatives, as well as , the determination of the impacts of public bodies (CRIs, INDH, sectoral agencies) on the support or regulation of entrepreneurial projects.

One objective of this research is to attempt to define the problem through an integrated and multidisciplinary theoretical approach. Human capital theory is the first pillar in this context. This theory posits that skills, levels of education and work experience interact positively with entrepreneurial capacity and business performance. In the context of the Southern Provinces, where skills shortages are increasingly being reported, this theory helps us understand the relationships between vocational training, employability and entrepreneurial initiative.

The other perspective is social capital theory. In Saharan societies, solidarity, community and interpersonal networks are structural actors in the mobilisation of resources and the financing of the informal economy; social capital can, to a certain extent, compensate for certain institutional or infrastructural shortcomings whilst strengthening social cohesion.

The theory of the institutional approach to entrepreneurship constitutes the third theoretical framework. This theory advocates for private initiative, entrepreneurial capacity, regulatory initiative, quality governance and integrated public management, in the construction of a perspective and a framework of 'anti-space' – a zone of neutrality – for business (Caccialanza et al., 2025). In the southern provinces, where the state positions itself as a systematic and strategic investor, this institutional dimension is the most relevant for understanding the drivers of the local economy's dynamics.

The theory of systemic territorial resilience holistically integrates all these dimensions. In resilience theory, a territory is regarded as a system capable, in the event of environmental, economic or geopolitical shocks, of absorbing these shocks and reorganising and restructuring itself. In arid regions that are highly dependent on and extremely vulnerable to the climate, resilience theory—and more specifically in the field of entrepreneurship—can be understood as a system of

adaptation and diversification that intrinsically supports the resilience and sustainable transformation of territories.

Integrating these various theories enables us to propose a framework that combines the relationships between individual, institutional and territorial determinants. This offers a better, more comprehensive understanding of entrepreneurial dynamics in the Global South, and an analysis that is not sector-specific but captures the complexity of territorial systems.

1.1. Sociodemographic characteristics of entrepreneurs and human capital

Any analysis of entrepreneurial dynamics in the southern provinces must take into account the socio-demographic characteristics of project leaders. Age, gender, educational attainment, background, professional experience and family situation are key variables for mapping entrepreneurial trajectories. These factors determine, on the one hand, the likelihood of entering entrepreneurship and, on the other, the proximity to entrepreneurial activity within a context shaped by territorial structural constraints.

In the Saharan context, the youthfulness of the population is a key factor in business creation. However, this characteristic can also prove counterproductive where the level of accumulated human capital is likely to be insufficient or misaligned with the needs of the market area. In particular, young graduates face a structural situation characterised by a choice between pursuing a career in the public sector, which has historically been dominant, or the option of entrepreneurial activity in an economically highly volatile region. This structural phenomenon illustrates the significant role of human capital at university level in defining the range and organisation of career choices (Clarke et al., 2025).

Access to public support schemes depends on an understanding of the schemes and financial mechanisms, the ease of integrating new technologies, and the capacity for innovation. An entrepreneur with a degree and established skills is therefore better placed to benefit from initiatives such as Forsa, Intelaka, or those of the Regional Investment Centres. However, training and skills alone are not enough. Experience is also required. This is also a key factor in developing management skills and in establishing organisations and learning processes.

Gender is also a structuring factor. One of the key areas of analysis for women in the Southern Province is the rise of female entrepreneurship, which is reflected in the formalisation of craft, tourism and agri-food cooperatives.

Nevertheless, there are still female entrepreneurs who find themselves in difficult circumstances. The socio-demographic description aims to account for the extent of inequalities in the ownership of resources and, and to examine the role of human capital in relation to resources and the dynamics of the region.

The variables described sociologically are not merely elements of positioning, but also strategic elements that shape the resilience, adaptability, innovation and entrepreneurial capacity of the actors. The emergence of human capital as a strategic lever for driving the transformation and diversification of economic activities within the Southern Provinces is therefore of major importance.

1.2. Social capital, community networks and territorial roots

The structuring of entrepreneurial dynamics in the Southern Provinces is explained by community, family and tribal networks. In the Saharan context, social ties are entrepreneurial (Enoh, 2025), through relationships, trust and solidarity.

Saharan societies are organised on the basis of a historical tradition of solidarity, reciprocity and mutual aid. Solidarity and mutual aid, on which a very large number of economic initiatives rely, facilitate access to information, informal financing, labour and local markets. Due to their immediate nature, family funding and support often play a decisive role, whether in the form of direct financial support, the provision of logistical resources, or the facilitation of contacts within the cotton sector. In a context where financial institutions are highly conservative and reluctant to take risks, social capital, in the broadest sense, serves to a significant extent as a substitute for structural shortcomings.

Local roots reinforce this dynamic. Entrepreneurs with strong ties to their local region have a more detailed understanding of the various resources in their area—be they fisheries, tourism, pastoral or energy resources—as well as the opportunities these present. These local roots enable the socialisation of the entrepreneurial project, which is a crucial factor in a context where trust and reputation, unlike most other forms of economic relations, are of great importance.

Social capital, whilst beneficial, also presents a number of challenges. If social networks are too closed or homogeneous, they can hinder openness to other collaborations, new ideas or integration into value chains. Thus, Saharan entrepreneurs face the challenge of transforming social capital into relational capital that is extensive, integrated, and capable of linking the region to the potential of African and global markets.

The actions undertaken by the public sector in the creation and implementation of pro-entrepreneurial ecosystems, such as incubation schemes, cluster schemes, business and logistics zoning schemes, community network integration schemes, network establishment schemes, business development, network coordination schemes, and the development of a region's social capital.

In this context, social capital (Zalluhoğlu et al., 2025) and territorial anchoring are two key tenets of the thesis's conceptual model. They are decisive because they demonstrate the capacity of entrepreneurs in the Southern Provinces to harness local resources, overcome structural constraints and obstacles, and contribute to the economic diversification of the region.

1.3. Structural territorial constraints: isolation, market size and connectivity

Geographical isolation, distance, low population density and the limitations of internal and external connectivity shape the entrepreneurial environment of the South. Historically, the lack of connectivity has been one of the primary structural factors explaining the economic fragility of the South. Being more than 1,000 kilometres away from countries such as Morocco (which is home to major economic centres such as Casablanca), these provinces have long been naturally isolated, which has reduced their participation in national production and distribution mechanisms.

Despite the significant efforts made to improve access to the provinces via land, sea and air transport infrastructure, the costs associated with distance remain the same, which greatly increases logistics costs and hampers the competitiveness of production units in the regions concerned. Transport times, the availability and cost of delivering inputs, and the position of the market—whether national or international—are factors that determine economic performance. What is even more striking is that this situation penalises small and medium-sized enterprises which, due to their size, have financial capacities that are constrained.

Another significant constraint stems from the small size of the local market. Domestic demand and the resulting economies of scale are limited due to low population density. As such, many businesses are unable to achieve a sufficient break-even point, unless they look to external markets. However, expanding abroad requires logistical expertise, export capabilities and regulatory certifications that local entrepreneurs do not always possess. This results in a fragmented market economy, in which businesses that thrive

on their ability to export compete with others confined to a narrow local market.

Internal connectivity is another key factor. The smooth flow of inter-regional trade is hampered by the separation of populated areas, extreme weather conditions, and the vulnerability of certain road infrastructure. The development of mobile and fibre-optic networks has boosted trade, but the exclusion of certain rural or semi-nomadic areas has limited the growth of the digital economy and the integration of peripheral regions (Poddar & Roy, 2026). This exacerbates the lack of cohesion in local value chains and complicates coordination between producers, processors and distributors.

Structural and territorial constraints do not relate solely to physical barriers. They also affect the strategic dimensions of economic actors, economic models and development trajectories. They translate, in whole or in part, into explanations for capital retention, sectoral sequencing and the technical nature of the demand for public spatial planning policies. The study of these constraints, within a given environment, is of great importance in explaining entrepreneurial performance in the Saharan region.

1.4. Sectoral dependence and economic vulnerability

In some regional economies, the economic structure is very limited and focuses mainly on fishing, the public sector and, more recently, tourism. This configuration generates both opportunities and significant vulnerability. As already mentioned, one of the greatest vulnerabilities of systems economically dependent on production is exposure to variable external shocks.

Fishing is a fundamental activity for the subsistence of the Saharan blue economies. That said, dependence on fishing presents vulnerabilities in terms of climate cycles, resource availability, overfishing and regulation. Relying on such an unstable activity, subject to such fluctuations, can lead to social instability and job losses. Similarly, tourism is also a highly dependent activity. Tourism in certain regions is heavily reliant on international links, leading to fluctuations depending on the crisis. This has been evident during health crises.

Historically, the civil service has dominated, and for a long time it has served as a social buffer. However, dependence on public sector employment can, on the one hand, stifle the entrepreneurial spirit, whilst, on the other, it can constrain productive diversification. An economy characterised primarily by public transfers, supplemented by extractive activities, is one that constrains local value creation and,

consequently, produces deficiencies throughout the economic fabric.

Dependence on poorly diversified sectors is the most significant factor in understanding the need for economic diversification (Jackson et al., 2026). Such dependence on one or two sectors at any given time is a clear indication of profitability and a high degree of demand concentration. Sectors such as aquaculture, greenhouse agriculture, renewable energy, regional logistics, digital technology and processing offer opportunities for diversification and value creation.

The thesis's analysis shows that sectoral dependence—and, consequently, the level of economic diversification—is highly relevant, as it indicates the combination of entrepreneurial activity, economic resilience and the capacity to invest at a regional level. A low-productivity economy undermines resilience and entrepreneurial performance, and all of this will reduce regional development to a function of demand concentration.

1.5. Quality of governance and institutional environment

The entrepreneurial dynamics of the Southern Provinces, characterised by structural foundations, require an understanding of the quality of governance. In a rapidly changing environment, the quality of governance provides the capacity to structure economic opportunities, reduce uncertainty and foster a willingness to make private investments. Governance goes beyond land management, encompassing the capacity of public institutions to guide stakeholders, embed transparency, protect investments and provide an environment of trust to support private economic activities.

The regions of the Saharan provinces, the progress made in regionalisation and the strengthening of regional councils have increased the decentralisation of strategic decision-making. This institutional change facilitates the tailored adaptation of public policies to regional contexts and . However, the effectiveness of this governance model depends on the coordination of inter-level institutional frameworks across different scales – central government, local governments, public institutions, the private sector and education. In the absence of coordination, administrative delays, overlapping mandates, strategic silos and gaps tend to hinder entrepreneurial activity.

The integration of simplified administrative procedures, the digitisation of public services, legal certainty, and the consolidation of regulatory frameworks are key elements of a

high-quality institutional environment. The digitisation of administrative services, the creation of one-stop shops for investment, and streamlined management of administrative transparency are steps towards enhancing the legitimacy of local institutions. This is particularly evident in areas covering vast distances, notably the Southern Provinces. Indeed, in these areas, administrative efficiency is of the utmost importance for attracting investors, whether domestic or foreign.

The impact of inclusive territorial governance is to stimulate a region's capacity for innovation. Based on a spirit of consensus and cooperation, such governance involves consultation with a region's stakeholders—whether entrepreneurs, associations or community organisations—thereby facilitating the identification of the region's needs and the collaborative development of solutions. In the wider Saharan region, where numerous socio-cultural entities and community-based approaches coexist, the integration of local actors into decision-making strengthens mobilisation and improves the outcomes of public policies (Barman et al., 2025).

In this sense, the quality of governance and the institutional environment are among the key determinants of entrepreneurial performance. They determine ease of access to resources, investor confidence, economic stability and a region's ability to convert its resources into sustainable competitive advantages.

1.6. Public support schemes (CRI, INDH, Forsa, Intelaka and Awrach programmes)

Public support programmes play a central role in fostering entrepreneurship in the Southern Provinces. Given the constraints of a limited local market, logistical and al barriers, and a skills shortage, public intervention acts as a structural lever to stimulate private initiatives and reduce barriers to entry.

The Regional Investment Centres (CRI) and their role in improving the business climate cannot be underestimated. Their role goes far beyond mere administrative support; they also contribute to the strategic direction of projects, the reduction of administrative burdens, the identification of sectoral opportunities and public-private financial partnerships. In the regions of Laâyoune-Sakia El Hamra and Dakhla-Oued Eddahab, the CRIs are active in shaping the entrepreneurial ecosystem, particularly in the most promising sectors such as aquaculture, logistics, tourism and renewable energy.

The National Initiative for Human Development (INDH) is a leading tool for socio-economic inclusion. In the Southern Provinces, it supports women's cooperatives, income-generating activities and social projects, as well as the financing of development projects. This contributes to reducing geo-economic inequalities and to the inclusion of economically vulnerable people. Furthermore, the INDH funds the development of social entrepreneurship in a Saharan context, where community spirit prevails.

Forsa, Intelaka and Awrach are integrated projects designed to support entrepreneurs. Intelaka, which offers guarantee schemes and preferential interest rate options, is aimed at young project leaders (Adam et al., 2025). For its part, Forsa focuses on mentoring, combining finance and technical coaching to ensure the sustainability of projects. Awrach, whose main focus is temporary employment and integration, contributes to the fight against unemployment and boosts the local economy.

Key factors for the success of these schemes include post-funding support, the positioning of projects in relation to the region's constraints and opportunities, and the development of the overall infrastructure. At times, the impact of certain mechanisms has been limited within the programme due to a lack of monitoring and insufficient support in management and marketing for beneficiaries.

Public support mechanisms within the scope of this thesis constitute one of the key variables. They influence the potential for business initiatives, the sustainability and growth of SMEs, and the employability and inclusion of young people and women in the formal economy. This approach makes it possible to assess the state's role as a catalyst for change in spatial organisation, and to evaluate public policy on entrepreneurship in the Sahel.

1.7. Access to finance and the business climate

Financing is one of the most critical elements for entrepreneurial dynamism in the Southern Provinces. Against a backdrop of very low economic density, highly fragmented markets and risks of structural and geographically remote isolation, the management and mobilisation of financial resources are essential for the creation, sustainability and growth of one or more businesses. In this regard, financing, beyond its role as a resource, serves as an indicator of the confidence that the banking system and investors place in the region's economic potential.

People in the Sahara region, particularly in the south and centre, as well as young people and members of cooperatives,

often face the greatest difficulties due to collateral requirements, a lack of financial history and a lack of understanding of financial risk. The distance from the main national financial centres, notably Casablanca, exacerbates this situation. Within the community network, family self-financing remains the most common recourse, severely limiting the scale and growth of initiatives.

Public schemes for financing support, financing guarantees and business start-up assistance have drawbacks and could make better use of support initiatives, as well as techniques for assessing the economic viability of supported projects. Just as with access to finance, the sustainability of newly created businesses depends on skills in management, strategic planning, marketing and administration (Alzuod et al., 2025).

The business climate is linked to mechanisms for accessing finance. It is the most common definition of the set of conditions—whether institutional, regulatory or economic—that influence economic activity. In the Southern Provinces, efforts to streamline administrative procedures, digitise processes, reduce processing times for investment applications, and improve transparency are increasing the region's attractiveness. However, there is still room for improvement regarding coordination between different institutions, the availability of specialised services, and the structuring of systems across various sectors.

In addition to the need for funding, a favourable business climate is vital. These two factors are the primary and most important elements in transforming commercial ideas into tangible projects, and in improving the economic performance of a country in the Sahara during times of crisis.

1.8. Economic infrastructure (ports, industrial zones, energy, digital)

Economic infrastructure is essential for regional development. It is also a strategic tool for the economic competitiveness of the Southern Provinces. In areas characterised by vast distances and a high dispersion of populated areas, the quality of infrastructure is crucial for the integration of regions into value chain systems, both nationally and internationally.

Port infrastructure, in particular, is a key factor in shaping the economy of the Sahara. The ports of Laâyoune, Dakhla and Boujdour occupy strategic positions for fishing, exports and the logistics of seafood products. The construction of the Dakhla Atlantic Port is part of this strategy and positions the region as a potential hub for West Africa. These facilities facilitate the movement of goods and merchandise, reduce logistics costs and make the region more attractive to

investment, whether public or private, national or international.

In recent years, industrial zones have begun their consolidation phase by offering new spaces for freight, processing and the value-adding of seafood and agro-industry products (Routroy et al., 2025), as well as for logistics and associated services. Their success depends above all on the quality of infrastructure, the availability of support services, and the integration of road and port transport infrastructure. For industrialisation and the restructuring of economic activities to progress, all components of the zone must be developed in an integrated manner.

The Southern Provinces, in particular, are uniquely positioned with regard to the strategy for integrating the various components of renewable energy. The integration of renewables into the spatial planning/smart territory hybridisation strategy also presents an opportunity to create added value through the flexibility of energy systems. Renewable energy systems, particularly wind and solar power, generate flexibility in consumption, which transforms energy consumption into a value-added product. This is relevant for green hydrogen and energy-intensive industries. Unified digitalisation of public administration and a robust telecommunications network can help bridge the digital divide. In the digital sphere, a well- d telecommunications services system and the digitalisation of public services can reduce the territorial divide and foster new forms of entrepreneurship.

A diagram in the thesis illustrates the conceptualisation of economic systems, in which economic systems constitute a structuring variable, as they determine the expression of productivity, competitiveness and the potential scope of firms' economic activities. They embody public policies and determine the understanding of the success of sustainable transformations in the Southern Provinces.

1.9. Innovation, training and skills development

Innovation is essential for economic transformation in the Southern Provinces. Due to geographical constraints, small market sizes and sectoral dependencies, innovation is essential for the competitiveness and sustainability of businesses. Innovation may include non-technological innovations, such as organisational, social and institutional innovations, which enable economic frameworks to be adapted to the context of the Saharan region.

The development of skilled human resources is the cornerstone of this innovation cascade. In particular, the

growth of aquaculture, renewable energy, port logistics, sports tourism and the digital sector requires qualified personnel to integrate new technologies and manage complex systems. The lack of adequate technical and managerial skills continues to be an obstacle to the emergence of high value-added entrepreneurship. Thus, vocational training, specialised higher education and the establishment of business incubators or innovation centres appear to be strategic means of addressing this need.

Regions are spaces that blend traditional and contemporary knowledge. In the southern provinces, it is possible to identify so-called cultural, agro-industrial innovations in the Sahara and tourism, where livestock farming, crafts and indigenous knowledge are showcased. This blend of traditional practices and contemporary technologies constitutes a territorial distinctiveness that can serve as a foundation for the originality and differentiation of economic offerings (Balcioğlu & Evranos, 2025).

Innovation and skills development are explanatory factors that form part of the conceptual model. They determine both entrepreneurial performances, the ability to adapt to changes in the environment, and sustainability in the Saharan desert through economic transformations.

1.10. Productive diversification and moving upmarket

One aspect of the economic growth structure of the Southern Provinces is productive diversification. At the regional level, as the regional economy has historically been dominated by fishing, public administration and certain commercial activities, the regional economic structure becomes vulnerable to sectoral shocks and fluctuations in demand on the international market. The aim of economic diversification is to create an alternative productive base, *ceteris paribus*, and to reduce economic vulnerability to shocks, whilst integrating this into the equation of economic resilience.

Diversification is generally followed by upgrading. This occurs through a shift from a low-level activity to a higher-level one. In other words, the transition from primary activities with low added value to activities involving processing, packaging, services, innovation and technology. In the fisheries sector, it is possible to improve regional competitiveness through industrial processing, health certification and integration into international value chains. In the tourism sector, the creation of integrated packages and ecotourism help to reposition the region towards high-profitability enterprises.

Productive diversification also gives rise to emerging sectors such as logistics, the digital economy, greenhouse agriculture, green hydrogen and cultural industries. These sectors generate skilled jobs and help integrate a region into the continent's economic currents. However, their development requires training strategies, skilled human capital and an appropriate institutional and infrastructural environment.

In the research model, diversification and upgrading are intermediate variables situated between territorial resources and the outcomes of entrepreneurial activity (Setyorini et al., 2025). They indicate a territory's capacity to transform its natural resources and strategic positioning into competitive sustainability.

1.11. Environmental sustainability and territorial resilience

In the Southern Provinces, environmental sustainability is a fundamental component. It is essential that economic strategies, within a fragile desert ecosystem, incorporate the preservation of natural resources. In areas of water stress, prone to desertification and extreme weather events, overfishing, pressure on groundwater reserves and urban sprawl, sustainability will be compromised in the absence of sustainable management and regulatory mechanisms.

Territorial resilience is a territory's capacity to cope with economic or climate crises. Territorial resilience implies the capacity to resist, adapt, transform or innovate in the face of structural constraints. In the case of the Southern Province, this resilience relies on a combination of the other elements, community mobilisation and territorial governance. Investments in renewable energy, seawater desalination and the digitalisation of public services are examples of investments that strengthen this adaptability.

In the case of resilience, the socio-cultural sphere is fundamental. Values of solidarity, community networks and a strong sense of identity reinforce social cohesion and facilitate the organisation's economic transformation. The interaction between these different forms of natural, social and institutional capital enables the design of a development model that is in line with the specific characteristics of the Sahara.

The concepts of territorial resilience and environmental sustainability lie at the heart of all the entrepreneurial dynamics analysed in this thesis. They are necessary conditions for the long-term viability of businesses and the stability and sustainability of production systems, as well as

for the ability of territories to pursue their development from an intergenerational perspective.

2. Conceptual research model

The conceptual model proposed in this research seeks to explain entrepreneurial dynamics in the Southern Provinces of Morocco using an integrated approach, combining individual, institutional and territorial factors. The model is based on the central idea that entrepreneurial performance and the resilience of businesses cannot be understood without taking into account their spatial, economic and institutional environment (Patidar et al., 2025).

Unlike models that analyse an entrepreneur's individual characteristics or macroeconomic determinants in an overly simplistic manner, the model developed in this thesis adopts a multi-level analytical framework. It integrates entrepreneurial human and social capital, territorial structural constraints, the quality of governance, public support frameworks, entrepreneurial access to productive resources, as well as innovation, diversification and sustainability.

The conceptual model of socio-demographics and human capital directly affects entrepreneurial capacity, whilst social capital and territorial embeddedness play a key mediating role in resource mobilisation. Furthermore, structural constraints (enclosure, small market size, limited connectivity) and sectoral dependence exert pressure on business performance, which can be mitigated by the quality of institutions, infrastructure and public support mechanisms.

The central dependent variable of the model is the performance of entrepreneurial activity, understood as the capacity to create, grow, innovate and be resilient within a given Saharan context. This performance does not relate solely to financial indicators, but also includes environmental sustainability, inclusion in value chains and contribution to local development.

Thus, the proposed conceptual model constitutes an integrated analytical framework that allows us to empirically test the individual, institutional and territorial factors affecting entrepreneurial dynamism in the Southern Provinces.

2.1. Theoretical justification of the model

The theoretical justification for the framework is based on a synthesis of the main theories discussed in Chapter 1. The theory of entrepreneurial opportunities emphasises the importance of an individual's alertness and ability to identify opportunities within a specific environment. However, in the Saharan context (Singh, 2025), characterised by structural

constraints, individual entrepreneurial capacity is insufficient to explain entrepreneurial success.

Resource mobilisation theory introduces a collective and territorial dimension by highlighting the fact that the entrepreneur operates within a system of material, financial, symbolic and relational resources. In the Southern Provinces, social capital, community networks and institutional support are crucial for resource accessibility and risk mitigation.

Expected utility theory sheds light on the decision-making dimension by illustrating how entrepreneurs make trade-offs based on risk, uncertainty and potential returns. This type of reasoning is particularly influenced by the small size of the market, sectoral dependence and vulnerability to external shocks.

Strategic actor theory helps to understand the interactions between different entrepreneurs, public actors, investors and civil society actors. It enables to explain the integration of elements of territorial governance, public tools and the provision of economic infrastructure.

The uniqueness of the proposal lies in the integration of the territory as a structuring variable. The Southern Provinces are not merely an economic arena, but a living territory that influences entrepreneurial behaviour. By bringing together these theoretical contributions, the model moves beyond the traditional approach by providing a context-specific response to Saharan realities.

2.2. Identification of explanatory variables

The explanatory variables included in the model have been organised into three main dimensions: individual, institutional and territorial.

The first dimension concerns the socio-demographic characteristics of entrepreneurs and includes human capital, level of education, length of service in a professional role, age, gender and qualifications in (technical and) management fields, etc. All these factors are decisive as they affect a person's ability to identify opportunities, innovate and manage the business effectively (Nguyen & Nguyen, 2025).

The second dimension refers to social capital, community networks and territorial roots. In the Southern Provinces, tribal, family and professional relationships facilitate access to informal financing and the formation of partnerships. This variable is fundamental for resource mobilisation and the reduction of information asymmetries.

The third dimension relates to structural constraints of a territorial nature, particularly isolation, the small market size, internal and external connectivity, and sectoral dependence. All these factors determine both the capacity for business expansion and the extent of the economic risks incurred.

In addition to these dimensions, there are institutional variables that can also explain aspects of governance quality; the regulatory framework; public support schemes (CRI, INDH, Forsa, Intelaka and Awrach); and access to finance and the business climate. Economic infrastructure (ports, industrial zones, energy and digital infrastructure) are also key factors that either limit or provide opportunities for business expansion.

Ultimately, variables such as innovation, strategic diversification, productivity improvements and environmental sustainability are considered key factors in business performance and resilience.

Identifying these variables establishes a coherent explanatory model which, through empirical economic methods, reveals the relationships between these individual, institutional and territorial factors within the entrepreneurial dynamics of the Southern Provinces.

2.3. Dependent variable: Multidimensional quality of territorial entrepreneurial integration

For this research, the dependent variable cannot be limited to the usual measurement of economic performance. It is understood as the multidimensional quality of territorial entrepreneurial integration, which characterises the potential of entrepreneurs in the Southern Provinces (Manna et al., 2025) to integrate sustainably into the local, national and international economic fabric, and to participate in the construction of territoriality.

This quality of integration is based on several dimensions:

The first dimension relates to economic development. This concerns the enterprise's ability to achieve comfortable economic profitability in the medium term, to ensure its sustainability and to generate jobs. It also concerns the ability to position itself in external markets and to move logically within the value chains of the fisheries, tourism, agro-industry and renewable energy sectors.

The second dimension concerns the local area. This relates to the extent to which the business is locally rooted, its ability to utilise local resources and its position within regional economic networks. An entrepreneurial opportunity is well-

suited when there is productive economic synergy with the area, particularly in relation to fisheries, tourism and energy.

The third-dimension concerns institutional development. This relates to an entrepreneur’s ability to adapt their actions to administrative and regulatory frameworks, to the availability of public support mechanisms, and to the economic situation as a structural component. A good fit is achieved through action that is flexible yet relevant within a specific local context.

The fourth dimension is intrinsically social and environmental. This includes the sustainability of the activity, taking into account the severe ecological constraints of the Sahara, the inclusion of vocational training for young people and women, and support for territorial resilience. In an environment vulnerable to climate change and with pre-existing sectoral dependence, the quality of fit is also a measure of the enterprise’s capacity to adapt and innovate sustainably.

Certainly, the dependent variable presents itself as a latent, multidimensional construct, understood in various ways through indicators linked to economic performance, territorial anchoring, governance (Bansal et al., 2024), diversification and sustainability. Thus, this approach moves beyond a strictly financial interpretation of entrepreneurial success, towards an integrated and territorialised approach.

2.4. Graphical representation of the conceptual model

The conceptual framework of the research is organised into a causal structure linking explanatory variables and a multidimensional dependent variable.

At the first level, individual variables relate to the socio-demographic characteristics and human capital of entrepreneurs. These variables directly affect entrepreneurial capacity and, in the case of the quality of integration, indirectly through innovation and diversification. At the second level, relational variables include social capital, community networks and territorial anchoring. They play a mediating role by improving access to financial, informational and institutional resources.

At the third level, structural variables of the territory, such as the regulatory framework, market size, connectivity and sectoral dependence, have a constraining effect on entrepreneurial dynamics. These factors can reduce the scope for manoeuvre of businesses, unless offset by adequate infrastructure and effective governance.

At the fourth level, institutional and infrastructural variables relating to the quality of governance, the public support framework, access to finance, the business climate and economic infrastructure act as moderating or facilitating factors. They can reduce the impact of structural constraints and enhance entrepreneurial performance.

Research shows that when it comes to transforming challenges into opportunities and turning them into regional success, strategic variables such as innovation, training, productive diversification and environmental sustainability are decisive (Siswanti et al., 2025). Graphically, the model can be likened to an integrated system as follows:

- Individual and relational variables have a positive and direct impact on the quality of integration.
- Regional constraints/major obstacles have a direct and negative impact.
- Institutional and infrastructural variables serve to mitigate the impacts of these constraints.
- Strategic variables (innovation, diversification, sustainability) act, within a model, as intermediaries between available resources and final performance.

This illustration reflects a certain systemic and multi-level logic, in which entrepreneurial dynamics are the result of multifaceted interactions between economic agents, the territory and institutions. It provides an empirical basis for the hypotheses that will be developed and tested in the remainder of this work.

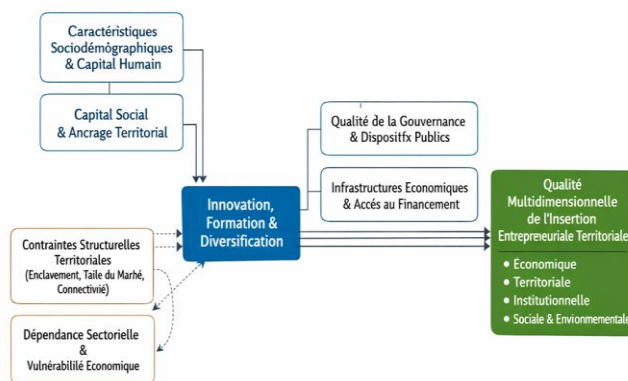


Figure 1 : Graphical representation of the conceptual model linking territorial, institutional and entrepreneurial determinants to the performance and resilience of the southern provinces of Morocco

3. Research hypotheses

The formulation of research hypotheses is a key element in developing the thesis methodology, as they provide the means to test the thesis's elements empirically. These hypotheses are constructed within a deductive framework, which involves establishing a link between the theoretical elements underpinning Chapter 1 – namely the theory of entrepreneurial opportunities, resource mobilisation, expected utility and the strategic actor approach – and the depth of the territorial analysis in Chapter 2.

The aim here is not merely to analyse the relationships of dependence and independence between variables, but to go beyond simple contextualisation and examine the sociological, economic and institutional variables of the southern provinces of Morocco (Mir et al., 2025), in terms of their capacity to structure, organise or thereby invigorate the structure of entrepreneurship. The hypotheses thus formulated are structured around three main axes: the determinants of the individual and the relational, territorial structural constraints, and the institutional and strategic levers of transformative sustainability.

3.1. Hypotheses relating to individual characteristics and human capital

The importance of human capital in relation to business creation and performance is well established in economic and management literature. In the southern provinces, education, professional experience, and technical and managerial skills contribute to entrepreneurs' ability to identify opportunities, mobilise resources and establish sustainable positions within local and international value chains.

H1: The socio-demographic characteristics and human capital of entrepreneurs have a positive influence on the quality and level of performance of entrepreneurial integration in the southern provinces.

Social capital, understood as all relational, community and professional networks, is also a key factor, particularly in a situation where formal support structures are still being consolidated.

H2: Social capital and the geographical roots of entrepreneurs have a positive impact on entrepreneurial success and the resilience of economic activities.

3.2. Hypotheses regarding territorial structural constraints

The Southern Provinces have specific characteristics in terms of relative income, the dispersion of inhabited areas, small local markets and sectoral dependence. These are all features that may limit the diversification and sophistication of entrepreneurial activities.

H3: Territorial constraints (isolation, poor connectivity, small market size) have a significant adverse impact on the growth and sustainability of businesses in the area.

The high sectoral concentration (Pocard, 2024) in fishing, tourism and public administration also exposes the region to structural economic vulnerabilities.

H4: Sectoral dependence increases the economic vulnerability of businesses and reduces their potential for expansion and diversification.

3.3. Hypotheses relating to the institutional environment and public policies

The institutional environment and the quality of territorial governance influence the confidence of economic actors, administrative ease and the attractiveness of the business climate.

H5: The quality of territorial governance has a positive impact on entrepreneurial activity in the southern provinces.

Public support mechanisms (CRI, INDH, Forsa, Intelaka, Awrach) are designed to reduce barriers to entry and provide funding and support to businesses.

H6: Access to public support mechanisms significantly increases the likelihood of local businesses being established and surviving.

Access to finance and the use of administrative simplification are also crucial levers.

H7: Easier access to finance and a favourable business environment increases entrepreneurial activity and local investment.

3.4. Hypotheses relating to infrastructure and strategic drivers of transformation

Economic infrastructure such as ports, industrial zones, renewable energy and digital infrastructure plays a multiplier role in the structuring of value chains and the integration of Africa.

H8: The development of economic infrastructure has a positive impact on the competitiveness and regional integration of businesses in the southern provinces.

Upgrading and productive diversification must be achieved through innovation, learning and staff development.

H9: Productive diversification and the upgrading of economic activities are achieved through investment in innovation and skills development.

The Saharan context, with its ecological constraints, makes environmental sustainability and territorial resilience strategic priorities.

H10: Taking environmental sustainability and territorial resilience into account helps to better ensure the long-term viability of businesses in the southern provinces.

3.5. Overall hypothesis of the integrated model

Beyond individual relationships, this research seeks to establish the existence of a systemic effect arising from the interaction of individual factors, territorial constraints, and institutional levers (Phu et al., 2025).

H11: Entrepreneurial dynamics in the Southern Provinces result from a structured interaction between human capital, social capital, the institutional environment, economic infrastructure and innovation, collectively impacting territorial performance and resilience.

This paper, building on the previous studies, will operationalise the conceptual framework in order to translate it into a set of research hypotheses, thereby enabling an empirical analysis of the research question. It has successfully integrated contributions from entrepreneurship theory, organisational sociology and regional theory, thereby drawing on the socio-economic specificities of the southern provinces of Morocco to transform analytical concepts into causal relationships and subject these to the application of statistical tools.

The hypothetical framework thus chosen is based on an integrated understanding of entrepreneurial dynamics. It is therefore not specifically shaped by the psychological traits of entrepreneurs, nor is it shaped by a purely structural view of the sphere. It is in fact a process of associations or sets of complex relationships relating to human capital, capital, structure, infrastructure, geographical barriers, sectoral dominance, and capacity for innovation. This cross-cutting, multi-level approach offers an interpretation that is both more satisfactory and even more comprehensive than a simple

reduction of Saharan entrepreneurship, and remains a systemic interpretation of conditions in the southern provinces.

The thesis reveals a dual scientific ambition: on the one hand, to understand the impact of individual, institutional and territorial factors in a differentiated manner when assessing entrepreneurial performance and economic resilience; and on the other hand, to identify strategic levers, within a context of structural constraints, that present opportunities for sustainable development (Hossain et al., 2024). It is the intersection of the essence of vulnerability and adaptation that justifies the proposal of this integrated model.

In the formulation of the hypotheses, the approach is theoretical and practice-oriented. This sets out the framework for the epistemological underpinning, decision-making regarding methodological choices and research methods, which will be addressed in the following section. The empirical analysis should, amongst other things, enable an assessment of the conceptual model's robustness and help determine the role that entrepreneurial dynamics might play in the southern provinces of Morocco as a structuring factor in sustainable territorial transformation.

Conclusion

This paper has provided an integrative visual framework of the processes and interactions which shape entrepreneurial behaviour in Morocco's Southern Provinces, to emphasise the multifaceted nature of institutional, territorial and individual perceptions within such regional systems. Traditional ways of isolating entrepreneurship - the analysis that provides separate parts, those who articulate away interdependence, as opposed to holistic/eco (systemic-in-its-multiple-problems) approach we launch for different tiers: university/breeding grounds/small/micro-large.

Findings show that entrepreneurial performance can neither be characterized solely by human capital nor individual entrepreneur traits, but emerges from a set of interactions between social networks, structural constraints, and the quality of governance and public support mechanisms. More broadly, strategic considerations over technology transfer, economic diversification and ecological sustainability are also key to harnessing limits as development opportunities.

The paper also highlights the role of public policy in human ecosystem for entrepreneurship along three axes finance, infrastructure and business climate improvements. Yes, it also underscores the role of inclusive and concerted territorial

governance as a mechanism to mobilize all local actors behind a shared vision for sustainable development.

In summary, although this study is limited to Saharan regions in its focus it also sheds light on the theoretical framework surrounding such issues by contextualising an analytical grid within seasonal management across specific situations. On the practical side, it provides useful recommendations for decision makers in public administration and economic actors pointing towards the levers to be acted upon maybe so as to strengthen the resilience and competitive capacity of these regions.

Therefore, by conducting future empirical research we will be able to validate the robustness of our model in addition to studying quantitatively how different variables impact entrepreneurial performance. This research addresses two fundamental problems of the region by establishing a data-driven framework of endogenous growth that helps to advance an understanding of the determinants of economic development in general as well as improves the design of policy toward achieving sustainable models so that these processes also factor structural inequities.

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