

FAMILY ENTREPRENEURSHIP IN AFRICA

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ABSTRACT

Family entrepreneurship is the backbone of economic development and growth in most African countries, including job generation. Small community-based enterprises to multi-industry conglomerates are all examples of family businesses. To ensure their growth, it is important that family businesses are delicately and decisively managed. Like other types of businesses, family businesses require an enabling environment to thrive. This environment is embedded within an entrepreneurial ecosystem which includes policy, capital, culture, market access, resources, human capital, innovation research and development, technology transfer, and community building. This chapter aims to look at the fundamental components of the entrepreneurial ecosystem that help family businesses develop and grow. The chapter's discussions focused on the family business ecosystem, culture, conflicts, and other challenges that African family-owned businesses face. The analysis was aided by using an explanatory embedded multiple case study methodology. Top Faith University, Mkpatak in Nigeria, Maponya Business in South Africa, and Mohammed Enterprise Limited (MeTL) in Tanzania are the three case studies presented. It was observed that one of the major risks for family businesses is succession planning and conflict over succession in the business. This could be due to family system behaviours and norms such as communication, conflict resolution approaches, and family positional power. Based on these findings, African family businesses should consider adopting appropriate governance structures, procedures, and succession planning to mitigate operational risks. The governance structures and procedures- present opportunities to strengthen their market value, such as technology transfer, hiring competent human capital, fostering a positive workplace culture, and ensuring that their business is run professionally to attract investors and collaborators as it grows. Family businesses should implement a proactive strategy plan for succession planning to enable sustainable growth and the successful transfer of these businesses to the next generation.

KEYWORDS: *Family Entrepreneurship, Entrepreneurial Ecosystem, Culture, Succession Planning.*

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