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Governance in Family Enterprises in Africa: Creating Structured Rules and Culturally Grounded Processes

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Abstract

African family businesses are a core pillar of Africa's economy, contributing to the vast majority of the continent's employment. However, informality remains a widespread governance pain point, including reliance on oral rules, highly centralised founder power, and a lack of structured succession mechanisms. Grounded in stewardship theory and institutional theory, this paper conducts research using a conceptual analysis method based on peer-reviewed literature from the period 2020–2026, and sets two core objectives: first, to sort out the core governance challenges and structural gaps in this research field; second, to propose context-specific governance rules adapted to Africa's cultural and institutional landscape. This study identifies four long-term barriers: succession crises, founder's syndrome, weak boards of directors, and cultural resistance to formalisation. It introduces a seven-component governance framework that integrates mechanisms such as family charters and family councils, and incorporates the indigenous Ubuntu philosophy. This work fills gaps in the emerging body of literature on this topic and can provide practical, actionable guidance for family business owners, governance consultants, and policymakers.

Keywords: Family Enterprises, Governance, Governance Structures, Succession Planning, Institutional Framework, Ubuntu Philosophy, Family Council, Stewardship Theory

Introduction

Family businesses form the backbone of the African economy, ranging from micro-traders to large, multi-generational conglomerates. Accounting for 60% to 70% of all formal and informal enterprises across the continent, these firms generate a substantial share of GDP and sustain the livelihoods of the majority of the working population (Mansouri et al., 2024; Quartey & Abor, 2020).

Despite their economic significance, these enterprises are highly vulnerable because they rely on informal governance structures. Decision-

-making is typically centralized in a founding patriarch, formal written procedures are absent, and ownership boundaries remain blurred. Consequently, succession planning is rarely intentional and instead operates as a reactive measure in response to crises. This institutional fragility often triggers three critical points of failure: failed leadership transitions, severe ownership disputes, and financial instability from commingling family and corporate funds.

While contemporary literature acknowledges these operational hurdles, conventional governance research remains heavily skewed toward Western paradigms. Superimposing formalized frameworks designed for mature regulatory environments onto African contexts represents a fundamental mismatch. Western models are anchored in agency theory, which privileges individual utility maximization. In contrast, African business environments are shaped by dense kinship networks, informal institutional arrangements, and the *Ubuntu* philosophy, which prioritizes collective well-being (Sarpong & Maclean, 2021).

This study addresses this gap through a structured conceptual literature review and thematic synthesis. By investigating the lived governance realities of African family businesses, this research aims to develop a culturally grounded, structured governance framework that enhances accountability, operational continuity, and long-term organizational sustainability by putting forward the following research objectives and research question. Two objectives guide the inquiry:

Objective 1: To identify the key governance challenges facing family enterprises in Africa and the structural gaps that impede formalised governance adoption.

Objective 2: To propose context-sensitive governance rules and processes suited to the African family enterprise environment.

Research Questions:

i. What are the key governance challenges that are facing family businesses in Africa?
ii. What are the governance rules and processes suited to African family enterprises?

LITERATURE REVIEW

Conceptualising Family Enterprise Governance

Family enterprise governance refers to the formal and informal mechanisms through which family firms are directed, controlled, and held accountable to their stakeholders (Zellweger, 2017; Le Breton-Miller & Miller, 2021). Two overlapping domains are typically distinguished: family governance, concerned with relationships and decision-making among family members, and business governance, concerned with the oversight of the enterprise itself (Carney et al., 2015). In practice, the boundary between them is porous, and what happens in one domain regularly destabilises the other (Poza & Daugherty, 2022).

Formal governance takes the shape of boards, family constitutions, shareholder agreements, and family councils. The informal variant relies on shared norms, tradition, and personal trust (Miller & Le Breton-Miller, 2021). In most African family enterprises, the informal mode is not a supplement to formal structures but a replacement, with rules embedded in oral culture, personal authority, and kinship obligations rather than documented procedures (Abor & Adjasi, 2023; Eze et al., 2023). That distinction matters for what follows.

Governance Structures and Mechanisms

In family business governance research, the three-circle model, first proposed by Gersick et al. (1997) and later refined by Carlock and Ward (2022), is a standard reference framework. It delineates three overlapping governance domains and provides a solid starting point for related research.

Five core formal governance mechanisms determine the practical effectiveness of governance, all backed by authoritative studies in the field: the family charter, defined by Botero et al. (2021), which clarifies the family's values, vision, and rules for member participation; the family council, put forward by Basco et al. (2022), which acts as an exclusive deliberative body for the family, with functions distinct from those of the enterprise's board of directors; independent directors, discussed by Schulze and Gedajlovic (2012), which can provide external oversight to reduce problems such as nepotism; and the succession framework and dividend policy, sorted out by Nordqvist et al. (2021), which regulate leadership transition and the distribution of long-term financial returns respectively.

The African Family Enterprise Context

Table 1

Prevalence and Contribution of Family Enterprises in Selected African Economies

Country	Est. Share of GDP (%)	Est. Employment Share (%)	Key Source
Nigeria	~65	~70	Mansouri et al. (2024)
South Africa	~50	~60	Mazanai & Fatoki (2022)
Kenya	~55	~65	Muriithi & Ombaka (2023)
Ghana	~60	~68	Quartey & Abor (2020)
Ethiopia	~58	~72	Tilahun & Getachew (2022)

Note. Derived from available national and regional business surveys.

African family enterprises are not Western family firms in a different setting. The distinction is not merely geographical. Table 1, drawn from national and regional business surveys, records estimated GDP and employment contributions across five economies: Nigeria at roughly 65 percent of GDP, Ethiopia at around 58 percent, Ghana at approximately 60 percent (Mansouri et al., 2024; Tilahun & Getachew, 2022; Quartey & Abor, 2020). Let those figures sit for a moment. Kinship ties and communal obligations, as Kamau and Ngugi (2022) and Ncube (2020) document, determine who enters the enterprise, how resources move through it, and where authority actually lands, which is not always where formal structure places it. Across much of sub-Saharan Africa, the expectation that family members will be employed in, or draw benefits from, a family business is a social obligation first and a chronic source of internal friction second (Muriithi & Ombaka, 2023); the two functions are inseparable. Ubuntu. The principle that the individual exists through the community bears directly on how African family enterprises are governed (Sarpong & Maclean, 2021), and it does not resolve into a single effect. Ubuntu builds cooperation; it generates a felt accountability for the enterprise's condition that no formal incentive structure can quite replicate. Nkomo (2011) argued that it also works against the clear delineation of authority and the enforcement of individual performance that formal governance requires. The same normative framework that holds the enterprise together can also make it ungovernable in the Western sense. Generational dynamics compound this. Osei-Bonsu (2021) documents at length how founders concentrate decision-making and resist institutionalisation, while second and third-generation members bring their own, often incompatible, ideas about what the business should become. The literature offers no synthesis. The picture stays unresolved.

Governance Gaps in African Family Enterprises

Four governance gaps appear regularly across the literature, suggesting structural features of African family enterprises rather than isolated firm-level failures. Succession planning is rarely formalised. Eze

et al. (2023) and Mansouri et al. (2024) both document leadership crises that predictably follow founders' death or retirement. Where boards of directors exist at all, they tend to consist exclusively of family members, which defeats the purpose of independent oversight from the start (Mazanai & Fatoki, 2022). Financial governance is another problem: family and business finances are commingled in ways that make accurate performance assessment nearly impossible (Abor & Adjasi, 2023; Salaudeen, 2026). Moreover, when dispute resolution mechanisms exist, they are informal enough to be bypassed, leaving ownership and profit-distribution conflicts to fester, sometimes until they destroy the enterprise (Kamau & Ngugi, 2022).

Institutional conditions do not help. Weak regulatory frameworks across many African jurisdictions offer neither incentive nor compulsion for governance formalization, as Quartey and Abor (2020) note, and the gap between policy intention and enforcement is wide enough to matter. Access to governance advisory services is limited; for small and medium enterprises operating outside major urban centers, it is even more limited (Tilahun & Getachew, 2022). However, the cultural resistance Ncube (2020) documents is not simple conservatism, and it deserves more careful treatment than the literature sometimes gives it. Many families read formal governance structures as an accusation of distrust rather than a tool for shared prosperity. That reading is not irrational. Given how these instruments have been deployed in some contexts, the suspicion has a history.

Figure 1: Governance Spectrum — Informal to Formal in African Family Enterprises

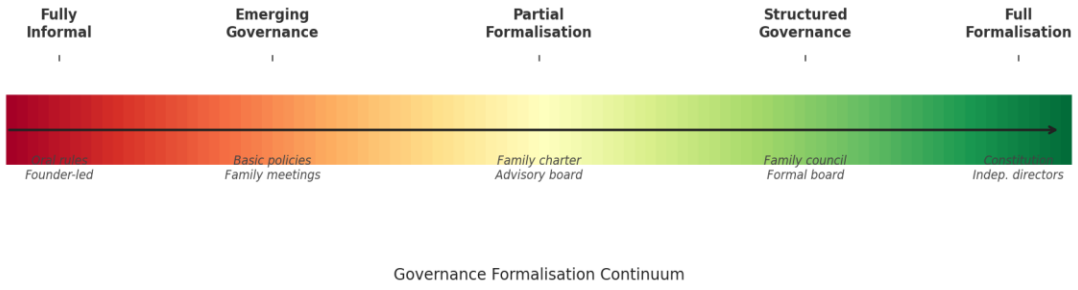

Figure 1: Governance Spectrum — Informal to Formal in African Family Enterprises

Stage 1: The Fully Informal, Founder-Led Enterprise

At its inception, a family business runs on the founder's raw intuition, centralized control, and personal agility. Decisions are made at the kitchen table rather than the boardroom, and corporate finances are deeply commingled with household budgets. While this lack of rigid structure lets the business pivot fast and survive early market shocks, it also creates an execution bottleneck. The biggest risk here is structural fragility: because the business lives entirely in the founder's head, any sudden leadership gap or operational bottleneck can completely paralyze the company overnight.

Stage 2: Emerging Governance through Family Meetings

As the business grows and brings in the next generation, the first real operational friction points appear. This stage marks the transition to emerging governance, driven by regular, structured family meetings. These gatherings act as a vital clearinghouse for alignment, giving family members a safe space to hash out early rules on compensation, roles, and working hours before they turn into bitter workplace

conflicts. Although these guidelines are rarely legally binding at this point, they do crucial psychological work: they draw the first visible boundary between family emotional ties and day-to-day business realities.

Stage 3: Partial Formalization via Charters and Advisory Boards

Partial formalization begins when the family realizes that unwritten agreements are no longer enough to support growth. To scale safely, the family drafts a Family Charter, a working constitution that explicitly outlines succession rules, core values, and conflict-resolution steps. To strip out the emotional biases that inevitably cloud family boardrooms, the business brings in an external advisory board of trusted mentors or industry peers. This step injects objective, professional counsel into high-level strategy without forcing the family to give up final decision-making control or equity.

Stage 4: Structured Governance and Parallel Boards

At this level, the business professionalizes by completely decoupling family issues from corporate performance. It establishes two parallel governance structures: a Family Council and a formal Board of Directors. The Family Council acts as the custodian of family harmony, heritage, and values. Meanwhile, the formal board—combining family shareholders with outside executives- assumes strict fiduciary responsibility for financial growth and strategic direction. This clear separation changes the game: it effectively insulates the business from domestic politics, eliminates nepotism, and builds true institutional accountability into everyday operations.

Stage 5: Full Formalization and Independent Leadership

The final stage represents total corporate maturity, anchored by an ironclad corporate constitution and a fiduciary board dominated by independent, non-family directors. The company operates under strict international auditing standards, clear compliance frameworks, and completely meritocratic, board-led succession plans. By deliberately putting institutional protocols ahead of family politics, the business secures its long-term, multigenerational survival. More importantly, this absolute transparency builds the market credibility required to protect minority investors and unlock access to global institutional capital.

THEORETICAL FRAMEWORK

Two theoretical traditions anchor the study here: stewardship theory and institutional theory. Neither alone is sufficient. Stewardship theory explains why family managers may be disposed to act in the enterprise's long-term interest; institutional theory explains the environmental pressures that determine whether formal governance is adopted. Together, they provide a foundation for understanding why formalisation occurs when it does, how cultural context shapes its forms, and what outcomes one might reasonably expect.

Stewardship Theory

Davis et al. (1997), in the founding statement of stewardship theory, argued that managers are not necessarily the opportunistic self-interest maximisers assumed by agency theory. The assumption is wrong, at least for family firms. Le Breton-Miller and Miller (2021) extended this line of thinking: family firm managers are often driven by non-economic motivations, including family legacy, reputational concerns, and a time horizon that extends well beyond the next reporting period. The governance implications differ sharply from those prescribed by agency theory. While agency theory seeks monitoring mechanisms to constrain self-interested behaviour, stewardship theory points to structures that reinforce intrinsic motivation and support long-horizon collective goals (Chrisman et al., 2022).

In the African context, Ubuntu values reinforce stewardship behaviour by framing enterprise management as a communal responsibility rather than an individual prerogative (Sarpong & Maclean, 2021). Family managers are often motivated by the desire to honour founding ancestors and sustain provision for the extended family. These are genuine motivational forces, not cultural decoration. Stewardship theory therefore counsels against governance designs that suppress or bypass them; Nordqvist et al. (2021) argue that formal mechanisms work better when built with those intrinsic motivations in mind, not against them.

Institutional Theory

DiMaggio and Powell (1983) identified three mechanisms through which institutional environments press organisations toward structural conformity. Mimetic pressure: imitation of successful peers is often the most visible in African family enterprises; a firm adopts a family council or formal board after observing a competitor do so. Normative pressure operates differently; banks and investors demanding documented governance structures push firms toward formalisation through conditionality rather than example. Coercive pressure from company laws, when enforced, also plays a role, though less consistently (Abor & Adjasi, 2023; Mazanai & Fatoki, 2022). Carney et al. (2015) explicitly brought this framework into the family business literature, and it fits reasonably well, at least in the African context.

Informal institutions are where institutional theory becomes most useful. Cultural norms, kinship obligations, and traditional authority structures shape the adoption of governance as forcefully as any statute (Nkomo, 2011; Tilahun & Getachew, 2022), and they are considerably harder to reform by decree. A governance framework that achieves formal legal compliance while offending the informal norms of the community in which the enterprise is embedded will not survive. Legitimacy, in this sense, has to be earned in both registers simultaneously.

Figure 2: Integrated Theoretical Framework for African Family Enterprise Governance

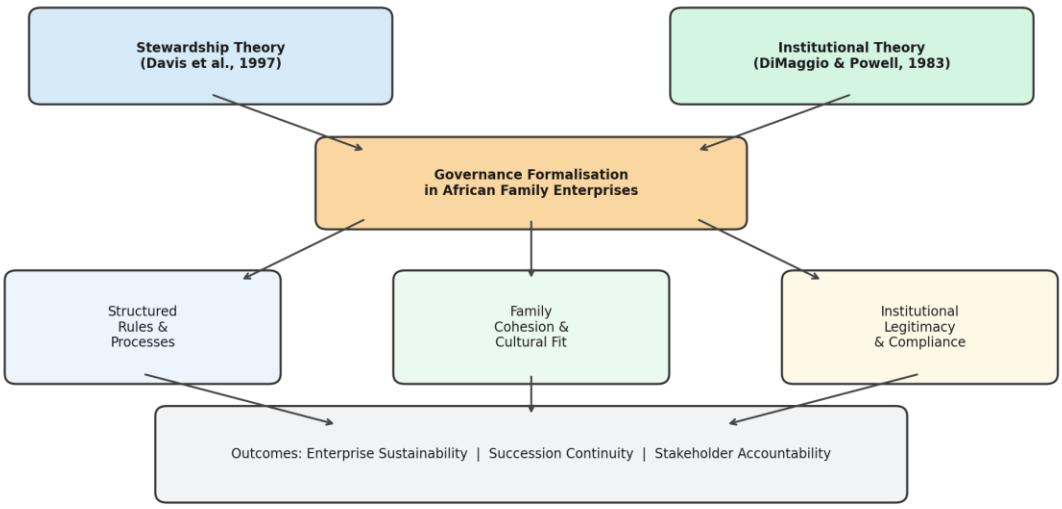

Figure 2: Integrated Theoretical Framework for African Family Enterprise Governance
Note. Adapted from Davis et al. (1997), DiMaggio and Powell (1983), and Carney et al. (2015).

Figure 2 maps the relationship between these theoretical forces. Stewardship orientation, which frames family managers as long-term custodians of the enterprise, and institutional pressure, which compels governance adoption through regulatory, normative, and mimetic channels, work together to shape governance formalisation. The framework predicts that structured rules and processes, when they take hold, produce three intermediate outcomes: family cohesion, institutional legitimacy, and cleaner accountability. These, in turn, drive enterprise sustainability, succession continuity, and stakeholder accountability over the long run.

The Reality of Institutional Voids

In many emerging market contexts, enterprises operate within what institutional theorists define as institutional voids. Rather than a total vacuum of rules, these voids reflect a chronic deficiency in formal institutional architecture, particularly in judicial systems, regulatory bodies, and legal mechanisms for contract enforcement. When the formal legal apparatus is characterized by severe case backlogs, prohibitive litigation costs, administrative corruption, or systemic enforcement failures, written contracts lose their functional utility. For family firms and entrepreneurial ventures, this institutional friction introduces acute transactional hazards, as the risk of opportunistic counterparty behavior, default, or asset appropriation escalates without reliable state-backed recourse. Khanna et al. (2010)

Kinship Networks as Informal Regulatory Substitutes

Where formal legal frameworks fail to guarantee transactional security, relational governance mechanisms, primarily kinship and communal networks, converge to act as informal regulatory substitutes. These endogenous networks mitigate transactional friction and re-establish market predictability through three primary mechanisms:

- **Identity-Based Screening (Ex-Ante Governance):** In economies featuring robust formal institutions, firm owners evaluate counterparty risk through credit bureaus, corporate registries, and standardized due diligence. Conversely, within institutional voids, kinship ties and shared lineage supplant formal vetting processes. By restricting commercial transactions, credit facilities, and strategic partnerships to extended family or clan members, entrepreneurs leverage shared identity as a baseline heuristic for trustworthiness. This radically reduces pre-transaction search and information costs, since the counterparty's reputational history is already embedded within the network (North, 1990).
- **Social Capital as Collateral (In-Transitu Governance):** When formal courts are incapable of penalizing breach of contract, relational social capital functions as the primary form of collateral. In kinship-centric networks, an individual's economic viability is inextricably linked to their social standing. If a business owner requires informal credit or inventory on margin, they rarely pledge physical assets, which are often compromised by weak property rights and inefficient land registries. Instead, they pledge collective family reputation; the implicit understanding that a default will degrade the family's social standing ensures high compliance rates without formal legal documentation. Acemoglu & Johnson (2005).
- **Collective Ostracism and Social Sanctions (Ex-Post Enforcement):** When transactional breaches occur, the formal judicial system is entirely bypassed in favor of swift, network-driven enforcement mechanisms. Kinship networks maintain contract compliance through social and economic sanctions that can culminate in collective ostracism. If a market actor defaults on an agreement vouched for by the network, the community can systematically cut

off future access to capital, disrupt supply chains, and socially isolate the offender. In emerging economies with limited state welfare safety nets, the threat of social exclusion poses an existential risk to business survival, serving as a more immediate deterrent than the distant prospect of an inefficient formal lawsuit.

The Strategic Constraints of Relational Governance

While kinship networks bridge institutional voids and support baseline firm survival, they also impose a distinct growth ceiling on expanding family firms. Relying exclusively on bloodline trust limits an enterprise to the resource pools, managerial talent, and market scale available within its immediate network boundary. Consequently, as a family business seeks to transition from informal operations toward advanced corporate governance, it faces the strategic imperative of decoupling from purely relational structures, substituting kinship-based trust with institutionalized mechanisms that enable secure transactions with external stakeholders—Gedajlovic et. al. (2012).

METHODOLOGY

Conceptual and analytical design. That choice is deliberate rather than a default. Gilson and Goldberg (2015) and Jaakkola (2020) both argue that conceptual work is appropriate in domains where empirical data are thin or where the primary task is to synthesise existing knowledge into frameworks researchers and practitioners can use. Formalised governance research on African family enterprises remains nascent enough to warrant this approach.

A Conceptual literature review and synthesis of peer-reviewed publications published between 2020 and 2026 provides the base. We searched four databases: Scopus, Web of Science, Google Scholar, and the African Journals Online (AJOL) repository. The Search terms combined "family enterprise governance," "family business Africa," "governance structures Africa," "succession planning family firms," "stewardship theory family business," and "institutional theory Africa." Sources were included if they met three conditions: publication in a peer-reviewed outlet; direct or substantive engagement with family enterprise governance; and relevance to African or developing-economy contexts, or provision of foundational theoretical frameworks applicable to those contexts.

Thematic synthesis, following Thomas and Harden (2020), served as the analytical method. Themes were identified both deductively, from the theoretical framework established in Section 3, and inductively, from patterns that recurred across the reviewed sources. This dual movement connects the literature review to the framework proposed in Section 5: the challenges identified under Objective 1 directly shaped the components developed under Objective 2.

FINDINGS AND PROPOSED GOVERNANCE FRAMEWORK

Key Governance Challenges in African Family Enterprises

Not independent problems. The governance challenges that emerge from the review reinforce each other, which helps explain their persistence. Without documented protocols, leadership transitions are contested, delayed, or ruined, with consequences that can end the enterprise outright (Eze et al., 2023; Osei-Bonsu, 2021). Founder syndrome sits behind many of these crises. Kamau and Ngugi (2022) document the concentration of decision-making authority in a single individual who resists delegation so widely across Sub-Saharan African family firms that it reads less as individual pathology and more as a structural feature of how these enterprises are built.

Boards composed entirely of family members cannot provide the independent oversight needed to check entrenchment, manage conflicts of interest, or challenge a founder's poor strategic judgment (Schulze

& Gedajlovic, 2012; Mazanai & Fatoki, 2022). Financial governance is a related problem; when family and business finances are commingled, as Abor and Adjasi (2023) document extensively, performance measurement becomes estimation rather than analysis. And then there are the ownership disputes. Family conflicts over profit distribution, unresolved because dispute resolution mechanisms either do not exist or are too informal to hold, constitute a slow-burning source of fragility that the literature documents repeatedly (Basco et al., 2022; Quartey & Abor, 2020).

Cultural and institutional conditions reinforce all of this. The communal obligation to employ extended family members can override any meritocratic hiring standards that a governance framework seeks to establish (Ncube, 2020). Resistance to formalisation is not ignorance. Nkomo (2011) is careful on this point: the resistance reflects a coherent cultural logic in which formal governance structures read as an accusation of bad faith rather than a shared organizational tool. Weak regulatory environments, in turn, remove the external pressure that might otherwise push firms toward formalisation (Tilahun & Getachew, 2022). So, the barriers are both cultural and institutional, and they reinforce each other.

Proposed Governance Framework: Rules and Processes for African Family Enterprises

The seven-component framework proposed here responds directly to Objective 2. Progressive by design: enterprises need not implement all seven components simultaneously, and adoption is expected to track the firm's lifecycle stage and capacity. Table 2 sets out the components, their core rules and processes, and the specific African adaptations recommended for each.

Table 2

Proposed Governance Framework for African Family Enterprises: Components, Rules, and Processes

Component	Core Rules	Key Processes	African Adaptation
Family Constitution	Defines ownership, roles, and values; limits informal decisions	Drafted by family council; reviewed every 5 years	Incorporates the elder advisory role and Ubuntu values
Family Council	Minimum 5 members; gender-inclusive; meets quarterly	Agenda-driven meetings; minutes recorded	Elders hold advisory seats; decisions are made by consensus
Board of Directors	Minimum 2 independent directors; fiduciary duty	Annual performance reviews, audit, and risk committees	Community representatives may serve as observers
Entry/Exit Rules	Qualifications for family executives: mandatory appraisal	Competency-based hiring; phased exit for founders	Cultural rites integrated into succession handover
Succession Protocol	Successor named 5 years in advance; mentorship plan	Leadership development programme; performance milestones	Community validation; elder blessing ceremonies
Dividend Policy	Fixed payout Ratio; retained earnings policy codified	Annual financial review by the board and the family council	Communal welfare fund as a percentage of profits
Dispute Resolution	Mediation before litigation; family arbitrator appointed	Structured mediation process; external arbitrator as fallback	Elder-led reconciliation preferred as first step

Note. Framework adapted from Botero et al. (2021), Basco et al. (2022), Nordqvist et al. (2021), and Ncube (2020).

Adapting the Framework to African Realities

What separates this framework from Western governance templates is not cosmetic adaptation but a deliberate reengineering of certain components to align with African cultural logic. Ubuntu's principle of collective responsibility is not invoked rhetorically; it is built into the family council's consensus-based decision procedures and the communal welfare fund, which provides a formal mechanism for distributing enterprise benefits to the broader family community (Sarpong & Maclean, 2021). Elder advisory roles are institutionalised within the framework, not as a concession to sentiment, but because Nkomo (2011) is right that traditional authority structures carry genuine legitimacy in these enterprises, and ignoring that is a design flaw, not a virtue.

Implementation follows a phased sequence tied to the enterprise lifecycle. Early-stage firms begin with a family charter and regular family meetings. Growth-stage enterprises add a family council and begin formalising the board. Mature enterprises implement the full framework, including independent directors, formalised succession protocols, and documented dispute resolution processes (Carlock & Ward, 2022; Gedajlovic et al., 2012). Phasing matters because many African family enterprises, particularly outside major urban centres, face genuine resource and capacity constraints. A framework that demands everything at once tends to produce nothing.

CONCLUSION

This study addresses a critical lacuna in the comparative corporate governance literature by examining systemic structural vulnerabilities, including founder hegemony, fragmented oversight, succession ambiguities, and the commingling of household and corporate finances that chronically impede the longevity of African family enterprises. To mitigate these institutional and operational hazards, this paper synthesizes current conceptual insights to propose an integrated, seven-part governance framework. By systematically operationalizing family constitutions, family councils, fiduciary boards, formalized entry and exit criteria, succession protocols, distinct dividend policies, and structured dispute-resolution mechanisms, this model provides a strategic, phased pathway toward institutional maturity.

Crucially, this paper argues that structural formalization cannot occur within a socio-cultural vacuum. In emerging market contexts frequently characterized by institutional voids and weak state enforcement mechanisms, the uncritical imposition of Western-centric governance templates often generates institutional resistance or operational decoupling. True organizational sustainability is achieved only when formal structures are deliberately embedded within indigenous philosophical pillars, most notably the communal tenets of *Ubuntu* and the relational dynamics of traditional authority. Grounding corporate rules in these culturally resonant realities allows African family businesses to cultivate authentic internal accountability, leverage kinship networks as strategic assets, and insulate multigenerational business continuity from destabilizing familial politics.

As a structured conceptual literature review and thematic synthesis, the primary limitation of this model is that its empirical validity and operational efficacy across the heterogeneous socio-economic landscapes of North, East, West, and Southern Africa have not yet been systematically evaluated. Consequently, this study establishes a fertile foundation for future empirical inquiry. Elite management and entrepreneurship scholarship should deploy longitudinal case studies and comparative quantitative analyses to evaluate how these seven governance components function in practice, how they interact with evolving digital ecosystems, and how family firms can optimize the inevitable trade-offs between the structural demands of international corporate governance and the enduring values of African collectivism.

IMPLICATIONS

Theoretically, the paper extends stewardship theory and institutional theory to the African family enterprise context. The analysis shows that governance formalisation in these settings is not a technical exercise; it is a process mediated by cultural identity, communal obligation, and the dual demand for legitimacy in both formal legal and informal social registers. The integrated framework provides a foundation for a structured conceptual literature review and thematic synthesis of governance adoption patterns across African business contexts (Le Breton-Miller & Miller, 2021; Carney et al., 2015), a line of research that remains sparse.

For practitioners, the framework is intended to be usable. It gives family business owners, governance advisors, and management consultants in African markets a structured starting point that does not require discarding the cultural values these enterprises are built on (Botero et al., 2021; Mazanai & Fatoki, 2022). For policymakers, the evidence points toward a fairly clear set of priorities: tax incentives for documented succession planning, mandatory governance training for formally registered family enterprises, and subsidised advisory services for small and medium enterprises that cannot afford commercial consultants (Abor & Adjasi, 2023; Quartey & Abor, 2020). These are not radical interventions. They are the kind of enabling conditions that make voluntary adoption more likely.

Theoretical and Practical Implications

African family enterprises face a genuine tension. They need governance structures that hold them accountable and ensure continuity across generations; they also need those structures to respect the family values and cultural identity from which their strength derives. These demands are not irreconcilable, but resolving them requires frameworks built from within the African context, not transplanted from outside it. Growing economies, expanding capital markets, and increasingly contested intergenerational transitions are making governance quality a matter of institutional survival, not just organisational efficiency. The enterprises that endure will be those that formalise without abandoning what they are.

Future research should test the framework empirically across diverse regional contexts, examining how cultural, institutional, and sectoral variations moderate governance adoption and its outcomes. Comparative studies across anglophone, francophone, and lusophone African enterprises would be particularly valuable, since institutional environments differ and the current literature treats Africa with more homogeneity than warranted.

LIMITATIONS

The study has several limitations. First, it does not examine countries across Africa, country by country; it examines specific countries in Africa to generalise. Therefore, the focus is likely to overlook many cultural nuances across Africa. Again, the research does not provide the reader with information about family-owned businesses that have survived two to three generations of owners who have passed on the mantle of business leadership. Because of limitations arising from the use of secondary data, the study measures outcomes for family businesses in Africa using traditional, poorly documented methods and structures, with limited reference to the literature. Also, the study does not provide insights into the complex processes of traditional African business management styles and governance structures, as well as family style and structure, and communal living.

In conclusion, the study provides additional insights into how a family can be run efficiently from the angle of African ubuntu and the Western governance framework.

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