4-2016

Bringing Africa in: Promising directions for management research

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© *Academy of Management Journal*
2016, Vol. 59, No. 2, 377–393.
http://dx.doi.org/10.5465/amj.2016.4002

FROM THE EDITORS

BRINGING AFRICA IN: PROMISING DIRECTIONS FOR MANAGEMENT RESEARCH

Africa is beginning to capture the imagination of entrepreneurs, corporate executives, and scholars as an emerging market of new growth opportunities. Over 15 years, the continent has experienced an average growth rate of 5% (World Economic Forum, 2015: v). Out of its 54 countries, 26 have achieved middle-income status, while the proportion of those living in extreme poverty has fallen from 51% in 2005 to 42% in 2014 (African Development Bank, 2014a: 49). Although there are regional differences, the primary drivers of growth have been rapidly emerging consumer markets, regional economic integration, investment in infrastructure, technological leap-frogging, and the opening up of new markets, especially in the service sector. African economies also face commensurate challenges. Across the continent, economies remain largely agrarian, underpinned by resource-driven growth and still dominated by the informal sector. But what is it about the context that makes Africa such fertile territory for management scholarship?

The greatest challenge to business in Africa stems from the persistence of institutional voids, understood as the absence of market-supporting institutions, specialized intermediaries, contract-enforcing mechanisms, and efficient transportation and communication networks (Khanna & Palepu, 2013). In order to be successful, the private sector that generates 90% of employment, two-thirds of investment, and 70% of economic output on the continent needs to cope with the challenges presented by undeveloped market institutions and missing infrastructure (African Development Bank, 2013: 34). Nevertheless, several new trends in recent years have been changing the ways business is done in Africa. The rapid expansion of information and communication networks—specifically, mobile technology—has provided tremendous new opportunities. By 2025, half of the people on the continent will have Internet access, connecting them to services in health care, education, finance, retail, and government (McKinsey Global Institute, 2010). Instead of playing catch-up, entrepreneurs in Africa are "hacking" existing infrastructure gaps through technology, connecting Africans to new goods and services (e.g., mobile applications for activities ranging from private security in Ghana and monitoring patients in Zimbabwe to cattle herding in Kenya and connecting dirty laundry to itinerant washerwomen in Uganda). Inventive approaches to delivering new sources of value creation go hand in hand with Africa's surprising demographics, where over half of the continent's 1.1 billion population are currently under the age of 25. This unprecedented population growth will lead to a projected increase in the workforce of nearly 450 million between 2010 and 2035. The diversity of the African context is captured in Table 1, which outlines some of the human, economic, and institutional development indicators in a select set of countries.

Africa is the world's second largest continent, covering over 30 million square kilometers, or the size of China, India, the United States, and most of Europe combined ("The true *true* size," 2010). In many ways, the global economy is now looking to Africa for the resources to sustain its development. The continent contains 30% of the world's minerals as well as the largest reserves of precious metals, with more than 40% of global reserves of gold, 60% of cobalt, and 90% of platinum (KPMG, 2013). As one of the world's driest continents, 90% of its soils are unsuitable for agriculture and only 0.25% have low to moderate potential for sustainable farming. Water scarcity impacts the lives of more than 300 million Africans, of whom approximately 75% rely on groundwater as their primary source of drinking water, which represents only 15% of the continent's renewable water resources. Meanwhile, global warming is aggravating the situation, presenting multilateral organizations, national governments, and private sector participants with immense challenges for ensuring food and water security.

Increasing investments from multinational firms and growing entrepreneurial activity within the informal economy are occurring within heterogeneous and volatile sociopolitical contexts characterized by fragile governance. Africa has been gradually transitioning toward more stable institutional frameworks, with an increasing number of countries undergoing

TABLE 1
Human, Economic, and Institutional Development in Ten Countries from Africa's Five Regions

Region and Country	Population[a]	GDP per capita[a]	GDP per capita growth (%)[a]	Openness (trade)[a]	Human dev. (rank)[b]	Econ. freedom (rank)[c]	Political rights[d]	Civil liberties[d]	Corruption (rank)[e]
North Africa									
Algeria	39	14193.4	1.8	62.5	0.736 (83)	5.20 (151)	6	5	36 (100)
Morocco	34	7490.7	1	80.9	0.628 (126)	6.46 (109)	5	4	39 (80)
West Africa									
Ghana	26.8	4081.7	1.6	88.5	0.579 (140)	6.20 (128)	1	2	48 (61)
Nigeria	177.5	5911.2	3.5	31	0.514 (152)	6.44 (111)	4	5	27 (136)
Central Africa									
Cameroon	22.8	2972.2	3.3	52.9	0.512 (153)	6.34 (118)	6	6	27 (136)
Chad	13.6	2182	3.8	76.6	0.392 (185)	5.13 (154)	7	6	22 (154)
East Africa									
Ethiopia	97	1499.8	7.5	40.7	0.442 (174)	5.68 (143)	6	6	33 (110)
Kenya	44.9	2954.1	2.6	50.3	0.548 (145)	7.16 (66)	4	4	25 (145)
Southern Africa									
Angola	24.2	7227.4	0.6	101	0.532 (149)	5.37 (148)	6	5	19 (161)
South Africa	54	13046.2	−0.1	64.4	0.666 (116)	6.74 (96)	2	2	44 (67)
Africa[f]	1154.9	5831.4	1.5	80.5	0.524	6.24	1–7	2–7	34
China	1364.3	13206.4	6,7	41.5	0.727 (90)	6.44 (111)	7	6	36 (100)
Germany	80.9	45802.1	1.3	84.7	0.916 (6)	7.50 (29)	1	1	79 (12)
United States	318.9	54629.5	1.6	30	0.915 (5)	7.73 (16)	1	1	74 (17)

[a] World Bank (2014). Population data are in millions; GDP per capita data are based on purchasing power parity; GDP per capita growth (%) = GDP per capita growth rate; openness (trade) = the sum of exports and imports of products and services as a share of GDP.

[b] United Nations Human Development Program (2015) (2014 data). The Human Development Index is a composite index based on life expectancy, mean and expected years of schooling, and gross national income per capita measures. Here, "0" represents the lowest and "1" the highest value of human development. Ranks of countries in the dataset based on the Human Development Index are in parentheses.

[c] Gwartney, Lawson, and Hall (2015) (2013 data). "0" represents the lowest degree and "10" the highest degree of economic freedom. The index covers five areas, encompassing size of government, legal system and security of property rights, soundness of money, freedom to trade internationally, and regulation. Country ranks are in parentheses.

[d] Puddington, Repucci, Dunham, Nelson, and Roylance (2015) (2014 data). "1" represents the greatest degree and "7" represents the smallest degree of freedom in political rights and civil liberties. Country ranks are in parentheses.

[e] Transparency International (2015) (2014 values). "0" indicates the highest level of corruption and "100" indicates that the public sector of a country is free from corruption. Country ranks are in parentheses.

[f] Averages, except population (total) and political rights and civil liberties (range).

peaceful transfer of power through democratic electoral processes. In 2011, 18 countries were considered democracies, compared to four in 1991, and only a handful did not have multi-party systems or failed to hold regular elections (African Development Bank, 2014b: 17). The shift toward democracy has been associated with devolution of power from central governments to local authorities. Institutional reforms influenced by multilateral organizations and development banks have pushed most countries to build relatively robust legal and policy frameworks for budgeting and public expenditure management, improving local market conditions.

As management scholarship expands its geographical interest from Western and Eastern developed economies to the rest of the world, it is time to bring Africa in to our mainstream research and theories. There is a paucity of studies that shed light on underresearched phenomena that remain major concerns for business in Africa. Our objective is to inspire management scholars to adopt Africa as a research context, by demonstrating how these understudied phenomena influence existing theories as well as how newly emerging phenomena have the potential to generate new theories in management research.

AFRICA AS A RESEARCH CONTEXT

Recent calls for research have highlighted a small but growing interest in management scholarship about Africa (e.g., George, 2015; Zoogah, 2008). While initiatives such as the nascent African Academy of Management are fostering a new generation of scholars, studies suggest that research within Africa remains limited, with approximately 2% of authors based there (Acquaah, Zoogah, & Kwesiga, 2013). In order to understand how management scholarship has benefitted from the continent as a research context, we give an overview of this emergent literature. Based on the title, abstract, or keywords containing "Africa" and "emerging economies" in the fields of business and economics, the Social Sciences Citation Index contains 552 peer-reviewed articles on Africa published between 1990 and 2015.[1] Within this population, 154 articles relate specifically to "business management in Africa," of which roughly 30% ($n = 41$) are featured in top management journals ranked within the *Academic Journal Guide* published by the Chartered Association of Business Schools (2015). All 154 articles were downloaded, read, and coded in order to standardize the information gathered and identify theoretical perspectives, management issues, methodologies, and key findings from the papers, as well as the sector and geographical context of each empirical study. In keeping with our objectives, management themes relevant to business in Africa were analyzed to reveal broader patterns of discussion, as well as to provide high-level insights. A first observation is the notable growth of management scholarship on Africa over the last decade, as well as the scant attention it has received previously (Figure 1).

Scholarly interest in Africa varies significantly across regions, with studies concentrated among those countries with the highest gross domestic product (GDP), hence the neglect of 38 African countries, particularly within Central Africa ($n = 1$). An overwhelming majority of research takes place within Southern Africa (Figure 2). South Africa ($n = 59$), in particular, has received the greatest attention since it was invited to join the BRICS group of leading emerging-market countries (Brazil, Russia, India, China, and South Africa) in 2001. This is also due to its regional economic importance, as suggested by 70% of all top-ranked African companies by country, sector, turnover, and profits originating from South Africa (Horwitz, 2012). Countries that follow, in terms of publications, include Ghana, Nigeria, and Kenya, with less than 10 publications each.

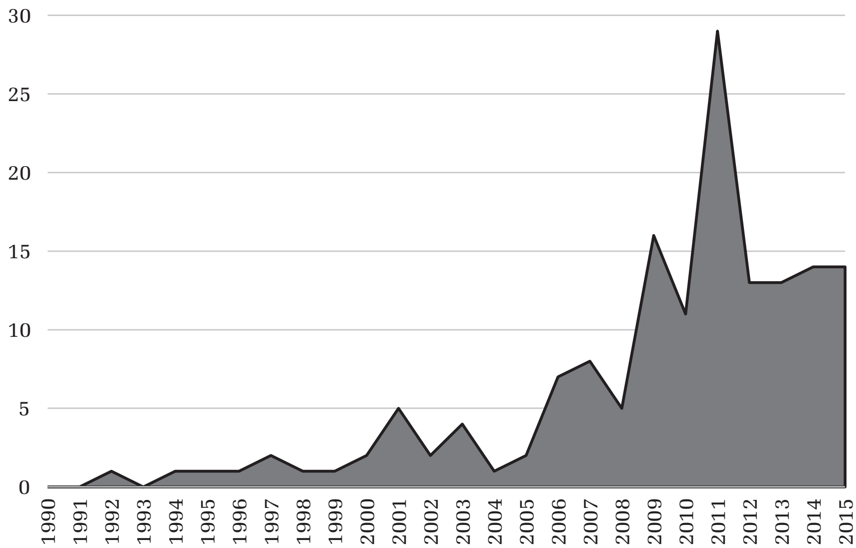
Beyond these initial insights, our overview suggested three categories to describe the current challenges addressed within management scholarship on Africa: (1) *navigating institutional voids*, by designing around weak institutional infrastructure and overcoming human and financial resource constraints to seek value creation opportunities, (2) *building capabilities*, by promoting managerial capacity, positive employee behavior, and ethical values, and (3) *enabling opportunities*, by implementing new market-entry strategies and adopting governance modes and organizational designs for operating within informal markets. Table 2 summarizes the key features of each of these three categories, and Figure 3 provides an overview of the different topics covered within each category and the relative attention they have received.

Navigating Institutional Voids

Of the three challenges identified, the most fundamental is how organizations navigate "institutional voids," which can be understood as the business support infrastructure or "ecosystems" that determine resource availability and enable fair market access for

[1] As at January 16, 2016.

FIGURE 1
Number of Publications by Year (1990–2015)



inclusive growth (George, McGahan, & Prabhu, 2012; Khanna & Palepu, 2013).

Institutional infrastructure. Institutional infrastructure and the associated organizational challenges dominate much of the literature on Africa (Ofori-Dankwa & Julian, 2013). They are the backdrop to many studies on how firms adapt to survive or, in some cases, fail to survive as a result of volatile and uncertain environments. For instance, in South Africa, small- and medium-sized enterprises have among the highest failure rates in the world (70%), largely attributable to external factors (Olawale & Garwe, 2010). Due to differences in transaction costs across Africa, companies operating on the continent face institutional costs that create differences in firm competitiveness and profitability (Ngobo & Fouda, 2012). It is possible, however, for organizations to design around costs incurred from the environment. Competitive value chain activities can be enacted through a combination of business entities, as has been shown in the evolution of coordinated input supply and service delivery for the development of dairy hubs in central Ethiopia (Jaleta, Gebremedhin, Tegegne, Jemaneh, Lemma, & Hoekstra, 2013).

Market liberalization has also played a major role in increasing both the quality and intensity of value

FIGURE 2
Number of Publications by Region

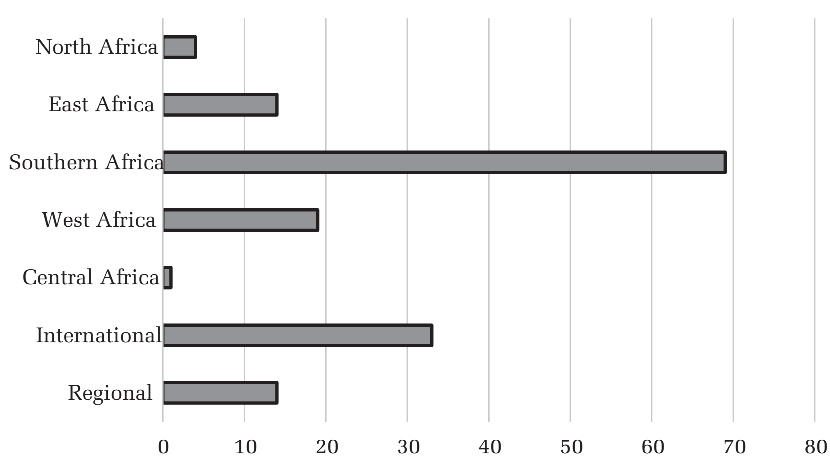


TABLE 2
Management Research in Africa

	Navigating institutional voids	Developing capabilities	Enabling opportunities
Subthemes	Weak institutional infrastructure, financial and human capital constraints, inclusive market access	Nurturing responsible management culture, employee commitment, and ethical business values	Market entry modes by multinationals, organizational forms, scale and scope in informal economies
Management issues	Small- and medium-sized enterprise support structures, regulatory pressures, rural market participation, property rights, gender and race equality	Managerial competences, employee commitment, corporate social responsibility, governance, cultural relativity	Multinational companies' base-of-the-pyramid strategies, strategic alliances, corporate community involvement, informal entrepreneurship
Focal theories	Institutional theory, business ecosystems, resource-based view, resource constraints	Organizational citizenship, agency theory, trust, practice diffusion	Transaction costs, social and organizational networks, innovation diffusion
Levels of analysis	System, industry, firm (macro)	Firm, individual (micro)	Firm, individual (meso)
Core disciplines	Development, industrial economics	Human resource management, organizational behavior	Strategy, entrepreneurship, marketing
Number of papers	55	49	50
Empirical contexts	Financial services, mining, energy, food	Information and communications technology, construction, health care, media, tourism	Agriculture, financial services, insurance
Representative works	Ofori-Dankwa and Julian (2013); Yenkey (2015)	Horwitz (2012); Saeed, Yousafzai, and Engelen (2014); Urban and Streak (2013)	George, Kotha, Parikh, Alnuaimi, and Bahaj (2015); Khavul, Bruton, and Wood (2009); Kistruck and Beamish (2010)

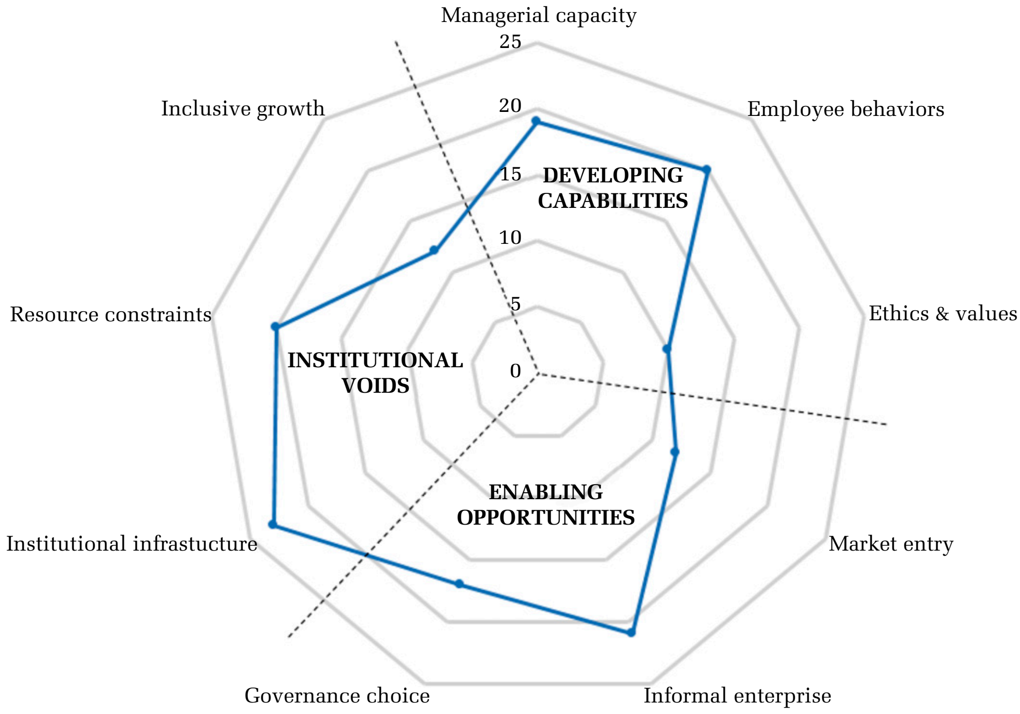
chain activities, as captured by studies of private sector development across a number of industries in Kenya during the post-liberalization period (Kijima, Yamano, & Baltenweck, 2010). Within many African markets, corruption is a source of uncertainty and transaction costs to which multinational firms are particularly vulnerable as "institution takers." In response, several multinationals have developed capabilities that allow them to mitigate the effects of corruption in the host country (Luiz & Stewart, 2014), either through positive political engagement (Luo & Junkunc, 2008) or by using institutional reforms to their advantage, such as adopting corporate social responsibility (CSR) practices to improve stakeholder relationships (Arya & Zhang, 2009).

Further contributing to its institutional plurality, Africa is a continent of extreme ethnic and linguistic variety, dating back to before colonial rule when it comprised up to 10,000 different states and autonomous groups with distinct languages and customs. Today, more than 25% of all languages are spoken only in Africa, with over 2,000 recognized languages spoken on the continent (Heine & Nurse, 2000). This extensive ethnic and linguistic diversity affects how individuals, groups, and organizations relate to one another, and has a bearing on how business is done as well as the costs of doing business in Africa for global companies (Luiz, 2015; Michalopoulos & Papaioannou, 2015).

Cultural affinity helps to build social capital and community networks, such as in the case of entrepreneurial orientation (Saeed et al., 2014). Conversely, cultural distance may alienate organizational participants from the context in which they are operating. When organizational participants form networks or engage in stakeholder relations across diverse ethnic group and tribal identities, their identities and cultures often have an impact on their behaviors and the actions of their organizations (Thomas, 2000). At a market level, actors from diverse and competing social groups can come together to identify as members of a common market rather than as agents of discrete social groups. In a study on investor recruitment into the Nairobi Securities Exchange, despite high levels of interethnic distrust and weak formal institutions, disparate groups were able to integrate themselves using professional social identities to resolve conflict (Yenkey, 2015).

The importance of local identities in Africa that lead individuals to identify as much with their ethnic groups as with their nations also speaks to the contemporary role of tribal leaders (chiefs), who influence various aspects of the economy and polity in

FIGURE 3
Overview of Articles



Africa. These factors suggest the need for further study on how tribal institutions work side by side with the institutions of the modern state. To establish legitimacy, multinational firms have been shown to benefit by adapting to local languages, adopting regional "lingua francas," such as Swahili, to enhance their ties with local stakeholders and work effectively within "communities of place" (e.g., Luiz, 2015; Mufwene, 2002). Within industries requiring a high degree of community embeddedness, such as mining, this involves communicating and working with people who "steward" the land their ancestors have inhabited for centuries (Selmier, Newenham-Kahindi, & Oh, 2015). Multinational firms may also need to modify their organizational structures in order to reach remote communities with their local subsidiaries. These contingencies have important implications for intra-organizational control, authority, and work integration.

Resource constraints. Resource constraints posed by gaps in basic infrastructure such as transportation and access to human and financial capital pose substantial barriers to business in Africa. They can inhibit export markets and limit internationalization (Debrah & Mmieh, 2009), as well as discourage the market entry of multinational firms. Additionally, there are severe constraints on domestic growth posed by a lack of human capital as well as financial capital owing to the shortages in an educated workforce and the limited availability of credit and private equity investment, both for large firms (Fisman, 2001) and microenterprises (Umoh, 2006).

The relationship between institutional environments and resource munificence in the African context—particularly the almost equal importance assigned to formal resources (human capital, access to finance, technology, and managerial capabilities) and informal resources (local knowledge, traditional technologies, and networks of trust)—has been well documented (Zoogah, Peng, & Woldu, 2015). Where there is a shortfall in formal institutions, the capability to mobilize informal resources becomes even more important for organizational effectiveness and survival. For example, entrepreneurs leveraging local knowledge can build successful, scalable businesses and even gain competitive advantage over foreign rivals (Dia, 1996), while multinationals are able to build sustainable relationships with local stakeholders by means of employing "local resources," such as regional languages and leadership practices (Luiz, 2015). An interregional survey among the managers of multinational subsidiaries in

South Africa and Egypt has also considered how resource-seeking strategies affect governance decisions relating to market entry modes, which vary across institutional contexts. The study found that, in weaker institutional frameworks, joint ventures help foreign firms to acquire scarce resources that would otherwise be inaccessible to them, while, in strong institutional frameworks, acquisitions play a more important role in accessing resources and embedding organizations within local contexts (Meyer, Estrin, Bhaumik, & Peng, 2009).

Insights into managerial and corporate practices among domestic African firms offer alternative explanations to hypotheses developed within resource-abundant contexts such as Europe and North America. For instance, whereas existing theory related to CSR practices suggests these "discretionary" activities are a function of slack resources (Surroca, Tribó, & Waddock, 2010; Waddock & Graves, 1997), in resource-constrained settings such as Western Africa, institutional differences elicit alternative responses. For example, as a function of limited pressures from local governments to make such investments, one study of 41 large firms across 12 sectors in Ghana found a negative relationship between financial resource availability and CSR spending among firms (Julian & Ofori-Dankwa, 2013).

In Africa, entrepreneurial small- and medium-sized firms are frequently unable to access financial resources due to risk aversion by domestic banking institutions. As a result, entrepreneurs often rely on resources present within their family or community context. This sometimes creates strong social obligations or demands that would not otherwise be present. Findings from a survey of 242 entrepreneurial firms in Uganda on the importance of social capital within informal economic sectors suggest that entrepreneurs are likely to incur greater costs of accumulation when they rely on kinship networks, contrary to network theories that emphasize the efficiency of tie strength at the individual level due to the ease of monitoring and sanctioning of participant behavior (Khayesi, George, & Antonakis, 2014). Also highlighting the implications of family support, women serving as heads of households were more likely than men to consider entrepreneurship when they suffered wealth loss from natural disasters (George, Kotha, et al., 2015).

Inclusive growth. Inclusive growth requires bridging inequalities of market access, which remains a significant challenge for African businesses. For instance, assisting rural dwellers to effectively exploit resources in remote areas requires their access to a range of enabling services and conditions (Temu, 1999). Gradual extensions of such services and domestic market transformations are having observable effects on rural and semi-urban areas (Reardon, Stamoulis, & Pingali, 2007), while local empowerment interventions such as cereal banking are helping communities to improve accessibility to premium markets (Mwaura, Tungani, Sikuku, & Woomer, 2012). However, prevailing social norms, such as gender discrimination, as well as the lack of enforcement of property rights laws continue to prevent inclusive market access to financial services. Development banks have aimed to overcome this divide. But, while some studies argue that micro-credit schemes targeted at women have successfully overcome gender inequalities (Johnson, 2004), others find that the disproportionate emphasis on providing microfinance to poor women at the exclusion of poor men constitutes a shortsighted poverty alleviation strategy that can actually oppress women rather than empower them, thereby constraining household incomes (Barsoum, 2006). There are also mixed results from policy initiatives directed at female workplace equality, such as the South African Employment Equity Act of 1998; this act affirms women's right to equal employment opportunities, and yet the representation of South African women within management positions declined between 2008 and 2012 (BWA, 2012).

Developing Capabilities, Embedding Values

African firms are constrained not only by financial factors but also by human capital, owing to lack of education and inadequate technical skills. A substantial literature is devoted to the importance of management and employee development and investigating how human resource management practices differ in African contexts.

Managerial capacity. Managerial capacity through training is essential for the achievement of organizational goals and human capital development. Even basic-level management training has been shown to improve business practices and performance in the African context (Mano, Iddrisu, Yoshino, & Sonobe, 2012). One stream of literature considers management practices particularly prevalent in Africa; for example, some firms in South Africa take advantage of the benefits of barter trading, minimizing potential hazards through dedicated personnel responsible for ensuring accountability and good practice (Oliver & Mpinganjira, 2011). Another stream focuses on more widely studied practices targeted at building entrepreneurial capacity and innovation within management teams (Urban & Streak, 2013; Van Wyk & Adonisi, 2011) and new product development models adopted by managers (Yan & Makinde, 2011).

Social capital and the extent to which managerial networking relationships with external entities such as government bureaucrats and community leaders matter to organizational performance have been given significant attention in African scholarship (Acquaah & Eshun, 2010). Diffusion of management practices across cultures is also a dominant subtheme. For instance, studies suggest mixed attitudes among domestic managers toward prospective foreign joint ventures (Akande & Banai, 2009) and highlight how Western-based human resource management can be modified to embrace cultural diversity in an African context (Sartorius, Merino, & Carmichael, 2011).

Employee behaviors. Employee behaviors and work relations in Africa have so far been relatively understudied (Wood, Dibben, Stride, & Webster, 2011). This may reflect the lack of training and development or the relative scarcity of high-quality labor present within the context itself. For instance, a study on the construction industry in Tanzania revealed no systematic, industry-wide training program for professionals in the industry (Debrah & Ofori, 2006). Nonetheless, the few studies that do exist suggest a number of factors that are important in Africa. Employee relations in the informal sector provide insights into the dynamics of the local market liberalization and trade union renewal, with findings from Mozambique showing progress in employment rights and greater employee engagement despite the declining importance of unions (Dibben, 2010). The relationship between leadership and morale has been also studied in the African context, and communication, fostering trust, and team building are shown to be important for employee motivation when enduring pressures for organizational improvement (Ngambi, 2011). According to some empirical evidence, employees in Africa are as concerned about fulfilling their training and education needs and participating in workplace decisions on issues that affect them as their Western counterparts (Ferreira & van Antwerpen, 2011; Ukandu & Ukpere, 2011).

Embedding ethics and values. Research on CSR suggests that corporations often adopt socially responsible policies in order to secure legitimacy or differentiate themselves from their competitors (Arya & Zhang, 2009). Yet, in contexts where corruption is considered widespread and deeply rooted as a social and cultural phenomenon that hinders public welfare and social development, how is legitimacy established? An organizational view of firm-level corruption in emerging economies is a frontier issue in the realm of international management research. Studies show that questionable firm practices such as graft are influenced by the firm's founding conditions, legitimization in the market, and capabilities (Luo & Han, 2009). Other studies highlight the critical role that both national and the organizational contexts play in shaping ethical climates in companies (Parboteeah, Seriki, & Hoegl, 2014).

At the individual level, studies focus on perceptions of improper business practices across a number of countries, showing different tolerances to damage resulting from unethical behavior (Ahmed, Chung, & Eichenseher, 2003) and emphasizing the role of human resource management in "carrying the mantle" of ethical stewardship (Erasmus & Wordsworth, 2006). Other studies consider the embeddedness of CSR practices and the extent to which home countries influence how multinationals adapt to operate within corrupt markets such as the oil and gas industry in Nigeria (Amaeshi & Amao, 2009). The link between organizational misconduct (e.g., corruption and fraud) and how it affects participation at the market level is also an expanding research field with potential contributions for literature on organizational stigma, status, and social evaluations (Yenkey, 2016).

Enabling Opportunities of Scale and Scope

With gradual institutional development in emerging markets, theories of economies of scale have underpinned multinational and corporate strategies for targeting mass production to harness the potential of the so-called "bottom billion" (Prahalad, 2004). However, Africa—and its informal economy in particular—poses challenges both to multinationals and to domestic businesses looking to deliver goods and services. The dynamics of entrepreneurship underpinning small business development in informal economies and rural areas are based on different forms of social capital, and often require new organizational forms or alternative governance arrangements to ensure access. Market entry strategies and the political and economic complexities of international joint ventures, public private partnerships, or acquisitions by foreign firms are also dominant subthemes within literature on

Africa. Finally, understanding the consumption and lives of the poor—particularly, adoption behaviors among consumers with diverse preferences and heterogeneous cultural attitudes—represents an additional concern for business and management scholars alike.

Entrepreneurship in the informal economy. Entrepreneurship in the informal economy is widely considered an important locus of opportunity within Africa (Peng, Wang, & Jiang, 2008; Webb, Bruton, Tihanyi, & Ireland, 2013). Yet, the idiosyncratic practices and organizational challenges involved in competing, operating, and surviving in such markets have been relatively understudied. Scholarship on new organizational forms, characterized by hybrid governance and community-based interventions such as cooperatives, has opened up new avenues for research on organization design in low-cost settings. One study on a new, community-based organizational form examined a coffee market cooperative in Kenya (Temu, 1999). This study attributes the success of the cooperative to its grassroots origins, a strong sense of ownership by the "client-owner," and its ability to strategically tap the coffee economy by fitting well within the socioeconomic milieu of the local people, making use of principles found in informal financial practices (Temu, 1999).

Some studies seek to understand the key success factors for rural entrepreneurship at an individual level. For instance, entrepreneurial self-efficacy is an important motivational construct that influences individual choice, goals, and emotional reactions, as well as the persistence of rural entrepreneurs in Africa (Urban, 2012). Other studies emphasize social structure and the importance of social capital, family ties, and communal orientation as a driving force for entrepreneurship (George, Kotha, et al., 2015; Khayesi et al., 2014). Similar studies also show the presence of social and cultural barriers that negatively influence entrepreneurship; for instance, when family networks are strong, they can support the newly created enterprise with funds and labor, but also sap the profits of an established enterprise with requests for financial aid and jobs for relatives (Khavul et al., 2009; Khayesi & George, 2011).

A study on social intrapreneurship within African and Latin America found that cognitive, network, and cultural embeddedness plays a constraining role on organizational choices, and that this is particularly pronounced in organizations that previously operated as non-profit organizations (Kistruck & Beamish, 2010). Results from an empirical study of 384 social enterprises from 19 sub-Saharan African countries suggest that ethnic group identity, as well as acute poverty, influence both self-perception and activity choices of individuals, pointing to an additional influence on entrepreneurial action not captured in previous research (Rivera-Santos, Holt, Littlewood, & Kolk, 2015). Yet, despite increasing research on social capital, family firms, and entrepreneurship research in general, there is still considerable scope for Africa to receive greater attention as a context for exploring these dynamics (Bruton, Ahlstrom, & Obloj, 2008; Khavul et al., 2009).

Political, economic, and governance complexities of market entry. Political, economic, and governance complexities of market entry have been explored most recently in the context of business courtship between China and sub-Saharan Africa. Examples of Chinese multinational subsidiaries subsequently feature heavily in African management research (Cooke, 2014). This reflects the increasing foreign direct investment from China, which was recently recorded at a stock of $26 billion, making China Africa's largest trading partner (United Nations Conferences on Trade and Development, 2015). By the end of 2013, there were nearly 3,000 Chinese overseas enterprises recorded in 45 countries in Africa, making it the second largest destination for Chinese enterprises after Asia (National Bureau of Statistics of China, 2013). Despite the growth of outward foreign direct investment by firms from emerging economies such as China, theoretical explanations of these decisions and their implications remain limited.

Strategic partnerships can yield benefits within Africa, as suggested by studies on joint ventures. A study of 210 firms in Morocco showed that local management, majority ownership by foreign partners, and mutual efforts to adapt to the management style of each party were key success factors behind high-performing joint ventures (Argente-Linares, Victoria López-Pérez, & Rodríguez-Ariza, 2013). Acquisitions can also represent a stepping stone for multinationals looking to access complementary resources, thus permitting firms to reshape their scope to accelerate growth. Often these "brownfield acquisitions" require a high degree of organizational restructuring at the corporate level (Barkema & Schijven, 2008), and are most suitable for projects that are integrated with the parent's global operations, where local firms are weak and institutions are strong. Different market entry modes may also allow firms to overcome different kinds of market inefficiencies related to resource and institutional contexts. In weaker institutional contexts, joint ventures are used to access many resources, but, in stronger institutional contexts, they become less important as "greenfield" acquisitions can present better alternatives for accessing intangible and organizationally embedded resources (Meyer et al., 2009).

In sum, an overview of all articles published on Africa between 1990 and 2015 presents multiple themes worthy of further analysis, as well as providing insights into the frontline challenges faced by individuals and organizations. Questions about organizational responses to weak institutions, resource constraints, and unequal market access; about managerial capacity building, employee behaviors across contexts, and reconciling corruption with ethical business practices; and, finally, about market entry, governance choices, and market building in informal economies all present fruitful avenues for further scholarly inquiry.

FUTURE RESEARCH DIRECTIONS

By reviewing extant literature, we see how recent research on Africa is beginning to bring new perspectives to management theories. There are two promising directions to pursue from here. First, scholars can examine how phenomena of relevance to management in Africa extend or modify our existing management theories. Second, scholars can explore how such phenomena enable us to generate new theory and frameworks that can shed new light on pressing problems that are prevalent in, if not specific to, Africa. Below, we highlight a few promising directions for research.

Leadership and Governance

The Mo Ibrahim Foundation, established in 2006 to propagate the critical importance of leadership and governance in Africa, suggests that governance progress is in fact stalling. The foundation uses a proprietary index that combines 93 indicators from 33 independent African and global data institutions to provide an annual assessment of the quality of governance in African countries. It estimates the conditions of four areas of governance, encompassing safety and the rule of law, participation and human rights, sustainable economic opportunity, and human development. Covering the period from 2000 to 2014 for 54 African countries, the index shows 21 countries recorded weakening overall governance (Mo Ibrahim Foundation, 2015). This trend has multiple implications for management scholarship. In terms of leadership research, previous studies as well as anecdotal evidence suggest that ethical managers of both domestic and multinational organizations can serve as role models in the local societies (Ngambi, 2011). Leadership in the African context is complicated not only by lack of understanding of cultural differences but also by short-term motivations for investment that often include exploitation of valuable resources and mistreatment of local workforces. Research on leadership and governance could identify practices that allow organizations to be successful in the local environment in the long term. A particularly interesting area for research is the broader implications of leadership practices in the African context. As multinational firms increasingly integrate their local operations into their global networks, the ways they lead in Africa may have consequences for their relationships with their worldwide customer base, investors, and home communities.

Along with recent calls for research on governance (Tihanyi, Graffin, & George, 2014), scholars can investigate the role of organizations in improving the governance of local societies as well as establishing effective internal governance models that meet or exceed local needs. The struggle or, often, the inability of many African states to deliver political, economic, and social goods to their citizens provides opportunities for firms and their managers to improve social welfare. For instance, research could go beyond standard practices of CSR known from previous studies in the Western context by exploring how some organizations participate in human development, fight against gender discrimination, support welfare services, and contribute to the improvement of education. More research is needed on processes and mechanisms to strengthen the internal governance of organizations, including both multinationals and domestic firms, in the face of local states' failures to support the rule of law, accountability, and human development. These shortcomings in state governance highlight the need for effective organizational governance that includes identifying and establishing evidence-based systems for selecting, training, developing, and supporting organizational members in both the corporate and non-profit sectors, to ensure they have the skills needed to operate in such environments as well as to instill the values that can help them to navigate those environments both ethically and effectively.

Conflict is an added threat: 20 of the world's 36 fragile states are in Africa (African Development

Bank, n.d.: 1). Ongoing conflicts in these states pose major challenges to both multinational and domestic firms, ranging from managing supply chains and distribution channels in unsafe and turbulent regions to making difficult decisions about when to stay the course in a conflict-riven region versus withdrawing and cutting investment losses. The importance of embeddedness in local networks that can both offer warnings of security risks and provide protection from them is another salient consideration.

Managing Human and Natural Resources

Natural resource management is a longstanding area of concern for Africa, and its importance is continuing to grow. It is also an area in which there is considerable scope for management scholarship to both test existing theories and generate new ones. The challenges of managing natural resources hold particular importance in countries with complicated institutional legacies and poor governance, where concerns such as the social embeddedness of natural resources and their importance for the social fabric of predominately rural communities are acute (George, Schillebeeckx, & Liak, 2015). Scholars are increasingly recognizing the need to study challenges such as stakeholder management in key industries that rely on natural resources, such as mining (Henisz, Dorobantu, & Nartey, 2013), as well as the importance of regulatory standard setting and organizational adaptation responses (Gisore & Matina, 2015). Still, there is more work to be done to examine the impact of corporate natural resource management practices on local ecosystems (e.g., water and air quality, natural habitats) as well as on local communities (e.g., population resettlement, HIV/AIDS among mine workers).

A related set of challenges for many African countries results from the explosion in population growth and the accompanying acceleration in urbanization. These trends create enormous opportunities for business, both domestic and foreign, as consumer markets grow and concentrate and the demand for goods and services increases. Management research, particularly in the areas of entrepreneurship and human resource management, could investigate how firms can efficiently serve this emergent customer base and develop effective employee-training practices, and how governments can create incentives for small- and medium-sized enterprises to provide employment opportunities to a newly skilled workforce.

Many African countries have seen a rush of investment from China, particularly in much-needed urban infrastructure. These investments provide the platform for others to build businesses, but also raise questions about global strategic dependencies that have implications for governance and sustainability. Some of the many research opportunities these investments by Chinese and other firms can provide include studies on local employment and subsidiary management practices, cultural differences, and investment motivations could make valuable contributions. Since many Chinese firms are state-owned enterprises, it would be interesting to contrast employment and production practices between these firms' domestic operations and African subsidiaries. Another interesting aspect of global strategic dependencies is the effects of changes in home institutions and market conditions on the ways foreign firms are involved in local business transactions and infrastructure development. For example, shifts in institutional logics in the home country (e.g., central planning, market system, or state capitalism) may affect the nature of investment, subsidiary ownership, and corporate goals in Africa. While such shifts may influence investment behavior in a wider range of international settings, we believe the African context provides a valuable opportunity to examine their effects in an environment of great institutional diversity and rapid infrastructure investment.

Organizational and Social Resilience

The same population growth and urbanization trends also create massive turbulence and pressures on societies and economies, as they put increasing pressures on countries' natural resources as well as on the infrastructure needed to support them. Added to this are the challenges arising from climate change and environmental disasters (Howard-Grenville, Buckle, Hoskins, & George, 2014). These raise the need for more research on how to strengthen the capacities of countries, and organizations within them, to combat their effects, including how to manage emergency relief efforts (e.g., Majchrzak, Jarvenpaa, & Hollingshead, 2007), increase drought resilience, run effective food security and nutrition programs, and help at-risk populations to build sustainable livelihoods.

Beyond the interests of particular firms, there are critically important management questions arising from the challenges of building resilience in vulnerable communities (van der Vegt, Essens, Wahlstrom, & George, 2015), including increasing food and nutrition security, providing health care to remote and underserved communities, strengthening education at all levels and ensuring its inclusiveness, and myriad other socioeconomic challenges. Management scholarship has the potential to learn from and the ability to meaningfully contribute to understanding of the implications of these vast needs for organization design, organizational agility, and interorganizational collaboration.

Another area in which greater management insight is needed is the realm of managing disease, including epidemics such as the Ebola outbreak as well as persistent diseases like HIV/AIDS. Many organizations with varying roles and capabilities are involved in working together to support those at risk and alleviate the socioeconomic impact of such diseases. How they coordinate and manage their work is an area of critical importance for the lives of millions of people in Africa. Public–private partnerships often interact with international aid agencies and local NGOs, and local networks can be critical for spreading information and supporting intervention programs, but more research is needed to understand the organizational arrangements, routines, and resources that are most appropriate and effective in particular situations.

Institutional Capacity, Labor Mobility, and Entrepreneurship

Scholars in fields such as anthropology and development economics have often regarded Africa's contemporary difficulties as a result of colonial legacies, when all but two countries in Africa were colonized by foreign powers during the "scramble for Africa" (Collier, 2008; Collier & Gunning, 1999). The enduring effects of institutional legacies on national and community infrastructure is an underexplored area with great potential in a context such as Africa (Greve & Rao, 2014). These legacies include the ability to educate, employ, and service a rapidly growing labor force that is increasingly moving away from traditional rural communities, subsistence agriculture, and tribal social structures, and creating pressure for jobs as well as unprecedented demand for better transportation infrastructure, housing, health care, and basic utilities, including power, water, sanitation, and other services.

The 450 million new workers who will join the African working population between 2010 and 2035 will form a vast labor pool, but will also pose enormous challenges for job creation. One response to these challenges is to encourage and support local entrepreneurship, an area management research has already started to explore. In part, this entrepreneurship is and will continue to be rooted in the growing informal sectors of many African countries, where challenges include access to lines of credit for micro-, small-, and medium-sized enterprises. Banking penetration still remains as low as 36% in some of the larger African economies (KPMG, 2015). The fact that commercial banks' reach—in terms of branches and ATMs as a proportion of the population—remains well below global averages contributes to a wide gap in lending.

To bridge this gap, banks have started to explore alternative operating models, including mobile banking, mobile branches, and using third-party agents. Indeed, information and communication technology is one of Africa's biggest success stories, as "mobile money" allows customers to leapfrog landlines for mobile networks, enabling the emergence of many otherwise unviable small-scale entrepreneurial businesses. There is great potential for management scholars to examine these new business models and shed light on their implications for established models that are being leap-frogged by these innovative approaches, as well as for the communities in which they are taking root. In the more formal sectors, the availability of venture capital funding and, perhaps more importantly, entrepreneurial experience and expertise are current constraints on growth in even the most advanced African economies that must be overcome. Research on how potential funders can identify, evaluate, and nurture opportunities that may be far from home and lack the supportive ecosystem of Silicon Valley or other innovation hubs would be valuable in this effort.

Beyond entrepreneurship, most companies of any substantial size operating in Africa experience a dearth of highly trained workers as a major barrier to growth. This labor force weakness stems from often-inadequate education and training systems all the way through high school and universities. In many cases, what seems to be needed is more technical training, but, in the absence of greater or more effective government investments in building the skills of their labor forces, the burden is on companies to train workers in-house. However, the risk of training workers at considerable expense just so they can leave for a higher-paid job at a competitor discourages such investment. Another aspect of labor force management is equally challenging: many multinationals bring in expatriates from Europe, Asia, the United States, or elsewhere to help build local knowledge and train local managers, yet these expatriates often struggle to succeed in their unfamiliar environments or fail to transfer their expertise to local managers. For management scholars, there is scope to examine and better understand how companies operating in the African context can most effectively use expatriates to bolster and build local managerial capacity, as well as how they can better identify promising hires and train, support, and retain their workers over time, especially the most skilled ones. And, lastly, two more (often connected) labor-related trends of concern for many African countries are relations with unions and the increasing flows of labor migrants both within and across borders. In South Africa, for example, labor unrest in the mining industry is a major threat to profitability; one important source of this unrest is rivalry between ethnic groups. There is scope here for research on the effects of strong versus poor labor relations, as well as the conditions that strengthen as against weaken those relations in the African context.

Managing across Cultures and Countries

While there are considerable needs for research within the many countries that constitute the African continent, there are also intriguing managerial challenges that span countries and regions. African tribes and ethnicities differ, with a wide variety of subcultures, rites, and norms. Organizations working across national boundaries also cross cultural and ethnic boundaries. These differences raise interesting questions of managing and motivating employees to perform, as well as challenge the assumptions and boundary conditions that underpin constructs such as trust, justice, and identity. Multinational firms entering new markets face workplace practices, regulations, and processes that vary significantly across countries, and how organizations adapt to these variations, accommodating and customizing their practices to local contexts, can inspire important questions for both research and practice.

In many African countries that are held back by relatively small market sizes, domestic producers are unable to achieve economies of scale. As a result, African and multinational firms seek to benefit from regional economic integration, which requires building economies of scale, increasing competition, and fostering economic diversification (United Nations Conferences on Trade and Development, 2015). In addition to addressing the opportunities and challenges posed by cross-border flows of both skilled and unskilled labor, more research is needed to understand the benefits and risks of operating value chains that cross national borders and attempt to realize the potential for farmers to bring produce to market, for consumers to access goods and public services, and for more efficient use of natural resources.

CONCLUSION

Africa offers great potential as a context for management research, and more empirical and conceptual work is warranted to explain the richness of the opportunities on the African continent and address the challenges within them. There is a great deal more to learn from Africa than social development—exciting opportunities abound in these fast-growing economies, strong and entrepreneurial workforces underpin desire for social change, and the presence of valuable natural resources augur well for the future. Despite the challenges of leadership and governance and the need to build resilient social and economic institutions, there is remarkable optimism around Africa and its prospects. Management scholars have the opportunity to provide empirical evidence and guide business executives and policy makers alike on the road ahead.

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