

Chapter 44

Global Lighting Centre Ltd.

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ABSTRACT

The purpose of this case study is to examine the motivation and challenges influencing entrepreneurial startup of family businesses from Africa, specifically Ghana. The case brings out how the founder of a family business has been able to manage these challenges and incorporate non-family members for business success. The case further explores the differences and similarities in the motivational factors and challenges associated with starting a business in an African context, specifically Ghanaian context, as compared to the other parts of the world. A questionnaire and in-depth interview was used to gather data. The findings suggest that though there are several personal and environmental challenges faced when starting a family business in Ghana, entrepreneurs with strong mental and personality qualities or characteristics are able to make it.

INTRODUCTION

Bird and Jelinek (2005) established that entrepreneurs distinguish themselves from others by purposely joining and forming their own businesses and using others' resources to build a firm, which adds value. Successful entrepreneurs are those who start business ventures that survive and grow, and are distinguished from less successful ones by the interaction of these broad determinants and the intentional processes that go into venture formation.

Zhao and Seibert (2005) expressed that entrepreneurship is important because it leads to improved economic efficiencies, brings innova-

tion to market, generates new jobs, and sustains employment levels. This has been supported by several other authors (e.g., Shane & Venkataraman, 2000; Gaddam, 2007; Low & Macmillan, 2008).

Hence, entrepreneurship research has gained a level of acceptance worldwide with different authors both in academia and industry focusing on various dimensions of the subject. However, available literature shows that with the breadth in entrepreneurial research, there is still an extant literature on entrepreneurship information from developing countries such as Ghana. Several calls have been made over the years from past researchers such as Kent et al. (1986); Low & MacMillan, (1988) and more recent ones such as

Bruton et al. (2008), it should be noted that there is still a general lack of research on the subject of entrepreneurship on the African continent.

Another related area to entrepreneurship is family business because family businesses emerge from entrepreneurship. Surprisingly, a review of literature in family business research also shows a lack of research in this area in the developing world. Consequently, there have been several calls for the extension of family business to other geographic locations where there is little or no family business information (Sharma, 2004; Casillas & Acedo, 2007; Debicke et al., 2009 & Litz, et al., 2012). These calls in both entrepreneurship and family business indicate enough evidence that there is little known about Africa in the literature. In view of this general lack of researches in Africa on entrepreneurship and family businesses, this chapter seeks to fill this gap in knowledge. To this end, this chapter seeks to address the situation by addressing the following issues:

To describe a successful Ghanaian family business Global Lighting Centre and the entrepreneur who has grown the business to this point. Specifically, this chapter describes the challenging environmental conditions under which the business emerged, including lack of capital and poor consumer attitudes, lack of infrastructure, etc., and under which the young Ghanaian started and with passion and determination has been able to become a leader in the industry. In addition the chapter will describe in detail the tremendous challenges and obstacles associated with starting a business in such an environment, particularly the institutional and socio-cultural barriers that entrepreneurs encountered in the early days of their business and the innovative ways in which these challenges are managed for business growth and sustainability.

This study will also seek to describe the success of this entrepreneur and identify the key mental or cognitive attributes or characteristics

which this entrepreneur suggests are needed to run an effective family business from the Ghanaian perspective.

Finally, the case study will address how this entrepreneur has been able to manage family relations and incorporated external people, into the management team for progress and the benefit to society.

LITERATURE REVIEW

Entrepreneurship

The literature on entrepreneurship and successful start-ups shows that the most predominant areas of focus have been individual factors and characteristics of successful entrepreneurs such as intention, risk, motivation, etc., organizational factors and processes including management and leadership as well the organizational cultural or environmental context of business operation. These three major directions of research have contributed immensely to knowledge in different fields of endeavour and would be the focus of this review.

FACTORS INFLUENCING ENTREPRENEURIAL SUCCESS

A number of studies have indicated that there are certain individual factors, qualities or personal characteristics which contribute immensely to influencing entrepreneurship and the starting of a business success. These have been classified into personality or psychological factors and social background factors and organizational factors.

Personality/Psychological Factors

Personality characteristics play a crucial role in the success of any entrepreneur. This is because

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