



Swansea University  
Prifysgol Abertawe



## Cronfa - Swansea University Open Access Repository

---

This is an author produced version of a paper published in:  
*Africa Journal of Management*

Cronfa URL for this paper:  
<http://cronfa.swan.ac.uk/Record/cronfa52443>

---

### **Paper:**

Adeleye, I., Debrah, Y. & Nachum, L. (2019). Management of financial institutions in Africa: Emerging themes and future research agenda. *Africa Journal of Management*, 5(3), 215-230.  
<http://dx.doi.org/10.1080/23322373.2019.1657766>

---

This item is brought to you by Swansea University. Any person downloading material is agreeing to abide by the terms of the repository licence. Copies of full text items may be used or reproduced in any format or medium, without prior permission for personal research or study, educational or non-commercial purposes only. The copyright for any work remains with the original author unless otherwise specified. The full-text must not be sold in any format or medium without the formal permission of the copyright holder.

Permission for multiple reproductions should be obtained from the original author.

Authors are personally responsible for adhering to copyright and publisher restrictions when uploading content to the repository.

<http://www.swansea.ac.uk/library/researchsupport/ris-support/>

## Introduction to the Special Issue

### **MANAGEMENT OF FINANCIAL INSTITUTIONS IN AFRICA: EMERGING THEMES AND FUTURE RESEARCH AGENDA**

**Ifedapo Adeleye** (Corresponding Author)

Human Resources Management Program

Georgetown University

Washington, D.C., USA

E: [Ifedapo.Adeleye@georgetown.edu](mailto:Ifedapo.Adeleye@georgetown.edu)

ORCID iD: <https://orcid.org/0000-0002-2370-4911>

**Yaw A. Debrah**

School of Management

Swansea University

Swansea, UK

E: [y.a.debrah@swansea.ac.uk](mailto:y.a.debrah@swansea.ac.uk)

ORCID iD: <http://orcid.org/0000-0002-0831-5803>

**Lilac Nachum**

Zicklin School of Business

Baruch College, CUNY

New York, USA

E: [Lilac.Nachum@baruch.cuny.edu](mailto:Lilac.Nachum@baruch.cuny.edu)

ORCID iD: <https://orcid.org/0000-0003-1642-0838>

Disclosure Statement: No potential conflict of interest was reported by the authors.

# **MANAGEMENT OF FINANCIAL INSTITUTIONS IN AFRICA: EMERGING THEMES AND FUTURE RESEARCH AGENDA**

## **Abstract**

The rise of the financial services sector in Africa over the last decade or so has been phenomenal, marked by significant advances in mobile money, and growing financial inclusion and profitability. However, there are significant gaps in the academic literature on the sector, as most recent studies have focused on the more technical aspects of economics, banking and finance, with little attention paid to the management of financial institutions, and the strategic behavior of financial services players. This special issue attempts to fill these gaps. In this introductory paper, we provide an overview of three important trends or thematic areas that the papers in the special issue address: the decline of foreign banks in Africa; the rise of pan-African banks; and how frugal innovation and fintech are shaping the future of financial services in Africa. We also outline three avenues for future research: historical perspectives on financial services; indigenous financial institutions; and mergers, acquisitions and strategic alliances.

## **Keywords:**

Pan-African Banks; Fintech and Frugal Innovations; Indigenous African Financial Institutions; Mergers & Acquisitions; Financial Institutions Management.

## **INTRODUCTION**

The rise of the financial services sector in Africa over the last decade or so has been phenomenal. Africa's banking industry was ranked the second-fastest growing in the world, and about twice as profitable as the global average (McKinsey, 2018). Pan-African banks are now outnumbering and outcompeting the Western banks that have dominated banking in Africa for over a century (Adeleye et al., 2018), with nearly two thirds of the estimated 100 cross-border banks on the continent being African-owned (Beck, Fuchs, Singer

and Witte, 2014). The region's microfinance institutions are growing rapidly, with about 8 million customers and a gross loan portfolio of \$8.5 billion (The Borgen Project, 2018). At US \$60 billion in Gross Written Premium, the region's insurance market is projected to post decent growth in the years ahead (PwC, 2018).

These recent trends are a welcome development as financial institutions can be a catalyst for economic growth and development, and help reduce the pervasive problem of poverty in Africa. However, it must be noted that the impressive growth is from a relatively low base, and Africa's financial services markets are not yet mature and globally competitive. For example, banking penetration is just 38 percent of GDP, about half the global average for emerging economies, and several significant headwinds persist (McKinsey, 2018). To realize its potential, these complex challenges need to be urgently addressed. Management matters. From private sector players who are driving growth, to regulators and policy makers, and other ecosystem partners, there is a need to leverage management knowledge and evidence-based practices to accelerate growth.

Management scholars have an important role to play here. While there is a growing body of literature on the management of financial institutions in Africa (see, for example, Dadzie and Ferrari, 2019; Amegbe and Osakwe, 2018; Redford, 2017; Verhoef, 2016; Adams, Debrah, Williams, and Mmieh, 2015; Amaeshi, Adeleye, and Amao, 2015; Ngwu, Adeleye, and Ogbechie, 2015; Boojihawon and Acholonu, 2013), there are still significant gaps in our understanding of the strategic behavior of financial services players, and of financial institutions management, more broadly. This is surprising, given that the sector has featured prominently in public discourse, and within policy and professional circles. From financial services marketing, to technology and innovation, strategic management, corporate governance, human capital management, responsible management and sustainable finance, there is a need for more research, so that practitioners and policy makers can have access to solid scientific evidence as a basis for their decision-making processes. This special issue is an attempt to start filling these gaps in the literature, and we hope it sparks conversations and draws more attention to research on this high-potential industry.

## **OVERVIEW OF THE THEMATIC AREAS AND PAPERS IN THE SPECIAL ISSUE**

Our special issue on the management of financial institutions in Africa includes four articles, including this introductory paper. The papers cover multiple disciplines – business history, strategic management, strategic entrepreneurship, technology and innovation management, and make reference to seven dynamic

economies across all the Sub-Saharan Africa regions: Gabon, Ghana, Kenya, Nigeria, Tanzania, Uganda, and Zambia. The thematic areas, research paper titles, and authors of the three papers are listed below.

- **The Decline of Foreign Banks in Africa**

*Where have Foreign Banks in Nigeria Gone? Market Structure, Competitive Intensity and the Capabilities of Nigeria Banks*

Lilac Nachum and Chris Ogbechie

- **The Rise of Pan-African Banks**

*Fostering Entrepreneurship for Innovation in African Banks' Subsidiaries*

Christian Wolf and Dana T. Redford

- **Frugal Innovation, FinTech and the Future of Financial Services in Africa**

*Mobile Money as a Frugal Innovation for the Bottom of the Pyramid—Cases of Selected African Countries*

Yinka David-West, Nkemdilim Iheanachor, and Immanuel Umukoro

The rest of this paper is organized into two main sections. First, we highlight three thematic areas that the special issue addresses: the decline of foreign banks in Africa; the rise of pan-African banks; and how frugal innovation and fintech are shaping the future of financial services in Africa. We then outline three avenues for future research: historical perspectives on financial services; indigenous African financial institutions; and mergers, acquisitions and strategic alliances in Africa's financial sector.

## **THE DECLINE OF FOREIGN BANKS IN AFRICA**

*Regional banks are now filling gaps left by their European and American rivals, which are retreating from a continent they once dominated. Barclays sold a majority stake in its African business last year. Other global giants have also reduced their exposure to African markets, which they judge too small and too risky in an era of tightened regulation.*

The Economist (2018: 68)

Foreign banks dominated the financial services landscape across Africa for a large part of the twentieth century, and played a key role during the European colonization of the continent (Adeleye et al., 2018). Even after independence in the 1960s and 1970s, British and French banks like Barclays, Standard Chartered and Societe Generale, had maintained a significant market share in many countries. In the last two decades, however, there has been an exodus of foreign banks, many of them citing high operating costs, regulatory pressures, and mounting risks, as the quote at the head of this section highlights. Barclays' recent exit epitomizes this trend. The British bank had been present on the continent for more than a century, with over 40,000 employees in twelve countries, at the time of exit in 2018. Most of the bank's business in Africa is now largely taken over by South Africa-based ABSA Group, with its Egypt and Zimbabwe subsidiaries sold to other pan-African banking groups (Adeleye et al., 2018).

In a course of a mere decade or so, the power and influence of foreign banks that have dominated Africa's financial services landscape for over a century, has diminished, while local African banks, mostly from Nigeria, Kenya and South Africa, assumed local and regional market leadership. These developments stand in contrast to the patterns that have been noted around the world, most notably in emerging markets, where the shares of foreign ownership have been growing over time (Claessens and van Horen, 2012, Beck et al., 2014). Several foreign banks, however, continue to play a leading role on the continent, with Standard Chartered, Societe Generale, and Citibank having substantial operations in the most dynamic markets. In such an increasingly competitive landscape, more studies are needed to understand foreign banks' strategic behavior and their impact on the industry.

One fruitful avenue for research is foreign banks' profitability and performance. Do foreign banks perform better than their African counterparts? Pelletier (2018), in a recent study of the financial performance of banks in Africa, compared the performance of Western banks in Africa to those of emerging-market banks in the region, regional African banks, and domestic banks. The analysis shows that Western and emerging-market banks consistently performed better than domestic banks, but not significantly better than the pan-African banks — due largely to better operational efficiency and lower cost of funding. In an earlier global study, Claessens and van Horen (2012: 1276), concluded that the performance of foreign banks is influenced by home country, host country and institutional factors: “foreign banks perform better when [they originate in] a high income country and when regulations in the host country are relatively weak. Also foreign banks from home countries with the same language and similar regulation as the host country tend to perform better.” More studies are needed to improve our understanding of the factors that affect foreign banks' profitability and performance in Africa.

Given the existing market realities, it is important to also investigate how the decline of foreign banks is shaping competition in domestic markets. In particular, how the shifting competitive dynamics in the banking industry is affecting market structure and the organizational capabilities of local players, and the implications for international business theories. The first paper of this special issue — *Where have Foreign Banks in Nigeria Gone? Market Structure, Competitive Intensity and the Capabilities of Nigeria Banks* — by Nachum and Ogbechie, examines this trend. They begin by illustrating the inconsistency of this phenomenon with the predictions of several strands of international business theory, most notably theories of liability of foreignness, and point out their limited applicability to the Nigeria banking industry context. They proceed by attempting to explicate this deviation from theoretical expectations by focusing on market structure and the government policies that have shaped it. Their study shows that series of policies towards both foreign and local banks have created a market structure that has created a conducive environment for local firms' capability development, whereas liberal policies towards foreign banks provided opportunities for learning and upgrading by local banks. They show that the latter have emerged as formidable local competitors that have come to dominate the local market, creating barriers to the entry of foreign banks and challenging the performance of the few that entered. Comparative analyses of market structure and competitive intensity in Nigeria and selected other countries and regions offers indicative evidence for these suggestions. The paper draws attention to the impact of market structure on the capability development of local firms, and the subsequent competitive balance between them and foreign firms, an issue that has been largely neglected in discussions of firms' performance in international business literature.

## **THE RISE OF PAN-AFRICAN BANKS**

*Given their latecomer status, the African challenger banks appear to be performing well. In the top three Sub-Saharan Africa (SSA) economies — South Africa, Nigeria and Kenya — the industry is dominated by local banks. In South Africa, all the top five banks are local; likewise, the top 10 in Nigeria, and the three market leaders in Kenya...This trend is also evident in several small and mid-size economies. In West Africa's nine-country francophone monetary union (WAEMU), for example, the combined market share of the five largest African banks has climbed up from 18 per cent in 2003 to 44 in 2010.*

Adeleye et al. (2018: 122)

The regional expansion of African banks mirrors that of African firms in other industries (The Economist, 2019; Boso, Adeleye, and White, 2016). Inter-Africa FDI projects as a percentage of total FDI into Africa is estimated to reach 15% in 2019, up from less than 5% at the beginning of the millennium, according to data collected by fDi Markets. A Boston Consulting Group study shows that the 30 largest African firms operated on average in 16 of the continent's countries in 2018, twice as many as in 2008. The causality relationships between the overall expansion of intra-regional FDI and that of banks is not clear, as banks both encourage investment by other firms by offering their home clients services across the region, and also followed their clients overseas, such that their own expansion was triggered by that of their clients. In addition, the business case for regional expansion on the ground of risk diversification is strong in Africa, particularly for banks. Volatile currencies, as well as capricious and unpredictable regulations provide a strong motivation for cross-border expansion in order to mitigate negative impact of developments in a single country (The Economist, 2019).

The distinctiveness of ownership patterns in Africa's banking industry compared to the rest of the world (particularly to other emerging markets), draws attention to regional idiosyncrasies that call for additional research attention. These developments, coupled with the insights that emerge from papers in this special issue regarding the limitations of existing theories to explain Africa-based phenomena, offer vast opportunities for theory extension and development (Barnard, Cuervo-Cazurra, and Manning, 2017).

More specifically, there is a need to develop research on African banks — both theoretically and methodologically. On the theoretical side, Africa's distinctiveness appears to surface vividly in the internationalization patterns of African banks, but we know very little about the underpinning challenges and mechanisms of internationalization in the African context (Boso, Adeleye, Ibeh, and Chizema, 2019; Ibeh, Adeleye, and Ajai, 2018; Ibeh, Wilson, and Chizema, 2012). These issues are of particular importance with reference to banks as they are at the forefront of the internationalization of African firms. Boojihawon and Acholonu's (2013) study of the internationalization motives, initiatives and pathways underpinning the internationalization processes of four African banks highlights the limitations of what they called "the Western-based internationalization theory" to the African context, and the need to extend these theories in order to offer a satisfactory explanation for the internationalization patterns of African firms. In a similar fashion, Nachum and Verachia (2019) show such theoretical deviations with reference to the internationalization patterns of South African banks, and linked them to the distinctive historical and institutional development of South Africa that gave rise to an organizational mindset that is not supportive of global expansion. Based on these suggestive conclusions, the authors call for the incorporation of



organizational identity in internationalization theories, to supplement the traditional emphasis on intangible assets as the predominant condition for internationalization. These studies offer vivid illustrations of the limitations of internationalization theories when applied to Africa, and demonstrate the vast opportunities for theoretical extensions that the region represents.

Methodologically, there is a need to expand the range of study designs in order to enable further progress. Research on African banks, as well as on African firms in other industries, is predominantly based on qualitative, case-based methods. Such approaches have substantial merits in offering a rich understanding that can only be provided via a detailed, in-depth study of a single or a small number of firms. There is a need, however, to supplement the suggestive insights that emerge from these case studies with solid empirical evidence in order to observe patterns and identify trends in the internationalization of African banks (Boyd, Dess and Rasheed, 1993). In part, the preference for case study-based research is due to data limitations, a constraint that is perhaps more severe in Africa than elsewhere. However, as data collection efforts in a growing number of countries improve, African data are increasingly included in international databases. Notable examples that are of particular relevance to banking and financial services include the World Bank Global Financial Development Database and Bankscope, which offer a plethora of country and firm level data respectively. As secondary data of good quality become increasingly ubiquitous, there are opportunities for theory testing on African financial institutions. Meanwhile, in-depth studies are needed to fill important gaps in the literature on African banks' internationalization.

One of such areas lies at the intersection of international entrepreneurship and innovation, the focus of the second paper of this special issue — *Fostering Entrepreneurship for Innovation in African Banks' Subsidiaries* — by Wolf and Redford. The paper offers an insightful examination of a major challenge confronted by firms as they expand internationally and grow in size, namely: keeping the spirit and dynamism of an entrepreneurial venture alive. This issue is very important in the context of African banks, as entrepreneurial spirit has been fundamental in the rise of some of the most successful among them, providing the foundations of their success. It is also very timely since these banks are expanding rapidly, making the challenge of maintaining their entrepreneurial spirit fundamental for their success and long-term survival. The study is based on deep insights generated from a case study of Equity Bank, arguably one of Africa's most successful entrepreneurial stories (Chironga, Desvaux, and Leke, 2019). Building on entrepreneurship theory, and combining it with theories of international business and organizational behavior, the authors identify six characteristics that have been critical to the bank's ability to keep its entrepreneurial spirit alive at a time of accelerated growth — strategic reinvention, subsidiary autonomy, new staff development, storytelling, exchange of good practice, and experimentation. In advancing this framework, the authors make a novel contribution by drawing attention to organizational dimensions that

have not previously been recognized in the context of international entrepreneurship, most notably storytelling.

## **FRUGAL INNOVATION, FINTECH AND THE FUTURE OF FINANCIAL SERVICES IN AFRICA**

*While financial services have until recently been the preserve of banks and insurance companies, mobile network operators and fintechs are giving banks a run for their money in Africa, particularly in the retail and SME segments. MNO-led innovations have enhanced financial inclusion in Africa, and now it is time for banks to develop their own distinctive mobile and digital services.*

McKinsey (2017: 7)

The future of financial services in Africa is digital. Africa is already the global leader in mobile money, with nearly 400 million registered mobile money accounts; M-Pesa, the much celebrated Kenyan success story, no longer dominates the mobile financial services space, as players launch new products, from credit, to insurance, and cross-border remittances (McKinsey, 2017). While much progress has been made, banking penetration is still low in Africa, and insurance is yet to fully take-off, making financial inclusion a top priority for governments, financial institutions and other ecosystem partners. With mobile subscription and access increasing throughout Africa, much attention is now paid in the literature to the transformational potential of fintech and frugal innovation (David-West, Iheanachor, and Umukoro, 2019; Wellen and Van Dijk, 2018; Ndemo and Weiss, 2017; Rouse and Verhoef, 2016).

As the quote at the head of this section illustrates, mobile network operators and fintechs are aggressively leveraging their technology capabilities and outcompeting traditional financial institutions in Africa. Africa's two leading mobile money providers, Vodafone M-Pesa and MTN Mobile Money, generated \$550 million and \$200 million respectively in revenues in 2016 (McKinsey, 2017). In 2019, MTN Mobile Money obtained a license from the Central Bank of Nigeria to provide financial services in the country; with its nearly 70 million mobile phone subscribers, and the Nigerian market predicted to add over 30 million subscribers by 2025 (Kazeem, 2019), the South African telecoms giant has the potential to become the largest telecom and financial services provider in Nigeria.

This blurring of industry boundaries has serious implications for traditional financial institutions in Africa, who now have to play catchup with mobile network operators and develop their fintech capabilities (Isiavwe, Onuoha, and Peregrino, 2019). The leading traditional financial institutions, like Nigeria's Guaranty Trust Bank and South Africa's First National Bank, are taking this challenge seriously, as the new market reality demands competing through technology and innovation. For researchers, this trend raises important questions. How do firms operating in volatile and dynamic markets connect business model innovations, dynamic capabilities, and strategic leadership to succeed? As Schoemaker, Heaton, and Teece (2018) point out, the processes for building dynamic capabilities — sensing external change, seizing new opportunities, and transforming organizations — are complex, and organizations need to develop their ability to proactively anticipate and respond to constantly changing market trends as the uncertain digital future unravels. With Africa leading the digital revolution in financial services, empirical studies that can unpack these complex processes for building dynamic capabilities have the potential to make important contributions to the broader literature. Such studies can also provide strategic insights for traditional African players embarking on vigorous repositioning projects to deliver affordable yet profitable mobile financial services.

Frugal innovation has immense potential in developing economies where the challenge of reaching low-income and underserved populations is pervasive (Corbin, 2018; Hossain, 2017; Knorringa, Peša, Leliveld, and Van Beers, 2016). While India has recorded the highest number of frugal innovation cases and received most of the attention in this area (Hossain, 2017), there is increasing interest in frugal innovations in Africa. The LDE Centre for Frugal Innovation in Africa, a global research network of three Dutch universities and East African partners established in 2013, is conducting multi-disciplinary research across several domains. In the financial services sector, where the literature on frugal innovation is only beginning to emerge, more studies are needed to improve our understanding of how frugal innovations and technologies can enable sustainable development, particularly poverty reduction, inclusive development, gender equality and women's empowerment.

However, the developmental potential and promise of frugal innovation in financial services needs to be critically examined, as a recent study of mobile money agents in Zambia by Peša (2018: 49) concluded that “mobile money can indeed generate employment and foster entrepreneurship, but it can simultaneously contribute to informalisation and create new socio-economic inequalities”. For the benefit of financial services practitioners and policy makers, empirical studies are needed to understand how best to embed sustainability and inclusiveness in mobile money and other technology-driven low cost innovations targeted at hundreds of millions of Africans at the bottom of the pyramid (BOP). How can mobile money increase

financial access and deepening? How does mobile money affect rural-urban or gender relationships? How do regulators strike the right balance between protecting consumers and competitive marketplaces, and fostering an enabling environment for innovation and cross-industry partnerships? What are the barriers to the diffusion of mobile money and frugal innovations in African markets, and how can these be overcome?

In the third paper of this special issue — *Mobile Money as a Frugal Innovation for the Bottom of the Pyramid – Cases of Selected African Countries* — David-West, Iheanachor, and Umukoro investigate how mobile money can be used to enhance access to formal financial services at the BOP. Focusing on business models, their study addresses barriers to formal financial services at the BOP, and explores how the frugality of mobile money addresses issues of affordability, resource constraints, and institutional voids that characterize many African economies. The study uses a multiple case study approach to investigate mobile money deployments in seven countries across all the Sub-Saharan Africa regions: Tanzania, Kenya, Ghana, Uganda, Gabon, Zambia, and Nigeria. Analyzing data on the cost of financial services, financial service points, and financial inclusion rates, the authors show how mobile money leverages mobile phones, cellular connectivity and agent networks to advance financial inclusion at the BOP. One interesting conclusion from this study is that mobile money as a frugal innovation not only provides financial access to unbanked and underserved BOP populations, but it also facilitates market activities by providing access to healthcare, education, and employment opportunities.

## **MANAGEMENT OF FINANCIAL INSTITUTIONS IN AFRICA: FUTURE RESEARCH OPPORTUNITIES**

While the papers in this special issue make significant contributions and fill gaps in our understanding of some key issues, opportunities and challenges of managing financial institutions in Africa, there is still a need for more research on this topic. In this section, we highlight three fruitful avenues for future research with the hope that they will spark the interest and imagination of scholars with an interest in Africa financial sector: historical perspectives on financial services in Africa; indigenous African financial institutions; and mergers, acquisitions and strategic alliances in Africa's financial sector.

## **HISTORICAL PERSPECTIVES ON FINANCIAL SERVICES IN AFRICA**

Africa's financial services industry has a long and eventful history that can be traced as far back to the pre-colonization era of the thirteenth century when various currencies and entrepreneurial lending activities thrived in informal economies (Verhoef, 2017). Banking, for instance, has experienced five major periods: Barterization and commercialization in the pre-nineteenth century era, when informal indigenous institutions prevailed before the establishment of colonial banks; Colonization and formalization in the 1800s-1960s, when Europeans introduced 'modern' banking to facilitate colonial export trade; Nationalization and indigenization in the 1960s-1970s, when many newly independent countries seized control of foreign banks, and started granting licenses to hitherto marginalized indigenous operators; Liberalization and privatization of the 1980s and 1990s, where licenses were awarded to many new private sector players and state-owned banks were privatized; Recapitalization and internationalization since the 2000s, following aggressive increases in capital requirements following bank failures, with stronger players emerging and expanding internationally (Adeleye et al., 2018).

Clearly, the industry has undergone significant transformations over the last few centuries, and as the digital future unfolds, it is important to understand how current marketplace issues and trends evolved out of the past, and how the future is being shaped by the present. History matters. Surprisingly, it has been hard to find empirical studies on Africa's financial services in the business and management history literature. On a more positive note, these gaps are being filled by important studies such as: Verhoef, 2019, 2017, 2016; Ashta, Demay, and Couchoro, 2016; Uche, 2010; Austin and Uche, 2007. Each of the five periods outlined above hold important lessons, not just for the region's financial services sector, but for other industries and developing economy contexts. For the benefit of practitioners and policy makers, therefore, more empirical studies are needed to examine historical trends and developments, as well as draw lessons and insights. There are several fruitful avenues for such research: country-focused studies, industry-specific studies (for example, insurance); historical research on effectiveness of regulatory policies; engagement with management agendas important to financial services (for example, high-impact entrepreneurship, sustainable management, competitive advantage); developing context-relevant theories of business history, using diverse methodologies, from empirical and archival historical approaches, to documentary sources from financial services firms.

Given the unusually high rate of collapse of African financial institutions, one particularly pertinent avenue for future research is business failure. What can we learn from studying cases like that of South African Standard Bank's failed global (emerging markets) strategy, or the recent de-internationalization of several Nigerian banks? Or the rise and decline of foreign banks like Barclays that dominated financial services across the continent for nearly a century? Or failed state-led initiatives to provide financial services to the

poor, or the general failure of state-owned financial institutions? A lot can be learned from business and management history research, especially when conducted using rigorous theoretical approaches and methodologies. As Amankwah-Amoah and Debrah (2014, 2010) advise in their recent research on the collapse of leading African airlines, studies need to go beyond the deterministic theoretical lenses (which focuses on external causes of failure such as economic conditions and market forces), and the voluntaristic perspective (which attributes failures to internal factors, such as quality of human capital, and management styles). Future research should instead focus on hybrid or dynamic approaches that can better deal with the complex interactions of endogenous and exogenous factors and processes that lead to business failure. Scholars should take advantage of the increasing availability of (big) data at industry, national and regional levels, to conduct quantitative studies in this area.

## **INDIGENOUS AFRICAN FINANCIAL INSTITUTIONS**

We know — from history — that indigenous financial institutions thrived across Africa (Verhoef, 2017). Informal savings groups, in particular, have a long tradition on the African continent, and go by different names: *susu* in Ghana, *Esusu* in Nigeria or *iquib (ekub)* in Ethiopia, and *stokvel* in South Africa. These institutions were even exported by the African diaspora to the Caribbean and beyond (Maynard, 1996), and have attracted global attention from anthropologists and historians for decades (Bascom, 1952). We need to better understand the fundamentals of how these institutions work, their business models, environmental context in which they flourish, and how to leverage technology to enhance their operations and scale their impact. A recently launched research consortium, Savings Groups for Africa (SG4), led by the Policy Experimentation & Evaluation Platform (PEEP), Portugal, and the University of Johannesburg, South Africa, has an ambitious goal of building a pan-African research team to unpack several of these issues. One fruitful research avenue the consortium plans to focus on is the topical issue of financial inclusion and formal financial institutions: “There is a gap in the literature on the link between savings groups and formal banking. In particular, we would like to understand whether participation in savings groups facilitates future use of formal finance services, and therefore serves the wider goal of financial inclusion” (Savings Groups for Africa, 2018). This is particularly relevant as banks and developmental institutions are beginning to explore partnerships and linkages with rotating savings and credit associations (ROSCAs) and indigenous financial institutions. In South Africa, for example, a variety of formal banking products aimed at attracting *stokvel* savings have been implemented (Rouse & Verhoef, 2017; Verhoef, 2001); Kenya’s Equity Bank has launched a credit product for village savings and loan associations in 2015 (CARE, 2015).

These associations usually operate in rural areas, which means the collaboration between savings groups and formal banks has a huge potential to increase financial inclusion and alleviate poverty. For scholars, this presents an opportunity to conduct research on models and mechanisms to make these partnerships effective, and how best to deal with regulatory and other barriers to financial inclusion for the unbanked and underserved populations. Related to this, research on promoting female entrepreneurship to advance financial inclusion can investigate factors influencing the performance of women-owned businesses in rural communities, and what role access to village savings and credit associations and other indigenous financial institutions played in their success or performance (see, for example, Gichuki, Mulu-Mutuku, and Kinuthia, 2014). Applied research on how to structure and organize informal players to support female micro entrepreneurs by providing affordable financial products will go a long way in helping practitioners and policymakers in their efforts to reduce poverty and advance sustainable development.

## **MERGERS, ACQUISITIONS AND STRATEGIC ALLIANCES IN AFRICA'S FINANCIAL SECTOR**

From Cairo to Cape Town, there has been an upsurge in the number and scale of mergers and acquisitions (M&As), and strategic alliances in Africa in the last two decades or so. The financial sector has accounted for a fair amount of these transactions, driven primarily by competitive and regulatory pressures (Bodo, 2019; Adeleye et al., 2018). In Kenya, the NIC Bank and Commercial Bank of Africa, as well as Kenya Commercial Bank (KCB) and National Bank of Kenya, have recently merged. Nigeria's Access Bank acquired Diamond Bank in 2019, after more than a decade of multiple bank mergers following a regulator-driven consolidation exercise. There have also been many crossborder M&A deals. Kenya's Equity Bank Group acquired Atlas Mara's banking subsidiaries in Zambia, Tanzania, Mozambique and Rwanda (Bodo, 2019), and Nigeria's Guaranty Trust Bank and First Bank relied on M&As to expand into East and West Africa respectively (Adeleye, Iheanachor, Ogbechie, and Ngwu, 2015). South Africa's Standard Bank also did complex cross-continental deals with Chinese ICBC; its local rival, Nedbank, has a unique strategic alliance with leading pan-African bank, Ecobank, in what constitutes the largest banking network in Africa, with over 2,000 branches in 39 countries (Adeleye et al., 2018). Not surprisingly, there is now a burgeoning literature on M&As in Africa's financial services sector (see, for example, Akinbuli and Kelikume (2013); Agbloyor et al. (2012); and Gomes, Angwin, Peter, and Mellahi, 2012), and analysts predict that M&As hold the next growth story in the sector (Bodo, 2019).

Given these marketplace trends, and the fact that the M&A literature in the context of Africa is only beginning to emerge, Africa is a fertile ground for scholars who want to better understand this phenomenon.

As Ellis, Lamont, Reus, and Faifman (2015: 137) clearly articulated in their comprehensive review of the Africa M&A literature:

*The African context appears particularly appropriate for extending our knowledge of institutional theory, the development of selection capabilities, learning and knowledge transfer theories, the role of cultural differences in cross-border M&A, organizational justice theory, a subset of institutional theory on institutional legacies, and social dominance theory.*

We highlight two of these areas for future financial services-focused research: the role of cultural differences in M&As, and institutional legacies. Africa is unique in the sense that there is significant cultural diversity within countries, which poses domestic integration challenges. Gomes et al. (2012), for example, highlight how cultural differences between Nigeria's predominantly Christian South and Muslim North, complicates communication, training, and other HR-related integration efforts in domestic bank M&A deals. This gets more complicated with cross-border deals, as managers have to deal with national, regional, and organizational culture differences, what Ellis et al. (2015) aptly labelled the " 'triple-layered' acculturation challenge". In such cases, there is a need to carefully manage issues such as linguistic diversity, persisting stereotypes, as well as differences in work ethic, acceptable norms of work behavior, and management styles across countries (Ovadge, 2016; Nartey, 2015). How can firms successfully navigate these cultural landmines? We need evidence-based frameworks and theories to help understand the nuances and strategies for dealing with these cross-cultural M&A integration challenges. Khan, Rao-Nicholson, Akhtar, and He (2017), in a recent study of cross-border M&As of emerging market multinationals, offer some useful insights. They propose that firms pursue a distributed leadership model, delegating responsibility among various hierarchies and decision-making levels, to promote shared understanding and build legitimacy. More Africa- and financial services-specific research is needed to unravel strategies for overcoming these cultural integration challenges.

Beyond cultural differences, institutional legacies can be a serious barrier in African M&A integration efforts. Institutional legacies refer to people's reactions to contentious historical issues (for example, the European colonization of Africa, and the former apartheid system in South Africa), and are usually accentuated by perceived status differences between firms from such countries (Ellis et al., 2015). The lingering effects of these events can be a decisive factor in M&As, from deal origination, to integration, and outcomes. A recent study confirmed this assertion. Liou and Rao-Nicholson (2017), in their research on South African acquisitions in developed economies found that colonial ties had a negative impact on the long-term performance of the South African acquirers. On the other hand, there is the view that firms from countries that have colony-colonizer links or share a colonial history would find it easier to do international



business deals, due to similarities in administrative systems or institutional arrangements (Ghemawat, 2001). Given the persisting Anglophone-Francophone divide in Africa, empirical studies are needed to ascertain the impact of colonial ties and institutional legacies on crossborder financial sector M&A deals. What role do institutional legacies play in the M&A deal origination process? Are there any differences in deal patterns based on Anglophone, Francophone and Lusophone colonial ties? Do internationalizing African banks have better long-term operating performance in countries with a shared colonial history? How can financial services practitioners overcome institutional legacy barriers in the M&A integration process?

Another fruitful research avenue is the consequences of M&As — rivals' reactions to M&As. A recent study of competitive dynamics in medical (and related) industries provides some interesting insights on rivals' strategic behavior: “a rival's dependence on markets in common with the acquirer, resource similarity between rival and acquirer, and a rival's organizational slack increase the volume and, in some cases, also the complexity of a rival's competitive actions following an acquisition.” (Uhlenbruck et al., 2017: 40). Given the huge upsurge in the number and scale of M&A deals in Africa's financial services in recent years, we need to better understand rivals' reactions to these deals, and how these are reshaping competitive dynamics in the industry. Related to this, one fruitful avenue to explore, if cross-sector alliances or M&As between financial institutions and mobile network operators begin to spring up, is how these deals would impact rivals' strategic behavior, industry boundaries, and competitive and regulatory dynamics in both industries.

Finally, as regional integration deepens following the implementation of the historic African Continental Free Trade Area (AfCTA), a significant upsurge in M&As, and strategic alliances across the region, including financial services sector, is likely (Wilson and Bala, 2019). *Implementation* is a critical success factor. We encourage scholars to explore how, and the extent to which government policies aimed at strengthening economic integration can promote M&As and strategic alliances in Africa's financial sector. In sum, the burgeoning Africa M&A literature has immense potential to contribute even more to the broader field. Beyond the four avenues for future research we outlined above, there is a need for more Africa-focused studies to advance our understanding of theoretical and empirical issues in M&A selection, process management, and outcomes (Ellis et al., 2015). Comparative research on similarities and differences in M&As between countries and regions is also needed to ascertain if there are any features and patterns that are idiosyncratic to the African context (Ellis et al., 2015).

## **CONCLUSION**

Emerging from the tumultuous twentieth century, Africa's financial services sector is rising, and could become a hotbed of innovation in the unfolding digital world. Practitioners, policymakers, and scholars all have a role to play in making this sector an African success story. The papers in this special issue all point to the outsized impact of good management practices on organizational performance in the financial services industry, and we hope the insights generated would be useful for evidence-based management practitioners. While we believe that the three thematic areas covered in this issue and the three suggested avenues for future research help advance our understanding of key trends, opportunities and challenges in managing African financial institutions, these are by no means exhaustive. More studies are needed on insurance, capital markets, microfinance and indigenous financial institutions, as most of the attention has been on the banking sector. From financial services marketing, to human capital management, regulation and corporate governance, ethics and sustainability, scholars are encouraged to bring diverse disciplinary and theoretical lenses to bear in researching this industry, taking advantage of the increasing access to data. We hope this paper and special issue spark more interest among scholars to conduct research on Africa's dynamic financial services industry.

## **Acknowledgements**

The Guest Editors would like to thank Professor Bruce Lamont, senior associate editor of *Africa Journal of Management*, for his support and guidance while we worked on this special issue, and for his commitment to advancing African management research. Thanks also to the many reviewers who volunteered their time and expertise to provide useful feedback that helped to improve the quality of the manuscripts. We also want to thank the panelists (and participants) at the Making Finance Work for Africa session at the Academy of International Business Africa Conference in Rwanda in August 2018, especially Professors Nshuti Manasseh, Ogechi Adeola, and Reid Click. The Savings Group for Africa research consortium coordinators, Professors Grietjie Verhoef, Dana T. Redford, and Christian Wolf, made a contribution to the section on indigenous African financial institutions, for which we are thankful. We owe a debt of gratitude to all the authors for making this special issue happen.

## ORCID iD

Ifedapo Adeleye: <https://orcid.org/0000-0002-2370-4911>

Yaw A. Debrah: <http://orcid.org/0000-0002-0831-5803>

Lilac Nachum: <https://orcid.org/0000-0003-1642-0838>

## NOTES ON CONTRIBUTORS

**Ifedapo Adeleye** is Associate Professor of the Practice of Human Resources Management at Georgetown University, USA. Prior to joining academia in 2007, he worked in the Nigerian financial services industry. Dapo has since undertaken research on the banking industry in Africa in the areas of internationalization strategy and strategic HRM, and delivered execution education and consulting services to financial firms. Dapo is the Founding Editor of the Palgrave Macmillan Business in Africa Series, and has guest-edited special issues of *Journal of Business Ethics*, *AIB Insights* and *Thunderbird International Business Review*. He received his PhD in Management from The University of Manchester, UK, and an M.S in International Economics Banking and Finance from Cardiff University, UK.

**Yaw A. Debrah** is Professor of International Management at Swansea University, UK, and Chair of the Africa Chapter of the Academy of International Business. Yaw has held academic positions at the University of Cape Coast, Ghana, Brunel University and Cardiff University in the UK, and Nanyang Technological University, Singapore. He has edited five books and guest-edited special issues of *International Marketing Review* and *Asia Pacific Business Review*. His scholarly work has appeared in journals such as *International Journal of HRM*, *Journal of Organizational Behavior*, *Journal of World Business*, *Journal of International Management*, *Journal of Applied Psychology*, *Tourism Management* and *Group and Organization Management*. He has consulted for many organizations including Singapore Telecom, Commonwealth Secretariat and ILO. Prof. Debrah completed his PhD at Warwick University, UK.

**Lilac Nachum** is Professor of International Business and Strategy at Baruch College, CUNY, USA. She is a Fellow of the Academy of International Business (AIB), and part of the leadership team of the Africa Chapter of the AIB. Prior to joining Baruch, she worked at Cambridge University and UNCTAD. Her recent research interests relate to MNE location strategy, MNE competitive position, and the internationalization of capital-raising. Prof. Nachum has published in leading academic journals, including the *Journal of International Business Studies*, *Academy of Management Journal*, *Strategic Management Journal*, *Management Science* and *Global Strategy Journal*. She has acted as a consultant to the UN and the World Bank, and has held visiting positions at universities around the world, including Lagos Business School, GIBS, and University of Kigali. Lilac completed her Ph.D. at Copenhagen Business School, Denmark.

## REFERENCES

- Adams, K., Debrah, Y. A., Williams, K., and Mmieh, F. 2015. Why on earth should foreign banks invest in Africa's financial services sector? Evidence from financial multinationals in Ghana. *Thunderbird International Business Review*, 57(6): 445–462.
- Adeleye, I., Iheanachor, N., Ogbechie, C. and Ngwu, F. 2015. FirstBank of Nigeria: Developing an Internationalization Strategy. In I. Adeleye, K. Ibeh, A. Kinoti, A. and L. White (Eds.) *The Changing Dynamics of International Business in Africa*: 262–288. Basingstoke and New York: Palgrave Macmillan.

- Adeleye, I., Ngwu, F., Iheanachor, N., Esho, E., Oji, C., Onaji-Benson, T. and Ogbechie, C. 2018. Banking on Africa: Can Emerging Pan-African Banks Outcompete their Global Rivals? In I. Adeleye and M. Esposito (Eds.), *Africa's Competitiveness in the Global Economy*: 113–136. Basingstoke and New York: Palgrave Macmillan.
- Agbloyor, E. K., Abor, J., Adjasi, C. K., and Yawson, A. 2012. Domestic banking sector development and cross border mergers and acquisitions in Africa. *Review of Development Finance*, 2 (1): 32–42.
- Akinbuli, S.F., and Kelikume, I. 2013. The effects of mergers and acquisitions on corporate growth and profitability: Evidence from Nigeria. *Global Journal of Business Research*, 7(1): 43–58.
- Amaeshi, K., Adeleye, I., and Amao, O. 2015. Corporate Social Responsibility and Employee Relations in Africa: Evidence from the Nigerian Banking Sector. In S. Nwankwo and K. Ibeh (Eds.), *The Routledge Companion to Business in Africa*: 473–493. London and New York: Routledge.
- Amankwah-Amoah, J., and Debrah, Y. A. 2014. Air Afrique: The Demise of a Continental Icon. *Business History*, 56(4): 517–546.
- Amankwah-Amoah, J., and Debrah, Y. A. 2010. The Protracted Collapse of Ghana Airways: Lessons in Organizational Failure. *Group and Organization Management*, 35(5): 636–665.
- Amegbe, H., and Osakwe, C. N. 2018. Towards achieving strong customer loyalty in the financial services industry: Ghanaian top banks' customers as a test Case. *International Journal of Bank Marketing*, 36(5): 998–1007.
- Ashta, A., Demay, I., and Couchoro, M. 2016. The Role of Stakeholders in the Historical Evolution of Microfinance in Togo. *Economic History of Developing Regions*, 31 (2–3): 303–344.
- Austin, G., and Uche, C.U. 2007. Collusion and competition in colonial economies: banking in British West Africa, 1916–1960. *Business History Review*, 81 (1): 1–26.

- Barnard, H., Cuervo-Cazurra, A., and Manning, S. 2017. Africa business research as a laboratory for theory-building: Extreme conditions, new phenomena, and alternative paradigms of social relationships. *Management and Organization Review*, 13(3): 467–495.
- Bascom, W. R. 1952. The Esusu: A Credit Institution of the Yoruba. *The Journal of the Royal Anthropological Institute of Great Britain and Ireland*, 82 (1): 63–69.
- Beck, T., Fuchs, M., Singer, D., and Witte, M. 2014. *Making Cross-border Banking Work for Africa*. Eschborn, Germany: GIZ.
- Bodo, G. 2019. Mergers and Acquisitions Hold the Next Growth Story for SSA Banks. *International Banker*, June 27: 1–5.
- Boojihawon, D. K., and Acholonu, K. K. 2013. Internationalization process of African banks: An exploratory study. *African Journal of Economic and Management Studies*, 4(2): 244–266.
- Boso, N., Adeleye, I., Ibeh, K., and Chizema, A. 2019. The Internationalization of African Firms: Opportunities, Challenges and Risks. *Thunderbird International Business Review*, 61(1): 5–12.
- Boso, N., Adeleye, I., and White, L. 2016. Africa-to-Africa Internationalization: Emerging Trends and Key Issues. In I. Adeleye, L. White and N. Boso (Eds.), *Africa-to-Africa Internationalization: Key Issues and Outcomes*: 3–34. Basingstoke and New York: Palgrave Macmillan.
- Boyd, B.K., Dess, G.G., and Rasheed, A.M.A. 1993. Divergence between archival and perceptual measures of the environment: Causes and consequences, *Academy of Management Review*, 18 (2): 204–226.
- CARE. 2015. *Credit where it's due: CARE partners with Equity Bank Kenya to launch pilot VSLA loan product*. Accessed July 31, 2019 at: <https://insights.careinternational.org.uk/development-blog/credit-where-it-s-due-care-partners-with-equity-bank-kenya-to-launch-pilot-vsla-loan-product>.
- Chironga, M., Desvaux, G., and Leke A. 2019. Leadership lessons from Africa's trailblazers. *McKinsey Quarterly*, January: 1–10.
- Claessens, S., and van Horen, N. 2012. Being a foreigner among domestic banks: Asset or liability? *Journal of Banking and Finance*, 36 (5): 1276–1290.

Dadzie, J.K., and Ferrari, A. 2019. Deregulation, efficiency and competition in developing banking markets: Do reforms really work? A case study for Ghana. *Journal of Banking Regulation*, 1–13.

David-West, O., Iheanachor, N., and Umukoro, I. O. 2019. Sustainable business models for the creation of mobile financial services in Nigeria. *Journal of Innovation and Knowledge*.

<https://doi.org/10.1016/j.jik.2019.03.001>

Ellis, K., Lamont, B., Reus, T., and Faifman, L. 2015. Mergers and Acquisitions in Africa: A Review and an Emerging Research Agenda. *Africa Journal of Management*, 1 (2): 137–171.

Ghemawat, P. 2001. Distance still Matters. The hard reality of global expansion. *Harvard Business Review*, 79 (8): 137–147.

Gichuki, C., Mulu-Mutuku, M., and Kinuthia, L. 2014. Performance of women-owned enterprises accessing credit from village credit and savings associations in Kenya. *Journal of Global Entrepreneurship Research*, 4: 1–13.

Gomes, E., Angwin, D., Peter, E., and Mellahi, K. 2012. HR Issues and Outcomes in Domestic Mergers and Acquisitions: A Study of the Nigerian Banking Sector. *The International Journal of Human Resource Management*, 23 (14): 2874–2900.

Hossain, M. 2017. Mapping the Frugal Innovation Phenomenon. *Technology in Society*, 51: 199–208.

Ibeh, K., Adeleye, I., Ajai, O. 2018. The Rise of African Multinationals: Are IB Scholars Paying Sufficient Attention? *AIB Insights*, 18 (4): 10–14.

Ibeh K.I., Wilson J., and Chizema A. 2012. The internationalization of African firms 1995–2011: Review and implications. *Thunderbird International Business Review*, 54 (4): 411–427.

Isiavwe, U., Onuoha, O., and Peregrino, T. 2019. Fintech as a Driver for Growth in Africa’s Banking Sector. *Africa Connected*, 2: 4–6.

Kazeem, Y. (2019). Nigeria’s largest mobile operator is about to become a bank. *Quartz Africa*, August 1. Accessed August 2, 2019 at:

<https://qz.com/africa/1679567/mtn-to-kick-start-mobile-money-in-nigeria/>

Khan, Z., Rao-Nicholson, R., Akhtar, P., He, S. 2017. Cross-border mergers and acquisitions of emerging economies' multinational enterprises — the mediating role of socialization integration mechanisms for successful integration. *Human Resource Management Review*, <https://doi.org/10.1016/j.hrmr.2016.12.003>.

Knorringa, P., Peša, I., Leliveld, A., and Van Beers, C. 2016. Frugal innovation and development: Aides or adversaries? *The European Journal of Development Research*, 28 (2): 143–153.

Liou, R., and Rao-Nicholson, R. 2017. Out of Africa: The role of institutional distance and host-home colonial tie in South African firms' post-acquisition performance in developed economies. *International Business Review*, 26(6): 1184–1195.

Maynard, E.S. 1996. The translocation of a West African banking system: The Yoruba Esusu rotating credit association in the Anglophone Caribbean. *Dialectical Anthropology*, 21 (1): 99–107.

McKinsey. 2018. *Roaring to life: Growth and innovation in African retail banking*. Accessed July 8, 2019 at: <https://www.mckinsey.com/industries/financial-services/our-insights/african-retail-bankings-next-growth-frontier>.

McKinsey. 2017. *Mobile financial services in Africa: Winning the battle for the customer*. Accessed July 1, 2019 at: <https://www.mckinsey.com/industries/financial-services/our-insights/mobile-financial-services-in-africa-winning-the-battle-for-the-customer>.

Nachum, L., and Verachia, A. 2019. *Organizational identity as an antecedent of international expansion: The internationalization challenge of South Africa banks*. Paper presented at the Academy of International Business Africa Chapter Annual Conference, Accra, Ghana.

Nartey, L. 2015. Banking and the financial sector. In T. McNamee, M. Pearson, and W. Boer (Eds.), *Africans investing in Africa: Understanding business and trade, sector by sector*: 103–123). Basingstoke, England and New York, NY: Palgrave Macmillan.

Ndemo, B., and Weiss, T. 2017. Making Sense of Africa's Emerging Digital Transformation and its Many Futures. *Africa Journal of Management*, 3 (3–4): 328–347.



Ngwu, F., Adeleye, I., and Ogbechie, C. 2015. Africa-to-Africa Internationalization: Rhetoric, Reality and Risks of Intra-African Regional Expansion. In S. Nwankwo and K. Ibeh (Eds.), *The Routledge Companion to Business in Africa*: 9–31. London and New York: Routledge.

Ovadjie, F. 2016. The internationalization of African firms: Effects of cultural differences on the Management of Subsidiaries. *Africa Journal of Management*, 2(2): 117–137.

Pelletier, A. 2018. Financial Performance of Foreign Banks in Developing countries: Evidence from Sub-Saharan African Banking Markets. *Journal of Banking and Finance*, 88: 292–311.

Peša, I. 2018. The Developmental Potential of Frugal Innovation among Mobile Money Agents in Kitwe, Zambia. *The European Journal of Development Research*, 30(1): 49–65.

PwC. 2018. *Ready and Willing: African insurance industry poised for growth*. Accessed July 12, 2019 at: <https://www.pwc.co.za/en/assets/pdf/south-african-insurance-2018.pdf>.

Redford, D. Ed.. 2017. *Developing Africa's Financial Services*. Bingley: Emerald.

Rouse, M., and Verhoef, G. 2016. Mobile banking in Africa: The current state of play. In B. Batiz-Lazo and L. Efthymiou (Eds.), *The Book of Payments*: 233–257. London: Palgrave Macmillan.

Savings Groups for Africa. 2018. *Savings Groups*. Accessed June 12, 2019 at: <http://sg4africa.org/savings-groups/>.

Schoemaker, P. J. H., Heaton, S., and Teece, D. 2018. Innovation, Dynamic Capabilities, and Leadership. *California Management Review*, 61(1): 15–42.

The Borgen Project. 2018. *The Benefits of Microfinance Institutions in Africa*. Accessed July 12, 2019 at: <https://borgenproject.org/benefits-of-microfinance-institutions-in-africa/>.

The Economist. 2019. *Local heroes; Pan-African business*, 431 (9148): 54 (June 22).

The Economist. 2018. *As Western lenders retreat, African banks see an opportunity*, 427 (9096): 68 (June 16).

Uche, C.U. 2010. Indigenous Banks in Colonial Nigeria. *The International Journal of African Historical Studies*, 43 (3): 467–487.

Uhlenbruck, K., Hughes-Morgan, M., Hitt, M. A., Ferrier, W. J., and Brymer, R. 2017. Rivals' reactions to mergers and acquisitions. *Strategic Organization*, 15 (1): 40–66.

Verhoef, G. 2018. *The Power of Your Life: The Sanlam Century of Insurance Empowerment, 1918-2018*. Oxford: Oxford University Press.

Verhoef, G. 2017. The Rise of Financial Services in Africa: An Historical Perspective. In Dana T. Redford (Ed.) *Developing Africa's Financial Services*: 3–42. Bingley: Emerald.

Verhoef, G. 2016. 'Not to bet the farm': SANLAM and internationalization, 1995–2010. *Business History*, 58(6): 947–973.

Verhoef, G. 2001. Informal financial service institutions for survival: African women and stokvels in urban South Africa, 1930–1998. *Enterprise and Society*, 2(2): 259–296.

Wellen, L., and Van Dijk, M.P. 2018. Frugal Financial Innovations for Inclusive Finance: The Experience with Customer Care at M-PESA in Kenya. *Enterprise Development and Microfinance*, 29 (3–4): 262–275.

Wilson, M., and Bala, A. 2019. Regional Integration and Cross-Border Mergers and Acquisitions in Africa. *Journal of Economic Integration*, 34(1): 109–132.