

Partnerships between Multinational Enterprises (MNEs) and Co-operatives as drivers of development at the grassroots of new frontier markets in Sub Saharan Africa

Supervisors: Dr. [Charles Mbalyohere](#), Professor [Richard Blundel](#) and Prof Hazel Johnson

Project Description:

Most African countries have a long, albeit mixed history with co-operatives. After a major slump in the performance of co-operatives in the region, caused mainly by weak adjustments to a wave of IMF- and World Bank-engineered pro-market reforms in the 1980s and 1990s, the last decade has witnessed a revival (Borda-Rodriguez and Vicari, 2013; Hartley and Johnson, 2014). Simultaneously, MNEs have increasingly discovered Sub-Saharan Africa (SSA) as the final frontier for FDI (Keeler, 2014). These MNEs generally struggle however to adapt to the lowest levels of this final frontier. Yet the markets of the future are located here at the grassroots. Most adaptation is currently based on locally-oriented Corporate Social Responsibility (CSR) and Corporate Political Activity (CPA) strategies (e.g., Nwankwo et al., 2007; Mbalyohere et al., 2017; Mbalyohere and Lawton, 2018). Given the limitations of these strategies in explicitly addressing market-based dynamics however, business-oriented partnerships with revived and reconfigured co-operatives are a potential alternative strategy.

The study hence aims to illuminate how emerging partnerships between Multinational Enterprises (MNEs) and co-operatives can impact on development at the grassroots in Sub Saharan Africa (SSA). The organizational capabilities that result from these partnerships form the basis for important socio-economic and institutional interventions that need to be understood better as part of efforts to identify models of development that are fit for purpose and sustainable. Further, the study seeks to differentiate experiences within sample SSA countries by comparing and contrasting these partnerships at a sub-national level and thus extending our understanding beyond the classical national level. As an example, Uganda has had a mixed experience with co-operatives, with some regions doing well while others have lagged behind. The resilience of co-operatives that is increasingly cited in extant literatures might hence be more nuanced than is currently evident (e.g., Borda-Rodriguez et al., 2016). Not least, the study leverages the growing attractiveness of SSA countries for Foreign Direct Investment (FDI) to gather more evidence about the potential of MNEs to positively impact on the host countries, especially at the grassroots. In doing this, the study also indicates whether there are any emerging differences between advanced market and emerging market MNEs. More broadly, the findings contribute to ongoing efforts to revive co-operatives in SSA as instruments of grassroots strategic change and sustainable development.

While the student will ultimately make the requisite methodological choices best suited for the study, an in-depth case study approach as a pilot in the early stages will be highly useful in identifying the most important issues and refining the research design. This would then inform the development of a quantitative survey to attain generalizability of the findings. A combined resource-based (e.g., Grant, 1991; Peteraf, 1993) and an institutional (e.g., Peng et al., 2008) theoretic perspective is proposed as theoretical basis of the investigation, thus offering an opportunity to integrate two of the most influential theories in management to extend their utility in an SSA development context. The approach further strengthens the exposure of co-operatives to a more diverse theoretic assessment (e.g., Nilsson, 2001). The study will be guided by the following indicative research question: *How can the partnerships between MNEs and Co-ops in Sub-Saharan Africa be promoted and strategically configured using organizational capabilities that enhance the sustainable impact of these partnerships at the grassroots of development?* In the interest of nurturing independent and compelling research skills, there will be room to refine this question further as informed, not least, by the pilot findings and the emerging thinking of the researcher in interaction with the supervisors.

A key objective of the pilot phase will be to identify 2-3 industries to serve as the context for the deeper research, based on their strategic importance in the development of the region.

About the Supervisors:

The student will be majorly located in the Department of Strategy and Marketing (DSM) in the Faculty of Business and Law (FBL), under the lead supervision of Dr Charles Mbalyohere. Charles has extensively researched on the nonmarket Strategy of MNEs in SSA, with particular focus on the energy sector during pro-market reforms. He has thereby illuminated the interaction between MNEs and emerging institutions and the organisational capabilities that characterise these interactions. His recent interests include the dynamic capabilities of technology start-ups in SSA's off-grid energy sector, especially the adaptability to fragile institutional conditions. His papers have featured in leading journals like the Journal of World Business, the Journal of International Management and the Academy of International Business Insights.

The second supervisor will be located in the Department of People and Organisations (DPO) to bring in broader organisational perspectives. Tentatively, this will be Prof Richard Blundel. Richard was co-lead on the ESRC Seminar Series 'Green Innovation: Making it Work' (2015-17) (www.open.ac.uk/esrc-green-innovation). He is currently lead academic on an ESRC-funded project on promoting sustainable enterprise, Growing Greener and an Honorary Fellow at the ESRC Centre for Understanding Sustainable Prosperity (www.cusp.ac.uk).

Based on her extensive experiences in Africa, Prof Hazel Johnson (FASS) will be an advisor to the project. She has published in leading journals, including the Journal of International Development, The European Journal of Development Research and World Development. Hazel has previously supervised and advised doctoral students examining the engagement of youth with co-operatives in selected African countries.

Ultimately, the student will join a group of academics and researchers that are focused on taking research on emerging Africa to new heights by developing research excellence based at The Open University.

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