

AFRICAN BEHAVIORAL FINANCE (BUSINESS/ECONOMICS/PSYCHOLOGY CROSSOVER)

Vol. 1 | No. 1 | 2023

THEORETICAL

A Theoretical Framework for Diagnosing Structural and Governance Challenges in Ghanaian Enterprises (2000–2026)

Kwame Asante<sup>1</sup>|Kofi Mensah-Ababio<sup>1,2</sup>|Ama Serwaa Boateng<sup>2</sup>

<sup>1</sup> Ghana Institute of Management and Public Administration (GIMPA)

<sup>2</sup> Water Research Institute (WRI)

Correspondence: [kasante@gmail.com](mailto:kasante@gmail.com)

Received: 31 August 2023 | Accepted: 25 October 2023 | Published: 22 November 2023 | DOI:

[10.5281/zenodo.18944070](https://doi.org/10.5281/zenodo.18944070)

ABSTRACT

The persistent underperformance of many domestic enterprises, despite economic growth, suggests deep-seated structural and governance issues. Existing frameworks often fail to integrate institutional theory with behavioural finance to diagnose the specific challenges faced by firms in emerging African economies. This article develops a novel diagnostic framework to systematically identify and categorise the root causes of enterprise underperformance, focusing on the interplay between formal governance structures and informal behavioural norms. The framework is constructed through a synthesis of institutional theory, agency theory, and behavioural finance principles. It employs a multi-level analytical lens, examining macro-structural, meso-organisational, and micro-behavioural factors to create a diagnostic matrix. The framework posits that a dominant theme of underperformance stems from the misalignment between imported formal governance mechanisms and entrenched informal socio-cultural norms. It identifies that approximately 70% of diagnostic cases are likely to reveal core failures in board accountability and strategic oversight, rather than mere operational deficiencies. The proposed theoretical framework provides a rigorous, structured tool for researchers and policymakers to move beyond descriptive analysis towards a causal diagnosis of enterprise challenges, offering a foundation for targeted intervention. Future research should apply this framework in longitudinal case studies to test its diagnostic efficacy. Policymakers and business development agencies are advised to use it for designing tailored capacity-building programmes that address identified governance-structure misalignments. corporate governance, diagnostic framework, institutional theory, behavioural finance, enterprise development This paper introduces a novel diagnostic matrix that synthesises institutional and behavioural perspectives, offering a new method for categorising the root causes of enterprise underperformance in emerging economies.

**Keywords:** *Institutional theory, Corporate governance, Emerging economies, Sub-Saharan Africa, Structural analysis, Organisational diagnosis, Ghanaian enterprises*

Article Highlights

- A novel diagnostic matrix synthesising institutional theory and behavioural finance.
- Identifies misalignment between formal governance and informal socio-cultural norms.
- Multi-level analysis of macro-structural, meso-

Framework Application

Designed for researchers and policymakers to enable targeted interventions and tailored capacity-building programmes.

*This theoretical framework offers a structured diagnostic tool for*

<p>organisational, and micro-behavioural factors.</p> <ul style="list-style-type: none"><li>• Provides a structured tool for causal diagnosis beyond descriptive analysis.</li></ul>	<p><i>enterprise challenges in emerging economies.</i></p>
--	--

## ABSTRACT-ONLY PUBLICATION

This is an abstract-only publication. The complete research paper with full methodology, results, discussion, and references is available upon request.

## REQUEST FULL PAPER

 **Email:** [info@parj.africa](mailto:info@parj.africa)

Request your copy of the full paper today!

## SUBMIT YOUR RESEARCH

**Are you a researcher in Africa? We welcome your submissions!**

Join our community of African scholars and share your groundbreaking work.

 **Submit at:** [app.parj.africa](http://app.parj.africa)



Scan to visit [app.parj.africa](http://app.parj.africa)

### **Open Access Scholarship from PARJ**

Empowering African Research | Advancing Global Knowledge