

Navigating Institutional Voids

An Ethnography of Entrepreneurial Governance in Ghana (2000–2026)

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ABSTRACT

Entrepreneurial ventures in emerging economies often operate within institutional voids, where formal market-supporting institutions are weak or absent. The governance mechanisms that emerge to fill these voids are poorly understood, particularly from a longitudinal, ground-level perspective. This study aims to ethnographically document and analyse the informal governance structures and strategies developed by entrepreneurs to navigate institutional gaps, focusing on the mechanisms of trust, reciprocity, and social enforcement. A 26-month immersive ethnography was conducted, involving participant observation within three entrepreneurial collectives in Accra and Kumasi, complemented by 47 in-depth, semi-structured interviews with founders, investors, and community leaders. A dominant theme was the systematic reliance on 'shadow committees'—informal boards of respected community figures—to enforce contracts and resolve disputes, replacing absent formal judiciary functions. Approximately 80% of observed ventures utilised such a mechanism, which was critical for securing informal investment. Entrepreneurial governance in this context is characterised by deeply embedded socio-cultural institutions that effectively substitute for missing formal structures, though they can also entrench exclusionary practices. Policymakers and development agencies should seek to formalise and integrate the most effective elements of these endogenous governance systems, rather than imposing external models. Business support programmes must recognise and leverage existing social capital networks. institutional voids, entrepreneurial governance, ethnography, informal institutions, social capital, West Africa This paper provides a novel, longitudinal ethnographic dataset that reveals the endogenous, socially-embedded mechanisms of contract enforcement and governance which underpin entrepreneurial finance in the absence of strong formal institutions.

Keywords: *Institutional voids, Entrepreneurial governance, Ethnographic methodology, Sub-Saharan Africa, Informal institutions, Business ethnography, Emerging economies*

Article Highlights

- 26-month ethnography reveals 'shadow committees' as informal governance structures.
- 80% of observed ventures used community-based mechanisms to enforce contracts.
- Informal boards of respected figures replace absent formal judiciary functions.
- Governance relies on mechanisms of trust, reciprocity, and social enforcement.

Methodological Note

A 26-month immersive ethnography in Accra and Kumasi, involving participant observation within three entrepreneurial collectives and 47 in-depth interviews.

This study provides a novel longitudinal dataset on endogenous governance mechanisms.

ABSTRACT-ONLY PUBLICATION

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

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