

LEADERSHIP & FAMILY BUSINESS NEWSLETTER

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SECTION A

Leadership, Entrepreneurship and Family Business – Dr. Toyin F. Sanni (*Executive Vice Chair, Emerging Africa Group*)



The Power of Collaboration: Strengthening Partnerships Within and Beyond Family Businesses for Collective Growth

Family businesses are often viewed as resilient, but they face challenges such as maintaining family harmony and navigating a competitive market. Collaboration, both internally and externally, is a crucial factor in overcoming these challenges and unlocking growth opportunities. This volume delves into how enhancing partnerships can elevate the collective potential of family businesses, supported by statistics and insights.

Internal Collaboration: The Foundation of Family Business Success

Effective internal collaboration is essential for a thriving family business. It involves open communication, shared values, and aligned goals. A PwC study revealed that only 15% of family businesses make it to the third generation, with internal conflict being a primary reason for failure. Strong family governance, regular meetings, and clear succession plans create a collaborative environment, mitigating disputes and ensuring continuity.

Key Practices for Internal Collaboration:

- Clear Role Definitions:** Assigning roles based on skills rather than hierarchy reduces conflicts and boosts efficiency.
- Family Councils and Governance:** Establish regular family councils for strategy discussions and decision-making. Also create professional governance structures for objectivity.
- Training and Development:** Invest in programs to prepare the next generation for leadership roles and ensure smooth transitions.
- Conflict Resolution:** Implement proactive conflict resolution mechanisms and promote open communication to prevent disputes.
- Succession Planning:** Develop a clear succession plan for leadership transitions, involving family members in the business early on to ensure continuity and minimize conflicts.

External Collaboration: Expanding Horizons

While internal collaboration provides stability, external partnerships drive growth. Strategic alliances with businesses, suppliers, and stakeholders allow family businesses to access new markets, share resources, and innovate. Deloitte's 2023 Global Family Business Survey found that family businesses that partnered externally grew their revenue 37% faster than those that operated independently.

Examples of Successful External Collaborations

- Joint Ventures:** Family businesses often partner with larger corporations for market entry or technical expertise.
- Supplier Networks:** Strong supplier relationships ensure a reliable supply chain and cost advantages.
- Community Engagement:** Collaborating on CSR initiatives fosters goodwill and enhances brand reputation.

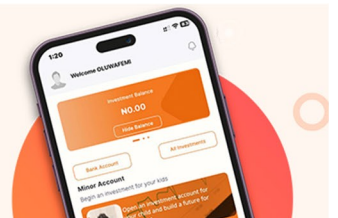
Emerging Wealth App 2.0 Is Now Available

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Some key features of the App

1. Improved customer onboarding flow, enabling a seamless and efficient signup process for customers.
2. Effortless subscription and redemption processes.
3. Introduction of the joint and corporate accounts onboarding via the app.



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Case Study: Olam International

Olam International, a multinational food and agri-business group founded by the Olam family in Nigeria in 1989, exemplifies the power of collaboration. Starting as a small trading company, Olam has expanded into one of the largest players in the global food and agriculture sector with operations in over 60 countries.

Internally, the Olam family has fostered a collaborative culture that balances family values with professional management. Leadership development and succession planning are emphasized to secure continuity across generations.

Externally, Olam has established numerous strategic partnerships that have fueled its growth. Through joint ventures with global agribusiness leaders like Temasek Holdings, Olam has gained access to capital and advanced technology, driving its expansion. Additionally, the company works closely with smallholder farmers around the world, sourcing high-quality raw materials while improving local livelihoods. Olam has also engaged in sustainability initiatives, collaborating with governments and NGOs to ensure positive environmental and social impacts, further enhancing its reputation and fostering long-term, responsible growth.

These partnerships, alongside internal collaboration, have allowed Olam to scale rapidly while maintaining its family values. Olam's success demonstrates how internal unity and strategic external alliances can drive collective growth on a global scale.

Conclusion

Collaboration is not just a tool but a strategic imperative for family businesses. It builds cohesion, aligns objectives internally, and fosters innovation externally. By embracing collaboration at all levels, family businesses can navigate market complexities and ensure their legacy endures for generations.

SECTION B

Macro-economic overview

– **Promise Obasohan** (*Research Analyst*)

Nigeria's Infrastructure Gap and Its Impact on Economic Development

Despite Nigeria's potential as one of the largest economies in Africa, the nation remains severely constrained by an underdeveloped infrastructure base, which is critical for driving economic growth and improving living standards. The infrastructure gap, spanning roads, railways, housing, and broadband access, continues to hinder productivity, limit access to markets, and dampen the overall competitiveness of the Nigerian economy.

Nigeria faces one of the largest infrastructure deficits globally, and the World Bank has estimated that \$3 trillion will be required over the next three decades to bridge this gap. Road infrastructure is a particularly pressing issue, as a significant portion of federal roads are in very poor condition. This places Nigeria behind many of its African peers in terms of road quality. The impact is profound, especially on agriculture and commerce, where inadequate transport networks contribute to post-harvest losses of 20–30% of total food production, further straining economic productivity and food security.

Nigeria's housing deficit stands at 28 million units, driven by high construction costs, limited financing, and poor urban planning. The rail system remains underdeveloped as well despite revitalization efforts. Digital infrastructure is also a major concern, with 120 million Nigerians lacking mobile internet access, limiting opportunities in the digital economy. The country's infrastructure funding challenges are rooted in heavy reliance on public financing and limited private-sector participation. While initiatives like InfraCorp and Public-Private Partnerships (PPPs) have been introduced by the government to stimulate growth, progress has been slow due to inefficiencies and weak implementation.

The consequences of inadequate infrastructure are far-reaching, impeding economic activities and reducing productivity and profitability for businesses. In response to these challenges, Nigeria has initiated several policies, including the National Integrated Infrastructure Master Plan (NIIMP), which outlines strategies for bridging the infrastructure gap by 2043. However, implementation remains a significant hurdle and concern as the progress achieved so far has not kept pace with the needs and growing population of the country. To address these persistent challenges, Nigeria must therefore prioritize infrastructure investment through a blend of domestic and foreign financing, create enabling policies to attract private investment, and improve efficiency in project execution and implementation.



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SECTION C

Estate Planning, Family Offices & Offshore Trusts

- **Damilola Olugbemi** (*Legal Private Trust Officer*)



Charitable Trusts: A Legacy of Giving

Charitable trusts offer a powerful way to create a lasting legacy while supporting meaningful causes. By combining philanthropy with strategic financial planning, these trusts enable individuals and families to make a lasting impact on society, ensuring their values endure for generations.

A charitable trust allows donors to allocate assets for charitable purposes while reaping substantial benefits. Among these are tax advantages, such as income tax deductions and reduced estate taxes, which provide immediate and long-term financial incentives. Beyond financial benefits, charitable trusts contribute to sustainable community development by funding educational programs, healthcare initiatives, environmental conservation, and more. They also ensure the continuity of philanthropic efforts, enabling beneficiaries to receive support long after the donor's lifetime.

One prominent example is the Bill and Melinda Gates Foundation, supported by a charitable trust. This structure has allowed the foundation to commit billions of dollars to global health, education, and poverty alleviation. Another example is the Rockefeller Foundation, established over a century ago, which continues to influence public health and climate change initiatives worldwide. These trusts demonstrate how structured giving can lead to transformative, long-lasting change.

Conclusion

Charitable trusts offer a unique opportunity to align financial goals with personal values. By incorporating them into estate plans, individuals can achieve both tax efficiency and a meaningful legacy. Families and business leaders should consider charitable trusts as a cornerstone of their philanthropic and estate planning strategies, ensuring their generosity benefits future generations.

SECTION D

Wealth Management and Personal Finance

- **Toluwa Sanni** (*Head, Partnerships and Client Coverage*)



New Year, New Finances: Your Blueprint for Lasting Financial Wellness in 2025

It's another new year, a time when we reflect on the past and look forward to what lies ahead. There's something special and exciting about turning the page on the calendar, leaving behind the old and welcoming the new.

New years are amazing! They bring a sense of hope, renewal, and the opportunity to start fresh with new goals and aspirations, and for many of us, that includes focusing on our financial health.

But how does one convert these laudable and well-meaning resolutions into real, lasting change? By creating an action plan of course!

With that being said, let's explore some practical actions you can take in 2025 to make meaningful progress toward your financial goals this year.

1. Know Thyself.

Take some time to really assess where you stand. What's your income? What are your expenses? What are your debts and savings like? By understanding the full picture of your financial life, you'll become better equipped to make decisions that align with your long-term goals.

2. Create a Goal Post.

Once you have a solid grasp on your finances, it's time to set specific, actionable goals. Instead of vague resolutions like "save more," focus on concrete and measurable ones. For example, "I will save ₦5,000,000 for a down payment on a home by the end of this year." Goals that are defined, realistic, and time-bound will help you stay focused and motivated.

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3. Build a Budget that fits your Life.

Think of your budget as a personal guide to managing your money. It's not about restricting yourself but about making sure you're spending intentionally to support your goals. Use popular budgeting tools and apps like GoodBudget to track your income and expenses. Your budget should be flexible and evolve with your circumstances, so make sure you're revisiting and tweaking it all the time.

4. Get with the Times!

Technology isn't just great for budgeting; it's your best friend when it comes to all things money management. Automate your savings, bills, and even debt repayments so that you don't have to constantly worry about missing deadlines or falling behind. By setting up automatic transfers, you can watch your savings grow, stay on top of investments, and ensure bills are paid on time, all with minimal effort. This frees up mental space to allow you focus on other important aspects of your finances and stay on track with your goals.

5. Invest in Your Financial Knowledge.

The more you learn, the more confident you'll feel about your financial decision making. Commit to continuous learning, read books, listen to podcasts, attend workshops and follow financial experts. Educating yourself about personal finance will empower you to make smart, informed choices that align with your values and goals.

6. Celebrate Every Step Forward!

It's easy to get caught up in the bigger picture sometimes but remember to celebrate small victories along the way. Whether it's paying off a debt, hitting a savings milestone, or sticking to your budget for a month, take time to acknowledge your progress. These little wins will keep you motivated and reinforce positive habits that you're building.

7. Ask for Help.

If you ever feel overwhelmed or uncertain about your finances, don't hesitate to ask for help. Reach out to loved ones or friends who are financially savvy (or a financial advisor if you don't have any), they can offer tailored advice and even help you create an action plan that works for your unique situation. Getting guidance can bring clarity and peace of mind.

Ultimately, you need to understand that building lasting financial wellness is a journey, not a race. Be patient with yourself, stay consistent, and remember that every step, no matter how small, is bringing you closer to achieving your goals.

With the right strategies and mindset, you can make 2025 the year you take control of your finances and build the future of your dreams!

Conclusion:

2025 is the year to unlock new possibilities. Whether strengthening family business ties, building strategic partnerships, or taking control of personal finances, success hinges on collaboration, clear planning, and adaptability. By aligning values with action, we can overcome challenges and ensure lasting growth and legacy. Let's embrace this year as an opportunity to build stronger, more resilient futures – together.



Get Ahead With Our

- Emerging Africa Money Market Fund
- Emerging Africa Bond Fund
- Emerging Africa Balanced Diversity Fund
- Emerging Africa Eurobond Fund
- Emerging Africa Halal Fund

