Partnership, Innovation, Commitments and Gains of the Poor in Inclusive Business in Ghana: Multiple Case Studies

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Abstract
The IB projects studied in Ghana involve partnerships and collaborations between two non-governmental organizations (NGOs) nine private firms, two commercial banks, three government agencies and two cooperative societies as well as the poor. Partners use contracts, trust-based relations and decision-making meetings as means of sharing responsibility and safeguarding each other’s stakes and resources. The poor consider trust-based relations as the most effective means of engaging them in IB projects. To gain the trust of the poor, two firms started their operation by pre-financing their suppliers, but after sustaining their businesses over time, they stopped. While some of the poor saw this as an unfortunate situation, they continued to deal with the companies because the companies provided them with market access which they were lacking. Another company uses an innovative approach to solve the social issue of child labour. This innovative approach is the payment of extra premiums to farmers for their cocoa beans and the implementation of child labour monitoring system. The poor willingly accepted new innovations, challenges and opportunities as a means of increasing their income and, accessing products and services that are not easily available in their communities. Some of the poor consider their engagement in IB projects as a way of contributing to their society, while others are motivated to join IB projects because they want to gain respect.

Keywords: Partnership, inclusive business, innovation, trust-based relation

1. Introduction

The issue of poverty has over decades been considered as a major hindrance to improvement in welfare and livelihood of human kind. Most scholars in field of economic thought argue that market
forces, institutions and private ownership of assets lead to a prosperous society in the developed world (Smith 1776; North 1989; Friedman and Friedman 1990). However, in the case of developing countries, what we have observed over decades is abject poverty resulting from market and institutional failures coupled with institutional exclusivity (Meier 2001; Ahrens 2002; citeMcMullen2011).

To promote economic growth and alleviate poverty, different policies were implemented in the 1980s and 1990s. Key among them were, globalization, disclosures and privatization, deregulation, and liberation of investment and trade regimes. According to Likoko and Kini (2017), the concept of inclusiveness in business emerged along with these policies in the 1990s, but the term inclusive business (IB) was coined by the World Business Council for Sustainable Development in 2005. As a business model, it seems to be a response to the argument against ‘institutional failure’ and the call for institutional inclusivity as argued by McMullen (2011). As such, IB has been accepted as a key concept that tries to ensure that the poor are integrated into regular business activities and contribute to solving social problems (Okada et al. 2015). IBs main objective is to provide sustainable and decent income generating opportunities for the poor who lack market mobility (de Sousa Teodósio and Comini 2012).

Scholarly discourses around IB indicate that majority of the discussions including Prahalad and Hammond (2002) and Prahalad and Hart (2002), concentrated on advocacy that low income markets represent great opportunities for companies’ business expansions, while others like Likoko and Kini (2017), provide business models from practitioner communities that focus on the inclusion of the poor as employees, producers, business owners and/or consumers of affordable goods and services.

In the case of Ghana, published papers on IB are very limited, however, some of the few papers that can be found in the literature are Ghosh et al. (2014), Golja and Požega (2012), Ngoasong et al. (2015). A thorough analysis indicates that most of these studies do not provide information on the type of partnership and innovation that exist in IB projects in Ghana. However understanding partnerships in IB is essential because the United Nation’s definition (United Nations 2008) indicates that partnerships are voluntary and collaborative relationship between various parties, both public and non-public, in which all participants agree to work together to achieve a common purpose or undertake a specific task and, as mutually agreed, to share risks and responsibilities, resources and
benefits. So therefore, the success of sustainable IB projects will depend on the kind of partnership or as termed by Okada, Stanislawski, and Amponsah (2015) “institutional interconnections” (i.e., complex business relations, involving people with different values and behavior) that the IB will develop. Therefore, in this paper, we are interested in examining: (1) the type of partnerships existing in IB projects in Ghana, (2) the type of project (i.e., from the initial, present and future stages), (3) the commitment level of partners (short-term, mid-term or long-term), (4) mechanisms of governance and (5) the benefits the poor gain from the projects.

The aim of this study was to improve knowledge and understanding of IB projects in Ghana. A survey was conducted to; investigate the types of partnership and collaboration existing in the country, provide information on the benefits that the poor receive by joining IB projects, identify the types of projects at the initial, present and future stages (innovation) and examine the sources of sustainable IB projects.

The rest of the paper is organized as follows. Section 2 describes the methodology and data, in particular our selection of cases and structure of the interviews conducted in Ghana. Section 3 we present and extensively discuss the results. Section 4 concludes.

2. Methodology and Data

This study is part of a large research project funded by the Japanese Society for the Promotion of Scientific Research (JSPS) Kakenhi. The methodology adopted by this project involves five phases. The initial phase was to identify companies and their type of interconnections based on publicly available data on their websites. In the second phase, we conducted interviews and examined the details of characteristics identified as resource sharing, cross-boundary cooperation, partners’ power position and cooperative learning as well as alliance governance. The third phase is to examine relations among partners based on these characteristics identified in phase two to find out the mechanisms of operations. The fourth phase is to test relations between those characteristics and performances, while the last phase is to subjectively evaluate effectiveness of inclusive business to generate a balanced economic and social effects by identifying the most optimal business model.

In our quest of answering our research questions, an exploratory study based on three types of
open-end questionnaires for companies, their partners, and active participants (a term that we used for the poor) engaging in the IB projects were developed to study companies in Africa (Ghana, Kenya and Tanzania) and India. According to Eisenhardt (1989) and Yin (2014), an exploratory study based on multiply case studies are set up in the most adequate way to understand how and why certain phenomena occur.

Our open-end questionnaires were designed to solicit answers that are suitable for mixed research methods analysis. Mixed methods approach as defined by Axinn and Pearch (2006) are data collection strategies designed to combine different methods when collecting data and not confined to either quantitative or qualitative approaches. As argued in Creswell (2007), they afford researchers the opportunity to utilize multiple sources of information from multiple approaches in order to draw new insights into the social world.

2.1. Selection of Cases

The selection of companies to be included in the research started with a search at the United Nations Development Programme, Growing Inclusive Market (UNDPGIM) website and was later expand to a wider internet search. Our criterion of selection privileged European, Japanese, North American and local companies in the following industries; food and agriculture, drinking water, health-related products and services, and solar. This was based on our initial preparations that suggested that industries comparable for IB projects of different nationalities in India and Africa are only food and agriculture, drinking water, health-related products/services, and solar lantern industries. Given financial restriction, the first three industries were chosen, basically covering India and Ghana. However, we realized that Ghana has limited IB projects or an interview there might be rejected, therefore, we included IB projects in Kenya and Tanzania. In Ghana, we started with a list of 20 companies made out of the identified industries.

In the beginning, communications were established with all these companies, but as with studies of this nature (Filardi et al. 2018), many of the companies alleged unavailability, lack of interest and protection of company confidentially to not participate in the survey. The total number of companies

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1 Also cited in Filardi et al. (2018)
that voluntarily accepted to participate in this study was 10, however, after the survey questionnaires were sent by e-mail and a follow-up phone calls were made to confirm interview dates and visits, two companies declined participation, leaving us with eight companies as shown in Table 4.

Table 1: Selected Companies, Partner(s) and Location

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Type</th>
<th>Partner(s)</th>
<th>Type</th>
<th>Location</th>
<th>Origin</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACARP</td>
<td>Private</td>
<td>MoFA</td>
<td>Gov. agency</td>
<td>Accra</td>
<td>Ghanaian</td>
</tr>
<tr>
<td></td>
<td></td>
<td>MLGRD</td>
<td>Gov. agency</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>WAAF Ltd.</td>
<td>Private</td>
<td>Techiman</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>AIFCSL</td>
<td>Co-operative</td>
<td>Ashiman, Accra</td>
<td></td>
</tr>
<tr>
<td>GNCL</td>
<td>Private</td>
<td>Bank</td>
<td>Private</td>
<td>Techiman</td>
<td>Ghanaian</td>
</tr>
<tr>
<td>HFPCL</td>
<td>Private</td>
<td>Accra</td>
<td>Private</td>
<td>AIFCSL</td>
<td>Ghanaian</td>
</tr>
<tr>
<td>PYXERA GLOBAL</td>
<td>NGO</td>
<td>HKN</td>
<td>NGO</td>
<td>Washington D. C.</td>
<td>North American</td>
</tr>
<tr>
<td>Avnash Company Limited</td>
<td>Private</td>
<td>Home Care</td>
<td>Private</td>
<td>Accra</td>
<td>North America</td>
</tr>
<tr>
<td>CCBCGL</td>
<td>Private</td>
<td>Faith based societies</td>
<td>NGO</td>
<td>Bagsvaerd</td>
<td>Denmark</td>
</tr>
<tr>
<td>Novo Nordisk A/S</td>
<td>Private</td>
<td>ABOCFA</td>
<td>Co-operative</td>
<td>Amsterdam</td>
<td>Netherlands</td>
</tr>
</tbody>
</table>

As indicated in the Table 4, the interviews in Ghana covered three local companies (Accra Compost & Recycling Plant (ACARP), Ghana Nuts Company Limited (GNCL) and Home Foods Processing and Cannery Limited (HFPCL)), one US company (Coca Cola Bottling Company Ghana (CCBCGL), one US NGO (PYXERA GLOBAL) and two European companies (Novo Nordisk and Tony’s Chocolonely) as well as one Indian company. Apart from Avnash Company Ltd. and Novo Nordisk, the rest of the companies facilitated the introduction of their most important partner(s) and two active-participants (i.e., project-related people in the poverty sector) working with them or their partner(s) for us to interview.

The most important partners of ACARP were found to be Ministry of Local Government and Rural Development (MLGRD), Ministry of Food and Agriculture (MoFA), WAAF Ltd. and Ashaiman Irrigation Farmers Co-operative Society Ltd. (AIFCSL). The MLGRD and MoFA are government agencies with part of the former’s mandate covering sanitation and water, while the latter’s mandate covers food and agriculture. WAAF Ltd. is a private agro distributor with access to farmers within and around Techiman city, while AIFCSL is cooperative society with about 93 members based in Ashaiman. In the case of GNCL and HFPCL their most important partners were local banks, while CCBCGL and PYXERA GLOBAL introduced Homecare HealthKeepers Network (HKN), respectively, as their most important partners. Tony’s Chocolonely introduced us
to ABOCFA Co-operative Cocoa Farmers and Marketing Society Limited (ABOCFA), a cooperative society for farmers in the Eastern region of Ghana producing high quality organic and fair trade cocoa beans.

2.2. Structure of Interviews

The company interviews were conducted on company manager or the person with most knowledge on the project, their most important partner(s) as indicated in Table 4, and two active participants (the poor). For the company and the partners, we conducted both on-line and in-depth face-to-face interviews. For the poor we conducted only face-to-face interviews. The interviews were conducted between February 2017 and August 2018.

3. Results

3.1. Partnership

Table 4 provides us with information on the kind of partnerships and collaborations present in the IB projects of Ghana. From the table we observe a “institutional interconnection” involving private sector firms, banks, NGOs, government agencies and the community. In this section, for the purpose of illustration, I will describe the partnerships among three of the companies survey.

The first company that we interviewed, ACARP is a private company established under a public-private partnership (PPP) agreement between the Government of Ghana (GoG) and Jospong Group of Companies (JGC). The plant was commissioned in 2011 and started operations in September 2012. ACARP uses municipal solid waste (MSW) to produce organic compost fertilizer. It has the capacity to process 600 t of MSW per day but is currently processing about 300 t a day. Under this partnership, the GoG through the MLGRD ensures that ACARP receives MSW on daily bases to feed the plant.

The business model of the plant indicates that the first source of revenue is tipping fees paid by the MLGRD for MSW conveyed to the plant by Zoomlion, a subsidiary of JGC, for treatment on behalf of the state. Our interview with the MLGRD indicates that ministry is happy in this partnership and willing to pay the tipping fees because in the absence of ACARP, the state is obliged to take care of the MSW, which is usually taken to government landfill sites for management. However, the dumping
of MSW at a government landfill site creates both environmental and health risk for residence, hence, for the ministry, their partnership with ACARP is a win-win situation.

The second source of revenue for ACARP is from compost sales in addition to subsidy from the government. The partnership between ACARP and the MoFA enables ACARP to access government subsidy. In 2017, the company sold its 50 kg unit compost at GH¢15 (about $3) per bag under the National Fertilizer Subsidy Program for 2017 instead of the market price of about GH¢25 (about $5) for the year. To be successful in scaling up its operations, ACARP has established partnership with local agro distributors like WAAF Ltd and co-operative societies such as AIFCSL. According to the company, these partnerships with the agro distributors and co-operative societies provide them with easy access to farmers, enabling them to sell more of their products.

GNCL is a private processing and manufacturing company which was incorporated in 2001 and commenced operations by buying, cleaning and exporting raw peanuts, alongside cashew and soya beans until 2006. Our interview with the company indicates that the company’s processing plant was put up in 2007 purposely for the processing of cashew, but was also used for soya beans oil extraction in 2008 when the company found it to be profitable. In 2009, external trading partners demand for shea butter forced the company to use its processing machine to produce both shea butter and the soya beans oil at the same time. In 2010, the company set up another plant to split the production lines to satisfy both markets.

The partnership between GNCL and the local Bank, according to the Bank manager, is to help the company leverage its resources so that they can scale up their operations. The GNCL employs about 500 people and engages some of the local women as suppliers who supply the shea nuts and soya beans.

HFPCL is a 100% Ghanaian own company which was incorporated 1995 as a limited liability company, with focus to engage in processing and packaging of various types of ethnic foods for the export market. The company is also engaged in the importation of partly processed food items for re-processing and packaging by fusing flavours and spices from around the world to suit both domestic and international markets. Our interview with the managers of the company indicates that over the past 20 years, the company has exponentially grown and kept its business competitive advantage
in discrete and identifiable markets. HFPCL has over the years form partnership with over 5,000 co-operative women and suppliers, hence it exports revenue is creating wealth for women farmers in Ghana. The initial operation of HFPCL was very similar to that of GNCL, the company use to pre-finance the co-operative women and suppliers, but stopped when the company sustained its business operations.

3.2. Innovation

All the IB projects that we surveyed are using different kinds of innovation to create value and wealth for the poor in different parts of the country. For proper understanding of the kind of project that we are studying, we asked the companies and their most important partner(s) to identify the type of project at the initial, present and future. They were to choose from one of the following: (1) non-profit oriented (CSR), (2) a simple extension of existing business, (3) an innovative extension of existing business, (4) an exploratory extension of existing business (innovation searching), (5) a fairly new type of business and (6) other.

Figure 1 provides an the distribution of companies and partners view about the type of IB projects they are undertaking. Panel (a) indicates that half of both the companies and their partners considered their projects to be a fairly new type of business at the initial stage. At this stage, only one company said that it is into innovation searching. At the present stage, four partners and two companies identify their projects as innovation searching. However, in the future, six partners indicated that their projects will involve innovation searching, while only three companies answered that their projects will involve either innovation searching or an innovative extension of existing business. These findings are supported by statements on some of the companies websites and interview answers given by others.

For example, in answering a question on innovation during our interview, an official of GNCL referred us to the company’s website statement on innovation and it states:

Recognizing innovation and adapting to change are key features of our marketing programmes. This approach enables us to serve our customers more efficiently, as the approach takes advantage of improvements in product quality, production process changes as well as communication enhancements. It also helps us to stay ahead of the competition.
On the website of HFPCL we found this statement to support the company’s view on innovation.

Homefoods is a unique, creative, focused and innovative agro-based company with a mission to empower women farmers in our community.

The results of our survey reveal companies’ and their partners’ willingness to invest in innovation so as to sustain their businesses over time.

3.3. Mechanisms of Governance, Commitments and Gains of the Poor

Partnerships as we have discussed in the preceding section could be considered as a process of capacity building for the creation, managing and scaling-up of IBs. If well managed, they help firms to develop collaborative communities, which are essential for scaling. The sustainability of IBs depends on capacity building because it leads to the provision of direct access to capital, technical assistance, mentorship and the sharing of resources (Koh et al. 2012). However, partnership will not happen
if the actors involve do not have a governance structure that safeguard each partner’s stakes and resources, or if they do not have knowledge of the level of commitment of their partners. Equally, the poor might not engage if they do not have understanding and knowledge of the benefits that they will accrue from joining a particular project. Also, it is important to understand the reasons why the poor might want to engage in projects. The discussion in this subsection covers the governance structure partners use to safeguard each other’s stakes and resources, the commitment level of partners and the poor, and the benefits that the poor gain from the projects that they are involved.

3.3.1. Governance of Project

Our study uncovered that all the firms use contract as the means of safeguarding each partner’s stakes and resources. However, for the partners and the poor we found two different types of governance system were used to safeguard each others stakes and resources. Majority of the partners (88%) and the poor (72%) said they use contract as a means of safeguarding its partner’s stakes and resources. The remaining members of these two groups indicated that their dealings are trust-base.

It is important to note that although our participants considered contracts as their main mechanisms of governance, they also indicated that trust-based relations and decision making meetings are equally important in the dealing with partners. We tried to assess the effectiveness of these three different mechanisms of governance using five-point Likert items; (1) not at all effective, (2) slightly effective, (3) moderately effective, (4) very effective, and (5) extremely effective.

Figure 2 provides the distribution of participants view about the effectiveness of mechanisms of governance in their projects. In the company’s group, 4 companies considered contract as very effective, 2 considered contract as extremely effective and 1 company considered contract to be moderately effective on the sharing of responsibility to safeguard each partner’s stakes and resources. In the partner’s group, 4 partners described contracts as extremely effective, two others described contracts as very effective, while the remaining two companies, each described contracts as slightly effective and not at all effective. In the case of the poor, 5 of them considered contract to be extremely effective, 4 said contracts are very effective, 2 were of the view that contracts are slightly effective and 3 taught contracts were not at all effective.

Figure 2 also present similar results for trust-based relation and decision making meetings. The
result for trust-based relations and decision making meetings are worthy of note because they are considered as important as contracts to all the participants. A partner of one the companies explained the effectiveness of trust-based relations as follows:

They have the assurance that there is market for what they produce, because we pay for the products up front.

Below is an alternative explanation that we received from a manager of a firm:

I will not come to you for supplies if I do not trust you in the first place.

With only one exception, all the companies we interview indicated that their projects are either on track or flourishing and they attribute the success of their projects partly to these mechanisms of governance that we have described in this subsection.
3.3.2. Level of Commitment

One way in which we can determine the sustainability of IB project is to examine the level of commitment of partners. Our survey was designed to solicit information on the business and social goals of the firm, its most important partner(s) and the poor. In each case, participants were asked to state their own commitment and that of the partner as well as the that of the poor. An understanding of the level of commitment of each participant was sought using the following four items: (1) no commitment, (2) short-term commitment, (3) mid-term commitment and (4) long-term commitment.

Starting with the firm, our results indicate that about 83% (i.e., 5 out of the 8 firms interviewed) stated that they have long-term commitment, but in their view, 73% of their partners have long-term commitment and 85% of the poor have long-term commitment. One firm indicated that it has a short-term commitment, while two firms were of the view that their partners have mid-term commitments.

On the part of the partners, only 25% stated that they have long-term commitment. About 62% of the partners were committed in the mid-term, while 13% (i.e., one partner) was committed in the short-term. Conversely, about 83% of them suggested that the firms they are working with have long-term commitment, but indicated that only 50% of the poor have long-term commitment. They consider the rest of the poor to have either mid-term commitment (43%) or short-term commitment (7%).

In the case of the poor, about 72% of them reported that they have long-term commitment, 21% said they have mid-term commitment, while 7% suggested that they have short-term commitment. On the one hand, 83% of them held the view that the firm has long term-commitment, while 17% taught that the firm has short-term commitment. On the other hand, it is interesting to note that 50% of the poor considered the partners to have short-term commitment, while 37% of them suggested that the partners have long-term commitment.

3.3.3. Benefits the Poor Gain from IB Projects

According to Golja and Požega (2012), an IB is a long-run profitable business that helps the low income societies to overcome poverty and ensures long-term business profitability if effectively implemented. Whether the poor or those in the low income societies will engage in an IB projects
in order to move out of poverty depends on the kind of benefit(s) that they will gain from the project. Also, the sustainability of IB projects depend on these low income societies because they are the primary market for inclusive businesses (i.e., they act as consumers, employees, producers or suppliers). Hence, the benefits that they gain will one way or the other define the outcome of IB projects.

In this study, we tried to understand the reason for the poor to decide to engage in a project and also asked about the benefits they get from the project. In the case of the former, they were asked to rank in order of importance from (1) as the most important to (5) as the least important, the following reasons: (a) contribute to my society, (b) to gain respect, (c) to increase income, (d) other and (e) other. And for the latter, they were asked to indicate the benefits that they gain in terms of (a) products and services and (b) income and livelihood. Table 2 provides the questions for the benefits that the poor gains. In this particular question, we were interested in knowing the differences between the poor, partners and the firms in terms of the benefits that the poor receives. Therefore, the firms and their partner(s) were also asked to answer these questions.

Table 2: Benefits in terms of (a) Products and Services and (b) Income and Livelihood

<table>
<thead>
<tr>
<th>A. Description of Benefits in Products and Services</th>
<th>B. Income and Livelihood</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Access to a product of service that is nice to have but does not change their living standard</td>
<td>An additional opportunity, some boost to income or security within existing livelihood</td>
</tr>
<tr>
<td>2. Useful product or service with clear benefits to the user</td>
<td>A clear positive livelihood boost, not necessary a new type of livelihood or exit from poverty</td>
</tr>
<tr>
<td>3. A product or service that substantively affects health, provides necessity of life, enables significant increase in earnings or results in a tangibly different lifestyle for the user</td>
<td>Full time job, new livelihood, substantive change in family living standards</td>
</tr>
</tbody>
</table>

Regarding the reason to engage in an IB project, our analysis indicates that about 57% of the poor ranked increase in income as the first reason, 29% it ranked second, and 14% ranked it third. Contribution to my community was ranked by 43% as their first reason, another 43% ranked it as second reason and 14% ranked it as their third reason to engage in IB projects. Human dignity (to gain respect) was ranked by 71% of the poor as third reason to engage, while 21% ranked it as second reason for them to engage.

On the benefits that the poor gain from joining a project, we discovered differences between the
companies, their partners and the poor. For example, when we consider benefits in terms of products or services, over 80% of the companies and their partners agreed that the poor receive a product or service that substantively affects health, provides necessity of life, enables significant increase in earnings, or results in a tangibly different lifestyle for the user. The rest of the companies and partners indicated that the poor gains from a useful product or service with clear benefits to the user. However, among the poor, 43% revealed that the benefit they gain from the project is a product or service that substantively affects health, provides necessity of life, enables significant increase in earnings, or results in a tangibly different lifestyle for the user, 36% said they receive a useful product or service with clear benefits to the user, while the remaining 21% indicated that they get access to a product or service the is nice to have but does not change living standards.

In the case of income and livelihood, about half of the companies said they were providing the poor with an additional opportunity, some boost to income or security within an existing livelihood, one third indicated that the poor were gaining from a full time job, new livelihood, substantive change in family living standards, while the remaining companies considered the poor to be benefiting from a clear positive livelihood boost, not necessary a new type of livelihood or exit from poverty. On the part of the partners, a quarter indicated that they were providing the poor with a full time job, new livelihood, substantive change in family living standards, half of the remaining partners said the poor gain from a clear positive livelihood boost, not necessary a new type of livelihood or exit from poverty, while the other half said the poor are receiving an additional opportunity, some boost to income or security within an existing livelihood.

3.4. Discussion

Partnership is central to the creation and sustainability of inclusive business because partnership creates cross-boundary cooperation, alliance governance, and cooperative learning resulting in innovation, capacity building and ultimately value creation. We document that partnership in IB projects in Ghana emanates from the private sector, government agencies, donor agency, local and international NGOs, and cooperative societies. These partnerships have resulted in the provision of capital for the setting up and expansion of agro processing and organic compost plants. They have also provided subsidies from the government and an international donor agency for the sales of
organic compost and health products to the local people at affordable prices. Another partnership was developed along the lines of social contribution by creating an incentive for farmers to end child labor, while paying them premiums so as they can increase their income.

It has been argued that when partnership happen, it leads to cooperative learning because partners needs to overcome the initial difficulties they encounter and this occurs by engaging and learning from each other. [Okada (2001)] argues that when cooperative learning becomes part of long-term structure, it becomes the source of organizational dynamics by speeding up the flow of enriched information and organizational learning, hence stimulating improvements and innovation. Participants from the companies and their partners identified innovation searching as the way forward for their current IB projects in the future.

The results of our commitment analysis is a reflection of the realities that firms face in terms of partnership. Our results indicate that private entities have long-term commitments, while governmental agencies and NGOs have short to mid-term commitments. This is perfectly understandable because two private entities such as CCBCGL and Home Care with their profit maximization interests can only break even and make profits if they commit in the long-term because of the level of investment involved in their activities. But we should not expect PYXERA Global and HKN to have the same level of commitment because PYXERA Global is an NGO that has been contracted by USAID to help build the capacity of HKN. After completing the contract, the partnership between PYXERA Global and HKN terminates, that notwithstanding, HKN is now in a better position to scale-up its operations if they have long-term commitment with the poor. This is possible because the capacity building that HKN received through this partnership helped the organization to improve its strategy and develop a five year strategic plan, hence, they are more enhanced and better equipped to scale-up then before the partnership came into force.

Based on our findings, we can suggest that the poor engaging in IB projects in Ghana have understanding of the benefits that they gain from these projects, and because of that it takes away the issue of exploitation and create trust between them, the company and the partners involved. Because of this relationship, companies and their partners are able to build collaborative communities, which in the end helps them to scale-up their businesses, creating a successful and sustainable IBs.
4. Conclusion

This paper examines partnership, innovation, commitments and the gains of the poor in inclusive business in Ghana. We find that partnership is essential for the sustainability of IB projects in the country because in the areas of sanitation and public health ventures, it provides subsidies for companies to turn non-profitable ventures into profitable ones. Among pure private entities or firms, partnership provide the needed capital for companies to start and expand their businesses. By reviewing the cases presented in Table 4, we find evidence that innovation searching is the type of project most companies are considering in the future. Our analysis shows that companies, partners and the poor use three different mechanisms of governance to safeguard each others stakes and resources, however, the poor believed that trust-based relations is the most effective means of engaging them. We find that most of the companies and the poor have long-term commitments to their projects, while some of the partners have short to mid-term commitments. Finally, we find that the poor had good understanding of the benefits they gain from the projects in terms of (a) product and services and (b) income and livelihood.

Although this research provides relevant and interesting insights to broadening and deepening the knowledge and understanding about the field of IBs, it should be highlighted some limitations of the research, among them the limited number of companies that accepted our interview request, the selection of the poor to participate in the survey and the limited number of sector that we selected due to finding constraints. Further research is required to empirically validate the results using an econometric modeling.

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