LEVERAGING THE DUALITY OF DIASPORA INVESTORS IN SYNDICATION WITH INTERNATIONAL BUSINESS ANGELS:

A focus on sub-Sahara Africa

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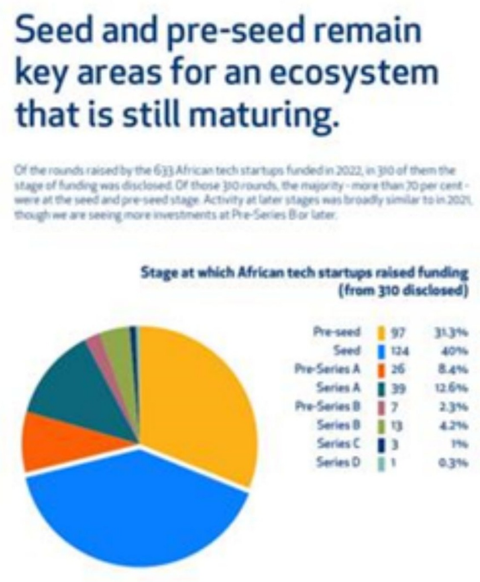
"We believe there are 30 million Africans who can disrupt Africa." -Tom Jackson



03. Research Objective

Build a syndicate investment framework that creates conditions that facilitate business angel activity in sub-Sahara African

The diaspora investors have dual characteristics of navigating contrasting institutional environments of their country of residency and country of origin. This duality can arguably make them credible syndicate partners that contribute to the economic and social development of their home country.

04. Social Capital Framework

Structural Dimension

Concerned with relationship network of actors

Relationship Dimension

Considers relationships which embody trust and trustworthiness

Cognitive Dimension

Recognises shared resources with common interpretation

Social Capital Theory

The central proposition of Social Capital Theory is that networks and relationships constitute valuable resources which provides its member with collectively owned capital. In this case, the social capital theory can have explanation value on how business angels and diaspora investors can gain access to opportunities and value in the host country.

01. Research Problem

INCREASED SYNDICATION ACTIVITY

INTERNATIONALISATION OF INVESTMENTS

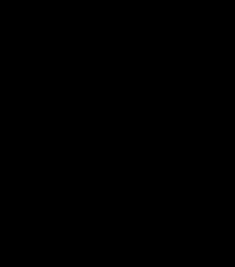
Business angels (BA) are increasingly investing through syndication (25%) to access emerging markets (that require different investment approaches), enabling them to share risk and reduce transaction costs

GROWING BUSINESS ANGEL RESEARCH IN MOST EMERGING ECONOMIES

GAP IN BUSINESS ANGEL RESEARCH IN SUB-SAHARAN AFRICA

Syndication is an emerging area of research, however, Sub-Sahara Africa is under researched in BA investment resulting to a gap

02. Research Question



How does the duality of diaspora investors contribute to the investment syndicate framework with international business angels?

05. Methodology

1. ***Qualitative method: Collect interview data from BA and Sub-Saharan African diaspora UK, USA and Canada*** — ***DATA COLLECTION***
2. ***Analyse data using Nvivo version 10 to identify emerging themes for evidence of constructs*** — ***DATA ANALYSIS METHOD***
3. ***Analyse secondary data of BA investments made in emerging economies*** — ***TRIANGULATE INTERVIEW DATA***
4. ***•Outline the framework components •Establish a framework structure defined by themes from the interviews*** — ***THEORETICAL FRAMEWORK***

Relevant literature

- Wesemann, H., & Antretter, T, (2022). The internationalisation of business angel networks: Do syndicates increase cross-border investment returns?
- Croce, A., Schwienbacher, A., & Ughetto, E. (2023). Internationalisation of business angel investment: The role of investor experience
- Ojo, S., Nwankwo, S., & Gbadamosi,A. (2013). African Diaspora Entrepreneurs: Navigating Entrepreneurial Spaces in 'Home' and 'Host" countries.
- Nyame-Asiamah, F., Amaoako,I.O., Amankwah-Amoah,J., & Debrah, Y.A. (2020). Diaspora entrepreneurs' push and pull institutional factors for investing in Africa: Insights from the African returnee from the United Kingdom
- Meulemann, M., Jaaskelainen, M., Maula. M.V.J., & Wright, M. (2017). Venturing into the unknown with strangers: Substitute of relational embeddedness in cross-border partner selection in venture capital syndicates.
- Nahapiet. J., & Ghoshal, S. (1998). Social capital, intellectual capital and the organizational advantage.
- *Sorheim, R. (2023).* **The pre-investment behaviour of business angels: A social capital approach.**