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THE ROLE OF OWNERSHIP STRUCTURE IN SHAPING THE SUCCESS OF ENTERPRISES IN CAMEROON

Mbah Elizabeth Acha 

Faculty of Economics and Management Sciences, The University of Bamenda, Cameroon

mbahacha121@gmail.com

Dobdinga Cletus Fonchamnyo

Faculty of Economics and Management Sciences, The University of Bamenda, Cameroon

Shillie Peter

College of Technology, The University of Bamenda, Cameroon

Abstract

This study investigates the relationship between ownership structure and firm performance in Cameroon, focusing on private, foreign, female, and government ownership typologies. Primary data for this study was carried out through interview from 361 enterprises in Cameroon. Using data from the Cameroon Enterprise Survey (2016), a cross-sectional causal research design and multiple linear regression analysis were employed to assess the effect of ownership structures on firm performance, measured by sales. The findings reveal that foreign ownership positively influences firm performance, particularly in the manufacturing sector, by introducing capital, expertise, and best practices. Female ownership is also associated with improved performance notably female managers were associated with a better performance underscoring the structural challenges faced by women in leadership positions especially in the service sector, thus highlighting the potential benefits of gender diversity in business leadership. Conversely, private and government ownership exhibit mixed or insignificant effects on performance, with government ownership contributing positively only in the retail sector. Key control variables such as corporate governance, managerial experience, and legal status significantly impact firm performance, while corruption negatively affects outcomes, particularly



in the retail sector. The study underscores the importance of attracting foreign investment, supporting female entrepreneurship, and enhancing corporate governance to improve firm performance in Cameroon. It also highlights sector-specific dynamics, providing valuable insights for policymakers, investors, and corporate leaders seeking to optimize governance and ownership structures in developing economies.

Keywords: Ownership structure; Firm performance; Institutional ownership; Foreign ownership; Managerial ownership; Family ownership

INTRODUCTION

The relationship between ownership structure and firm performance has long been a pivotal area of exploration within the field of Corporate Governance. Over the past two decades, considerable scholarly attention has been devoted to understanding how ownership structures shape corporate outcomes by examining the interests of managers and major shareholders, as well as the conflicts and synergies arising from these interactions. Specifically, research has sought to determine how variations in ownership patterns can drive or impede firm performance by addressing the inherent conflicts of interest between managers (insiders) and shareholders (owners).

A growing body of evidence underscores the notion that a firm's market value is not solely determined by its investment projects but is also significantly influenced by factors such as financial structure, dividend policy, governance mechanisms, and ownership patterns. Among these, ownership structure plays a particularly critical role in enhancing firm value. This role can be analysed through two primary theoretical frameworks: the asymmetric information approach and the agency theory approach. The asymmetric information perspective posits that ownership structure serves as a mechanism to reduce information asymmetries between insiders and outsiders in capital markets, thereby narrowing the gap in information disclosure (Eland and Pyle, 1997). On the other hand, the agency theory approach emphasizes the capacity of ownership structures to mitigate agency problems by aligning the interests of managers with those of shareholders, thereby enhancing firm performance.

Despite the theoretical advances in this domain, empirical findings remain inconclusive, with the literature offering mixed and, at times, contradictory results. For instance, some studies have identified a non-linear or non-monotonic relationship between managerial ownership and firm performance (Morck et al., 1988). Similarly, Yeung *et al* (2000) found that firm performance tends to improve with increasing managerial ownership up to an optimal point, after which further concentration of ownership can negatively affect performance. Jensen and Meckling

(1976), although foundational in discussing agency costs, laid the groundwork for understanding these non-linear effects, which subsequent empirical studies have confirmed. McConnell and Servaes (1990) provided additional evidence supporting this non-monotonic pattern, demonstrating that performance improves with managerial ownership up to a certain level before declining. Leech and Main (2000) also found similar evidence in the UK context, emphasizing that there is an optimal level of managerial ownership that maximizes firm performance. Collectively, these studies suggest that the relationship between managerial ownership and firm performance is often characterized by an inverted U-shape, with performance benefiting from increased ownership only up to a point, after which further ownership concentration can be detrimental. While others have demonstrated that investment decisions act as an intermediary mechanism through which ownership structures influence firm value (Jensen & Meckling, 1976). The seminal work of Morck et al (1988) further suggested that managerial ownership can play a decisive role in aligning managerial and shareholder interests, ultimately impacting a firm's market value. This alignment, however, is contingent upon managers holding a sufficiently significant yet balanced stake in the firm.

Early finance theory traditionally viewed shareholders as a homogeneous group of uninvolved absentee owners, assuming that managers were inherently motivated to act in the best interests of shareholders based on signals from capital markets (Easterbrook, 1984; Rozeff, 1984). However, subsequent research challenged this notion, emphasizing that shareholders are not a monolithic entity and that the composition of ownership—specifically, the division between insiders (managers) and outsiders—can significantly influence firm performance. This distinction was first highlighted by Berle and Means (1932) and later formalized in the work of Jensen and Meckling (1976), who explored the impact of ownership distribution on firm value. Subsequent studies, such as those by Stulz (1988), demonstrated a non-linear relationship in which firm value initially increases with insider ownership but eventually declines as ownership becomes excessively concentrated. Shleifer, and Vishny (1988) echoed this finding, revealing a complex, non-linear association between insider ownership and firm performance. Furthermore, studies by Demsetz and Lehn (1985) and Holderness and Sheehan (1988) contributed additional empirical evidence to the growing debate on ownership structure and performance.

Building on this extensive body of work, this study aims to investigate the relationship between ownership structure and firm performance within the context of Cameroon. Cameroon offers a unique setting for examining this relationship due to the distinctive characteristics of its corporate ownership structures, which are shaped by the socio-economic, cultural, and legal landscape of the country.

Institutional ownership, involving the participation of financial institutions such as banks, pension funds, and investment firms, has begun to gain prominence in Cameroon. Institutional investors are generally regarded as sophisticated stakeholders who actively monitor managerial performance and advocate for improved governance practices. However, the effectiveness of institutional ownership in Cameroon may be constrained by weak legal enforcement, limited investor activism, and a lack of transparency in corporate governance frameworks. Understanding the extent to which institutional ownership influences firm performance in this context remains an important area of inquiry.

Foreign ownership plays a growing role in the Cameroonian corporate sector, particularly in industries such as energy, telecommunications, and finance. Foreign investors, including multinational corporations and international equity funds, bring access to capital, expertise, and global best practices to the firms in which they invest. However, their presence may also give rise to challenges such as cultural misalignment, a focus on short-term financial returns, and potential conflicts with local stakeholders. Analyzing how foreign ownership impacts firm performance in Cameroon is crucial, particularly given the country's integration into regional and global markets.

The role of female ownership in Cameroon represents an evolving and underexplored area of research. Women are increasingly participating in the ownership and governance of firms, often bringing unique perspectives to decision-making processes. However, structural and cultural barriers, including gender biases and limited access to capital, pose significant challenges to the expansion of female ownership. Investigating the contribution of female ownership to firm performance can provide valuable insights into the potential for greater gender diversity to enhance corporate governance and outcomes.

Government ownership is a prominent feature of the Cameroonian corporate landscape, particularly in key sectors such as energy, transportation, and infrastructure. State-owned enterprises (SOEs) often benefit from preferential access to resources and policy support but may also suffer from inefficiencies, political interference, and weak accountability mechanisms. The impact of government ownership on firm performance in Cameroon is therefore highly context-dependent and warrants detailed exploration.

This study seeks to provide a comprehensive analysis of the relationship between ownership structure and firm performance in the Cameroonian equity market, with particular attention to the nuanced dynamics of family ownership, institutional ownership, foreign ownership, female ownership, and government ownership. By situating this research within the socio-economic and legal context of Cameroon, this paper aims to contribute to the broader

literature on Corporate Governance while offering practical insights for policymakers, investors, and corporate leaders.

LITERATURE REVIEW

Ownership models significantly influence the governance, resource management, and stakeholder relationships of enterprises. This is especially relevant in Cameroon, where enterprises face challenges such as limited resources, weak institutional frameworks, and diverse stakeholder expectations. Four prominent theories—Agency Theory, Stewardship Theory, Stakeholder Theory, and Resource Dependency Theory—provide insights into how ownership structures affect enterprise performance and success.

Agency Theory, proposed by Jensen and Meckling (1976), explains the conflict that arises when principals (owners) delegate decision-making authority to agents (managers). This separation of ownership and management can lead to agency problems, as managers may prioritize personal interests over those of the owners, resulting in inefficiencies and increased costs. In Cameroon, agency issues are common in enterprises where governance structures are weak, particularly in state-owned enterprises, where managers may exploit their positions due to limited oversight. Ownership models that implement strong monitoring mechanisms, such as performance-based incentives and independent audits, can reduce agency costs and improve enterprise performance.

Stewardship Theory, articulated by Donaldson and Davis (1991), counters Agency Theory by asserting that managers (stewards) are intrinsically motivated to act in the best interests of the organization. Unlike agents, stewards prioritize long-term organizational goals over personal benefits, driven by trust and a sense of responsibility. This theory is highly applicable to family-owned businesses in Cameroon, where managers are often family members who align closely with the enterprise's vision and mission. Such ownership models foster loyalty and collaboration but require a culture of trust and accountability to prevent stagnation or inefficiencies caused by excessive reliance on informal governance.

Stakeholder Theory, developed by Freeman (1984), posits that enterprises should account for the interests of all stakeholders, not just shareholders. Stakeholders include employees, customers, suppliers, local communities, and the government, all of whom influence and are affected by enterprise decisions. In Cameroon, where enterprises often operate in resource-rich regions with vulnerable communities, ownership models that actively engage stakeholders are crucial for maintaining legitimacy and ensuring sustainability. For example, businesses in industries such as oil and agriculture must balance the demands of local communities, environmental protection, and profit generation to avoid conflicts and reputational

damage. Inclusive ownership structures promote equitable value distribution, benefiting both the enterprise and its stakeholders.

Resource Dependency Theory, introduced by Pfeffer and Salancik (1978), emphasizes that enterprises depend on external resources to survive and thrive. The theory suggests that ownership models should focus on reducing vulnerabilities associated with resource dependencies by building strategic alliances, joint ventures, and partnerships. In Cameroon, where enterprises often face challenges such as limited access to capital, skilled labour, and technology, ownership models that encourage collaboration with external entities have proven successful. For instance, joint ventures in the agricultural and energy sectors help enterprises access critical resources while mitigating risks associated with resource scarcity. This approach enhances resilience and competitive advantage in resource-constrained environments.

Empirical literature

Jose (2022) identified that the ownership structure of a company has been identified as a key mechanism in corporate governance. The present study investigates the impact of ownership concentration and ownership identity on company economic performance. The sample consists of a unique database of 749 listed Continental European companies. The empirical results show that ownership concentration has a U-shaped relationship with firm performance. The effect of ownership concentration on corporate performance is also found to be negatively mediated by R&D investment and to vary across different legal settings. Furthermore, this research proposes and supports the hypothesis that the identity of the controlling shareholder has implications for corporate strategy and performance. In fact, corporate and state ownership have a positive and negative impact, respectively, on firm performance. Thus, the findings of this study suggest that ownership structure matters, particularly in a Continental European institutional setting.

Ahmed (2021) tried to develop a new method of ownership classification and examine the impact of various owners on firm performance. Prior research focuses mainly on managerial ownership and/or a few general classifications (block-holders vs. non-block-holders, institutional vs. non-institutional). No prior studies attempt to model all corporate owners together in one model. This study fills this gap. Our classification divides listed corporations into government, institutional, public, managerial, family, and foreign owners. Analysing and comparing these companies yields several important findings. First, government and institutional firms perform the best, while public and managerial firms perform the worst. Second, the OLS and simultaneous system 2SLS estimates suggest that government and institutional ownership contribute positively to firm performance, while

public ownership has a negative effect. Incorporating the potential endogeneity issue into the system suggests that the relationship is bidirectional, where the causality runs from ownership to performance and vice versa.

The success of enterprises in Cameroon is shaped by their ownership models, as these influence governance, resource management, and stakeholder relationships. Agency Theory highlights the need for effective monitoring to align managerial actions with ownership interests, while Stewardship Theory emphasizes trust and shared vision between owners and managers. Stakeholder Theory advocates for inclusive governance to balance diverse stakeholder interests, and Resource Dependency Theory underscores the importance of resource acquisition through strategic partnerships. Together, these theories provide a comprehensive understanding of how ownership models impact enterprise performance and sustainability.

METHODOLOGY

Research Design

The study adopted a cross-sectional causal research design to examine cause-effect relationships between variables in Cameroon at a single point in time. It utilized primary data gotten from interviews with 361 enterprises which over time serve as secondary data from the Cameroon Enterprise Survey (2016), conducted by the World Bank to assess the private sector, monitor changes in the business environment, and identifies growth constraints.

Sampling

Stratified random sampling was used, based on industry (Manufacturing, Retail, Other Services), size (small, medium, large), and region (Centre, Littoral, West). The target population included only registered businesses in the non-agricultural private economy, excluding sectors such as financial services, real estate, and public utilities. Data collection took place between July and November 2016 in key economic regions, providing comprehensive insights into Cameroon's business environment.

Data Collection

Data was collected through face-to-face interviews with firms in the manufacturing and services sectors, covering 361 establishments. The survey addressed topics such as firm characteristics, access to finance, workforce composition, infrastructure, taxation, innovation, and business-government relations. Over 90% of questions captured objective data, with the remainder reflecting respondents' opinions on obstacles to growth.

Empirical model

The objective of this study is to examine the effect of ownership structure on the performance of firms in Cameroon. The model used for this study is the multiple linear regression functions which will relate performance to the different indicators of ownership structure as developed by Mohamed (2012). The following model was adapted as follows:

$$PERF = \alpha_0 + \alpha_1 POWN + \alpha_2 FOROWN + \alpha_3 FOWM + \alpha_4 GOVOWN + \alpha_5 CG + \alpha_6 EXP + \alpha_7 COR + \alpha_8 FMAN + \alpha_9 LS + \varepsilon_1$$

Where,

PERF is performance measured by natural log of sales.

POWN is private ownership measured by the percentage of capital owned by the private sector.

FOROWN is foreign ownership measured by the percentage of capital owned by foreigners.

FOWN is female ownership which is a binary variable that is 1 if the business belongs to a woman and 0 if not.

GOVOWN refers to government ownership captured by percentage of capital owned by the public sector.

CG is corporate governance mechanisms which is measured by a binary variable that is 1 if accounts were externally audited and 0 if not.

EXP is manager experience measured by the number of years of experience in the business.

COR is corruption index constructed with the help of MCA from a series of primary indicators including informal gift or payment awaited or paid for electricity connection, for water connection, for clearing exports, for clearing imports, for construction permit, during inspections, to secure a contract, for import license and for operating license.

FMAN is female manager dummy that is 1 if the business is managed by a woman and 0 if not

LS are the legal status of the firm (sole proprietorship, partnership or shareholding).

RESULTS AND DISCUSSION

The effect of Ownership structure on firm Performance

Table 1 presents the summary of descriptive statistics of variables used for the study. It should be recalled that private, foreign and government ownership were measured in percentage whereas female ownership was measured as a dichotomous variable that is 1 if the firm is female owned and 0 if not.

Table 1: Summary of descriptive statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
Ln sales	356	17.5108	2.240365	13.12236	26.02158
Private ownership	361	82.16343	35.57142	0	100
Foreign ownership	361	5.648199	21.07027	0	100
Female ownership	361	0.3601108	0.4806986	0	1
Government ownership	361	1.094183	7.257333	0	95
Innovation index	361	0.7241189	0.3483642	0	1
Corporate governance	361	0.5595568	0.4971293	0	1
Manager experience	361	18.40443	10.20198	1	68
Corruption index	361	0.9663811	0.116231	0	1
Female manager	361	0.1551247	0.3625259	0	1
Partnership	361	0.0304709	0.1721177	0	1
Shareholding	361	0.2188366	0.4140314	0	1

The descriptive statistics indicate that the firms in the sample exhibit a range of characteristics. The average natural logarithm of sales is approximately 17.51, with a standard deviation of about 2.24, suggesting that while most firms have sales around this mean, there is moderate variability, with values spanning from roughly 13.12 to 26.02. This reflects a diverse set of firms in terms of size and sales performance. Regarding ownership structures, a significant majority (82.16%) of firms are privately owned, although the extent of private ownership varies considerably, with a standard deviation of 35.57%. Ownership levels range from completely publicly owned (0%) to fully private (100%), indicating that some firms are entirely private, while others may have little or no private capital. Foreign ownership is relatively low on average, at 5.65%, implying limited foreign direct investment among these firms. Nevertheless, there is considerable disparity, with some firms entirely foreign-owned (up to 100%) and others with no foreign ownership at all, as shown by a standard deviation of 21.07%.

In terms of gender-based ownership, approximately 36% of the firms are owned by women, highlighting a moderate level of female participation in ownership. Government ownership remains minimal, with an average of just over 1%, but again, there is significant variation, with some firms having no government stake and others being predominantly government-controlled (up to 95%). The innovation index, with a mean of about 0.72, suggests that firms are generally engaged in innovative practices, with some variability (standard deviation of 0.35). This indicates that while innovation is prevalent, the degree of innovation varies among firms. Over half of the firms (about 56%) have their financial statements audited by external auditors, reflecting a moderate level of corporate governance practices. The corruption index (mean of approximately 0.97) indicates high levels of corruption within the corporate environment in Cameroon. Female representation in management is limited, with only

about 15.5% of firms managed by women, pointing to gender marginalization in managerial roles. The distribution of firm types shows that the majority are shareholding firms (around 22%), with a smaller proportion operating as partnerships (about 3%).

Finally, prior to hypothesis testing, a pairwise correlation analysis was conducted to identify any strong relationships among the independent variables that could lead to multicollinearity issues in the models. The correlation coefficients and their significance levels are presented in table 2, providing insights into the interrelationships among variables and ensuring the robustness of subsequent analyses.

Table 2: OLS results of the effect of ownership structure on firms performance

VARIABLES	(1)	(2)	(3)	(4)
	Overall	Manufacturing	Retail	Others
Private ownership	-0.00197 (0.00409)	0.00503 (0.00717)	-0.00214 (0.00571)	-0.00678 (0.00640)
Foreign ownership	0.0151* (0.00830)	0.0357*** (0.0125)	0.0162 (0.0145)	-0.00300 (0.0107)
Female ownership	0.645** (0.285)	0.334 (0.572)	0.732 (0.442)	0.865** (0.411)
Government ownership	0.00563 (0.0143)	0.0151 (0.0179)	0.307* (0.177)	-0.0324 (0.0393)
Corporate governance	1.032*** (0.214)	0.925** (0.405)	1.207*** (0.344)	1.220*** (0.349)
Manager experience	0.0216* (0.0113)	0.0123 (0.0193)	0.0277 (0.0168)	0.000851 (0.0234)
Corruption index	-1.315 (0.864)	-0.772 (1.053)	-5.164* (2.954)	0.0529 (1.422)
Female manager	-1.063*** (0.321)	-1.460** (0.652)	-0.567 (0.503)	-1.508*** (0.484)
Partnership	1.744** (0.767)	1.556* (0.929)	3.640** (1.735)	0.392 (1.274)
Shareholding	1.285*** (0.316)	1.115** (0.497)	-0.340 (0.527)	1.989*** (0.459)
Constant	17.47*** (0.927)	17.02*** (1.099)	20.78*** (3.005)	16.73*** (1.695)
Observations	356	118	115	123
R-squared	0.290	0.290	0.332	0.391
Prob > F	0.0000	0.0000	0.0000	0.0000
Breusch Pagan Prob > Chi²	0.0000	0.0083	0.2059	0.0000
Mean VIF	1.25	1.39	1.33	1.29

Note: (Robust) standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1

This study investigates how different ownership structures influence firm performance across various sectors in Cameroon. The overall models are statistically significant at the 1% level, confirming that ownership factors are important predictors of firm success regardless of sector.

Regarding ownership types, private ownership shows a negative but statistically insignificant effect on sales performance both globally and across sectors. In contrast, foreign ownership has a positive impact, with a significant coefficient in the manufacturing sector—indicating that a 1% increase in foreign ownership leads to approximately a 0.04% rise in sales. This suggests that foreign investment particularly benefits manufacturing firms. Female ownership also significantly boosts firm performance, with female-owned firms experiencing about a 0.645% increase in sales overall. The positive effect is especially notable in retail and other service sectors, implying that female entrepreneurs may contribute positively to firm growth in Cameroon.

Government ownership appears to have a positive relationship with performance, but its effects are generally not statistically significant, except for a significant positive impact in the retail sector at the 10% level. This indicates that government participation might support sales in retail firms but does not have a strong or consistent effect across the economy. Control variables such as corporate governance and manager experience also play crucial roles. Firms with externally audited financial statements perform better, showing about a 1.03% increase in sales, highlighting the importance of transparency and good governance. Similarly, manager experience positively influences sales, with each additional year of experience increasing performance by roughly 0.02%. Although these effects are modest, they are statistically significant, emphasizing the value of skilled management.

Conversely, corruption negatively impacts firm performance, with a one-point increase in the corruption index leading to approximately a 1.32% decrease in sales. This effect is particularly significant in the retail sector, illustrating how corruption can undermine business success. Additionally, firms managed by women tend to perform worse, with female-managed firms experiencing about a 1.06% reduction in sales overall; this negative effect is especially pronounced in manufacturing and other services.

Finally, legal status influences performance positively. Partnership firms and shareholding companies outperform sole proprietorships, increasing sales by about 1.74% and 1.29%, respectively. These structures likely provide better resources, stability, and access to capital, which translate into improved performance across sectors. In summary, foreign and female ownership, strong corporate governance, and certain legal structures enhance firm performance in Cameroon. Conversely, corruption and female management are associated with

lower sales performance, highlighting areas where policy interventions could support business growth and development.

CONCLUSION

The findings of the study reveal that both foreign ownership and female ownership are significantly associated with enhanced firm performance in Cameroon, lending support to the hypothesis that ownership structure plays a crucial role in determining firm success. Specifically, foreign ownership was found to be particularly advantageous for manufacturing firms, while female ownership demonstrated a positive influence on firms operating within the service sector. These results are consistent with established theories such as stakeholder theory, which posits that diverse ownership and stakeholder engagement can improve organizational governance, accountability, and overall performance (Freeman, 1984). By integrating external stakeholders, firms can benefit from a broader range of resources, expertise, and perspectives, which ultimately fosters better decision-making and strategic positioning.

Foreign ownership often introduces valuable resources such as new capital, advanced technology, and management expertise, which are critical for improving operational efficiency, product quality, and competitiveness in international markets. These advantages can lead to higher profitability, increased market share, and sustained growth, especially in manufacturing sectors where technological innovation and capital infusion are vital. For instance, foreign investors may bring best practices in production processes, supply chain management, and quality control, thereby elevating the performance standards of local firms. Similarly, female ownership positively impacts firm performance by promoting more inclusive decision-making processes and introducing diverse perspectives that can stimulate innovation and organizational adaptability. Female owners often prioritize different strategic priorities, such as corporate social responsibility, employee welfare, and community engagement, which can enhance firm reputation and stakeholder trust. Moreover, increased female participation in ownership and managerial roles has been linked to improved organizational resilience, better risk management, and stronger relationships with customers and suppliers (Catalyst, 2020). These benefits are particularly relevant in sectors like services, where customer engagement and service quality are paramount.

The positive effects observed for foreign and female ownership are in line with findings from previous empirical studies conducted in different contexts. For example, Aung (2020) examined the influence of foreign ownership on the performance of commercial banks in the Czech Republic and found that foreign ownership significantly contributed to improved financial performance, efficiency, and stability. This underscores the role of external stakeholders in

driving organizational success through resource infusion, strategic expertise, and innovation. Similarly, Jose (2022) analyzed the impact of ownership concentration and identity on corporate performance, revealing that concentrated ownership and diverse ownership structures positively affected firm outcomes. Conversely, state ownership was associated with negative performance effects, possibly due to bureaucratic inefficiencies or political interference. These findings collectively highlight the importance of ownership diversity and stakeholder engagement in fostering competitive and resilient firms. They suggest that policies encouraging foreign direct investment and female entrepreneurship can have meaningful impacts on firm productivity and national economic development. Furthermore, promoting inclusive ownership structures can help address gender disparities and attract foreign capital, ultimately contributing to broader economic growth and development goals in Cameroon.

RECOMMENDATIONS

To promote economic growth and improve the performance of firms in Cameroon, the government should prioritize strategies that attract foreign investment. Developing comprehensive policies aimed at attracting foreign capital, particularly in the manufacturing sector, can significantly enhance industrial capacity and technological advancement. This could involve offering tax incentives, such as tax holidays or reduced corporate tax rates, to entice foreign investors. Additionally, streamlining business registration procedures and reducing bureaucratic hurdles would make it easier for foreign companies to establish operations in Cameroon. Encouraging joint ventures between local and foreign firms can also facilitate knowledge transfer and capacity building. Such collaborations enable local firms to acquire advanced technologies, management practices, and market access, which can lead to increased productivity and competitiveness (OECD, 2019). These measures not only attract capital but also foster a dynamic environment conducive to innovation and sustainable development.

Supporting female entrepreneurship is crucial for fostering inclusive economic growth. Addressing barriers that hinder women from owning and managing businesses, such as limited access to credit, gender biases, and cultural norms, is essential. The government should implement targeted programs that provide women with access to affordable financing, possibly through dedicated credit schemes or grants. Furthermore, establishing mentorship and training programs specifically designed for women entrepreneurs can empower them with the skills and knowledge needed to succeed. These initiatives can help women overcome societal stereotypes and build confidence in their entrepreneurial abilities. Promoting gender inclusivity

in business not only enhances economic diversification but also unlocks the untapped potential of women, contributing to poverty reduction and social equity (World Bank, 2020).

Enhancing corporate governance is vital for improving transparency, accountability, and investor confidence within the business environment. The government should mandate external audits for firms to ensure accurate financial reporting and deter fraudulent practices. Strengthening legal frameworks to combat corruption and promote fair competition is equally important. This could involve establishing or reinforcing institutions responsible for anti-corruption enforcement, enhancing legal penalties for misconduct, and ensuring that regulatory agencies operate independently and effectively. Improving governance standards encourages responsible business conduct, attracts foreign direct investment, and fosters a more competitive market environment. Such reforms can also help reduce the prevalence of corrupt practices that distort market outcomes and hinder economic development (Transparency International, 2021).

SUGGESTION FOR FURTHER STUDIES

- Ownership structure, Innovation and the success of Manufacturing Enterprises in Cameroon.
- The influence of Family-Owned Enterprises on Economic Development of Cameroon.
- Ownership Concentration and Decision Making efficiency in Cameroon Enterprises.

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