Delegation of Managerial Power: A Modern Lever for Participative Management in Cameroonian SMEs

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Abstract

The main aim of this study is to highlight how the manager transfers her power to a company employee, whether close to the management board or not, to carry out a certain number of tasks on her behalf. An analysis of the literature revealed that, on the one hand, the delegation of power is a form of participative management that has a more or less harmful influence on the company and certain stakeholders. On the other hand, it has been shown that the delegation of power engenders an agency relationship that is a source of conflicts of interest between the delegator and the delegatee, due to non-compliance with contractual clauses or the opportunism of the delegatee, who may use any means at his disposal to definitively oust the delegator and remain in his new position for a long time. This practice does exist within companies in Cameroon, although it is not clearly defined by OHADA law.

Keywords: delegation of authority, delegator, delegatee, participative management, agency relationship, delegatee opportunism

1. Introduction

Globalization and the quest for profits have led organizations to rethink their management methods and, above all, the distribution of power. This has led to a shift from subordinate management to collaborative management, where employees are involved across the board in the management of the company. This integrative dynamic leads company managers to relinquish some of their powers to maximize the chances of achieving their objectives.

Delegation of authority, which is defined as the intentional transfer of tasks from one person to another (Lupia, 2001), is an appropriate means of reducing the manager's workload (Mathebula and Bernard, 2020). Otherwise, it's having others do the work by giving them the authority, control, and power to achieve objectives (Stornhouse, 2015). As companies grow, workloads increase, requiring managers to quickly adapt their management and leadership techniques to the size of their business, using a mechanism that exonerates them from responsibility.

The mechanism of delegated authority therefore appears to be an excellent instrument for decentralizing power and responsibilities, enabling companies to achieve objectives, face up to competition, and keep up with globalization. Thus, in companies where size does not allow for efficient implementation and control of the regulations in force, the manager has every interest in delegating part of his powers (Khasawneh et al, 2015). Delegation of powers is therefore a major tool both in managing risks within the company and in preventing criminal risk. As Mathebula and Bernard (2020) point out, when a company is growing the employer's responsibilities and tasks are increasing, the delegation of authority is an interesting managerial response because it relieves the head of the company. Delegation is much more noticeable in large companies, which are molded under the framework of the joint-stock company, whose significant size and growing organizational complexity rhyme with the impossibility of managers to control everything, monitor everything, or be everywhere at once (Oumy, 2018).

The practice of delegating power, although massively adopted by many companies today, is not a new concept. Delegation of power is part of the modern trends practiced by managers (Al-Jammal et al, 2015). It was introduced into management literature by Fershtman (1985), who believes that this practice makes the company aggressive in the face of its adversaries. It is an important source of competitive advantage and a growing contributor to performance. In addition to improving a company's ability to achieve results, the delegation of authority also enables the company's director to avoid the legal burdens he or she incurs in his or her capacity as director. This study aims to highlight how the executive transfers his or her power to a company employee, who may or may not be a member of the management board, to carry out several tasks on his or her behalf.

The specific nature of delegation raises several questions for researchers and practitioners alike. It therefore seems appropriate to examine the manifestations of this delegation of power within the company. Since the seminal article by Berle and Means (1932) on agency theory taken up by Jensen and Meckling (1976), who considered the delegation of power at the shareholder level, many authors such as (Nkakleu, 2003, Bell and Bodie, 2012; Oviawé, 2015; Khasawneh et al, 2015; Al-Jammal et al, 2015; Nagutha njue et al. 2017; Oumy, 2018; Mathebula and Bernard, 2020; Colombo et al, 2021) have attempted to enrich the understanding of this organizational form by bringing it back to the enterprise. Through the perspective of various contributions, this article aims to shed light on the concept of delegation of power within organizations and in particular its practice in Cameroonian companies.

Delegation of authority is of both theoretical and organizational interest. From a theoretical standpoint, the scientific literature on this subject is not widely available. The few that do exist have been carried out in the contexts of developed countries and the Maghreb. Exploring this practice in the context of a developing country like Cameroon would further enrich the literature on the subject. From an organizational point of view, this study will make it possible to precisely define the scope of each party's responsibilities in this agency relationship, bearing in mind that a delegator cannot transfer all his powers.

After defining the concept of delegation of power and participative management, we will try to draw a link between this delegation and the opportunism of the delegatee, by showing that the organization generates within itself multiple uncertainties that are sources of latent conflict. The advantages and disadvantages of this form of management within companies will then be highlighted, and finally, the legal framework governing the delegation of power within companies in the Cameroonian context will be presented.

2. Clarifying Concepts

2.1 Participative Management

Widely used in modern organizational management, the paternity of participative management is attributed to the American psychologist Likert Rensis, for whom the participative model is the most effective, in that the strength of the group enables better management and resolution of problems. Collaboration is a means of coordinating work and increasing team strength and performance (Vroom, 1960). For this reason, it is incompatible with hierarchical considerations that disregard authoritarian or paternalistic personnel management or unilateral decision-making. Communication, respect, and coordination are the watchwords of this type of management. From this perspective, the delegation of power is seen as a division of labor to meet the requirements of a democratic system enabling managers at all levels to participate in decision-making to carry out the organization's managerial activities (Khasawneh et al, 2015).

Participative management is the expression of a form of governance that places collective intelligence at the heart of the organization (Semianovskyi, 2018). It aims to improve the performance of a company's employees, inviting them to invest in entrepreneurial life as well as decision-making by demanding obedience from every member of the work organization (Gilberg, 1988). It's a way of delegating power and sharing responsibility with team members. In concrete terms, this means that all decisions taken within the company require consensus among the various employees concerned, whether they be executives, managers, or employees. Nagutha njue et al. (2017), have specified to this effect that, even if managers are called upon to consult their superiors, peers, or subordinates when making important decisions, the delegation of power is more appropriate with subordinates within the framework of participative management.

Since participative management is a process in which influence is shared between hierarchically unequal individuals (Wagner, 1994), the transfer of power from superiors to subordinates must be formalized and known to all, otherwise, we wouldn't be able to speak of participative management. The manager, who is also the delegator, must not only be able to control the quality of the service rendered but must also be able to effectively sanction the delegate in the event of non-compliance with the contract. The latter loses part of his free will, agreeing to respond to the orders and directives of the person who employs him and pays him his salary.

The managers of public companies are free to administer and manage the company's assets, to achieve the social or corporate purpose assigned to them. Moreover, they have no control over the company's strategic objectives, as they pursue external missions in the public interest. In this context, the delegation of power can be biased by a kind of favoritism, as managers tend to entrust tasks to those they trust, or to friends, to ensure that they do not make decisions contrary to their objectives.

Participative management thus unites delegators and delegates through formalized, regulated relationships that condition the possibility of executing orders. Failure to respect the hierarchical relationship, by whatever name, is sanctioned, unless it renders the relationship meaningless. For sanctions to be legal, they must be defined in advance and be proportional to the fault, to avoid any arbitrary element in decisions (Holcman, 2009).

Collaboration between individuals in an organization, whether formal or informal, is based on power relationships.

2.2 Delegation of Authority

Delegation occurs when some people ask others to carry out tasks on their behalf (Lupia, 2001). It usually occurs when the company is growing and the manager is overwhelmed with work. Holcman (2009) argues that subordination to the employer is delegated as soon as the company's workforce exceeds a few dozen employees, and even more so when ownership of the company is divided between several shareholders who have entrusted its management to a management team. It also specifies that delegation is precisely mapped within the company, and constitutes one of the functions of the organization chart, which defines and arranges the various hierarchical relationships within the company.

Delegation of authority refers to very different realities, depending on the organizations and departments in which it is exercised. According to Miramon (2009), power or competence is delegated when the holder of a mandate relinquishes part of his or her powers to another person, group, or institution. To delegate is to entrust someone else with the achievement of precise, negotiated objectives, within a defined framework. It is also the process by which a manager transfers his or her decision-making power in a specific area to one of his or her colleagues, who in effect becomes the delegate. Delegation can thus be defined as the legal act by which an authority (the delegator) transfers part of the powers he holds by virtue of his corporate mandate or employment contract, to a subordinate (the delegate). Bell and Bodie (2012), in this sense, assert that delegation means that a manager temporarily transfers formal authority to another for an indispensable mission. To do this, he or she must select a person capable of carrying out an assignment properly, and then give the selected person time to accept or refuse the conditions of the offer.

According to OHADA legislation, delegation in commercial companies is a decision by which the holder of a corporate power assigns the exercise of that power to a member of the company or to a third party. It is a form of substitution which enables the beneficiary to act in place of the legal representative, without the latter being deprived of his functions. However, it does not specify the delegation of managerial authority. Its formalization within an associative management project is compulsory, but beyond the constraint, since it involves evaluation and control, it is above all a source of dynamism and meaning. Yet there are many obstacles to the practice of delegation. They have as much to do with historical and cultural context as with more personal considerations, relating to notions of power and competence (Tavan, 2019).

3. Delegation of Managerial Power: Agency and Opportunism on the Part of the Delegatee

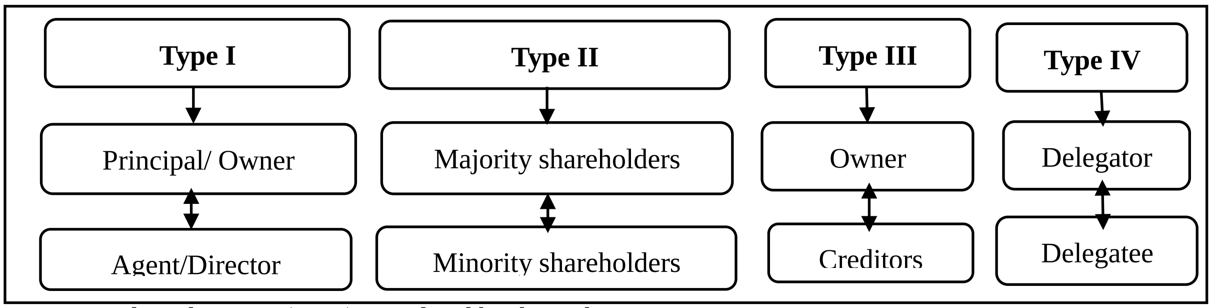
The delegation of power borrows heavily from agency theory, the very essence of management power. Moreover, both public and private companies offer an illustrative framework for an agency relationship between delegators and delegatees, a source of opportunism.

3.1 The Agency Relationship: The Essence of Delegated Authority

Drawing on the findings of Berle and Means (1932) and Alchiam and Demsetz (1972), Jensen and Meckling (1976) see the firm as "a legal fiction that serves as the focal point of a complex process in which conflicts between the objectives of individuals are resolved by the establishment of a network of contractual relationships". Based on this new conception of the firm, in 1976 Jensen and Meckling developed agency theory, which takes into account the multiplicity of categories of participants in the organization and the resulting divergence of interests. They define the agency relationship as a contract in which one (or more) person(s) employs the services of another (the agent) to perform some task on his or her behalf. However, these actors may have divergent interests that will give rise to a number of conflicts between the two parties (the principal who owns the business and the agent who manages on the principal's behalf), a source of agency problems.

The agency relationship initially focused on the relationship between shareholders and managers of listed companies. It was later extended to other types of companies and other forms of relationships within companies (Moungou, 2017). Based on a synthesis of the literature, Panda and Leepsa (2017) identified three types of agency relationships within companies that can generate agency problems. The first is the principal-agent relationship, whose problem arises because of information asymmetry, bounded rationality, fraud, and variations in risk-sharing attitudes. Secondly, between majority and minority shareholders, where one takes decisions that are advantageous to the other; and thirdly, between owners and creditors, where conflict arises when owners make riskier investment decisions against the wishes of creditors.

The observation made is that, in any relationship where a contract is signed, there is a high risk of non-compliance with contractual clauses (moral hazard), which would entail monitoring costs on the part of one of the parties. Thus, in addition to the three types of agency relationship, there is a fourth, namely that between the delegator and the delegatee. The figure by Panda and Leepsa (2017) p. 80, presenting the different relationships that are a source of conflict of interest within a company, will become:



Source: Panda and Leepsa (2017) completed by the author

The delegator here is the person who holds the power of direction, and the delegatee is the person who receives a certain amount of power from the delegator. The delegatee may or may not be an employee of the company, close to the management board. In this fourth type, the agency relationship is defined as the contract by which a person called the delegator (the manager), delegates some of his powers to another person called the delegatee to perform an act or a certain number of determined acts on behalf of the company (Aubour, 2019).

Delegation of power thus refers to the subdivision and sub-allocation of authority to subordinates in order to achieve effective results (Khasawneh et al, 2015). It is the division of authority and power downwards in order to exploit the power and help of others (Oviawé, 2015). For Mathebula and Bernard (2020), delegation at this level comprises at least two members, one called the principal (delegator) and the other called the agent (the delegatee) working towards the same goal. The principal focuses on providing knowledge and collaborating with colleagues, while the agent concentrates on executing tasks. To play their role effectively, agents need the necessary resources and skills, as well as access to key information. Giving them access to key information, however, would either enable them to acquire more knowledge, which could increase their chances of leaving the company or joining another department (De Paola and Scopa, 2007), or to manipulate it and become entrenched in the position (Mbaduet et al, 2021).

It has been recognized by De Paola and Scopa (2007) that the delegate uses the knowledge acquired as a negotiating tool. Thus, agents who have learned a great deal go out to conquer new organizations where they can put their newly acquired skills into practice, in search of better remuneration, which will represent a cost for the current company. Considering the delegate as a leader, Mbaduet et al (2021) argue that, because of his specific skills, the leader (the newcomer) would seek to invest in assets related to his knowledge in order to better control his company's activity, increase his power over the delegator and ultimately put down roots. In addition to their potentially uncertain profitability (Shleifer and Vishny, 1997), these specific investments can generate such high development and control costs for the company that shareholders would be compelled to keep the current manager in place since his dismissal would result in high transaction costs either to continue, reduce or stop them (Williamson, 1985).

Nazli (2005) argues that delegation involves both costs and benefits, because in some cases, the principal and agent may have divergent opinions and interests, which can lead to conflict. If there are conflicts between the principal and agent, the cost is higher because the focus will now be on conflict resolution.

Managers delegate work to subordinates because they don't have enough material time to do it (Nkakleu, 2003). However, delegating work does not necessarily mean guaranteeing that it will be done, hence the main agency problem. Having tasted the euphoria of power and the benefits that go with it, the delegate tends to adopt opportunistic behavior aimed at maximizing his own interests to the detriment of those of the company, given the imperfection of information.

3.2 The Delegatee's Opportunism

The literature has long dwelt on the question of managerial opportunism in the context of specific partnership relationships, particularly between owners and senior executives. The literature has shown us that partnership relationships are multi-layered, and at each level, opportunistic behavior can develop on the part of one of the agents or co-contractors.

Opportunism has been defined by Williamson (1985), as strategic behavior based on fraudulent, unhealthy, even criminal maneuvers, developed by an individual with the aim of subordinating his (moral/commitment) principles to his own interests by seeking to exploit the private information he holds, possibly to the detriment of the party with whom he contracts. It is in this sense that Lupia (2001) asserts that the great danger of delegation is that those to whom power is delegated will abuse the power they receive. As a result, some managers tend to distrust the people who work for them because of their own negative experiences of delegated authority (Bell and Bodie, 1992).

The delegatee's opportunism can develop for two reasons: the first is to benefit from the advantages of his current position so that he will negotiate clauses that are more favorable to him in the new contract; the second is to circumvent the monitoring mechanisms put in place by the delegator. To this end, the delegatee develops certain strategies known as "neutralization", either to make his replacement or eviction difficult or to dissuade the control mechanisms from exercising their role.

The problems inherent in this agency relationship are fourfold. Firstly, there is an asymmetry of information between agents, which highlights the incompleteness of contracts. In this case, opportunism appears as an incomplete, false, falsified, or even distorted disclosure of information by an agent, concerning his intentions, preferences, skills, abilities or know-how (Williamson, 1985). Secondly, transaction costs, especially monitoring costs, are high, as the principal (delegator) does not have the means to control the agent's work and behavior. Opportunism is here an extreme representation of human behavior which, motivated by the search for personal advantage, would be characterized by a tendency to cheat and transgress ethical rules. Thirdly, there is the problem of bounded rationality as evoked by Cyert and March. Here, the delegate makes decisions that benefit him or her at the expense of society. Fourthly, there is the problem of fraud linked to the manipulation of accounting and financial information.

In the final analysis, delegation of authority appears to be a strategy enabling the company to achieve its objectives. Delegation of authority is only effective when the delegator, once the delegation has been put in place, ensures that the delegatee actually carries out his or her duties. It is therefore advisable to formalize a monitoring procedure, notably through requests for reports, minutes of progress meetings, or even simple e-mails. In the event of a dispute, the delegator's task will be to demonstrate that he has effectively monitored the delegatee's performance of his duties, hence the usefulness of leaving a written record.

4. The Issues Involved in Delegating Authority: Consistency and Scope

In view of the many laws and regulations governing corporate governance, and the changing organizational structure of companies wishing to keep pace with globalization, the delegation of authority appears to be essential, since it enables responsibilities to be shared and, to a certain extent, promotes the achievement of objectives. In this agency relationship, the delegatee inherits the powers and responsibilities of the delegator, as well as all the obligations associated with these powers, his authority, and the resources required to carry out the missions thus entrusted (Lupia, 2001).

The validity of contracts entered into by a delegate holding an irregular delegation of authority should not be open to challenge by a co-contractor who invokes the irregularity of the delegation to avoid its contractual obligations. However, the delegation of authority presents real challenges for the company. On the one hand, it makes it possible to reduce workloads, increase employee responsiveness, and thus gain greater visibility over all associated powers. On the other hand, it can limit the risk of fraud and usurpation within the company, guaranteeing investments' security. It thus presents a number of advantages and disadvantages.

4.1 The Advantages of Delegating Authority Within the Company

In business groups, setting up a delegation of powers not only streamlines decision-making or power within the group, by aggregating existing resources but also makes it easy to integrate the various players within the group. Oumy (2018), argues that the to-and-fro of powers enriches, facilitates decision-making, and helps satisfy business entities' demands for speed and adaptability. In addition, delegation facilitates the flow of information within the group, insofar as the delegatee reports to the parent company. Delegation of authority within companies can be explained by various factors that can be considered positive for the company, the manager, and the delegate.

At company level, delegation appears to be a source of competitive advantage. For Retour et al, (2015), it raises the level of training and expectations of employees, encourages changes in organizational structures with a reduction in the number of hierarchical levels, and engenders growing participative management practices. Khasawneh et al, (2015), and Al-Jammal et al (2015), in turn, argue that delegation fosters functional empowerment and helps build alternative and administrative leadership, making employees more self-confident and motivated to excel in their roles. Delegation also enables the company to acquire a sufficient level of comfort in terms of its organization's ability to execute the roadmap decided by management and to do so in such a way as to avoid ill-sized or insufficiently controlled powers resulting in middle or local management finding itself in a position to initiate actions likely to prove contrary to the group's interests. For Oviawé (2015), delegation promotes effective communication between superiors and subordinates. This improves relations and team spirit between superiors and subordinates.

At the managerial level, delegation helps to reduce the physical and intellectual effort required of the manager on a daily basis. It leads to increased employee satisfaction and strengthens cooperation and trust between employees and the manager, by instilling in them the knowledge and skills needed to perform new functions, enabling managers to devote themselves to higher-level tasks (Retour et al, 2015; Khasawneh et al, 2015). Delegation enables subordinates to be considered as equal collaborators who feel valued because their opinions are now taken into account in the decision-making process.

At the level of the delegatee, delegation helps to increase their level of motivation, which in turn leads to positive results (Al-Jammal et al, 2015). It is thus a source of competitive advantage in that subordinate employees have the skills and practical experience needed to support their managers in implementing a risk management approach (Retour et al, 2015). Allowing them a certain amount of freedom, offering them flexibility in the way they organize their working hours, and allowing them to express themselves at the top of the hierarchical chain encourages innovation, creativity, and long-term motivation. It also boosts morale, as employees find it gratifying when their superiors delegate tasks to them, a sign that they are appreciated and trusted and that their superiors believe them capable of success (Oviawé, 2015).

However, in order to benefit fully from the advantages of his position, the delegate may depart from the rules laid down in advance, which may prove detrimental to the company.

4.2 The Disadvantages of Delegation Within the Company

This method of transferring power has the effect of divesting the delegating manager of part of his powers in favor of the delegate. As a result, the delegating manager can no longer intervene in the exercise of delegated powers, at the risk of being accused of interfering in the delegate’s business or diluting his or her power. This delegation does not exclude him from the obligation to supervise the subordinate's activities or behavior.

However, managers who have been duped in the delegator-delegatee agency relationship no longer trust their staff and are now reluctant to delegate their authority. Bell and Bodie (2012), for their part, assert that some managers have a deep-seated fear of losing control of their company as a result of an ingrained fallacy. They go on to say that, in managerial practice, this fear can be detrimental to the organization (Hunter, 2008), as these biased managers have no real proof that a new employee will act in the same way as an old one. As a result, they may make erroneous judgments about new employees, or misjudge a situation and overload themselves with work. Through these misjudgments, managers can lose out on better talent (MacKenzie, 2003). Similarly, delegating and not giving the delegate free rein, or imposing a "do it my way" attitude (Willson, 2010), does not bode well for the company's future.

Because of the responsibility that commits him to the detriment of the person who has delegated power to him, and the means that he may find constraining in the performance of his duties, the delegate will tend to develop an opportunistic behavior that will make him more focused on satisfying his personal desires than the needs of the company. For Mathebula and Bernard (2020), entrusting the delegate with responsibility for performance, by granting him or her authorization to use resources and make the decisions required to exercise this responsibility, is tantamount to granting managerial latitude. As the delegate becomes the de facto new manager, he or she may develop strategies to escape the control of his or her superiors or to be quickly dismissed. He may consolidate his power by using his specific skills, manipulating the information at his disposal, investing in specific assets, or making gifts to board members (Mbaduet et al., 2021).

By carrying out specific investments linked to his skills and know-how, and whose implementation process is poorly known due to the withholding of related information, the delegate (new manager) increases his chances of remaining in his post for a long time. What's more, he or she can win the sympathy of certain board members by making regular donations. Donations therefore appear to be strategic for the new manager, as they enable him to influence the decisions of the management board, secure their connivance and loyalty, affect their ability to represent the company's interests adequately, and encourage them not to reveal to shareholders the ineffective decisions he has taken.

Delegation of authority is a highly useful management tool within companies, but to be effective it requires appropriate organization and well-defined, rigorous operating rules.

5. Formalizing Delegation of Authority in Cameroonian Companies

Delegation of authority in Cameroon has been in the news for a number of years, especially in the executive branch of the state, where the executive's authority has been delegated to the secretary general, who acts in the executive's name and reports to the executive. At the company level, this delegation is regulated by the Labor Code for public-sector companies, and by OHADA law for the private sector. Delegation of powers is legally provided for within a given entity and applies only to the holders of corporate power. The société anonyme is the receptacle for the delegation of powers (Oumy, 2018), and it is within it that the legislator expressly authorizes the delegation of powers. What's more, the mechanism is conceived as an authority-to-authority process. It circulates between social bodies that are the sole actors.

5.1 OHADA Regulatory Framework

Delegation of powers is a multi-faceted term, depending on whether it is used in private law, constitutional public law, or corporate law. In OHADA law, it refers to the legal transfer of power from the corporate officer to an employee of the company, whether a member of the management board or not. It appears as an alternative when the holder of the power is unable to exercise it, or when it is necessary to seize a financing opportunity. It is therefore an imputation of powers entrusted to bodies legally vested with them. Such powers cannot be relinquished.

OHADA regulations stipulate in articles 468 and 483 of the AUSCGIE that, in the event of a manager's incapacity (temporary, death, or retirement), only the Board of Directors, which is vested with the powers of decision-making, control of management bodies, appointment and dismissal of the manager, may delegate a director, regardless of whether he or she is an employee, shareholder or third party in management functions. The designated delegate must assume the same duties as the incapacitated director. The tasks entrusted to him/her must be clearly identified, to ensure continuity of the predecessor's work. He or she must also have the skills and resources required to carry out his or her mission.

As the decision-maker, the delegator, here designated by the Board of Directors, must guard against certain negligence on the part of the delegatee, by being meticulous in the choice of the latter. To do this, the delegator must, on the one hand, emphasize his or her competence and experience in managing such situations, and on the other, demonstrate prudence and rigor. To ensure that the new delegate does not stray from the company's main objective, and for greater efficiency, it is advisable to grant the delegation of authority to a member of the Management Board, or to someone very close to the Management Board, since as executors they are better able to react to problems linked to the company's environment. However, if the delegator hands over management authority to an inexperienced person whose actions are prejudicial, he or she must be able to identify the grounds for mismanagement. It is therefore incumbent on the delegator to control or limit the delegatee's power, to prevent him or her from behaving improperly, or even better, to prevent him or her from prospering in disregard of the company's interests. Corporate officers have a positive obligation to act in the company's best interests in all circumstances.

According to Oumy (2018), the delegation of powers under OHADA law appears exceptional in that it relates essentially either to the entirety of powers (the functions of the chairman), or to specific powers (capital restructuring, which in principle falls within the exclusive competence of the general meeting). Since the power is legally vested in a specific body, it follows that the corporate prerogative should only be entrusted to a delegate when it is difficult to do otherwise.

The freedom to delegate is limited only to the power to do so. Once the authorized body has decided to use the mechanism, certain requirements must be met. The powers that may be transferred by delegation are well defined by law, as are their duration and, in many respects, the persons to whom they may be delegated. The public law principle of "no delegation without text" seems to prevail in OHADA commercial company law. However, delegation of powers under OHADA law lacks dynamism. The legislator has not given it enough space and precision, as evidenced by the gaps in its organization. Delegation of powers in OHADA law is confined. The relevant provisions are to be found in the section of AUSCGIE devoted to joint-stock companies. Delegation of powers is confined to corporate bodies.

The powers granted to the delegatee are specified in a delegation agreement, and the person to whom the power is delegated must assume any consequences, in the sense that he or she may be held personally liable in the event of a breach of his or her obligations, or if he or she commits a fault or is the subject of legal proceedings.

5.2 The Effectiveness of Delegated Authority

Delegation is beneficial because it enables managers to overcome personal shortcomings (Lupia, 2001). Many CEOs of large companies or groups of companies are no longer able to take on the full range of management responsibilities on their own because they are overwhelmed by the workload, or do not have enough time, energy, or talent, to delegate part of their power to employees who may or may not be close to their circle of power, and who may or may not be family members. To this end, they transfer a large part of their responsibilities to these third parties, who represent the company in the same way as they do, without, however, totally relinquishing their responsibilities. Godener (1998) argues that, since the owner-manager does not always have the skills and time required to manage the business effectively, he takes on the role of supervisor and surrounds himself with collaborators who are managers with specific skills.

There are many examples of delegation in Cameroon, particularly within corporate groups, where it is a virtuous organizational tool with varying degrees of impact on company management. For example, the CEO of a group of companies, who is responsible for all the companies in the group and does not have the time to inspect all the subsidiaries, may delegate his or her authority to someone else to manage the business on his or her behalf. To this end, the delegator must ensure that the delegate has the managerial knowledge and skills, as well as the technical capabilities, required to achieve the desired objectives. In this sense, Nkakleu (2003), argues that the delegation of power in Cameroonian companies depends on a combination of several factors, most notably the size of the organization and entrepreneurial logic (the delegatee's qualifications to occupy the management position).

This practice is clearly visible in business groups such as Kadji, Fotso, Sohaing, Fokou, and Congelcam...to name but a few of the most popular. At one time or another, they have embraced the division of power, entrusting part of the management of their companies to family members or other close associates, whose ingenious ideas have shaken up and even revolutionized the business world. The delegation of power in this case is based more on Nkaleu's (2003) intra-ethnic logic than on the logic of tacit knowledge.

It follows from the above that, after decades of hard work, some CEOs delegate the power to run their business groups to some of their close associates (usually a family member), to whom they have passed on management knowledge and skills so that they are up to the task of ensuring business continuity. In this way, delegation empowers employees, whose combined skills in their own area of expertise will lead to excellent results. It also enables subordinates to surpass themselves in achieving higher levels of performance. This justifies the presence of some of these companies in the results published by Jeune Afrique Economique (July 2019) and Investir au Cameroun (2020). In particular, these are the companies of the business groups that take pride of place among Cameroon's most enduring private sector companies. Retour et al (2015) argue that the ability to delegate is now recognized as a major factor in performance.

Alongside the companies where delegation has borne fruit, there are others where it has not been effective. This is the case of the Fotso Group's companies, which were left under the responsibility of the delegates, and found themselves on the brink of collapse, to the point of being sold off in the case of those that were salvageable. As a result, mismanagement due to a lack of expertise and knowledge of the company's environment had major consequences for cash flow and the social climate within the company.

Many of the delegates in the above-mentioned business groups continue to make the companies entrusted to them shine. Delegation increases operational efficiency, which can translate into strategic advantages. However, delegates claim a wide margin of maneuver to carry out their duties. They believe that if they don't have the power and authority to get the job done, the results won't follow.

6. Conclusion

When responsibility in an organization becomes complex, it's time to delegate. Beyond its practical organizational utility, delegation of authority is recognized above all as a means of transferring responsibility from the delegator to the delegatee. However, delegation of authority only has the effect of transferring responsibility if the delegate is an employee or manager of the company concerned. In order to assume full responsibility, the delegate must be formally appointed and must have the necessary competence for the tasks delegated to him/her. He/she must have the capacity to give orders and have them carried out, as well as the capacity to sanction, and he/she must also have the necessary resources for his/her missions.

Delegation is an important mechanism for the smooth institutional running of companies. If properly established, it reduces the workload of managers, allowing them to concentrate on the essentials or on other opportunities. Although it can lead to opportunism on the part of the delegatee, the implementation of a delegation process within a company is advantageous both financially and socially for the owners, as well as for the well-being of staff in terms of skills enhancement. What's more, it encourages teamwork and makes it easier for the owner-manager to reconcile his or her professional life with his or her personal and family life, by virtue of the time delegated to him or her.

The provisions attesting to the delegation of power in OHADA law are confined. Although not clearly formalized in company law, delegation is effective within Cameroonian companies and depends on factors such as the size of the company, the technical capabilities of employees, and the ethnicity of the owner-manager (Nkakleu, 2003). The delegation of power must not be fortuitous, and should not depend solely on ethnic, religious, or even lobbying affiliations, but also on the delegatee's experience, skills, know-how, and technical abilities. For this exercise to be as effective as possible, the delegatee must be given free rein to bring to bear all the skills he or she naturally possesses in carrying out the tasks entrusted to him or her.

Despite the contribution of this article, there are noticeable shortcomings, notably the lack of an appropriate sample. A study conducted on a well-designed sample would lend greater credibility to this study. It would therefore be interesting to collect data over a period of time in order to examine the impact of delegation on business performance in Cameroon. In this way, it would be possible to obtain empirical study results that could be generalized to a set of Cameroonian companies.

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