

# From Founder-Led to Investor-Backed



## STRUCTURING GOVERNANCE FOR GROWTH

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# Opportunity

## Global branding, scale and diversification

### Family owned assets across East Africa

- 60-80% of properties in EA are family-owned.
- Branded hotels are a minority (20-30% depending on segment)
- Executive residences/serviced apartments are some of the fastest growing segments in Nairobi, driven by expatriates, NGOs, and long-stay business travellers.
- Nairobi occupancy rates typically 55-70% for well run properties; lower for family-run assets
- 15-30% premium on ADR for branded properties
- RevPAR has a strong correlation with brand affiliation and management quality
- Length of stay for Executive Residences is often 7-30 days+ if well managed.
- Branded and professionally run assets can see significant valuation premiums vs. independent properties

### BWH Hotels

- Global portfolio of 4,300 hotels in over 100 countries
- 18 distinct brands organized into
  - Luxury & Aspirational
  - Boutique 7 Lifestyle
  - Timeless Comfort
  - Value
  - Extended Stay
- Access to over 65 million members through rewards programs
- Individual hotel owners remain independent, while benefiting from global brand resources and access to professional infrastructure
  - Global distribution
  - Marketing and sales
  - Loyalty programs
  - Operations support- revenue management, IT security, and sustainable business practices through Earth, People, and Community

# Growth and demand drivers

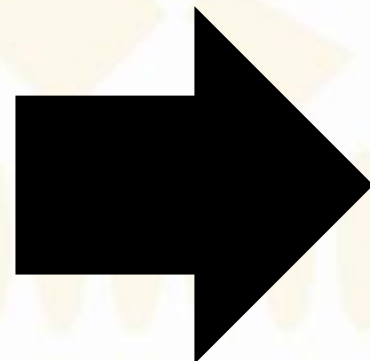
Regional growth in commercial and diplomatic travel is expanding the pipeline for tourism

## Supply quality and structure doesn't match the shifting demand

- Business travel supported by reward programs
- Domestic tourism demand for mid-market hospitality
- Diaspora and intra-African tourism

Assets developed post-independence-90s in need of institutional capital for refurbishment and quality upgrades:

- *Prime beachfront properties*
- *Safari lodges*
- *Game conservancies*
- *Executive residences for extended stays*



## Typical investor expectations

- IRR targets: 15-25%+ depending on risk
- Payback period 5-8 years



# Family enterprise governance

The process requires effective decision-making and strategic oversight within the family owned enterprise

## 01 Percentage of family businesses without formal governance structures is high

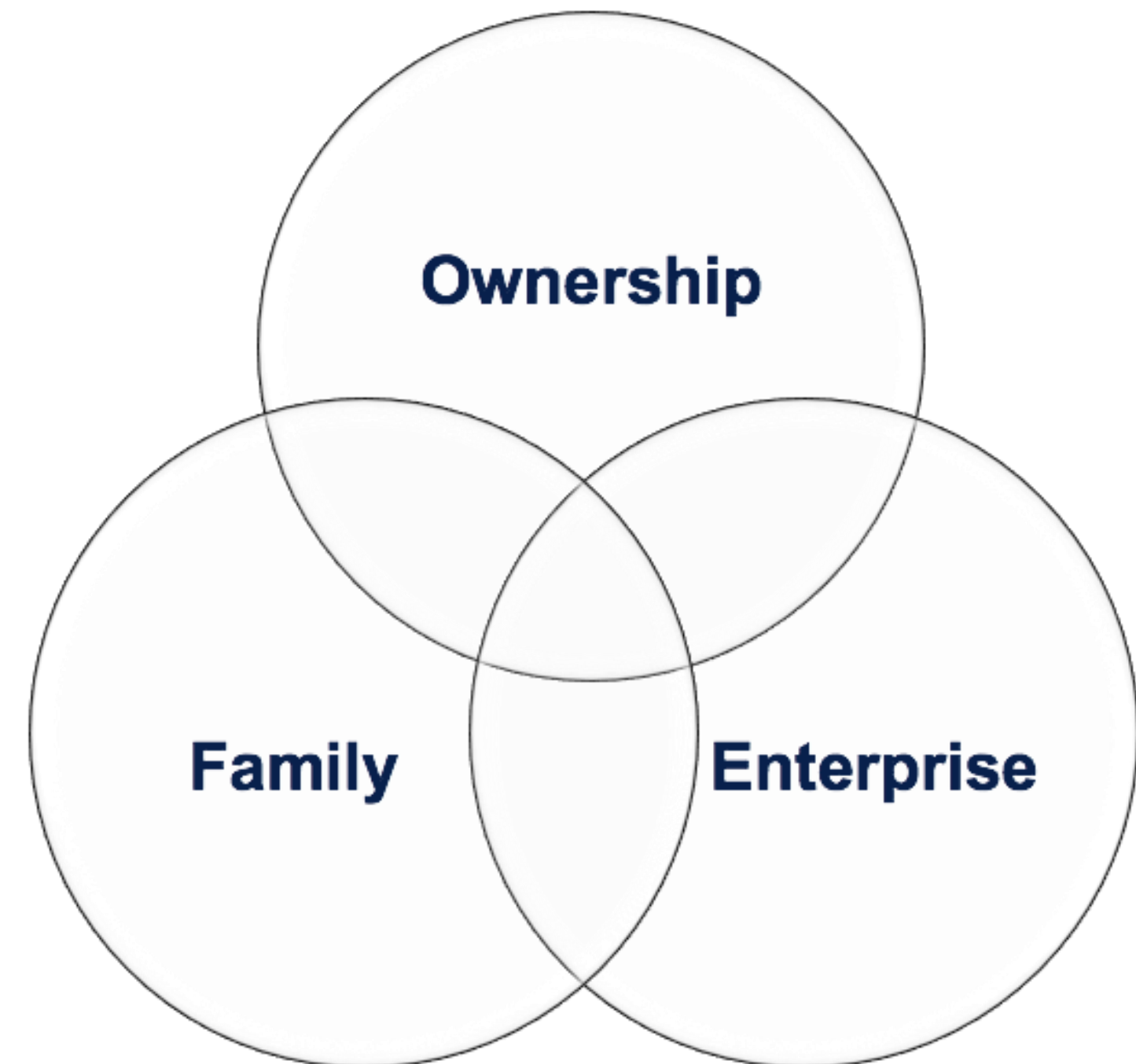
- Informal decision making
- Founder dependency
- Lack of succession clarity
- Resistance to non-family management

## 02 Poor governance creates bottlenecks in decision-making process

- Delays in partnerships
- Missed expansion opportunities
- Brand partner and investor hesitation

## 03 Effective governance

- Improves professionalism and yields
- Attracts institutional capital for refurbishment
- Enables growth and diversification



# The process of engagement

Understanding what is required before engagement to deliver successful outcomes

- **Successful engagement case from A to Z**
- **What makes the difference for success?**
- **Governance is a growth enabler**
  1. Introduces professional management
  2. *Improves global visibility, yields, and provides valuation uplift*
  3. *Attracts institutional capital for property upgrades*



# Session Q&A



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