



LAUREA

# Cultural Dimensions in Business Life: Hofstede's Indices for Ghana



Mohammed, Yusif Meikano

2009 Leppävaara

**Laurea University of Applied Sciences**  
Laurea Leppavaara

## **Cultural Dimensions in Business Life: Hofstede's Indices for Ghana**

Mohammed Yusif Meikano  
Degree Programme in Business  
Management  
Thesis  
March, 2009

Mohammed Yusif Meikano

**Cultural Dimensions in Business Life: Hofstede's Indices for Ghana**

Year	2009	Pages	61
------	------	-------	----

---

Ghana has lately generated huge interest globally as a preferred destination for doing business in Africa. However, like many African countries not much has been documented on business culture in Ghana. Through the use of a questionnaire based on Hofstede's elements of national culture, the opinions of both indigenous and expatriate business executives in Ghana are ascertained in order to synthesise and profile Ghana's business culture.

The theoretical section is mainly based on the findings of Geert Hofstede analysis and experimentation which consists of the following concepts: power distance, individualism versus collectivism, uncertainty avoidance, masculinity versus femininity and Confucian dynamism.

The results show that power distance is relatively big and management is not easily accessible in the Ghanaian business culture. Ghanaians tend to be more collectivistic in nature and may not be too keen on the uncertainty element.

Furthermore, as Ghanaians are identified to be more assertive in nature, the business culture could be said to be a very masculine one and was also shown to be a long term oriented culture as far as the Hofstede's fifth element of culture is concerned.

**Keywords:** Ghana, culture, Hofstede indices.

## Table of Contents

1	Introduction.....	5
1.1	Purpose of the thesis .....	6
1.2	Research problem question.....	6
1.3	Scope of the study .....	7
1.4	Structure of the thesis .....	7
2	Theoretical review.....	9
2.1	Country background .....	9
2.2	Culture .....	11
2.3	Cultural relativism and ethnocentrism.....	12
2.4	Measuring cultural differences.....	13
2.5	Evolution of Hofstede's framework .....	14
2.6	Cultural dimensions (Hofstede's framework) .....	15
2.6.1	Individualism versus collectivism .....	16
2.6.2	Power distance.....	17
2.6.3	Femininity versus masculinity .....	19
2.6.4	Uncertainty avoidance.....	21
2.6.5	Confucian dynamism as a fifth dimension.....	23
2.7	Reconciliation of cultural differences .....	24
2.7.1	Cultural awareness .....	25
2.7.2	Clustering cultures .....	25
2.7.3	Determining the extent of global involvement.....	25
2.8	Theoretical framework.....	26
3	Research methodology .....	28
3.1	Research design and method.....	28
3.2	Data sources.....	29
3.2.1	Primary sources .....	29
3.2.2	Secondary sources .....	30
3.3	Data collection .....	30
3.4	Population and sampling.....	31
3.5	Validity and reliability.....	31
4	Empirical study .....	32
4.1	Description of the respondents .....	33
4.2	Data presentation and analysis .....	35
4.2.1	Collectivism versus individualism .....	35
4.2.2	Power distance.....	37
4.2.3	Uncertainty avoidance.....	38
4.2.4	Masculinity versus femininity.....	39

4.2.5	Long-term orientation versus short-term orientation .....	40
5	Conclusions.....	41
5.1	Research Summary .....	41
5.2	Limitations .....	43
5.3	Recommendations.....	44
5.4	Reflection.....	45
	References .....	46
	List of Figures.....	49
	List of Tables .....	50
	List of Appendices .....	51

## 1 Introduction

A major challenge to the global business community considering trade and investment in the sub-Saharan African countries is access to credible and timely analytical information in order to make informed, knowledgeable and definitive business decisions (African Business Guide, 2009). One dimension of this challenge is the question of culture: this is very important for the international management practitioner, whose first question often is; “how do they do things out there” (Usunier, 1998). There is a general consensus that, culture has a fundamental influence on international business practices (Omar, O., Kirby, A. & Blankson, C. 2003. 81-97). This is further reinforced by the complex implementation process of international management decisions. Therefore, improving levels of cultural awareness can help companies build international competencies and enable individuals to become more globally sensitive.

At present, data and information on business and culture issues in the African economies is scattered in multiple data sources which are often inaccessible. In an era of economic inter-relationships in Africa, fuelled by global financial transactions and joint ventures between businesses in industrialized and developing countries within Africa (Ofosu and Hansen, 2002; Mmieh and Owusu-Frempong, 2004) and with growing attraction of foreign direct investment (FDI) to developing economies in Africa, it is surprising that very little is documented about African culture and its interface with international business practices. On the Internet, the growing body of information on African business resources remains scattered and largely invisible. Researchers may spend countless frustrating and often unproductive hours searching for such information. It is also important to know that, in order for foreign companies to succeed in Africa, the “understanding and appreciating African culture is not an option but a necessity” (Nwankwo, S. 2000).

As stated by Iguisi and Rutashobya (2002), the lack of proper integration of culture in management in Africa is denying Africa the resultant synergy needed in national economic, managerial and social development. To solve this void of lack of information on national cultures of most African countries, which has a big influence on doing business in these countries, there is the need not only to foster research in this area, but also to make this information readily available. One way to do this would be to profile the different cultures of different African countries and make them available to those who need them. Against this background, a decision was made to conduct this study with the aim of profiling one country in Africa: Ghana’s national culture.

Ghana has in the past few years witnessed progressive increases in the FDI and now, with the discovery of oil, the country has attracted a huge global interest. From colonial times till

now, Ghanaians have been in contact with people from other countries especially the British. There are a lot of foreign companies in Ghana doing business in various sectors especially in the mining and manufacturing sectors.

Through its historical, political, economic and social development, Ghana has evolved over time to carve its own national culture which has an impact on doing business in the country. The need for knowledge on Ghanaian national and business culture is therefore very important to those companies and those contemplating following suit. (Bond, P. 2005, 5).

### 1.1 Purpose of the thesis

Cultural factors have tremendous impact on businesses including management style, and have developed within the international business environment to become a major issue (Nasierowski, W. and Mikula, B. 1998). In particular, the knowledge of the American, western European and Japanese influence on organisational management has become an essential tool for global actors. Ghana, like any country has its own business culture which invariably, is very much influenced by the national culture. It is however surprising that, like many other African countries, not much has been documented about Ghanaian business culture. It is therefore the researcher's opinion that a study of the Ghanaian business culture will be interesting for academic analysis and contribute to the discourse of how national cultures affect international business. This way, the Ghanaian culture profile could be presented in order to see how it compares with others. Understanding one's own culture and the impact of culture on the actions of others is essential for effective global business interactions (ITAP International, 2009). Knowing the cultural-profile of Ghana, therefore, will help business managers in Ghana know more about the similarities and difference between others. This will also serve as a good source of information to any individual or organisation interested in the business culture of Ghana.

### 1.2 Research problem question

With the purpose of the thesis in mind, the literature on national culture such as the works of Trompenaars and Hofstede were reviewed. Consequently, one overall research problem was identified: How to synthesise what constitutes the Ghanaian culture that is relevant to the international business practitioner. This synthesis process requires an evaluation tool: In other words, to profile and present what constitutes the aspects of Ghanaian culture relevant to the international business practitioner, certain predefined metrics or framework of study is needed. Answering this question requires relying heavily on emerging literature on national and international business culture. This will set the tone for understanding the various aspects of national and business culture and help define the metrics to be used.

Reviewing the research showed that, the most widely recognized study about identification and measurement of the dimensions of culture has been provided by the Dutch researcher Geert Hofstede (Dickson, Hartog, Mitchelsonet, 2003). Although other taxonomies have been developed, it is Hofstede's framework that has provided the foundation upon which most cross cultural management research has been based (Triandis, H. 1995; Schwartz, S. 1994). It was again realised that, although Hofstede dealt mostly with West Africa as a whole, it was not a true reflection of reality of the business because, the different countries of West Africa have their own peculiar characteristics that make them different from the situation of the whole cluster of countries. For the specific purpose of this thesis, the researcher decided to use Hofstede's elements of national culture as a predefined framework. The research question therefore will be: How can Hofstede's indices be used to measure the cultural dimensions in business life in Ghana.

### 1.3 Scope of the study

Since the aim of this thesis is to study the Ghanaian business culture as well as finding out how national culture affects international businesses by using Hofstede's five dimension of culture and profiling the Ghanaian culture in comparison with others, the framework of this thesis will be limited to Hofstede's five elements of culture. These are namely: Power distance, Collectivism versus Individualism, Masculinity versus Femininity, Uncertainty Avoidance and Confucian Dynamism or Long-term Versus Short-term Orientation.

### 1.4 Structure of the thesis

In this section, the overall structure of the thesis will be presented. The thesis commences with the introductory section (labelled A in Fig. 1). The introductory section will bring in the research objective of the thesis and explain further the problem of the research. Key theoretical concept of the research that will be presented later in the thesis will also be introduced and briefly explained. The scope of the research work was also given in the introductory stage.

The next stage of the thesis deals with the theoretical framework (labelled as B in Fig 1). As the research inevitably entitles the writer to define and give a clear background of the case country, the theoretical section will elaborate and give a clear picture of the case country - Ghana. Proceeding from this will be the definition of culture, which happens to be the main theory that this research will be based on. For that matter, the definition of culture will be given in various areas by different authors. The next feature in the theory is a preface into Hofstede's five culture dimensions showing the position of countries that were used in his (Hofstede) studies.



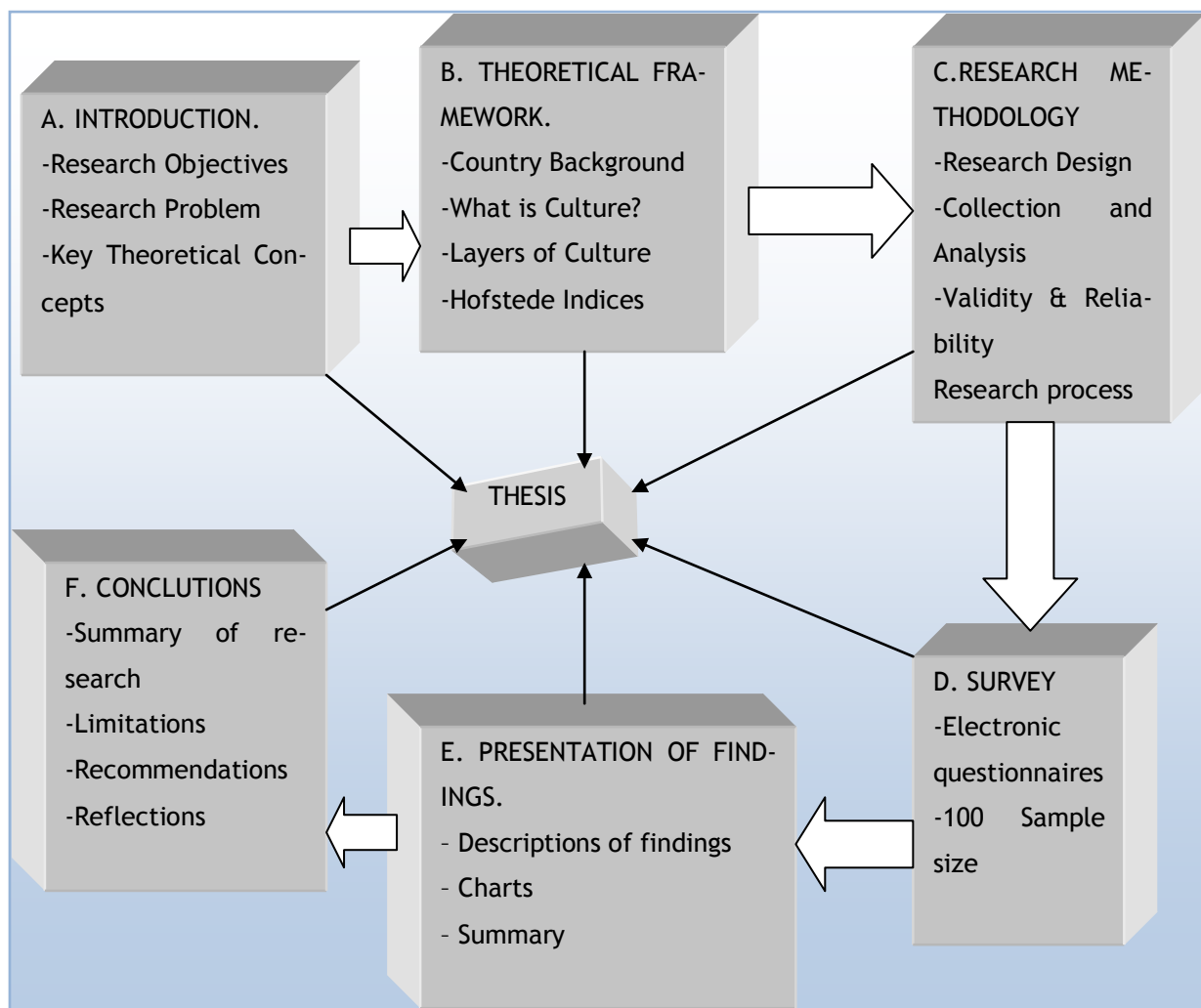


Figure 1: Showing the structure of the thesis

The third aspect of the thesis clarifies the research methodology used in this work (labelled as C in Fig 1). In this section, the research design was elaborated and also the primary and secondary data sources were provided. The data collection method will also be clearly defined. From the research methodology section, is the presentation of findings which have been acquired from the questionnaire sent to respondents. These findings are then analysed and discussed.

The final section of the thesis is the conclusions (labelled as F in Fig 1) which consists of a summary of the research, a presentation of the limitations of the study, recommendations, and personal reflections concerning the researcher's journey through the thesis creation

## 2 Theoretical review

This part of the research is concerned with the intellectual discourse, issues and concepts that revolve around the central theme of the thesis in respect of cultural dimensions in business life on the basis of Hofstede's indices. As a matter of fact, this is in line with Ghauri, P & Gronhaug, K. (2005) recommendations on dealing with literature review section of an academic exercise such as this. To begin with, the researcher thought it wise to give a brief background of the study country; Ghana as a way of throwing more light into the discussion.

### 2.1 Country background

Historically, the Republic of Ghana was known as the Gold Coast prior to its independence in 1957. This was as a result of the rich deposits of Gold mineral resource in the area. The country was the first British colony to achieve independence among the sub-Saharan African countries, and had once been a major center for slave trade that saw the transport of human beings across the gulf of Guinea to the new world (The Americas). (The world fact book, 2008).

The Gold Coast (the land of gold) had its first contact with Europeans in the 1470s. This was when a party of Portuguese explorers landed on the coastal town of Elmina. The Portuguese were the first Europeans to come into contact with the sub-Saharan country. They built the Elmina castle in 1482 and used it as a permanent trading base. The first recorded English trading voyage to the Gold coast was in 1553 and was led by Thomas Windham. It is however important to note that, various parts of the coastal areas were controlled by other European merchants including the Danes, Dutch and Germans, during the next three centuries. (African History, 2009)

Geographically, Ghana is located on the Gulf of Guinea and bordered by Togo to the east, Burkina Faso to the north, Cote d'Ivoire to the west and the Atlantic Ocean to the south. Today, Ghana is an independent country with a democratic government with Accra as its capital city. In the area of international recognition, Ghana is a member of many international organizations some of which include the Commonwealth of Nations, the Economic Community of West African States (ECOWAS), the African Union (AU) and the United Nations (UN). According to the CIA world fact book estimates, Ghana's population is estimated at 23,382,848 as of June 2008. (The world fact book 2008)

As a result of rural urban migration, the country's population is concentrated in the south, notable the principal cities of Accra and Kumasi. Ghana has a lot of ethnic groups which are divided into smaller groups speaking more than 50 different languages and dialects. Among the more common linguistic groups are the Akans, which include the Fantis who live along the

coast; the Ashantis in the forest region north of the coast; the Guans, on the plains of the Volta River; the Ga- and Ewe-speaking peoples of the south and southeast; and the Moshi-Dagomba-speaking tribes of the northern and upper regions. English is the official and commercial language in Ghana and it is taught from the Primary to the university level of education. (Travel document systems 2009)

Regionally and in West Africa, Ghana has a relatively diverse and rich natural resource. These minerals includes gold, diamonds, manganese ore, and bauxite- which are produced and exported. In 2007, a major oil discovery off the coast of Ghana led to a greater multinational interest in entering the Ghanaian oil market. Timber and marine resources are important but declining resources. (Official export guide, 2009)

Ghana has a lots of industries which are relatively advanced in comparison with many other African countries. Some of the industries include textiles, apparel, and steel with the use of scrap materials, tires, oil refining, flour milling, beverages, tobacco, simple consumer goods, and also the assembling of cars, truck, and buses. The mining, manufacturing, construction and electricity industries, contributes to about 30% of Gross Domestic Product (GDP). (Travel documents systems, 2009)

The country shares the top export revenue spot in cocoa and gold in Africa. In the year 2006, these natural resources contribute about \$1 billion each to the economy. Tourism has become one of Ghana's largest foreign income earners (ranking third in 2005 at \$836 million); as a result, the Ghanaian government has placed strong emphasis on further development of the sector in the future. (Ghana export promotion council, 2008)

Ghana undoubtedly is a beacon of stability in the West African region, and is currently enjoying strong economic growth with the help of its mineral wealth, high cocoa prices and increase in foreign direct investment. Due to its favourable political atmosphere and good business reforms in recent years which include free trade zones and laws that encourage foreign investment, Ghana has attracted lots of business investments. Ghana is generally considered as a safe place to live and do business. It was therefore not surprising to be the first sub-Saharan African country to be visited by president Barrack Obama after his assumption of office. Ghana suffers less from corruption and graft than other countries in the sub-region. Although, it is widely thought and even discussed in the media and the public domain that government-related corruption is on the increase. (Travel document systems 2009)

Ghana has a robust and well educated pool of human resources. According to the 2000 census, 57.9% of the population are literate which is divided between 66.4% and 49.8% males and females respectively. With strong links to the British as its former colony, Ghanaian working

culture is heavily influenced by the British business culture and of certain aspects of the indigenous culture such as religion, economic and social evolution of the country. The dress code for all working days except Friday is based on western style clothing. The dress code for Fridays is African which is aimed at preserving some of the country's cultural heritage. (Home page Ghana, 2009)

As a matter of fact, Ghana is also well known in the football world. On October 16, 2009, it became the first African nation to win the Federation of International Football Association (FIFA) U-20 World Cup by defeating Brazil 4-3 in a penalty shootout. Ghana has also won the continent's most prestigious tournament (the African cup of nations) on four occasions and was also a representative of the last FIFA world cup hosted by Germany. It is also interesting to know that, Ghana was the first African country to qualify for the FIFA world cup to be hosted in South African in 2010. (Wikipedia, 2009)

## 2.2 Culture

“The word culture is derive originally from the Latin word “colore” which means the permanent habitation or living in a particular environment for a very long time and arrangements which are associated with permanent living in that particular environment” (Mäkilouko, M. 2003, 17).

The concept of culture is very difficult to appropriately define. As a result, many academics and writers have arrived at different definitions of the concept. This is partly because of their difference in environmental experience and thoughts leading to approaching the subject from different angles. The fact remains that culture has to do with everything in the daily lives of people within a geographical set up.

Also, culture is said to be an essential tool for survival of human beings yet very dynamic and fragile in nature. It is very flexible and for that matter keeps changing and can easily be lost as time goes by since it exists only in the minds of people. The concept has been broadly defined by various experts in the academia. For instance, the Swedish writer Selma Lagerlöf defines culture as “what remains when that which has been learned is entirely forgotten”. This means that, culture is embedded in the minds of people and is subject to be forgotten with time and space. However, this is not to suggest that culture can totally be forgotten, even though a very substantial part of it (culture) may be lost, culture is present throughout the daily activities of individual in a society. This can be seen in the way a group of people talk, dance, sing, learn, eat and make decisions. (Petit 1960, 100). Culture is oriented towards adaptation to the reality of life .It has both constraints and opportunities and therefore it is constrain by the everyday happening within a socio-economic milieu. On the basis of this,

individuals within a cultural group find pre-set actions and agreed on the solutions which determine how properly to articulate their behaviour and actions with members of the same culture grouping. This is what led Hofstede to define culture as “the collective programming of the mind that distinguishes the members of one group or category of people from others”. (Hofstede, G. 2005, 4)

Consequently, several social variables including written languages of communities, governments and other man-made things are seen as the products of culture, therefore one would not be right to refer to these things as culture in themselves. For this reason, archaeologists and others alike cannot dig up culture directly in their daily work. In fact, the broken pots and other artefacts of ancient people that are uncovered by archaeologist are only material remains that reflect cultural patterns of a particular group in certain time period. These are things that were made and used through cultural knowledge and skills as argued by Kosambi (1964).

From the above discussion, it can be seen that culture is frost with different views by different people. But one thing that is clear and discussed across the academic literature is the fact that culture is dynamic which changes with time and space. In the light of the above, culture in the researchers’ own view could be sum up as the way a group of people live in a particular environment and at a particular time.

### 2.3 Cultural relativism and ethnocentrism

According to Hofstede (2005), different people of different cultural background think, feel, and act differently. Hofstede also believes and argued that, there are no scientific standards or evidence for suggesting that one group of people are superior or inferior to another, since every group has its unique importance which makes it different from the others. However, the issue of people developing a sense of cultural relativism in today's society is not an option but a necessity. This is because several people tend to benefit from the proceeds of culture when there are able to acquire and understand different cultures. This makes them dynamic and enable such people to comfortable survive where ever they find themselves. Cultural relativism is therefore the act of studying differences in culture among groups and societies in order to draw benefit from it. Hofstede went further to argue that, information about the nature of cultural differences between societies, roots, and consequences should precede judgment and action (Hofstede, G. 2005, 6). In this case, negotiation is more likely to be successful especially when the parties involved in the fracas understand the particular reasons for the differences in the way issues are discussed and resolved.

On the contrary, ethnocentrism is quite different from cultural relativism. In that, this concerns with feeling of superior by one group of persons to another. For example ethnocentrism is the belief that one's own culture is seen as superior to that of other cultures. With ethnocentrism, people usually use terms such as underdeveloped and primitive in reference to other cultures. A person with an ethnocentric perspective may view other cultures as deviations from what is normal even though it is very difficult to identify what could be normal in cultural sense.

In the case of business life and international transactions for example, it is very important for a company or individual to be knowledgeable or fully aware with the ideas that the methods, materials, or processes that worked in the home country will also work in another country or abroad. Basically, environmental differences are overlooked in this endeavour. (Texas A&M University, 2007)

#### 2.4 Measuring cultural differences

It is generally accepted that a variable or concept can be understood either by the use of a single measuring technique or composite-measure techniques. The use of a single-measure technique involves the application of one indicator to measure and understand a concept. On the other hand, composite-measure technique has to do with the use of several indicators to develop a framework for the concept after which the differences can be understood. (House, Hanges, & Javidan, 1999)

Hofstede's (2005) approach to break down culture into its components or dimensions is one of the most cited sources in cross-cultural management. Other concepts have been provided by Kluckhohn and Strodtbeck (1961), Schwartz (1994), Trompenaars and Hampden-Turner (1997) and also those concepts developed within the framework of the Global Learning and Observations to Benefit the Environment (GLOBE) project (House, Hanges, & Javidan, 1999).

With the understanding of the above measuring techniques, it would be right to conclude that, Hofstede adopted a composite-measure technique in measuring cultural differences among different societies. These variables among others include:

- Power distance index: The power index measures the degree of inequality that exists in a society. (Hofstede, G. 2005, 45)
- Uncertainty avoidance index: This measures the extent to which a society feels threatened by uncertain or unclear situations. (Hofstede, G. 2005, 164)

- Individualism index: This measures the extent to which a society can be proved to be individualistic (Hofstede, G. 2005, 74).
- Masculinity index (Achievement vs. Relationship): The Masculinity index measures the extent to which assertiveness dominates other human value and for that matter not caring for others. (Hofstede, G. 2005. 116)
- Confucian dynamism (Long-term vs. Short-term Orientation): focuses on the degree the society embraces, or does not embrace long-term devotion to traditional, forward thinking values. (Hofstede, G. 2005, 208).

These five indexes and cultural variables above in the researchers' view are necessary in looking into details and content as well as the dynamics of the composite measure technique of culture in any environment. It therefore provided a clearer analytical tool for cultural differentials in contemporary world.

## 2.5 Evolution of Hofstede's framework

In this research Hofstede's cultural dimensions form the bedrock of the theoretical framework for this study. Consequently a very clear understanding of how Hofstede's cultural value instrument was developed would be informative for the benefit of readers.

Gerard Hendrik Hofstede was born on October 3, 1928 in Haarlem, Netherlands. Hofstede developed this framework out of a research conducted at International Business Machines Corporation (IBM). In the studies, the company (IBM) intended to survey its employees in different parts of the world to assess employees' job satisfaction and attitudes towards work (Blodgett, Bakir & Rose, 2008). This led to the assembling of a team of researchers to standardize a survey in order to establish a longitudinal and cross-national investigation in the year 1967. Led by Hofstede, the team set out to create a "job attitudes" instrument that could be used for "organizational development," and focused on trying to finding out the differences between IBM employees in various countries. (Blodgett, Bakir & Rose, 2008)

After a critical analysis and examination of the data obtained in the field, Hofstede attributed some of the findings to cultural differences. Hofstede in the course of the survey based the development of the job-attitudes instrument on within-culture analysis, it therefore occurred to Hofstede that further culture analysis might reveal additional insights. This led Hofstede to start the development of a framework that could be used to identify and order countries according to the main dimensions of the human value system that affects thinking, organizations, and institutions in predictable ways. (Hofstede, 1980, 11).

Furthermore, Hofstede constructed separate cultural indices in the study. These were individualism/collectivism, power distance, masculinity/femininity and uncertainty avoidance. A fifth dimension was later added and referred to as the Confucian dynamism or the long-term orientation. On the whole, the final result of Hofstede's work was a 32-item scale, all of which have been employed in numerous studies. (Blodgett, Bakir & Rose, 2008)

In addition to and on the basis of the answers received from the respondent (IBM employees), Hofstede was able to give points to each country. These enabled Hofstede to create tables in which all the participating countries were listed according to the points obtained in descending order. The table was such that, the higher the score of a country, the stronger the culture element in that specific country. For example, if Finland scores 33 points and Ghana 77 points on the power distance index (PDI), then power distance is much more significant factor in Ghana than in Finland.

Deducing from the above frame, the researcher opined that the tools or elements are convenient when comparing cultures with one another. However, and as expected, this frame is not without its shortfalls and that need to be highlighted in this write up. In the first place the researcher argued that in every rule there is an exception and this frame is not different since people within a country are not the same how much more different countries. Secondly, the IBM research was conducted by using a questionnaire. It is possible that these questions were perceived differently in different parts of the world influencing choice of answers. Thirdly, culture changes with time, although very slowly, by influences from other cultures and even within a culture itself. It is also possible to say that, the data that was used in the IBM research may not be up to date and hence the framework might be subject to certain period and therefore cannot be extended to cover separate periods.

## 2.6 Cultural dimensions (Hofstede's framework)

None the less, with the understanding of people all over the world and guided by different principles, beliefs, customs, morals and ethical standards, a framework base on which culture could be measured was eventually constructed by Gerard Hofstede despite some inherent shortfalls mentioned above. The societies in which people live have its own different traditions and rituals which therefore lead to different views as far as family and social responsibilities are concern. Hofstede's framework was originally comprised of four dimensions, but a fifth dimension was added in the late 1980s which has also been considered as an essential cultural tool in addition to the earlier four.



Considering the researcher's aim (my aim), which is "to direct a research that could present the Ghanaian culture and how it adhered to the business environment", Hofstede's Cultural dimensions provided the most suitable foundation on which to build on. It was therefore found necessary to highlight on each of the five cultural dimensions as elaborated in Hofstede's academic work.

### 2.6.1 Individualism versus collectivism

To begin with, this dimension focuses on the relationship between the individual and larger social groups. This can be deduced from the researchers' earlier discussion on culture. Indeed, culture varies on the amount of emphasis that is given on encouraging individualism or on conformity and interdependence. Individualism versus collectivism in this sense could serve as a basis in measuring whether one's culture is more based on group importance or individual purposes. In most countries of the world, especially in Africa and Ghana as a case, the extended family which comprises of mother, father, grandparents, uncles, aunts, servants or other housemates, forms a very strong group. This group is therefore considered more important than a single person or individual. (Darley & Blankson, 2008)

Moreover, since issues are taken to family meetings and discussed by family members in most countries, albeit Ghana, the use of a "we" is used naturally. The family also takes group responsibility for the issues negotiated. People expect the group to take care of their members, protect and give the members security in exchange for loyalty. Individualism and collectivism can either be strong or weak within a specific culture. A culture that has been examined to be or positioned with a high rank on the individualism index as shown in appendix 1, is said to be a strong individualistic culture whereas low ranked cultures on the same index are low or weak individualistic societies. Where individualism is said to be strong, family ties between individuals are loose and everyone is expected to take care of themselves or only the immediate (nuclear) family. Individualistic success is appreciated. The use of "I" instead of "we" is normal in this regard. (Hofstede, G. 1991, 50)

In addition, there are some fundamental differences between these two backgrounds in a working environment. In an individualistic working culture, the employee is hired and expected to work according to the employee's own interest and also work should be organized so that the same interest is appreciated by the company. However, in collectivistic working culture the employer is not only hiring the individual, but someone who has the ability to work with others. The employee in this case is expected to act according to the interest of the whole group, even if it conflicts with the interest of individual needs. (Hofstede 1991, 63)

On hiring process the two indices also varies. In a collective working environment a person hired is expected to work as a family and in-groups and for this reason it is highly appreciated if a family ties already exists. In other words, family and other relatives are hired or prefer before people from outside (favouritism). By doing so, this tends to reduce work risks. On the other hand, family ties in individualistic cultures are considered undesirable in view of its attending nepotism and a possible conflict of interest and for that matter in hiring family ties are not relevant. (Hofstede 1991, 64)

Another difference is how a company uses workers in meetings. Thus, collective companies tend to place more emphasis on experience over any other consideration and hence use senior members in business meetings instead. While individualistic companies prefer to use experts. A case in point is a meeting of Japanese and a North American company. In such meeting, the Japanese company may use senior members although these members might not know much about technical aspects. But the North American company will prefer young experts with approval to make decisions immediately. (Bartlette and Davidsson 2003, 28-29)

#### 2.6.2 Power distance

The second dimension of power distance refers to the “appropriateness of power and acceptance of inequality among individuals in a society” (Darley & Blankson, 2008). As derived from the definition, power distance can again be used to measure how autocratic or democratic the manager or the management of the company can be. This phenomenon could also be use in measuring how unequal and dependent relationships existing inside a country or culture. In high power-distance cultures, issues are finalised when determined by the manager. Since the manager wields power and controls everything in the company, while in a low power-distance cultures, the matters are completed because the manager has the expertise and knows the correct approach. (Research methodology, 2009)

In other words, power distance by Hofstede reflects the range of answers found in various countries to the basic question of how to handle inequality and the fact that people are unequal. The Power Distance Index is at the heart of the five intercultural dimensions developed by Hofstede. In short, this cultural dimension looks at how much a culture does or does not value hierarchical relationships and respect for authority as seen in table 1 below. The table shows examples of cultures with high PDI scores which includes; Arabic speaking countries, Russia, India and China. Those with low PDI scores include Finland, Japan, Australia and Canada. (See Appendix 2).

The concept of power distance was derived from a research conducted by a Dutch experimental social psychologist called Mauk Mulder, who studied into the emotional distance that separates subordinates from their bosses". (Hofstede 2005, 41)

Indices covered	High power distance	Low power distance
Social norms	Those in power have privileges, powerful people try to look as powerful as possible, inequality is the norm; everyone has specific place, respect for authority.	All have equal rights, powerful people try to look less powerful than they are, inequality should be minimized; no set hierarchy, respect for individuality.
Political	Military or autocratic government, power struggle, little discussion, violence is common	Government based on majority, power sharing, much discussion, little violence
Work	Tall organizational pyramids, wide salary range from top to bottom, subordinates expect to be told what to do,	Short organizational pyramids, narrow salary range from top to bottom, subordinates expect to be consulted
School	Students dependent on teachers, parents side with teachers to maintain order, students treat teachers with respect - even out of class	Teachers treat students as equals, parents may side with students against teachers, students treat teachers as equals.

Table 1: Showing traits of power distance adapted from Andrew University (2009).

In high power-distance cultures, people accept the fact that power is distributed either equitably or not. Hierarchy is important and status is highly appreciated. In high power distance cultures, no one is to overtake or go against the manager. All the contracts are started and ended by the manager. Also the managers' opinions are considered supreme and most important. (Bartlett and Davidsson 2003, 26)

However, with low power distance countries, the situation is quite different as compared to high power distance countries. In this regards, a manager position himself/herself as a co-worker than a ruler. The manager in a low power distance culture is only solely right when it is prove that the manager has more information than any other employee on a particular issue. Also, in such environment the managers are more easily accessible to employees, be-

cause the organizations tend to be simpler than in high power-distance companies. Decisions are made more in groups instead of only by the manager, and the manager can even be by-passed in some cases. Less supervision is also needed in such business environment. (Bartlett and Davidsson 2003, 26)

Basically, it is clear that a company with low power distance has more resources than a high power distance company, because its workers are able to work more independently. This is why it is difficult for a person from a high power distance culture to work in a low power distance company. In this case, the individual is expected to take initiatives and responsibilities where the individual is used to waiting for the manager for guidance. It is therefore important for the management to know the cultural backgrounds of the employees and give the needed guidance until the worker is able to adapt to the new culture. (Bartlett and Davidsson 2003, 27)

Interestingly, a negative correlation between power distance and collectivism exist. Hofstede (1991) therefore concluded that, countries that are high on the power distance index (PDI) scale tend to be low on the individualism index (IDV) scale. In other words, cultures where people are dependent on groups also tend to be dependent on powerful characters for sustenance and survival. (Hofstede 1991, 54-55). One will not be wrong in view of the above insight to conclude that low power distance countries seem to be more reliable and will attract more investment than its counterpart with high power dimension.

### 2.6.3 Femininity versus masculinity

This third dimension intended to focus on the extent to which a society stresses achievement in the views of Hofstede. Accordingly, the two genders (male or female) are categorized into different groups according to how the sex act or behave. Hofstede named all the traits that have to do with men as masculinity while the traits associated with women as femininity. He further believed that, men (masculine/masculinity) have attributes which lay more emphasizes on ambition and the acquisition of wealth whereas women (feminine/femininity) on the other hand, have the nature of caring and nurturing behaviours. (Hofstede, G. 1991, 80-82)

Hofstede's research on IBM produces a few interesting aspects worth mentioning in discussing this topic. Unlike the other dimensions, femininity versus masculinity is the only category where male and female respondents answered the questionnaire somewhat differently as shown in figure 3. In the other three earlier categories, both genders from a common country answered similarly. In this particular section there were differences except in the extreme feminine pole. (Hofstede 1991, 82-83)

Thus on the study of Hofstede in relation to femininity and masculinity, the gap between being feminine or masculine is much smaller with females throughout the world. In masculine countries (see Appendix 3) females proved more masculine than in feminine countries, yet the gap was much smaller than with males. On the other hand, males in masculine countries prove much more masculine than males in feminine countries. In most feminine countries there was no difference between the firms. Hence a tender values of males and females. A simplified version can be seen in figure 3. (Hofstede, G. 1991, 83)

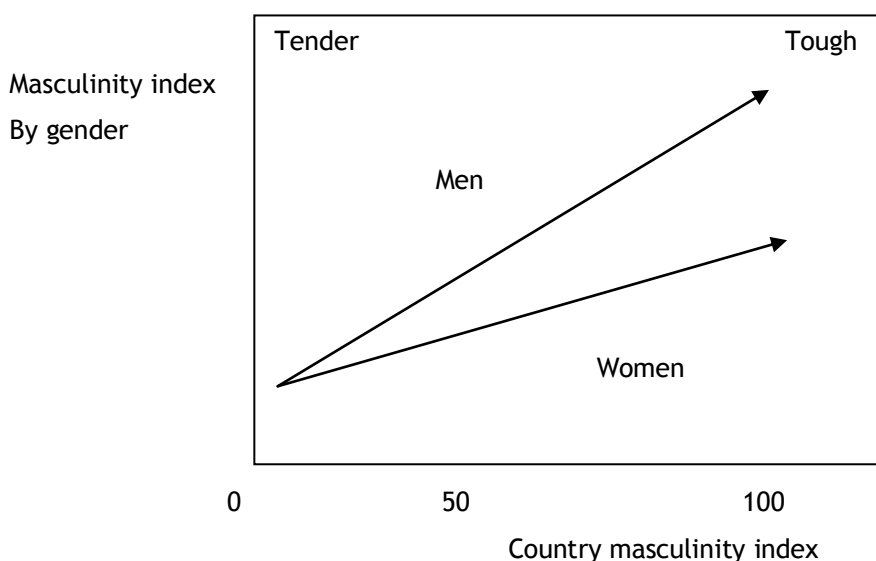


Figure 2: Showing relationship between masculinity index scores & gender (Hofstede, G. 1991, 83)

In the realm of working environment on the issue under review, masculinity and femininity are concerned with the values of the company. In masculine working environment it is more important to achieve results and reward employees on the basis of equity and their performances. On the feminine working environment, however, it is better to reward people based on equality and need. (Hofstede 1991, 93)

There is also differences in solving conflicts within a feminine and a masculine environment. In masculine organisations, conflicts are solved by intense negotiations while in feminine organizations negotiations tend to be more peaceful and compromises more acceptable. Different labour unions and employee representatives are very disliked in masculine organizations. (Hofstede, G. 1991, 92-93)

Masculine working environment expects employees to give their best and reduce leisure time to a minimum level in order to achieve results. In masculine working environment “people live in order to work” while in feminine working environment “people work in order to live”. (Hofstede, G. 1991, 93)

According to Hofstede, a manager in a masculine organization is “assertive, decisive and has a more or less aggressive management style”. The manager is usually a decision maker expecting facts rather than team discussions. In a feminine organization, however, “the manager is less visible and intuitive rather than decisive and consensus driven”. (Hofstede, G. 1991, 94)

#### 2.6.4 Uncertainty avoidance

This refers to the extent to which the members of a culture feel threatened by unknown situations. It is the fourth among the five dimension identified by Hofstede (Hofstede, G. 2001, 161). In expanding on this cultural index the theorist stated clearly that, uncertainty avoidance is a little bit different from risk avoidance.

Risk avoidance is said to mean planning or taking all the necessary step by step approach to helps one to prevent the occurrence of a misfortune that is associated with something specific such as an event. However, uncertainty avoidance is said to be a factor(s) that has the potential of making people feel threaten or unease when individuals are confronted with an unfamiliar situations such as emergencies that was not expected to happen in the future. To prevent anxiety, individuals have created ways and means to cope with the implicit uncertainty within the domains of technology, law and religion”. (Hofstede, G. 2001, 161)

That is not all, uncertainty avoidance could be high or low with unique characteristics as shown in table 2. But both low and high uncertainty avoidance culture have some amount of positive as well as negative aspects. In general, high uncertainty avoidance cultures can be translated into talent for precisions and punctuality. These strong uncertainty societies are better in developing innovations to full scale implementation, where weaker uncertainty societies are better in solving strategic problems. (Hofstede 1991, 122-123)

In addition, Hofstede stated that, it would be wrong to claim that uncertainty feelings are only personal since those feelings can be shared by other members or peoples in society (Hofstede, G. 2005, 213). In this wise, it is believe that, management in an organization or company usually put in place certain rules and regulations as well as technologies that will help mitigate the impact of uncertainty, and to measure possible anxiety and worries that an employee may have during the course of work in the future. Hofstede again considered several aspects of uncertainty avoidance. Thus he observed the degree of nervousness and anxiety that employees feel at work. In a related circumstance, Hofstede states that both Sweden and China are considered to be countries with low uncertainty avoidance, although China is seen to have a higher level. This means that, these two countries have cultures where individuals feel secured about the future and believe that new circumstances could be interest-

ing, when in contrast to those with high uncertainty avoidance find what the future holds as danger and unpredictable. (Hofstede, G. 2005, 213-223)

Factors	High uncertainty avoidance	Low uncertainty avoidance
Social norms	Conservatism law and order Xenophobic express emotions	Openness to change, innovation, tolerance of diversity suppress emotions
politics / legal system	Weak interest in politics citizen protest repressed, More and specific laws and regulations	High interest in politics, Citizen protest accepted Fewer and general laws and regulations
Religion	Catholic, Islam, Judaism, Shintosm, Aggressively, fundamentalist ritualized / ceremonial	Protestant, Buddhism, Taoism, Hinduism, little persecution for beliefs, Avoid ritualization and ceremony
School	Teachers have all answers, Structured learning	Teachers may say “don’t know”, Open minded learning
Family	Traditional gender roles, Children taught world is hostile,	Fewer gender roles, Children taught world is benevolent,

Table 2: Showing traits of uncertainty avoidance adapted from Andrew University (2009)

Additionally, a rather disturbing result on the consequences of high uncertainty is what Hofstede identified as stress. People in high uncertainty countries (see Appendix 4) like to work and enjoy busy schedules. These people also appreciate the possibility of a lifetime employment. As expected, in this type of culture, situations which differ from the original are not tolerated and people like to act according to plans. Hofstede noted that in a workplace, this can lead to confusion. Conversely, in low uncertainty culture people are able to work

hard if needed. In fact people prefer to relax. Formal rules are then regarded as a form of restraint. It is also noted that, lower uncertainty avoidance leads to lower anxiety level in human establishments. (Hofstede, G. 1991, 121)

#### 2.6.5 Confucian dynamism as a fifth dimension

Finally, the problems in the concept of time between western and eastern cultures caused Hofstede to add a fifth dimension in a later work in late 1980s (Hofstede, G. 2005, 208). A simplified way to describe the Confucian dynamism is to refer to it as a long-term versus short-term orientation in life. As a foundation to launch this argument, Hofstede used Michael Bond's study of Chinese value survey (CVS), which was implemented in 22 countries including China (see Appendix 5).

According to Hofstede, the word Confucian dynamism, relates back to the teachings of Confucius, who was an intellectual in China around 500 BC. (Hofstede, G. 1991, 164). This cultural dimension relates primarily to people's concern with the past, the present and the future. In essence, short term orientation (STO) are concerned with the present and the past, while long term oriented (LTO) are concerned more with the future (Hofstede, G. 2005, 210-237).

In respect to long term oriented, societies in this believe that a stable society requires unequal relationships and that older people and men have more authority than younger people and women. Furthermore, people value trying to acquire skills and education, working hard and being prudent as well as being prepared to preserve and display a lot of patience in understanding new things. In contrast, short term societies believe in equality of relationships, and emphasise on individualism hence value the return of favours, gifts, and the ability to achieve quick results. (Hofstede, G. 2005, 215)

Indeed, the comparison between the IBM research (western) and the CVS research (eastern) proved that three dimensions dealing with basic human relationships seem to be universal as these dimensions appeared in all the researches done by other scholars internationally. These are the equivalents of the power distance, individualism versus collectivism and the masculinity versus femininity. However, a fourth dimension is also present, but it depends on the culture of the person reviewing the questions in the questionnaire. In western questionnaires the fourth dimensions in uncertainty avoidance as in eastern is Confucian dynamism. With the understanding of the above, uncertainty avoidance is society's search for truth, while Confucian dynamism is society's search for virtue. (Hofstede, G. 1991, 170-171)

According to Hofstede's analysis as shown in appendix 5, people in the United States and United Kingdom had low LTO scores. This suggests that one can expect anything in this cul-



ture in terms of creative expression and new ideas. This model therefore implies that, people in the US and UK do not value tradition as much as many others, and are therefore likely to be willing to help execute the most innovative plans as long as the people are allowed to participate fully. This may be surprising to people in the UK, with its associations of tradition. Interestingly Mind Tool argued that a society with a Long Term Orientation (LTO) is one which is willing to adapt traditions to be more in line with the modern world, respect only social and status obligations within limits and lean towards thriftiness and would demonstrate perseverance for slow results. (Mind tools, 2008)

In addition, being associated with either a LTO or STO has its various characteristics and tips as shown in table 3 below. In high LTO cultures, parents and men have more authority than young people and women. This is therefore not the case since other people such as women and children wield some amount of respect and authority in a society which is associated with a low LTO culture. (Sungmin, 2005)

	Characteristics	Tips
High LTO	Family is the basis of society. Parents and men have more authority than young people and women. Strong work ethic. High value placed on education and training.	Show respect for traditions. Do not display extravagance or act frivolously. Reward perseverance, loyalty, and commitment. Avoid doing anything that would cause another to "lose face".
Low LTO	Promotion of equality. High creativity, individualism. Treat others as you would like to be treated. Self-actualization is sought.	Expect to live by the same standards and rules you create. Be respectful of others. Do not hesitate to introduce necessary changes.

Table 3: Showing the relationship between orientations.

## 2.7 Reconciliation of cultural differences

Principally, there is an existence of cultural difference as people interact with one another. As a result, it is important for managers to deal with multiple ethnic groups with very different cultures carefully. Due to globalization, one is likely to work with Japanese, French, Chinese, German and all of other nationalities alike. This in most case creates problems in organ-

izations or companies. Therefore, in order to better understand the Ghanaian business culture, it is important to recognize that people from different cultures are different in many ways. This includes but not limited to; different ways of looking at issues, different ways of dealing with a working challenge, different ways of expressing personality, etc. Yet, these differences need reconciliation if one actually wants to do business in environment like Ghana. Consequently, three difference approaches emerge in the literature in handling such situations. (Analytic technologies, 2009)

### 2.7.1 Cultural awareness

It is vital prior to engaging in an international assignment an organization or a company should identify the cultural differences that may exist between one's home country and the country of business operation or investment. Where the differences exist, one must decide what extent the home-country practices should be adapted to the foreign environment in order to smoothen business operations (Hofstede, G. 1997)

Additionally, the processes of observing, discussing and reading about other cultures definitely help build cultural awareness. However, opinions presented must be carefully measured since this may sometime create problems. It is therefore good to have several varied viewpoints about the same culture.

### 2.7.2 Clustering cultures

Basically, some countries may share many attributes that help the shaping of cultures. These attributes may include language, religion, geographical location, etc. For instance in Morocco, Tunisia and Algeria Arabic and Islam are the common language and religion that has shaped their cultures and differentiated them from the remaining nearby countries. Based on this attributes and other data obtained from past cross-cultural studies, these countries may be grouped by similarities in values and attitudes. Nonetheless, fewer differences may be expected when moving within a cluster than when moving from one cluster to another. (Texas A&M University, 2007)

### 2.7.3 Determining the extent of global involvement

The survival and sustainability of a company operating internationally is always critical without a substantial degree of cultural awareness. The idea of building cultural difference is so important to a company that it has to start immediately the company decides to engage in global operations. Moving outward on more than one axis simultaneously makes it necessary for building cultural awareness (Texas A&M University, 2007). Figure 4 below illustrates the

extent to which a company needs to understand global cultures at different levels of its involvement and engagement with other operations and businesses.

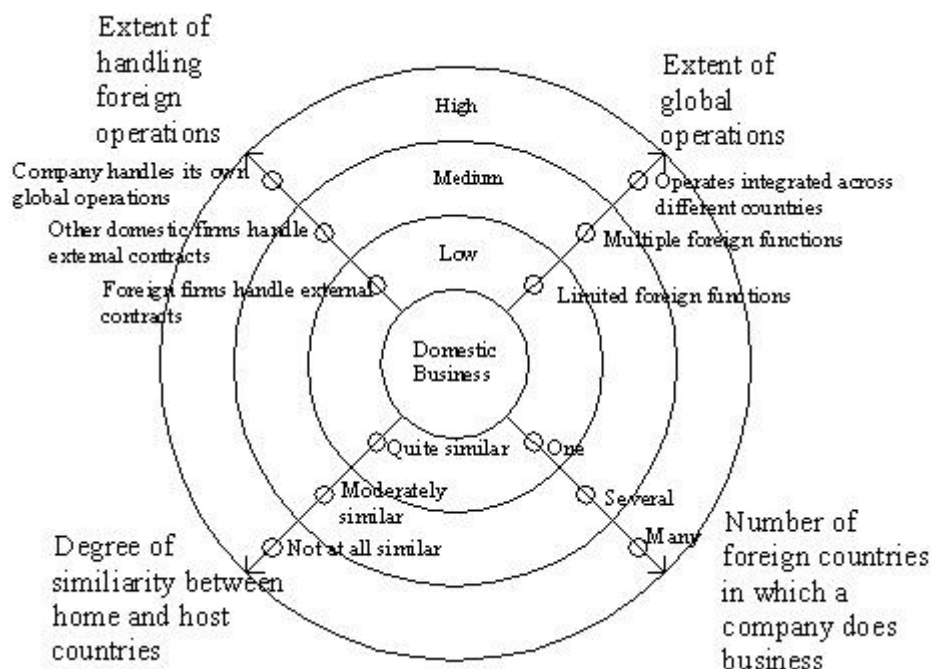


Figure 3: Cultural awareness and global involvement adapted by Hofstede (2005)

## 2.8 Theoretical framework

Figure 4 below shows a framework that summarily explains the structure of the idea or concept and how this concept and ideas are put together. Besides, theoretical framework may also be a collection of interrelated concepts, like a theory but not necessarily so well worked-out. It therefore guides the researcher, in determining what needs to be measured such as hypothesis or the research question, and what statistical relationships might be helpful to the research. (Nettom, 2008)

In other words, a theoretical framework is supposed to help the reader make logical sense of the relationships of the variables and factors that have been deemed relevant to the problem. It provides definition of relationships between all the variables so a reader can understand the theorized relationships between them. (WikiAnswers.com, 2009)

As shown in Figure 4, the framework for the study consists of various concepts that the researcher found to be relevant in this research. The figure goes on to provide a very clear understanding of the chosen theories and their interrelations with one another as far as the case in question is concerned. With the understanding of culture as the main component of the

research, all the chosen concepts discussed above are all dependent on culture and its relation with the case country, Ghana.

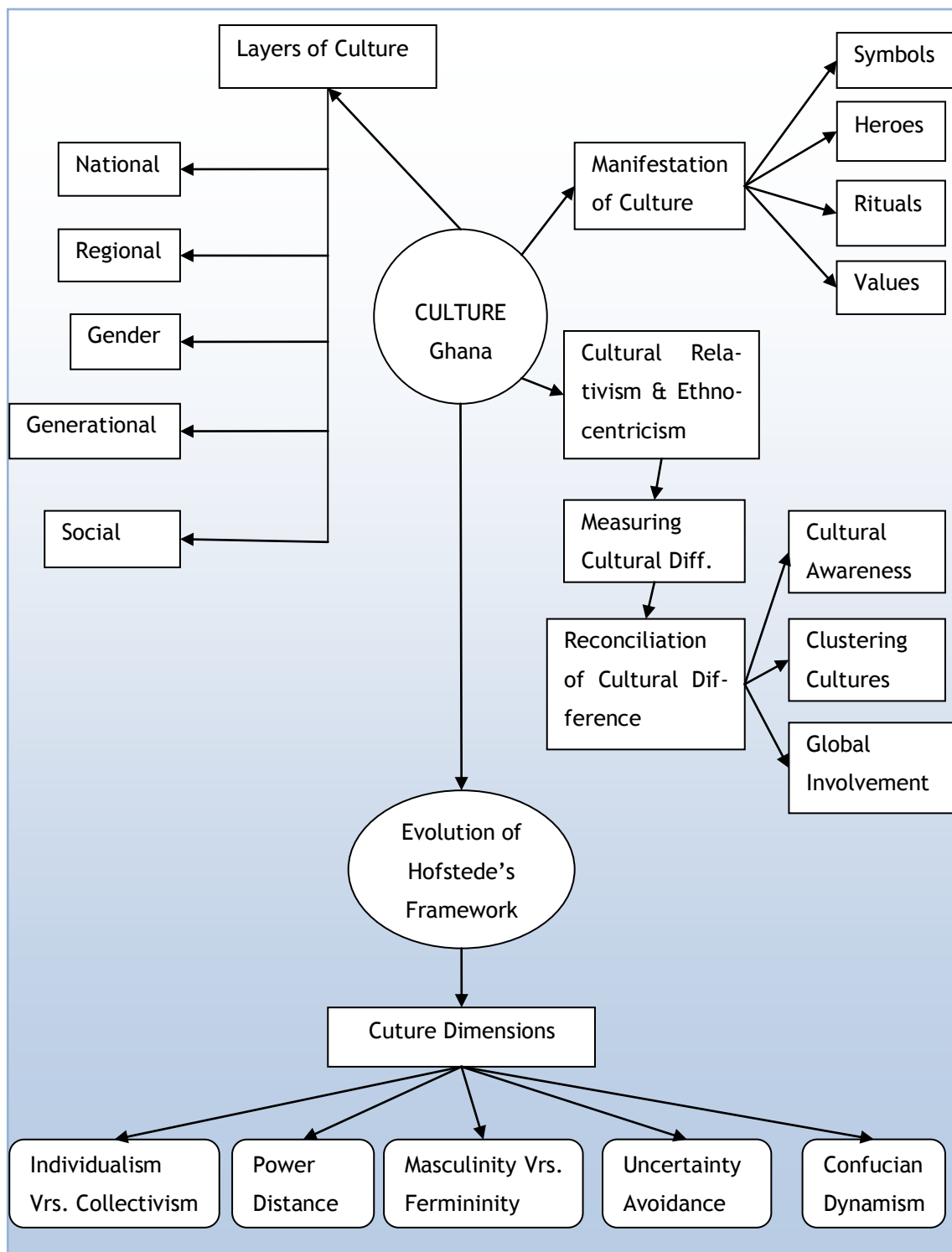


Figure 4: Showing the theoretical framework of the research.

### 3 Research methodology

Having identified all the theories necessary as well as the theoretical framework that will help solve the research question, this section will emphasize on the chosen research design and method.

#### 3.1 Research design and method

Research design is “the argument for the logical steps which will be taken to link the research question(s) and issues through data collection, analysis and interpretation of data in a coherent way” (Kohlbacher, 2006).

The issue of cross-national/cross-cultural equivalence is especially important in survey research because, questionnaires tend to impose strong frames on informants in comparison, for instance, to depth interviews or observation (Usunier 1998, 102). Given that this study was conducted from a remote location to describe the characteristics of a large population by using a standardised framework, Hofstede’s elements of national culture, the survey method was deemed appropriate. As a result, opting for a quantitative method of study over the qualitative method is very necessary for this work. Furthermore, some of the advantages for adopting this choice of survey method include the following:

- Quantitative research method is relatively inexpensive especially with the use of electronic questionnaires.
- It is very useful in describing the characteristics of a large population (Ghanaian business and expatriate executives) which is not possible with other methods.
- It can also be easily administered from a remote location especially by using mail, email or telephone.
- With this research method, very large sample population can be reached, making the results statistically significant even when analyzing multiple variables.
- It is also possible for many questions to be asked about a given topic by giving considerable flexibility to the analysis.

These advantages and many more will make the survey method to be most suitable in achieving the aims and objectives of the study. Again, the adoption of an electronic survey was used to reduce cost, lower transmission time to respondents, to facilitate a quicker response rate

with wider magnitude of coverage. As the thesis focuses on the aspects of national culture that are relevant to the international business practitioners, the players were divided within the Ghanaian business environment: expatriates and indigenous Ghanaian executives.

### 3.2 Data sources

Ghuri (2005) reveals that data sources are the carriers of data (information) with a distinction between primary and secondary data sources as shown in figure 6 which could be classified as primary and secondary.

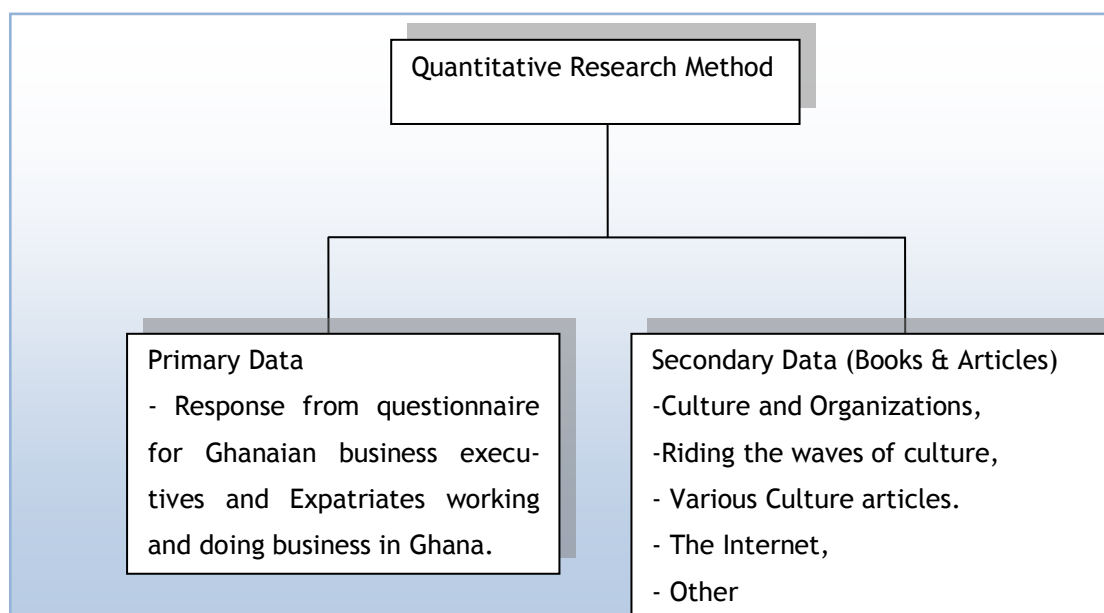


Figure 5: Showing the research approach

#### 3.2.1 Primary sources

Researchers need to collect the data that are relevant to the particular study and research problem being worked on. This becomes necessary when secondary data are not available or are unable to help answer the research question (Ghuri, P & Gronhaug, K. 2005, 102). One main advantage of data collected as primary source is that, data are collected for the particular project at hand. This means, data are more consistent with the research question and research objective. In this research, the Primary Source of data was acquired via a survey to Ghanaian executives and Expatriates working and doing business in Ghana using questionnaire. With this, an attempt was made in gaining their opinions concerning how Hofstede's indices can be used to measure the cultural dimensions in the Ghanaian business life, which will be unattainable where only Secondary Sources is used. Data was collected by using basically quantitative method.

### 3.2.2 Secondary sources

Pervez Ghauri, advises that researchers need to search for several sources for data availability on the area of study in question. Once these sources have been located, they do not only provide useful information to solve the research problem but also offer a better understanding and explanation to the case research problem (Ghauri, P & Gronhaug, K. 2005, 91). Data from these sources need to be looked at for information on their specific research problem in order to make informed judgement on whether the information available could be used or not. Secondary Sources include books, journal articles, and online data sources such as Web-Pages of firms, governments, semi-government organizations and catalogues (fig. 6). The first step is to locate these sources and then to evaluate the usefulness of the contents of each. Some research questions can only be answered through secondary data sources, where no further data collection is needed. An advantage to this method of data collection is to save time and money. In this research, the main Secondary Sources was from literatures written by Geert Hofstede and Geert Jan Hofstede. However, there were numerous inputs from other writers to further expand Hofstede' indices. The internet (World Wide Web) was also used as a secondary source of data collection. For example, websites such as Wikipedia used as tool to explain certain definitions. All these secondary sources were cited in this work under the list of references.

### 3.3 Data collection

Data for this thesis was acquired through surveys mostly made up of questionnaire using quantitative method (See Appendix 6 & 7). Quantitative method is very important in this research as it provides a logical and critical understanding on what and how the respondents think or feel concerning the elements being measured. Answering this questionnaire gave an insight as to the reasoning behind respondents answer. This further provided valuable data which were in some cases more important than their original answer.

In Business studies, descriptive surveys are often used to obtain consumers attitudes towards a certain product (Ghauri, P. 2002, 95). Against this background, the descriptive survey method was used in this thesis. This is in line with, Ghauri who stated that a review of earlier research and literature is important to determine what kind of questions are to be included in the questionnaire (Ghauri, P. 2002, 58). The survey consisted of questions that were brought forth from Hofstede's culture dimensions in an attempt to see how it can be used to measure the cultural dimensions in the Ghanaian business life. The questionnaire for this thesis was sent to the respondents electronically (See Appendix 6 & 7).

### 3.4 Population and sampling

Sampling is important in quantitative research, since it gives a sample of a large group being studied. It is efficient, since there is no need to ask for an opinion from each individual group member, instead a few representatives are selected to represent the whole group's opinion. (Ghauri & Gronhaug 2005, 146)

Sampling can be divided into two main groups namely probability and non-probability. Probability sampling is a sample that has been randomly selected from the population, for example, simple random sampling. The objective is that anyone from the group being studied has an equal chance of being chosen for the test. In contrast, non-probability sampling is a sample that has been selected from the group, for example, a convenience sample can be an interview with a colleague. However, these samples are limited and do not provide good basis for representing the entire group. (Ghauri, P., et al. 2005, 146-147)

Targeted population in this research consists of Indigenous Ghanaian business executive and Expatriates working or doing business in Ghana. The electronic questionnaire was sent to 100 persons in some of the big companies in Ghana that have both indigenous and foreign executives.

### 3.5 Validity and reliability

Validity is defined as the capacity of a selected research method to measure what should be measured. In other words, a research is valid if it explains or measures what it should explain or measure in a research question. The questions have to be formulated in an understandable way and if the respondents have not understood the questions, then the research cannot be valid. (Flower, R. 2001, 76)

The validity of this research was achieved through the repetition of the questionnaire and refining of the questions, with the generous involvement and participation of some of the respondents. This was necessary because the questions were mainly focused on the research problem.

The reliability of research increases when multiple methods are used in order to corroborate data sources and the source books that are reliable, written by known and renowned authors. The credibility in a research means that, the research results are credible or believable from the perspective of the participant in the research. From that perspective, the participants are the only ones who can legitimately judge the credibility of the results.



Theories from books and articles used for the purpose of this thesis were also written by known authors as well as published by known printing houses. Theoretical sources related to culture were also current so as to acquire reliable and updated information. This is because, culture is dynamic and new information is constantly emerging. In addition to this, websites used for the purpose of this thesis were also reliable.

The reliability of this research amounts to the idea that should the survey be repeated at another time with other respondents from the same population; the results should stay the same. In a way to make this research work as reliable as possible, very simple and clear questions were formulated and tested. These were well understood by all respondents, and easily interpreted and analysed by the researcher. Sample surveys were also released before the main distribution in order to determine the clarity of the questions. This feedback received was then incorporated into the final version of the survey. The fact that the questionnaire was intended to be answered electronically means it had to be simple, clear and quick to answer by the respondent. The questionnaire was designed as short as possible with flow of questions to the respondents. Easier questions started the questionnaire in an attempt to entice the respondents and to prevent them from quitting at the initial stage or during the process of answering the question.

#### 4 Empirical study

The empirical research was conducted by using a questionnaire, which had both quantitative and qualitative elements. The questionnaire begins with general questions where background information of the respondents was obtained. Subsequent questions were in relation to participant's respective companies and what respondents thought about the Ghanaian life, management style and also the Ghanaian attitude, culture as a whole. (See Appendix 7)

Although several concepts and theories of culture were reviewed for the purpose of this research, not all were reflected in the questions that were asked since the research question was based on Hofstede's cultural dimensions. However, questions were strictly based on Hofstede's five cultural dimensions as discussed in the theoretical review and general work environment. In order to make it clear and ascertain diverse opinion from respondents on a particular variable of cultural dimension, more than one question was asked in relation to the measurement of just a particular variable. This approach was to provide respondents some options that will enhance their understanding of a particular question. Examples of this approach included questions numbers 6, 7, 8, 9, 10, 11 and 12 (see appendix 6) where all measured how individualistic or collectivistic (discussed in the theoretical review) the Ghanaian business culture is. Questions from 13 to 18 queried on Masculinity and femininity, 19 to 23 measured Power Distance while questions 24 to 26 helped to identify the extent to which

Ghanaians can cope with the unknown or uncertainty avoidance. The fifth dimension which is the Confucian Dynamism was measured with questions 27 to 31. The linkert scale of 1-5 which equal totally agree to totally disagree was used for all these questions for which the respondents had to choose only one option.

In the data analysis section, which appears later in the research, the results from the questionnaire are analysed by using the predictive analytics software (PASW) which was formerly known as the statistical package for social science program (SPSS). The results are then divided into sections categorized by culture aspects as previously discussed in the theoretical section which then reflects Hofstede's five elements of culture.

#### 4.1 Description of the respondents

The respondents were contacted using an electronic questionnaire designed with the help of the "Elomake" application as shown in appendix 7. Mails with a link to the questionnaire were sent through emails of respondents of which the respondents had two weeks to reply (see appendix 6). Respondents were sampled to cover almost all the various industries, public and private in the country.

Overall, a total number of 100 questionnaires were sent to respondents out of which 65 responded. Forty five of these respondents were Ghanaians whilst the remaining 20 were foreign expatriates.

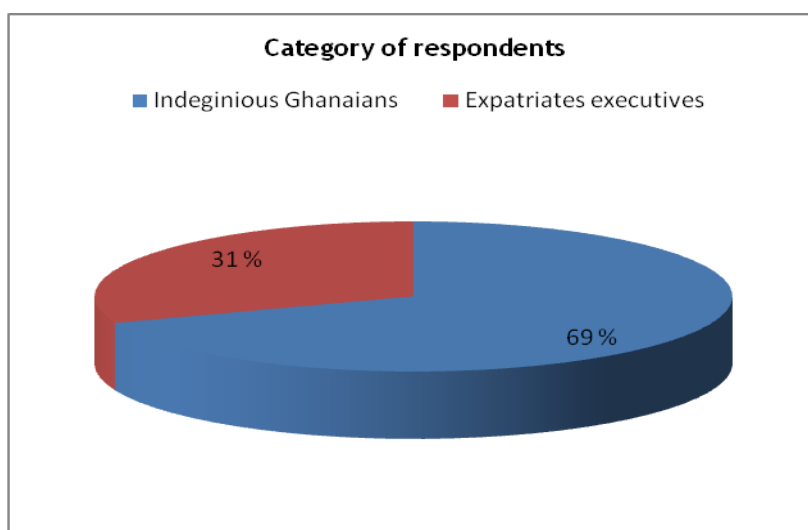


Figure 6: A pie chart showing the category of respondents.

As shown in the figure 7 above, 69% out of the entire respondents were Indigenous Ghanaians while the remaining 31% were Expatriate executives working in Ghana. This percentage represents 45 and 20 respondents respectively.

A total of 9 respondents were working in the manufacturing industry, 17 in the service industry and the remaining 29 in the mining industry. It is also interesting to know that 16 of the expatriates (80 percent) who responded work in the mining industry while the remaining four respondent (20 percent) belong to the manufacturing industry.

Respondents varied according to the roles and positions played in their respective companies. There were 19 Chief Executive Officers (CEO's) or managing directors, 12 deputy or assistant managing directors, 14 occupied the position of general managers and the remaining 20 were departmental heads.

As shown in Figure 8 below, 29% of the respondents were C.E.O's, 18% worked as deputy managing director, 22% were general managers while the remaining 31% being the majority of respondents worked as departmental heads.

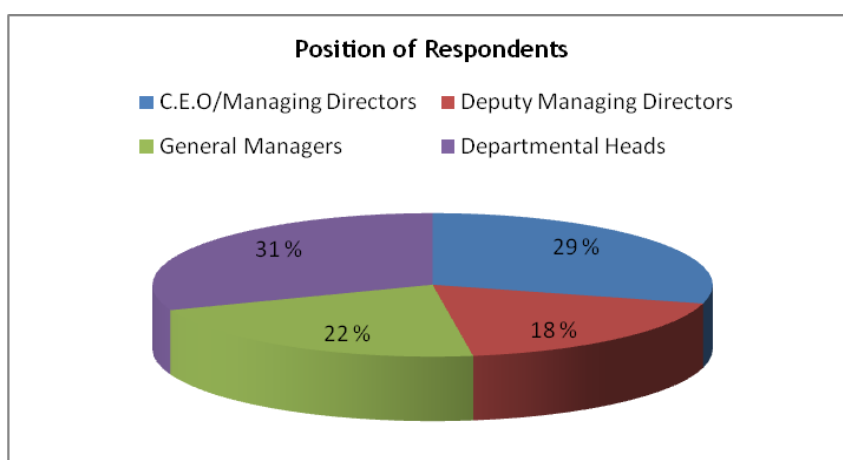


Figure 7: A diagram showing the positions held by respondents.

Additionally, when expatriate foreign respondents were asked how long they have stayed in Ghana, 10 answered 5 years and above. The second biggest group of 5 respondents had spent three to five years in Ghana. 3 expatriates have been living in Ghana for the period between one to three years. Only one respondent had stayed for a year or less while the remaining one respondent decided not to answer this question as shown by (fig. 9)

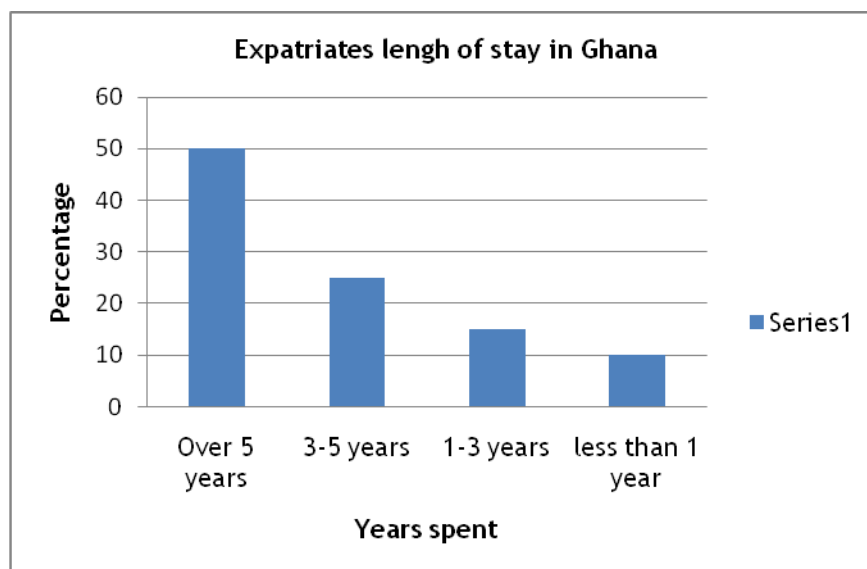


Figure 8: Showing the time spent in Ghana by expatriate foreign workers.

As shown in figure 9 above, almost half of the expatriate representing 50% who returned the questionnaire have spent 5 years and over working in the Ghanaian business environment, 25% have lived between 3 to 5 years. 15% of these foreign executives have being working between one to three years while the last 10% of the foreign respondents have stayed for less than a year.

#### 4.2 Data presentation and analysis

“Data analysis is the process of bringing order, structure, and meaning to the mass of collected data”. (Marshall & Rossman 1995, 111) Quantitative data is numerical and standardized data. It is usually analyzed with statistical methods, such as SPSS analysis and the analyses is presented through diagrams. Qualitative data is not standardized and the data has to be categorized. The analysis is not presented in diagrams, but using conceptualization. (Ghuri & Gronhaug 2005, 204)

##### 4.2.1 Collectivism versus individualism

The participants were asked how often Ghanaians use the pronoun “We” or “I”. Three participants left this part unanswered of which all happen to be expatriates. However, the results are clear with 48 participants answering that “We” is used more often than “I”. As a matter of fact, other questions from 6 - 12 in questionnaire were used to determine whether Ghanaians are more Individualistic or collectivistic in their nature and results showed a correlation between results. The figure below shows how respondents answered the question.

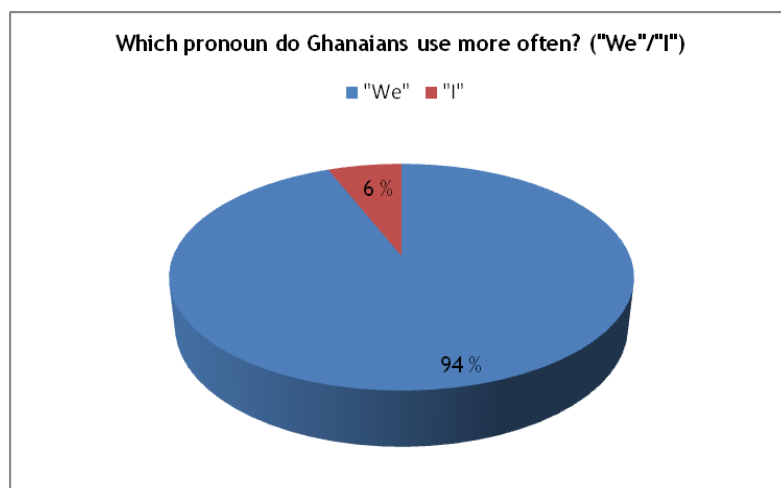


Figure 9: Showing the pronouns often used by Ghanaians.

The chart above illustrates how Individualistic or collectivistic the Ghanaian business culture is. As shown, 94% of respondents answered that, Ghanaians often use the pronoun "We" while only 6 percent of the respondent felt the pronoun "I" is more often used. Essentially, it was therefore amazing to find out that, the entire expatriate who answered this question thought the pronoun "We" is used more often than "I".

According to Hofstede, the use of the pronoun "We" more often than "I" shows that, the said society or country is seen to be a collective one. Subsequently, in such an environment, people are expected to work as a family in-group and for this reason it is highly appreciated if a family tie already exists. In other words, family and other relatives are hired preferably before people from outside. This in so doing reduces risk. This therefore proof that, a more collective business culture prevails in Ghana.

Furthermore, when examining the Individualism index (IDV), it can be seen that Ghana which represents West Africa is on the collectivistic side of the Chart (see Appendix 1) together with most of the countries in the Asian continent. Ghana representing West Africa in the individualism chart, would use the pronoun "We".

To further substantiate this point, a different question which measures the same phenomena, when ask proved a very similar result.

In the Figure 11, when respondents were asked to which extent does the group one belongs to help to protect members in exchange to their loyalty in a scale of one to five, 42 of them answered totally agreed and 12 people agreed with the question. Those people who neither agree nor disagree to the statement numbered 8, only 3 respondents disagree to the state-

ment and none out of the 65 respondents totally disagreed. All 3 respondents who disagreed to the question were expatriates; however, the reason to this response is not clear.

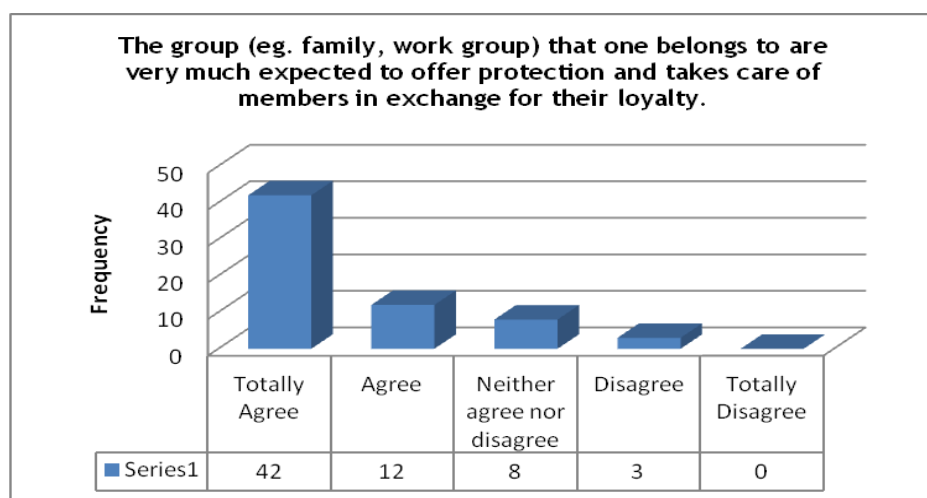


Figure 10: Showing the extent of individual loyalty and group protection.

In particular, Hofstede as discussed in the theory associated the offering of group protection in return to one's group loyalty with collectivism. With this understanding and taking into consideration the way and manner the respondents answer the question, the Ghanaian business culture could be said to be more collective in nature.

#### 4.2.2 Power distance

Power distance was measured with questions 19 to 23 (see appendix 6) which determined whether powerful people including political office holders, chief executives, local rulers try to look as powerful as possible. In Ghana, the power distance is relatively big and the management is not easily accessible.

To the question as to whether organizations in Ghana are characterized by tall organizational pyramids, majority answered "strongly agree" as shown in the figure below.

Figure 12 depicts the results obtained in determining the nature of power distance exhibited in most Ghanaian business organizations based on one of the questions submitted to respondents in measuring the phenomena. According to figure 12, 69% percent of the respondents totally agreed with the existence of tall organizational pyramid in the Ghanaian business set up; 18% of them agreed to the state and 8% neither agreed nor disagreed. However, 3% and 2% of the respondents disagreed and totally disagreed respectively.

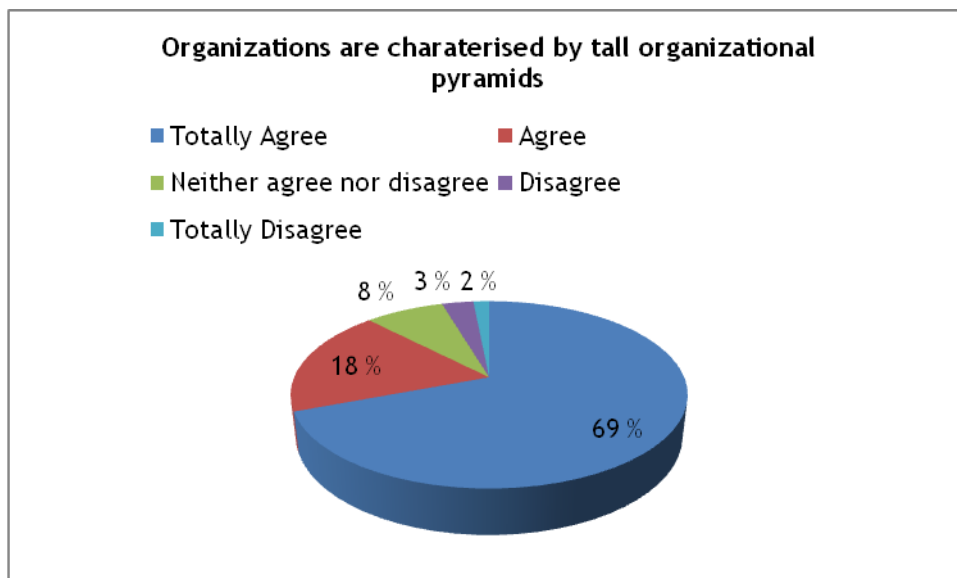


Figure 11: Showing the nature of the Ghanaian organizational pyramid.

Basically, the theory states that, power distance is high whenever there exist a huge gap between the superiors and the subordinates. When this happens, superiors what to look as powerful as possible and there also exist a huge discrepancies in the salary range between people in higher authority and ordinary employees. Since 69% and 18% of the respondents totally agreed and agreed respectively that the Ghanaian business culture is characterized by tall organizational structure, the Ghana business culture is characterize by high power distance.

All 20 foreign expatriate who return the question answered totally agree. Even though the main reason for this response is not known, one could easily associate the mode of this answer to how different the expatriates see power distance in Ghanaian culture to that of their various countries, since majority of these expatriates are European indigenes.

#### 4.2.3 Uncertainty avoidance

Principally, uncertainty avoidance deals with a society's tolerance for uncertainty and ambiguity. Furthermore, it also indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. With this understanding in mind, several questions were asked to ascertain its reflection on the Ghanaian business culture. A case in point is when respondents were asked whether "The people are generally oriented towards risk taking". Below is how respondents reacted towards this question.

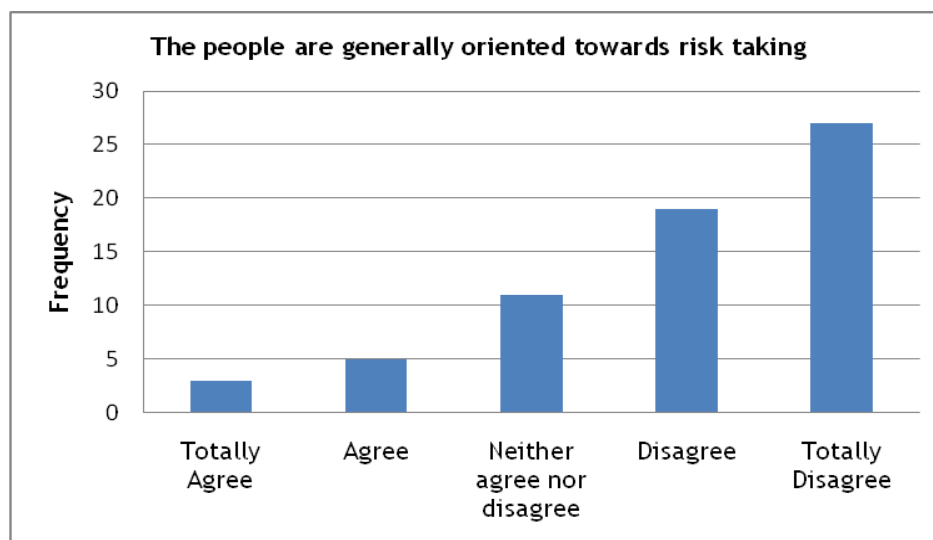


Figure 12: A histogram showing how well Ghanaians are oriented to take risk.

According to the above figure, 27 of the respondents totally disagreed to the question. Hence, the Ghanaian business culture does not orient people to assume risk. 19 respondents also disagreed while 11 respondents neither agreed nor disagreed. On the other hand 5 and 3 other respondents agreed and totally agreed respectively.

Bearing in mind that, the theory of uncertainty avoidance has to do with risk and anxiety which happen to be different among countries, uncertainty avoidance is low if people are open to change, innovation and accept or oriented to take risks at work. However, since majority of the respondents did not feel the Ghanaian business culture does not orient people to take risk, then Ghana has a high uncertainty avoidance culture.

#### 4.2.4 Masculinity versus femininity

Masculinity versus its opposite femininity, refers to the distribution of roles between genders, it is another fundamental question for any business environment to which a range of solutions are found as pertains in the Ghanaian scenario. In other to determine how masculine or feminine the Ghanaian business culture is, several questions were asked which included whether men occupy more management position than women in the country's business setup. A demonstration on how respondents answered this question is as follows.

In the figure 14, 33 respondents, representing almost half of those who return the questionnaire totally agreed to the statement. 20 respondents agree while 11 of the respondents neither agree nor disagree. Only one respondent disagreed and none totally disagreed.



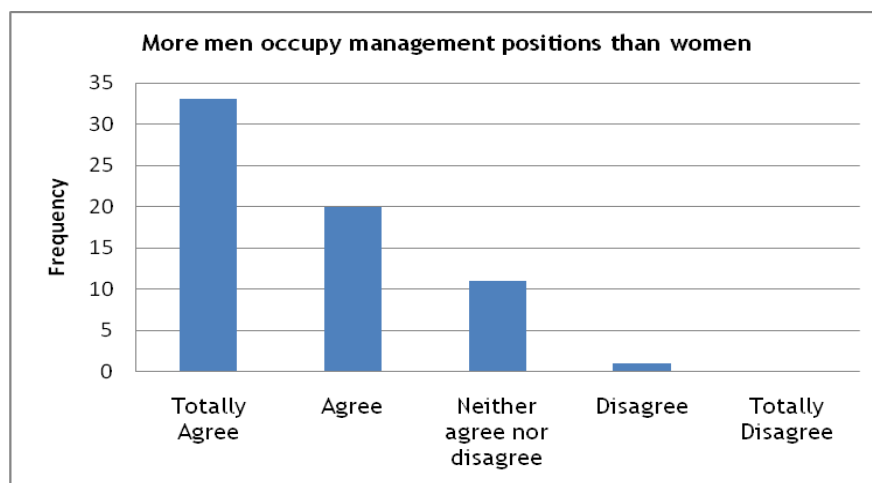


Figure 13: Showing the dominant gender occupying management positions

All the 20 expatriates, “totally agreed” to the question. It goes a long way to show how familiar the expatriate are with the Ghanaian management set up and its occupants. Since the theory talks about men being characterized by toughness, ambition, acquisition of wealth, etc and with the way the respondents answered the question, it is therefore obvious to conclude that the Ghanaian business culture is a masculine one.

#### 4.2.5 Long-term orientation versus short-term orientation

With regards to the fifth dimension and in a way to establish the relationship between the long-term and short-term orientation in the Ghanaian business culture, participants were asked to which extent do Ghanaians value established traditions.

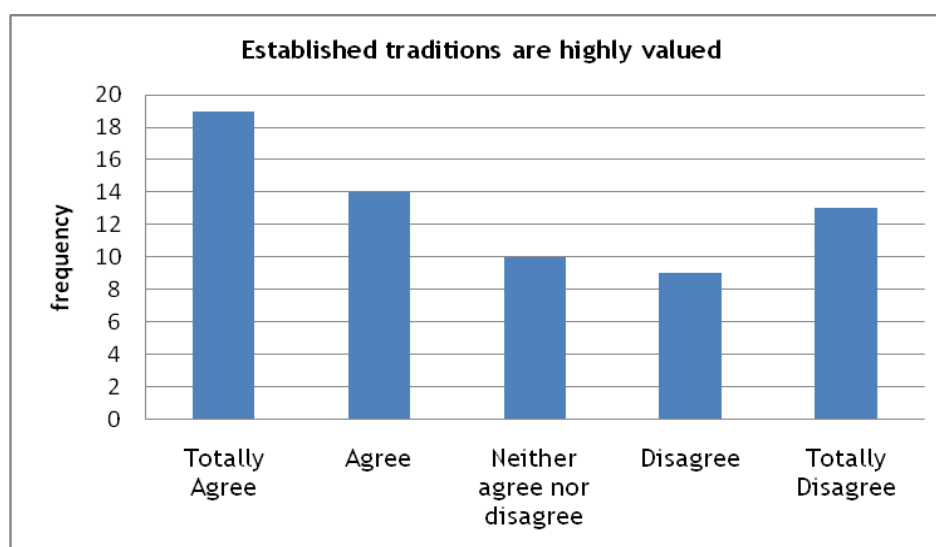


Figure 14: A histogram showing how people value Ghanaian traditions.

According to figure 15 above, 19 respondents were in total agreement to the question, 14 of the respondents only agreed while 10 respondents neither agree nor disagree. The remaining 9 and 13 respondents disagreed and totally disagreed respectively.

As shown in the theory, a society that is associated with high valued established traditions is classified as a long-term oriented culture. This was a difficult case to analyse since there was no clear majority among the variables even though the respondents who agreed to the question a little bit outnumbered those who disagreed. Nonetheless, this result does not show clearly whether the Ghanaian business culture is a long or short-term oriented one.

## 5 Conclusions

On the whole, this section will identify the summary on the research. However, items of difficulty that were encountered during the research will also be discussed as well as all the recommendations the researcher found to be interesting to research on. A reflection on how the research approached the project right from the beginning to its completion was also discussed.

### 5.1 Research Summary

The problem and the objective of this research were to determine how Hofstede's indices can be used to measure the cultural dimensions in the Ghanaian business life. A questionnaire was used and then analysed based on theories developed by Geert Hofstede.

The data analysis in this research shows that there are indeed a culture dimensions in the Ghanaian business life which has been measured by Hofstede's indices. Different cultures prevail and act differently in various environments. What is normal to a Ghanaian manager might be totally different to a Finnish expatriate and vice versa.

However, it must be noted that when researching about cultures, it has to be considered that people often do generalize on national characteristics, and therefore it is actually the national norms that is investigated. There are always individuals who deviate from that particular characteristic. People talk about a typical Ghanaian, or a Finn, an Italian, a German, an American, etc but in reality no individuals are alike. (Lewis 1998, 3)

Knowing that culture can also be more than a geographical phenomenon, or a religious affiliation, it is impossible for managers to know everything about a particular culture. Thus, the situation is good if the manager knows the country where employees or an expatriate is from rather than the country's national cultural characteristics.

Naturally, a manager in a company which has a rich variety of different nationalities cannot treat everyone differently based on the employee's culture, but the manager should know the situation and create a working environment which would be most suitable to everyone. This demands compromises and deeper insight of the background of individuals

As a matter of fact, power in Ghana is based on a clear system of hierarchy. Authoritarian leaders are common and authority is rarely questioned. In other words, organisational structure in Ghana is very high. Ghanaian managers regard security as a major factor in their work, to be reinforced by unchanging structure, detailed procedures and close supervision of subordinates. Ghanaian leaders tend to view their authority, professional competence, and information as a personal possessions, rather than impersonal concomitants of their organisational role, and as a source of status and prestige.

When examining the Individualism index (IDV), it can be seen that Ghana which is a subset of West Africa is on the collectivistic side of the Chart (see Appendix 1) together with most of the countries in the Asian continent. Ghanaians therefore in the individualism chart, would tend to use the pronoun "We", which was clearly proved in the way respondents answered the question regarding this dimension. It could be inferred that, the Ghanaian national culture is of a collectivistic one. Based on these results the hypothesis concerning the Ghanaian collectivistic and individualistic character was ascertained.

With the understanding that Ghanaian men are more assertive in nature, tough, and focused on material success whilst the women are more modest, tender and concerned with the quality of life, the Ghanaian business culture could be said to be more of a masculine nature than feminine. With a very high value placed on Ghanaian traditions, the business culture in Ghana can be concluded as a long-term oriented one.

Employees from different cultures have a different variety of demands and requirements. This is especially the case in the beginning of their Ghanaian working career. For some the demand is to have more guidance and feedback from their superiors while others relax and enjoy the feeling of freedom in their work place. In order to achieve the best result, it is important that these needs are met. This requires that the superior is constantly aware of the situation. The high power distance, uncertainty avoidance and masculinity working environment hypotheses were verified.

If adaptation is required from Ghanaian businesses, it is also expected from the expatriate employees coming to Ghana. It is of crucial importance to have the right mindset when going abroad to work. Adopting, understanding and respecting new manners, laws and cultures is

not an easy task. One's own attitude towards change is a factor which eventually determines whether working abroad is successful or not.

However, the sample group in this research was unfortunately quite small. These also result in a downgrade in reliability. The result from this research corresponds to the one gathered from the IBM research, by Geert Hofstede. This thus ascertains the validity of research. It is also interesting to know that, almost all the hypotheses were validated.

## 5.2 Limitations

It is ironic to state that the writing of thesis should be such, that an individual is well equipped to handle the research process to the final stage of the thesis, by which time the thesis would have already been completed, instead of clearing the first hurdle of the initial starting stage. In hindsight, there will always be things that researchers would wish to alter. Certainly when the findings begin to take shape and the analysis is ongoing, one might wish certain topics or worded statements been asked in another way. The researcher is no exception to this, and in hindsight, there are various issues that the researcher of this work with this current level of understanding would have wished to have done differently.

Considering that the researcher is a national of the case country- Ghana, there will be a degree of self-opinion, based on previous experiences which might lead the researcher to analyse things differently. On the other hand, the very fact that the researcher is very knowledgeable with the Ghanaian business culture, made it more efficient when determining the vital aspects the research needed. Key assistance was also received from the thesis supervisors and other Ghanaian business individuals living in Finland, which helped to balance the degree of bias to a certain extent. Nonetheless, this was a slight limitation to the research.

The questionnaire format and the sample size were two aspects that could have been dealt with better. Judging from the feedback, more effort could have been placed in making the questions slightly easier to understand, but that is an aspect that is always clearer after the responses have already been gathered, as opposed to before. The researcher is aware that, creating the perfect questionnaire is a circumstance that is rare, as respondents can have differences opinion with the same questionnaire, but in this instance the researcher still felt it could have been made easier to understand. Concerning the sample size, which was 65 respondents, it was a slight disappointment, considering that the total target population amounted to 100 individuals. A higher response rate would have made this research even more accurate, and the findings would be even more concrete than it currently shows. In hindsight, the researcher would have left the questionnaire open for an extra 10 days or so as opposed to the 14 days it was left open. However, judging from the response, most of the

respondents replied within the first week with the latter few days only producing a trickle of responses. More responses would have been received if the questionnaires had been sent out a month earlier, but one can never be sure. Nevertheless, this is an aspect the researcher felt could have been completed more efficiently.

The analysis of the data could have had additional outlooks, which the researcher was unable to assess as a result of lack of sufficient information to complete it. From the look of the responses received, it was very obvious that more than two-third, of the respondents answered “totally agree” or “totally disagree” to almost all the dimensions being analysed. This eventually made the data very easy and straight forward to analyse. A more challenging analysis would have been observed if respondents were having different views and opinions.

A final limitation was concerned with the scope that the questions within the questionnaire covered. Since the researcher was dealing with only the Hofstede’s culture dimension theories in the questionnaire, there was a limitation to the type of questions that could be asked, which meant, only questions which had a relation to those five culture dimensions were necessary. However, it was a situation that was difficult to solve and where there was the need to add more questions, the questionnaire may have its appeal and purpose. This balance between asking the right amount of questions, whilst still covering the important aspects of a theory is no doubt a common accepted dilemma among researchers, but nonetheless it is a limitation.

### 5.3 Recommendations

There were aspects, or different roads of research, that the researcher felt were made clear over the course of this thesis. These could entitle further research. The bases of this research was focused more on expatriates and indigenous Ghanaian executives in Ghana, but another aspect has been left uncovered; that of expatriates and indigenous Ghanaians that have gone on retirement or expatriates who might have returned to their various home countries due to one reason or another. It is highly probable that those expatriates and Ghanaians who are no longer working might view their experiences in the Ghanaian business life differently. These former workers; both Ghanaian executive and expatriates could state their experience in the Ghanaian business life, and how the Ghanaian business culture has affected their various national cultures. Undoubtedly, this is a research that would also aid in the measurement of the culture dimensions in the Ghanaian business life.

Another aspect that might be worth researching on, is a comparison between individual foreign expatriates currently working in Ghana since most of them originate from different countries, and for that matter, have a different culture background.

#### 5.4 Reflection

The thesis writing process is such that, one is constantly focused on completing the next hurdle in the research process. Once the researcher reaches the next hurdle or phase, some time is spent understanding the role or purpose of the upcoming phase, and how to approach it. Therefore, it is only after the whole process is completed that one can lay back and really begin to understand and appreciate what has been accomplished.

Furthermore, this particular thesis was preceded by a goal of completing a satisfactory report that would accomplish the necessary measurement of the Ghanaian business culture with respect to Hofstede's indices. The work became more interesting as it began to form with the inclusion of the theory, survey and the subsequent findings. The approach then changed from being one of simply trying to complete a culture measurement to one of actually trying to shed light on key issues and findings. Once data from the survey started pouring in, a better understanding of the researchers' role was gained, which genuinely generated interest in analyzing the findings.

Additionally, this thesis writing process undoubtedly served to aid the student's understanding more than all previous projects combined. However, the main reason why this research was accomplished was due to the experiences gained from previous projects and tasks. Whereas all previous project works have served to take the researcher to a certain level in terms of learning, this thesis writing process has served to propel the student beyond those barriers. It is not merely a matter of gaining a better understanding of the research process, but to a certain extent, has also served to provide a better understanding of the researchers' own personality, and the potentials that have yet to be reached. As students, capabilities can only be appreciated when pushed to complete tasks that many might have previously thought impossible to accomplish.

Ultimately, regardless of the final grade this thesis may receive, or the effect this research will have, if any at all, this is the students' own thesis, and the research was accomplished through the researchers' own effort and intellect with guidance from very hardworking supervisors. In time, the researcher might look back at this thesis and view it as a satisfactory and basic level research, but at this current moment and as far as the researcher is concerned, it amounts to the greatest masterpiece ever created by the researcher.

## References

## Book Referencing:

Bartlett, C., Davidsson, A. 2003. Improving your global competence. Helsinki: Multikustannus.

Fowler, F.J. 2001. Survey research methods. USA

Ghauri, P. 2005. Research methods in business studies. England. Pearson education limited

Ghauri, P. & Gronhaug, K. 2005. Research methods in business studies. Third Edition. Dorschester: Henry Ling Ltd.

Hofstede, G., Hofstede, G.J. 2005. Cultural and organizations - Software of the mind, New York, NY: McGraw-Hill,

Mäkilouko, M. 2003. Multicultural leadership. Strategies for improved performance. Helsinki: Multikustannus.

Marshall, C. & Rossman, G.B. 1995. Designing qualitative research. Second edition. Thousand Oaks: Sage publication.

Peat, J., Elliott, E., Baur, L., Keena, V. 2006. Scientific writing. London: BMJ Publication Group.

Trompenaars F., Hampden-Turner, C. 2003. Riding the waves of culture. London: Nicholas Brealey Publication

Triandis, H. 1995. Individualism and collective. Westview press, Boulder, CO.

Usunier J-C. 1998. International & cross-cultural management research. London: SAGE Publication Ltd.

## Article Referencing:

Bond, P. 2005. Accumulation by dispossession in Africa. Meeting the challenge of Africa's development 7 Sep. 2008.

Blodgett, G., Bakir, A., and Rose, G. M. 2008. A test of the validity of Hofstede's cultural framework. Journal of consumer marketing.

Darley, W. K. and Blankson, C. 2008. Journal of business and industrial marketing. Emerald group publishing limited. Vol. 23 issue 6. pp. 274-383.

Dickson, M. W. et al. 2003. Research on leadership in a cross-cultural context: making progress and raising new questions". The leadership quarterly, Vol. 14

House, R., Javidan, M., Hanges, P. and Dorfman, P. 2002. "Understanding cultures and implicit leadership theories across the globe: an introductory to Project GLOBE", Journal of world business, Vol. 37, pp. 3-10.

Iguisi, O., Rutashobya, L. 2002, "Cultures and management education in Africa", in Muuka, G. (Eds), Proceedings of the international academy of African business and development (IAABD) conference, Port Elizabeth, South Africa, April 3-6, pp.133-40.

Kosambi, D. 1964. The culture and civilization of ancient India. Jun. 4 2009.

Kluckhohn, F. R. and Strodtbeck, F. L. 1961. Variations in value orientations. Greenwood press, Westport, CT.

Nasierowski, W. and Mikula, B. 1998. Culture, governance and economic performance: an explorative study with a special focus on Africa”, International journal of cross cultural management, Vol. 1 No. 1.

Nwankwo, S. 2000. “Assessing the marketing environment in sub-Saharan Africa: opportunities and threats analysis”, Marketing intelligence & planning, Vol. 18 No. 3

Ofori, F., Hansen, S.O. (2002), "Understanding FDI flow to Africa: beyond market forces", in Muuka, G. (Eds), Proceedings of the international academy of African business and development (IAABD) conference, Port Elizabeth, South Africa, April 3-6, pp.241-7.

Omar, O., Kirby, A. & Blankson, C. 2003. “Accumulation and influence of ethnicity on market orientation of African and Caribbean companies in Britain”. The Service industries journal, Vol. 23 No. 4.

Schwartz, S. 1994. “Culture dimensions of values: towards an understanding of national differences”, in Kim, U. et al. (Eds), Individualism and collectivism: Theoretical and methodological issues, Vol. 1, Sage, Thousand Oaks, CA.

Sungmin, R. 2005. The effect of LTO culture on international supply chain contracts. Jan. 6 2009.

#### Internet Referencing:

Analytic technologies, 2009. Differences in cultures. Accessed 3 Aug, 2009.  
<http://www.analytictech.com/mb021/cultural.htm>

African history, 2009. A brief history of Ghana - Part 1. Accessed 14 Sep, 2009.  
<http://africanhistory.about.com/od/ghana/p/GhanaHist1.htm>

African business guide, 2009. Business reference services. Accessed 26 March, 2009.  
<http://www.loc.gov/rr/business/african/intro.html>

Batiste, A. 2005. An information resource index. Accessed 5 Sep. 2008.  
<http://www.loc.gov/rr/business/african/intro.html>

Ghana export promotion council, 2009. Managing Ghana’s export for economic development. Accessed 15 Oct. 2009. <http://www.gepcghana.com/about.php?page=42>

ITPA International, 2009. The culture in the work place questionnaire. Accessed 17 Feb. 2009.  
<http://www.itapintl.com/tools/culture-in-the-workplace-questionnaire-cw/itapcwquestionnaire.html>

UNESCO. 2002. UNESCO universal declaration on cultural diversity. 5 Nov 2008.  
[www.unesco.org/education/imld2002/universal\\_decla.shtml](http://www.unesco.org/education/imld2002/universal_decla.shtml).

Wiki Answers. 2009. Role of theoretical framework in research. Accessed 11 Sep 2009.  
[http://wiki.answers.com/Q/What\\_is\\_the\\_role\\_of\\_theoretical\\_framework\\_in\\_research](http://wiki.answers.com/Q/What_is_the_role_of_theoretical_framework_in_research)

Mind Tool. 2008. Understanding workplace values around the world. Accessed Jan. 4. 2009.  
[http://www.mindtools.com/pages/article/newLDR\\_66.htm](http://www.mindtools.com/pages/article/newLDR_66.htm)

Nettom. Intro to research methods. The theoretical and conceptual framework. Accessed Nov 4 2008.  
([http://cbdd.wsu.edu/eDev/NetTOM\\_ToT/Resources/Other/TOM614/page35.htm](http://cbdd.wsu.edu/eDev/NetTOM_ToT/Resources/Other/TOM614/page35.htm))



Official export guide. 2009. Country profiles. Accessed 4 Oct. 2009.  
<http://www.officialexportguide.com/search/oeg/ctryprof/search.asp>

The world fact book. 2008. Accessed 7 Dec 2008.  
<https://www.cia.gov/library/publications/the-world-factbook/geos/gh.html#People>

Travel documents system. 2009. Accessed 4 Jan. 2009.  
<http://www.traveldocs.com/gh/economy.htm>

Texas A&M University. 2007. 4 Jan 2009.  
<http://www.tamu.edu/classes/cosc/choudhury/culture.html>

Taylor, E. 1871. Culture. 14 Aug 2008. <http://en.wikipedia.org/wiki/Culture>

Andrews University. 2008. 7 Dec 2008.  
<http://www.andrews.edu/~tidwell/bsad560/>

## List of Figures

Figure 1: Showing the structure of the thesis.....	8
Figure 3: Showing relationship between masculinity index scores & gender.....	20
Figure 4: Cultural awareness and global involvement adapted by Hofstede .....	26
Figure 5: Showing the theoretical framework of the research.....	27
Figure 6: Showing the research approach .....	29
Figure 7: A pie chart showing the category of respondents. ....	33
Figure 8: A diagram showing the positions held by respondents. ....	34
Figure 9: Showing the time spent in Ghana by expatriate foreign workers. ....	35
Figure 10: Showing the pronouns often used by Ghanaians. ....	36
Figure 11: Showing the extent of individual loyalty and group protection. ....	37
Figure 12: Showing the nature of the Ghanaian organizational pyramid. ....	38
Figure 13: A histogram showing how well Ghanaians are oriented to take risk.....	39
Figure 14: Showing the dominant gender occupying management positions.....	40
Figure 15: A histogram showing how people value Ghanaian traditions. ....	40

## List of Tables

Table 1: Showing traits of power distance adapted from Andrew University. ....	18
Table 2: Showing traits of uncertainty avoidance adapted from Andrew University. ....	22
Table 3: Showing the relationship between orientations. ....	24
Table 4: Individualism & Collectivism country Index. ....	52
Table 5: Power Distance Index .....	53
Table 6: Masculinity & Femininity Index .....	54
Table 7: Uncertainty Avoidance Index .....	55
Table 8: Long-Term Orientation Index (LTO) Values for 39 Countries and regions...	56

## List of Appendices

Appendix 1: Individualism Index (IDV) Value for 74 Countries and Regions .....	52
Appendix 2: Power Distance Index (PDI) Values for 74 Countries and Regions.....	53
Appendix 3: Masculinity Index (MAS) Values for 74 Countries and Regions.....	54
Appendix 4: Uncertainty Avoidance Index (UAI) Values for 74 Countries and Regions.	55
Appendix 5: Long-Term Orientation Index (LTO) Values for 39 Countries and regions	56
Appendix 6: Questionnaire E-mail.....	57
Appendix 7: Questionnaire .....	58

## Appendix 1: Individualism Index (IDV) Value for 74 Countries and Regions

COUNTRY/REGION	SCORE	RANK	COUNTRY/REGION	SCORE	RANK
United States	91	1	Finland	63	21
Australia	90	2	Estonia	60	22-24
Great Britain	89	3	Luxemburg	60	22-24
Canada total	80	4-6	Poland	60	22-24
Hungary	80	4-6	Malta	59	25
Netherlands	80	4-6	Czech republic	58	26
New Zealand	79	7	Austria	55	27
Belgium Flemish	78	8	Israel	54	28
Italy	76	9	Slovakia	52	29
Denmark	74	10	Spain	51	30
Canada Quebec	73	11	India	48	31
Belgium Walloon	72	12	Suriname	47	32
France	71	13-14	Argentina	46	33-35
Sweden	71	13-14	Japan	46	33-35
Ireland	70	15	Morocco	46	33-35
Norway	69	16-17	Iran	41	36
Switzerland German	69	16-17	Jamaica	39	37-38
Germany	67	18	Russia	39	37-38
South Africa	65	19	Arab Countries	38	39-40
Switzerland French	64	20	Brazil	38	39-40
Turkey	37	41	Singapore	20	56-61
Uruguay	36	42	Thailand	20	56-61
Greece	35	43	Vietnam	20	56-61
Croatia	33	44	West Africa (GHANA)	20	56-61
Philippines	32	45	Salvador	19	62
Bulgaria	30	46-48	Korea (South)	18	63
Mexico	30	46-48	Taiwan	17	64
Romania	30	46-48	Peru	16	65-66
East Africa	27	49-51	Trinidad	16	65-66
Portugal	27	49-51	Costa Rica	15	67
Slovenia	27	49-51	Indonesia	14	68-69
Malaysia	26	52	Pakistan	14	68-69
Hong Kong	25	53-54	Colombia	13	70
Serbia	25	53-54	Venezuela	12	71
Chile	23	55	Panama	11	72
Bangladesh	20	56-61	Ecuador	8	73
China	20	56-61	Guatemala	6	74

Table 4: Individualism & Collectivism country Index.  
(Hofstede, G. and Hofstede, G. 2005. 78-79)

Appendix 2: Power Distance Index (PDI) Values for 74 Countries and Regions

COUNTRY/REGION	SCORE	RANK	COUNTRY/REGION	SCORE	RANK
Malaysia	104	1-2	Colombia	67	30-31
Slovakia	104	1-2	Salvador	66	32-33
Guatemala	95	3-4	Turkey	66	32-33
Panama	95	3-4	East Africa	64	34-36
Philippines	94	5	Peru	64	34-36
Russia	93	6	Thailand	64	34-36
Romania	90	7	Chile	63	37-38
Serbia	86	8	Portugal	63	37-38
Suriname	85	9	Belgium Flemish	61	39-40
Mexico	81	10-11	Uruguay	61	39-40
Venezuela	81	10-11	Greece	60	41-42
Arab Countries	80	12-13	Korea (South)	60	41-42
Bangladesh	80	12-13	Iran	58	43-44
China	80	12-13	Taiwan	58	43-44
Ecuador	78	15-16	Czech Republic	57	45-46
Indonesia	78	15-16	Spain	57	45-46
India	77	17-18	Malta	56	47
West Africa (GHANA)	77	17-18	Pakistan	55	48
Singapore	74	19	Canada Quebec	54	49-50
Croatia	73	20	Japan	54	49-50
Slovenia	71	21	Italy	50	51
Bulgaria	70	22-25	Argentina	49	52-53
Morocco	70	22-25	South Africa	49	52-53
Switzerland:			Trinidad	47	54
French	70	22-25	Hungary	46	55
Vietnam	70	22-25	Jamaica	45	56
Brazil	69	26	Estonia	40	57-59
France	68	27-29	Luxembourg	40	57-59
Hong Kong	68	27-29	United States	40	57-59
Poland	68	27-29	Canada total	39	60
Belgium Walloon	67	30-31	Netherlands	38	61
Australia	36	32	Ireland	28	69
Costa Rica	35	63-65	Switzerland		
Germany	35	63-65	Germany	26	70
Great Britain	35	63-65	New Zealand	22	71
Finland	33	60	Denmark	18	72
Norway	31	67-68	Israel	13	73
Sweden	31	67-68	Austria	11	74

Table 5: Power Distance Index

(Hofstede, G and Hofstede, J. 2005, 43-44)

Appendix 3: Masculinity Index (MAS) Values for 74 Countries and Regions

COUNTRY/REGION	SCORE	RANK	COUNTRY/REGION	SCORE	RANK
Slovakia	110	1	Italy	70	7
Japan	95	2	Mexico	69	8
Hungary	88	3	Ireland	68	9-10
Austria	79	4	Jamaica	68	9-10
Venezuela	73	5	China	66	11-13
Switzerland Germany	72	6	Germany	66	11-13
Great Britain	66	11-13	Taiwan	45	43-45
Colombia	64	14-16	Turkey	45	43-45
Philippines	64	14-16	Panama	44	46
Poland	64	14-16	Belgium Flemish	43	47-50
South Africa	63	17-18	France	43	47-50
Ecuador	63	17-18	Iran	43	47-50
United States	62	19	Serbia	43	47-50
Australia	61	20	Peru	42	51-53
Belgium Walloon	60	21	Romania	42	51-53
New Zealand	58	22-24	Spain	42	51-53
Switzerland France	58	22-24	East Africa	41	54
Trinidad	58	22-24	Bulgaria	40	55-58
Czech Republic	57	25-27	Croatia	40	55-58
Greece	57	25-27	Salvador	40	55-58
Hong Kong	57	25-27	Vietnam	40	55-58
Argentina	56	28-29	Korea (South)	39	59
India	56	28-29	Uruguay	38	60
Bangladesh	55	30	Guatemala	37	61-62
Arab Countries	53	31-32	Suriname	37	61-62
Morocco	53	31-32	Russia	36	63
Canada total	52	33	Thailand	34	64
Luxembourg	50	34-36	Portugal	31	65
Malaysia	50	34-36	Estonia	30	66
Pakistan	50	34-36	Chile	28	67
Brazil	49	37	Finland	26	68
Singapore	48	38	Costa Rica	21	69
Israel	47	39-40	Slovenia	19	70
Malta	47	39-40	Denmark	16	71
Indonesia	46	41-42	Netherlands	14	72
West Africa (GHANA)	46	41-42	Norway	8	73
Canada Quebec	45	43-45	Sweden	5	74

Table 6: Masculinity & Femininity Index  
(Hofstede, G and Hofstede, J. 2005, 120-121)

Appendix 4: Uncertainty Avoidance Index (UAI) Values for 74 Countries and Regions.

COUNTRY/REGION	SCORE	RANK	COUNTRY/REGION	SCORE	RANK
Greece	112	1	Chile	86	17-22
Portugal	104	2	Costa Rica	86	17-22
Guatemala	101	3	France	86	17-22
Uruguay	100	4	Panama	86	17-22
Belgium Flemish	97	5	Spain	86	17-22
Malta	96	6	Bulgaria	85	23-25
Russia	95	7	Korea (South)	85	23-25
Salvador	94	8	Turkey	85	23-25
Belgium Walloon	93	9-10	Hungary	82	26-27
Poland	93	9-10	Mexico	82	26-27
Japan	92	11-13	Israel	81	28
serbia	92	11-13	Colombia	80	29-30
Suriname	92	11-13	Croatia	80	29-30
Romania	90	14	Brazil	76	31-32
Slovenia	88	15	venezuela	76	31-32
Peru	87	16	Italy	75	33
Argentina	86	17-22	Czech Republic	74	34
Austria	70	35-38	Australia	51	55-56
Lexembourg	70	35-38	Slovakia	51	55-56
Pakistan	70	35-38	Norway	50	57
Switzerland French	70	35-38	New Zealand	49	58-59
taiwan	69	39	South Africa	49	58-59
Arab Countries	68	40-41	Canada total	48	60-61
Morocco	68	40-41	Indonesia	48	60-61
Ecuador	67	42	United States	46	62
Germany	65	43	Philippines	44	63
Thailand	64	44	India	40	64
Bangladesh	60	45-47	Malaysia	36	65
Canada Quebec	60	45-47	Great Britain	35	66-67
Estonia	60	45-47	Iran	35	66-67
Finland	59	48-49	China	30	68-69
Iran	59	48-49	Vietnam	30	68-69
Switzerland German	56	50	Hong Kong	29	70-71
Trinidad	55	51	Sweden	29	70-71
West Africa (GHANA)	54	52	Denmark	23	72
Netherlands	53	53	Japan	13	73
East Africa	52	54	Singapore	8	74

Table 7: Uncertainty Avoidance Index  
(Hofstede, G and Hofstede, J. 2005, 168-169)



## Appendix 5: Long-Term Orientation Index (LTO) Values for 39 Countries and regions

COUNTRY/REGION	SCORE	RANK	COUNTRY/REGION	SCORE	RANK
China	118	1	Slovakia	38	20-21
Hong Kong	96	2	Italy	34	22
Taiwan	87	3	Sweden	33	23
Japan	80	4-5	Poland	32	24
Vietnam	80	4-5	Austria	31	25-27
Korea (South)	75	6	Australia	31	25-27
Brazil	65	7	Germany	31	25-27
India	61	8	Canada Quebec	30	28-30
Thailand	56	9	New Zealand	30	28-30
Hungary	50	10	Portugal	30	28-30
Singapore	48	11	United States	29	31
Denmark	46	12	Great Britain	25	32-332
Netherlands	44	13-14	Zimbabwe	25	32-33
Norway	44	13-14	Canada	23	34
Ireland	43	15	Philippines	19	35-36
Finland	41	16	Spain	19	35-36
Bangladesh	40	17-18	Nigeria	16	37
Switzerland	40	17-18	Czech Republic	13	38
France	39	19	Pakistan	0	39
Belgium total	38	20-21			

Table 8: Long-Term Orientation Index (LTO) Values for 39 Countries and regions  
(Hofstede, G and Hofstede, J. 2005, 211)

## Appendix 6: Questionnaire E-mail

E-mail sent out to respondents together with the questionnaire.

Dear Respondent

I am a Ghanaian student currently pursuing a degree Programme in International Management at Laurea University of Applied Science in Finland. I am currently conducting a study on Ghanaian National and Business Culture for my thesis, the purpose of which is to measure and profile Ghana's national culture based on certain predefined metrics.

As your company/organization is actively involved in the Ghanaian business environment, I am inviting you to participate in this study. Please be assured that your responses will not be identified with you personally.

Along with this letter is a short questionnaire that asks a variety of questions on the said topic. You may choose to have a look at, and answer the questionnaire, by clicking on the following link: <https://elomake3.laurea.fi/lomakkeet/442/lomake.html> and, if you choose to do so, complete it and submit by pressing the done/save button. It should take you about 10 minutes to complete.

Through your participation, I hope to gain an understanding of the perception of both foreign and indigenous Ghanaians on Ghanaian national and business culture. Findings from this study should be insightful for foreigners contemplating doing business in Ghana as well as help Ghanaian managers on cross cultural business encounters.

Regardless of whether you choose to participate or not, please let me know if you would like a summary of my findings. Should you have any further questions concerning this questionnaire or the research, you may contact me by telephone at +358440279280 or by email at [yusif.mohammed@laurea.fi](mailto:yusif.mohammed@laurea.fi)/[meikanoyusif@yahoo.com](mailto:meikanoyusif@yahoo.com)

Sincerely,

Mohammed Yusif Meikano  
Laurea University of Applied Sciences

## Appendix 7: Questionnaire

Please type in or tick the appropriate box. When completed please save and return to senders by clicking the done button.

Your Organization: \_\_\_\_\_

Your Position/Role in your organization: \_\_\_\_\_

I am a  Ghanaian,  Foreigner

If a foreigner, how long have you lived in Ghana?

- 0-1 year
- 1-3 years
- 3-5 years
- Over 5 years

Which pronoun do Ghanaians use more often?  We,  I/ Me

How much do you agree with each of the following statements about Ghana and Ghanaians using the linkert scale of 1-5?

It is common that recruiters hire people with whom they have family ties or friendship?

(1 - Totally agree, 5 - totally disagree)

Individual initiatives and achievements are highly encouraged as opposed to group initiatives and achievements.

(1 - Totally agree, 5 - totally disagree)

The group (e.g. family, work group) that one belongs to are very much expected to offer protection and take care of members in exchange for their loyalty.

(1 - Totally agree, 5 - totally disagree)

Decisions made by individuals are perceived to be of higher quality than decisions made by groups.

(1 - Totally agree, 5 - totally disagree)

When children become 21 years of age, they are often encouraged to move away from home.

(1 - Totally agree, 5 - totally disagree)

Parents have a high degree of influence in matters concerning the spouse one chooses.

(1 - Totally agree, 5 - totally disagree)

People freely and usually share their wealth with others outside their immediate closed family.

(1 - Totally agree, 5 - totally disagree)

Getting well paid is considered more important than having a close relation with the boss.

(1 - Totally agree, 5 - totally disagree)

An employee can easily say no to the boss if the boss asks for a favour such as helping him/her to paint his/her house during the weekend.

(1 - Totally agree, 5 - totally disagree)

The worker prefers to keep issues affecting his/her private life such as (e.g. weddings, funerals, personal difficulties) away from the knowledge of his colleagues and boss.

(1 - Totally agree, 5 - totally disagree)

Women generally earn less than men.

(1 - Totally agree, 5 - totally disagree)

There are far more men in management positions than women.

(1 - Totally agree, 5 - totally disagree)

The number of men who hold positions as religious leaders far outweighs that of women.

(1 - Totally agree, 5 - totally disagree)

Powerful people (political office holders, chief executives, local rulers) try to look as powerful as possible.

(1 - Totally agree, 5 - totally disagree)

Respect for authority (family heads, chiefs, superiors at work) is highly emphasized.

(1 - Totally agree, 5 - totally disagree)

Organizations are characterized by tall organizational pyramids.

(1 - Totally agree, 5 - totally disagree)

There is a wide salary range from top to bottom. (E.g. Salary difference between manager and clerk).

(1 - Totally agree, 5 - totally disagree)

Subordinates expect to be told what to do, as opposed to being consulted.

(1 - Totally agree, 5 - totally disagree)

The people generally plan carefully and systematically with great foresight for the future.

(1 - Totally agree, 5 - totally disagree)

There is a preference for pragmatism and flexibility rather than strictly following rules, as opposed to strictly sticking to rules.

(1 - Totally agree, 5 - totally disagree)

The people are generally oriented towards risk taking.

(1 - Totally agree, 5 - totally disagree)

The people like to display extravagance.

(1 - Totally agree, 5 - totally disagree)

The people are more oriented toward favoring the ability to achieve quick results.

(1 - Totally agree, 5 - totally disagree)

Older people and men have more authority than younger people and women.

(1 - Totally agree, 5 - totally disagree)

Not delivering on social obligation is considered highly undesirable.

(1 - Totally agree, 5 - totally disagree)

Established traditions are highly valued.

(1 - Totally agree, 5 - totally disagree)

Thank you very much for your time and input.