

Doing Business in Ghana | Ghanaian Social and Business Culture

A Ghanaian Culture Overview

Fact File

- **Official name** – The Republic of Ghana
- **Population** – 23,832,495*
- **Official Language** – Ashanti 14.8%, Ewe 12.7%, Fante 9.9%, Boron (Brong) 4.6%, Dagomba 4.3%, Dangme 4.3%, Dagarte (Dagaba) 3.7%, Akyem 3.4%, Ga 3.4%, Akuapem 2.9%, other 36.1% (includes English (official))*
- **Currency** – Ghana Cedi (GHC)
- **Capital city** – Accra
- **GDP** – purchasing power parity \$34.52 billion
- **GDP Per Capita** – purchasing power parity \$1,500*



Overview

Ghana is located in West Africa on the Gulf of Guinea, bordering with Togo in the East, the Ivory Coast in the West and Burkina Faso on the Northern border. It is a former British colony and was the first country in the sub-Saharan area to gain its independence in 1957. Ghana is one of the world's top producers in gold and cocoa and today is home to a stable democratic environment and an economy with a lot of potential thanks to the introduction of a multi-party system. Ghana is often viewed as the ideal gateway for people who are interested in doing business in the Sub-Saharan area.

Ghana - Key Concepts and Values

Family – Kinship, loyalty and family pride are central to Ghanaian society. Family defines social status and can determine values and behaviours. In Ghana, the individual is subordinate to the family or collective. Loss of face is a key concept within a Ghanaian family. It is important to always maintain good reputation, dignity and honour since the whole family will share any loss of honour by a member of the family.

Ethnic Diversity – Ghana is extremely diverse with more than 100 different ethnicities. The largest group is the Akan tribe who account for 45% of the Ghanaian population*. Other groups include the Mole-Dagbani, Ewe, Ga-Dangme, Guan, Gurma, Grusi and the Mande-Busanga tribe. Tribes and ethnic groups tend to be differentiated through their unique crafts, clothing, symbols, music and art. Because of the country's ethnic diversity there are around 250 other languages and dialects spoken in Ghana.

Religion – Christianity, an influence of the British colonisation, is the most important religion in Ghana and is practised by almost 70%* of the population. The second most popular religion is Islam practised by around 15%* of the population. Many customs in the Ghanaian society are influenced by both traditional tribal beliefs and Christian or Muslim traditions.

Ghanaian Economy

Ghana is rich in natural resources however almost 30% * of the population still lives under the international poverty rate and the Ghanaian economy relies heavily on financial and technical support from other countries. Ghana exports a significant amount of natural resources such as cocoa, timber, fish, fruits and vegetables manganese, (palm) oil, rubber, aluminum. Agriculture is the main focus of the domestic economy and provides work for more than half of the population. Their main export partners are the Netherlands, the United Kingdom, the United States, France and the Ukraine. To take advantage of this developing economy you must first understand the intricacies of Ghanaian social, economic and business culture.

Ghana Business Part 1 - Working in Ghana (Pre-departure)

- **Working practices in Ghana**
 - Punctuality in Ghanaian business culture is not seen as a main priority. The concept of time in Ghana is looked at in a relaxed and flexible way. This could cause difficulties with someone who is used to a more Western way of planning and organising.
 - Although Ghanaians have a flexible approach to time, it is necessary to make appointments before doing business in Ghana. These should be scheduled in advance and preferably between September and April.
 - Typical working hours are generally from 8am to 5pm from Monday to Friday with an hour taken over lunch. Stores tend to be open on Saturday too.
- **Structure and hierarchy in Ghanaian companies**
 - Hierarchy is an important concept in Ghanaian culture. Respect is shown to those with wealth, age, experience and position.
 - When visiting Ghana, show respect to older people. 'Auntie' and 'uncle' are used by a younger person to refer to an older person in a respectful manner. Always ask your Ghanaian business partners for advice about how to refer to people so as to not cause offense. They will appreciate the interest you show in their culture.
 - In Ghanaian business culture, decision-making power typically lies with the most senior person in the company. The most senior person is expected to make decisions but often group consensus must be achieved first.
- **Working relationships in Ghana**
 - Ghanaians spend time getting to know their business partners so be sure to allow time for relationship building with your counterparts in Ghana. The first few meetings are often spent getting to know the counterparts and then business can be discussed.
 - Silence is a common way of responding to a question that can't be answered without causing discomfort or causing a loss of face. Don't try to fill the silence and if

something is sensitive ask your counterpart in private.

Ghana Business Part 2 - Doing Business in Ghana

○ Business practices in Ghana

- Titles are important and should be used to show respect to those with authority and credentials.
- When addressing your Ghanaian counterparts for the first time, you should use their title followed by their surname until invited to do otherwise. If a Ghanaian does not have a title, a courtesy title such as “Mr”, “Mrs”, or “Miss” is appropriate.
- Ghanaians are used to an indirect communication style. Bad news or turning something down will be prevented at any time as this could cause a loss of face. In general, Ghanaians find it very difficult to say ‘no’ and confrontation and embarrassment will be avoided if at all possible.
- Greetings are very important in Ghana so always spend time during the greeting process. Show interest in the family, health and social life. Do not be surprised if business is not discussed at all during the first meeting(s).
- A handshake is the most common way to greet foreigners. Amongst each other they may have their own way of greeting, depending on the ethnic group they come from.
- Always use the right hand or both hands. Muslims most likely not shake hands with the opposite sex, Christians on the other hand will. Older people should always be greeted first as a sign of respect.

Ghanaian Business Etiquette (Do’s and Don’ts)

- ✓ DO develop an understanding of how religion and indigenous beliefs influence the Ghanaian working practices.
- ✓ DO take time to ask questions about the health and/or the family of your business partner. It is seen as rude to get down to business right away.
- ✓ DO address your Ghanaian counterpart with their academic title as it is used to show respect.
- ✗ DON’T be late for a business meeting as this can be seen as rude however do not expect your Ghanaian business partner to be on time.
- ✗ DON’T sit down before your older counterparts have sat down. You are expected to offer them a seat.
- ✗ DON’T refuse an invitation for a dinner at someone’s home. Ghanaians love to have guests in their home and turning down an invitation is a sign of disrespect.

Ghana Culture Quiz - True or False

1. The right hand is considered unclean in Ghanaian culture and should not be used for gesturing in any way. You must always use the left hand.
2. Ghanaians are very direct with their language and often get straight to the point. A direct “yes” or “no” answer will always be given.
3. As soon as dinner has been served you can start eating your dinner.
4. Ghanaians love football and they have a top world soccer team.
5. In Ghana lays the largest artificial lake in the world.

Ghana Culture Quiz - Answers

1. False. It is the left hand that is considered unclean in Ghana.
2. False. Ghanaians are used to a very indirect style of communication. A “yes”, for example, may actually mean “possibly”.
3. False. Never start eating before the oldest person has started as a sign of respect.
4. True. The Ghanaian soccer team won the FIFA U-20 World Cup in 2009.
5. True. Lake Volta was formed in 1965 and is located wholly in Ghana. The huge Akosombo Dam that was placed in the lake provides almost the entire country with electricity.

* Source: CIA World Factbook 2009

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