

Doing Business in Nigeria | Nigerian and Business Culture

A Nigerian Culture Overview

Fact File

- **Official name** – Federal Republic of Nigeria
- **Population** – 149,229,090
- **Official Languages** – English (official), Hausa, Yoruba, Igbo (Ibo), Fulani
- **Currency** – naira (NGN)
- **Capital city** – Abuja
- **GDP** – purchasing power parity \$338.1 billion*
- **GDP Per Capita** – purchasing power parity \$2,300*



Overview

Nigeria is the most populated country on the African continent and is seen as a regional power. With a high potential for economic growth, Nigeria is undergoing a lot of economic changes and rapid development. Nigeria has been inhabited since 9000 BCE though the modern state only emerged in 1914. During the time of colonialism the British united several regions, which included independent tribes and cultures. This unification created a melting pot of cultures, religions, languages and ethnicities, which has led to a lot of turbulence and conflict ever since.

Nigeria is a forward looking and progressive nation seeking unity. The nation is influenced by religions such as Islam and Christianity, a variety of indigenous beliefs, as well as a long history of slavery and colonialism. Understanding this diverse culture is the key to successfully doing business in Nigeria.

Nigerian Culture - Key Concepts and Values

Ethnic groups – More than 250 ethnic groups with different languages and cultural costumes can be found in Nigeria. The largest ethnic groups are the Hausa and Fulani, which adhere to Islam and the Yoruba and Igbo (Ibo), which adhere to Christianity. Traditional religious beliefs often mix within the two big religious groups.

Family – Family relations play a very important role in Nigerian culture. Generally, families in Nigeria have a patriarchal structure. Polygamy amongst members of the Muslim community is not uncommon. Family bonds help to achieve social status while nepotism is a major issue in Nigeria even though it is illegal.

Time – The perception of time in Nigeria differs from that in the West. Generally, everything moves at a more relaxed pace. An individual's needs are considered more important than sticking to a schedule. Keep this in mind and be flexible when doing business in Nigeria.

Communication styles – Communication styles in Nigeria may vary significantly depending on the individual's cultural ancestry. Nigerians from the south usually speak in a direct way and use a louder voice. Many of the people from the South-Western part of Nigeria make use of proverbs and sayings, thus their communication style is more indirect. In general, Nigerians are a friendly and outgoing people. Inquiring about a person's health and wellbeing is essential. A lot of gestures and facial expressions of empathy are used amongst Nigerians.

Doing Business in Nigeria

After an unsettled period of military rule, colonialism and several civil wars, today, Nigeria is ruled by a democratic government. The government is making an effort to restructure and improve Nigeria's economy. Since the 1960s Nigeria's economy has focussed on oil production and export rather than agriculture. As Africa's largest oil producer, Nigeria attracts a lot of foreign business and trade. The National Monetary Fund expects a potential growth of 8.3% in 2009. Due to the declining number of people working in the agricultural sector, Nigeria has to import food to provide for the growing population.

Nigerian Business Part 1 - Working in Nigeria

- **Working practices in Nigeria**
 - Due to the Nigerians' more relaxed attitude to time, schedule business meetings well in advance, preferably a month or two before the intended visit. Confirm the appointment by calling the day before.
 - Aim to arrive on time for business meetings. However, this may be difficult due to the rather chaotic traffic in major cities of Nigeria. Being punctual is appreciated.
 - Working hours in Nigeria are Monday to Friday, 8-8.30 am to 5pm. In the northern part of Nigeria, Friday is a holiday for the Muslim community.
- **Structure and hierarchy in Nigerian companies**
 - Senior executives and colleagues expect a degree of respect. Therefore, be prepared for interruptions by people of a higher rank when in meetings.
 - In Nigerian business culture, decisions are typically made by the most senior manager. Nevertheless, input from employees is rewarded and encouraged.
- **Business relationships in Nigeria**
 - Establishing a personal relationship with your Nigerian counterpart is common practice before starting to do business. Be prepared to spend the first hour or two of the first meeting for that purpose only. Don't try to avoid this practice, as it might affect your business.

- In the first few business meetings, expect the atmosphere to be rather formal. When Nigerians' start to feel comfortable with you as a person and mutual trust has been established, they will become less formal. Then follow suit..

Nigerian Business Part 2 - Doing Business in Nigeria

o Business practices in Nigeria

- Nigerians like to be addressed by Mr/ Mrs/ Ms and their last name. Titles are often used, as the person having a title sees this as a privilege.
- Shaking hands is the common greeting procedure. Women normally don't shake hands. Due to the various cultures and languages prevalent in Nigeria, greeting one another in English is the most common practice.
- Business dress in Nigeria is smart. Outer appearance is very important, because it's an indicator for status. Some Nigerians tend to wear traditional "native dresses" (colourfully printed long gowns).

Nigerian Business Etiquette (Do's and Don'ts)

- ✓ DO keep in mind, that even though officially illegal, favouritism and nepotism is still a common practice in Nigeria.
- ✓ DO remember, that Nigeria has a long history of colonial and military suppression. This effects on Nigerian business culture and makes it conservative. Be formal, punctual and dress smartly.
- ✓ DO keep in mind, that Nigeria is a multi-religious and multi cultural country. Always find out which religion or culture the people you are working with belong to.
- ✗ DON'T hold eye-contact while talking to somebody for too long as this might be misinterpreted as a threat. Instead try to keep your eyes at forehead or shoulder level.
- ✗ DON'T confront your Nigerian co-workers in public when you have an issue with them. Do so directly and openly, but in a private setting so as to not undermine their credibility.
- ✗ DON'T be irritated when Nigerians insist on being addressed with all their titles. People are quite class conscious which relates back to the history of suppression during slavery and colonialism.

Nigerian Culture Quiz - True or False

1. If you hear a hissing or kissing sound made by someone on the streets, you can interpret this as an offense.
2. It is considered impolite to receive something with the left hand.
3. Nigerians are very title conscious and the most sought-after title is doctor.

4. English is the common language used in business.
5. Nigerians like to schedule early breakfast business meetings.

Answers

1. False. This is purely a frequently used beckoning call.
2. True. Always use the right hand or both to accept something that is handed over to you.
3. False. The most sought-after title is chief.
4. True. Nevertheless avoid using slang or idioms.
5. False. In Nigeria, business always starts after breakfast.

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