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UKRAINIAN AND GHANAIAN BUSINESS CULTURES THROUGH THE PERSPECTIVE OF HOFSTEDE'S 6-D MODEL

Abstract. *The research explores economic environments in Ukraine and Ghana. Some of the main features of economies of Ukraine and Ghana and preconditions for establishing business in both countries are compared. Additionally, the perspectives of economic cooperation between countries are analysed. The authors focus on the differences and similarities of business etiquette in both countries.*

Key words: *business environment, economic relationship, international trade, intercultural communication.*

Анотація. *Об'єктом дослідження є економічне середовище для організації бізнесу в Україні та Гані. У статті порівнюються основні риси економік України та Гани, окреслюються перспективи економічного співробітництва між країнами. Автори аналізують відмінності та спільні риси бізнес етикету обох країн.*

Ключові слова: *бізнес-середовище, економічні відносини, міжнародна торгівля.*

During the recent decades, African countries have become a subject of interest for many studies. The continent opens numerous possibilities for business due to rapid economic growth of some African countries.

The analyses of recent studies and research highlight a lot of new tendencies in African economic, social, and cultural spheres. From this standpoint, the most outstanding studies were conducted by Kimble G., Berman J., Shumway R., Pool J., Steven J., Falola T., Fituni L., Abramova I., and other foreign scholars. Unfortunately, in Ukraine there has been very little research into African issues. The cultural aspects within the bilateral relations have not been analyzed in depth so far.

The abovementioned progress in the economic development of Africa makes the continent's role in global economy crucial. Therefore, we find it important and acute to explore the economic and cultural backgrounds in Ukraine and Ghana and to compare them. The main features of national economies and the preconditions for establishing and maintaining efficient business environments will also be analyzed. Additionally, the perspectives on economic cooperation between countries will be outlined. The special emphasis will be put on the differences and similarities of cultural norms and business etiquettes in both countries.

While Ghana and Ukraine are not the most popular destinations among those looking to set up their own business, entrepreneurs are attracted to the countries due to the natural resources, industrious and well-educated workforce. Moreover, the fact that English is the language of the Ghanaian business adds to the country's attractiveness.

Ghana's wealth of resources, democratic political system and dynamic economy, makes it undoubtedly one of Africa's leading lights. Gaining the world's confidence with a peaceful political transition and a grounded and firm commitment to democracy has helped in expediting Ghana's growth in foreign direct investment (FDI) in recent years [1].

Ghana has attracted the attention of well-known international businesses, investing in all sectors of its economy. All these investors have come to Ghana because they know that the country has a wonderful conducive social, political and economic environment in which they can invest, grow and be successful. Building on significant natural resources, Ghana is committed to improving its physical infrastructure.

Ghana has recently embarked on an ambitious but achievable reform program to improve the investment climate for both local and international investors. These efforts have paid off tremendously with Ghana being ranked the best place for doing business in West Africa, ahead of Nigeria and Cote d'Ivoire, according to the 2017 Ease of Doing Business Report. Ghana ranked 108, an improvement from the 111 rank in the previous report. The indicators as described in the report includes getting electricity (moved from 122 in 2016 to 120 in 2017), resolving insolvency (moved from 158 in 2016 to 155 in 2017) & trading across borders (moved from 167 in 2016 to 154 in 2017).

The country has a solid tradition of investments in agriculture and agro-processing. The financial services and telecommunications sectors are fast gaining ground, providing dynamic and innovative services to the most diverse customers in the world. Further opportunities exist in manufacturing, ICT, and Tourism. Mineral deposits including gold and diamond abound, and with the discovery of oil, Ghana's famous black star has never shone brighter [2].

Ukraine and Ghana through the lens of the 6-D Model. If we explore the Ukrainian and Ghanaian cultures through the lens of the 6-D Model, we can get a good overview of the deep drivers of both cultures and compare them.

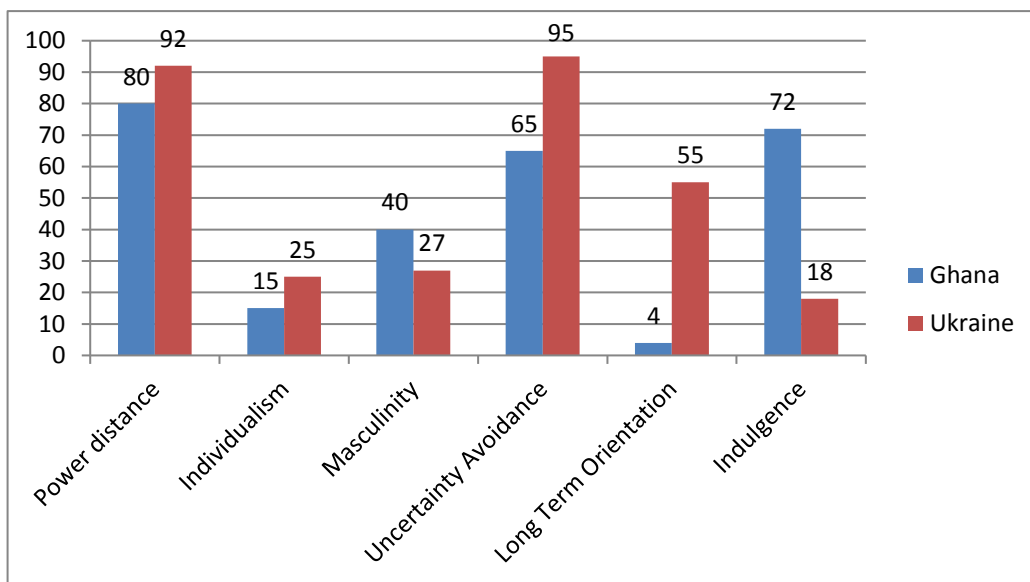


Figure 1. Sources [2, 3]

Ghana

Power Distance. Ghana scores high on this dimension (score of 80) which means that people accept a hierarchical order in which everybody has a place and which needs no further justification. Typically, Ghanaians gain respect as a result of age, experience,

wealth and their social status. Older people are viewed as being wise and not addressing seniors appropriately is unacceptable in Ghanaian business circles. Senior business people tend to be in charge of making decisions in the best interests of their company. In Ghana, as in other hierarchical societies, managers may take a paternalistic attitude to their employees, which may demonstrate a concern for employees that goes beyond the workplace and professional concerns. This can include involvement in their family, housing, health, and other practical life considerations.

Individualism/Collectivism. Ghana, with a score of 15 is considered an utterly collectivistic society.

Uncertainty avoidance. Ghana scores 65 on this dimension. This score expresses a preference for avoiding uncertainty.

Femininity/Masculinity. Ghana scores 40 on this dimension and is thus considered a relatively Feminine society. The focus is on «working in order to live» assumption. The local managers would strive for consensus, value equality, solidarity, and quality in their working lives. As a rule, business conflicts are resolved by compromise and negotiation. An effective Ghanaian manager is a supportive one, and decision-making is achieved through the involvement into the decision-making process.

Long-term orientation. Ghana has the incredibly low score of four in this dimension. A score this low indicates a very strong preference to a normative way of thinking. People in such societies have a strong concern with establishing the absolute Truth; they are normative in their thinking.

Indulgence. On this dimension, Ghana has a high score of 72. People in societies classified by a high score in Indulgence generally exhibit a willingness to realize their impulses and desires with regard to enjoying life and having fun [3].

Ukraine

Power Distance. Ukraine, scoring 92, is a country where power holders are very distant in society. Being the largest country entirely within Europe and being for almost a century part of the Soviet Union, Ukraine developed as a very centralized country. The discrepancy between the less and the more powerful people leads to a great importance of status symbols.

Individualism/Collectivism. If Ukrainians plan to go out with their friends they would literally say «We with friends» instead of «I and my friends». Family, friends and not seldom the neighborhood are extremely important to get along with everyday life's challenges. Relationships are crucial in obtaining information, getting introduced or successful negotiations. They need to be personal, authentic and trustful before one can focus on tasks and build on a careful to the recipient, rather implicit communication style.

Femininity/Masculinity. Ukraine's relatively low score of 25 may surprise with regard to its preference for status symbols, but these are in Ukraine related to the high Power Distance. At second glance one can see, that Ukrainians at workplace as well as when meeting a stranger rather understate their personal achievements, contributions or capacities. They talk modestly about themselves and scientists, researchers or doctors are most often expected to live on a very modest standard of living. Dominant behavior might be accepted when it comes from the boss, but is not appreciated among peers.

Uncertainty avoidance. Scoring 95, Ukrainians feel very much threatened by ambiguous situations. Presentations are either not prepared, e.g. when negotiations are being started and the focus is on the relationship building, or extremely detailed and well prepared.

Long-term orientation. With a moderately score of 55, Ukraine is seen to not express a clear preference on this dimension.

Indulgence. The Restrained nature of Ukrainian culture is easily visible through its very low score of 18 on this dimension. Societies with a low score in this dimension have a tendency to cynicism and pessimism [4].

The mentioned above cultural variables result in the following cultural norms, which have to be considered by those professionals who are going to conduct business in Ghana and Ukraine.

Norms	Ukraine	Ghana
Greetings	Shake hands with your Ukrainian colleagues upon initial meeting. Please maintain eye contact and repeat your name during each handshake. Shake hands again when departing	Handshakes are the norm in professional settings
Dress code	Conservative dress is expected in Ukraine for both men and women. Dark colored suits with white shirts are the standard	Formal suits generally work in most corporate environments
Gift giving	Gift giving is not a normal part of the Ukrainian business world, but if you are invited to the home of a Ukrainian, it's polite to bring a token of appreciation. Gifts should be modest and inexpensive. Like the old expression says — «It's the thought that counts»	While gifts are not necessary, they are generally welcome. Gifts need not be expensive as the thought is more important than the value of the item. Gifts should be given using the right hand or both hands
Gender equality	Women are less visible in senior positions in the political and economic spheres, and there isn't a strong belief that they should be more prominent. The dress code for women tends to place a heavy emphasis on looking feminine	Women are gradually gaining more equality in the workplace. However, female representation at senior management level remains fairly low

Dos and Don'ts of Business Etiquette in Ghana

- Do address seniors and those with academic or professional titles. Hierarchy is an important part of Ghanaian business culture.

- Do not expect to get down to business at the first meeting. Ghanaian people enjoy getting to know their colleagues on a personal level before beginning any formal business proceedings.
- Do not use the left hand when offering gifts to a business associate.
- Do leave a time buffer between meetings. The concept of time is flexible in Ghana and meetings tend to overrun.
- Do not embarrass a business contact at a meeting. Ghanaians value the concept of «maintaining face» and will try to avoid uncomfortable situations [5].

Business and cultural ties between Ghana and Ukraine. The Ministry of Economic Development and Trade of Ukraine plans to conduct a trade mission to Ghana and Nigeria from March 19 to 24 this year (2018).

As Deputy Minister of Economic Development — Sales Representative Natalia Mikolskaya wrote on her Facebook page, due to extremely high growth of number of consumers and relatively slow growth rate of production, Ghana is among the most promising markets for Ukrainian goods. Mikolskaya clarified that the purpose of this trade mission is to study the system of export-import relations, trade barriers and legislative features of these countries; additionally — to find out the features of economic and trading activities in Ghana. For this purpose, the Ukrainian officials and businesspersons will meet with officials from Ghana and representatives of the chambers of commerce and industry Abuja.

The results of conducted mission may not be visible right away, because it will take months to sign first contracts and ship goods. However, in 2017, export of goods from Ukraine to Ghana reached \$61.4 million. Export of services amounted in \$4 million. Among goods that have the biggest potential for export to Ghana from Ukraine are steels, animal products, machinery, beverages and pharmaceuticals.

Conclusion. Ghana is a country with comparatively low number of political barriers, excellent business climate and lower number of safety threats compared to other countries of the region. These are main reasons why Ghana is often considered a hub for entering markets of Western Africa. It is the country, whose corporate culture does have a positive impact on the productivity of its firms [6].

The analysis of the economic and cultural backgrounds of Ghana and Ukraine helps us to better understand the commonalities and differences in the approaches to establishing and maintaining bilateral business relations. We have come to a conclusion the perspective of the cooperation between our countries is underestimated. Ghana is a promising market for Ukrainian businesses as the business cultures of both countries share a number of similar values and ethical norms. Therefore, the potential of both countries needs thorough investigation as far as the first steps towards establishing economic and intercultural cooperation between Ukraine and Ghana have already been taken and its further development is expected.

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