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Publisher Details
University of Ghana Business School,
University of Ghana
© The University of Ghana Business School
ISSN 2343-6689

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Brief Philosophy of the Journal
This Journal aims to publish original research and provide a forum for critical conceptual and analytical debate which extend the bounds of knowledge in and about business and organisational functionality in Africa. This does not preclude consideration of papers from other parts of the world. This journal will typically have the following content: Editorial, Peer-reviewed papers and cases, practitioner view-point papers and book reviews.

Submissions
Papers should be submitted by email to the Editor, in accordance with the ‘Notes to Contributors’.
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Welcome to volume 25 of the African Journal of Management Research. Once again, we have kept faith with our original mission of publishing original research to provide a forum for critical conceptual and analytical debate so as to extend the bounds of knowledge about the workings of the business and the public sectors in Africa (and other parts of the world).

International and multidisciplinary as the journal is, the papers in this volume come from authors based in Ghana, Nigeria and Uganda. They cover a diverse set of topics, ranging from health and productivity at the work place, ethical dilemmas, health insurance management, knowledge management research, issues in balance of payments and culture and marketing orientation. The paper on combining grounded theory with soft systems methodology is an interesting theoretical proposal.

Specific topics explored in this volume include:
1. The Impact of Sick Role Behaviour on Health and Productivity of Bankers in Nigeria;
2. Combining Grounded Theory Strategy with Soft Systems Methodology in Knowledge Management Research: An Approach;
3. Ethical Dilemma of Health Professionals in Ghana: Experiences of Doctors and Nurses at the Korle-Bu Teaching Hospital;
4. Accounting for Ghana's External Borrowings, Trade Balances, and Domestic Currency in Recent Times;
5. Managerial Implications of Delayed Reimbursement of National Health Insurance Claims: The Case of two Hospitals in Northern Ghana;
6. Effect of Culture on Marketing Orientation of Multinational Firms: Evidence from Nigeria;

Happy reading and thank you!
The Impact of Sick Role Behaviour on Health and Productivity of Bankers in Nigeria

Joseph A. Oluwem
Muhammed A. Yinusa
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Abstract
The revolution that took place in the Nigerian banking industry in the 80’s, came with re-engineering and a shift in focus. This was necessitated by deposit drive especially after consolidation through mergers and acquisition in 2004. This led to rat-race and unhealthy rivalry among many banks affecting bankers’ sick role behaviour in staying off work in time of illness, seeking medical attention to attend to their health and cooperating with medical professionals to get well. This paper investigates the impact of sick role behaviour on the health and productivity of bankers in Nigeria. The objective of the study is to know if, sick role behaviour of bankers in the industry affects their health and productivity at work. The study was conducted in ten commercial banks in Ilorin Kwara State, Nigeria in which, 200 participants selected through multi-stage sampling method were included. Information was retrieved through administration of structured questionnaire, while formulated hypotheses were tested using Chi-squared statistical tool. The result showed that, (85.0%) of the participants in the study had fallen sick on the job previously while (76.5%) of those that had been sick on the job previously, sought medical care with medical professionals. Further result from the study also revealed that, (47.1%) of the participants handled official duties while they were sick instead of staying of work completely. A significant relationship was found between sick role behaviour of participants and their health with a p value of (0.046), and between participants’ sick role behaviour and their productivity at work with a p value (0.039). The study strongly recommends that banks in Nigeria should allow their employees assume their sick role behaviour when they fall sick in order for them to get well in time and avoid poor productivity at work.

Keywords: Sick Role Behaviour, Nigerian Banking Industry, Health, Productivity, Bankers.
Introduction
Sick role behaviour involves activities undertaken by a person who is considered to be sick for the purpose of getting well such as, receiving treatment from health workers, taking time off duties on admission at the hospital, abiding by the prescribed diet and medications and some degree of exemption from one's usual responsibilities (Kasi and Cobb, 1966). In Nigeria, the task of ensuring the well-being and wellness of bankers lies on both bankers and their employers. In the Nigeria Labour Act, provision for medical facilities for workers has been provided while sick leave of 12 working days in a calendar year has also been made available for workers having been certified sick by a registered medical practitioner (Labour Law, 1990). However, this is not always the case; banking in the country has become a tug of war with stiff competition and unhealthy rivalry among banks (Chuma, Ken and Labaran, 2012). According to Akanbi (2013), many banks have now raised the targets for deposit mobilization which was not the case in the past; thus leaving very little time for bankers to attend to their health challenges when required.

Banking which started in Nigeria in 1892 under the supervision of the Central Bank of Nigeria grew significantly over the years with forty two banks as at the end of 1988 (CIA World Fact book, 2004). This of course, opened up employment opportunities for the teeming working population with many young graduates finding their way into the industry and by the turn of the century, the industry had become one of the highest employers of labour in the country accounting for about 133,054 employees as at 2010 (Alo, 2010 and National Bureau of Statistics, 2010). Events, however, took a fresh turn on 6th July, 2004, when the minimum capital requirement base for banks was raised from 2 billion Naira to 25 billion (Mogaji, 2011). This fostered consolidation of the banking industry through mergers and acquisition scaling the number of banks down from 89 to 24 banks in 2005 (Ikpefan, 2012). Although the consolidation was able to raise the capital base of many banks and ensure the safety of customer's deposit, the effects of the policy on the health of bankers cannot be overemphasized.

Many bankers in the country now show signs of high blood pressure and other lifestyle diseases due to their inability to meet up with the target set for them by their employers and inability to attend to their health in good time (Osaremen, 2012). A study conducted by Annene and Annene (2013) on the health of bankers in the commercial cities of Lagos and Port Harcourt in Nigeria revealed that many bankers have nutritional deficiency and other lifestyle diseases due to irregular working hours and spending so many hours in traffic every day. In another related study conducted in Maiduguri in Nigeria, it was also found out that, many bankers have musculoskeletal disorder especially on the neck, shoulder and lower back as a result of overwork, long duration of sedentary work posture, and limited or lack of break during the day (Karlgvist, Hagberg, Koster, Wenemark and Nell, 1996; Cook, Burgess-Limerick, and Chang, 2001; Wahlstom, 2005; Turhan, Akat, Akyuz and Cakci, 2008).

It is against this backdrop that this article assesses the impact of sick role behavior on health and productivity of bankers in Nigeria. The study is expected to add to
the body of knowledge and serve as reference for further studies in the industry. It would also help in policy formulation and designing of health programmes by relevant organisations.

What is the Problem?
Expectations towards deliverables and work load in the industry could sometimes be enormous. According to Akingbola & Adigun (2010), the Nigerian Banking Industry is characterised by increasing job demands, excessive work schedule, and ever-increasing competition. Daniel (2012) contended that many bankers in the country have had their health deteriorated owing to their inability to attend to health challenges in good time. Furthermore, Oseremen (2012) & Anenne & Annene (2013) argued that, as a result of work pressure that comes with the process of delivering job targets, many bankers' health status have been affected adversely. Furthermore, although the Nigerian Labour Law makes provision for medical facilities for workers and also afford them sick leave of 12 working days in a calendar year Labour Law (1990), this is not always the case in Nigeria as many banks do not make medical facilities available for their workers and when this is done it is either to a limit or monetized (Ogunwale and Mohammed, 2013). This will in no doubt impede bankers' sick role behaviour in the industry.

Theoretical Orientation
The first theory employed in the study is the sick role theory. The theory was proposed by Talcott Parson, an American Sociologist in his book, The Social System (Parson, 1951). Sick role theory proposed two explicit behavioural exceptions and obligations for the sick person. These two exceptions include:

(i) Temporary exception of the sick person from work having been certified sick by a registered physician.

(ii) The sick person should not be held responsible for his/her sickness.

Also, the two obligations expected from the sick in trying to get well include:

(i) The sick person is expected to seek medical care

(ii) The sick person must cooperate with medical professionals to get well.

Following the above-mentioned propositions, the theory can be applicable to the study in the sense that, when bankers are not excused from their duty post to attend to their health issues on time as a result of enormous work load, possibilities are that, they may not have time to seek medical care and cooperate with health care providers, thereby worsening their health condition and productivity at work.

The sick role theory has, however, been criticised for not putting into consideration situations where the sick person fail to voluntarily accept the sick role.

The second theory employed in the article to explain the study is the Need Theory. The Need theory, known as Three Needs Theory, was proposed by David McClelland in the 1961 in his book The Achieving Society. It is a motivational model that attempts to explain how the needs for achievement, power, and affiliation affect the actions of people from managerial context.

According to the theory, people are more strongly motivated by some needs and less strongly by other needs. The theory contended further that, these three types of motivation are present in any individual
regardless of age, sex, race, or culture and that the motivation by which each individual is driven is derived from their life experiences and the opinions of their culture.

McClellan Social power need contends that those in the top management position of organisations have a high need for power McClelland (1977) thus, need institutional power do organize the efforts of others to achieve the goal of the organisation.

From this proposition, the theory explains the present stiff competition and rivalry going on in the Nigerian Banking industry as a result of the need for some banks to attain the top position in the industry. Therefore this need for power motivates banks to organize the efforts of their employees to achieve this goal at all cost by giving them targets to run with and enormous work load at the expense of their time, Thus causing bankers to barely have time to attend to their health issues when required leading to health deterioration and even poor productivity. McClelland Need Theory has, however, been criticized for lack of predictive power as it relates to organisation.

**Motivation-Need Theories**

McClelland’s acquired need theory:

![Figure 1: McClelland Need Theory](https://www.academia.edu/9358331/McClelland_s_Human_Motivation_Theory)

**Methods**

The study was conducted in ten commercial banks in Ilorin, the capital city of Kwara State, North-Central Nigeria. The following banks were included in the study: Union Bank of Nigeria, First City Monument Bank, Fidelity Bank, Wema Bank, Stanbic IBTC Bank, Diamond Bank, Fidelity Bank, United Bank For Africa Plc, First Bank and Guaranty Trust Bank. Multi-stage sampling technique was employed in the study. The first stage is the, purposive selection of old and new generation banks from the sixteen commercial banks located in the study area as at the time the study was conducted. The second stage was, a convenience selection of the main branches of the
selected while the third stage included a random selection of participants from the main branches each of the selected commercial banks.

200 consenting participants were included in the study with 10 participants randomly selected from each bank based on those that were present at work when the study was conducted. Information was retrieved through self-administered questionnaire which contained open and closed ended questions. The choice of the research instrument was informed as a result of the high number of participants involved in the study and because the studied population was literate (Cohen et al. 2000).

The Statistical Package for Social Science (SPSS) was employed to analyse the data retrieved from the field while the Chi-Square statistical tool was also employed to test the formulated hypotheses. The researcher made use of tables, simple percentage and frequency distribution to organize the data retrieved from the field. Management of the banks were duly informed of the study and verbal permission was granted for the research to be conducted while the participants were briefed on what the research was all about and the significant of the study to them.

The researcher employed three research assistants who assisted in disseminating the questionnaires to the participants and to help in explaining the contents of the questionnaire to the participants for clarity.

### Results

Table 1: Socio-Demographic Data of Participants

<table>
<thead>
<tr>
<th>Socio-Demographic Data</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>99</td>
<td>(49.5)</td>
</tr>
<tr>
<td>Female</td>
<td>101</td>
<td>(50.5)</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>(100.0)</td>
</tr>
<tr>
<td>Age group (Years)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;30</td>
<td>85</td>
<td>(42.5)</td>
</tr>
<tr>
<td>31-40</td>
<td>100</td>
<td>(50.0)</td>
</tr>
<tr>
<td>41-50</td>
<td>15</td>
<td>(7.5)</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>(100.0)</td>
</tr>
<tr>
<td>Marital Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>67</td>
<td>(33.5)</td>
</tr>
<tr>
<td>Married</td>
<td>130</td>
<td>(65.0)</td>
</tr>
<tr>
<td>Separated/Divorced</td>
<td>3</td>
<td>(1.5)</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>(100.0)</td>
</tr>
<tr>
<td>Salary (Per annum)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;1M</td>
<td>101</td>
<td>(50.5)</td>
</tr>
<tr>
<td>1-5M</td>
<td>73</td>
<td>(36.5)</td>
</tr>
<tr>
<td>5-10M</td>
<td>20</td>
<td>(10.0)</td>
</tr>
<tr>
<td>10-15M and above</td>
<td>6</td>
<td>(3.0)</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>(100.0)</td>
</tr>
</tbody>
</table>

Source: Researchers’ Survey 2015
Table 2: Sick Role Behaviour of Participants

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ever been sick on the Job?</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>170</td>
<td>(85.0)</td>
</tr>
<tr>
<td>No</td>
<td>30</td>
<td>(15.0)</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>(100.0)</td>
</tr>
<tr>
<td><strong>Was the sickness severe?</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>34</td>
<td>(20.0)</td>
</tr>
<tr>
<td>No</td>
<td>136</td>
<td>(80.0)</td>
</tr>
<tr>
<td>Total</td>
<td>170</td>
<td>(100.0)</td>
</tr>
<tr>
<td><strong>Did you seek medical attention?</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>170</td>
<td>(76.5)</td>
</tr>
<tr>
<td>No</td>
<td>30</td>
<td>(23.5)</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>(100.0)</td>
</tr>
<tr>
<td><strong>Did you come to work when you were sick?</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>74</td>
<td>(43.5)</td>
</tr>
<tr>
<td>No</td>
<td>96</td>
<td>(56.5)</td>
</tr>
<tr>
<td>Total</td>
<td>170</td>
<td>(100.0)</td>
</tr>
<tr>
<td><strong>Why did you come to work when you were sick?</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My Work Load was heavy</td>
<td>25</td>
<td>(33.8)</td>
</tr>
<tr>
<td>Passion for my work</td>
<td>21</td>
<td>(28.4)</td>
</tr>
<tr>
<td>Pressure from superior staff on deliverables</td>
<td>15</td>
<td>(20.2)</td>
</tr>
<tr>
<td>The Sickness not too serious</td>
<td>13</td>
<td>(17.6)</td>
</tr>
<tr>
<td>Total</td>
<td>74</td>
<td>(100.0)</td>
</tr>
<tr>
<td><strong>Did you handle official duties when you were sick?</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>90</td>
<td>(47.1)</td>
</tr>
<tr>
<td>No</td>
<td>80</td>
<td>(52.9)</td>
</tr>
<tr>
<td>Total</td>
<td>170</td>
<td>(100)</td>
</tr>
<tr>
<td><strong>Did your superiors reduce your work load when you were sick?</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>107</td>
<td>(53.5)</td>
</tr>
<tr>
<td>No</td>
<td>93</td>
<td>(46.5)</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>(100.0)</td>
</tr>
</tbody>
</table>

Source: Researchers' Survey 2015
Table 3: Effects of Sick Role Behaviour on Participants' Health and Productivity

<table>
<thead>
<tr>
<th>Effects of sick role behaviour on participants health and productivity</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has your job demands ever made you sick?</td>
<td>107</td>
<td>(53.5)</td>
</tr>
<tr>
<td>Yes</td>
<td>107</td>
<td>(53.5)</td>
</tr>
<tr>
<td>No</td>
<td>93</td>
<td>(46.5)</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>(100.0)</td>
</tr>
<tr>
<td>Has your health status deteriorated because you did not have time to attend to your health?</td>
<td>65</td>
<td>(32.5)</td>
</tr>
<tr>
<td>Yes</td>
<td>65</td>
<td>(32.5)</td>
</tr>
<tr>
<td>No</td>
<td>135</td>
<td>(67.5)</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>(100.0)</td>
</tr>
<tr>
<td>Has your health status ever affected your productivity at work?</td>
<td>50</td>
<td>25.0</td>
</tr>
<tr>
<td>Yes</td>
<td>50</td>
<td>25.0</td>
</tr>
<tr>
<td>No</td>
<td>150</td>
<td>75.0</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Researchers’ survey 2015

Table 1 revealed that, almost half (49.5%) of the participants are male while (50.5%) are women. About half (42.5%) falls into the age category of 30-45 years, (65.0%) of the participants are married while more than half (50.5%) of the participants earn less than 1 million naira per annum. Table 2 shows that, (85.0%) of the participants have fallen sick since they took the job while only (20.0%) of those that had fallen sick on the job were severe. The table further shows that, (76.5%) of the participants had fallen sick on the job before sought medical attention at the hospital.

However, out of those that fell sick, (43.5%) came to work when they were sick, and out of this number, (33.8%) of the participants came to work when they were sick because of heavy work load, (28.4%) came to work because they had passion for the job, (20.2%) came to work because of pressure from their superior while (17.6%) came to work because the sickness was not too serious. In addition, (47.1%) of the participants who had fallen sick previously on the job claimed that they handled official duties when they were sick while (53.0%) claimed that their work load was reduced when they were sick.

In table 3, (53.5%) of the participants fell sick due to job demands; it also revealed that (32.5%) of the participants' health status has deteriorated because they did not have enough time to cater for their health as a result of enormous job demand. However, only (25.0%) of the participants claimed that their health status affected their productivity.
Test of Hypotheses
H01: There is no significant relationship between sick role behaviour of participants' and participants' health.

<table>
<thead>
<tr>
<th>Did you seek medical attention at the hospital when you were sick?</th>
<th>Has your health status deteriorated?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes (%)</td>
</tr>
<tr>
<td>Yes</td>
<td>48(39.9)</td>
</tr>
<tr>
<td>No</td>
<td>8(20.0)</td>
</tr>
<tr>
<td>Total</td>
<td>56(32.9)</td>
</tr>
</tbody>
</table>

$\chi^2 = 23.967$ df = 1, p-value = 0.046

Researchers' Survey, 2016

H02: There is no significant relationship between participants' sick role behavior and participants' productivity

<table>
<thead>
<tr>
<th>Working while sick</th>
<th>Has your health status affected your productivity at work?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes (%)</td>
</tr>
<tr>
<td>Yes</td>
<td>19(25.7)</td>
</tr>
<tr>
<td>No</td>
<td>25(25.7)</td>
</tr>
<tr>
<td>Total</td>
<td>44(25.9)</td>
</tr>
</tbody>
</table>

$\chi^2 = 4.256$ df = 1, p-value = 0.039

Researchers' Survey, 2016

Discussion:
The study was able to access the sick role behaviour of bankers in Nigeria and the impact of the sick role behaviour on their health and productivity. Result showed that, over three quarter (85.0%) of the studied population have fallen sick on the job previously, although just one quarter (20.0%) of those that had fallen sick on the job's sickness was severe. Result also shows that a large number of the participants in the study (76.5%) who had fallen sick on the job sought medical carein the hospital while about half (43.5%) came to work when they were sick. In addition, almost half of the studied population (47.1%), handled official duties during the time of sickness while, over half (53.5%) had the same work load they had before they were sick. This result is however in line with the view of Akingbola and Adigun (2010) who argued that the Nigerian Banking Industry is characterised by increasing job demands and excessive work schedule.

Further result from the study revealed that, over half of the participants (53.5%) fell sick as a result of the nature of their job while about one third (32.5%) admitted that their inability to take up the sick role have actually caused deterioration to their health. In all, only a very few of the participants (25.0%) mentioned that their
health status have affected their productivity on the job. This result is however in tandem with the view of Oseremem (2012) who contended that many bankers have high blood pressure and other forms of diseases due to their inability to meet up with the target set for them by their employers and inability to attend to their health in good time as a result of enormous job demand that they need to deliver within a stipulated period of time. The two hypotheses tested in the study showed a statistical significant relationship between sick role behaviour of participants and their health as well as productivity as P< 0.05. This suggests that the sick role behaviour of bankers in the Nigerian Banking Industry affects the health and productivity adversely. This invariably means that because of work pressure, work load and excessive work schedule of participants, their sick role behaviour is not adequately taken up thereby affecting their health and productivity adversely. This result therefore corroborates results of earlier studies conducted by (Osaremen, 2012 and Annene and Annene, 2013).

Conclusion and Recommendation
This article has been able to explore the relationship between sick role behavior of bankers in the Nigerian Banking Industry and their health as well as productivity. The study was conducted in ten commercial banks in the capital city of Ilorin, Kwara State, North Central Nigeria as a representative of all the commercial banks in Nigeria. A total of 200 participants selected through multi-stage sampling technique were included in the study while information was gathered through self-administered questionnaire. Result showed that a significant relationship exist between sick role behaviour and health as well as productivity of participants as p< 005. What this infers is that, the sick role behaviour of bankers in the Nigerian Banking Industry affects the health and productivity of bankers in the industry adversely because of their inability to assume the sick role and observe the sick role behaviour when they fall sick by stepping aside from their duty post when they fall sick due to enormous job demands, seeking medical attention from medical professionals and cooperating with medical professionals to get well by adhering strictly to prescribed instructions from physicians.

The study recommends that banks should excuse their workers from work to take care of their health challenges in good time before their health deteriorates and also avoid poor productivity.

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Combining Grounded Theory Strategy with Soft Systems Methodology in Knowledge Management Research: An Approach

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Abstract
Knowledge management (KM) is currently an emerging discipline in higher education and its effective implementation is becoming a precondition for success in a globalized knowledge economy. Increasingly, it is being argued that analysis of data and information generated in higher education can be transformed into knowledge that in turn can be used to gain higher educational benefits such as a competitive advantage, minimization of costs, improved quality and responsiveness, or improved service to learners. This paper proposes an interdisciplinary approach to research in KM, particularly in investigating technical (‘hard’) and organizational (‘soft’) aspects of KM using grounded theory (GT) strategy combined with soft systems methodology (SSM). Using the explanation that KM research is a human activity system which requires both soft and hard systems methodologies to achieve study goals, a research methodological strategy is proposed for carrying out a study to develop a framework for KM using information and communication technology (ICT) in higher education. It is argued in the paper that this approach is useful to researchers and practitioners alike in carrying out this study as it contributes to a systematic and more effective KM research approach. As well as contributing theoretically to the literature on KM by providing insights into the combination of GT strategy with SSM in carrying out KM research, this paper further seeks to propose a methodological approach that can be used in carrying out research on similar or related KM studies.

Keywords: Knowledge Management, Research strategy, Grounded Theory, Soft Systems Methodology, Integration approach
Introduction
KM is currently a subject of much debate in both the academic and business communities and is increasingly being seen by the two communities as the key to competitive advantage. In the academic world in general and higher education sector in particular, KM has attracted a lot of interest and a lot of researches have been undertaken (Petrides and Nordine, 2003; Steyn, 2004; Omona and van der Weide, 2014). A number of these researches have taken the forms of surveys focusing on success factors and aspects of best practices involving elicitation of general reflections from senior KM practitioners through use of research instruments such as questionnaires and interview methods (Wastell, 2001). Case studies focusing on KM success/failures have also been reported (Storey and Barnett, 2000). Because it is a developing discipline, KM requires definitional studies that focus on basic theory by defining terms and establishing relationships between concepts (Guo and Sheffield, 2008). Studies carried out on KM contain a rich variety of conceptual papers that build theoretical foundations for KM in the disciplinary fields such as information systems, management and organizational behaviors, and systems thinking (Ruggles, 1998; Ponzi, 2002; Jasimuddin, 2012). The problems with these theoretical frameworks (Ruggles, 1998; Ponzi, 2002; Jasimuddin, 2012) are that KM research and the strategies that can be employed to achieve improved KM research results appear to be largely unexplored.

According to Guo and Sheffield (2008), three perspectives on organizational knowledge are discernible that may support theoretical work on KM and how researches in KM can be approached. The first perspective proposes that organization have different types of knowledge, and that identifying and examining these will lead to more effective means for generating, sharing and managing knowledge in organizations. Orlikowski (2002) uses the example of Tsoukas (1996) where a researcher develops classifications of knowledge and then use them to examine the various strategies, routines, and techniques through which knowledge are captured, represented, codified, transferred and exchanged. The second perspective proposes that knowledge is inseparable from knowing how to get things done in complex organizational work and that organization enact a collective capability in organizing. It examines the practices or the situated and ongoing accomplishment that emerge from everyday actions (Orlikowski, 2002). This perspective recognizes the roles and importance of knowledge resources as well as the processes involved in effective KM, but also examines the nature of work practices, and human agency. The third and final perspective proposes that knowing how to accomplish tasks in organizations cannot be separated from politics, that is, how power is attached to knowledge and knowledge is attached to power. Because of these different perspectives of looking at KM, studies in the subject currently show that KM researchers differ in their definitions concerning the concept of knowledge and there is a general lack of conceptual integration to KM research, which has contributed to confusing variety of approaches, theories and frameworks (Alavi and Leidner, 2001).

In today's knowledge driven economy,
higher education managers are faced with the challenge of how to effectively link KM initiatives and processes with the ever-changing needs. The problem arises due to the disconnect between KM and the ever-changing organizational needs which is mainly due to having inappropriate KM framework development and implementation approaches and processes, and adoption of some quick-fix solutions to KM to achieve higher educational goals. If knowledge is to be effectively managed and utilized, KM and KM researches in higher education should be made to link with institutional goals such as enhanced research, innovations and competitiveness.

This paper proposes an approach for combining GT with SSM as the overall strategy that can be adopted to carry out a study to develop a framework for KM using ICT in higher education. The paper starts by examining KM as an interdisciplinary subject; looks at the research paradigms in KM research; examines both GT and SSM and their application in KM research and identify the philosophical position that underpins the research strategy that is being proposed. Finally, a proposal is made on the best research approach that can be adopted to carry out a study to develop a framework for KM using ICT in higher education. As well as contributing theoretically to the literature on KM by providing insights into the application of GT strategy with SSM in carrying out KM research, this paper further seeks to propose a methodological approach that can be used in carrying out research on similar or related KM studies.

**KM as an interdisciplinary subject**

KM efforts have a long history to include on-the-job discussions, formal apprenticeship, discussion forums, corporate libraries, professional training and mentoring programs. More recently and with increased use of computers, specific adaptations of technologies such as knowledge bases, expert systems, knowledge repositories, group decision support systems, and computer supported cooperative work have been introduced to further enhance such efforts. A broad range of thoughts on the KM discipline exist with no unanimous agreement; and approaches to KM research vary by authors and schools. For example, Ponelis and Fair-Wessels (1998) assert that KM is a new dimension of strategic information management. Davenport and Prusak (1998) view KM as the process of capturing, distributing, and effectively using knowledge. Skyrme (1997) suggests that KM is the explicit and systematic management of vital knowledge along with its associated processes of creating, gathering, organizing, diffusing, using, and exploiting that knowledge. Pierce (1999) argues that KM is interdisciplinary because it involves the exportation and integration of theories or methods to other disciplines, and to the development of the emerging field of KM.

The variations in the definition of KM by the different researchers point to the interdisciplinary breadth of the subject and one of the most comprehensive definitions has been proposed by Ruggles (1998). In his definition, Ruggles defines KM as a newly emerging, interdisciplinary business model dealing with all aspects of knowledge within the context of the firm, including knowledge creation, codification, sharing, learning, and innovation. Some aspects of this process are facilitated with ICT, but the greater aspect, is to a
degree, about organizational culture and practices. Ponzi's (2002) contextual view of Ruggles' definition further demonstrates the interdisciplinary nature of KM through suggestion of a definitive set of disciplines that KM is developing from; namely, management science, library and information science, management information science, organization psychology, computer science, and sociology. Ponzi (2002) for examples, points out that in the definition of KM given by Ruggles (1998), 'business model' represents 'management science', 'codification' represents 'information science', 'information technology' represents 'management information systems/computer science', and 'organization culture' represents 'organizational psychology and sociology', thus implying that KM is a confluence of several sciences and disciplines, each contributing to the understanding of the concept of KM.

Research paradigms in KM

A research paradigm refers to a broad framework of perception, understanding, and belief within which theories and practices operate and consist of a network of coherent ideas about the nature of the world and the functions of researchers which, if adhered to by a researcher or group of researchers, conditions their thinking and underpins their research actions (Bassey, 1990). There are many and diverse theoretical perspectives that have historically influenced the direction, structure, and process of research in the social sciences. However, two research paradigms are most dominant in the literature and have provided the basis for various methodologies. These paradigms are positivism and interpretivism (Sarantakos, 1993; Bryman, 2001). The underlying assumptions of the positivism paradigm are that reality is objective, perceived uniformly through the senses, governed by universal laws, and well integrated for the good of all; that human beings are rational and obey external laws with no free will; that science is based on strict rules and procedures, deductive, nomothetic, and based on sense impressions and value free; and that the purpose of research is to explain facts, causes and effects, to predict, and to emphasize facts and prediction. Interpretivism paradigm on the other hand is based on the assumptions that reality is subjective, created, not found and interpreted; that human beings are creators of the world, assign meanings to the world, not restricted by external laws and create systems of meaning; that science is based on common sense, inductive, ideographic, based on interpretations and value driven; and that the purpose of research is to interpret the world, to understand social life, and to emphasize meanings and understandings (Sarantakos, 1993).

KM is an inherently interdisciplinary research field in as much as its implementation depends on technological systems and its application depends on user acceptance and embrace by both management and employee alike. This implies, according to Giaglis (2003) that research within the field of KM can generally fall under two broad categories depending on the departing point of research questions. On the one hand, one research stream based on hard systems approach draws predominantly on the findings from the fields of computer science and information systems, and sees KM as an application area that extends the
traditional realm of databases and information management into so-called knowledge bases and KM systems. In other words, this sub-area of KM is mostly concerned with investigating ways in which technological capabilities can be exploited by organizations in their pursuit of knowledge driven competitiveness. On the other hand, the second stream based on SSM attempts to tackle the managerial, organizational, and human issues surrounding the successful introduction of KM within organizations. Research under this sub-area of KM is mostly concerned with investigating ways in which the process of knowledge creation, assimilation, communication, and enactment can be managed by organizations.

**GT strategy**

GT was developed by Glaser and Strauss (1967) as a research methodology for extracting meaning from qualitative data collected in the field, and is used to generate a theory that explains a process, or processes, about something at an abstract conceptual level in a specific context or setting. The GT strategy, particularly the way Glaser and Strauss (1967) developed it, consists of a set of 7 steps as shown in figure 1 below whose careful execution is thought to guarantee a good theory as the final outcome and is an inductive rather than a deductive methodology for carrying out research.

GT proceeds from the assumption that 'theory is a process' and this process begins with the collection of raw data which is then qualitatively coded as a first step towards developing prospective theory. From the preliminary coding, major variables emerge, instigating further questions. If the answers to the questions are not found in the data, further data collection is indicated. It is this consistent return to the data at each stage of developments that validates the theory. The theory matures as data elements are integrated into the whole and the grounded network of relationships are established – a process called theoretical sampling (collecting, coding, and analysis of data), and includes deciding what data to collect next and where to find them in order to develop an emerging theory, either substantive or formal (Strauss and Corbin, 1998). The research gradually assembles a theory, inductively and iteratively obtained through categoriza-
tion from the body of knowledge. This is done on a case-by-case basis, rather than through subject-based identification of variables. Comparison of cases and labels should then be able to reveal similarities and differences. The casual relationships, similarities and differences then lead the researcher to draw conclusions and formulate theories about the data that have been collected and analyzed. The whole process aims to develop an account of a phenomenon or phenomena which identifies major categories of data, the relationships between the categories, and the context and processes which are occurring (Becker, 1993). A number of Computer-Assisted Qualitative Data Analysis Software (CAQDAS) are currently available to address some of the obvious barriers to GT qualitative analysis by manual methods such as limitations on size, flexibility and complexity of data records and these include among others NUD*IST, ATLAS/ti, Decision explorer, Nvivo and Code-A-Text.

GT strategy and its intellectual assumption in KM research shows that it owes more of its approach to the constructivist philosophy using the positivist paradigm based on its emphasis on multiple realities; that researcher and phenomenon are mutually interactive; that causes and effects cannot be separated; that research is value laden; and that the outcome of a research is socially constructed (Brown, 1995). As a methodology, GT was developed for, and is suited to the study of behaviors, and given this background, it has considerable potential for the study of the broad range of subjects which have a human dimension such as KM. This is because in KM research, the basic generating functions is to be found in the heads of human beings and the outcomes are represented by actions and decisions made by the individual. This paper adopts the evolved Strauss and Corbin (1998) GT approach as the most appropriate variant for carrying out the proposed research based on the strong sociological nature of KM as well as its emphasis on describing phenomena in terms of actions, interactions and outcomes or consequences. Examples of the use of GT strategy in KM research include the work of Wastell (2001); and Wong and Aspinwall (2005).

SSM

SSM is a methodology within the broader action research framework that encompasses a range of research methods. Action research is defined as a cognitive process that depends on social interaction between the observers and those in their surroundings (Baskerville and Wood-Harper, 1998). The essential components of any action research are viewed as a two-stage process: the diagnostic stage that analyses the social situation, and the therapeutic stage where change is introduced and impact or outcomes are examined (Blum, 1955). SSM as an approach under action research explores the notion of purposeful human activity by enhancing our knowledge of the problem and situation and coming up with a useful intervention for such situation. It aims at contributing to both the practical concerns in an immediate problematic situation and to the goals of social science by joint collaboration within a mutually acceptable ethical framework (Checkland, 1981). The philosophical underpinnings of SSM are essentially interpretive (Susman, 1978). Checkland highlights that this is important for the socio-human systems studies, because unlike the other sciences, human beings can always attach different meanings to the same social world (Checkland, 1981).
In its idealized form, SSM refers to a seven-stage process of analysis which uses the concept of human activity as a mean of defining the situation for taking actions (Checkland, 1981). Human activity systems here refer to an assembly of knowledge workers occupying a shared space that serves as a foundation for knowledge creation (Nonaka and Konno, 1998); and consist of both soft and hard systems resources for managing, organizing, learning and reusing of existing knowledge and, more importantly, for creating new knowledge to realize an organization mission and goals (Gao et al., 2003). The seven steps include:

(i) Identification of problem situation by observing the problem symptoms in a situational context.

(ii) Analysis of the symptoms map to identify the real underlining issues and root causes resulting in rich picture of the given situation.

(iii) Analysis of the problem identified in rich picture and developing a root definition for the transformation processes, which addresses the problem.

(iv) Development of the conceptual model.

(v) Comparison of the conceptual model with identified problems.

(vi) Identification of desirable changes or solutions.

(vii) Development of final model that can be implemented.

The seven steps highlighted above can be decomposed into five steps that are used while carrying out a KM research project according to Baskerville and Wood-Harper (1996): (i) Diagnosing; (ii) Action planning; (iii) Action taking; (iv) Evaluating; and (v) Specific learning. Diagnosing relates to the process of knowledge audit which is typical for any KM project. Action planning and action taking requires formulating new organizational strategies for knowledge creation and sharing. Learning and reflection which come as a result of evaluating and specific learning are seen as major outcomes for the participants involved. These last steps and the learning outcome, which often includes creating new knowledge, are the major focus of KM practice.

Philosophical position

When working with social phenomena like KM, it is important for researchers to consider their underlying philosophy when planning research and how this influences the research they conduct and the results they achieve. Influential philosophies all have their own concepts of what constitutes theory, evidence, knowledge, and how we understand the world, as well as what our values as researchers should or should not be. In this paper, the philosophical position that was adopted to guide the development of the proposed research approach is positioned in the social constructivist tradition based on the systems thinking school of thoughts. The position suggests that through social activity, individuals in the social setting constantly re-create knowledge in new forms (Berger and Luckmann, 1966), and that improvement in KM is intrinsically linked within purposeful human activity systems. Knowledge is suggested here to be an emergent property of purposeful action as a result of interactions taking place in a community of practices or network of information units; it is disseminated through conversational acts; and it is applied in purposeful human activity where groups construct knowledge for one another and collaboratively create a small
culture of shared artifacts with shared meanings. The social constructivist school of thoughts is based on specific assumptions about reality, knowledge, and learning:

- that reality is constructed through human activity where members of a society together invent the properties of the world (Kukla, 2000). For the social constructivist, reality cannot be discovered: it does not exist prior to its social invention.
- that knowledge is also a human product, and is socially and culturally constructed (Prawat and Floden, 1994). Individuals create meaning through their interactions with each other and with the environment they live in.
- that learning should be viewed as a social process. It does not take place only within an individual, nor is it a passive development of behaviors that are shaped by external forces (McMahon, 1997). Meaningful learning is said to occur here when individuals are engaged in social activities.

Systems theory which forms the basis of the social constructivist school of thoughts focus on the relationships between parts and the properties of a whole, rather than reducing a whole to its parts and studying their individual properties (Senge, 1990).

Systems theory has been applied to a wide variety of organizational and management issues (Shen et al., 2009) and recent studies have suggested that the business sector in general and KM research in particular could benefit from leveraging a systems perspective (Atwater et al., 2008). Systems' thinking, derived from systems theory is the basis for the learning organization such as higher education (Senge, 1990) where knowledge are thought of as being complex wholes of material and immaterial things, with the component entities being hierarchical, but of themselves being able to be treated as wholes (Hitchin, 1992).

Based on the systems perspectives, this paper adopts the approach proposed by Habermas (1987) in his 'theory of knowledge-constructive interest and communicative action' to propose the best research strategy that can be used to carry out a study to develop a framework for KM using ICT in higher education. In this approach, 'knowledge interests' provide the key architectural element for carrying out a study and direct the phenomenon studied (research interest). It is also the guarantor of knowledge gained in a particular research paradigm, and each research interest is associated with a perspective of systems thinking (see Table 1). In the approach, knowledge interests are used to frame a typology of actions and such typology can be very useful in guiding the actions of a KM researchers.

<table>
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<tr>
<th>Research Interests</th>
<th>Research Paradigms</th>
<th>Systems Perspective</th>
</tr>
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<tbody>
<tr>
<td>Technical</td>
<td>Positivism</td>
<td>Hard</td>
</tr>
<tr>
<td>Practical</td>
<td>Interpretivism</td>
<td>Soft</td>
</tr>
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Table 1: Perspectives on KM (Habermas, 1987)
Proposed research approach

As highlighted in table 1, research on KM can be viewed through two main paradigms, namely the technological or computational paradigm (positivism), and the socio-organizational or practical paradigm (interpretivism) (Hazlett et al., 2005). The former is placed in the domain of Information Systems (IS) research based on predefined assumptions and models, and characterized by heuristics and mathematical models developed to deal with hardware and software issues. In this sense, it represents a "hard-wiring" approach to KM that is typified by the institutionalization of "best practices" (Hazlett et al., 2005). The socio-organizational paradigm (practical) on the other hand, without rejecting the role of technology, places emphasis on people and organizational-related issues within the wider KM field. It seeks to understand the role of behavioral aspects of knowledge work, employees' social networks, work structures and practices, and organizational culture in knowledge processes and outcomes (Hazlett et al., 2005). Empirical studies examining socio-relational aspects of knowledge transfer and sharing within the socio-organizational paradigm have employed either quantitative methods (e.g., Hansen, 1999; Levin and Cross, 2004), or qualitative methods (e.g., Andrews and Delahaye, 2000) or a combination of both (e.g., Cross and Sproull, 2004).

The approach being proposed in this study aims at developing a framework for KM using ICT in higher education with a view to improving KM for enhanced education outcomes, research, competitiveness and innovations. To come out with the best strategy, the scope of the intended study is defined to include carrying out reviews and analysis of available literatures to explore and understand the key concepts, theories and models of KM using ICT in higher education; proposing of a conceptual framework to guide the study; carrying out fieldworks using a case study; and finally carrying out testing and verification of the usefulness of the proposed framework for continued improvement. In line with Guo and Sheffield (2008) proposal that a combination of positivism and interpretivism are the paradigms most frequently employed in KM research because they capture much of the fluidity and interconnectedness of knowledge, it is proposed to use inductive-hypothetical research strategy as overall research approach to achieve the research objectives. The approach has been used previously by other researchers to solve 'messy', 'complex' or 'ill-structured' problems (Churchman, 1971; Sol, 1982; de Vreede et al., 1998). The strategy will employ a combination of GT (positivist paradigm) methodology together with a quantitative approach using SSM (interpretivist paradigm) to carry out the proposed study.

Inductive-hypothetical research strategy combines theory and practice and adopts existing problems by emphasizing problem specification from a multidisciplinary point of view (Sol, 1982). By combining GT under the hard systems perspective together with SSM under the soft systems perspectives, the inductive-hypothetical approach in our study will focus on literature review, conceptual framework development, and testing and evaluation of the proposed KM framework and generation of alternatives solutions for continuous improvement. In this study,
theory and conceptual framework development will be formulated based on abstraction from an inductive case study as well as from existing theory using the GT strategy, followed by application and evaluation of the proposed framework in real life situation using SSM for continuous improvement. The overall study process will be as outlined in figure 2 below:

As shown in figure 2, the inductive-hypothetical research strategy starts with reviewing of literatures so that the problem domain of KM using ICT in higher education is elicited, a process called initiation (arrow 1). The result here is expected to be a descriptive conceptual model providing the first understanding of the key issues regarding KM framework development using ICT in higher education as well as the parameters that are required for effective implementation of KM. To substantiate the issues identified during initiation, field explorative studies using case studies in higher education will be undertaken to identify KM approaches, processes, strategies and key challenges through a process called abstraction (arrow 2). Through this process, a descriptive empirical model will be derived where a description of the KM framework requirements will be made. Using the results from the conceptual and empirical descriptions, theory will be formulated in which the descriptive conceptual model will be made prescriptive (arrow 3) giving rise to a prescriptive conceptual model. The theory formulated should be able to describe what constitute an effective KM implementation framework using ICT in higher education. The prescriptive conceptual model will then be implemented by testing of the usefulness of the proposed framework (arrow 4). Finally, the prescriptive empirical model will be evaluated (arrow 5) so that further improvements can be made through comparison of the elicited empirical knowledge (arrow 1) with the prescriptive empirical model (arrow 4). In the study therefore, GT strategy will be used for initiation, abstraction, and the theory formulation phases of the study, while SSM will be used in the implementation and evaluation phases.
Discussions
KM and organizational KM process is viewed as a human activity systems which involves real life situations. Human activity systems here refer to an assembly of knowledge workers occupying a shared space that serves as a foundation for knowledge creation (Nonaka and Konno, 1998), and consist of both soft and hard systems resources for managing, organizing, learning and reusing of existing knowledge and, more importantly, for creating new knowledge to realize an organization mission and goals (Gao et al., 2003). The activities of creating, storing, transferring, converting, sharing, using and reusing existing knowledge are the human practical activities. Without these activities, knowledge cannot be created, used, reused and shared. An organizational KM framework is a purposeful human activity system (Checkland, 1999) comprising of three interdependent components: the people who make up the organization, the activities the people perform, and the technologies that enable these activities. Thus any KM research involving framework development needs a combination of GT methodology to address the needs of design of physical solutions to meet the KM framework needs as well as SSM to deals with the analysis of evolving and ill-defined needs. Inductive-hypothetical research strategy attempts to address all these needs and the use of qualitative methods of inquiry through GT can complement, enrich, and extend understanding by gathering information on the role of the KM using ICT in higher education in particular and the wider organizational context within which social relationships and KM activities take place in higher education. The main advantage in applying SSM to KM research at this stage is that it offers a flexible approach where solutions to problems can be tested and re-tested with participants, and ultimately ownership of solutions and their implementation are increased (Fennessy and Burstein, 2000). It can also be useful as a way of using the researcher as “helper” to look at the situation, applying their own expertise and experience, and to immerse them in the process in a constructive way.

KM research using GT in the interpretivist paradigm regards knowledge, technology and organizational practices as socially constructed. Sahay and Robey (1996) highlight the implications of this social construction, namely that conceptual knowledge about a system is heavily intertwined with the social environment and that this environment influences not only the spread of knowledge, but also the adoption and adaptation of ICT. Because the assimilation process can be viewed as one of organizational learning, knowledge transfer and ICT adoption, Sahay and Robey (1996) further suggest that organizational learning should be a theoretical perspective adopted for research on organizational transformation through ICT. On the other hand, SSM which has its foundation in general systems theory is characterized by involvement in a problem situation, learning by doing, trying to see a system from as many perspectives as possible, and seeing a system through the eyes of others rather than the researcher (Checkland, 1981) making it useful to complement GT in our study.

Combining GT with SSM
McLucas (2003) points out that real world activities are 'hows' related to a specific 'what', which is usually implicit rather
than explicit. In social situations, the 'whats' can be difficult to define and many problems might be considered to be 'wicked' – that is, they are complex, dynamic, systemic, emergent, difficult to resolve, and confounding to manage; and KM represent such a situation. SSM addresses this complex situation by modeling the real world 'what' as well as alternative 'how' for improvement of the situation and to gain insights into wicked problems. It is also useful in building a road-map to a research project and to show the logical dependencies of the various activities in a multi-disciplinary research project (Hindle et al., 1995), especially where the research process is of itself a purposeful human activity. Indeed, Gao et al. (2002) suggest that SSM is a valuable research approach to study KM by offering inspiration on how to learn continuously and effectively. In the same vein, GT is a useful research methodology for collecting and analyzing research data, and can provide deep insight into the real issues associated with a phenomenon like developing a framework for KM using ICT in higher education. Because of the depth of analysis, GT results in deep understanding of phenomena and is therefore, a sound research approach for any behavior that has an interactional element to it (Goulding 2005).

Huber (1991) identifies many weaknesses and gaps in research in organizational learning as a central component of KM in higher education. In particular, Huber (1991) highlights the difficulties in identifying and disseminating organizational knowledge to other people within the organization who have need for that knowledge. Hard systems perspective through the interpretive paradigm using GT methodology has been proposed to support organizational learning as a part of KM (Cavaleri, 1994), as the approach sees ICT as a way of gaining control of organizational learning and KM in higher education through the development of context-based, process-oriented descriptions and explanations of phenomena (Myers, 1997). SSM on the other hand has been proposed to support GT through interpretation and appreciation of social phenomena (Checkland, 1981). A closer look at the two methodologies also shows that they are both seven-step processes with remarkable similarities and complementarities as shown in Table 2:

<table>
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<tr>
<th>Steps</th>
<th>GT</th>
<th>SSM</th>
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<tbody>
<tr>
<td>1.</td>
<td>An unexplained phenomena or process</td>
<td>The problem situation considered</td>
</tr>
<tr>
<td>2.</td>
<td>The phenomena or process identified</td>
<td>The problem situation expressed</td>
</tr>
<tr>
<td>3.</td>
<td>Data collection and coding</td>
<td>Root definitions of relevant systems</td>
</tr>
<tr>
<td>4.</td>
<td>Theme extraction</td>
<td>Conceptual model construction</td>
</tr>
<tr>
<td>5.</td>
<td>Postulate generalizations</td>
<td>Model and problem situation comparison</td>
</tr>
<tr>
<td>6.</td>
<td>Develop taxonomies</td>
<td>Feasible and desirable change construction</td>
</tr>
<tr>
<td>7.</td>
<td>Theory development</td>
<td>Action to improve the situation</td>
</tr>
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</table>

Table 2: GT and SSM Compared (Durant-Law, 2005)
Table 2 shows that there are remarkable similarities as well as complementarities in using the two methodologies to carry out the proposed study. For example, steps 4 and 5 result in similar outcomes, although they are expressed differently. In addition, many of the research methods, tools and techniques can be used in either methodology. For example, the use of questionnaires, interviews and focus group discussions are common in both methodologies. The two methodologies also share the assumption that the model or the phenomena determines the final model or theory. The main difference between the two approaches is that GT develops theory from data interpretation by the researcher while SSM values data from the perspective of participants. Using the two approaches in a complementary manner should therefore provide a more holistic approach in carrying out the intended study (Durant-Law, 2005).

Finally, Rose (1997) emphasizes the importance of using SSM to complement GT strategy in carrying out a study like the proposed one. Firstly, Rose (1997) points out that SSM is a good-fit research tool that is quantitative, activity-based, interpretative, participative, and systems-based which uses methodological tools that are appropriate to a KM framework development study; secondly, that it is a triangulation tool that can be used to confirm, deny, or amplify findings from GT; thirdly, that it is a problem-structuring tool that can serve as a 'front-end' to GT strategy by lending structure to a 'messy' problem; fourthly, that it is a theory testing or generation tool; and fifthly, that it is a coordinative or directive tool which can help in conceptualizing a research process based on human activity systems.

**Conclusion**

In today’s knowledge driven economy, higher education managers are faced with the challenge of how to effectively link KM initiatives and processes with their ever-changing needs. The problem arises due to the disconnect between KM and the ever-changing higher education needs which occur due to having inappropriate KM framework development and implementation approaches and processes, and adoption of some quick-fix solutions to KM to achieve higher educational goals. If knowledge is to be effectively managed and utilized, KM and KM researches in higher education should be made to link with institutional goals such as enhanced research, innovations and competitiveness. This paper proposed the inductive-hypothetical research strategy based on the use of GT methodology, in combination with SSM, as the best research approach that can be adopted to carry out a study to develop a framework for KM using ICT in higher education. The proposed approach attempts to address the missing links between KM initiatives and processes and the ever-changing needs of higher education, and presents a holistic view for formulating KM framework development and implementation using ICT by focusing on both technical (hard) and non-technical (soft) issues including higher education activities, KM processes and human activities within institutions. In this paper, KM is thought of as a complex research area that brings together hard and soft system perspectives: technical issues related to KM enabling tools, organizational issues related to the culture, structure and context within which these enabling tools may be used, and the
organizational learning that may result from their use.

While research in KM and attempts to address the challenges relating to the different facet of KM using ICT in higher education is growing, there is currently little empirical or theoretical work that provides a systematic, integrated, interdisciplinary perspective to the study of KM. Using inductive-hypothetical research approach based on GT methodology combined with SSM is an attempt to address these challenges. The degree to which these interventions are successful provides useful tests for the theory and may indicate areas where further improvements can be made in the implementation of KM using ICT in higher education. Both GT and SSM have been used to explore and discuss problems relating to KM in complex settings and situations. They offer a flexible approach to a KM research like ours, where solutions to problems can be theorized, tested and re-tested with participants, thus increasing stakeholders' ownership of solutions and participation in the KM framework development and implementation. Although the focus of this paper is in proposing the best research strategy that can be used to carry out a study to develop a framework for KM using ICT in higher education, it may not help much in promoting good research unless it is accompanied by a conscientious, intelligent and self-reflective application when conducting a study. This will ensure that the objectives of a study are achieved as well as contribute to improved research outcomes.

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Ethical Dilemma of Health Professionals in Ghana: Experiences of Doctors and Nurses at the Korle-Bu Teaching Hospital

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Abstract
This study sought to examine the major ethical challenges facing the nurses and doctors in their practice and how these affect the delivery of quality healthcare using Korle-Bu Teaching Hospital as Case Study. The research was a case study and employed the qualitative research paradigm. Using in-depth interviews as a data collection tool, fourteen respondents comprising seven doctors and seven nurses were purposively sampled for their experiences on ethical dilemmas encountered in their practice, its effects and their coping strategies. The findings reveal that doctors and nurses in the hospital indeed do experience ethical dilemmas. Some key causes of dilemma were found to be resource constraints, poor attitude of some staff towards work, conflicts among ethical codes, religious beliefs and personal values hampering smooth decision making and poor working relations among staff. The study found that ethical challenges lead to undue stress on health professionals, wastes time and resources and prolong the suffering and treatment of patients. In spite of these challenges the doctors and nurses are able to cope with these challenges through consultation with colleagues, relaxing to relieve stress and updating their knowledge on ethical issues. The study proposes measures such as adequate resource provision for health institutions, improved conditions of service and remuneration, institution of efficient and more comprehensive hospital protocols to address specific situations and frequent training to health professionals on healthcare ethics to help address the ethical dilemmas amongst doctors and nurses.
Introduction
Globally, most organisations and institutions have developed ethical codes that guide the conduct and behaviour of personnel in their decision making process (Schwartz, 2001). According to Roth (2007), developing ethical codes for decision making ensures transparency, fairness, justice and satisfies the ethical duties of employees and the general public. In healthcare delivery, ethical considerations are given peculiar attention as it ensures quality standards, regulate employees conduct in fiscal decision making, facilitates patient-provider contact, and market the health facility (Jurkiewiecz, 2001). However, studies have shown that medical ethics and professional ethics usually conflict and do not allow correct actions or procedures to be followed when juxtaposed with personal behaviour (Eryilmaz, 2009). Moreover, high illiteracy levels among patients, language barrier, and complicated health conditions especially in developing countries hinder health professionals in enforcing high ethical standards (Caballero, 2002). It is also noted that most medical institutions have lax standards in dealing effectively with ethical issues (Kassirer, 2001).

Most physicians among other health professionals are generally perceived as caring (Pellegrino, 1995 as cited in Kassirer, 1998), however numerous studies have indicated that they encounter ethical dilemmas in ensuring quality healthcare, patient's care standards and choices (Bantz, Wieseke & Horowitz, 1999; Colvin, 1998); and balancing the needs of different groups of patients (Bantz et al., 1999; Cooper et al., 2002; Cooper et al., 2004). To help reduce or deal with the problem of ethical dilemma, health institutions are guided by laws and codes which facilitate a sound and cordial relationship between health professionals and their clients or patients (Alkabba et al, 2012). Smith (2011) opines that the four basic principles that form the basis of moral thought in healthcare include autonomy, malfeasance, beneficence, and justice. The need for health professionals to balance the four principles causes dilemma when making decisions that require both moral and ethical choices (Nasae et. al., 2008). In medical ethics, health professionals often analyze clinical cases from four different viewpoints including; the patient's medical indication, the patient's preference, the patient's quality of life and the social contextual factors (Ming-Liang, 2006). Health professionals face ethical dilemmas on a daily basis, regardless of where they practice (Fant, 2012).

The health sector is the kingpin of every nation (Ghana Medical Journal, 2007) and central to it is the conduct and performance of its employees (Armstrong & Baron, 1998). Since Korle Bu Teaching Hospital (KBTH) is the largest and the nation's central referral hospital, it gets over flooded with several admissions and attendances daily (Korle Bu Bulletin, 2012). High work load usually overburden and put stress on most doctors and nurses causing them to experience ethical dilemmas (Ulrich et al., 2007). It has been reported that KBTH receives over 1,500 OPD attendances and about 250 admissions daily (Korle Bu Bulletin, 2012). Ulrich et al. (2007) acknowledge that the ethical stress and dilemma faced by health professionals often led to frustration, interpersonal conflicts, dis-
satisfaction, physical illness, and possibly abandonment of the profession. To help reduce or deal with the problem of ethical dilemma, health institutions are guided by laws and codes (Carnevali, 2005; Charles & Lazarus, 2000; Alkabba et al, 2012; American Nurses Association, 2012; Fant, 2012; AMN, 2012). However, the code of ethics for the health profession are unilateral and infinite which do not take into consideration all situations, society's right and certain expectations which makes it subjective, leaving some decisions for health professionals to battle out with (Carnevali, 2005).

Aside this, the code of ethics which is supposed to guide the conduct and behaviour of health professionals often conflict with each other when juxtaposed with personal values, culture, religion, and patients values and beliefs (Eryilmaz, 2009; AMN, 2012). Health professionals generally find it difficult to apply ethical principles in healthcare delivery and to maintain patients' confidentiality which may have negative long-term consequences for the medical profession (Charles & Lazarus, 2000; Bostick et al., 2006; Congress, 2000). In addition, due to inadequate infrastructure and personnel, health professionals experience ethical dilemma which could exacerbate cost of healthcare, waste time and resources, and increase poverty (Hughes, 2012).

Korle Bu Teaching Hospital is the largest employer of health professionals in Ghana (Adjei-Appiah, 2008). Notwithstanding this, the over 4,000 staff of the hospital are not enough to run the entire working shift of health care delivery effectively due to the high daily average attendance (1500 patients), (Ghana Health Workforce Observatory, 2011; Korle Bu Bulletin, 2012).

Moreover, it has been established that the poor human relations between health professionals especially superior and subordinates, ignorance of job descriptions and delays in appointments and promotions in KBTH deepen health professional's ethical dilemma. These, according to Arkoh (2004) stimulated the intention of about 54% of the doctors to leave the hospital.

Despite the negative effect of ethical dilemma in the general healthcare system, few studies have documented the ethical challenges facing health professionals especially in developing countries (Breslin et al, 2005; Alkabba et al., 2012). This study therefore seeks to investigate the causes of ethical dilemma and their effects on the performance of doctors and nurses in health care delivery using the Korle Bu Teaching Hospital (KBTH) as a case study.

The Concept of Ethics
The concept of ethics is very subjective and defies a single accepted definition. However, irrespective of one's definition the key concept usually involve the principles of right and wrong conduct (Velasquez et al, 2010; Lewis, 1991; Boling & Dempsey, 1981). Ethics is a branch of philosophy which deals with the dynamics of decision making concerning what is right and wrong (Fouka & Mantzorou, 2011). Bayaga (2011) also argues that ethical concepts involve judgements about what is fair and unfair as well as what is moral and immoral. This implies that ethics and ethical decisions involve critical thinking and not a knee jerk activity. According Velasquez et al,
(2010), ethics refers to the continuous effort of studying our own moral beliefs and our moral conduct or the study and development of one’s ethical standards. Burns (2012) opines that ethics involves three aspects which include: a set of moral principles or values; principles of conduct governing an individual or group; and the discipline that deal with what is good and bad, moral duty and obligation. However, due to the complexity and subjectivity of the concept of ethics, it has been argued that it should not be strictly defined since everybody understands it (Hill, 1980). In any professional institution, ethics are coded. According to Carnevali (2005), ethical codes are the fundamental distinction between a profession and any other occupation and it ensures the public's trust in a profession and serves as the hallmark of professionalism. In healthcare delivery, code of ethics bothers on the relationship the physician has with his patients, colleagues, the healthcare systems and the society as a whole (Charles & Lazarus, 2000).

The Concept of Ethical Dilemma
In the healthcare settings, ethical dilemma may be explained as a moment of uncertainty by the health professional in the administration of health services (Zumla & Costello, 2002). An ethical dilemma is a complex situation that often involves an apparent mental conflict on the right decision to take; a contradiction in which to obey one would result in transgressing another. Ethical dilemmas can be described as the state of confusion in the life of individuals regarding decision making on how to live a good life, execution of individual rights and responsibilities. It also involves the language of right and wrong as well as moral decisions that cannot be clearly defined. Also known as a moral dilemma, it refers to a situation where moral precepts or ethical obligations conflict in such a way that any possible resolution to the dilemma is morally intolerable. In other words, an ethical dilemma is any situation in which guiding moral principles cannot determine which course of action is right or wrong (Lachman, 2009).

Methodology
The study employed a qualitative paradigm. A qualitative study emphasizes the importance of looking at variables in the natural setting in which they are found, paying particular attention to the interaction between variables (Key, 1997). The qualitative research paradigm is appropriate when the question to be investigated is subtle in nature and also involving people's attitude. In the case of this study, the qualitative research paradigm was appropriate because it enabled the researcher to have an in-depth understanding of the phenomenon under study. The approach allowed the respondents to freely express themselves and it also allowed the researchers to gain a better understanding of the ethical dilemmas facing the medical doctors and nurses of the facility.

Research Design
The case study design within the qualitative research paradigm was adopted for the study. Bryman (2004) noted that a case study is concerned with the complexity and particular nature of a case in question and thus involves an intensive examination of the setting. A case study was deemed appropriate by the researchers due to the complex nature of ethical dilemmas. The Korle-Bu Teaching
Hospital comprises different categories of healthcare professionals and, therefore, provided the researchers with different perspectives and insights. It therefore, offered the researchers an opportunity to use multiple sources of data which enhanced the reliability and validity of the findings. The study used both primary and secondary sources of data. The primary data involved the primary information elicited from key informants who are mainly healthcare professionals of the Korle Bu Teaching Hospitals. The secondary sources involved information obtained from Administrative reports of the hospital and other hospital documents relevant to the study. Information from published and unpublished journals, books and on-line sources aided the study.

Target Population
Though, there are several categories of health professionals within the KBTH, the study focussed on the doctors and nurses of the facility who are undoubtedly and most frequently, the first point of call in healthcare delivery. The study focused on the doctors and nurses from the Departments of Medicine and Surgery; Obstetric and gynaecology unit; Department of Child health; Accident and Emergency unit; Radiotherapy/Oncology and Anaesthesia/Theatre units of the KBTH. This is because the above departments/units are known to receive a large proportion of the hospital's clients.

Sampling Size
The sample size for the study was fourteen, comprising seven medical doctors and seven nurses from the hospital. The sample size of fourteen was chosen to enhance the quality of work in using an in-depth interview. The distribution was as follows; four senior doctors, three junior doctors, three senior nurses and four junior nurses selected from various units of the KBTH. The rationale for more senior doctors and junior nurses is that the initial pretesting of the interview guide revealed that most pertinent decisions regarding patients care were made by senior doctors and junior nurses who work more closely with the patients and running most of the nursing shifts.

Sampling Technique
The purposive and quota sampling techniques were employed in this study. The purposive sampling technique was employed because the respondents who participated in the study were known to have the requisite information for the study. The quota sampling technique was to ensure a fair representation of doctors and nurses from the various departments and units.

Data Collection Instruments
Ina (1999) suggested that ethical challenges facing doctors and nurses in the contemporary world will be readily solvable if the researchers in the field allow health professionals and patients to communicate willingly their plight at length. Ina (1999) further suggests face to face interviews as one of the best techniques to solicit information on ethical issues in healthcare provision. The main method of data collection for the study was through in-depth interviews with the sampled doctors and nurses from the various departments using interview guides and audio recorders. The in-depth interviews were very interactive and each lasting between thirty-five and sixty minutes.
Results and Analysis
In this section, the data from the interviews that helped to answer the research questions are presented in four thematic sections.

Causes of Ethical Dilemma among Doctors and Nurses
The study exposes myriad of ethical challenges that confront both doctors and nurses in carrying out their daily routines. The study found out that, resource constraints, medical error and technological failure, ethical codes, decision making, social and working relations cause ethical dilemma among doctors and nurses in Korle - Bu Teaching Hospital (KBTH).

Resource Constraints
The study reveals that inadequate resources such as human, infrastructure, logistics and financial resources contribute to the dilemma. According to the administrative report of the Human Resource department of the hospital (2012), the hospital had a total 386 doctors and 1,772 nurses running the various units of the hospital. These numbers are further divided and the personnel assigned to run the various shifts of the hospital which is woefully inadequate. The hospital has an average daily attendance of 1,500 patients. In terms of doctor-patient ratio, this is very good based on the WHO' recommended doctor-patient ratio of 1:600. With respect to limited logistics, a nurse at the neuro-theatre explained the challenges they encounter in their recovery ward when they are faced with the option of rotating the only six (6) available monitors amongst their clients whenever there are more than six people on admission. This is because a sudden change in a patient's vital signs might go unnoticed. It was found out that lack of adequate infrastructure such as consulting rooms force health professionals to share rooms and other facilities. A medical doctor noted “sharing of consulting rooms breeds two kinds of dilemma on the health profession, thus whether to ask certain questions or not and whether responses given by patients are genuinely correct”. It was also found that equipment or logistics that ought to be disposed off are often sterilised for reuse and this brings dilemma due to the possibility of re-infection. The lack of space to house in-patients also contributes to ethical dilemma. KBTH, the study revealed is faced with financial constraints which make it unable to provide incentives to health professionals such as free health-care and allowances. Inadequate health professionals and the conduct of the available professionals creates ethical dilemma. Findings on resource constraint as source of dilemma is line with the findings of Cash (2005) and Elvira & Clark (2005). These scholars are of the view that, resource constraints at the various health facilities put doctors and nurses in a dilemma about the kind of decisions required of them to meet the healthcare needs of their clients. It is also in line with the findings of Wagenfeld et al. (1993), Robertson et al. (1997), Sigsby (1991) and Bushy (1991) who admit that inadequate resources force health professionals to provide care without optimal support that safeguards their patients. It further backs the findings of Ofori-Atta et al (2010) who are of the assertion that, limited resources force health professionals to decide how to negotiate health situations. However, the study rejects Ofori-Atta et al (2010) association of resource constraints to provision of lower quality care since it was not confirmed by the respondents.
Poor Attitude of Staff towards Work
The study also reveals poor attitude of staff towards work as source of ethical dilemma in the Hospital. Inadequate health professionals and the conduct of the available professionals create dilemma. The absenteeism and lateness of health professionals to duties create ethical dilemma. A nurse revealed that “At times we face ethical dilemma in choosing between standing in for absentee colleagues or leave after their shift ends”… lack of support from other colleagues breed dilemma. Health professionals who go strictly by their schedule and duties create dilemma on other health professional that have busy schedules and may need helping hands.

Medical Error and Technological Failure
The study reveals that medical professionals in the Korle Bu Teaching Hospital experience dilemma in the event of a medical error. A medical doctor stated “when one misapply drugs for instance, he or she is torn between either reporting it for certain necessary care to be taken or to keep to oneself to avoid embarrassment”. In addition, technological failure makes professionals experience dilemma. Health professionals are always in the state of dilemma when they want to use a machine that has been refurnished or that occasionally cease to work efficiently because of the fear of encountering problems in the process. Medical errors committed by colleagues also breed dilemma. For instance, when health professionals see colleagues administering drugs or treating patients wrongly, it becomes very difficult as whether to report or not especially in cases where the culprit is a superior. The study shows that individuals have varied opinions on whether or not to report a committed medical error. Majority of the respondents indicated that they will feel obliged to report only when the errors are life threatening for appropriate remedies to be sought. On whether they will disclose a medical error to a patient, or patient's relatives, it was established that some respondents will whilst others will not for the fear of being sued or for the lack of appropriate medical terminologies to explain the error to the patient or their relatives. This finding is backed by El Amin et al. (2012) with the assertion that, medical errors and technological failures in medicine could be blamed for ethical dilemmas faced by some health professionals particularly on the therapeutic effects of drugs and their adverse reactions. The study endorsed the assertion by Daley & Hickman (2011) that incompetence of health professionals causes ethical dilemma in the healthcare industry.

Ethical Codes
Ethical code has been found as source of ethical dilemma in the facility. The study exposed a number of ethical codes which breed dilemma which include institutional codes, professional codes, hospital protocols, religious creed, and personal values. Per the study, ethical codes usually conflict with each other to influence the judgement of professionals. The study found that since it is unethical to send or drive away a patient at the point of use of services, professionals are torn between either driving or keeping patients when the wards are full. Professionals experience dilemma when their professional codes coincide with patient's values and beliefs. One medical doctor observed that “in treating patients with contradictory beliefs which reject some health services, professionals contemplate whether to follow professional ethics or to accommodate patients’ belief”. …...a
dilemma also occurs when personnel know the outcome of a prognosis. In cases where the outcome of prognosis is bad, health professionals get worried and consider whether helping the patient would be in the best interest of the patient or otherwise.

An ethical dilemma is always generated when a parent refuses to consent to a particular treatment or procedure on behalf of the minor on the grounds of religion or personal values. The health professional is placed in a fix as to respect the parents' choices or adhere to professional standards since all minors' couple as the state's property. This is a dilemma almost all the respondents had encountered.

Per the institutional protocol to ensure successful deliveries of unborn children, health professionals are to demand for the Antenatal hospital records for expectant mothers before attending to them. Health professionals who are confronted with such cases contemplate whether or not to receive patients without these records as they are unsure of what to expect concerning the delivery. The study established that when professional codes conflict with personal or religious values on the part of the health professionals it creates ethical dilemmas. On professional codes and institutional protocols, respondents said they do not contradict to breed ethical dilemma. This according to them was because the institutional codes were coined from the professional codes.

**Decision Making**

The study revealed that making a health decision either for a patient or a colleague breeds dilemma, especially superiors experience dilemma in consulting subordinate colleagues regarding their opinion on a particular decision of interest to a patient. A doctor at the O&G Department recounted an experience of how difficult it was for the entire health team in deciding whether or not to remove the uterus (womb) of a 40 year old childless woman who was bleeding profusely from a uterine fibroid which could lead to her death. The lack of documented hospital protocol breed dilemma since the limits or duration of services is not prescribed in hospital protocols especially pertaining to life support. The study found that the limits or duration of services are not prescribed in hospital protocols especially pertaining to life support and resuscitation. Decision making pertaining to resuscitation is usually communicated verbally which is problematic and sometimes generate dilemma even when it is a written order. The health professional is often torn between promoting the patient's right to basic life through sustained effective resuscitation and ensuring/enhancing the quality of life of the individual even when the patient survives after a prolonged period of resuscitation. Decision making pertaining to life supports is often communicated verbally to subordinate who find it difficult in sustaining or ending resuscitation. Even when orders of “Do not resuscitate” has been clearly written, it is still difficult for them to decide on when exactly to give up and stop resuscitation.

This is because patients who go through prolong periods of resuscitation risk becoming brain dead and incapable of caring for themselves thereby becoming a burden to their relatives or caregivers. The dilemma of the health professional continues when it comes to issues on the referral of patients. It was uncovered that when health professionals want to embark
on referral, they think of what immediate measures to take before referrals are done and the choosing of a referral point is very dicey. Another source of ethical dilemma encountered due to decision making is the disclosure of patients' information to colleague doctors when their assistance is needed. This assertion is backed by Carnevali (2005) who purvey that the code of ethics for the health profession is not finite or comprehensive and as such do not take into consideration all situations. When health professionals are confronted with cases which are very complicated and need to get assistance from other professionals, they are torn between breaking a patient's secret or protecting patient's privacy. This finding is also in line with the assertion of Charles & Lazarus (2000), Bostick et al. (2006) and Congress (2000) who claim that, the right to patient's confidentiality is often challenged when doctors need to consult with colleagues for their opinion regarding patient's safety.

Social and Working Relations
The study revealed that some relationships between a subordinate and a superior breeds ethical dilemma. For instance, if the relationship between workers is strict and problems crop up, personnel experience dilemma as to whether to report or not. A nurse stated that “when health professional's relatives or friends visit the facility without adequate money to access services, it causes an ethical challenge”. Another nurse also indicate that “insisting that the individuals make payments before accessing healthcare become challenging as most individuals are of the notion that they could get some social support from relatives or friends who are health professionals when they come here”. It is even more dicey if the client in question is also a staff; does the person commit to the hospital's mandate of making profits through proper revenue collection or aiding a colleague in need to maintain a good relationship as there is no statutory health insurance policy for staff of the hospital. Brown & Adams (2007) confirmed ethical dilemma resulting from the social relationships exist between health professionals, their friends and family members. Health professionals attend to social relations and family members before their turn giving them priorities over others which is backed by the assertion of Brown & Adams (2007).

Effect of ethical dilemma on the performance of doctors and nurses
Waste of time
The study found out that a key effect of ethical dilemma is waste of time and resources. It was uncovered that encountering dilemmas waste the time of both patient and professional. For instance when a health professional has busy schedule and need to make critical decision concerning a patient, he/she thinks through the pertaining issues alone or consult colleagues. In finding the best options, it delays time that could have been used to attend to other patients. Time is wasted in reporting medical errors and remedying the errors committed. Time is an important resource. It is wasted when patients need to be resuscitated for a long time because of the lack of time limits, and when corrections, recordings and reporting have to be done due to medical errors. All these result in a reduced number of patients who otherwise would have been attended to by health professionals.

Strain on Health Professionals
It was established that ethical dilemma
brings about depression and stress on health professionals. A House Officer at the Department of Surgery explained that encountering ethical dilemmas has no positive benefits at all, they have negative effect on healthcare delivery because it puts undue pressure on the whole health team”.

**Increased Complications Medical Error**
Ethical dilemma increases complications, morbidity or death. It was found that when health professionals commit medical error as a result of ethical dilemmas it often complicates the health condition of the patients and results in severe complications or even death. When health professionals experience dicey situation and may not know what to do to salvage the situation, they may commit mistakes in carrying out their duties. A medical doctor observed. This finding is in support of El Amin et al. (2012) finding which claims that ethical dilemma causes medical errors which can have adverse effects with severe reactions.

**Break in Covenant of Trust**
It came to bear that ethical issues bring about a break in covenant of trust between the health professionals and their clients. It was unfolded that health professionals are supposed to ensure the privacy of patients but this right is sometimes breached as a result of communication with other doctors to seek solutions or through open consultations. This creates a mistrust of mixed feeling for the medical profession.

**Coping mechanisms of doctors and nurses in ethical dilemma**
The study identifies several copying strategies by doctors and nurses in ethical dilemma. It was revealed that health professionals take decisions and actions in the best interest of the patient. A number of coping strategies were mentioned including ethical training, seminars and workshop, consultations, relaxation among others.

**Training on ethics**
The study uncovered that a key way of coping with ethical dilemma is through ethical training. The study revealed that health professionals attend ethical training programmes, seminars and workshop which are organised periodically. It was discovered that all doctors are mandated by law to attend ethical programmes every year before their licences are renewed.

**Consultation**
The study found out that health professionals deal with dilemma by consulting with their colleagues, superiors, the ethics committee of the health facility and the palliative team for support. However, most nurses were not aware of the existence of an ethics committee or whether they did provide support to staff members who encounter ethical dilemmas. All the respondents were of the opinion that, knowledge of the professional codes and the existence of the code of ethics for the hospital was beneficial in addressing some ethical issues.

**Relaxation**
The study brought to bear that, health professionals cope with ethical dilemma by relaxing in cool noiseless rooms in their wards; take a walk or take a vacation break from work. It was made known that professional are permitted to go on vacation leave every year to have a rest.
Updating Knowledge using Information Technology/Learning

The study uncovered that another means of coping with ethical dilemma and other ethical challenges is through regular updating of knowledge on current trends in medical practice using the internet facility and other reading materials.

Strategies to address Ethical Challenges among Doctors and Nurses

Based on the sources and challenges of ethical dilemmas among medical doctors and nurses, the study has suggested number of solutions to deal with ethical challenge in Korle Bu Teaching Hospital. These include: the organisation of more ethical training programmes; comprehensive documentation of laid down protocols and other ethical codes by the health facility; revision of ethical committees in the hospitals; provision of adequate resources such as personnel, logistics and infrastructure; the widening of government support in health financing; monitoring of conducts of all health professionals to prevent laziness, absenteeism, and delay to duty; cordial relationship among health personnel; sensitisation on disease preventive measures rather than curative measure; education on patients’ rights and responsibilities; restructuring of the health insurance system to broaden its scope in procedures and treatment; pregnant women should be encouraged to attend antenatal service; review of hospital policies and protocol to improve the conditions of service of health professionals; and health professionals should be entreated to advance their medical knowledge on ethical issues.

The health facility should document a comprehensive laid down protocols and other ethical codes that can be relied on by health professional in dealing with myriad situations. The ethical committee at the hospital should be reviewed to undertake certain decisions and champion the ethical issues that confront health professionals. Adequate resources such as personnel, logistics and infrastructure should be provided to facilitate healthcare delivery. Again, the conduct of all health professionals should be monitored to prevent absenteeism, and delay to duty which overburdens other personnel with workload.

Conclusion

The growth and survival of any economy is founded on proficient and healthy human resource. To guarantee a healthy workforce however, healthcare institutions are heavily relied upon. Ensuring the competence of the health industry in attaining this feat should never be down played if a nation desires to sustain itself. The Korle-Bu Teaching Hospital which is the largest hospital in Ghana is a major stakeholder in ensuring a healthy workforce of this country. By its nature and due to the complexities of services it provides as well as the wide variety of its clients, doctors and nurses in the facility are exposed to several situations which involve ethical dilemmas. This study has shown that doctors and nurses in the hospital experience ethical dilemmas as a results of resource constraints, poor attitude of some staff towards work, conflicts among ethical codes, religious beliefs and personal values hampering smooth decision making and poor working relations among staff. The ethical challenges lead to undue stress on health professionals, wastes time and...
resources and prolong the suffering and treatment of patients. These ethical challenges combine to put undue stress on the limited health professionals available, prolong the suffering and treatment of clients and could even be blamed for the increasing mortality in healthcare institutions. The study has revealed that ethical dilemma permeates every aspect of healthcare delivery and the efficient ways by which stakeholders are able to resolve them forms the crust of delivering quality healthcare.

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Accounting for Ghana's External Borrowings, Trade Balances, and Domestic Currency in Recent Times*

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Abstract
This paper seeks to draw the links among Ghana's rising external debt stock, depreciation of the domestic currency and balance of payments account balances. It uses national income and national product identities to show how components of national product identities are affected by international transactions that are reflected in balance of payments accounts. It found that over 2008 to 2016, Ghana ran trade deficits, which were paid for by net foreign capital inflows, mostly debt; investments in the economy exceeded savings; government ran budget deficits; and private investments exceeded private savings. The domestic currency depreciated over the entire period, but exports did not expand above imports. It concluded that, it is Ghana's current account deficits that necessitated foreign borrowings, and that without these loans, the domestic currency would have depreciated even more.

Keywords: current account, capital account, trade balance, external borrowing, domestic currency.
JEL: E2; F1; F2; H5; H6

Introduction
Two of the most topical macroeconomic issues in Ghana today are the perceived large external borrowings by government and the depreciation of the domestic currency. The story is that, Ghana's current stock of foreign debt as percent of GDP now exceeds the proportion that it was at the time Ghana signed on to the Highly Indebted Poor Country Initiative (HIPC) and received massive debt

* Authors appreciate the partial support of the University of Ghana Business School. Author is grateful to Stella E. Nyarko and Awudu-Sare Yakubu for research support.
forgiveness in 2005. On the currency front, the story is the increase in the rate at which the domestic currency was depreciating against international currencies, especially the United States dollar (USD).

**Increase in debt stocks**

Figure 1 shows the stocks of Ghana's foreign debt and total debt at the end of 2005 as 37% and 49% of her gross domestic product (GDP) respectively. The HIPC initiative brought the foreign debt stock down to 13% in 2006 (28% total debt stock). The foreign debt stock rose steadily to 43% in 2015 and dropped somewhat to 40% in 2016. Total debt stock was 72% of GDP in both 2015 and 2016.

![Figure 1: Ghana's foreign and total debt stocks as proportions of GDP, 2005 – 2016](image)

Depreciation of the domestic currency
Figure 2 shows that the value of the domestic currency (GHS) has depreciated continuously against the USD, more steeply in recent times. These developments have made headlines in the press. To illustrate. In January 2014, the newspaper with the widest circulation, Daily Graphic (2014), carried a front page story that read *Bank of Ghana Releases 20m Dollars To Halt Cedi’s Free Fall*. Eighteen months later, a regular business newspaper, Business and Financial Times (August 14, 2015), carried another story about the falling domestic currency. It was titled, *Why is the cedi going down?* In December that year, yet another daily newspaper carried a related story titled, *Cedi to fall further in 2016*, Daily Guide (22 December, 2015)\(^1\).

The Ghanaian public, politicians and managers of the economy such as the central bank, appear to view depreciation of the domestic currency as a bad sign that should be countered. For example, in early 2014, when the domestic currency fell sharply, the central bank imposed a number of monetary policy measures to try to stabilize the currency, Bank of Ghana (2014). The steps tightened the rules in respect of operations of foreign exchange accounts and foreign currency accounts; repatriation of export proceeds; and operating procedures for forex bureaux in Ghana.

To some economic observers, these steps were ill advised for depreciation worsened

\(^1\)The domestic currency is called cedi.
soon after the initial announcement. Indeed, some time later, the central bank re-tracked its earlier directives following market backlash.

**International trade**

When Ghana exports, foreign buyers pay in foreign currency (usually USD). Thus, Ghana earns USDs which are used to pay for imports, also in USD. If she earns enough USD from exports to pay for her imports, the net effect on the current account balance would be zero. If export proceeds exceed the value of imports, the current account balance would be positive. But if Ghana does not earn enough from her exports, she will use GHS to buy USD to pay for (the excess) imports. This increases the supply of GHS and lowers its price in USD. But the cycle is not ended. Foreigners who buy GHS are investing in Ghana. This is an inflow of foreign currency, and is recorded as positive in the capital account for Ghana.

The evidence is that over the entire period, 2008-2015, merchandise imports exceeded merchandise exports, resulting in trade deficit, which could not be countered by the export of services, hence current account deficits were recorded throughout the period. Evidence is provided in Bank of Ghana (2017) and earlier issues.

This study seeks to analyse Ghana’s balance of payments accounts and related macroeconomic accounts in recent times, and to link Ghana’s mounting external debt and the depreciation of the domestic currency to the performance of other macroeconomic indicators.

Following this introduction is an exposition on some macroeconomic accounting identities that must hold for all economies.

Then, conceptual issues on debt and the performance of economies is discussed, followed by the methodology adopted in this investigation. Results of the investigation are then presented and discussed in the light of the literature. Policy implications of the study are then presented.

**The domestic economy, international flow of goods & services and the capital account**

This section brings together aspects of international trade theory that help to analyse Ghana’s situation. Reference is made freely to Shapiro (2003).

Consider the principal balance of payments accounts – current account; capital account and international official reserves account. By convention, exports of goods and services are credits to the current account, while imports of same are debits. Capital inflows are recorded as credits, while outflows are recorded as debits. Finally, increases in official reserves are debits and decreases are credits.

**Macroeconomic accounting identities**

A principal macroeconomic accounting identity states that national income (national product) is spent on consumption or saved. Mathematically,

\[
\text{NATIONAL INCOME} \equiv \text{CONSUMPTION} + \text{SAVINGS} \quad (1)
\]

Another important macroeconomic accounting identity states that the total amount that a nation spends on goods and services can be disaggregated into spending on consumption and spending on domestic real investment. 

---

1 Real investment refers to procurements that are aimed at increasing a nation’s productive capacity such as equipment, research and development, etc.
NATIONAL SPENDING ≡ CONSUMPTION + REAL INVESTMENT  ... (2)

Subtracting identity (2) from identity (1), yields

NATIONAL INCOME - NATIONAL SPENDING ≡ SAVINGS – REAL INVESTMENT  ... (3)

Identity (3) states that if national income exceeds national spending, then savings will exceed real investment, resulting in a surplus of capital. The capital surplus must be invested overseas as an outflow of capital (debit to the capital account).

On the other hand, if national spending exceeds national income, domestic investment will exceed domestic savings. The excess investment comes from foreign investors in the form of capital inflows. This inflow is some combination of capital account surplus and reduction in international official reserves.

A related identity for a country that is running a current account deficit says that net foreign inflows make up the excess of imports over exports,

NET FOREIGN INVESTMENT ≡ IMPORTS – EXPORTS  ... (4)

That is, a deficit on the current account must equal the net foreign investment in the home country. This means, in a freely floating exchange rate system, positive capital account balance reflects net borrowing to finance excess of imports over exports. If a government intervenes in the foreign exchange market, the sum of the current account deficit, net capital surplus and changes in the official international reserves equal zero.

Put differently, any proposed solution to reduction in net foreign borrowing that is not consistent with a reduction in current account deficit will not work. Identity (4) must be respected.

Budget deficits and other macroeconomic accounts
Interest also centres on how budget deficits are linked to other macroeconomic accounts. The analysis begins by breaking down national spending.

NATIONAL SPENDING ≡ HOUSEHOLD SPENDING + GOVERNMENT SPENDING + PRIVATE INVESTMENT.

But,

HOUSEHOLD SPENDING ≡ NATIONAL INCOME – PRIVATE SAVING – TAXES.

Therefore,

NATIONAL SPENDING ≡ NATIONAL INCOME – PRIVATE SAVING – TAXES + GOVERNMENT SPENDING + PRIVATE INVESTMENT.

That is,

NATIONAL SPENDING - NATIONAL INCOME ≡ (PRIVATE INVESTMENT – PRIVATE SAVING) + (GOVERNMENT SPENDING – TAXES)  ... (5)

(Where, GOVERNMENT SPENDING – TAXES is budget deficit).

Thus, excess national spending over national income has two components, i) excess private investment over private savings, and ii) excess government spending over government income (taxes). Thus, steps taken to curb excess national spending will
only be effective if they also curb some combination of excess private investment and excess government spending.

It is also a fact that national income less spending on domestic goods and domestic services is exported. Similarly, national spending, less expenditure on domestic goods and domestic services equals spending on imports. That is,

\[
\text{NATIONAL INCOME – SPENDING ON DOMESTIC GOODS & DOMESTIC SERVICES} \equiv \text{EXPORTS,}
\]

and

\[
\text{NATIONAL SPENDING – SPENDING ON DOMESTIC GOODS & DOMESTIC SERVICES} \equiv \text{IMPORTS}
\]

Manipulating these two yields,

\[
\text{NATIONAL INCOME – NATIONAL SPENDING} \equiv \text{EXPORTS – IMPORTS} \quad \ldots \quad (6)
\]

Taken together, identities (5) and (6) yield

\[
\text{EXPORTS – IMPORTS} \equiv (\text{PRIVATE SAVINGS – PRIVATE INVESTMENT}) + \text{BUDGET DEFICIT} \quad \ldots \quad (7)
\]

Identity (7) says a nation that is running current account deficit is not saving enough to finance its private sector investment and government deficit.

**Domestic currency value**

The exchange rate may be viewed as the price of one nation’s currency in terms of another. The GHS/USD exchange rate is the number of GHS one USD will buy. A nation that runs the risk of a trade deficit as the over-valued currency makes its imports cheaper in local currency units, but renders its exports expensive in foreign currency units.

International trade theory says, in the long-run, a depreciating domestic currency might be beneficial to the home country in two ways. First, by causing imported goods to be expensive relative to domestic goods in local currency terms, it may cause domestic consumers to switch their expenditure to domestic products, away from expensive imported goods (and services), assuming equivalent domestic alternatives exist. Secondly, faced with cheaper exports from the depreciating country, foreign consumers may switch to purchasing products being exported from the depreciating country. Both effects may help reverse a trade deficit. If the trade balance initially deteriorates (more negative), reaches a minimum and then begins to improve and invariably rises above the level at which the depreciation took place initially, then the J-curve effect is said to hold. That is, the depreciation may cause trade deficit in the short-run since the import bill increases in domestic currency terms (prices are sticky). With time however, domestic goods become more competitive in international markets due to foreign demand for cheaper imports. The depreciating country's trade balance then improves. Realization of the trade benefits implied by the J-curve is not automatic. Devaluation must be followed by a change in saving and spending behavior. Also, the depreciating country must be able to expand its production base to increase exports. Further, if foreigners are prepared to hold assets of the devaluing country, resulting in capital surplus for the devaluing country, a trade deficit may not improve.
Debt and the economy
The neoclassical school of thought argues that high public debt is detrimental to economic growth because a lax fiscal policy results in current consumption, which in turn leads to the decline of the savings rate. To attract savings, interest rates must rise, but high interest rates discourage investments in domestic businesses by domestic entities as such businesses become less profitable, thus economic growth falls. In addition, increases in government interest payments resulting from higher debt levels means limited funds are left over for infrastructure and other development purposes. Further, the higher interest rate levels crowd out private investment. (Modigliani, 1961; Diamond, 1965; Saint-Paul, 1992).

Since the global financial and economic crisis of 2007-2008, economists have been busy investigating the relationship between debt levels and economic growth. Checherita and Rother (2010) find that government debt impacts economic growth through (i) private saving; (ii) public investment; (iii) total factor productivity; and (iv) elevated sovereign long-term nominal and real interest rates. The first three relationships are non-linear, they find.

Calderón and Fuentes (2013) used panel data to study 136 countries and found negative and robust effect of public debt on growth. They concluded that growth prospects of a nation are held back by the burden of government debt.

Panizza and Presbitero (2014) investigated whether public debt has a causal effect on economic growth in a sample of countries drawn from the Organisation for Economic Co-operation and Development. They report that their results agree with the literature that has found a negative correlation between debt and growth. The relationship vanished when they corrected for endogeneity however, and found no evidence that public debt has a causal effect on economic growth.

Related literature
Dion et al. (2006) evaluated the impact of exchange rate appreciation on the growth of Canadian exports and imports during 2003-2004. They showed that exports grew at a slower pace than imports and that appreciation of the Canadian currency accounted for 60% of the increase in imports.

Akrani (2011) analysed the composition of India's exports by investigating composition by 'commodity groups' between 1990/1991 and 2005/2006, and India's imports also between 1990/1991 and 2005/2006 and concluded that the composition of India's exports had changed, and that India had transformed itself from a predominantly primary goods exporting country into a non-primary goods exporting country. On India's imports, they concluded that India's dependence on food grains and capital goods had declined.

Bhat (2011) also noted that the commodity composition of India's exports and imports had altered in the face of structural changes in the economy over 1950-2010.

Harmonised System and Customs Tariff Schedules (HS Code)
Composition of Ghana's exports and imports is tracked by the HS Code, which is used in classifying traded products. It is developed and maintained by the World Customs Organization.
The HS Code is organized into 21 sections and 99 chapters and has general rules of interpretation and explanatory notes, Ghana (2012). The system assigns goods to sections, and then proceeds to assign
these goods to their specific chapter, heading, and subheading, in that order, as necessary. For this paper, HS Code is useful for categorizing Ghana's imports and exports into related groups and identifying the items included in each classification. For example, on Ghana's list of imports for 2012 is the item with HS Code 0504000000. This item is interpreted as “Guts, bladders and stomachs of animals (excl. fish)”. Public Health Officials believe importation of this item has negative health implications for Ghanaians, and serves very little positive economic goal.

This study uses the background just discussed to analyse Ghana's balance of payments accounts over 2008 to 2016. Particular attention is paid to trade account, current account and capital account. Links between current account deficits and net foreign investments (foreign loans) are investigated. So are links between current account deficits on one hand and excess of private investments over private savings and government deficits on the other. Also, the relationship between the current account deficit and strength of domestic currency is explored. Finally, the composition, sources and destinations of Ghana's imports and exports are analysed.

Methodology
The methodology adopted here focuses on analyzing relationships among the macroeconomic variables discussed in the literature. In particular, we investigated Ghanaian data in respect of the seven accounting identities discussed in the preceding sections. The analyses is conducted annually for the period 2008-2015 in most cases.

Specifically, the following relationships are investigated for Ghana:

- Excess national spending over national income and excess investment over saving implied in identity (3);
- Net foreign inflows and current account deficits implied in identity (4);
- Excess national spending over national income, excess private investment over private savings, and excess government spending over taxes implied in identity (5);
- Current account deficit, excess private investment over private savings and budget deficit implied in identity (7).

In addition, we also investigate depreciation of the domestic currency relative to the incomes of Ghanaians for an assessment of whether they have become poorer or better off.

Next, given the overwhelming evidence of trade deficits, the composition of Ghana's major exports and imports were analysed and then categorized by their HS Codes, countries of destination of exports and countries of import origins. Particular attention is paid to African destinations of exports and sources of imports. Preliminary observations were discussed with experts and knowledgeable persons including managers of the national economy.

Data and the HS Code
Focusing on recent years, Ghana's total debt stock as a percentage of the country's GDP were obtained from International Monetary Fund (IMF, 2015). Ghana's balance of payments data were obtained from Bank of Ghana (2014, 2016).

Data on Ghana's savings rate, investment rate, budget deficits, household consumption, government consumption, gross fixed capital formation and gross domestic product in domestic currency were obtained from Ghana Statistical Service (2015, 2016).
Further, details about Ghana's merchandise trade data (imports and exports) according to HS Code, country of destination of exports, countries of origin of imports and monetary values were obtained from Ghana's Ministry of Trade and Industries (MOTI).

**Results**

**Trends in imports and exports**

Panel A of Table 1 shows year end balances of selected balance of payments accounts, and other national account balances. The table shows that over the entire period, 2008-2015, both Ghana's trade balances, row (1a), and current account balances, row (3a), were negative. Identity (3) implies that for Ghana over the period, there would have been excess domestic investment over savings. This is indeed borne out by rows (6) and (5) of Table 1.

According to identity (4), the current account deficit is financed by the capital account surplus in a freely floating exchange rate system. But in the face of the monetary authority's intervention in the foreign exchange market (as alluded to in the introduction) the current account deficit is financed by the combination of capital account surplus and changes in the official international reserves. Panel C of Table 1 depicts the sum of capital account surpluses and changes in official international reserves, row (9). These sub-totals are positive and almost equal in magnitude to the current account balance, row (3a), which is negative. That, it is the sub-total that approximately offsets the current account deficit provides evidence that the central bank of Ghana does indeed intervene in the foreign exchange market. Differences in magnitudes between this sub-total and current account figure may be due to recording errors.

**Domestic currency and current account surplus**

The persistent current account deficit suggests Ghana's demand for USD will rise as the country seeks USD to pay for her imports, (above what she earns from her exports). Panel D of Table 1 depicts deterioration in the value of the domestic currency relative to the USD (GHS/USD) over the entire period. At the average exchange rate of USD 0.235/GHS in 2016 versus USD 0.824/GHS in 2009 Ghanaians required 3 times as many GHS to buy one USD in 2016 as they did in 2009. Everything equal, Ghanaians are paying more by way of domestic output for each unit of import. In fact, exchanged into USD, Ghana's 2013 GDP was 47.8 billion current USD, whereas in 2015 it was only 37.9 billion current USD, thanks to the exchange rate deterioration, World Bank (2016). Meanwhile, real GDP in domestic currency is reported to have grown by 4% in 2014 and 3.9% in 2015. In addition, depreciation of the GHS reduces incentives for Ghanaian exporters to work at increasing their international competitiveness for exports which are priced in GHS but quoted in USD.

**Debt and the economy**

Identity (4) says excess of goods and services imported over goods and services exported is financed by borrowing from abroad. Panel E of Table 1 shows that foreign debt as a percentage of GDP has risen steadily to 40% at the end of 2015, row (12). This percentage has been higher than the current account balance as percentage of GDP since 2009, row 3b. Thus, one surmises that the capital inflows do not only pay for the current account deficits.

---

3USD inflation was positive.
Table 1: Trends in selected balance of payment accounts, macroeconomic economic indicators and debt stock.

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<tr>
<td>1a</td>
<td>Trade balance</td>
<td>(4,999)</td>
<td>(2,207)</td>
<td>(2,962)</td>
<td>(3,052)</td>
<td>(4,211)</td>
<td>(3,848)</td>
<td>(1,383)</td>
<td>(3,109)</td>
<td>(1,689)</td>
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<tr>
<td>1b</td>
<td>Trade balance % of GDP</td>
<td>-17.5</td>
<td>-8.5</td>
<td>-9.2</td>
<td>-7.8</td>
<td>-10.5</td>
<td>-9.3</td>
<td>-3.6</td>
<td>-8.3</td>
<td>-4.3</td>
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<tr>
<td>2</td>
<td>Balance on Services</td>
<td>1,456</td>
<td>1,006</td>
<td>315</td>
<td>(492)</td>
<td>(700)</td>
<td>(1,856)</td>
<td>(2,311)</td>
<td>1,121</td>
<td>(955)</td>
</tr>
<tr>
<td>3a</td>
<td>Current Account Balance</td>
<td>(3,543)</td>
<td>(1,201)</td>
<td>(2,911)</td>
<td>(3,541)</td>
<td>(4,911)</td>
<td>(5,704)</td>
<td>(3,694)</td>
<td>(2,809)</td>
<td>(2,644)</td>
</tr>
<tr>
<td>3b</td>
<td>Current Account Balance % GDP</td>
<td>-12.4%</td>
<td>-4.6%</td>
<td>-9.0%</td>
<td>-9.0%</td>
<td>-12.3%</td>
<td>-12.1%</td>
<td>-9.6%</td>
<td>-7.4%</td>
<td>-6.7%</td>
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<tr>
<td>PANEL B:</td>
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<tr>
<td>4</td>
<td>Consumption % GDP</td>
<td>103</td>
<td>96.6</td>
<td>100.7</td>
<td>99.6</td>
<td>95.5</td>
<td>100</td>
<td>90.6</td>
<td>92.8</td>
<td>92.7</td>
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<tr>
<td>5</td>
<td>Savings % GDP</td>
<td>-3.0</td>
<td>3.4</td>
<td>-0.7</td>
<td>0.4</td>
<td>4.5</td>
<td>0.0</td>
<td>9.4</td>
<td>7.2</td>
<td>7.3</td>
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<tr>
<td>6</td>
<td>Gross Fixed Capital Formation %</td>
<td>16.5</td>
<td>15.5</td>
<td>11.8</td>
<td>12.0</td>
<td>16.1</td>
<td>12.6</td>
<td>17.9</td>
<td>15.9</td>
<td>13.8</td>
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<td>PANEL C</td>
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<tr>
<td>7a</td>
<td>Capital and Financial Account</td>
<td>2,806</td>
<td>3,067</td>
<td>3,540</td>
<td>4,479</td>
<td>3,651</td>
<td>4,892</td>
<td>3,753</td>
<td>3,123</td>
<td>2,558</td>
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<td>7b</td>
<td>Capital and Financial Account %</td>
<td>9.8%</td>
<td>11.8%</td>
<td>11.0%</td>
<td>11.4%</td>
<td>9.1%</td>
<td>10.4%</td>
<td>9.7%</td>
<td>8.2%</td>
<td>6.5%</td>
</tr>
<tr>
<td>8</td>
<td>Changes in International Reserves</td>
<td>940</td>
<td>(1,159)</td>
<td>(1,463)</td>
<td>(547)</td>
<td>1,211</td>
<td>1,166</td>
<td>85</td>
<td>106</td>
<td>(247)</td>
</tr>
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<td>9</td>
<td>Sub-Total (7)+(8)</td>
<td>3,746</td>
<td>1,908</td>
<td>2,077</td>
<td>3,932</td>
<td>4,862</td>
<td>6,058</td>
<td>3,838</td>
<td>3,229</td>
<td>2,311</td>
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<td>PANEL D:</td>
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<tr>
<td>10</td>
<td>USD/GHS</td>
<td>0.824</td>
<td>0.697</td>
<td>0.677</td>
<td>0.645</td>
<td>0.532</td>
<td>0.455</td>
<td>0.313</td>
<td>0.259</td>
<td>0.235</td>
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<tr>
<td>11</td>
<td>GHS Depreciation %</td>
<td>-15.3%</td>
<td>-3.0%</td>
<td>-4.7%</td>
<td>-17.5%</td>
<td>-14.5%</td>
<td>-31.3%</td>
<td>-17.2%</td>
<td>-9.0%</td>
<td></td>
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<tr>
<td>PANEL E</td>
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<tr>
<td>12</td>
<td>Foreign Debt % GDP</td>
<td>17%</td>
<td>18%</td>
<td>20%</td>
<td>20%</td>
<td>20%</td>
<td>24%</td>
<td>39%</td>
<td>43%</td>
<td>40%</td>
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<tr>
<td>13</td>
<td>Total Debt % GDP</td>
<td>33%</td>
<td>36%</td>
<td>38%</td>
<td>40%</td>
<td>45%</td>
<td>52%</td>
<td>68%</td>
<td>72%</td>
<td>72%</td>
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<tr>
<td>14</td>
<td>Budget Deficit % GDP</td>
<td>15%</td>
<td>10%</td>
<td>10%</td>
<td>4%</td>
<td>12%</td>
<td>11%</td>
<td>10%</td>
<td>7%</td>
<td>6.40%</td>
</tr>
<tr>
<td>15</td>
<td>Consumption % GDP</td>
<td>103</td>
<td>96.6</td>
<td>100.7</td>
<td>99.6</td>
<td>95.5</td>
<td>100</td>
<td>90.6</td>
<td>92.8</td>
<td>92.7</td>
</tr>
<tr>
<td>16</td>
<td>Identity (8b)</td>
<td>27%</td>
<td>15%</td>
<td>19%</td>
<td>13%</td>
<td>24%</td>
<td>23%</td>
<td>20%</td>
<td>14%</td>
<td>13%</td>
</tr>
</tbody>
</table>
The other item in Panel E is Budget Deficit, which has also persisted over the entire period, row (15). Identity (5) helps us understand the relationship. It says, the excess of national spending over national income is accounted for by the excess of private investment over private savings and excess of government spending over taxes collected (budget deficit).

Also, identity (7) may be re-written as

\[(PRIVATE\ SAVINGS - PRIVATE\ INVESTMENT) \equiv (EXPORTS - IMPORTS) - BUDGET\ DEFICIT \ldots \tag{8a}\]

or,

\[(PRIVATE\ INVESTMENT - PRIVATE\ SAVINGS) \equiv (IMPORTS - EXPORTS) + BUDGET\ DEFICIT \ldots \tag{8b}\]

Row 17 of Table 1 presents the figures of identity (8b). It says, the excess of private investment over private savings is given by current account deficit plus budget (government) deficit. These values were positive and relatively large in all years. Thus, private investment too has exceeded private savings substantially and have been funded by net foreign investment (identity 4) and budget deficits.

**Analysis of Ghana’s imports**

Records of each of Ghana’s import and export transaction are captured into her Ministry of Trade and Industries’ database by the Ghana Customs, Excise and Preventive Service (CEPS). For each transaction, the 6-digit HS code of the item, the country of origin or destination, the description of the item, the custom value of the item and the mass of the item in kilograms is recorded. Import data were analysed by two-digit HS code and country of origin, annually from 2009 to 2014.

**Composition of Ghana’s imports**

The HS classifications in effect over the period of study were organized into 21 Sections and 99 Chapters, Republic of Ghana (2012). Panel A of Table 2 refers. The HS classifications for the years 2009 through 2014, indicate that, the ten most highly valued 2-digit HS code of imported items constituted between 64% and 72% of Ghana’s total merchandise imports. Codes 87, 85 and 84 made up the top three import categories in each year. The rest of the top 10 categories of imports for each year are 10, 73, 72, 39 and 38. Also making up the top 10 imports are HS classifications 25, 27 and 40 depending on the year in question. Panel A suggests that Ghana’s imports did not change much over the period. They were highly concentrated among HS categories 87, 85, 84, 73, 72, 39, 38 and 10. The items are mostly processed and/or manufactured goods, save cereals (10) and fish (03). Processed and manufactured goods are high in value added content. See the legend to Table 2 for definitions of these categories.

An interesting category of imports has 2-digit HS Code 02 and described as Meat and edible offal. These items are not consumed in the countries from which they are imported. They are considered animal waste material. Interestingly they constitute a substantial 1.6% of Ghana’s merchandise imports, about USD 190 million is 2014.

**Sources of Ghana’s imports**

Also of interest are the countries from which Ghana imports. This analysis indicates that there is a concentration of origin too. The proportion of imports that originate from the 10 countries with the highest custom values (f.o.b) range between 54% and 62% over the period. Table 3, panel A depicts selected import
### Table 2: Ghana's Most Valued Imports and Exports by 2 Digit HS Code

#### Panel A: 10 most valued Imports as % of total imports

<table>
<thead>
<tr>
<th>Year</th>
<th>2-DHS%</th>
<th>2-DHS</th>
<th>2-DHS%</th>
<th>2-DHS</th>
<th>2-DHS%</th>
<th>2-DHS</th>
<th>2-DHS%</th>
<th>2-DHS</th>
<th>2-DHS%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>15.39</td>
<td>14.31</td>
<td>15.27</td>
<td>17.43</td>
<td>33.22</td>
<td>14.42</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>12.86</td>
<td>12.61</td>
<td>14.67</td>
<td>15.64</td>
<td>13.54</td>
<td>13.84</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2011</td>
<td>11.80</td>
<td>10.06</td>
<td>9.56</td>
<td>9.07</td>
<td>6.01</td>
<td>9.67</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>5.63</td>
<td>7.15</td>
<td>7.23</td>
<td>5.37</td>
<td>3.42</td>
<td>4.56</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>5.06</td>
<td>5.26</td>
<td>4.37</td>
<td>3.70</td>
<td>3.39</td>
<td>4.32</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2014</td>
<td>3.98</td>
<td>3.78</td>
<td>3.95</td>
<td>3.11</td>
<td>2.98</td>
<td>3.86</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>66.22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Panel B: 10 most valued exports as % of total exports

<table>
<thead>
<tr>
<th>Year</th>
<th>2-DHS%</th>
<th>2-DHS</th>
<th>2-DHS%</th>
<th>2-DHS</th>
<th>2-DHS%</th>
<th>2-DHS</th>
<th>2-DHS%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>30.73</td>
<td>33.67</td>
<td>20.55</td>
<td>24.26</td>
<td>23.80</td>
<td>25.10</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>2.16</td>
<td>1.75</td>
<td>6.43</td>
<td>6.37</td>
<td>5.61</td>
<td>7.23</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>1.18</td>
<td>1.09</td>
<td>1.55</td>
<td>1.18</td>
<td>1.82</td>
<td>2.76</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>0.87</td>
<td>1.06</td>
<td>1.35</td>
<td>0.54</td>
<td>1.71</td>
<td>0.54</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>0.60</td>
<td>0.82</td>
<td>1.29</td>
<td>0.48</td>
<td>0.95</td>
<td>0.89</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>47.57</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* 2-D HS refers to 2-digit HS code. Source: Author's calculations from raw data.

**Legend:**
The 2-digit codes refer to items with the following descriptions
87: Vehicles other than railway or tramway rolling stock, and parts and accessories thereof;
85: Electrical machinery and equipment and parts thereof, sounds recorders and reproducers, television image and sound recorders and reproducers and parts and accessories of such articles;
84: Nuclear reactors, boilers, machines and mechanical appliances, parts thereof;
73: Articles of iron or steel;
72: Iron and steel;
71: Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof, imitation jewelry, coin;
44: Wood and articles of wood, wood charcoal;
39: Plastics and articles thereof;
38: Miscellaneous chemical products;
27: Mineral fuels, mineral oils and products of their distillation, bituminous substances mineral waxes;
26: Ores, slag and ash;
25: Saltearth and stone, plastering materials, lime and cement;
18: Cocoa and cocoa preparations;
10: Cereals;
03: Fish and crustaceans, molluscs & other aquatic invertebrates;
02: Meat and edible offals.

Table 3: Interesting Import and Export Destinations

Panel A: Import sources (% of total imports)

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Africa</td>
<td>11.9</td>
<td>8.7</td>
<td>14.9</td>
<td>10.1</td>
<td>7.2</td>
<td>10.1</td>
</tr>
<tr>
<td>China</td>
<td>13.0</td>
<td>12.4</td>
<td>16.4</td>
<td>18.0</td>
<td>18.3</td>
<td>20.2</td>
</tr>
<tr>
<td>USA</td>
<td>8.1</td>
<td>12.8</td>
<td>10.4</td>
<td>11.7</td>
<td>10.1</td>
<td>8.6</td>
</tr>
<tr>
<td>Sum of European Union countries in Top 10 Source Countries</td>
<td>25.2</td>
<td>18.8</td>
<td>17.4</td>
<td>19.1</td>
<td>21.1</td>
<td>19.8</td>
</tr>
<tr>
<td>Total</td>
<td>58.2</td>
<td>52.7</td>
<td>59.0</td>
<td>58.9</td>
<td>56.7</td>
<td>58.8</td>
</tr>
<tr>
<td>South Africa</td>
<td>4.2</td>
<td>3.9</td>
<td>3.2</td>
<td>3.7</td>
<td>3.3</td>
<td>3.3</td>
</tr>
</tbody>
</table>

Panel B: Export destinations (% of total exports)

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 10 destinations</td>
<td>81.6</td>
<td>82.7</td>
<td>81.3</td>
<td>82.4</td>
<td>80.9</td>
<td>74.1</td>
</tr>
<tr>
<td>Total Africa</td>
<td>48.8</td>
<td>56.65</td>
<td>49.3</td>
<td>38.4</td>
<td>33.1</td>
<td>37.0</td>
</tr>
<tr>
<td>South Africa</td>
<td>41.3</td>
<td>48.5</td>
<td>24.8</td>
<td>27.6</td>
<td>24.9</td>
<td>20.7</td>
</tr>
<tr>
<td>EU countries in Top 10 Destinations</td>
<td>25.8</td>
<td>18.1</td>
<td>24.5</td>
<td>29.5</td>
<td>29.8</td>
<td>22.6</td>
</tr>
<tr>
<td>China</td>
<td>0.9</td>
<td>1.0</td>
<td>1.4</td>
<td>3.8</td>
<td>3.4</td>
<td>5.3</td>
</tr>
<tr>
<td>US</td>
<td>2.0</td>
<td>1.9</td>
<td>2.4</td>
<td>1.8</td>
<td>2.4</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Source: Author’s calculations
sources. The proportion of imports from All African countries is relatively small, between 7% and 15% over the period. Of the African total, between 30% and 40% comes from South Africa. The proportion from China, as a single country, ranked first in all years but 2010. In all cases, the proportion of imports from all African countries is less than the proportion from China. The United States was second in all years but 2010, when she was first.

Each year, at least four EU countries are included in the top 10 countries. Each year, South Africa appears among the top 10 countries.

**Analysis of Ghana’s exports**

In all years, items classified under 2-digit code 71 (natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof, imitation jewellery, coin) were valued the most. As a proportion of total exports, the value of 2-digit code 71 items ranged between 23% - 33%. See panel B of Table 2.

The 10 most valued 2-digit HS code export items sum up to between 48% and 55% of Ghana’s exports. Over the period, HS codes 71, 18, 44, 27 appear among the top 10 valued exports in each of the years, classification 26 is missing in one year only, 39 is missing in two. The suggestion here too is that the composition of Ghanaian exports did not change much over this period and are consigned to a few destinations. Further, the exports are mostly non-manufactured items (little value-added goods). It is interesting to note that one 2-digit HS code item 39 is common to both imports and exports. This category represents plastics and plastic products. It is noted that Ghana operates a Free Zones systems, which allows certain items to be imported, processed and exported tax-free. Plastics are imported in block, processed into plastic articles and then exported.

**Destinations of Ghana’s exports**

Ghanaian exports go to many countries. However, the top 10 destination countries received over 80% of exports in 2009 through 2013, and 74% in 2014. See panel B of Table 3. Clearly, Ghana’s export destinations are not diversified by this measure. Unlike imports, the country that received the most exports from Ghana in all years but 2011, is African, South Africa. In 2011, Ghana’s neighbour, Togo, topped the list. More African countries are among the top 10 export destinations, unlike imports. There were four African countries in the top 10 in 2011, three in 2009, 2010, 2012, and two in each of 2013 and 2014. Neither China nor USA made the top ten export destinations in any year.

There is some positive news here. The general impression that African countries do not trade among themselves is not borne out in this case study. The proportion of African destinations for Ghana’s exports is relatively impressive.

**Discussion**

We seek to understand the links between Ghana’s balance of payments accounts and a number of macroeconomic variables with a view to explaining deterioration in the value of the domestic currency and rising international debt.

Evaluation of identity (3) tells us that the savings rate is low in Ghana, thanks to a high rate of consumption of domestic output, and penchant for consumption of imported goods and services. Savings are lower than domestic investments overall, just as private investments exceed private savings substantially. This picture is reinforced by Identity (4), which shows...
substantial net foreign capital inflows into Ghana, mostly debt, to pay for excessive imports. Chiu and Sun (2016) investigated whether a higher savings rate improves a country's trade imbalance using data for 76 countries for the period 1975–2010. They found that countries with a savings rate above 14.8% can improve their trade balance by increasing the savings rate or depreciating their currency. Depreciation of the domestic currency in Ghana appears not to have worked. Ghana's savings rate averaged only about 14% over 2009-2015.

That foreigners are ready to lend to Ghana, says they find Ghana to be an attractive destination for their investments, and that they expect their investments in Ghana to be profitable to them. Discussions about debt often include the question of debt sustainability, in order for countries to avoid debt crises. Discussions are underway about redefining debt sustainability to be consistent with the level of debt that would allow countries to achieve the United Nations Sustainable Development Goals. Flassbeck and Panizza (2008) find that the probability of debt crises is higher with external public debt contracted from private creditors in foreign currency. Ghana, having recently become lower middle income, much of her recent foreign debt continues to come from private lenders in foreign countries.

Further analysis, shows that the excess of investment over savings has two dimensions - private investments exceed private savings, and the government too has been running budget deficits. One may then ask about the nature of these investments. Analysis of Ghana's merchandise imports shows that much of the imports are equipment for extraction of minerals and crude oil, Information and Communication Technology (ICT) and vehicles. Investments in the extractive industry and ICT are mostly private and it is expected that investors would have done their homework and expect to earn returns commensurate with the risks they are taking. A lot of the vehicles are government owned and are consumer items.

Analysis also reveals a relatively high proportion of Ghanaian exports to other sub-Saharan Africa, unlike perceptions in the literature which suggest that the inter-African trade is low.

Analysis also uncovered spending on non-useful imports – animal offals, rejected elsewhere and of low nutritional value. Data also shows that Governments intervene in the foreign exchange market, mostly to shore up the domestic currency.

**Conclusion**

It is noted that it is Ghana's current account deficits that have necessitated the net inflow of foreign loans. Without these loans, the domestic currency would have depreciated even more than has been the case. It would appear that foreigners find Ghana an attractive investment destination.

It is further noted that current account surplus is not necessarily an indicator of vibrant economic activity, nor is a current account deficit a sign of sluggish economic activity. Ghana's foreign loans should be invested and managed, so that new and better technology, improved production systems and more modern ways of management may be introduced into Ghana. The quality and variety of goods produced in Ghana would then improve. Labour productivity too would. If these happen, she may begin to show current account surpluses, reduce debt stock and possibly strengthen the domestic currency.
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Managerial Implications of Delayed Reimbursement of National Health Insurance Claims: The Case of two Hospitals in Northern Ghana

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Abstract
This study examines the managerial implications of the unpredictable payment pattern and the extent to which the phenomenon affect quality healthcare delivery using Bolgatanga Regional Hospital and the Bawku Presbyterian Hospital as multiple case study. Qualitative case study design was employed using multiple cases of two hospitals to allow for an in-depth exploration of delayed reimbursement of claims. A total of 12 management members of the two hospitals and 10 scheme managers were selected for interviews. Significant statements from transcribed data generated themes through coding and categorization. The purchaser-provider split model underpinned the study analysis and discussions. The results showed that managerial activities of the two hospitals are characterized by prize discrimination, weak purchasing power and impromptu prioritization. Stock level for drug and non-drug consumables often depleted, leading to the emergence of a certain unscripted form of ‘co-payment’. Staff development, training and remuneration are halted, while basic diagnostic test could barely be carried out. The findings do not support the realization of technical and clinical quality. The paper recommends the creation of a separate account for NHIS funds and enforcement of sound financial management of the scheme’s funds by the National Health Insurance Authority. A broader consultation is also recommended to explore the possibility of incorporating co-payment into the current system, to minimize cost of treatment burden as well as serve as a gate keeper.

Key Words: reimbursement, insurance, claims, managerial implications
Background
Healthcare accessibility and affordability are critical variables in many developing countries such as Ghana. Indeed, the comments by the Economic and Social Council of the United Nations states that “Health facilities, goods and services have to be accessible to everyone without discrimination, within the jurisdiction of the State party” (UN, 2000; pp.3). Healthcare access is viewed as a non-negotiable necessity that cannot be compromised. Ensuring good quality and accessible healthcare does not happen by chance, it is planned.

Green (2012) posits that healthcare financing viability and sustainability are key ingredients to ensuring healthcare accessibility and affordability. Studies over the years suggest health insurance provides the prospects of better access and risk protection for the poor by pooling risks and resources against the cost of illness (Dror and Jacquier 1999; Preker et al. 2002; Ekman 2004; Carrin et al. 2005). In replacing user-fees known as cash & carry, the government of Ghana through an act of parliament (Act, 650) implemented a unique three-prong dimension of health insurance; district wide mutual insurance, private health insurance and private mutual health insurance. The district wide mutual health insurance which is the largest and most subscribed is financially supported by government and manned by a board of governors. This will later become national in nature with a central management and governance.

Send-Ghana (2010) and Osei-Akoto et al (2012) report that the implementation of Ghana's national health insurance scheme has significantly soared facility attendance resulting in increased workload. However, Seddo, Adjei, and Nazzar, (2011) note that there is a significant loss of revenue to providers due to claims payments delays among others. Sakyi et al (2012) observe that, delays can take up to 4 months. Dalinjong & Laar (2012) reveal that, the phenomenon can take as long as 6 months before the authority pays 'something' to service providers. It appears a widespread problem. Witter & Garshong (2009) and Blanchet, Fink & Osei-Akoto (2012) found out that over 70% of internally generated funds (IGF) of accredited facilities are accounted for by the national health insurance scheme's claims.

The dilemma is, can service providers function at optimum given that a major chunk of their IGF is held up by the National Health Insurance Authority (NHIA) often for 6 month or more? What does the future hold for accessibility and quality healthcare? How does the delay in reimbursement influence decision making and managerial tasks? Talks on the effect of unpredictable reimbursement of claims has been rhetoric and not grounded on empirics. Existing literature tend to comment on the general challenges of the scheme and not specific on the effects of delayed reimbursement hence, a gap. This paper consequently examines the impact of claims payment delays on managerial decision-making and task and the extent to which the phenomenon affect healthcare delivery.

Ghana's National Health Insurance Scheme
Health insurance simply put, is a way of pre-paying for service for consumers. Subscribers in principle agree to pay some amount which is spread over a specified time period within which any member can
benefit on need bases. When Ghana introduced the policy in 2005, the objective was that: “Within five years, every resident of Ghana shall belong to a health insurance scheme that adequately covers him or her against the need to pay out-of-pocket at the point of service use in order to obtain access to a defined package of acceptable, quality health services” (Government of Ghana, 2004 pp.4). The scheme is unique in that it is a combination of both Social Health Insurance and Mutual Health Insurance concepts.

At the centralized level, the NHIS is regulated by the National Health Insurance Authority who guides the management of the national health insurance fund (NHIF). The scheme is funded primarily from a combination of earmarked public revenues (2.5% VAT), contributions from civil servants to Social Security Funds, i.e. Social Security and National Insurance Trust (2.5% SSNIT) and income-adjusted premiums.

Revenues from the NHIF are used to provide a reinsurance mechanism for the District Mutual Health Insurance Schemes (DMHIS) and premiums for exempt groups such as children under the age of 18 years if both parents are registered, pregnant women, those above 70 years and the core poor under a legislative instrument (LI 1890, 2003). The minimum benefits package of the NHIS includes outpatient and inpatient care, maternal care, diagnostic tests, generic medicines, certain cancers such as cervical and breast cancers, emergency care, many dental and eye services as well as the cost of general ward and meals (Mensah et al., 2009, MOH, 20010). The NHIS contracts accredited providers (public, private and mission) to deliver services to its members and reimburses them after submission of claims for services. This system separates the purchasing and service provision functions across different stakeholders to increase transparency.

Provider Payment Mechanism

The Provider payment method is the mechanism used to transfer funds from the purchaser of health care services to the providers. A good provider payment method has to address and be implemented within strong support systems. Issues of importance in developing and implementing a successful provider payment strategy include: governance and accountability, fund management and stakeholder relationships between users, scheme managers and providers. Three main payment mechanisms define health insurance claims reimbursement: Fee for service (this is often itemized), diagnostic related groupings (DRG) and capitation. One method does not claim perfection over the other. In some instances, two or more methods can be used to counteract the disadvantage of using one. Amarteyfio and Yankah (2012) explain that a skillful mix of methods in the context of a country's economics and historical background perhaps is the best approach.

Ghana's NHIS uses itemized fee for service for medicines, diagnosis related groupings for services. In a typical case, when a client enters an accredited facility with active NHIS ID card, the client is issued an NHIS specified folder by the record department and he/she goes through the system of treatment. A cost sheet accompanies the folder upon which entries are made from one stage of the healthcare
delivery to another or software system captures the digital details of the client's service usage. The cost sheet is removed by the facility’s billing officers after the treatment process and the folder sent back to the record unit for the next visit by client. Claims are then compiled using the individual cost sheet from each client’s folder or using the software captured information about patient care and sent to NHIS after internal vetting. The scheme also vets (check for accuracy and genuineness) submitted claims. Successfully vetted claims that meets the terms of references is then approved by the Scheme managers for payment.

The Split Model
Healthcare thrived on efficiency and cost effectiveness in developed countries. Fischbacher and Francis (1998) thought that, a split in function for a provider and a purchaser will enhance efficiency and accountability. Essentially, the model involves actors in a tripartite relationship: the purchaser, the provider and the premium holder. The purchaser gets the mandate of the premium holder to negotiate and pay for healthcare services on his behalf. The system creates an atmosphere where providers are accountable to the public through the purchaser.

The split model is viewed in two dimensions: a total split and a partial split. A total split occurs when public providers are managed entirely by another public body while others may be totally privatized. On the other hand, a partial split denotes a situation where a public authority may retain management of some services of health provision (Zurn and Adams, 2004). An incentive to the split system is its capacity to empower purchasers to use their purchasing power to compel service providers to offer quality care. It also allows providers to focus on efficient delivery of quality healthcare as it stimulates competition among them (Zurn & Adams, 2004; World Bank, 2006).

Central to Ghana’s NHIS is the purchaser-provider split model, where government performs a regulatory function for both the purchaser and the provider. This study is not a holistic review of the split model, rather, as the model underpins the study, delayed reimbursement is viewed as a negative function of the purchaser, thus, this paper explores its implications on the provider. The gap between the principles and practice of the model is discussed and lessons drawn for health policy makers. Figure 2: explains the relationship among the actors of the scheme.

Methodology
A qualitative philosophy reliant on the constructivist world view guided the approach of the study. This allowed managers of the study sites who run the hospitals to explain their experiences and the extent to which the issues affected the running of the health facilities. Two hospitals were chosen under the guide of inclusion criteria to enhance the explanatory power of the findings.

The criteria included: NHIS accredited hospital, a minimum of 3-years post-accreditation experience and evidences of delayed reimbursement for the last 2-3 years. Key informants within the pull of management in each hospital were purposively selected for a one on one in-depth interview. A total of 22 respondents comprising of 12 management members...
of the two hospitals and 10 scheme managers were selected for interviews. The choice of participants was informed by the knowledge that in the Ghanaian context, management members are directly involved in the day to day activities of purchasing and payments in a hospital setting and can provide reliable and credible information to the study. This is consistent with Creswell's view on purposive sampling (Creswell, 2013). Same tools and strategy was used in collecting data from the two different points, thus, supporting the logic of replication as espoused by Yin (2009). The use of multiple data source also allowed for data triangulation. In all, 12 management members, 6 from each hospital, were interviewed one-on-one.

In-depth interviews
All participants granted face-to-face and tape recorded, except one, whose interview was via telephone. The time spanned a period of two months. On the average, an interview session lasted about 1hour 30 minutes, with time variance of over 15 minutes. Respondents expressed themselves freely without interference, coercion or leading comments. Follow-up questions were asked as and when necessary and clarifications sought on issues that were not clear but relevant.

Analysis
Data analysis fundamentally, was inferential and assumed a thematic style. The multiple case nature of the study necessitated a thematic analysis across the cases, referred to as cross-case analysis (Creswell, 2007). The tape recorded interviews were transcribed verbatim, read over and over, extracting about 120 significant statements. These statements were coded to allow for proper categorization. Data that did not fit well into any of the categories developed were carefully examined to ensure that their exclusion will not negatively affect the results. Statements were then clustered using similarities and dissimilarities. Categorization of similar and common statement generated 4 themes under which findings are reported.

Results
Price discrimination
As a tactic to avoid losses, suppliers purportedly pegged their prices above the normal market prices of drug and non-drug consumables. Apparently, this allows suppliers to continue to meet the demand of providers, keeping them as customers and not running at a loss. These prices have been described as ‘throat cutting’. An informant put it this way, “We buy on credit and if you go for credit they will not give you at the normal market price. They will give you at a relatively more expensive price knowing that they will not get their money any time soon”.

Another informant agrees with his colleague, thus, “Prices are high. If somebody agrees to supply, he will factor in the delays as compared to if they know the money will come next month.

The fact that bankers may charge interest in addition to inflation was also highlighted as a possible causal factor to explain how the delay affects hospital managers vis a vis market prices. Interviewees suggested that suppliers go for loans with interest from the banks to work with, and rightly so, will consider interest rates and time when pricing their goods. A finance expert and a key management member of one of the hospitals had this to say;

“...By implications, all these (delays) are
factored into prices, work out bank interest and slap it on the cost of items. Probably, he took a loan from the bank and has to make projections and adds it to the prices”.

Moreover, due to prices discrimination, income generated from the scheme has little value and weak purchasing power. For example, the purchasing officer may be required to pay £100.00 for items which otherwise would have been £70.00, thus, there is a total reduction in quantity of goods and services with which insurance income could have obtained. A participant noted:

“…the hospital must run. Sometimes we have to plead…and sometimes, we have to look for alternative elsewhere, suppliers who do not know us much. They will go in and send us the items on a higher price which I think is very bad.”

Higher prices for facilities and intermittent refusal by suppliers to supply essential items to providers necessitated unapproved survival strategies of rendering services. Informant reports of unapproved method of insurance/cash & carry style. This is where a client with valid insurance card access free consultation and services but pays cash for the drugs at the pharmacy or buys the drugs from private pharmacies for treatment. It appears an unscripted form of co-payment. He disclosed,

“We run some cash & carry alongside 'small small' to help the system… You know, when you prescribe a drug and it’s not in stock, the client may have to buy it outside for use and if the pharmacy has it and says they need cash…what do you do?”

Weak purchasing power
“We don’t have the purchasing power” a participant observed.

Interviewees noted with concern that hospitals’ ability to purchase equipment, drug and non-drug consumables has been rendered ineffective by the delays. Records from both facilities show that over 90% revenue generated by providers is from the National Health Insurance Scheme. Given that delays can take up to 6 months and when payment is eventually made, less than 50% of total claims due is reimbursed at a time, the purchasing power of hospital would somewhat be affected. A procurement officer of one case observed that the procurement department is at the mercy of the scheme.

“It affects procurement a lot because we buy many things with the money we receive from health insurance. We buy drugs, we buy non-drugs and even food staff…most of the times we pick these items on credit. When we pick and have no money to pay…suppliers threatens not to supply”

The hospitals in question have feeding programmes meant to reduce malnutrition in children and actually feed a section of admitted clients in the facilities. It is difficult to imagine what will happen to patients who cannot be fed because the facilities are not paid what is due them. Suppliers actually carried out their threat quite often.

“Of course, just recently after our procurement evaluation we wrote to those who were supposed to supply and they told us that we owe them so much, so they cannot supply: they said they don’t have money to go to the market to buy for us.”

Another informant lamented that claims payment delays created a consequence of facilities paying so much for less items as compared to their counterparts who used cash & carry. He said:

“We normally have to strongly to negotiate. Some…know we are an institution and cannot run away. They will eventually give us but at a
higher price than what they would quote in the market for cash & carry. They take advantage of the situation and ‘cut’ against inflation to avoid losses.”

In other instance, claims payment delays created a situation where facilities go to the extent of reducing the quantities of items they needed to persuade supplier to supply, It do not meet their quarterly requirements. The procurement officer lamented,

“The budget that we worked on recently, the quantities we were supposed to buy was huge, but because we don’t have the money to finance the purchases we had to cut the quantities down, which I think will affect us because it will not be long and these items will finish and we will be running round looking for items.”

A participant had an economic view of the above development. He thinks that inflation might catch up and affect the institutions purchasing power, should procurement be carried out in smaller quantities over time.

“Increased prices may not affect you much if you buy in large quantities”

Shortage of drug and non-drug consumables

Drugs are the single most important commodities with which hospitals operate. Science has yet to discover what could possibly deal decisively with microorganism in a hospital other than drugs. To that extent, it is probably outrageous to think that hospitals can function optimally without constant supply of drugs. Indeed, there was an account of crucial drugs that run out of stock and could not be procured due to lack of funds and accrued debt. A medical director bemoans:

“Sometimes there can be certain drugs that we do not have and have no money to go and buy. There was a time our insulin got finished and we had no money to purchase. The regional medical store couldn’t help us to”.

It is not a case of one incident or two. It regularly happens and more so when a facility gets unfavourable response from its major source of revenue. It appears to be a normal occurrence, however serious it might be.

“It has happened to us severally where they deny us drugs because we owe them”

The challenge does also take the form of managers changing suppliers, a situation which exposes procurement officers to buying substandard drugs or items. It appears to be a case of less money, less options. The surgical theatre of Bawku Presbyterian Hospital suffered directly from the situation.

“There was a time, the theatre run short of a particular suture which was very good. The sutures finished and we had not paid the supplier for long. We relied on another supplier and they supplied but the theater staff complained that it was not good.”

One interviewee was straight forward with the effects of claims payment delays on health service delivery.

“Yes! Quality is compromised. You may not have a particular drug and cannot go back for it because you haven’t paid. It may so happen that only that company can supply it.”

Indeed, the phenomenon could potentially retard the gain made in achieving the United Nations' Millennium Development Goal 5. Oxytocin is drug used by doctors and midwives during labour. One of the study hospitals had a shortage of this important drug and the supplier was
reluctant in supplying because the facility owed them for over 8 months.
“…Oxytocin was not in supply. We struggled to get it for the midwives…”

Private suppliers and companies are not the only ones affected. The precarious situation also poses a challenge to the regional medical store. One would expect that the regional medical stores will bail out facilities that are in dire need of drugs under such circumstances. The results suggest otherwise.

“At times you go to the regional medical stores and they complain of similar situation…they also need to pay their suppliers and if we own them for long, they cannot purchase for us”

Areas of non-drug consumables or equipment are equally affected if not more. Technical quality is potentially enhanced with the availability of required working tools. Appropriate working tools are incentive by themselves for quality healthcare delivery. However, the experience shared by interviewees, did not support a healthcare environment well equipped with working tools. Laboratory reagents were also in shortage causing the inability to run certain basic tests like hemoglobin, widal test and cultures.

A key informant lamented that clients were oftentimes referred to private laboratories for their investigations that are covered by the scheme and would have been carried out by the study site facilities but lack of funds due to the reimbursement delays. Essential equipment such as oxygen concentrators that facilities could have, were they paid regularly are not in adequate supply.

“We agreed to buy oxygen concentrators for all the wards. We even budgeted for it but no money”

Cotton wool, gauze and plasters have run out of the system according to participants. These are necessary for ward activities such as wound dressing, setting intravenous lines, putting Plaster of Paris (POP) and others.

Impromptu prioritization

Indeed, managers of the two hospitals seem to have braced themselves for ad-hoc measures whenever necessary. The payments of claims are unpredictable and unreliable and therefore allows minimal or no room for managers and Administrator to plan. If anything, managers’ action in the current situation of claims payment is to survive. The findings suggest they have oftentimes changed certain policy arrangement to quickly accommodate a distress situation.

“Go to our ledgers, we have a lot of debtors…carry over front. You get this, and you patch some holes. You look at emerging areas and the age of the debt and then you manage… the most essentials like oxygen should be taking care of… So you do cash management”.

In other instances, moneys meant for development and training would be diverted and reserved to cater for the salaries of casual workers or workers who have not been mechanized by the controller and accountant general’s department. Projections which otherwise may not have happened appeared inevitable under the current payment style.

“Anytime we receive money from the health insurance, because it’s their (unmechanised staff) monthly salary, we make provision for them for several months. That money is set aside to pay staff salaries.”

Decision making appears to be adversely affected. Describing the development as
terrible, a key informant accounted how they are unable to implement managerial decision. The problem is made worse due to the high patronage of health insurance in the study areas. In the words of a top management member, the internally generated funds of the facilities are virtually reliant on the scheme claims payments, failure of which oftentimes throws the management and administrative processes into disarray.

"The hospital revenue is nearly 95% insurance... we can't do anything. We cannot pay rural allowances. Basic administrative cost is affected. It has affected managerial decision. Even suppliers have threatened to withdraw. Some withdrew because we owe them so much."

The above statement is suggestive of a precarious situation of hospital managers and administrators brought about as a result of a failed system that promised to deliver.

Discussion

The results show that both hospitals practically depend on claims payment by the scheme for administrative and managerial activities. Over 90% of the total income of the Regional Hospital for example is from the insurance scheme. The breakdown of revenue between drug and services also shows a similar pattern. The dominance in percentages of insured revenue against out of pocket payment suggests the level of acceptance of the scheme by the people of the region. This is consistent with the findings of Asenso-Okyere et al (1997). This also support the findings of Blanchet, Fink and Osei-Akoto (2012) that the average individual enrolled in the insurance scheme is significantly more likely to obtain prescription, visit a clinic and seek formal healthcare when sick. The enhanced health seeking behaviours of both hospitals clients presuppose that, in the unpleasant event that the scheme becomes unattractive, facility users may resort to user fees, called 'cash & carry.'

A major finding of the study is the weaknesses in the purchasing power of the hospitals marked due to late payments. Clearly, managers account of not being able to pay their suppliers on time work against them as their drug and non-drug consumables are limited. This supports Sodzi-Tetteh et al (2012) findings but inconsistent with Atinga et al (2012). Atinga and others report that hospitals under the national health insurance scheme are better-off in the area of cash flow and stock levels of drugs. The apparent inconsistencies of the findings with their work may be suggestive of the evolving changes of the scheme rather than a limitation of a scientific process of either study. In other words, the scheme probably paid well at the time Atinga and others conducted their study vis a vis the current situation as reported by this study.

Both facilities showed evidence of completely running out of essential drugs at some point in time. The study findings also showed that renovations works stalled and employee development and training suspended, all due to lack funds. Bakar et al. (2008) proposed a two-way approach to explain the dimensions of service quality in healthcare. They distinguished between clinical quality and service quality. The former refers to activities of the healthcare process such as surgical skill, sufficient drugs, logistics and other factors that translate into better outcome. Juxtaposing the results of insufficient drugs and logistics to Baker et al dimensions of
healthcare quality exposes clinical quality issues of the study hospitals. Hospital comfort and physical environment which are necessary variable to service quality according to Baker and his colleagues also remains a challenge in the hospitals.

The study also found that staff remunerations were outstanding. The most affected group are those paid on table. The picture is de-motivating, does not enhance job satisfaction and counteracts the prospect of quality healthcare. Stredwick (2000) suggests that the emergence of the concept of human resource management in the 1980's gave rise to the recognition that the workforce was one of the areas of competitive advantage and that a good and well-motivated staff will deliver the goods anytime in a day. Motivation creates in employees the 'will to work' while job satisfaction also positively correlate with employees' inclination to work effectively (Porter & Steers, 1973; Price, 1977; Mobley et al., 1979). A competent worker who is unwilling to work may actually achieve nothing.

According to Engin and Com (2006), clinicians need motivation to accomplish their tasks and provide quality care. Factors such as workload, salaries, benefits, bonuses, leadership styles, reward systems, opportunities for growth and development, have been found to contribute to clinicians' levels of motivation (Barker, 2006). Heathfield also (2008) notes that the one key factor in employee motivation is the opportunity offered to them for continuous growth and development on the job. The perceived lack of control over factors like claims payment affect standard practices and can also lead to dissatisfaction, frustration and demoralization (Roseanne & Daniel, 2006).

The results also uncovered that prescriptions are issued by doctors for patients or their relatives to buy drugs and non-drug consumables such as cannulas and gloves for use by clinicians. It appears a new but very common practice that has been adopted by service providers to mitigate the consequences of claim payment delays. This is consistent with Agyepong and Nagai's (2011, pp.78) finding of "ridiculous modification" of insurance processes by providers to survive. The unscripted form of co-payment, however, could pose affordability challenges to the poor and destitute who are major beneficiaries of the social health insurance (NHIA report, 2010; Prinja et al., 2012). The development is a threat to the achievement of universal health coverage as trust between premium holders and service providers could potentially be damaged and eventually discourages individuals from renewing their membership.

Weaknesses of the split model
Siverbo (2003) writes that researchers recently begun to have doubt that the purchaser-provider split model is good for the public sector. He notes that the split-model does not support the creation and maintenance of market relationship. According to Elwood (1997), the purchaser pay limited attention to prizes and other market signals and that it was common for the purchasers to have a monopsony and providers to have a monopoly. Åkerhurst & Ferguson (1993) reports that providers felt they were in the hands of purchasers and simply have to dance to their tune. Lapsley & Llewellyn (1997) and Flynn & Williams (1997) highlight the lack of clauses in contracts with regard to
penalties if contract was breached.

A stand out challenge in Ghana NHIS is a non-regular payment of claims (Witter & Garshong, 2009; Sakyi et al., 2012; Sodzi-Tettey et al., 2012). Probably, the model does not suit the political terrain or there is some sort of a lop hole in the schemes legislative acts. The split model appears conflicting and problematic. Ghana’s government regulates the health insurance scheme under the current arrangement and at the same time owns the public health sector thus, the state is the purchaser and to a large extent the provider. Scheme and hospital managers are merely employees of the state who can only make do with what is available to provide services. The state decides when to finance its healthcare services, through claims payment and should there be any delays, no sanctions are pronounced and civil society suffers. This probably explains why claims payment goes beyond the 4 weeks grace period as stipulated by law (Act 360) yet nobody is held responsible. It is an abuse of the purchaser-provider split model and may as well invite patients to the days user fees (Figure 1).

Figure 1: The provider purchaser split model, adapted from Siverbo, (2003)
Conversely, private health insurance in Ghana does better in terms of claims reimbursement. For example, SSNIT hospital accepts private insurance, but not national health insurance. The findings suggest Ghana's NHIS is at a cross road and this is congruent to earlier studies that reports that earlier health insurance scheme had collapsed in Ghana as a result of delayed reimbursement (Seddoh & Akor's, 2012). Figure 3, is the Author's impression of the country's healthcare financing chances in the long run should the current trends continue. The diagram show the phenomenon acts at both ends to dissatisfy the service provider and the consumer.

**Conclusion**

Managerial decisions of the two hospitals under the current rate of claims payment are generally ad-hoc and unplanned. Administrative activities such as procurement, staff remuneration, staff training and development have often been halted, thus, raising concerns over what Donabedian terms structure-process-outcome quality of care. Perhaps, technical quality is a challenge under the current situation. The apparent weakness of the purchaser-provider split model with regards to accountability of the purchaser may be traced to government as an owner and/or a regulator of both healthcare provision and purchasing. Conflict of interest issues arises.

The current structure further strengthens the grips of government on the scheme and support respondents' views that, the scheme funds are probably diverted to other government businesses. The phenomenon is a danger to healthcare financing viability, affordability and financial access. The happening puts pressure on providers, decreases the trust of premium holders and potentially prevent the full realization of the benefit of social health insurance thus, a threat to Ghana achieving universal health coverage. Perhaps, the guidelines should be reviewed to include regularized cost sharing system, so called co-payment, where some or all categories of subscribers are made to pay a certain percentage of the total cost of treatment to minimize pressure on the scheme.

Misapplication of the scheme's funds as suggested by the study participants is thought to also contribute to claims payment delays. There is, therefore, the need to take a critical look at the current system of lamping the scheme's funds into the consolidated fund, a general government coffers. Perhaps, it is time government created a separate account for the national health insurance scheme funds and also encourage the independence of the National Health Insurance Authority, where they are empowered to ensure that, sound financial management practices exist within the scheme to safe the current situation. This study also recommends large scale research quantitatively to measure the relationship between claims payment delays and healthcare quality.

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Effect of Culture on Marketing Orientation of Multinational Firms: Evidence from Nigeria

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Abstract
The effect of globalization generally is that many firms have become international players in their marketing operations earlier than they had expected. This stepping out into the international arena was also quickened by the prevailing and pervasive quick-silver changes in technology. The emergence of the Internet was also a catalyst in the ever evolving technology. It is known in literature and supported by evidence from China, Europe and Asia that going into a new market by a firm requires that the firm must take into cognizance the nature of its new market environment which includes the economy, the political and cultural factors. In addition, the firm will consider its own capability – marketing orientation and strategy to adopt the new cultural obligation for business success. The multinational firms in Nigeria were studied to find out the extent of Nigerian cultural content in or influence on their marketing orientation and strategy. The study revealed that the firms in developing their entry and operations strategy, which ostensibly were informed by their marketing orientation about the Nigerian market, considered only the economic and political factors but not the cultural factor. For example, their product packages were of foreign designs that came in languages alien to the Nigerian consumers. This situation did not affect their marketing operations, it was discovered, too, because of the Xenocentric buying behavior of the Nigerian consumer. Indeed this Xenocentric buying behavior of the Nigerian consumer appeared to be their gain.

Key Words: Culture, Marketing Orientation, Marketing Strategy, Multinational Firms
Introduction
Nigeria is one of the emerging markets in the world and a leading emerging market in Africa. This position results from the size and population of the country, over one hundred and seventy million people, its vast oil wealth and its growing economy officially ranked the first in Africa. Earlier studies by scholars outside Nigeria, and Nigerian in Diaspora (Bell and Shelman, 2010; Chan, 2013; Chua, 2012; Claudia, 2012; Foley and Kevr, 2011; Jones, 2010; Neeley, 2011; Neeley, Hinds and Cranton, 2009; Okechuku, 1994; Quelch, 2009; Rozkwitalska, 2013), focused on the influence of culture on multinational and/or global firms in such countries like USA, Finland, China, Australia, Norway, India, Pakistan but rarely any as it concerns Nigeria.

Firms going into new markets are challenged by opportunities and threats in the new markets, whether domestic or international. Usually, a firm's response to these challenges is hinged on its philosophy or orientation towards marketing dynamics at the home front and abroad. Contending firms, that is firms that strive to lead their industries in the market, do not just hop into a new market. Their entry is preceded by a research into the new market (Pride and Ferrell, 1985). However, the direction and extent of the market research depend on the orientation of the firm in the market in terms of production-based, product-based, sales-based or marketing-based. The research then directs its focus in that direction and so the result finds an answer to its worry in line with its orientation.

Statement of Problem
The marketing strategies multinational firms employ as a result of their marketing philosophy or orientation must as a necessity take into account not only the needs of its customers but also those factors that shape and/or determine the needs of their customers and their buying behavior. These determinants have been found in literature to include economic and socio-cultural factors (Schiffman and Kanuk, 2009). As a matter of fact, these factors are economic and cultural factors because culture, as discussed in this study, encompasses social factors, legal, religion, occupation and even technology. The worry here is that many multinational firms fail to factor in the cultural demands of emerging markets or poor economies in Africa in their marketing orientation because they perceive such cultural requirements inconsequential (Lee, 1987). These cultural factors include consumers' buying behavior, language, ethnocentrism, country-of-origin effect, attitude etc (Lee and Shum, 2010; Liu, Murphy, Li and Liu, 2007; Philip and brown, 2003; Shin, 1993;). Has Nigeria such a fate? This is worrisome because the strategy a firm designs to capture a new market depends on both its marketing orientation and its orientation about the new market, that is how the firm perceives the new market – whether highly competitive or easy walk-over; highly attractive or unattractive; emerging and important or developed.

The multinational firms in Nigeria do not seem to have factored in Nigerian consumers' culture in their marketing orientation and in their product development, so at least their ads, product literature and campaigns suggest. This is a problem and a challenge to Nigerian consumers who buy products with the instructions about the products' usage and ads written in foreign languages, and to Nigerian consu-
mers' watchdog like the Consumers' Rights Protection Council of Nigeria and other regulatory agencies like the National Agency for Food and Drugs Administration and Control and National Communications Commission who police the manufacturers of such products for consumers' rights protection. This practice is also deceptive to new multinational firms wishing to enter the Nigerian market and may pose a big investment challenge in sectors where the consumers can stand up for their rights such as in banking services.

Objectives of the Study
The objectives of this study are to explore
1. If the multinational firms in Nigeria factored in the culture of the Nigerian consumers in their marketing plans
2. The effect of such cultural inclusion in their marketing plan if they did
3. The extent to which the culture of Nigerian consumers influenced the multinational firms' pre-entry marketing activities in Nigeria.

Research Questions
This work concerns itself with the following research questions as a way of meeting the objectives of the study based on the hypotheses below.
1. Do multinational firms consider ethnocentrism in their foreign markets assessment prior to entry into such markets?
2. What are the implications of multinational firms factoring or not factoring in foreign nationals' ethnocentric tendency in their assessment of foreign markets?
3. Do multinational firms apply marketing orientation in their foreign markets or just see such markets as extension of their home market?
4. What are the implications of multinational firms' failure to extend their marketing concept or orientation to consumers in foreign markets, including Nigeria?
5. How do these questions play out in Nigeria?

Research Hypotheses
This study is anchored on the following hypotheses:

H0: The multinational firms' (in Nigeria) marketing orientation is merely an extension of their home country marketing philosophy.

H0: There is no significant consideration of the ethnocentric tendency of the Nigerian consumer in the marketing orientation of the multinational firms in Nigeria.

H0: There is no significant influence of the culture of Nigeria on the marketing orientation of the multinational firms in Nigeria.

H0: The multinational firms' marketing orientation and activities are devoid of any influence by the culture of Nigeria and can thrive independent of the culture of Nigeria.

Scope and Limitation of Study
This study did not intend to measure the effect of culture or customer ethnocentrism on the marketing performance of the multinational firms nor its impact on their strategic approaches and maneuvers. It only concerned itself to investigating if the culture of the Nigerian consumers was taken into consideration in their marketing philosophy and how this has affected their marketing efforts in Nigeria.
This study was limited by the dispersal of these multinational firms and the connectivity problems in the Nigerian communication system – road, air, rail, sea, and even the Internet. Road and air in terms of hazards; sea in terms of non-navigational status of most sea routes in the country; rail in terms of its non-availability in many parts of the country; and Internet in terms of network hiccups and many of the multinationals' E-mail addresses were not available even on the Internet. Also, the uncompromising attitude of many management staff of the multinational firms in Nigeria towards Nigerian researchers necessitated whittling down the number of firms from the initial forty eight to sixteen.

**Organization of this Study**

This work is divided into two main areas.

(a) Application of marketing orientation by the multinational firms in Nigeria

(b) Consideration of the culture of Nigeria as an important factor in their marketing strategy derived from and driven by their operational orientation – marketing or product.

The issues of marketing orientation and the place of culture in foreign markets were also analyzed in detail to guide this work in its exploration as a theoretical framework. This study relied on the Uppsala and POM (business) models to discuss firms' internationalization process. That is, the multinational process of gradual entry through exporting of their products or services to Nigeria.

**Review of Literature**

**What is Culture?**

In trying to define culture it is important we take note of Gerth and Wright Mills' (1979) observation that “the culture of the individual certainly does not consist of the quantity of ‘cultural values’ which he amasses; it consists of an articulated selection of culture values.” In other words, the isolated individual cultural values one picks up from traveling from one place to the other do not make up one's culture. Rather what can be referred to as one's culture are the articulated cultural values that can be traced to a particular setting one belongs to. The products of foreign firms are influenced by the culture of the home markets in terms of their needs and the nature of meeting the needs. The Japanese women had their own washing habits which Procter & Gamble's Cheer laundry detergent did not satisfy and so the product lost its Japanese market until this fact was discovered (Lee and Shum, 2010). This cultural fact informed McDonald's marketing manager's (2009) observation that “good response market proved that our strategy of product localization is correct.” And this fact was taken into consideration by KFC as reported by its Beijing manager (2009) that “Actually, we are always looking for new tastes which fit Chinese customers and we found some local food very nice and favored by Chinese people.” (Cui and Ting, 2009).

**Concept of Culture**

Duncan (1969) defined culture as “that part of the total repertoire of human action (and its products) which is socially, as opposed to genetically, transmitted.” This definition takes into account all aspects of human relationships and existence excluding the viscera make up of man. Marcus et al (1980) see culture as “the inventory of appropriate values and customs that are imparted to members of a particular society.” The common string running through Duncan's and Marcus et al's definitions is...
their agreement that cultures are values that pass on to members of a society. And in particular, Marcus et al made no mistake to point out that the values or customs must be appropriate. In other words they must be those sanctioned or approved by the society, group or community. This of course lends credence to our earlier position that an individual's specific isolated cultural values learned from traveling to other places can not be traced to a particular society and so are not his culture in terms of his or her association or membership of a community or society.

Kilmann (1998) interprets culture as “the invisible force behind the tangibles and observables in any organization, a social energy that moves the membership into action.” The beauty of this definition is that it takes us further than the ecological environment of man to institutional settings such as the work place. Thus Kilmann takes culture beyond human habitat to social circles and other institutions where people group themselves. It therefore means that firms must consider the behavioral dimension of a people, their language, and their life style in its marketing campaign including its products ads. The Yorubas of Nigeria cherish it if a marketer communicates to them in their Yoruba language. This could be taken advantage of by firms advertising in Yoruba.

However, Tyler (1871)’s definition of culture as “that complex whole which includes knowledge, belief, art, morals, law, custom and any other capabilities and habits acquired by man as a member of a society” is more embracing and in fact captures the whole meaning of culture from both the sociological point of view and from our marketing perspective. That is to say that culture is about man and his environment. A people's way of life which consists of their patterns of thought, behavior, values, beliefs, rules of conduct, mores, politics, technology, economic activities etc that are observed by all members at the pain of sanction Lee and Shum, (2010); Okoye, (2013); Stremersch and Tellis, (2004); Varnai and Fojtik, (2008); Yoon and Lee, (2005), Fig.2. This means that culture influences the way people will see and appraise products and services and therefore their patronage in order to remain in conformity with its group's cultural tenets. However, it is known in literature that culture is not homogenous across a country or countries Okoye, (2013). A country seldom enjoys a homogenous culture because of the different nationalities that make up the country. Nigeria has over two hundred and fifty nationalities and these different nationalities have their idiosyncratic cultures that result in preferred products or services in different parts of the country such as food ways in divergent cultures. These facts of the Nigerian cultural diversity should be recognized by multinational firms but this does not seem so as all the foreign products either have their product literature in English language or in the language of the manufacturers while only infinitesimal few are in Nigerian languages. Besides, few of the multinational firms' products' ads carry Nigerian models in Nigerian attire.
Culture and Nationalism
LeBoeuf (1982) reports that Japan is a highly patriotic country because from birth every Japanese is taught that Japan is poor and small nation that depended on others and so must work hard to keep his or her nation living. Many nationals from African countries would love to see their countries look like the developed countries but would always long for things from the developed economies instead of their own country. Yet LeBoeuf (1982) tells us that the Japanese would beat their chest as poor nationals in spite of their technological feat and so do everything to grow their economy. Is it surprising, therefore, that Procter & Gamble ran into a marketing hitch for failing to study the Japanese culture? The Nigerian consumer enjoys good products at low prices but it is not known if and to what extent foreign firms in Nigeria employ this buying behavior of Nigerian consumers in their marketing strategy.

Ethnocentrism and Xenocentrism
Ethnocentrism, in the marketing context, means the desires or preferences of consumers of a country for the product and services originating from their country over similar products and services from other countries, Marcoux, Filitrault, Pieere and Cherom (1997); Shim (1993); Shimp and Sharma (1987). This tendency has led consumers to develop what is now referred to as country of origin effect (COE), Okechuku (1994); Philip & Brown (2003), and which forms a prism for
judging buying preference of consumers in a given country or cultural setting. This new consumer behavior has induced several researches in many countries trying to find out their nationals ethnocentric or Xenocentric tendencies towards certain products, Larimo and Pulkkinen, (2002); Lim, Tu, Chen and Tu (2007); Liu, Murphy, Li and Liu (2007); Luo, Sivakumar and Liu (2005); Philip and Brown (2003); Varnai and Fojtik (2008). The importance of consumer ethnocentrism, which derives from a cultural orientation of a people and which develops to country of origin attitude in a buying decision, to firms is that it drives their marketing orientation and therefore determines their marketing strategies in the market.

On the other side of the divide is a consumers' attitude which tends towards a preference for foreign products and services. Consumers in many African countries find themselves possessing this attitude which is referred to as Xenocentrism, Okoye (2013). Consumer ethnocentrism and consumer Xenocentrism drive the consumers in a given market to develop their inclination to or withdrawal from products and services according to their country of origin behavior. The multinational firms know that where their foreign markets are plagued by plurality of cultures, strategic marketing plays along the middle course but where the cultures are weak and loose, their contributions to marketing campaign are played down.

Cross-Culture in Marketing
Cross-culture has effects on relationships of consumers and multinational firms, Rozkwitalska (2013). This beautiful story of a marketer's experience puts the effect of cross-culture in marketing in perspective. A marketer, who learnt the culture of a foreign market from his past contacts with nationals of that foreign market, was on a marketing campaign in another foreign market. The nationals of the foreign market he had learnt some aspects of their culture made up a sizeable percentage of the population in this market area. He was in attendance at one of their celebrations in which he hoped to introduce his firm's new product — a confectionery. The marketer was remarkably different from his prospects' physical appearance and accent so that his identity could not be masked. His prospects culture was that during meals one would have to sit in a particular manner and the cutlery held in a particular fashion. This marketer had learnt these. He asked to be served their food, to their delight. He was served and as they watched him, he took their sitting position and held his cutlery in their own fashion. They were amazed how he had learnt their own way of life, even though he could not speak their language. When meal was over, he stepped out in front of them, opened his haversack and introduced his product. In less than ten minutes he had sealed several deals. Okoye (2013) reports that the Yorubas of Nigeria exhibit positive disposition towards foreign marketers who communicate their marketing messages in Yoruba language (Takada and Jain, 1991).

Marketing Orientation
According to Varnai and Fojtik (2008), “…managerial activities can be explained as the equivalent of an external market orientation of the firm. It means a strategic overview of cultural change that helps the given organization’s marketing orientation as well”. The basis of a sound
marketing orientation is further explained by Levitt's (1960) discussion of the American railroad problem in which he described the railroad management's outlook as myopic because they focused on their product rather than on the need their product served. In other words the beauty of a good marketing orientation is that it offers the firm an appropriate prism to mirror its products vis-à-vis the needs of its customers. And of course the latter determines the product and its nature since the product is to serve or meet his need. What this means therefore is that firms do not just manufacture products or develop services without first relating such products or services to meeting specific identified needs of its customers.

In the era of product orientation, the emphasis was on the product - and this was the era in which American railroad found itself - and less of the customer. Now firms must first identify the needs of its customers based on what the firms know about the customers. How do firms get to know about their customers? The firms must carry out a research into their customers' culture and economic growth pattern. Table 1 gives a clear picture of the difference between a product oriented firm and a marketing oriented firm.

Table 1 Market Oriented Vs Product Oriented Firms

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<tr>
<th>Business element or function</th>
<th>Orientation Characteristics</th>
<th>Organizational Characteristics</th>
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<tr>
<td>Primary consideration</td>
<td>Marketing</td>
<td>Marketing and selling what will sell</td>
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<td>Product line</td>
<td>Product line</td>
<td>Cost</td>
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<td>Research</td>
<td>Market and psychographic market analysis</td>
<td>Best product at lowest cost</td>
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<tr>
<td>Financial</td>
<td>Market price</td>
<td>Evaluation of consumer to pricing and competitors response to product offering</td>
</tr>
<tr>
<td>Product development</td>
<td>Customer needs and whims</td>
<td>Functional performance and cost improvement</td>
</tr>
<tr>
<td>Product design</td>
<td>Style and appearance</td>
<td>Performance and applications</td>
</tr>
</tbody>
</table>

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Internationalization of Firms
Welch and Luostrarin (1988) define internationalization as “the process of increasing involvement in international operations” by firms. But most essentially many of the internationalization process of firms begin from export activities of the firms (Andersen, 1993). As a matter of fact, the Uppsala and the POM (business application) Model both support internationalization of the firms through export process. Ekerete (2001) identifies six ways of firms’ involvement in internationalization as: exporting, licensing (franchising), contract-manufacturing (toll-manufacturing), management contracting, joint venture, and wholly owned subsidiaries. Many of the multinational firms in Nigeria are subsidiaries of their parent firms abroad and some of them went through this process of internationalization which started with exporting their products or services to Nigeria. Many of such firms are from Asia and Europe.

Research Methodology
Sample
Sixteen multinational firms were selected randomly from three sectors of the Nigerian economy and representing also firms from all the major continents of the world – Europe, the Americas, Asia, China, Australia, Africa and the Middle East.

<table>
<thead>
<tr>
<th>Packaging</th>
<th>Sales tool</th>
<th>Shipping and protective material</th>
<th>Advertising and sales promotion effectiveness</th>
<th>Materials handling and packaging machinery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company image</td>
<td>Style and market leader</td>
<td>Superiority of construction and product know-how</td>
<td>“I don’t run a soap company. I run a marketing company”</td>
<td>“We’ll give them any color they want as long as it’s black”</td>
</tr>
</tbody>
</table>


Data Collection and Instrument
The questionnaire design took into cognizance the fact that the 16 chief executive officers of the firms selected for this study were busy people who would not have too much time to offer. Also borrowing from the experience of Larimo and Pulkknen (2002) who discovered that one of the reasons for the poor response to their questionnaires was the length of the questionnaires (five pages, 48 questions each including several sub-sections), the questionnaire in this study was kept simple and specific. The questionnaire was also designed to enable the researchers to apply deductive reasoning in their analysis. Thus few questions that would elicit relevant information were asked.

A five point Likert scale was used to obtain information from respondents on strongly agree to strongly disagree continuum. The questions were designed to placate the fact that the firms’ Nigerian operations were under the search light as that would have turned them off completely or distorted their responses. Data was analyzed using Chi Square which was fund to be suitable for this study.

Questionnaire Distribution and Collection
Distributed – 16
Distribution: Oil and gas – 5 (31.25%)
Foods and Beverages – 7 (43.75%)
Construction – 4 (25%)

Table 2: Distribution of Questionnaires by Cities in Nigeria

<table>
<thead>
<tr>
<th>City</th>
<th>Oil and Gas</th>
<th>Food and Beverages</th>
<th>Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Port Harcourt</td>
<td>4</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Lagos</td>
<td>1</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Ibadan</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>5</td>
<td>7</td>
<td>4</td>
</tr>
</tbody>
</table>

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African Journal of Management Research (AJMR)
Table 3: Distribution of Questionnaires by Continents of Origin of Multinational Firms Operating in Nigeria

<table>
<thead>
<tr>
<th>Continent</th>
<th>Oil and Gas</th>
<th>Foods and Beverages</th>
<th>Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Americas</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Asia</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Africa</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Middle East</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>China/Japan</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>5</td>
<td>7</td>
<td>4</td>
</tr>
</tbody>
</table>

Results and Analysis

Data analysis summary using Chi Square at 5% level of confidence tabulated at 9.488.

Tables 4: Result of Questionnaire Analysis Using Chi Square

<table>
<thead>
<tr>
<th>Question</th>
<th>Chi Square computed</th>
<th>Tabulated</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>9.21</td>
<td>9.488</td>
<td>Accept</td>
</tr>
<tr>
<td>2.</td>
<td>8.88</td>
<td>9.488</td>
<td>Accept</td>
</tr>
<tr>
<td>3.</td>
<td>1.83</td>
<td>9.488</td>
<td>Accept</td>
</tr>
<tr>
<td>4.</td>
<td>8.66</td>
<td>9.488</td>
<td>Accept</td>
</tr>
<tr>
<td>5.</td>
<td>5.27</td>
<td>9.488</td>
<td>Accept</td>
</tr>
<tr>
<td>6.</td>
<td>9.69</td>
<td>9.488</td>
<td>Reject</td>
</tr>
<tr>
<td>7.</td>
<td>5.54</td>
<td>9.488</td>
<td>Accept</td>
</tr>
<tr>
<td>8.</td>
<td>4.69</td>
<td>9.488</td>
<td>Accept</td>
</tr>
<tr>
<td>9.</td>
<td>3.09</td>
<td>9.488</td>
<td>Accept</td>
</tr>
<tr>
<td>10.</td>
<td>2.45</td>
<td>9.488</td>
<td>Accept</td>
</tr>
<tr>
<td>11.</td>
<td>1.77</td>
<td>9.488</td>
<td>Accept</td>
</tr>
</tbody>
</table>

Hypothesis Testing

To test the hypotheses in this study, the Chi Square analysis was used at 5% level of confidence for 4 degree of freedom to accept a hypothesis or to reject it. Thus the Chi Square tabulated for all data analysis was 9.488. Table 5 is the computed result for the different questions.

Hypothesis 1 states that the multinational firms' in Nigeria marketing orientation was merely an extension of their home country (HC) application. Table 5 shows that even though the firms recognize the vital role culture plays in product development, in some situations such pre-product development studies are waived. This explains why many products of foreign origin and nature found in the Nigerian market are as made from their home countries without any modification to suit the Nigerian market. Many products from Asia come into Nigeria, even when they are alien to the Nigerian culture but which Nigerian consumers consume without question. Question 6 with a score of 9.60 confirms this opinion because the
respondents did not disagree that “specific culture content need not be a must for product development”. But when Coca-Cola went to China, the Chinese wanted Coca-Cola to be offered to them according to their own terms, the Chinese flavor preference. Procter & Gamble (P&G) went to Europe and had problem with their laundry soap because they failed to consider culture specific content of the European consumers’ washing machines Lee and Shum (2010). Lee and Shum also reported that P&G experienced similar problem in Japan because they saw all cultures as universal but forgot the Japanese washing habits. Based on the research finding on Table 5, hypothesis 1 that multinational firms in Nigeria marketing orientation is an extension of their country-of-origin marketing philosophy is therefore accepted.

**Hypothesis 2** states that there is no significant consideration of the ethnocentric tendency of the Nigerian consumer in the marketing orientation of the multinational firms. The responses to questions 5, 6, 8, 9, 10 and 11 on Table 5 show that there was no consideration of the ethnocentricity of Nigerian consumers as shown by the Chi Square values of 5.27, 9.60, 4.69, 3.09, 2.45 and 1.77 respectively and so hypothesis 2 is accepted.

The fact of the respondents agreement of universality of culture; the need to cut cost by waiving to study the culture of a new market; and that sufficient information could be obtained from embassies and few contacts confirms this hypothesis. This is not surprising, though, if we relate this to our discussion of hypothesis 1 above. In other words, production and marketing of goods and services in the Nigerian market should have infused some cultural values of the consumers in this market in terms of taste, life style, habit, comfort etc. When KFC and McDonalds went to China, they

<table>
<thead>
<tr>
<th>No</th>
<th>Question</th>
<th>Chi Square computed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Marketing orientation helps firms in designing marketing strategy</td>
<td>9.12</td>
</tr>
<tr>
<td>2.</td>
<td>Marketing orientation is a consumer focused</td>
<td>8.8</td>
</tr>
<tr>
<td>3.</td>
<td>Culture plays a major role in marketing orientation</td>
<td>1.83</td>
</tr>
<tr>
<td>4.</td>
<td>Marketing strategy is driven by marketing orientation</td>
<td>8.66</td>
</tr>
<tr>
<td>5.</td>
<td>Needs of consumers in different cultures are similar with varying nature</td>
<td>5.27</td>
</tr>
<tr>
<td>6.</td>
<td>Marketing orientation means that firms must first find out from consumers their specific needs before producing</td>
<td>9.60</td>
</tr>
<tr>
<td>7.</td>
<td>Firms going into new markets must first study the culture of the consumers in that new market</td>
<td>5.54</td>
</tr>
<tr>
<td>8.</td>
<td>Universality of culture means that all cultures are the same and specific cultures not be studied</td>
<td>4.69</td>
</tr>
<tr>
<td>9.</td>
<td>Cultures of Xenocentric consumers need not be a factor in production design</td>
<td>3.09</td>
</tr>
<tr>
<td>10.</td>
<td>Studying a new culture may be waived to save cost</td>
<td>2.45</td>
</tr>
<tr>
<td>11.</td>
<td>Information about new markets from embassies and few contacts are sufficient for culture study</td>
<td>1.77</td>
</tr>
</tbody>
</table>

Table 5: Questionnaire Responses and their Chi Square Computation
did not export the American food ways (type, habit, taste and values) to China. Coca Cola tried to export the Coke of the American taste, ostensibly because they had done so and succeeded in other markets, to China but found that they must give the Chinese consumers what they desire and not what they deserve.

**Hypothesis 3** states that there is no significant influence of the culture of Nigeria on the marketing orientation of the multinational firms. Indeed the respondents agree that in countries or markets where ethnocentrism is poor or Xenocentrism flourishes, the culture of that market may be ignored in their marketing outlook and therefore in their marketing strategy. This opinion of the respondents is verified in their answers to questions 8 and 9 on Table 5. This is also confirmed by the Chi Square values of 4.69 and 3.09 for questions 8 and 9 (Table 5) and so hypothesis 3 is accepted. Even though Philip and Brown (2003) suggested that ethnocentrism at low levels is found among the females, the aged and low socio-economic groups, again there is always a difference in cultural disposition because in some countries these group of consumers have the greatest flair for foreign products, Nigerians at all levels and across all strata appear to be Xenocentric. This fact the multinational firms would have discovered from their embassies contacts' information and thus did not bother further about the Nigerian consumer or to factor his/her interest in their product development.

In **Hypothesis 4** the multinational firms' marketing orientation and marketing strategies are devoid of initial input to product development by culture of Nigeria. Responses to questions 8 to 11 on Table 5 showed that the multinational firms had not strong pull to factor in the culture of the Nigerian consumer in their product development. All these factors (see Table 4) show that hypothesis 4 must be accepted. This position is shown by the wide variance between the computed and tabulated values for question 10 which records computed value of 2.45 against tabulated value of 9.48. Nigeria is perceived as a nation of consumers and whose people are highly Xenocentric. And considering the respondents agreement to cost cutting, it needs not be stretched further that all that the multinational firms did was to laden their ship with their products for the Nigerian market because they believed such products must sell so long as they were seen to come from abroad.

**Findings**

Analysis of the data obtained showed that multinational firms were aware of the importance of marketing orientation and how it can assist the firms in a better marketing campaign. They were all agreed on the fact that marketing orientation is a philosophy that puts the consumer in perspective as against product or sales orientation that puts the product or sales achievement in perspective. This finding satisfied our objective to the effect that the firms were aware that the Nigerian consumers should have been factored in their marketing orientation. The finding also revealed that the multinational firms have no doubts about the influence of the culture of a market place in the determination of what people buy and invariably influencing product development. Studies in the past confirm this position and Lee and Shum (2010) have several examples of firms that went through troubled waters.
for taking the culture of a new market for

In fact they reported Coca-Cola's

experience in China where in spite of their
great effort to get immersed in the Chinese
culture saw Sprite doing better than Coca-

Cola. It was also found that the multina-
tionals in weak countries with poor
consumer ethnocentrism or high Xeno-
centrism disregard the culture of such
markets and push their products into the
markets according to their own cultural
perspective.

In terms of our research questions and
statement of problem, the findings here
showed that the problem as stated in this
study is well founded and questions
relevant. The problem was a worry that
Nigeria could have suffered the fate of
other countries where the multinational
firms take such markets for granted. The
nature of marketing adopted by the
multinational firms in Nigeria conform to
the response to the question that “where
necessary or applicable the consumers'
culture is sidelined”. For example in China
where ethnocentrism is high and country
of origin effect strong, firms entering the
country try as much as possible to offer
their products according to the Chinese
custom or way of life as well as proving a
pro-China organization. Contrast this
with Nigeria where foreign products
arrive and dominate the shelves in the
foreign firms' languages and markings.
Many of such products do not even bother
about National Agency for Foods and
Drugs Administration and Control
(NAFDAC) or the Standards Organization
of Nigeria (SON) approval and require-
ments until they are apprehended.

Conclusion

Several multinational firms carrying on
business in Nigeria take advantage of the
consumers Xenocentric tendency to offer
the Nigerian consumer products and in
ways that are bereft of Nigerian culture
content. For example, all the foreign
products in this study have their products'packages and literature in English or the
languages of the manufactures, and other
languages perceived to be important
without regards to whether the Nigerian
consumer understands the literature or
not. Also the models in their ads are non-
Nigerians in non-Nigerian attire. For
instance, the major fast food firms in
Nigeria offer continental foreign dishes
without recourse to the Nigerian consum-
ers' food ways. Even Chinese restaurants
offer Chinese foods as they come from
China. Indian restaurants do the same and
none of these foreign restaurants offer local
Nigerian dishes. It does appear that the
lessons the manufacturers have learnt
about the Nigerian consumer is that the
products must be foreign to sell in Nigeria
and the reason for this opinion is what we
have found in this study – that is, the
Nigerian consumer is Xenocentric and
therefore bothers less about his/her
cultural consideration/input in foreign
products including products made by
foreign firms in Nigeria. This can be
contrasted with countries like China
where Liu, Murphy, Li and Liu (2007)
reported that foreign goods were
patronized in China only if they had
Chinese content – Chinese name or
package. Lee and Shum (2010) also
reported that Procter & Gamble (P & G)
liquid detergent failed to pass the culture
sensitivity test of the European consumers
in Europe. These writers reported as well
a different situation with an African
country, Zambia, where an infant formula
was found not to be consistent with the
consumers' life style and health and caused many deaths but the manufacturers did not bother about it until the American Senate waded into the matter.

**Significance of the Study**

This study is significant because marketing orientation or philosophy of the firms shapes their marketing strategy. The firm's marketing strategy outlines which factors in its marketing operations and marketing environment are important and expedient to counter competition and gain greater market share, and therefore with efficient marketing, improve the profitability of the firm. Marketing strategy of the firm includes its awareness of the needs of the consumers, how they want the needs met, the place to meet the needs, the time and cost to the consumers. Doing this entails knowing the customers in terms of their cultural disposition and how to reach out to them. The strategic approach the firm adopts in doing this depends on its orientation and the composite content of this orientation. Many foreign firms take their foreign consumers for granted (Lee, 1987) and so do not factor them in their marketing plans because the consumers' concern were not captured in the firms' strategy formulation or marketing orientation. Such firms perceive their foreign markets simply as "product-takers" who must buy their products as offered. This study therefore has revealed and explained the multinational firms marketing philosophy and strategic positions in the Nigerian market and that their marketing plans are devoid of the culture factor of Nigerian consumers.

**Recommendation for Future Research**

This study could not have been exhaustive and so it is suggested that further research be carried out on the Nigerian culture content or local content in most foreign products found in Nigeria. This will be a means to sensitizing the people of their right under consumerism to be heard in product development and designs of the multinational firms so as not to suffer the Zambian fate in infant formula, Lee and Shum (2010).

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  - End sentence: (Hinson, Dormfeh and Ayee, 1999);
  - If a work has more than 2 authors, cite all in the first instance and use ‘et al’ subsequently;
- Reference list should use the following style:
Meaning of Work. Publisher, Place of Publication.

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