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An Impact Assessment of the Mobile Communications Industry on Job Creation in Ghana

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Abstract

The objective of this research was to determine factors and growth-oriented strategies that have triggered the growth of the telecom industry in Ghana and how this can be replicated in other industries to unleash similar growth trends and create more jobs. Ghanaian Chronicle (2007), states that not long ago very few people had private telephones that worked; but today there is one phone for every four Ghanaians. Since the deregulation, the telecom industry has experienced tremendous growth and this has led to job creation not only within the telecom industry but also in other sectors of the economy. At the same time, the Ghanaian economy is saddled with unemployment especially among the youth officially defined as between ages 15-25 years (Amankrah, 2006). This research therefore used purposive sampling and thoroughly interviewed heads of the four major telecom operators (MTN, Vodafone, TIGO and Airtel) and regulators (NCA and Ghana Telecom Chamber) to get responses that would help address the research objective. This research found that failure of government to provide reliable and adequate telecom services and the convenience of mobile telephony drove Ghanaians to adopt mobile telephony when it was introduced through liberalization of the industry. This research found that the growth of the telecom industry cannot be attributed to efforts of telecom operators alone, but that, the government of Ghana introduced tax incentives and support, which have enabled the operators to expand and create more jobs. Also, operators have experienced growth because their industry has become very competitive and the only to increase revenue and subscriber base is to put the needs of their customers first; whilst always looking for innovative ways to address the varying needs of their consumers. Suggestions were then made as to what other industries can do to unleash similar growth trends that will lead to their expansion and subsequently create more jobs since unemployment is a major problem in Ghana.