

EXAMINING THE MODE OF HUMAN CAPITAL DEVELOPMENT AND THE EFFECT OF CHANGE IN OWNERSHIP ON EMPLOYMENT GROWTH IN THE MOBILE TELECOMMUNICATION NETWORKS IN THE CAPE COAST METROPOLIS

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ABSTRACT

Researchers have devoted much effort to the study of mobile telecommunication networks and their contribution to economic growth with particular emphasis on Gross Domestic Product and revenue growth. However, very few studies have been done on mobile telecommunication networks and their contributions towards employment growth. The objective of the study is to examine the mode of human capital development and the effect of change in ownership on employment growth in the mobile telecommunication networks. Interviewing and questionnaire administration were the methods adopted for data collection. The respondents for the study were selected retailers, the general staff and Heads of Department of MTN and Vodafone companies. The study found out that the content of the training programmes offered to the staff in these two mobile telecom companies actually meet the expectations of the skills required by the staff. The size of employment in the Vodafone Company has been negatively affected because of change in ownership from Ghana Telecom to Vodafone. The MTN Company, on the other hand, has seen an increase in employment size when the company experienced a change in management from Spacefone to Areeba and MTN. The recommendations to ensure employment growth in the telecommunication industry have been provided for policy implications.

Keywords: Mobile telecommunication networks, Training and development, Acquisition and takeover, Employment growth, Human capital, MTN, Vodafone.

1.0 BACKGROUND TO THE STUDY

The development of every nation is measured by a number of indicators. One of these indicators is employment growth (Carbaugh, 2008). This current research article asserts that the mobile telecommunication networks contribute to employment growth in the Cape Coast Metropolis. Blonigen (2008), Daft and Marcic (2004) explain that the components of employment to the growth of any country include the ability of businesses to develop the skills and training needs of the work force, the size of the citizens who are engaged in income generating ventures either directly or indirectly and the extent to which the jobs created by these businesses are sustainable (World Investment Report, 1999). The sustainability of jobs, according to Blonigen (2008) is the ability of the employees to meet the basic necessities of life as measured in terms of their wages, the ability to expand the labour force and ensuring social protection. Multinational Companies (MNCs) have played important roles in ensuring this, especially in developing

countries. Some MNCs enter into the host country to acquire and takeover already existing businesses in the host country. This phenomenon results in a change in ownership. Krugman and Maurice (2000) posit that the transition of change in ownership affects the employment size, which is a component of employment growth in the host country.

One sector in Ghana which is dominated by MNCs is in the area of telecommunication network. Maree (2011) identifies labour and employment generation as areas within which a country's economy or society has been influenced by mobile telecommunication networks. Even though the entrance of mobile telecommunication networks into the Ghanaian economy has not been quite long compared to other industries, they have made a significant impact in the growth of the Ghanaian economy by creating jobs in both urban and rural areas (Kuofie, Ofori Boateng & Yellen, 2010). Cohen (1992) identifies that the Global System for Mobile Telecommunication (GSM) contributes positively to the growth of the host country through the provision of skills required by employees and serves as a source of income and employment to many youths.

The ability of a company to retain its employees also contributes to the employment growth in that company. The cost involved in hiring new employees is high, and finding skilled employees can be difficult (Boyens, 2007). When businesses lose valuable employees, it costs them more than employing a new one. This is because recruiting and training new employees cost approximately fifty percent of annual salary paid to workers (Boyens, 2007).

1.1 Problem Statement

One sector that has served as an avenue for employment in Ghana is the telecommunication sector. The multinational mobile telecommunication networks in Ghana have, over the years, experienced some form of acquisition and takeover by foreign mobile networks. This has resulted in a change in ownership. Most of the change initiatives in these mobile telecommunication networks have failed to meet expectations concerning the level of employment creation in the host country (Burke, 2002; Probst & Raisch, 2005) even though the telecommunication networks are expected to be the industry with the largest employment base in the context of information technology (Henderson, 2012).

One major area of growth of every country is in the area of the development of its work force. Human capital development should help to reconcile desired targets and actual levels of performance. Dholakia and Harlam (2004) contend that no meaningful employment growth could be achieved without factoring in the development of the human capital. A good deal of studies on multinational mobile telecommunication networks (such as telecommunication industry and job creation, the impact of telecommunication revenue and economic growth, and mobile telephony and employment creation in developing countries) have analysed mobile telecommunication networks and economic growth with concentration on Gross Domestic Product (GDP) and revenue growth but few studies, such as the impact of telecommunication revenue and employment growth, telecommunication and infrastructural development, and the impact of Global System for Mobile Telecommunication on income and employment have been done on the mobile telecommunication networks and human capital development, and employment size (Atsu & Agyei-Mensah, 2013; Henderson, 2012; Maree, 2011; Choe, 2003; Bakari & Gold Kafilah; 2011). The focus of this present study is to examine the mode of human

capital development and the effect of change in ownership on employment growth in the mobile telecommunication networks in the Cape Coast Metropolis.

1.2 Objective of the Study

The general objective of the study is to examine the mode of human capital development and the effect of change in ownership on employment growth in the mobile telecommunication networks in the Cape Coast Metropolis. Specifically, the study seeks to achieve the following objectives:

- i. Describe the effects of change in ownership (acquisition and takeover) on the size of employment in MTN and Vodafone telecommunication networks.
- ii. Examine the mode of human capital development in the MTN and Vodafone telecommunication networks.

1.3 Research Questions

The research questions that this research seeks to answer are:

- i. How does change in ownership affect the employment size in the MTN and Vodafone Mobile telecommunication networks in Ghana?
- ii. What is the mode of human capital development in the MTN and Vodafone mobile telecommunication networks?

2.0 SCOPE OF THE STUDY

The scope of this current study falls within the frontiers of how MNCs contribute to employment growth in the host country. The MNC studied here is the mobile telecommunication networks. Although, there are about six multinational mobile telecommunication networks in Ghana, the study covered the two largest mobile telecommunication networks, namely MTN and Vodafone.

The study also focuses on human resource development and changes in ownership as component of employment growth which has not received much attention in the study of MNCs and economic growth. Extensive literature have focused attention on how MNCs contribute to economic growth with very little attention on some dynamics of change in ownership and human resource development, hence the need to focus on how MNCs contribute to employment growth. The employment growth which is studied in this current study falls within the scope of the International Labour Organisation's provision on decent work agenda. The provision in the decent work agenda documents limits itself to include: expansion of labour force and human capital development.

2.1 Significance of the study

The study seeks to examine the activities of mobile telecommunication networks and employment growth in the Cape Coast Metropolis. The outcomes of the study will be useful to the service providers, the workers and the regulatory authorities. It will help mobile telecommunication network service providers to come to grips with the state of affairs of

human capital development in the mobile telecommunication industries and the effects of change in ownership from one mobile telecommunication company to the other. The study will also highlight the human capital deficiencies (if any) and strategies to deal with these deficiencies in the mobile telecommunication networks. Furthermore, the study will add to existing knowledge on the presence of mobile telecommunication networks and how they contribute to ensuring employment growth.

2.2 Telecommunication Industry and Job Creation

Several empirical studies have been conducted on the impact of multinational telecommunication investment on the growth of the host country. These empirical studies have centred on the experiences of developed countries on the linkages between telecommunication networks and their contribution towards employment growth with very few corresponding studies from developing countries especially those in Africa.

There are a large number of recent empirical studies on this topic and the interest in the impact of multinational telecommunications on employment growth has been on the increase (Canning, Fay & Perotti, 1994; Canning, 1999; Cronin, Colleram, Herbert, & Lewitzky, 1993, Cohen, 1992; Yilmaz, Haynes, & Dinc, 2000). Most of these studies find a positive and significant causal link between telecommunication and employment creation. A positive and significant effect exists by investigating the impact of telecommunication on employment growth in the United States. A study by Yilmaz, et al (2000) indicates that the accumulation of telecommunication infrastructure improves the overall productive capacity at the regional level by examining the impact of telecommunication on employment output both at the aggregate and sectoral levels.

Some more recent analyses by researchers indicate that telecommunication played positive and significant role in the employment growth in 22 Organisation for Economic Cooperation and Development (OECD) countries from 1980-1992 (Datta & Agarwal 2004), facilitated economic development, reduced poverty and promoted expansion for job creation (Calderon & Servén, 2004). Dholakia and Harlem (1994) show the relationship between investment in telephone and employment creation by examining the connection among a number of factors such as education, energy, telephone, other physical infrastructure and economic growth. The result of their multiple regressions suggests that simultaneous investment in development input such as education, telecommunications and other physical infrastructure are complementary in helping to promote employment growth for economic development. However, Canning (1999) in his study, evaluate the contribution of investment in telecommunication towards ensuring employment growth. He observes that telephones have a larger impact on employment output than other sectors of an economy. While power generation and transportation sectors produce approximately the same productivity effect of other capital investment, the productivity effect of telecommunication industry is surprisingly higher in comparison. According to Canning (1999), the telecommunication networks generate larger spillover to other sectors of the economy. The telecommunication industry provided about one million wage and salary jobs in 2008. Wired telecommunications' carriers accounted for about 6,661,000 of these jobs in 2008, while 202,700 were in wireless telecommunication carriers (Bureau of Labour Statistics, 2015).

Individuals in installation, maintenance, and repair occupations work in a variety of settings, both indoors and outdoors, and in all kinds of weather. Their work involves lifting, climbing, reaching, stooping, crouching, and crawling. They often work in high places, such as rooftops and telephone poles. Their jobs bring them into proximity with electrical wires and circuits and therefore expose them to all kinds of risk. These workers are requested to wear safety equipment when entering manholes to fix telecommunication wires (Bureau of Labour Statistics, 2015). Most workers in the telecommunication industry work 40 hours per week. Workers in this industry are sometimes required to work overtime, especially during emergencies such as floods or hurricanes when employees may need to report to work with little notice to help restore network connections (Bureau of Labour Statistics, 2015). However, most telecommunication managers, administrative workers, and professionals work in clean, comfortable offices. Customer service representatives often work in call centres where they answer customer calls, and may be required to work in the evening and weekend hours.

Exploring another branch of the empirical literature, some empirical studies attempted to use a transaction-cost approach to evaluate the relationship between ICT expansion and employment growth. In a cross-sectional study, Hulten and Robert (1991) conclude that expansion of telephone infrastructure provides “substantial growth and investment- enhancing activity and thus facilitates job creation and for that matter, employment growth. Norton’s explanation for his findings is grounded in the argument that access to telecommunications reduces transaction cost.

The telecommunication industry employs workers in many different occupations. However, 52 percent of all workers are employed in either installation, maintenance, and repair occupations or office and administrative support occupations (Bureau of Labour Statistics, 2015). Telecommunication craft workers install, repair and maintain telephone equipment, cables and access lines, and telecommunication system. These workers can be grouped by the type of work they perform. Line installers climb the poles or work in truck-mounted buckets and attach the cables using hand tools. Cable installers travel to customers’ premises to set up pay television service so that customers can receive programming (Greenstein & Spiller, 1995).

Telecommunication services create offices and administrative support occupations. Telephone operators make telephone connections, assist customers with specialized services such as phone repairs, reverse charge calls and provision of telephone numbers (Datta & Agarwal, 2004). The jobs that are created by telecommunication include customer service representatives. Customers service representatives help customers understand the new and varied types of services offered by telecommunication providers. They answer customer questions and respond to complaints. Other administrative support workers include financial, information and records clerks, secretaries and administrative assistants, and first-line supervisors and managers of office and administrative support workers. These workers keep service records, compile and send bills to customers, and prepare statistical and other company reports (Canning, 1999).

The telecommunication industry employs professionals and related occupations. Nineteen percent of the industry employees are professionals and related workers. Most workers in these occupations are employed at the district, regional and national headquarters or research facilities of telecommunications companies (Henderson, 2012). Engineers plan cable routes,

equipment installations, and the expansion of existing structures. Some engineers also engage in the research and development of new equipment. Engineers study the limitations and uses of lasers and fibre optics, find new applications for the laser and fibre optics and oversee the building, testing and operation of new applications. Telecommunication engineers work closely with clients who may not understand sophisticated telecommunication systems and design systems that meet their customers' needs. Computer software engineers, network systems and data communications analysts, design, develop, test, and debug computer software programmes and computer networks. These include computer-assisted engineering programmes for schematic cabling projects and modeling programmes for cellular and satellite systems such as voice mail, e-mail, and call waiting. Telecommunication specialists coordinate the installation of these systems and may provide follow-up maintenance and training (Bureau of Labour Statistics, 2015). The telecommunication industry also creates employment in sales and related occupations. Henderson (2012) posits that about 17 percent of the industry's employees are in sales and related occupations. These workers, such as representatives and retail or sales persons, are responsible for selling and providing telecommunication services to their mobile and residential customers. In addition, the industry employs a number of telemarketers, who attempt to acquire new customers over the phone.

2.3 Post-Acquisition Change in Ownership and Employment Growth

The number of employees and their working conditions are believed to be affected by acquisition and change in ownership of telecommunication industries and this has been a major issue for employment growth. Burke (2002); Probst and Raisch (2005) reveal that most of these companies suffer successful transition for several reasons. Within this context, mergers and acquisitions represent part of corporate strategy used by many firms to achieve various objectives such as employment growth. However, every acquisition entails modification of organisation's social identity, a situation which goes a very long way to affect employment growth. As such, several authors have highlighted the importance of change in ownership process in respect of employment growth after acquisition and merger. Gall (1991) concludes that confrontation against the introduction of change in management within the newly-acquired subsidiaries one of the reasons which account for disappointing performance and reduction in the number of workers and the nature of working conditions that are offered to them. Furthermore, employee's acceptance and backing for organisational change programmes have also long been contended for the success of most training and staff development programmes as well as expansion of labour force in that organisation (Miller, Johnson & Grau, 1994).

Azzila – Gbetteor, Danku and Apreko (2013) observe that individual worker's capability and competency level had been heightened within the organisation after the change in ownership. On staff development and employee training, majority of the respondents agreed that post acquisition change in ownership has contributed to employment growth in this direction. Any change process that takes place within an organisation should have positive impact on the workers performance. It is anticipated to increase the growth of the organisation. The research further reveals that majority of the respondents were of the view that the change management introduced has added to the improvement of working conditions and expansion of labour force in the telecommunication industry.

2.4 Impact of Training as Component of Employment Growth on Employee Performance in the Telecommunication Sector

In order to sustain employment growth, it is important to optimise the contribution of employees to the aims and goals of the organisations that engage the employees. Training should be reviewed, therefore, as an integral part of the process of attaining employment growth. The recognition of the importance of training in recent years has been heavily influenced by the intensification of competition and the relative success of organisations where investment in employee development is considerably emphasized (Evans & Lindsay, 1999).

Sultana, Irun, Ahmed and Mehmood (2012) researched the impact of training on employee performance in the telecommunication sector. They observe that a one percent increase in the training of staff results in an increase in employee performance by 58.2 percent. The researchers conclude that training is a key element for improved performance because it increases the level of individual and organizational competency. It also helps to reconcile the gap between what should happen and what is happening, between desired targets or standards and actual levels of work performance (Sultana et al., 2012).

There are many ways of overcoming deficiencies in human performance at work, and training is one of them. Training enhances skills, competency, ability, and ultimately worker performance and productivity in organisations. It follows that organisational success relies on the skills and abilities of their employees, and Mahutga and Bandelji (2008) conclude that organisational success depends to an extent on considerable and continuous investment in training and human capital development. This would ensure an adequate supply of staff that is technically and socially competent and capable of being developed into specialists as countries, institutions and departments strive for employment growth (Markusen & Venables, 2012).

Training requirements in the telecommunications industry vary by occupation. Many jobs require at least a high school diploma in addition to on-the-job training. In addition, many positions require pre-employment testing to determine a candidate's aptitude for technical or customer service roles. Other jobs require particular skills that may take several years of experience to learn completely. For some managerial, professional and maintenance and repair jobs, employers require a college education. The rapid introduction of new technologies and services, the telecommunications industry is among the most rapidly changing in the economy. Telecommunication industry employers look for workers with knowledge of and skills in computer programming and software design, voice telephone technology, wireless technology, and data compression. To maintain their skills and stay abreast of new technologies, workers may continue to receive training throughout their careers (Bureau of Labour Statistics, 2015).

3.0 METHODOLOGY

3.1 Study area

The study was undertaken in the Cape Coast Metropolis in the Central Region of Ghana. The Cape Coast Metropolis is bounded to the south by the Gulf of Guinea, west by the Komenda Edina Eguafó Abrem Municipality, east by the Abura Asebu Kwamankese District, and to the north by the Twifo Hemang Lower Denkyira District. The population of the Cape Coast Metropolis, according to the 2010 population and housing census, was estimated to be 145,246.

The Metropolis is a host of mobile phone companies, and their mobile telecommunication services are accessible within the metropolis. The reception of the telecommunication networks in the Cape Coast metropolis is very high in areas such as Pedu, Kotokoraba, Amamoma, Apewosika, Nkanfoa, Abura, Effutu, Kakumdo and all other residential areas in the Cape Coast Metropolis (Dadzie & Boachie-Mensah, 2011).

3.2 Research design

The study used the mixed method research design, which involves both qualitative and quantitative approaches to examine the mode of human capital development and the effect of change in ownership on the employment growth in the mobile telecommunication networks in the Cape Coast Metropolis in the Central Region of Ghana. The term mixed method research design refers to an emergent methodology of research that advances the systematic integration or sustained programme of inquiry. The basic premise of this methodology is that such integration permits a more complete synergistic utilization of data than do separate quantitative and qualitative data collection and analysis (Creswell & Plano Clark, 2011; Mertens, 2009; Creswell, Fetters & Ivankova, 2004). Mixed method research design mirrors the way researchers naturally collect information by integrating quantitative and qualitative data. This current study employs both qualitative and quantitative approaches to research. The qualitative research approach was used to collect data from the Heads of Department, who were expected to provide detailed information on how MTN and Vodafone telecommunication companies ensure human capital development of their staff. The educational background of the retailers of MTN and Vodafone services is perceived to be very low, and this situation requires that face-to-face interaction is adopted to provide a clear explanation of issues that they do not understand and also impossible to do so in quantitative approach such as administering of questionnaire.

The study also used the quantitative approach, which includes secondary materials like document analyses and questionnaire administration for the general staff category. The nature of information that required a quantitative approach includes the change in the staff strength as a result of the change in ownership. Furthermore, the general staff of MTN and Vodafone telecommunication companies are perceived to be literate and could provide independent information on the mode of human capital development. According to Clark and Creswell (2008), a major strength of using a mixed method study design is that it can be used for both exploratory and descriptive purposes and also allows for direct contact between the researcher and the respondents of the study during the process of data collection. It further helps in obtaining detailed and precise information from different categories of respondents. Mixed method research design provides more evidence in studying a research problem than either quantitative or qualitative research alone. Researchers are enabled to use all of the tools of data collection available rather than being restricted to the types of data collection typically associated with quantitative or qualitative research (Kothari, 2006; Creswell, 2003).

3.3 Study population

The population for the study comprised all staff of the MTN and Vodafone telecommunication networks. The population of Vodafone and MTN staff nationwide is 1420 and 1600, respectively. The proportion of MTN and Vodafone staff in the Greater Accra region is 190

(11.8%) and 195 (13.7%), respectively, while the Central region has 160 (10%) and 140 (9.8%) of MTN and Vodafone staff, respectively (Ghana Statistical Service, 2015).

The total number of MTN and Vodafone staff in the Central Region is 160 and 140, respectively. Out of this number, the total number of staff in Vodafone and MTN in the Cape Coast Metropolis are 19 (13.6%) and 19 (11.8%), respectively, and these numbers exclude the retailers. The general staff categories of MTN and Vodafone are found in the departments comprising sales and marketing, Information and Communication Technology (ICT)/Engineer, Customer Care, Finance/Auditing/Accounting, and Corporate Affairs. The total number of retailers in MTN and Vodafone telecommunication networks in the Cape Coast Metropolis are 25 and 25, respectively.

The study focused on mobile telecommunication networks and employment growth in the Cape Coast Metropolis. Cape Coast was chosen as the study area because it houses both the regional and metropolitan offices of both MTN and Vodafone telecommunication networks in the Central Region, and this makes it very easy to get respondents for the nature of information needed for the research work. Again, the high concentration of both second cycle and tertiary institutions in the Cape Coast Metropolis has required mobile telecommunication companies to spread their operations within the metropolis because there is a market for their services. This has made Cape Coast Metropolis an ideal study area for this current research. The staff category comprises all the Heads of Department, middle-level staff, and trainers. The Heads of the departments, staff in all the departments (middle level staff), trainers, and retailers/vendors were the respondents. A complete coverage (census) was done for all the staff. Again, 25 sales and 25 retail points were identified for MTN and Vodafone, respectively, in the Cape Coast Metropolis. A complete coverage was also used for all the retailers within these two mobile telecommunication networks. Census was used for the study because of the small population involved. Census is preferable for a study with a very small population.

The socio-demographic characteristics of the general staff, which comprise the Heads of Department, middle-level staff, and lower level or junior staff, show that both MTN and Vodafone mobile telecommunication companies in the Cape Coast Metropolis had a total of 19 staff each. In the case of Vodafone Company, 14 staff members, who represent 73.7 percent, are males while the rest (five respondents), representing 26.3 percent, are females. In the case of MTN Company, 13 staff members, who represent 68.4 percent, are males, and the rest (six respondents), who represent 31.6 percent, are females. These staff in both MTN and Vodafone companies are found in the departments of sales and marketing, Finance/Audit/Accounts, Corporate Affairs, and Engineering/ICT. It is therefore concluded from the above statistics that the number of males who are employed in these two telecommunication companies is more than females. Thirteen respondents in the MTN Company and 9 respondents in the Vodafone Company have worked in the telecommunication industry for 4 to 5 years.

3.4 Data sources

Data were obtained mainly from primary and secondary sources. Information that was obtained through primary sources with respect to this current study includes the mode of human capital development in the selected telecommunication networks. The secondary sources were mainly information gathered from books, journal articles, work policies, and other documented

information of both MTN and Vodafone mobile telecommunication networks. The documented information includes the Annual Review Report of MTN and Vodafone.

3.5 Data collection methods and instruments

The study adopted structured interviewing to elicit information from the senior management staff (Heads of Department) and the retailers. Interviewing was chosen over the other methods of data collection because information such as the effect of change in ownership on employment growth and the mode of human capital development were required in detail from the heads of department who are the key informants. Such information from these key informants requires that the researcher sits with the respondents to explain the questions clearly. The interviewing makes it possible to explain and reframe the questions that might not be well understood by the respondents. Mahr (1995) explains that interviewing as a method of data collection is flexible, gives capacity for correcting misunderstandings by respondents and assumes greater permissible length of response. This makes interviewing the most appropriate method of data collection for this kind of information.

The research also adopted questionnaire administration for the general staff comprising junior staff, senior staff and Heads of Department. A questionnaire provides accurate and precise information for data of this nature, and face-to-face interaction, which is likely to interfere with the data collection, is minimised compared to other methods such as Focus Group Discussion and Observation (Clandinin & Connelly 2000 and Monette, Sullivan & Dejong, 2002). Secondary data were also sourced for the purpose of content analysis to obtain information such as the number of workers who were employed before and after the takeover and employment policies in these two telecommunication networks. The study used an interview guide, interview schedule and questionnaire as instruments for the primary data. The interview guide was for respondents such as the senior management staff, while the interview schedule was used for the retailers.

3.6 Data analysis

There were three levels of data collection methods involved in this study. These were interviewing, questionnaire administration and document analysis. The first step of the analysis process of the data obtained through interviewing was to transcribe the data from the original form on a recorder onto paper. The paper manuscripts were subsequently cleaned, edited to eliminate typographical errors and contradictions in the text. The transcripts were checked and edited to ensure that the various parts of the data were related for further analysis.

Qualitative study involves inductive analysis, meaning that critical themes emerge out of the data (Sarantakos, 2005). In this regard, a thematic analysis was done. The thematic analysis took into consideration the effect of change in ownership on the nature of employment and the mode of human capital development. The different categories of response which emerged in relation to the objectives of the study were developed and coded, and different and similar trends in response were identified and interpreted accordingly. The findings of the individual interviews were interpreted. Differences and similarities were identified, and this has been captured in the general recommendations. The data that were analysed and interpreted were crosschecked and interpreted to ensure validity. This was done by going through the transcripts again to verify or modify the research questions already arrived at previously.

The data that were obtained through the survey was first coded and analysed with the help of the Statistical Product and Service Solutions (SPSS). The outputs of the results were analysed, categorised, summarised and interpreted on a thematic basis, such as the effect of change in management on employment size and the mode of human capital development in the MTN and Vodafone mobile telecommunication companies.

3.7 Human Capital Development in MTN and Vodafone Telecommunication Networks

Employment growth measures the human capital development of workers in an organisation. In this regard, the analysis of the development of the human capital base of the workforce in the MTN and Vodafone Companies is examined under the following themes:

3.8 Entry Requirements Characteristics

Heads of Department in both MTN and Vodafone telecommunication companies occupy administrative positions that require one to have obtained a formal education in a specialised field of study to be able to perform the job effectively. In the case of the Department of Sales and Marketing (Commercial), the respondents explained that one should have obtained a minimum qualification of Higher National Diploma (HND) to be able to perform the functions of sales and marketing executive while the Engineering/ICT department also requires a formal education with a minimum qualification of Bachelor's degree. The situation is not different from the rest of the departments within the two telecommunication companies under consideration. The above analysis indicates that one should have a formal tertiary education to qualify as a Head of Department. Again, both MTN and Vodafone companies do not differ in terms of knowledge and academic requirements needed to work in these two companies.

As a way of enhancing the human capital development of workers in the Vodafone and MTN companies, the Heads of Department explained that the companies periodically offer in-service training, workshops and retreats for all Heads of Department. The contents of these training workshops and retreats are geared towards improving skills and knowledge required by the workers. In the words of the human resource manageress of MTN mobile telecommunication networks in the Cape Coast Metropolis, she had this to say,

The MTN Company employs people with the requisite academic qualifications. However, the employees are offered some training, whereas workshops are periodically held for them. As a head of department in charge of human resources, the MTN Company occasionally holds training seminars for all human resource officers on how to handle human resource management.

The staff appraisal report indicates that the training programmes actually meet the expectation and needs of the workers. When probed further as to how this is achieved, the respondents reported that the trainers or the Human Resource Department conducts needs assessment of staff to find out the gap that exists between what the company offers to them in terms of training and what they require to perform their job. As a way of ensuring that the training programmes become beneficial and meet what the workers require to perform adequately, the manageress of Vodafone in the Cape coast Metropolis responded in this way:

Our staff are given the opportunity to make input in determining the kind of training they need to be able to work effectively to enhance productivity. The Vodafone Company does this by administering its periodic needs assessment sheets with respect to the kind of training the workers require to be able to perform their work effectively.

This corrective measure ensures that the training programmes perfectly meet the aspirations of the workers in both MTN and Vodafone companies. The human resource officers in both MTN and Vodafone responded that the companies have instituted training and staff development programmes for all staff categories within these two mobile telecommunication companies.

The general staff category responded that each employee entered the MTN and Vodafone companies with different qualifications. In an attempt to find out the level of education required by the Vodafone staff to perform their work effectively, two respondents, representing 10 percent, responded that they only need on-the-job training to be able to perform their work. Frequencies of 2, 4 and 9 respondents were of the opinion that they require SSSCE/WASSCE, a Diploma and a Bachelor's degree, respectively, to be able to perform their job. The remaining 3 respondents were of the view that they require a postgraduate degree to do the kind of job that they perform. One respondent was of the view that he requires either a Diploma or a Bachelor's degree for the work that he does in the Vodafone Company.

The response from the staff of Vodafone Telecommunication Company is not totally different from the response obtained from the respondents in the MTN Company. Frequencies of 1, 2, 1 and 4 staff responded that they require MSLC/BECE, SSSCE/WASSCE and Diploma levels of education respectively to be able to do their work in the MTN and Vodafone Telecommunication Companies. Retailers of MTN and Vodafone services explained that one does not need to have a formal education before he or she can engage in the mobile telecommunication business. According to the retailers, all that is required is the individual's ability to read and write. This means that formal classroom education or academic qualification is not an entry requirement for retailers of MTN and Vodafone services.

3.9 On-the-job Training

Employees require different abilities to perform their work effectively. Whereas some require formal education, others only need on-the-job training for the kind of work they do. In the case of MTN Company, 16 out of the 25 retailers, representing 64 percent, responded that the MTN Company periodically organises training workshops for the retailers, especially for those who are engaged in mobile money. Eleven out of 25 respondents, representing 44 percent of the Vodafone Telecommunication Company, thought that the company periodically calls the retailers who sell Vodafone cash for training workshops. The retailers further added that the training workshops are organised by MTN and Vodafone Companies, and resource persons for the workshops are drawn from the human resource departments in the MTN and Vodafone Companies. The retailers who responded that the MTN and Vodafone Companies organise training workshops for them indicated that the content of the training programmes includes customer relations and marketing. The frequency of the training programmes, according to the retailers, was twice a year.

The general staff category in the MTN and Vodafone Companies explained that management provides on-the-job training for the staff. Fourteen out of the 19 staff members, representing

73.68 percent of the Vodafone Company, are of the view that they are given periodic training workshops, while 1 staff who represents 5.26 percent in the Vodafone Company responded that he was given apprenticeship training by the company. Fourteen staff in the Vodafone Company explained that, the periodic training programmes are provided by the human resource department of the company. The MTN staff reported that the content of the training programmes includes Customer Relations, Accounting Principles and Information and Communication Technology. Fifteen out of the 19 staff members, representing 78.95 percent in the MTN Company, responded that the Company provides periodic training workshops, while 2 staff members, representing 10.53 percent, responded that they are given apprenticeship training by the MTN Company. The staff reported that the human resource department of the MTN Company is responsible for the organisation of the training programmes for all staff in the company. The MTN staff further added that the training programmes are provided at least twice every year, and the duration of each training programme spans for a period of three days, one week and two weeks, depending on the nature of the training.

The general impression of the training programmes by the Vodafone staff revealed that, 17 out of the 19 staff representing 89.47 percent are of the view that the extent to which the training programmes meet the knowledge requirements of the staff is satisfactory. In the case of MTN Company, 18 out of the 19 staff members, representing 94.74 percent, perceive the content of the training programmes to be adequate to meet their knowledge requirements.

In designing training programmes for workers, one is expected that, the staff whom the training programmes are offered should be given the opportunity to make inputs with respect to the kind of training programmes that they require. However, this situation is not applicable in the MTN and Vodafone Companies. The staff explained that even though the training programmes meet their expectation, the contents are prepared by management and the staff are not invited to make input into the kind of training programmes that they require to perform their work. Table 4 presents the summary of the nature of training programmes that the staff responded that they require to be able to perform the kind of work they do in the MTN and Vodafone mobile telecommunication companies.

Table 1: The Nature of Training Programmes in the MTN and Vodafone Companies

Nature of training Programme	Frequency	Valid Percentage
MTN Company		
On the job training	15	46.9
Apprenticeship	2	6.2
Periodic Training Workshop	15	46.9
Vodafone Company		
On the job training	14	46.7
Apprenticeship	1	3.3
Periodic Training Workshop	14	46.7

Formal education lasting for one year	1	3.3
Total	32	100.00

Source: Field Survey, Ashmond (2015)

3.10 Respondents' Perception on the Adequacy of the Content of the Training Programmes

The human resource managers in both MTN and Vodafone mobile telecommunication companies were asked whether they perform needs assessment for all staff before organising training programmes for them. The personnel responded that a needs assessment for staff is conducted before they organise any training programme for the staff. The human resource managers responded that the needs assessment is done through staff performance appraisal, and it is done in the form of administering questionnaire to them to find out what they need to perform their job. Training programmes are expected to meet the expectation of the attendees and they lose their significance if the attendees do not benefit from it. Training programmes are also expected to be geared towards the skills requirements of the staff. The views of the trainers on the overall impression of the training programme were sought to determine employees' expectations on the contents of training workshops. The human resource personnel explained that the workers are given some evaluation or appraisal sheets in the form of questionnaire to appraise the content of the training programmes. This strategy, according to the respondents, propels the human resource personnel to come out with better strategies to improve upon subsequent training programmes that will equip the staff to perform their work.

In an attempt to find out the frequency at which training programmes are organised for staff, the human resource personnel in the Vodafone company reported that training programmes are organised for their staff every year, while MTN human resource personnel reported that training programmes in their company are organised for staff twice in a year. As a way of ensuring employment growth, it is important for companies and businesses to note that the frequency at which training programmes are organised is as important as the content of the training programme itself. By way of bridging the gap that exists between the employees' technical know-how and what they require to perform their work, it is important that training programmes are organised for staff at regular intervals to ensure effective transfer of knowledge on to the job to enhance productivity.

3.11 Conclusion

Existing literature has revealed that there are many ways of overcoming deficiencies in human performance at work, and training is one of them. Training enhances skills, competency, ability and ultimately worker performance and productivity. Literature on the telecommunication industry and job creation, and the impact of telecommunication revenue on employment growth further reveals that continuous investment in training and human capital development ensures adequate supply of staff that are technically and socially competent for institutional growth (Atsu et al, 2013 & Hendrson, 2012). This current study has confirmed existing literature that the driving force of any business is the human beings who are engaged as factors of production and, therefore, the workers' skills and knowledge should be developed to enhance productivity to ensure employment growth. However, this current study has revealed that even though

training programmes are needed to develop the skills, capacity and technical know-how of the workers, they do not ensure this in isolation. They complement good infrastructural development, work policies and the ability of the staff to transfer the knowledge acquired on to the job to attain employment growth.

The study on the mode of human capital development in the MTN and Vodafone mobile telecommunication networks has also revealed that staff training programmes are prepared with no inputs from the workers. Existing literature revealed that training and staff development programmes are organized for staff, and they further revealed a positive correlation between training programmes and output. However, developing training and staff development programmes alone cannot achieve its purpose of ensuring employment growth if the workers for whom these training programmes are organised are not consulted to make inputs. This situation creates a condition where training programmes run parallel with what the employees need to perform their job (knowledge gap). If the views and suggestions of the workers are not factored into the preparation of training and staff development programmes, the purpose and usefulness of these programmes are defeated.

The Effect of Change in Ownership on Employment Size in the MTN and Vodafone Telecommunication Companies

During the era of Ghana Telecom and Onetouch, the total number of staff nationwide was 1610. The acquisition of Ghana Telecom and Onetouch by Vodafone took effect in 2008. When Vodafone took over from Ghana Telecom and Onetouch, the total number of staff nationwide was 1420. This change in management saw a decrease in the number of employees from 1610 to 1420. The number of staff members who were deployed is 190. The reduction in the total number of staff in Vodafone is attributed to restructuring, which was embarked upon by the new management.

MTN Ghana Ltd has also experienced some form of change in management since the company started operating in Ghana in 1996. Scancom, which was the first company to operate a digital network under the brand name Spacefone, was taken over by Investcom and was renamed Areeba in 2005. Areeba was also acquired in 2006 by Mobile Telecommunication Network (MTN). During the era of Spacefone, the total number of staff nationwide in the company was 500. The days of Areeba saw an increase in employment strength from 500 to 900, which is a 400 increase in nationwide employment. The takeover of Areeba by MTN saw a tremendous increase in employment strength from 900 to 1600, which is a 700 increase in employment. In all these levels of change in management, the numerical strength, as in the case of the employment base nationwide, increased in one management to the other. It is therefore concluded that the change in management in MTN Company has promoted employment growth on account of the increase in employment size. Vodafone Company has not promoted employment growth because the employment size decreased from 1610 to 1420 when the company took over from Ghana Telecom. The above figures are for national employment base in both MTN and Vodafone Telecommunication Companies. Table 5 below gives the summary of the workforce in both Vodafone and MTN nationwide before and after the takeover.

Table 2: Number of Staff in the Vodafone and MTN Companies in Ghana Before and After the Change in Ownership

Telecom Company	Total number of Staff	% Change
Vodafone Company		
Ghana Telecom	1610	100.00
Vodafone Company	1420	-13.38%
MTN Company		
Spacfone	500	
Areeba	900	44.4%
MTN	1600	43.75%

Source: www.Statista.com/statistics/241583/distribution-of-vodafone-employees, December, 2015.

Key findings of each specific objective

It was found out that the change in ownership affected the employment size in the two mobile telecommunication networks under study. Ghana Telecom Company saw a reduction in the level of employment size from 1610 to 1420 (13.38%). The Areeba Company, on the other hand, witnessed an increase in employment size from 500 to 900 staff when the company took over from Spacefone. The MTN Company increased the employment size from 900 to 1600 when it also took over from Areeba. The change in management in MTN increased employment size while Vodafone Company decreased employment.

Retailers of MTN and Vodafone services are not recognized staff in the telecommunication industry and as such, the telecommunication networks do not see the need to provide any form of training and staff development programmes for them. It is therefore dependent on the individual who engages in the sale of MTN and Vodafone services to educate himself or herself to be able to adjust to changing market trends and the introduction of new services in the mobile telecommunication networks. It was found out that the appointment of Heads of Department as administrative heads of Vodafone and MTN Companies does not solely depend on acquisition of required academic qualifications. The telecommunication companies, in addition to having a formal education, organise in-service training, on the job training and off the job training for the Heads of Department to be able to balance academic experience with practical experience.

It was found out among the general staff that, even though training programmes are organised for them, they do not have any inputs in deciding the kind of training programmes which should be organized for them. The training programmes come in a packaged form from management without any input from the staff, and they are designed to be relevant to the training needs of the job that they perform. This means that it is not possible that the MTN/Vodafone Company

will sponsor a staff in the engineering department, for example, to pursue a programme in Business Administration or Social Sciences.

4.0 CONCLUSIONS

Based on the findings of the study, the following conclusions are made:

Change in management from Spacefone to Areeba, and from Areeba to MTN witnessed an increase in the employment base from 500 to 900, and from 900 to 1600 respectively. Onetouch to Vodafone caused a reduction in employment from 1610 to 1420. It therefore follows from the above statistics that MTN Company, which has experienced some form of acquisition, has expanded the level of labour force and therefore contributed positively towards employment growth in Ghana. The Vodafone Company reduced employment size when it took over from Ghana Telecom and Onetouch.

The findings on the mode of human capital development in both MTN and Vodafone indicate that the content of the training programmes actually meet the expectation of the employees per the criteria of the ILO's decent work agenda which states that training and staff development programmes should be prepared to meet the needs assessments of the staff. It is therefore concluded that MTN and Vodafone companies have helped contribute or promote employment growth from the perspective of developing the human capital of the workers in the MTN and Vodafone companies.

5.0 RECOMMENDATIONS

Based on the findings and conclusions drawn, the following recommendations are made:

The mobile telecommunication companies could consider regularising the activities of the retailers and offer training programmes for them. This will equip the retailers to become abreast with modern changes in technology.

Employee training and development are an indispensable part of human resource development. The two activities aim at improving the performance and productivity of the employees. Following this observation, as a way of improving the content of training and development programmes for staff, it is recommended that the general staff are involved in deciding the nature of training programmes that they require to perform their job. This will curtail the possibility of training and staff development programmes, which at times run parallel to the training needs of the workers. Training programmes should also be organised at regular intervals, say three times every year, to keep the workers abreast with current market changing trends in the mobile telecommunication industry.

Employees' training and development have significant effects on the growth of a business organisation. Though it might look expensive in the short term, its long-term implication on the growth of the business is very much appreciated. The development of the knowledge and skills base of workers in any country or institution is very crucial in determining the growth of that country or institution. Indeed, knowledge acquisition through either formal classroom education, apprenticeship, training workshops and seminars are essential for the development of the human capital base since they provide the required knowledge for the workforce to be

abreast with and adapt to constant changes in modern technology and way of doing things. It is for this reason that the International Labour Organisation, in its decent work documents, emphasises the need to develop the human capital base of an institution in its quest to achieve employment growth.

As a way of developing the human capital base of workers, we must consider human capital development and how it affects employment growth in the mobile telecommunication industry. It therefore follows that businesses should prioritise and invest in the human capital development of their employees. For a training programme to achieve its purpose of developing the skills capacity of workers, it should be organised frequently and at regular intervals to ensure that the trainees do not forget what they have learnt but are constantly reminded to transfer the knowledge they have acquired on to the job.

Even though the workers of both MTN and Vodafone mobile telecommunication companies reported that training programmes are organized for them, the workers did not indicate the frequency at which training and staff development programmes are organized for them. In view of this, it is recommended that staff training and development programmes are organised at a regular interval say three times in a year or every three months to ensure that the workers are updated with the required knowledge in an era of constant changes in market trends and modern technology.

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