

UNIVERSITY OF CAPE COAST

OIL AND GAS EXPECTATION MANAGEMENT IN GHANA

MOSES DOTSEY AKLORBORTU

2016

UNIVERSITY OF CAPE COAST

OIL AND GAS EXPECTATION MANAGEMENT IN GHANA

BY

MOSES DOTSEY AKLORBORTU

Dissertation submitted to the institute for Oil and Gas Studies of the Faculty of Social Science, College of Humanities and Legal Studies, University of Cape Coast in partial fulfilment of the requirements for award of Master of Business Administration degree in Oil and Gas Management.

SEPTEMBER 2016

## DECLARATION

### Candidate's Declaration

I hereby declare that this dissertation is the result of my own original research and that no part of it has been presented for another degree in this university or elsewhere.

Candidate's Signature:..... Date:.....

Name: Moses Dotsey Aklorbortu

### Supervisor's Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

Supervisor's Signature:..... Date:.....

Name: Dr. John Gatsi

## ABSTRACT

It is expected that the discovery of oil and gas in commercial quantity in the jubilee field in Ghana raises the hope and expectation of revenue flow and job creation for the citizens. However, oil and gas could end up as a resource curse or blessing depending on how the expectation of citizens are managed. This study therefore examined the expectation management of oil and gas in Ghana. Specifically, the study ascertained the framework of expectations management, examined the expectations management during exploration and development of oil and gas industry in Ghana and explored the efficacy of the expectation management framework. An in-depth interview guide was used to collect data from twenty respondents. Data was analysed manually using the qualitative content analysis. The study found that there is an existing expectation management framework. The study also found that the major expectation of individuals was job opportunities while at the community level, the major expectation was the development of sea defense and road constructions. It was also observed that various misconception and misinformation have negatively affected the efficacy of the expectation management framework. It is therefore recommended that the government and oil and gas production companies to increase efforts to sensitise the communities about oil and gas production.

## ACKNOWLEDGMENTS

My heartfelt thanks go to my supervisor, Dr. John Gatsi whose enormous support and advice saw me through my entire thesis. My appreciation also goes to Mr. Kenneth S. Adde for his technical support. Despite his busy schedules, he had time to read through my work.

I will also like to acknowledge the support and cooperation of Ghana National Petroleum Corporation and the people of Nzema East Municipal and Ellebelle District.

I would not have completed this project without the love and support of my family and friends Seifiamor Kokui Aklorbortu, Seisi Abui Aklorbortu, and Kormi Seigbloe Aklorbortu and my lovely wife Sibi Aklorbortu.

I would also like to acknowledge the love and support from Dr. George Sipa Yankey (CEO Ghana National Gas Company) and Kosmos Energy Ghana.

**DEDICATION**

To my family

## TABLE OF CONTENTS

	<b>Page</b>
DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENTS	iv
DEDICATION	v
TABLE OF CONTENTS	vi
LIST OF TABLES	ix
LIST OF ABBREVIATIONS	x
CHAPTER ONE: INTRODUCTION	1
Background to the Study	1
Statement of Problem	4
Objectives of the Study	5
Research Questions	5
Significance of the Study	6
Organisation of the study	6
CHAPTER TWO: LITERATURE REVIEW	8
Introduction	8
Theoretical Review	8
Legitimacy Theory	8
Stakeholder Theory	10
Empirical Review	13

Expectation Management Framework	13
Oil and Gas Resource Management in Africa	16
Effectiveness of Oil and Gas Expectation Management Frameworks	21
Summary of Literature Review	25
<b>CHAPTER THREE: RESEARCH METHODS</b>	<b>26</b>
Introduction	26
Study Area	26
Research Paradigm	29
Research Design	30
Target Population	31
Sample Size	31
Sampling Procedure/Techniques	32
Data Collection Instrument	32
Data Collection Procedure	33
Sources of Data	33
Data Processing and Analysis	34
Ethical Issues	34
<b>CHAPTER FOUR: RESULTS AND DISCUSSION</b>	<b>36</b>
Introduction	36
Socio-Demographic Background Characteristics	36
The Expectation Management Framework since Production of Oil and Gas	38
Expectation Management during Exploration and Development of	41



Oil and Gas	
Efficacy of the Expectation Management Framework	47
CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	51
Introduction	51
Summary of Key Findings	51
Conclusions	52
Recommendations	53
Suggestions for Further Research	54
REFERENCES	55
APPENDICES	64
A: In-Depth Interview Guide for GNPC	64
B: IDI Guide for Community Members	66

**LIST OF TABLES**

Table	Page
1 Socio-Demographic Background Characteristics	37

**LIST OF ABBREVIATIONS**

CSR	Corporate Social Responsibilities
FPSO	Floating Production Storage and Offloading
GDP	Gross Domestic Product
GNPC	Ghana National Petroleum Corporation
IOC	International Oil Companies
UCC	University of Cape Coast

## CHAPTER ONE

### INTRODUCTION

#### **Background to the Study**

Natural resources (such as oil, natural gas, coal, diamonds, minerals, forests, and water) are often a major source of national income, and are also a major cause of conflict and instability if mismanaged or shared unfairly (Nyamwaya, 2013). Oil exploration the world over, affect the lives of people and the destiny of nations. Most industrialized countries' revenues are from oil wealth which is used to fuel their economic development plans. Indeed, progress would be retarded and life would be unbearable if oil did not exist and this is why governments have become very concerned about oil (Pyagbara, 2007). The concerns of governments about oil and gas is however not far from the expectation of people.

The expectation of people is relevant in states that have recently discovered natural resources such as oil and gas (Zehe, 2012). The notion of the "black gold" to inevitably create wealth is still wide spread, even though studies have suggested that oil discoveries often comes along with negative macro-economic and political consequences an oil discovery often comes along with. There is therefore not much reason for people to have high expectations (Zehe, 2012). However, the expectations of people remain high mainly as a result of naive media reportage or the unsustainable promises by political stakeholders through mass media (Torgoh, 2010). In states that have recently discovered natural resources, the unrealistic image is created because

of the naive thinking that natural resources spontaneously lead to high financial gains. This can especially be observed when the respective state suffers low social and economic development. In such states, people hope for employment, poverty reduction, better infrastructure, and higher incomes (Gary, 2009).

The fact that Africa is well endowed with rich natural resources seems like a positive thing since it should provide the opportunity for countries within the region to meet their numerous development needs. There are expectations spread along the life cycle of a natural resource exploitation. Thus, there would be expectations from exploration and discovery through development, production, and closure (decommissioning) of a natural resource or an oil and gas field for that matter. However, in practice, the literature is full of examples of misfortunes with countries rich in such resources performing poorly on the economic, social and political dimensions of development (Hinojosa, Bebbington, Barrientos, & Addison, 2010). Hence, the expectation of people with regard to oil and gas discovery if not managed could lead to consequential disappointment in a given society which could act as a trigger for conflicts (Zehe, 2012).

When capacities of a state are low and the abilities of the people to monitor and control government activities are weak, as the experiences of crony states illustrate, the discovery of natural resources in commercial quantities increases competition for control of the state this leads to political violence (Van Gyampo, 2011). Whether we call it resource drain, looting of Africa, or natural resource malfeasance, there is some evidence that countries

with abundant resources are experiencing various forms of poverty, wantonness, conflicts, institutional decadence, economic retrogression, and general political or developmental instability. This is what is generally called the resource curse which usually is as a result of mismanagement of people's expectations (Stephens, 2003). The West African sub-region is no stranger to the resource curse, with numerous resource-rich states having strong links to instability and conflict (Silberfein & Conteh, 2006). Countries like Nigeria and Chad have suffered high oil crisis as a result of failure to manage the huge expectations of oil and gas industry (Bategeka, Kiiza, & Ssewanyana, 2009; Gary, 2009)

Expectations Management in the natural resource sector is a key issue for stakeholders like the international oil companies, civil society, and host communities. It is also in the interest of governments to ensure the effective management of natural resource exploitations as expectations can influence the actions of the catchment community's social and economic demands from government. Thus, expectations can emanate from host communities, IOCs, government and civil society organisations (Acemoglu, Johnson, Robinson, & Thaicharoen, 2002; Iimi, 2006).

Ghana recently joined the list of oil and gas producing countries, with oil production expected to reach 250,000 barrels per day. Ghana's oil and gas discovery has brought in its wake, huge growing expectations where the youth in fishing, farming, and diverse fields are strongly awaiting their share of the impending wealth-generating potentials of the oil and gas. People's expectations exist in two forms - the positive and the negative. In the case of

oil and gas discovery, the positive expectations are hopes that the precious resource and the associated 'windfall' revenues will deliver substantial social, economic and infrastructural development. However, negative expectations exist (Broni-Bediako & Addei, 2010). This research, therefore, seeks to examine the oil and gas expectation management in Ghana.

### **Statement of the Problem**

Poverty and underdevelopment make the discovery of natural resources such as gold, oil and gas a welcome news. These discoveries are met with very high expectations and optimism. Some people see it as the key to unlocking the gate to prosperity, and for the political elite, the remedy to Ghana's development, the solution to its economy and employment for the youth (Aratuo, 2010).

This is however not far from the truth. Venezuela in Latin America in the 1970s saw its Gross Domestic Product (GDP) per person rise from 64 percent to 184 percent of the region's average due to its oil boom. In Nigeria, revenue from oil accounts for 40 percent of GDP, 80 and 90 percent of government revenue and total exports respectively. The oil sector in Gabon contributes about 50 percent of GDP, 80 percent of total exports, and about two-thirds of government total revenue (Human Development Report, 2010; GEITI, 2008).

As such, it is expected that the discovery of oil and gas in commercial quantity and the commencement of production in the jubilee field in Ghana raises the hopes and expectation of revenue flow and job creation for the

citizens. Hence there is a need for stakeholders to interact to ensure the resource is a blessing rather than a curse. It is, therefore, imperative for the understanding of the interaction between stakeholders such as the state, operators, and local frontier communities.

There is, therefore, the need to get an understanding of the expectations management framework put in place before or during the production of oil and gas in Ghana, how the expectations management framework is shaping development in the oil region and how the discovery of oil and gas impact the development in the oil region. It is against this milieu of issues that this research seek to examine oil and gas expectation management in Ghana.

### **Objectives of the Study**

The main objective of the study is to examine oil and gas expectation management in Ghana. Specifically, the study sought to:

1. Ascertain the framework of expectations management since the beginning of oil and gas production in Ghana
2. Examine the expectations management during exploration and the development of oil and gas industry in Ghana
3. Explore the efficacy of the oil and gas expectation management framework

### **Research Questions**

Flowing from the above, the study sought to answer the following research questions:



1. What is Ghana's framework for expectation management since the production of oil and gas in Ghana?
2. What goes into the expectations management during exploration and development of oil and gas industry in Ghana?
3. What is the efficacy of Ghana's expectation management framework?

### **Significance of the Study**

The discovery of oil and gas in a country could become a blessing or a curse depending on how the resource and the expectation of the stakeholders are managed. It is, therefore, prudent for this study to be carried out to examine the oil and gas expectation management in Ghana. The results of the research, hopefully, would give insight into Ghana's expectation management framework and the efficacy of the framework. The results of the research, hopefully, would justify the need for the implementation of relevant policies by government and other stakeholders aimed at prevention and avoidance of resource curse. It is also expected that the current study will help fill the knowledge gap on the subject of oil and gas expectation management in Ghana and further serve as reference material for students, scholars and other researchers who may want to go into similar studies.

### **Organization of the Study**

The study has been organized into five distinct chapters. The first chapter is introductory in nature and gives the background of the study, statement of the problem, research questions, the objectives, the significance of the study, and organization of the study. The second chapter deals with the

literature review literature related to the expectation management of citizens oil and gas producing nations.

Chapter three highlights the methods used in collecting data and the analysis of the data. It covers subtopics such as research design, population, sampling size and sampling procedures used, data collection, sampling techniques and data analysis. Chapter four is a presentation of data and analysis, which provides an overview of the variables that were studied. The final chapter, chapter five gives a summary of findings, conclusions, and recommendations. This part of the project provides information on the outcome of the study (research findings), the conclusive statements that were made on the basis of the findings obtained. Recommendations regarding future researchers in the same or similar area have also been captured.

## CHAPTER TWO

### LITERATURE REVIEW

#### **Introduction**

This chapter reviews related literature on the topic under investigation in order to situate the study in the appropriate theoretical and empirical framework. The chapter looks at areas including the legitimacy theory, stakeholder theory, expectation management framework, oil and gas resource management in Africa and effectiveness of oil and gas expectation management frameworks.

#### **Theoretical Review**

##### **Legitimacy Theory**

This theory seeks to explain the organizations continuous search to ensure that they operate within the bounds and norms of their respective societies. The theory stipulates that organisations operating within the legitimacy theory voluntarily report on activities if management perceives those activities to have been expected by the communities in which the organisation is operating (Deegan 2002; Cormier & Gordon 2001; Deegan, Rankin & Voght 2000).

Legitimacy theory rests on the belief of a 'social contract' between an organisation and the society in which the organisation operates. Shocker and Sethi (1973) as cited in Guthrie, Cuganesan, and Ward (2008) argue that an organisation's operations to a large extent is dependent on its social contract with the society in which it operates. The survival and success of an

organisation is, therefore, dependent on the delivery of some socially desirable ends to society in general and the distribution of economic, social and political benefits to groups from which it derives its power.

Lindblom (1994) opines that where there is a divergence between the expectations of the stakeholders of an organisation and the organisation's actual actions, there is likely to be a threat to the very existence of the organisation. Lindblom (1994) refers to this divergence as 'legitimacy gap'. Legitimacy theory holds because there needs to be a kind of agreement and harmony between an organisation and the society in which the organisation operates since an organisation cannot operate in a vacuum. However, the theory seems to be silent on environmental and health benefits of the society in which an organisation is operating. Though the environment and health of the people might implicitly be included in the economic, social and political benefits to the groups from which an organisation derives its power, there is the need to explicitly mention them in the theory. This is because most often, organisations do corporate social responsibility (CSR) at the expense of the environment. Especially in the case of extractive companies, the environment may be polluted or degraded and the companies turn around to engage in CSR. If the society in which an organisation operates is enlightened about environmental and health issues, then a legitimacy gap can develop, though the organisation may be providing the economic, social and political benefits to various groups.

The criticism for legitimacy theory in contributing to our understanding as a theory in general, is that the term has on occasion been

used fairly loosely. This is not a criticism of the theory itself, and the observation could be equally applied to a range of theories in a variety of disciplines. Failure to adequately specify the theory has been identified by Suchman (1995), who observed that “Many researchers employ the term legitimacy, but few define it”. Hybels (1995) comments that “As the tradesmen [sic] of social science have groped to build elaborate theoretical structures with which to shelter their careers and disciplines, legitimation has been a blind man’s hammer.”

In Ghana’s oil and gas industry, therefore, the oil and gas companies must have some social contract with the Ghanaian society. This social contract extends to the provision of some socially desirable resources and the distribution of economic, and political benefits. The Ghanaian society (or the host community) expects these provisions from the oil and gas companies operating in the country’s oil and gas industry. For example, the Ghanaian society expects some level of local content in the operations of the IOCs in the production of oil and gas. Local content may come in the form of direct employment of locals or indigenes on the rigs or Floating Production Storage and Offloading (FPSO). It can also be the engagement of locals in the supply of some food stuff for example to the workers or the involvement of the locals anywhere along the oil and gas production chain.

### **Stakeholder Theory**

Stakeholders are groups and individuals who benefit from or are harmed by, and whose rights are violated or respected by, corporate actions.

The stakeholder concept is an extension of the stockholder notion where stockholders have certain special claims on a firm. In the stockholder concept, stockholders have the right to demand certain actions by management. Likewise in the stakeholder concept, stakeholders have the right to demand certain actions by a corporation (Freeman, 1994).

Freeman and Reed (1983), gave a 'narrow' and a 'wide' definition of stakeholders. In the narrow sense, stakeholders include those groups who are vital to the survival and success of an organisation. In the wider definition, stakeholders include any group or individual who can affect or is affected by an organisation.

The stakeholder theory in expectations management in Ghana's oil and gas industry means that the international oil companies like Tullow and Kosmos Energy, have stakeholders like the Government of Ghana, the host community, and civil society organisations. The host community may be regarded as a stakeholder in the wider definition of a stakeholder. In that, the host community may not be directly involved in this offshore oil and gas operations. However, the host community is affected in some way. For example, the people are fisher folks and their livelihood depends on the catch from the sea. But the production of oil and gas has limited how far the fishermen can venture into the sea environment of the productions. There have also been reported cases of dead whales in the catchment area of production. The death and washing ashore of these whales may be attributable to the disturbances in the oceanic habitat of fisheries.

These disturbances may affect the catch of fish in the host community, a situation that has the capacity of impacting unfavourably on the livelihood of people in the host community. If so, by the stakeholder theory, the people of Ghana and for that matter, the host community has the right to demand certain provisions from the IOCs and the government. By implication, the host community has certain expectations of the IOCs and government. Again, since the operations of the oil fields have an impact on the occupation of the people, it is legitimate for the people to demand their employment in the oil and gas industry (Freeman, 1994).

Stakeholder analysis is a clear way of defining those groups and individuals who have significant relationships with an organization. Johnson and Scholes (2002), writing on corporate strategy, consider how likely stakeholders are to press their expectation on an organization to suggest strategies to contain or manage stakeholders. They consider how much interest stakeholders have on potential issues and problems with the organization, whether stakeholders have the means to push their interest and how predictable they (stakeholders) would be. Johnson and Scholes map the power of stakeholders against both their level of interest in the issue and the predictability of their behavior. This resulted in four categories of stakeholders.

The advantages of this theory is, it makes companies take on social responsibilities and presents fairness and trust to every participant in the business. Which enables companies to gain more loyalty from their stakeholders and in turn promotes efficiency, with a result that the interest of

all stakeholders are boosted. However, the theory has some significant shortcomings which include the hindrance caused by ambiguity or problem in defining who stakeholders are, makes the implementation of this theory difficult (Essays, 2013).

In Ghana's oil and gas industry, the fields are located offshore. Therefore, the host community does not have a direct contact with the fields and operations. Though the host community has a high interest in the industry, they do not have the constitutional power to negotiate contracts in the exploration, development, and production of the oil and gas found in the deep seas of Ghana. This is because the 1992 Constitution of Ghana vests all natural resources in the executive. However, FIPC would have meant that the host community would have been involved and informed about decisions taken along the decision chain in operations of the industry. Using Johnson and Scholes's (2002) stakeholder analysis, the host community may be referred to as having high interest but low power. This means that the host community needs to be kept informed.

## **Empirical Review**

### **Expectation Management Framework**

Expectations of resource management exist in two forms; the positive and the negative. The positives are optimisms that the resource will lead to substantial social, economic and infrastructural improvements while the negative which is known as the resource curse is a situation whereby abundance of tradable natural resources (such as diamonds, gold or oil)



paradoxically leads to economic stagnation, the death of other traditional and non-traditional exports such as agricultural and manufactured products, and conflicts over the allocation of resources (Di John, 2007).

Major environmental issues related to oil and gas development have been addressed through countless global and regional treaties, national laws and a number of administrative regulations and management frameworks, promulgated by individual countries and multinational organizations such as UN agencies, the World Bank, and International Finance Corporation (IFC) to promote natural resource conservation and pollution control (Okuthe, 2015). These international conventions are mandatory on national governments and serve as a baseline or guide in drafting national policies, legislations, and regulations.

One of the major concerns about Ghana's entry into oil production is the adverse effects associated with that industry. Studies of resource-rich countries paint a somewhat gloomy picture of exploitation of natural resources, variously referred to as the natural Resource Curse. These studies suggest that real exchange appreciations driven by natural resource booms could have negative effects on long-term development by reducing the relative size of domestic manufacturing and production. Furthermore, another important body of literature suggests that natural resource abundance produces institutional weaknesses and mismanagement of natural resource wealth (Auty 2001; Gelb, 1988). However, a growing number of more recent papers and country analyses show that it is possible to avoid the pitfalls of resource

abundance, by pro-actively establishing a sound institutional framework and macroeconomic management (Bravo-Ortega & de Gregorio, 2007).

In Ghana, commercial quantities of oil were discovered in 2007 in the Western Region of Ghana, specifically in the Ahanta West District of the region. This should serve as a blessing to drive investments into the country (African Post, 2009). However, Gary (2010) argued that oil and gas discovery could have either a negative (curse) or a positive (blessing) effect on the country. Developmental projects and revenue for the state are some of the positive effects of oil and gas discovery while environmental pollution, youth agitations, conflicts among many others could be the negative effects.

In Ghana, the oil find which was originally hailed by all has developed some dimensions which can pose a threat to the peace and stability of the oil drilling communities and the nations as a whole if steps are not taken to address the issues comprehensively and inclusively (Kathman & Shannon, 2011). The youth in the oil communities has called for a quota of jobs to be reserved for them by virtue of the fact that oil is being drilled on their soil. Hence, there is therefore a need for expectation management frameworks to help minimize the negative effects and expand on the positive effects.

Chapter 21 of the 1992 Constitution of the Republic of Ghana mandates that every mineral in its natural state in, under or upon any land in Ghana, rivers, streams, water courses throughout Ghana, the exclusive economic zone and any area covered by the territorial sea or continental shelf is the property of the Republic of Ghana and shall be vested in the President on behalf of, and in trust for the people of Ghana (Republic of Ghana, 1992).

In the same way, the (Petroleum Exploration and Production Act, 2010) requires that petroleum existing in its natural state within the jurisdiction of the Republic of Ghana is the property of the Republic of Ghana and is vested in the President on behalf of and in trust for the people of Ghana subject to any right granted, conferred, acquired, recognised or saved under this Act (Republic of Ghana, 2010).

### **Oil and Gas Resource Management in Africa**

Emerging economies will face public expectations from how oil and gas revenue will be spent by governments. Kakonge (2011) argued that public expectations are often unrealistic, exaggerated and sometimes, manipulated. He further indicated that the four major challenges of managing expectations are determining information sharing requirements, developing common expectations among multiple stakeholder groups, clarifying labour skill requirements in the oil and gas sector and articulating environmental and social considerations impacted by the energy sector (Kakonge, 2011). A key prerequisite for managing expectations once oil and gas are discovered is that governments set realistic goals through open consultations with the public and the nearby communities where the resource is found. In short, governments should promise only what they can genuinely deliver.

Anantamula and Thomas (2010) opined that customer satisfaction, global business environment and legal and political issues are among 4th, 7th and 9th rank in the success factors of organisations. This shows that managing stakeholders besides considering the situation and business environment in a

country contribute to the success of an organization. However, large capital-intensive mining projects tend to create inflated expectations of local benefits. Foreign investors are forced to send an unusually high share of mining revenue flows abroad to overhaul foreign capital (Asafu-Adjaye, 2010) hence not much is left for the host community. As such, African continent can boast of a considerable amount of resources that can help speed up the economic growth and development if managed properly. Despite all these revenues, the quality of life of resource producing countries has not seen any remarkable improvement especially in the localities where the resources are located (Gary, 2009).

In Africa, the abundance of oil, diamonds, and metals in DRC, Angola, Nigeria and Sierra Leone has obstructed, rather than promoted, economic transformation. Political stability has also been affected as rival claimants to the political economy have disagreed violently over the distribution of the abundant resources (Kiiza & Ssewanyana, 2011). In other words, resource abundance has been a curse rather than a blessing for these countries. However, countries such as Australia, USA, Botswana, and Norway have benefited from natural resource abundance (Kiiza & Ssewanyana, 2011).

The situation of Nigeria, 92% of the country's foreign exchange comes from oil, with Niger Delta region contributing 90%. However, the majority of the population in that region live on less than a dollar a day (Ikelegbe, 2005). The study of Bloomfield (2008) shows that jobs in the oil industry mostly go to expatriates and Nigerians from less marginalized parts of the country while

those in the resource community are given casual jobs when there is oil spillage.

This is not different from the situation in Angola. According to Malaquis (2007), Angola is a fabulously wealthy African country endowed with abundant reserves of oil, diamonds and other precious minerals. However, the government is said to have created a repressive, deeply intolerant, thoroughly corrupt system allowing the head of state, along with his small entourage and their respective families and friends have transformed the few remaining viable portions of state resources into their private fiefdom (Malaquis, 2007). The reluctance to share power and the feeling of discontent has created an opposition, making the country ungovernable and the consequence is the loss of human lives, destroyed infrastructure, retarded development among others (Malaquis, 2007).

Omeje (2005) indicates that it is the state's rent-seeking interest which has subsequently run into conflict with the interest of the bearing communities which has resulted in an intractable cycle of local resentment and state repression. Stewart (2002) also argues that people fight over essential issues regarding the distribution and exercise of power whether economic or political or both. These inequalities could drive conflicts such as the Biafra war in Nigeria. The exploitation of power by one group or another is also responsible for many of the other inequalities and for violent reactions because this appears the only way to change the system.

However, Switzer (2001) also opines that conflict can occur as a result of the process and production of natural resources whether due to

environmental or social impacts. Extraction of natural resource has an extensive impact causing environmental contamination that affects community health and livelihoods. In the Niger Delta, oil spills have been a regular occurrence, and the resultant degradation of the surrounding environment has triggered significant tension between the people living in the region and the multi-national oil companies operating there (Okonta, 2006).

Oil companies operate in parts of Nigeria where 70% of communities lack access to clean water, electricity and passable bridges to connect riverine communities (Zandvliet & Pedro, 2012). This suggests that resource extraction creates grievances among the local communities mainly as a result of the land of the local people is confiscated, environmental hazards, insufficient job opportunities and the social interruptions caused by labour migration. These grievances could easily lead to civil war (Ross, 2004).

The production of oil in Ghana has also attracted high expectations particularly among the youth of the nation as a previous study of FES and You-net on “Youth and Oil & Gas Governance in Ghana” revealed in 2011 (Erik & Daniela, 2015). The high expectation is mainly as a result of how revenue from oil has fuelled the growth of many oil producing countries. Norway in over twenty years after oil discovery and exploitation has experienced unprecedented growth and development. Mexico and Malaysia have also progressed well in oil related growth. Since 1970, oil has constantly accounted for almost 90% of Nigeria’s export income. Growth in revenues since oil was discovered is proven by the over US\$ 350 billion Nigeria has accumulated over the period of 35 years. The concern is these huge growth

figures in Nigeria's revenues have however not transformed into reduced poverty for many people in the resource endowed nation. The percentage of Nigerians living below the poverty rate has risen from 27 in 1980 to 66 in 1996 and to 70 in 2000 (Erik & Daniela, 2015).

In an attempt to avoid the resource curse, Ghana's ministry of energy developed a Petroleum (Local Content and Local Participation in Petroleum Activities) Regulations, 2013 (LI2204) from the experiences of other oil producing countries which was sent to parliament for legislation. The regulations were passed into law in November 2013 and became effective after a three-month period in February 2014 (Senoo & Armah, 2015).

The aim of the government in developing the petroleum regulations is to use the income from oil and gas resource to hasten development and industrialisation in the country as observed from other oil producing countries. A study discussing the implications of oil activity for regional and local development, stipulates that a greater part of the Western region especially the capital Sekondi Takoradi is expected to experience a significant transformation with the oil activity (Bloch & Owusu, 2012) However, Smith (1973), opines that government policymakers often tend to develop broad, sweeping policies which lack the capacity for implementation. In Ghana, history already does not support implementation record, as Petroleum Law (PNDC Law 84), encompasses some Local Content Provisions for the oil and gas sector which are not being implemented (Senoo & Armah, 2015).

Kazzazi and Nouri (2012) in their study found that the promotion of local contents depends on the economic, political and social development

status of the country. As such, Governments all over the world have at different points in time engage different interventions and approaches to prevent various economic disasters from occurring and increase the gains of a resource in their countries (Ado, 2013). Underreporting is another strategy of expectation management. This is commonly used in countries that practice democracy where governments that failed to live to expectation can be voted out of power. Underreporting or what Lindstadt and Staton (2007) call the 'downward management of expectations'. This involves raising 'cautious optimism.' It involves mobilizing public support for the system while, at the same time, communicating the challenges at hand. Such skills are important because unmet expectations may backfire. They may trigger massive withdrawal of support and create doubts about the competency or honesty of the political leadership.

### **Effectiveness of Oil and Gas Expectation Management Frameworks**

A more fundamental point is that measures are of little use unless they are implemented and adhered to. This depends as much on administrative effectiveness, respect for the rules and public trust in government as on the nature of the regulatory framework chosen. An oft-repeated mantra is that good governance is vital in avoiding the resource curse (Shepherd, 2013).

Oil producing nations in the global West appear to derive more blessing from oil discovery and exploration as compared to those in the global South (Darkwah, 2010). This is mostly because the Western nations depend on themselves to finance and develop their own resources whereas the states in



Africa lack the financial capabilities and skill compelling them to rely on multinational oil companies (Gary, 2009).

Larsen (2006) revealed that Norway's ability to avoid the resource curse can be attributed to the country's early conditions' and institutions. Before the extraction of oil started in the early 1970s, Norway was not just a developed economy with per capita GDP of over US\$10,000 (PPP); it was (and continues to be) 'a highly egalitarian society that prides itself on being that' (Larsen, 2006). Norway was also one of the countries with a matured democracy (Kiiza & Ssewanyana, 2011) with their politicians rarely posing as a treat to wasting public resources on selfish political activities and there was an institutionalization of equitable distribution of wealth as a societal norm (Kiiza & Ssewanyana, 2011).

According to Asafu-Adjaye (2010), countries including Nigeria and Trinidad and Tobago have successfully implemented local content policies in their oil industries after many years of missed opportunities. In Nigeria, the government has successfully implemented a raft of local content policies with task specific directives on local content. These include: expansion of the existing requirement for seismic data processing projects to be sourced in the country, a requirement that all front-end engineering and design work for upstream projects be conducted in country, and a requirement that floating production, storage, and offloading integration work takes place in the country by the end of 2006 (INTSOK, 2003). While, Trinidad and Tobago have also employed programmes for workers' training, small-enterprise capacity

building and technology development for its gas industry (Asafu-Adjaye, 2010).

Norway, Chile, Botswana, and Indonesia are often used as examples of countries that have been able to manage their natural resources successfully to the benefit of all. Four major issues were common among these countries. These are a widely shared commitment to stability and growth; a capable and empowered cadre of technical advisers and specialists; strong social constituencies able to moderate and inform political debate; and widespread popular buy-in to spending priorities (Shepherd, 2013).

In nations where there is inadequate resources and know-how, foreign expertise is required to exploit these resources. Policymakers are therefore required to reap the maximum benefits for their nations from these exhaustible resources by instituting appropriate policies to ensure that their citizens also benefit from the resource (Tordo, Warner, Manzano, & Anouti, 2013). Hence the development of petroleum law that governs how revenue is split between IOCs and government. One of the most commonly adopted strategies is the “Local Content Development Policy” (also known as content requirements) (Ado, 2013).

Nonetheless, in most African countries, the energy sector has insignificant links to other sectors of the economy with the sector providing very little employment for its people. For example, in Angola, the oil sector employs less than 1% of the workforce whereas countries like Gabon, Nigeria, Angola and Equatorial Guinea have the highest income inequality (KPMG Report, 2013).

The expectation of Ghanaians was not different from that of other countries when oil and gas were discovered. The chiefs in the Western Region petitioned the government through parliament to invest 10% of the oil revenue in infrastructure development and capacity building in the region. This reinforces the point that there are major expectations from the people in the region (Kathman & Shannon, 2011). This was summarized by the then sitting head of state, President Kuffuor, who summarized the thoughts and expectations of most Ghanaians when he addressed the discovery as a “shot in the arm” that would give the country the wings it needs to fly and transform Ghana into an “African Tiger” (BBC News, 2007 cited in Senoo & Armah, 2015).

It was however not long before Ghanaians realized oil and gas industry is capital intensive and hence could not employ as many people that were expected (Senoo & Armah, 2015). The expectation of Ghanaians has died down and the majority of Ghanaians are of the view that Ghana does not have much control over the oil and gas discovered. Majority also believes that non-Ghanaians will profit more from the production of oil than Ghanaians will do (Friedrich-Ebert-Stiftung, 2011 cited in Senoo & Armah, 2015).

This validates the pronouncement by the former mission chief of IMF to Ghana, Peter Allum, “oil will not create many jobs in and of itself since it is a capital intensive industry but it is likely to generate substantial boost in revenue for the government with an estimated range of 6% - 7% GDP” (IMF, 2010).

### **Summary of Literature Review**

In summary, this chapter reviewed the literature on the expectation management theories which include the stakeholder theory and the legitimacy theory. The empirical review was also done for studies covering expectation management frameworks, oil and gas resource management in Africa and the effectiveness of expectation management frameworks. From the above, it was observed that policies on expectation management in Africa are not very effective and little is done pertaining to Ghana. Hence there is a need for this study.

## CHAPTER THREE

### RESEARCH METHODS

#### **Introduction**

This chapter presents the methods that would be followed in carrying out the study. It gives a description of the study area, research design, sources of data and target population. It further explains the study's sample size determination, sampling procedures/techniques, methods of data collection, research instruments and the procedures to be followed in data collection, processing, and analysis. Ethical considerations are also discussed.

#### **Study Area**

This study will be carried out in the Nzema East Municipal and the Ellembelle District. The Nzema East Municipality is one of the Twenty-two (22) Districts in the Western Region of Ghana. The Municipality was created in 2008 when Nzema East District was split into two; Nzema East Municipality and Ellembelle Districts in 2008 by Legislative Instrument (L.I.) 1840. The Municipality has Axim as its capital and is located on the southern end of the region between longitudes 2005' and 2035' west and latitudes 40 40' and 50 20' north. This makes it one of the best destinations for tourists in the region. The Municipality covers a total surface area of 1084.0 km<sup>2</sup>.

The landscape of the Municipality is generally undulating with the highest point at about 450ft above sea level. The Municipality is mainly drained by the Ankobra River and its major tributaries like the Ahama and Nwini rivers. The Ankobra River at some places sets the boundaries between

Nzema East Municipal and the Ellembelle District. Most of these rivers and streams flow throughout the year. The Municipality lies between the wet semi-equatorial climate zone of the West African Subregion. Rainfall is experienced throughout the year with temperatures ranging between 25°C 30°C. According to Ghana Meteorological Service (Nzema East Office), the average temperature in the Municipality is about 29.40 with annual average rainfall between 1800mm and 2000mm. The double maxima periods are in May-July and September-November as it peaks. The capital of Nzema East Municipality, the Axim area, still records the highest rainfall in the country with the yearly average of about 2000 millimetres of rainfall.

The vegetation is made up of the moist semi-deciduous rain forest mainly in the northern part, followed by secondary forest southwards mainly due to human activities like tree felling and farming and coastal savannah in the south along the 30km coastal belt. All these comprise of large areas of forest resources which include various timber species and other non-timber forest products like rattan, bamboo, game and wildlife all of which offer opportunities to generate resources for development. There are three forest reserves in the Municipality. These are the Shelter Forest Reserve, Draw River Forest Reserve, and Ndumfri Forest which is the largest of the three.

The Municipality is headed by a Municipal Chief Executive as the political head and an Administrative Head who is the Municipal Coordinating Director. It has one Constituency namely, Evaluae-Ajomoro Gwira headed by an elected Member of Parliament. It has one (1) Urban Council which is the capital town, Axim and a total of eleven (11) Area Councils, eleven Unit

Committees and eleven Electoral Areas. Evalue-Gwira Constituency has three (3) Zonal Councils namely; Axim Zonal Council, Nsein Zonal Council, and Bamiankor Zonal Council (Ghana Statistical Service, 2014).

The Ellembelle District is one of the twenty-two (22) districts in the Western Region of Ghana. The district was carved out of the then Nzema East District in December 2007 by (LI) 1918. It was inaugurated on 29th February 2008 with its capital at Nkroful, the birthplace of the first President of the Republic of Ghana, Dr. Kwame Nkrumah. The district is located in the southern part of the region between Longitude 20 05 W and 20 35W, and Latitude 40 40N and 50 20N. It shares boundaries with the Jomoro District to the West, Wassa Amenfi West District to the North, Nzema East Municipal to the Southeast, Tarkwa-Nsuaem Municipal to the East, and a-70km stretch of sandy beach along the Atlantic Ocean to the south. It covers a total area of 995.8 Km<sup>2</sup>, which constitutes about 9.8 percent of the landmass of the Western Region. The District has one constituency, the Ellembelle Constituency with a total of seven (7) Area Councils and 31 Electoral Areas.

Data from the 2010 Population and Housing Census (PHC) indicates that the district has a population of 87,501 constituting 3.7 percent of the entire population of the Western Region. Out of this figure, the female population is 45,184 representing 51.6 percent while the remaining 42,317 (48.4 percent) are males. The population of 87,501 may suggest that there is not much pressure on the land, given the population density of about 88 persons per km<sup>2</sup>. However, the same cannot be said of the pressure on resources.

The District is largely rural (79.4 percent) while 20.6 percent reside in urban centers. The district experiences a considerable degree of movement of people (migration) into and out of it. This could be largely attributed to seasonal fishing activities as well as migrant farm labourers, the influx of people to secure jobs in mining activities, and refugees in the district.

The Ellebelle District Assembly is the highest political and administrative authority in the district and the District Chief Executive (DCE) is the head of the District Administration. The DCE also chairs the Executive Committee of the Assembly. There are 54 Assembly Members comprising 36 elected members and 18 government appointees who constitute the General Assembly - the highest decision-making body of The District Assembly. The Presiding Member (PM) chairs The District Assembly meetings. The district has one constituency called the 'Ellebelle Constituency' with a total of seven Area Councils and 31 Electoral Areas. The Assembly has seven sub-committees namely; Finance and Administration, Development Planning, Social Services, Agriculture, Works, Justice and Security, and Mines and Environment. The District Co-ordinating Director (DCD) performs the administrative role of coordinating the activities of all the eleven (11) decentralized departments (created by LI 1961) in the district (GSS, 2014).

### **Research Paradigm**

The study would be guided by the interpretivist perspective of social science research. The interpretivist perspective of research deals with the interpretation and the understanding of social life through direct detailed



observation (Sarantakos, 2005). Advocates of this perspective also prefer qualitative data and frequently use in-depth interviews, focus group discussions among others as a method of data collection.

The interpretivist perspective also suggests that social life, events, and understanding of people is explained through the meaning people assign to it and it employs the inductive approach to research (Sarantakos, 2005). Hence, this study employed the qualitative research technique to better understand the experiences of the respondents in their natural settings.

### **Research Design**

There are two main study designs in social science research namely the longitudinal and cross-sectional study design. Longitudinal study design requires much time for data collection at different points and produce results over a period of time. Cross-sectional survey design, on the other hand, is a design which allows the researcher to collect data and study a phenomenon at a given point in time. Cross-sectional designs are especially useful in the examination of current attitudes, opinions, beliefs and practice regarding a particular social phenomenon (Creswell, 2012). Flowing from the above, the cross-sectional study design would be adopted for this study. A cross-sectional design with respect to this study is concerned ascertaining the framework of expectation management since the production of oil and gas in Ghana, examine the expectation management framework and explore the efficacy of the framework (Glynn & Woodside, 2009; Creswell, 2003).

### **Target Population**

The target population for the study comprises of government officials at the Ministries of Energy and Petroleum, officials of IOCs, civil society, and traditional leaders as well as members of communities in two out of the six host districts and municipality, Nzema East Municipal Authority and Ellembelle District. The total population size of the Ellembelle District is 87,501 and Nzema East Municipality having a population size of 60,828. This enabled the study to interview the various stakeholders who were involved in the development of the expectation management framework and those who it affects directly.

### **Sample Size**

The choice of a sample size for the in-depth interview was guided by the need to obtain rich data and ensure that the stakeholders were fairly represented. Thus, sixty-four participants were purposively selected for the study with the concept of saturation in mind. This is because an in-depth interview is of the essence in getting diverse information from individuals. Marshall, Bryan, Peter, Amit, and Renee (2013) found no evidence that studies with over 30 interviews yielded significantly more impact. The sample size that was employed in this study provided the grounds to engage in a critical data analysis. It has been suggested that qualitative study can obtain detail understanding of issues from comparatively fewer respondents using the right methods (DiCicco-Bloom & Crabtree, 2006). Unlike quantitative studies that require that samples are large enough for statistical inferences that will

result in the generalization of the findings, qualitative studies are not concerned about generalization. As such, this study considered views from a total of sixty-four respondents.

### **Sampling Procedure/Techniques**

Purposive sampling technique was adopted to select respondents for the in-depth interview. Purposive sampling allows an initial understanding of the situation, and to identify relevant groups with experiences relating to the topic under study (Saini & Shlonsky, 2012). It produces a sample where the included groups are selected according to specific characteristics that are considered to be important. This technique was used because the study selected stakeholders in the communities and stakeholders in government. The purposive sampling technique was used in an attempt to get respondents who have in-depth experience on the subject under discussion. Therefore, the Minister of Petroleum, Petroleum Commission, public affairs managers of two IOCs (Tullow Ghana Limited, and Kosmos Energy) and members of the community were selected to participate in the study. An official of the Public Interest and Accountability Committee was also judgmentally selected to participate in the study. In all, there were sixty participants made of fifty-six participants from the host community, two officials from government, and two officials from oil companies.

### **Data Collection Instrument**

The primary research instrument that would be used for the interview is the in-depth interview guide. The study made use of two in-depth interview

guides. One IDI for the ministry/IOC and another IDI for the community members. The IDI required the respondents to give their background characteristics (age, sex, level of education among others). The IDI further required respondents to give responses that will answer questions relating to the objectives. The IDI was used to acquire in-depth information from respondents within the milieu of personal experiences with oil and gas expectation management (Ritchie & Lewis, 2003; Gravetter, 2009).

### **Sources of Data**

The study made use primary data which was collected with the aid of an in-depth interview guide which was conducted with the clients to throw more light on the expectation management framework and what goes into it. The in-depth interview guide also enables the study to examine the efficacy of the expectation management framework.

### **Data Collection Procedure**

Informed consent was sort from the respondents explaining what the study is about. Those who are willing to partake in the study will be allowed to select their own time and place of convenient to them for the interview to be carried out there. I will then provide all the information about the research to the participant's and provide them with informed consent forms to be filled. The interview section will then be taped recorded or written.

### **Data Processing and Analysis**

The data was analysed using qualitative content analysis technique. A systematic qualitative orientated text analysis was carried out. The objectives of the study were categorised for analysis. Issues under each category were summarised, explained and organised to demonstrate the paramount issues that were identified from the data.

In qualitative oriented research, theoretical arguments are expected to be used as a reference to the current study in comparable fields. However, in the qualitative content analysis, content-related arguments should always be given preference over practical arguments since validity is regarded more highly than reliability (Mayring, 2014). Hence the analysis of this study focused on the content of the data collected. The transcripts were read through several times while taking note of emerging issues. Later, these issues were put under various themes. Comparisms were made across themes and some related themes were merged. The final themes were presented and subsequently discussed in relation to empirical literature.

### **Ethical Issues**

The topic for this study was first approved by the department of Oil and Gas of the University of Cape Coast. Permission would also be sought from the University of Cape Coast Ethical Review Board.

To ensure confidentiality, participants were not asked to give any information that could reveal their identity. The identity of participants was also not included in the resulting report from the study under no circumstance.

The audio recordings of the interview sections were also destroyed immediately after transcription. The transcribed documents were also protected with “mylockbox” app on the computer to prevent unauthorised persons from getting access to the data. Participants were also allowed to withdraw from the interview at any time without reason or penalty. Participants were given participant information sheet and informed consent form that was filled before they were interviewed. This included the necessary information to ensure potential participants fully understand what they are being asked to do and any potential risk associated.

## CHAPTER FOUR

### RESULTS AND DISCUSSION

#### **Introduction**

This chapter presents results that were obtained from respondents on oil and gas expectation management in Ghana. It provides an overview of the socio-demographic characteristics of the respondents, comprising; age, sex, occupation, and place of residence. The chapter also presents information the expectation management framework since the production of oil and gas in Ghana, expectation management during exploration and development of oil and gas industry in Ghana and the efficacy of the expectation management framework.

#### **Socio-Demographic Background Characteristics**

Table 2 shows 45 percent of the respondents were aged 40-49, with 30 percent aged 30-39. This age group of people was purposively selected because the study assumed they have the required information needed (Karen, 2001). The occupation of the respondents was also expected to affect their response hence data was collected on their occupation at the time of the study. From the data, the main occupation among the respondents was teaching (20 percent), fishmongers (15 percent) and 20 percent of the respondents were unemployed. Twenty percent of the respondents resided at Axim with the rest being residents of Anochie, Apowsika, Asamda-Ankobra, Atuabo, Ayisakro, Baku, Asiamama among many others. These localities were selected because they

are situated within the two districts affected by the oil and gas production (Karen, 2001).

**Table 1-Socio-Demographic Background Characteristics**

<b>Variable</b>	<b>Frequency (n=20)</b>	<b>Percentage (%)</b>
<b>Age</b>		
20-29	2	10.0
30-39	6	30.0
40-49	9	45.0
50+	3	15.0
<b>Occupation</b>		
Businessman	2	10.0
Caterer	1	5.0
Civil Servant	1	5.0
Farmer	2	10.0
Fisherman	2	10.0
Fishmonger	3	15.0
Teacher	4	20.0
Trader	1	5.0
Unemployed	4	20.0



**Table 1: Continued**


---

<b>Place Of Residence</b>		
Anochie	1	5.0
Apowsika	1	5.0
Asamda-Ankobrah	1	5.0
Atuabo	2	10.0
Axim	4	20.0
Ayisakro	1	5.0
Baku	2	10.0
Bewire	1	5.0
Esiana	2	10.0
Kangbule	1	5.0
Krisan/Sanzule	1	5.0
Ngalekyei	1	5.0
Nkroful	1	5.0
Sanzule	1	5.0

---

**Source: Field survey, Aklorbortu (2016)**

## **The Expectation Management Framework since Production of Oil and Gas**

### ***Policies and Programs***

The workers of Ghana National Petroleum Corporation, as well as indigenes of the host communities, were interviewed with regards to policies

and programs that were developed since the production of oil and gas. The data analysis reveals a wide range of policies and programs that were enacted since oil and gas production in Ghana. These policies and programs include issues of environment and community management.

With regards to environmental issues, it was revealed that government developed a strategic impact assessment policy to protect the environment from the oil and gas production activities. The following quote an official from the Ghana National Petroleum Corporation reflects the environmental policies that were enacted:

*In the environmental aspect, we have what is called the strategic impact assessment, which includes expectations of the people in that regard, which is done on the basin level – Keta - Accra Basin, Saltpond Basin, and Tano Cape Three Points Basins or nationwide assessment. There is also project level impact assessment and all these cover wide areas and multi-agency activity, that for example Environmental Protection Agency (EPA) has done a huge work in that area in the strategic impact analysis, which I cannot remember the specific date but I know they have a visitation of Norwegian vessel which supported them. –GNPC,*

Bravo-Ortega and de Gregorio (2007) opined that it is possible to avoid the pitfalls of resource abundance, by pro-actively establishing a sound institutional framework and macroeconomic management. Which Ghana has done by developing a strategic impact assessment policy to help manage the effects of oil and gas production on the environment.

In response to the question “between 2007 and 2008, was your community engaged in any discussion in relation to production of oil and gas?” some of the community members had these to say:

*...The government also developed community education and sensitization programs to educate the members of communities close to the oil and gas mining zones. This was to educate the people about the plans and intentions of Ghana National Petroleum Corporation... Various teams have gone to the villages from Aflao to New Town in the Jomoro district, where members of the team then from the Ghana National Petroleum Corporation (GNPC) went through the villages to educate fisher folks, communities, assembly and use local radio networks to tell them about intended purposes of GNPC... –GNPC.*

*It was announced at the public hearings, they told us about oil and gas production and that we should work together to care of our coastlines and how they will work together with the fishermen and other issues that were discussed. I did not take part in the discussion since it was very crowded. –Trader, 27years*

*It was when the issues came up at one of our meetings, that the assembly was informed about the oil find and what the assemblies in the host communities have to do to support the oil operations. We met some people who came to explain to us the oil was offshore but we are one of the host communities. What was discussed was based on the role of the assembly, how to work with the people and the EPA to hold*

*a public hearing and the oil companies demanded our collaboration to develop the communities.* –Teacher, 40years

This affirms the findings of Kakonge (2011) who argued that public expectations are often unrealistic, exaggerated and sometimes, manipulated. He further indicated that the four major challenges of managing expectations are determining information sharing requirements, developing common expectations among multiple stakeholder groups, clarifying labour skill requirements in the oil and gas sector and articulating environmental and social considerations impacted by the energy sector (Kakonge, 2011). This also affirms the argument of the legitimacy theory which stipulates that there needs to be a kind of agreement and harmony between an organisation and the society in which the organization operates (Lindblom, 1994). Hence, there is the need for managing expectations once oil and gas are discovered. In that, governments set realistic goals through open consultations with the public and the nearby communities where the resource is found.

### **Expectation Management during Exploration and Development of Oil and Gas**

The study further sought to examine the expectation management framework during the exploration of oil and gas. It became evident that the community members had various expectations and there were general expectations as a community as well.

### *Expectations of Individuals*

In response to the question “what did you expect to personally benefit from the production of oil and gas in your region?” the results show that community members had various expectations as individuals. The most common individual expectation that runs through almost all the respondents was job acquisition. Others also expected to get a large market for their trade among other things. This is what some of them had to say:

*I was not expecting anything or any drastic change in oil and its discovery, I was only hoping to get money from the company by more people coming to buy from my shop. But it is not like that. – Farmer, 40years*

*I did not benefit personally, I thought they were going to give us money. I want them to give us money at least, some people were expecting ₵1,500,00 per individual in each household. And give jobs to the people. –Teacher, 37years*

*When they spoke about oil find and production, my impression was that, it was just along the coast and we can go and sell our stuff at the shore, but the fact is we don't even see anything offshore. –Trader, 27years*

This affirms the argument of Asafu-Adjaye (2010) that large capital-intensive mining projects tend to create inflated expectations of local benefits. Foreign investors are forced to send an unusually high share of mining revenue flows abroad to overhaul foreign capital (Asafu-Adjaye, 2010) hence not much is left for the host community. As such, African continent can boast

of a considerable amount of resources that can help speed up the economic growth and development if managed properly. Despite all these revenues, the quality of life of resource producing countries has not seen any remarkable improvement especially in the localities where the resources are located (Gary, 2009). This is also in line with the study of Bloomfield (2008) which shows that jobs in the oil industry mostly go to expatriates and Nigerians from less marginalized parts of the country while those in the resource community are given casual jobs when there is oil spillage.

### *Expectation of Community*

The analysis revealed that the community as a whole also had some expectations from both government and the oil and gas production companies. Some of the notable expectations were the development of sea defense, road constructions, and jobs among many others. Some of the expectation of the community were unrealistic. For example is the expectation of community members without the necessary skills to be employed. These were some of the views of the respondents in response to the question “what are you still expecting from government/oil companies?”

*I want the government to tell the oil companies to employ our people and also the oil companies should come more to our communities to help us like Kosmos Energy and Tullow they have been helping us.*

*Our coastline is going, we want them to construct sea defense wall for us to project our coast, it is important, now we don't have cost lines to do anything the sea is pushing us back. –Teacher, 42years*

*Unemployment is a big problem in these areas if there could some form of job for the people I will be very happy. Our main occupation is fishing but it is not lucrative anymore. We have the Forts along the coasts from Shama to Jomoro, each Fort has a lot to offer in terms of tourism, but nobody is ready to develop it to employ people. I want job, many of young people are graduates from Takoradi, cape coast and cannot get job, some as welders and laboratory technicians and some did not go far but are good drivers, Government should think about us. –Teacher, 40years*

This corroborates the findings of Kathman and Shannon (2011) who revealed that the chiefs in the Western Region petitioned the government through parliament to invest 10% of the oil revenue in infrastructure development and capacity building in the region. This reinforces the point that there are major expectations from the people in the region. The findings also confirm the argument of Kakonge (2011). Kakonge (2011) argued that public expectations are often unrealistic, exaggerated and sometimes, manipulated. He further indicated that the four major challenges of managing expectations are determining information sharing requirements, developing common expectations among multiple stakeholder groups, clarifying labour skill

requirements in the oil and gas sector and articulating environmental and social considerations impacted by the energy sector

### ***Developmental Projects***

The results revealed there are some developmental projects ongoing in the communities. Although the community members are not getting employed directly in the oil and gas production, they have benefited from the construction of roads, schools, and renovation of health care centers. In response to the question “has your community benefited in any way from the oil and gas production?” these were some of the views expressed by the respondents;

*...benefits of the community, we have a lot of support from the oil companies especially Kosmos Energy - water, education, health, and the government has also done some roads and as you can see our roads are being worked on... -Farmer, 65years*

*The community after the oil finds I will say have benefited greatly when we had the explosion at the fuel dump, it was the Axim hospital emergency unit that was refurbished by Kosmos Energy that saved the situation before they were transferred to Korle-Bu. There are other supports in scholarships for some young people to go to school. -Fisherman, 53years*

*Yes, Kosmos Energy and Tullow oil have done a lot, education, health, and water. I must be honest that if not for Kosmos Energy, it*



*would have been difficult for some of us to get water. At the assembly, I can say that they want to give us water, but the truth is it would take is about two to three decades for that water. 19 communities have benefited, which has also resulted in many of businesses coming up and also we can now extend Kosmos Water to our homes. We also have oil enclave roads, before our road from Ekwei Junction through Atuabo to Nzulezu, hitherto the road was very bad, but today I can tell you that the roads in the community are good because of the oil. – Teacher, 37years*

This affirms the argument of Gary (2009). He argued that some of the positive effects of oil and gas discovery in a community are developmental projects and revenue for the state (Gary, 2009). There is, therefore, the need for government to manage the expectation of the youth in the oil communities who are calling for a quota of jobs to be reserved for them. This will help minimize the negative effects and expand on the positive effects (Kathman & Shannon, 2011).

However, the study revealed that the developmental projects were largely done by the oil and gas production companies. Whiles government did little or nothing for the communities.

*To me, there are footprints of social interventions by Kosmos Energy Ghana as an oil company and also Jubilee Partners but cannot tell exactly what is wholly government project being the benefit maybe the roads. –Fishmonger, 33years*

*...the oil companies I must say they are doing a lot with us, but the government is what we have a problem with. They should build the sea defence for us to protect the coast... -Fisherman, 48years*

### **Efficacy of the Expectation Management Framework**

The study also sought to measure the efficacy of the expectation management framework in the host communities. It was revealed that there were various issues which include misconceptions of oil and gas production and how community members intend to deal with the issues.

#### ***Misconceptions of Oil and Gas Production***

The study revealed various misconceptions that were developed by the host communities as a result of misinformation of the people. This has made it difficult for the expectation of the people to be managed. These misconceptions include overhyped expectations and also the believe that the rising sea level was as a result of the presence of one FPSO. These were what some of the respondents had to say;

*...People were made to believe that, the presence of one FPSO has led to the rising sea level and you can convince them otherwise... This misinformation created a lot of problem for the strategies that were put in place to take care of issues of expectation, community, and the environment. The misinformation pushed the people to even believe that, they are not taken care of well, there creating unnecessary*

*expectations that has already been fueled, therefore difficult to manage... –GNPC*

*...I can tell you that expectations from the perspective of the community from the industry, I can tell you is huge. There are people who think that the oil is here so they don't need to work, they need job that does not exist, demand money because oil is here, demand jobs without the requisite expertise, which are all illusion. Some group claims and fed the fishermen with wrong information and that because of the oil there must be some compensation to fishermen along the coasts from Aflao to New Town especially those from the Western Region. You do this you raise people's expectation meanwhile there is nothing like that... -GNPC*

*We expecting money, we don't have money, we need oil companies to come and give us money I don't have job, I need job or they pay me money. –Teacher, 37years*

*I thought they were going to give us money. I want them to give us money at least, some people were expecting ₵1,500.00 per individual in each household. And give jobs to the people. –Teacher, 37years*

### ***Dealing with Unmet Expectation***

The study also sought to see what the community members think they can do to get their expectation met. The study revealed that the community

members think there is nothing they can do ensure that their expectations are met. They, however, indicated they will show their frustration during the election of a president for the nation. Some of the views expressed when asked “what will you do if these expectations are not met?” were;

*We are not strong we can't do anything. The truth is that we have other resources that did not bring much to us so if oil which is offshore deep into the sea did not bring us anything what can we do. What we can say is that we will not vote for the government in power.*

–Teacher, 42years

*What we will do, the answer is simply nothing we don't have the power to do anything but we have political power may be our last power to exercise the only way is to say we will vote them out or not vote at all.* –Businessman, 44 years

Cautiously, some of the respondents, however, indicated that if they are continuously ignored, it will affect the cordial relationship between the community, the government and the oil and gas production companies.

*Neglect breeds anger, therefore if we continue to see our poverty and don't do anything about it will be to their disadvantage. We the Nzemas, the Ahantas, Fantes and the other tribes here are very peaceful people we will not do anything but they should not try us.* –Civilian, 37

*Aside all that, what we want is the need for job avenues for the people and if these are not met, they will not find the cordial*

*relationship with the people. It will always be an issue and they will remind the people of how rich we are but very poor. –Farmer, 65*

The findings of this study are in line with various studies which indicate that if resources of a country are not managed well by setting realistic goals through open consultation with the host communities, it could easily lead to a resource curse (Gary, 2009; Ikelegbe, 2005). In Ghana, the oil find which was originally hailed by all has developed some dimensions which can pose a threat to the peace and stability of the oil drilling communities and the nations as a whole if steps are not taken to address the issues comprehensively and inclusively (Kathman & Shannon, 2011).

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

#### **Introduction**

This chapter outlines the summary of the major findings of the study. Conclusions are then drawn based on the major findings made. Based on the major findings made, recommendations are also made for policy and practice. Suggestions are then made for further research on oil and gas expectation management.

Notwithstanding, the numerous studies conducted in Ghana on resource management, there is a paucity of the literature with regards to oil and gas expectation management in Ghana. This study examined oil and gas expectation management in Ghana. The study employed the interpretivist approach with a descriptive cross-sectional research design to ascertain the framework of expectation management since the start of production of oil and gas in Ghana, examine the expectation management during exploration and development of oil and gas and examine the efficacy of the oil and gas expectation management framework. The sample size used for the study was twenty (30) respondents that were selected using the purposive sampling.

#### **Summary of Key Findings**

The study found that various policies and programs have been enacted by government since oil and gas production started to help manage the expectation of communities. These include the expectation management

framework, environmental impact assessment policy and community education and sensitization programs.

The study further revealed that common expectation among the individual's job acquisition and a large market for their trades. At the community level, notable among the expectations were the development of sea defense, road constructions, and jobs. It was also revealed that some developmental projects are ongoing in the communities all though community member were not getting employed directly in the oil and gas production. These projects include the construction of roads, schools, and renovation of health care centers.

The study also showed that the efficacy of the expectation management framework in the host communities was affected by various misconceptions and misinformation among the respondents such as overhyped expectations and rising sea level as a result of the presence of one FPSO. The community members however indicated two major ways in which they can deal with their unmet expectations. These were either through an amicable way by voting during the election or by taking issues into their own hands and destroy the cordial relationship between the community, government and the oil and gas production company.

## **Conclusions**

The following conclusions are drawn based on the key findings of the study. Since the production of oil and gas in Ghana, the government has developed policies and programs to manage the expectation of the host

communities. Various developmental projects have also taken place in the communities. However, the individuals and the community still have some expectations which they felt have not been fulfilled. Notable among the unfulfilled expectations is jobs for the indigenes. The unfulfilled expectations were mainly as a result of misinformation and overhyped expectations. These have gone a long way to affect the efficacy of the expectation management programs that were put in place to avoid the occurrence of the resource curse.

### **Recommendations**

Flowing from the key findings and conclusions of the study, the following recommendations are made;

1. The government and IOC to put in more efforts to make the indigenes of the host communities feel more involved in the oil and gas production. This will help make the host communities feel important and restrain them from taking actions into their own hands.
2. The government and IOC to establish more education programs to sensitize the communities about oil and gas production. This will help curb the misinformation and over hyped expectation of the community members.
3. Government and IOC should endeavor to document and publish the various activities that are being done to manage and meet the expectation of the host communities. This will help make information available to the general public on the progress of activities.



### **Suggestions for Further Research**

A study may be conducted on the expectation management of host communities to cover all the six districts. To investigate qualitatively, the expectation management of the host communities on a larger scale. This will make it possible to measure the progress done in meeting the expectation of host communities after ten years of oil and gas production.

## REFERENCES

- Acemoglu, D., Johnson, S., Robinson, J., & Thaicharoen, Y. (2002). Institutional causes, macroeconomic symptoms: Volatility, crises and growth. *National Bureau of Economic Research, Working Paper no. 9124*. Retrieved from <http://www.nber.org/papers/w9124>
- Ado, R. (2013). Local Content Policy and the WTO Rules of Trade-Related Investment Measures (TRIMS): The Pros and Cons. *International Journal of Business and Management Studies*, 137-146.
- African Post. (2009). *Histroy of oil discovery in Ghana*. The EO group's role. Retrieved from <Http://www.ghanaweb.com/GhanaHomePage/NewsArchive/artikel.php?ID=172153>.
- Anantamula, V., & Thomas, M. (2010). Managing global projects: A structures approach for performance. *Project management journal*(39), 60-72.
- Aratuo, D. (2010). Ghana's emerging oil: Trailing or avoiding the resource curse'. *An MA dissertation, International Institute of Social Studies of Erasmus University Rotterdam*.
- Asafu-Adjaye, J. (2010). Oil production and Ghana's economy: what can we expect. *Ghana policy journal*, 4, 35.
- Auty, R. M. (2001). The political economy of resource-driven growth. *European economic review*, 45(4), 839-846.
- Bategeka, L., Kiiza, J., & Ssewanyana, S. (2009). Oil discovery in Uganda: Managing Expectation. Makere University: Economic Policy Research Center.

- BBC News. (2007, June 7). *Ghana 'will be an African tiger'*. Retrieved October 8, 2013, from BBC News: <http://news.bbc.co.uk/2/hi/africa/6766527.stm>
- Bloch, R., & Owusu, G. (2012). Linkages in Ghana's gold mining industry: Challenging the enclave thesis. *Resources Policy*, 37(4), 434-442.
- Bloomfield, S. (2008). The Niger Delta: The Curse of Black Gold. *The Independent*.
- Bravo-Ortega, C., & De Gregorio, J. (2007). The relative richness of the poor? Natural resources, human capital, and economic growth. *Lederman and Maloney*, 71-103.
- Broni-Bediako, E., & Addei, I. (2010). Managing the huge expectations of Ghana's oil and gas discovery. *International journal of economic development research and investment*, 1(2).
- Creswell, J. W. (2003). Research design. *Qualitative, quantitative and mixed methods approaches*, 2.
- Creswell, J. (2012). W. 1994. Research Design: Qualitative and Quantitative Approaches. *Thousand Oaks*.
- Darkwah, A. (2010). The Impact of Oil and Gas Discovery Exploration on Communities. *Department of Sociology*.
- DiCicco- Bloom, B., & Crabtree, B. F. (2006). The qualitative research interview. *Medical education*, 40(4), 314-321.
- Di John, J. (2007). Oil abundance and violent political conflict: A critical assessment. *Journal of Development Studies*, 43(6), 961-986.

- Erik, P., & Daniela, K. (2015). Oil Production and the transformation of livelihoods of communities in Ghana . *Institute for Statistical, Social and Economic Research (ISSER) at the University of Ghana* .
- Essays, UK. (2013). Chapter The Stakeholder Theory Summary Law Essays. Retrieved from <http://www.lawteacher.net/free-law-essays/business-law/chapter-the-stakeholders-theory-summary-law-essays.php?cref=1>
- Freeman, R. (1994). Strategic management: A stakeholder approach: Pitman 1994. The politics of stakeholder theory: Some future directions. *Business Ethics Quarterly*, 4(4), 409-421.
- Gary, I. (2009). *Oil and Gas revenues, funds and state budgets: Minimizing leakages and maximizing transparency and accountability in the Hydrocarbon Value Chain* (Vol. 6). UNDP Discussion Paper.
- GEITI. (2008). *Oil and gas revenue management international experiences*. GTZ.
- Gelb, A. H. (1988). *Oil windfalls: Blessing or curse?*. Oxford University Press.
- Glynn, M. S., & Woodside, A. G. (2009). Effective business-to-business brand strategies: introduction to business-to-business brand management. *Business-to-Business Brand Management: Theory, Research and Executive Case Study Exercises*, 15, 1.
- Gravetter, F. J. (2009). Forzano LAB. *Research Methods for the Behavioral Sciences*, 2.
- GSS. (2014). *2010 Population and Housing Census: District analytical report, Nzema East District*. Ghana Statistical Services.

- GSS. (2014). *2010 Population and Housing Census: District Analytical Report: Ellembele District*. Ghana Statistical Services.
- Hinojosa, L., Bebbington, A., Barrientos, A., & Addison, T. (2010). *Social policy and state revenue in mineral-rich contexts. Social policy and development programe paper*. Retrieved July 28, 2016, from [http://www.unrisd.org/80256B3C005BCCF9/\(httpAuxPages\)/D66D0265B0AE2C55C12777BD0050710F/\\$file/Hinojosa.pdf](http://www.unrisd.org/80256B3C005BCCF9/(httpAuxPages)/D66D0265B0AE2C55C12777BD0050710F/$file/Hinojosa.pdf).
- Human Development Report. (2010). Retrieved July 28, 2016, from Human development report web site: <http://hdr.undp.org/en/statistics/>
- Hybels, R. C. (1995) "On Legitimacy, Legitimation, and Organizations: A Critical Review and Integrative Theoretical Model", *Academy of Management Journal*, Special Issue: Best Papers Proceedings, 1995, pp. 241 - 245.
- Imi, A. (2006). Did Botswana escape from the resource curse? *IMF Working Paper*.
- Ikelegbe, A. (2005). The Economy of Conflict in the Oil Rich Niger Delta Region of Nigeria. *Nordic Journal of African Studies*, 14(2), 208-234.
- IMF. (2010). Oil Offers Hope of Middle Income Status for Ghana. Retrieved from <http://www.imf.org/external/pubs/ft/survey/so/2010/int021710a.htm>
- INTSOK. (2003). *Enhancing of local content in the upstream oil and gas industry in Nigeria*. Norwegian Oil and Gas Partners.

- Kakonge, J. (2011). Challenges of managing expectations of newly emerging oil and gas producers of the south. *journal of world energy law and business*, 4(2), 124.
- Kathman, J., & Shannon, M. (2011). Oil extraction and the potential for domestic instability in Uganda. *African Studies Quarterly*, 12(3), 23-25.
- Kazzazi, A., & Nouri, B. (2012). A conceptual model for local content development in the Petroleum Industry. *Management Science Letters*, 2165-2174.
- Kiiza, J., & Ssewanyana, S. (2011). In *righting resource-curse wrongs in uganda: the case of oil discovery and the management of popular expectations*. Economic policy research centre.
- KPMG Report. (2013). *Oil and Gas In Africa, Africa's Reserves Potential and Prospect*.
- Larsen, E. (2006). Escaping the resource curse and the Dutch disease: When and why Norway caught up with and forged ahead of its Neighbors. *American journal of economics*, 65(3).
- Lewis, J., & Ritchie, J. (2003). Generalising from qualitative research. *Qualitative research practice: A guide for social science students and researchers*, 263-286.
- Lindblom, C. K. (1994). The implications of organizational legitimacy for corporate social performance and disclosure. In *Critical perspectives on accounting conference, New York* (Vol. 120).

- Lindstadt, R., & Staton, J. (2007). *Managing Expectations: When Is It Profitable to Underreport Competence?* NY: Dept of Political Science: Stony Brook University.
- Malaquias, A. (2007). Making War & Lots of Money: The Political Economy of Protracted Conflict in Angola. *Review of African Political Economy*, 28(90), 521-536.
- Marshall, B., Cardon, P., Poddar, A., & Fontenot, R. (2013). Does sample size matter in qualitative research?: A review of qualitative interviews in IS research. *Journal of Computer Information Systems*, 54(1), 11-22.
- Mayring, P. (2014). *Qualitative content analysis: theoretical foundation, basic procedures and software solution.*
- Nyamwaya, C. (2013). Benefits Sharing on Extractive Natural Resources With Society In Kenya. *Kenya Human Rights Commission, Research for and On Behalf Of Friedrich Ebert Stiftung, Nairobi, Kenya.*
- Okonta, I. (2006). *Behind the mask: Explaining the emergence of MEND Militia in Nigeria's Oil-Bearing Niger Delta.* University of California, Institute of International Studies, Berkeley, USA.
- Okuthe, I. K. (2015). Environmental and Social challenges of oil and gas exploration in Kenya. *International Journal of Innovation and Scientific Research*, 17(1), 164-174.
- Omeje, K. (2005). Oil Conflict in Nigeria: Contending issues & perspectives of local people. *New Political Economy*, 10(3), 321-334.

Pyagbara, L. S. (2007). The adverse impacts of oil pollution on the environment and wellbeing of a local indigenous community: the experience of the Ogoni people of Nigeria.

Republic of Ghana. (1992). *The 1992 constitution*.

Republic of Ghana. (2010). *Petroleum (Exploration and Production) Act 2010*. Retrieved August 4, 2016, from [http://www.ghanaoilandgasonline.com/files/Petroleum%20\(Exploration%20and%20Production\)%20Bill%202010.pdf](http://www.ghanaoilandgasonline.com/files/Petroleum%20(Exploration%20and%20Production)%20Bill%202010.pdf).

Ross, M. (2004). What Do We Know about Natural Resources and Civil War? *Journal of Peace Research*, 41(3), 337-376.

Saini, M., & Shlonsky, A. (2012). *Systematic synthesis of qualitative research*. OUP USA.

Sarantakos, S. (2005). *Social Research*. 3rd. Hampshire: Palgrave Macmillan.

Senoo, J., & Armah, E. S. (2015). Assessing the Effectiveness of Ghana's Local Content Policy in the Oil and Gas Industry. *Journal of Energy and Economic Development*, 1(1), 22-61.

Shepherd, b. (2013). *Oil in Uganda: international lessons for success*. London: Chatham House.

Shocker, A. D., & Sethi, S. P. (1973). An approach to incorporating societal preferences in developing corporate action strategies. *California Management Review*, 15(4), 97-105. Sited in Guthrie, J., Cuganesan, S., & Ward, L. (2008). Industry specific social and environmental reporting: The Australian Food and Beverage Industry. In *Accounting Forum* (Vol. 32, No. 1, pp. 1-15). Elsevier.



- Silberfein, M., & Conteh, A. (2006). Boundaries and conflict in the Mano River Region of West Africa. *Conflict management and peace science*, 23, 343-61.
- Smith, T. (1973). The policy implementation process. *Policy sciences*, 4, 197-209.
- Stephens, J.-P. (2003). Resource Impact: Curse or blessing? A literature Survey.
- Stewart, F. (2011). *Horizontal Inequalities as a Cause of Conflict: A Review of CRISE Finding*. World Development Report 2011 Background Paper.
- Suchman, M. C. (1995) "Managing Legitimacy: Strategic and Institutional Approaches", *Academy of Management Journal*, Vol. 20, No. 3, pp. 571 - 610.
- Switzer, J. (2001). *Armed conflicts and Natural Resources: The Case of the Mineral Sector*. International Institute for Sustainable Development. No.1.
- Tordo, S., Warner, M., Manzano, O., & Anouti, Y. (2013). *Local policies in the Oil and Gas Sector*. Washington, D.C.: World Bank.
- Torgoh, T. (2010). *Lets manage expectations of oil and gas find*. Daily Graphic.
- Van Gyampo, R. E. (2011). Saving Ghana from its oil: a critical assessment of preparations so far made. *Africa Today*, 57(4), 49-69.
- Zandvliet, L., & Pedro, I. (2012). *Oil company policies in the Niger Delta*. Port Harcourt, Nigeria: Collaborative learning projects.

Zehe, T. (2012). *Dangers of high expectations - expectation management theory and practice.*

APPENDICES

APPENDIX A: IDI Guide for MINISTRY/IOC

University of Cape Coast

Ghana National Petroleum Corporation

I am Moses Dotsey Aklorbortu, a student of the Institute for Oil and Gas, University of Cape Coast, conducting a study into Expectations Management in Ghana's Oil and Gas Industry. I would appreciate your candid responses to this questionnaire for this academic study.

**Background Information**

1. Age .....
2. Religion .....
3. What is your current marital status  
.....
4. What is your occupation .....
5. Place of residence .....
  
6. Was there any programme to sensitise Ghanaians about the possible commercial discovery of oil and gas in Ghana?  
Yes [ ] No [ ]
7. What was the programme content?
8. Was there any programme to engage the host community prior to the discovery of oil and gas in 2007?  
Yes [ ] No [ ]

9. If Yes, what was the programme content?

10. If No, why?

11. Was there any programme to sensitise Ghanaians about the discovery of oil and gas in Ghana?

Yes [ ]

No [ ]

12. If Yes, what was the content of this programme?

13. Has the host community benefited from the production of oil and gas so far?

Yes [ ]

No [ ]

14. If Yes, how has the host community benefited from the production of oil and gas so far?

15. What informed the choice of the particular benefits for the host community?

16. Was the host community involved in the choice of their benefit packages?

Yes [ ]

No [ ]

17. If Yes, how was the host community involved?

18. Are there any demands from the host community that have not been met?

Yes [ ]

No [ ]

19. If Yes, what are these demands?

20. How are these demands being taken care of?

**APPENDIX B**

**IDI for Community Members**

**University of Cape Coast**

**Institute of Oil and Gas**

I am Dotsey Aklorbortu, a student of the Institute for Oil and Gas, University of Cape Coast, conducting a study into Expectations Management in Ghana's Oil and Gas Industry. I would appreciate your candid responses to this questionnaire for this academic study.

1. Gender

Male [ ]

Female [ ]

2. Age (yrs)

18 – 25 [ ] 26 – 33 [ ] 34 – 41 [ ] 42 – 49 [ ] 50 + [ ]

3. What is your occupation .....

4. Place of residence .....

5. How long (in years) have you lived in this community?

Below 5 [ ] 5 – 10 [ ] 11 – 15 [ ] 16 – 20 [ ] 21 – 25 [ ] 26 – 30 [ ] 31+ [ ]

6. Before the discovery of oil and gas in 2007, was your community engaged in any discussions about a possible discovery of oil and gas in your region?

Yes [ ]

No [ ]

7. If Yes what was discussed?

