

## The Promotion of a Risk Culture: a Descriptive Study of Ghanaian Banks

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**Abstract :** The aim of the study is to assess the state of operational risk management and the adoption of an appropriate risk culture in Ghanaian banks. The Bank of Ghana (BoG) joined the Basel Consultative Group (BCG) of the Basel Committee on Bank Supervision (BCBS) in 2021 and is proceeding with the implementation of the Basel III international regulatory framework for banks. The BoG's Directive about risk management encourages, inter alia, the creation of an appropriate risk culture by Ghanaian banks. However, it is not evident how the risk management staff of Ghanaian banks experience the risk culture and the implementation of operational risk management in the banks where they are employed. Ghana is a developing economy, and it is addressing challenges with its organisational culture. According to Transparency International, successive Ghanaian governments claim to be fighting corruption, but little success has been achieved so far. This points to a possible lack of accountability, transparency, and integrity in the environment in which Ghanaian banks operate and which could influence their risk culture negatively. Purposive sampling was used for the survey, and the questionnaire was completed by Ghanaian bank personnel who specialize in operational risk management, risk governance, and compliance, bank supervision, risk analyses, as well as the implementation of the operational risk management requirements of the Basel regulatory frameworks. The respondents indicated that they are fostering a risk culture and implementing monitoring and reporting procedures; the three lines of defence (3LOD); compliance; internal auditing; disclosure of operational risk information; and receiving guidance from the bank supervisor in an attempt to improve their operational risk management practices. However, the respondents reported the following challenges with staff members who are not inside the risk management departments (in order of priority), namely demonstrating a risk culture, training and development; communication; reporting and disclosure; roles and responsibilities; performance appraisal; and technological and environmental barriers. Recommendations to address these challenges are provided

**Keywords :** ghana, operational risk, risk culture, risk management

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