Here χ_i are the characters of the simple left kG-modules, where k is a splitting field for G of characteristic not dividing |G|. The proof depends on the expressions for the central idempotents in kG giving the Wedderburn decomposition of kG into its simple components. These central idempotents are given by

$$e_i = |G|^{-1} n_i \sum_{g \in G} \chi_i(g^{-1})g$$
. Now use the equations $e_i e_j = \delta_{ij} e_i$, where the δ_{ij} 's are the Kronecker deltas.

The coefficient of h^{-1} on the RHS is $\delta_{ij}/G/^{-1}n_i\chi_i(h)$, and the coefficient of h^{-1} on the LHS is $n_i n_j |G|^{-2} \sum_{g \in G} \chi_i (g^{-1}) \chi_j (hg)$. Therefore, the desired formula follows.