

A CONTENT ANALYSIS OF THE EFFECT OF OUTSOURCING ON COST CONTROL IN DISTANCE EDUCATION

Clara Akuamoah-Boateng – (Corresponding Author)

Centre for Continuing Education,
University of Cape Coast,
Cape Coast, Ghana

Email: cakuamoahboateng@yahoo.co.uk

Josephine Sam-Tagoe

Centre for Continuing Education,
University of Cape Coast,
Cape Coast, Ghana

Email: nsamtagoe@yahoo.com

Peter Brown

Centre for Continuing Education,
University of Cape Coast,
Cape Coast, Ghana

Email: iampbrown@yahoo.com

ABSTRACT

The shrinking state subvention to many African universities have compelled them to look for more alternatives for funding their various programmes or look for more prudent ways of reducing cost of operations to improve their financial positions. The paper looked at how local outsourcing initiatives could be used to provide cost effective distance education. Qualitative content analyses method was used. Data was mainly gathered from published documents, financial statements and contract documents. Descriptive statistics was used in some instances to show trends in gains from outsourcing. It was found that an institution can reap both monetary and non monetary gains through local outsourcing. A detailed description of key local outsourcing initiatives that the UCC DE programme adopts is given. The paper indicates that a local outsourcing initiative is a cost effective means for providing quality distance education. The approach helped the institution improve upon its financial performance by reducing its operational costs significantly. For Universities that are into DE or entering into it, the UCC's approach is an experience worth emulating.

Keywords: Content Analysis, Outsourcing, Cost Control, Distance Education

1. BACKGROUND

A major challenge African higher education leadership has faced in the past and continues to face today is grossly inadequate funding. Public funding of higher education in Africa has been dwindling since the beginning of the 21st century (Johnstone, 2006). The reasons for the current financial constraints universities face are not far – fetched. Among them are general decline in global and national economies, increasing

demand for higher education and the shifting of governmental attention from education to other sectors of the economy, especially, health and agriculture. As Lamptey (1996, p.14) points out, it would be unreasonable for Universities to expect more from their governments than they are already receiving due to the numerous and competing demands for improvement in all social sectors, that these government are confronted with. He concludes that government subsidies could not and should not be expected to take care of all financial needs of Universities.

The immediate effects of these global economic challenges are manifesting in the lack of expansion and rehabilitation of infrastructure of institutions, increased enrolment, brain drain and frequent disruptions of academic work due to student and staff strikes. The impact of this low funding on all facets of academic activities in the Universities is tremendous.

In response to these financial pressures and increasing demand for accountability, many higher institutions have now resorted to various prudent financial management practices and effective cost control measures to improve their financial position. It is common to see universities in the UK, USA and Asia coming to developing countries, mainly Africa, to recruit students or set up international campuses. In Ghana, to increase access to education and to improve upon their balance sheets, almost all public universities run distance learning as a dual mode with their regular campus based certificate, diploma and degree programmes. As much as increasing access help increase the universities' revenue, it comes with its financial challenges, i.e. increased expenditure by way of infrastructural development, human resources requirement and module development. In the face of their financial difficulties, how have the universities cope with the financial investment required in managing huge projects like providing quality distance learning?

The paper assesses the major strategies universities employ in such capital budgeting projects. It highlights local outsourcing initiative, a cost-effective measure in the management of scarce resources in the face of competition. The draws on experiences of some institutions and provide practical lessons for universities trying to improve their financial position and sustain their growth and expansion. The rest of the paper is divided into five sections. Section two looked at the literature review; section three looked at the methodology; section four findings, discussions and section five, the policy recommendations.

2. LITERATURE REVIEW

There are several theories explaining the generic concept of outsourcing and its multiple processes. Perunović and Pedersen (2007) outline some important theories of outsourcing including the theory of transaction cost economics, relational view, core competences, evolutionary economics, incomplete contracts, resource-based view, agency theory, knowledge based view, neoclassical economic theory, social exchange theory and economics of information.

In the view of the resource-based theory, an organization seek for an external provider for valuable, rare, inimitable and organised resources and capabilities that it lacks. The agency theory explains the organization (outsoucer) - supplier (vendor) relationship. The theory is crucial in outsourcing in terms of vendor selection. This theory reveals some of the important aspects of vendor selection including moral hazards and adverse selection. Although these theories have extensively been employed, it has limited application in educational financing. The three theories reviewed and other important ones mentioned earlier despite their varying application have emphasized less on the cost savings of outsourcing. The focus of these theories in explaining outsourcing has looked at the multiple processes in outsourcing. Even on the process of outsourcing, there is evidence (Gottschalk & Solli-Sæther, 2006) that the theory of core competences, the stakeholder theory and the neoclassical economic theory best explain the most important critical success factors of outsourcing

relationships (core competence management, stakeholder management, and production cost reduction). It can be realized that the issue of cost is rarely the focus of these outsourcing theories. Indeed, a key reason for outsourcing is to ensure prudent financial management through cost reduction, by undertaking the activities they have comparative cost advantage and outsourcing the ones they do not have absolute cost advantage over.

As alluded to earlier, public universities in both developed and developing countries are looking for means of increasing their revenue and reducing cost, increasing their programme line and outsourcing some of their activities. Among the new tertiary education delivery system in Ghana and some developing countries is the distance learning model. Distance education (DE) is becoming increasingly global creating a myriad of new alliances as traditional education institutions partner governments, business and other organizations to offer and use distance learning. The DE model provides people and countries the opportunity to access knowledge and enhance their human capital (Potashnik & Capper, 1998, p. 1). In the DE system of education, the teacher and the student are separated by physical distance where technological tools such as audio, video, text and print, often in concert with face – to – face communication, are used to bridge the institutional gap (Koomson, 2009, p. 4). In most cases, the programme of study is done with any face to face contact till graduation.

The DE model is currently the means by which universities increase access to tertiary education. It provides the opportunity for corporate workers to upgrade their skills and to promote their career and professional development. DE is growing and becoming more popular among corporate bodies and governments. Through DE, governments provide on-the-job training to teachers¹ and other public sector workers to enhance human capital development for rapid economic growth (Chryssovergis, 2006; ICDE, 2009; Ahmed, 2011).

In terms of delivery mode, various mechanisms have been used for distance education programs but the print-based continues to be the dominant delivery mode in both developed and developing nations (Potashnik & Capper, 1998, p. 43).

In higher education settings, some institutions offer only distance education, while others provide both distance and conventional education. This is referred to as the dual mode (Koomson, 2009). Those that offer only distance learning are referred to as open universities. Although many conventional universities have offered distance education for some time now, many others are just beginning to experiment the concept largely because they are unable to meet the demand for higher education. Even some elite universities that would not previously have considered getting involved in distance education are now cautiously entering into it. For example, in Ghana, almost all public Universities are now embarking on distance education programmes of some sort and are awarding various forms of degrees.

As distance education extends its reach, concern about its effectiveness increase. Numerous studies have been conducted assessing the effectiveness of distance education (Potashnik & Capper, 1998, p. 43) asserts that more than 70 years of research, print-based distance education courses has consistently documented their effectiveness compared with courses taught in conventional classrooms and in most cases the former learned faster and at substantially lower cost than the latter. Moore and Kearsley (1996), on their part oppose this idea. They maintain that DE programmes still lack credibility in many countries and students taking such courses often experience difficulty in obtaining recognition for their certificate. This is because quality of some DE programmes are perceived to be poor with their deficiencies often attributed to inadequate planning, the use of superficial material delivered in a piecemeal fashion paying less attention to more important curriculum issues.

¹Potashnik & Capper (1998, p. 43) assertion that teacher upgrading is a major application of distance education particularly in developing countries where larger numbers of teachers are either untrained or undertrained. In such countries, teacher training using distance education is a top priority

Basaza, Milman and Wright (2010) found among other things poor infrastructure, the high cost, outdated curriculum, inadequate expertise and poor attitudes towards distance learning as the key factors that affecting the implementation of distance education in some African countries. It is implied that that funding and cost management becomes critical in delivering quality distance education.

In most cases, developing countries find that funds are not available to continue distance programmes after donor funds are terminated so it is important that some local innovative initiatives are brought to bear on the programmes if quality, effectiveness, affordability and sustainability issues are to be ensured. Lamptey (1996, p. 6) also asserts that a move from total dependence on government subventions and donor funding to efforts aimed at diversifying income sources is important. Care must be taken to ensure that the institutions survive and grow. Therefore, the right organizational philosophy needs to be adopted and one such organization philosophy is the concept of outsourcing² initiated locally.

Outsourcing allows organizations to focus on core business while allowing outside experts to take care of non-core functions and often save cost. According to Harler (2000), in the outsourcing theory, the process is profitable when suppliers' costs are low enough that even with added overhead, profit, and transaction costs suppliers can still deliver a service for a lower price. Although several reasons have been outlined for outsourcing, cost savings have often been identified as key reason for outsourcing. As cited in Kremic, Tukel and Rom (2006), there is enough empirical evidence pointing to cost savings as the key reason for (see Arnold, 2000; Bienstock & Mentzer, 1999; Fan, 2000; Laarhoven, Berglund & Peters, 2000; Vining & Globerman, 1999).

Although outsourcing has been around as long as work specialization has existed, it is in recent times that most organizations have begun employing the model. Kaganoff (1998) maintains that outsourcing initiatives have more often been done with support services in the past, but there is increasing interest in outsourcing core services related to teaching and learning. Thus, if any institution wants to expand, outsourcing is the most core-effective way. However, Rovai and Downey (2010) warns of its inherent drawbacks. It is therefore important that institutions accurately assess their needs to determine if outsourcing is a viable option. Despite its drawbacks, University of Cape Coast (UCC) has been able to exploit the benefits of outsourcing in its distance learning programme.

2.1 History of UCC DE Program

The University of Cape Coast was established by an Act of Parliament in 1962 as a University College of Education. Its core mandate is to produce graduate professional teachers to teach Ghanaian Second Cycle Schools and Teachers Training Colleges. Today, the core mandate of UCC is providing quality education through the provision of comprehensive, liberal and professional programmes that challenge learners to be creative, innovative and morally responsible citizens. Through distance learning, it also extends expertise and facilities to train professionals for both the Academia and industry. With an initial intake of 155 students to the Faculty of Education, the UCC has grown steadily over the years. Before the introduction of the DE programs in 2001, the University had 54 programmes with a student population of about 10,000. Table 1 shows the UCC's enrolment of campus-based programmes from 2001-2010 before the DE program.

²Outsourcing IS the transfer of business units or functions to an external service provider (Kaganoff, 1998). It where an organisation contracts another company or person to provide a particular service that might otherwise be performed by in-house employees.

Table 1: Comparative Analysis of student enrolment of UCC before DE programs

Qualified applicants admitted from 2001-2010			
Year	Gender		Total
	Male	Female	
2001/2002	7,201	2,621	9,822
2002/2003	8,133	3,504	11,637
2003/2004	8,434	4,018	12,452
2004/2005	10,141	4,889	15,030
2005/2006	11,387	5,703	17,090
2006/2007	11,623	5,449	17,072
2007/2008	11,361	5,445	16,806
2008/2009	11,108	5,296	16,404
2009/2010	10,710	5,048	15,758
Total	78,021	36,841	114,862

Source: Student Records & Management Information Section, UCC, 2010

Table 1 shows steady increase in students' enrolment over the years. Enrolment has grown over the years with very little expansion in physical facilities such as lecture halls, science and computer laboratories on campus. From an initial student enrolment of 155 in 1962, UCC now has a total population of 25,758 for regular and sandwich programmes excluding distance programmes.

Table 2: Comparative Analysis of admissions to campus-based and DE programmes (2001-2010)

Year	Qualified applicants admitted (campus-based)			Qualified applicants admitted (distance education programme)			Grand Total
	Gender		Total	Gender		Total	
	Male	Female			Male		Female
2001/2002	7,201	2,621	9,822	433	288	721	10,543
2002/2003	8,133	3,504	11,637	1,388	926	2,314	13,951
2003/2004	8,434	4,018	12,452	1,727	1,151	2,878	5,330
2004/2005	10,141	4,889	15,030	2,797	1,998	4,795	19,825
2005/2006	11,387	5,703	17,090	3,189	2,126	5,315	22,405
2006/2007	11,623	5,449	17,072	3,589	2,392	5,981	23,053
2007/2008	11,361	5,445	16,806	4,201	2,800	7,001	23,053
2008/2009	11,108	5,296	16,404	3,881	2,587	6,468	22,872
2009/2010	10,710	5,048	15,758	7,788	11,446	19,234	34,992
Total	78,021	36,841	114,862	28,993	25,714	54,707	169,569

Source of Data: Student Records & Management Information Section, UCC, 2010

A comparative analysis of the enrolment on the campus-based and DE programmes from 2001 to 2010, as shown in Table 2, indicates an increasing trend with DE admitting more students than the regular system from 2004 to date.

One significant inference from the above data is that by introducing the dual mode, the University had doubled its annual student intake. It is worth noting that whereas the regular system has 54 programmes, there are only three DE programs, which shows clearly how access to higher education can be widened through DE. Equally significant is the fact that the total enrolment of student on campus-based programmes, including those at the post-graduate level, in the 2009-2010 academic year stood at a little over 15,758 compared to over 19,234 students on the three DE programs.

Available statistics also show that since the inception of the DE program in 2001 to date, more than 60% of qualified applicants who could not be admitted due to the limited infrastructural facilities are now pursuing the DE programmes (Koomson, 2009, p. 4).

This trend is consistent with Potashnik and Capper (1998, p. 43) assertion that although distance education programmes are rated to be more cost-effective than conventional programmes, studies show this is true only if and when enrolments reach sufficiently high levels relative to expenditure and completion rates. The higher the number of students, the lower the per-student cost per course.

3. METHODOLOGY

The paper relied on analysis of existing documents on the conventional and the DE programs. It adopted the content analysis, a method that permits large amounts of textual information to be included in a study, as well as to systematically identify their properties. The method is chosen because the study is qualitative (Kohlbacher, 2006); it is also to make inferences from the available documents on outsourcing (Stemler, 2001); and to take a holistic and comprehensive approach towards analyzing data material and thus to achieve a complete grasp and to cover the complexity of the social situations examined and social data material derived from them (Kohlbacher, 2006). It is a means of making deduction and induction from a phenomenon (Elo & Kyngas, 2008). Data sources included publish documents of the university, students' records, guidebooks and manuals. Simple statistical tools including simple percentages was used to show trends in enrolment of students as well as provide a detailed description of the key local outsourcing initiatives that UCC DE adopts, including judicious use of available material and human resources to push the program through.

4. FINDINGS AND DISCUSSIONS

An interactions with management of the programme revealed that the UCC DE programme was introduced based on three essential prerequisites:

- a. Leadership with a sound knowledge base in Distance Education and institutional backing to plan, design, implement and manage the programme; and
- b. highly motivated academic staff to produce learning materials and supervise the program to ensure quality and parity of esteem between DE and campus-based programmes.

From the results of the content analysis of the financial statement and other relevant accounting documents, it was revealed that the programme's main sources of funding are through sale of application forms and payment of facility user fees by students. The analysis also revealed that expenditure is mainly on facilitators' claims, module writers' claims, module printing, examination claims, monitoring, stationery, equipment, training/workshops and support to projects of other units. Over the period, the UCC DE programme have generated surplus that are invested in short-term securities.

The results from the interviewing and document examination indicated that among other things, the UCC DE programme outsources a lot of its non-core functions including, writing of course modules and its printing, facilitation, study centres, teaching practice supervision, examinations and marking of scripts. In effect, for the

UCC DE programs, almost all support services, teaching and learning activities are outsourced to outsider vendors.

4.1 Writing of Modules and other materials

In the writing of modules, Lecturers (permanent staff) who teach the campus-based courses are identified, recruited and trained for the writing of the modules using the in-house design. The institutional design through which the modules are produced for the DE programmes is based on Ausbel (1963) meaningful verbal learning theory which postulates that the task of the teacher is to present the material in ways that encourages learners to “make sense” of a learning situation by relating it to what they already know and not to memorize it in a rote fashion.

Course Writers are responsible for assembling course content of the module by the team approach. They see to the selection and training of course tutors who serve as facilitators during face-to-face sessions at the study centres. They serve as chief examiners setting quizzes, end of semester examination questions, marking guides and also serve as supervisors for quizzes and examinations. The main office only coordinates their activities and rather focuses on its core business. This idea collaborates with the assertion of Kaganoff (1998) that outsourcing allows organisations to focus on their core business while having the details taken care of by outsider experts. By so doing, there is cost savings, compared to where the people at the main office were to combine the module writing with their other duties.

Commitment to the activities of the writers is high because the university recognises these for their promotion. Also, the writers have title to the modules that enable them receive annual royalties in respect of books produced and are paid decent rates for producing a module. From its initial rates of \$600.00 per one-credit course and US\$1,800 for 3-credit course module, the UCC DE management now pays higher rates (US\$3,000.00 for a 3-credit course for Teacher Education programmes and US\$6,000.00 for Business programmes for 3-credit courses) than the Ghana Education Service (US\$150.00 for a one-credit course module and US\$450.00 for a 3-credit course module) (Finance Section, UCC, 2010).

Despite such motivating packages to its module writers, the UCC DE programme still generates enough income and surpluses for the University to undertake other important projects. In effect, outsourcing help the institution to save costs such as the module writing, editing and proof reading, activities that costs several thousands of dollars to undertake.

4.2. Modules printing

In order to save time and cost of paying overtime to the staff of the University’s printing house, the UCC DE 100s of modules are outsourced to private printing houses. Modules are type-set according to an in house style, put on CD ROM and outsourced to the various printing houses who win the contract after bidding. Part-payment of the contract sum is made up-front by the UCC to enable the printing houses purchase materials and to deliver on time. With constant monitoring, modules are most delivered on schedule for distribution to the various study centres before the beginning of each semester. The outsourcing of modules printing thus eliminates delays. The major cost reduction advantage here is that the institution often enjoy quantity discount from the printing houses, even after the contract has been awarded to the lowest cost bidder. In addition it saves the institution the trouble of exchange rate risks, shipping and clearing costs of printing materials from abroad. Also, delays that are likely to cost the institution additional money to reschedule classes are also curtailed.

4.3 Course facilitators/acting centre coordinators

The program relies heavily on over one thousand facilitators or course tutors at the various study centres who handles the periodic Face-to Face (FTF) sessions. They are selected and trained after an initial interview. When there is the need for facilitators in a particular subject area, the positions are advertised in the local newspapers for interested applicants to apply.

The selected Course Tutors go through the appropriate orientation after recruitment to develop the necessary skills and competence for teaching distance learners. The University rate for paying part-time lecturers is almost doubled, and allowances transport and transit including inducement allowances to motivate them to work during week-ends are paid.

Despite the payment of such rates, it cost the University less if it was to hire and train full time facilitators or also use its present full time staff for facilitation. With its current arrangement, the University saves costs in providing permanent accommodation, payment of social security, research allowance and payment of some incentives due a permanent staff of a public university.

In addition to these, management select among the course tutors some of them as Acting Centre Coordinators (ACC). They assist the Regional Resident Tutors (RRT)³ to oversee the activities at the study centres. The ACCs see to the organization of FTF sessions and support the Monitoring Team from the University to supervise course tutors' teaching, quizzes, examinations as well as students' attendance and welfare. By these, the University saves money through outsourcing (engaging the services of the Course Tutors) rather than having to appoint permanent staff to man the numerous study centres located all over the country. This supports the findings of Kearsley et al (1993), who opined that the distance education institutions have an unusual mix of personnel – a relatively small core of permanent full-time staff consisting of academic professionals, technical and administrative personnel supplemented by a much larger number of part-time staff at different locations and for specific tasks. They further advocated for the outsourcing of teaching and learning in DE programmes and not only support services.

4.4. Teaching practice mentors

The UCC DE also outsources the practicum aspects of its Diploma/Post Diploma Educational programmes. There are two types of this practicum (teaching practice) organized by the UCC DE programme – On-Centre and Off-Centre teaching practice. The On-Centre teaching practice is done at the various study centres and it serves as preparatory sessions towards the Off-Centre Teaching practice which comes off in the individual learner's school.

The nature of the DE programme, and the location of the Centre's DE students all over the country, compelled UCC DE programme to outsource about 60% of the teaching practice sessions by engaging the services of skilled professionals to serve as Teaching Practice Mentors.

Teaching Practice mentors are selected from school communities of student learners. They are trained to guide and supervise student learners who do practice teaching in their various school locations. Each mentor, when appointed, is expected to operate in his/her district for not less than six months in the academic year, helping student learners in the preparation of their lesson plans as well as supervising their practice teaching. The mentor is expected to supervise each student at least twice. By outsourcing, the costs and risks of having to

³ Regional Resident Tutors are permanent staff of the University who has oversight responsibility of managing the programme in the various regions of the country. The Acting Centre Coordinators are very important because a region may have more than three study centers and may be impossible for the RRT to visit all during one FTF meeting.

travel across the ten regions, hotel accommodation, the need and costs of hiring and training of permanent staff are eliminated. In effect, outsourcing help the UCC DE programme reduce operational costs, time and energy.

4.5 Study centres

A critical need of DE delivery is learning materials and a variety of support services. UCC DE management has established a local network of 33 study centres which remain the main contact point for learners in a designated region or district. Special collaborative arrangements are made with institutional heads (e.g. Polytechnics or Senior High Schools) to use their premises for FTF tutorials. The University pays fees for the use of the facilities of host institutions. The number of such centres increases depending upon the number of learners to be served. Nevertheless, almost all study centres are located in rented premises which have led to a cost benefit: funds that would have gone into land acquisition, building, furnishing or purchasing a complete facility are saved.

4.6 Examinations and marking

The UCC DE relies on the services of external experts and in-house staff to conduct and mark its examinations. In the supervision of quizzes and examinations of DE programmes, the practice is to send a team of invigilators to every Regional or District Centre for invigilation. The UCC DE mainly relies of the facilitators, course writers and permanent staff in its examinations. Without outsourcing, it would have been very difficult for only the permanent DE Staff to cope with the huge number of students during examination. Outsourcing this function therefore becomes very crucial as in-house employees of the DE programmes are few.

Table 3: Monetary Gains of DE programme (2003-2009)

Year	Value
2003	1,324,921.28
2004	1,475,739.92
2005	4,740,358.02
2006	9,170,531.23
2007	9,850,642.35
2008	10,605,457.15
2009	13,192,193.22
TOTALS	50,359,833.17

Source: Finance Section, UCC, 2010

Overall gain of DE programme due to its operations strategy include the promotion of the name and image of the university, increase in the number of its students (programme has established a network of 33 Study Centres nationwide), and improving its financial standing. The UCC DE programme provides the largest and the most popular DE in Ghana. Through the DE programme the institution can boost multi-million office complex (an imposing GHC 60 billion or US\$8,400,000); a 5-storey building.

The University, through the Centre has developed a cadre of experts in the development and writing of modules for distance learners. Such experts were non-existent in Ghana before 2000. Now the University has Course Writers from all Faculties/Departments who are experts in DE modules development. UCC DE programme is also helping the Ghana Education Service and other sister Universities to develop such expertise through training and staff attachment programmes.

The programme has been a source of employment for some economically active labour force that was seeking job opportunities. In addition, it has also promoted the businesses of printing houses in many parts of the country.

The government uses the DE programme to provide on-the-job training to teachers and other workers to enhance the human capital for rapid economic growth. All applicants who are not admitted on conventional programmes are re-absorbed to enjoy university education via the distance mode.

Notwithstanding the gains the UCC DE have reaped from outsourcing, the management of the programme indicated that the institution have had to deal with the some difficulties associated with the strategy. First has to do with the use of rented premises. The use of rented premises for the face-to-face sessions and examinations sometimes poses a threat. Occasionally, the threat of ejection and the use of the facilities by the host institution for other purposes has been a worrying issue. So as a long term strategy, the institution has also acquired sites in all the ten regions for the construction of study centres. These centres will eventually serve as UCC campuses in the regions.

In the marking of quiz scripts, the return rate of marked scripts from the field demands constant monitoring and tracking: some facilitators sometimes delay in marking and submitting of scripts. This sometimes affects the academic calendar and brings untold pressures on the permanent staff. The institution has control measures in place to monitor and track quizzes scripts on regular basis.

5. CONCLUSIONS AND POLICY RECOMMENDATIONS

From the discussions, some important conclusions were drawn on DE and the local outsourcing of DE programme. First, DE programmes are means of increasing access to tertiary education in Ghana and most developing countries. Also, they help improve the balance sheet of universities. It is currently the new line of business for most universities across developing and developed countries.

On local outsourcing, it is essential in reducing costs of developing and printing DE course modules; and second, local outsourcing saves time and money spent on teaching and assessing students on DE programme. In addition, it helps conserve hard earned foreign exchange and costs of shipping and clearing books and other institutional items.

African universities underfunding problem has received much attention. The inadequate funding of University has, no doubt, had negative effects on teaching and research. As a result, most African universities have been compelled to embark on some income generating activities to expand its revenue base as well as look for the appropriate strategies to cut costs.

UCC, like any other university, in an attempt to expand its revenue base adopted the practice of local outsourcing to establish a cost-effective DE programme and is reaping tremendous benefits thus giving the University a strong financial base. Barring a few challenges, UCC's dream of becoming a world-class DE institution will soon become a reality; an experience that is worth emulating by African Universities if their institutions are to grow and survive in the present competitive world of education and training.

REFERENCES

- Ahmed, A. (2011). *Importance of distance education in India*. Retrieved April 30, 2012, from <http://www.internationalpeaceandconflict.org/profiles/blogs/importance-of-distance>
- Arnold, U. (2000). New dimensions of outsourcing: A combination of transaction cost economics and the core competencies concept. *European Journal of Purchasing & Supply Management*, 6, 23-29.
- Ausbel, D. (1963). *The psychology of meaningful verbal learning*. New York: Grane & Stratton.
- Basaza, N. G., Milman, N. B., & Wright, R. C. (2010). The challenges of implementing distance education in Uganda: A case study. *International Review of Research in Open and Distance Learning*, 11(2), 85-91.
- Bienstock, C. C., & Mentzer, J. R. (1999). An experimental investigation of the outsourcing decision for motor carrier transportation. *Transportation Journal*, 39(1), 42-59.
- Elo, S., & Kyngäs, H. (2008). The qualitative content analysis process. *Journal of Advanced Nursing*, 62(1), 107-115.
- Fan, Y. (2000). Strategic outsourcing: evidence from British companies. *Marketing Intelligence & Planning*, 18(4), 213-9.
- Finance Section-UCC. (2002-2011). Annual financial reports, University of Cape Coast,
- Gottschalk, P., & Solli-Sæther, H. (2006). Maturity model for IT outsourcing relationships. *Industrial Management & Data Systems*, 106(2), 200-212.
- Harler, C. (2000). Opting for outsourcing. *Business Communications Review*, 30(7), 56-61.
- ICDE. (2009). Global trends in higher education, adult and distance learning. *ICDE Environmental Scan*. Retrieved April 30, 2012, from <http://www.icde.org/filestore/Resources/Reports/FINALICDEENVIRONMENTALSCAN05.02.pdf>
- Johnstone, D. B. (2006). *Financing higher education: Cost-sharing in international perspective*. Boston: Boston College Center for International Higher Education.
- Kaganoff, T. (1998). *Collaboration, technology and outsourcing initiators in higher education*. Washington DC: Rand Publishers.
- Kearsley, G., Seidel, R., Park, D., et al (1993). *Theory into practice. A hypertext database for learning and instruction*. US Army Research Institute. Wadsworth
- Kohlbacher, F. (2006). The use of qualitative content analysis in case study research. *Forum Qualitative Sozialforschung / Forum: Qualitative Social Research*, 7(1). Retrieved from <http://nbn-resolving.de/urn:nbn:de:0114-fqs0601211>.
- Koomson, A. K. (2009). Widening access to quality higher education in developing countries through distance education – The success story of the University of Cape Coast, Ghana. Retrieved February, 2012, from <http://www.ou.nl/icde2009>
- Kremic, T., Tukel, O. I., & Rom, O. W. (2006). Outsourcing decision support: A survey of benefits, risks, and decision factors. *Supply Chain Management*, 11(6), 467-482. doi:10.1108/13598540610703864.
- Laarhoven, P. V., Berglund, M., & Peters, M. (2000). Third-party logistics in Europe five years later. *International Journal of Physical Distribution & Logistics Management*, 30(5), 425-42.
- Lamprey, S. A. (1996). *Financing higher education in Africa – A marketing perspective*. Breda Series 5, Dakar: UNESCO.
- Moore, M., & Kearsley, G. (1996). *Distance education: A system view*. Belmont, California: Wadsworth

- Perunović, Z., & Pedersen, J. L. (2007). Outsourcing process and theories. *Paper presented at POMS 18th Annual Conference*. Dallas, Texas.
- Potashnik, M. & Capper, J. (1998). *Distance education: Growth and diversity, finance and development*. Retrieved October, 2011, from <http://www.worldbank.org/fandd/english/0398/articles/0110398.htm>.
- Rovai, A. P., & Downey, J. R. (2010). Why some distance education programs fail while others succeed in a global environment. *The Internet and Higher Education*, 13(3), 141-147. doi:10.1016/j.iheduc.2009.07.001
- Stemler, S. (2001). An overview of content analysis. *Practical Assessment, Research & Evaluation*, 7(17). Retrieved from <http://PAREonline.net/getvn.asp?v=7&n=17>.
- Student Records and Management Information Section, University of Cape Coast, Ghana. (2010). Retrieved February 10, 2012, from www.newsweekshowcase.com/distance-learning/glossary.php?letter=d,
- Vining, A., & Globerman, S. (1999). A conceptual framework for understanding the outsourcing decision. *European Management Journal*, 17(6), 645-654.