Call Centre Outsourcing: Comparative Assessment of Ghana's Readiness as a Provider

Nana Yaw Oppong
School of Business, University of Cape Coast, University Post Office, Cape Coast, Ghana
nyoppong@ymail.com

Abstract
Many multinational companies are moving their back offices to developing countries where costs (especially labour) is low. The government of Ghana has therefore taken the initiative, through the Ghana Investment Promotions Centre (GIPC) and the Ghana Free Zones Board (GFZB), to develop the business process outsourcing (BPO) business including call centres. This paper assesses the readiness of Ghana as a competitive call centre outsourcing provider on the global market. Data is largely from primary sources and through questionnaire administration. Data relating to 23 call centre outsourcing provider-companies in Ghana, India, USA and UK were analysed. Most of the factors relating to Ghana were weighed against those of India, the most renowned call centre service provider-nation in the world. Outcome of the analysis together with economic indicators were then used to evaluate the strengths, weaknesses, opportunities and threats (SWOT) of the Ghanaian call centre industry. The results show that in spite of favourable factors such as lower cost of labour, English language proficiency, and political stability, Ghana seems less capable of offering strong competition in the call centre outsourcing market if its telecommunication infrastructure, especially voice over internet protocol (VoIP); contracting strategies; and human skills are not upgraded.
Keywords: Call centre, Ghana, India, outsourcing, SWOT matrix

1. Introduction

The research focuses on finding out how ready is Ghana as a global call centre outsourcing location. This is done by identifying and analysing the variables that present Ghana as potentially competitive service provider or otherwise in the global call centre business. The variables are compared to those of other performing business process outsourcing (BPO) countries especially India, the most renowned call centre service provider-nation, which Basu (2005) describes as the call centre capital of the world. For clear sense of direction towards this goal, the following objectives were outlined.

- To identify the risks that Ghanaian companies are likely to face in their attempt to establish and manage call centre businesses, which can effectively compete with companies from the 'BPO countries'. Identifying potential risk, which Lacity and Willcocks (2001) defined as the likelihood of loss or a consequence of uncertainty, is vital especially in cross-border businesses where many of these risks could result from differences in national cultures and cross-border organisational practices. Since the prime focus of most businesses is to grow and increase shareholders wealth, investors may be reluctant to invest where the probability of losses outweigh positive returns. Risks are considered in the light of both provider-companies and service users.

- To determine the factors that encourage companies to outsource parts of their businesses, focusing on those that strongly relate to call centre outsourcing. Without knowing what your customer intends to achieve buying your product, it is difficult to produce to meet their reasons for choosing you. The motive here is to determine if Ghana has what it takes to satisfy the demands of foreign businesses for their contact centre requirements.

- To identify and assess the factors necessary for the establishment and effective running of call centre firms capable of competing in the global market. Identification of such favourable factors and their effective management, including their availability and reliability are vital. Without the factors that create fertile grounds for successful establishment and effective running of the call centre business the risk assessment and user requirement objectives are of less importance.

2. Literature Review

Although its popularity has grown during the last 10 to 20 years (Davis, 2004), literature on the concept of outsourcing has existed in one form or the other since the 1930s. Lonsdale and Cox (2000) analysed why firms adopted their chosen structure and in conclusion, related this to trade-off between the costs of accessing the market and problem of diseconomies of scale as organisations grow in size. However, this was not given any serious consideration until the emergence of the transaction cost economics school (Lonsdale and Cox, 2000). The theory is based on the need for firms to economise on transaction costs (Williamson, 1985) which has it that the size of a firm is influenced by the availability of transactions which can or cannot be carried out with a given

level of cost within the firm.

This implies that at certain point firms have activities some of which cannot be performed in-house. By the 1970s however, it had become increasingly obvious that most of the large and diverse corporations were underperforming the market (Lonsdale and Cox, 2000). This became even more pronounced during the global recession of the early 1980s and as a result, consensus emerged that firms should focus on fewer activities (Rumelt, 1974).   Hendry (1995) reviewing the period of recession and the need for increased attention to improving efficiency within the organisation pointed out that outsourcing became one of the key elements of the cost-cutting matrix. Highlighting this, Petelis and Pseiridis (1999) said, "as the firm grows larger the cost of organising an extra transaction within the firm may rise, thus a point may be reached where it might not be less costly to organise additional transactions within the firm, so these are left to be organised in the market" (p.222). The theory has strong implications for outsourcing.

Despite the strength of the transaction cost economics school, there still seem to remain significant unresolved issues such as why do firms exist and how they are run (Pitelis and Pseiridis, 1999). Then emerged the concept of core competence (Peter and Waterman, 1982), that firms should focus on their core businesses and leave those ones they don't have much competence in to others that have the expertise and resources to provide them. A more recent consideration of the concept of core competence and its implications on business strategies was by Prahalad and Hamel (1990) in their article, *The core competence of the corporation*. They want further to identify approaches to core competence and warned that the fundamental strategic mistake will be to outsource core competences, which are substantially unique and typically lead the company to new products and/or new markets (Klopack, 2000; Davis, 2004).

Outsourcing has evolved to today into an accepted business model (Davis, 2004) and has become part of the fundamental maturing process that companies go through to create better products and services for their customers, while continuing to create shareholder value. For instance, Lau and Hurley (1997) found that Chrysler's profit margin was four times as higher as that of General Motors due to effective global outsourcing, and concluded that there is significant relationship between global outsourcing and profitability margin. The recent media and political attention on service outsourcing from developed to developing countries gives the impression that outsourcing is exploding. The results show that although service outsourcing has been steadily increasing it is still very low (Amiti and Wei, 2005). This suggests limited research and academic literature on call centre outsourcing although "the press is full of it, the unions are sick of it, and conference after conference debates the pros and cons of the movement" (Reeves, 2005, p. 31)

Beulen et al. (2005) in their analysis, categorised offshore service providers into three categories – captive service providers; native service providers; and foreign service providers. They explained 'foreign service providers' as companies based mainly in developing countries, which call centre outsourcing in Ghana obviously fall under. Their research was however silent on this category giving the reason that "the limited maturity of foreign offshore providers at present introduces an additional factor that compounds the analysis of risks and strategies" (p.134). It suggests that this aspect of outsourcing is not matured to offer evidence stronger enough for empirical, academic research. The few pieces of work on call centre outsourcing have therefore been mainly in the forms of account on a particular company (Miller, 2005); newspaper articles (Reed, 2005); conference reports; or at best, analysis of the situation in a given country (Shalini, 2004).

During literature search for this article the author did not come across any academic research on call centre outsourcing in Ghana, not even in sub-Saharan Africa. The closest research was one relating to the general BPO in Ghana and another by Sohail et al. (2004) on the use of third-party logistics services in sub-Sahara Africa (SSA) with focus on Ghana, which examined the extent that organisations use the services of logistics companies in Ghana. The two studies however made important conclusions. For instance, Sohail et al. concluded that over 80% of the users reported a positive impart of outsourcing on their operations. The literature search reveals the limited empirical, academic research on call centre outsourcing in particular and outsourcing in general, especially in sub-Sahara Africa. This calls for more research in the area. Sohail et al. (2004) identified this problem during their research. Although they acknowledged that there had been few studies on the development and implementation of logistics within organisations on the African continent, no issue related to outsourcing. Surprised, they wrote, "There is therefore the need for research in that context to provide practitioners with a clear understanding of the nature of the industry and the specific developments, which call for its use, if the benefits of …outsourcing are to be effectively realised in SSA region" (p.46).

Outsourcing bandwagon is set to move forward. This is in spite of the fact that many managers are expressing concern about how their organisations are using the outsourcing practice. Outsourcers need to have extensive understanding of the risks of supplier dependency, which has been identified as the main source of dissatisfaction with IT outsourcing (KPMG, 1997). However, a few organisations have a robust methodology that sensitises them to the main outsourcing risks, which Lacity and Willcocks (2001) defined as the likelihood

of loss or a consequence of uncertainty. Some of the major risk factors Include: poor management practices; delivery and process risks; length of contract; and requisite human skills.

Like any profit-making business, call centre service providers must have the expectations of their customers in mind, if they are to be successful. It is therefore important to know what call centre outsourcers want to achieve when they substitute outside providers for in-house provision. As pointed out by Davis (2004), the key success criteria in any outsourcing project are to meet the needs of outsourcer while minimising the operating expenses of the portfolio. What therefore drive businesses to outsource? It is by knowing these that providers can tailor their operations to meet these needs, though some of these motives may not be of much interest to the provider. Some of these issues that influence service users' decisions to outsource part of their operations include the following.

- Cost reduction
- Quality improvement
- Increased exposure to worldwide technology
- Delivery and reliability improvements
- Use of resources and materials that are not available internally
- Establish a presence in a foreign market
- Maintain sufficient flexibility to respond to market conditions
- Reduced overall amount of specialized skill and knowledge needed

Businesses intending to outsource parts of their operations use some success criteria to evaluate whether they will get good value from the outsourcing project (Davis, 2004). Outsourcers would therefore like to know how potential the provider is in delivering value. These point to factors that need to be present for the providing organisation to perform and deliver good value services. These factors, the user-organisation will also consider during their background study on the provider. These include labour arbitrage; information and language; infrastructure; political stability; and time zones.

3. Methods

Data collected and analysed were mainly from primary source. Main source includes outsourcing companies (through their managers and chief executives) from Ghana, India, USA and UK. This source was chosen because of its promising first hand and more current information that could meet the research objectives. Seeking to answer how ready Ghana is as a call centre outsourcing location required up to date information directly from outsourcers. Another primary source was unpublished seminar reports and presentations. The author attended a 2-day Ghana Government sponsored BPO seminar held in London prior to the data collection. The seminar brought together over 25 Ghanaian BPO provider-companies (including call centre providers), as well as service users and outsourcing experts from the UK. Data also included some company reports and government publications from the Ghana Free Zones Board (GFZB) and the Ghana Investments Promotion Centre (GIPC), the two Government of Ghana departments concerned with trade and investments.

The author had initial discussions about the research topic with the participating companies and the resource persons. They were interested in the research topic and were therefore willing to provide information when it came to data collection. This was chosen because it was expected to provide data that was detailed and also authoritative since it came directly from outsourcing companies and experts. As there had not been much work done on call centre outsourcing in Ghana, the author could not rely on already collected and analysed data. The primary sources were complemented with secondary source as the author gathered economic figures on Ghana particularly, and on India for analysis and comparisons. Though most were obtained from GFZB and GIPC official publications, there were also some economic indicators from the World Bank reports. Predominately primary sources helped collect up-to-date and reliable information as the sources offered more authoritative and detailed data which was topic-specific.

The research methodology was basically survey, which was chosen because of the amount of data required from as many call centre outsourcing companies as possible to help meet the research objectives. The survey strategy was combined with questionnaire technique to collect the primary data. The questionnaires, which were self-administered, were sent through e-mail although not all that were answered were sent back through the same medium. However, about 87% were competed online and returned by e-mail. The remaining 13% were printed, completed and returned by post. The choice of questionnaire technique and e-mail as means transmission worked well and facilitated easy return of responses with minimal cost to both the respondents and the author. Use of some personal e-mail addresses might have made respondents attach personal interest and also increased the author's confidence that the right person had offered the response. The return rate however only 48.9% despite several e-mail and telephone follow-ups.

4.Data Presentation and Discussion

In presenting the data, individual respondents were considered as representing their organizations but not in their individual capacities. The various sub-headings under this section represent questions that respondents answered. These however do not represent the number of questions appeared on the questionnaire as some related questions have been combined for ease of presentation and discussion.

4.1 Number of questionnaires distributed and return rate

A total of 47 questionnaires were sent to call centre outsourcing companies in Ghana, India, UK and the USA out of which 23 were returned, giving a return rate of about 49%. The breakdown is as shown in Table 1.

Table 1: Number of Questionnaires Distributed and Return Rate

Country	Questionnaires Sent Out	Questionnaires Returned	Return Rate (% of Total Returned)
Ghana	22	12	25.5
India	20	8	17.0
USA	3	2	4.3
UK	2	1	2.1
TOTAL	**47**	**23**	**48.9**

4.2 Business locations of respondents and business sectors of customers

Respondents from Ghana, who constituted about 52.2% of respondents, were all located in Accra, the capital city. Indian companies however had varied locations. Only two (16.7%) of Ghanaian companies were subsidiaries with the parent companies in the USA, while one USA company had a subsidiary in Ghana. Indian respondents were either subsidiaries or parent companies, yet none had operations outside India.

4.3 Number of years companies had been in outsourcing

Respondents were asked to indicate how long their companies had been in call centre outsourcing business. Number of years that respondent companies had been in outsourcing business ranged from 3 to 6 years (as at 2005), with majority in the 4 to 5 years bracket. About only 9% of the companies had been in call centre business for more than 6 years. Clients of respondents were from wide range of business sectors, mostly telecommunication and banking sectors.

4.4 Risks to be managed to ensure acceptable service delivery standards

The question was designed to explore the risk factors that need to be managed to ensure acceptable delivery standards. The findings revealed the two greatest risks as lack of infrastructure (73%), and problems with recruitment and retention of qualified staff (73%), with Indian respondents indicating the latter as the greatest risk. Delivery and process risks, and poor management practices were the next highest set of risks recording 60% and 53% respectively (Table 2).

Table 2: Risk Factors in Call Centre Outsourcing as Rated by Respondents

No. of Respondents (%)	Risk Factors
73	Lack of infrastructure
73	Problem of recruitment and retention of qualified staff
60	Poor management practices
53	Delivery and process risks
53	Lack of requisite human skills
40	Relatively short length of contract
26	Sickness hours and public holidays
13	Meeting full service cover at unsocial hours
	*Fear of emerging provider nations
	*Managing competition with growing changes

*Added by respondents

Relatively short length of contract and lack of requisite human risks though rated as risk factors were not much strong, suggesting that the problem with human resource was not lack of skilled labour but recruitment and retention in the call centre outsourcing business. With about 87% of respondents from Ghana and India, this can be said to be the human resource situation in these two countries with regard to call centres. Meeting full service cover at unsocial hours and public holidays were considered the least of the risk factors. No Ghanaian respondent indicated the former as a risk factor, probably because of the closer proximity to the locations of their target clients than India. Some respondents suggested other risk factors that were not included in the questionnaire. These include fear of emerging provider nations; and managing competition with growing changes (last two factors in Table 2).

4.5 What factors may influence service users' decision to withdraw their contracts from providers?

This question was designed to draw responses to assess the second research objective – what users consider when choosing and maintaining call centre service providers. Respondents were asked to rank the factors (the

first four) in order of strength (1 being the strongest; 4 the weakest). The last three were given by respondents and are not ranked (Table 3) since not all respondents identified them. The total for each factor is not necessarily 100% since not all factors were ranked.

Table 3: Factors that Influence Service Users' Decisions as Ranked by Respondents

Factors	Rankings (%)			
	1st	2nd	3rd	4th
Low quality standard	66	27	-	-
Unmet delivery schedule	40	33	13	13
Lack of attention to regulatory and business requirements	20	27	33	20
Incompatible business and/or organisation culture	-	20	20	33
*Higher per seat/per hour cost for outsourced services				
*Better cost alternatives				
*Arbitrary increase in contract prices				

* Added by respondents

Sixty-six per cent of all respondents ranked low quality standard as the strongest while respondents were highly fragmented on the other three factors. However, unmet delivery schedule came out clearly as the second strongest factor ranked mostly by Indian respondents suggesting the level of service delivery among Indian companies. Thus, they probably have more jobs to deliver than Ghanaian companies. Other factors were given by respondents (last three factors in Table 3) which, though stated differently, all related to cost. This strongly supports 'cost reduction' that emerged in the literature review as the prime consideration when companies decide to outsource parts of their operations.

4.6 Favourable factors for the establishment and running of call centre business

To help answer this question, which is another primary intent of the research, the seven factors (Table 4) were identified after the literature review. Respondents were asked to rank them from 1 (most important) to 7 (least important). Only the first two highest rankings for each factor are presented to avoid overcrowding. The 3rd to 7th received smaller percentages, which could not have much impact on the analysis.

Table 4: Factors that influence service users' decisions

Factors	Rankings (%)						
	1	2	3	4	5	6	7
Infrastructure	53	-	27	-	-	-	-
Employee qualification and skills	47		20				
Low labour cost	-	40	-	20	-	-	-
Language (e.g. accent)	20	-	-	27	-	-	-
Information (e.g. data protection)	-	27		-	27	-	-
Political stability	-	-	-	-	40		
Time zones	-	-	-	-	-	40	33

The results indicate that infrastructure, and employee qualification and skill are the first two highest ranked factors. This revealed similar results with the risk factors analysed earlier that identified lack of infrastructure, and problems with recruitment and retention of qualified staff as the two top risk factors, which coincide with some research findings. For instance, Mitchell (2005) noted that outsourcing facilities, regardless of location, are dependent on their ability to recruit, retain, and train qualified staff. Considering the Indian situation, Mitchell (2005) pointed out that most Indian call centre founders and top managers have software engineering or other technical background, which gives them a different approach to human resource management.

Responses to this question showed very interesting pattern. Those who ranked 'employee qualification and skills' high gave low ranking to 'language'; suggesting that language is part of employee qualification and skills required for the call centre job. Many of those who ranked 'employee qualification and skills' averagely also ranked 'language' averagely, an indication that none of them is considered highest if ranked separately. These confirm the first pattern that language is part of employee qualification and skills. In another development, most Indian respondents ranked 'political stability' as the least important while almost all Ghanaian respondents ranked time zone as the least important. This probably tells how less worried they are about the factors because while India has enjoyed very stable government for over 50 years (Shalini, 2004), Ghana is well positioned in relation to UK and USA in terms of difference in time zone.

4.7 Call centre features and benefits companies provide for clients/users.

This question was intended to further explore the second research objective – what service users look for and whether providers are capable of offering for sustained contract relationship. These are most of the call centre services provided which are critical in potential users' evaluation of choice of providers. Survey participants were asked to tick all the features that applied to their organisations. Out of the eighteen features listed, Indian

companies ticked an average of 14 while Ghanaian companies indicated an average of 10. The answers have revealed that India provides more of these features than Ghana, probably due to the stronger IT base of India and the fact that many of the call centres are run as part of the general BPO, therefore taking advantage of the general information and communication technology. A list of Indian call centres show that almost all of them run alongside other BPO services.

5.Ghana Call Centre Industry – the SWOT Matrix

Based on the findings from the questionnaire analysis and the economic data collected, the author assessed the strengths, weaknesses, opportunities and threats (SWOT) to help in the conclusions on whether Ghana is really ready as a global call centre provider (see Table 5). In the W2S (weakness to strength) box are suggested measures that can be taken to alter weaknesses to strengths; while T2O (threat to opportunity) box contains suggestions to drive the threats to opportunities.

5.1 Strengths

- Ghana has very high literacy rate. According to the 2003 World Bank Development Data, Ghana's adult (above 15) literacy rate was 73.8% compared to the Sub-Saharan Africa (SSA) average of 63.3%. There is also a large pool of unemployed skilled labour with English proficiency that call centre businesses can take advantage of. Ghana turns out about 10,000 university graduates a year (GIPC, 2005) as well as others from the diploma awarding institutions and secretarial colleges with knowledge in telephony, customer service and French language.

- Apart from the large pool of unemployed skilled labour, Ghana also has low labour cost advantage over other call centre players especially India, whose costs are now rising (Basu, 2005). The minimum wage is UD$1.20 per day (2004 figure) or 15 cents per hour.Two days wages of someone paid the minimum wage in the UK will be enough to pay one month wages of someone paid the minimum wage in Ghana.

- The Government of Ghana has taken initiative in the BPO business. This is in view of its commitment to private sector development as a means of fostering economic growth. BPO is one of the few areas identified in the President's Special Initiative. In this regard, two government agencies – the Ghana Investment Promotion Centre (GIPC) and the Ghana Free Zones Board (GFZB) have been established to encourage and oversee private investments in the country.

- In terms of time zone, Ghana is strategically placed in relation to US and UK, from where Ghana hopes to attract bulk of her call centre contracts. Director of Adamfopa BPO of USA commenting on Ghana's strengths during the questionnaire administration said, "… the best part of this is, Ghana is only 4 or 5 hours from USA, Canada or Europe; India is 9 or 10 hours. So an executive who wants to talk to somebody in an outsourced location at 11 am or 12 noon stands a better chance of making contact with a live person in Ghana than India". The position also makes per minute call to the USA cheaper. The 2001 World Bank Development Data revealed the cost of call to USA (per 3 minutes) as $1.26 in Ghana as against $3.20 in India.

- Table 5: SWOT Matrix of Ghana Call Centre Industry

	Strengths • Skilled labour and English proficiency • Labour cost advantage • Government initiative and established agencies • Strategic location to target service users • Incentives for establishment of BPO companies including call centres • Political stability	**Opportunities** • Sleeping giants of West African countries • Depreciation of the local currency • Established resource centres • Unethical behaviour of Indian employees • Withdrawal of users from India • Generic nature of Indian outsourcing firms
Weaknesses • Weak telecommunication infrastructure • Overreliance on promotion of investment than benefits • Less emphasis on high level education in international business e.g. call centre management • Lack of outsourcing legal professionals • Cultural differences	**W2S** • Legislation and VoIP availability • Rethink GIPC, GFSB provisions • BPO tailored courses • Links with foreign legal outsourcing firms, initially • Training in accent and cultural practices	
Threats • Emerging outsourcing nations like China • Brain drain • Traditional ideology of call centre business • Less schools offering modern foreign language • Labour union activities		**T2O** • Many mitigating factors: English, time zone, etc • Good service conditions • Education on outsourcing concept • Language courses and back up from West Africa nations • Discourage unionization

- Ghana also offers attractive incentives to investments in selected business areas including call centres. These incentives are boosting BPO business start-ups in Ghana. For instance, between 2000 and 2003 seven US-based firms invested hundreds of millions of dollars in BPO and call centres in Ghana (Ghana Cyber Group, Inc. of New York, 2003).

- Ghana has enjoyed an undisturbed multi-party democratic rule, having experienced smooth six successive elections (of four-year term each) since 1992. This, coupled with its Anglo-Saxon legal system create conducive atmosphere for investment in call centre business. This has attracted world recognition and in 2000-2003 Ghana was rated among the first six countries in Africa in terms of attractiveness for foreign direct investment by UNCTAD/ICC (GIPC, 2005).

5.2 Opportunities

- Ghana stands a better chance of shooting ahead in call centre business in the West African sub-region. Neighbouring Nigeria with greater potentials can only be described as a 'dormant giant'. With similar time zone, cheap labour cost, English as national language and estimated 60,000 university graduates per year as against 10,000 in Ghana, Nigeria would have been a threat if she had made concerted effort in call centre outsourcing. Most of the rest of countries in the sub-region are French speaking while English speaking Liberia and Sierra Leone have been war-torn for some years and there are still uncertainties about investing there.

- Continuous fall in value of the local currency (the Cedi) as against the dollar makes local spending cheaper and improves profit margins. Continuous depreciation of the Cedi is good opportunity for dollar-indexed business contracts including call centre outsourcing. This has been one of the problems facing Indian. According to Basu (2005) the inflationary affects on compensation, real estate and other costs used to be mitigated by the depreciation of the rupee (official Indian currency). But with the rupee appreciating or staying stable, it definitely creates a pressure on profits.

- Ghana's proposed US$10 million technology park will boost call centre business. This upscale business and technology complex with state of the art call centre (to be leased to BPO firms) will have VoIP facility, corporate wireless ISP and 200 PC cyber café to be located near the Kwame Nkrumah University of Science and Technology in Kumasi. There are also well furnished and equipped office accommodations especially developed for ITES businesses. These properties have been fitted and equipped with telecommunication, power and other infrastructure to enable ITES businesses plug in and start operations. Notable among these are the 8-storey Silver Star building and the BusyInternet 100 PC cyber café and offices for rent (both in Accra).

- Various studies show that India is gradually losing out on its position as the call centre capital of the world (Basu, 2005) due to many challenges such as rise in costs, high attrition rate, time differences and lost of confidence by clients. For instance, employees on voice processes are demanding arbitrary pay increases due to the odd hours (to cater for the time difference with the USA and Western Europe) and associated stress has caused an attrition rate of 40-45% among voice employees. This increases recruitment and training costs (Xicom, 2004), which is estimated at Rs 45,000-50,000 to train an agent who could leave within three to five months, increasing the overall cost of operation. Also, unethical business practices are forcing some user-companies to withdraw from India. *The Sun* newspaper of June 23, 2005 reported that a computer expert in an Indian call centre sold 1,000 UK bank account details to unauthorised third parties. This information could have helped criminals tap into accounts, clone credit cards and buy goods using the details. This casts a shadow over the entire India call centre industry. This is why industry analysts are warning that India cannot rest on its laurels for long (Basu, 2005), and Ghana can take advantage of these unfavourable factors.

- Industry experts have observed that Indian outsourcing firms are too generic and would need to have to evolve to move to greater tailoring of services to suit the needs of particular customers (Shalini, 2004). Ghana can quickly adopt customised services to take advantage of this Indian weakness.

- Some service users have realised that Indian companies cannot deliver what they have signed up to deliver so they subcontract to other countries where cost is lower such as Sudan, Iran and Bulgaria (Hilley, 2004). The service users are therefore trying to outsource directly to these countries, not only for lower costs but also to reduce data security risk. Ghana can catch the eyes of these service users as their contracts are being withdrawn from India.

5.3   Weaknesses

- Ghana has weak telecommunication infrastructure as well and unreliable electricity delivery. Apart from the inadequacy, local telephone cost is also high as compared to India. An executive of a USA call centre with subsidiary in Ghana commented that there are more factors favouring Ghana but the biggest problem is lack of land phone or broadband, lifeblood of the business and Ghana is very lacking in both and "until business can readily get land phones, Ghana cannot compete …with the likes of India and Philippines". The most significant is VoIP, which offers even bigger cost savings as it allows calls to be placed to long distance locations using the Internet at a local call rate. The problem will need the involvement of the government as some seminar participants (unofficially) hinted that government is reluctant to allow VoIP with the fear that it could cripple the Ghana Telecom Company. As highlighted by the principal of the Ghana Telecom Training Centre during a training workshop in August 2005, "VoIP had over the years been viewed as an illegal activity but could be used to the benefit of the State when proper adjustment and regulatory systems are put in place".

- In its bid to promote investment in the priority sectors including BPO, there is over protection of foreign investment with less emphasis on benefits to the country. For example, the 100% exemption from income tax for some number of years and other incentives create the impression that what matters to the government is to see the business operating in the country but not what benefits it brings to the country. Government needs to rethink the provisions if Ghana it to benefit from the outsourcing business.

- There is lack of higher level education in international business including BPO. The Bachelor in Secretaryship run by the University of Cape Coast with content similar to call centre functions has been changed to bachelor of management studies with customer service, French, word processing and other relevant elements dropped. It may be necessary to package a degree level course in international business with call centre management modules if the requisite personnel are to be raised, especially managers.

- Ghana lacks outsourcing laws and legal professionals. Foreign legal advice is needed to address the broad range of legal issues and risks involved in an international outsourcing (Neelakantan, 2003) including data protection, contracting, and dispute resolution. On a scale of 1 to 7, the World Bank Development Data put 2002 ranking of India as 4.3 on laws relating to ICT use while Ghana's ranking was described as nil. Companies could depend on foreign legal outsourcing firms till this area is developed, which needs to be done with speed.

5.4 Threats

- Great threat is being posed by emerging outsourcing nations. According to Basu (2005), a study conducted by Indian's Associated Chamber of Commerce and Industry in April 2005 revealed that Indian outsourcers are beginning to lose ground to countries such as China, the Philippines, Malaysia, Mexico and

Canada. In his own analysis, Basu admitted that countries such as Ghana, South Africa, Mauritius, Fiji, Malaysia, Australia, New Zealand and China have better strategies to attract and retain call centre businesses, while Shalini (2004) revealed China, Russia, Canada, Mexico, Philippine and Ireland as threats to India.

• Brain drain is also a threat to Ghana's call centre outsourcing business. In 2003, the Pro-Vice Chancellor of the University of Ghana quoting the UN's Economic Commission for Africa and International Organisation for Migration (IOM) said 70,000 highly skilled Africans leave their home countries annually (Noah, 2003). Unless efforts are made to retain staff, people trained (including call centre trained staff) will leave for developed countries in search of greener pastures.

• Another threat is the perception of call centre business in Ghana. Ghana has a history of call centres popularly know as communication centres, which were mostly set up by individuals to provide mainly voice service to the localities. These were mostly family businesses and usually operated by family members who could not make it to higher level education or were less capable of taking up English-language demanding jobs because working language was mainly vernacular. This stigma is likely to discourage people from working in call centres or accept jobs only as last resort. To reduce this threat, the government and BPO experts need to carry out brisk education.

• Less modern foreign language schools/courses threaten Ghana's ability to offer multilingual services, which this study has identified as a weakness of Indian call centre firms. Modern foreign language skills offer great advantage of diversifying from English-speaking destinations to other language markets. With BPO courses as already suggested, French and Spanish skills especially could be developed. With regard to French however, Ghana can take advantage of the neighbouring countries (Cote d'Ivoire, Burkina Faso, and Togo) that have even lower labour costs and no immigration restrictions.

• Another threat is the labour union, which is noted for its strong and persistent agitations for pay rise and improvement in other conditions. This would not only lead to disrupted and unmet delivery schedules, but also increase in operational costs, one vital factor for successful call centre outsourcing.

6. Summary of Findings

The following findings are drawn from the evaluation of the evidence.

• Ghana has various factors that make it strong contender in the call centre industry such as time zone, availability and lower cost of labour, English language proficiency and political stability.

• Ghana has the potential to be the dominant force in the West African sub-region as other countries sharing similar resources and opportunities are doing less to develop the call centre business

• For the past few years government has taken a number of initiatives to develop the BPO, including call centres in the country. These steps, however, overemphasise the investment with little consideration to human and economic benefits.

• Private individuals and organisations are making moves to develop the call centre business but still need a push from the government especially in the area of telecommunication and education.

• Despite the government's move to develop BPO, it does little to develop the IT base of the country, especially with regard to investment.

• Ghana has weak telecommunication infrastructural base, especially in VoIP, which has been described as the lifeblood of call centre outsourcing business. The government is not doing much in this direction.

• Although there is problem with human resource, the major challenge is not lack of skilled labour but the problem with recruitment and retention in the call centre business.

• Ghana does not look too promising to handle large contracts that can be executed to standard as many Indian companies are capable of doing.

• Ghana does not have adequate capabilities for multilingual call centre services

• There are other emerging call centre outsourcing countries that threatens Ghana's quest of becoming a force in the global call centre outsourcing business.

From the findings of the analysis it has become evident that Ghana possesses vital success factors such as English language skills, low labour cost, narrow time differences that still make it a strong contender as a global call centre provider. However, the country seems less capable of offering strong competition in the call centre outsourcing market if its telecommunication infrastructure; contracting strategies; and resources including labour are not reconsidered and upgraded.

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Nana Yaw Oppong joined the School of Business of the University of Cape Coast in January 2013. Born in Ghana, Nana holds Ph.D. in HRD (Leeds), 2012; MBA in International Business (London), 2005; BA (Hons) in Secretaryship & Diploma in Education (Cape Coast), 1994; and professional membership (Assoc.) of the Institute of Personnel and Development (CIPD) UK. Has taught at the Leeds Business School, UK and has also worked in HR managerial role. Research interests include cross-cultural HRM; talent management; and indigenous methods of developing people. Teaching focus includes HRD; Cross-cultural Management; Strategic HRM and Organisational Behaviour.

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