



OUTSOURCING HUMAN RESOURCE PRACTICES ON PERFORMANCE OF TOTAL OIL COMPANY IN KENYA

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ABSTRACT

The emergence of globalization has made outsourcing to become one of the widely embraced organizational practices for delivering outstanding services to customers in both corporate and private entities. However, in spite of the increasing trend in outsourcing arrangements, there are inadequate literature underpinnings on how outsourcing human resource practices affect performance of Total Oil companies in Kenya. The main objective of this study was to investigate the effect of outsourcing human resource practices on performance of Total Oil Company in Nairobi Kenya. Specifically, the study sought to examine the effect of outsourcing training practices, recruitment and selection practices on organizational performance of Total Oil Companies in Nairobi County Kenya. The study was guided by resource-based view (RBV) theory, resource dependency theory and Core competency theory. The study adopted a descriptive research design where it targeted all employees totaling to 112 in functional departments of Total Oil Company at the headquarters in Nairobi County. The departments were finance and administration, human resource, supply chain, product development and technical support respectively. The study was a census and purposive and stratified sampling technique was used in selecting the respondents. Primary and secondary data were collected. The study's primary data was obtained using semi-structured questionnaires. Secondary data was collected from the available human resources publications at Total Oil Company and Energy and Regulatory Authority. The researcher did a pilot study to ensure reliability and validity of the instrument. Quantitative data was generated from the closed ended questions while qualitative data was obtained from the open-ended questions. Inferential and descriptive statistics were used to analyse quantitative data with the help of Statistical Package for Social Sciences (SPSS version 22). Descriptive statistics included frequency distribution, mean, standard deviation and percentages. The results were presented in tables. It was evident that outsourcing training practices increases the level of service delivery, reduces costs of training and increases organizational performance. The results on outsourcing recruitment services showed that opportunities were there for employees to identify job openings, timely system on recruitment was provided and there was seamless cooperation with recruitment agencies to save time and costs. Based on the regression results the study concluded that there was a significant positive relationship between outsourcing training practices, outsourcing recruitment and selection practices, and organizational performance.

Key words: Outsourcing, Human Resource Practices, Performance, Total Oil Company

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BACKGROUND

Deciding to outsource some of your companies' activities/functions to a third party can be challenging but rewarding to the organization Ving and Globerman, (2019). The functions of businesses have expanded by making it complex as the world becomes more globalized. This has also affected the technology and made competition among companies or organizations producing similar products (Achonjo, 2014). Company must examine their motivations, expectations and justification thoroughly before outsourcing their critical operations so as to reap the benefits (Musau, 2016). Trust is an essential component of outsourcing between the organization and the outsourcing company/vendor because in the absence of trust it becomes difficult to hand over certain aspects of business activities or operations to another outsourcing vendor (Runquist, 2017). Yao (2014) defines outsourcing as a relationship between an outsourcing vendor and a company that is contractual where the outsourcing vendor takes over some of the duties or functions or activities of that company.

Typically outsourcing is done with an eye towards efficiency and cost-saving for the company. As defined by Machuki and Aosa (2018), the performance of organization is determined by using a criterion. Also organizational performance gives indication of the effectiveness of an organization. It is indicated that outsourcing human resource activities has over the last few years become a dominant force in many organizations. Many firms indeed outsource at least one human resource function (Smith, Vozikis &Varaksina, 2016). Some of the human resource functions often outsourced by organizations include recruitment, human resource information system training, (Lily, Gray &Virick, 2005; Delmotte & Sels, 2008). Human resource (HR) outsourcing is one of strategic tools employed in highly competitive market. By outsourcing some of their HR functions, organizations are better positioned to focus better on their scarce resources. To cap it all, information technology (IT) and human

resources are the two business functions that are most commonly and widely outsourced.

Global sourcing of components and products was the trend in the late 1980s and continued to the early 1990s for most manufacturing firms. Presently the trend has changed to business process outsourcing (BPO) to countries like South Africa and India, while at the same time there is a shift in the manufacturing activities to India and China through off-showing process. As much as outsourcing is implemented to cut costs for better competitiveness, it also allows an increased focus on remaining activities (Potkány and Benková, 2008). Petronila (2013) examined the relationship between outsourcing and organizational performance in the book publishing industry and the study found out that outsourcing of practices by the book publishing firms in Kenya has influenced its performance and it is recommended that the firms should continue outsourcing other services which they do not have competitive advantage over its competitors so that they can continue improving their performance.

Organizational Performance

Organizational performance can be defined as a strategic and integrated approach to delivering sustained success to organizations by improving the performance of the people who work in them and by developing the capabilities of teams and individual contributors Armstrong and Baron, (2014). Performance is a complex and dynamic concept which has been conceptualized in two ways namely the drivers of performance and the results of performance (Fetcher, 2010). Organizational performance is concerned with the overall productivity in an organization in terms of profitability, market share, customer loyalty and Return on Investments. Competition in the global economy has intensified the importance of identifying the drivers of sustainable performance. The search for such drivers is no longer restricted to tangible factors which are resources, but has expanded to include intangibles, which are competitive strategies. Performance is regarded as

an output which is aligned to objectives or simply profitability and is explained in terms of expected behavioral output and also results. Ngechu, (2018) asserted that the only worthy performance measure is financial performance because of its value to shareholders, executives and the market. This measure is an indicator of organizational success and sustainability because it is the reason for the existence of firms. The financial success of an organization is a measure of a firm's performance because it depicts the ability of an organization to operate above all its costs. Coens, (2017) however, claimed that a firm's performance should not be measured by financial performance only but also by indicators such as efficiency, customer satisfaction, cost saving and brand image. This study will adopt Coen's (2017) in measuring its organizational performance. This study will adopt Coen's measures of performance in measuring performance of Total Oil Companies in Kenya.

Statement of the Problem

Despite the enormous benefits and superior performance through outsourcing of services, majority of businesses continue to use the conventional ways of providing supportive services, when outsourcing of such services clearly indicates that the operational cost reduction and efficiency in delivery will be achieved. Electronic payment systems are common in the banking sector, this innovation is however relatively new in the oil industry in Kenya, Kasavana, (2016). A response to mend this gap has been the introduction of the electronic fuel card by total oil companies in Kenya. There is in an effort to eliminate cash transactions at the petrol stations, provide information to customers on consumption, and facilitate monitoring of vehicle usage Schadorf, (2017). However, Total oil marketers are not collaborating with mobile phone operators to provide customers with a more convenient and easy payment platform through mobile money transfer. There is also a problem of network infrastructure and human resource with key skills to operate this area. Another issue is that even as total oil company

endeavours to make payment as convenient as possible to customers, they still need to maintain their branded fuel cards. These cards present themselves as tools that they can use to promote brand loyalty through reward programs but still this needs to be integrated in their management system which is not in place Gatuembo, (2018). Recruitment of senior managers who are managing key departments is not done correctly leading to unqualified and incompetent managers being hired which is also affecting performance of the company Gitiye (2019). Internal staff are complaining of selective training where managers handpick their favourite staff for training that leads to promotion since there is no policy that guides them. This then leaves staff dissatisfied and hence company loses.

Objectives of the Study

This study was guided by the following objectives;

- To examine the effect of outsourcing training practices on and organizational performance of Total Oil companies in Nairobi City County Kenya
- To establish effect of outsourcing recruitment and selection practices and organizational performance of Total Oil companies in Nairobi City County Kenya

LITERATURE REVIEW

Theoretical Review

This section examined the theories adopted to form the foundation of the research study. The theories were Resource based view, Resource Dependency Theory and the Core Competency theory.

Resource based view Theory

One management theory that suggests that total Outsourcing might create hidden costs to an employee is the application of the resource-based view of the firm to better employee performance. The resource-based view of the firm evolved from the work of Edith Penrose (1954) on the theory of the growth of the firm. This theory focused on how firms decide what to produce, at what price and how. Building on this along with Porter's (1958) notion of competitive advantage, argued that a firm

has “a competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by any current or potential competitors.” An employee has “a sustained competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by any current or potential competitors and when these other firms are unable to duplicate the benefits of this strategy. Firms are forced to rely on a number of outside suppliers for parts, software, knowhow and sales in order to obtain competitive advantage thereby gaining access to valuable resources and external capabilities (Langlois, 2010). This theory supports organizational performance, recruitment and selection and training variables in the study.

Resource dependency theory

Organizational success in resource dependency theory (RDT) is defined as organizations maximizing their power Bfeffer (1981). Research on the bases of power within organizations began as early as (Weber, 1947) and included much of the early work conducted by social exchange theorists and political scientists. Generalization of power based arguments from intra-organizational relations to relations between organizations began as early as (Selznick, 1949). RDT characterizes the links among organizations as a set of power relations based on exchange resources. This theory supports recruitment and selection and training variables in the study.

Core Competency theory

The Core Competence theory was developed by Prahalad and Hamel (1990). They posit that core competencies are the collective learning in the organizations, especially how to coordinate diverse production skills and integrate multiple streams of technologies. Other conceptualizations of core competencies by different scholars include; capabilities that differentiate a firm from its milieu (Leonard-Barton, 2000); unique capabilities which usually span multiple products or markets Malak, 2012); communication, involvement, and a deep commitment to working across organizational

boundaries Dubelaar & Bradmore, (2019). Ljungquist (2018) observes that core competences were originally invented as a tool for justifying business diversification in large companies and for supporting internal processes such as product development. Ljungquist (2007) posits that core competences enable the firm to enter new markets and products developed from them could be used to a larger extent by the company. This theory supports training, human resource management information system, and organizational, recruitment and even organizational performance.

Empirical Literature Review

Outsourced training practices and organizational performance

Training administration refers to the process of gaining or allocating knowledge, skills and competencies to carry out specific and useful competencies for improving one’s capability, and performance by using outside groups. Nowadays, business training is highlighted on employee and customer learning. The increasing in training space has resulted in a strongly upgrading in demand for outsourced training services. The growth in training outsourcing can give to satisfied progress and well-organized distribution methods in an increasingly global marketplace. The business can yield the potential for cost savings by effective budget control with some types of learning and successful employee skills when decision to outsource its training function (Chaudhuri & Bartlet, 2014).

Mwendwa (2015) determined the effects of outsourcing the human resource function of training and development. This research was conducted using the descriptive research method. The total population of the study was 127 organizations that outsource training and development with specific reference to Kenya Institute of Management. The sample size selected for this study comprised of forty organizations. The Probability Sampling technique was used where the total population was stratified into different industries. Primary data was collected using a questionnaire model developed by the researcher.

The research also made reference to secondary sources such as journals and other human resource texts. Descriptive statistics were used in interpreting data, measure of tendencies and measurement of the relationship of different variables. Data was analyzed using Microsoft Excel program and presented in the form of statistical data, tables and charts. The report indicated that although outsourcing had a direct impact on reduced cost and increased organizational efficiency, it had minimal impact on the organization's competitiveness. The study recommended organizations that pursue outsourcing as a cost cutting strategy to focus and look out for other benefits of outsourcing. The current study was conducted at Total Oil Company headquarters in Nairobi City county and also it was census while this study also used probability sampling technique.

Akinbola (2017) did a research regarding the effects of outsourcing training practices on the organizational performance of fast foods industry in Lagos. Problematic of this study based on how the fast food industry in Nigeria was enduring very rapid innovation and explosive growth. 300 questionnaires were administered to 10 chosen fast food organization in Lagos to get primary data that conducted correct research questions and three hypotheses were tested appropriately. The study found that outsourcing training practices so far has positively affected the performance of fast food industry and the empirical findings determined that the industry has benefited from outsourcing its business process to reduce cost operation. The study found that outsourcing training practices of certain technical form of business that has to do with knowledge and professionalism improve customers' relationship. The study recommended that fast food companies should maintain business relationships that would help in transaction negotiation with outsourcing vendors to boost the profitability of organization. The gap here is that this study was conducted in Nigeria and on fast

foods while the current study focused on Total oil companies in Nairobi city county Kenya.

Muweesi (2016), studied about the effect of outsourcing training practices on organizational performance in private organizations in Uganda a case study of Uganda Telecommunication Limited. Problematic of the study based on how Uganda telecommunication Limited have outsourced part of their business activities such as selling airtime and provision mobile money services as a way of improving their performance. However, they have not entirely realized the full benefit of outsourcing training practices. This study used quantitative method as a research design, purposive sampling technique was used to select the managers while simple random was used to select the rest of respondents. The findings disclosed that outsourcing training practices of Uganda Telecommunication Limited positively contributed to cost efficiency. The study determined that outsourcing training practices at Uganda Telecommunication Limited in some way positively contributed to profitability at a lower level. Concluded by recommending the companies that are part of Uganda Telecommunication Limited to outsource training practices more in order to benefit more on cost efficiency. The gap here is that this study was done in Uganda and on telecommunication company and also used quantitative methods as a research design while the current study will be conducted in Kenya and on oil company.

Outsourced Recruitment practices and organizational performance

Outsourcing of recruitment activities refers to a procedure to transfer recruitment and selection activities to an external provider. The recruitment outsourcing activities are advertising, job fair hosting, applicant tracking and some of selection process such as extensive skill testing, organization and background testing. Previous studies show that recruitment outsourcing can be significantly reduced costs (Seth & Sethi, 2011). Additionally, a great advantage of HR recruitment outsourcing is a

new way of acquiring talent. In most research it is assumed that recruitment outsourcing will support modernize business's recruitment job and make it integrated and been efficient. It is very critical aspect of recruitment outsourcing which directly affects business quality and performance (Braun & Pull, 2011).

Kinyua and Kwasira (2017) assessed the effect of recruitment outsourcing on the performance of flower firms in Nakuru County. It was hypothesized that recruitment outsourcing does not have a significant effect on performance of flower firms. The study used descriptive techniques using both quantitative and qualitative approaches. Data was collected using both open and closed-ended questionnaires. The study used a sample of 66 respondents from selected flower firms in Rongai Sub-County. The study used both descriptive and inferential statistics to analyze the data. The study found a positive relationship between recruitment outsourcing and performance of the flower firms. Recruitment outsourcing had the strongest positive effect on performance ($r = 0.534$). The study recommends that flower firms should enhance their outsourcing activities whilst balancing its effects on in-house employee motivation. The point of departure here is that the study was conducted on flower firm and the sample size was 66 and it will also use descriptive techniques, While the current study will be done on Total Oil Companies in Nairobi City County Kenya, it will be census whose sample will be 121 respondents.

Dapper, (2018) This paper was carried out to study recruitment outsourcing and corporate performance. In carrying out this study, the researcher used AGIP Oil Company in Port Harcourt as a case study. A total number of fifty one (51) questionnaires were administered to employees in the personnel department of the company. The Yaro Yemen's formula was adopted during the determination of the sample size. Hypotheses were also formulated and tested using the chi-square statistical/mathematical technique. The researcher uncovered that there is a significant effect of

personnel outsourcing on corporate performance. The researcher further recommended that as a result of the findings, that organizations should see outsourcing of personnel function and other areas very important as it contribute to the transfer of knowledge from external vendors to internal employees, and make the organization to reduce their cost of operation and make them stand out in a competitive ground. Also, that before organizations implement the process of outsourcing recruitment, they should first of all establish a training course to make sure that employees have the knowledge and an idea of the process. That employers should also try as much as possible to ensure that they establish a good relationship between internal employees and external employees by hosting both formal and informal meetings to bring them together and others. The current study will be in Kenya unlike this study which was conducted in Nigeria and on AGIP Oil Company.

Engairo (2017) sought to examine the link between motives of outsourcing recruitment and performance outcomes among mobile telecommunication firms in Kenya. Specifically the study examined the effect of cost efficiency, expert service, HR flexibility and business improvement on performance outcomes among mobile telecommunication firms in Kenya and sought to determine whether services outsourced moderate this relationship. A descriptive survey design of cross-sectional nature of three mobile telecommunication firms was conducted. The target population was all three hundred and twelve (312) managers in three mobile telecommunication firms operating in Kenya. Data was analyzed using descriptive statistics, correlation analysis and logistic regression analysis aided by Statistical Package for Social Sciences (SPSS). The study is significant to all telecommunication firms in Kenya as it will provide valuable information on the link between motives of human resource outsourcing recruitment and the performance outcomes. The study found negative and significant relationship

between cost efficiency and performance outcomes. Though this study was done in Kenya, it

was on telecommunication firms and used a sample of 312.

Conceptual Framework

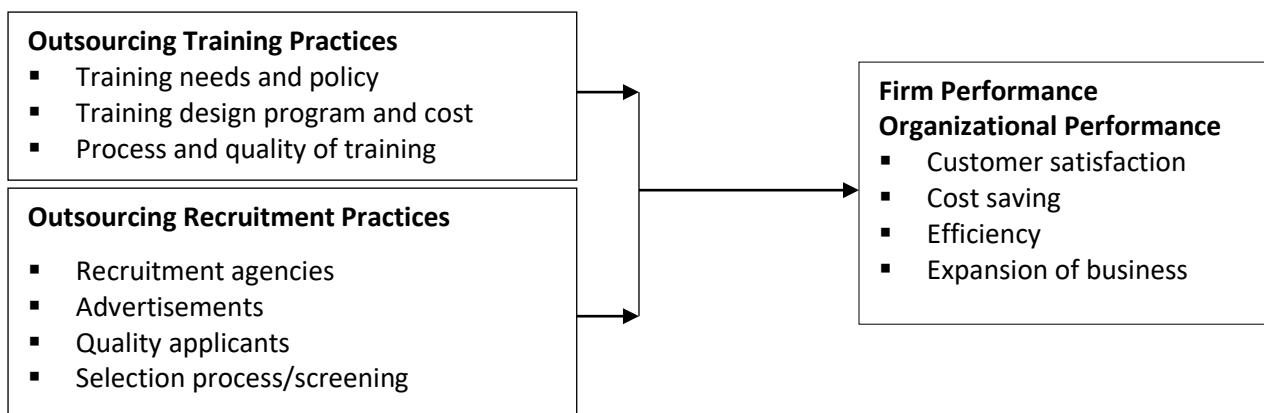


Figure 1: Conceptual Framework

Source: Researcher (2021)

METHODOLOGY

A descriptive survey research approach was used in this study since the study involved describing the effect of outsourcing human resource practices on an organizational performance without any need for variable manipulation. According to Mugenda (2008), a descriptive research design can adopt qualitative, quantitative or mixed methods. The design was appropriate for this study since it helped in collecting data in order to answer the questions of the current status and describe the nature of existing conditions of the subject under study. The designs also facilitated the use of a questionnaire to collect both quantitative and qualitative data for the study.

The study's target population was all employees of Total Oil Company who were at the Headquarters in Nairobi City County. This comprised of employees in functional areas in the company i.e. Product development department, Finance and Administration, Human resource management, technical support and supply chain departments.

The study's sampling frame was 112 employees in functional areas of Total Oil Company at Nairobi Headquarters. These were chosen since they were in a position to provide the information or data for

the study. Given that the target population was small, a census was conducted and purposive sampling aided the selection from each department.

This study used both primary and secondary data. Structured questionnaire were used to collect primary data from the respondents. The questionnaire collected both qualitative and quantitative data which was contained in closed ended and open ended items.

For construct validity, the questionnaires were decomposed to several parts to ensure all sections assess data for particular objectives, and then ensured that the questionnaire tallies with the conceptual framework of this study. To enhance content validity, the questionnaires were taken through a comprehensive review by employees randomly selected at the organization. The researcher also sought the guidance of the supervisor on the contents of the questionnaire. Based on this review, the questionnaire was updated accordingly before being used in the data collection exercise. Content validity were enhanced using the review comments from the experts that included the supervisor. The study also conducted a Reliability of research instruments. Reliability is a

measure of the degree to which research result yields consistent results or data after repeated trials Zikmund (2010). The measure of internal consistency of Cronbach's Alpha was used to determine the reliability of the questionnaire. Alpha coefficients of 0.7 and above indicate high internal reliability and are satisfactory (Tavakol and Dennick 2011). This study accepted Cronbach's Alpha coefficients of 0.7 and above.

Data collected was analyzed using both quantitative and qualitative methods with the help of SPSS version 22. The data was analyzed through descriptive and inferential statistics. The descriptive statistics included frequency distribution tables and measures of central tendency (the mean), measures of variability (standard deviation) and measures of relative frequencies. Descriptive statistics used to

describe the basic features of the data in a study. They provide simple summaries about the sample and the measures. Inferential statistics was also employed where a regression analysis was conducted to establish the relationship between the variables in the study and also to help test the hypotheses.

FINDINGS AND DISCUSSIONS

The study targeted 112 employees working in finance, technical support, administration, human resource, supply chain and product development. The number of the respondents who completely filled the questionnaire were 88 translating to 79% of the total targets. The response according to Mugenda (2008) was sufficient to help in data analysis, make inferences and develop the conclusions and recommendations.

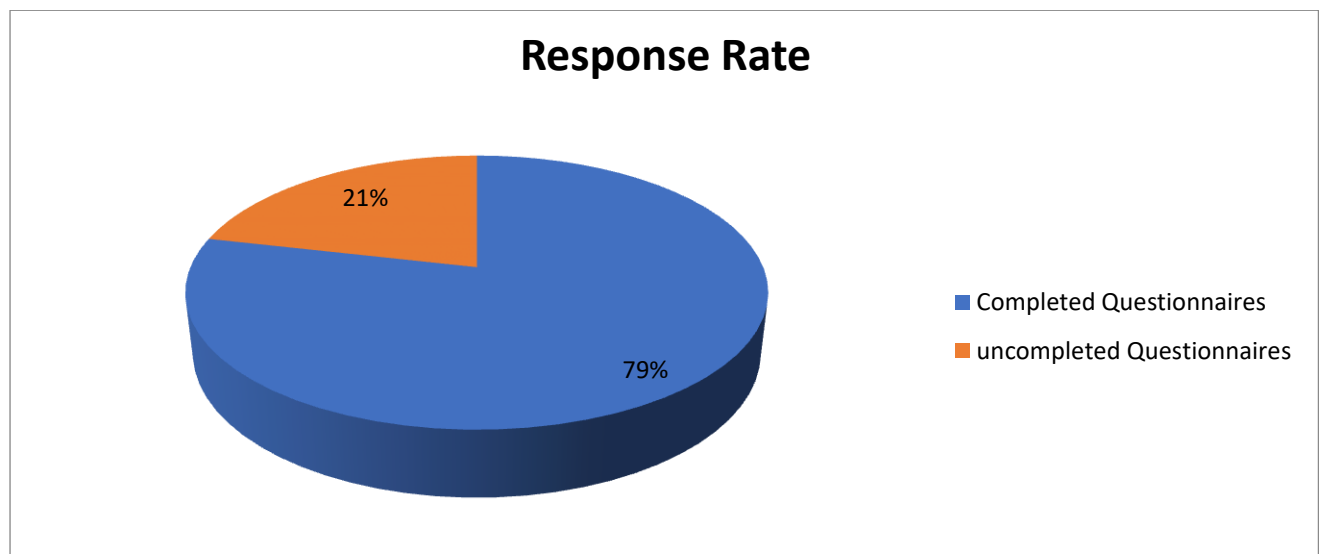


Figure 2: Response Rate
Source: Researcher (2022)

Reliability Test Results

Reliability tests were carried out and the results presented in Table 1.

Table 1: Reliability Results

Constructs	Alpha Score	No. of Items	Comments
Organizational Performance	.777	6	Reliable
Training Practices	.811	6	Reliable
Recruitment practices	.745	7	Reliable
Aggregate Score	.768		

Source: Researcher (2022)

The results presented that the reliability score for organizational performance was 0.777, training had a score of 0.811, recruitment practices had 0.745. The aggregate score was 0.768 and all the constructs had an Alpha score above the set threshold of 0.7 indicating that the instruments was reliable.

Demographic Characteristics

The results presented in this section include the gender of the respondents, age, level of education and working experience.

Gender of the Respondents

The respondents gender results were presented in table 2.

Table 2: Gender

Gender	Frequency	Percentage
Male	57	65
Female	31	35
Total	88	100%

Source: Researcher (2022)

The study result shows that 65% were male and 35% were female. This demonstrates that the researcher received the necessary and precise information by gathering data from both genders.

Age of the Respondents

The section presents the age of the respondents.

Table 3: Age

Age	Frequency	Percentage
18-30 years	6	7.0
31-40 years	39	44
41-50 years	31	35
51-60 years	12	14
Above 60 years	0	0.0
Total	88	100%

Source: Researcher (2022)

The study results in table 3 indicated that majority of the respondents had between 31 to 40 years old (44%). The employees with 41-50 years were the second majority representing 35%. It was evident

that majority were between 31 to 50 years (44% +35%=79%). It also suggests that the majority of participants were responsible and able to respond appropriately to the study's questions.

Level of Education

Table 4: Education Level

Level of Education	Frequency	Percentage
Post graduate	12	14
University	59	67
Tertiary	17	19
KCSE	0	0.0
Total	88	100%

Source: Researcher (2022)

The findings indicated that 67% had a university degree certificate, 19% had tertiary level of education and 14% had a postgraduate certificate has their highest level of education. This indicates

that the employees had the relevant academic skills and have acquired knowledge relating to area under study.

Working Experience

Table 5: Working Experience

	Frequency	Percentage
Less than 5 years	18	21
5-10 years	39	44
15-20 years	31	35
Total	88	100%

Source: Researcher (2022)

According to the findings in table 5, 44% of the respondents had worked in the oil company for 5 to 10 years, 35% for more than 15 years and 21% for less than 5 years. The fact that the same survey respondents had worked for the company for more than five years shows that the respondents had the skills needed to carry out the indicated study scope.

Demographic Characteristics

The section presents the descriptive analysis of the research concept's variables. The characteristics and results of the variables were identified by the researcher. Quantitative statistics were used to

enhance the depiction of the outsourcing human resource practices and performance of Total Oil Company in Kenya as they existed at the time of the investigation. Respondents were asked to rate how much they agreed with various statements concerning the research variables on a scale of one to five. In contrast to a low mean, a high mean indicates a high level of agreement with the claims in the tables.

Outsourcing Training Practices

The following table 6 presents study results on outsourcing training practices on a scale of 1 to 5.

Table 6: Descriptive Statistics on Outsourcing Training Practices

Outsourcing Training Practices	Mean	Std Dev
Outsourced training program delivery offered on employees in my organization increases organizational performance	3.99	1.051
By outsourcing training practices, my organization reduces costs of training	3.95	1.218
Training process outsourcing increases level of service quality to customers	3.97	1.008
My organization gets quality training by outsourcing top notch training professionals	3.78	.998
By having training process outsourcing policy, my organization performs better	3.87	1.100
Training consultants outsourced by my organization provide specialized services.	3.66	1.001
Aggregate Score	3.87	1.063

Source: Researcher (2022)

Based on the results presented which indicate an aggregate mean score of 3.87 and a standard deviation of 1.063 depicts that outsourcing training practices were fairly done in Total oil company. It was evident that outsourcing training practices increases the level of service delivery, reduces costs of training and increases organizational performance. These were supported by the results that training consultants outsourced by Total oil company provides specialized services.

The results were supported by a study by Mwendwa (2015) indicated that although

outsourcing had a direct impact on reduced cost and increased organizational efficiency, it had minimal impact on the organization's competitiveness. The study was further supported by Akinbola (2017) that outsourcing training practices so far has positively affected the performance of fast food industry and the empirical findings determined that the industry has benefited from outsourcing its business process to reduce cost operation. The study found that outsourcing training practices of certain technical form of business that has to do with knowledge and

professionalism improve customers' relationship. Further, Muweesi (2016) the findings disclosed that outsourcing training practices of Uganda Telecommunication Limited positively contributed to cost efficiency.

Outsourcing Recruitment

The section presents results related to outsourcing recruitment from Total Oil Company limited.

Table 7: Outsourcing Recruitment

Outsourcing Recruitment	Mean	Std Dev
We provide a platform for our employees to identify job openings	4.10	0.982
We provide a system for our employees to access timely information about recruitment	3.99	1.130
My organization cooperate with recruitment agencies because of time and cost savings	3.87	1.000
My organization will get quality applicants if they outsource the recruitment of advertised companies	3.99	1.052
We are fair in our recruitment procedures where all potential candidates have equal chances	3.72	0.977
We always make our recruitment information about various positions open to the public	3.99	0.971
More qualified employees will be well obtained by outsourcing screening of applicants to HR Consultancy firms	3.88	1.110
Aggregate Score	3.94	1.019

Source: Researcher (2022)

Results presented in Table 7 showed that opportunities were there for employees to identify job openings (Mean= 4.10), timely system on recruitment was provided (Mean=3.99), and there was seamless cooperation with recruitment agencies to save time and costs (Mean=3.87). Quality applicants, fair recruitment procedures, open information on recruitment and proper screening was evident as depicted by a high aggregate mean score of 3.94.

The result agrees with Kinyua and Kwasira (2017) that there are a positive relationship between recruitment outsourcing and performance of the flower firms recommending that flower firms

should enhance their outsourcing activities whilst balancing its effects on in-house employee motivation. Additionally, Dapper, (2018) uncovered that there is a significant effect of personnel outsourcing on corporate performance and that companies should see outsourcing of personnel function and other areas very important as it contribute to the transfer of knowledge from external vendors to internal employees, and make the organization to reduce their cost of operation and make them stand out in a competitive ground.

Correlation Analysis

The results on correlation amongst variables were presented in Table 8.

Table 8: Test for Correlation

		O. P	O. T.P	O.P.S
O. P	Pearson Correlation Sig. (2-tailed)	1		
O. T.P	Pearson Correlation Sig. (2-tailed)	.702** .001	1	
O.P.S	Pearson Correlation Sig. (2-tailed)	.836** .000	.462 .259	1

According to Table above there is a substantial positive correlation ($r=0.702$) among outsourcing training practices (OTP) and organization performance (O.P). Because the premeditated p-value(0.000) would be less than the predetermined

significant level, the relationship was significant (0.05). The correlation of organizational performance and outsourcing recruitment practices. Their relation were significant as presented by $\text{sig} < 0.05$.

Table 9: Regression Coefficient

Model	Un standardized C efficient		Standardized Coefficients	t	Sig.
	B	Std.Error	Beta		
1 (Constant)	1.155	0.116		9.195	0.020
O. T.P	0.799	0.121	0.726	7.181	0.000
O.R.P	0.893	0.133	0.421	3.745	0.000

Source: Survey Data (2022)

The regression model adopted was $Y = 1.155 + 0.799X_1 + 0.893X_2 + \epsilon$

Using the regression equation above, the value of the organizational performance was 1.055 units when the four independent variables (outsourcing training practices, outsourcing recruitment practices, outsourcing payroll services and outsourcing HRMIS) were held constant. The findings also show that outsourcing training practices has a quantitatively significant impact on the organizational performance ($B= 0.799$, $P = 0.000$). This suggests that a unit increase in the outsourcing training practices will result in a 0.799 units increase in the organizational performance. The findings also show that outsourcing recruitment practices had a quantitatively significant impact on the organizational performance ($B= 0.893$, $P = 0.000$). This suggests that a unit increase in the outsourcing recruitment practices would result in a 0.893 units increase in the organizational performance. The result agrees with Kinyua and Kwasira (2017) that there are a positive relationship between recruitment outsourcing and organizational performance. Additionally, Dapper, (2018) uncovered that there is a significant effect of personnel outsourcing on corporate performance.

CONCLUSIONS AND RECOMMENDATIONS

It was evident that outsourcing training practices increases the level of service delivery, reduces costs

of training and increases organizational performance. These were supported by the results that training consultants outsourced by Total Oil Company provides specialized services. The results indicated that outsourcing training practices so far has positively affected the organizational performance and that the industry has benefited from outsourcing its business process to reduce cost operation. The results on outsourcing recruitment services showed that opportunities were there for employees to identify job openings, timely system on recruitment was provided and there was seamless cooperation with recruitment agencies to save time and costs. Quality applicants, fair recruitment procedures, open information on recruitment and proper screening. The result indicated that there are a positive relationship between recruitment outsourcing and performance of Total oil company.

Based on the regression results the study concluded that; there was a significant positive relationship between outsourcing training practices and organizational performance of Total Oil companies in Nairobi City County Kenya. The study concluded that outsourcing recruitment and selection practices and organizational performance has significant positive relationship.

The demand for outsourced training services has significantly increased as a result of the expansion of the training area. In an increasingly international

marketplace, the rise of training outsourcing can contribute to satisfied progress and well-organized distribution techniques. The report advised businesses using outsourcing as a cost-cutting measure to concentrate on finding additional advantages of outsourcing. Outsourcing helps modernize, integrate, and make effective the recruitment process for businesses

Suggestions for Further Studies

The study was done in Oil companies limiting itself to four variables. The indicators of organizational performance was limited to sales level and customer satisfaction. The study recommended further study to other industries, sectors and businesses. Other measures of organizational performance may be considered.

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