A STUDY ON HOW OUTSOURCING CREATES CHALLENGES AND ISSUES TO THE HUMAN RESOURCE IN AN ORGANISATION, A CASE STUDY ON DELL IRELAND

Dissertation submitted in part fulfillment of the requirements for the degree of M.B.A Human Resources Management at Dublin Business School

ZEESHAN ABDULKADER

STUDENT NO: 10197747
Declaration

Declaration: I, Zeeshan Abdulkader, declare that this research is my original work and that it has never been presented to any institution or university for the award of Degree or Diploma. In addition, I have referenced correctly all literature and sources used in this work and this work is fully compliant with the Dublin Business School’s academic honesty policy.

Signed: ZEESHAN ABDULKADER

Date: 22/08/2016
Acknowledgement

I would like to take this opportunity to thank for those who have contributed in any way to complete my dissertation. I would like to thank the entire DBS faculty, especially to Mr. Eddie Mcconnon for the help and encouragement to complete my dissertation successfully.
## Table of Contents

List of figures and tables .................................................................................................................... 7  
Abstract .............................................................................................................................................. 9  
Chapter 1 ............................................................................................................................................. 10  
Introduction ......................................................................................................................................... 10  
  1.1) Types of outsourcing .................................................................................................................. 10  
      a) BPO (Business Process Outsourcing) ..................................................................................... 10  
  1.2) Reasons for Outsourcing ........................................................................................................... 11  
      a) Financial aspects of the outsourcing ..................................................................................... 12  
      b) Access to the Technological advancements ......................................................................... 12  
      c) Could focus on Core competency ......................................................................................... 12  
      d) Access to the global talent .................................................................................................... 13  
  1.3) Background of the study ........................................................................................................... 13  
  1.4) Rationale of the study ................................................................................................................ 13  
  1.5) Organizational back ground ..................................................................................................... 13  
  1.6) Scope of the study ..................................................................................................................... 14  
  1.7) Aim of the study ....................................................................................................................... 14  
  1.8) SPECIFIC OBJECTIVES .......................................................................................................... 14  
  1.9) Description about the operational terms ................................................................................... 15  
  1.10) Structure of dissertation .......................................................................................................... 15  
  2.1) Characteristics of an effective literature review ........................................................................ 17  
  2.2) Meaning and scope of outsourcing ........................................................................................... 17  
      2.2.1 Definitions of outsourcing ................................................................................................... 18  
      2.2.2) Background of outsourcing .............................................................................................. 20  
      2.2.3) Factors Leading to Outsourcing ....................................................................................... 20  
      2.2.6) Core Competence and Outsourcing ............................................................................... 25  
  2.3) Theoretical underpinning of current outsourcing research ....................................................... 26  
      2.3.1) Theoretical frame work ................................................................................................... 26
2.3.3) Person environment fit theory ................................................................. 27
2.4) ROLE OF CULTURE ON OUTSOURCING......................................................... 27
2.5) Employees’ attitudes towards outsourcing .................................................... 28
2.6) Role of outsourcing in creates or increases stress, anxiety and inter-personal conflicts in employees ................................................................. 31
2.7) Role of outsourcing in Change Management Process of the organization .......... 32
2.8) Outsourcing affects the safe keeping of official secrets and technical knowhow .... 33
CHAPTER 3 .............................................................................................................. 35
RESEARCH METHODOLOGY ............................................................................... 35
3.1) Introduction ..................................................................................................... 35
3.2) Research Process ............................................................................................. 35
3.3) Research Onion ............................................................................................... 35
  3.3a) Research Philosophy ..................................................................................... 36
     i) Positivism ........................................................................................................ 37
     ii) Realism .......................................................................................................... 37
     iii) Interpretivism ............................................................................................... 37
     iv) Pragmatism ................................................................................................. 38
     v) Chosen philosophy ....................................................................................... 38
  3.3b) Research approach ....................................................................................... 38
     i) Deductive approach ...................................................................................... 38
     ii) Inductive approach ...................................................................................... 38
     iii) Adopted approach for the study .................................................................. 39
  3.3c) Research strategy ........................................................................................ 39
     i) Action research: ........................................................................................... 40
     ii) Experimental Research: .............................................................................. 40
     iii) Survey: ....................................................................................................... 40
     iv) Case study: ................................................................................................ 40
     v) Grounded theory: ....................................................................................... 41
     vi) Ethnography .............................................................................................. 41
     vii) Archival research strategy: ...................................................................... 41
     viii) Chosen strategy ....................................................................................... 41
  3.3d) Research choice .......................................................................................... 42
     i) Mono method .............................................................................................. 42
List of figures and tables

Figure 1 Research Onion ........................................................................................................... 36
Figure 2 Research approach ........................................................................................................... 39
Figure 3 Communication difficulty and stress at work ................................................................ 48
Figure 4 Recurrence of wrong reply from outsourced team-.......................................................... 49
Figure 5 Recurrence of dispute with the Outsourcing Team counterpart related with work ...... 50
Figure 6 Level of stress increase when work with outsourcing team ............................................. 51
Figure 7 Cultural differences induced conflict between in house staff and outsource team ...... 53
Figure 8 Cultural differences between Home Team and Outsourcing Team could affect the team work?............................................................................................................................... 54
Figure 9 Lack of awareness of outsourced team about home work culture creates problems in organization.............................................................................................................................................. 55
Figure 10 Recurrence of complaints from customers regarding the services delivered by the outsourcing Team......................................................................................................................................................... 57
Figure 11 Nature of complaints from customers regarding outsourced services....................... 58
Figure 12 Dell’s staff recurrence of uncomfortable feel while working with Outsourcing Team Member ................................................................................................................................................................................. 60
Figure 13 Outsourcing Team is flexible and quickly adaptive to the changes made by the Company Management ......................................................................................................................................................... 62
Figure 14 Opinion about Outsourcing raises a potential threat to the company safe keeping of the official secret.............................................................................................................................................................................................. 63
Figure 15 Opinion about Business Process Outsourcing as a threat to their job security ............ 64
Figure 16 Business outsourcing will affect the internal labour market and economy of the country. ........................................................................................................................................................................................................ 65
Table 1 Communication difficulty and stress at work.......................................................... 47
Table 2 Recurrence of wrong reply from outsourced team.............................................. 49
Table 3 Recurrence of dispute with the Outsourcing Team counterpart related with work .... 50
Table 4 Level of stress increase when work with outsourcing team .................................. 51
Table 5 Cultural differences induced conflict between in house staff and outsource team ........ 52
Table 6 Cultural differences between Home Team and Outsourcing Team could affect the team work?.................................................................................................................. 53
Table 7 Lack of awareness of outsourced team about home work culture creates problems in organization............................................................................................................... 55
Table 8 Recurrence of complaints from customers regarding the services delivered by the outsourcing Team............................................................................................................ 56
Table 9 Nature of complaints from customers regarding outsourced services ................ 58
Table 10 Major identified problems of Outsourcing Team working as a team ..................... 59
Table 11 Dell’s staff recurrence of uncomfortable feel while working with Outsourcing Team Member .......................................................................................................................... 60
Table 12 Outsourcing Team is flexible and quickly adaptive to the changes made by the Company Management ................................................................................................. 61
Table 13 Opinion about Outsourcing raises a potential threat to the company safe keeping of the official secret ......................................................................................................... 62
Table 14 Opinion about Business Process Outsourcing as a threat to their job security ........ 63
Table 15 Business outsourcing will affect the internal labour market and economy of the country. ........................................................................................................................................ 64
Abstract

Since 1990s the outsourcing has become a hot discussed topic around the world. It has attracted the business organizations across the globe, those includes large to small sized organizations. With the benefit like cost reduction, access to new technology and innovations helps the organizations to improve their financial matrices and business growth. This force and encourage the organizations to outsource its variety of business process to sustain in the market. In this study the leaner has analyzed the issues and the challenge faced by the employees that caused from outsourcing process. The respondents of this study were 900 employees of Dell Ireland. Issues and complexities faced from outsourcing has been studied and analyzed from the perspective of employees. Issues and stresses which came from difference in the general culture, work culture, communication barriers and other inter personal problems between the In-house and ‘Outsourced team’ were studied in this research. The concerns and worries of the respondents about outsourcing and its possible impacts on their job and internal labor market have also been studied in relation with other issues and concerns.
Chapter 1

Introduction

In this modern era of rat race, the organizations especially those are in business nature, obligated to take rigorous measures to ensure the growth and value in the organization. Outsourcing is defined by Elmuti and Kathawala (2000), as an effort to make the result oriented partnership with an external agency or service provider, to perform the activities which were conducted in the organization in a traditional way. According to McIvor (2010) the business world and the organizations adopt the principle of outsourcing to expand their market beyond their national boundaries. So outsourcing can utilize as a new strategy for the business organization to run their ventures more effectively. Oshri, Kotlarsky, & Willcocks, (2011) also states that management view outsourcing as an effective and powerful tool in the strategic management aspect. According to Elmuti and Kathawala (2000) the private organizations engaged to deliver a wide range of product and service to maximize the profit is a common practice. For organizations those are searching for new competitive measures to ensure the growth and to maintain the competitive edge, outsourcing is a powerful strategy. Outsourcing helps the organization to achieve its goal through a more effective way with a minimal usage of the resources.

The other important factor which helps the outsourcing to attain its global popularity is, most of the time the organizations cannot perform all the business process internally. Sometimes these process are needed in a temporary basis, to tackle all these kind of issues outsourcing does help the organization in a great extent. Once the business process outsourced to an external agency, it become their responsibility to carry out the task. Outsourcing can categorize in to two different types as BPO and KPO. BPO in other words Business processing outsourcing and the KPO is the Knowledge process outsourcing.

1.1) Types of outsourcing

a) BPO (Business Process Outsourcing): In BPO service the organization can outsource a particular process task those are either front office or back office in nature. The front office functions means those are customer oriented in nature for example answering phone call, marketing and technical supporting etc. The other business functions like
purchasing, billing; payroll is fall under the category of the back office functions. Some of the common businesses outsourcing functions are Call centers, multimedia and animation related work, book keeping, data entry, medical billing and transcriptions etc.

b) KPO (Knowledge process outsourcing)

Unlike BPO services, those are carried out standardized business process for their clients, KPO or knowledge process outsourcing deals with the work those are need high level of the involvement from their employees. In the KPO outsourcing the employees need to show more advanced level of the analytical and technological skills and techniques in order to make the decisions. The example for the KPO outsourcings are the research and development in the pharmaceutical fields, intellectual and patent related research, animation related work, research and analysis of the data, content writing and legal series.

c) ITO (Information Technology Outsourcing)

The other type of outsourcing apart from the BPO and the KPO are the ITO or Information Technology outsourcing. The Information Technology Outsourcing can describe as the process of seeking the resources outside of the organizations structure to carry out all or part of the information technology function. The IT outsourcing functions can range from infrastructure for the software development to the maintenance and the support of the software functions includes. The main reason for the IT outsourcing is the cheaper to outsource these functions to the third party rather than develop and maintain an in-house system for the IT management.

1.2) Reasons for Outsourcing

According to the survey conducted by the Bajpai and Nirupam from the Earth Institute Columbia in 2006, describes that the 70% of the organization prefer the outsourcing to reduce the cost. The other key factors those are contributing for the off shore outsourcing are access to the global talent pool, access to the global market, give focus to the core competency, access to the specific advantages of the countries, improve the quality of the service provided by the organization.(Ghodeswar & Vaidyanathan 2008; Sharma and Loh, 2009; Aird and Sappenfield 2009). From a study conducted by Kumar and Eickhof (2006) points towards how outsourcing
helps the organization to gain its desired financial performance. This explained with the help of
dell case, Dell earned $28 from every one dollar it’s invested in the outsourcing.

a) Financial aspects of the outsourcing

One of the main factors which attract the organizations towards outsourcing is its financial
metrics and cost reduction features. Kakabadse and Kakabadse (2005) also agree that the cost
reduction and financial gain even it is for a short term, is the prime motive for the Western
organizations. The other factors or drivers those are mentioned by the researchers the
achievement of the cost efficiency is the most attracted factor so far. The other commercial
factor of the outsourcing is considered it is the employee related cost. The US banking sector
has saved around $8 billion from outsourcing since 2003. (Pai and Basu, 2007). The
American business organizations those are outsourced to India especially the information
system, prime motto are to keep the development and maintenance cost down. Around 79%
of the organizations benefitted from the lower cost of the outsourcing facilities.

b) Access to the Technological advancements

According to Sahgal and Malhotra (2005) point out that, through the globalization and the
technological advancement the business world could create a global work force blend with
the different cultures working towards a common goal. Through outsourcing the organization
could access the global technological advancement in a cheaper way which is not available
onshore.

c) Could focus on Core competency

Outsourcing the non core functions of an organization helps the organization to focus on its
core competency business. But the core competency of an organization is hard to find and if
the organization to fail to define its core business function has a negative effect through
outsourcing. Windru et al. (2009) argue that the organizations like Dell and Tesco was
successful to identify and outsourced their core competency business. Dell recognized the
research and development department as its core competency, where as the Tesco’s core
competency function was online business. While Tesco outsourced its internet banking
service, Dell outsourced its buying process.
d) Access to the global talent

Through the outsourcing the organizations can access to skills and the techniques from the global talent pool without making huge investment. So outsourcing helps the small start up business to attract more business through outsource their business process to the service providers those who have more secure and advanced technologies.

1.3) Background of the study

Since 1990s the outsourcing has become a hot discussed topic around the world. It has attracted the business organizations across the globe, those includes large to small sized organizations. With the benefit like cost reduction, access to new technology and innovations helps the organizations to improve their financial matrices and business growth. This force and encourage the organizations outsourced its variety of business process to sustain in the market. As a multinational corporate giant Dell computers also outsourced some of its core and noncore competency functions, like customer care, supply chain etc and succeed to make some positive changes as well. Even though the outsourcing is a boon to the business organization it makes some indifference in the organizational environment. Through this study the leaner is trying to analyze the issues and the challenges faced by the employees in the organization from outsourcing and how the employees perceive the process of outsourcing.

1.4) Rationale of the study

The study is focused on outsourcing and how it brings challenges and issues for the human resource in Dell Ireland. Dell is well known for its outsourcing strategies and outsourcing a variety of its functions which include the supply chain and after sales services. In this dissertation leaner has analyzed issues and complexities of outsourcing from the perspective of human recourse of Dell. The data is collected from the employees of Dell Ireland through Questionnaire which includes both open end and closed end questions.

1.5) Organizational back ground

Dell, corporate giant managed to maintain its place in the computer system sales for more than a decade. Dell attained top 50 ranks in the fortune 500. Dell IT products and services range from hardware, software, support services and consulting services. Dell offers job for more than 100,000 employees around the world through its services, manufacturing, and design sections.
Dell’s distinctive strategy of direct selling computers to its customers attracts customers around the world and it helps to attain success in the computer sales and service business. Founder of Dell is Michael Dell, he was 19 year old when he start the firm with the name PC’s limited. In 1984 with a capital of $1000, he started the business aiming to sell IBM PC –compatible computers. Within a year Michael managed to make a remarkable gain in the profit revenue. In 1985 Dell could introduced their branded design computer Turbo- PC in to the market. In 1988 Dell entered in to the share market by offering $8.50 per share and renamed as Dell Computer Corporation. (UK Essays. November 2013)

Dell Ireland is employing around 2500 employees, in its different department like sales, service, finance and marketing.

1.6) Scope of the study
In this study as discussed earlier the leaner is going to analyze the issues and the challenge faced by the employees that caused from outsourcing process. If the leaner could identify any issues and challenges or stress due to outsourcing the organization can find the solutions to rectify it. The leaner can understand outsourcing and its complexities very clearly.

1.7) Aim of the study
The purpose of this study to find out the major challenges and issues faced by the employees in Dell Ireland, due to the outsourcing of job to overseas agencies

1.8) SPECIFIC OBJECTIVES
To analyze whether the cultural differences resulted from outsourcing, lead to conflicts in the working environment of the organization

To find out, does outsourcing create difficulties or reduce quality in delivering service to the customers.

To understand whether outsourcing creates or increases stress, anxiety and inter-personal conflicts in employees.

To find out major concern of the in- house staff, regarding overseas business outsourcing
1.9) Description about the operational terms

The important terms that are used in this study and its operational meaning are explained in this section. The following terms may hold a different meaning in this study from the regular usage.

Outsourcing

Outsourcing can be defined as the effort to obtain either finished or semi finished product or service from external agencies, those were previously performed in the organization (Simchi-Levi et al., 2004).

Human resource:

According to Leon C. Megginson “From the national point of view human resources are knowledge, skills, creative abilities, talents, and attitudes obtained in the population; whereas from the view-point of the individual enterprise, they represent the total of the inherent abilities, acquired knowledge and skills as exemplified in the talents and aptitude of its employees”.

Challenges:

Challenge can explain as the effort that needs great extent of mental and physical activity which define a person’s ability

Issue:

The term issue discuss in this chapter as the problems which affect the employees, and make negative impacts upon the employees and business as whole.

(http://www.businessdictionary.com/definition/key-business-issue-KBI.html)

1.10) Structure of dissertation

The structure of the dissertation, mainly consist of six main chapters, those are introduction, review of literature, research methodology, data analysis and findings. Each chapter constructed with a logical followed by one after another. The title of the page, declaration, acknowledgement, followed by table of content with list of tables and figures are also included in the first part of the dissertation. The abstract which is a brief description about the study included in the first part of the part of the study.
Chapter 1: Introduction

In this section, aim and the specific objectives of the study, back ground of the study and scope of the study is included. A brief description about the topic and the terms are also explained in this section.

Chapter 2 Review of literature

In review of the previously published literature section, of the study included the outsourcing the theories associated with it. The issues related with outsourcing also included in this section. This section the previously published data arranged the in a systematic way as part of the secondary data analysis.

Chapter 3 Research methodology

In this section of the study, the methodology adopted for the study, explained with the help of the research onion. Through the methodology chapter the leaner illustrates the way the study conducted, a detailed explanation of the tools and the techniques used in the study included. The reasons for chosen methodology are also included in this section.

Chapter 4 Data analysis and findings

In this section of the study, the primary data collected from the respondents analyzed. The brief description about the findings of the study is incorporated in this part. The tables and the graphs (pie, bar chart) used to pictures the findings.

Chapter 5 discussion and conclusion

In this part of the study, the leaner explained the findings of the study in a descriptive manner, and discuss about the outcome of the study, through the data analysis of the primary and the secondary data. The conclusion of the study is also included as the last part of the discussion part.

Chapter 6 Reflection

In the reflective part of the study the leaner explained about the learning outcome gained through conducting this studying.
CHAPTER 2

LITERATURE REVIEW

A review of literature means an evaluative summary of studies related to selected topic from the particular subject literature. The review should explain, precise, appraise and simplify this literature. Literature review helps the reader to determine nature of the study, more over it gives theoretical foundation for the study. A review of literature helps the researcher to go beyond the boundary of search to explore maximum information that is relevant and close to the research topic in order to explain the importance of specific research topic. Though the type of studies that includes in the literature review may vary but the basic purpose remains constant.

2.1) Characteristics of an effective literature review

An effective literature review gives an outline of previous research studies by highlighting significant research trends; Assessing the weakness and strength of existing researches; Determination of inconsistencies in the body of knowledge; Establishing the importance of current or future studies.

Focus: the review of literature helps to describe what are research problem, research question and specific theses?

Type: what type review the scholar follows? Will it stress theory, policy, methodology or qualitative /quantitative study?

Scope: what are the resources or materials could I use to collect literature and its scope?

Discipline: which academic discipline would be included (nursing, sociology, psychology, medicine).

2.2) Meaning and scope of outsourcing

Outsourcing in academic literatures is varied and rapidly growing in nature. It touches various aspects from discussions on traditional theoretical basis e.g. economics of
transaction cost (Williamson, 1981) to hand book of practitioners’ on when and how to outsource. Particularly, in recent years outsourcing and it burst out (for example Hirscheim and Lacity, 1993, 1995; Minoli, 1995; Lacity and Willocks, 1998, Venketaraman and Loh, 1992; Bain and Tailor, 1999; Crone, Carey, et al, 2001; Belt 2001; Korczynski, 2001; Walsh and Deery, 2001; Houlihan, Korczynski, and Frenkel, 2001). But the area of research is not clear and well defined by any means. Since the evolution of outsourcing process, various authors has been tried to define the term outsourcing throughout the years. Most of these were underwent research and discussion.

2.2.1 Definitions of outsourcing

Outsourcing is defined by Elmuti and Kathawala (2000), as an effort to make the result oriented partnership with an external agency or service provider, to perform the activities which were conducted in the organization in a traditional way. The outsourcing can be explained as, operating through one or more activities give out to the external agency. (Lacity and Hischheim (1993). Another definition which explains about outsourcing is points out that “the act of turning to an external organization to perform a function previously performed in-house. It entails the transfer of the planning, administration and development of activity to an independent third party.”( Rothery and Roberson 1996)

The other definition put forward by Sacristan(1999), argues that the it is a mutual agreement between the organizations, in which one firm is well versed with the technology and makes the contribution to the other agency based on the agreed terms and condition for a period of time, by providing the physical and human resources. The other definition is “the substitution of activities performed in-house by acquiring them externally, although the firm has the necessary management and financial capabilities to develop them internally. It is also an abstention from performing activities in-house.”( Gilley and Rasheed ,2000).

While other authors tries to define outsourcing in a simple way by stating that the outsourcing can defined as a process of handling over a specific activity partially or fully, to a third party management to get the desired result (Bailey et al 2002). “The operation of shifting a transaction previously governed internally to an external supplier through a
long-term contract, and involving the transfer to the vendor” (Quelin and Duhamel 2003). In other definition the outsourcing explained, outsourcing more than merely buying products and the service from the external firms, it is rather the transfer of more responsibility like, business function and the associated knowledge.( McCathy and Anagnostou 2004)

It would be clear from the above definitions that, many schools of thoughts unveil that outsourcing means to acquire predetermined result the process going outside instead of processed internally. Though, these all definitions express various aspects in partial level, because these all definitions were put forward by each authors based on the purpose of their research. Thus, it can be categorized in to three: consist of, outsourcing needs a long-term, stable collaboration agreement with firms, in which the strategic partner role enacted by the supplier and where there the independent firms are exchanged relations (Duhamel and Quelin 2003; Sacristan 1999). Above definitions point out the type of service or activity could be outsourced, i.e. the services and activities are not categorized for a firm ( Campos 2001; Hilmer and Quinn 1994; ). From these definitions, outsourcing consider as an action that transfers responsibility, knowledge, planning, and activity’s administration through contracts (Anagnostou and McCarthy 2004; Roberson and Rothery 1996). Based on the above definitions, an incorporated definition that includes all features of outsourcing and provides a structure of orientation for this study as given below: - outsourcing, a planned decision includes the contracting of activities or business that are non strategic and predetermined process that are essential for providing services and production of goods by way of contracts and agreements with other companies that have higher capabilities to do these activities with the focus of betterment in the competitive advantage. One of the popularly accepted definitions of BPO is proposed by Gartner- Dataquest- (Godheswar and Vaidyanadhan, 2008).
2.2.2) Background of outsourcing

For the last few decades outsourcing has been used by companies in various industries as an important business strategy. The business processes have looked by the companies critically and objectively owing to the competitive pressure. In the present scenario companies are outsourcing business lines, manufacturing operations and entire business services successfully for the long period of time. The root of outsourcing can be rule out from the Competitive Advantage Theory propagated by Adam Smith in his book – ‘The Wealth of Nations (1776)’. Year after year the outsourcing has undergone a lot of changes. The term outsourcing set off during the time of industrial revolution in the means to shift raw materials to various locations and countries which demands cheaper labor coast, in present situation it read on new connotation. Presently advancements in information technology play a pivotal role in business transactions and definitely it became the back bone of business sector. With the help of outsourcing, companies hand over one section or whole business process of one company to another to design and implement the business according to the needs and requirements of the outsourcing company, this trend helps companies globally to work in a partnership manner. Outsourcing service providers take more and more responsibilities in domain that remained as in-house in the past, such as information management, internal quality initiatives, corporate strategy, and business investments (Sinderman, 1995).

2.2.3) Factors Leading to Outsourcing

In 1970s, outsourcing gained momentum, when the performance of large companies were below average, this tendency became more and more prominent with the set out global recession during 1980s, (Kakabadse and Kakabadse, 2000). In actual fact, a change in direction was witnessed by the 1980s in the thinking of business strategy- namely, focusing on fewer activities (Waterman and Peters 1982). The corporate companies were forced by the changes that are mentioned prior to brush up the concept, self-sufficiency and vertical integration (Mullin, 1996). By the influence of these changes in the outlook, corporation paves the way for many changes in business. They dissociate from the supplementary or peripheral business for the core business and de-integrated by outsourcing requirements for the benefit of non-critical and non-core components and
They were set out an agenda with the belief that great and quick achievements could be possible by chasing core strategies (Hamel and Prahalad, 1990). Many companies started to re-engineer their business process; as a result, they widespread their search for new thoughts and ideas to organize the business elements. Such beginning encouraged firms to redesign and rethink about business strategies so as to achieve drastic changes in the important areas, includes service, speed, quality and cost (Gamble, 1995). These changes categorized below three factors by Pederson and Jenster, 2000. Each factor is interrelated and difficult to separate one another.

Globalization: companies have extended their wings beyond their national markets to contend in global level owing to increasing the product competition with global companies and also due to short life period of products, business firms forced to access global markets so as to gain beneficial return from the investment prior to decline the demand of the product in market.

IT and Production technology: in the present scenario deep and through knowledge in the related field of work is essential but updating the knowledge will get prime importance than the fore group in order to compete with the counter parts especially in the business sector. At present technological advancements help to split-up production process in place and time, which enhance integration and coordination.

Rapidly changing customer need and preference: today’s customers have wide range availability of products and services to select from. With the availability of more products and attractive offerings would lead to divert trust of customers to single product.

By the influence of these changes, today’s business firms ready to take more duties and responsibilities that were performed in-house previously. Outsourcing became an ordinary practice for firms, which are functioning globally and domestically. Some factors, includes advantages of production cost, quality, supplies dependability are influencing the outsourcing decisions, which were discussed in the management and economic literature (e.g., Sappington and Demski 1993; Spiegel 1993; Prahalad and Hamel, 1994). Nowadays, multinational companies considering global outsourcing as a
tool to reduce the effect of fluctuations in the foreign exchange (Shapiro, 1996). From various studies we can trace out the increasing demand of outsourcing as a gate way to make link with the overseas markets over conventional way through fully owned subsidiaries (Lybrand and Cooper, 1996).

2.2.4) Drivers of Outsourcing

In a place where socio-techno-economic components are changing rapidly, it is impossible to an organization to be competitive and sustain as same in all levels of value chain (Voleti and Ramachandran, 2004). The outsourcing drivers of a company can be either internal or external, in the past this had been main focus of researches. The keys to drive outsourcing vary, that includes, financial reasons, technical reasons and strategic reasons. Financial reasons are, coast reduction, profits generating additionally and provision for periodical payment by reducing capital expenditure (Bhattacharya et al, 2003). Technical reasons include acquaintance with new technology and talents, quality improvement, easy availability of expert vendors and scale economies. Reasons include in strategic reasons are, focus on core-competencies and innovations, cost-reduction opportunities and scarcity of skilled workers are the important problems among practical drivers (Wilson and Brown, 2005; Greaver 2, 1999).

Vaidyanathan and Ghodeswar (2008) outsourcing drivers classified under four category, viz. improvement, organizational, cost and financial, and revenue. Organizational drivers are mainly focus and flexibility to compete with fluctuating business conditions. By assigning concern related to operation to an expert who is from outside the firm to gain access services, products and emerging technologies. For improving thrust on maintaining the position in market and development of new products the firm should redirect the resources to serve the customers from non core activities. Improvement drivers, mainly focus to improve productivity, quality, operating performance, and timeliness by improving technologies and skills by obtaining expertise and innovative ideas. For the improvement of operational process by means of control and management by the collaboration of superior providers, include improving the credibility and risk management. By eliminating the cost of internal staff and transferring function to suppliers, the firms would be dynamic and flexible to acquire the opportunities. Cost and financial driver’s function is the reduction in investments in property and capital funds in the business other than core business. To control or reduce the functional
cost, the firm has to accept structure of lower cost function from the outside providers and also has to move to regions that have new geography. By handling changing needs or demands more effectively through scale economies the firms can achieve reduction of cost with better performance. Revenue drivers achieve objectives in a better way by influencing service provider’s system, capacity and process and also through acquiring better market access. Revenue drivers are essential to expand its capacity for the services and to design, test and for the production of new products. To meet the increasing demands of the business and to manage the activities of the business according to its growth effectively by expand its limits with the help of outsider’s automation, latest technology, and through process maturity, to concentrate on enabler’s strategies and growth of business to meet them.

2.2.5) Strategic Reasons for Outsourcing

According the institute of outsourcing, UK, outsourcing may demand important assets transfer, major organizational disturbance, people’s dislocation, and long term relationship with the outside partner on the basis of contracts. No one of these make any logic if the benefits are not to be gained and the risks involved clearly understood and handle by the outset. Outsourcing, it is a management tool on the basis of long-term strategies. The most important reasons to accept the outsourcing by the managers (Bragg, 1998) are given below: Helps to develop new skills: If the staffs in a firm have no adequate skills to meet the new business demands, the organization consider outsourcing suppliers one who specialized in this field. These outsourcing services not only solve the problem but also help to acquire good result.

a) Helps to acquire better management: When the functions are no longer efficient and effective owing to the poor management, the firms are forced to outsource the in-house functions to that are expertise in this area.

b) To focus on strategy: Outsourcing helps the managers to concentrate more on the strategic problems through handover the tactical issues to outsourcing agents.

c) To focus on core functions: in certain situations company wants to utilize all resources and energies fort the core functions and all peripheral functions would be outsourced.
d) To avoid major investments: lack of investments in a firm leads to ineffective functions of a firm by outsourcing such functions the firm permanently escaped from such investments.

e) To assist fast growth situations: with the aim of market expansion the management of the company wants to focus on the total volume of the business equally. If certain functions handover to an outsourcer will help the management team to concentrate on initiatives for the growth of the business.

f) To handle overflow situation: maintain a supplier is effective to reduce the expense by transferring the functions when tasks are overloaded.

g) To improve flexibility: when the large swings affect the functions of a firm, it is better to give payment for the outsourcing agents for the work done by them by transferring the functions to the supplier group instead of giving fixed cost for the internal staff.

h) To improve financial ratios: for the better improvement in the return assets, most of the companies outsourcing its functions which are driven by the ratios of performance.

i) To launch new strategic initiatives: to bring changes in the overall structure of the organizations most of the companies utilize outsourcing services by the management team in the reorganization of the company functions.

j) To improve overall performance: invitation of bids from the outside source with the offer of significant levels of service and specific expectation of cost will help to sharpen the competitive mentality in in-house staff who are working in the same section.

k) To reduce costs: outsourcing not a cost reduction measure, but the cost can reduce by the suppliers. If outsourcing services centralizes several companies work will lead to scale economies.

l) To enhance credibility: a firm can sharpen its credibility by maintain a contact with well reputed and recognizable outsourcing servicers simultaneously they will assure quality services.

m) To jump to the outsourcing bandwagon: nowadays more and more companies enter into outsourcing services, as usual now it also become a business, thus, it becomes one of the main trends, that is lends credence in a company’s decision.
2.2.6) **Core Competence and Outsourcing**

The literature of management argued that the activities shall be outsourced which are out of firm’s core competencies (Hilmer and Quinn, 1994; Prahalad and Hamel, 1990; 1994; Venkidesan, 1992). The full focus of a firm should be on the core competence, by deriving cost benefits, utilizing monopolistic advantage, and through outsourcing other product’s manufacturing. There are lots of illustrations to prove the handover of vital functions or core functions to outsourcing; for instance, instead of noncore and harmless functions includes catering and cleaning outsourcing handling most important or vital functions of a company such as finance and product development. One of the important questions is arises in this situation that is, ‘what, is an organization’s core competence?’ .There will not be a clear answer. This is interesting, in 1990s since managerial strategy accepted core competence concept is an essential thing, and companies could focused on core competence, and let outsourcing the rest (Pederson and Jenster, 2000).

Core competencies can be defined as a firm’s fundamental business (Teece et al., 1997). The fact is that some of the companies know how to function well and uniquely and that is the strength of those companies to get better result than an average grade of success over long period of time (Gallon et al., 1995). Total learning in an organization particularly means how to diverse, co-ordinate production skills and to integrate various aspects of technologies (Phamel and Prahalad, 1990). The definitions that are mentioned above give a vague idea of core competence; simultaneously it put forth a vivid picture that it is unique to each organization. It also determines, all competencies are not equally important. The key determinant of a firm is decided while outsourcing the function or process. Core competency is vibrant in nature over the years undergoes various changes and updating the core competency is essential to draw the competitive advantage. To precise, core competency includes:

**Resources:** comprises technical human and financial assets;

**Processes:** includes activities and strategies through which the resources are utilized for.

**Capabilities:** maximum potential of the company consist of learning, skills, and experience of a company.
2.3) **Theoretical underpinning of current outsourcing research**

It will be difficult, if impossible to agree with the origin of outsourcing like a scientific concept or like a practice. The cost theory of transaction (Williamson, 1985, 1975; Coase, 1937) is referred in relation with outsourcing and therefore an argument that the roots of knowledge about outsourcing stretch back almost to 75 years.

### 2.3.1) Theoretical framework

Some people find it difficult, although is possible, in agreeing that outsourcing is just a procedure or a scientific idea. The theory of transaction cost (Coase, 1937; Williamson, 1975, 1985) is often speak in connection with outsourcing as an idea which had been in use and strongly rooted for the past 75 years. Person–environment fit theory is another theory, which is developed to study about outsourcing. It was an outcome of K. Lewin and H. Murray who developed it based on the interaction of environments of people (Yang, Che, Spector, 2008).

In the opinion of Yu (2012), the theory is helpful in understanding organizational sciences on the basis of behavior, viewpoint and thinking. A wide range of areas were taken into consideration in the person-fit researches which included (a) fit between the environmental demands and the ability of the individual (b) fit between the environmental resources available and the needs of the persons. (c) Fit co-relation between the values of the individual and the values of the organization.

Yang et al. (2008) stated that person environment fit theory came into formation through the inclusion of many other researches and conclusions.

### 2.3.2) Theory of Transaction-Cost View

On the basis of transaction-cost theory the decision on outsourcing or internalizing the process depends on the cost occurred during the process of production and transaction determines (Williamson, 1975). The transaction includes the following dimensions: the number of
transactions, uncertainty, and the level of specification of asset. The firm decides to outsource the business process, if all the mentioned dimensions of transaction are found considerably low (Mahnke et al., 2005).

The contract signed between the vendor and the client should be a detailed and a crystal clear contract because there are chances for exploitation which we need to avoid as per the mentioned approach (Lacity and Willcocks, 1998; Poppo and Zenger, 2002). But on the other side it may also lead to opportunism or mistrust (Ghoshal and Moran, 1996). Such over emphasis also affect badly with regard to vendors.

2.3.3) Person environment fit theory

The person environment fit theory highlights the level of sameness among a person or persons and environmental features. The features of an individual consist of values, nature and capabilities and in the same way the features of environment include some physical conditions, cultural standards and its resources. The study attributes that a person’s conduct or perspective are in relation with the level to which surrounding is apt and better fit (Hardin & Donaldson, 2014). The conclusion is that the employees are happier if the features among the persons and environments are equal. The above theory is helpful in exploring job-oriented stress, work satisfaction, turnover, emotional and physical wellness. The mentioned theory is often used in stress related researches since it aims at person’s adjustments to job conditions than regular approaches. The studies show that the strain hikes although the workers expect favorable conditions as all prefer to in every job area (Warr & Inceoglu, 2012). The person-environment fit theory explains the misfit among the employees and their work locations, is a major cause for the strain that may cause mental or physical up normality’s of workers.

2.4) ROLE OF CULTURE ON OUTSOURCING

The strategy of outsourcing will bring about changes in the cultural or moral policies. This strategy of outsourcing will lead to disorientation of the culture of the organization (Corby, 1998). The employees of the organization will get distracted to their existing cultural values and ideas. The organization’s cultural values are to be considered because it plays a vital role in the
formation and execution of outsourcing strategy (McIvor, 2005). The organization’s prevailing culture is affected when an outsourcing agent from outside enters (Hemmington and King, 2000). It will result negative when the cultures of both do not go hand in hand which results in achieving their goals. The relationship of outsourcing can be narrated as the extension of the culture of client company. (Kshetri, 2007). When a decision for outsourcing occurs it should be transparent as it’s a foundation stone. The effort of establishing the cultural transparency and mutual understanding are key elements in communicating framework (Schoker, 2008). As per the opinion of Hendry (1995) the formation of communication framework will activate corporate culture. According to Ogbonna and Whipp (1999) the culture bridges the gap between the HRM and the organizations strategy. It is very much necessary for the companies to have an organizational culture because it plays a vital role between the firm’s performance level and HR. Bowen and Ostroff (2004) proposes that the power of the climate of the organization is much important connection between the performance of the firm and HRM system. Lau, Kilbourne, and Woodman (2003) propose that the members of the organization get confused to the cultural changes because these changes involve changes in shared interpretations or ideas (Lau, Ngo, 2004). The performance level of the organization thoroughly depends on its culture with regard to activities of HR for outsourcing. There is a wide range of acceptance for the HR departments which is less bureaucratic and that not often being criticized for forceful implementations to operational flexibility (Greer, Youngblood, Gray, 1999). Another unavoidable component is language similarity for cultural compatibility. The cultural compatibility gets increased in relation with the destined countries and the managers of the organization (Kshetri, 2007). The study on offshore outsourcing is a part in literature. The effect of the nation’s culture on communication technology or information technology is examined in terms of outsourcing.

The researches done by Kshetri(2007) highlights the factors that affect outsourcing of business processing and IT. The national culture has great impact on the outsourcing sector because the culture of the organization is almost same as the culture of the nation.

2.5) Employees’ attitudes towards outsourcing

As we often find in any researching area the researches done in the practice of outsourcing with regard to psychological aspects is considerably low (Giardini, Kabst, 2008). Every aspect in this
area is interconnected like the employee’s attitude towards the BPO sector, is very important because it results in the outcome of the organization. Another fact that affect is the employee’s familiarity with the subject like the content or the way of processing, because all these things vary from process to process. Outsourcing may be favorably evaluated and at the same time it could be environmentally unfriendly all these things are determined by the aspects it contains (Drezner, 2004). The employees, backbone of the organization, are provided with the feeling of oneness or togetherness under the roof of organization but when this is not so they can become restless and sometimes harmful because their identification sense is disrupted. There is a risk of losing the jobs as minor number of HR professionals is against outsourcing, because they can be forced to work under vendors who are unfamiliar and management may come to the conclusion that outsiders are more able and competent. (Belcourt, 2006). When there is an arrangement of outsourcing starts the employees will start searching for job opportunities and will suffer from anxiety related problems which will lead to loss in production (Belcourt, 2006). The firm’s decision regarding outsourcing will bring about changes in the psychological and emotional contract of employees with the organization but there could be a reasonable reason regarding outsourcing activities. Some employees take it positively through upgrading the role they play in the organization. They do so by focusing on activities of high value, avoiding laziness and working hard and repetitive. Outsourcing can be a nightmare for some because they may lose their job (Adler, 2003). Numbering such important impact or influence on employees we could conclude that outsourcing will lead to changes in their psychological aspect that results negative in the outcome of the organization like perceived betrayal (Kessler, Coyle-Shapiro & Purcell, 1999), insecurity of job, (Cooper, 1999), low self-esteem and pessimism (Applebaum, Simson, Shapiro, 1987).

To check out, is outsourcing creating difficulties or does it reduce the quality level in delivering customers their service, small companies can concentrate more on their internal functions while outsourcing their jobs and these small companies can compete or defend with bigger ones (Griffin, 2012). The members of the company or organization need not to be trained for availing the advantages of these types. Moreover Griffin and Moorhead (2010) state that the companies need not spend their time, money or resources unnecessarily for recruiting personnel who have great expertise in this field. Often recruiting such employees to the work could be harmful to their financial setups. Outsourcing is an option which is practical to any organization, the
company’s core functioning is affected by taking attention to these works because it deals with other business aspects (Griffin & Moorhead, 2010). The companies by concentrating on their core business, they can improve and grow a lot in their business areas or functions. Outsourcing also helps in expanding their business opportunities (Hill & Jones, 2012). When a company concentrates on its core business functioning at the same time other companies who deal with aspects other than their core functioning, the productivity and the quality level will be increased and the company could be rated high. According to the observation of Hioll and Jones (2012), such approach in business will provide them with an opportunity to improvise the business values and business areas. This would give them the base to improve or maximize their business sizes. Most of the enterprises choose outsourcing, by doing so; they can save a lot of precious time and it’s a good business approach. The consumers are fed with even faster deliveries by the companies who outsource their works (King, 2002). In the opinion of Selko (2013), Recruitment Process Outsourcing industry’s (RPO) current value in India is estimated around $2.5 billion and in the following years the calculated growth in the annual value of 30-40 per cent. Selko (2013) says that the percentage of Indian companies is only 8-10 in completing the recruitment process. However the companies who outsource recruitment process increases at a fast rate. The organizations that outsource are trying hard to provide its consumers benefits. The companies that outsource recruitment process has number of major advantages and one among is that they can save a lot of cost incurred in recruiting process (Hill & Jones, 2012). The third party’s experience, scale of economy, expertise etc are made use to improve the recruiting quality and overall speed of the process. When outsourcing takes place the HR professionals of the company can focus widely on the HR issues and strategic problems Hill and Jones (2012). The recruitment process is backed up with structured approach by outsourcing with the company itself (Griffin & Moorhead, 2010). The part of recruiting processes outsourced will range from arrangement of interviews and activities which consume a better portion of recruiting process (Griffin & Moorhead, 2010). Contractor et al. (2010) says that when outsourcing takes place the organizations can save a lot of time, cost etc and focus mostly on their internal issues, working and core business processing which will raise the company and get rated one among the best. Job opportunities that are latest are accessed through the help of consultants (third parties) which is their mode of operation. The organization’s production capacity can be expanded through the means of outsourcing without investing much and that
will help to have a new business start-up without much investment or risk and more over the product can remain in the market at price which competitive balancing not to have heavy loss or price-pressure.(Schoeman, 2007).

2.6) **Role of outsourcing in creates or increases stress, anxiety and inter-personal conflicts in employees.**

Unpleasant situations are incurred due to work-Related Stress. Adaramola (2012) opinions that some stress can be accepted but at the same time stress which is unbearable can cause physical and mental troubles. Stress that is incurred from the job is a negative form of stress and it is caused by the imbalance between the work conditions and employees (DeTienne, Agle, Phillips, & Ingerson, 2012). There are two types of stress described by Kung and Chan (2014). The following are the types of stress: eustress and distress. Eustress is considered as positive stress which helps the employees to improve their work pattern and job demands and can become experts in their respective fields. Ashill et al. (2015) explained further that eustress is thoroughly dependent upon quality and experience of the worker and the working environment features. Distress is something which is really harmful to the employees in terms of work demands and it’s a stress which is negative (Kung & Chan, 2014). In the opinion of Ashill et al. (2015), the imbalance between the ability of employees and work demands are the reasons for this negative stress. The work place can lead to worst level of stress, the success in career and financial support are depending upon the work performance of each individual. The stress incurred through work can affect the ability to manage his or her work requirements, the success of the organization and the well being of the employee (Ashill et al., 2015). In the observation of Edwards and Cooper (2013), behavioral and psychological strains are associated with job oriented stress. When the employees are experiencing various types of stress during the changes in the organization, caused by changes in work loads, working hours, working situations, may lead them to up normal sleeping and eating habits. Mark and Smith (2012) said of other health issues like stomach troubles, heart attacks and head ache. Depression, frustration, anxiety, job dissatisfaction etc are the results of psychological stress. (Ferguson, Frost, & Hall, 2012).
In the opinion of the researchers who analyzed the studies performed earlier concludes that the unfavorable conditions and processes faced in the place of work will lead to work related stress. The work environment and employee interaction can lead to negative outcome and stress (Chen, 2008). The job demands required from the employees are above the capabilities of them then it can lead to increase in stress and health issues. In the opinion of Angrave and Charlwood (2015), overworking is a condition where employees are dealt with high demands and a total imbalance occurs.

The study conducted on “Role of Outsourcing in Stress and Job Satisfaction of Information Technology Professionals” Robinson Renee Janel (2016) proved that the stress levels change from persons to persons. According to the interview with the participants when outsourcing activities are taking place they experience a level of stress. In most of the cases the employees became stressful due to the anxiety of job loss or reducing the job responsibilities. But for some others the changes in the organization made to have great stress level. When the workers are displaced, others had to undertake other job responsibilities other than their own and increase in the working hours caused them to have a stressful period. Over working made those to have high demands that also resulted in stress related issues. Another problem face by the participants was the alterations were not handled well. The stress caused in working has a connection with the work conditions and the ability of the employee and it is supported by person- environment fit. The employees cannot work well to their maximum while they are under stress and their work won’t meet with success.

2.7) Role of outsourcing in Change Management Process of the organization

Research conducted by Clark (2013) said that “Change management in Outsourcing” mentioned about how outsourcing can bring changes to the organization. Some functions of outsourcing are to be changed from time to time because the processes can’t remain same. Sometimes the employees may have to consult with employees of foreign origin and so they need to change their work methods slightly. Even though it looks simple the management will have to take it critically serious because these changes will remain static throughout the process of transition. The change in the management process aims at the correct implementation of outsourcing with no chance of service disruptions; to keep up or to maximize the productivity
and employ engagement and thus create an emotional bond between the department of outsourcing and maximizing savings and values.

2.8) *Outsourcing affects the safe keeping of official secrets and technical knowhow.*

Several researches have been attempted to categorize the risk of security that is affecting the intellectual capital of the organization. In the opinion of Loch et al. (1992), Tickle (2002), Posthumus and von Solms (2004) and Faisal et al. (2007) these types of risks can be classified into two. The first one includes the risk that might incur from within (i.e. within the boundaries of the company) and the second includes the risks that is external (these are risks that could harm the organization from outside). Above that the researched works (Haugen and Selin, 1999; Loch et al., 1992; Hinde, 2003; Posthumus and von Solms, 2004; Chang and Yeh, 2006; Bojanc and Jerman-Blazic, 2008) classify both risk that is internal and external can be classified again into two. The first is human (threats caused by human acts) and non-human (caused by technical issues or natural phenomena) indented or unintended. Among all the threats human threats such as attempting theft, demolition of intellectual properties and valuable information, hacking of network services, virus threats through applying malicious codes, theft of identity and violation of accessing personal data are considered to be grave (Loch et al., 1992; Fenn et al., 2002; Hinde 2003; Chang and Yeh, 2006; Bojanc and Jerman-Blazic; 2008). The researches done by Loch et al., 1992 and Chang and Yeh, 2006 proved that the most affecting threat faced by any company is from the actions of the employee itself. Another important threat that is mentioned in the study is the security risks from outside the organization caused by the increased business process outsourcing. These days’ security issues are on the move from domestic to international which means third party security issues are involved in this sector and these risks are on a hike. When we handover our business processes to third parties (outsourcing) the information is no longer only with the company. The data can be accessed even by the subcontractors and the enterprise loses control on the sensible or secret data (Peltier and Edison, 1996; Karyda et al., 2006; Hoecht and Trott, 2006; Faisal et al., 2007; Desouza, 2008; Doomun, 2008). The situation will become even more harder when business processing is sent outside the country (off shoring).
takes place because it will be beyond the reach of the nation’s culture or legal environment (Kennedy and Clark, 2006; Colwill and Gray, 2007; Pai and Basu, 2007).

The web article of Jaris (2013) “Problems with Outsourcing and How to overcome them” suggested that the company’s intellectual property includes knowledge of proprietorship, secrets of trade and other business plans. There is a chance of property hacking, risk to the client company by outsourcing. While we do outsourcing the information or whereabouts regarding the customers of the company should be kept confidential and we should remain patient while outsourcing the business processes.
CHAPTER 3

RESEARCH METHODOLOGY

3.1) Introduction

The term research denotes the ‘pursuit for knowledge’. Research is always referred to the detailed study or in-depth search for a scientific and systematic knowledge on a specific subject. This form of study can be said as an art of investigation though a scientific methodology. Over the time scholars have defined research methodology in various words as the process have evolved with times. OECD (2002) has defined research as “a creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society, and the use of this stock of knowledge to devise new applications”. Creswell J. W. (2008) has explained research as, “Research is a process of steps used to collect and analyze information to increase our understanding of a topic or issue”. According to him the research process has three steps: State a question, gather data to the answer the question, and to conclude with an appropriate answer to the research question.

In a methodical research the researcher details the manner is done. Both the techniques used and the systematic approaches to the selected subject have been explained well. Here the research methodology is explained with the help of research onion stated by Saunders al (2007)

3.2) Research Process

The learner has adopted the research onion to elucidate the scientific and systematic process of leaning. To make the process a better understanding aspect the learner has used Saunders al’s research onion as a model.

3.3) Research Onion

The way the research is done with a clear methodology is said to be the research onion according to Saunders et al, (2007). It gives a clear and precise outlook on the process and methods used to carry out the research by the learner. Various elements that are included in the research onion are the research philosophy, research approach, research strategies which include the sub sessions of
research work, like that of data collections and analysis of the case study. A leaner gets clarity on the methods of systematic research through this design.

**Figure 1 Research Onion**

![Research Onion Diagram](https://www.researchgate.net/figure/282912642_fig2_Figure-2-The-research-onion-Saunders-et-al-2012)

Source: Saunders et al. (2009) available on [https://www.researchgate.net/figure/282912642_fig2_Figure-2-The-research-onion-Saunders-et-al-2012](https://www.researchgate.net/figure/282912642_fig2_Figure-2-The-research-onion-Saunders-et-al-2012)

### 3.3a) Research Philosophy

The nature and sources of data collection and the analyses becomes the philosophy of research studies. Therefore the research philosophy becomes the assumption and belief for the researcher for his or her studies. In a proper design of the research philosophy the research onion has the place in outer layer as the learner has to make the philosophy clear before he or she starts the
research. Various types of philosophies used in this design method are positivism, realism, pragmatism and interpretivism.

i) Positivism
Here the learner becomes the observer of the research process. Collins, H defines positivism “as a philosophy, positivism is in accordance with the empiricist view that knowledge stems from human experience. It has an atomistic, ontological view of the world as comprising discrete, observable elements and events that interact in an observable, determined and regular manner”. The principals of this philosophy are classified into three.

- The prime objective of the research is to define and predict.
- Empirical data sources which can be assessed by human senses, are preferred for the research. During the process of research the hypothesis has to be tested.
- The influence of common sense could be restricted during the course of study.

ii) Realism
The scientific way of research has more of realism as the philosophy to be followed. The main crux of realism would be understood as, what human can be sensed as facts will be considered as truth. The root of realism comes from epistemology, which has a close link with positivism philosophy. Both have a similar approach to the study of knowledge. These conventions validate the collection of the data for the research and the analysis of those data. To comprehend the exact meaning of realism, one has to know the two types of realisms: those are direct realism and the critical realism. By direct realism it would be understood as “what you see is what you get: what we experience through our senses portrays the world accurately” (Saunders, M, 2012). Whereas critical realism is seen as, only reflection of what we see and experience in this world which is not direct. To say so, the world is only a sensational reflection of the things not directly experienced. (Saunders, M, 2012)

iii) Interpretivism
This philosophy post the need of the researcher’s explanation on the difference between the studies conducted on human beings and natural environment. It raises doubts on the explanations given on the study done on objects. Humans and their interactions with the environment are
stated as ‘social actors’ according to Interpretivism. By this the leaner understands that interpretive philosophy explains the meaning of social roles as the connotation which is attributed to the roles. Besides this, the researcher interprets the social roles of others, in accordance with the set roles given by their environment.

iv) Pragmatism

According to this philosophy the learner can’t reach to a conclusion without the proper study of more than perspective or concept. Therefore, Pragmatism philosophy has the objective of, finding out the practical conclusion of the research subject. Although the philosophy has the function of learning the multiple aspects of the chosen subject, the research does not clearly done by gathering and analyzing huge source of data, it rather give significance for credibility and validity.

v) Chosen philosophy

After appropriate valuation and consideration the researcher has chosen **positivism** as the philosophy for the subject study. By the use of positivism the leaner tries to not to have any influence on the findings of the research, rather present oneself as the observer who is keen to use scientific and systematic techniques for the data collection and entire research process.

3.3b) Research approach

The way the theory is utilized in the research process is said to be the research approach. The basic to approaches used commonly in research process are deductive and inductive approaches.

i) Deductive approach

In this approach the researcher firstly develops a theory or hypothesis. After that, based on that theory or hypothesis the researcher makes a design and various strategies to conduct the research.

ii) Inductive approach

Here the researcher firstly collects all the data possible and make an analytical study on data gathered. Based on the collected information researcher concludes on a theory. The theory will explain the details of the findings.
iii) Adopted approach for the study

In this study, the learner chose an inductive approach because in this study the learner is not testing any hypothesis or theory. First, the learner tried to collect the data and based on that, theory or hypothesis formulated.

3.3c) Research strategy

Yin (2003) explains that different strategies can be used: exploratory, descriptive, and explanatory research. The only concern would be that the chosen strategy is in accordance with the research objectives and will assist in answering the research questions. Saunders, Lewis. And Thomhil’s (2012) explained research strategies in research onion are placed below.
i) Action research:
Action research is considered as the effort to cooperate with the customers in order to specify the issues and to sort out solutions depending on the intensity of the issue. (Bryman and Bell, 2011). In this form the researcher is more into finding the problem and its background, suggesting solutions to the problems rather than just focusing on the way the study is conducted. In action research the findings also gives space for the solutions part as well. Therefore it is considered as action oriented research.

ii) Experimental Research:
Experimental research strategy helps the researcher to analyze the cause and effect relationships between the variables. This method is used mostly in physical and chemical science situations, in which the modern technology and equipment are used to carry out the process. With this advancement of usage of latest technology the experimental research is more scientific and technical in nature. (Saunders, M., Lewis, P. & Thornhill, A. (2012)

iii) Survey:
This method is usually used in the deductive approach of research studies. The basic questions answered in this form are like who, where, what, how much and how many. Commonly business concerned research are more popular in this method, because they can gather large amount of information in very cost effective way. Survey strategy is better understood and considered easy to explain to common people, therefore it is taken as an authoritative style of research. (Saunders, Lewis, &Thomhil, 2012).

iv) Case study:
Robson C (2002) defines case study in research as “a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context the need for a clear research strategy formulating the research design using multiple sources of evidence”. Case study is considered as the best way to achieve a clear and rich understanding on the context of research, if the researcher has fixed the topic in accordance. (Morris and Wood 1991)
v) **Grounded theory:**
In this method the researcher does not need to create a theoretical frame work before the data gathering. Data collected and analyzed helps in the formulation of the theory. Ground theory due to the continuous data development and test the theory gives an inductive or deductive nature.

vi) **Ethnography**
Ethnography is a research strategy which is derived from the anthropological studies. The prime purpose of this strategic study is to explain the social cultural contexts of the subjects chosen. It is required of a specific amount of time for the type of research as it happens in the actual society and cultural contexts.

vii) **Archival research strategy:**
The last form of research strategy is the archival research strategy. Here the administrative records and documents are the prime data source. From its root meaning it denotes the historical point of research more but it is very much relevant in the contemporary and historical aspects of studies.

viii) **Chosen strategy**

In this study the case study research strategy was chosen by the leaner. “a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context the need for a clear research strategy formulating the research design using multiple sources of evidence”( Robson C,2002). As this study is based on the outsourcing and its impact on the human resource of the organization, which is Dell Ireland the case study method can support the study well. The study is focused on the employees of the organization and the data is collected about their own experience, by chosen the case study the leaner could understand the research process and it’s enact.
3.3d) Research choice

It focuses on the method to be utilized during the process of research. The various forms of research choices are mono, multiple and mixed methods.

i) Mono method

It is the single method of choice and techniques applied for data collection and analysis.

ii) Multiple method

The researcher has the option of choosing more than one method of data collection and analysis in the multiple method system. For instance the researcher can make use the questionnaire and the observation method for data collection.

iii) Mixed method

For the data collection and analysis the researcher takes both the quantitative and qualitative techniques in the mixed method.

In the particular research the leaner has applied mono method for the data collection and analysis.

3.3e) Time horizon

The time constrains of each day has been detailed here in the study. In a research context the main two types of time horizons discussed are the cross-sectionals studies and the longitudinal study.

By cross-sectional study it would mean the precise phenomenon studies during fixed time duration. Academic researches come under this as they have specific time period and deadlines.

As longitudinal study comes more like the change ad development. Here the researcher has to study the persons or the instances by close observation and measuring for time duration.

In this study the learner has applied sectional study because it has to be done within specific time duration.
3.3f) Data collection and analysis technique

The significant aspect of a research is considered as the data collection and its analysis. Among all this aspect is the core in the research onion. At this stage the leaner has to make a clear report on the sampling techniques, types of data and the way they have been analyzed.

3.6 A Population: This research holds the 2500 full time staff of the Dell Ireland as the population. Questionnaires have been distributed and data are collected from the staff of this particular organization. The questionnaires focused the objectives of the research.

3.6. B Sample size: the total sample sizes of the participants are 1250. 50% of the population has been chosen for being the respondents of the research. A set of prearranged questionnaires have been given to the participants.

3.3g) Type of data

i) Primary data

The raw material of the research is the primary data in the research. First the data are been collected and through appropriate strategic method they are analyzed. So it can be said that the primary data is something like the un-synthesized data. The primarily data are gathered from the selected employees of the firm. For this purpose the learner has made use set type of questionnaire. This questionnaire assists the learner not to deviate from the objective of the research.

ii) Secondary data

Information collected from published journals and research works are considered as secondary data. It is a type of raw data. In this particular study the researcher examined various publications academic journals and reports from the Dell Ireland. Appropriate academic theories also are included as the source of secondary data for this particular research.

3.3h) Methods and techniques of the Data collection

The primary data collection method is, use for collecting the data to get the precise result. The most commonly adopted methods for the primary data collection are as follows
i) **Observation**

Observation is the least considered method of data collection in research, but it helps to add the richness to the study, it is very rewarding to pursue. If the study framed about people’s behavior, or their mode of activity in a particular situation, the researcher needs to observe it. But in research the observation method is a systematic way to approach like, systematic way of observation, then it recorded for analysis, then analyze and interpret the behavior. There are two type of the observation method those are participant observation and structured observation (Saunders, Lewis, & Thomhil’s (2012))

ii) **Interview**

According to Kahn and Cannell (1957) “an interview is a purposeful discussion between two or more people”. The interview helps the researcher to gather relevant data for the study, based on the objective of the study. The interview can categorize in to structured interview, semi structured interview and unstructured interview.

**Structured interview** can conduct using questionnaires those include, standardized and identical set of questions. **Semi structured interview** are not considered as a standardized interview .they are considered as the ‘qualitative research interviews’ (King 2004). In semi structured interview the researcher make a list of the area covered for the data collection, this can vary from interview to interview by the nature of the organization and respondents. **Unstructured interview** the researcher needs not to make an interview schedule. The interviewer make note of the area of the subject from where the data can collected in depth.

iii) **Questionnaire method**

Questionnaire method, “work best with standardized questions that you can be confident will be interpreted the same way by all respondents” (Robson 2002). Questionnaire method is not good with the explanatory, research as it need a lot of open end question. Questionnaire is good for the studies with descriptive or explanatory in nature.
iv) Focus group discussion

This method of data collection, the focus group deals with the data collection of the area of study which cannot obtain through other method. As focused group discussion is a qualitative method of data collection the researcher can get the data from the group. The main advantage of this method from participant observation method is the researcher can get a large amount of data by observing the group within a limited time period. But it completely depends upon the researcher’s ability to form the focused group within the time period. (Morgan, 2010)

v) Method chosen for the study

In this study the researcher chose the questionnaire method, as the data is collected through the e-form of questionnaire. The other methods of data collections like observation and the focus group is not possible, more than that, this study’s objectives cannot answer through the observation or focused group method. So the best data collection method is questionnaire

3.3i) Research Ethics

As far as a research is concerned, research ethics have a vital place; it comprises the rule, principles, and traditions which need to be followed while conducting the study. When carried out this research, researcher had given special attention to follow and show adherence to these ethics. In each stage of research, researcher had given attention to the ethics. Consent of Participant is being considered as an important factor in research ethics, which means a researcher has ethical responsibility to ensure that no participant is involved in the research by cheating or of force. Participants have the right to take well informed decision to participate or not participate in any research. In the case of this study, researcher had made sure the free will of participants to involve in the research. Second area is the dignity and respects of the participant, researchers have to make sure that all participants are being treated with respect and dignity. In this research all the participants were treated with dignity and respect. Another important area in research ethics is confidentiality. Every researcher needs to make sure the confidentiality while gathering and presenting data. Confidentiality should not be broken. In this research, researcher had followed the principles of confidentiality, objectivity and non-discrimination while
conducting the research. Credits have been given to all references and materials taken from other persons and sources.

3.3. j) Data analysis and interpretation

Or conducting a proper scientific research, researchers have to collect required, relevant data. The data are normally classified in two categories one is primary data and other is secondary. Primary data are being considered as the firsthand data which normally being collected directly from the respondents or participants of the research. In order to collect these primary data, researchers use various data collection tools, like questionnaire, interview schedule, focused group discussion etc., Morgan (2010) Secondary data are the data which are normally collected from secondary sources which means data collected form published studies, books, journals, online sources etc. These are data which are already produced by someone. In order to conduct a comprehensive study, both kinds of data are important. Morgan (2010), Harrison and Reilly (2011) in this research, researcher has gathered both primary and secondary data. Primary data were collected from the respondents (900 in-house staff of Dell Ireland) using, e mail questionnaires. And secondary data were collected from various sources like, from published studies, websites, books and journals etc.

3.3k) Research Limitations

When a researcher continues with his research work, he might encounter with various kinds of limitations. These limitations may arise from the initial panning stage till the completing phase of research. The nature and types of limitation may vary from research to research. Some common limitation researchers face while working on their research activities include issues like logistical limitations, reliability issue of data, inadequacy and non availability of data etc. As far as this research is concerned, researcher had faced various limitations. One was related with time, researcher had to complete the whole research in a pre-planned stipulated time span, so a very extensive study was not possible, second limitation was regarding the data collection, due to the busy working schedule of the respondents, researcher could not approach them directly so email questionnaire was used as the major primary data collection tool.
Chapter 4

Data Analysis / Findings

In this chapter, researcher has listed the major findings of the study. Gathered data has been analyzed using statistical methods.

SPECIFIC OBJECTIVES

To understand whether outsourcing creates or increases stress, anxiety and inter-personal conflicts in employees.

Communication difficulties between In-house and Outsourced Team lead to unnecessary stress at work.

N = 900

Table 1 Communication difficulty and stress at work

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree.</td>
<td>530</td>
<td>59%</td>
</tr>
<tr>
<td>Strongly Agree.</td>
<td>170</td>
<td>19%</td>
</tr>
<tr>
<td>Disagree</td>
<td>163</td>
<td>18%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>37</td>
<td>4%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100</td>
</tr>
</tbody>
</table>
Figure 3 Communication difficulty and stress at work

Communication difficulties between In-house and Outsourced Team lead to unnecessary stress at work.

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>530 59%</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>170 19%</td>
</tr>
<tr>
<td>Disagree</td>
<td>163 18%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>37 4%</td>
</tr>
<tr>
<td>Total</td>
<td>900 100%</td>
</tr>
</tbody>
</table>

59 percentage of respondents agreed that the communication difficulties between the home and outsourced team had created increased stress at work. And it is noticeable that 19 percentages, which means 170 respondents, clearly mentioned that they strongly agree with the statement which means communication problems leads to higher and unnecessary stress at work place. While, 18 percentages of respondents disagreed with the statement, they did not agree that communication difficulties which are there in between home and outsourced agency staff can make unnecessary stress at work. Only 4 percentage of the total respondents strongly disagreed with the statement.

How often receive wrong reply from the outsourced team without really understanding what they were really asked for.
Table 2 Recurrence of wrong reply from outsourced team-

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Often</td>
<td>327</td>
<td>36%</td>
</tr>
<tr>
<td>Very often</td>
<td>107</td>
<td>12%</td>
</tr>
<tr>
<td>Moderately often</td>
<td>133</td>
<td>15.5%</td>
</tr>
<tr>
<td>Slightly Often</td>
<td>167</td>
<td>18.5%</td>
</tr>
<tr>
<td>Not at all</td>
<td>166</td>
<td>18%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 4 Recurrence of wrong reply from outsourced team-

36 percentage of the respondents responded that they ‘Often’ face this issue, while other 107 respondents (12 % of the total respondents) replied that ‘very often’ they face this communication problem. And 133 respondents replied to the question that, they had ‘moderately often’ faced this problem. Only a very small percentage of respondents replied ‘Not at all’ to the
question which means they have never faced the above discussed kind of communication problem while working along with their outsourced counterpart.

**How often engage in dispute with the Outsourcing Team counterpart related with work**

**Table 3 Recurrence of dispute with the Outsourcing Team counterpart related with work**

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Often</td>
<td>370</td>
<td>41%</td>
</tr>
<tr>
<td>Very often</td>
<td>85</td>
<td>9%</td>
</tr>
<tr>
<td>Moderately often</td>
<td>198</td>
<td>22%</td>
</tr>
<tr>
<td>Slightly Often</td>
<td>76</td>
<td>9%</td>
</tr>
<tr>
<td>Not at all</td>
<td>171</td>
<td>19%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>900</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**Figure 5 Recurrence of dispute with the Outsourcing Team counterpart related with work**
The data clearly shows that 41% of the respondents had ‘often’ engaged in dispute with their outsourced counterpart while dealing with official works. And 9 percentages responded that, in their case, the frequency of dispute was ‘very often’. And as far as 198 (22%) of the respondents were concerned, it was moderately often, from this data and statistics, it is very clear that, a great majority of respondents were normally engaged in disputes with their counterparts while doing their job, it can be considered as clear sign of stress and ambiguity in the work. This could wrongly intervene in their team spirit as well. Only 19 percentages of respondents had replied that they never had any dispute with their outsourced counterpart.

**Did the respondents think that their job become more stressful while they work with Outsourcing Team compared with their In-house team members?**

**Table 4 Level of stress increase when work with outsourcing team**

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>676</td>
<td>75%</td>
</tr>
<tr>
<td>No</td>
<td>224</td>
<td>25%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100</td>
</tr>
</tbody>
</table>

**Figure 6 Level of stress increase when work with outsourcing team**

![Pie chart showing 75% for Yes and 25% for No]
The replies of the respondents clearly give a message that, three fourths (75%) of the respondents had a feeling that, working with home staff – in-house team members are more stress free while comparing the team work with outsourced counterpart members. This data indicate to a considerable amount of stress facing by the employees while work in association with the outsourced team members.

**Specific Objective 2**

To analyze whether the cultural differences, resulted from outsourcing, have lead to conflicts and unease in the working environment of the organization.

Did the respondents think that there were cultural differences between the Home Staff and Outsourcing Team which could intervene in the functioning of the organization?

**Table 5 Cultural differences induced conflict between in house staff and outsource team**

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>617</td>
<td>69%</td>
</tr>
<tr>
<td>No</td>
<td>283</td>
<td>31%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100%</td>
</tr>
</tbody>
</table>
Figure 7 Cultural differences induced conflict between in house staff and outsource team

cultural differences, resulted from outsourcing makes issues functioning of the organisation

From the data, it can be understood that, 69% of the respondents believe that the cultural difference of in house staff and outsourced team members is significant and it can intervene and influence the functioning system of the organization.

Did the respondents believe that general cultural differences between Home Team and Outsourcing Team could affect the team work?

Table 6 Cultural differences between Home Team and Outsourcing Team could affect the team work?

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>680</td>
<td>76%</td>
</tr>
<tr>
<td>No</td>
<td>220</td>
<td>24%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100</td>
</tr>
</tbody>
</table>
As per the collected data, 76% of the respondents expressed an opinion that, they consider and believe the prevailed ‘general cultural differences’ between in-house staff and outsourced team members could affect their team work. Only 24% of the respondents responded that they don’t consider and believe that the existed cultural differences of in-house team members and outsourced team members could affect the team work.

Lack of understanding of Outsourced Team about the ‘home work culture’ create unnecessary delay and confusion in the functioning of the organization.
Table 7 Lack of awareness of outsourced team about home work culture creates problems in organization

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree.</td>
<td>423</td>
<td>47%</td>
</tr>
<tr>
<td>Strongly Agree.</td>
<td>273</td>
<td>30%</td>
</tr>
<tr>
<td>Disagree</td>
<td>165</td>
<td>19%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>39</td>
<td>4%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100</td>
</tr>
</tbody>
</table>

As per the reply got for this question, 47% of the respondents agreed with the statement that lack of understanding about home culture from the side of outsourced team member lead to unnecessary delay and confusions in the functioning of the organization. 30 percentage opted the
‘Strongly Agree’ for this question, so from this data, it can be clearly understood that around three fourth of the total respondents believes that the lack of understanding from outsourced team member regarding home working culture can affect speed and smooth functioning of the organization as a result, delay and confusion could be happened. 165 and 39 respondents disagree and strongly disagree with the statement respectively.

Specific objective 3

To find out, does outsourcing create difficulties or reduce quality of service to the customers.

How often the employees of Dell used to get complaints from customers regarding the services delivered by Outsourcing Team.

Table 8 Recurrence of complaints from customers regarding the services delivered by the outsourcing Team.

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Often</td>
<td>227</td>
<td>25%</td>
</tr>
<tr>
<td>Very often</td>
<td>207</td>
<td>23%</td>
</tr>
<tr>
<td>Moderately often</td>
<td>233</td>
<td>26%</td>
</tr>
<tr>
<td>Slightly Often</td>
<td>206</td>
<td>23%</td>
</tr>
<tr>
<td>Not at all</td>
<td>27</td>
<td>3%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100%</td>
</tr>
</tbody>
</table>
Figure 10 Recurrence of complaints from customers regarding the services delivered by the outsourcing Team.

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Often</td>
<td>227</td>
</tr>
<tr>
<td>Very often</td>
<td>207</td>
</tr>
<tr>
<td>Moderately often</td>
<td>233</td>
</tr>
<tr>
<td>Slightly Often</td>
<td>206</td>
</tr>
<tr>
<td>Not at all</td>
<td>27</td>
</tr>
</tbody>
</table>

when the question presented before the respondents, 900 in house staff, 25% of the respondents said, they get complaints regarding the service delivered by the outsourced team members. Often, 13 percentage replied Very Often to the question, and in the 233 respondents (26%, the answer was Moderately often. Only 3% of the respondents replied that they never had received any complaint from the customer regarding the service delivered by the outsourced team member. 23% replied that they Slightly Often get complaints from customers.

What were the complaints staff normally get from customers regarding the delivered service from Outsourced Team
From the gathered data, it can be seen that 34.5 % of respondents reported that, ‘unclear communication’ as the normal complaint they get regarding service delivery of outsourced team members. This significant percentage points to the lack of effective communication from the

employees while delivering service to the customers. As an answer to the question, 33% percentage reported that ‘inaccurate instructions’ from the side of outsourced team members as the normal and most common complaint they get. Poor professionalism is noted as the other major complaint by the respondents.

Which were the two major two identified problems of Outsourcing Team while working together and engage in internal business dealing?

**Table 10 Major identified problems of Outsourcing Team working as a team**

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Language barriers, Time difference in the countries</td>
<td>329</td>
<td>37%</td>
</tr>
<tr>
<td>Delayed actions and replies, Lack of professionalism</td>
<td>571</td>
<td>63%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100</td>
</tr>
</tbody>
</table>

63% of the total respondents picked Delayed action and replies and Lack of professionalism as the two major identified issues. And 37% reported Language barriers and Time difference in the two countries as the two major identified issues. When analyze the data, it can be clearly understood that the two problems chosen by the majority of respondents (63 percentage) had created difficulties in the team work and while carrying out internal business activities.

How often did Dell’s staff feel uncomfortable while delivering a service to a customer, working in collaboration with their Outsourcing Team Member?
Table 11 Dell’s staff recurrence of uncomfortable feel while working with Outsourcing Team Member

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Often</td>
<td>300</td>
<td>33%</td>
</tr>
<tr>
<td>Very often</td>
<td>140</td>
<td>16%</td>
</tr>
<tr>
<td>Moderately often</td>
<td>190</td>
<td>21%</td>
</tr>
<tr>
<td>Slightly Often</td>
<td>171</td>
<td>19%</td>
</tr>
<tr>
<td>Not at all</td>
<td>99</td>
<td>11%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 12 Dell’s staff recurrence of uncomfortable feel while working with Outsourcing Team Member

Did you feel uncomfortable while delivering a service to a customer, working in collaboration with your Outsourcing Team Member?
From the responses of the respondent, it is clear the 33 % of the total respondents ‘Often feel uncomfortable’ while delivering a service to a customer working in collaboration with their outsourced Counterpart. And 16 % responded that ‘very often’ they became uncomfortable while delivering service together. When it comes to the staff who felt Moderately Often total number were 190 which constituted 21 % of the respondents. 11 % responded that they had never felt uncomfortable while delivering service to customers with their outsourced counterpart.

Specific Objective 4

To find out other major concerns of In-house staff regarding overseas business outsourcing

The Outsourcing Team is flexible and quickly adaptive to the changes made by the Company Management

Table 12 Outsourcing Team is flexible and quickly adaptive to the changes made by the Company Management

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree.</td>
<td>261</td>
<td>29%</td>
</tr>
<tr>
<td>Strongly Agree.</td>
<td>44</td>
<td>5%</td>
</tr>
<tr>
<td>Disagree</td>
<td>399</td>
<td>44%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>196</td>
<td>22%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100</td>
</tr>
</tbody>
</table>
Figure 13 Outsourcing Team is flexible and quickly adaptive to the changes made by the Company Management

When analyzed the data, researcher could find that only 29% of the total respondents agreed with that statement (The Outsourcing Team is flexible and quickly adaptive to the changes made by the Company Management) and 5% expressed strong agreement to the sentence. When it came to disagreement, 44% of the respondents expressed their disagreement with the statement and 22% showed strong disagreement.

Did the in-house staff believe that outsourcing raises a potential threat to the company regarding safe keeping of official secrets and technical knowhow.

Table 13 Opinion about Outsourcing raises a potential threat to the company safe keeping of the official secret

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>357</td>
<td>40%</td>
</tr>
<tr>
<td>No</td>
<td>246</td>
<td>27%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>297</td>
<td>33%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100</td>
</tr>
</tbody>
</table>
Figure 14 Opinion about Outsourcing raises a potential threat to the company safe keeping of the official secret

In the section, 40 percentage of the respondents replied ‘yes’ to the questions, which shows that they were anxious about the safety of business secrets and technical knowhow. While 33 % of the respondents replied as they ‘don’t know’ about this issue, they declared that they have no idea about the secrecy and breach possibility in outsourcing of work. As far as the rest was concerned, which was 27 %, replied No.

Did the in-house staff consider Business Process Outsourcing as a threat to their job security?

Table 14 Opinion about Business Process Outsourcing as a threat to their job security

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>520</td>
<td>57.8%</td>
</tr>
<tr>
<td>No</td>
<td>350</td>
<td>38.9%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>30</td>
<td>3.3%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100</td>
</tr>
</tbody>
</table>
Figure 15 Opinion about Business Process Outsourcing as a threat to their job security

The answer to the question was ‘yes’ from 520 respondents which constituted the 58% of the total respondents. 350 respondents replied No, which means they did not consider the outsourcing of jobs to international agencies as threat to them, in terms of their job security. 30 respondents replied ‘Don’t know’ to the question.

Table 15: Business outsourcing will affect the internal labour market and economy of the country.

<table>
<thead>
<tr>
<th>Options</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree.</td>
<td>401</td>
<td>44.6%</td>
</tr>
<tr>
<td>Strongly Agree.</td>
<td>330</td>
<td>36.7%</td>
</tr>
<tr>
<td>Disagree</td>
<td>106</td>
<td>11.7%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>63</td>
<td>7%</td>
</tr>
<tr>
<td>Total</td>
<td>900</td>
<td>100</td>
</tr>
</tbody>
</table>
Figure 16 Business outsourcing will affect the internal labour market and economy of the country.

44% of the respondents agreed to the statement, and 37% responded as they ‘strongly agree’ to the statement. 12% showed their disagreement to the statement. And 7% strongly disagreed.
Chapter 5
Discussion and Conclusion

In this chapter, a detailed discussion has been carried out on major findings of the study in relation with specific objectives. Relevant secondary data and other important areas have also been included and analyzed in this discussion chapter.

SPECIFIC OBJECTIVES

1. To understand whether outsourcing creates or increases stress, anxiety and inter-personal conflicts in employees.

By setting this specific objective, learner clearly wanted to study whether outsourcing create or amplify the stress level of employees and does that work as a reason for personal conflicts among employees. In order to achieve this specific aim, learner mainly included five questions in the questionnaire. The analysis and interpretation of these gathered data enhanced the learner to reach valid conclusions regarding the studied area.

Communication difficulties between In-house and Outsourced Team lead to unnecessary stress at work.

By placing this statement to the respondents, learner aimed to know whether the communication difficulties between the home staff and outsourced team had led to unnecessary stress at work. As the outsourced team members were from a different country (India) where English is not the official or common language, the chance of problems in official communication was high. The answer of the respondents to these questions seems very relevant. 59 percentage of respondents agreed that the communication difficulties between the home and outsourced team had created increased stress at work. And it is noticeable that 19 percentages, which means 170 respondents, clearly mentioned that they strongly agree with the statement which means communication
problems leads to higher and unnecessary stress at work place. While, 18 percentages of respondents disagreed with the statement, they did not agree that communication difficulties which are there in between home and outsourced agency staff can make unnecessary stress at work. Only 4 percentage of the total respondents strongly disagreed with the statement. From this gathered data, it can be interpreted that as majority of the respondents agrees with the statement, there was a considerable level of problems, existed between the employees and outsourced team, in terms of communication difficulties which normally ended up with unnecessary stress at work.

**How often receive wrong reply from the outsourced team without really understanding what they were really asked for.**

Through this question, learner wanted to know the level of intensity of communication problems, in between the home and outsourced team staff. The respondents were asked that how often they used to get wrong replies from the outsourced counterpart without understanding what they were really asked for. From the gather data, it can be clearly seen that 36 percentage of the respondents responded that they ‘Often’ face this issue, while other 107 respondents (12 % of the total respondents) replied that ‘very often’ they face this communication problem. And 133 respondents replied to the question that, they had ‘moderately often’ faced this problem. Only a very small percentage of respondents replied ‘Not at all’ to the question which means they have never faced the above discussed kind of communication problem while working along with their outsourced counterpart. From the overall answers, it is very clear that, a great majority of respondents had faced this issue of communication and they had got wrong answers from the outsourced counterpart without understanding what was being asked from them.

**How often engage in dispute with the Outsourcing Team counterpart related with work**

The data clearly shows that 41 % of the respondents had ‘often’ engaged in dispute with their outsourced counterpart while dealing with official works. And 9 percentages responded that, in their case, the frequency of dispute was ‘very often’. And as far as 198 (22 %) of the respondents were concerned , it was moderately often , from this data and statistics, it is very clear that, a great majority of respondents were normally engaged in disputes with their counterparts while doing their job, it can be considered as clear sign of stress and ambiguity in the work. This could
wrongly intervene in their team spirit as well. Only 19 percentages of respondents had replied that they never had any dispute with their outsourced counterpart. Hence, it can be interpreted that interpersonal conflict and related anxiety were existed, there in between the home staff and outsourced team staff in a considerable level.

**Did the respondents think that their job become more stressful while they work with Outsourcing Team compared with their In-house team members?**

The replies of the respondents clearly gives a message that, three fourths (75%) of the respondents had a feeling that, working with home staff – in-house team members are more stress free while comparing the team work with outsourced counterpart members. This data indicate to a considerable amount of stress facing by the employees while work in association with the outsourced team members. The reasons could be different factors which increase the stress level of employees. But this reply underlines the fact that the level of stress is higher for staff when they work with outsourced team members on the contrary to work with in-house team members.

Secondary studies also highlight the importance unity among workers and the necessity to reduce work level stress, anxiety and interpersonal conflicts. As we often find in any researching area the researches done in the practice of outsourcing with regard to psychological aspects is considerably low (Giardini, Kabst, 2008). Every aspect in this area is interconnected like the employee’s attitude towards the BPO sector, is very important because it results in the outcome of the organization. Another fact that affect is the employee’s familiarity with the subject like the content or the way of processing, because all these things vary from process to process. Outsourcing may be favorably evaluated and at the same time it could be environmentally unfriendly all these things are determined by the aspects it contains (Drezner, 2004). The employees, backbone of the organization, are provided with the feeling of oneness or togetherness under the roof of organization but when this is not so they can become restless and sometimes harmful because their identification sense is disrupted.
Specific Objective 2

To analyze whether the cultural differences, resulted from outsourcing, have lead to conflicts and unease in the working environment of the organization.

Did the respondents think that there were cultural differences between the Home Staff and Outsourcing Team which could intervene in the functioning of the organization?

From the data, it can be understood that, 69% of the respondents believe that the cultural difference of in house staff and outsourced team members is significant and it can intervene and influence the functioning system of the organization. Through this question, the learner had aimed to understand whether the in-house staff value and consider this ‘cultural variation’ as a relevant factor which can intervene in the smooth and effective functioning of the organization and in the effectiveness of the team work. From the overall study, it could be found that, these cultural differences had lead to various problems like, communication difficulties, increased stress level and work related anxieties among the in-house staff. When analyzing this particular question and gathered data , one thing can be obviously stated, that majority of the respondents look at the ‘cultural background’ of their our outsourced team member as factor which is potential enough to strongly influence and intervene in their day to day business activities and in active team work.

Did the respondents believe that general cultural differences between Home Team and Outsourcing Team could affect the team work?

As per the collected data, 76% of the respondents expressed an opinion that, they consider and believe the prevailed ‘general cultural differences’ between in-house staff and outsourced team members could affect their team work. In another way, it can be interpreted that almost three fourth of the respondents had a feeling that the cultural difference of them against the general cultural features of their outsourced team members could affect their team work, its effectiveness and warmth. Only 24 percentage of the respondents responded that they don’t consider and believe that the existed cultural differences of in-house team members and outsourced team members could affect the team work. They did not consider the difference of ‘general cultural difference’ of team members as a strong enough factor which could affect the team work and over all effective functioning of the organization.
Lack of understanding of Outsourced Team about the ‘home work culture’ create unnecessary delay and confusion in the functioning of the organization

The significance of home work culture, and its absence or lesser understanding, from the part of outsourced team was analyzed in this section. The question which was asked to respondents, precisely aimed to understand what do they think or wish to opinion about the lack of awareness about ‘home work culture’ among the outsourced team members and whether they think that this lack of awareness is potential enough to affect the functioning, by causing unnecessary delay and generating unwanted confusion in the day to day working of the organization. As the outsourced team members were from another county, they might not need to know the home work culture. As per the reply got for this question, 47% of the respondents agreed with the statement that lack of understanding about home culture from the side of outsourced team member lead to unnecessary delay and confusions in the functioning of the organization. 30 percentage opted the ‘Strongly Agree’ for this question, so from this data, it can be clearly understood that around three fourth of the total respondents believes that the lack of understanding from outsourced team member regarding home working culture can affect speed and smooth functioning of the organization as a result, delay and confusion could be happened. 165 and 39 respondents disagree and strongly disagree with the statement respectively. From this whole data, and its analysis, it can be concluded that even though a smaller percentage believe that the ignorance of home work culture would not affect the function, most majority believe that this could lead to delay and confusion in working.

Various previous studies have also considered this cultural aspect as an important point which deserves keen attention. The employees of the organization will get distracted to their existing cultural values and ideas. The organization’s cultural values are to be considered because it plays a vital role in the formation and execution of outsourcing strategy (McIvor, 2005). The organization’s prevailing culture is affected when an outsourcing agent from outside enters (Hemmington and King, 2000). It will result negative when the cultures of both do not go hand in hand which results in achieving their goals. The relationship of outsourcing can be narrated as the extension of the culture of Client Company. (Kshetri, 2007). When a decision for outsourcing occurs it should be transparent as it’s a foundation stone. The effort of establishing the cultural transparency and mutual understanding are key elements in communicating
framework (Schoker, 2008). As per the opinion of Hendry (1995) the formation of communication framework will activate corporate culture. Another unavoidable component is language similarity for cultural compatibility. The cultural compatibility gets increased in relation with the destined countries and the managers of the organization (Kshetri, 2007). The researches done by Kshetri (2007) highlights the factors that affect outsourcing of business processing and IT. The national culture has great impact on the outsourcing sector because the culture of the organization is almost same as the culture of the nation.

Specific objective 3

To find out, does outsourcing create difficulties or reduce quality of service to the customers.

The quality of end product or service is very vital for the successful functioning of any organization. Deliberate or unknowing reduction in this quality can seriously affect the smooth functioning and future growth possibilities of any organization. This lack of quality not only affects the overall growth of the company but also the team members who are involved in this. For example, if two employees are working together as a team to solve a particular doubt or problem of customer, a mere negligence from one the side of one employee is enough to spoil the fruitfulness of the whole attempt. These kind of issues are not only leading to customer dissatisfaction but also to personal conflicts among the team member and in that way to unnecessary stress conflicts in the whole team. While outsourcing work to an agency, normally which is in another country, the outsourced staff/team members might not know the standard expected by the customer, or many other factors can also make the outsourced staff’s side weaken. In these kinds of cases, the end result of the product or service quality might be affected. Mainly to address the above discussed area, researcher had gathered some relevant opinions from the respondents by using questionnaire. These gathered data are analyzed and interpreted below.

How often the employees of Dell used to get complaints from customers regarding the services delivered by Outsourcing Team.

This question was asked mainly to know the effectiveness of outsourced team members’ work. When it comes to this research, by analyzing this, researcher wanted to know a general trend
about the volume of mistakes made by the outsourced team member and to analyze this data with how it affects the quality of final work and how it leads to failure in team works and efforts. This data can also used when analyze about the interpersonal conflicts and stress emerged from failed service and attempts. So, when the question presented before the respondents, 900 in house staff, 25 % of the respondents said, they get complaints regarding the service delivered by the outsourced team members Often, 13 percentage replied Very Often to the question, and in the 233 respondents (26%, the answer was Moderately often. Only 3 % of the respondents replied that they never had received any complaint from the customer regarding the service delivered by the outsourced team member. 23 % replied that they Slightly Often get complaints from customers. So when analyzing these gathered data, it is very clear that a considerable amount of complaints had came to the company regarding the service delivery of outsourced team members , this fact also point towards to the threat of poor quality in the end product and turned confusions , stress and conflicts.

**What were the complaints staff normally get from customers regarding the delivered service from Outsourced Team**

By asking this question, researcher tried to know exactly what kind of complaints company usually get regarding the service delivery of Outsourced team, these data were collected with a belief that the analysis of them would give clear picture about the common complaints and in that way to figure out the major problematic areas which are potential to reduce the quality of the final product and service. These problems can flash light not only to the above mentioned area but also to other problematic area which can worsen the interpersonal relationship between in-house and outsourced team members. From the gathered data, it can be seen that 34.5 % of respondents reported that, ‘unclear communication’ as the normal complaint they get regarding service delivery of outsourced team members. This significant percentage points to the lack of effective communication from the employees while delivering service to the customers. From analyzing other data, it was clear that lack of effective communication and language barriers had limited the effectiveness of interpersonal communication as well. In various cases these communication problems had lead to stress and conflicts among in house and outsourced team members. From analyzing answers this particular question also underlines significance of communication, and how it’s lacking affect various areas of team work and overall success of the
business organization. As an answer to the question, 33 % percentage reported that ‘inaccurate instructions’ from the side of outsourced team members as the normal and most common complaint they get. Here also lack of effective communication from the side outsourced team members comes to picture, not only the lack of effective but also lack of enough understanding about the home work culture, difference in the general culture, lack of understand about the customers in Ireland their social nature might have also led to this issue. When the in house staffs get these kinds of complaints, it can be clearly understood that, these are potential enough and literally increases their stress and makes confusion. (Various other data and its analysis support this. Poor professionalism is noted as the other major complaint by the respondents, in this case also the lack of enough understanding about the expected performance, culture, work culture, etc could be found as an element which has inter connections. From the overall analysis, it very clear that in-house staff normally gets a huge amount of complaints regarding the service given by their outsourced counterpart which lead to dissatisfaction in work, and create stress and pave to interpersonal conflicts in between the in-house and outsourced team member. From the overall analysis, it can be interpreted that, these issues not only creates above discussed problems but also reduce the quality of the final product.

**Which were the two major two identified problems of Outsourcing Team while working together and engage in internal business dealing?**

In order to get more precise picture about the problems faced by the in-house staff related with outsourcing and from working together as team with outsourced counterpart, this question was asked. The respondents were asked to report two major identified problems while working together and engage in internal business dealing. 63 % of the total respondents picked Delayed action and replies and Lack of professionalism as the two major identified issues. And 37 % reported Language barriers and Time difference in the two countries as the two major identified issues. When analyze the data, it can be clearly understood that the two problems chosen by the majority of respondents (63 percentage) had created difficulties in the team work and while carrying out internal business activities. When analyze these answers in correlation with other identified and interpreted data, it can be understood that these problems had led to difficulties and unnecessary stress at work.
How often did Dell’s staff feel uncomfortable while delivering a service to a customer, working in collaboration with their Outsourcing Team Member?

This question was asked to get data regarding the intensity of problems and how often they encounter with that. From previous questions, researcher could understand that what nature of problems in-house staff face and how that lead to different issues like, unnecessary stress, confusion, distress from delivery of low quality final service to customers etc. But by asking this question, learner wanted to know how often they face problems and how much uncomfortable they were with that. From the responses of the respondent, it is clear the 33% of the total respondents ‘Often feel uncomfortable’ while delivering a service to a customer working in collaboration with their outsourced Counterpart. And 16% responded that ‘very often’ they became uncomfortable while delivering service together. When it comes to the staff who felt Moderately Often total number were 190 which constituted 21% of the respondents. Hence, the data analysis, points out that more than half of the respondents had found it really uncomfortable while delivering service to customers with the help of their outsourced counterpart. From the analyzed data, the fact is very clear that a considerable level of discomfort was there in the staff while delivering service in collaboration with outsourced staff, except 11%, who responded that they had never felt uncomfortable while delivering service to customers with their outsourced counterpart.

Specific Objective 4

To find out other major concerns of In-house staff regarding overseas business outsourcing

By studying this specific objective, researcher aimed to learn how the in-house staff observe and evaluate the action of ‘job outsourcings’. what are beneficial parts and demerits of this, from the perspective of the staff was the focus of study here. Business outsourcing and its multi-dimensional impacts especially which were directly came into contact with the in-house staff, were being analyzed and discussed in this section.

The Outsourcing Team is flexible and quickly adaptive to the changes made by the Company Management
In order to ensure the smooth functioning of a business organization, normally, changes might be required at various stages at different times. So change management and adaptability of the staffs to changes are vital in the success of an organization. In this section, researcher tried to gather opinion of in-house staff about, what did they think about the adaptability of outsourced agency staff – which is also essential to work together in an effective manner. In situations where the outsourced agency is not positive and quickly adaptable to changes, that can also lead to stress, and confusion in working. As the whole study is focused to explore the issues and complexities of outsourcing to the in-house staff of Dell Ireland, this focus of study seems relevant. Researcher asked to the respondents that how much they agreed with the statement that ‘the outsourced team is flexible and quickly adaptable to the changes made by the company management. When analyzed the data, researcher could find that only 29 % of the total respondents agreed with that statement and 5 % expressed strong agreement to the sentence. When it came to disagreement, 44% of the respondents expressed their disagreement with the statement and 22 % showed strong disagreement. From this data, it can be interpreted that majority of the respondents did not believe that the outsourced team staff are good at adopting changes in accordance with the Management decisions. This data show the in-house staff’s dissatisfaction and they were not satisfied with the adaptability of outsourced team.

**Did the in-house staff believe that outsourcing raises a potential threat to the company regarding safe keeping of official secrets and technical knowhow.**

The respondents were asked, did they believe that the outsourcing could be a potential threat to the company regarding the safe keeping of official secrets and technical knowhow. In the section, 40 percentage of the respondents replied ‘yes’ to the questions, which shows that they were anxious about the safety of business secrets and technical knowhow. While 33 % of the respondents replied as they ‘don’t know’ about this issue, they declared that they have no idea about the secrecy and breach possibility in outsourcing of work. As far as the rest was concerned, which was 27 %, replied No, which means they don’t think that the outsourcing will not lead to any kind of breach and issues in terms of safe keeping the official secrets and technical knowhow. From the data analysis, it can be said that a considerable amount of respondents 33 % did not have any idea about the potential threat or they don’t consider this as a serious possible
issue. While 40% (which is the biggest group), worry about the safety of secrets when it share with the outsourced team. This point towards their lack of trust on outsourced team, in terms of keeping the secrecy of official and technical documents

As per previous studies, important threat that is mentioned in the study is the security risks from outside the organization caused by the increased business process outsourcing. These days’ security issues are on the move from domestic to international which means third party security issues are involved in this sector and these risks are on a hike. When we handover our business processes to third parties (outsourcing) the information is no longer only with the company. The data can be accessed even by the subcontractors and the enterprise loses control on the sensible or secret data (Peltier and Edison, 1996; Karyda et al., 2006; Hoecht and Trott, 2006; Faisal et al., 2007; Desouza, 2008; Doomun, 2008). The situation will become even more harder when business processing is sent outside the country (off shoring) takes place because it will be beyond the reach of the nation’s culture or legal environment (Kennedy and Clark, 2006; Colwill and Gray, 2007; Pai and Basu, 2007). The web article of Jaris (2013) “Problems with Outsourcing and How to overcome them” suggested. While we do outsourcing the information or whereabouts regarding the customers of the company should be kept confidential and should remain patient while outsourcing the business processes.

**Did the in-house staff consider Business Process Outsourcing as a threat to their job security?**

Through this question, researcher wanted to probe about how the respondents looked at the trend of business outsourcing, were they considering this trend as threat to their job. The answer to the question was ‘yes’ from 520 respondents which constituted the 58% of the total respondents. 350 respondents replied No, which means they did not consider the outsourcing of jobs to international agencies as threat to them, in terms of their job security. 30 respondents replied ‘Don’t know’ to the question, which showed they had no idea about how outsourcing can be threat to their job security. When analyzing this data, one fact is very clear that, more than half of the total respondents were really concerned and worried about this outsourcing trend and they perceive this increasing trend as a threat to their job security. This reveals that not only the team
work with outsourced team (in many areas, respondents -majority of them had expressed their worries and concerns) but also the outsourcing trend itself is being considered as a problem by many of the respondents.

Previous studies reveals that when there is an arrangement of outsourcing starts the employees will start searching for job opportunities and will suffer from anxiety related problems which will lead to loss in production (Belcourt, 2006). The firm’s decision regarding outsourcing will bring about changes in the psychological and emotional contract of employees with the organization but there could be a reasonable reason regarding outsourcing activities. Some employees take it positively through upgrading the role they play in the organization. They do so by focusing on activities of high value, avoiding laziness and working hard and repetitive.

Outsourcing can be a nightmare for some because they may lose their job (Adler, 2003). Numbering such important impact or influence on employees we could conclude that outsourcing will lead to changes in their psychological aspect that results negative in the outcome of the organization like perceived betrayal (Kessler, Coyle-Shapiro & Purcell, 1999), insecurity of job, (Cooper, 1999), low self-esteem and pessimism (Applebaum, Simson, Shapiro, 1987).

**Business outsourcing will affect the internal labor market and economy of the country.**

‘Business outsourcing will affect the internal labor market and economy of the country’. This was the statement presented to the respondents to express their agreement or disagreement. 44% of the respondents agreed to the statement, and 37% responded as they strongly agree to the statement. These answers revel that these respondents consider the ‘outsourcing of jobs’ as an increasing trend which can affect the internal labor market and economy of the home country. 12% showed their disagreement to the statement. And 7% strongly disagreed. From the analysis of data, it can be interpreted that, three fourth of the total respondents believe that the outsourcing trend can reduce the employment possibilities of people in home country and finally it can affect the local job market and economy of the country.
5.1) Conclusion and Recommendation

This study has revealed various factors about the issues and complexities of job outsourcing from the perspectives of employees. The major findings of the study point towards some common issues which might be encountered by employees, regardless of their job place. As the study was concentrated on Dell Ireland, the findings mainly reveals the issues and concerns of employees regarding outsourcing of job to another country. The total study was aimed to achieve its main aim which was “to find the major challenges and issues faced by employees in dell Ireland due to the outsourcing of job to overseas agencies”. This study carried out by studying the four specific objectives. First one was to analyze whether the cultural differences resulted from outsourcing, lead to conflicts in the working environment of the organization. Findings revealed that there was a considerable level of problems, existed between the employees and outsourced team, in terms of communication difficulties which normally ended up with unnecessary stress at work. And study underlined the fact that, the level of stress was higher for staff when they work with outsourced team members on the contrary to work with in-house team members.

The second aim was to find out, does outsourcing create difficulties or reduce quality in delivering service to the customers. Various significant results were found from the study with this focus, like, majority of the respondents looked at the ‘cultural background’ of their our outsourced team member as factor which was potential enough to strongly influence and intervene in their day to day business activities and in active team work. Even though a smaller percentage believes that the ignorance of ‘home work culture’ would not affect the functioning of the company, most majorities believe that this could lead to delay and confusion in working.

The third focus of study was to understand whether outsourcing creates or increases stress, anxiety and inter-personal conflicts in employees. Study finding revealed a considerable amount of complaints had came to the company regarding the service delivery of outsourced team members, which pointed towards to the threat of poor quality in the end product and turned confusions, stress and conflicts. Another important finding, study revealed was considerable level of discomfort was there in the staff while delivering service in collaboration with outsourced staff, except 11 %, who responded that they had never felt uncomfortable while delivering service to customers with their outsourced counterpart.
Fourth specific objective was to find out other major concerns of In-house staff regarding overseas business outsourcing. Study revealed that Majority of the respondents did not believe that the outsourced team staffs were good at adopting changes in accordance with the Management decisions. 40% the respondents expressed their worry about the safety of secrets when it shares with the outsourced team. More than half of the total respondents were really concerned and worried about this outsourcing trend and they perceive this increasing trend as a threat to their job security. Three fourth of the total respondents believed that the outsourcing trend can reduce the employment possibilities of people in home country and finally it can affect the local job market and economy of the country. These findings reveal that the study has addressed its main research aim in an effective manner.

As far as the future study possibilities of this topic are concerned, there can be found many areas which demands more detailed study like, what all things Company management can do to minimize these kind issues between in-house and outsourced team. How the outsourcing can be carried out in a more scientific manner which might be very useful to avoid the situations which triggers and amplifies stress and conflicts. This study was basically focused in one organization, more studies with a more extensive outlook and consideration of a bigger population is recommendable as that kind of studies might bring more comprehensive results and revealing related with the issues and features of outsourcing. How outsourcing will affect the local labor market can also considered as very relevant area which demands a proper study. As outsourcing is in its peak in the business world, more studies on this topic are highly recommendable.
Chapter 6

Reflection

In this chapter, I have discussed about my various learning experiences which I earned from conducting this research. My knowledge and understanding about conducting a proper dissertation was minimal when I started the initial works of my dissertation. Preliminary research works were started with the contemplation about research area and preparation of research proposal. My initial understanding was confined to some theoretical and conceptual clarity about the common terminologies and procedures which were normally followed by researchers while conducting studies. So, from the initial stage of my planning, I had started to learn more scientific research, in another way how to conduct a research in scientific manner. Selection of a proper research area and topic was the first challenge I faced, but by learning about the necessary characteristics and features of a good research topic, I got sound ideas about how to choose a proper research topic. When I started to finalize my topic and research aim, I found that the topic was too broad.

My initial plan was to study the issues of ‘outsourcing’ as whole, then with help of my research guide and self learning; I found that topic was not a well focused one. Then I changed my research’s focus, instead of studying about the phenomenon of outsourcing in general, I chose an organization - Dell Ireland and reframed my plans, and finally I ended with an idea to study this problem from the perspective of employees in Dell Ireland. The selection of that precise aim enhanced me a lot to conduct my research in an effective way. I reached my final research topic as “A STUDY ON HOW OUTSOURCING CREATES CHALLENGES AND ISSUES TO THE HUMAN RESOURCE IN AN ORGANISATION, A CASE STUDY ON DELL IRELAND.” Even though I chose the topic properly, my next challenge was regarding the formulation of specific research objectives. I studied about how to frame research objectives and what kind of questions could have been asked to get a right direction to conduct the dissertation.

As my topic was focused to study the challenges and issues faced by employees regarding outsourcing of work (especially to international agencies,) I divided the topic, and tried to look at that from varied perspectives. This move enhanced me to frame my specific objectives in a better
way. My specific objectives of the research were, first one was to analyze whether the cultural differences resulted from outsourcing, lead to conflicts in the working environment of the organization. Secondly to find out, does outsourcing create difficulties or reduce quality in delivering service to the customers. Third one was to understand whether outsourcing creates or increases stress, anxiety and inter-personal conflicts in employees. Forth one aimed to find out how outsourcing influence in Change Management Process of the organization. Last objective was to study, does outsourcing raise a potential threat to the company regarding safe keeping of official secrets and technical knowhow. So, by following this multi-dimensional approach, I found myself more confident to study the main aim in a detailed manner.

Selection and analysis of the appropriate literature was my second demanding task, even though lot of studies were there, those are useful for my research, it was difficult in the beginning to choose most apt one and to analyze that as a secondary data for my study. My specific objectives gave me an overall direction regarding how to approach the previous studies and literature. Collection and reading of these previous studies and literature was a great learning experience as well. Even though I could not include all of them in the dissertation, that extensive reading was a great boost for me to improve my knowledge on outsourcing of job (especially, international job outsourcing) and how its roots are widely spread across many areas and social issues. Preparation of primary data collection tool, which was questionnaire in this study, was a great learning experience. I had framed five to six questions for each objective, when I finished my study; it was good to realize that my questions were well enough to gather significant primary data to address the pre framed research aims. My data collection experience was also very enriching, that gave me a better understanding about the staff in Dell Ireland and some firsthand experiences of data collection.

Learning about research methodology was very a rewarding process, through which I got clear understanding about the various methodological combinations which a researcher can adopt to conduct a scientific study. Study on Research Methodology enhanced met to get more clarity on concepts, various terminologies and methods which are normally being used in researches. Data analysis was the next exciting learning experience, which led me to review my knowledge on statistical methods and hold on SPSS. The study helped me to get a better grip on the use of SPSS in data analysis and dissertation. The data analysis process was a very informative and
exiting task for me, while working on that, I became more informed and skilful about how to analyze gathered data in a scientific manner. The process of data analysis and interpretation had brought not only a proper understanding about the research outcome/findings but also about the methodology, which was needed to be effectively followed to reach valid research findings and conclusion. So, when analyze the whole process of research, it can be confidently said that, the learning and practical experience have helped me a lot to hone my research skills.

My Mba Graduation starts with a lot of expectations, ambitions and hopes. My hopes reinstated to reality and an opportunity to proceed stepping in the path of my ambitions. With the Mba experience, I would say that the soft skills I developed in my whole Mba graduation part is equally important and valuable achievement for me along with the coursework and lessons I covered. It helps me to develop my communicative skills, personality, confidence, responsibility, leadership skills, etc. through interacting with students from different part of the world, support from the faculties, attending various lectures and student interactive activities like group discussion, presentations, group assignments, etc. Moreover, the lessons and subjects I covered in this whole module helps me to add more knowledge about business, accounting, etc. Further to this, I learned to use my time wisely, organize every simple tasks and responsibilities and to be in time as well. In the end, it need been the improvement from claiming my delicate skills, and not those tough aptitudes picked up from my Mba courses, that need aided me on propel my expert vocation post-MBA.
Reference


Appendix

Questionnaire

Communication difficulties between In-house and Outsourcing Team lead to unnecessary stress at work.

Agree. Strongly Agree. Disagree Strongly Disagree

How often have you received response from the outsourced team without really understanding what you really asked for?

Often Very often, Moderately often Slightly Often Not at all

How often have you engaged in dispute with your Outsourcing Team counterpart related with work?

Often Very often, Moderately often Slightly Often Not at all

Do you think your job become more stressful while you work with Outsourcing Team compared with your In-house team members?

Yes No

Do you think there are cultural differences between the Home Staff and Outsourcing Team which can intervene in the functioning of the organization?

Yes No

Do you believe general cultural differences between Home Team and Outsourcing Team can affect the team work?

Yes No

Lack of understanding of Outsourced Team about the home work culture create unnecessary delay and confusion in the functioning of the organization

Agree. Strongly Agree. Disagree Strongly Disagree
How often do you get complaints from customers regarding the services delivered by Outsourcing Team?

Yes  No

What are the complaints you normally get from customers regarding the delivered service from Outsourced Team

a. Unclear communication. b. Inaccurate instructions c. Poor professionalism  d. None e. Others ----------- (specify)

What are the major two identified problems of Outsourcing Team while working together and engage in internal business dealing?

a. Language barriers  b. Time difference in the countries  
   c. Delayed actions and replies  d. Lack of professionalism  e. others (..................) specify

How often did you feel uncomfortable while delivering a service to a customer, working in collaboration with your Outsourcing Team Member?

Often  Very often,  Moderately often  Slightly Often  Not at all

The Outsourcing Team is flexible and quickly adaptive to the changes made by the Company Management

Agree. Strongly Agree.  Disagree  Strongly Disagree

Do you believe outsourcing raises a potential threat to the company regarding safe keeping of official secrets and technical knowhow.

Yes  No

Do you consider Business Process Outsourcing is a threat your job security

Yes  No

Business outsourcing affects the internal labor market and economy of the country.

Agree. Strongly Agree.  Disagree  Strongly Disagree