

READINESS OF ORGANIZATIONS FOR OUTSOURCING THE HUMAN RESOURCES ACTIVITIES

(Applied at industrial organizations in the city of Aleppo)

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ABSTRACT

Because of the challenges faced by human resources departments in the business environment, organizations approved the need to provide services with higher added-value and less cost. Which imposed on the human resources departments serious search for the best solutions that help them in addressing those challenges and achieve a competitive advantage to ensure their survival and growth. Whereas outsourcing can be considered as one of these solutions which human resource departments can use to meet those challenges. The current research aims to identify future readiness of the organizations with regard to outsourcing human resources activities and factors affecting it, this research has been carried out at the industrial organizations in the city of Aleppo. To achieve the study objective a designed questionnaire has been used to match the research variables, this questionnaire was distributed to (100) industrial organization in the city of Aleppo, using multiple regression of a package of statistical programs (SPSS.18.0), the research conclusion found that (experience of the organization in the outsourcing field ;and the strategic focus variables) significantly affect the future decision of outsourcing human resources activities, while other variables such as specialization, quality and cost had no significant effect in that decision.

Key words: *Outsourcing, Previous Experience of the Organization, Cost, Quality, Specialization, Strategic focus.*

1. INTRODUCTION

The use of external third parties by organizations to provide services is not a new trend. Since the early 1970s, the HR function has been increasingly depending on external source of suppliers who can do the work more effectively and at less cost. The provision of pension and payroll services, relocation and employee incentive programmes, and the delivery of training and development activities, are just a handful of examples of activities that have an established history of successful outsourcing. Since the beginning of 1990s, the increasing prevalence of outsourcing in the human resources field, particularly in the United States and Western Europe; where there are many examples in this area, for example, in 1999, General Motors signed an agreement with Arthur Andersen worth \$250 million to manage administrative accounting duties and help GM upgrade its legacy payroll systems to PeopleSoft Human Resources. And in 2000, Nortel Networks signed an agreement with PricewaterhouseCoopers to manage payroll, human resources, accounts payable, employee training and other operations in a five-year deal for an undisclosed amount [1]. The research aims to identify the future preparations for outsourcing human resources activities and determine the factors affecting it, Applied to industrial organizations in the city of Aleppo.

2. IMPORTANCE OF RESEARCH

The research derives its importance from the following:

2. 1. *The scientific importance*

The importance of research stems from it being an important subject did not find sufficient attention by researchers in the Arab world, where the scarcity of studies on this subject.

2. 2. *The practical importance:*

The practical importance stems from that the search results can help to create future vision for the readiness of organizations with regard to outsourcing human resource activities, in addition to knowledge of the most important factors in that readiness.

3. THE RESEARCH OBJECTIVES

3/2. To determine the readiness of the industrial organizations with regard to outsourcing human resources activities.

3/2. To identify some of factors influencing the future decisions of the industrial organization with regard to outsourcing human resources activities.

3/3. To draw conclusions and make the necessary proposals to strengthen the future readiness of these organizations with regard to outsourcing human resources activities.

4. THE SEARCH PROBLEM

The research problem is to know the future readiness of the organizations with regard to outsourcing human resources activities. In addition to identifying the background which upon these organizations are making such future decisions, through answer the following questions:

4/1. What is the extent of the readiness of the industrial organizations for outsourcing human resources activities in the future?.

4/2. Does the previous experiences of the organization regarding the outsourcing affect the future decision of outsourcing human resources activities?.

4/3. Does the cost of implementing activity affect the future decision of outsourcing human resources activities?.

4/4. Does the level of service quality affect the future decision of outsourcing human resources activities?.

4/5. Does specialization affect the future decision of outsourcing human resources activities?.

4/6. Does the required strategic focus for human resources management affect the future decision of outsourcing human resources activities?.

5. RESEARCH HYPOTHESIS

5 /1. There is a significant effect of previous experience of the organization in the outsourcing field on the future decision of outsourcing human resources activities.

5/2. There is a significant effect of the activity implementation cost on the future decision of outsourcing human resources activities.

5/3. There is a significant effect of the level of service quality on the future decision of outsourcing human resources activities.

5/4. There is a significant effect of the specialization in activity on the future decision of outsourcing human resources activities.

5/5. There is a significant effect of the required strategic focus to manage human resources on the future decision of outsourcing human resources activities.

6. THE RESEARCH SOCIETY AND SAMPLE

The research society included the industrial organizations in the city of Aleppo. while the research sample was 100 industrial organization, which have been selected depending on the method of facilitated sample.

7. METHOD OF COLLECTING DATA

To achieve the research objectives, a designed questionnaire has been conducted to:

1- identify the research sample organizations perceptions regarding outsourcing human resources activities.

2- acknowledge which of the human resources activities is the most likely to be outsourced in the future?

3-identify the factors affecting the future decision of outsourcing human resources activities.

Likert scale has been used on five levels to all questions concerning the research variables, as follows:

Strongly disagree	<input type="radio"/>	Strongly agree				
Very Low	<input type="radio"/>	Very High				
Not ready at all	<input type="radio"/>	Very ready				

8. METHOD OF DATA ANALYSIS

The data were analyzed and the hypotheses were tested based on a set of statistical methods using the program (SPSS.18.0), like:

1. Descriptive statistics (Percentages, Means).
2. Multiple Regression Analysis to examine the effect of each independent variables on the dependent variable.

9. RESEARCH METHODOLOGY

9.1. *The theoretical side:* depending on literature review which include the descriptive and analytical approach to address the issue, through the review and analysis of scientific references and periodicals related to it.

9. 2.*The practical side:* all the information has been collected by the study survey has been calculated and analyzed through SPSS program and final interpretation and recommendation have been drawn.

10. THE SEARCH MODEL AND VARIABLES

Shown in Figure (1) the search model and variables:

10.1. *The Independent Variables:*

- **The Previous Experience:** It means what the organization has outsourced from the various business activities, including human resources activities.

- **Cost:** It means what is paid for an activity in terms of effort or money or the time of delivery.

- **The Level of Quality:** It means the commitment to adopted standards by the organization or by others to perform the activity or service delivery.

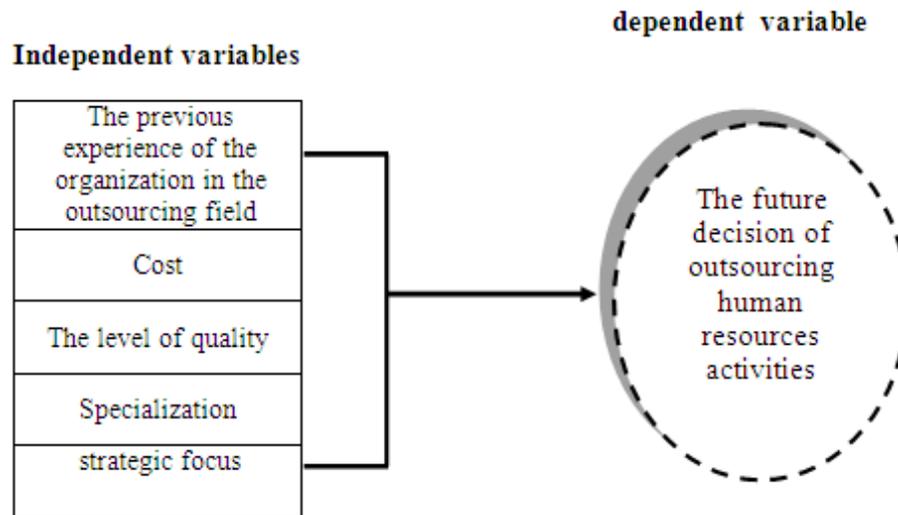
- **Specialization:** It means the task or function or activity that is practiced by a third party that specializes in one of the human resources activities . Or the process by which the individual or group or organization devote themselves to perform a task or function or activity.

- **Strategic Focus:** It means saving time to focus on strategic issues in the human resource management.

10. 2. The Dependent Variable:

- **The Future Decision of Outsourcing:** It means the decision by which the Organization will delegate the performance of certain activities to third parties. On other hand, the decision of transferring management and implementation for one or more of its activities to third parties.

Figure 1: The Search Model



11. LITERATURE REVIEWS

11. 1. Outsourcing

Many of literature about this subject Included several broad definitions of outsourcing; as follow:

- ◆ The process of obtaining services from an external source [2].
- ◆ The purchase of goods or services instead of providing them internally[3].
- ◆ The operational implementation of organizational processes, or process-sets, by a third party[4].

The outsourcing of Human Resources activities, as defined by the Society for Human Resource Management (2009):

"A contractual agreement between an employer and an external third-party provider whereby the employer transfers responsibility and management for certain HR, benefit or training-related functions or services to the external provider."[5].

From the standpoint of researchers can be defined outsourcing in the field of human resource activities as: "Transfer of all or some of the human resource activities and services, as well as the transfer of related staff and assets related to an outside party by them -under a contractual agreement-management and implementation of those activities and services, including the responsibility for managing the transferred staff".

Due to the new focus in outsourcing of making partnerships with the human resources outsourcing service providers (HROSPs), rather than just considering them a one-time vendor, three types of outsourcing were recently identified: discrete services (one element of a business process is outsourced to a third-party), multi-process services (complete outsourcing of two or more functional HR processes), and total human resources outsourcing (transfer of the majority of the HR Services to a third-party)[6]. This has been included part of core activities, due to the development of outsourcing and technology solutions, provided by the outside parties, a lot of organizations considered the outsourcing part of the core activities to improve their competitive advantage.

11. 2. Previous Experience

It is, perhaps, unsurprising that the impetus to consider HR outsourcing, usually came from elsewhere in the business. Several organizations had already experienced outsourcing of some other business function, most frequently ICT services, facilities management, or even financial services, and most had also already subcontracted some aspects of HR (often recruitment and selection, executive search, pay and benefits – but also substantial aspects of the design, development and delivery of training and development).[7]. When managers have experience with HR outsourcing they could have accurate view of the relative advantage and disadvantages. Managers who have been made the decision to outsource business functions ,including HR function, in the past are more able to assess the actual results of outsourcing.

11. 3. Cost

HR functional costs can be a significant proportion of any firm's back office overhead – anywhere between 5 and 15% of total support function overheads.[8]. When looking at costs for performing an activity in-house, the organization should focus on reducing these costs to enhance competitive capacity. Outsourcing vendors can reduce costs through

labour arbitrage, the implementation of self-service technologies, and taking on the development costs for the technology. Holding down long-term HR costs can also be achieved through economies of scale — the more people requiring the same service, the less the service costs per person. On the more strategic side, vendors can take on the fixed capital which enables buyers to invest in other areas of the business. Service providers can also inject capital and specialist skills to give a much needed boost [9].

11. 4. Quality

The global changes and, in particular, the emergence of new tools and especially the TQM organizations, Imposed taking into account the level of quality of products or services provided by them. This became so influential role in most of the taken decisions , including the decision to outsource human resources. The organization should be concerned with the level of quality of services provided to their employees either by itself or outsourcing to reflect positively on the level of their satisfaction. The common motive behind the outsourcing is the need to respond to changes in the internal customer's expectations; Research by the Saratoga Institute [10] has revealed high levels of dissatisfaction with HR service levels, and indicating the need for HR to enhance its service offering.. Therefore, it can raising the levels of service when the organization uses a provider has the best processes and knowledge and technology necessary to provide certain services; the developments in the techniques of Internet and Intranet have been dramatically changed the delivery options for human resource services.

Main issues associated with quality and outsourcing include: the agreement on quality standards and practices, information sharing, and policies and procedures governing service delivery. In some cases, It can be difficult for outsource service organizations to understand your expectations for quality at a low price and consistent performance. So, if an agreement between a organization and the outsource service organization cannot be met, it may be worth keeping HR in-house [11].

11. 5. Specialization

The level of expertise required in performing an HRM activity determines degree and level of outsourcing. HRM processes requiring high levels of expertise typically rely on highly skilled professionals to perform them. Access to professional services and advice and new experiences in the human resources activities field are very important for organizations that wish to continue in a competitive environment characterized by rapid change. When organizations need HR specialist expertise and do not have that in-house, they turn to HR service providers and consultants [12]. You outsource when someone else can perform the activity better than you, and the thing that will never be experts at shouldn't spend time doing.

11. 6. Strategic Focus

HR departments often lack a clear strategic focus because they are preoccupied with operational activities.; the HR department has been overloaded with work to perform transactional activities like payroll and benefit administration. These burdensome and low value activities have taken a large amount of time and resources, often at the expense of carrying out more strategic and added-value tasks, like developing and retaining the organization's key employees [13].

Hunter & Saunders [14] indicated that HR staff spend up to 85% of their time on managing standard administrative processes and only 15% on strategic activities. In best practice organizations these percentages would typically be reversed. By outsourcing these non-core business activities, HR functions can focus the managerial effort on delivering the strategic and high impact policy matters, such as winning the war for talent, which are of true value to achieving business goals. Consequently, the time and effort required to manage routine administrative and data management work can be avoided and internal resources can be re-deployed to more useful work. Organizations which did outsource reported that they reduced administrative tasks by more than half and increased their strategic focus by 40% [15].

12. PREVIOUS STUDIES

12. 1. Study (2008, ORDANINI & SILVESTRI [16]):

This study investigates the outsourcing decisions of recruiting and selection (R&S). It develops a predictive model based on efficiency drivers, and competitive motivations. The model has been in two specific contexts: the outsourcing of administrative R&S practices (job advertisement and pre-screening) and that of the more strategic R&S practices (colloquia and selection).

Findings confirm the relevance of both categories of predictors, but they reveal how efficiency motivations are more important for the decisions to outsource administrative R&S practices while competitive issues matter more for the strategic side of R&S activity.

12. 2. Study (2008, GALANAKI, BOURANTAS & PAPALEXANDRIS[17]):

This study attempts to illustrate and propose a decision model for the factors that shape the expected benefits and subsequently the extent of outsourcing training functions. A distinction is made among generic training (for the development of competencies) and job- or organization- specific training (for example, induction training, job specialization, etc. The factors shaping the decision to outsource, as

well as the perceived benefits from outsourcing employee training, are different for each of the two types of training (generic and specific). The reasons underlying those differences are discussed. For both types of training service it is proposed that the expected quality benefits, not cost ones, induce organizations to outsource training.

12. 3. Study (2006, ANONYMOUS [18]):

In a new survey from Aon Consulting, respondents identified the most important factor leading to a decision to outsource in HR. The leading motivation for outsourcing an HR function is to employ use of experts, which was cited by 65% of respondents. In contrast, reduce costs and shift from fixed to variable costs were cited as important factors leading to outsourcing by 31% and 20% of respondents, respectively. In HR, outsourcing decisions are driven by the desire to offer high-value services, not to lower costs.

12. 4. Study (2003, K. STROH & TREEHUBOFF [19]):

This study aimed to look at the issues that should be on human resources managers to take them into account before outsourcing human resources activities. The most important results of the study indicate that: Organizations can reap significant benefits from using outside agencies to provide non-core services, but before making an outsourcing decision Organizations must weigh carefully the specific reasons, costs, and benefits associated with such a decision.

12. 5. Study (2002, ANONYMOUS [20]):

The study aimed to identify the drivers for outsourcing human resources activities.

The study revealed that the outsourcing is driven by ongoing pressure for organizations to reduce costs, improve service to employees, and maximize resource availability across their organizations.

The current study differs from previous studies in its focus on examining the readiness of organizations for outsourcing human resources activities and the factors influencing such a decision, especially, this study will be applied in the Arab environment different from the foreign environment, which gives particular importance to the study.

13. THE RESULTS OF STATISTICAL ANALYSIS AND HYPOTHESIS TESTING

13. 1. Descriptive Statistics for The Search Variables:

Regarding questioning the organizations if they have the readiness to outsource the human resources activities in the future , 80 (83%) Organizations out of 96 Organizations indicated that their organization is ready for that, while 8(8.5%) organizations indicated that their organization is to some extent ready to outsource their human resources activities, and only 8(8.5%) organizations refused this idea, but it is a very small percentage.

Figure 2: Percentage of organizations that have the readiness to outsource the human resources activities in the future



It is important to note that this a great readiness of organizations to outsource human resource activities depends on the existence of a professional and effective third-party with high level of commitment and trust, so as to ensure that these organizations get the best services in the human resources activities field, and actually help them in raising the efficiency of their human resources management.

In this context it can be said that the behavior of organizations that have not shown any readiness for outsourcing human resources activities in the future, by failure of previous experiences, or the failure of service providers to meet their expectations, or already lack of the convincing with the idea of outsourcing itself. Table 1 shows the average of the future

readiness of the research sample on the outsourcing for each activity of the human resources activities:

Table(1): The average of future readiness of the research sample on the outsourcing for each activity of human resources activities

Mean	Human Resources Activities
2.7900	Human Resources Planning
2.8000	Performance Appraisal
3.7500	Training
3.3600	Acquisition
2.1313	Recruitment and Selection
2.6200	Payroll
2.3200	Pre-Employment Tests
4.1010	The Legal Aspects of human Resources
4.1000	Health and Safety
4.0800	Benefit Administration
2.9394	Human Resource Information Systems (HRIS)
2.1400	Personnel Management
2.1900	Career Planning
2.2500	Job Evaluation

It is clear that table 1 shows the following facts. These are:

- ◆ The future readiness of outsourcing training, legal aspects of human resources, health and safety, and benefit administration indicates to actual readiness of the sample organizations with regard to the outsourcing of such activities in the future, where the average of the future readiness of outsourcing them was = 4 or \cong 4.
- ◆ For the activities like human resources planning, performance appraisal, acquisition, payroll, and human resource information systems the mean answers of future readiness of outsourcing them was =3 or \cong 3. Because of the different perceptions and the transition from a general question related to the human resources activities ,as a whole, to a specific question related to each activity of the human resources activities, the explanation of this result will be different. Where the average in this case indicates to the absence of clear future scenarios in the research sample regarding the outsourcing of such activities. These activities are may be unknown, new, or unused for the majority of the sample, or the package of the human resources activities is not clear for them.

◆ And for the rest of the activities, the organizations have not shown remarkable readiness with regard to the outsourcing, where their average of future readiness was = 2 or \cong 2. And this may be due to the importance and particularistic of some of these activities for the organization, or a desire of employers to keep them within their organizations, or to their convincing of the impossibility of outsourcing them.

13. 2. Hypothesis Testing:

In order to test the validity of hypotheses, multiple regression equation has been used to test the relationship between independent variables (previous experience of the organization in the outsourcing field ,cost ,quality, specialization, strategic focus), and dependent variable (the future decision of outsourcing human resource activities), and reached to the following results:

Table (2) Multiple regression model of the impact of independent variables on dependent variable

Statistical significance	dependent variable			Independent Variables
	The future decision of outsourcing human resources activities			
	Sig	t	B	
significant	.001	3.489	.321	The previous experience
no significant	.471	-.724-	-.075-	Cost
no significant	.760	.306	.036	quality
no significant	.579	.558	.063	Specialization
significant	.001	3.426	.382	strategic focus

Given the corresponding value of Sig to the previous experience variable, it was found that $\text{Sig} < 0.05$, and consequently, there is a significant relationship between the previous experience of the organization and their future readiness for outsourcing human resources activities.

Since the value of $|t| > 2$, hypothesis (1) has been accepted:

◆ **There is a significant effect of previous experience of the organization in the outsourcing field on the future decision of outsourcing human resources activities.**

As can be seen from table 2, **B** value of the previous experience variable indicates that the previous experiences of the organization has a positive impact on their readiness for outsourcing human resources activities in the future.

For the strategic focus variable the value of Sig also was < 0.05 , and consequently, there is a significant effect of the strategic focus on the future readiness for outsourcing human resources activities.

Since the value of $|t| > 2$, hypothesis (5) has been accepted:

◆ **There is a significant effect of the required strategic focus to manage human resources on the future decision of outsourcing human resources activities.**

As per table 2, **B** value for the strategic focus variable indicates that also, this variable has a positive impact on the future readiness of the organization for outsourcing human resources activities.

For other variables (Cost, Level of quality, specialization) were in each of them the value of Sig > 0.05 , this confirms there is no significant effect of those variables on the future readiness for outsourcing human resources activities.

Since the value of $|t| < 2$, hypotheses related to these variables have been rejected:

◆ **There is a significant effect of the activity implementation cost on the future decision of outsourcing human resources activities.**

◆ **There is a significant effect of the level of service quality on the future decision of outsourcing human resources activities.**

◆ **There is a significant effect of the specialization in activity on the future decision of outsourcing human resources activities.**

The value of R^2 (0.254) means, both variables, the previous experience and strategic focus can only explain a percentage (25.4%) of the change in the dependent variable (the future decision of outsourcing human resource activities), and the percentage of (74.6%) due to other variables were not the subject of study.

Depending on previous results, where was accepted only two variables hypothesis, and rejected the others, the researchers implemented a qualitative analyzing depends on the impact of the independent variables (previous experience of the organization in the outsourcing field, cost, quality, specialization, strategic focus) on the future decision of outsourcing for each of human resources activities. See the below table:

Table (3): Multiple regression model of the impact of the independent variables on the future decision of outsourcing for each activity of human resources activities

Dependent variable				The activity
The future decision of outsourcing human resources activities				
<i>Sig</i>	<i>t</i>	<i>B</i>	Independent Variables	
.000	3.622	.418	strategic focus	Human Resources Planning
.003	3.012	.291	The previous experience	performance appraisal
.047	2.012	.252	quality	
.031	2.192	.211	The previous experience	Training
.012	2.550	.296	Strategic focus	Acquisition
.014	2.499	.248	The previous experience	Recruitment and Selection
.035	2.143	.261	Strategic focus	Payroll
-	-	-	There is no significant effect	Pre-employment tests
.032	2.177	.220	The previous experience	The Legal Aspects of Human Resources
.034	2.152	.264	strategic focus	Health and Safety
-	-	-	There is no significant effect	Benefit Administration
.000	3.734	.355	The previous experience	Human Resources Information Systems (HRIS)
.021	2.347	.275	Strategic focus	
.022	2.330	.227	The previous experience	Personnel Management
.007	- 2.750-	- .329 -	Specialization	Career Planning
.039	2.095	.228	Cost	Job Evaluation

Shown in table 3 as follows:

1- The future decision of outsourcing human resources planning activity is significantly affected by strategic focus variable, where is the value of **Sig** < 0.05, and the positive value of **B** indicates that the strategic focus has a positive impact on the organization's future decision to outsource human resources planning activity.

2-The future decision of outsourcing performance appraisal activity is significantly affected by the previous experience and quality variables, where is the value of **Sig** < 0.05 for each of them. For the previous experience variable, the value of **B** indicates that the previous experience of the Organization has a positive impact on its future decision to outsource performance appraisal activity. As well as for quality variable, where the positive value of **B** indicates that the quality has also a positive impact on the organization's future decision to outsource performance appraisal activity, this can be explained ,in particular, to obtain ISO certification.

3- There is a significant relationship between the previous experience and the future decision of outsourcing training activity, where is the value of **Sig** < 0.05, and the positive value of **B** indicates that the previous experience of the organization has a positive impact on its decision to outsource training activity in the future.

4- The future decision of outsourcing acquisition activity is significantly affected by strategic focus variable, where is the value of **Sig** < 0.05, and the value of **B** is a positive, which means the strategic focus has a positive impact on the organization's decision to outsource acquisition activity in the future.

5- There is a significant and positive relationship between the previous experience and the future decision of outsourcing recruitment and selection activity, where is the value of **Sig** < 0.05, and the value of **B** is positive.

6- The future decision of outsourcing payroll activity is significantly affected by strategic focus variable, where is the value of **Sig** < 0.05 and the value of **B** indicates that the strategic focus has a positive impact on the organization's decision to outsource this activity in the future. This is consistent with the outsourcing initiatives which will be implemented by the research sample, where they agreed to utilize the outsourcing for the depositing and pay operations, to focus on the preparation of statements and making decisions related to this activity.

7- There is no significant effect of any variable on the future decision of outsourcing pre-employment tests, where is the value of **Sig** > 0.05 for all variables. And this perhaps, because of the simple readiness which shown by the sample with regard to outsourcing for this activity in the future, and which may be no linked to a specific variable without another variable.

8- There is a significant relationship between the previous experience and the future decision of outsourcing the legal aspects of human resources, where is the value of **Sig** < 0.05, and the value of **B** indicates that the previous experience of the organization has a positive impact on its decision to outsource the legal aspects of resources human in the future.

9- There is a significant and positive relationship between the strategic focus and the future decision of outsourcing health and safety activity, where is the value of **Sig** < 0.05, and the value of **B** is positive.

10- There is no significant effect of any variable on the future decision of outsourcing benefit administration, where is the value of **Sig** > 0.05 for all variables. Despite a high degree of the future readiness for outsourcing benefit administration, this readiness has been imposed by the law, which forces the employers organizations to transfer the benefit administration responsibility to relevant government agencies. So, that readiness was regardless of overbalancing any variable without the other.

11- The future decision of outsourcing human resource information systems is significantly affected by the previous experience and strategic focus variables, where is the value of **Sig** < 0.05 for each of them, and the positive value of **B** indicates that, the previous experiences of the organization and the required strategic focus have a positive impact on the future decision to outsource human resource information systems.

12- There is a significant and positive relationship between the previous experience and the future decision of outsourcing personnel administration, where is the value of **Sig** < 0.05, and the value of **B** is positive.

13 –The future decision of outsourcing career planning activity is significantly affected by the specialization variable, where is the value of **Sig** < 0.05, and the value of **B** is a negative which means the specialization variable has a negative impact on the future decision to outsource this activity. This can be explained as the traditional mentality predominant among the sample organizations, which consider that, nobody understand more of them in their field, even, if they need a particular specialty, then they may resort to train their staff instead of contracting with specializing outsourcing entities, probably due to the lack of such entities in their work environment. However, this can explain the reduction of the future readiness of the sample organizations for outsourcing career planning activity.

14- There is a significant relationship between the cost variable and the future decision of outsourcing job evaluation activity, where is the value of **Sig** < 0.05, and the positive value of **B** indicates that the cost variable has a positive impact on the future decision to outsource this activity.

The job evaluation based on scientific method may cost the organizations some of effort, time, and money. So the availability of specialized third-party in this area can save for such organizations a lot of these costs. The lack of such suppliers can explain the reduction of the future readiness of the sample organizations for outsourcing this activity.

14. DISCUSS THE RESEARCH FINDINGS AND RECOMMENDATIONS

14. 1. Discuss the Research Findings:

- ◆ A very large proportion (83%) of the sample organizations appeared noticeable readiness for outsourcing human resource function, especially for some activities, but this readiness is predicated on the existence of a professional and effective third-party with high level of commitment and trust, to ensure that these organizations get the best services in the human resource field, and to help them in raising the efficiency of their human resource management.
- ◆ The previous experiences of organizations in the outsourcing field has significantly and positively affected on the future decisions of outsourcing human resources activities. So, the successful experiences and fulfilled expectations, are driving the organizations to appear their readiness for outsourcing human resources activities.
- ◆ There is a significant and positive relationship between the required strategic focus to manage human resources and the future decisions of outsourcing human resources activities. In the coming years, the economic openness will increase, so it is expected that the sample will need to specialized third-party to help them to increase the focus on the key issues of their human resources management.
- ◆ Qualitative analysis showed that there is a significant effect of other variables on the future outsourcing decisions for certain activities. This can be explained by unclarity outsourcing idea regarding some human resources activities in the research sample, or by the difference of the activities nature.

14. 2. Research Recommendations:

To enhance the future readiness for outsourcing human resources activities, which is expressed by the organizations, research recommends to:

- ◆ clarify that the outsourcing doesn't mean stripping the organization from its work-as some believe-on the contrary, it helps the organization to focus on their core business and access to specialized services at the same time, through education campaigns and seminars that explain the concept of outsourcing and how to exploit its advantages.
- ◆ explain the importance of reconsidering the current policies and the commitment of standards in the outsourcing organizations, to gain the trust and achieve a positive relationships with the business organizations.
- ◆ encourage investors to establish specialized organizations in the human resources field, that ensure to the business organizations the access to the high quality services at a reasonable cost.

◆encourage the university to open subsidiary recruitment and consultancy offices to provide these services to the business sector, especially, the university comprises a large number of specialists in different business areas.

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