

**IMPACT OF OUTSOURCING OF STAFF ON THE PERFORMANCE OF
AN ORGANIZATION, A CASE STUDY OF RUBONGI SUB – COUNTY
TORORO DISTRICT LOCAL GOVERNMENT**

BY

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DECLARATION

I **OLWENYI KENNETH**, do hereby declare that is my original work and that has not been submitted in whole or part for any award of Diploma in education in any university in Uganda.

Signed:

OLWENYI KENNETH

Date:

APPROVAL

The conception, research and organization of this reports is entirely that of the student, **OLWENYI KENNETH**. The research has been carried out in Tororo District under the supervision of Mr. OWOR MICHAEL OPIR

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SUPERVISOR

Date:

DEDICATION

With great pleasure and special thanks to God the Almighty, I dedicate this report to my parents; father, Onyango Clement, mother; Adongo Jane, my dear wife, Namusisi Mercy.

I also dedicate this piece of work to my son Onyango Jesse. Also to my administrators at Tororo parents Primary School; Madam Okide Martha H/M, Deputy, Mr. Onderi Robert Titus and The D.O.S; Mr. Mufumu Gusita, former Inspector of Schools Tororo, Mr. Suleigh Mathew Okello

Not forgetting my supervisor Mr. Opir Michael Owor

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May the Almighty God bless and reward you abundantly.

ABSTRACT

The study sought to review the different definitions of outsourcing, establishes how different scholars perceive the role of outsourcing and the risk and keys to successful outsourcing. The findings include that there is link between rewards and labour turnover, the relationship was based on the motion that the impact of outsourcing of staff on the performance of Tororo District Local Government from the foundation for employee retention, where pay is low, employees get stressed, dissatisfied and anxious, this is likely to cause labour turnover, yet organizations with attractive impact of outsourcing of staff on the performance of Tororo District Local Government like Bank of Uganda, the Parliamentary Commission of Uganda have got very low labour turnover. Management should provide both financial rewards to employees in the organizations, on top the salary and wage paid to the employees. Give them other non-financial benefits like free meals, a company car with fuel and support the employee's family with medical care.

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CHAPTER ONE

1.0 Introduction

This chapter includes the introduction, background of the study, statement of the problem, the general objectives, specific objectives, research questions, scope and justification of the study, significance of the study, limitations of the study and the definition of terms.

1.1 Background of the study.

High levels of competition in the business environment today are forcing firms to find ways of building and strengthening competitive advantage. One of the ways through which the firms are deciding to this is 'outsourcing'.

The human resources services which have been previously regarded as a business own responsibility and now outsourced. The former policy of a major global cooperation quoted by Whealtly (1994) reads; manufacture only those items and internally source only those support services that directly contributed or helped to maintain our competitive advantage.

The institute of personnel and development (1998) has stated that the biggest single cause in the increase of outsourcing has been the concept of core organization which forces its in-house expertise on its primary function and purchases in necessary support from a range of sources in its peripheral.

Outsourcing also called subcontracting is a process by which employees transfer routine or peripheral work to another organization that specializes in that work And can perform it more efficiently, (Asirathapa, 2006). The activities that are generally outsourced include employee hiring, training and development, payroll preparation, benefits administrations, statutory records maintenance and the like. Dransfield (2004) notes further, that outsourcing means finding a person or a company from outside the firm to carry out certain tasks for the firm, for example a firm may choose to employ a contract cleaning firm to do office cleaning for them rather than their own staff.

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