CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND TO THE STUDY:

Most financial organizations believe that in order to compete globally, they have to apply the principle of cost management and efficiency as well as devising a flexible labour force. In order to cut costs and maintain quality, they rely more on external service providers for activities viewed as supplementary to their core businesses (Li and Barnes, 2008). Therefore, managements are increasingly recruiting outsourced workers in an attempt to reduce labor costs, increase profits, enhance competitiveness and also focus more on their core businesses (Azhar and Shehazi, 2013; Adeyemi and Salami, 2008; Smirnykh and Worgotter, 2013).

On the other hand, the traditional employment relations which normally involved the management and labour (full-time employees) are inherently being disrupted by the introduction of neutral party- outsourced workers. Fundamentally, it is well known that the labour-management relations often involve collective bargaining between the management and workers who in most cases constitutes the labour union. In recent years, the direct employees have had their numerical strength reduced as a result of the recruitment of outsourced staff, which directly leads to corporate downsizing, of which many direct staff has been sacked. This situation has created a win-lose condition in favor of the management.

Hanson (2009) defined outsourcing as a process through which organizations delegates their non-core functions to external organizations (outsourcing agencies) that provides a particular service or function. This means that outsourcing allows organizations to concentrate more on the core aspects of their businesses while contracting out their peripheral or non-core aspects to external agencies. Outsourcing is fast becoming a global phenomenon and it is increasing with great propensity and scale. This practice is more prominent in the oil sector, manufacturing and banking sector of most developing countries. Aside the negative effects associated with outsourcing such as low wages/benefits, job insecurity etc. on the part of the outsourced worker, it is worthy to note that outsourcing increases profits and reduce costs for the organization; this is the ultimate goal of every financial organization.

However, it ultimately presents lots of challenges for the employees and the management such as creating a loop-sided relationship between both actors (Fapohunda, 2012). It is therefore on this background that this study seeks to investigate if outsourcing affects labour-management relations within the financial institution or not.

1.2 STATEMENT OF THE PROBLEM:

Outsourcing and its alleged negative effects on employment relations recently have generated considerable public concern in Nigeria, particularly against the rising unemployment rate (Ogunrinola and Osabuohien, 2010). The increase in the use of outsourced labour in Nigeria is causing direct employees to lose their jobs and to be replaced by outsourced workers. Even the outsourced workers are not given equal benefits like full-time direct employees, even when they sometimes perform same functions like the direct staff.

Several studies have placed much emphasis on the need for management to embark on outsourcing in a bid to reduce the cost of labor in a competitive and tough economy, while on the other hand, some studies have placed more emphasis on the negative aspects of outsourcing and why it should not be allowed by managements. Nevertheless, the impact of outsourcing on the relationship between labour and management is far less documented. It is therefore important to conduct a research of this nature to fill this void and to ascertain whether outsourcing has a positive, negative or no significant impact on the relationship between the two main actors within the banking sector.

1.3 RESEARCH QUESTION:

The research questions that would guide this study are stated below:

1. Does outsourcing affect labour-management relations?
2. Does management and outsourced workers have a cordial working relationship?
3. Does outsourcing affect workers' performance and organizational growth in the banking sector?
4. Does outsourcing contribute to labour and management conflict within the banking sector?
5. What are the best strategies to sustain good working relationship between the management, outsourced workers and direct staff?

1.4 OBJECTIVES OF THE STUDY:

The general objective of this study is to evaluate the impact of outsourcing on labour-management relations in Nigeria, with special focus on the banking industry. This study however, will focus on the following specific objectives:

1. To examine if outsourcing affects labour-management relations.
2. To determine if cordial working relationship exists between the management and outsourced workers.
3. To evaluate the effects of outsourcing on workers' performance and organizational growth in the banking sector.
4. To investigate if outsourcing contributes to labour-management conflicts in the banking sector.
5. To identify the best strategies for sustaining good working relationship between the management, outsourced workers and direct staff.

1.5 SIGNIFICANCE OF THE STUDY:

The study has both theoretical and practical significance. Theoretically, this study would contribute to existing literature and methodology by identifying and evaluating the impact of outsourcing on labour-management relations, if there are any. The study would also be relevant to students in the fields of Sociology, Industrial Psychology, Economics, Banking and Finance, Human Relations and Personnel Management, Business and Public Administration as well as Industrial Relations.

Practically, this study would provide an objective perspective on the effects of outsourcing to both the management of banks and the workers too. In addition, it would prescribe suggestions to bank managements and other allied financial institutional/professional bodies on how to ensure good working relationship between the parties involved in outsourcing.

1.6 DEFINITION OF TERMS:

1. COLLECTIVE BARGAINING: the method through which wage rates and employment conditions are determined.
2. JOB INSECURITY: this means working in an organization with the fear of being relieved of one's job.
3. LABOUR: this refers to the workers in an organization, whether unionized or not.
4. LABOUR-MANAGEMENT RELATIONS: this comprises of the continuous working/formal relationship between the management and the workers in an organization.
5. MANAGEMENT: these are the people entrusted with the day-to-day administration of an organization.
6. OUTSOURCING: the process through which an organization employ external personnel to perform organizational task.
7. OUTSOURCING AGENCIES: they are involved in the recruitment of outsourced workers for an organization.

CHAPTER TWO

LITERATURE REVIEW:

2.1 THE CONCEPT OF OUTSOURCING

Outsourcing, from the layman's perspective is known as "contract-staffing". The definitions of outsourcing are often implicit, or where explicit, they are fairly elastic, stretching from the rather minimalist long-term sub-contracting of human resource service delivery to an external provider, to "spin-off" joint ventures or shared services, and finally, a contract with a fully independent service organization. Adeyemi and Salami (2008), see outsourcing as the transfer of activities previously performed within the company to external suppliers due to high transaction costs. Kin (2008), describes outsourcing generally, as accessing expertise and resources from an external organization to supplement or take full responsibility for a function that was previously accomplished in-house. This means that organizations employ external service providers to carry out a range of business activities such as security, distribution, administrative and accounting as well as information technology.

Reed (2001:119) simply describes outsourcing as the process of transferring elements of a company's human resource functions or activities to a provider outside the company itself. This act occurs mostly in the oil sector, manufacturing and is most prominent in the banking sector- where about 60% - 75% of their workforce are outsourced. Outsourcing of workforce in the banking sector, for instance, involves the recruitment of workers by outsourcing agencies, which in most cases are linked to the management or set up by the same management of the bank. Okafor and Udu (2010) further explained that outsourcing involves the transfer of the management and/or day-to-day execution of an entire business function to an external service provider.

2.2 LABOUR-MANAGEMENT RELATIONS:

Otobo (2005) sees labour-management relations as an aspect of Industrial Relations which refers to the contents of the relations between and among the managers and the managed inside an economic organization. He further described it as the range of relationships at the work place among the hierarchy of workers and management. Such relationship usually occurs under a combination of formal and informal circumstances. The traditional understanding of labour-management relation was that both parties (the management and labour) had frictional relationship because they both have diverse interest. It is well known that the managements' interests and goals are to maximize profit using cheap or rather less factors of production especially labor. While on the other hand, the workers who constitute themselves formally into unions or associations, aim at getting a fair deal of job satisfaction which includes good pay and better working conditions.

In other to relate these two diverse interests harmoniously, many economic organizations have resorted to creating an atmosphere whereby both parties can actually bargain and create policies involving their interests as well as negotiating so as to achieve a win-win situation. This is where labour-management relations come in. Ivancevich (2007) thus defined labour-management relations as "the continuous relationship between a defined group of employees and management".

2.3 AN OVERVIEW OF DIAMOND BANK PLC.

Diamond Bank Plc. was founded by Pascal .G. Dozie on December 20, 1990. Its headquarters is located at Victoria Island, Lagos, Nigeria. Diamond bank offers both banking and financial services, thus, making it a full-service Nigerian bank. It is one of the 25 licensed commercial banks in the country. The bank maintains a banking subsidiary in Benin, Togo, Senegal, Cote D'iviore and the United Kingdom. As of December 2012, the bank's total assets were valued in excess of $7.3bn (₦1.7t). As at May 2015, Diamond bank had over 250 branches across Nigeria. It has about 3000 full-time staff and over 5000 outsourced/contract staff from various outsourcing vendors/agencies. These outsourced staff includes: secretaries, drivers, office assistants, Direct Sales Agents, technical crew, marketers, transaction officers etc. (www.m.wikipedia.org/wiki/Diamond_Bank)

2.4 THE REASONS FOR OUTSOURCING OF LABOR IN THE BANKING INDUSTRY (ARGUMENTS FOR AND AGAINST)

Some scholars are of the opinion that Nigerian banks have no rational economic reasons to outsource staff. They argue that staff outsourcing is a strategy adopted by companies in distress, especially manufacturing companies to cut staff costs and rationalize departments and operations to enable them focus on their core business. They further posit that in the case of Nigerian banks, they have been declaring billions of naira annually as profit. It is on records that no Nigerian bank has declared loss in the past five years. So, why do banks engage the services of outsourced staff? Why don't they employ workers directly and pay them based on full employment status?

Well, from the pro-management angle, they generally argue that banks would look at what they could do to reduce their expenses, and outsourcing would be the first step they would take. Outsourcing would aid the employment of more workers at a lower cost. Thus, in order to be in line with their values of minimizing cost and maximizing profits, banks resort to outsourcing. This helps to cut cost in the face of looming decline in their profitability, caused by an increasingly challenging business environment. Superficially, the most obvious reason for outsourcing is for the reduction of costs. However, recent findings has shown that there are other reasons for outsourcing, such as: the desire to achieve "best practices", to improve service quality and focus on "core competencies", achieve workplace flexibility and focus managerial resources on strategic matters (Khanna and New, 2005; Lilly, Gray and Virick, 2005).

2.5 THE EFFECTS OF OUTSOURCING ON BANK MANAGEMENT OUTSOURCED WORKERS AND DIRECT STAFF.

Outsourcing has both positive and negative effects on the actors involved in the banking system. These effects vary depending on the positions held by the actors in the banking industry.

A. BANK MANAGEMENT:

Apart from outsourcing staff like secretaries, security personnel, and drivers and so on, banks also outsource personnel who are involved in the key operations of the banks such as transaction officers who handle cash on a daily basis across the counter, as well as marketers. Recent findings have shown that despite the reduction of costs of operation, being the most positive effect of outsourcing on the bank itself, there has been an adverse increase in fraud cases within the bank. 80% of bank frauds were caused by disgruntled and unmotivated outsourced staff, who comes into contact with sensitive information with regards to customers' money. Sullivan (2004) said that security and confidentiality could present a serious problem for organizations that outsource human resource activities such as payroll. That is to say that the increase in the use of outsourced staff, may lead to an increase in internal bank fraud.

B. OUTSOURCED STAFF:

Outsourced staff bear the greatest burden when it comes to outsourcing. This is because they are not employed directly like the "regular" bank staff. They are often employed by a third party (outsourcing agencies) who contracts them out to work in banks. These agencies pay them from the money given to them by the banks after collecting their own commission. They do not have the rights to join unions because they are considered as temporary staff. They face frequent probation and lay-offs and are prone to job insecurity. They perform many tasks as well as technical and professional duties regular staff performs, but their contributions are often ignored and they are not well appreciated and recognized. Also, outsourced staff receive wages that are not commensurate to the work they do. In some cases, they work extra hours but are paid little. Direct staff enjoy bonuses such as housing and pension scheme, end of the year profit share and so on. But the outsourced staff do not have access to all these despite the efforts they put in their jobs. They are discriminated and dehumanized as a result of the fact that they were outsourced or rather on contract.

C. DIRECT EMPLOYEES:

Dobbs and Nadhwani (2004) opine that outsourcing leads to a decrease in direct staff numbers as a result of job loss. The effects of outsourcing on the main staff is more on the adverse side, despite the fact that direct staff enjoy more work benefits and superiority over outsourced staff. According to International Labour Organization, for every direct employee, there is an average of at least 3 to 4 outsourced staff. The effect of this is that direct employees are sacked and replaced by temporary, casual and contract staff. In addition, outsourcing has brought about job insecurity in the banking sector. Direct staff have negative feelings towards outsourced due to potential unemployment implication (Levereth, Megly and Kamery, 2004).

2.6 OUTSOURCING AND ORGANIZATIONAL/WORK PERFORMANCE.

Outsourcing human resource function has an impact on organizational performance (Gilley, Greer and Rasheed, 2004). Direct staff were typically given more responsibility to manage and supervise the performance of outsourced staff. This allowed direct staff to increase the range and depth of skills used in their day-to-day work practice, and thereby increased knowledge development and sharing, a key ingredient in developing competitive advantage (Kakabadse and Kakabadse, 2002). Most of the projects or tasks that were undertaken by the outsourced staff are likely to be achieved on time.

According to Sriwongwanna (2009), this is because of the restrictions of the contract agreement which states that the outsourced staff must achieve the task no later than the due time or face job loss when they fail to meet their targets as in the case of bank marketers and direct sales agents. Despite the negative connotations attached to outsourcing as a result of poor working conditions and low job satisfaction, one would think that outsourced staff are less likely to be productive. But the reverse is the case as banks keep making profit because the employees both direct and outsourced put in their best so as not to get sacked. The high job insecurity within the banking sector, coupled with the ever increasing unemployment rate has kept bank employees on their toes. In the banking system, there is no room for laxity, for this will lead to job loss, so therefore, bankers have no other choice but to work hard to keep their jobs.

2.7 OUTSOURCING AND INDUSTRIAL CONFLICT WITHIN THE BANK .

Industrial conflict is the expression of dissatisfaction within the employment relationship, especially pertaining to employment contract and the efforts at bargaining. Outsourcing if not managed well can result in interpersonal and group conflict between the external and internal employees' dichotomies (Grauman and Paul, 2005). Development within the banking industry, with respect to labour practices shows that banks are abusing Nigerian Labour laws through this outsourcing scheme and this has caused a frictional relationship between management and labour. National Union of Banks, Insurance and Financial Institutions Employees (NUBIFIE) and Association of Senior Staff of Banks, Insurance and Financial Institutions (ASSBIFI) which are the two main unions in the banking industry, have queried the way and manner in which outsourcing is being carried out in Nigeria and how it is affecting both direct staff and outsourced staff. NUBIFIE on their part, have criticized banks for enslaving their workers especially outsourced staff. This is said to be the reason why they prevent outsourced staff from unionizing; which the union leaders identified as a drawback to the union's efforts at engaging the banks. To prevent opposition from victims of outsourcing, the management of banks and outsourced companies ensure that outsourced staff do not engage in unionism. NUBIFIE argued that whenever their officials approach outsourcing firms as the direct employers of contract staff, the companies always respond that they also recruit for other establishments, and therefore, do not remit union fees since they are not covered by NUBIFIE.

Currently, some banks disallow unionism despite clear laws supporting it in the Trade Union Act and Labor Act, as well as the Nigerian Constitution. Section 40(A) of the

2010 Constitution of the Federal Republic of Nigeria (amended) guarantees the right to peaceful assembly and association. The section provides that:

> *"Every person should be entitled to assemble freely and associate with other persons, and in particular, he may form or belong to any political party, trade union or any other association for the protect his interest."*

Thus, membership of trade union is an exercise of constitutional rights. Similarly, section 6(A) of the Labor Act (2004) states that, no contract shall:

> *"Make it a condition of employment that a worker shall or shall not join a trade union or shall or shall not relinquish membership of a trade union."*

Labor Act however, does not criminalize contract job but stipulates that the terms must be fair. NUBIFIE noted that banks' knowing that casualization of labor is illegal, decided to embrace outsourcing service which involves harsh and unfavorable contract agreements that deny workers their benefits and entitlements. Many banks overwork their contract staff, sadly, there are no commensurate benefits of overtime done.

ASSBIFI in their own contribution maintains that in order climes, contractors or outsourcing companies involved have no business short charging workers through depletion of their earnings. They even accused the government of lacking political will to keep the banks and outsourcing outfits in check. ASSBIFI also asserted that top government officials have the highest stakes in these banks, and with many of them being direct and indirect owners, the move to support the passage of bills in the National Assembly that supports better working conditions and equal pay package is usually stalled. Despite all these, outsourced staff on their part are not relying on unions to bargain or negotiate for them, they have carried out protests to decry their conditions. As at April 2015, Diamond bank contract staff staged a protest at the main office in Lagos, to make their complaints known. http://www.pmnewsnigeria.com/2015/04/014/mass-sack-at-diamond-bank/

2.8 REVIEW OF RELATED THEORIES

In evaluating the issues associated with outsourcing in most organization, the following theories would be a reference point for this study.

2.8.1 TRANSACTION COST ECONOMICS:

Williamson and Coase (1973) propounded the transaction cost economics theory. This theory focuses on the most effective strategy for maximizing profit and minimizing costs. It states that human resource activities most likely to be outsourced were that which was most likely to incur high cost (Sriwongwanna, 2009). Thus, this theory helps organization to identify non-core activities that could be outsourced so as to reduce cost of operation. When applied to outsourcing, this theory posits that firms need to consider both transactions costs for an outsourcing transaction. However, this theory has come under criticisms for placing much emphasis on the cost of outsourcing, and thus, neglecting the social relationship between the outsourced staff and the firm.

2.8.2 RESOURCE BASED VIEW/ RESOURCE-DEPENDENCY THEORY:

This theory was developed in 1984 through the works of Wenerfelt and Rumelt (1984). It proposes that firms should compare their skills with those of the markets and other firms and should not outsource core competencies involving special skills or strategies. Wenerfelt and Rumelt (1984) recommend the outsourcing of activities for which the firm has no critical strategic needs or special skills. On the other hand, resource-dependency theory explains that outsourcing of organization's operation to external workforce is aimed at filling resource gaps within the organizations for the purpose of providing the firm with strategic competitive advantage. Critically, this theory failed to explain the implications of outsourcing on employment relations within the organization.

2.8.3 EQUITY THEORY:

This theory is generally associated with the works of Stacy .J. Adams (1965). The theory is concerned about people's perception about how they are treated. For instance, people make comparison between themselves and others in terms of what they invest in their work (input) and what they receive from it (Armstrong, 2005:579). Equity involves perception and comparison which may be products of subjective consideration and not derivative of objective situation (Okafor and Udu, 2014). In relation to outsourcing, this theory exposes the disparity between direct staff and outsourced staff in terms of salary and working conditions, as the former are treated better that the latter despite the equal amount of efforts put in by both in the course of carrying out their tasks.

2.8.5 SOCIAL EXCHANGE THEORY:

The basic tenets of exchange theory as developed by Peter Blau (1964) and George Homan (1961), states that interaction is a social behavior whereby the individual action have cost and reward implication (Okere, 2012:67). According to Blau (1964), the process of exchange can be an equal one, with rewards moving from one side to the other, however, there is inequality in exchange and power differentials are created. This theory further holds that every individual seeks a perceptual balance between what is invested into a relationship and what is extracted from it. This basic concept is portable to every organization that practices outsourcing. Too often, organizations miss out on the most significant exchange between the employee and management and place more focus on pay, profit and productivity.

In order to receive a maximum return (equal exchange) for both parties, management must recognize the actors (both direct and outsourced staff) involved in the employment exchange. In essence, this theory implies that there should be close partnership style betweens the firm and the outsourced staff, if equal exchange and reward is to be achieved

2.8.4 CONFLICT THEORY:

This theory was pioneered by Karl Marx (1818-1883) and it states that humans enter into social relationships with other people to produce material objects in order to survive. According to Marx, all human groups or historical societies contains in them, basic contradictions which involved the exploitation of one social group by another. In a capitalist society, employers exploit their employees. This creates a fundamental conflict of interest between social groups since one group gains at the expense of another. From the Marxist perspective, the major contradictions in societies are the forces and relations of production. The forces of production includes: raw material, tools and machineries, the scientific and technical knowledge used in production process and the labor power of the workers. The relations of production are the social relationships that people enter into in order to produce goods. In capitalist society, they include the relationship between employees and employers and the various rights of the two parties (Haralambos and Holborn, 2013:11).

From the Marxist perspective, exploitation is disguised by the idea of equality and freedom; this equality and freedom are illusions: the employer-employee relation is not equal. It is an exploitative relationship. Workers are not free since they are forced to work for the capitalist in order to survive. All they do is exchange one form of “wage slavery” for another (Haralambos and Holborn, 2013:12). Marx and Engels (1848) predicted that members of the working class would become alike and homogeneous. However, Pen (1983) argued that the working class was divided as in the case of outsourced staff and direct staff.

The unions defended the interest of their members, sometimes at the expense of other groups especially the outsourced staff.

German Sociologist, Max Weber (1864-1924) talked about “social closure” in his theory of stratification. According to him, social closure involves the exclusion of some people from membership status group. He further added that manual workers (in most cases, casual and outsourced staff) who are dissatisfied with their class situation may respond in a variety of ways. They may grumble, work to rule, sabotage industrial machinery, take strike action or attempt to organize members in an effort to rectify the issues bothering them (Haralambos and Holborn, 2013). Outsourced staff want better working conditions and recognition, while management wants to cuts costs and increase profit margin, so therefore, both parties tries as much as possible to achieve their aim, although, not without a strain in their relationship caused by differing interest. The theory anchors on interest protection by different groups (direct staff, outsourced staff and management) which often leads to strenuous relationship as well as conflict (Okafor and Udu, 2014).

2.9 THEORETICAL FRAMEWORK

This study adopts the social exchange perspective as an explanatory framework to help facilitate a better understanding of the impact of outsourcing on labor-management relations. The social exchange theory is quite different from other previously discussed theories of outsourcing because it places more emphasis on the working relationship between the parties of an organization. Knowing quite well that outsourcing involves an unequal relationship between management and outsourced staff as well as an unequal relationship between direct staff and outsourced staff, social exchange theory posits that all parties involved in the employment relations must understand and work together with one another to achieve organizational growth, despite the fact that the products of their efforts cannot yield equal entitlements.

The social exchange theory explains interpersonal relationships by posting by posting the economical cost-benefit analysis as preconditions for social engagement and exchange. The theory presupposes that the exchange of resources (material or social) is a basic form of human interaction. Social exchange is an ongoing reciprocal process in which actions are contingent on rewarding reactions from others (Gottschalk and Solli-Saether, 2005).

In addition, social exchange theory was chosen as the theoretical framework of this study because in as much as it places emphasis on the financial implications that comes along with outsourcing, which includes costs and rewards factors as well as unequal exchange between parties involved, it also extends much focus on the human relationships within the organization. The idea of reciprocity and mutual trust between the management and employees (be it direct staff or outsourced staff).

2.10 STUDY HYPOTHESIS

Ho. There is no significant effect of outsourcing on labor-management relations.

H_1. There is a significant effect of outsourcing on labor-management relations.

Ho. There is no significant impact of outsourcing on work performance.

H_2. There is a significant impact of outsourcing on work performance.

Ho. There are no conflict between management and labor over outsourcing.

H_3. There are conflict between management and labor over outsourcing.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN

Research design is the plan of the research work. A survey design is a research is a research method in which subjects respond to a series of statements or questions in a questionnaire or an interview (Macionis, 2009). In this study, the survey design was adopted because it involves the investigation of opinions of a large number of people and it involves inference drawn from such investigation; it is also a descriptive and analytical design. The survey design involves the use of questionnaire to allow for a wider range of response from the concerned organization.

3.2 STUDY AREA

This study was undertaken at four branches of Diamond Bank Plc. Onitsha. The branches are: Diamond Bank Plc, Ogbaru Enamel wares market; Diamond Bank Plc, New Market road; Diamond Bank Plc, Iweka road; Diamond Bank Plc, Sokoto road.

3.3 POPULATION OF THE STUDY

Population of study according to Macionis (2009) refers to the people who are the focus of the research. It could also be seen as the total number of items which the researcher is interested in. for the purpose of this study; the population covers the entire staff and management of the four aforementioned branches of Diamond Bank Plc, Onitsha, out of which the sample size was selected. The total number of management and staff is 126 according to the information made available to the researcher.

3.4 SAMPLE SIZE

A sample size is defined as a part of a population that represents the whole population from which variables are drawn for the study. As a result of the fact that the population of this study is finite, it thus necessitated the use of Taro Yarmanes Formula to draw up the appropriate sample size by the researcher. Thus, the sample size will be gotten using Taro Yarmane’s formula. The formula for determining the sample size is presented below:

$$n = \frac{N}{1 + N(e)^2}$$

Where n = Sample size

N = Population

e = Error margin (0.05)

1 = Constant

Therefore, sample size (n) = $\frac{126}{1 + 126\ (0.05)^2}$

$= \frac{126}{\quad}$

$$1 + 126\ (0.0025)$$

$$= \frac{126}{1 + 0.315}$$

$$= \frac{126}{1.315}$$

$$= 95.817$$

$$\cong 96$$

Therefore, the sample size for this study is approximately 96.

3.5 SAMPLE TECHNIQUES

The sample technique used in this study is the Accidental or Haphazard sample technique, such that any willing and available staff of any of the aforementioned branches of Diamond Bank Plc, Onitsha at the time of the distribution of the questionnaire will be used in the data analysis. In essence, the will be gotten from those present at the time of the distribution of questionnaires.

3.6 INSTRUMENT FOR DATA COLLECTION

Data collection was carried out through the use of questionnaire. The questionnaire contains questions pertaining to the research questions and objectives of the study. A questionnaire is a series of written questions a researcher presents to subjects (Macionis, 2009). The close-ended questionnaire format [Yes] or [No] will be used in this study, so as to facilitate easy analysis of the data obtained from the sample size.

3.7 METHOD OF DATA ANALYSIS

The data generated through questionnaires, were represented and analyzed using tables, frequency and percentage respectively. Furthermore, Chi-Square Goodness-of-Fit test was the statistical tool used to test the hypothesis formulated exclusively for this study. This statistical tool is used to compare observed data with the data expected to be obtained according to a specific hypothesis. The formula for Chi-Square Goodness-of-Fit test (x^2) is:

$$x^2 = \Sigma \frac{(Fo - Fe)^2}{Fe}$$

Where x^2 = Chi-square

Fo = Frequency Observed

Fe = Frequency Expected

Σ = Summation

- ***Test for Significance***

Degree of freedom (df) = (r-1) (c-1)

Where r = rows

c = columns

1 = constant

- ***Level of significance*** is ($p > < 0.05$)
- ***Decision Rule:***

If the calculated chi-square (x^2) is greater than the critical value which is the level of significance, the Null Hypothesis is rejected, thereby, giving room for the acceptability of the Alternate Hypothesis. But if the calculated chi-square is less than the critical value, the Null Hypothesis will be accepted while the Alternate Hypothesis will be rejected.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

This chapter deals with the analysis of data obtained for the purpose of this research. This study made use of primary source of data, questionnaire to be precise. The questionnaires were distributed to the staff and management of four Diamond Bank branches, Onitsha.

4.1 PRESENTATION OF PERSONAL CHARACTERISTICS OF RESPONDENTS.

Table 4.1.1: Distribution of Questionnaire

Questionnaire	Frequency
No. distributed	96
No. collected	77

No. lost	19

Source: field work survey, 2016.

Table 4.1.1, shows that a total of 96 questionnaires were distributed to both staff and management of Diamond bank, out of which 77 questionnaires were collected, while 19 questionnaires were lost.

Table 4.1.2: Sex Distribution of Respondents

Respondents	Frequency	Percentage (%)
Male	34	44.2
Female	43	55.8
Total	77	100

Source: field work survey, 2016.

Table 4.1.2, shows that 34 males (44.2%) and 43 females (55.8%) made up the total respondents.

Table 4.1.3: Marital Status of Respondents

Respondents	Frequency	Percentage (%)
Single	48	62.3
Married	29	37.7
Total	77	100

Source: field work survey, 2016.

The table above shows that from the total number of respondents, 48 persons (62.3%) are single while 29 persons (37.7%) are married.

Table 4.1.4: Education Qualification of Respondents

Respondents	Frequency	Percentage (%)
WASSCE	16	20.8
OND/NCE	14	18.2
HND/B,sc	31	40.2
M.sc	12	15.6
Ph.D	4	5.2
Total	77	100

Source: field work survey, 2016.

The above table shows that 16 respondents (20.8%) had only WASCCE certificates, 14 respondents (18.2%) had only OND/NCE certificate, 31 respondents (40.2%)

Had only HND/B.sc certificate, while 12 respondents (15.6%) and 4 respondents (5.2%) had furthered their education up to M.sc and Ph.D respectively.

Table 4.1.5: Positions/ Status held by Respondents

Respondents	Frequency	Percentage (%)
Management/Senior staff	12	15.6
Junior staff	19	27.7
Outsourced staff	46	59.7
Total	77	100

Source: field work survey, 2016.

Table 4.1.5, shows that outsourced staff represents 59.7% (46 respondents), while management/senior staff and junior staff represents 15.6% (12 respondents) and 24.7% (19 respondents) respectively.

Table 4.1.6: Age Distribution of Respondents

Respondents	Frequency	Percentage (%)
18-30 years	41	53.4
31-45 years	27	35.1
46 years and above	9	11.7
Total	77	100

Source: field work survey, 2016.

Table 4.1.6; show that 41 respondents are below 30 years. While 27 respondents are between 31 years and 45 years and 9 respondents (11.7%) are above 46 years.

Table 4.1.7: Years of service of Respondents

Respondents	Frequency	Percentage (%)
Below 5 years	52	67.5
6-15 years	17	22.1
16 years and above	18	10.4
Total	77	100

Source: field work survey, 2016.

From the above table, 52 respondents (67.5%) have worked in Diamond bank for less than 5 years. 17 respondents (22.1%) have worked in the bank between 6-15 years while 10.4% who are 8 in number have worked for over 16 years.

4.2 ANALYSIS OF RESEARCH QUESTIONS

The data gotten from the respondents through questionnaires will be represented and analyzed using tables and percentage.

4.2.1 Question One;

Does outsourcing affect how management and labour relate with each other?

Table 4.2.1

Respondents	Frequency	Percentage (%)
Yes	14	18.2
No	63	81.8
Total	77	100

Source: field work survey, 2016.

From the above table, 63 respondents (81.8%) believed that outsourcing has not affected how management and labour relate, while 14 respondents (18.2%) had a different view.

4.2.2 Question Two;

Is there a cordial working relationship between outsourced staff and direct staff?

Table 4.2.2

Respondents	Frequency	Percentage (%)
Yes	71	92.2
No	6	7.8
Total	77	100

Source: field work survey, 2016.

Table 4.2.2 shows that majority of the respondents 92.2% (71 respondents) agreed that there is cordial working relationship between outsourced staff and direct staff, while 7.8% (6 respondents) disagreed otherwise.

4.2.3 Question Three;

Is there a strenuous relationship between outsourced staff and management?

Table 4.2.3

Respondents	Frequency	Percentage (%)
Yes	36	46.8
No	41	53.2
Total	77	100

Source: field work survey, 2016.

Table 4.2.3 shows that 36 (46.8%) of the respondents agreed that there is a strained relationship between staff and management, while, 41 respondents (53.8%) disagreed.

4.2.4 Question Four;

Is there division between management, direct staff and outsourced staff?

Table 4.2.4

Respondent	Frequency	Percentage (%)
Yes	20	26
No	57	74
Total	77	100

Source: field work survey, 2016.

From the table above, it shows that 57 respondents (74%) did not agree to the question if there is division between direct staff and management, while 20 respondents (26%) affirmed that there is no division.

4.2.5 Question Five;

Does outsourcing affect workers performance and organizational growth in the bank?

Table 4.2.5

Respondents	Frequency	Percentage (%)
Yes	35	45.5
No	42	54.5
Total	77	100

Source: field work survey, 2016.

From the table above, 35 respondents (45.5%) agreed that outsourcing affects workers' performance and organizational growth in the bank, while 42 respondents (54.5%) answered no to the question.

4.2.6 Question six;

Does outsourcing help in reducing workload for direct staff and management?

Table 4.2.6

Respondents	Frequency	Percentage (%)
Yes	61	79.2
No	16	20.8
Total	77	100

Source: field work survey, 2016.

From the above table, 61(79.2%) respondents answered yes to the question that outsourcing help in reducing work load for direct staff and management, while, 16 (20.8%) answered contrarily to that.

4.2.7 Question Seven;

Are outsourced staff well appraised and motivated for their work?

Table 4.2.7

Respondents	Frequency	Percentage (%)
Yes	13	16.9

No	64	83.1
Total	77	100

Source: field work survey, 2016.

From the above table, 13 respondents (16.9%) agreed that outsourced staff are well appraised and motivated. While 64 (83.1%) had a contrary view.

4.2.8 Question Eight;

Do you think that outsourced staff should be given equal benefits alongside direct staff?

Table 4.2.8

Respondents	Frequency	Percentage (%)
Yes	54	70.1
No	23	29.9
Total	77	100

Source: field work survey, 2016.

From the above table, majority of the respondents (70.1%) agreed that outsourced staff should be given equal benefits alongside direct staff. However, 23 respondents (29.9%) had a contrary view.

4.2.9 Question Nine;

Has outsourcing improved staff commitment to work?

Table 4.2.9

Respondents	Frequency	Percentage (%)
Yes	44	57.1
No	33	42.9
Total	77	100

Source: field work survey, 2016.

Table 4.2.9 shows that out of 77 respondents, 44 respondents (57.1%) agreed that outsourcing has improved staff commitment to work, while, 33 respondents (42.9%) did not agree.

4.2.10 Question Ten;

High work performance and co-ordination resulted to higher productivity since the introduction of outsourcing.

Table 4.2.10

Respondents	Frequency	Percentage (%)
Yes	50	64.9
No	27	35.1
Total	77	100

Source: field work survey, 2016.

From the above table, 50 respondents (64.9%) agreed that high work performance and co-ordination resulted to higher productivity since the introduction of outsourcing. While 27 (35.1%) had a contrary view.

4.2.11 Question Eleven;

Has outsourcing had any impact on the growth of Diamond bank?

Table 4.2.11

Respondents	Frequency	Percentage (%)
Yes	45	58.4
No	32	41.6
Total	77	100

Source: field work survey, 2016.

From the table above, 45 respondents (58.4%) of the total respondents agreed that outsourcing has had no impact on the growth of Diamond Bank. On the contrary, 32 respondents (41.6%) disagreed.

4.2.12 Question Twelve;

Does the unequal status between the outsourced staff and direct staff affect work performance?

Table 4.2.12

Respondent	Frequency	Percentage (%)
Yes	15	19.5
No	52	67.5
Total	77	100

Source: field work survey, 2016.

Table 4.2.12 shows that a majority of the respondents (67.5%) insists that the unequal status between outsourced staff and direct staff does not in any way or manner affect work performance. However, a small portion of the respondents (19.5%) argue otherwise.

4.2.13 Question Thirteen;

Are there internal conflicts or rift between management and outsourced staff?

Table 4.2.13

Respondents	Frequency	Percentage (%)
Yes	36	47.8
No	41	53.2
Total	77	100

Source: field work survey, 2016.

From the table above, 41 respondents which represent 53.2% of the total respondents agreed that there is no internal rift or conflict between management and outsourced staff. On the other hand, 36 respondents who represent 41.6% of the total respondents had a different opinion.

4.2.14 Question Fourteen;

Does outsourcing contribute to Industrial conflict and issues in Diamond bank?

Table 4.2.14

Respondents	Frequency	Percentage (%)
Yes	12	15.6
No	55	71.4
Total	77	100

Source: field work survey, 2016.

Table 4.1.14 shows that out of the 77 respondents, 55 respondents (71.4%) said that outsourcing does not bring about conflict in the banking industry, while 12 respondents (15.6%) replied yes.

4.2.15 Question Fifteen;

Is it necessary for Diamond bank to outsource?

Table 4.2.15

Respondents	Frequency	Percentage (%)
Yes	39	50.6
No	38	49.4
Total	77	100

Source: field work survey, 2016.

From the table above, 39 respondents (50.6%) feel it is necessary for Diamond Bank to outsource. On the contrary, 38 respondents (49.4%) do not feel it is necessary.

4.2.16 Question Sixteen;

Do you think that outsourcing should be scrapped?

Table 4.2.16

Respondents	Frequency	Percentage (%)
Yes	41	53.2
No	36	46.8
Total	77	100

Source: field work survey, 2016.

Table 4.1.16 shows that out of the 77 respondents, 41 respondents (53.2%) support the notion that outsourcing should be scrapped, while 30 respondents (46.8%) replied no.

4.2.17 Question Seventeen;

Are there labour unions within the bank?

Table 4.2.17

Respondents	Frequency	Percentage (%)
Yes	11	14.3
No	66	85.7
Total	77	100

Source: field work survey, 2016.

Table 4.1.17 shows that majority of the respondents (85.7%) are of the opinion that Diamond Bank does not have labour unions. On the other hand, 11 respondents had a different opinion.

4.2.18 Question Eighteen;

Are the labour unions still active or have gone extinct?

Table 4.2.18

Respondents	Frequency	Percentage (%)
Yes	4	5.2
No	73	94.8
Total	77	100

Source: field work survey, 2016.

Table 4.2.18 shows that majority of the respondents (94.8%) insists that the labor union within the bank have gone. However, a small portion of the respondents (5.2%) still believe that labor unions are still active.

4.2.19 Question Nineteen;

If “no” to the previous question, do you think there is need for an active labour union to represent both the outsourced staff and direct staff?

Table 4.2.19

Respondents	Frequency	Percentage (%)
Yes	40	51.9
No	37	48.1
Total	77	100

Source: field work survey, 2016.

From the table above, 40 respondents which represent 51.9% think it is quite needful to have an active labour union to represent both the outsourced staff and direct staff. However, 37 respondents (48.1%) think otherwise.

4.2.20 Question Twenty;

Is there need for government regulation on outsourcing agencies?

Table 4.2.20

Respondents	Frequency	Percentage (%)
Yes	46	59.7
No	31	40.3
Total	77	100

Source: field work survey, 2016.

From the analysis of the table above, 46 respondents (59.7%) believe that there is need for government regulation of outsourcing agencies. However, 31 respondents (40.3%) had a different view.

4.3 TESTING OF HYPOTHESES

The statistical tool used to test the hypotheses is Chi-Square Goodness-of-Fit test (x_2t). Chi-Square test involves comparing a set of observed frequencies with expected frequencies. It also helps in determining if the hypotheses are null hypotheses or alternate hypotheses.

4.3.1 HYPOTHESIS ONE: This hypothesis will be tested using question 1, 3 and 4.

Ho. There is no significant effect of outsourcing on labour-management relations.

H_1. There is a significant effect of outsourcing on labour-management relations

Table One: Contingency Table of Response

Respondents	Responses (Yes)	Responses (No)	Total

Question 1	14	63	77
Question 3	36	41	77
Question 4	20	57	77
Total	70	161	231

$$x^2 = \Sigma \frac{(Fo - Fe)^2}{Fe}$$

Where x^2 = Chi-square

Fo = Frequency Observed

Fe = Frequency Expected

To get expected frequency (Fe) = $\frac{RT \times CT}{GT}$

Where RT = row total

CT = column total

GT = grand total

Expected Positive Response = $\frac{70 \times 77}{231}$

$= \frac{5390}{231}$

$= 23.3$

Expected Negative Response = $\frac{161 \times 77}{231}$

$= \frac{12397}{231}$

$= 53.7$

Table 4.3.1 : Calculation of Chi-Square value

Respondents	Fo	Fe	Fo – Fe	$(Fo-Fe)^2$	$\frac{(Fo-Fe)^2}{Fe}$
Yes	14	23.3	-9.3	86.49	3.71
Yes	36	23.3	12	161.29	6.92
Yes	20	23.3	3.3	10.89	0.47
No	63	53.7	9.3	86.49	1.61

No	41	53.7	-12.7	161.29	3.00
No	57	53.7	3.3	10.89	0.20
					15.91

Determination of critical value/ Test of Significance

Degree of Freedom (df) = (r - 1)(c - 1)

= (6 -1)(4 -1)

= 5 x 3

= 15

15 at 0.05 critical value = 24.996

The Null Hypothesis Ho (P > 0.05) is accepted because the calculated x_2t (15.91) is lesser than the critical value x_2c (24.996). Therefore there is no significant effect of outsourcing on labour-management relations.

4.3.2 HYPOTHESIS TWO: This hypothesis will be tested using question 5, 9 and 10.

Ho. There is no significant impact of outsourcing on work performance.

H_2. There is a significant impact of outsourcing on work performance.

Table Two: Contingency Table of Response

Respondents	Responses (Yes)	Responses (No)	Total
Question 5	35	42	77
Question 9	44	33	77
Question 10	50	27	77
Total	129	102	231

$$x^2 = \Sigma \frac{(Fo - Fe)^2}{Fe}$$

Where x^2 = Chi-square

Fo = Frequency Observed

Fe = Frequency Expected

To get expected frequency (Fe) = $\frac{RT \times CT}{GT}$

Where RT = row total

CT = column total

GT = grand total

Expected Positive Response = $\frac{129 \times 77}{231}$

$= \frac{9933}{231}$

$= 43$

Expected Negative Response = $\frac{102 \times 77}{231}$

$= \frac{7854}{231}$

$= 34$

Table 4.3.2 : Calculation of Chi-Square value

Respondents	Fo	Fe	Fo – Fe	$(Fo-Fe)^2$	$\frac{(Fo-Fe)^2}{Fe}$
Yes	35	43	8	64	1.49
Yes	44	43	1	1	0.02
Yes	50	43	13	169	3.93
No	42	34	8	64	1.88
No	33	34	1	1	0.29
No	57	34	13	169	4.97
					12.58

Determination of critical value/ Test of Significance

Degree of Freedom (df) = (r - 1)(c - 1)

= (6 -1)(4 -1)

= 5 x 3

$= 15$

15 at 0.05 critical value = 24.996

The Null Hypothesis Ho (P > 0.05) is accepted because the calculated x_2t (12.58) is lesser than the critical value x_2c (24.996). Therefore, there is no significant impact of outsourcing on work performance.

4.3.3 HYPOTHESIS THREE: This hypothesis will be tested using questions 13 and 14.

Ho. There are no conflict between management and labour over outsourcing.

H_3. There are conflict between management and labour over outsourcing.

Table Three: Contingency Table of Response

Respondents	Responses (Yes)	Responses (No)	Total
Question 13	35	42	77
Question 14	36	41	77
Total	71	83	154

$$x^2 = \Sigma \frac{(Fo - Fe)^2}{Fe}$$

Where x^2 = Chi-square

Fo = Frequency Observed

Fe = Frequency Expected

To get expected frequency (Fe) = $\frac{RT \times CT}{GT}$

Where RT = row total

CT = column total

GT = grand total

Expected Negative Response = $\frac{83 \times 77}{154}$

$= \frac{6391}{154}$

$= 41.5$

Expected Positive Response $= \frac{71 \times 77}{154}$

$= \frac{5467}{154}$

$= 35.5$

Table 4.3.3: Calculation of Chi-Square value

Respondents	Fo	Fe	Fo – Fe	$(Fo-Fe)^2$	$\frac{(Fo-Fe)^2}{Fe}$
Yes	35	35.5	0.5	0.25	0.007
Yes	36	35.5	-0.5	0.25	0.007
No	42	41.5	0.5	0.25	0.006
No	41	41.5	0.5	0.25	0.006
Total					0.026

Determination of critical value/ Test of Significance

Degree of Freedom (df) = (r - 1)(c - 1)

= (4-1)(4 -1)

= 1 x 1

= 1

1 at 0.05 critical value = 3.841

The Null Hypothesis Ho ($P > 0.05$) is accepted because the calculated x_2t (0.026) is lesser than the critical value x_2c (3.841). Therefore there is no industrial conflict between management and labour with regards to outsourcing.

4.4 DISCUSSION OF FINDINGS

- Hypothesis one, states that there is no significant effect of outsourcing on labor-management relations. Based on the results from the test of hypothesis (P > 0.05) there is no significant effect of outsourcing on labour-management relations.
- Hypothesis two states that there is no significant impact of outsourcing on work performance. Based on the results from the test of hypothesis (P > 0.05), there is no significant impact of outsourcing on work performance.
- Hypothesis three states that there is no industrial conflict between labor-management with regards to outsourcing. Based on the results from the test of hypothesis (P > 0.05), there is no industrial conflict between labour and management.

It is therefore; appropriate to accept the Null hypothesis (1, 2 and 3) in this study and to state with more than 95% confidence (P > 0.05) that no relationship was found between outsourcing and labour-management relations, work performance and industrial conflict in Diamond Bank Plc, Onitsha.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 SUMMARY

This research deals with the impact of outsourcing on labour-management relations in the banking sector, Diamond Bank Plc, Onitsha to be precise. The research examines the impact of outsourcing on labour-management relations, whether negative, positive or no impact at all. This study tries to examine whether outsourcing affects the work performance of both direct staff and outsourced staff in the bank, as well as organizational growth and productivity in the banking sector. It also seeks to investigate whether outsourcing causes industrial conflict within the banking sector, especially between management and outsourced staff and also, between outsourced staff and direct staff. Thus, this research explores the issues pertaining to outsourcing with regards to human and inter-group relationships in the banking sector. It deviates from the issues concerning outsourced staff, and places much focus on the social interactions and work relations between, the management, direct staff and outsourced staff.

Based on the findings from this research, there is no significant effect of outsourcing on labor-management relations. In essence, outsourcing has no impact on the existing relationship between the parties involved in the outsourcing relations in the banking sector.

Furthermore, there is no significant impact of outsourcing on work performance. Outsourcing does not affect workers' performance in the bank in the banking industry. In addition, the research also found out that there is no industrial conflict between labor and management. Outsourcing does not bring about conflict between the management and staff of Diamond Bank Plc, Onitsha.

5.2 CONCLUSION

The increase in the use of outsourced staff by Diamond bank is aimed at reducing cost of operation in the bank. Outsourcing has been prescribed as an important tool for attaining and maintaining a competitive advantage. In addition, outsourcing is growing in appeal to organizations because of the cost savings achieved in executing operations (Elmuti, Julian and Dereje, 2010). However, there has been mixed reactions with regards to how outsourced staffs are treated in terms of remuneration and certain entitlements, but little or no in-depth analysis has been made concerning the work relations and social interactions of the parties involved – the management, direct staff and outsourced staff. Hence, the question arising from the research was aimed at investigating whether outsourcing affects labour-management relations and workers performance or does it bring about industrial conflict in the bank. Therefore, based on the results gotten from this research, we can infer the following:

- Outsourcing has no impact on labour-management relations. This is so, because despite the negative connotations attached to outsourcing, it has not really adversely affected how management relates with the bank worker.
- Outsourcing has no impact on work performance. Although outsourced staffs are paid less, this has not in any way affected their job performance as they keep scoring high during job appraisals.

- Outsourcing does not bring about industrial conflict. This is so because of the fact that outsourced staff go into agreement with the bank through contracts that stipulates their job description and remuneration. Hence there is no room for complaint, let alone conflict.

5.3 RECOMMENDATIONS

From the findings of this research, it has been affirmed that outsourcing has no impact no impact on labour-management relations; neither does it affect workers (direct staff and outsourced staff) performance nor does it contributes to industrial conflict between management and outsourced staff as well as outsourced staff and direct staff in the banking system. It is based on these findings that the researcher recommends that:

- There should be fairness when it comes to issues concerning outsourced staff with regards to the contractual agreement signed by the parties involved - the management, outsourcing agencies and outsourced staff. This would lead to a more harmonious working relationship between the management and outsourced staff,
- The management of banks should try as much as possible to allay the fear of outsourced staff by increasing their job security, remuneration and welfare as well as creating a smooth working environment for both the direct staff and outsourced staff. By doing such, this would make sure that there is no conflict whatsoever in future with regards to outsourcing and outsourced staff.
- Lastly, there should be regulatory agencies to check the management of banks with regards to outsourcing policies and practices. This would create a system of check-and-balance in the banking industry.

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APPENDIX I

Department of Sociology,

Faculty of Social Sciences,

Chukwuemeka Odumegwu Ojukwu, University,

Igbariam Campus.

May 19th, 2016.

Dear Respondents,

I am a final year student of the above mentioned university, faculty and department. I am currently carrying out a research on the topic; the Impact of Outsourcing on Labor-Management Relations in the banking sector, with particular reference to your organization, Diamond Bank Plc, Onitsha.

Please kindly assist the researcher by completing the attached questionnaire, the research is purely for academic purpose and any information obtained will be treated confidentially.

Thanks for your co-operation.

Yours Faithfully,

. . . .

Okoro Elizabeth Eberechi.

APPENDIX II

QUESTIONNAIRE

Instruction: Please tick [ ] against the option that corresponds to your answer.

SECTION A

(DEMOGRAPHIC/PERSONAL DATA)

1. Sex: Male [ ] Female [ ]
2. Marital Status: Single [ ] Married [ ]
3. Educational Qualification:

WASSCE [ ] ;OND/NCE [ ] ;HND/B.Sc [ ] ;M.Sc [ ] ; Ph.D [ ]

4. Position/Status held in the organization:

Management/Senior staff [ ] ; junior staff [ ]; Outsourced staff [ ]

5. Age: 18 – 30 years [ ] ; 31 – 45 years [ ] ; 46 and above [ ]

6. Years of service with Diamond Bank:

Below 5 years [ ] ; 6 – 15 years [ ] ;15 years and above [ ]

SECTION B

(THEMATIC DATA)

1. Does outsourcing affect how labour and management relate with each other?

(a)Yes [ ] (b) No [ ]

2. Is there a cordial working relationship between outsourced staff and direct staff?

   (a)Yes [ ] (b) No [ ]

3. Is there a strenuous relationship between outsourced staff and management?
   (a)Yes [ ] (b) No [ ]
4. Is there division between management, direct staff and outsourced staff?

   (a)Yes [ ] (b) No [ ]

5. Does outsourcing affect workers' performance and organizational growth in the bank?

   (a)Yes [ ] (b) No [ ]
6. Does outsourcing help in reducing the work load for direct staff and management?

   (a)Yes [ ] (b) No [ ]
7. Are outsourced staff well appraised or motivated for their efforts?
   (a)Yes [ ] (b) No [ ]
8. Do you think that outsourced staff should be given equal benefits alongside direct staff? (a)Yes [ ] (b) No [ ]
9. Outsourcing has improved staff commitment to work. (a)Yes [ ] (b) No [ ]
10. High work performance and co-ordination resulted to higher productivity since the introduction of outsourcing. (a)Yes [ ] (b) No [ ]
11. Has outsourcing had any impact on the growth of Diamond Bank?
    (a)Yes [ ] (b) No [ ]
12. Does the unequal status between outsourced and direct staff affects work performance? (a)Yes [ ] (b) No [ ]
13. Does outsourcing contribute to industrial conflict and issues bothering Diamond Bank? (a)Yes [ ] (b) No [ ]
14. Are there internal conflict/rift between management and outsourced staff?

    (a)Yes [ ] (b) No [ ]

15. Is outsourcing necessary for Diamond Bank? (a)Yes [ ] (b) No [ ]
16. Do you think outsourcing should be scrapped? (a)Yes [ ] (b) No [ ]

17. Are there labour unions within the bank? (a)Yes [ ] (b) No [ ]
18. Are the labour unions still active or have gone extinct?

    (a) Yes, they still functioning [ ]

(b) No they have gone extinct [ ]

19. If “no” to the above question, do you think there is need for an active labour union to represent both the outsourced staff and direct staff? (a)Yes [ ] (b) No [ ]
20. Is there need for government regulation when it involves outsourcing?
    (a)Yes [ ] (b) No [ ]