

**Outsourcing And Organizational Performance In Parastatal Organizations In Uganda: A Case Study Of
Civil Aviation Authority (CAA)**

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Abstract

The study topic was outsourcing and organizational performance in parastatal organizations in Uganda: a case study of Civil Aviation Authority (CAA)". Outsourcing was the independent variable, organizational performance was the dependent variable and procurement legal framework was the moderating variable. The study was conducted because despite CAA's outsourcing, its performance had not scaled up. Thus, the general objective was to assess the effect of outsourcing on organizational performance in CAA. The specific objectives were to: assess the effect of outsourcing planning and decision making on organizational performance, find out the effect of outsourcing process on organizational performance, and establish the moderator effect of procurement legal framework on the relationship between outsourcing and organizational performance. A case study design using both qualitative and quantitative approaches was adopted. The target population was 38 and a sample size of 36 respondents was selected using simple random sampling and purposive sampling. Primary data was collected using questionnaires and interviews. Secondary data was gathered by reviewing documents. Frequencies and percentages and Spearman rank order correlation were used to analyze quantitative data. Qualitative data was sorted and classified into themes and categories to support the quantitative data. It was established that outsourcing planning and decision-making accounted for 31.7% change in the performance of the CAA and outsourcing processes accounted for 51.6% change in the performance of the CAA. However, procurement legal framework moderated the relationship between outsourcing and performance by weakening the strength of the relationships. It is recommended that CAA should improve its planning and decision-making, outsourcing process and procurement legal framework to improve its performance.

Keywords: Outsourcing, Organizational, Performance and Parastatal Organizations

Background to the study

According to Rundquist (2007), during the industrial revolution, there were no developed external markets because outsourcing was not formally identified as a business strategy for improving organizational performance until 1989. Therefore, in order for organizations to minimize costs and thus increase their profits (which are indicators of organizational performance, they produced in-house a wide range of activities upstream or downstream(Ntirandekura, Ainebyoona, et al., 2022). Only a few firms, if any, during the 1800s and in the early 1900s outsourced parts of their processes as a strategy to improve their organizational performance; they were completely vertically integrated organizations(Ntirandekura, Ainebyoona, et al., 2022). This means that as a strategy for maintain or improving organizational performance, the organizations produced or mined raw materials, converted their raw material to finished products in plants owned by the firm, and then shipped all the finished goods on firm-owned trucks to firm-owned retail stores for marketing(Christopher & Shamirah, 2025). In addition,

as a strategy for maintain or improving organizational performance, the organizations owned their own insurance companies, did their own taxes, employed their own legal services, and had their own architects to construct their buildings without assistance from other firms (Piore & Sabel, 1990). This means that they actually outsourced very few activities as a strategy to improve their organizational performance(Alex et al., 2024).

Development of special services led to increased contracting as a strategy for improving organizational performance, which is a form of outsourcing and in the 1990s, as organizations began to focus more on cost-saving measures as part of improving their performance, they started to outsource those functions necessary to run a company but not related specifically to the core business (Rundquist, 2007). He further observes that the first wave of outsourcing as a strategy for improving organizational performance began during the second industrial revolution in the late 19th century, and started the growth of services such as insurance companies, tax consultancies, accounting services, lawyers, architecture and engineering services, and others(Alex & Kazaara, 2023). The companies performing this work were normally located in the same region, often the same city, as their customers (Piore & Sabel, 1990). In essence, this was a form of local outsourcing as a strategy for improving organizational performance(Lydia et al., 2023). The next development step as a strategy for improving organizational performance came with outsourcing manufacturing of low-tech items such as toys, metal parts, shoes, and construction goods and later, more high-tech manufactured items like complex mechanics components and consumer electronics (Rundquist, 2007; Slack, 2003). More recently, outsourcing as a strategy for improving organizational performance has moved also to intangible activities or knowledge intensive activities such as information technology, product development or research and development (R&D) (Quinn, 2000).

Today, the outsourcing of selected organizational activities is an integral part of corporate strategy of improving organizational performance(Julius, 2024). Historically, third party participation in a company's business to improve organizational performance has generally focused on the manufacture of parts and components and the provision of auxiliary services such as legal and travel services(Brian et al., 2024). A more recent phenomenon, however, involves third party participation in the management of the information systems (IS) function to improve organizational performance (Behara *et al.*, 1995).

There is very little literature about the history of outsourcing as a strategy for improving organizational performance in Africa. This may be because outsourcing where a company hires another company to improve its organizational performance has just started to be embraced in most African countries(Ntirandekura, Friday, et al., 2022). The exception African countries where it has been practiced for some good period are South Africa, Libya and Egypt whose economies are close to the western countries with industries that have been well developed especially in the service sector (Mallard, 2006). In Uganda, like most other African countries, outsourcing as a strategy for improving organizational performance is a new phenomenon but the country is becoming more involved in this phenomenon

(Mallard, 2006). This is evident in big organizations/firms such as the British American Tobacco (BAT), Eastern African Breweries, Coca Cola, Civil Aviation Authority (CAA), Makerere University, some ministries and Mulago Hospital.

Statement of the problem

Outsourcing has grown in importance today because economic and competitive pressures have made it imperative for organizations of all sizes to focus on their core competencies and turn to third-parties to assume responsibility for other secondary corporate functions (Joshua, 2026). Leveraging third-party alternatives can reduce costs and improve operating efficiencies. It was in this line that CAA developed a strategy to outsource some of its non-core activities, which include cleaning, security and maintenance in order to improve its performance (Ntirandekura, Ainebyoona, et al., 2022). Despite this, performance did not improve. For example, savings decreased year to year, with large gains often achieved at first but diminishing returns recorded thereafter (Ramadhan et al., 2023). Thus, one wonders- why is there no much improvement in the performance, in spite of CAA's initiative to outsource some of the activities (Winny et al., 2023). In order to fill this knowledge gap, this study was proposed, with the primary interest of assessing the effect of outsourcing on performance of CAA.

General objective

To assess the effect of outsourcing on Organizational performance in Civil Aviation Authority

Specific objectives

The specific objectives included

- i. To assess the effect of outsourcing planning and decision making on organizational performance in Civil Aviation Authority
- ii. To find out the effect of outsourcing process on organizational performance in Civil Aviation Authority
- iii. To establish the moderator effect of procurement legal framework on the relationship between outsourcing and organizational performance in Civil Aviation Authority

Research questions

The research questions were

- i. What is the effect of outsourcing planning and decision making on organizational performance in Civil Aviation Authority?
- ii. Does outsourcing process contribute to organizational performance in Civil Aviation Authority?
- iii. How does the moderator variable 'procurement legal framework' contribute to the relationship between outsourcing and organizational performance in Civil Aviation Authority?

Scope of the study

The study covered a period of 2018-2022 when CAA started effective implementation of outsourcing strategic plan. Geographically, the study was carried out at CAA Headquarters, located in Entebbe, which is 27km from the Central business district of Kampala in Uganda. The content scope comprised outsourcing, as the independent variable, Organizational performance as the dependent variable and procurement legal framework as the moderator variable.

Significance of the study

The study findings helped to inform the different parastatals on different ways of how outsourcing can be made relevant to organizational performance.

The study findings also helped policymakers such as members of parliament and CAA management in different Organizations by availing them with information that they used to make decisions that are more informed, as far as outsourcing is concerned. The findings further helped stakeholders such as suppliers, procurement officers and human resource officers, finance officers and heads of department on how to attach performance onto the decision to outsource, knowing that outsourcing should have a direct linkage on performance.

Methodology

Introduction

This chapter presents the methodology that was used in the study. The presentation includes the research design, study population, sample size and selection, sampling techniques and procedure, data collection methods, data collection instruments, validity and reliability and data analysis.

Research design

The case study design was used in this study. Zonabend (1992) stated that case study is done by giving special attention to completeness in observation, reconstruction, and analysis of the cases under study. Yin (1984) defines the case study research method as an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used (Yin, 1984, p. 23). Case study research excels at bringing us to an understanding of a complex issue or object. Researcher Robert K. The case study was used in this study because it helps to get in-depth information about the phenomenon (Amin, 2005). The study approach used was both qualitative and quantitative. The qualitative approach was used in order to gain a deep understanding of the concept of outsourcing and organizational performance in CAA. A quantitative approach was used to get data from the many respondents in a shorter time given that it allowed the use of closed-ended questions.

Study population

Data was gathered in Civil Aviation authority (CAA), with a focus on Procurement Department, Human Resources Department and Finance Department. The study population included 8 procurement officials, 10 Human resource officers, 16 Finance officials, 3 Heads of departments, and 1 senior administrator. Thus, the target total population was 38 members of staff.

Sample size and selection

A sample size of 36 respondents was determined using a formula provided by Krejcie and Morgan as cited in Amin (2005). The simple random method was used for finance department employees. This was because since not all employees in this category were selected based on Krejcie and Morgan's approach of sample size determination, by

using simple random sampling each respondent had an equal chance of being selected(Olanrewaju et al., 2021).

Category	Population	Target Sample	Actual sample	Technique
Procurement officers	8	8	8	Census
Human resource officers	10	10	9	Census
Finance officers	16	14	13	Simple random sampling
Heads of departments	3	3	3	Census
Senior administrators	1	1	1	Census
Total	38	36	32	

Census was used to select all staff from procurement, human resource, heads of departments and senior administrators since these were few in number and according to Krejcie and Morgan as cited in Amin (2005), a population of only 10 and less subjects should all be selected for the study. The sample size and selection is further presented in Table 2 below.

Table 1: Sample size and selection

Source: Krejcie and Morgan as cited in Amin (2005)

From Table 1, the first column presents the various categories of employees the study targeted. The second column shows the total population of the targeted categories of employees. The third column shows sample of employees that was selected from the targeted category of employees. The last column shows how the various category samples was selected. It can be observed the actual sample that participated in the study was 32 yet the target sample was 36. The response rate was 89%, which was above 67% that is recommended by Amin (2005). Thus, it was better to go ahead and analyze the results obtained from the field.

Data collection methods

Data collection methods collect both primary and secondary data. Primary data is data observed or collected directly from first-hand experience. Published data and the data collected in the past or other parties is called secondary data. Primary data was collected using structured questionnaire and interview guide. Secondary data was gathered through review of documents. The following section presents the data collection instruments in detail(Nafiu, 2012).

Data collection instruments

Questionnaire

This was formatted and structured on a five point likert standardized rating scale of 1 to 5; (1- Strongly agree, 2- Agree, 3-Not sure, 4-Disagree, 5- Strongly disagree). It was the main means of collecting primary data from employees working in the following procurement, human resource and finance. The questionnaire was more convenient since one carried it home and filled it out at leisure, and it also helped one to respond freely due to its anonymous nature. It was used because of its efficiency and convenience in collection of qualitative and quantitative

data, to make triangulation feasible (Sekaran, 2003; Amin 2005). It was also less expensive than interviews and many people were reached in a short space of time. Questions in the questionnaire were standardized, which helped to avoid bias. The questionnaire was formatted and structured for purposes of precision and accuracy in the data collection, to ensure that the items had the same measure and reliability. It had only closed-ended questions, where respondents were given a set of alternative questions to pick from. This was done to ease the coding of the data and also help the respondents to respond fast.

Interview Guide

The interview guide was used to support and supplement on the data that was captured through the questionnaire. It was purposively applied to key informants who included Managing Director, Head of procurement, Head of Human resource and Head of Finance. Interviews were conducted face to face by the researcher to save time and reduce the costs, plus the advantage of soliciting extra information through probing and observing body language.

Document review

Documents reviewed were from CAA, Uganda Management Institute library, as well as the internet and newspapers.

Validity and reliability

Validity

A validity test was carried out prior to the administration of the research instruments. This was done in order to find out whether the questions were capable of capturing the intended data. Two lecturers reviewed the questions to see whether they were capable of capturing the intended response.

Reliability

Reliability of the questionnaire instrument, which was the major instrument for data collection, was assessed using Cronbach's coefficient alpha. The questionnaire was pre-tested to 10 respondents and the reliability results were computed using the SPSS package (Chen, 2013). A coefficient of .98 above the recommended .70 (Amin, 2005) implied that the questionnaire was suitable for data collection. For detailed statistics see Appendix C.

Data analysis

Coded (quantitative) data was entered in a computer program known as a Special Package for Social Scientists (SPSS) for analysis (Nelson et al., 2022). Descriptive statistics were used to determine the distribution of respondents on personal information and on the questions variables.

Results

Table 2: Descriptive results on outsourcing planning and decision-making

No.	Statement	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree	Total
1	CAA carries out adequate planning before outsourcing	3%	0%	22%	41%	34%	100%
2	Internal analysis of the organization is considered as a key element before outsourcing is done in CAA	3%	0%	19%	53%	25%	100%
3	CAA seeks opinions and ideas of stakeholders before the decision to outsource is considered	6%	3%	22%	38%	31%	100%
4	The final results of the outsourcing decision are usually put into perspective before outsourcing is carried out	6%	6%	28%	47%	13%	100%
5	The kind of dependence on the third party is normally considered before outsourcing	3%	6%	22%	28%	41%	100%
6	Objectives are usually set before outsourcing	3%	3%	22%	41%	31%	100%
7	Management identifies internal service capabilities and designs business plans for outsourcing	3%	3%	13%	53%	28%	100%
8	Average score on whether outsourcing planning & decision making was handled	3%	3%	22%	44%	28%	100%

Source: Primary Data, 2025

Analysis of the findings involved summing the percentages of strongly disagree and disagree for each question to represent respondents who disagreed to the question and summing the percentages of strongly agree and agree for each question to represent respondents who concurred with the questions. The categories of respondents who disagreed to the questions were then compared to categories of respondents concurring with the questions in order to interpret the findings(Julius & Nancy, 2025). This procedure is applied to the rest of the descriptive statistics in this chapter. The following is the analysis of the findings in Table 2: Very fewer respondents (3%) disagreed to the question that CAA carries out adequate planning before outsourcing compared to 75% of the respondents who concurred with the question. However, 22% of the respondents neither agreed with nor disagreed to the question(Alex & Julius, 2024).

Very fewer respondents (3%) disagreed to the question that internal analysis of the organization is considered as a key element before outsourcing is done in CAA compared to 78% of the respondents who concurred with the question(Julius & Audrey, 2026). However, 19% of the respondents neither agreed with nor disagreed to the question(Julius & Margaret, 2025). Very fewer respondents (9%) disagreed to the question that CAA seeks opinions and ideas of the stakeholders before the decision to outsource is considered compared to 69% of the respondents who concurred with the question. However, 22% of the respondents neither agreed with nor disagreed to the question.

Very fewer respondents (12%) disagreed to the question that the final results of the outsourcing decision are usually put into perspective before the decision to outsource is carried out compared to 60% of the respondents who concurred with the question. However, 28% of the respondents neither agreed with nor disagreed to the question(Julius & Kazaara, 2026a). Very fewer respondents (9%) disagreed to the question that the kind of dependence on the third party is normally considered before outsourcing compared to 69% of the respondents who concurred with the question. However, 22% of the respondents neither agreed with nor disagreed to the question. Very fewer respondents (6%) disagreed to the question that objectives are usually set before outsourcing compared to 72% of the respondents who concurred with the question. However, 22% of the respondents neither agreed with nor disagreed to the question. Very fewer respondents (6%) disagreed to the question that management identifies internal service capabilities and designs of business plans for outsourcing compared to 81% of the respondents who concurred with the question(Brian et al., 2024). However, 13% of the respondents neither agreed with nor disagreed to the question. The average percentage shows that very few respondents (6%) disagree that outsourcing planning and decision-making was well handled compared to 78% respondents who agreed.

From the above analysis it can be observed that some staff were neither satisfied nor dissatisfied with the planning and decision-making during the outsourcing process. This was because some of these staff were not aware that

certain activities were outsourced and some were not part of the planning and decision-making process. However, it can be observed that most respondents answered positively to all the questions of outsourcing planning and decision-making compared to respondents who answered negatively(Lutaaya et al., 2023). This shows that although outsourcing planning and decision-making is effectively done in the CAA, in a few instances it is not as revealed by respondents who answered negatively. In an interview with the Head of Procurement and officer from Finance, both were supportive of the findings from the questionnaire. The interviews revealed that CAA started outsourcing non-core activities in 1998, which included cleaning, security, and maintenance and revenue collection. These were outsourced with a motive of reducing operational cost, gain access to experts/specialists, giving CAA time to concentrate on its core activities and spread risk and free capital for other uses. During the interview, the CAA Officer from Finance Department elaborated on the spreading of risk as said that when a department is outsourced, employees in that department fall under the control of the service provider firm. Therefore, all what happens to the employees in that case is the service provider's responsibility. The CAA financial officer gave an example that if an employee is injured, CAA will not be party to that but the service provider firm. The interviews revealed that outsourcing planning and decision-making involves the board and top management for approval and that top management also conducts an internal and external analysis to identify candidate functions to outsource, benchmark with other organizations that practice outsourcing, and then confirm budget for the procurement process to start(Julius & Kazaara, 2026b). When asked whether they are satisfied with the planning and decision-making in outsourcing, both the CAA Head of Procurement and officer from Finance said yes. The Head of Procurement said that this was because many things are avoided such as keeping of cleaning equipment, and because this was a long time decision, which goes through stages and every stage is well discussed and all stakeholders are involved(Alex & Julius, 2024). As for the officer from Finance, the reason he was satisfied with the planning and decision-making in outsourcing was that everybody was involved to avoid problems of implementation and that it has enabled management to concentrate on core activities and it has led to attainment of targets and that some costs are reduced thus some savings are realized.

Table 3: Descriptive results on organizational performance

Questions about Organizational Performance	Strongly Disagree (%)	Disagree (%)	Neither Agree nor Disagree (%)	Agree (%)	Strongly Agree (%)	Total (%)
1. Cost efficiency has been achieved in CAA (A lot of money is saved through the decision to outsource)	6	13	25	40	16	100
2. Performance of CAA has improved	13	13	13	36	25	100
3. CAA saves a lot of money	9	16	22	31	22	100
4. CAA is efficient in its service delivery	3	9	28	31	28	100
5. CAA has reduced its operational expenses	6	16	31	28	22	100
6. Outside firms provide better quality services	6	3	32	25	34	100
7. CAA has reduced its overhead expenses	6	13	34	28	19	100
8. There is improved quality of work by	6	6	9	53	28	100

CAA staff						
9. The productivity of CAA as an organization has improved	3	6	19	50	31	100
10. Outsourcing has led to increased customer satisfaction in CAA	3	3	22	47	28	100
11. Average score on whether organizational performance had improved	6	9	22	38	25	100

Source: Primary Data, 2025

The following is the analysis of the results in Table 3: Few respondents (19%) disagreed to the question that cost efficiency has been achieved in CAA (A lot of money is saved through the decision to outsource) compared to 56% of the respondents who concurred with the question. However, 25% of the respondents neither agreed with nor disagreed to the question. Few respondents (26%) disagreed to the question that performance of CAA has improved compared to 61% of the respondents who concurred with the question. However, 13% of the respondents neither agreed with nor disagreed to the question. Few respondents (25%) disagreed to the question that CAA saves a lot of money compared to 53% of the respondents who concurred with the question. However, 22% of the respondents neither agreed with nor disagreed to the question.

Very few respondents (12%) disagreed to the question that CAA is efficient in its service delivery compared to 59% of the respondents who concurred with the question. However, 28% of the respondents neither agreed with nor disagreed to the question. Few respondents (22%) disagreed to the question that CAA has reduced its operations expenses compared to 50% of the respondents who concurred with the question. However, 28% of the respondents neither agreed with nor disagreed to the question. Very few respondents (9%) disagreed to the question that outside firms provide better quality services compared to 59% of the respondents who concurred with the question. However, 31% of the respondents neither agreed with nor disagreed to the question. Few respondents (19%) disagreed to the question that CAA has reduced its overhead expense compared to 47% of the respondents who concurred with the question. However, 34% of the respondents neither agreed with nor disagreed to the question. Very few respondents (12%) disagreed to the question that there is improved quality of work by CAA staff compared to 81% of the respondents who concurred with the question. However, 6% of the respondents neither agreed with nor disagreed to the question. Very few respondents (9%) disagreed to the question that the productivity of CAA as an organization has improved compared to 81% of the respondents who concurred with the question. However, 9% of the respondents neither agreed with nor disagreed to the question.

Very few respondents (6%) disagreed to the question that outsourcing has led to increased customer satisfaction in CAA compared to 75% of the respondents who concurred with the question. However, 7% of the respondents neither agreed with nor disagreed to the question. The overall average percentage shows that fewer respondents (15%) disagreed that organizational performance had improved compared to the 63% of the respondents who

agreed. The above analysis shows that some respondents neither disagreed nor agreed to the questions about organizational performance. These were could respondents who were not conversant with the performance of CAA because had worked for the organization for a shorter period of not more than 2 years as evident in Table 3 regarding tenure of the respondents. This is further confirmed by the age of 20-30 for some of the respondents, which shows that workers still in their early years of working for the CAA. However, despite this, it can observed that most respondents concurred to all questions relating to organizational performance indicating that CAA performance had improved, while a few respondents disagreed to the questions indicating that CAA performance had not improved. This implies that though performance of the CAA had improved but some few staff not satisfied with the organization's performance.

Table 4: Descriptive results on outsourcing processes

Questions about outsourcing processes	Strongly Disagree	Disagree	Neither Agree nor disagree	Agree	Strongly Agree	Total
1. Suppliers are selected basing on their competences	(3%)	(3%)	(6%)	(28%)	(60%)	(100%)
2. Performance of the suppliers is regularly monitored	(3%)	(0%)	(28%)	(44%)	(25%)	(100%)
3. CAA evaluates outsourcing to determine if the saved resources can be reinvested	(6%)	(6%)	(25%)	(54%)	(9%)	(100%)
4. Regular performance reviews to measure the provider's performance are usually carried out	(0%)	(13%)	(28%)	(38%)	(21%)	(100%)
5. Outsourced partners are usually carefully examined	(6%)	(3%)	(16%)	(44%)	(31%)	(100%)
6. CAA usually evaluates the performance of the outsourced services	(0%)	(6%)	(25%)	(44%)	(25%)	(100%)
7. The decision to outsource is usually done after assessing the net gain or loss in efficiency	(3%)	(9%)	(31%)	(41%)	(16%)	(100%)
8. The criteria for outsourcing service providers of CAA is clearly followed	(3%)	(0%)	(25%)	(44%)	(28%)	(100%)
9. A lot of importance is attached to the	(3%)	(3%)	(22%)	(53%)	(19%)	(100%)

supplier in order to enhance outsourcing in CAA						
10. Costs are evaluated prior to the decision to outsource	(3%)	(0%)	(19%)	(44%)	(34%)	(100%)
11. CAA and the outsourced suppliers usually have a shared vision	(6%)	(6%)	(38%)	(34%)	(16%)	(100%)
12. Supplier reliability is always considered before outsourcing	(3%)	(0%)	(16%)	(44%)	(38%)	(100%)
13. Average score on whether outsourcing processes is properly conducted	(3%)	(3%)	(22%)	(44%)	(28%)	(100%)

Source: Primary Data, 2025

Very few respondents (6%) disagreed to the question that suppliers are selected basing on their competences compared to 88% of the respondents who concurred with the question. However, 6% of the respondents neither agreed with nor disagreed to the question. Very few respondents (3%) disagreed to the question that performance of the suppliers is regularly monitored compared to 69% of the respondents who concurred with the question. However, 28% of the respondents neither agreed with nor disagreed to the question. Very few respondents (12%) disagreed to the question that CAA evaluates outsourcing to determine if the saved resources can be reinvested compared to 63% of the respondents who concurred with the question. However, 25% of the respondents neither agreed with nor disagreed to the question.

Very few respondents (13%) disagreed to the question that regular performance reviews to measure the provider's performance are usually carried out compared to 59% of the respondents who concurred with the question. However, 28% of the respondents neither agreed with nor disagreed to the question. Very few respondents (9%) disagreed to the question that outsourced partners are usually carefully examined compared to 75% of the respondents who concurred with the question. However, 16% of the respondents neither agreed with nor disagreed to the question. Very few respondents (6%) disagreed to the question that CAA usually evaluates the performance of the outsourced services compared to 69% of the respondents who concurred with the question. However, 25% of the respondents neither agreed with nor disagreed to the question. Very few respondents (9%) disagreed to the question that the decision to outsource is usually done after assessing the net gain or loss in efficiency compared to 57% of the respondents who concurred with the question. However, 31% of the respondents neither agreed with nor disagreed to the question.

Very few respondents (3%) disagreed to the question that the criteria for outsourcing service providers of CAA is clearly followed compared to 72% of the respondents who concurred with the question. However, 25% of the

respondents neither agreed with nor disagreed to the question. Very few respondents (3%) disagreed to the question that a lot of importance is attached to the supplier in order to enhance outsourcing in CAA compared to 72% of the respondents who concurred with the question. However, 22% of the respondents neither agreed with nor disagreed to the question. Very few respondents (3%) disagreed to the question that costs are evaluated prior to the decision to outsource compared to 78% of the respondents who concurred with the question. However, 19% of the respondents neither agreed with nor disagreed to the question. Very few respondents (12%) disagreed to the question that CAA and the outsourced suppliers usually have a shared vision compared to 50% of the respondents who concurred with the question. However, 38% of the respondents neither agreed with nor disagreed to the question. Very few respondents (3%) disagreed to the question that supplier reliability is always considered before outsourcing compared to 82% of the respondents who concurred with the question. However, 16% of the respondents neither agreed with nor disagreed to the question.

The average percentage on outsourcing process shows that most respondents (72%) agreed that outsourcing process at CAA was properly conducted compared to 3% who disagreed. However, 22% of the respondents neither disagreed nor agreed. The above analysis shows despite that most respondents concurred to all questions relating to outsourcing processes, a few respondents disagreed to the questions. This implies that outsourcing processes of the CAA is good but sometimes it has some faults. However some respondents were not conversant of the outsourcing processes because they were not involved in it. The reason a certain percentage of respondents neither disagreed nor agreed to the questions about outsourcing process were that they were not involved in the planning and decision-making.

Conclusions

It was established that an improvement in outsourcing planning and decision-making was related to a moderate improvement in the performance of the CAA and vice versa, whereby outsourcing planning and decision-making accounted for 31.7% change in the performance of the CAA. In particular, the study established that although outsourcing planning and decision-making was most of the time effectively done in the CAA, there instances where it was not properly done and this negatively affected the performance of the CAA.

It was established that an improvement in outsourcing processes was related to a big improvement in the performance of the CAA and vice versa, whereby outsourcing processes accounted for 51.6% change in the performance of the CAA. In particular, the study established that there were a few instances when outsourcing processes in the CAA was not properly conducted and thus leading to poor performance of the CAA.

It was established that procurement legal framework moderated the relationship between outsourcing and performance by weakening the strength of the relationships. The weaknesses in the relationship between outsourcing and performance arouse because of a few shortfalls in the procurement legal framework such as some CAA staff

failure to always follow the legal procurement guidelines and ineffectiveness of in some aspects of the legal framework. The weakness in the strength was much greater for the relationship between outsourcing processes and performance as compared to the relationship between outsourcing planning and decision-making and performance. Thus, if the legal framework had not such shortcomings, the relationship between outsourcing and performance would have been much strong in that CAA outsourcing would significantly improve its performance.

Recommendations

It was established that CAA performance was below the expectations because outsourcing planning and decision-making in CAA was not always very systematically carried out. Findings indicate that there is need for CAA to ensure this by involving all stakeholders in the outsourcing planning and decision-making. Adequate planning before outsourcing should be done, internal versus external analysis of the organization should be considered as a key element before outsourcing is done, and final results of the outsourcing decision should be usually put into perspective before the decision to outsource is carried out.

The kind of dependence on the third party should be normally considered before outsourcing, and objectives should usually be set before outsourcing. In addition, CAA should always leave skeleton staff to oversee the outsourced services in case such services are reverted to the CAA where outsourced firms are found to be ineffective in providing the services to CAA. The skeleton staff at CAA would ensure that services that are reverted to CAA from the outsourced firm are not entirely disrupted. Thus, this calls for CAA to plan for entry and exit strategies in the outsourcing process.

For the outsourcing process, the following should be considered to improve them. Selection of suppliers should always be based on their competences. Their performance should be monitored regularly and their reliability should always be considered before outsourcing CAA function. In addition to this, CAA should always evaluate outsourcing to determine if the saved resources can be reinvested and the decision to outsource should usually be done after assessing the net gain or loss in efficiency. The criteria for outsourcing service providers of CAA should be clearly followed and costs should always be evaluated prior to the decision to outsource.

The legal requirement should focus on flexibility or adjustments within the procurement legal framework to reduce on the delays and rigidity where emergency cases are to be handled. The whole tendering process should be reviewed by the relevant authorities to reduce on the bureaucracy involved. Some staff not yet conversant with the new procurement legal framework should be sensitized through workshops and seminars and all other stakeholders should go for training about the procurement legal framework.

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