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Outsourcing Strategy and Performance of Money Deposit Banks in Anambra State, Nigeria

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ABSTRACT:- The study dwelt on the relationship between outsourcing strategy and performance of Money Deposit Banks in Anambra State. Specifically, it was set to ascertain the nature of relationship that exists between business process outsourcing strategy and task accomplishment and to examine the effect of marketing outsourcing strategy on cost effectiveness of Money Deposit Banks in Anambra State. Survey research design was used. Simple Random Sampling Technique was adopted to select three notable banks that operate in the major cities of Anambra State, that is; Nnewi, Awka and Onitsha respectively. Data were collected with the aid of structured questionnaire administered to 162 respondents. Hypotheses were tested using Pearson Product Moment Correlation Coefficient and Simple Regression Analysis with the aid of Statistical Packages for Social Science (SPSS) version 22. Findings revealed that there is a significant positive relationship between outsourcing strategy and performance of selected Banks in Awka, Anambra state by explicitly indicating positive significant relationship between business process outsourcing strategy and task accomplishment; marketing outsourcing strategy has significant positive effect on cost effectiveness of banks in Anambra State. The study concluded that outsourcing strategy supports bank operations as it guarantees quality services by banks and as well cover the weak aspects of the organization. The study recommended that there is need to outsource other weak aspects of business to experts rather than managing the areas as it will contribute to timely task accomplishment and quality service delivery.

Key words: Outsourcing Strategy, business process outsourcing strategy, marketing outsourcing strategy, task accomplishment, cost effectiveness and performance.

I. INTRODUCTION

Outsourcing strategy is a technique adopted by management of an organization towards reducing cost and adding value by contracting sensitive aspect of an organization to an expert. Though, business managers may prefer to employ people who have little or no idea about the role so as to cut cost but fail to consider the aftermath of assigning sensitive roles to incompetent individuals. George and Jones (2014) opined that outsourcing is the process of employing other organizations, to perform specific jobs or type of work activities that used to be performed by the organization itself. Outsourcing firms range from recruitment agency, accounting agency, engineering and construction agency, sales and marketing organizations, transportation and haulage firms and career training to development agency. The need to cover weak areas of the firm, the demand for quality services and the gap in the performance of an organization prompt most business managers to outsource its services to experts in order to cover its gap and to maintain its competitive position in the market.

Money Deposit Banks are financial institutions which under take deposits, withdrawals and other financial related functions. The series of changes ravaging the banking sector of Nigeria seems to call for continuous upgrade in the skills of staff and for some banks who may consider the cost of training staff in a particular section would prefer to outsource weak aspects of the organization to experts. But due to the dynamic nature of both internal and external environment, the activities of banks are presently complex that it would be difficult for Bank managers to handle all the aspects of the organizations effectively. This could be a cogent reason for banks to adopt outsourcing strategy to meet up with the changing demands of the environment. Banks in Nigeria have created link with an integrated service that made it possible for customers to send and receive money from the comfort of their homes via inter-switch system. Bank outsource its transfer services to inter-switch system and the use of inter-switch has reduced the stress that comes from the visiting the banks to transact some businesses. Customers can send and receive money with mobile devices. Other outsourcing functions that was made popular due to the insurgence of the Novel Corona virus Pandemic is the Point of Sale (POS) outlets which is a retail form of banking that performs transactions such as withdrawal, deposit and opening of account (Marketing Functions). This has made it possible for customers to access bank services from the comfort of their environment even bank services can be access at remote villages where there is no bank structure. Outsourcing bank services have reduced the burden of bank employees and the population that usually crowd bank halls have also been reduced due to the outsourcing of bank functions. Outsourcing avails organizations the opportunity to concentrate her core competencies on definable preeminence business area and provides a unique value for customers (Dominguez 2016).

Business process outsourcing seems to be a medium for banking organizations to reach out to the least individual in the society as building of Bank physical organization could be costly but outsourcing its services through agencies is cost effective for banking firms and of course more revenue is generated through the charges for retail banking. Though, the banking industry is highly competitive and banking firms are adopting effective strategy to withstand the competitive forces and as well take leads in the banking industry. Making its services available to customers even in their locality would not only retain its old customers but also attract new customers to the market. This seems to be possible via outsourcing its sensitive activities to professional agencies. A business process is a complete, dynamically coordinated set of activities or logically related tasks that must be performed to deliver value to internal or external customers or to achieve other strategic goals (Trkman, 2012). Some banks have drawbacks in outsourcing its services ignoring the benefits that are attached to it. Such banks may consider the cost in outsourcing its sensitive functions to experts and the cost of hiring incompetent employees but may not consider the value of such services. This is the case of Eco Bank and Heritage Bank which is stigmatized with poor service delivery and high customer complaints on its delay service delivery and inability of customers to get full benefit of its services. It is against this background that it becomes pertinent to study the relationship that exists between outsourcing strategy and performance of Money Deposit Banks in Anambra State.

1.2 Statement of the Problem

This study was informed due to the ignorance of management of Banks to outsource its weak areas of their organizations to experts as this seems to have resulted in fall in performance level of most Banks in Anambra State. Banks such as Eco Bank Plc and Heritage Bank offer delayed service to customers due to constant shake in its technical areas of the organization. Recently, Banks have resorted to outsourcing some of its activities to contain the spread of Novel Corona-virus through Point of Sales (POS) and this has increase the level of accomplishing task while some banks are slow in the adoption of this process. Some banks such as Union Bank Plc is into integrated services with Kudi agency to offer POS to individuals who are willing to become an agent to the Banks. Customers easily patronize Banks when they can easily access their services and banks seem to accomplish its task by outsourcing its service via agency.

Due to the high level of competitiveness in the Banking Industry, the need for continuous formulation of effective marketing strategy to maintain a bank’s competitive position arise. While some banks hire staff as marketers which do not meet targets as this strategy is limited to geographical area, other banks have seized opportunities of outsourcing marketing to retail bank service providers such as Point of Sale (POS) outlets as this could cover large scope of operation than the use of staff and as well save hiring cost of marketing staff. This seems to have given some banks headway over other banks which do not outsource its marketing functions as they bear high cost of operations.

1.3 Objectives of the Study

The main thrust of this study is to determine the relationship that exists between outsourcing strategy and performance of Money Deposit Banks in Anambra State. The specific objectives are;

1. To ascertain the nature of relationship that exists between business process outsourcing strategy and task accomplishment of Money Deposit Banks in Anambra State.
2. To examine the effect of marketing outsourcing strategy on cost effectiveness of Money Deposit Banks in Anambra State.

1.4 Research Questions

The following questions were formulated for the purpose of the study;

1. What nature of relationship exists between business process outsourcing strategy and task accomplishment of Money Deposit Banks in Anambra State?
2. What is the effect of marketing outsourcing strategy on cost effectiveness of Money Deposit Banks in Anambra State?

1.5 Research Hypotheses

The following hypotheses were formulated for the study;

Ho_1: There is no significant relationship existing between business process outsourcing strategy and task accomplishment of Money Deposit Banks in Anambra State.

Ho_2: Marketing outsourcing strategy has no significant effect on cost effectiveness of Money Deposit Banks in Anambra State.

1.6 Significance of the Study

The study will benefit the Money Deposit Banks in Anambra State as it will bring to limelight the need to contract the weak areas of the organization to experts for higher performance. The study will enlighten the management and other stakeholders of banks on the strategy of offering quality and improved service to customers. The study will also enlighten management on means of reducing cost via outsourcing strategy. The study will benefit management as it will enlighten them on the ways to achieve task effectively via outsourcing weak areas of the firm to experts so as to ensure effective task accomplishment. The recommendations of the study will enlighten management of Money Deposit Banks on the need to eliminate waste that could result from using non-professionals in the course of executing task.

The study will also assist banks on the adoption of effective outsourcing strategy that would give it an edge over competitors. The study will benefit the academic sector as it will serve as research material for related research.

1.7 Scope of the Study

"Outsourcing strategy and performance" was carried out in Money Deposit Banks in Anambra State. The study focused on business process outsourcing and marketing outsourcing strategy as sub variables of the independent variable while the indicators of the dependent variables are task accomplishment and cost effectiveness. The geographic area covered is Anambra State and the time scope of this study is one academic year.

1.8 Limitations of the Study

The study was affected by several factors one of which was the Corona Virus Pandemic that resulted in the shutdown of Banks, thereby, making the staff of the Banks inaccessible. Another setback was the uncooperative attitude of the respondents due to fear of official reprisal by management. The problems were mitigated by waiting patiently until the effect of the Corona Virus Pandemic was partially resolved and convincing the respondents on the purpose of the data collection.

II. Review of related literature

2.1.1 Concept of the Outsourcing Strategy

Outsourcing strategy refers to strategy whereby corporate tasks and structures are given to an external contractor (Smith, Vozikis & Varaksina, 2016). This can be individual tasks, specific areas, or entire business processes. With outsourcing, one or more tasks or processes are given to an external partner. Outsourcing strategy is an abbreviation for "outside resource using" (Arnold, 2019). Outsourcing is the transfer of services or functions previously performed within the organization to a provider outside of the organization. Outsourcing is the process of entrusting non-core activities or operations from internal production within a business to an external entity that specializes in that particular operation. George & Jones (2014) opined that outsourcing is the process of employing other organizations, to perform specific jobs or type of work activities that used to be performed by the organization itself. Smith, Vozikis & Varaksina (2016) possess outsourcing as turning over to a supplier those activities outside the organization's core competencies. Gilley & Rasheed, (2013) see outsourcing as procuring something that was either originally sourced internally or could have been sourced internally notwithstanding the decision to go outside.

The word "outsourcing strategy" defines the process of transferring the responsibility for a specific business function from an employee group to a non-employee group. Outsourcing refers to the handover of an activity to an external supplier as an alternative to internal production (Aubert, Rivard & Patry, 2014). King & Malhotra (2019) see outsourcing as the use of external agents to perform an organizational activity. The above definition synchronizes with Maurice (2019), who states that outsourcing is the act of transferring some of an organization's recurring internal activities and decision rights to an external provider. Eyaa (2017) defines outsourcing as a decision by firms to have an external supplier to take over an activity that would have otherwise been performed in-house by organization employees. In general, outsourcing can be described as the transfer of activities that were previously conducted in house to a third party. In recent years, the outsourcing decision has gone beyond the manufacturing of physical products to embrace the production of service activities. Bank firms outsource power management, generator maintenance and purchase of raw materials, accounting and book-keeping, security, payroll, recruitment process and many others, thus restricting their own employees to the core functions that define the organization's business. The worldwide trend in globalization has led many organizations's to outsource their non-core activities to service providers and focus on their core competence. For services, outsourcing is seen as a solution to the quest for a continuous, reliable and uninterrupted service (Fill&Visser, 2018).

2.1.2 Business Process Outsourcing strategy

Business Process Outsourcing involves contracting with one or more BPO service providers for the provision of the execution of business processes (Saxena & Bharadwaj, 2019). Business process outsourcing (BPO) occurs when an organization turns over the realization of a particular process (such as design products/services, production, managing human resources, information, financial and physical resources) to a third party that specializes in that process. Business process stands in for an object which is to be properly managed. There have been a number of classifications of business processes. In the word of Harmon (2013), the crucial business processes are the following: core processes, enabling processes, and management processes. Keen (2017) states that crucial processes are those that create value, processes that provide options and processes that sustain the value. All of these classifications have been either from the client perspective or from the service provider perspective. For instance, from the client's perspective, processes have been classified as critical, key, and support (Click & Duening, 2015). Honess (2013) points out that "business processes within a company have been classified in three categories: 1) core, 2) business critical non-core, and finally, 3) non-core, non-critical.'' Core processes are seldom outsourced, because they are the very essence of the business and the area that requires the most investment. Therefore, critical and non-critical non-core business processes are fitted for outsourcing to a service provider.

2.1.3 Marketing Outsourcing Strategy

Outsourced marketing strategy refers to outsourcing a portion of an entire marketing strategy to a trusted 3rd party marketing team (Okpanel & Adegho, 2016). An outsourced marketing company is solely focused on your marketing needs and will not be caught up in the day to day tasks that an in house staff is subjected to. The notion of marketing a product or service to the public is a function so central to a business that it requires careful nurturing and a reasonable amount of personal attention (Louis & Kambili, 2018). Outsourced marketing refers to the contracting marketing of the organization to experts which could be a marketing firm or vertical integration (Johnson, 2019). Marketing agencies could take up task on partnership platform. Organizational competitiveness is measured by the capacity of an organization to steadily meet changing customer needs better than the competitors (Akpan & Philip, 2016). Leading organizations are shrinking their business cycles and tightening feedback loops and increasing quality standards (Brown & Wilson, 2019).

In today's highly turbulent and dynamic business environment, it has become immensely demanding that firms vividly pay paramount concentration on their business process outsourcing as it defines and determine the ways and manner inputs and outputs are intertwined within the organization and without which invariably affects the competency and capability of the organization at large. From this search it is proven that organizational effectiveness is solemnly tied to the firm's intended and implemented business process strategy. This is significantly linked to strategy and provides the firm with enhanced flexibility in its resource management, which may also minimize response time to major environmental changes.

2.1.4 Organizational Performance

Organizational performance is the output of the organization (Carney, 2017). Kotabe (2018) identifies three types of performance measures as necessary components in any outsourcing performance measurement system: strategic measures; financial measures; and quality measures. Other studies use additional dimensions of market performance such as costs savings, cycle time, customer satisfaction, and productivity to measure the effectiveness of outsourcing strategy (Malhorta &Goldstein, 2019). Organizational Performance is seen as the output of the organization measured in terms of profitability.

2.1.5 Task Accomplishment

Task accomplishment covers the fulfillment of the requirements that are part of the contract between the employer and employee. Moreover, task accomplishment in itself can be described as a multi -dimensional construct. Robinson (2014) opines that task accomplishment is different from contextual performance. Contextual performance consists of behavior that does not directly contribute to organizational performance but supports the organizational, social and psychological environment (Robinson, 2014). Contextual performance is different from task accomplishment as it includes activities that are not formally part of the job description. It indirectly contributes to an organization's performance by facilitating task accomplishment (Borman & Motowidlo, 2013). Task accomplishment is not only influenced by person-specific variables such as general mental abilities, but also by characteristics of the situation in which the performance occurs (Gazzima, 2011). The construct, task accomplishment emanates from two concepts that have won academic recognition and have been the subjects of empirical research-Commitment and Organizational Citizenship Behaviour (OCB) (Rafferty, 2005).

2.1.6 Cost Effectiveness

Cost effectiveness is the regulation of cost of operating a business and it is sync with keeping costs within acceptable limit (Adeniyi, 2017). Cost effectiveness is widely used today, and there is no consensus on the definition yet. Cost effectiveness is used to describe the activities of manager in short-run and long-run planning and management of costs (Horngren, Forster & Datar, 2017). Agara, (2015) buttresses the point that cost effectiveness, therefore, involves all methods of limiting the frivolous and unguarded expense of resources by managers to avoid unnecessary creation of liabilities. Institute of Chartered Accounting of Nigeria (ICAN, 2019), perceives cost effectiveness as a process that involves all systems of controlling costs within a pre-determined target. He further declared that cost effectiveness is a process of setting targets and receiving feedback information in order to ensure that actual performance are in line with set target and, if not, take corrective action''. Horngren, Forster & Datar, (2017), is of the view that most standard definition of cost effectiveness are more or less along the lines of quoted authors above. The researcher sees cost effectiveness as the practice of managing and/or reducing business expenses. Cost effectiveness starts by the businesses identifying what their costs are and check whether those costs are affordable. Then, if necessary, they can look for ways to cut costs through methods such as cutting back, moving to a less expensive plan or changing service providers.

2.2 Theoretical Framework

This study was anchored on transaction cost theory by Williamson (1985). This integrates economic theory with management theory to determine the best type of relationship a firm develops in the market place. The central theme of transaction costs theory is that cost and weak business areas have to be considered in other to effectively execute a particular task. Asset specifically refers to the non trivial investment in transaction – specific assets. It is worthy of note that high asset specificity and uncertainty leads to transactional difficulties, with transactions held internally within the firm – vertical integration. Medium levels of asset specificity lead to bilateral relations in the form of cooperative alliances between the organizations. Transaction cost economics (TCE) has been the most utilized theory of outsourcing. TCE is perceived to provide the best decision making tools to help organizations to decide to outsource and to prepare themselves for forthcoming outsourcing arrangements. Another useful aspect of outsourcing provided by TCE is explanation of contractual complexity.

Even though it has been exercised extensively in outsourcing applications, the TCE has several indulgencies. The original mapping to the TCE framework only explained with few examples on IT sourcing decisions and generated much more anomalies in their sample. Another critique could be that TCE relies on a single transaction as a unit of analysis, neglecting the contemporary industrial collaborative arrangements. Finally, TCE is static, which does not correspond to dynamism of current business environment.

The transaction cost theory exposes the vitality of contractual relationship with business experts who are different from the business itself. The theory appreciated the fact that there is tendency of reduced cost when outsourcing is adopted in the business. The theory supports the idea of effective task performance, reduced cost and customer satisfaction would be guaranteed if businesses should contract weak aspect of the organization to experts who will offer some services under the name of the organization.

2.3 Empirical Review

Orogbu & Onyeizugbe (2015) conducted a study on outsourcing strategy and organizational growth of selected fast food firms in South – South, Nigeria. Correlation survey design was adopted. The population of the study was ten (10) fast food firms registered with the Association of Fast Food Confectioneries of Nigeria (AFFCON) and National Agency for Food and Drug Administration and Control (NAFDAC). Structured questionnaire was used to collect data. The data was analyzed using Pearson Product Moment Correlation coefficient. The findings of the study revealed that there is a significant positive relationship between business process and outlet expansion. Hence; the study concludes that outsourcing strategy is a crucial business strategy that must be employed by entrepreneurs in order to improve quality and achieve organizational growth. The researcher recommends that fast food firms need to continue to sustain their customers' satisfaction through quality improvement that is achieved by the use of outsourcing strategy.

Kivuva (2018) studied the effect of outsourcing on organizational performance of Oil and Gas firms in Marketing Companies in Kenya. Descriptive research design was employed. The population of the study consisted of 30 oil companies in Kenya targeting managers in the legal departments, Finance/IT departments, heads of operations and heads of marketing thus giving a target population of 120 managers. A census sampling method was conducted owing to the small number of the study population. The study used primary sources to collect data by use of questionnaires. Data was analyzed using simple regression. Finding revealed that outsourcing influences organization performance even though to a small extent. This might be due to the variables that proved to be weak in predicting the rate of increase.

Ghodeswar & Vaidyanathan (2016) conducted a research on business process outsourcing: An approach to gain access to world-class capabilities as a review. The study adopted Expo Facto Research Design. Test of hypotheses were done using Chi Square (X^2). The study reviewed the works of scholars and the findings of the study revealed that outsourcing enables organization to consistently perform the outsourced business process more effectively than any of their competitors.

Chaojie, Varun & Nagraj (2019) researched on Business Process Outsourcing and organizational performance: An event study on the nature of processes and firm valuation. The study empirically examines the value proposition of BPO with respect to the nature of the processes being outsourced. The study was conducted on 298 BPO announcements from 1998 to 2005. Results support the argument that outsourcing is valuable for both primary and supportive business processes. However, the study found that BPO announcements on primary processes yield higher abnormal returns than supportive processes. Although existing process ownership was not found to be a powerful differentiator for BPO performance, its interaction with VC position provides important insights into the timing of outsourcing. The evidence suggests that internal cultivation of processes is important for BPO success, particularly when BPO is applied to primary processes.

Krstić (2017) researched on business process outsourcing as a tool for improving enterprise efficiency of Fast Food Firms in Mkpat Enin Local Government Area, Akwa Ibom State. The study adopted model approach in proposing business process outsourcing as a tool for improving enterprise efficiency in Fast Food Businesses. The designing a conceptual model for implementation of BPO concept, which contains four generic steps: establish a business process outsourcing team, conduct a business process analysis, determine BPO possibilities, develop and present the business plan of BPO. The findings of the study revealed that the proposed model helps the clients and service provider organizations in understanding critical steps in realizing the intended BPO project. The study concluded that the contracting of weak aspect of the operations in fast food firms promotes profitability.

Gonzalez, Gasco, &Llopis, (2019) focused on information systems outsourcing and organizational performance, a Delphi study from Spain. The study adopted survey research design and structured questionnaire was used to collect data from respondents. Descriptive Statistics was used to analyze the data and hypotheses were tested using simple regression. Findings revealed that the widespread growth of Information Systems outsourcing on an international scale contrasts sharply with the somewhat limited development of this practice in Spain. Further findings of the study revealed that outsourcing makes it possible to achieve strategic as well as economic advantages and managers propose a number of ways to reduce the risks associated with this practice.

Akinbola (2014) studied enterprise outsourcing strategies and marketing performance of fast food industry in Lagos State, Nigeria. This study attempted to ascertain the link between outsourcing and marketing performance. Copies of questionnaire were distributed purposively to ten fast food outlets in Lagos, Nigeria. Two hypotheses were developed and were subjected to descriptive and regression analysis. It was discovered that outsourcing contributed to increase in marketing performance. The study makes useful policy recommendations for marketing professional, entrepreneurs and top executives of fast food outlets in Nigeria.

Asiamah (2018) researched on the relationship between outsourcing and organizational performance in economy of Ghana. The population of the study is made up of 50 firms operating in the banking and insurance sectors of the economy of Ghana. The paper used purposive sampling for the selection of the respondents. Pearson Product Moment Correlation Cofficient was used to analyze the data. Findings depicted that there is no statistically significant correlation between outsourcing and organizational productivity, there is statistically significant correlation between outsourcing and quality, there is statistically significant correlation between outsourcing and competitive advantage. The study recommended thorough background check before outsourcing, and organizations must also have a back-up system to avoid losing vital data as a result of incompetency on the part of the external supplier.

Joseph Nyameboame, Abubakar Haddud (2017) carried out a research on exploring the impact of outsourcing on organizational performance. The need for business to gain profit through the provision of high quality services has driven the organizations to outsource business activities and functions that are considered not integral to the core business.. Also, the study explores key benefits and challenges associated with adopting outsourcing strategies. The primary data were collected using a survey from 80 participants working for different oil and gas companies in Ghana. The study revealed that most of the outsourced activities include transport services, information technology (IT), consulting and business consulting services, system infrastructure provision and management and logistical services.

JK Maku & MA Iravo (2013) carried out research on effects of outsourcing on organizational performance at Delmonte Kenya Limited, Thika City, Kenya. The target population of the study was 250 employees who are in management levels in the company. A sample size of 70 employees was used in the study. The findings showed that outsourcing has enabled the company to have greater access to Modern Technology and Expertise. Statistically, outsourcing has helped improve the organizations performance through improved focus on core competences (activities) access to confidential information, negative attitude of the internal staff and the risk of 'spill over's of the outsourcing service providers' problems such as labour.

Charity Ndinda Musau (2016) conducted a research on the effect of outsourcing strategy on organizational performance. The research was based on Bidio Africa Limited, a market leader in the Fast Moving Consumer Goods (FMCG) manufacturing industry in Thika, Kenya. The purpose of the study was to establish what influences the decision to outsource and how that decision affects the overall performance of the company. The study was conducted in the period between September 2015 and April 2016. The study employed a descriptive research design. Out of the study population of 1,000 employees of the company, a sample size of 90 was taken, whose elements was selected using a simple random sampling technique. Questionnaires were used as the Primary Data collection instrument. Data was analyzed using descriptive statistics, correlation and regression analysis then. The findings of the study were: cost driven outsourcing, innovation driven outsourcing, and focus driven outsourcing had a significant influence on organizational performance at Bidco Africa Ltd. The study found that cost driven outsourcing led to improved organizational performance by reducing efficiency, both in the short term and long term while innovation driven outsourcing improved organizational performance by enabling it to create, develop and deliver value to the market faster than its competitors. The study concludes that strategic outsourcing results in improved organizational performance by reducing costs and risks, increasing flexibility for innovation as well as freezing up key resources for core competency building customers and better market share.

2.5 Gap in Literature

The empirical reviews of these studies have been carried on outsourcing strategy, business process outsourcing and Information Technology System outsourcing and organizational performance in fast food businesses, manufacturing organizations and Information Technology firms. To the best of our knowledge, none

of these studies have sought to determine the relationship that exists between outsourcing strategy and performance of Money Deposit Banks in Anambra State by focusing on the following identified gaps;
None of the studies sought to ascertain the type of relationship that exists between business process outsourcing strategy and task accomplishment of Money Deposit Banks in Anambra State. Studies failed to determine the effect of information technology outsourcing strategy on customer satisfaction of Money Deposit Banks in Anambra State.

3.1 Research Design

The study adopted descriptive survey research design because the study intended to adopt a research design which provides a blueprint for the collation of data from respondents of the study. Descriptive Survey Research Design provides a structure for the collection of data via the use of questionnaire. Hence, survey research design was considered appropriate for the study.

3.2 Population of the Study

The population of this study included the management and employees of Money Deposit Banks currently operating in Anambra State. Simple Random Sampling Technique was adopted to select 3 notable banks operating in the major cities of Anambra State, that is, Nnewi, Awka and Onitsha respectively.. The reason for selecting Fidelity Bank, Access Bank Plc, Zenith Bank Plc is because the banks are located side by side each other and easily accessed by the researchers. The reason for selecting Awka, Onitsha and Nnewi is because since the study cannot cover all the money deposit banks currently operating in Anambra State, the study selected three notable banks from other banks operating in three major cities of Anambra State, Nigeria. The total population stood at 273 comprising staff from the various banks.

3.3 Sample Size and Sampling Technique

The study made use of Taro Yamane formula (1964) to determine the sample size. The formula is as stated below;

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

N = Population size
n = Sample size
e = 0.05

$$n = \frac{273}{1 + 273(0.05)^2}$$

n = 162

The study adopted Random Sampling Technique. The reason for adopting Random Sampling Technique is to give equal opportunity to all members of the population to be in the sample. Therefore, Random Sampling Technique was considered appropriate for the study.
The study made use of Bowley's proportion allocation formula to determine the number of questionnaire that accrue to each of the banks.
Thus, the formula;

$$nh = \frac{n * Nh}{N}$$

n=sample size
nh= no of questionnaire to be administered
N= total population of study
Nh= total population in each bank of study
Applying Bowley's allocation proportion;

Fidelity Bank	=80x162/273 =47 copies of questionnaire
Access Bank	=92x162/273 =55 copies of questionnaire
Zenith Bank	=101x162/273=60 copies of questionnaire
	Total =162

3.5 Method of Data Collection

The structured questionnaire was used to collect data from respondents. The structured questionnaire was divided into two sections. The first section contained the bio-data of respondents while the second section contained sections relating to research questions of the study. The questions were structured using 5 Point Likert Scale of Strongly Agree (SA) – 5 points, Agree (A) – 4points, Undecided (U)-3, Disagree (D) – 2, Strongly Disagree (SD) – 1points.

3.6 Validity of Instrument

The study adopted content validity. Content validity is the presentation of the content of the questionnaire to an expert to evaluate if the component of the questionnaire suits the purpose which it is designed to measure (Agbionu, 2016). A copy of the questionnaire was presented to my supervisor, the contents of the questionnaire were corrected and restructured to suite the purpose of the study. Three copies of the questionnaire were presented to experts in Measurement and Evaluation Department, Faculty of Education, Nnamdi Azikiwe University, Awka, Anambra State. The contents of the questionnaire were corrected to suit the purpose which it was designed for.

3.7 Reliability of Instrument

The reliability of the instrument was obtained through a Test Re-test Method. 15 copies of the questionnaire were administered to respondents of Wema Bank Plc which is different from the organization of study. The questionnaire was restructured and redistributed to the same respondents upon testing the reliability of responses to the items in test instrument using correlation analysis a figure of 0.9 was obtained which shows that this instrument is very reliable.

Below is the table showing the figures and reliability figure

Table 3.6.1 Reliability Test Table

Option	No of Distribution	Pre-test	Retest	Difference	d^2
Strongly Agree	15	13	14	-1	1
Agree	15	14	11	3	9
Undecided	15	9	8	1	1
Disagree	15	11	10	1	1
Strongly Disagree	15	6	7	-1	1
Total					13

Source: Field Survey 2018

Formula $1 - \frac{6\,Edi^2}{n(n^2-2)} 1 - \frac{6\,Edi^2}{n(n^2-2)}$

d = deviation/differences

n = number of paired items

1 = unity

Substitute

r = $1- \frac{6x13 \quad 6x13}{50\ (50^2-1) 50\ (50^2-1)}$

r = 1 – 0.00977443

r = 0.9

3.8 Method of Data Analysis

The descriptive statistics was carried out using Frequency Table and Arithmetic Mean while inferential statistics (Pearson product Moment correlation coefficient and Simple Regression were used to test the formulated hypotheses at 5% level of significance with the aid of a Statistical Package for Social Science (SPSS Version 27).

Decision Rule:

Accept the Alternate hypothesis (H_a) if P-value is less than 0.05 (P-value < 0.05); otherwise accept the Null hypothesis (H_o).

4.3 Test of Hypotheses One

Ho_1: There is no significant relationship existing between business process outsourcing strategy and task accomplishment of Money Deposit Banks in Anambra State.

Table 4.3.1 Correlation between Business Process Outsourcing Strategy and Task Accomplishment.

Correlations

		Business_process_outsourcing	Task_accomplishment
Business_process_outsourcing	Pearson Correlation	1	.771
	Sig. (2-tailed)		.028
	N	144	144
Task_accomplishment	Pearson Correlation	.771	1
	Sig. (2-tailed)	.028	
	N	144	144

Result Summary

Table 4.3.1 shows that there is significant positive relationship between business process outsourcing strategy and task accomplishment with r=0.771, n=144 and p value of 0.028 (p<0.05). Therefore, since the p-value (0.028) is less than the given level of significance (0.05), then, we reject the null hypothesis and conclude that there is a significant positive relationship between business process outsourcing strategy and task accomplishment of Money Deposit Banks in Anambra State. This implies that Business Process outsourcing promotes timely accomplishment of task.

Test of Hypothesis Two

Ho_2: There is no significant effect of marketing outsourcing strategy on cost effectiveness of Money Deposit Banks in Anambra State.

Table 4.3.3 Regression between marketing outsourcing strategy and cost effectiveness.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.654[a]	.428	.384	15.40191

a. Predictors: (Constant), Market_outsourcing

Table Summary

This table indicates significant effect of market outsourcing strategy on cost effectiveness with R=0.654. This indicates high degree of correlation. The R^2 Column which is the R Square explains how much of total variation in the dependent variable. In this case, it is 43% which is small.

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2308.555	1	2308.555	9.732	.008[b]
	Residual	3083.845	143	237.219		
	Total	5392.400	144			

a. Dependent Variable: Cost_effectiveness

b. Predictors: (Constant), Market_outsourcing

Table Summary

The p value is 0.008 (p<0.05), in this case, the independent variable (Market Outsourcing Strategy) significantly contributes to cost effectiveness.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-3.128	10.980		-.285	.780
	Market_outsourcing	1.109	.355	.654	3.120	.008

a. Dependent Variable: Cost effectiveness

Result Summary

Table 4.3.3 shows that there is significant effect of marketing outsourcing strategy on cost effectiveness with r=0.654, n=144 and p value of 0.008 (p<0.05). Therefore, we accept the alternate hypothesis and conclude that there is a significant positive effect of marketing outsourcing strategy on cost effectiveness of Money Deposit Banks in Anambra State.

5.1 Summary of Findings

1. There is a significant positive relationship between business process outsourcing strategy and task accomplishment with r=0.771, n=144 and p value of 0.028. This implies that business process outsourcing can contribute significantly to the accomplishment of task in Banks.
2. There is a significant positive effect of marketing outsourcing strategy on cost effectiveness with r=0.654, n=144 and p value of 0.028. The implication is that outsourcing of marketing functions by banks contributes to quality service delivery and customer satisfaction of banks in Anambra State..

5.2 Conclusion

The study concluded that outsourcing strategy supports bank operations as it guarantees quality services by banks and as cover the weak aspect of the organization. The adoption of business process outsourcing will contribute to accomplishment of task as the weak aspect of business process is contracted to experts. The study concluded that information technology process outsourcing contributes to quality service delivery as it gives focus to the management of the information technological functioning of the organization. Experts that manage such function is rendering such services on behalf of the Bank. Information outsourcing strategy enables customers to access bank services from their locality. The study concluded that marketing process outsourcing is a cost effective strategy for banks as marketing services would be rendered on behalf of the bank with agents. Marketing process outsourcing gives the bank less stress on the marketing aspect of the firm services as bank organizations do not have to hire marketing staff for such function rather agencies are awarded such contract and as well given little commission than it would have given to hired marketing staff.

5.3 Recommendations

The following were recommended by the study;

1. There is need for banks to outsource other weak aspects of business to experts rather than managing the areas as it will contribute to timely task accomplishment and quality service delivery.
2. Bank management need to compare hiring marketing staff and contracting marketing functions to agency. The cost effective and positive results should be the basis for selection among the options.

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