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In-Country Outsourcing and Employment Parties in the Nigerian Oil and Gas Industry

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Abstract:

The study adopted a cross sectional design, the study population is 157, and sample size of 113. Purposive, simple random, systematic and stratified sampling techniques were variously employed to select the respondents. And inferential statistics were employed, and Pearson Product Moment Correlation technique was used, at 0.01 level of significance, with the aid of SPSS Our findings revealed that there is a positive, strong and significant relationship between the dimension in- country outsourcing and measures of employment parties in the Nigerian oil and gas industry. The study specifically revealed that the dimension in-country outsourcing correlate positively and significantly with the measures of employment parties in the area of study. The study arrives at the fact that, the effective conduciveness of employment parties in the Nigeria oil and gas industry is premised on effective implementation of in- country outsourcing strategy or policy. Based on this, relevant recommendations were made.

Keywords: Outsourcing, employee relation, in-country outsourcing, Government

1. Introduction

As the production of goods and services moved from the craft-based system to the mass manufacturing system to meet the growing demand of the population (at the advent of the industrial revolution), scholars in organizational behavior and in the field of production structured and designed work in response to the changes that came with the times.

These responses to the changing business circumstances included what Biriowu (2018) typologies as 'type one theories' (manifesting in the works of Taylor and his associates) that saw organizations as mechanical devices; 'type two theories' (manifesting in the works of Elton Mayo and his associates) which recognized the need to identify the importance of informal relationships in formal organizations; 'type three theories' (epitomized in the works of the contingency theories which saw the conflict between thesis and anti-thesis leading to a synthesis of theories; and 'type four' theories' (which recognized the formation of increasing political alignments in organizations).

Today business world has presented itself to us with the concept of globalization which has turned the business world to a global village. This has paved way for the business managers of this era to look for the best way to solve organizational problems. The high level of changes in consumer's tastes and behavior needs to be followed up with flexibility in operation and move from the traditional, bureaucratic human resources management practices and scientific management systems of work with flexible practices. This implies that the various business organizations should make room for flexible practice and flexible work schedule in their operations. This change in consumer's behavior has propelled the companies and organizations to focus on their core competencies that enable them to perform effectively. According to Biriowu (2019), Flexible work schedule allows employers to outsource jobs to talented independent small business organizations to perform those special tasks in which the bigger organizations may not possess the specialty to perform those tasks effectively. In other cases, the bigger organizations may have the specialty and the ability, but may find it more cost efficient to outsource such work or job to smaller independent organizations to do the job for the company or organization.

It based on this that Biriowu (2009) argued that outsourcing may involve the hiring of an outside organization to do work that the principal organization cannot do or chooses not to do. It may also involve hiring out the performance of functions that are not core to the principal organization (which may include some or all support functions). It may further involve the leaning of some support function in such a manner that will serve as shared services to all departments in an organization.

The outsourcing will enable the companies to bring in the experts to handle those area of the organization where they lack the technical know. Therefore, there could be a different model of workplace flexibility through in-country sourcing. It based on this the study seek to examining the relationship between in-country outsourcing and employment relations in the Nigerian Oil and Gas industry.

1.1. Operational Framework

The three key variables (predictor variable, the criterion variable and the Moderating variable), and how they relate, gave rise to the thesis. That is to say, employment contract is a function of intra- organizational outsourcing. These variables and the relationships implied in this paper therefore constitute the operational framework. Below is the operational framework;

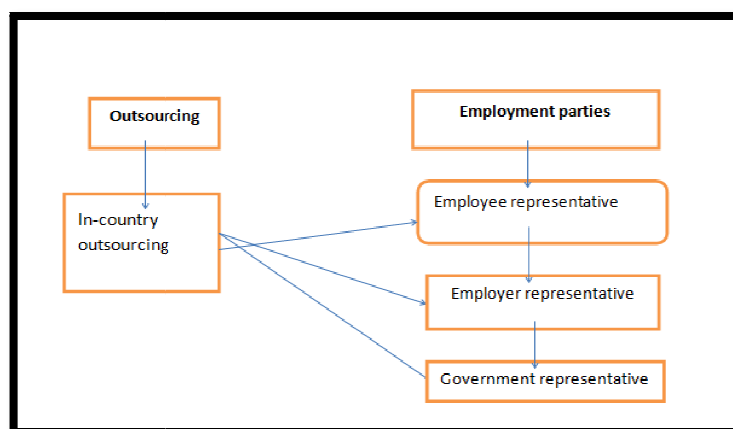


Figure 1

Source: Desk Research 2021

1.2. The Purpose of the Study

The purpose of this study therefore is to determine the following

- To determine the effect of in-country sourcing on employee representative
- To determine the effect of in-country sourcing on employer representative
- To determine the effect of in-country sourcing on government representative

1.3. Research Questions

This study will be guided by the following research questions:

- To what extent does in-country sourcing affect employee representative?
- To what extent does in-country sourcing affect employer representative?
- To what extent does in-country sourcing affect government representative?

1.4. Research Hypothesis

From the research questions raised for the study, we further hypothesize as follows:

- H₀₁: There is no significant relationship between in-country outsourcing and employee representative
- H₀₂: There is no significant relationship between in-country outsourcing and employer representative
- H₀₃: There is no significant relationship between in-country outsourcing and government representative

2. Literature review

2.1. In-Country Outsourcing

This model involves the hiring of an outside organization within the boundary of a Country to do work which the principal Organization cannot do or chooses not to do. It may also involve hiring out the performance of functions that are not core to the principal organization within the boundaries of the country where the organizations are located. (Biriowu, 2009)

In the In-country outsourcing model, some business processes or products may be so specialized that; outsourcing to another provider may be the panacea to provide access to higher quality. A typical electronics maker may for example, that do not have the need to specialize in making micro-chips, and the firm may outsource it and get a higher quality product than they could likely build themselves. The driver of this decision is flexibility, specialization and cost effectiveness.

2.2. The Employment Parties

The relationship between employers and employees comprises three groups of actors or parties. These actors are the workers or employees and their associations; the employers and their associations; and the Government (and its agencies).

2.3. The Employees or Workers

A worker or an employee has been identified as anybody that offers his/her labor services to an individual or organization in return for a definite remuneration (Oyesola, 2010). The worker sees his relationship with his employer as that of an engagement to secure the best possible conditions and living standards for himself. Okene (2012) has however

advocated the need to distinguish between the relationship between an employee and an employer (contract of service) and an independent contract and an employer (contract for service). For Okene (2012) therefore, the Courts have formulated three types of tests in order to determine whether a person is a servant (employee or worker) or not.

These tests are referred to as the control test; organization or integration test; and multiple or economic reality test. The control test emphasizes the right of control exercised by the employer over the worker. That is, a control on when and how a job is to be done. Due to some observed difficulties associated with the control test, the organization or integration test was developed to take care of likely injuries to third party employees which the control test excluded. Following the complex nature of the employment relationship, the Courts over the years found the control and integration tests to be inadequate in determining this relationship. The multiple test which takes care of the nature of the job, the skill types and sets are now used to determine the employment relationship.

Quoting Ely (1886) in Biriwu(2019) laid increasing emphasis on the justification for the emergence of labor organizations to balance the one-sided price determination and conditions of labor, and the relation of the state to workplace governance. However, we have identified organizations of workers to vary according to their perceived objects and objectives. Types of workers organizations that have been identified include professional associations such as guilds; workers in different professional bodies like the medical association; association of Engineers, Welders Association, HR Managers Associations, Chartered Institute of Purchasing and Supply; Traders Associations; and trade Unions. Our purpose here is to discuss trade unions as an organization of workers.

For Oyesola (2010), the basis of contemporary Employer/employee relations is the creation of communication between representatives of workers and employers. In this process, information is exchanged between the two to assist in correcting poor performance, on and off duty misconduct, and any other issues that affect them in the workplace. This also takes care of the need to address issues relating to applicable regulations, legislations, bargaining agreements, grievance and appeal rights, discrimination, and whistleblower protections. It involves striking a balance of interests, and it is dedicated to creating and sustaining a positive work environment by helping to resolve work-related problems. Workers' unions are also a party that represents the collective interest of the workers at the workplace.

2.4. The Employer

Oyesola (2010) sees an employer as the individual or organization that hires men to work for him or it. Characteristically, his focus is all about having the right to manage, the ability to plan for the future, so that the organization can continue to be a success, to make profit for its shareholders, and to keep its employees 'motivated'. The Nigerian Trade Disputes Act (S.90 (3) defines an employer to be any person who has entered into a contract of employment to employ any other person as a worker either for himself or for the service of any other person and includes the agent, manager or factor of the first mentioned person or his personal representative'.

The need to avoid competition from causing a likely co-lateral damage in the face of heightened challenge to business survival arising from extensive integration of world markets; rampaging globalization with producers from abroad, and other social and political issues, led business leaders in the 21st century to become conscious of playing a competitive cooperative game, and not just a competitive game (Gbadegesin and Segun, 2009).

Employers then found the need to band together through the formation of a Strong representative employers association to pull together and strengthen their bargaining power. We have different types of employers' organizations. Those directed at the protection of member companies in the manufacturing of products (for example, Manufacturers Association of Nigeria). Those directed at the promotion of trade (for example, the Chambers of Commerce). Those formed to protect the interest of all employers in the organized private sector in their common relationship with the unions, Government and other institutions (for example, the Nigeria Employers Consultative Association).

2.5. The Government

The problem of labor immiseration led to concern shown by some persons who clamored for the role of Government in the management of employment relations. This pressure and social conscience; according to Lewin (2008), compelled governments to intervene in the employment relations system so as to mitigate the harsh effects of labor exploitation by regulating such things as hours of work and the employment of children. For Lewin, (2008) therefore, over the years, the change from the laissez-faire ideology to the interventionist ethic led not only to government protecting workers in the factories, but, also to some instances of complete control of Industrial Relations system which was not the original idea which led to the clamor for intervention.

The involvement of Government in employment relations is argued to have been necessitated by its three major roles in the socio-economic/political life of a Country (Schwartz, 2009). Government is seen as the single largest employer of labor in most developing and advanced economies. Government is seen as the State Authority on whose shoulders lie the administration of the Country and protector of the economy. Government is also seen as peace maker, mediator and conciliator to disputing interest groups in the State.

2.6. In-Countries Outsourcing and Employment Relations

The second category of relationships in figure 5 involves In-country Outsourcing (ICS) and Employment Relations (ER). In-country sourcing is the Outsourcing dimension or function that consists of 'Single Agency Outsourcing' (SAS) and 'Multi-Agency Outsourcing' (MAS). Single Agency Outsourcing is said to have taken place when an organization does an in-country Outsourcing with a single third party independent contractor or Vendor.

Single Agency Outsourcing at the workplace is said to have led to the emergence of two sets of networks due to what Uvieghara (2001) referred to as contract for service and contract of service.

The first is referred to as the network of parties. The emergence of the network of parties has brought with it, the following changes: There is a change in the structure of the work parties. There are therefore, two sets of employers and two sets of employees: There is on one hand, the organization (principal) that outsourced certain aspects of its functions at the workplace. There is on the other hand, another organization (Agent) whom certain services have been outsourced to at the workplace. There are employees that belong to the principal. There are also employees that belong to the Agent. There is the existence, in most cases, one workplace that is common to both the principal, Agent, employees of the principal and employees of the Agent.

The second is a change in the structure of workplace employment contract formation, performance and determination. There is on one hand, the existence of a contract of service between the principal and the employees of the principal. There is on the other hand, a contract of service between the Agent and its employees. There is also the existence of a contract for service between the principal and the Agent

There is equally the existence of a work supervision relationship and indeed workplace interaction between employees of the principal and employees of the Agent. All these relationship networks are, in most cases taking place at a common workplace. It could be deduced from the above that Single Agency Outsourcing correlates with employment relations. On the relationship between single Agency Outsourcing and employment relations, and depending on the country where in-country Outsourcing is taking place, there are said to be legal limits to the use of outsourcing. Flynn and Bernstein (1999) cited how employees of an outsourcing organization for Microsoft who held long-term positions filed a Class of action lawsuit, claiming that Microsoft treated them as full-time workers in the contract of service with them in every respect, except in terms of benefits and compensation. They specifically claimed that they were denied access to valuable stock-purchase benefits extended to core employees. A U.S Federal Court of Appeal ruled that they be considered common-law employees who are entitled to the same benefits extended to direct employees of Microsoft.

The possible indications of the relationship between Single Agency Outsourcing on one hand and the measures of Employment Relations on the other hand, provide us with the basis for the association statements that we shall find below. There is also the Multi-Agency Outsourcing aspect of the in-country Outsourcing dimension. Multi Agency Outsourcing is said to have taken place when an organization does an in-country Outsourcing with a two or more third party independent contractors or Vendors. Multi Agency Outsourcing at the workplace is said to have led to the emergence of multiple sets of networks due to what Uvieghara (2001) referred to as contract for service and contract of service.

The first is referred to as the networks of parties. The emergence of the network of parties has brought with it, the following changes: There is a change in the structure of the workplace parties. There are therefore, multiple sets of employers and multiple sets of employees: There is on one hand, the organization (principal) that outsourced certain aspects of its functions at the workplace. There are, on the other hand, multiple organizations (Agents) whom certain services have been outsourced to at the workplace. There are employees that belong to the principal. There are also multiple sets of employees that belong to the Agents. There is the existence, in most cases, one workplace that is common to the principal, multiple Agents, employees of the principal and employees of the multiple Agents.

The second is a change in structure of workplace employment contract formation, performance and determination. There is on one hand, the existence of contract of service between the principal and the employees of the principal. There is on the other hand, multiple contracts of service between the multiple Agents and their employees. There is also the existence of a contract for service between the principal and the multiple Agents. There is equally the existence of a work supervision relationship and indeed workplace interaction between employees of the principal and employees of the multiple Agents. All these relationship networks are, in most cases taking place at a common workplace. It could also be deduced from the above that multiple Agency sourcing correlates with employment relations. The possible indications of the relationship between single Agency and multiple Agency Outsourcing on one hand and the measures of Employment Relations on the other hand, provide us with the basis for the under-listed association statements:

- H_{01} : There is no significant relationship between in-country outsourcing and employee representative
- H_{02} : There is no significant relationship between in-country outsourcing and employer representative H_{03} .
- H_{04} : There is no significant relationship between in-country outsourcing and government representative

3. Methods

3.1. Population and Sampling

Organizations	No of Staff	Remarks
Shell PD Sub Group	26	
Schlumberger Sub Group	23	
Port Harcourt Refining Sub Group	25	
OVH Energy Sub Group	22	
PENGASAN	6	
NUPENG	6	
Federal Ministry of Labour	5	
Total	113	

Table 1: Organizations and Sample Size Determination
Source: Desk Research, 2017

A simple random sampling technique was used to pick twenty-six from Shell; 23 from Schlumberger; 25 from Port-Harcourt Refinery; 22 from OVH Energy; 6 each from Petroleum and Natural Gas Senior Staff Association and Nigeria Union of Natural Gas; and 5 from the Federal Ministry of Labour. This therefore made up the 113 employees, which constituted our study population.

3.1. Research Design

The preferred research design in this study is the survey design. Since our subjects and variables have already occurred or are on-going, it will be appropriate to use the survey design. This position is supported by the works of Zebulun (1994), Cooper and Schindler (2001).

3.2. Method of Data Collection

A total number of 113 copies of our research questionnaire were administered. 106 copies of the questionnaire were retrieved which represent 93.8%. 13 copies were rejected due to fundamental errors arising from wrong filling. On the whole, 93(87.7%) copies were found fit for usage in the analysis (see below).

Organizations	No of Copies of Questionnaire Distributed	No. Retrieved	Usable Copies	% of Usable Copies
Shell PD Sub Group	26	25	24	96.0
Schlumberger Sub Group	23	22	20	90.0
Port Harcourt Refining Sub Group	25	23	19	82.0
OVH Energy Sub Group	22	20	16	80.0
PENGASAN*	6	6	5	83.0
NUPENG**	6	6	5	83.0
Federal Ministry of Labour	5	4	4	100
Total	113	106	93	87.7

Table 2: Questionnaire Administration, Usage and Response Rate

Source: Desk Research, 2017

S/No	Variables	No. of Items	Cronbach's Alpha Results
2.	In-country Outsourcing	3	.973
5.	Employment Parties	10	.990

Table 3: Reliability Test Results

Source: Desk Research and SPSS Window Output, Version 20.0

Table 3.above revealed that results of the Cronbach's Alpha test of reliability, using SPSS software package version 20.0. The results showed coefficient that are higher than 0.70, which is the acceptable standards (Ahiauzu, 2006; Chikwe, 2012). As a result, it therefore indicates that there is a high level of reliability of our research instrument which is an early signal that we have high level of reliability and consequent correlation amongst the study variables.

3.3. Operational Measures of Variables

The survey instrument used in this study to measure the variables was obtained from literature, in addition to related scales developed and adapted specifically for this study.

4. Data Presentation and Analysis

4.1. Presentation of Study Demographics

The demographic variables of the present study include; years of company in operation, age, marital status, level of education and managerial level in the organization.

Category	Frequency	Percentage (%)	Cumulative (%)
1 – 9 years	4	4.3	4.3
10 – 19 years	12	12.9	17.2
20 – 29 years	17	18.3	35.5
30 – 39 years	44	47.3	82.8
40 and above	16	17.2	100.0
Total	93	100.0	

Table 4: Years of Company's Operation

Source: Desk Research, 2017

As illustrated in table 4.2 above, 4(4.3%) of the respondents remarked that their company had been in operation for between 1-9 years, 12(12.9%) favored 10-19 years, 17(18.3%) favored 20-29 years, 44(47.3%) favored 30-39 years, while 16(17.2%) of the respondents opined that their company has been in operation for over 40 years.

Category	Frequency	Percentage (%)	Cumulative (%)
Male	69	74.2	74.2
Female	24	25.8	100.0
Total	93	100.0	

Table 5: Sex of Respondents

Source: Desk Research, 2017

The illustration in table 5 above reveals that the male respondent is 74.2%, female 25.8% of the total respondents. This shows that a greater number of men participated and made up the respondents group for this study compared to their female counterparts.

Category	Frequency	Percentage (%)	Cumulative (%)
Below 25 years	3	3.2	3.2
25 – 30 years	15	16.1	19.3
31 – 35 years	26	28.0	47.3
36 – 40 years	37	39.8	87.1
Above 40 years	12	12.9	100.0
Total	93	100.0	

Table 6: Age of Respondents

Source: Desk Research, 2021

The illustrations in the table 4.4 above reveals that, 36-40 years age category constituted the age category of most of the respondents accounting for 39.8% of the total respondents; this is followed by the 31-35 years category which accounted for 28.0%, and then the 25-30 years category which accounted for 16.1%, then the above 40 years category which accounted for 12.9% of total respondents. The respondents that constituted the below 25 years category accounted for only 3.2% of total responses.

Category	Frequency	Percentage (%)	Cumulative (%)
Married	56	60.2	60.2
Single	19	20.4	80.6
Widowed	5	5.4	86.0
Separated	9	9.7	95.7
Divorced	4	4.3	100.0
Total	93	100.0	

Table 7: Marital Status

Source: Desk Research, 2021

Table 7 above shows the marital status of the respondents in this study. This information reveals that majority of the respondents were married constituting a total percentage of 60.2%, this is followed by 20.4% of respondents that were single, 5.4% were widowed, while 9.7% were separated. Finally only 4.3% of total respondents in this study were divorced. #

Category	Frequency	Percentage (%)	Cumulative (%)
WASC/GCE	2	2.2	2.2
OND/NCE	6	6.4	8.6
BSc/HND	32	34.4	43.0
Masters	45	48.4	91.4
Ph.D	8	8.6	100.0
Total	93	100.0	

Table 8: Level of Education

Source: Desk Research, 2021

Table 8 above shows the level of education of the respondents. Information on the table reveals that most of the respondents had (i.e., 48.4%) had obtained a Master's degree. This was closely followed by 34.4% of respondents who had obtained a BSc/HND degree, then 8.6% of respondents had Ph.D degrees and 6.4% has OND/NCE certificates, while only 2.2% of the total respondents had WASC/GCE certificates.

Category	Frequency	Percentage (%)	Cumulative (%)
Top level manager	17	18.3	18.3
Middle level manager	57	61.3	79.6
Supervisory level manager	19	20.4	100
Total	93	100.0	

Table 9: Respondents Level in Organization
Source: Desk Research, 2021

The table 9 above show that 61.3% of respondents a majority of total respondents were within the middle level managers, 20.4% of respondents fell within the supervisor level of manager, while 18.3% of the total respondents were in the top level manager category.

4.2. In-Country Outsourcing as a Dimension of Outsourcing

This section reveals the position of respondents concerning the questions asked on in-country outsourcing (see appendix III). The information on the table reveals that a range of 31 (33.3%) to 48(51.6%) indicated very high extent on the various research instrument items that there are practices of in-country outsourcing which impacts on the employment relations of these organizations. This high level of agreement on the part of respondents concerning in-country outsourcing agrees with Espino-Rodriguez & Padron-Robaina, (2005) who in their study concluded that in country outsourcing serves as a measure through which large organizations enjoy favorable work employment relations overtime. The range of very high extent is followed by a range of 25(26.9%) to 44(47.3%) who indicated high extent that their organizations practice in-country outsourcing. This is followed by a range of 8(8.6%) to 14(15.1%) who indicated moderate extent, and then by the range of 5(5.4%) to 7(7.5%), and range of 2(2.2%) to 5(5.4%) that indicated low extent and very low extent respectively.

Description	In Outsourcing
Valid N (List wise)	93
Mean	3.5161
Standard deviation	1.12880
Variance	1.274

Table 10: Weight of Score Evaluation of In-Country Outsourcing (ICS)
Source: Desk Research, 2021, and SPSS Window Output, Version 20.0

Table 10 above shows the mean score of in-country outsourcing as a dimension of outsourcing and also the standard deviation and variance values. The mean score for in-country outsourcing is 3.52, with a standard deviation of 1.13 and a variance of 1.27 This reveals that in-country outsourcing is a strong dimension of outsourcing.

4.3. Employment Parties as a Measure of Employment Relations

The information contained in the table on appendix VI reveals the various respondents responses on the test item instruments. Based on the table, a range of 33(35.5%) to 55(59.1%) favored very high extent to the various items in the instrument. This confirmed the view of Oyesola, (2010), who posited that employment parties' relations usually play instrumental roles in determining the nature of employment relations that exist in modern business organizations. A range of 5(5.4%) to 16(17.2%) favored moderate extent. Also, a range of 2(2.2%) to 9(9.7%) and 1(1.1%) to 7(7.5%) of the respondents indicated low extent and very low extent respectively. This information is buttressed in the bar chart below.

Description	Employment Parties
Valid N (List wise)	93
Mean	3.0359
Standard deviation	1.1824
Variance	1.4000

Table 11: Weight of Score Evaluation on Employment Parties asa Measure of Employment Relations
Source: Desk Research, 2021, and SPSS Window Output, Version 20.0

Table 11 above reveals the weight of scores of evaluation on employment parties as a measure of employment relations. The information provided shows that the mean score is 3.04, the standard deviation is 1.18, while the variance is 1.40. This information thus reveals that employment parties are a very strong measure of employment relations.

4.4. Results on in-country Outsourcing (OS)

The responses on in-country outsourcing components show that 33.3 - 51.6 percent favored the high-extent option; 8.6 - 15.1 percent indicated moderate extent on issues relating to the in-country outsourcing items. Similarly, 5.4 - 7.5 percent and 2.2 - 5.4 percent indicated the low extent and very low extent options respectively. Also, the mean score for in-country outsourcing as dimension of outsourcing is 3.52 and the standard deviation is 1.13. The high response option on very high extent and high extent, and the mean scores reveals that there is a strong correlation between outsourcing and employment relations in oil and gas industry in Nigeria.

From the outcome and results of the analysis, it is revealed that there is a relationship between outsourcing and employment relations in oil organizations in Nigeria. In effect, it is advisable to adopt these outsourcing components as valuable dimensions of outsourcing for the effective achievement of employment relations in the oil and gas industry in Nigeria.

4.5. Result on Employment Relations (ER)

The univariate results on employment parties as shown a range of 35.5 – 59.1 percent indicated very high extent to the various test instrument items, followed by 25.8 – 46.2 percent on the high extent option, 5.4 – 17.2 percent indicated the moderate extent option, followed by 2.2 – 9.7 percent and 1.1 – 7.5 percent of respondents who favored low extent and very low extent options respectively. The mean score of employment parties measure option is 3.04, and the standard deviation is 1.18.

4.6. Finding of the Univariate Analysis

Based on the descriptive analysis and responses, frequencies, scale of measurement options as well as the score evaluations outcome, the results of the univariate analysis of this study revealed strong positive correlations between the outsourcing dimensions and the employment relations measures of the oil and gas industry in Nigeria as stated below.

4.7. Outsourcing

The in-country outsourcing dimension also revealed a high positive response rate that outsourcing can enhance the employment relations of the oil and gas firms in Nigeria.

4.8. Employment Relations (ER)

The researcher also found out that employment parties measure has a strong correlation and is highly significant in measuring the strength of employment relations. This as such implies that an employment party is strongly associated with the outsourcing strategy of achieving positive employment relations outcome.

4.9. Hypotheses on In-country Outsourcing and Employment Parties Measures

- Ho₁₃: There is no significant relationship between in-country outsourcing and changes in the structure of workplace employers.
- Ho₁₄: There is no significant relationship between in-country outsourcing and changes in the structure of workplace employees.
- Ho₁₅: There is no significant relationship between in-country outsourcing and changes in the structure of workplace unions.

Correlations					
		ICS	ER	ERR	GR
ICS	Pearson Correlation	1	.907**	.924**	.911**
	Sig. (2-tailed)		.000	.000	.000
	N	93	93	93	93
ER	Pearson Correlation	.907**	1	.920**	.946**
	Sig. (2-tailed)	.000		.000	.000
	N	93	93	93	93
ERR	Pearson Correlation	.924**	.920**	1	.944**
	Sig. (2-tailed)	.000	.000		.000
	N	93	93	93	93
GR	Pearson Correlation	.911**	.946**	.944**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	93	93	93	93

** . Correlation is significant at the 0.01 level (2-tailed). P<0.01

Table 12: Results of Hypotheses Test on In-Country Outsourcing and Employment Parties' Measures

Source: Data Output, 2017 and SPSS Window Output, Version 20.0

Key:

- ** = Correlation, at 0.01 significant level (2-tailed) i.e. $p < 0.01$
 r = Pearson Product Moment Correlation Coefficient
 ICS = In-Country Outsourcing
 ER = Employment and Representative
 ERR = Employee and Representative
 GR = Government and Representative

4.10. Hypotheses on In-country Outsourcing and Employment Parties Measures

- Ho₁₆: There is no significant relationship between in-country outsourcing and changes in the structure of workplace wage determination.

- H_{017} : There is no significant relationship between in-country outsourcing and changes in the structure of workplace rule making.
- H_{018} : There is no significant relationship between in-country outsourcing and changes in the structure of workplace conflict resolution.

Correlations					
		ICS	WD	RM	CR
ICS	Pearson Correlation	1	.948**	.925**	.965**
	Sig. (2-tailed)		.000	.000	.000
	N	93	93	93	93
WD	Pearson Correlation	.948**	1	.956**	.971**
	Sig. (2-tailed)	.000		.000	.000
	N	93	93	93	93
RM	Pearson Correlation	.925**	.956**	1	.947**
	Sig. (2-tailed)	.000	.000		.000
	N	93	93	93	93
CR	Pearson Correlation	.965**	.971**	.947**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	93	93	93	93

** . Correlation is significant at the 0.01 level (2-tailed). $p < 0.01$

Table 13: Results of Hypotheses Test on In-Country Outsourcing and Employment Regulation Measures

Source: Data Output, 2017 and SPSS Window Output, Version 20.0

Key:

** = Correlation, at 0.01 significant level (2-tailed) i.e. $p < 0.01$

r = Pearson Product Moment Correlation Coefficient

ICS = In-Country Outsourcing

WD = Wage Determination

RM = Rule Making

CR = Conflict Resolution

Hypotheses	Results	Hos status
H_{01}	In-country outsourcing strongly correlates with the structure of workplace employers	Rejected
H_{02}	In-country outsourcing has strong influence on the structure of workplace employees.	Rejected
H_{03}	In-country outsourcing has strong association with the structure of workplace unions.	Rejected

Table 14: Summary of Results of Hypotheses Tested

4.11. Results on In-Country Outsourcing and Employment Parties

The results of the statistical analysis on in-country outsourcing and the measures of employment parties (i.e. employer and representative, employee and representative and government and representative) are as follows;

The relationship between in-country outsourcing and changes in the structure of workplace employers was tested statistically at a 0.01 significant level, the test correlation value of 0.907 and the corresponding significant value of 0.000, showed that a strong positive and significant relationship exist between in-country outsourcing and changes in the structure of workplace employers.

The relationship between in-country outsourcing and changes in the structure of workplace employees was tested statistically at a 0.01 level of significance, the correlation value of 0.924 and the test significant value of 0.000, revealed that a strong positive and significant relationship exist between in-country outsourcing and the changes in the structure of workplace employees.

The relationship between in-country outsourcing and changes in the structure of workplace unions was tested statistically at a 0.01 significant level, the correlation value of 0.911 and the test significance value of 0.000, showed that a strong positive and significant relationship exist between in-country outsourcing and changes in the structure of workplace unions.

4.12. Result on In-Country Outsourcing and Employment Regulation

The results of the statistical test of hypotheses on in-country outsourcing and the measures of employment regulation (i.e wage determination, rule make and conflict resolution) are as follows.

The relationship between in-country outsourcing and changes in the structure of workplace wage determination was tested statistically at a 0.01 significant level. The test correlation value of 0.948 and the significant value of 0.000 showed that there is a strong positive and significant relationship between in-country outsourcing and changes in the structure of workplace wage determination.

The relationship between in-country outsourcing and changes in the structure of workplace rulemaking was tested statistically at a 0.0 level of significance, the correlation value of 0.925, and the test significant value of 0.000 revealed that a strong positive and significant relationship exist between in-country outsourcing and changes in the structure of workplace rule making.

The relationship between in-country outsourcing and changes in the structure of workplace conflict resolution was tested statistically at 0.01 significant level, the test correlation value of 0.965, as well as the significant value of 0.000 revealed that a strong positive and significant relationship exist between in-country outsourcing and changes in the structure of workplace conflict resolution.

5. Discussion of Findings

The essence of discussing the finding of a study is to enable and guide the researcher in drawing worthwhile conclusions.

5.1. Positive and Significant Relationship between In-Country Outsourcing and Employment parties

The finding relating to the association between in-country outsourcing and employment relations revealed the existence of a positive and significant relationship. Evidence from extant literature (Uvieghara, 2001; Flynn, 1999; Lee & Daekwan, 2010), revealed that in-country outsourcing is a dimension that enables the business firms to look inwards for qualified and suitable category of staff to fill vacant positions. Similarly, Leimmbach, (2005) opined that when business organizations indulge in in-country outsourcing, they attempt to build the confidence of human resources management and distribution firms as they firms are encouraged to perceive that their quality of employees are high enough to secure them employment positions in big business organizations.

It is thus evident from the above that when in country outsourcing is practiced by both local and international business organizations, such will play instrumental roles in enhancing the employment relations between the management of the businesses in question, and their body of professional and non-professional employees.

The findings from our present study thus corroborate the earlier finding of Bustinza, Arias-Aranda, & Gutierrez, (2010). in which they found out that in-country outsourcing is positively and significantly associated with employment relations in such a way that the quality of staff that are most often recruited through in country outsourcing are those that can easily adapt and fit into the job specifications of their employing organizations, and such usually help to fast tract the desired growth for these organizations, especially as it relates to their financial and material resources. Consequent upon the finding of the research study, the researcher thus deduced that in-country outsourcing as a dimension of outsourcing impacts considerable influence on the employment relations of oil and gas organizations.

6. Conclusion, Implications and Recommendations

The essence of this correlational study was to empirically examine the nature and extent of relationship that exist between in country outsourcing and employment parties in the Nigerian oil and gas industry, as well as it relates to the Oil and Gas Labour Unions, and Federal Ministry of Labour. The findings from the analyses showed that there exist, a relationship between the dimensions of outsourcing and the measures of employment relations used in this study. Consequent upon these findings, the researcher thus, arrived at the following conclusions.

6.1. In-Country Outsourcing and Employers

In the test of relationship between in-country outsourcing and changes in the structure of workplace employers in the oil and gas/industry, the results of the univariate and bivariate analyses revealed that there is a strongly positive and significant relationship between in-country outsourcing and employers. Thus, the researcher concludes that the structure of workplace employers in the Nigeria oil and gas industry is influenced by in-country outsourcing.

6.2. In-Country Outsourcing and Employees

In the statistical test of relationship between in-country outsourcing and employees, in the Nigerian oil and gas industry, the result of the univariate and bivariate analyses showed that there is a strong positive and significant relationship between in-country outsourcing and employees. Therefore, the researcher concludes that, employees in the oil and gas industry in Nigeria, is influenced by in-country outsourcing.

6.3. In-Country Outsourcing and government

In the test of association between in-country outsourcing and government in the oil and gas industry in Nigeria, the results of the univariate and bivariate analyses revealed that a strong positive and significant relationship exist between in-country outsourcing and changes in the structure of workplace government. Thus, the researcher concludes that, in-country outsourcing seriously influenced the structure of workplace unions in the oil and gas industry in Nigeria.

6.4. Implications of the Study

The perceived implication of this study is premised on two major perspectives; these are the theoretical implications, and the practical implications. These are presented below.

6.5. Theoretical Implications

In this present study, the theoretical implication shows that the effectiveness of employment relations in the oil and gas industry in Nigeria, depends to a great extent, on the quality of outsourcing practiced by the organizations in the study area. The researcher therefore asserts that;

The cordial relationship expected of the various employment parties in the oil and gas industry depends on the effectiveness of in-country outsourcing as practiced and applied by firms in these oil and gas industry in the area of study.

6.6. Practical Implications

The perceived practical implication of this extant study reveals that, for the oil and gas firms to enhance their employment relations they would have to improve and build on the value and quality of their outsourcing practices. The researcher therefore emphasizes that to;

Maintain cordial relations between the employment parties the firms operating in the Nigerian oil and gas industry will need to ensure effectiveness in their intra-organizational, in-country outsourcing, and off-shore outsourcing employment activities in order to maintain suitable employment relations in the industry.

6.7. Recommendations

In view of our findings in this study as they relate to outsourcing and employment relations in the oil and gas industry in Nigeria, the following recommendations are thus proffered by the researcher;

- Those organizations operating in the oil and gas industry in Nigeria, whose objectives include improving on the employment relations in their firms, should endeavor to sustain a standard outsourcing practices which will be instrumental in bringing about positive relationships between the employer(s) and employees in the workplace environment.
- There is an urgent need for firms in the oil and gas industry in Nigeria to effectively standardize their in-country outsourcing procedures to ensure that the desired employment relations between the employment parties are maintained.
- In-country outsourcing practices should be regularly applied in the oil and gas industry to complement other available options as this would often enable the firms in the industry to explore local talents and thus maintaining positive relationship with their immediate operational environment.

6.8. Practical Implications

The perceived practical implication of this extant study reveals that, for the oil and gas firms to enhance their employment relations they would have to improve and build on the value and quality of their outsourcing practices. The researcher therefore emphasizes that to;

Maintain cordial relations between the employment parties the firms operating in the Nigerian oil and gas industry will need to ensure effectiveness in their intra-organizational, in-country outsourcing, and off-shore outsourcing employment activities in order to maintain suitable employment relations in the industry.

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- There is an urgent need for firms in the oil and gas industry in Nigeria to effectively standardize their intra-country outsourcing procedures to ensure that the desired employment relations between the employment parties are maintained.
- In-country outsourcing practices should be regularly applied in the oil and gas industry to complement other available options as this would often enable the firms in the industry to explore local talents and thus maintaining positive relationship with their immediate operational environment.

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