The Effect of Partnership Quality on Outsourcing Success in Human Resources Functions

Dr. M. Fikret ATES

Baskent University, Social Sciences Vocational School, Ankara, Turkey
E-mail: mfates@baskent.edu.tr

Abstract

Outsourcing acts as an emergency exit which is offered by the human resources (HR) department to the executives having trouble in competitive environment. However, the quality of the relationship in partnerships and such is the primary factor in the supply process. Therefore, the hypotheses questioning how "Partnership Quality Model" -accepted as credible and valid by Lee in the information systems outsourcing- and scale affect the partnership quality in outsourcing HR functions in Turkey, are tested on the outsourcing relationships among 81 companies and 34 supplier companies. As a result, it is found out that the key factors in outsourcing success are the decision process, partners, contract and partnership quality. Partnership quality, which is the independent variable of the study, is formed byfactors such as trust, business understanding, benefit/risk share, conflict and commitment. These factors are determined to be affected positively by certain determiners such as joint action, communication quality, information sharing, mutual dependency, cultural similarity and top management support. But they are affected negatively by the determiner, participation. And they are not affected all by the determiners, duration of the relationship and coordination.

Key words: Human Resources Management, Outsourcing Succes, Partnership Quality.

1. Introduction

Competition, which keeps increasing by fast and continuous change forced by the information age, has shown the companies that the most important factor (Conner & Ulrich, 1996: p. 48) to reach their aims is "human", so the belief 'human is the most important entity of a company' is no longer a cliché (Fitz-Enz & Phillips, 2001). It is accepted that companies use resources such as capital, worker, supply, place and time to reach their aims and among these resources, the hardest one to provide and to replace is HR (Inkaya, 2000: p. 10).

HRM is under a huge amount of pressure as it tries to keep the bond between the employer and the employee with minimum resource while helping the businesses achieve their goals and at the same time securing worker satisfaction (Cook, 1999).

The functions which Human Resources Management (HRM) will perform in accordance with management goals and worker satisfaction are considered as important tools for competitive advantage (Aykaç, 1999). Lately, businesses have limited their services to get rid of the functions that cannot maintain integration (Akyüz, 2001).

Businesses have been limiting their HR functions with core competence and they have been transferring all the other management functions to companies which are more core competent than they are (AAC, 2000). It is commonly seen that some of the business functions which are ongoing and lacking core competence pass on to foreign suppliers who have more expertise (Aydınlı, 2001). In fact, HRM is not even considered as core competent The proof of this is, especially during crisis, employees and HRM are released. In this respect, the best solution for HRM is thought to be outsourcing (Klaas et al., 2001).

Therefore, outsourcing partnership is planned to be introduced and success factors are planned to be identified as these are believed to be the two ways of increasing the efficiency of HR functions. In the study, the effect of partnership quality on the success of outsourcing partnership in HR functions is analyzed.

In addition to that, the other analyzed issues in determining outsourcing success in HR functions in Turkey are: how partnership quality model is perceived, which conditions lead to outsourcing success and the degree and strength of the relationship between partnership quality and outsourcing success in HR functions in Turkey.

2. Outsourcing In Human Resources Functions

"Information worker", which is the superiority tool in modern management, being included in business and in the process of his development and continuity (Kaynak et al., 1998: p. 58), all the modern functions about humanity that build a bridge between worker satisfaction and management goals are defined as HRM (Uyargil et al., 2001: p. 38).

When HR functions are run by experts, the performance and productivity of the workers increase, cost decreases, customer satisfaction goes up with increasing management performance and so competition grows (Cooke et al., 2005). But badly managed functions keep HRM and companies from reaching their long term goals (Dalay et al., 2002: p. 61).

The value of the HR function depends on the business's contribution on competitive superiority (Greer et al., 1999: p. 87). Therefore, outsourcing has become more and more widespread in the HR functions which don't have entity and aren't managed well (Greaver, 1999; Klaas et al. 2001; Cooke, et al., 2005). According to the PwC's report (2000), HRM is no longer a corporate and staffed department and is becoming a more integrated function.

The core competence of a company is the ability that differentiates experience and knowledge and enables competitive superiority (Aydınlı, 2001). Outsourcing is the act of buying service from companies which have core competence because your company is lacking core competent functions in reaching business goals (Arnold, 2000; Koçel, 1998).

Outsourcing is the act of a supplier company renting its knowledge, skill, technology, service and human power to the customer (Norman & Arbuckle, 2000). Outsourcing is different in providing a product or service from another company in traditional ways because it passes on the work or process that was done within the company beforehand (Dalay et al., 2002: p. 200; Greaver, 1999;).

In long term, outsourcing in HR functions doesn't lead in job loss; on the contrary, it is a solution that offers new employment opportunities (Arslantaş, 1999: p. 12). Besides, it is an approach beyond renting advisors or temporary workers while setting up a system or project management (Mishra, 2004). For this reason, outsourcing has become more common among businesses lacking core competence and not being managed well (Özutku, 2002: p. 120). And

with this, the number of companies which develop core competence in HRM is increasing and by the help of outsourcing, businesses whose success depends on each other start to appear and their long term relations are becoming more and more common (Sheehan, 2009).

Consequently, the fastest growing business process outsourcing services in many countries today is the HR outsourcing (Cooke, et al. 2005; Dell, 2004). As a consequence, new responsibilities arise; such as the coordination of the relations between HR managers, employees, employers, suppliers, customers and contract management (Broedner et al., 2009). However, outsourcing is not a magical wand (Greer et al, 1999: p. 89). In the first years of outsourcing, most of the buyer and vendor companies had trouble in setting and managing outsourcing relations in implementation based on contract between service supplier and buyer companies (Fitzgerald & Willcocks, 1994; Lewis, 1990).

3. Partnership Quality And Outsourcing Success

In the study, the concept of partnership is defined as participants having a long term relationship between companies to reach common goals (Grover et al., 1996). A long term outsourcing partnership, set up by suppliers (Lewis, 1990), which is not judicial but completing each other sets up an appropriate environment in gaining competitive superiority which is not possible for the participants to gain it by themselves (Eğin, 2004; Koçel, 1998). The quality of the partnership is also important for the companies (Erdemir, 2004).

In this respect, when the convenience and reliability of the quality is considered, partnership quality is the compatibility of both parties in the customer and the supplier company relationship and being able to maintain the continuity of this compatibility (Mohr & Spekman, 1994). If both parties' expectations are met well, this means it is a compatible partnership (Ataman, 2004).

According to Grover et al. (1996: p. 412), a company's ability to focus on work in which it forms core competence by using external resources repeatedly leads to strategic benefit; checking its financial structures within agreements depending on a certain contract and supplier company's using its economy of scale in technology and HR leads to financial benefit; and owning advanced technology and keeping its system dynamic by getting rid of the cost of replacing outdated technology leads to technological benefit.

Lee and Kim (1999) explored outsourcing success on two dimensions - business perspective and user perspective. The business perspective focused on the sets of economic, technological and strategic benefits that the organization could achieve through outsourcing whereas the user dimension focused exclusively on user satisfaction with the outsourcing arrangement.

The success of outsourcing partnership in HR functions, which is the dependent variety of the study, is the level of appropriateness between the requirements of supplier companies, customers and outsourcing results (Lee & Kim, 1999: p. 16). The common goal of the customer and the supplier companies is to increase their benefits mutually and have minimum loss (Eğin, 2004). So, success must be the common goal and they must support each other to reach their aim (Özutku, 2002: p. 117).

In the perspective of the customer company which bought service in outsourcing partnership relations in HR functions, the criteria that maintain partnership success to gain strategic, financial and technological benefit is the quality of the partnership (Fitzgerald & Willcocks, 1994; Greaver, 1999; Harrison, 1996: p. 89; Klaas et al., 2001; Lewis, 1990). And when

outsourcing begins, the first key to success is to maintain "partnership quality" in order to keep a consistent and long term relationship going (Lee & Kim, 1999: p. 37).

Previous studies studied the subject without differentiating the components of partnership quality and its determinants (Lee & Kim, 1999). Several researchers studied the correlation between partnership and related variables and they associated it with economic theories such as resource dependence theory and transaction cost theory (Heide, 1990; Klepper, 1990). This model, which is about partnership quality, studies the correlations between the success of outsourcing partnership and partnership quality in relation to social theories such as social change and theory of power politics (Ganesan,1994; Grover et al., 1996; Mohr & Spekman, 1994). The model identifies the factors of partnership quality which affect outsourcing success as, partnership quality components and determinants (Lee & Kim, 1999). As a result of a literature study, the factors which have the effect on the process of outsourcing partnership are the resource dependence and transaction cost theories which have an economic perspective. And the theories which analyze the relations between organizations in outsourcing are social change theory and theory of power politics (Dibbern, 2004).

In a partnership kind of relationship, the extent of social relationship which is not written in the contract shapes the relationship (Mohr & Spekman, 1994). Outsourcing partnership is the need to consider the risk and profit partnership as a change without an end and the need to build a series of mechanisms to manage and to monitor the activities (Klaas et al. 2001, p.125).

HR functions depend on maintaining partnership quality success in outsourcing (Daityari et al., 2008). In the light of this hypothesis, Lee and Kim (1999) who claimed partnership quality has a significant effect on outsourcing, tested this in the field of Information Systems in Korea and identified its components in Chart 3.1 and determinants in Chart 3.2. The model accepts that partnership has certain elements to expose its own quality and assumes that many variables affect the degree of partnership quality.

It is important for a HR manager to possess the following components of "partnership quality" which leads outsourcing partnership to success and is the independent variable of the study (Harrison, 1996; Jones, 1995). The components which form the model of the study and determine partnership quality in literature are listed below (Lee & Kim, 1999):

Chart: 3.1. The Components Of Partnership Quality

Components	Definitions
Trust	Degree of confidence and willingness between partners
Busıness Understanding	Degree of understanding of behaviors, goals, and policies between partners
Benefi/Risk Share	Degree of articulation and agreement on benefit and risk between partners
Conflict	Degree of incompatibility of activities, resource share, and goals between partners
Commitment	Degree of the pledge of relationship continuity between partners

Apart from partnership quality components, the determinants of partnership quality are also identified. Partnership quality, which is assumed as the main component in outsourcing

success, is considered to be affected by partnership quality determinants. According to social theologians, the determinants which are considered as social changes between two parties in partnership and affect the components of partnership quality are defined below (Lee & Kim, 1999):

Chart: 3.2. The Determinants of Partnership Quality

Determinants	Definitions
Participation	Degree of willingness to enter into and participate in activities between partners
Joint Action	The degree of interpenetration of organizational boundaries
Communication Quality	Degree of accuracy, timeliness, adequacy, and credibility of communication process between partners
Coordination	Degree of the act of working together harmoniously between partners
Information Sharing	Degree to which critical or proprietary information is communicated to one's partner
Age Of Relationship	Period of relationship between partners
Mutual Dependency	Degree of the ability of an organization to influence partner's decision making on a particular issue
Cultural Similarity	Degree of similarity of the pattern of shared values and beliefs between partners
Top Management Support	Degree of top manager's understanding of the specific benefits of collaboration with partners

The success of outsourcing partnership depends on the existence of quality components above (Lee & Kim, 1999). So partners should have the character to share mutual trust and have the reliability to keep the information they gathered during this collaboration safe from third parties (Klaas et al. 2001). Besides, it is important to have open communication, mutual dependency and a certain vision accepted by third parties (Jones, 1995: 25). In addition to these, open partnership which shares the benefit and risk, which goes in harmony and consists of determination to own commitment and authority could increase partnership quality (Grover et al., 1996; Harrison, 1996: 25).

4. Research Methodology

To question the degree and strength of relationship between partnership quality and outsourcing success in HR functions in Turkey, "partnership quality" model and scale was used. It was developed by Lee & Kim (1999), tested in Korea in the field of information systems and has a high (0,927) reliability and is assumed to have a significant effect of partnership quality on outsourcing success.

Chart: 4.1. Summary Statistics for Measures

Measure	Acronyms	Items	Reliability (Cronbach alpha)	Convergent validity (correlation of item with total score-item)	Discriminant validity (factor loading on single factors
Model of Partnership Quality			**0,973**		
Components of Partnership Quality PARQUL			**0,940**		**83,661**
Trust	**TRUST**	3	0,926	0,718; 0,706; 0,741	0.890; 0,864; 0,930
Business Understanding	**BUSUND**	3	0,917	0,670; 0.697; 0,728	0,878; 0,899; 0,937
Benefit And Risk Share	**BERISH**	2	0,941	0,788; 0,788	0,910; 0.941
Conflict (R)[*]	**CONFCT**	3	0,971	0,862; 0,880; 0,900	**-0,955; -0,942; -0,936**
Commitment	**COMMIT**	3	0,947	0,754; 0,800; 0,838	0,896; 0,904; 0,920
Determinants of Partnership Quality			**0,980**		**72,676**
Participation	**PARTIC**	3	0,789	**-0,416; -0,578**; 0,789	0,878; 0,835
Joint Action	**JOIACT**	2	0,905	0,691; 0,691; -**0,573**	0,924; 0,884
Communication Quality	**COMQUL**	4	0,895	**-0,573**; 0,895; -**0,526**	0,859; 0,880
Coordination	**COORDI**	2	0,858	**-0,826**;0,858;-**0,528**	0,824;0,882
Information Sharing	**INFSHA**	2	0,922	**-0,450; -0,041**; 0,922	0,950;0,908
Age of Relationship	**AGEREL**	1	-	0,423	0,451
Mutual Dependency	**MULDEP**	2	0,938	0,786;0,786	0,911;0,927
Cultural Similarity	**CULSIM**	3	0,823	0,530;0,424;0,513	0,717;0,908;0,692
Top Management Support	**TOPSUP**	3	0,951	0,740;0,862;0,854	0,810;0,916;0,896
Outsourcing Success	**OUTSUC**		**0,972**		**74,113**

Core Competence Development	0,746	0,769
Focus on Strategy and Planning	0,838	0,862
Access to Expert Employees	0,820	0,853
Reducing Costs	0,783	0,815
Technological Infrastructure Development	0,717	0,755
Control of HR Expenses	0,819	0,846
Avoidance of Technology Obsolescence Risk	0,665	0,700
Reaching Highlights	0,876	0,898
Enrichment of Services	0,864	0,880
Service Qualityİmprovement	0,855	0,875
Easy Access to Services	0,932	0,941
Satisfaction of Service Users	0,899	0,912
Complete Submission of Service	0,937	0,947
Reliability of Services	0,908	0,918
Overall Satisfaction	0,890	0,902

[*] R indicates reverse-scored.

But this scale is re-shaped according to the conditions in Turkey and designed with 48 multiple questions according to fivefold Likert scale. The reliability of the survey is tested by Cronbach's Alpha coefficient as 0,973.

The reliability coefficient of partnership quality components is calculated as 0,940, the reliability coefficient of the partnership quality component is calculated as 0,980 and the reliability coefficient of outsourcing success is calculated as 0,972. This re-shaped scale is proved to be highly reliable; after it was made sure that questions were understood clearly, it was carried out. It can be seen in Chart 4.1. For convergent validity, we evaluated the item-to-total correlation that is the correlation of each item to the sum of the remaining items. Items whose item-to-total correlation scores were lower than 0.4 were dropped from further analysis. Discriminant validity was checked by means of a factor analysis.

The study was applied on the central offices of 103 firms which have a valid website on the Internet and are identified because via telephone or e-mail, they were found to outsource HR functions. The surveys sent by e-mail were done on human services managers or experts and then they were sent back by e-mail again.

The analysis of the study is the relationship between the customer and the supplier companies when using outsource. 162 outsourcing relations from the perspective of the customer companies among 81 customer and 34 supplier companies are studied. In the phase of forming a data base and analysis, all the statistical calculations are done by program SPSS10.1. The collected data at the end of the analysis are open to comment.

4.1. Hypotheses

Partnership quality is affected by organizational, human, and environmental factors. In determining the hypotheses, the relationship between the components of partnership quality and potential determinants are analyzed from the viewpoint of social theories that explain humanistic and environmental issues best.

Active participation of the partnership members plays a major part in enhancing the sustainability of their partnerships over time. The more the participation is in a partnership relationship, the higher partnership quality will be:

H_1: There is a positive relationship between participation and partnership quality.

The more joint action there is between companies in an outsourcing relationship, the more effective partners there will be. As the amount and scope of joint activities increase, we expect the organizations to become more effective partners in a relationship:

H_2: There is a positive relationship between joint action and partnership quality.

According to the social exchange literature, effective communication between partners is essential in order to achieve the intended objectives Both parties will try to keep the partnership going when the quality of communication goes on improving. As a result, higher quality of communication improves partnership quality:

H_3: There is a positive relationship between communication and partnership quality.

Good coordination is nearly invisible; we notice coordination most clearly when it is lacks in the interorganizational relationship Working in collaboration is also necessary for the continuity of the partnership. Therefore, the higher the effort of coordination is, the better partnership quality there will be:

H_4: There is a positive relationship between coordination and partnership quality.

Many researchers report that closer relationships result from more frequent and relevant information exchanges among high-performance partners Parties are expected to share information and learn about each other's organizations to have a more effective communication:

H_5: There is a positive relationship between information sharing and partnership quality.

Participants will continue to interact with each other only if they perceive the exchange relationship as an appealing option. In maintaining partnership quality, the longer the age of the relationship with the supplier company is, the better partnership quality will be:

H_6: There is a positive relationship between age of relationship and partnership quality

Dependency between organizations results from a relationship in which participants perceive mutual benefits from interactions. If mutual dependency is high, partnership quality is expected to be higher:

H_7: There is a positive relationship between mutual dependency and partnership quality.

Partnership members with similar cultures should be more willing to trust their partners. If the participants do not have similar organizational cultures, their relationship may create divergent

values that make it difficult for them to trust one another and provide a fundamental cause to destroy the business relationship. When there is cultural harmony between parties, partnership quality is expected to be higher:

H$_8$: There is a positive relationship between cultural similarity and partnership quality.

If a partnership is to overcome the inevitable divergence of interests between participants, top executives have to share an understanding of the specific benefits of collaboration. Top management support is a key factor in partnership quality:

H$_9$: There is a positive relationship between top management support and partnership quality.

Successful partnership enables participants to achieve organizational objectives and to build a competitive advantage that each organization cannot easily attain by itself. A high quality partnership is a key factor in a successful outsourcing relationship.

H$_{10}$: There is a positive relationship between partnership quality and outsourcing success.

5. Research Results

To determine whether partnership quality model, which is claimed to have a significant effect on outsourcing, has the necessary conditions to succeed in HR functions outsourcing of partnership quality or not, an analysis is done. The data of this analysis and hypotheses are presented.

5.1. The Results Of Determining Factors Affecting Partnership Quality

Pearson and Spearman's correlation analysis is used in order to determine the strength of the statistical relationship between partnership quality and the success of outsourcing and partnership quality components and its determinants.

5.1.1. Correlation Analysis Of The Components Of Partnership Quality

The components of partnership quality which are claimed to have a significant effect on outsourcing success are perceived as one factor in Turkey. But the model puts forth 5 components. And in the study, the level of the relationships between these components and partnership quality as a whole is analyzed. It can be seen in Chart 5.1.

Chart5.1. Correlation between Total Coefficient of Partnership Quality Components and its Components

Variables	Total Coefficient of Partnership Quality Components		
	n	r	p
Trust	81	0,956	0,001**
Business Understanding	81	0,957	0,001**
Benefit/Risk Share	81	0,948	0,001**
Conflict	81	-0,877	0,001**
Commitment	81	0,927	0,001**

** $p < 0,001$ advanced significantly

In Chart 5.2, the relationships between partnership quality components can be seen.

Tablo: 5.2. Correlation for the Component of Partnership Quality

Variables	Trust	Business Understanding	Benefit/Risk Share	Conflict	Commitment
Trust	1,000				
Business Understanding	0,931**	1,000			
Benefit/Risk Share	0,893**	0,936**	1,000		
Conflict	-0,905**	-0,937**	-0,902**	1,000	
Commitment	0,881**	0,899**	0,883**	-0,916**	1,000

** p<0,001 advanced significantly

5.1.2. Correlation Analysis Of The Determinants Of Partnership Quality

The determinants of partnership quality which are claimed to have a significant effect on the power of partnership quality effect are perceived as one factor in Turkey. But the model puts forth 9 determinants. And in the study, the level of the relationships between these determinants and partnership quality determinants as a whole is analyzed.

Tablo: 4.3.   Correlation between Total Coefficient of Partnership Quality Determinants and its Determinants

Variables	Total Coefficient of Partnership Quality Determinants		
	n	r	p
Participation	81	0,924	0,001**
Joint Action	81	0,947	0,001**
Communication Quality	81	0,911	0,001**
Coordination	81	0,903	0,001**
Information Sharing	81	0,961	0,001**
Age of Relationship	81	0,426	0,01*
Mutual Dependency	81	0,946	0,001**
Cultural Similarity	81	0,908	0,001**
Top Management Support	81	0,918	0,001**

* p<0,01 significant

** p<0,001 advanced significantly

In Chart 5.4, the relationships between partnership quality determinants can be seen.

Tablo: 5.4.Correlation for the Determinants of Partnership Quality

Variables	Participation	Joint Action	Communication Quality	Coordination	Information Sharing	Age of Relationship	Mutual Dependency	Cultural Similarity
Participation	1.000							
Joint Action	0,838**	1.000						
Communication Quality	0,805**	0,907**	1.000					
Coordination	0,821**	0,845**	0,830**	1.000				
Information Sharing	0,874**	0,895**	0,852**	0,847**	1.000			
Age of Relationship	0,383*	0,444*	0,446*	0,386*	0,364*	1.000		
Mutual Dependency	0,866**	0,899**	0,857**	0,857**	0,902**	0,387*	1.000	
Cultural Similarity	0,845**	0,821**	0,763**	0,753**	0,898**	0,336*	0,822**	1.000
Top Management Support	0,838**	0,823**	0,779**	0,798**	0,857**	0,408*	0,837**	0,810**

* p<0,01 significant

** p<0,001 advanced significantly

5.1.3. Correlation Between Partnership Quality And its Determinants

In Chart 5.5, the total coefficient of partnership quality and the correlation analysis results between determinants can be seen:

Tablo: 5.5. Correlation between Partnership Quality and its Determinants

Variables	Total Coefficient of Partnership Quality Determinants		
	n	r	P
Participation	81	0,844	0,001**
Joint Action	81	0,897	0,001**
Communication Quality	81	0,837	0,001**
Coordination	81	0,838	0,001**
Information Sharing	81	0,941	0,001**
Age of Relationship	81	0,341	0,02*
Mutual Dependency	81	0,906	0,001**
Cultural Similarity	81	0,863	0,001**
Top Management Support	81	0,839	0,001**

*   p<0,01 significant

** p<0,001 advanced significantly

5.2. Regression Analysis For Hypotheses

The strength of the relationship between outsourcing success and partnership quality components will be questioned by a correlation analysis. Its aim is to point out the strength of the relationship between outsourcing success and partnership quality determinants. Later, a regression analysis will be done on the data in order to determine the extent of how outsourcing affects partnership quality and how determinants affect partnership quality.

Tablo: 5.6. Correlation between Outsourcing Success and Partnership Quality

Variables	Total Coefficient of Outsourcing Success		
	n	r	p
Trust	81	0,856	0,001**
Business Understanding	81	0,959	0,001**
Benefit/Risk Share	81	0,921	0,001**
Conflict	81	- 0,908	0,001**
Commitment	81	0,948	0,001**

** p<0,001 advanced significantly

With the regression analysis, the effect of determinants on partnership quality components separately and the effect of partnership quality components on outsourcing success are analyzed with the hypotheses. So below, there's a representation of these models and later they are explained one by one.

PARQUL $R^2 = 0.911$ F = 80,853 p= 0,001

F = 45,410 p= 0,001

TRUST $R^2 = 0.852$
BUSUND $R^2 = 0.925$ F = 97,154 p= 0,001

F = 54,816 p= 0,001

BERISH $R^2 = 0.858$
F =101,09 p= 0,001

CONFCT $R^2 = 0.928$ F = 107,67 p= 0,001

F = 104,12 p= 0,001

COMMIT $R^2 = 0.993$

OUTSUC $R^2 = 0.961$

The regression model set for partnership quality:

Tablo: 5.7. Regression Coefficients between Partnership Quality and its Determinants

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	22,476	1,672		13,440	0
	PARTIC	-0,236	0,360	-0,056	-0,654	0,515
	JOIACT	**0,621**	**0,316**	**0,215**	**1,967**	**0,050**
	COMQUL	-0,175	0,346	-0,045	-0,506	0,614
	COORDI	0,168	0,326	0,040	0,517	0,607
	INFSHA	**1,611**	**0,375**	**0,510**	**4,299**	**0**
	AGEREL	-0,461	0,428	-0,044	-1,076	0,285
	MULDEP	**0,817**	**0,370**	**0,223**	**2,209**	**0,030**
	CULSIM	0,236	0,270	0,075	0,873	0,386
	TOPSUP	0,112	0,185	0,046	0,607	0,546

a. Dependent Variable: PARQUL

PARQUL=22,746-0,236(PARTIC)+0,621(JOIACT)-0,175(COMQUL)+0,168(COORDI)+1,611(INFSHA)-0,461 (AGEREL)+0,817(MULDEP)+0,236(CULSIM)+0,112(TOPSUP)

The other determinants are included in the model but they are not believed to have much contribution. The regression model set for trust:

Table: 5.8.Regression Coefficients between Trust and Determinants

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-0,095	0,956		-0,099	0,921
	PARTIC	**-0,420**	**0,206**	**-0,225**	**-2,035**	**0,046**
	JOIACT	0,244	0,181	0,191	1,353	0,180
	COMQUL	,104	0,198	0,061	0,524	0,602
	COORDI	1,E-01	0,187	0,053	0,530	0,598
	INFSHA	**0,636**	**0,214**	**0,454**	**2,968**	**0,004**
	AGEREL	5,E-03	0,245	0,001	0,020	0,984
	MULDEP	0,183	0,212	0,113	0,867	0,389
	CULSIM	**0,274**	**0,155**	**0,196**	**1,773**	**0,081**
	TOPSUP	**0,398**	**0,196**	**0,219**	**1,905**	**0,033**

a. Dependent Variable: **TRUST**

TRUST=-0,01-0,420(PARTIC)+0,244(JOIACT)+0,104(COMQUL)-0,09(COORDI)+0,636(INFSHA)+0,005 (AGEREL)+0,183(MULDEP)+,274(CULSIM)+0,398(TOPSUP)
Although the other determinants are included in the model, they don't have much contribution to it statistically. The regression model set for business understanding:

Tablo: 5.9. Regression Coefficients between Business Understanding and Determinants

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-0,001	0,654		-0,002	0,998
	PARTIC	-0,131	0,141	-0,074	-0,932	0,355
	JOIACT	**0,479**	**0,124**	**0,389**	**3,878**	**0,000**
	COMQUL	**0,358**	**0,135**	0,**218**	**2,643**	**0,010**
	COORDI	0,104	0,128	0,059	0,819	0,416
	INFSHA	0,232	0,147	0,172	0,579	0,119
	AGEREL	-0,235	0,168	0,052	-1,404	0,165
	MULDEP	2,E-02	0,145	0,013	0,144	0,886
	CULSIM	**0,235**	**0,106**	**0,174**	**2,215**	**0,030**
	TOPSUP	9,E-02	0,073	0,091	1,286	0,203

a. Dependent Variable: **BUSUND**

BUSUND = -0,001-,131(PARTIC)+0,479(JOIACT)+0,358(COMQUL)+0,104(COORDI)+
0,232(INFSHA) 0,235(AGEREL)+0,02(MULDEP) +0,235(CULSIM) + 0,01 (TOPSUP)

Although the other determinants are included in the model, they don't have much contribution to it statistically. The regression model set for benefit/risk share:

Tablo: 5.10. Regression Coefficients between Benefit/Risk Share and Determinants

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	**Std. Error**	**Beta**	**t**	**Sig.**
1	(Constant)	-1,068	0,654		-1,633	0,107
	PARTIC	-0,100	0,141	-0,072	-0,709	0,481
	JOIACT	**0,294**	**0,123**	**0,309**	**2,381**	**0,020**
	COMQUL	5,E-02	0,135	0,041	0,384	0,702
	COORDI	0,141	0,128	0,103	1,107	0,272
	INFSHA	**0,328**	**0,146**	**0,316**	**2,242**	**0,028**
	AGEREL	6,E-03	0,167	0,002	0,039	0,969
	MULDEP	3,E-03	0,145	0,002	0,019	0,985
	CULSIM	0,146	0,106	0,140	1,380	0,172
	TOPSUP	0,119	0,072	0,150	1,644	0,105

a. Dependent Variable: **BERISH**

BERISH =-1,068–0,01(PARTIC)+0,294(JOIACT)+0,05(COMQUL)+ 0,141(KOORDN)
+0,328(COORDI)+ 0,006 (INFSHA)+0,003(MULDEP)+0,146(CULSIM)+0,119(TOPSUP)

Although the other determinants are included in the model, they don't have much contribution to it statistically. The regression model set for conflict:

Tablo: 5.11. Regression Coefficients between Conflict and Determinants

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	23,178	0,887		26,143	0,000
	PARTIC	**0,394**	**0,191**	**0,160**	**2,064**	**0,043**
	JOIACT	**-0,376**	**0,167**	**-0,221**	**-2,243**	**0,028**
	COMQL	**-0,587**	**0,183**	**-0,259**	**-3,205**	**0,002**
	COORDI	-0,128	0,173	-0,052	-0,738	0,463
	INFSHA	-0,079	0,199	-0,042	-0,397	0,693
	AGEREL	-0,299	0,227	-0,048	-1,317	0,192
	MULDEP	**-0,459**	**0,196**	**-0,213**	**-2,340**	**0,022**
	CULSIM	**-0,429**	**0,143**	**-0,231**	**-2,995**	**0,004**
	TOPSUP	**-0,206**	**0,098**	**-0,145**	**-2,098**	**0,039**

a. Dependent Variable: **CONFCT**

CONFCT =23,178+0,394(PARTIC)-0,376(JOIACT)-0,587(COMQUL)-0,128 (COORDI) - 0,08(INFSHA)-0,299 (AGEREL) -0,459(MULDEP)- 0,429 (CULSIM) - 0,206 (TOPSUP)

Although the other determinants are included in the model, they don't have much contribution to it statistically. The regression model set for commitment:

Tablo: 5.12. Regression Coefficients between Commitment and Determinants

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0,462	0,192		2,404	0,019
	PARTIC	2,E-02	0,041	0,012	0,502	0,617
	JOIACT	-0,021	0,036	-0,018	-0,579	0,565
	COMQUL	-0,101	0,040	-0,065	-2,533	0,014
	COORDI	-0,048	0,037	-0,029	-1,288	0,202
	INFSHA	**0,493**	**0,043**	**0,389**	**11,459**	**0,000**
	AGEREL	6,E-02	0,049	0,015	1,261	0,211
	MULDEP	**1,069**	**0,043**	**0,725**	**25,139**	**0,000**
	CULSIM	1,E-02	0,031	0,008	0,346	0,730
	TOPSUP	-0,021	0,021	-0,022	-0,988	0,322

a. Dependent Variable: **COMMIT**

COMMIT =0,462+0,02(PARTIC)-0,02(JOIACT)- 0,101 (COMQUL) - 0,05 (COORDI) +0,493(INFSHA) +0,06 (AGEREL)+1,069(MULDEP)+0,01(CULSIM) - 0,02 (TOPSUP)

Although the other determinants are included in the model, they don't have much contribution to it statistically. The regression model set for outsourcing success:

Tablo: 5.13. Regression Coefficients between Outsourcing Success and Partnership Quality

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	25,799	5,267		4,898	0,000
	PARQUL	**1,749**	**0,352**	**0.421**	**4,942**	**0,000**
	TRUST	-0,401	0,279	-0,095	-1,434	0,156
	BUSUND	**1,898**	**0,397**	**0,433**	**4,782**	**0,000**
	BERISH	0,606	0,386	0,107	1,568	0,121
	CONFCT	**-0,769**	**0,241**	**-0,242**	**-3,197**	**0,002**
	COMMIT	**1,492**	**0,287**	**0,321**	**5,204**	**0,000**

a. Dependent Variable: **OUTSUC**

OUTSUC = 25,799 +1,749 (OUTSUC) – 0,401 (TRUST) + 1,898 (BUSUND) + 0,606 (BERISH) - 0,769 (CONFCT) +1,492 (COMMIT)

The summary of the regression analyses made to determine the effects of determinants separately on each component of partnership quality and the components of partnership quality on outsourcing success is shown in Chart 5.14 below. Beta and t values of the statistically meaningful variables in the Tables above about regression analyses are shown in Chart 5.14. The bold ones show the supported hypotheses. In short, Chart 5. 14 is the Chart in which regression equations are summarized.

Tablo: 5.14. Summary Regression Analysis for Hypotheses

Variables	PARQUL	TRUST	BUSUND	BERISH	CONFCT	COMMIT
PARTIC (H$_1$)		Beta = -0,225 t = -2,035*			Beta =0,160 t =2,064*	
JOIACT (H$_2$)	**Beta =0,215 t =1,967***		**Beta =0,389 t =3,878*** **	**Beta =0,309 t =2,381***	**Beta = -0,221 t = -2,243***	
COMQUL(H$_3$)			**Beta =0,218 t =2,643***		**Beta = -0,259 t = -3,205** **	

COORDI(H$_4$)	-	-	-	-	-	-
INFSHA(H$_5$)	Beta =0,510 t = 4,299***	Beta =0,454 t =2,968**		Beta =0,316 t =2,242*		Beta =0,389 t =11,459***
AGEREL(H$_6$)	-	-	-	-	-	-
MULDEP (H$_7$)	Beta =0,223 t =2,209*				Beta = -0,213 t = -2,340*	Beta =0,725 t =25,139***
CULSIM (H$_8$)		Beta =0,196 t =1,773*	Beta =0,174 t =2,215*		Beta = -0,231 t = -2,995*	
TOPSUP(H$_9$)		Beta =0,219 t =1,905*			Beta = -0,145 t = -2,098*	
OUTSUC (H$_{10}$)	Beta =0,421 t =4,942***		Beta =0,433 t =4,782***		Beta = -0,242 t = -3,197**	Beta =0,321 t =5,204***

*   p<0.05
**   p<0.01
***   p<0.001

With this study, it is questioned whether partnership quality has an effect on outsourcing success. And if it does, the strength of this effect and the structure of outsourcing partnerships in HR functions in Turkey will be also determined by the collected data as a result of certain analyses done on these data.

6. Conclusions & Limitations

To benefit from outsourcing in HR functions which has several examples in literature and to achieve the targeted success by minimizing the risks, long term relationships between customer and supplier companies and outsourcing partnerships that are different from traditional supplier relationships are built.

In traditional outsourcing which is done by commercial contracts between the customer company and supplier companies, the role of the supplier company is limited by the extent of the contract and the type of the service. However, in partnership kind of outsourcing relationships, these types of seller-buyer relationships have become strategic partnership relationships. In these types of partnership relationships, leaving your own benefit aside is a must; exchanging between organizations shows the common fate they share to gain competitive superiority.

To determine how effective partnership quality on HR functions outsourcing is, a total of 162 outsourcing relationships were tested on 81 firms that represent a global of 103 firms and 34 supplier firms that provide service in HR functions.

The strength of the statistical relationship between the hypotheses are determined by the model which is used to measure the effect of partnership quality on outsourcing success and partnership quality components and indicators with independent variables.

Positive, almost perfect and statistically superior connections are found (p<0,001) between the correlation coefficient of partnership quality questions and each partnership quality component, as seen in Chart 5.1. Similarly, after analyzing the connections between partnership quality components among each other, it was found out that there are positive, almost perfect and statistically superior connections (p<0,001). In the light of partnership quality components correlation analysis results, an almost perfect and superior connection is found between business understanding with trust, benefit-risk sharing and commitment and conflict. Similarly, it is found out that the increase in components is highly relevant to the increase in partnership quality.

As a result of the correlation analysis of partnership quality components, when partnership quality in outsourcing of HR functions in Turkey is considered, mutual trust between parties, understanding each other's jobs, benefit/risk share, commitment for the continuity of the relationship and having no conflict are connected to partnership quality. Therefore, in an outsourcing relationship based on trust, by understanding each other and sharing risk and benefit the amount of commitment also increases.

In a working environment where there is conflict, there would be no trust. As a consequence, partnership quality depends on trust, business understanding, benefit/risk share and high commitment. However, conflict results in a decrease in the quality of partnership.

A positive, nearly perfect and statistically superior connection is found (p<0,001) between the total correlation coefficient of partnership quality indicators and each partnership quality indicator as it can be seen in Chart 5.3. Similarly, after the analysis of the connection of partnership quality indicators among each other, a positive, almost perfect and statistically superior connection is found (p<0,001) as it can be seen in Chart 5.4. Participation, joint action, the quality of the communication, coordination, sharing information, the duration of the relationship, mutual dependency, cultural similarity and top management support coefficients all have an effect on the increase of total coefficient of partnership quality indicators.

As it can be seen in Chart 5.5 where correlation analysis results between partnership quality components' total coefficient and indicators are shown; a positive, almost perfect and statistically superior connection is found (p<0,01). It is determined that indicators are necessary to provide a suitable environment for partnership quality and the relationship between these indicators is also important. So, in maintaining partnership quality to affect outsourcing success, certain indicators play an important role in HR functions outsourcing process.

After determining that relationships between partnership quality components and indicators are meaningful, the relationship between outsourcing success and partnership quality is analyzed. To do this analysis, the strength of the relationship between partnership quality components and outsourcing success total coefficient is analyzed and as seen in Chart 4.6, almost perfect and statistically superior connection is found. The raise in partnership quality

component coefficients has a significant relationship with the raise of outsourcing success coefficient.

As seen in the relationship between the total coefficient of partnership quality components and indicators in Chart 5.5, the raise in indicator coefficients affects partnership quality and the raise in partnership quality coefficient affects outsourcing success significantly, as seen in Chart 5.6. Providing partnership quality indicators, trust, business understanding, benefit/risk share and negative conflict lead to a raise in based partnership quality and therefore cause an increase in outsourcing success.

It can be seen above that the relationship between partnership quality components and indicators among themselves, the relationship between partnership quality components and indicators between each other and the relationship between outsourcing success and partnership quality components are positive (negative conflict), almost perfect and statistically superior (p<0,001).

After this part of the hypothesis test, the change in partnership quality indicators among which there is a statistically significant connection, the effectiveness of partnership quality indicators and the effect of partnership quality indicators on outsourcing success were tested. Regression models were built for this test and after they were proved to be positive, almost perfect and statistically superior in level, models were analyzed. (p<0,001).

It was found out that joint action, information sharing and mutual dependency indicators have a positive effect (Chart 5.7) on the whole of partnership quality ($R^2= 0,911$). Information sharing and cultural similarity indicators have a positive whereas participation has a negative (Chart 5.8) effect on trust component ($R^2= 0,852$). Joint action, the quality of communication and cultural similarity indicators all have a positive effect (Chart 5.9) on business understanding component ($R^2= 0,925$). Joint action and information sharing indicators have a positive effect (Chart 5.10) on benefit/risk component ($R^2= 0,858$).

Joint action, the quality of communication, mutual dependency, cultural similarity and top management support all have a negative whereas participation has a positive effect on conflict component ($R^2= 0,928$). (Chart 5.10) Information sharing and mutual dependency indicators have a positive effect (Chart 5.11) on commitment component ($R^2= 0,993$). Commitment and business understanding components have a positive whereas conflict component has a negative and statistically superior effect (Chart 5.2) on outsourcing success ($R^2= 0,961$) (p<0,01).

While the other parameters are included in the models, statistically they have no significant effect. For example, as trust component is beta; that is, partial correlation coefficient is negative, and because beta value is very small, it has no significant effect on outsourcing success (Beta= -0,095).

As it can be seen by the analyses done to test the study hypotheses, in the partnership relationships of the companies' outsourcing in HR functions in Turkey, **H₁ is not supported** as participation has a reverse effect which decreases confidence and increases conflict. It can be declared that participation affects partnership quality negatively. In short, the higher the level of participation is, the lower participation quality will be. The reason of this is, participation, which is defined as supporting the continuity of partnership mutually, is evaluated as "conflict within the group, disappointment and remedy in case of hesitation". Therefore, in outsourcing partnerships where there is no conflict, the roles apart from the certain ones -such as project

manager, HR manager- are proved to affect partnership quality negatively as unnecessary participation efforts will cause a decrease in trust.

The higher the level of joint action is, the higher the quality of partnership will be; therefore, **H₂ is supported**. Joint action is defined as "interpenetration of organizational boundaries" when parties act together, they will understand each other's jobs, share the risk and the benefit so there will be less conflict in their working environment. To sum up, it can be declared that joint action affects partnership quality positively.

In an outsourcing relationship, the higher the quality of communication is, the higher the quality of partnership will be; therefore, **H₃ is supported**. In reaching common goals, both parties' effective communication plays an important role. The quality of communication enables the parties to learn about each other better and this leads to understanding the job better. When the quality of communication improves, both parties will be more committed to the partnership; and therefore, conflict will decrease and partnership quality will be affected positively.

Although organizations think the quality of communication is important, coordination indicator is determined to be ineffective on the component of partnership quality and as the lack of coordination won't be significant in partnership relations with high communication quality, **H₄ is not supported**. In a high communication quality partnership, coordination is also provided. Therefore, coordination is ineffective on partnership quality.

The more tendency the organizations have in order to share information with supplier companies, the higher the quality of partnership will be; therefore, **H₅ is supported**. Partnership quality will be provided by partners often exchanging information between each other. In addition to this, building trust between parties increases information sharing and revealing the information increases trust, so information sharing is proved to have a positive effect on partnership quality.

As in the partnerships of supplier companies and organizations, the duration of the relationship has no effect on any component of partnership quality; therefore, **H₆ is not supported.** The duration of the relationship being long or short doesn't affect the partnership quality between partners. As long as parties' expectations are fulfilled by outsourcing, the partnership will go on, so the history of relationship is not important.

In the partnerships that organizations set with supplier companies, the more mutual dependency is, the better the quality of partnership will be; so, **H₇ is supported.** As the model suggests, the dependency of parties on each other will always be preferred to a single-sided dependency because in a single-sided dependency, there won't be benefit for both parties. Mutual dependency will also stop the conflict between parties and raise the commitment to keep the relation going; as a result, it will have a positive effect on partnership quality.

As the cultural similarity between organizations and supplier companies increases the quality of partnership, **H₈ is supported**. Partners who have similar cultures are more willing to trust each other. Parties of similar cultures understand each other's businesses, there is less conflict and a higher partnership quality. In other words, if parties don't have similar organizational cultures, their relationships will create contradictory values that make it harder to trust each other and their business relationship will be ruined. According to the results of this study, the cultural similarity between organizations and supplier companies has a significant effect on outsourcing success.

As the top management support is a key factor in partnership success, **H$_9$ is supported**. Partnership quality increases when top management supports outsourcing partnership with a supplier company they trust and interrupts in case of conflict.

As partnership quality is proved to have positive effects on outsourcing success, **H$_{10}$ is supported**. In this respect, organizations increasing the quality of partnership in HR functions outsourcing will also increase the benefits expected from outsourcing.

As the results of this study and the one done on Information Systems Management Outsourcing Model in Korea are compared, it is determined that, partnership quality (H$_3$), information sharing (H$_5$), top management support (H$_9$) and outsourcing success (H$_{10}$) are affected positively by partnership quality, however, coordination (H$_4$) has no effect. The results are similar and it can be seen in Chart 6.1.

Chart: 6.1. The Comparison of Test Results of the Hypothesis

IS Outsourcıng (KOREA)			HR Outsourcıng (TURKEY)		
Posıtıve Effects	Ineffectıve	Negatıve Effects	Posıtıve Effects	Ineffectıve	Negatıve Effects
H$_1$	**H$_2$**	**H$_6$**	**H$_2$**	H$_4$	H$_1$
H$_3$	H$_4$	**H$_7$**	H$_3$	**H$_6$**	
H$_5$	H$_8$		H$_5$		
H$_9$			**H$_7$**		
H$_{10}$			H$_8$		
			H$_9$		
			H$_{10}$		

According to the test results of the model applied in Information Systems Management Outsourcing, participation (H$_1$) affects partnership quality extremely positively whereas according to the results of this study, it has an extremely negative effect. Besides, according to the study results in Korea, joint action (H$_2$) has no effect on partnership quality while in this study, it has an extremely positive effect. The positive effect of participation (H$_1$) in Korea, the negative effect of it in Turkey and the negative effect of joint action (H$_2$) in Korea, the positive effect of it in Turkey is significant. According to this comparison, as participation and joint action are close concepts, they don't affect partnership quality positively at the same time.

The hypothesis results about coordination indicator and communication quality indicator, although they were applied in different fields and different countries, being similar to each other can also be interpreted in the same way. These two close indicators, in two different countries and in two fields show that communication quality affects partnership quality extremely positively whereas coordination has no effect. According to the results of HR functions outsourcing in Turkey, although indicators are all in under factor 1, with the hypothesis test results in which the effect of indicators on partnership quality is tested, the indicators in the model have become prominent.

Another difference is, according to the study results in Korea, while the duration of the relationship (H$_6$) affects partnership quality extremely negatively; according to the results of this study, it has no effect on partnership quality at all. The reason why the results of these studies were different from each other is that, the organizations in Korea think that they have

fewer expectations from outsourcing in longer period relationships as the technology used in their information systems develop rapidly. However, in HR functions outsourcing in Turkey, as the history covers a ten year period at most and 64,2 % of the organizations in the study have a history of 1-3 years of outsourcing, the effect of time hasn't yet become clear on the service that is bought.

According to the test results of the model applied in information systems management outsourcing, the data collected about mutual dependency (H_7) have a negative effect on partnership quality contrary to what's expected. But according to the data collected in this study, mutual dependency has a positive effect on partnership quality. It is really difficult to set a partnership in outsourcing relations in which the supplier company has the power and resources not distributed equally; in other words, the customer company is always bound to be more dependent. In this respect, in organizational relationships, the customer will be under the influence of the supplier company.

In an outsourcing partnership, the expectancies of parties from dependency are becoming more significant. Because of the nature of the relationship between a customer and a supplier company, the mutual dependency between parties increases when the amount and the significance of exchange between organizations increases, parties think that their partners are the best alternative and when the potential resource amount is low.

According to the study done in information systems management, while the increase of mutual dependency has a negative effect on partnership quality, in this study, mutual dependency is an important indicator for partnership quality. The reason for this is, the effort of the organizations to make themselves smaller starting with the HR because of the economic crises in 2000 and 2001. Besides, they closed down the HR departments, tried to externalize the functions carried out in these departments and saying supplier companies providing service don't have many alternatives, they tried to keep their partnership relationship going for a long time with a limited number of customer companies that they know.

According to the study results in Korea, while cultural similarity (H_8) doesn't affect partnership quality, according to the results of this study, it affects partnership quality. The reason why the results of these two studies are different is, the organizations in Korea think that in the functions of their information systems, outsourcing has a side of technology transfer and so cultural similarity doesn't affect partnership. But in HR functions outsourcing, providing individual service about workers is more important than technology transfer. Therefore, cultural similarity has a positive effect on partnership quality when providing the best service.

The analysis results of the model which is used to measure the effect of partnership quality in HR functions outsourcing on outsourcing success show that all partnership quality indicators are related to outsourcing success. The indicators trust, business understanding, benefit/risk share, little conflict and commitment which play a role in setting a mutual partnership, have a positive effect to get the expected advantage from outsourcing. So, in a kind of partnership relationship, where partners don't trust each other, understand each other's business, don't share the benefit and the risk of the business, have a constant disagreement and don't commit themselves to their relationship, it would be meaningless to talk about quality.

So, up to this point, in HR functions outsourcing, at the end of a fruitful decision process, with a smooth contract signed with the best supplier companies in the field, an outsourcing partnership begins, which will increase all the expected benefit. Besides, partnership quality

which has a significant effect on outsourcing success is affected positively by joint action, quality of communication, information sharing, mutual dependency, cultural similarity and top management support. Customer companies that set up a quality in partnership in HR functions outsourcing, will have strategic, economic and technological benefits.

As the outcome of this study, succeeding in HR functions outsourcing, can be seen in Figure 6.1. To sum up, the model which was suggested by Lee and Kim to provide outsourcing success is proved to be valid in HR functions outsourcing in the organizations in Turkey. And in this model, joint action, the quality of communication, information sharing, mutual dependency, cultural similarity, and top management support affect the quality of partnership in a significant way.

This study suggests that, to succeed in HR outsourcing in Turkey, the tested model should be used the way it's presented in Figure 6.1.
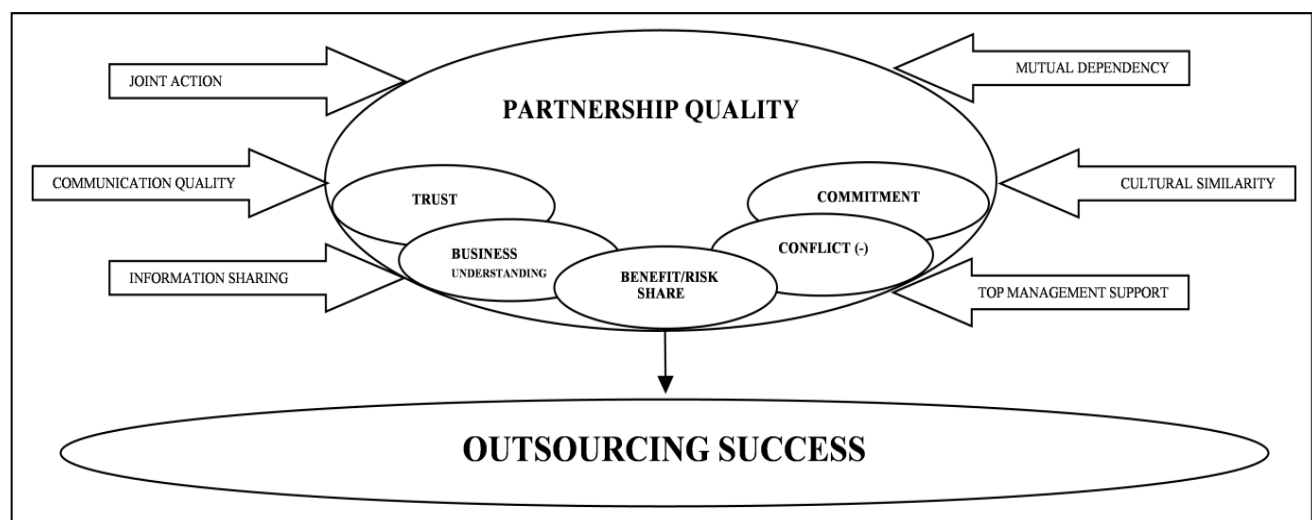

Figure 6.1: The Effect of Partnership Quality on Outsourcing Success in Human Resources

Functions

Although this study has reached the results above, it also has some restraints. First of all, this study is about a certain period of time and it was done on 81 organizations which sent reply forms among the other organizations that outsource. Some data might change in the coming years. Besides, the data are collected from the ones that are customer companies. Although the number of companies is enough to present the pre-determined global hypothetically, it is not enough to make a generalization about the other 786 companies in Turkey or Turkish business world. So, it could be supported by other studies.

As a result of this study, it is not possible to make a generalization about the other companies on the amount of outsourcing in HR functions with the data above, apart from 103 companies. But these results could be a model for future studies. In other studies, with the light of this one, the degree of the relationships between outsourcing success and the first three conditions known as the conditions for outsourcing success in HR functions from the perspective of both the customer and the supplier companies could be analyzed.

References

AAC (Arthur Andersen Consulting), (2000) 2001'e Doğru İnsan Kaynakları Araştırması, Birinci Baskı, Sabah Yayıncılık A.Ş., İstanbul, Ağustos.

Akyüz, Ö.F., (2001) Değişim Rüzgarında Stratejik İnsan Kaynakları Planlaması, Sistem Yayıncılık Ve Mat.San.Tic.A.Ş., İstanbul,.

Altunışık, R., R. Coşkun, E. Yıldırım, S. Bayraktaroğlu, (2002) Sosyal Bilimlerde Araştırma Yöntemleri, Sakarya Kitapevi, Sakarya.

Arnold, U., (2000) "New Dimensions Of Outsourcing: A Combination Of Transaction Cost Economics And The Core Competencies Concept", European Journal Of Purchasing & Supply Management, Haziran, pp.23-29.

Arslantaş, C.C. (1999) "Yeni Bir Yönetim Stratejisi Olarak Dkk (Outsourcing) Ve İlaç Sanayinde Faaliyet Gösteren Firmaların Dış Kaynak Kullanımı Uygulamaları", İ.Ü.Sos.Bil.Enst., Yayınlanmamış Yüksek Lisans Tezi, İstanbul.

Ataman, G. (2004) "İnsan Kaynakları Fonksiyonunda Dış Kaynaklardan Yararlanma/ Yararlanmama Kararı: Akaryakıt Dağıtım Sektöründe Bir Örnek Olay", Öneri Dergisi, Cilt:6, Sayı. 21, ss. 13-24.

Aydınlı, F., (2001) "Stratejik İnsan Kaynakları Yönetiminde Dış Kaynak Yararlanma Ve Bankacılık Sektöründeki Uygulamalara İlişkin Bir Araştırma", İ.Ü.Sos.Bil.Enst., Yayınlanmamış Yüksek Lisans Tezi, İstanbul.

Aykaç, B., (1999) İnsan Kaynakları Yönetimi Ve İnsan Kaynaklarının Planlanması, Nobel Yayın Dağıtım Ltd.Şti., Ankara.

Broedner, Peter, Kınkel, Steffen, Lay, Gunter, (2009) "Productivity Effects Of Outsourcing New Evidence On The Strategic İmportance Of Vertical İntegration Decisions" Int.Jrnl. Of Opr. & Pro.Mng. Vol. 29, No.2, Ss.127-150

Carlson, D., (2000) "Hr Outsourcing İs Adapted To Needs Of Each Business.", Houston Business Journal, Mart 10, Sh.4b.

Conner, J., D. Ulrıch, (1996) "Human Resource Roles: Creating Value, Not Rhetoric", Hr. Human Resource Planning, Volume 19, Issue 3, Ss.44-54.

Cook, M.F., (1999) "Outsourcing Human Resources Functions: Strategies For Providing Enhanced Hr Services At Lower Cost." New York:Amacom, Abd.

Cooke, F. L., Shen, J., & Mcbrıde, A. (2005). Outsourcing Human Resources As A Competitive Strategy? A Literature Review And An Assessment Of İmplications. *Human Resource Management, 44*(4), 413–432. Http://Dx.Doi.Org/10.1002/Hrm.20082

Cooper, T., (2000) "Hire.Com's E-Recruiter Effectively Relieves Labor Shortage."   Infoworld, Gale General Business File, Temmuz 24, Ss.30-51.

Daityari, Aparna, Saini, A.K., Gupta, Romit (2008) "Antecedents of Success in Business Process Outsourcing: An Empirical Study of The Indian BPO Sector", International Journal of Information Technology, Pp.27 -36

Dalay, İ., R. Coşkun, R. Altunışık, M. Baraca, S.Bayraktaroğlu, Ş. Demirkol, Ö. Kutanis, H. Latif, G. Uçkun, G. Yıldız, A. Wolff, (2002) Stratejik Boyutuyla Modern Yönetim Yaklaşımları, Beta Bas.Yay. Dağ.A.Ş., Yayın No:1202, İşletme Ekonomi Dizisi: 137, İstanbul.

Dell, D. (2004). Hr Outsourcing: Benefits, Challenges And Trends. New York: The Conference Board.

Drnevıch, P.L., M.D. Crıno, (1997) Rethinking Hrm (İnsan Kaynakları Yönetiminin Yeniden Ele Alınması), Çeviri: Beril Akıncı, Human Resources, Yıl: 1, S. 12, Ekim, ss. 22-26.

Eğin, R., (2004) "Tedarikçi İlişkileri Ve Siz" İnsan Kaynakları Ve Kalite Yönetimi Derneği, Ttp://Www.İnsanvekalite.Org/Makale14.Html.

Erdemir, E. (2004), "İnsan Kaynakları Yönetiminde Dış Kaynaklardan Yararlanma: Eskişehir Örneği", Osmangazi Ü. Sosyal Bilimler Dergisi, Cilt:5, Sayı:1, S: 1-10.

Fıtz-Enz, J., J.J. Phıllıps, (2001) "İnsan Kaynaklarında Yepyeni Bir Vizyon", Çev: Pınar Alp Dinç, Sistem Yayıncılık Ve Mat.San.Tic.A.Ş.

Fıtzgerald, G., And Wıllcocks, L. (1994), "Contract And Partnerships İn The Outsourcing Of It." In Proceeding Of The Fifteenth International Conference On Information Systems. Vancouver, British Columbia, December, Ss. 91-98.

Gökdere, H., (2000) "Bilgi Sistemlerinde Dış Kaynaklardan Yararlanmanın Başarısını Etkileyen Faktörler (Bankacılık Sektöründe Bir Alan Araştırması)", Yayınlanmamış Doktora Tezi, Sakarya Ü.Sos.Bil.Ens., Sakarya.

Ganesan, S. (1994), "Determinants Of Long-Term Orientation İn Buyer-Seller Relationships" Journal Of Marketing, 58 (April), 1-19.

Greaver II, M.F., (1999) Strategic Outsourcing : A Structured Approach To Outsourcing Decisions An Initiatives, Ama Puplications, New York,

Greer, C.R., S.A. Youngblood, D.A. Gray, (1999) "Human Resource Management Outsourcing: The Make Or Buy Decision." Vol. 13, The Academy Of Management Executive, pp.85-96.

Grover, V., M. J. Cheon, J.T.C. Teng, (1996) "The Effect Of Service Quality And Partnership On The Outsourcing Of Information Systems Functions", Journal Of Management Information Systems, Vol.28, No. 2, pp.397-425.

İnkaya, D.Z., (2000) "Türkiye'de İnsan Kaynakları Yönetim Birimlerinin Yapılanması" Yayınlanmamış Doktora Tezi, İstanbul Teknik Üniversitesi Fen Bil.Ens., İstanbul,

Harrıson, S., (1996) Outsourcing And The New Human Resource Management, Irc Press Current Issues Series, Industrial Relations Center, Queen's University, Canada.

Heıde, J.B., And John, G. (1990) "Alliances İn İndustrial Purchasing: The Determinants Of Joint Action İn Buyer-Supplier Relationships". Journal Of Marketing Research, 27 (February), 24-36.

Jossı, F., "Getting It Right." Human Resource Executive, July 2000, pp.45-48.

Klaas, Brıan S., John A. Mcclendon Ve Thomas W. Gaıley (2001) Outsourcing Hr: The Impact Of Organizational Characteristics, Human Resource Management, Summer.

Kaynak, T., A.C. Acar, Z. Adal, G. Dündar, O. Özçelik, Ö. Sadullah, C. Uyargil, (1998) İnsan Kaynakları Yönetimi, İ.Ü. İşletme Fakültesi Yayınları, No: 276, İ.Ü. İşletme İkdisadı Enstitüsü Araştırma Ve Yardım Vakfıyayın No: 406 İstanbul.

Klepper, R.J. (1995) "Outsourcing Relationships. In Managing Information Technology Investments With Outsourcing". Harrisburg, Pa: İdea Group Publishing, pp. 218-243.

Koçel, T., (1998) İşletme Yöneticiliği, Beta Yayınları, 6. Baskı, İstanbul.

Lee, J-N., Y-G. Kım, (1999) "Effect Of Partnership Quality On Is Outsourcing Success: Conceptual Framework And Empirical Validation.", Journal Of Management Information Systems, , C.15, S.4, Bahar, ss.33-62.

Lewıs, J.D. (1990), Partnerships For Profit: Structuring And Managing Strategic Alliances. New York: Free Press.

Mcbrıde, M., B. Bostıan, (2000) "Outsourcing Human Resources" Hrı's Research Reports, Human Resource Institute Eckerd College, St. Petersburg, Florida, Abd, Aralık,.

Mıshra, A., (2004)   "İnsan Kaynakları'nda Outsourcing" Http://Www.Ntvmsnbc.Com/ News/253330.Asp, 10 Şubat.

Mohr, J., And Spekman, R. (1994), "Characteristics Of Partnership Success: Partnership Attributes, Communication, Behavior, And Conflict Resolution Techniques." Strategic Management Journal, 15, pp.135-152.

Norman, S., R. Arbuckle, (2000) "Hr Outsourcing – A Money-Saving Strategy.", Credit Union Executive. Gale General Business File, Sh. 34.

Özutku, H., (2002) "İnsan Kaynakları Yönetiminde Yeni Eğilimler: Dış Kaynak Kullanımı", Verimlilik Dergisi, S.2, ss.117-130.

PWC (Pricewaterhouse0coopers), (2000) "İnsan Kaynakları Kıyaslaması 2000 Türkiye Raporu", Hürriyet İnsan Kaynakları Gazetesi, Doğan Ofset, İstanbul.

Sheehan, Cathy, (2009) "Outsourcing Hrm Activities İn Australian Organisations" Asia Pacific Journal Of Human Resources 47: 236

Starner, T., (2000) "Out And About." Human Resource Executive, pp.58-60.

Uyargil, C., O. Özçelik, G. Dündar, (2001) Cranfield Uluslararası Stratejik İnsan Kaynakları Yönetimi Araştırması 1999-2000 Türkiye Raporu, İ.Ü. İşletme İkdisadı Enstitüsü Yayın No: 408, İ.Ü. İşletme İkdisadı Enstitüsü Araştırma Ve Yardım Vakfı Yayın No: 11, Dönence Basım Ve Yayın Hizmetleri, İstanbul.