

**UNDERSTANDING THE IMPACT OF OUTSOURCING  
HUMAN RESOURCE ACTIVITIES ON EMPLOYEE  
ATTITUDES AND BEHAVIOURS**

**A Thesis**

**By**

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# DECLARATION

I declare that this thesis is my own account of my research and contains as its main content work which has not previously been submitted for a degree at any tertiary education institution.

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# ABSTRACT

This research thesis seeks to identify what factors impact the decision to outsource HR activities, identify what factors affect employee attitudes regarding the outsourcing decision, and discuss how these attitudes impact organisational outcomes.

This research thesis employed a modified Delphi technique to assess the impact of outsourcing decisions. Twenty participants, including Managing Directors (MD), Managers, and Human Resource (HR) employees, representing five organisations that either outsource some or the majority of HR related activities or are providers of HR outsourcing services were involved in the study.

The research findings point to three main conclusions: (1) that organisations typically undertake outsourcing of the HR function in order to gain competitive advantage, (2) there is a relationship between the decision-making process of outsourcing and employee attitudes, and (3) organisational policies, including effective communication, being aware of the knowledge perspective of the outsourcing decision, and employee involvement in the decision, can minimum negative emotions, attitudes and behaviour towards the outsourcing decision.

The research established a range of theoretical and practical recommendations, about the outsourcing decision-making process and the implications on employee perceptions.

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