

Abstract:

The aim of this study is to find out the effects of outsourcing practice on performance of mobile telephone providers. Purposes of the study are to investigate if outsourcing practice of mobile providers result in unemployment and also to find out the key performance indicators for assessing their performance. This study is a survey research that used questionnaires to collect data from mobile telephone engineers, technicians, project managers and customers. Forty (40) questionnaires were sent to mobile operators staff who were selected by random sampling technique from their payrolls while sixty (60) were sent to various customers who were selected by convenience sampling technique. Results indicate that all outsourcing vendors have taken full responsibility of all outsourced jobs and most operators do not have new job roles for staff whose functions are outsourced. Average revenue per user, minutes of use and receiving few queries on network are KPIs for assessing performance of mobile telephone providers while their performance do not depend on subscribers' churn rate, active subscribers, subscribers complaints and activations. Implications of study to policy makers in government and mobile telephone operators is the need to entrench Service Level Agreements into outsourcing contracts while findings of study support outsourcing theory. Conclusions are outsourcing practice contributes to high unemployment and downsizing for mobile providers firms and consequently contributes to country's unemployment problem which may adversely affect the economy. Most mobile telephone providers in Nigeria have performed well in revenue, usage and network quality and not by subscribers' PKIs. Recommendations are mobile operators are to employ competent vendors for their outsourcing jobs as to enhance performance while their profits are to be ploughed back into their business as to improve and increase present level of infrastructural facilities in use. They should also improve their subscriber's KPI's so as to reduce churn rates and congestions currently witnessed in their networks.