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Outsourcing Strategy and Organizational Growth of Selected Fast Food Firms in South - South, Nigeria

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***Abstract**: The research focused on outsourcing strategy and organizational growth in selected fast food firms in South - South, Nigeria. Some of the problems identified in this study are quality management in the fast food firms and dissatisfaction from customers due to poor service delivery and inability to properly coordinate and manage their business processes. The specific objective of this study is to determine the extent to which business processes affects outlet expansion. Research question and hypothesis was formulated in line with the specific objective. This study adopted correlational survey design. The population of the study was 10 fast food firms registered with the Association of Fast Food Confectioners of Nigeria (AFFCON) and National Agency for Food and Drug Administration and Control (NAFDAC). Complete enumeration was adopted in selecting 78 top and middle level managers out of the 324 employees. Primary source of data was used to collect data. The instrument of data collection was subjected to face validity while the reliability of instrument was measured using Cronbach Alpha. The hypothesis was analysed using Pearson Moment Correlation. The findings of the study revealed that there is a positive relationship between business processes and outlet expansion. Hence the researcher concludes that outsourcing strategy is a crucial business strategy that must be employed by entrepreneurs in order to improve quality and achieve organizational growth. The outsourcing of business processes will enable firms to improve quality and enhance customers' satisfaction. The researcher recommends that fast food firms should continue to sustain their customers' satisfaction through quality improvement that is achieved by the usage of outsourcing strategy. Also, firms should identify and concentrate on their core competencies and outsource other parts of the business to service providers that are more competent in those areas.*

***Keywords:** Business Processes, Organizational Growth, Outsourcing Strategy, and Outlet expansion.*

I. Introduction

The global economic instability has considerably accelerated and intensified the competition in many industries, forcing organizations to overlook their strategies and find new ways to deal with the challenging environment. Organizations are increasingly turning to outsourcing strategy in an attempt to enhance their competitiveness and organizational growth. Outsourcing is a common practice among both private and public organizations and is a major element in business strategy. Nevertheless, every organization engages in one form of outsourcing or the other, be it manufacturing services, information technology, management services, product engineering, and research process or marketing services etc.

Organizational growth is what every companies strive to attain, regardless of their size. Small firms want to get big, big firms want to get bigger. Organizations have to grow at least a bit every year in order to accommodate the increased expenses that develop over time. Organizational growth has the potential to provide businesses with myriad of benefits such as greater ability to withstand market fluctuations, an increased survival rate, greater profits, and organizational prestige for organizational members (Boggs and Robert 2004). Every organization desire growth because it is seen generally as a sign of success.

The concept of fast food, also known as Quick Service Restaurants (QSRs) evolved in Nigeria about 35 years ago by UAC, from the coffee shops of its Kingsway Departmental Stores, which later transformed into Kingsway Rendezvous, the organized fast food industry is fast emerging in the country. The industrial landscape has witnessed the influx of unprecedented numbers of fast food operators since the opening of the first fast food outlet in Nigeria, at Yaba, in 1986 by Mr. Biggs, operated by the conglomerate United African Company of Nigeria PLC (UAC PLC). There are over 250 outlets of Mr. Bigg's in Nigeria. Mr. Bigg's began operation in Nigeria in 1986, and with rapid growth. In the beginning, Nigerian fast-food restaurants sold mainly meat-pies, fish pies, cakes, egg rolls, sausage rolls and other such pastries that were culled from foreign cuisine books. Nigerian fast-food companies later incorporated local Nigerian cuisine into their menu.The Nigerian fast food industry emerged with few restaurant business operators who had the desire to provide the kind of meals people desire to consume outside of their homes due to urban development and mobility from one place to another, especially in major cities of the nation. At present, there are over 150 brand names in the country. The trend increased more and standardized in the late 1990's due to increase in disposable income leading to the advancement of the concept of restaurant to fast foods that offers confectionaries and continental dishes. Expansion is a business strategy in which growth is obtained by increasing the number of outlet/stores in which customers can buy a company's products and services. Expansion entails opening up new outlets/stores in different physical locations while still maintaining the current business locations. Expansion can be the growth of a business' product and service offerings. Fast food outlet expansion refers to the increase in number of outlet availability or increase in the size of outlet.

Business process is an activity or set of activities that accomplishes a specific organizational goal. Business process is a concept that consists of management, operational and support processes. The inability of these firms to properly coordinate the businesses processes are major perplexing issues that may on the long run cripple the success and activities of these firms if not handled on time. Since organizations strives to be at top of their games, outsourcing the area where the organizations lack competence will be a plus for them as it may help to cover the weaknesses within the organization. The issue of quality management faced by fast food firms is as a result of the fast food operator's inability to properly coordinate and manage their business processes which in some cases, leads to eventual withdrawal from and closure of the business outlets, which Mr. Biggs and many other fast food firms are experiencing today. The inability to coordinate and manage their business processes properly will affect the quality of products produced or service delivery

Some fast food firms have their outlets scattered all over the major cities and towns across the country, which is a good sign of growth. New restaurants are opening (both local and indigenous) to meet the demand of the growing population of the fast food target market. There are also some which can only be classified as regional franchises, operating only one or a small number of outlets in particular towns, where they also compete strongly against the fairly established and more national brands. The Fast food industry attracted many investors and entrepreneurs in the 2000's due to the unprecedented growth the operators of fast food firms experienced. At the early stage the fast food business was booming and after some years the fast food industry growth pace started to decline, which was notice in the withdrawal and closure of some fast food outlets in which some of the major fast food firms like Mr. Biggs is not exceptional. More so, new concepts and ideas have been introduced into the industry that began as traditional restaurant base businesses. Nevertheless the drive to satisfy customers by creating enabling environment to take market leadership as a result of competition necessitated the adoption of various outsourcing strategies, all because the organization want to keep fit and be relevant in the business environment.

The world wide trend in globalization has led many organizations to outsource their non-core activities to service providers and focus on their core competence. Because of the diverse nature of business process an organization has to manage today, it is nearly impossible for an organization to manage all of its business processes by solely depending on its own expertise even if it is feasible, the organization may lose its focus and efficiency. The issue of combining many business processes that they cannot manage alone is a great challenge in the fast food industry.The issue of quality management is a big problem of fast food firms as many customers complain of pastries products and other intercontinental dishes. Product or service quality suffers and this affects customer satisfaction. Product or service quality is directly linked to business processes ranging from the operational, production defect, lack of managerial skill and inadequate or unavailability of support services. This certainly affects the organization's expansion potentials. Today, every individual whether rich or poor desire satisfaction for the value of their money. With this expectation, they are constantly demanding for quality goods and services. The increasing importance attached to quality internationally, coupled with the dynamic economic climates and increase global competitiveness, have revitalized the urge in firms to put more efforts on issues relating to their customers satisfactions, in order to achieved organizational growth. Therefore, business organisations, small or big, must realise that their continuous existence and expansion should rest solely on satisfying and fulfilling the expectations of their customers. The problem of dissatisfaction from the customers on the business and loss incurred on rejected dishes due to poor service delivery and uncompetitive cost is another area that needs to be addressed. The afore-mentioned problems may either affect the growth and business outlet expansion of the organization positively or negatively. The issue of quality management faced by fast food firms is as a result of the fast food operator's inability to properly coordinate and manage their business processes which in some cases, leads to eventual withdrawal from and closure of some business outlets, which Mr. Biggs as the first fast food chain and many other fast food firms are experiencing today. The inability to properly coordinate and manage their business processes affects the quality of products produced or services delivery. It is on this backdrop that this study seeks to proffer solution to the issue confronting the fast food firms in South – South, Nigeria

The general objective of the study is to examine the nature of relationship between outsourcing strategy and organizational growth of fast food firms in South – South, Nigeria. The specific objective is to determine the extent to which business processes affect outlet expansion of fast food firms

Research Question

This study intends to answer the following research question to solve the research problem. To what extent has business processes affected outlet expansion of fast food firms?

Hypothesis

$\mathbf{H_{O:}}$ there is no positive relationship between business processes and outlet expansion
$\mathbf{H_{A:}}$ there is a positive relationship between business processes and outlet expansion.

II. Review of Related Literature

2.1 Conceptual Framework

Outsourcing is an abbreviation for "outside resource using" (Arnold, 2000). Outsourcing is the transfer of services or functions previously performed within the organization to a provider outside of the organization. Outsourcing can be defined as the process of one company contracting with another company to provide services that might otherwise be performed by in-house employees (Sako, 2006). Outsourcing is the process of entrusting non-core activities or operations from internal production within a business to an external entity that specializes in that particular operation. George and Jones (2004) opined that outsourcing is the process of employing other organizations, to perform specific jobs or type of work activities that used to be performed by the organization itself. Smith, Vozikis and Varaksina (2006) defined outsourcing as turning over to a supplier those activities outside the organization's core competencies. Gilley and Rasheed, (2000) sees outsourcing as procuring something that was either originally sourced internally or could have been sourced internally notwithstanding the decision to go outside. The word "outsourcing" defines the process of transferring the responsibility for a specific business function from an employee group to a non-employee group.

Outsourcing refers to the handover of an activity to an external supplier as an alternative to internal production (Aubert, Rivard and Patry, 2004). King and Malhotra (2000) see outsourcing as the use of external agents to perform an organizational activity. Eyaa (2000) defined outsourcing as a decision by firms to have an external supplier to take over an activity that would have otherwise been performed in-house by organization employees. In general, outsourcing can be described as the transfer of activities that were previously conducted in house to a third party. In recent years, the outsourcing decision has gone beyond the manufacturing of physical products to embrace the production of service activities. Fast food firms outsource power management, generator maintenance and purchase of raw materials, accounting and book-keeping, security, payroll, recruitment process and many others, thus restricting their own employees to the core functions that define the organisation's business. The world wide trend in globalization has led many organisations to outsource their non-core activities to service providers and focus on their core competence.

Zack (2005) posits that in adopting outsourcing strategy, the outsourcing decision must be broken down into two key sub-decisions that address whether or not to outsource an activity (sourcing governance), and what geographic or locational arrangements for sourcing (sourcing proximity). The sourcing governance deals with the economic and strategic importance of the activity to be outsourced. Thus, an organization that is considering an activity for outsourcing must evaluate the value of that activity before it makes an outsourcing decision. The sourcing proximity is concerned with the location either domestic or international. Today organizations are operating globally, maintaining operations in various countries around the world through subsidiaries, joint ventures or contracts. This provides organizations with more sourcing options in terms of proximity. For example, a firm may choose to outsource to a domestic location that is in the same city, to one that is more distant but in the same country, to another country that is geographically close and culturally similar (e.g., U.S. to Canada), to another country that is geographically distant but culturally similar (e.g., U.S. to Australia) or a country that is both geographically and culturally distant (e.g., India or China).

Often the tasks that are outsourced could be performed by the company itself, but in many cases there are financial advantages that come from outsourcing (Yang, et. al. 2007). In a nutshell, the decision to outsource can be regarded as a special form of the "make-or-buy" decision (Görg

and Hanley (2004)), where firms would prefer to "buy" as opposed to "making" certain services as long as the cost of outsourcing is lower than in-house production. As outsourcing vendors typically provide services to many clients they can achieve cost advantages over single firms' productions costs as they benefit from economies of scale and centralization of expertise. McIvor (2008) asserted that outsourcing has become an important business approach, and a competitive advantage may be gained as products or services are produced more effectively and efficiently by outside suppliers. Outsourcing can enable firms tap into new ideas, knowledge and creativity through access to service providers' resources like skills, experience, specialised equipment and investments to provide services of better quality, at lower costs than in-house departments (Mark et al., 2006). Beverakis, Dick, and Cecez-Kecmanovic (2009) argue that the most important reason for outsourcing is to become more competitive in the marketplace; by reducing its operational cost and establishing a global presence. Brown and Wilson (2005) argued that the reasons for outsourcing are cost savings, quality improvement, focus on core business, and access to resources not available internally, growth in global knowledge, minimization of risk, access to world-class capabilities, access to modern technology and expertise.

Most organizations engage in outsourcing for economic or strategic reasons. Economically, outsourcing is attractive when the tasks being outsourced can be performed by the provider at a lower total cost. Strategically, outsourcing is attractive when organizations have capacity or capability constraints that prevent them from servicing a market. Early outsourcing arrangements were motivated primarily by operational cost saving but more recently; the motivation for outsourcing has shifted to strategic business performance improvement (Currie and Seltsikas, 2001). Outsourcing is considered as a strategic tool for the organization to employ to increase its competitiveness and performance in the marketplace. Some organisations choose contractual arrangements like outsourcing to access scarce resources in order to reduce costs or build capabilities and competence for competitive advantage (Leavy, 2004). For services, outsourcing is seen as a solution to the quest for a continuous, reliable and uninterrupted service (Fill and Visser, 2000).

2.1.1 Organisational Growth

Organizational growth is a key factor in profit maximization and organizational relevance. Growth means enlargement, increase and expansion. Organizational growth is something for which most companies strive, regardless of their size. Organisational growth is concerned with the changes in organisation's processes and attitudes as it grows and develops and changes in entrepreneurs' role and leadership style as the venture grows from small to a large firm (Henry Mintzberg (1979). Organizational growth means different things to different organizations (Robert (2004). There are many parameters an organization may use to measure its growth because organizational growth is multi-faceted. Since the ultimate goal of most organizations is profitability, most organizations will measure their growth in terms of net profit, revenue and other financial data.

Other business owners may use one of the following criteria for assessing their growth: physical expansion, quality of service delivery, sales, increased market share, success of a product line or number of employees. Ultimately, organizational growth will be gauged by how well an organization does relative to the goals it has set for itself. Organizational growth is a necessity to meet the demands of an increasingly complex and dynamic business environment. As business organizations grow, so do the complexities of managing the organization, in that, the complexity of various organizational task simultaneously increases (Lipton, Mark 2003). For the purpose of this study, organizational growth would be measured in terms of outlet expansion.

2.1.2 Business Processes and Outlet Expansion

The business processes are collections of linked tasks which find their end in the delivery of a service or product to a client. Business process can also be referred to as a set of activities and tasks that, once completed, will accomplish an organizational goal. Business processes consist of core operational processes and noncore support processes. Organizations generally run their operations using several major core operational and noncore processes. Business process is made up of all of the factors which contribute (either directly or indirectly) to the added value of a service or product. These factors can be categorized into management processes, operational processes and supporting processes. Management processes govern the operation of a particular organization's system of operation. Operational processes constitute the core business. Supporting processes such as human resources and accounting are put in place to support the core processes. (Smith, and Fingar 2006).

Mark et al (2006) pointed out that business process outsourcing (BPO) is a subset of outsourcing that involves the contracting of the operations and responsibilities of specific business functions (or processes) to a third-party service provider. It has to do with establishing a partnership with a service provider. According to Thomas and Rick, (2005) business process outsourcing (BPO) is defined as the movement of business processes from inside the organization to an external service provider. Business process outsourcing is therefore born out of a need for competitiveness. Business process outsourcing can also mean moving internal business processes to external service providers to manage it based on an agreed upon service level agreements. It might be done with one or more service provider who will execute the transferred processes based on the client's requirements (Saxena & Bharadwaj, 2009). Business Process Outsourcing indicates the outsourcing of the different phases of production, distribution, research and development, maintenance, etc. Functions under business process outsourcing are purchasing, accounting, manufacturing, machine maintenance, equipment repair, security, cleaning etc. The firms that offer the services thus required are called service providers or third party providers. The business process outsourcing allows management to allocate more time and resources and concentrate on developing core competencies (Plunkett Research, 2006).

Outlet expansion is a business strategy in which growth is obtained by increasing the number or size of outlet in which customers can buy a firm's product or service. Expansion is a stage in a firm's life that fraught with both opportunities and perils. Organizational growth in the fast food industry can be measured by the number or size of outlet. That is increase in outlets. Fast food firms can increase their business or operation by increasing product inventory or services rendered without making changes to facilities or other operating components. Despite the nature of today's market, fast food entrepreneurs are finding way to weather the economic storm and keep their businesses profitable. In pursuing growth strategy like outsourcing, they look for ways reduce operating cost or improve efficiency. There are many ways to expand such as introducing a new outlet into new markets and position your organization for continued growth.

The issue of quality management in the fast food industry is of great concern because it affects their expansion potentials of firms. Customers are not satisfied with the quality of products and services provided by fast food firms, hence there is constant decline in customer patronage, thereby making it difficult for the firms to expand beyond a particular location and unable to compete with the foreign fast food firms. The issue of quality management which is as a result of improper management of business processes affects outlet expansion of firms at the long run.

2.2 Theoretical Framework

This study was anchored on the theory of resource based view proposed by Barney (1991) and resource dependence theory propounded by (Pfeffer and Salancik 1984). The core premise of the resource-based view is that resources and capabilities can vary significantly across firms, and that these differences can be stable. This theory has two assumptions, first, firm's resources are heterogeneous in nature and secondly resources are not perfectly mobile. This means that firms within an industry may be heterogeneous with respect to the bundle of resources that they control. Also, resource heterogeneity may persist over time because the resources used to implement firms' strategies are not perfectly mobile across firms (i.e., some of the resources cannot be traded in factor markets).

The resource dependence theory states that firms don't have all the resources they need, therefore, to some degree; they depend on their external environment for some resources. This means that organizations depend on resources. These resources ultimately originate from an organization's environment. The environment, to a considerable extent, contains other organizations. The resources one organization needs are sometimes in the hand of other organizations, thus independent organizations can therefore depend on each other. Organizations depend on multidimensional resources: labor, capital, raw material, etc. Organizations may not be able to come out with countervailing initiatives for all these multiple resources. Hence organization can adopt outsourcing strategy to get those resources in order to remain competitive and achieve organizational growth.

In a nutshell, Outsourcing is about acquiring resources from other organizations (service providers). Firms that lack valuable, rare, inimitable and organized resources and capabilities shall seek for an external provider in order to overcome that weakness. In this view, this theory is in line with this study as it advocate for seeking external competence in other to remain in business which is an outsourcing strategy. An organization whose business processes are properly organized and managed tends to achieve growth. Once resources and capabilities are properly managed, growth and expansion is inevitable because organizations compete based on having or controlling valuable, rare and hard-to-imitate resources

2.3 Empirical Review

Awino and Mutua (2014) studied business process outsourcing strategy and performance of Kenya State Corporations. The study focused on 144 Kenyan corporations. Information was gathered through administered questionnaire. The study employed descriptive survey design and multiple regression analysis were used to establish the degree of relationship that exit between the variables. The findings of the study confirmed that Kenyan State corporations were involved in outsourcing of both core and non core activities. The research concludes that business process outsourcing had a positive impact on the firm's overall performance.

Irefin, Olateju and Hammed (2012) studied the effect of outsourcing strategy on project success. A study of Nestle Nigeria Plc. Stratified sampling technique was used and questionnaire were used to solicit for information. The data obtained were analyzed using frequent distribution and chi-square analysis. The findings revealed that firms that outsource their production process in order to manage cost increase sales turnover and profitability and save time for core activities. It was recommended that companies that outsource should continue to monitor the contract's activities, establish constant communication and workers should be made to embrace the strategy before implementation so as to alley the fear of loss of jobs.

Rajee and Akinlabi (2013) examined outsourcing services as a strategic tool for organisationaal performance, an exploratory study of 15 Nigeria food, beverage and tobacoo companies. Information was collected through questionnaire and analyzed with the use of econometrical tools. The result of the finding shows that outsourcing allows companies to enhance expertise, improve quality, reduce administration burden, lower cost and save time. The study concludes that outsourcing goals can either improve or impede organizational effectiveness and decisions of organization to outsource involve price, quality and product innovation. The researcher recommended that in order to use outsourcing strategy to achieve competitive advantage in the market, firms should consider major risk factors.

Abdel (2013) studied the effect of recruitment process outsourcing on creating competitive advantage for organizations operating in Egypt. The study employed descriptive survey design, primary sources of data was used and convenience sampling technique was employed. The study revealed that the Egyptians managers do not believe that by outsourcing the recruitment function the respective organisations will be able to reduce operational costs.

Gilley and Rasheed (2000) examined outsourcing and its effects on firm's performance. The study examined the extent to which outsourcing of both peripheral and near core tasks influences firm's financial and non financial performance. In addition, the potential moderating effects on firm's strategy and the environment of the outsourcing performance relationship were also examined. A double respondent survey methodology was used. The result indicated that there is no significant effect of outsourcing on firm performance, both firm strategy and environmental dynamism moderated the relationship between outsourcing and performance. The study suggests that the benefit of outsourcing may be realised by firms pursuing cost leadership and innovative differentiation strategies. Furthermore, firms operating in relatively stable environment may also achieve performance increase through outsourcing.

Asiamah (2013) examined the relationship between outsourcing and organizational performance in the service sector. The population of the study was made up of 50 firms in the banking and insurance sectors of the economy of Ghana. Purposive sampling was used for the selection of respondents. Questionnaire was distributed and Statistical Package for the Social Sciences (SPSS) was used in analyzing the data collected. The study revealed that there is no significant relationship between outsourcing and quality. The study recommends that there should be thorough background check before outsourcing and organizations should have a backup system to avoid losing vital data as a result of incompetence on the part the external supplier.

Agyemany, Aikins, Asibey and Osei (2014) studied the impact of outsourcing of non-core functions in the hotel industry: A case for Anita, Noda and Gold Gate hotels. The researcher examined the strategies of the outsourcing process, the challenges associated with outsourcing in the hotel industry in Kumasi. A descriptive approach was used to analyze the impact of outsourcing. 50 copies of questionnaire were distributed. The study revealed that the hotels have been concentrating on their core functions and that outsourcing non-core functions in the hotel had been successful and beneficial. The researcher recommends that the hotels industry should continue to focus on core business activities.

Supo and Wale (2013) studied outsourcing strategy and organizational performance: empirical evidence from Nigerian manufacturing sector. The study adopted a stratified random sampling technique to arrive at the 120 sample size for the study. Questionnaire was administered and the data obtained were analyzed using regression analysis. The findings revealed that firms that outsource experience reduce average cost, improve service quality and saves time. The study recommends that companies that adopt outsourcing strategy should always monitor the contactors activities in order to ensure compliance with best practices.

Jiang, Frazier and Prater (2006) studied the effects of outsourcing on the firm level performance measures of 51 large US firms based on audited accounting data in a period from 1990-2002. They measured the cost efficiency, productivity, and profitability of the firms involved within one year after the outsourcing, based on quarterly accounting data. Observing the absolute change of the performance measures and the development relative to a control group without outsourcing they find improved cost efficiency but no change in the productivity and profitability of the outsourcing firms. The authors concluded that the firms invested freed resources to further improve core competencies. Firms additionally utilize the cost savings to lower prices at the cost of higher profits to gain competitiveness in the market.

Wekesa and Were (2014) studied effects of outsourcing on an organization's performance: a case for Kenya Revenue Authority Nairobi Customs Station. The study adopted a descriptive research design. The study targeted 15 procurement officers, 17 financial officers, 386 custom department staff and 50 support staff working in Kenya Revenue Authority, Nairobi Customs station. The study used census sampling to collect data from all 15 procurement officer, 17 financial officers and 50 support staff. The study randomly sampled 10% of the 386 custom department staff to involve 38 staffs. Stratified sampling was used to obtain a sample of 120 respondents from four sections of the Kenya Revenue Authority customs station. Primary data was collected and analyzed using quantitative and qualitative techniques. Data collected was analyzed using Pearson's correlation with SPSS (Statistical Package for Social Sciences). The findings indicated that outsourcing positively increases on the performance of organizations, it reduces costs of operation, time saving, quality of service and finally the affects positively business agility operation.

2.4 Summary of Reviewed Literature

From the empirical studies reviewed, Outsourcing is a means by which a company establish contracts with another company to provide services that might otherwise be performed by in – house employees. Essentially, outsourcing is the transfer of services or functions previously performed within the organization to a provider outside the organization and it is increasingly a key component in many business strategies. Early outsourcing arrangements were motivated primarily by operational cost savings but more recently, the motivation for outsourcing has shifted to quality improvement and strategic business performance improvement. Also revealed is that most researcher had mostly focused on outsourcing from cost reduction perspective. Despite the fact that the outsourcing of services is drawing a bit of attention, it is worth noting that there is no evidence of studies that have focused on outsourcing strategy and organizational growth with particular reference to business processes and outlet expansion hence leaving a research gap.

III. Methods

3.1 Research Design

The study adopted correlational survey design to establish the nature of the relationship that exists between business processes and outlets expansion. The focus of the study was the fast food firms in South – South, Nigeria. This study was delimited to 10 fast food firms in the 6 states of South – South, Nigeria registered with the Association of Fast Food Confectioners of Nigeria (AFFCON) and the National Agency for Food and Drug Administration and Control (NAFDAC). The survey was directed to the top and middle level managers in each fast food firm. The selected fast food firms include Favourites, Otres, Crunchies, Sizzlers, Flames, Macdons, Mr. Biggs, Chicken Express, Genesis and Ultimate Taste. 3 fast food firms in Delta State, 2 fast food firms in Edo State, 2 fast food firms in Rviers State, 1 fast food firm in Bayelsa State, 1 fast food firm in Akwa-Ibom State and 1 fast food firm in Cross-River State.

3.2 Population of the Study

The population of the study is infinite as we have many fast food firms in South – South, Nigeria. The researcher therefore resolved to use fast food firms registered with the Association of Fast Food Confectioners of Nigeria (AFFCON) and the National Agency for Food and Drug Administration and Control (NAFDAC) which is the total of 10 fast food firms in the 6 states of South – South, Nigeria. A total of 78 top and middle level managers were drawn out of the 324 employees using complete enumeration. The fast food firms used consists of Sizzlers, Mr. Biggs, Crunchies, Ultimate Taste, Otres, Macdons, Favourites, Flames, Chicken Express and Genesis. The survey was directed to the top and middle level management in each organization.

3.3 Method of data Collection

The data used for this study was obtained from both primary and secondary sources. The secondary data includes journal articles and textbooks while the primary data involves obtaining information directly from the respondents through a structured questionnaire. The questionnaire was carefully structured to simplify the terms contained in the questionnaire in order to remove any trace of ambiguity.

3.4 Validity of the Instrument

The questionnaire was given to experts in the fast food business to vet. A research fellow with proficiency in data analysis was also contacted who verified the face validity.

3.5 Reliability of the Instrument

The reliability of items for the research was measured by using the Spearman Brown split half likert test. In order for measurements to be acceptable, the minimum acceptable level of the Cronbach's alpha score should be equal to or more than 0.70 (alpha ≥ 0.70), as suggested by Sekaran (2003). The Cronbach's alpha score for the item is 0. 970 which indicate an excellent internal consistence.

$r_{SB} = 2r_{hh}$

$1 + r_{hh}$

Where r_{hh} = Pearson correlation of scores in the two half tests.

1st half representing x (Que01, Que03, Que04, Que05) = 1019

2nd half representing y (Que02, Que06, Que07, Que08) = 1038

The Pearson correlation of scores in the two half tests is 0.944

Applying:

$r_{SB} = 2r_{hh}$

$1 + r_{hh}$

$r_{SB} =$ 2x0. 944

1+0.944

r_{SB} = 1.862

1.944

$r_{SB} = 0.970$

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.970	.980	8

Source: SPSS Anaysis, 2015

3.6 Method of Data Analysis

This section presented method of analysed and interpreted data collected for the study under the following headings: analysis of research questions, and testing of hypotheses. The research question was analyzed using mean scores, any item that is 2.50 on a 4 point Likert Scale and above was accepted while any item below 2.50 was rejected. The hypotheses were analyzed using Pearson moment correlation on SPSS version 20.

Descriptive Statistics

	N	Sum	Mean	Std. Deviation
QUE01	78	242.00	3.1026	1.01405
QUE02	78	231.00	2.9615	1.02491
QUE03	78	250.00	3.2051	.74483
QUE04	78	260.00	3.3333	.75018
QUE05	78	267.00	3.4231	.57024
QUE06	78	268.00	3.4359	.67593
QUE07	78	270.00	3.4615	.57417
QUE08	78	269.00	3.4487	.59538
Valid N (listwise)	78			

Source: Field Survey 2015

The mean scores of all items in the Descriptive Statistics table above are valid and accepted as they are within 2.50 and above.

3.7 Test of Hypothesis

Hypothesis analyses using Pearson Moment Correlation.

H_O – There is no positive relationship between business process and outlet expansion.

H_A – There is a positive relationship between business process and outlet expansion.

Correlations

		BP	OUT
BP	Pearson Correlation	1	.965**
	Sig. (2-tailed)		.000
	N	78	78
OUT	Pearson Correlation	.965**	1
	Sig. (2-tailed)	.000	
	N	78	78

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

Source: SPSS Anaysis, 2015

Decision Rule: statistical correlation is significant if coefficient is more than 0.5. Moreover, if p-value is low (under 0.01), it means that the correlation actually exists. In case p-value is high, it cannot be determined that the correlation actually exists

Decision: Correlation analysis shows the interdependence of the variables. Table above shows that business processes and outlet expansion are highly positively correlated with each other with the correlation coefficient of 0.965. This means that business process outsourcing strategy in the fast food firms will boost quality management, customer satisfaction, reduces operations cost which on the long run promote outlet expansion.

Findings of the Table above shows that the research hypothesis is accepted, which states that “there is a positive relationship between business processes and outlet expansion”.

3.8 Discussion of Findings

The findings from this study revealed that there is positive relationship between business processes and outlet expansion. This implies that proper management and coordination of business processes will improve the quality of products and service delivery in the fast food industry which will in turn enhance outlet expansion and organizational growth. The findings reveal that the importance of outsourcing relationships in fast food industry for organisational growth in Nigeria business environment cannot be overemphasized. This shows that by outsourcing of non core business activities to service providers who are more compete in that area can help organizations to properly manage their business processes, boost quality, satisfies customers, save cost, and expand their business outlets.

That there is a positive relationship between business processes and outlet expansion is in line with the views of Supo and Wale (2013), Rajee and Akinlabi (2013), Irefin et al (2012), Awino and Mutua (2014), Wekesa and Were (2014).

3.9 Summary of Findings

The study found that fast food firms in South – South, Nigeria will enhance quality improvement, reduce cost of business operations and achieve customers' satisfaction and business expansion through the adoption of outsourcing strategies. That is transferring of certain business processes to specialized firms to avoid unwanted losses.

IV. Conclusions

This study concludes that outsourcing is a crucial business strategy that must be employed by entrepreneurs in order to improve quality and enhance organisational growth as it assists organizations to leverage their skills and resources to achieve organizational growth. Also, quality improvement, business expansion, customer satisfaction as well as cost effectiveness are some of the benefits derived from employing outsourcing strategies. Again, the study was able to meet its specific objective which was to determine the extent to which business processes affects outlet expansion which was found to be positive. Finally, outsourcing strategy is effective but comes with its significant risks that must be recognized and managed.

4.1 Recommendations

Based on the findings of the study, the following recommendations were made: fast food firms should try to sustain their customers' satisfaction through quality improvement that is achieve by the usage of outsourcing strategy. They should select suitable outsourcing partners based on the quality of services and their expertise. Entrepreneurs should identify and concentrate on the core competencies of their firms and outsource other parts of the business to other firms that are more competent in those areas. Entrepreneurs are encouraged to employ outsourcing strategy for the enhancement of their firms' growth. In adopting outsourcing strategy the cost factor must be put into consideration. That is evaluating the comparative cost between in-house and outsourced service provision, organizations should identify all cost, both direct and indirect.

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