



CAPACITY ENHANCEMENT OUTSOURCING AND EMPLOYEE COMMITMENT OF THE OIL AND GAS SECTOR IN RIVERS STATE, NIGERIA

Ojo, Monday Isiramen

Department of Management, Faculty of Management Sciences, Rivers, State University, Nkpolu-Oroworukwo, PMB 5080, Port Harcourt, Nigeria

ABSTRACT

This study investigated capacity enhancement outsourcing and employee commitment of the oil and gas sector in Rivers State, Nigeria. The study adopted a cross sectional survey research design. The population of the study was 15,299 and a sample size of 377 was determined using the Krejcie and Morgan Sample Size Determination Table. Primary data was collected through structured questionnaire. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. The hypotheses were tested using the Pearson Product Moment Correlation Coefficient with the aid of Statistical Package for Social Sciences version 20.0. The tests were carried out at a 95% confidence interval and a 0.05 level of significance. Results of data analysis revealed that there is a significant relationship between capacity enhancement outsourcing and employee commitment of the oil and gas sector in Rivers State. Consequently, the study concluded that capacity enhancement showed significant associations with employee commitment of the oil and gas sector in Rivers State. The study recommends therefore that organizations should develop conducive environment as means of support for capacity enhancement outsourcing in order to create a sense of value to the employees and make them feel obligated to remain with the organization and that business strategy should include a well-developed organizational culture that is employee focused as this influences employee's commitment in organization. When employees work in a cordial environment where everyone is seen as equal, they feel at home and should be properly carried along, especially in matters of decision making.

Keywords: Capacity enhancement outsourcing, Employee Commitment, Attitudinal Commitment, Calculative Commitment, Value Commitment

INTRODUCTION

Employees are each company's most valuable asset as they can create or destroy the credibility of an organization and can adversely affect productivity. Employees are often responsible for the vast majority of the work that needs to be done, as well as customer satisfaction and product and activity performance. When companies look forward to improving their market positions, they have found that they can cut costs and maintain quality by relying more on external service providers for activities that are perceived to be complementary to their core business. Tighter margins have encouraged organizations of all sizes to take into account the strategic implications of increasingly divesting business functions.

Organizations aim to achieve efficiency and effectiveness by employing minimum resources. This is mainly achieved by effective controlling of internal resources, delegation of duties, accountability for results and evaluating whether the right decisions were employed. Without adequate outsourcing of capacity enhancement, new and current workers do not obtain the knowledge and develop the skills needed to fulfil their tasks to their fullest potential. Employees undergoing sufficient capacity enhancement tend to keep their work longer than those not. Capacity enhancement outsourcing plays a key role in most organizations' growth. Capacity enhancement is closely linked to core competencies and strategic orientation because of its developmental nature. It is also; however, one of the most commonly outsourced Human Resources functions in most organizations.

Capacity enhancement outsourcing is a must in the workplace, without it, workers have no firm understanding of their roles or duties. Capacity enhancement outsourcing refers to having a third party service provider prepare programs that will provide knowledge, new skills or opportunities for professional development to staff. It is a system designed to ensure that workers understand the company's policies and procedures before they begin their job and understand how their work suits the company's goals (Lepak & Gowan, 2010).

The workplace of today is shrouded in the fear of downsizing, loss of job security, the overwhelming technological change and the stress of having to do more with fewer people. Managers need to create the sort of loving, spirited workplace that will ignite employee

commitment. Business organizations must develop a psychological bond between employees and the organization as Employee's Commitment in order to create total dedication of their manpower towards their goals, interests and values. To create a successful workplace, an organization must concentrate its energies on both economic and social performance, and invest in promoting commitment. Drennan (1989) suggests that most managers believe that with real commitment from staff the performance of their business could improve dramatically. He adds, "Employee commitment does make a real difference". Mowday, Steers, and Porter (2009) characterized Employee's Commitment as a multidimensional idea grasping a representative's craving to stay in an association, eagerness to apply exertion for its benefit, and confidence in and acknowledgment of the qualities and objectives of the association. The main purpose of this study was to examine the relationship between capacity enhancement outsourcing and employee commitment in the oil and gas sector in Rivers State, Nigeria.

This study was guided by the following research question:

- i. What is the relationship between capacity enhancement outsourcing and attitudinal commitment in the oil and gas sector in Rivers State, Nigeria?
- ii. What is the relationship between capacity enhancement outsourcing and calculative commitment in the oil and gas sector in Rivers State, Nigeria?
- iii. What is the relationship between capacity enhancement outsourcing and value commitment in the oil and gas sector in Rivers State, Nigeria?

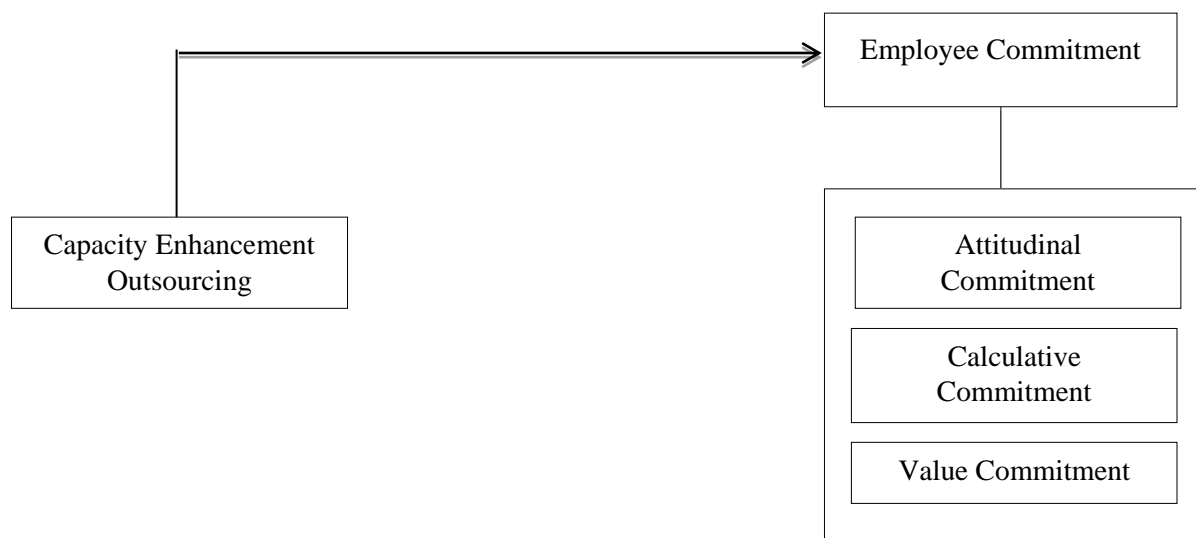


Fig.1 Conceptual framework for the relationship between capacity enhancement and employee commitment

Source: Author's Desk Research, 2019 Adapted from: Mayer and Schoorman (2006), Penley and Gouuld (1998), Porter, Steers, Mowday and Boulian (1974), and Angle and Perry (1981), Maggie and Sixsmith (2008).

LITERATURE REVIEW

Theoretical Foundation

Social Exchange Theory

Social exchange theory (Blau, 1964) originally explained the motivation behind the attitude and behaviours exchanged between individuals. Eisenberger and associates (2006) expanded the theory of social exchange to explain certain aspects of the relationship between the organisation and its employees. Just as employers are concerned with the employees' loyalty and contribution to the company, Eisenberger (2006) found evidence that employees are concerned with how the company values their contributions and look after their well-being through a reward system. A person with certain needs, desires and skills (work values) joins an organization where he or she can use his or her abilities and satisfy one's basic needs (work rewards) that the employer provides for (Kalleberg, 2007).

Capacity Enhancement Outsourcing

Capacity enhancement outsourcing is the systematic process of providing employees with the competencies, knowledge and skills required to do their current jobs. Increased capabilities, knowledge and skills of talented employees have proven to be a major source of competitive advantage in a global market (McKinsey, 2006). To developing employees 'desired awareness, abilities and skills, performing well at work, needs successful ability development initiatives that can also impact employee morale and commitment (Meyer and Allen, 2001). The growth in outsourcing capacity enhancement is altogether founded on two actualities: Capacity enhancement builds organizational efficiency and outside capacity enhancement and outsourcing services increase the ability of a company to train more people faster and more cost-effectively than in-house staff.

Goldstein (2000), defined capacity enhancement as the systematic acquisition and production of the knowledge, skills and attitudes that workers need to properly grow, perform a task or job or to improve performance in the job environment. This implies that for any organization to succeed in achieving the goals of its capacity enhancement plan, design and implementation need to be designed and consistently customized to improve performance and productivity. Onasanya (2005) defines capacity enhancement outsourcing as a means of specialized education aimed at providing the trainee with a particular or specialized knowledge, skills and attitudes that he must acquire in order to perform effectively in a given position while implementing specific programs designed to prepare and train a worker with a specific education and capacity enhancement for higher responsibilities. Capacity building according to Sanusi (2002) requires investing in human capital, the institutions and the requisite activities to improve human skills, the institutions and the processes and structures. Anyanwu (2002) sees it as a series of activities that an entity, a business or even a nation needs to undertake to provide itself with the supply on an ongoing basis.

The objective of capacity enhancement is to ensure that all employees have and maintain the requisite competences to perform in their roles at work. While the state is typically involved in ensuring that new entrants to the labour market are adequately trained, continuing capacity enhancement is mainly the concern of the enterprise and the individual. Whatever the system, capacity enhancement outsourcing policy should ensure that labour market needs are met. Turning to practice, capacity enhancement outsourcing involves three processes: analysis of needs, development of provision, and evaluation. Capacity enhancement needs analysis compares existing competences with those required and can be undertaken at the level of the organization, the work team, and the individual. At the organizational level, the purpose is to establish capacity enhancement priorities in the light of organizational strategy and associated core competences. At team level, the purpose is to ensure that teams possess the complementary skills required for effective performance and functional flexibility. At the individual level, a development review aims to match career aspirations with organizational needs. In the development phase, the training content is determined from the needs analysis and appropriate modes of delivery identified for the different elements. Capacity enhancement is invariably more structured for new employees because the induction period is crucial in reducing dysfunctional

labour turnover; job capacity enhancement should only begin after induction. Operative capacity enhancement involves explaining why a task is performed, how it should be performed, and providing an opportunity for practice.

Capacity enhancement outsourcing involves having people from outside the organization perform the training. Perhaps employees are sent to capacity enhancement programs at colleges and universities, a consulting firm's headquarters, or similar locations. Most companies of all sizes outsource capacity enhancement to consulting agencies, consultants, and other organizations. Interestingly, outsourcing of capacity enhancement has gone down a little bit because of cost concerns, greater emphasis on internal linking of capacity enhancement to organizational strategies, or others. A popular route for some employers is to use vendors and suppliers to improve the efficiency of employees. Several Computer software suppliers provide workers with specialized software certifications. For example, being a Microsoft Certified Product Specialist gives employees credentials that show their professional standard of competence. The certification also provides employees items to put on their resumes should they decide to change jobs. These certifications also benefit employers, who can use the certification as job specification for procuring and advancement purposes. Many suppliers, including software providers, additionally have clients' meetings where workers from various managers get point by point capacity enhancement on utilizing the product and new highlights being included. Some vendors conduct the capacity enhancement within the organization also if sufficient numbers of employees are to be trained (Mathis and Jackson, 2004).

Outsourcing the capacity enhancement is an alternative chosen when the enhancement skills required are not present within the organization. This applies with managerial, professional and technical capacity enhancement where the specialist capacity enhancement organization has built up a reputation for running special courses. They may run these courses in their own premises, or within the company or in convenient hired premises, such as hotels or conference centres. The primary advantage of outsourced programs is cost. Since the association doesn't have the structure to maintain its own capacity enhancement staff or on the other hand even its own capacity enhancement facilities, it can deliver capacity enhancement at a cost that is typically lower than would be possible if it were doing the capacity enhancement itself. Another

advantage is quality assurance. While an organization has reasonable power over its own capacity enhancement staff, it is still possible that the individuals who are assigned the responsibility of doing the capacity enhancement might not be particularly skilled trainers or educators. Thus, the effectiveness of the capacity enhancement effort might be compromised. Professional trainers, however, are almost always highly trained themselves and are also skilled educators. On the other hand, outsourced programs may be more general and even generic, and thus have less appropriateness and direct significance to the organization's needs. The third advantage is that experts should provide high quality capacity enhancement and expose employees to situations that they have not experienced. Trainees may also learn from their fellow delegates how operations are carried out differently in other organizations. Until the arrival of mobile phones, there used to be the advantage that the trainees would be able to concentrate totally on the capacity enhancement without fear of interruption.

The disadvantages include the way that the cost is usually higher, that the specialist organization may not be aware of the organization's specific requirements and that they don't normally follow up the trainees to see how effective the capacity enhancement has been in practice (Stredwick, 2005). Most small to mid-sized firms rely strictly on outsourced capacity enhancement. Most large organizations, however, are probably going to rely on a combination of in-house and outsourced capacity enhancement. For example, even firms like ExxonMobil that have a large in-house capacity enhancement operation are still likely to use outside trainers and developers occasionally to assist in specialized areas. And some firms are even experimenting with outsourced capacity enhancement provided solely in-house. That is, an independent contractor, usually a consulting firm, may take over a company's capacity enhancement function but continue to operate and conduct the capacity enhancement inside the company.

Finally, a special form of outsourced capacity enhancement involves partnerships between business and education. Many leading business schools such as Harvard, Swiss, Michigan, Lagos and University of Port Harcourt business school run highly regarded management development programs that attract participants from major corporations around the world. These programs may be generic, customized by industry or firm size, or even created for a single company. Many other major public and private Universities also offer various programs of this type for business.

And even regional schools and community colleges are moving into this area by providing basic capacity enhancement for first line supervisors and entry-level technical employees (Griffin and Dennis, 2005).

As a matter of fact, capacity enhancement is the most critically outsourced Human Resource Management functions (Galanaki and Papalexandris, 2005, Vernon, 2000, Cooke, 2005). Of course, the choice between "make or buy" is the outcome of a contrast on several different criteria of the advantages of each alternative. Several strengths and motivations to date outsourcing capacity enhancement have been offered, such as cost reduction, lack of internal capability, access to best practices and talent, minimization of capital costs, timeliness, focus to core and removal of peripheral capacity enhancement tasks, improvement of quality, measurement and contestability, upgrading of the capacity enhancement function (Richman and Trondsen, 2004, DeViney and Sugrue, 2004, Lawler, 2004, Hall and Torrington, 1998). This is often credited to the fact that firms cannot permanently employ trainers specialized on every single subject, on which capacity enhancement of their employees is needed. Even for the situation that individuals with the fundamental mastery and additionally enlightening capabilities exist in-house, it regularly demonstrates eccentric to deliberately draw in them in capacity enhancement tasks, therefore depriving them from their main tasks. So, most companies are often obliged to turn to the external market to find the people who will either plan or implement their employee capacity enhancement.

As capacity enhancement services include more than instruction, by outsourcing capacity enhancement a company may save on the cost of infrastructure (rooms, technical equipment, support equipment), of administration (organization of the program) and of capacity enhancement program development and design (capacity enhancement needs definition, participants, educational method, tools, content development etc.). It is even sustained that employee capacity enhancement outsourcing goes from capacity enhancement information systems to capacity enhancement program design, development and delivery, as well as performance-based strategic design of the capacity enhancement program (Richman and Trondsen, 2004). Therefore, it is withheld that when the capacity enhancement topic is fairly common, outsourcing can achieve considerable economies (Cook, 2009).

It is important to note that the introduction of innovative capacity enhancement systems and tools, such as distance learning, computer-based, asynchronous capacity enhancement and e-learning have changed the shape of capacity enhancement services provision, since firms often lack the required skills and expertise infrastructure to implement those practices by themselves (Richman and Trondsen, 2004). This has resulted in the emergence of a new sector of capacity enhancement service provision. It appears from the above that capacity enhancement services can be distinguished in two main categories, i.e. generic or "off the rack" programs that don't require significant modifications with respect to the supplier and resource explicit or "customized" programs, which request considerable exertion with respect to the capacity enhancement provider to accommodate the customer's precise needs (Gainey and Klaas, 2005).

Organizations include capacity enhancement to maximize the ability of their employee in order to prepare their employees to do their job as needed. Through applying long-term planning, many companies invest through their employees in building new skills, allowing them to cope with the unpredictable circumstances they may face in the future, thus enhancing employee performance through a higher level of motivation and dedication.

Capacity enhancement programs not only cultivate staff, but also assist the company in making the best use of its human resources to achieve competitive advantage. Therefore, it seems important for the company to prepare for this capacity enhancement programs through its vendor to improve its employees ' skills and skills that are required in the field workplace, (Jie and Roger, 2005). Capacity enhancement not only improves the employee's skills, but also enhances his thinking ability and imagination to make better decisions in a timely and more productive manner (David, 2006). Moreover, it likewise empowers workers to manage the client in a compelling way and react to their objections in opportune way (Hollenbeck, Derue and Guzzo, 2004).

Capacity enhancement develops self-efficacy what's more, brings about predominant execution on work, by supplanting the customary feeble practices by productive and successful business related practices (Kathiravan, Devadason and Zakkeer, 2006). Capacity enhancement refers to a proposed initiative to enhance individual job performance elements "(Chiaburu and Tekleab,

2005). It's all about improving the skills that seem necessary to achieve organizational goals. Capacity enhancement outsourcing programs may also enable the workers to reduce their anxiety or disappointment as a result of their job. Those workers who are unable to perform a task at the desired level frequently decide to leave the company, because their stay in the company will not contribute to the profitability of the company (Kanelopoulos & Akrivos, 2006). The greater the difference between the necessary skills and those of the workforce, the greater the workers' job dissatisfaction. Rowden (2002), says that ability improvement can also be an important method for enhancing one's work satisfaction, because good quality contributes to top management appreciation, and workers feel more accustomed to their job. Rowden and Conine (2005) reported, capacity enhanced workers are more able to satisfy their clients, and workers who benefit from the capacity enhancement program show a higher level of job satisfaction and superior performance.

Human resource capacity enhancement outsourcing program helps to build a more comfortable learning environment for the workforce and make it easier and more effective to deal with the challenges ahead (Wei-Tai, 2006). According to Farooq and Aslam (2011), managers are making every effort to improve the skills of the worker, eventually establishing a good working atmosphere within the company. For the sake of capacity building managers are involved in developing active capacity building strategies for their employees in order to provide them with the necessary information, skills and capabilities to achieve organizational objectives. This top management challenge not only increases the quality of workers, but also produces positive images of the organization worldwide, (Jia-Fang, 2010). Effective capacity enhancement programs help workers get acquainted with the new technological advancement they need, as well as having full control over the skills and competencies they need to succeed at a particular job and to avoid on the job errors and mistakes (Robert, 2006). One of the basic roles of human resource management is capacity enhancement through proper capacity enhancement programs. Employee progress refers to an employee's willingness and capacity building to reach the desired level of performance as a whole (Elena, 2000). The more employees are developed, the more satisfied they are with their job, thus increasing the productivity and profitability of the company (Champathes, 2006).

Capacity enhancement is important and it is an imperative tool for the organization to revamp the performance of all the personnel for organizational growth and success. Firms can develop and enhance the value of the services of current employees by providing comprehensive capacity enhancement. Capacity enhancement is necessary not only to increase productivity, but also to empower and encourage workers by letting them know how vital their jobs are and providing them with all the knowledge they need to do those jobs. The overall benefits of employee capacity enhancement are: increased job satisfaction and productivity, increased engagement, increased system efficiencies, financial gain, increased ability to adopt new technology and approaches, increased tactical and consumer development, and decreased employee turnover.

Employee Commitment

The concept employee commitment has been studied from various theoretical perspectives. According to Amernic and Aranya (2003) two major theoretical approaches have been employed in the writing on employee commitment: the exchange approach and the investment approach. These researchers have summarized previous researchers' explanation regarding these two approaches as follows: Firstly, the exchange theory refers that person's hierarchical responsibility relies upon their apparent equalization of remuneration utilities. This approach emphasizes the exchange of relationships between people and organizations. Thus, the more favourable exchange from the participant's viewpoint, the greater his or her dedication to the organization. Secondly, the investment approach focuses on the time element; the longer a person has been with an organization, the more that person wants to stay. This encompasses tenure and pension benefits or social involvements, which is the interaction and identification with other members of the organization.

Hakim (2015) defines employee commitment like the ability and willingness of workers to stay in the company and to devote themselves to the organization's success. Similarly, Nongo and Ikyanyon (2012) summarized the three defined characteristics of Employee commitment which was devised by Mowday. These are strong beliefs and acceptance of the goals and values of the organization, a willingness to make considerable efforts on behalf of the organization and a strong desire to remain a member of the organization. Moreover, Mowday, Steers, and Porter (2009) stress that commitment represents something beyond simple inactive reliability to an

association. It includes a functioning association with the association to such an extent that people are eager to give something of themselves so as to add to the association prosperity.

Another perspective on employee commitment is the concept of "exchanged-based" or "side-bet" (Becker, 2000; Alluto, Hrebiniak and Alonso, 2013). This theory holds that individuals, regardless of the stressful conditions they experience, are committed to the organization as far as they hold their positions. However, they will be willing to leave the organization if they receive alternative benefits. Mowday, Porter and Steers (2002) support the theory of "side-bet" by defining employee commitment as a behaviour "related to the mechanism by which individuals are locked into a particular organization and how they deal with this problem." This behavioural aspect of employee commitment is explained by commitments of calculation and morals. The calculative or continuing viewpoint refers to the willingness of an employee to continue to work for the company based on the concept of calculating the cost-benefits of leaving an organization. Wiener and Vardi (2009) define employee engagement as "behavioural intent or reaction determined by the perception of the prescriptive stress by the person."

Measures of Employee Commitment

Herbach (2006) sees commitment as having three separable forms: attitudinal commitment, calculative commitment and value commitment.

Attitudinal Commitment: Attitudinal commitment is a phenomenon related to personality traits and job related factors, and leads to the willingness of an employee to support organizational goals. It is also the internalization of the values of the company by the employees and identifying themselves with the company's goals. Attitudinal commitment is understood as the attachment of the individual to the organization in a strictly emotional sense. It is the degree of loyalty an individual has for an organization. It emphasizes an individual's identification and involvement in the organization (Porter et al., 1974).

Attitudinal commitment often includes an exchange relationship and is characterized in three dimensions: positive impact on the organization, affiliation with the organization, and willingness to make an effort on behalf of the organization (Jaussi, 2007). Loyalty to the organization is the attachment status was observed by an organizational member as a sense of loyalty and faithfulness (Fletcher, 2003).

Attitudinal commitment describes the employees' allegiance to the company. In this approach, the workers' loyalty to the organization is focused on their emotions, which are referred to as the individual's emotional attachment to and engagement with the company (Brown and Griffeth, 2007). The organization speaks so much for its workers both tangibly and profoundly. In this manner, attitudinal responsibility is acknowledged as a solid kind of duty. The workers with this sort of responsibility recognize themselves completely with the association. In this way, they are prepared to make penances for their association and won't imagine leaving it.

Attitudinal commitment is higher in employees who display a high level of confidence in what they do. Employees with an elevated level of capability can pick great associations, and this thus will contribute towards attitudinal commitment. Attitudinal commitment advancement includes recognizable proof and disguise (Beck and Wilson, 2008). People's attitudinal connection to their associations is right off the bat dependent on identification with the craving to set up a remunerating association with an association. Secondly, through disguise, this alludes to compatible objectives and qualities held by people and the association. In general, attitudinal commitment is worried about the degree to which an individual distinguishes with the organisation.

Calculative Commitment

Calculative commitment is “awareness of the costs associated with leaving the organisation”. It is calculative in nature because of the individual's perception or weighing of costs and risks associated with leaving the current organisation (Hacket et al., 1994; Mathieu and Zajac, 1990). According to Romzek (2010), employees tend to evaluate their investments by looking at what they have contributed towards the organization and what they would gain by remaining in the organization and what they would lose if they leave the firm. When an employee feels that he or she does not possess the necessary skills to compete for a job in any other field, then the employee tends to develop calculative commitment and becomes more committed to the organization because of the limited opportunities and alternatives.

Calculative commitment, the second construct of employee commitment propounded by Penley and Gould (1988), is built upon the Becker's side-bet theory. According to this concept, when a

person operates in an organization for several years, he appears to acquire specific skills that are too expensive to lose in the form of energy, work effort and organization. Calculative is the product of an employee's belief that organizational membership serves his or her self-interest and results in the individual's continued involvement in the organization (Brown, 2000; Hom and Griffeth, 2005).

Calculative commitment is seen to be more of a “rational” response and is an instrumental evaluation of the relative utilities to leave. This is described by Etzioni, (2001) as analogous to inmates in a prison, people in concentration camps, and enlisted men in basic training. These are situations in which individuals see an absence of control or the capacity to change their environment. These people remain in the organization simply because they believe they have no other options. Each dimension represents a possible description of an individual's attachment to an organization. Calculative commitment is a kind of responsibility wherein the workers have budgetary reliance on the association. In this kind of responsibility, it is the material/budgetary advantage that makes workers remain with the association. Calculative commitment is commitment based on the costs that would occur if the person left the organization. Therefore, people having high calculative commitment stay in the organization since they need to. In other words, it would cost too much to leave. This would be the case, for example, if employee has used a ton of time and assets to learn something that can only be used in a particular company or at the time there are no similar or better employment opportunities available than the current position (Garcia-Gabrera and Garcia-Soto 2012).

The factors forging the calculative commitment can be listed as follows:

Age: The employee is either too old or too young to find work out of the organization.

Working period: The representatives' significant stretch of working for the association, their nature with the activity, the low likelihood of getting a new line of work out of the association, or their short working period in the association bringing about absence of experience.

Career opportunity: Absence of chance of making profession out of the association.

Educational background: Type of education is not appropriate for working in better conditions out of the organization.

Marital Status: Being hitched as well as with youngsters, so the worker doesn't set out to stop the association. Alternative job opportunities: Alternative openings for work are restricted.

Sex: the calculative responsibility of ladies is less more grounded than that of men.

Organizational justice perception (distributional justice): feeling that organizational justice is better assured than in other organizations (Price, 2007; Orpen, 2003).

According to Romzek (2010), workers will in general assess their speculations by looking at what they have contributed towards the association and what they would pick up by staying in the association and what they would lose on the off chance that they leave the firm. Individuals remain in the organization because they are lured by other accumulated investments that they may lose, such as pension plans, seniority or organizational skills.

Value Commitment

The value attachment refers to the commitment as a form of responsibility of the employee with the organization and implies that this individual does not leave the company due to the personal sacrifice involved in leaving it. It is based on feelings of individual debts to the company, given the benefits granted.

Value commitment refers to person's feelings of obligation to stay with the organization due to conscientious and ethical reasons. In other words, employees remain in the organization because they feel obligated towards the firm which has invested in them. According to Randal and Cote (2001), employees feel that when an organization has invested a lot of time and money in training and developing them, they have a moral obligation to continue to provide their services to the company. For example, when an organization has paid for the employees' education while they were continuing their studies to improve their qualifications, the organization has been a life-saver for the employee in difficult times, or the services provided by the organization are considered as socially and spiritually important noble duties, they now feel obligated to reimburse the organization by continuing to provide their services.

This feeling makes you work for the organization meaningfully. The more they are grateful to the organization, the more they feel pride for working for it. The employees with such an undertaking can make significant sacrifices for their organization and does not generally consider leaving the organization.

Capacity Enhancement Outsourcing and Employee Commitment

Malaolu and Ogbuabor (2013) did a study on training and development of human resources, productivity of employees and organizational performance in Nigeria: investigation. The study

was conducted in Nigeria, and its focus to examine the impact of education and workforce growth on the efficiency and organizational quality of employees in Nigeria, First Bank of Nigeria Plc was used as a case study. The produced data was analyzed using descriptive statistics. The study findings show that their efficiency and job productivity has been enhanced by training and manpower development. Secondly, education and personnel growth improved the performance of the company. The study suggests that organizations conduct training needs evaluation to ensure that the correct training and capacity building is provided; ensure that their training programs are on an ongoing basis; and inspire staff who performed exceptionally well during training sessions so that other staff strive to excellence in turn.

Amadi (2014) studied the effect of education and development on employees' performance; at Safaricom Limited call centre in Kenya. A case study approach was adopted in which data were collected through sampling across the population. Both descriptive and graphical techniques were used to analyze the responses. It was observed that both employee motivations and performance are positively affected by training and development. This contributed by a variety of training, relevant and of high quality. The study concluded that continuous training and development is needed, taking into account, among other things, competition, market dynamics, customer satisfaction, and net promoter score. The report advises that Safaricom's learning requirements should be taken into account based on overall business priorities. Therefore, the company's priorities must decide that training programs should be structured for employees.

Armstrong (2003) cited in Amadi (2014) defines capacity enhancement as the formal and precise adjustment of conduct through realizing, which happens because of training, instructions and planned experience. Capacity enhancement is the procedure of equipping the workforce with the necessary knowledge, skills and attitude to tackle the job responsibilities. Capacity enhancement could also be improvement of the employee competences for future environmental demands and adaptability. Beardwell and Hidden (2004) consider capacity enhancement as an arranged procedure to change frame of mind, information or expertise behavior through learning

experiences to accomplish compelling execution in a movement or scope of exercises. Corporations are offering a variety of capacity enhancement programs to meet their organizational needs. These Includes IT and infrastructure information, processes, procedures and business practices, industry-specific training, management and supervisory learning, interpersonal skills, regulation, marketing, executive development, core competencies, new employee orientation, customer service and quality. As Reynolds (2004) cited in Amadi (2014) points out, in improving training, ability enhancement has a complementary role to play. Instead of treating it as a systematic and all-pervasive solution for people growth, it should be reserved for circumstances that support amore-directed planned approach. He also commented that the conventional model of capacity enhancement tends to emphasize specific knowledge rather than attempt to develop key learning skills. Capacity enhancement improves the workforce competence in order to create a competitive advantage and contribute to organizational success. Capacity enhancement is also a means for employers to contact the workers 'needs. By offering the capacity enhancement opportunities employers' help employees develop their own competitive advantage and ensure long term employability (Jackson, 2008).

Some authors suggest considering capacity enhancement as investment decisions Eurich (2005), and they ought to be made after careful consideration. It is usually advised that capacity enhancement activities should be examined from the point of view of their ability to influence individual job performance, rather than isolated experiences that may or may not add to the organization's success. McGehee and Thayer (2001) are typically viewed as the writers of the primary course book on capacity enhancement in organizations. They suggested a three-fold approach to determine the types of capacity enhancement that should be implemented, including organizational analyses, task analyses, and person analyses. Organizational analyzes therefore focus on the ability of the organization to promote capacity enhancement. Task analyzes focus on the knowledge, skills, abilities and other personal characteristics needed to accomplish the task of the agency. Specific analyzes focus on the individual's needs, defining the individual's personal characteristics. There are two basic questions that must be address in the plan of capacity enhancement activities. The first is the question of how a given course should be delivered. Who should participate? Where the course should be held? What types of learning tools should be used in the program? A second question is the creation of a learning experience

that improves the transfer of knowledge. It is not enough for the trainees to learn; they must be able and willing to seek new abilities on their job.

From the foregoing, this study hypothesized as follows:

H₀₁: There is no significant relationship between capacity enhancement outsourcing and attitudinal commitment in the oil and gas industry in Rivers State, Nigeria.

H₀₂: There is no significant relationship between capacity enhancement outsourcing and calculative commitment in the oil and gas industry in Rivers State, Nigeria.

H₀₃: There is no significant relationship between capacity enhancement outsourcing and value commitment in the oil and gas industry in Rivers State, Nigeria.

METHODOLOGY

The study adopted a cross sectional survey research design. The population of the study was 15,299 and a sample size of 377 was determined using the Krejcie and Morgan Sample Size Determination Table. Primary data was collected through structured questionnaire. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. The hypotheses were tested using the Pearson Product Moment Correlation Coefficient with the aid of Statistical Package for Social Sciences version 20.0.

DATA ANALYSIS AND RESULTS

Table 1: Correlations Capacity Enhancement Outsourcing and Attitudinal Commitment

		Capacity	Attitude
capacity	Pearson Correlation	1	.634**
	Sig. (2-tailed)		.002
	N	350	350
attitude	Pearson Correlation	.634**	1
	Sig. (2-tailed)	.002	
	N	350	350

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

H₀₁: There is no association between capacity enhancement outsourcing and attitudinal commitment in the oil and gas industry in Rivers State, Nigeria.

The above table shows a positive relationship between capacity enhancement outsourcing and attitudinal commitment with (r) value of 0.634. This indicates that there is a 63.4% explanation of the relationship between both variables, while 36.6% are explained by other variables not considered in this relationship. However, this statement is true as the level of significance of 0.002 is less than 0.05, therefore, the null hypothesis is rejected, and its alternate form accepted. This states that there is an association between capacity enhancement outsourcing and attitudinal commitment in the oil and gas industry in Rivers State, Nigeria.

Table 2: Correlations Capacity Enhancement Outsourcing and Calculative Commitment

		Capacity	Calculative
Capacity	Pearson Correlation	1	.544*
	Sig. (2-tailed)		.011
	N	350	350
Calculative	Pearson Correlation	.544*	1
	Sig. (2-tailed)	.011	
	N	350	350

*. Correlation is significant at the 0.05 level (2-tailed).

H₀₂: There is no association between capacity enhancement outsourcing and calculative commitment in the oil and gas industry in Rivers State, Nigeria.

The above table shows an association between capacity enhancement outsourcing and calculative commitment with (r) value of 0.544. This indicates that there is a 54.4% explanation of the relationship between both variables, while 45.6% are explained by other variables not considered in this relationship. However, this statement is true as the level of significance of 0.011 is less than 0.05, therefore, the null hypothesis is rejected, and its alternate accepted. This states that there is an association between capacity enhancement outsourcing and calculative commitment in the oil and gas industry in Rivers State, Nigeria.

Table 3: Correlation for Capacity Enhancement Outsourcing and Value Commitment

	capacity	Value
--	----------	-------

Capacity	Pearson Correlation	1	.490*
	Sig. (2-tailed)		.024
	N	350	350
Value	Pearson Correlation	.490*	1
	Sig. (2-tailed)	.024	
	N	350	350

*. Correlation is significant at the 0.05 level (2-tailed).

H₀₃: There is no association between capacity enhancement outsourcing and value commitment in the oil and gas industry in Rivers State, Nigeria.

The above table shows an association between capacity enactment outsourcing and value commitment with (r) value of 0.490. This indicates that there is a 49.0% explanation of the relationship between both variables, while 51.0% are explained by other variables not considered in this relationship. However, this statement is true as the level of significance of 0.024 is less than 0.05, therefore, the null hypothesis is rejected, and its alternative form accepted. This states that there is an association between capacity enhancement outsourcing and value commitment in the oil and gas industry in Rivers State, Nigeria.

DISCUSSION OF FINDINGS

Having tested the three hypotheses postulated in the study, the researcher discovered that there is an association between capacity enhancement outsourcing and attitudinal commitment, calculative commitment and value commitment in the oil and gas industry in Rivers State, Nigeria. Capacity enhancement refers to programs that provide workers with information, new skills, or professional development opportunities. It is a process designed to ensure employees understand the policies and procedures of the company when they first begin work, as well as understand how their job fits with the goals of the company (Lepak & Gowan, 2010). Capacity enhancement is a necessity in the workplace, without it, employees don't have a firm grasp on their responsibilities or duties. This implies that for workers to have an affectionate tie with their employing organization there must be some level of capacity enhancement.

The growth in capacity enhancement outsourcing is all based on two facts: Capacity enhancement boosts organizational productivity, and outside capacity enhancement or outsourcing providers increase an organization's ability to train more people faster and more

cost-effectively than in-house staff. Human resource capacity enhancement outsourcing program helps in constructing a more conducive learning environment for the workforce and enhance them to cope with the upcoming challenges more easily and in time (Wei-Tai, 2006). According to Farooq and Aslam (2011), managers are trying their possible best to develop the employee's capabilities, ultimately creating good working environment within the organization.

CONCLUSION AND RECOOMENDATIONS

The development of workers through capacity enhancement, welfare, care and job orientation has increased their perception about the oil and gas companies as these things are necessary organizational prerequisite for work and employee support.

The well created organizational environment in which workers have a conducive platform to showcase their capacities has well-sprung a sense of belonging and strong attachment to the organization as their next home outside their families.

That due to the provision of the required skills and information for one's job, employees become more emotionally bond to the organizations. Capacity enhancement outsourcing should be a widely adopted in human resource outsourcing process in oil and gas industry in the region understudied.

The study recommends that:

1. Organizations should develop conducive environments as means of support for capacity enhancement outsourcing in other to create a sense of value to the employees and make them feel obligated to remain with the organization.
2. The organization should involve employees in making decisions to outsource services. They should also be trained on the importance and disadvantages of outsourcing. Organization should carry out proper supplier appraisal to be able to determine whether they will be able to undertake the contract as required.
3. Many young people are exploited by the outsourcing firms. The firms give them opportunity to work without proper evaluation; but when the people cannot meet the performance expectation of the client company they are laid off. Such types of events also lower the morale of peers or other employees recruited through the third party. Govt. should have policy in this regard.

REFERENCES

- Allen, N. J. & Meyer, J. P. (2000). The measurement and antecedents of affective, continuance, and normative commitment to the organization. *Journal of Occupational Psychology*, 63, 1–18.
- Amadi, E.J. (2014). The effect of training and development on employees' performance; at Safaricom Limited call centre. A Research Project Submitted In Partial Fulfilment of the Requirements for the Award for the Degree of Master of Business Administration (MBA) School of Business, University Of Nairobi.
- Anyanwu U (2002). *Productivity and capacity building. Proceedings of the 9th Annual Conference of the Zonal Research Units*, Gateway Hotel, Abeokuta, 12-16.
- Alutto, J. A., Hrebiniak, L. G., & Alonso, R. C. (2003). On operationalizing the concept of commitment. *Social forces*, 51, 448–454.
- Armstrong, M. (2003). *Human Resource Management practice 8th Edition*. London: Kogan Page Ltd.
- Blau, G., Paul, A., & John, N. (2003). On developing general index of work commitment. *Journal of Vocational Behaviour*. 42(2), 298–314.
- Brown, D., & Wilson, S. (2005). *The black book of outsourcing: How to manage the changes, challenges, and opportunities*. Hoboken, New Jersey. John Wiley & Sons.
- Chiaburu, D. S., & Marinova, S. V. (2005). What predicts skill transfer? An exploratory study of goal orientation, training self-efficacy and organizational supports. *International Journal of Training and Development*. 9, 110-23.

- Cook, M. (2004). *Personnel Selection: Adding value through people (4th)*. United Kingdom: John Wiley & Sons Ltd.
- Cooke, F. L. (2001). *Outsourcing maintenance work to increase organizational competitiveness* - A study of five plants. Paper for the annual work, employment and society conference. University of Nottingham, UK.
- Dennis, R., & Griffin, U. (2005). *Human resource management*. 2nd. Houghton Mifflin Company. 330-335.
- Eisenberger, R., Huntington, R., Hutchinson, S. & Sowa, D. (2006). Perceived organizational support. *Journal of Applied Psychology*. 71, 500–507.
- Farooq M., Khan M. A. (2011). Impact of Training and Feedback on Employee Performance Goldstein IL,
- Gainey, T. W. & Klaas, B. S. (2005). Outsourcing relationships between firms and their training providers - The Role of Trust. *Human Resource Development Quarterly*, 16(1), 7-25.
- Galanaki, E., & Papalexandris, N. (2005) Outsourcing of human resource management services in Greece. *International Journal of Manpower*, 26(4), 382-396.
- Goldstein, I. L., & Ford, J. K. (2002). *Training in organizations*. (4th). California: Wadsworth, Belmont.
- Griffeth, R. W., & Hom, P. W. (2008). A comparison of different conceptualizations of perceived alternatives in turnover research. *Journal of Organizational Behavior*, 9, 103-111.
- Jaussi, K. S. (2007). Attitudinal commitment: A human resources three-dimensional construct. *Journal of Occupational and Organizational Psychology*, 80, 51-61.
- Lepak, D. & Gowan, M. (2010). Human resource management: Managing employees for competitive advantage. International Edition. Pearson education international. 220-223
- Mathieu, J. & Zajac., D. (2000). A review and meta-analysis of the antecedents, correlates, and consequences of organizational commitment. *Psychological Bulletin*, 108(2), 171-194.
- Malaolu, V.A. & Ogbuabor, J.E. (2013). Training and manpower development, employee productivity and organizational performance in Nigeria: An empirical investigation. *International Journal of Advances in Management and Economics*, 2 (5), 163- 177.
- Mathis, R. L. & Jackson., J. H. (2004). Human resource management. (10th) International student edition. Thomson Southwestern. 233-237.
- Meyer, J. & Allen, N. (2007). *Commitment in the workplace: Theory, research, and application*. Thousand Oaks, CA: Sage Publications.

Mowday, R.T., Steers, R.M.; & Porter, L.W. (2009). The measurement of organizational commitment. *Journal of Vocational Behaviour*, 14, 224-247.

Nachmias, C.F., & Nachmias, D. (2009). *Research methods in the social sciences*. (5th). India: Replika Press Pvt. Ltd.

Onasanya CMD (2005). *Effective Personnel Management and Industrial Relations*.

© GSJ