

OUTSOURCING AND OPERATIONAL PERFORMANCE OF THE KENYA NATIONAL
POLICE SERVICE

By

Fredrick Kimaru K.

D61/76814/2012

**A Research Project Submitted in Partial Fulfillment of the Requirements of the Master of
Business Administration Degree, School of Business, University of Nairobi**

2014

DECLARATION

This project is my original work and has not been presented for a degree in any other university

.....

Signature

Fredrick K. Kimaru

Reg. No.: D61/76814/2012

.....

Date

This project has been submitted for examination with my approval as university supervisor

.....

Signature

Professor Gituro Wainaina

Department of Management Science,

School of Business, University of Nairobi

.....

Date

ACKNOWLEDGEMENTS

I give thanks to God for giving me life and grace each day to contribute to His work in the universe.

I was fortunate to have the guidance of my supervisor Prof. Gituro Wainaina who provided me with immeasurable advice.

My sincere gratitude also goes out to Prof. Gituro's supervision team, to whom I will always be grateful.

To my family for their support and love, I am forever indebted.

DEDICATION

To my Gladys and my family, for their support and encouragement

TABLE OF CONTENTS

DECLARATION	ii
ACKNOWLEDGEMENTS	iii
DEDICATION	iv
LIST OF TABLES.....	vii
LIST OF FIGURES.....	viii
ABSTRACT.....	ix
LIST OF ABBREVIATIONS	x
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background of the Study	1
1.1.1 Outsourcing.....	1
1.1.2 Operational Performance	2
1.1.3 Kenya National Police Service	3
1.2 Statement of the Problem.....	3
1.3 Objectives of the Study.....	4
1.4 Value of the Project	4
CHAPTER TWO: LITERATURE REVIEW.....	6
2.1 Introduction.....	6
2.2 Outsourcing Theory	6
2.2.1 Outsourcing Practices and Its Impact	7
2.3 Kenya National Police Service	9
2.3.1 Maintenance and Management of the Vehicle Fleet	9
2.3.2 Surveillance Equipment.....	10
2.3.3 Communication Equipment.....	10
2.3.4 Housing.....	10
2.3.5 Medical Facilities and Life Insurance Cover.....	11
2.3.6 Providing Non-Unit Training	11
2.4 Operational Performance and Case Studies.....	12

2.4.1	South Africa Police Service Model	12
2.4.2	United Kingdom Metropolitan Police Authority Model	13
2.4.3	Jamaica Constabulary Force Model.....	13
2.4.4	Canada Regional Municipality Police Service Model.....	14
2.5	Empirical Review	15
2.6	Conceptual Framework.....	18
2.7	Summary.....	18
CHAPTER THREE: RESEARCH METHODOLOGY		20
3.1	Introduction.....	20
3.2	Research Design	20
3.3	Population	20
3.4	Sampling Design.....	20
3.5	Data Collection	21
3.6	Data Analysis.....	21
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION		23
4.1	Introduction.....	23
4.2	Outsourcing on Operational Performance of National Police Service	23
4.3	Summary.....	32
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS.....		33
5.1	Introduction.....	33
5.2	Summary.....	33
5.3	Conclusion	33
5.4	Recommendations.....	34
5.5	Limitations	35
REFERENCES		36
APPENDICES.....		39
Appendix I: Letter of Introduction.....		39
Appendix II: Questionnaire		40

LIST OF TABLES

Table 2.1 Summary of Literature Review.....	16
Table 3.1 Summary of Methodology.....	22
Table 4.1 Measurement of National Police Service’s Past Performance	24
Table 4.2 Past Operating Strategies Adopted and Their Effectiveness.....	25
Table 4.3 Goals and Objectives of Outsourcing	27
Table 4.4 Impact of Outsourcing.....	28
Table 4.5 Barriers Impeding Outsourcing Decision-Making.....	29
Table 4.6 Risks of Outsourcing.....	31

LIST OF FIGURES

Figure 2.1 Cost of Policing Regional Municipality Canada.....	14
Figure 2.2 Conceptual Framework.....	18
Figure 4.1 Measurement of National Police Service’s Past Performance	24
Figure 4.2 Past Operating Strategies Adopted and Their Effectiveness	26
Figure 4.3 Impact of Outsourcing	28
Figure 4.4: Barriers Impeding Outsourcing Decision-Making.....	30
Figure 4.5: Risks of Outsourcing	31

ABSTRACT

Outsourcing is a viable operating strategy for any organization, including the police service, although it has non-profit objectives and therefore has limited experience in and use for outsourcing criteria developed for commercial enterprises. Outsourcing has become necessary in a bid to maximize limited resources due to the unavailability or inadequacy of funds for police operations. Feeling the intense pressure and burden of law and order maintenance, crime detection and other routine duties coupled with scarcity of resources, the police service have gradually adopted the outsourcing model as an operating strategy. Outsourcing should be used as a reform strategy to save cost and make the organization more efficient. The purpose of this study was thorough and comprehensive analysis of the situation in the field of outsourcing within the police service, with special emphasis on outsourcing non-critical functions and its impact on their operational performance. Presently, outsourcing by Kenya police is in the infancy stage while in the developed world, most of the police forces have already outsourced several of their non-critical functions. Therefore, the objectives of the study was to establish past measures the National Police Service (NPS) had taken to improve its operational performance and identify key areas that offer greatest potential for improvement in operational efficiency and infrastructural savings through outsourcing. This study further focused on in-depth review of the effects of outsourcing non-critical functions within the police service operations. Methodology focused particularly on descriptive and quantitative analysis of content, substantive, procedural and other relevant factors within the process of outsourcing and summarizes the results of empirical research on its impact on operational performance in police service. The study showed that the vast majority of surveyed officers (80 percent) had no actual evaluation framework, including objective criteria or a system of indicators to measure the eligibility of outsourcing decisions and that the officers' decisions on outsourcing were mainly based on intuition and the inertia of previous years, rather than pre-established objective criteria and measurable indicators. The findings obtained lead to the development of concrete guidelines and recommendations for an outsourcing criteria and integrating with operational objectives of the police service.

LIST OF ABBREVIATIONS

CCTV	Closed Circuit Television
CPI	Cost of Price Index
DFID	Department for International Development
NHC	National Housing Corporation
NPS	National Police Service
NTFPR	National Task Force on Police Reforms
PPPs	Public Private Partnerships
SAPS	South African Police Service
SLA	Service Level Agreements
T&R	Transport and Repairs
USAID	United States Agency for International Development

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Outsourcing has become a significant decision in the restructuring of organizations and many commentators agree that it is currently one of the fastest-growing and most important activities in business. Outsourcing decisions and strategies have been widely investigated and documented in the literature. In many papers, outsourcing has been motivated by an economical trade-off to allow companies to focus on their core competences. The idea of focusing on core competences has been recognized in operation strategy literature as a critical success factor in long-term survival of a company (Burnes & Anastasia, 2003).

According to estimates, the amount of outsourcing projects in the public sector has doubled in recent years. Outsourcing projects ought to reduce costs and help organizations to focus on core business processes which should consequently improve service provision and quality. Past experience and recent research carried out in the public sector show that outsourcing can indisputably bring many benefits to the organizations which master the art of devising, deploying, and maintaining outsourcing relationships, but for many organizations, these benefits remain elusive.

1.1.1 Outsourcing

Outsourcing theory as a science of supply chain management, despite its achievements in private sector, outsourcing is slowly gaining ground in administration and delivery of service in public agencies such as the police service. According to Hong Kong government efficiency unit guide for 2008, outsourcing can be defined as an arrangement where a government department contracts an external service provider for a continuous period for the provision of services specified and usually paid for by the department. Similarly Fan (2000) states that outsourcing is a contractual agreement between the user and one or more providers to provide services or processes that the user is currently providing internally.

In public agencies, it may be appropriate to explore outsourcing opportunities particularly for non-critical functions. Non-critical functions are defined as activities with which an organization

can long operate without. If a function is non-critical, the organization could suffer minimum or no legal, financial, goodwill or other serious losses or penalties. In police service, these non-critical functions are activities capable of being outsourced without affecting the ability of the police to prevent, combat and investigate crime.

1.1.2 Operational Performance

Operational performance is a process of assessing progress toward achieving predetermined goals, including information on the efficiency with which resources are transformed into goods and services (outputs), the quality of those outputs (how well they are delivered to clients and the extent to which clients are satisfied) and outcomes (the results of a program activity compared to its intended purpose), and the effectiveness of government operations in terms of their specific contributions to program objectives (Terrel, 2003).

Policing is increasingly becoming complex and strategies have been brought on fore to manage the complexity in police operations especially cost structure of policing, technology and increasing labour costs, capacity management, quality of service and the inefficient policing structures. In developed world, governments have endeavored to equip the police service with the most modern vehicles, communication equipment and other facilities to support its operations through strategic outsourcing. In comparison, in developing nations such as Kenya, there has been a push from the government to consider significant changes to police operations. Police service, however has yet to coalesce around any single strategy on how to get there, and the desire from government for momentum is forcing untested models to the fore.

Outsourcing needs of police service operations have similar characteristics to those in the private sector and these include, but are not limited to large information networks, expanding service provider base, and complex inventory of equipment, maintenance functions specific to unique fleets of equipment, intensive information reporting, shrinking work forces, shortened turn-around times, smaller budgets, more customization, and unique public demands. In developed countries, policing agencies that have adopted outsourcing strategy in their operations have had immense benefits. These include cost saving, elimination of redundancy, improved efficiency and quality of service, cost restructuring, operational expertise, and capacity management issue.

1.1.3 Kenya National Police Service

The Kenya National Police Service (NPS) is a national body charged with law enforcement in Kenya. While organized at the national level, the police service is divided into 47 county policing authorities, each containing several police divisions and each division having a number local police posts/stations. It is governed by the NPS Act 2011 which establishes the formation of various units and their scope of work (Kenya Police Annual Report, 2012).

In Kenya, police are the most visible manifestation of government authority responsible for public security and has previously been associated with slow response, poor investigation of crimes and corruption. This has led to the unequivocal call for police reforms which culminated in the commissioning of the National Task Force on Police Reforms (NTFPR) to come up with pragmatic measures to make the police service more responsive and accountable to the people they serve.

The NPS has come under immense pressure from the public, civil societies and private sector to deliver their responsibilities in the most efficient, effective and transparent way. With limited resources, therefore the police have to develop ingenious ways to outsource its non-critical functions. Police operations are dependent on non-critical functions. Outsourcing of non-critical functions is a viable operating strategy for any organization, including the NPS, although it has non-profit objectives and therefore has limited experience in and use for outsourcing criteria developed for commercial enterprises. Outsourcing has become necessary in a bid to maximize limited resources due to the unavailability or adequacy of funds for police operations.

1.2 Statement of the Problem

Several prior empirical studies especially from developed economies have advanced theories that support collaboration between public agencies and private service providers as a sure way of making security agencies more resilient and responsive to its ever changing risk environment (Jamaica Constabulary Force (JCF) Strategic Review Panel Report, 2008) but few have focused on emerging economies such as Kenya. In emerging economies, the intense pressure and burden of law and order maintenance, crime detection and other routine duties coupled with scarcity of resources, the police service needed to gradually adopt the outsourcing model as an operating

strategy. Outsourcing should be used as a reform strategy to save cost and make the organization more efficient.

In Kenya, research literature on police operations has been centered on collaboration between public and private security (Thuranira & Munanye, 2013); and implementation of centralized purchasing process (Kasaya, 2013). In this paper, a framework of outsourcing non-core policing functions by distinctively analyzing recent outsourcing literature is developed. Little is known on outsourcing at the operational level especially for security agencies like the police service, where outsourcing is considered exclusively as private sector practice. To fill this gap and contribute to the understanding of operational implications of outsourcing, an extensive study into NPS operations with a view of outsourcing non-critical functions was done.

This study focused primarily on the following research questions what past measures has the Kenya police taken to improve operational efficiency and infrastructural savings? which key areas will offer the greatest potential for outsourcing in Kenya police? what are the effects of outsourcing non-critical functions in NPS?

1.3 Objectives of the Study

The general objective of the study was to establish the effect of outsourcing on operational performance of NPS and the specific objectives were to;

- i) Analyse past measures the Kenya police has taken to improve operational efficiency and identify key areas that offered the greatest potential for outsourcing.
- ii) Review the impact of outsourcing in police service with particular emphasis on outsourcing of non-critical functions.

1.4 Value of the Project

This study derived appropriate outsourcing decision-making criterion which form the basis for the development of a scorecard for identifying services that can be outsourced successfully within the police service. By outsourcing as many non-core functions and activities as possible they should be able to reduce costs of operations and create funds for vital, but non-funded activities. Additionally, outsourcing of non-critical functions by public sector organizations is of immense interest to policy makers, researchers and decision makers in these agencies. This

study provides a basis for future planning and implementation of outsourcing in public organizations which should be based on critical and objective evaluation which could significantly facilitate and improve decision making process while minimizing risk and reducing cost. Finally, this study alongside published literature assists to identify the bottlenecks that impair implementation of outsourcing as an effective strategy in delivery of public service.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviewed the contextual and theoretic work done relating to adoption of outsourcing in police service operations. The purpose of the chapter was to document critical knowledge around outsourcing and its impact on operational performance of police service.

2.2 Outsourcing Theory

Outsourcing has become one of the most powerful, organization-shaping management tool available today and organizations' leaders now measure success by outcomes, effectiveness and customer satisfaction (Petrick, 1996). Leading global firms and even non-profit making organizations have cashed in on the new trend and now use outsourcing as a primary business solution tools. However, the non-profit-making organizations use outsourcing as a tool to maximize efficiency. By outsourcing as many non-core functions and activities as possible they were able to reduce costs of operations and create funds for vital, but non-funded activities. However, this strategy requires that top management possess a variety for negotiation and relationship management skills, as well as strategic planning expertise, which is lacking in some non-profit making organizations such as the police department (Goolsby, 2002).

Barrett and Baldry (2003) defined outsourcing as process by which a user employs a separate organization (provider) under a contract to perform function which could alternatively have been performed by in-house staff. Outsourcing is also an approach by which organizations contract out functions to specialized and efficient service providers who become valued business partners making strategic use of outside resources to perform activities traditionally handled by internal staff and resources (Cloete, 2002).

With costs as the main motivating factor for organizations considering outsourcing, the practice has become a solution for many firms and providers as a formula for financial stability through increased revenue, long-term customers and sustained profitability. Eger et al (2002) added that outsourcing has also grown tremendously popular as a means of reducing costs, increasing efficiency, and improving overall quality of service in public sector organizations. This is based

on the proven record of success in many different contexts. Throughout the development of this new perspective, a great deal has been learnt from observing private sector outsourcing practices and their applicability within the public sector which has provided a number of important suggestions, precautions, and some extensive models to guide the outsourcing decision-making process (Ken, 2010).

2.2.1 Outsourcing Practices and Its Impact

According to Harland et al (2005), there are many other motivations for outsourcing, beyond short-term cost savings. For example, it can enable firms to focus on core activities. The concept of focus originates in operations strategy literature. They identified the benefits of concentrating an operation on a small, manageable, number of tasks at which the operation becomes excellent. Some observe that as suppliers may be significantly more advanced outsourcing to them allows organizations to exploit their more advanced technologies. Others suggest that outsourcing improves flexibility to meet changing business conditions, demand for products, services and technologies, by creating smaller and more flexible workforces (Patterson & Pinch, 1995).

Recorded outsourcing practice appears to date back to 18th century, however it was the 1960s that saw the rise of specialized companies that promoted their identities as being able to take on and run processes for other organizations (Bendor-Samuel, 2001). Over the years, as organizations become more complex, their resources also become increasingly specialized and directed towards specific elements of their operations such as project design, engineering, manufacturing, human resources, information technology, sales, and logistics. This specialization encouraged the outsourcing of non-core activities, challenging management to re-evaluate the desirability of traditional vertical integration and the meeting of all organizational needs with in-house support (Boyson et al, 1999).

Historically, outsourcing was used when organizations could not perform, perhaps due to incompetence, lack of capacity, financial pressures, or technological failure. Now outsourcing is being used to restructure organizations that are successful as they recognize that management's undivided attention on building core competencies and serving user needs is critical. Anything that distracts from this focus should be considered for outsourcing. Rapidly changing technical functions that require substantial systems investment, support, and expertise are, thus

increasingly being outsourced. Organizations are reluctant to invest in and maintain cutting-edge technology and technical specialists internally, when they know that similar assets exist outside the company, developed without any investment and risk being required of them (Greaver, 1999).

In Kenya, the use of competitive tendering and contracting out has been growing rapidly. Outsourcing within the public sector in Kenya can be traced back in early 2000's when multi-sector reforms and globalization took root in governance of government agencies. These public sector reforms have been driven both by budgetary pressures requiring reduced government spending and by the influence of economic theories about public administration and its function. The concept was also seen as a strategy in which government agencies could strive to improve performance and primarily cut back costs as well as focus on its core functions and core activities.

According to Eger et al (2002), the benefits of outsourcing are variable, dependent upon the nature and situation of an organization. Buligiu and Ciora (2008) added that organizations that outsource are seeking to realize benefits or address the following issue of cost savings by lowering the overall cost of the service to the business, operating leverage is a measure that compares fixed costs to variable costs. Outsourcing changes the balance of this ratio by offering a move from fixed to variable cost and also by making variable costs more predictable. Achieve a step change in quality through contracting out the service with a new Service Level Agreement (SLA). Services are provided through a legally binding contract with financial penalties and legal redress, this is not the case with internal services.

However, non-critical and over abundant implementation of outsourcing projects has led to some unforeseen problems in public sector as well. Seeking short term solutions on account of policing philosophy and lack of experience in this field as well as neglecting all other organizational aspects except costs (even cost effectiveness of some outsourcing projects is very doubtful in the long run) has led some public sector organizations to difficult situations. A variety of negative implications caused by outsourcing, some public sector organizations have found themselves in a vicious circle. In fact, their continued operation is no longer possible without external

contractors, while on the other hand, outsourcing is undermining their organizational foundations such as control over costs, human resources and future development.

2.3 Kenya National Police Service

A modern police service, like any other organization, has to continually change and improve to ensure that its customers, the public, benefit from an improved service, which provides a safe and secure environment for them to go about their daily business. Reform should be a continuous process and a pre-requisite to ensuring the best police service for any country (Mars Group Kenya, 2009). In Kenya, after the post-election violence in 2007/2008, the National Task Force on Police Reforms (NTFPR) was tasked by the government to examine among other issues, existing policies and institutional structures of the police, and to recommend comprehensive reforms that would enhance effectiveness, professionalism and accountability in the police services.

The task force, in their findings learnt that the police service units were poorly equipped and resourced in terms of transport, housing and basic communication facilities. In outsourcing its non-critical functions, consideration should be given to areas that have proven potential through existing police experience or the experience of comparable organizations, areas clearly definable in terms of service specification; and areas that provide clear benefits in terms of capital/revenue savings.

2.3.1 Maintenance and Management of the Vehicle Fleet

The NPS was found to have a shortage of 10,000 vehicles countrywide. At least 200 police stations across the country do not have sufficient vehicles needed to enable police to deal effectively with criminal activities. The lack of enough motor vehicles for their policing work inhibits their operational effectiveness. Where the vehicles were available, they lacked appropriate maintenance and many of them were broken down. There is also a lack of an appropriate policy, which can be applied in determining the right vehicles for the relevant policing area with a view to ensuring effectiveness.

In the force, the transport and maintenance unit is charged with the responsibility of providing reliable transportation for the officers to the scenes of crimes. The under-resourced unit should

consider outsourcing of transport facilities as a preferred option to officers using all modes of transport available to get to the scene of crime as quickly as possible for example, matatus, taxis, buses, and private motor vehicles from members of the community.

2.3.2 Surveillance Equipment

The use of Closed Circuit Television (CCTV) cameras by police in detection of crime is inadequate. The only available CCTV cameras within the central business district of the city of Nairobi are on test-run basis. Indeed, there is need for the police to work together with private sector agencies such as hotels, banks, office and shopping complexes that already have CCTV facilities. Acquisition and installation of modern surveillance systems is a necessity for a police unit manning the biggest metropolis in East and Central Africa but it is limited funding by county and national government undermines its mandate. The government should consider partnering with external service providers to reduce the capital costs associated with such ventures.

2.3.3 Communication Equipment

The police lack the right and appropriate communication equipment; communication equipment within the police, were found either absent, non-functional, or poor and outdated. This directly undermines the ability by members to access telephones, mobile phones or internet facilities to enable them to undertake their normal policing functions. Police investigators routinely use their personal mobile phones for official purposes, as they have no access to police communication systems. The task force also found that some criminals have superior communication equipment to that of the police, which enables them to intercept police communications. In order to modernize the equipment, the police should consider outsourcing the communication equipment to external service provider.

2.3.4 Housing

The task force found that the government has made limited effort to provide and improve the housing condition for the police staff. However, the police housing is inadequate and where available they are over-crowded with married and single police officers forced to share single rooms. The resultant effect has been decay in values and morals, low morale, high levels of stress and strained interpersonal relations between the officers. The alarming situation supported by statistics provided to the task force, indicate that the Kenya police, with a complement of 42,342 officers, has a shortfall of 30,000 housing units.

Despite the inadequate budgetary allocation, the task force was concerned that the police service did not appear committed to planning and prioritizing their housing projects. It, therefore recommended for the government to consider other viable and convenient options of handling these projects by utilizing internal capacity readily available in National Housing Corporation (NHC) or the private sector.

2.3.5 Medical Facilities and Life Insurance Cover

The nature of policing duties exposes police officers to all manner of risks. The risks have increased due to emerging challenges in maintaining safety and security. Despite their efforts to respond to public expectations, the medical needs of the police officers and their family members were not sufficiently catered for. The task force was informed that in the event of need for emergency treatment in the course of duty, police officers were admitted to the forces memorial hospital in Nairobi but later transferred to a general hospital for follow-up treatment. It is frustrating that police officers have to share crowded general health facilities with members of the public in spite of their responsibilities to the public.

The Kenya Government effort to procure life and injury insurance cover for the disciplined forces, which also covers the police service through the National Hospital Insurance Fund (NHIF), is highly inadequate cognizant of the high risks exposure. There is, however a need to fast-track the process to modernize the medical facilities and provide adequate insurance cover in liaison with external service provider to ease the anxiety currently facing police officers and their family members.

2.3.6 Providing Non-Unit Training

The axiom ‘knowledge is power’ adequately applies to any modern police service. According to the Kenya police new standing orders, training of a police officer is a continuous process and must not be considered to have been completed at the end of an officer’s recruitment course. It is the policy of the police that as many training, retraining and refresher courses as possible should be administered and officers who are deployed to operational areas should undergo pre-deployment specialized training. To keep up with modern policing standards in the developed countries, the government should consider hiring external consultants/experts to refine police training, and inculcate modern police management skills among the senior officers.

The next section of this study will present up to date literature and research concerning the outsourcing phenomenon within the police, which have been trying to resolve the problems addressed above and facilitate more objective and comprehensive decision making in this field of public sector.

2.4 Operational Performance and Case Studies

In a seminal paper published in 2001, two internationally renowned experts on policing, David Bayley and Clifford Shearing, argue that policing is undergoing a historic restructuring. Furthermore, this restructuring has two distinguishing features; the separation of those who authorize policing from those who do it and the transference of both functions away from government.

There were a number of reasons for this; first, even for wealthier states, maintaining and expanding all aspects of a criminal justice system has become too costly. Second, private enterprise has developed the expertise and capacity to provide specialized services more cost-effectively than the state. Third, rising crime levels and public concerns about high levels of crime, has forced policy makers to look for new and alternative providers of criminal justice services. Finally, as services, facilities and industries hitherto monopolized by the state were successfully outsourced to private contractors, and even completely privatized, innovative reformers even developed an outsourcing agenda for criminal justice systems (Bayley & Shearing, 2001).

2.4.1 South Africa Police Service Model

A study of a large metropolitan police station in South Africa revealed that the bulk of police time was not devoted to fulfilling the police's primary role. The study revealed that 20 percent of the station's staff was assigned to full time guard duty, as the station was responsible for security at the local court houses as well as its own holding cells. Almost 23 percent of police officers' time was taken up by administrative work, while another 8 percent of was devoted to public administration such as acting as commissioners of oath and otherwise maintaining the charge desk. In contrast, visible patrols took up 15 percent of police officers' time, followed by investigations (10 percent) and responding to calls for assistance (8 percent).

The above figures illustrated that even with the immense pressure the South Africa Police Service (SAPS) was under to respond to rising levels of recorded crime and public insecurity, the bulk of its human resources were devoted to performing functions peripheral to its mandate. Most of these functions, such as the guarding of court rooms and holding cells, and administrative and clerical work, could be outsourced to the private sector. Subsequently, SAPS gradually outsourced a number of its non-core functions and services to private service providers. These included the guarding of government buildings, the maintenance of police buildings, the management of the police's vehicle fleet and vehicle pounds, and the provision of information technology services for the SAPS.

2.4.2 United Kingdom Metropolitan Police Authority Model

In 2002, the total value of signed and planned Public Private Partnerships (PPPs) projects in the criminal justice system in the United Kingdom was £13 billion, including capital and operational costs. Among the 43 police authorities in England and Wales, outsourcing schemes range from facilities for firearms training, to riding stables, offices, custody suites and entire police complexes. In England and Wales, it was estimated that by 2010 private sector consortia operated and managed most court complexes. In fact, in the United Kingdom, there are already privatized prisoner escort services, contractually managed prisons, outsourced ancillary services within publicly run prisons, privately run immigration detention centers and electronic monitoring services.

2.4.3 Jamaica Constabulary Force Model

In 2000, KPMG worked with the Jamaica Constabulary Force (JCF) to identify areas of the force that could be outsourced and a plan for completion of the task. The report provided a useful starting point in the identification of areas suitable for outsourcing. These included JCF personnel management, headquarter stores, support staff in all general offices, and remaining police staff in the police national computer centre. According to JCF review panel report, JCF faced continued problems keeping a viable fleet on the road. The Transport and Repairs (T&R) division in particular lacked enough serviceable vehicles to meet their day to day needs.

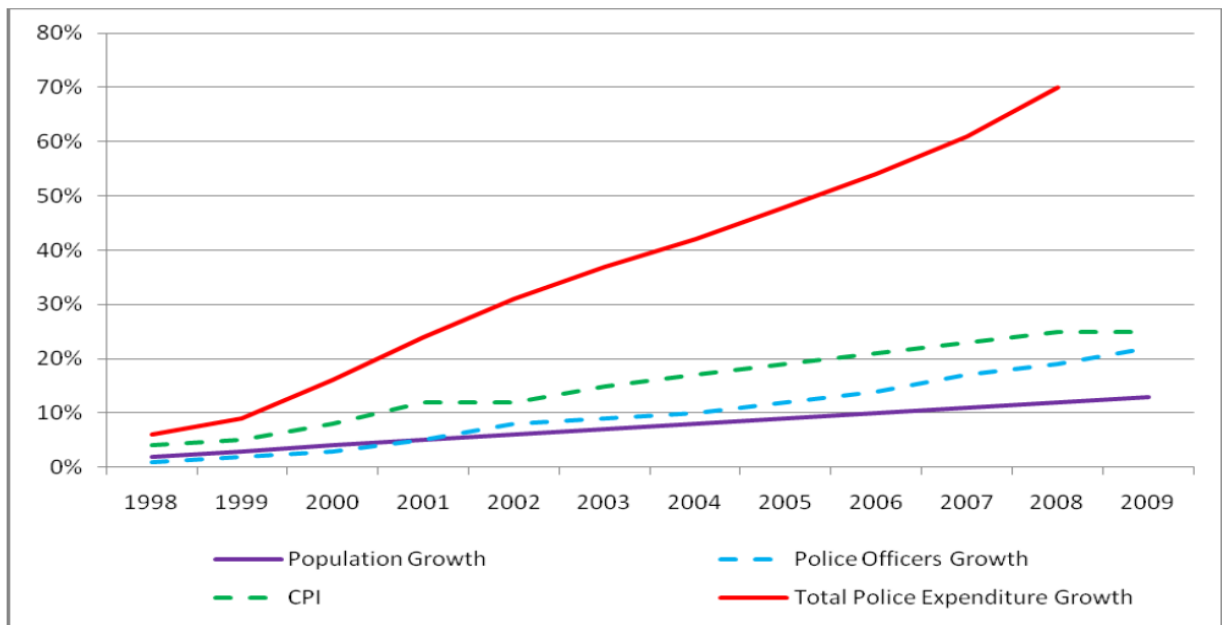
The T&R division had requested the implementation of an electronic fleet management system to assist them in tracking and rotating vehicles, allowing them deployed where they were most

needed and serviced on schedule. This, over time, would assist in the overall serviceability and number of vehicles available across the force. The panel recommended that issue of fleet management should be revisited and a formal assessment of the cost benefit of the different options available for delivery of fleet services and repairs undertaken. If outsourcing was the preferred option, the JCF should maintain a small in-house capability to manage the servicing and repair of its covert holdings.

2.4.4 Canada Regional Municipality Police Service Model

According to Cacole session paper published in 2012, policing is one of the fastest-growing areas of public expenditures in Canada. As indicated in Figure 2.1 below, policing expenditures went from \$6.8 billion in 2000 to \$12.3 billion in 2009; an increase of 81 percent in nine years. This situation would only be further exacerbated by funding restraints at the federal and provincial levels. The bulk of that increased cost was due to increasing salaries and benefits and hiring of more police officers. Consequently, police boards/commissions and provincial governments explored the changes that needed to be made in the provision of policing services at a cost that was affordable and sustainable, while maintaining public safety.

Figure 2.1: Cost of Policing Regional Municipality, Canada (Percent): 1998-2009



(Source: Avoiding Crisis, an Opportunity: Transforming the Toronto Police Service. A discussion paper, p15)

After reviewing and defining the core responsibilities for policing, which would include an examination of alternative models of service delivery, the government would eliminate the use of police officers for non-core policing duties, replacing them with special constables or private security services. Similar measures to reduce costs in correctional facilities were implemented. Examples of non-core services included inmate transportation and community escorts, inmate health care, food services and laundry services.

2.5 Empirical Review

There is an emerging consensus that we are providing 21st century policing with a 19th century model, which depends almost entirely on the uniform police officer as the main provider of policing services. It is being questioned whether police officers should be performing all of the functions that they do at present, and whether the skills sets that are required for several of these functions could be acquired at less cost using other non-uniform and specialized resources. It is also being questioned whether alternative resources to public policing, such as use of external service providers, should not be considered, with non-critical functions provided by them in accordance with clear standards and well defined accountability.

As a pre-condition to adopting alternative delivery models, there is a need to differentiate between core and non-core policing functions so that the police organizations focus on core policing functions. Most recently, Drummond Report for the Justice Sector (2012) in recommending ways to reform the public service had called for a review of policing functions and for consideration of outsourcing possibilities.

Outsourcing is an ideal business approach through which an organization such as the Kenya police should be able to exploit their core expertise by being flexible and capable of rapid change. Outsourcing should enable the police service to overcome intrinsic failings and inefficiencies associated with performing tangential activities in-house, including inexperienced staff, which often result in poor economies of scale and lack of flexibility (Burden & Haylett, 2000). The literature reviewed identified outsourcing criteria applicable to the police that will form the basis for the development of an outsourcing scorecard which should assist police decision-makers in identifying functions and services with outsourcing potentials. Table 2.1 below summarizes the empirical literature review.

Table 2.1 Summary of Literature Review

Study	Objectives	Methodology	Findings
Study of benefits of outsourcing or issues addressed while outsourcing (Buligiu & Ciora 2008)	Identify the benefits/issues addressed while seeking outsourcing	Case studies were conducted on organizations that are outsourcing	The benefits of outsourcing were; cost savings, cost restructuring, improved quality, capacity management, operational expertise, staffing issues, agreement knowledge and contract
Study of how specialization encouraged outsourcing (Boyson et al, 1999)	Investigate how specialization encouraged outsourcing	Case study on expanding businesses	As an organization become more complex, their resources become increasingly specialized and directed towards specific elements of their operations, for example, project designs therefore outsourcing is necessary for non-core activities
Study of changing use of outsourcing as time passes (Greaver, 1999)	Investigate the changing use/need of outsourcing with time (historically to currently)	Observation of changing needs of outsourcing by firms overtime	Historically outsourcing was used when organizations could not perform due to incompetence, lack of capacity. but now it is used to restructure organizations that are successful so as to build core competencies and serve user needs
Study of other motivations of outsourcing beyond short term cost savings (Harland et al 2005)	Identify the other motivation of outsourcing beyond short term cost savings	Observations of benefits of operating on a small, manageable number of tasks at which the operations become excellent	It enables firms to focus on core activities Outsourcing allows organizations to exploit their more advanced technologies

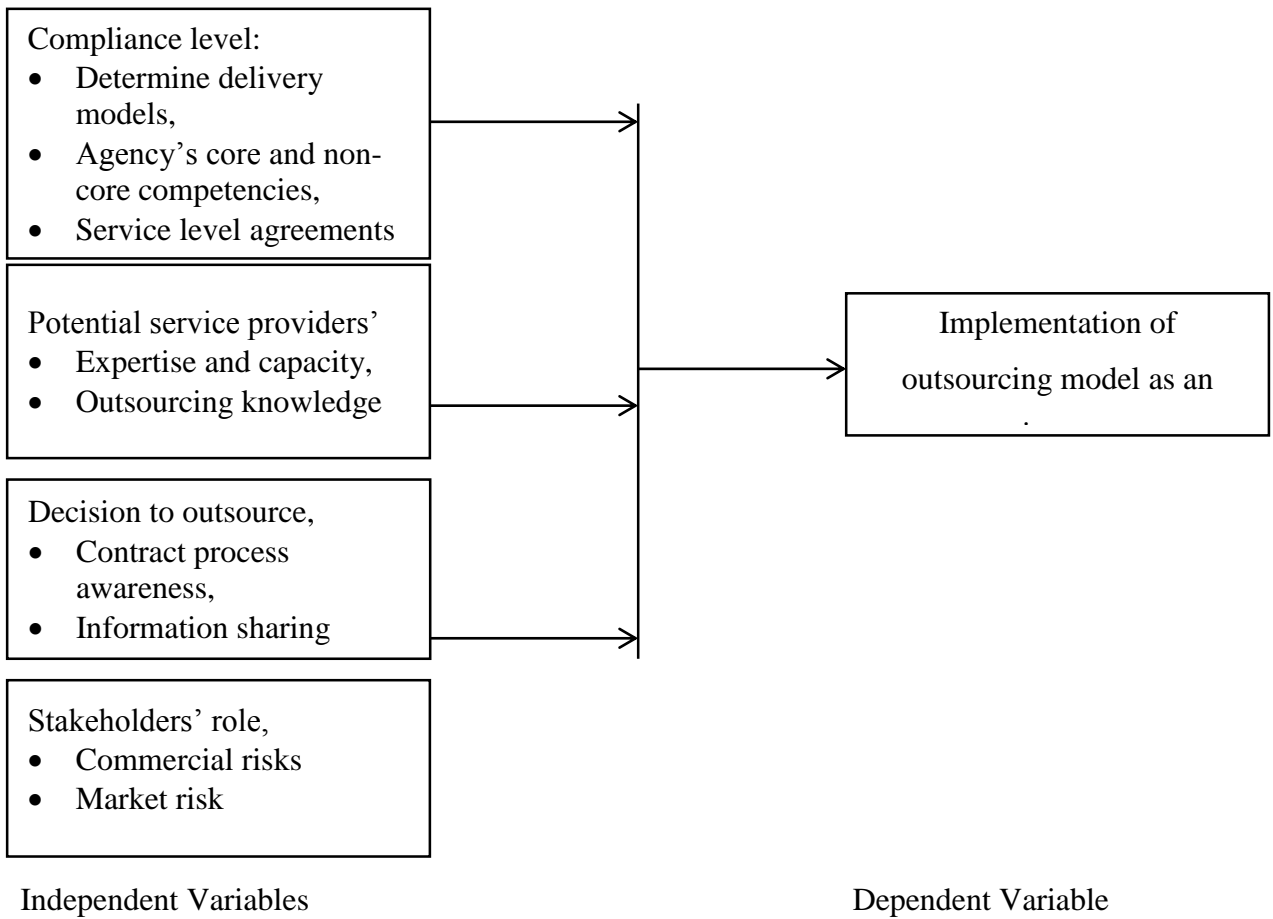
Table 2.1 cont

<p>Study on reforms that would enhance effectiveness, professionalism and accountability in the police services. (National Task Force on Police Reforms 2008)</p>	<p>Investigate reforms that would enhance effectiveness, accountability, professionalism in police services</p>	<p>Examination among other issues, existing policies and institutional structures of the police</p>	<p>To improve the logistical capacity and operational preparedness of the police the following should be outsourced maintenance and management of the vehicle fleet, surveillance and communication equipment, housing, medical facilities and life insurance cover and providing non-unit training</p>
<p>Research on fastest growing areas of public expenditures (Cacole Session Paper 2012)</p>	<p>Find out which are the fastest growing areas of public expenditures</p>	<p>Case study of Canada regional municipality police service</p>	<p>Policing expenditures went from \$6.8 billion in 2000 to \$12.3 billion in 2009; an increase of 81 percent in nine years The bulk of that increased cost was due to increasing salaries and benefits and hiring of more police officers. The number of police officers increased from 55,954 police (182/1000) in 2000 to 69,299 police (203/1000) in 2010 The government would eliminate the use of police officers for non-core policing duties, replacing them with special constables or private security services.</p>

2.6 Conceptual Framework

The conceptual model of the study was based on the following variables compliance level, potential service providers, decision to outsource and risks. These formed the independent variables of the study. The dependent variable was the implementation of outsourcing model as an operating strategy in police service in Kenya. Figure 2.2 below shows the conceptualization depicting the relationship of factors affecting implementation of outsourcing model as an operating strategy in NPS.

Figure 2.2 Conceptual Framework



2.7 Summary

Outsourcing may be a proved method of driving efficiencies in the public services, but it does not follow that it should be extended to the most sensitive functions of the state. This is especially the case where the state is asserting its authority over the citizenry, such as front-line policing.

There are several reasons for concern. First, the mechanisms the private sector tends to use to achieve efficiencies may be ill-suited to services that depend heavily on public trust to perform their function. Second, concern revolves around how easy it might be to replace contractors once they become entrenched in core public services such as front-line policing. The risk of disruption might make the state reluctant to replace an incumbent unless it was manifestly failing. Competitive tension, accountability and, ultimately, efficiencies might be forfeited. Given all these caveats, the state must always stand ready as the guarantor of last resort. That means retaining the capacity to reinsert public employees into functions operated by private contractors where those operators have failed. This is not to say that the government should be scared of driving urgently needed efficiencies in Kenya's police service. But, this should be undertaken within the ambit of a publicly controlled service and not achieved by shuffling the police off to the private sector where they do not belong.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the research methodology used in order to achieve the objectives outlined in chapter one. The research methodology that was used to carry out the survey informed the selection of the research design, the target population, sampling method used, data collection instrument and how data was analyzed, interpreted and presented.

3.2 Research Design

Descriptive research design has been used to obtain information that describes what exists with respect to the variables tested and relate them to the variables to explain why the changes occur which addressed the objectives of this study. According to Cooper & Schindler (2003), a descriptive study is concerned with finding out the what, where and how of a phenomenon. The descriptive research design was used to establish the factors influencing the implementation of outsourcing of non-critical functions in NPS. This involved a survey of various functional units within the NPS. According to Ngechu (2006), the survey method if well used will provide reliable, valid and theoretical meaningful information. Further, the ex-post-facto design has been employed in this study. This design was considered suitable because it aided in collecting information from respondents on their attitudes, awareness and opinions in relation to the subject area. The design was also suitable because the researcher sought to collect data from large number of users especially officers directly involved in operations at the NPS.

3.3 Population

The population of interest was derived from the five major units of the NPS namely the regular police, administration police, general service unit, traffic; and Criminal Investigation Department (CID) unit. The study used data from these key staff of police operations namely procurement, logistics, transport and operational heads.

3.4 Sampling Design

The respondents were selected using stratified and simple sampling. First, the functional units within the NPS were treated as strata upon which the respondents were selected. Stratification was used because the population was structured into various non-homogenous units, hence the

need for sample diversity. Secondly, a sample of 50 percent was drawn from each stratum through simple random sampling. According to Kothari (2008) a representative sample is one which is at least 10 percent of the population, thus the choice of 50 percent was considered as representative. The main advantage of simple random sampling is that it eliminates bias in selection of respondents (Kothari, 2008). Therefore, the researcher administered questions to 30 respondents in total from the police service.

3.5 Data Collection

The study relied on primary data, which was collected through administration of a structured questionnaire (Appendix II). The questionnaires were administered through a drop and pick later method to the police units. The questionnaire had four parts; part A covered the demographic and respondent's profiles, part B and C examined objective one which was to establish past measures the Kenya police had taken to improve operational efficiency and infrastructural savings. It also evaluated key areas that offered the greatest potential for improvement in operational efficiency and infrastructural savings in Kenya police with a view of developing an outsourcing model and part D covered the second objective of the study which reviewed effects of outsourcing in police service unit with particular emphasis on outsourcing of non-critical functions.

The questionnaire had both open-ended and closed questions with options covering issues on the factors influencing implementation of outsourcing of non-critical functions in Kenya police service. Open-ended questions permitted free responses from the respondents, without providing or suggesting any structure for the replies. The closed-ended questions were to enable responses of the respondents limited to stated alternatives.

3.6 Data Analysis

Data analysis was done using descriptive statistics; quantitative data analysis involved generation of descriptive statistics namely frequencies and percentages. Qualitative data analysis was performed through segregation of field notes according to codes, categorization of codes, according to similarities and organization of data according to study themes from which conclusions were drawn. The data was presented using tables and cross tabulations. Cooper &

Schindler (2003) notes that the use of percentages is important for two reasons as it simplify data by reducing all the numbers and translate the data into standard form with a base of 100 for relative comparisons. The study drew conclusions and made recommendations based on the information gathered.

Table 3.1 Summary of Methodology

Objectives	Data	Questionnaire	Analyses
Analyse past measures the Kenya police have taken to improve operational efficiency and infrastructural savings.	Primary data	Section B	<ul style="list-style-type: none"> • Frequencies, • Percentages, • Graphs, • Tables
Develop outsourcing model for key areas that offer the greatest potential for improvement in operational efficiency and infrastructural savings in Kenya police.	Primary data	Section C	<ul style="list-style-type: none"> • Frequencies, • Percentages, • Graphs, • Tables
Review effects of outsourcing in police service with particular emphasis on outsourcing of non-critical functions.	Primary data	Section D	<ul style="list-style-type: none"> • Frequencies, • Percentages, • Graphs, • Tables

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The survey was conducted during the month of August 2014 at the different workstations of Kenya police units; they included Vigilance House, Office of the President, Mazingira House and the police stations around Nairobi County. Twenty four officers from different police units responded to the survey (75 percent response rate of the sample). The questionnaire consisted of qualitative indicators for objective and comprehensive evaluation of the outsourcing in police service and its impact on operational performance.

The analysis of data indicated the summaries of the responses by selected officers sorted by “yes” frequencies for all the variables/statements within each question showing which statements were the most “popular”. The rest of the responses were used to provide background information about the officers. The questions and responses were consolidated as a measure to reduce data size and make data analysis more manageable, therefore 'yes' and 'no' responses were identified as being the most appropriate to ensure easy identification of association between the variables/statements. They were then sorted by ‘yes’ frequencies for all the individual variables within each 18 questions to show the most frequently occurring or most common variables. When examining the relationship between two variables, it is helpful to plot on a graph to allow a visual inspection of the relationship between the two variables (Leedy & Ormrod, 2001).

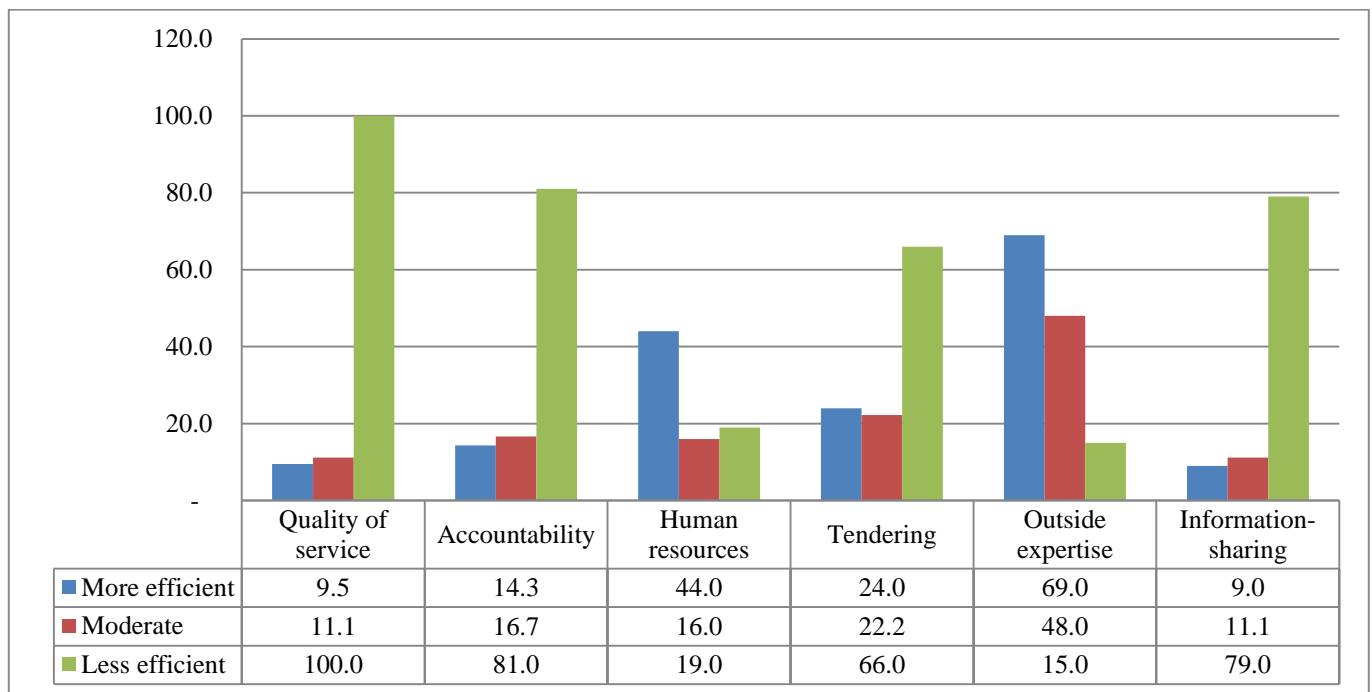
4.2 Outsourcing on Operational Performance of National Police Service

A criterion that was crucial to the analysis of the first research question was performance measurement of the police operations. Measures quantify the ability of both internal and external resources to meet end-user needs, analyze for strengths and weaknesses and evaluate alternative option for making changes. From the perspective of the outsourcing decision framework, performance measurement establishes an objective basis for evaluation and comparison of the outsourcing alternatives that aids in decision making. Performance measurement is the process of developing measurable indicators that can be systematically tracked to assess progress made in achieving predetermined goals.

Table 4.1: Measurement of National Police Service’s Past Performance

Areas of Performance Measurement	Yes Responses (Percent)		
	More Efficient	Moderate	Less Efficient
Quality of service	9.5	11.1	100.0
Accountability	14.3	16.7	81.0
Human resources	44.0	16.0	19.0
Tendering	24.0	22.2	66.0
Outside expertise	69.0	48.0	15.0
Information-sharing	9.0	11.1	79.0

Figure 4.1: Measurement of National Police Service’s Past Performance (Percent)



As shown in Table 4.1 and Figure 4.1 above, the survey results indicate that performance measurements of operations in the police service were usually carried out as often as possible from the beginning till the end especially for newly established operations. This was determined by ranking the performance measurement values surveyed using most efficient, moderate and

less efficient criteria. About 100 percent of respondents rated quality of service, 81 percent on accountability and 79 percent information sharing as key areas that the NPS perform dismally. Despite implementation of Public Procurement and Disposal Act (2005), tendering of police procurement require more improvement and elimination of political interference.

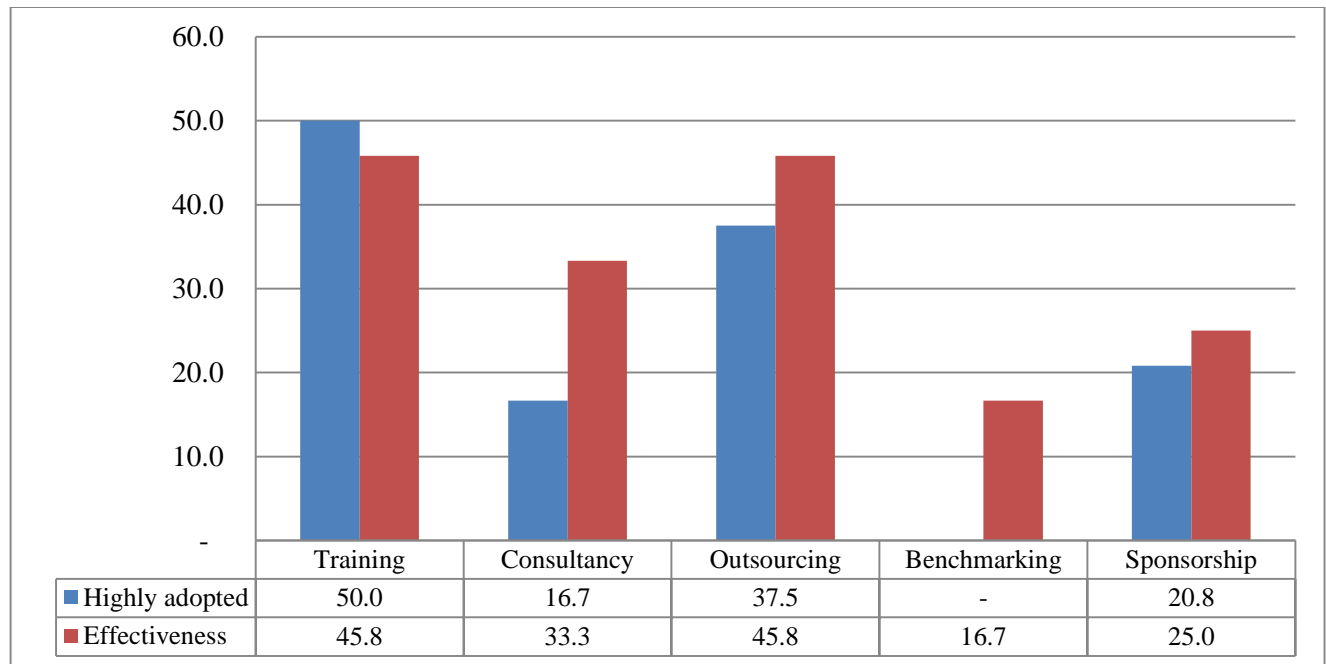
As indicated by Table 4.2 below, having an in-depth knowledge of past operating strategies adopted and their effectiveness enables police service to make knowledgeable decisions and identify services that have the potential for successful outsourcing. It was important to identify the past strategies adopted to improve operation performance because they usually provide an insight into the institutional setting in which outsourcing is or would be occurring and were, therefore important aspect for the development of an outsourcing decision. The survey revealed that 33.3 percent of respondents agreed that the use of experts/consultancy to assist in analyzing decision- making may decrease risks associated with outsourcing and provide external validity to the contract.

Table 4.2: Past Operating Strategies Adopted and Their Effectiveness

Past Operating Strategies	Yes Responses (Percent)	
	Highly Adopted	Effectiveness
Training	50.0	45.8
Consultancy	16.7	33.3
Outsourcing	37.5	45.8
Benchmarking	0	16.7
Sponsorship	20.8	25.0

As illustrated by Figure 4.2 below, the benchmark used by an outsourcing organization is critical because it indicates what part institutional history plays in a decision-making process though this strategy is less adopted by the police. Training and outsourcing (50 percent and 37.5 percent) were the two strategies highly adopted by police service when considering improvement of operational effectiveness. The police needs to apply the same principles as those used by private sector firms by ensuring the existence of similarities between them and service providers in many respects.

Figure 4.2: Past Operating Strategies Adopted and Their Effectiveness (Percent)



The establishment of goals and objectives is the process of deciding what is outsourced. Varied responses were received from the police officers interviewed regarding their goals and objective for outsourcing. Officers were asked to comment on what their goals and objectives for outsourcing were. 80 percent indicated that risk avoidance is their major reason for contemplating outsourcing while 100 percent of them indicated that the following goals and objective were their main purpose for considering on outsourcing: capacity building/ economy enhancement, cost reduction and enhancement of technology. As well resolution of labour related issues, performance improvement; and risks avoidance were also highlighted as major factors.

Furthermore, the survey indicated in Table 4.3 below, that for police operations to become more efficient and cost effective and to ensure that the police service concentrate on their core functions, it is essential that non-critical functions are outsourced completely. Greater than 80 percent of respondents agreed that the following services would be more efficient if successfully outsourced; vehicle and fleet maintenance, housing and medical cover. Training, purchase of vehicles and fleet maintenance received the larger budget allocation (greater than 50 percent) as indicated by data collected. However, some services may not be outsourced due to political

considerations, local labour laws and other barriers. There were also indications that the majority of the police officers interviewed agreed that the police service should not outsource the following services; customer service or call centers (zero percent), payroll (zero percent) and other specialized services.

Table 4.3: Goals and Objectives of Outsourcing

Type of Service Outsourced	'Yes' Responses (Percent)		
	More efficient	Budget Allocation	Benefit by Outsourcing
Vehicle and fleet maintenance	81.8	52.4	65.0
Housing	90.9	14.3	72.0
Training	40.9	57.1	20.0
Surveillance	13.6	-	15.0
Communication and communication maintenance	72.7	9.5	15.0
Medical cover	86.4	4.8	75.0
Customer service	45.5	9.5	-
Payroll	36.4	14.3	-
Information technology	68.2	19.0	60.0
Assets, warehousing and property management	22.7	19.0	15.0
Facilities, camp management and catering	31.8	9.5	20.0
Heavy and specialized activities	27.3	23.8	25.0

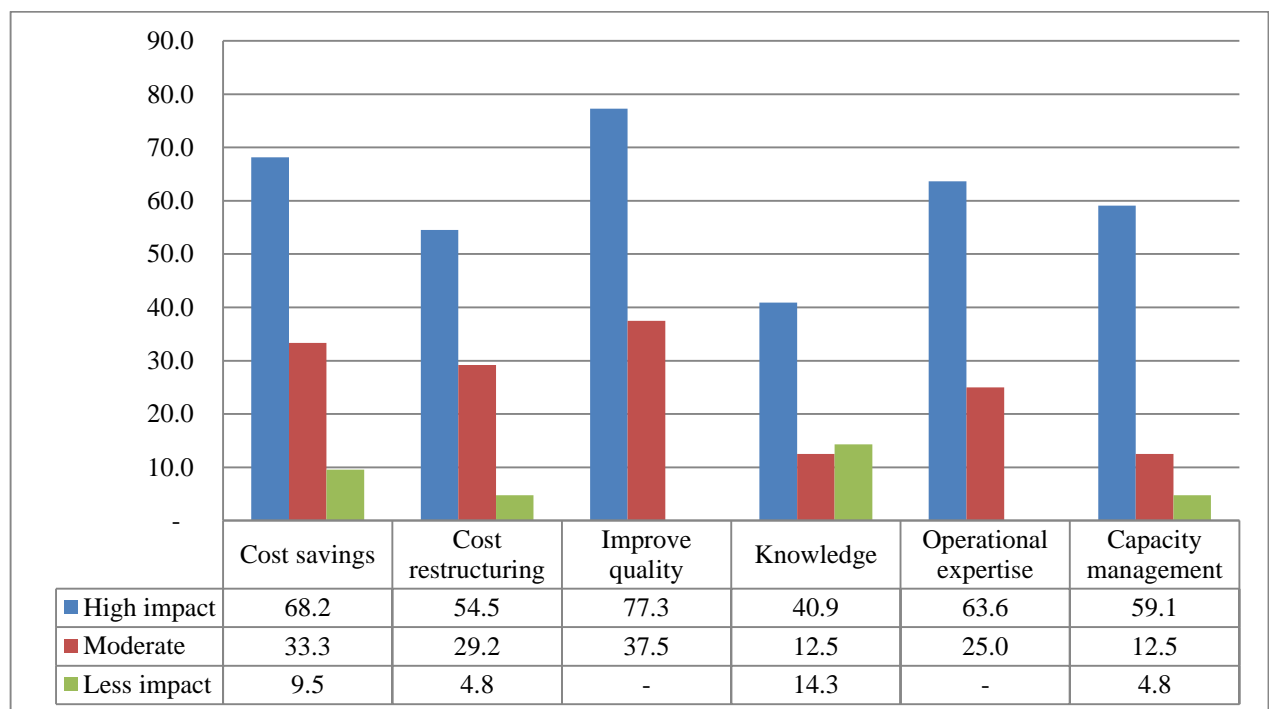
A majority of respondents as indicated in Table 4.4 and Figure 4.3 below, (greater than 50 percent) indicated that outsourcing will deliver the benefits projected in the interview, whether partly or completely. About 77.3 percent said that outsourcing non-critical functions would lead to high quality of service delivery which was remarkable, considering the complexities and unknowns that were involved. Top benefits of outsourcing to police service highlighted by respondents were lower costs (important or very important for 68.2 percent of respondents), cost

structuring (54.5 percent), increase knowledge on activities that others can do better (40.9 percent) and increase operational expertise and flexibility (63.6 percent). Other important reasons were to improving public relationships and capacity management (59.1 percent).

Table 4.4: Impact of Outsourcing

Impact of Outsourcing	Yes Responses (Percent)		
	High Impact	Moderate	Less Impact
Cost savings	68.2	33.3	9.5
Cost restructuring	54.5	29.2	4.8
Improve quality	77.3	37.5	-
Knowledge	40.9	12.5	14.3
Operational expertise	63.6	25.0	-
Capacity management	59.1	12.5	4.8

Figure 4.3: Impact of Outsourcing (Percent)



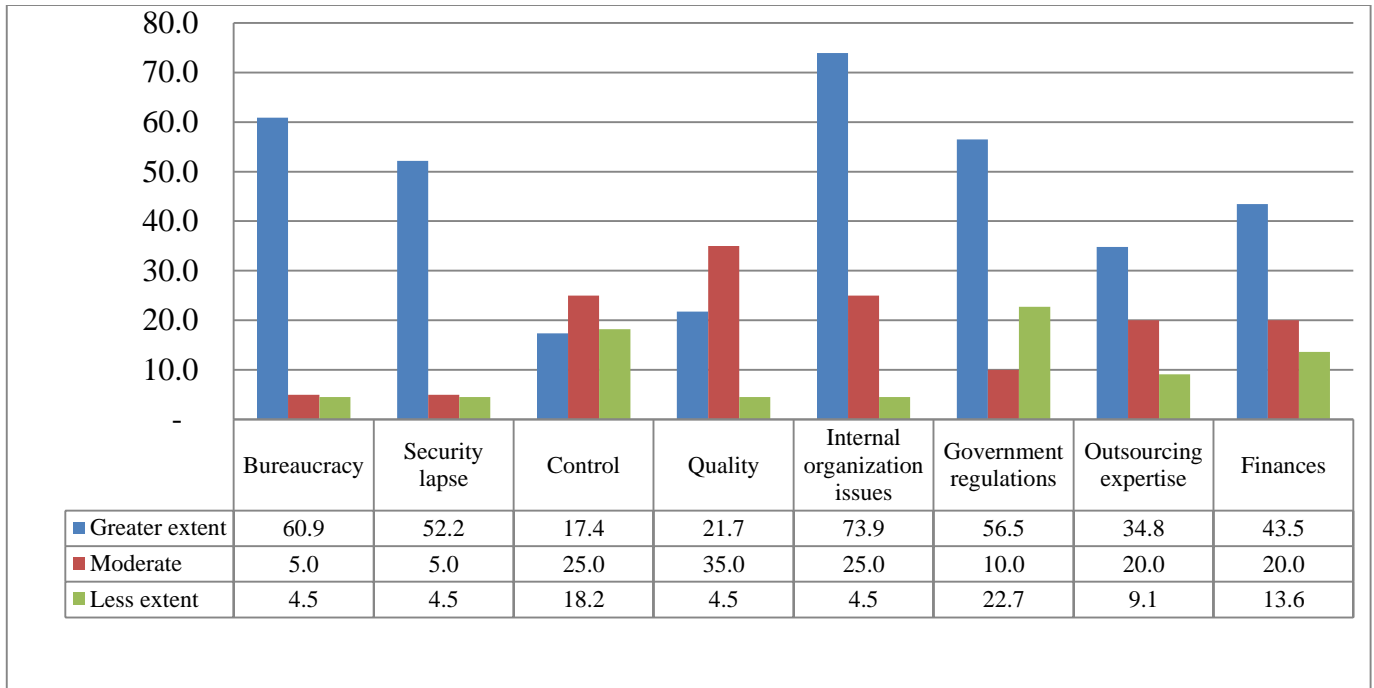
Another important requirement for the development of an outsourcing decision was the ability to define the barriers to outsourcing. As indicated in Table 4.5 and Figure 4.4 below, most of the barriers to outsourcing in the police were due to internal organizational issues (73.9 percent), government regulations (56.5 percent) and bureaucracy (60.9 percent), which impacts on their ability to execute service on a large scale. For this reason and as outlined earlier, most services can partially be outsourced by the police save for payroll, customer service and other specialized services. Due to the nature of services offered by the police, political constraints were also a strong impediment in their ability to outsource.

Table 4.5: Barriers Impeding Outsourcing Decision-making

Outsourcing Barriers	Yes Responses (Percent)		
	Greater Extent	Moderate	Less Extent
Bureaucracy	60.9	5.0	4.5
Security lapse	52.2	5.0	4.5
Control	17.4	25.0	18.2
Quality	21.7	35.0	4.5
Internal organizational issues	73.9	25.0	4.5
Government regulations	56.5	10.0	22.7
Outsourcing expertise	34.8	20.0	9.1
Finances	43.5	20.0	13.6

Furthermore, lack of expertise and capacity (34.8 percent) and withholding of financial information (43.5 percent) were identified as barriers to outsourcing decision-making to the police service. However, to ensure a successful outcome, factors proving barriers to outsourcing decision-making by the police should be minimized, contained or removed to ensure that the organization becomes more efficient.

Figure 4.4: Barriers Impeding Outsourcing Decision-Making (Percent)



Since the description of services provided by a service provider is the most important aspect of any outsourcing agreement, accordingly the definition of the level of service is regarded as one of the most difficult tasks encountered when preparing an outsourcing agreement and therefore a strong barrier to outsourcing. Therefore, it is necessary that the SLA define expected performance levels of a service provider and the development of the SLA should include extensive input from users who know what measurement targets are most important. It should also describe procedures to be followed in the event of a provider’s failure to meet SLA objectives. However, the agreement should not be so detailed that the parties will get bogged down in the bureaucracy of abiding by the contract (Bragg, 2006). To achieve this, suitably qualified staff should be employed prior to the outsourcing arrangement and where that is not feasible external consultant should be used.

In identifying the risks to outsourcing, the police officers named selection of service provider and quality of service as well as cost containment as the top three risks to outsourcing. The study has also revealed that 62.5 percent of the surveyed officers were not familiar with the long-term impacts of outsourcing which were directly linked to quality of service, human resources and

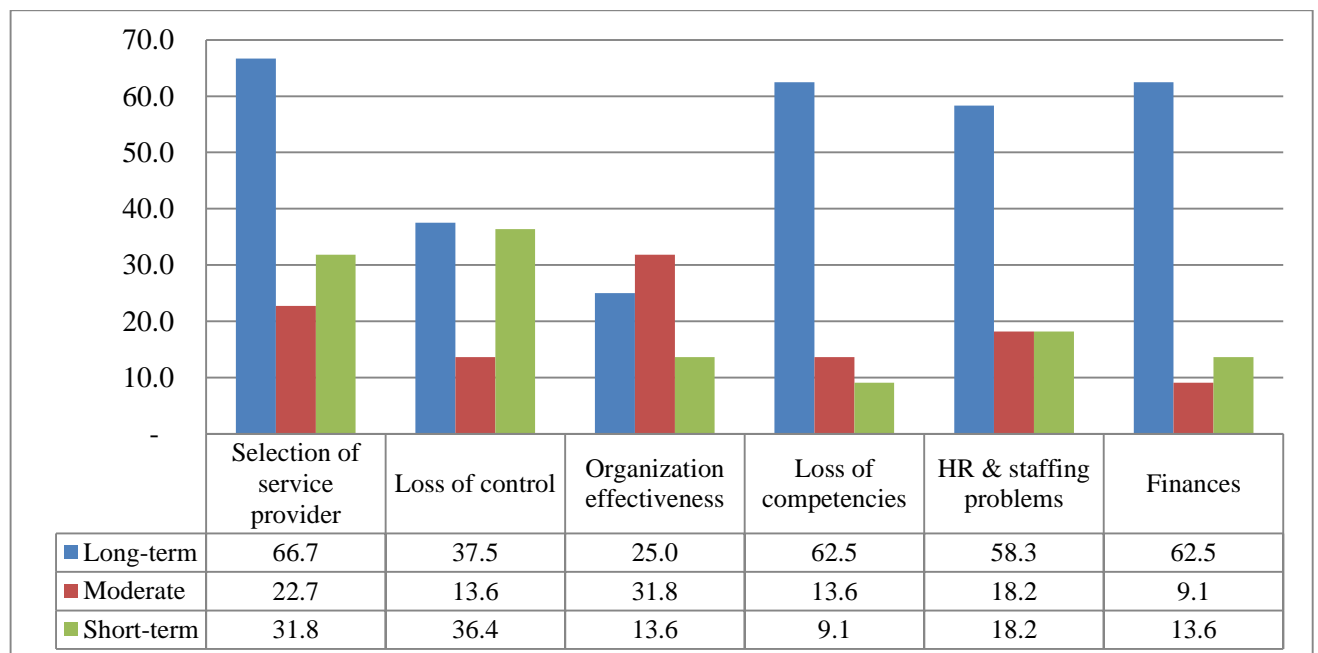
staffing problems, and were consequently unaware of potential risks which they were exposed to, when signing an outsourcing contract (See Table 4.6 and Figure 4.5 below).

Table 4.6: Risks of Outsourcing

Risks of Outsourcing	Yes Responses (Percent)		
	Long-Term	Moderate	Short-Term
Selection of service provider	66.7	22.7	31.8
Loss of control	37.5	13.6	36.4
Organization effectiveness	25.0	31.8	13.6
Quality of service	62.5	13.6	9.1
Human Resource (HR) & staffing problems	58.3	18.2	18.2
Finances	62.5	9.1	13.6

The survey results, which were directly related to the second research question showed that as few as 25 percent surveyed officers believed that outsourcing cannot negatively affect the organization effectiveness and its human resources.

Figure 4.5: The risks of outsourcing by percentage of ‘Yes’ respondents



Furthermore, the results showed that 36.4 percent of officers believe that the loss of control is most exposed to potential negative impacts of outsourcing in the short run, 18.2 percent of officers believe that human resources and development were compromised because of outsourcing, while 13.6 percent officers believed that outsourcing poses the biggest threat to the organizational aspect of policing. Also, survey results directly revealed the need for better strategies, more responsible decision making and in particular, a better understanding of outsourcing whose negative consequences, especially in the long run affect almost all aspects of organizational performance.

4.3 Summary

The survey revealed that 84 percent of the officers interviewed did not have comprehensive long-term strategy in the field of outsourcing. In addition, the study showed the vast majority of surveyed officers (80 percent) had no actual evaluation framework, including objective criteria or a system of indicators to measure the eligibility of outsourcing decisions and that the officers' decisions on outsourcing were mainly based on intuition and the inertia of previous years, rather than pre-established objective criteria and measurable indicators. This kind of decision making allows a multitude of speculation and this issue requires a sustainable and comprehensive solution, which is not possible without considering modern concepts of management in public sector organizations and change of attitude by management.

This study results cannot always be easily transferred into action, especially when the poor performance of the organization is related to several areas. Such situation requires a detailed analysis and preparation of solutions, which often necessitate a radical systemic change in the organization. The following guidelines could bring an improvement to the areas of particular concern and risk; first, a clear definition of core and non-core activities in the operational function of NPS and formulation of outsourcing strategy, creation of formal multi criteria decision-support making models and indicators for decision making in outsourcing processes. Secondly, an assessment of the potential long-term negative implications of outsourcing projects and utilization of human and other resources as well as hidden potential and synergy within numerous public sector organizations. Finally, they should formulate a vision, strategic objectives, and precise tactics as well as provision funds for achieving long-term organizational goals.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This study was carried out to identify the impact of outsourcing non-critical functions on operational performance of NPS. In this section, consolidated survey findings from the data collected were used to identify what criteria to consider when evaluating outsourcing opportunities, concerns evaluated and other factors that might influence outsourcing decisions, risks, quality and cost-benefit associated with outsourcing.

5.2 Summary

There were two objectives that this study focused on. The study started by providing a general introduction on outsourcing concept, operation performance as a whole and its impact on NPS in particular. This was followed by the literature review relative to outsourcing decisions-making and its application in the police service and its operations. Then study explored the impact of outsourcing non-critical functions as cost effective and efficient alternative to activities being handled traditionally by internal staff and further reviewed problems associated with outsourcing.

In addition, the study investigated similar models adopted by police service in other countries to assess outsourcing activities from the perspective of these organizations in order to gain a better understanding of outsourcing and how it can be successfully applied to attain all the advantages. Activities, tasks and functions that the NPS would consider essential were identified to be provided on a continual basis, but not necessarily needed to be provided by the organization itself because of their less substantial impact on the operation of the organization as a whole were considered for outsourcing. Lastly, using appropriate methodology, a procedure was derived which would serve as a decision-making guideline for police operations when considering outsourcing for specific services.

5.3 Conclusion

The results of the study indicated a partial, but a valuable insight into the outsourcing of non-critical functions within police service. Partial, because the survey sample covered five of the 13 units in the NPS, this was 40 percent of the total population. However, the sample provided a

good indication of the particular problems faced by police service and in extension the entire public sector. The objective and critical approach to the selection and evaluation of outsourcing model and its impact should, regarding the context and magnitude of given problems, receive a greater support from all stakeholders and become a necessity. Current practice in this area is based on inertia, intuitive decisions and primarily on the fabrication of studies evaluating such decisions much unilaterally and without regard to long-term effects of outsourcing strategies in police service.

The scale of the studied area and numerous factors that affect the quality of decision making confirm the complexity of outsourcing and its wide range of implications in many areas of organizational activity. This substantiates the need for broader and deeper insight into the background and content of overall operating strategy of police service. Use of primarily short-term solutions and inadequate strategy as well as non-critical approaches in recent years have brought police service into a complex situation. It is, therefore important that more critical reflection on their role in the future and application of mechanisms that will have to ensure selection of appropriate operation strategies, effective spending of budget funds and the successful achievement of long-term goals is considered.

5.4 Recommendations

This section provides recommendations to consider and concerns to look out for when evaluating outsourcing opportunities and other factors that might influence the decision to outsourcing. It derived the outsourcing decision-making criteria by combining lessons learnt in previous work in addition to information obtained in the interviews to accomplish this goal. Given the information gathered in this study, the following sets of recommendations are proposed for police service operations. First, to ensure a successful outsourcing outcome, the NPS should endeavour to develop a service provider selection or outsourcing team that recognizes all business areas impacted by the project. Key staff to include on the team should comprise of senior management, legal staff with contract expertise, technical staff and information systems analysts, end users and financial staff.

Secondly, the police service must identify all internal and external service costs and benefits to make an effective and reasonable comparison. Therefore, an outsourcing team must know

providers' expectations for making money from an outsourcing contract, whether providers would offer cost savings and how savings can be generated. This is required to ensure that providers are of good reputation and financial standing. Finally, for the police, savings in outsourcing can be used to fund other projects that would otherwise be cancelled due to lack of funds.

5.5 Limitations

For some reason, most of the top management could not be interviewed directly. However, a good number of responses were later received from the operations once it was explained to them that it would be of benefit to them. Staff members in procurement, logistics, transport and operational leads were approached and they provided most of the data. The procurement staffs were most useful because of their sourcing expertise; their response was complete in all forms providing information on what was presently being outsourced, the reward system in place, the risks, barriers, benchmarks/models used.

The study in outsourcing in public sector especially the police service has only recently attracted research attention among researchers in operations management. Therefore, there is limited body of content on the topic area. Also, there was limited time-period set for undertaking the study and in terms of funds available to undertake the research. In spite of these constraints, the results of this research are provoking and can be regarded as a basis for more detailed and analytical work on the topic in future.

REFERENCES

- Barrett, P., & Baldry, D., (2003). *Total facilities management*, Oxford: Blackwell Science
- Bayley, D., & Shearing, C., (2001). The new structure of policing: Description, conceptualization, and research agenda. *National Institute of Justice Research Report*. U.S. Department of Justice, Office of Justice Programs
- Bendor-Samuel, P., (2001). How to evaluate which business function to outsource. *BPO Outsourcing Journal*, September, 6
- Berg, J., (2003). The private security industry in South Africa: A review of applicable legislation, *South African Criminal Justice Journal*, 16(2), 178-196
- Boyson, S., Corsi, T., Dresner, M., & Rabinovich, E., (1999). Managing effective third party logistics relationships: What does it take? *Journal of Business Logistics*, 20(1), 73-100
- Bragg, S., (2006). *Outsourcing: Selecting the correct business unit, negotiating the contract and maintaining control of the process*. 2nd Edition. New Jersey: John Wiley and Sons, Inc
- Buligiu, I., & Ciora, L., (2008). *IT services outsourcing*, Annals of the University of Craiova Economic Science Series, issue: 36 (Vol. 4 / 2008)
- Burden, H., & Haylett, M., (2000). *Facilities management from a project management perspective*. ProjectPro, May 2000, 21-22
- Burnes, B., & Anastasia, A., (2003). Outsourcing: A public-private sector comparison. *Supply Chain Management: An International Journal*, 8 (4), 355–366
- Cloete, C., (2002). *Introduction to facilities management*. Sandton, South Africa Property Education Trust
- Cooper, D., & Schindler, P., (2003). *Business research methods*. New Delhi: Tata McGraw-Hill Publishing Company. 8th Edition
- Drummond Report for the Justice Sector, (2012). Public Services for Ontarians: A path to sustainability and excellence. Retrieved from: www.fin.gov.on.ca
- Eger, R., Knudson, D., Marlowe, J., & Orgard, L., (2002). *Evaluation of transportation organization outsourcing: Decision-making criteria for outsourcing opportunities* Midwestern Regional University Transportation Center, College of Engineering, Department of Civil and Environmental Engineering, University of Wisconsin, Madison, Project 01 – 03, October 2002
- Fan, Y., (2000). *Marketing intelligence & planning: Strategic outsourcing: Evidence from British companies*, Vol. 18 Issue: 4, 213 – 219

- Goolsby, K., (2002). *The real value of outsourcing to achieve process improvement*. Retrieved from: outsourcingjournal.org 4
- Government of the Hong Kong, Efficiency Unit, (2008). *Serving the community by using the private sector: A general guide to outsourcing*, 3rd Edition, Retrieved from: <http://www.eu.gov.hk>
- Greaver, M., (1999). *Strategic outsourcing: A structured approach to outsourcing decisions and initiatives*. American Management Association, New York, NY
- Grossman, G., & Helpman, E., (2003). *Outsourcing in a global economy*. Princeton University and Harvard University, Tel Aviv University and CIAR
- Harland, C., Knight, H., Lamming, R., & Walker, H., (2005). Outsourcing: assessing the risks and benefits for organizations, sectors and nations. *International Journal of Operations & Production Management*, Vol. 25 No. 9, 831-850
- JCF Strategic Review Panel Report, (2008). *A new era of policing in Jamaica: Transforming the JCF*. Retrieved from: <http://www12.georgetown.edu/sfs>
- Kasaya, V., (2013). *Factors influencing implementation of centralized purchasing process in the Kenya police service*. Seahi Publications
- Ken, A., (2010). *Criteria for outsourcing by the united nations*. Submitted as thesis for doctoral degree Faculty of Engineering, Built Environment and Information Technology, University of Pretoria
- Kenya Police Annual Report, (2012). Retrieved from: <http://www.amnestyusa.org/research>
- Kothari, C., (2008). *Research methodology: Methods and techniques*: New Delhi, New Age International Publishers
- Leedy, P., & Ormrod, J., (2001). *Practical research: Planning and design*, 7th Edition, Merrill Prentice Hall
- Mars Group Kenya, (2009). *National task force on police reforms report*. Retrieved from: <http://s3.marsgroupkenya.org>
- Martin, S., Anthony, M., Duxita, M., & Goyer, K., (2004). *Private muscle outsourcing the provision of criminal justice services*. ISS Monograph Series
- Mass Privatization of Police, (2012). Retrieved from: <http://www.theguardian.com/uk/2012>
- Michael, B., Alastair, L., & Lenny, M., (2007). Global trends affecting the public sector. *McKinsey & Company Journal* 16

- Mugenda, O., & Mugenda, G., (2003). *Research methods: Quantitative and qualitative approaches*. Nairobi: Acts Press
- Ngechu, M., (2006). *Understanding the research process and method*, University of Nairobi. Starbright Services Ltd
- Patterson, A., & Pinch, P., (1995). 'Hollowing out' the local state: Compulsory competitive tendering and the restructuring of British public sector services, *Environment and Planning*, Vol. 27, 1437-61
- Petrick, A., (1996). *The fine art of outsourcing: How to create and maintain a healthy relationship with outside provide*, Association Management. 14
- Terrel, S., (2003). *Performance measures of operational effectiveness for highway segments and systems*. Transportation Research Board
- Thomas, A., Gavin, C., & Michele, M., (1997). Outsourcing: An operational auditing perspective, *Managerial Auditing Journal*, Vol. 12 Issue: 3, 116 – 122
- Thuranira, N., & Munanye, F., (2013). Collaboration between public and private security in Kenya. *International Journal of Social Sciences and Entrepreneurship*
- Weinert, S., & Meyer, K., (2005). *The evolution of IT outsourcing: From its origins to current and future trends*
- William, M., & Faramarz, P., (1999). *Management decision: Outsourcing: a primer*, Vol. 37 Issue: 4, 310 – 316

APPENDICES

Appendix I: Letter of Introduction

Fredrick Kimaru K.
University of Nairobi,
School of Business,
P.O Box 30197,
Nairobi.

Dear Sir/Madam,

REF: ADMINISTRATION OF THE QUESTIONNAIRE

I am a Masters student at the University of Nairobi, School of Business. In partial fulfillment of the requirement for Master of Business Administration Degree, I am conducting a survey on the **Outsourcing and Operational Performance of the Kenya National Police Service.**

I am glad to inform you that you have been selected to form part of the study. I would therefore kindly request you for assistance in completing the attached questionnaire which forms a major input of the research process. The information and data has been strictly be used for academic purposes only and strict confidence shall be observed on the same. Your co-operation will go a long way in ensuring the success of this project.

I would like to thank you in advance for your time and consideration.

Yours Sincerely,

Fredrick Kimaru
D61/76814/2012
University of Nairobi

Appendix II: Questionnaire

This questionnaire seeks to collect information on response by your organization to establish its key determinants of operational efficiency and cost saving with a view of outsourcing non-critical functions. Please provide the information frankly and honestly.

SECTION A: GENERAL INFORMATION

DEMOGRAPHIC INFORMATION

- 1) What is your gender? (tick one)
 Male Female

- 2) Age (tick one)
 21-30 31 -40 41- 50 50 and above

- 3) What is your academic background
 Certificate diploma Undergraduate postgraduate

- 4) What is your position/rank in the Organization? (Please tick one)

- 5) How long have you been working in your present capacity?
 Less than 3 years 3 to 5 years 5 to 7 years Over 7 years

- 6) How long have you worked for the Kenya Police
 Less than 2 year 3 – 5 years 6 – 10 years 10 – 15 years Over15years

PART B: - To find out past measures the Kenya police have taken to improve operational efficiency and infrastructural savings

7) To what rate do you think the following operational performance measures of the police service have been effective? Rank by placing a tick in the appropriate place. 1= Least extent 2= Moderate, 3= Moderate extent, 4= Effective and 5= Very effective

	1	2	3	4	5
Training					
Quality of Service					

Accountability					
Human Resources					
Tendering					
Outside Expertise					
Information-sharing					

8) What areas in your operations and infrastructure do you feel could be more efficient?

(Tick the boxes as applicable)

- Vehicle and fleet maintenance
- Housing
- Training
- Surveillance
- Communication
- Medical facilities and medical insurance cover
- Add more

9) Which areas in your infrastructure get the largest budget allocation?

(Tick the boxes as applicable)

- Vehicle and fleet maintenance
- Housing
- Training
- Surveillance
- Communication
- Medical facilities and medical insurance cover
- Add more

10) What operating strategies have previously been adopted by the Kenya police?

(Tick the boxes as applicable)

- Training

- Consultancy
- Outsourcing
- Benchmarking
- Sponsorships

11) How would you rate the success of the measures taken above? Tick appropriately

	Very effective	effective	Average	Ineffective	Extremely ineffective
Training					
Consultancy					
Outsourcing					
Benchmarking					
Sponsorships					

12) What concerns do you have about outsourcing

(Tick the boxes as applicable)

- a) Selection of the right provider
- b) Lack of control
- c) Knowledge transfer
- d) Process of control management
- e) Exposure'
- f) Control and effectiveness
- g) Others, specify? _____

SECTION C: - To evaluate key infrastructure areas that offer the greatest potential for outsourcing in Kenya police

13) To what extent has the Kenya police adopted outsourcing of non-critical functions?

14) Which major infrastructural areas could benefit from adoption of outsourcing?

(Tick the boxes as applicable)

- Vehicle and fleet maintenance
- Housing
- Training
- Surveillance
- Communication
- Medical facilities and medical insurance cover
- Add more

15) How do you personally feel about outsourcing as an operating strategy?

16) Do you think that the following factors may impede your outsourcing decision? Rank by placing a tick in the appropriate place SA =strongly agree A= agree, N= not sure, D= disagree, S.D =strongly disagree

	SA	A	N	D	SD
Bureaucracy					
Security lapse					
Control					
Quality					
Internal organizational issues					
Government regulations					
Outsourcing expertise					

Finances					
----------	--	--	--	--	--

SECTION D: - To review effects of outsourcing in police service it with particular emphasis on outsourcing of non-critical functions

17) Do you think outsourcing would improve the current state of infrastructure?

Yes () No ()

18) In your own opinion, what problems will outsourcing resolve (select all that apply)

	Yes	Don't know	No
Quality of service			
Condition of infrastructure			
Time wastage			
Large capital expenses			
Better control of infrastructure			

19) To what extent do you think the following hinder the adoption of outsourcing as an operating strategy? Rank by placing a tick in the appropriate place. 1= Least extent 2= Low extent, 3= Neutral, 4= Moderate extent and 5= Great extent

	1	2	3	4	5
Smaller budgets					
Unique customer demands					
Shrinking work forces					

Expanding service provider base					
Complex inventory of equipment					
Maintenance functions specific to unique fleets of equipment					

20) According to your knowledge, do you agree that outsourcing will have the following positive impacts? Rank by placing a tick in the appropriate place SA =strongly agree A= agree, N= not sure, D= disagree, S.D =strongly disagree

	SA	A	N	D	SD
Cost savings					
Cost restructuring					
Improve quality					
Knowledge					
Operational expertise					
Capacity management					

21) From your own perspective, what do you think is the way forward?
