Does outsourcing have any effect on the performance of sugar manufacturing firms in Kenya?

The focus of this paper was to investigate the effect of logistic outsourcing on the performance of sugar manufacturing firms in western Kenya. Specifically, the study intended to investigate the effect of quality drive outsourcing strategy on the performance of sugar manufacturing firms, to determine the effect of core business drive on the performance of sugar manufacturing firms and to determine the effect of competitive drive on the performance of sugar manufacturing firms. With a sample size of 36 respondents (n=36), the study used both primary and secondary data collection instruments. Primary instruments included the use of questionnaires and interview schedules. On the other hand secondary instruments involved acquiring information from the already existing records from the sugar manufacturing firms and any other accessible information that is already documented. Both descriptive and inferential statistics were used in data analysis using SPSS version 20 software. Karl Pearson's zero order coefficient of correlation (Pearson Product Moment Correlation or simple correlation) was used to determine the direction and strength of the relationship between logistic outsourcing and performance of sugar manufacturing firms. Simple regression analysis was used to model the relationship between logistic outsourcing and performance of sugar manufacturing firms. The relationship between logistic outsourcing and the performance of sugar manufacturing firms follow a regression model of the nature $P= \alpha + \beta 1\ LOS + e$. The findings were presented using tables and crossbar tabulations. The outcome was positive correlation between logistic outsourcing and performance of sugar manufacturing firms. The findings are of importance to the Government of Kenya, shareholders, employees and customers of sugar manufacturing firms and they form a basis for future reference.