THE EFFECT OF OUTSOURCING IN LOGISTICS ON SUPPLIER SELECTION AND BUSINESS PERFORMANCE WITH AN APPROACH TO LEARNING PROCESSES

O EFEITO DA TERCEIRIZAÇÃO EM LOGÍSTICA NA SELEÇÃO DE FORNECEDORES E NO DESEMPENHO EMPRESARIAL COM UMA ABORDAGEM DE PROCESSOS DE APRENDIZAGEM

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Abstract. The notion of outsourcing, the rationale behind outsourcing, outsourcing in logistics operations, and scholarly research on these topics are examined in the study's introduction. The study's second section shows how company attributes that influence supplier selection during the outsourcing interaction process relate to business performance. The purpose of this study was to examine the relationship between business performance, communication quality, information sharing in the outsourcing interaction process, and firm characteristics that enable senior managers and business owners of companies in the Central Anatolia region of Turkey to jointly participate in the supplier selection process. We looked at the survey respondents' demographics, reliability and validity analyses, average values of the variables, and correlations between the variables. The study found that there is a statistically significant relationship between business performance and the outsourcing interaction process, between business performance and the company characteristics that are effective in the supplier selection process, and between business performance and the company characteristics that are effective in the supplier selection process. Furthermore, recent research has demonstrated that certain traits of a company that are successful in the supplier selection process operate as mediating factors in the relationship between the firm's performance and the outsourcing interaction process.

Keywords: Outsourcing, Logistics, Supplier Selection, Business Performance, learning processes

Resumo. A noção de terceirização, a lógica por trás da terceirização, a terceirização em operações de logística e a pesquisa acadêmica sobre esses tópicos são examinadas na introdução do estudo. A segunda seção do estudo mostra como os atributos da empresa que influenciam a seleção de fornecedores durante o processo de interação de terceirização se relacionam com o desempenho do negócio. O objetivo deste estudo foi examinar a relação entre desempenho do negócio, qualidade da comunicação, compartilhamento de informações no processo de interação de terceirização e características da empresa que permitem que gerentes seniores e proprietários de empresas na região da Anatólia Central da Turquia participem conjuntamente do processo de seleção de fornecedores. Analisamos os dados demográficos dos entrevistados da pesquisa, análises de confiabilidade e validade, valores médios das variáveis e correlações entre as variáveis. O estudo descobriu que há uma relação estatisticamente significativa entre o desempenho do negócio e o processo de interação de terceirização, entre o desempenho do negócio e as características da empresa que são eficazes no processo de seleção de fornecedores e entre o desempenho do negócio e as características da empresa que são eficazes no processo de seleção de fornecedores. Além disso, pesquisas recentes demonstraram que certas características de uma empresa que são bem-sucedidas no processo de seleção de fornecedores operam como fatores mediadores na relação entre o desempenho da empresa e o processo de interação de terceirização.

Palavras-chave: Terceirização, Logística, Seleção de Fornecedores, Desempenho Empresarial, Processos de Aprendizagem

2. INTRODUCTION

Businesses have started to reassess strategic management techniques in an effort to make a difference in the face of globalization and the evolving competitive landscape in both domestic and foreign markets. Businesses may not always be able to deploy effective procedures across all industries. Because of this, outsourcing becomes a strategic management tool that helps

businesses stand out from the competition and get a competitive edge by concentrating on their core competencies.

The idea behind outsourcing is that by assigning part of their auxiliary responsibilities to a service provider with specialized knowledge in the relevant subject outside of operations, businesses can concentrate on their core competencies. Outsourcing techniques are typically employed by commercial enterprises to focus on operations that are consistent with their primary goals. They use a qualified provider who is thought to offer reasonable pricing and quality for other activities. Thus, the outsourcing interaction process, as well as the effective corporate features in the supplier selection process and business performance in outsourcing operations, are the focus of this study.

The following studies about how outsourcing affects corporate performance were found as a result of the literature review:

By assessing the performance of outsourcing in the domains of application development, system operations, telecommunications, end-user assistance, system design, and management, a 1996 study investigated the impact of outsourcing on information systems. The effectiveness of outsourcing is especially dependent on system operations and telecommunications activities, according to an evaluation of the opinions of senior executives from 188 different organizations. Communication, cooperation, and trust have been regarded as essential components for the success of outsourcing (Grover et al. 1996).

To investigate the connection between factory-level outsourcing production and design operations and performance, a thorough research of production managers in Swedish engineering firms with over 50 workers was carried out in 2004. According to assessments conducted on 267 businesses, investing in organizational and technological capabilities has a bigger effect on corporate performance than outsourcing. This is because businesses cannot effectively manage the dependency and pay additional expenses when they split interdependent tasks and rely on outsourcing to some extent (Bengtsson and Dabhilkar, 2008).

In order to investigate the effects of outsourcing on labor productivity, innovation performance, and inclination for various outsourcing strategies, a 2005 study contrasted Swiss and Greek businesses. 271 Greek and 1803 Swiss businesses took part in the study. Innovative businesses are more likely to outsource in both countries, according to the report. However, it was discovered that in both nations, the influence of labor costs and workers' educational attainment on outsourcing practices was minimal. Furthermore, it has been demonstrated that the strategic organizational approach is appropriate for Swiss businesses but not for Greek ones, particularly when it comes to the extensive use of outsourcing and the formal framework of workplace organization. Consequently, even though outsourcing has been shown to improve business performance, it is recognized to promote process innovation in businesses (Arvanitis and Loukis 2012).

Outsourcing was considered a key business tool in a 2005 research evaluating the effect of outsourcing on business performance in multinational pharmaceutical and medical product firms. According to research findings, 83% of participants were satisfied with how outsourcing practices affected their performance (Lacey and Blumberg 2005).

Strategic outsourcing and horizontal integration in outsourcing methods were the subjects of a different study carried out in 2006. The fundamental tenet is that a balanced product portfolio, competitive advantage, and product success can all be attained by skillfully managing strategic outsourcing and horizontal integration, which will ultimately improve overall business performance. Over 3,500 product releases in the global microcomputer sector were analyzed using a longitudinal dataset. Results indicate that in order to attain performance superiority through innovation, companies must carefully balance strategic outsourcing and horizontal integration (Rothaermal et al. 2006).

The 500 biggest industrial firms identified by the Istanbul Chamber of Industry made up the primary sample of a 2008 study on outsourcing practices in logistics operations in Turkey. 115 businesses were chosen for the sample based on their various sizes and locations. Feedback was provided by 30.6% of the organizations. According to the findings, businesses set goals including closely monitoring technology advancements, focusing on their core competencies, cutting costs in logistical operations, and improving quality (Sevim et al., 2008).

A research conducted in 2010 looked into 127 outsourcing approaches that were in use. A correlation between a notable increase or reduction in satisfaction in the outsourcing relationship and the alignment or incompatibility of information competency and demand in organizations was established in order to ascertain the influence on business performance. The results show that in order to achieve significant performance optimization, the outsourcing interface must be designed and managed. A structured relationship between the business and the service provider is required when utilizing outsourcing (Mani et al., 2010).

Public sector engagement in outsourcing was examined in a 2014 study on the topic, with a particular focus on information systems service providers. A successful and long-term outsourcing partnership requires confidence, mutual commitment, equipment investment, and information exchange, according to an analysis of 126 employees (Yu 2014, p. 312).

In order to assess their outsourcing procedures with an emphasis on cost theory, managers of fifty-two furniture manufacturing enterprises in Kayseri were questioned in a 2015 study on outsourcing in the logistics industry in Turkey. Outsourcing approaches have been shown to be an efficient way to cut operating costs (Varan and Çevik, 2015).

In a different study from 2015, managers of 14 Turkish steel pipe firms were surveyed to assess their outsourcing-related logistical procedures. The information gathered leads to the conclusion that businesses have been involved in outsourcing operations since the beginning and choose their service providers based on specific standards. These elements include the level of service quality attained, dependability, and price, which raises the company's worth (Yıldız and Turan 2015).

According to the literature review, no research has been done on the process of outsourcing interactions or the connection between business performance in outsourcing activities and effective corporate attributes in the supplier selection process. Consequently, this study is significant because of what it adds to the body of literature.

This study aims to uncover to the outsourcing interaction process and the connection between business performance in outsourcing operations and effective company attributes in the supplier selection process. The present study investigates the ways in which the attributes of businesses that achieve success in the supplier selection process both influence and mitigate the effects of the outsourcing interaction process on company performance.

3. METHODOLOGY

3.1. Research Method

The quantitative or qualitative research designs that will be used in the study are referred to as the research method. Three categories of study designs are distinguished: exploratory, descriptive, and causal. A causal research model is employed appropriately for this study since it tests a model based on hypotheses derived from the literature.

3.2. Research Model

The research model states that the study will first examine how the outsourcing interaction process affects the business and how it affects the firm attributes that are useful in the supplier selection process. Second, the impact of the outsourcing interaction process on business success and the firm attributes that work well in the supplier selection process will be examined. Thirdly, an analysis is conducted of the impact of the outsourcing interaction process on the

business and the mediating function of the firm attributes that are successful in the supplier selection process in the impact of the outsourcing interaction process on business performance. Figure 1 displays the model that was employed in the study.

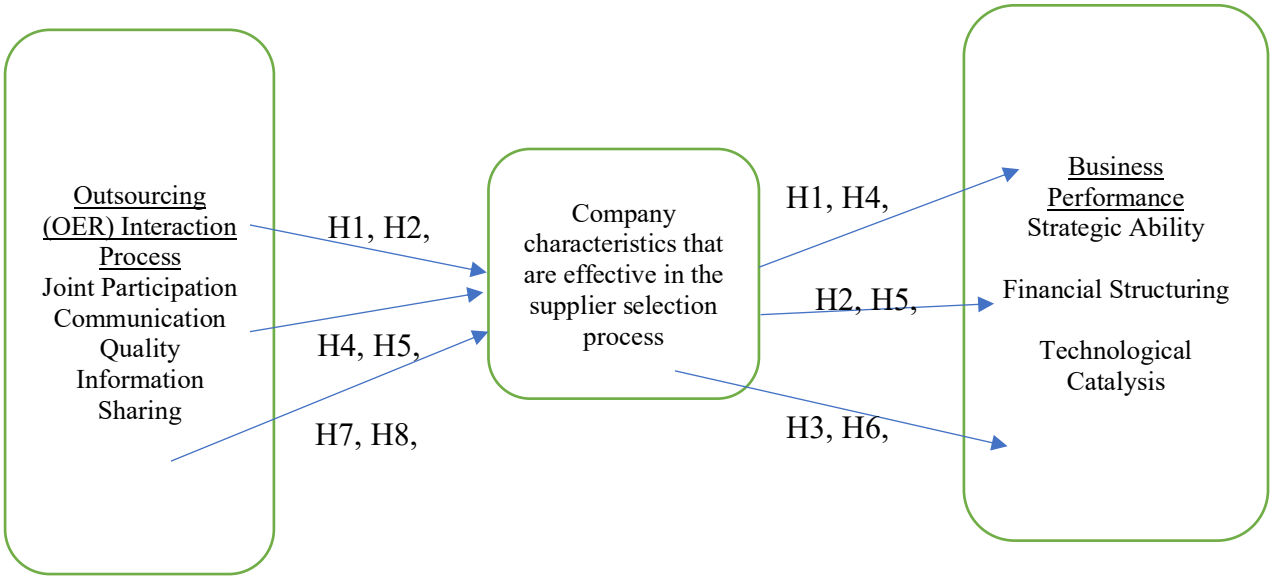

Figure 1. Research Model

The following variables were identified as being within the purview of the study:

- The outsourcing interaction process,
- Firm attributes that are useful in the supplier selection process,
- Business performance

Joint Participation, Communication Quality, and Information Sharing are the sub-dimensions of the Outsourcing Interaction Process variable. The corporate characteristics variable has no sub-dimensions that work well for choosing suppliers. The sub-dimensions of Financial Structuring, Technological Catalysis, and Strategic Capability fall under the Business Performance variable. The study's mediating variable is the attributes of the business that work well for choosing suppliers.

3.3. Hypotheses of the Research

The following is a list of the nine primary hypotheses that will be used in the study:

H1: The impact of joint participation in the outsourcing interaction process on the strategic capability dimension of company performance is mediated by statistically significant firm qualities that are successful in the supplier selection process.

Information sharing, communication quality, and joint participation aspects all have a favorable impact on the connection density of the outsourcing parties, according to a 2008 study conducted in Korea on 267 information technology outsourcing project teams (Han et al., 2008).

H2: The impact of joint participation in the outsourcing interaction process on the Financial Structuring component of business performance is statistically mediated by firm qualities that are effective in the supplier selection process.

According to a 2007 study, businesses all over the world that choose to outsource their operations experienced a statistically significant increase in productivity and a minor but favorable influence on profitability (D'Attoma and Pacei 2014).

Financial performance is correlated with logistical performance (Shang and Marlow, 2005; Töyli et al., 2008; Hai and Son, 2018). Like earlier research, ours showed that financial performance is positively impacted by effectively managed logistics costs.

H3: The impact of joint participation in the outsourcing interaction process on the Technological Catalysis Oriented performance dimension of business performance is statistically significantly mediated by the firm qualities that are successful in the supplier selection process.

Koç (2015) looked into how the conflict resolution element mediated the relationship between the outsourcinginteraction process and organizational business performance. In contrast to our study, the research included the dispute resolution variable. In line with our findings, Koç (2015) demonstrated that enhancements to the outsourcing interaction process's joint participation, communication quality, and information sharing dimensions will result in favorable advancements in the financial structuring, technological catalysis, and strategic capability aspects of business performance.

H4: The firm qualities that work well in the supplier selection process have a statistically significant mediating variable effect on the impact of communication quality on the strategic capability dimension of business performance during the outsourcing interaction process.

According to a 2005 study conducted in China, it is crucial to maintain core competencies and consider essential coordination variables in the outsourcing process when a certain amount of knowledge transfer or sharing is inevitable. It is acceptable that outsourcing has a positive impact on long-term company success (Wu et al., 2005).

H5: The impact of Communication Quality on the Financial Structuring dimension of business success in the outsourcing interaction process is mediated by statistically significant firm qualities that are effective in the supplier selection process.

A competitive edge, higher profitability, and lower operating expenses are the results of efficient logistics management (Bacak, 2017).

H6: The impact of Communication Quality on the Technological Catalysis Oriented performance dimension of business performance is statistically significantly mediated by the firm qualities that are effective in the supplier selection process during the outsourcing interaction process.

Businesses with external integration will not be able to use their resources effectively if they do not have internal integration. Information systems cannot be integrated with suppliers if they are not integrated within the company (Koç, 2021).

H7: The impact of information sharing on the strategic capability dimension of business performance in the outsourcing interaction process is statistically significantly mediated by firm qualities that are effective in the supplier selection process.

Price structuring, technical catalysis, and strategic competence are some of the stated components of success that outsourcing techniques have been found to affect (Lee et al., 2004).

H8: The impact of information sharing on the Financial Structuring component of business performance in the outsourcing interaction process is mediated by firm qualities that are effective in the supplier selection process and statistically significant.

Numerous elements that impact supply chain performance have been examined. Additionally, studies have shown that supply chain innovation, supply chain integration, and information sharing are all markers of supply chain performance (Çemberci, 2012).

H9: The impact of information sharing on the Technological Catalysis Oriented performance dimension of business performance in the outsourcing interaction process is statistically significantly mediated by the firm qualities that are effective in the supplier selection process.

They were divided into three categories by Zhou and Benton (2007): delivery practices, just-in-time manufacturing, and supply chain planning. As significant components of the

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supply chain that impact business performance, "information sharing" and "information quality" are not included in the scope of supply chain applications in this study; however, they are included in the research model as independent factors under distinct headings, along with "information content."

3.4. The research's population and sample

180 business owners and senior managers from enterprises in Turkey's Central Anatolia region were surveyed for the study. The study's population consists of business owners and senior management from enterprises in Turkey's Central Anatolia area.

3.5. Data Collection Tools

The survey approach is employed in the study as a means of gathering data. There are four sections to the prepared survey form.

In the first section of the research form, demographic questions including business information (capital structure, field of activity, year of activity, activities received support, number of different logistics companies receiving support, duration of contracts with logistics companies, which level managers carry out the contracts with logistics companies) and authorized participant information (position in the enterprise, years of employment in the enterprise) are asked in order to determine the descriptive characteristics of the companies participating in the research.

The "Company Characteristics Effective in the Supplier Selection Process" scale is located in the second section of the survey questionnaire. The survey firms were asked to evaluate 16 criteria in a Likert scale question that inquired which aspect of the logistics company is beneficial in the selecting process. Completely Ineffective, Ineffective, Undecided, Effective, and Completely Effective are the first five options. The Cronbach alpha coefficient score of 0.82 indicates the dependability of the Karaman (2014) scale. The scale is regarded as credible because its value is higher than 0.70.

The survey form's "Outsourcing (Outsourcing) Interaction Process" scale is included in the third section. There were sixteen factors in the Likert scale question type that the organizations were asked to assess in the logistics outsourcing inquiry and rated as 1: I strongly disagree, 2: I disagree, 3: Undecided, 4: I agree, and 5: I strongly agree.

The outsourcing interaction process was measured using the Han (2008) scale. Information sharing, communication quality, and joint participation were all taken into consideration. Joint participation is measured by the scale's items 1, 2, 3, and 4, communication quality is measured by items 5, 6, 7, and 8, and information sharing is measured by items 9, 10, 11, and 12. The scale's Cronbach's alpha coefficient value, as reported by Koç (2015), is 0.818. The scale is regarded as reliable because its value is higher than 0.70.

The "Business Performance" scale is located in the fourth section of the survey form. Koç (2025) translated Lee et al. (2004) into Turkish and used items 1, 2, 3, 4, 5, 6, 7, and 8 to measure business performance. Strategic competence is measured in items 1, 2, and 3, financial structuring is measured in items 4, 5, and 6, and technical catalysis performance factors are measured in items 7 and 8. A 5-point Likert scale was used to rate the survey. "Strongly Disagree (1), Disagree (2), Partially Agree (3), Agree (4), Completely Agree (5)" is the order in which the ratings are arranged. According to Koç (2015), the scale's reliability is indicated by its Cronbach's alpha coefficient of 0.788. The scale is regarded as reliable because its value is higher than 0.70.

3.6. Data Analysis

The statistical analysis tools AMOS (Analysis of Moment Structures) and SPSS 26.0 (Statistical Package for the Social Sciences) will be used to analyze the survey data. Frequency

analysis, confirmatory factor analysis, explanatory factor analysis, and structural equation modeling (SEM) are among the analyses employed in the study.

4. RESULTS

4.1. Demographic Findings

Table 1 displays the frequencies and percentages according to the demographic traits of the managers of healthcare facilities who took part in the study.

Table 1. Participants' Demographic Details

		Frequency	Percentage
Position in the Company	Warehouse Officer	5	2,7
	Warehouse Manager	1	0,5
	Warehouse Chief	3	1,6
	Warehouse Assistant Specialist	1	0,5
	Warehouse Specialist	1	0,5
	Regional Manager	1	0,5
	Warehouse Staff	3	1,6
	Warehouse Officer	3	1,6
	Warehouse Manager	1	0,5
	Warehouse Supervisor	6	3,2
	Warehouse Chief	2	1,1
	Inventory Manager	1	0,5
	Company Owner	15	8,1
	General manager	4	2,2
	Deputy General Manager	4	2,2
	Employee	1	0,5
	Senior Logistics Specialist	3	1,6
	Senior Purchasing Specialist	2	1,1
	Logistics Staff	9	4,8
	Deputy General Manager of Logistics	1	0,5
	Logistics Group Leader	1	0,5
	Deputy Logistics Manager	2	1,1
	Logistics Manager	8	4,3
	Logistics Operations Officer	6	3,2
	Logistics Operations Manager	1	0,5
	Logistics Officer	13	7,0
	Logistics Expert	14	7,5
	Logistics Manager	9	4,8
	Assistant Logistics Specialist	14	7,5
	Manager	5	2,7
	Deputy Director	2	1,1
	Operations Officer	2	1,1
	Operations Manager	3	1,6
	Operations Officer	3	1,6
	Operations Specialist	2	1,1
	Operations Manager	2	1,1
	Middle Manager	1	0,5
	Overland Specialist	1	0,5
	Employee	1	0,5
	Purchasing Specialist	1	0,5
	Purchasing Manager	5	2,7
	Purchasing Officer	2	1,1
	Purchasing Assistant Specialist	2	1,1
	Purchasing Specialist	3	1,6
	Purchasing and Logistics Specialist	1	0,5
	Purchasing Manager	4	2,2

	Company Manager	1	0,5
	Technician	1	0,5
	Assistant Specialist	2	1,1
	Executive	7	3,8
Capital Structure	Partnership	37	19,9
	Foreign Capital	34	18,3
	Foreign Capital, Partnership	5	2,7
	Local Capital	89	47,8
	Local Capital, Partnership	1	0,5
	Local Capital, Foreign Capital	18	9,7
	Local Capital, Foreign Capital, Partnership	2	1,1
Field of activity	Regional	60	32,3
	Regional, National	18	9,7
	Regional, National, International	8	4,3
	Regional, International	1	0,5
	National	45	24,2
	National, International	12	6,5
	International	42	22,6
Year of activity	1-5 Years	44	23,66
	6-10 Years	76	40,86
	11-20 Years	42	22,58
	Over 21	24	12,90
Number of logistics companies receiving support	2-5 companies	60	32,3
	5-8 companies	58	31,2
	8 and more companies	54	29,0
	Only 1 company	14	7,5
Contract year with logistics companies	1-3 years	42	22,6
	1-6 months old	28	15,1
	More than 3 years	21	11,3
	6 months - 1 year	63	33,9
	No contract is made	32	17,2
The level at which the logistics business enters into a contract	Lower levels	4	2,2
	Lower levels, Mid-evels	1	0,5
	Mid-levels	42	22,6
	Mid-levels, Upper levels	13	7,0
	No contract is made	33	17,7
	Upper levels	93	50,0
Scenario in which a special clause is added to the contract	Different contracts for different services, but no excessive detail.	42	22,6
	No, specific printed contracts are signed with general terms and conditions that specify mutual obligations.	63	33,9
	Each contract is prepared in detail with specific terms as a result of long-term negotiations.	81	43,5
	TOTAL	186	100,00

According to Table 1, the most common tasks performed by participants were those of Company Owner (15, or 8.1%), Logistics Supervisor (13, or 7.0%), Logistics Expert (14, or 7.5%), and Logistics Assistant Expert (14, or 7.5%). One participant (0.5%) had domestic capital and partnership, eighteen participants (9.7%) had domestic capital and foreign capital, two participants (1.1%) had domestic capital and foreign capital, and 37 participants (19.9%)

had partnerships, 34 participants (18.3%) had foreign capital, and five participants (2.7%) had foreign capital and partnerships.

Regarding the field of activity, there were 60 regional participants (32.3%), 18 regional and national participants (9.7%), 8 regional, national, and international participants (4.3%), and 1 regional and international participant, (0.5%). 42 participants (22.6%) are international, 12 participants (6.5%) are both national and international, and 45 participants (24.2%) are national.

In terms of year of activity, 44 participants (23.66%) are with 1-5 years, 76 participants (40.86%) with 6-10 years, 42 participants (22.58%) with 11-20 years, and 24 participants (12.90%) with 21 years and over.

In terms of the number of logistics companies receiving support, 14 participants (7.5%) have only 1 company, 60 participants (32.3%) have 2-5 companies, 58 participants (31.2%) have 5-8 companies, 54 participants (29.0%) have 8 and more companies.

Considering the contract year with logistics companies, 42 participants (22.6%) have a contractual term of 1-3 years, 28 participants (15.1%) have a contractual term of 1-6 months, 21 participants (11.3%) have a contractual term of more than 3 years, 63 participants (33.9%) have a contractual term of 6 months-1 year, and 32 participants (17.2%) have no contract.

4 participants (2.2%) are lower levels, 1 participant (0.5%) is lower level, 42 participants (22.6%) are mid- levels, 13 participants (7.0%) are upper levels, 33 participants (17.7%) are not under contract, and 93 participants (50.0%) are upper levels when looking at the level that enters into a contract with the logistics company.

81 participants (43.5%) responded that "each contract is prepared in detail with its special conditions as a result of long-term negotiations," while 42 participants (22.6%) stated that "we have different contracts for different services, but they are not excessively detailed" and 63 participants (33%) said that "no, printed contracts with specific general terms stating mutual obligations are signed."

4.2. Reliability and Validity Analysis

This section will look at the outsourcing interaction process, company characteristics that are useful in the supplier selection process, and validity and reliability analyses of business performance scales.

Table 2. Reliability and Validity Analyses

Dimension	Mean of the Scale If the Variable is Deleted	Variance of the Scale If the Variable is Deleted	Corrected Variable Scale Correlation (Item Total Score Correlation)	Alpha Coefficient of the Scale if the Variable is Deleted	Alpha Value	Kaiser-Meyer-Olkin	Bartlett's Test	Df	Significance Level
Joint Participation 1	12,87	4,264	0,466	0,809	0,775	0,663	297,66	6	0,000
Joint Participation 2	12,83	4,107	0,764	0,620					
Joint Participation 3	12,58	5,066	0,602	0,718					
Joint Participation 4	12,58	4,991	0,559	0,733					
Communication Quality 1	13,10	4,507	0,626	0,847	0,856	0,805	331,99	6	0,000
Communication Quality 2	13,13	4,207	0,725	0,806					

Communication Quality 3	13,20	4,282	0,759	0,792					
Communication Quality 4	13,09	4,445	0,691	0,820					
Information Sharing 1	12,99	4,016	0,505	0,752	0,772	0,731	214,14	6	0,000
Information Sharing 2	12,88	3,733	0,66	0,673					
Information Sharing 3	12,83	3,761	0,647	0,68					
Information Sharing 4	13,01	3,751	0,502	0,76					
FQESSP 1	62,93	83,92	0,724	0,901	0,91	0,908	1521,6	120	0,000
FQESSP 2	63,09	84,17	0,705	0,901					
FQESSP 3	63,13	83,07	0,721	0,900					
FQESSP 4	63,41	83,55	0,594	0,904					
FQESSP 5	63,15	85,41	0,577	0,905					
FQESSP 6	63,06	83,81	0,644	0,903					
FQESSP 7	63,59	83,47	0,554	0,905					
FQESSP 8	63,09	84,42	0,594	0,904					
FQESSP 9	63,73	83,83	0,532	0,906					
FQESSP 10	63,60	84,22	0,512	0,907					
FQESSP 11	63,20	83,39	0,684	0,901					
FQESSP 12	63,53	82,60	0,526	0,907					
FQESSP 13	63,17	85,32	0,576	0,905					
FQESSP 14	63,30	83,69	0,612	0,903					
FQESSP 15	63,32	82,91	0,673	0,902					
FQESSP 16	63,84	83,92	0,439	0,911					
Strategic Capability 1	8,41	2,69	0,729	0,644	0,8	0,669	206,09	3	0,000
Strategic Capability 2	8,87	2,59	0,556	0,840					
Strategic Capability 3	8,49	2,83	0,673	0,702					
Strategic Capability 1	8,41	2,69	0,729	0,644					
Strategic Capability 2	8,87	2,59	0,556	0,840					
Strategic Capability 3	8,49	2,83	0,673	0,702					
Financial Structuring 1	7,61	3,64	0,688	0,758	0,82	0,682	228,47	3	0,000
Financial Structuring 2	7,54	3,52	0,768	0,682					
Financial Structuring 3	7,81	3,61	0,608	0,843					
Technological Catalysis 1	4,17	0,91	0,536	.	0,69	0,500	62,083	1	0,000
Technological Catalysis 2	3,81	1,25	0,536	.					

No item on the scale used to assess joint participation in the outsourcing interaction process had an item-total correlation of less than 0.20, according to Table 2. Furthermore, there were no items that required removal from the scale. When assessing the scales' reliability, very good reliability is indicated by alpha values of 0.60 or more (Sekaran 1992, p. 287).

The scale used to measure joint partiicpation in the outsourcing interaction process had an alpha coefficient of 0.775. This figure demonstrates the scale's reliability. It can be concluded that the scale is reliable because the alpha coefficient is greater than 0.60. It is determined that because it is a trustworthy scale, it can be applied within the parameters of the study. Businesses can accurately assess their degree of joint participation in the outsourcing interaction process by using this scale. Businesses may rely on its scale.

The communication quality scale of the outsourcing interaction process has an alpha coefficient of 0.856, indicating its reliability. It can be concluded that the scale is dependable because the alpha coefficient is greater than 0.60. It is determined that because it is a trustworthy scale, it can be applied within the parameters of the study. As a result, businesses can use this scale to accurately assess the quality of communication during outsourced interactions. Businesses may rely on its scale.

The information sharing scale of the outsourcing interaction process has an alpha coefficient of 0.772, indicating its reliability. It can be concluded that the scale is dependable because the alpha coefficient is greater than 0.60. It is determined that because it is a trustworthy scale, it can be applied within the parameters of the study. Businesses can use this scale to assess how much information they share during the outsourcing interaction process, and it is reliable. Businesses may rely on its scale.

As can be observed, the KMO value of 0.663 was derived from the factor analysis of the scale's primary components that measure shared participation in the outsourcing interaction process. This metric assesses how well-suited the current data set is for factor analysis. The present data group is more appropriate for factor analysis as the KMO value gets closer to 1. Given the value of 0.000, the Bartlett's test result is statistically significant. A number above 0.5 is sufficient to execute a healthy factor analysis, thus by examining this value, we can conclude that the analysis can be conducted in a healthy manner. However, since the p-value was 0.000, we can conclude that we can proceed in this path in a healthy manner. It demonstrates how businesses can gauge the degree of joint participation through the outsourcing interaction process.

The analysis revealed that no item on the Company Characteristics Effective in the Supplier Selection Process evaluation scale had an item-total correlation of less than 0.20. Furthermore, it is not advised to take anything off the scale. Alpha was determined to be 0.910 in the reliability analysis for Company Characteristics Effective in the Supplier Selection Process. This figure denotes a scale with sixteen propositions. The information gathered shows how reliable the Company Characteristics Effective in the Supplier Selection Process scale is. It can be concluded that the scale is dependable because the alpha coefficient is greater than 0.60. It is determined that because it is a trustworthy scale, it can be applied within the parameters of the study. Using this scale to identify the firm attributes that work well in the supplier selection process is safe for businesses. Businesses may rely on its scale.

It was determined that no item in the scales measuring company success with the dimensions of financial structuring, technological catalysis, and strategic capability had an item-total correlation of less than 0.20. Furthermore, nothing that needed to be taken off the scale was discovered. The reliability research of the strategic capability dimension in business performance shows that the scale with three propositions has an Alpha value of 0.800. The outcome demonstrates the scale's reliability. The outcome demonstrates the scale's reliability. It can be concluded that the scale is dependable because the alpha coefficient is greater than 0.60. It is determined that because it is a trustworthy scale, it can be applied within the

parameters of the study. The conclusion drawn from this study is that businesses can use this scale to accurately assess their strategic capabilities in terms of company performance. Businesses may rely on its scale.

The reliability study for the financial structuring dimension of business performance indicated that the scale with three items had an Alpha value of 0.827. The outcome demonstrates the scale's dependability. It can be concluded that the scale is reliable because the alpha coefficient is greater than 0.60. It is determined that because it is a trustworthy scale, it can be applied within the parameters of the study. Businesses can use this scale to determine financial structuring in business performance with confidence. Businesses may rely on its scale.

The reliability study on the technological catalysis component of company success has shown that the scale with two items has an Alpha value of 0.692. A high degree of reliability is indicated by alpha values equal to or greater than 0.60 when assessing the scales' reliability (Sekaran 1992, p. 287). It can be concluded that the scale is dependable because the alpha coefficient is greater than 0.60. It is determined that because it is a trustworthy scale, it can be applied within the parameters of the study. Businesses can use this scale to measure the technological catalysis of business performance with confidence. Businesses may rely on its scale.

4.3. Structural Equation Analysis Results

Nine hypotheses were investigated using structural equation modeling after the primary variables in the study model were identified and validated. Finding causal relationships between observable and unobservable factors is the focus of this approach. Fit indices are used as evaluation criteria in the field of structural equation modeling to assess how well a tested model fits the provided data. The degree of fit between a model and observed data is assessed using a variety of fit indices. In order to decide whether to accept or reject the model, fit indices are examined in accordance with acceptable threshold values.

Survey studies in the social sciences include a large number of scientific investigations on scale development or scale adaptation. In order to assess scale validity results in survey research, goodness-of-fit indices are required.

Actually, scale validity may be measured using a variety of methods, including criterion validity, content validity, scope validity, and structural validity. However, goodness-of-fit metrics are the first statistics that spring to mind when discussing scale validity in its broadest sense.

The balance between the sample data and the research model's structure is known as scale validity. In conclusion, it is critical to ascertain whether the scale developed on the sub-dimensions axis is consistent with the data.

According to the goodness of fit indices derived from confirmatory factor analysis, the scales must have the right values in order to be considered legitimate. Fit metrics that are often employed in the body of current literature were employed in this investigation. Table 3 provides criteria for the research model's goodness of fit.

Table 3. Goodness of Fit Criteria of the Research Model

Fit Measure	Ideal Fit Values	Acceptable Fit Values	Factor Fit Values
X^2	(P>0,05)		1175,960
X^2/df	$0 \leq X^2/df \leq 2$	$2 \leq X^2/df \leq 5$	2,070
RMSEA	0.00<RMSEA<0.05	0.05<RMSEA<0.10	0,076
AGFI	0.90<AGFI<1.00	0.80<AGFI<0.90	0,855
CFI	0.95<CFI<1.00	0.90<CFI<0.95	0,916
TLI	0.95<TLI<1.00	0.90<NFI<0.95	0,905
RFI	0.90<RFI<1.00	0.85<RFI<0.90	0,852

A chi-square value of 1175.960 with 568 degrees of freedom and a significance level of 0.00 was found for the model that was analyzed using AMOS software. A statistical method for assessing how well the data and model fit together is the chi-square test. The purpose of the current test is to investigate the hypothesis that the observed variables and the model's covariance structures do not match.

The X2/df value is 2.070, according to the data in Table 3. It is evident that the model's X2/df value falls inside the range of acceptable fit values. The number of degrees of freedom in the model is divided by the chi-square statistic that emerges from confirmatory factor analysis. An satisfactory fit can be stated to have been obtained if this value is less than 5. This value result indicates that the values in the structural equation model must be appropriate. The validity of the scales pertaining to the data gathered to test the study's hypotheses can be concluded. As a result, businesses can make use of the structural equation model created as part of the study.

Kline (2011) states that RMSEA ranges from 0 to 1. Perfect fit is indicated by RMSEA values of 0.05 or less, perfect fit is indicated by values up to 0.08, and poor fit is indicated by values 0.10 and higher. According to SEM model fit calculations, the RMSEA is 0.076. This outcome demonstrates that RMSEA falls within reasonable compliance bounds. In terms of the results of statistical analysis, it is quite challenging to declare that scales outside of these bounds are valid. Because of this, it is claimed that the scales assessed as part of the study are reliable in terms of the results of statistical analysis. This value result indicates that the values in the structural equation model must be appropriate. The validity of the scales pertaining to the data gathered to test the study's hypotheses can be concluded. The structural equation model created as part of the study is available for use by businesses.

The model fit was assessed using the AGFI measure, which came out to be 0.855. Upon analyzing this figure, it can be said that the model fits the data well. The degree to which the model fits the null hypothesis is assessed by the NFI index. Assessing the extent to which the default model improves the quality of fit is the goal. With a minimum value of 0.90, the index provides a numerical range of 0 to 1. Previous studies in the literature demonstrate that sample size has an impact on the CFI index, just like it does on other fit indices. A good match is indicated by CFI index values near 1. A fair fit is indicated by a CFI value of 0.95 or higher, whilst an excellent fit is indicated by a CFI value of 0.97 or higher. The working model's CFI score, as determined by analysis, was 0.916. The assessment demonstrates that the model's goodness of fit is adequate. This value result indicates that the values in the structural equation model must be appropriate. One could argue that the scales associated with the information gathered to evaluate the hypotheses in the study are valid.

The working model's TLI value, which is 0.905, is in the neighborhood of the acceptable fit limits. This value result indicates that the values in the structural equation model must be appropriate. The validity of the scales pertaining to the data gathered to test the study's hypotheses can be concluded.

An RFI value shift of 0.85 to 0.90 was deemed satisfactory. The numerical value, as shown in Table 3, is 0.852. Measurement errors must be examined once the model's goodness of fit criteria have been assessed. The structural equation model's ability to account for measurement errors and make conclusions by openly expressing them within the model is a key component. This value result indicates that the values in the structural equation model must be appropriate. The validity of the scales pertaining to the data gathered to test the study's hypotheses can be concluded. The structural equation model created as part of the study is available for use by businesses. Figure 2 displays the AMOS outcome of the structural equation model.

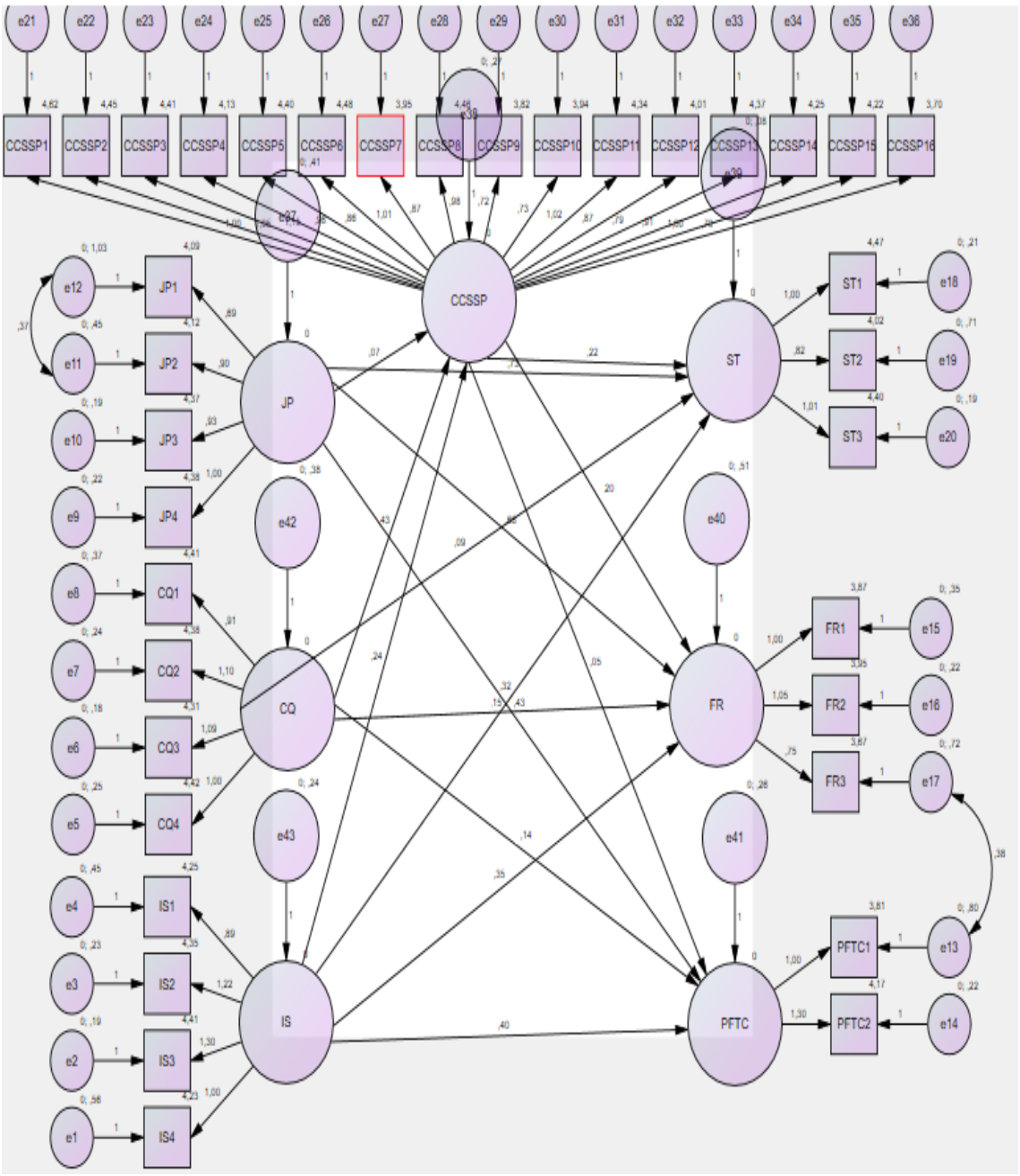

Figure 2. AMOS Output of Structural Equation Model

With regard to the relationship between joint participation, communication quality, information sharing and strategic capability, financial structuring, and technological catalysis dimensions of business performance in the outsourcing interaction process, this study sought to investigate the possible mediating role of firm characteristics in the supplier selection process. The impact of the independent variable on the mediator variable, the mediator's effect on the dependent variable, the independent variable's effect on the dependent variable, and the attenuation of the effect on the dependent variable or the emergence of the mediation effect when the independent and mediator variables are considered jointly are all included in the definition of the mediation function as given in this approach. It is feasible to acknowledge the existence of a mediation effect following the application of these approaches. The mediation impact is determined by analyzing the direct, indirect, and total effects. Both the lower and upper limit values of the Bootstrap confidence interval must be larger than or less than zero in order to assess the significance of these mediation effects (Preacher and Hayes, 2008). The

Bootstrap t-test (p≤0.10) is an additional technique to assess the importance of the mediation effect (Yavuz and Sağlam, 2018, p. 935-936). It's also critical to assess the fullness or partiality of the mediation effect. Within the scope of the full mediation effect, the association between the dependent and independent variables should be completely eliminated as a result of the mediating variable or variables being included in the model. Furthermore, partial effects occur when the size or significance of the effect declines but the correlation between the dependent and independent variables stays statistically significant (Yılmaz & Dalbudak, 2018, p. 520).

Table 4. Mediating Effect of Company Characteristics Effective in the Supplier Selection Process

Hypotheses	Direct Effect	p	Indirect Effect	p	Total	p	Mediating Effect
	Standardized Effect		Standardized Effect		Standardized Effect		
JP→ FQESSP	**-2,943**	**0,009***	-		**-2,943**	**0,009***	-
CQ→ FQESSP	**1,924**	**0,077***	-		**1,924**	**0,077***	-
IS→ FQESSP	**1,597**	**0,08***	-		**1,597**	**0,08***	-
JP→ SC	**4,282**	**0,013***	-		**2,455**	**0,006***	-
CQ →SC	-1,843	0,164	-		-0,648	0,262	-
IS → SC	-1,969	0,309	-		-0,978	0,294	-
JP→ FS	**3,59**	**0,023***	-		**2,836**	**0,004***	-
CQ →FS	-1,905	0,155	-		-1,412	0,126	-
IS → FS	-1,509	0,297	-		-1,1	0,313	-
JP→ TCOP	**3,486**	**0,038***	-		**2,183**	**0,02***	-
CQ → TCOP	-1,947	0,161	-		-1,095	0,182	-
IS → TCOP	-1,332	0,388	-		-0,625	0,493	-
FQESSP →SC	**0,621**	**0,057***	**-1,827**	**0,029***	**0,621**	**0,057***	-
FQESSP →FS	0,256	0,496	1,195	0,102	0,256	0,496	-
FQESSP →TCOP	0,443	0,176	**0,992**	**0,08***	0,443	0,176	-
JP→ FQESSP →SC			**-1,827**	**0,029***			Strong
CQ → FQESSP →SC			1,195	0,102			
IS → FQESSP →SC			**0,992**	**0,08***			Strong
JP→ FQESSP →FS			-0,754	0,246			
CQ → FQESSP →FS			0,493	0,373			
IS → FQESSP →FS			0,409	0,188			
JP→ FQESSP →TCOP			**-1,303**	**0,065***			Strong
CQ → FQESSP →TCOP			0,852	0,136			
IS → FQESSP →TCOP			**0,707**	**0,098***			Strong
*p>0.10							

Strategic capability (SC), financial structuring (FS), joint participation (JP), communication quality (CQ), information sharing (IS) in the outsourcing interaction process, and their mediating role in the effect of technological catalysis on performance (TCOP) dimension were the firm characteristics that are ultimately effective in the supplier selection process (FQESSP) for the purposes of this study.

Examining the results, it was found that JP had a direct impact on SC that was statistically significant at the 4.282 level (p = 0.013). As a result, SC is significantly impacted directly by JP. To put it another way, strategic capability is impacted by jint participation in the outsourcing interaction process. Strategic capability is impacted by changes in joint participation. Businesses must advance their joint participation in the outsourcing interaction process if they hope to advance and develop in the area of strategic talent. This suggests that organizations' strategic capacities are enhanced when they guarantee joint participation. Businesses that guarantee joint participation will be able to enhance their strategic capabilities. To increase their strategic capabilities, businesses must guarantee joint participation.

Nevertheless, the direct effect of JP on SC is statistically significant and diminishes (from 4.282 to -1.827) when the FQESSP variable is incorporated into the model as a mediating variable. However, the sum of the direct and indirect effects of JP on SC is 2.455, which is statistically significant ($p < 0.05$). Stated differently, the impact of joint partiicpation in the outsourcing interaction process on strategic capability is influenced by company attributes that are successful in the supplier selection process. Businesses should advance their joint participation in the outsourcing interaction process and enhance their firm attributes that are useful in the supplier selection process if they wish to advance and develop in the area of strategic capability. Businesses that allow joint participation should consider the development of their strategic competencies as well as the corporate attributes that work well in the supplier selection process. Businesses that guarantee joint participation and consider the firm attributes that work well in the supplier selection process will be able to enhance their strategic capabilities. To increase their strategic capabilities, businesses must guarantee joint participation.

Examining the results, it was found that the direct relationship between IS and SC was not statistically significant at the -1.969 level ($p = 0.309$). As a result, SC is not much impacted directly by IS. Stated differently, it can be said that strategic capability is impacted by information sharing that occurs during the outsourcing interaction process. Strategic capability is affected by changes in information sharing. Businesses should advance information exchange throughout the outsourcing intercation process if they hope to advance and develop in the area of strategic capability. One could argue that businesses' strategic capacities are enhanced when they share information. By exchanging information, businesses can enhance their strategic skills. It is critical that businesses share information to improve their strategic capabilities.

Nevertheless, the direct effect of IS on SC is statistically significant and increases (from -1.969 to 0.992) when the FQESSP variable is incorporated into the model as a mediating variable. FQESSP was found to have a strong and statistically significant mediating influence on the effect of IS on SC in this respect. However, the sum of the direct and indirect effects of IS on SC is -0.978, and this effect is not statistically significant ($p>0.10$). In other words, the impact of information sharing on strategic capability in the outsourcing interaction process is influenced by company attributes that are effective in the supplier selection process. Businesses should improve the corporate attributes that are useful in the supplier selection process and advance information exchange during the outsourcing interaction process if they wish to advance and develop in the area of strategic capability. When businesses exchange information, they should consider the traits of the organization that work well for choosing suppliers and the growth of their strategic skills. By exchanging information and considering firm attributes that work well in the supplier selection process, businesses can enhance their strategic capabilities. For businesses to increase their strategic capabilities, information sharing is essential.

The direct impact of JP on TCOP was statistically significant at the level of 3.486 ($p = 0.038$) when the results were analyzed. As a result, TCOP is significantly impacted directly by JP. To put it another way, joint participation in the outsourcing interaction process influences the effectiveness of technological catalysis. Performance in relation to technological catalysis is impacted by changes in joint participation. Businesses must enhance their joint participation in the outsourcing interaction process if they hope to advance and improve their performance in the direction of technological catalysis. Thus, it may be concluded that if businesses participate cooperatively, technical catalysis will develop. Businesses that guarantee collaboration will be able to create technological catalysis. Ensuring joint participation in the development of technologicall catalysis is crucial for businesses.

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However, the direct effect of JP on TCOP is statistically significant and diminishes (from 3.486 to -1.303) when the FQESSP variable is included to the model as a mediator variable. FQESSP was shown to have a strong and statistically significant mediating influence on the action of JP on TCOP. However, the sum of the indirect and direct effects of OC on TCOP is 2.183, and this effect is statistically significant ($p<0.05$). Stated differently, the performance of technological catalysis is impacted by joint participation in the outsourcing interaction process, which is influenced by the same corporate attributes that are effective in the supplier selection process. Businesses should improve their joint participation in the outsourcing interaction process and enhance their company attributes that are useful in the supplier selection process if they wish to advance and develop in terms of technological catalysis performance. When organizations provide joint involvement, they should consider technical advancements and company attributes that work effectively in the supplier selection process. If businesses guarantee collaboration and consider firm attributes that work well in the supplier selection process, they will be able to enhance technological catalysis. Ensuring joint participation in the development of technological catalysis is crucial for businesses.

At the level of -1.332 ($p=0.388$), the direct effect of IS on TCOP was not statistically significant when the results were analyzed. As a result, TCOP is not significantly impacted directly by IS. Stated differently, it can be said that the performance of technological catalysis is impacted by the information exchanged during the outsourcing interaction process. Performance in relation to technological catalysis is impacted by changes in information sharing. Businesses should strengthen information exchange during the outsourcing interaction process if they wish to advance and improve their performance in terms of technological catalysis. One could argue that knowledge sharing between businesses enhances technological catalysis. By exchanging knowledge, businesses can enhance technological catalysis. The development of technological catalysis requires sharing information.

However, the direct effect of IS on TCOP is statistically significant and increases (from -1.332 to 0.707) when the FQESSP variable is included to the model as a mediating variable. Accordingly, it was found that FQESSP had a strong and statistically significant mediating influence on the relationship between TCOP and IS. However, the sum of IS 's indirect and direct effects on TCOP is -0.625, which is not statistically significant ($p>0.10$). To put it another way, the same corporate attributes that work well for choosing suppliers also work well for the impact of information exchange on the performance of technological catalysis during the outsourcing interaction process. Businesses should improve the company attributes that are useful in the supplier selection process and advance information sharing during the outsourcing interaction process if they wish to advance and develop in terms of technological catalysis performance. When sharing information, businesses should consider both technology advancements and company attributes that are useful in the supplier selection process. By exchanging knowledge and considering firm attributes that work well in the supplier selection process, businesses can enhance technological catalysis. Companies must exchange knowledge in order to create technological breakthroughs. Table 5 provides the hypotheses' ultimate state.

Table 5. The Hypotheses' Ultimate Status

HYPOTHESIS	**Status**
H1: The impact of joint participation in the outsourcing interaction process on the strategic capability dimension of company performance is mediated by statistically significant firm qualities that are successful in the supplier selection process.	ACCEPTED
H2: The impact of joint participation in the outsourcing interaction process on the Financial Structuring component of business performance is statistically mediated by firm qualities that are effective in the supplier selection process.	REJECTED
H3: The impact of joint participation in the outsourcing interaction process on the Technological Catalysis Oriented performance dimension of business performance is	ACCEPTED

statistically significantly mediated by the firm qualities that are successful in the supplier selection process.	
H4: The firm qualities that work well in the supplier selection process have a statistically significant mediating variable effect on the impact of communication quality on the strategic capability dimension of business performance during the outsourcing interaction process.	REJECTED
H5: The impact of Communication Quality on the Financial Structuring dimension of business success in the outsourcing interaction process is mediated by statistically significant firm qualities that are effective in the supplier selection process.	REJECTED
H6: The impact of Communication Quality on the Technological catalyst-oriented performance dimension of business performance is statistically significantly mediated by the firm qualities that are effective in the supplier selection process during the outsourcing interaction process.	REJECTED
H7: The impact of information sharing on the strategic capability dimension of business performance in the outsourcing interaction process is statistically significantly mediated by firm qualities that are effective in the supplier selection process.	ACCEPTED
H8: The impact of information sharing on the Financial Structuring component of business performance in the outsourcing interaction process is mediated by firm qualities that are effective in the supplier selection process and statistically significant.	REJECTED
H9: The impact of information sharing on the Technological Catalysis Oriented performance dimension of business performance in the outsourcing interaction process is statistically significantly mediated by the firm qualities that are effective in the supplier selection process.	ACCEPTED

5. DISCUSSION AND CONCLUSION

In the current century, technological, economic, and cultural advancements have sparked the globalization phenomenon, changed how companies interact with their rivals and where they stand in the market, and made competition more intricate than it was in earlier centuries.

The perception of market rivalry has been drastically altered by technological advancements and the digital era. It is now undeniable that companies want to satisfy their customers in order to stay in business.

Businesses are always looking to enhance themselves because of the challenges they face in competitive processes and the necessity of sustaining their operations. Numerous organizational changes were sparked by this circumstance, which also introduced new insights. Furthermore, achieving consumer expectations in a timely manner now requires meeting quality requirements for cost, efficiency, and dependability of goods and services. Non-financial assessments have become just as significant in this context as financial factors. Businesses have prioritized determining the elements influencing corporate performance and then investigating the causal relationship between these elements in light of these advances. They made an effort to ascertain how these elements related to one another and how they affected the business as a whole. These procedures offer the proficiency needed to accurately execute business-appropriate strategic initiatives.

Adopting a new strategy that differs in terms of market dynamics and innovation capabilities can frequently help businesses preserve their competitive advantage. Outsourcing is viewed in this perspective as a strategic management technique that satisfies modern demands.

After a careful analysis of their core and supporting operations, outsourced infrastructure aims to guarantee that companies prioritize these capabilities by keeping their core capabilities that align with their objectives. In order to enhance its supporting activities, the company is aggressively looking for outside resources. Businesses will also reallocate investments to more suitable areas in order to boost efficiency, in addition to focusing on their main business areas.

To put it briefly, effective outsourcing procedures give businesses a competitive edge by simplifying innovations. It is considered an organizational innovation to employ outsourcing as a strategic tool.

Businesses should carefully assess their existing circumstances in order to make an informed decision regarding outsourcing. Establishment, manufacturing, marketing,

distribution, purchasing, R&D, finance, human resources, etc. It ought to assess its ongoing procedures and operations, including By contrasting its advantages and disadvantages, it should assess where it stands in the market in relation to its rivals. The company's market positioning, the tactics and approaches it will employ to carry on with its operations, and the appropriateness of its current state for outsourcing applications are all disclosed in this report. A crucial step in the process of making strategic decisions is business self-evaluation.

The company becomes more self-aware and has a more thorough grasp of its demands thanks to strategic analysis. As a result, companies may use outsourcing as a strategic choice that aligns with their objectives, concentrate more on their core skills, and devote resources to this area, enhancing quality and efficiency and exposing their competitive edge.

The company can leverage its strengths in the strategic context by thoroughly examining its vision, purpose, strategy, and associated goals. By concentrating on their core competencies and assigning additional responsibilities to outside service providers—all of whom are subject-matter experts—outsourcing can be advantageous to businesses as a strategic decision.

Outsourcing is not the same as traditional procurement methods. A strategic partnership is formed between the company and the service provider taking part in outsourcing. In accordance with shared objectives, the parties attempt to improve the business's performance and efficiency.

Strategic analysis, business needs assessment, supplier research and identification, contract negotiation and execution, implementation transition, and business and supplier relationship management are all examples of outsourcing procedures.

There are a number of benefits to outsourcing, including focusing on the core business operations, making the best use of company resources, enhancing the quality of output and processes, keeping a close eye on technology advancements, preserving flexibility in response to shifts in customer and market demands, and spreading risk.

Outsourcing has several drawbacks, such as poor supplier selection, a greater reliance on outside resources, the potential for control loss, the risk of sharing business tactics with competitors, and costs associated with outsourcing.

Instead than being only an operational process, outsourcing should be considered a type of strategic management. It is conceivable to discuss an improvement in performance in both fundamental and supporting activities after a procedure that has the necessary qualifications, is thoroughly researched, planned, and carried out is finished.

This quantitative study examines the aspects of information exchange, communication quality, and mutual engagement in the outsourcing interaction process. The study focuses on the relationship between these dimensions and company characteristics and business performance parameters that are useful in the supplier selection process, such as financial structuring, technical catalysis, and strategic capacity.

The study's research section focuses on the connections among firm characteristics that influence the supplier selection process, organizational performance (Strategic Capability and Technological Catalysis-Oriented performance), and the outsourcing interaction process (Joint Participation and Information Sharing). This study demonstrates that business performance (Strategic Capability and Technological Catalysis Oriented performance) benefits from the outsourcing interaction technique (Joint Participation and Information Sharing).

The study's findings highlight the significance of perception in relation to the outsourcing interaction process and show how this impression affects company performance. In this context, it is evident that the current research is supported and that results equivalent to those of the studies conducted in the literature have been obtained.

This study not only shows how the outsourcing interaction process affects corporate success, but it also shows how the joint participation dimension improves financial structure,

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technical catalysis, and strategic competence. Consequently, businesses ought to provide joint participation in outsourcing procedures top priority.

Another conclusion is that business performance (Strategic Capability) and firm attributes are positively correlated, which influences the supplier selection procedure. Strategic capability, one of the aspects of business performance, is positively impacted when a firm and a service provider develop a strategic relationship for the purpose of successfully and efficiently analyzing company features.

The results of the study indicate that the relationship between the outsourcing process and business performance is partially mediated by firm attributes that are successful in the supplier selection process. Furthermore, it has been determined that business performance will rise in tandem with the perception of certain corporate attributes that are useful in the supplier selection process. As a result, how the outsourcing interaction process is perceived improves business effectiveness. As the perception of the firm attributes that are useful in the supplier selection process grows, so does the extent of the relationship. The level of development in the aspect of company qualities that are useful in the outsourcing practices supplier selection process is closely correlated with business performance. All of these factors were analyzed, and the results showed that the firm characteristics that are effective in the supplier selection process, as well as the strategic capability and technological catalysis dimensions of business performance, improve when the dimensions of joint participation and information sharing in the outsourcing interaction process are further developed. Consequently, enhancing the aspects of joint participation and information exchange will also enhance corporate performance in terms of technology catalysis and strategic capabilities.

Koç (2015) looked into how the conflict resolution element mediated the relationship between the outsourcing interaction process and organizational business performance. In contrast to our study, the research included the dispute resolution variable. In line with our findings, Koç (2015) demonstrated that enhancements to the outsourcing interaction process's joint participation, communication quality, and information sharing dimensions will result in favorable advancements in the financial structuring, technological catalysis, and strategic capability aspects of business performance. Therefore, it has been determined that enhancing the aspects of collaboration, communication, and information exchange will also boost the financial structure, technology catalyst qualities, and strategic competency of business performance.

A competitive edge, higher profitability, and lower operating expenses are the results of efficient logistics management (Bacak, 2017). Furthermore, financial performance and logistical performance are correlated (Shang and Marlow, 2005; Töyli et al., 2008; Hai and Son, 2018). Like earlier research, ours showed that financial performance is positively impacted by effectively managed logistics costs. This outcome validated the results of other studies.

The research's shortcoming is that it was limited to businesses in the Central Anatolia region. As a result, the research's conclusions might not apply to other areas. By gathering studies on the outsourcing interaction process, effective company features in the supplier selection process, and business performance principles, this study adds to the body of existing literature.

Therefore, it is not appropriate to extrapolate the results of this study to all companies who use outsourcing. Businesses employ a variety of tactics to set themselves apart from competitors and obtain a competitive edge as a result of the process of globalization, which intensifies competition in both domestic and international markets. By forming strategic alliances with service providers, outsourcing gives companies the opportunity to match their operations with their corporate objectives. Business performance will improve by putting outsourcing practices—which are founded on collaboration, effective communication, and

information exchange—into practice. By making the implementation process easier, it can be claimed that the successful and efficient development of corporate characteristics between the company and the service provider will improve business performance.

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