Delivery an Effective Workplace: A Search into Malaysian Outsourcing Firms

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Abstract: The demand for better service delivery is fundamental with the heightened and ever changing expectations in customers. Performance and services reliability are source of competitive advantage; most firms lack the continuity in approach leading to performance excellence. This paper introduced a paradigm using nine influence factors to ensure excellence and deliverance of outsourcing goals. Outsourcing practice requires proactively quantum leap over the traditional limited strategies to give logical balance for quality services delivery. Over 150 Questionnaire were sent to Malaysian outsourcing firms. A total of 54 questionnaires were returned and analysed using multi variate statistics. The analyses had shown that the pattern and inclination in the firms’ strategy is appalling and not at the latitude for competitiveness and optimal services delivery. This inflexibility in strategy by most firms gave rise to resource under-utilization; wastages and this performance outlook cannot deliver effectiveness and sustain service delivery excellence. Managing facilities performance to corporate objectives and its continual improvement remain a challenge. The paper attempts to address the strategic gap in outsourcing services delivery using tactical and proactive approach in order to meet this era of choice and flexibility. Savvy customers are looking for reliability, quality services delivery with more value. The study recommends this model to ensure effectiveness and sustainable outsourcing service excellence this generation of ours punctuated by uncertainty and change.

Keywords: Facilities Management, Outsourcing, Strategy, Effectiveness, Performance, Excellence

1. Introduction

The consequence from the global economy meltdown left virtually nobody; everyone is impacted one way or the other. In order to be more competitive, firms need to adapt their strategy to ensure better performance [1-2]. Managing facilities performance to corporate objectives and its continual improvement remain a challenge. The crux of strategic advantage is the ability to manage firms operations effectively and sustain high performance overtime which indeed is an overriding objective [3-4]. Many countries have undertaken reforms to improve quality of their service delivery; this critical issue had also activated Malaysian government inaugurating National Asset and Facilities Management convention [5]. This is to rescue the grave scenario of rapid decline in quality services delivery, high negligent and misused of government facilities the years back. Outsourcing firms are increasingly confronted with cost cutting issues, technological and environmental concerns which require more strategy flexibility. Integrated and coordinated strategy is of fundamental significance and has the key to unlocking the effectiveness and efficiency in service delivery.

This paper addresses the strategy inflexibility by outsourcing firms using tactical measures in order to ensure effectiveness and sustained quality services delivery. A research [6] demonstrated how a military leader managed skillfully a campaign, reshaping the ‘competitive landscape’ changing the process to achieve optimal results. The research also illustrated the differences between managers and leaders based on four attitudinal qualities which are attitude towards goals; concept of goals; relations with others and sense of self. The research further stressed that managers must
proactively assumed positive outlook, constantly shaping the competitive scenery with new approaches in order to steer firms to their desire course. The old system of decision making through process of representational governance, is being replaced by a trend towards holistic approach [7]. Customers are looking for more value with cost certainty; this activated the search for new strategy to ensure, effectiveness, reliability and excellence in services delivery. Delivery of services can however present significant challenges, as the need to measure performance, provision of indicators in place to signal improvement, managing relationship, and accountability is tasking. This requires provision of magnified and optimal pathways which solutions can be delivered to client or else these factors invariably can translate into high cost. Delivery effective service require visible reforms at all levels, this entails having clear strategy leadership commitment, process design, technology and people. Working and steering towards changing the process to achieve better outlook and delivery.

The creation of a working environment which effectively supports an organization’s core activities is an overriding objective. Building a culture for performance excellence requires provision of strategy and matrix that will empower employees’ to the many facets and outlets of creativity, innovations and performance [8-9].

The new workplace requires transformation that yields measurable performance [10-12], to respond adequately to the practice flexibility. Firms at times encountered spontaneous circumstances that render strategies increasingly temporal [13]. Strategy flexibility is thus significant; success in the 21st century will depends on the firms’ capability to meet uncertainty and excellence. The new millennium requires a paradigm shift in theory and practices that have far reaching consequences and benefits than realized now. Integrating firms into competitive economy requires conceptual framework that is cohesive and effective to yield clear and valid approaches that is sustainable. Outsourcing firms require performance capability that will provide the shift and an incredible outcome in business results [14]. The continual disruptive changes by the global downturn require proactive strategy to meet new organizational issues. Effectiveness is a prime requirement for performance achievement and service delivery excellence. The research [1] emphasized that structure; plan and concept are fundamental to organizational effectiveness. However the greatest single variable is that managers must accomplish objectives through their ability to guide, motivate and integrate efforts of employees as function and measure of their strategies. With the global change effectiveness can no longer be taken for granted nor be neglected, intelligence, imagination and knowledge are essentials resources, but only effectiveness can convert them into results [15]. This indeed requires strategy flexibility to direct resources towards doing the right thing and performance that will lead to better service delivery.

Strategy for superior performance requires significant investment in people, place, and process that build organization capabilities. This requires the involvement of all in holistic and sustainable fashion. This has becomes vital and necessary to understand the profound importance of logical principle to uphold and provide effective facilities to meet uncertainty and performance goals. Achievement of quality and excellence in services required unified and consistent strategy as benchmark, to provide basis for accomplishment and optimal performance delivery. This study introduced a paradigm characterized by proactive measures that is objective, self-evaluative and translated into a set of priorities using influence factors to ensure excellence and deliverance of outsourcing goals. FM is a strategic issue which objective is to create the most desirable and effective workplace that will efficiently support corporate goals [9-16]. Integrated and coordinated strategy is of fundamental significance and key to effective service delivery and excellence.

2. Services Delivery and the Global Focus

There is a dramatic downswing in business generally reflecting a paralysis in performance which activated the need for redefining strategy to meet quality and competitive edge [17-18]. Outsourcing strategies has significant consequence, with strong and positive effect on a firm’s performance [19-20]. It could also be integral in establishing satisfied customers through reliability in quality services delivery. Research and Reforms to improve service delivery has received considerable attention the last decade, there is the ‘governance, which is not about technology, rather is about putting the citizen at the centre. There is also the ‘service and ‘channels, these reforms placed customers at the centre with magnified ways for delivery. 80% of ‘services initiatives however are unable to keep budget, time or meet objectives [21]. To ensure effectiveness the ‘service, ‘channels, rather ‘delivery which have to embraces flexible and sustainable path that will address and drive changes leading to service delivery excellence. Benchmarking can be a catalyst for assisting organizations to become more focused and competitive, however facilities managers have to be proactive to take the leading role to ensure right strategy are timely implemented [1-9].

The Study [22] viewed performance from sustainability dimension; it highlighted criteria such as services sufficiency, services reliability, business viability etc. The research work evolves suitable benchmarking framework for sustainability-based performance assessment using data envelopment analysis approach. Considering the global economy downturn and the lightning pace of innovation it has become necessary and wise for firms to adapt their strategy in order to remain competitive. The psychology behind employees’ performance however revolves round job satisfaction, signifying that the strategy, goals and vision facilitate employees’ participation. Service delivery does not however end once the product or package is deliver to the client, user
feedback and engagement must continue to ensure, improvement, reliability and excellence.

The incomplete view of performance implicitly assumed in most performance research, had failed to yield the desired result. Relevance of job performance appraisal will continue to be the central issue being the denominator to cross cultural issues and creative problem solving [23]. There is the need to analyze adequately factors influencing performance, this provides understanding clearly on impacts ‘cause and effect’ relationship, which offer leverage and basis for better facilities performance.

Leading strategy change requires participative norms and empowered work settings to enable a culture of performance excellence. The increasing convolution and instability in the business landscape have brought the need for strategy evaluation to manage uncertainty to ensure effectiveness and better results [4-24]. Driven by these changing expectations, there is the need to build integrated service delivery models to effectively and efficiently meet aspirations [4-21].

2.1. Delivery a Sustainable Future

The paradigm shift by the global revolution opened up a plethora of opportunities as well as challenges. While walking towards the door step of multiple revolutions in robotic, genetic, information and communication technologies in the face of uncertainty and change calls for strategy reforms to improve the quality of service delivery. The continual effort to improve performance in business activities attracts increasing attention in research and practice, due to its critical nature and potential to achieving organization goals [25-26].

The study [21] pointed out that effective service delivery models can be developed by combining complementary capabilities, with technology as the enabler. To appropriately define service delivery model requires clearly articulated goals in terms of quality, cost of service or value for money, ‘channels (suitability of service delivery channels for different customers). It is essentially to model relationships between activities, to ensure adequate alignment between specific and the major goals. The paper broadly explored sustainability issues however there is still that gap of an integrated view of performance, hence to meet customer expectations call for a centric approach, one that is built on flexibility, integration and sustainability. Integrated and coordinated models are critical to effectiveness and efficiency in service delivery. Service delivery is a cyclic process which entails developing and provision of activities, product or packages that meet customers’ requirements and expectations.

The understanding of requirements and expectations are necessary to ensure inclusive commitment and positive contributions towards the goals of a firm. No team works effectively if there is a cut-throat atmosphere, in workplaces where employees’ are given less consideration, then much energy, effort and creativity will be lost [4-27]. Strategy for superior performance will require significant investments in people, system and processes that build organization capabilities [2-11]. This signified having strategy that is result driven with empowered structure, with the facilities and tasks clearly defined through unifying objectives which will improve a firm’s competitive position and returns. These also involve the provision of a methodology to assess performance of the facilities at all times to give basis for improvement and optimal delivery.

Greater and unified commitments to task improve creativity and innovation, which makes easier the extrapolation of resources and activities in terms of expenditures. This indeed requires a profile for logical accountability, paving way for an obvious feedback on business objectives. The determination of the unifying factors between facilities resources, activities and objective-costs is critical and necessary, in order to have cause-effect’ relationship. When activities are altered, budgets need to create the requisite changes. This is important for continuous improvement and capacity management which enables consistent cross functional decision-making and budgeting to give inclusive and sustainable growth.

Organizations that can translate their strategy into measurement system have better potential to execute their mission [11-20], since this makes easier the communication of objectives and targets. Organization requires strategy leverage that can align functions and specific goals to ensure achievement of the desire expectations. The underlying strategy is perhaps the root cause in employee’s participation [28]. It is crucial to provide strategy that can positively influence workers capabilities. This entails that facilities learning and growth curve are align objectively to give low psychological strain and empowerment to employees, in order to ensure effectiveness in services delivery.

Here, the paper is looking at sensitivity in the strategy to ensure participation and committed performance by facilities at all times. Research had shown that the more an employee participates, the greater the satisfaction and the more likely the performance goal are met [29-30]. Lack of participation had proven to be related to stress, job satisfaction, job related feeling of threat, and self-esteem. It has also shown that non-participation is related to overall health, depression, dissatisfaction, low motivation to work. The global change requires a shift that requires responsive strategy in order to meet uncertainty, facilities and customers’ expectations. What methods and scope are in place to provide the opportunity for widespread participations and the seismic shifts to desire performance? To ensure consistency and sustained facilities performance require logical balance in strategy between workers’ talent and the organization expectations, failure to do so will creates disharmony, dissatisfaction and ineffectiveness, consequently low or possibly no performance. The focus on objectivity and consistency leads fluidly to more predictable performance, a condition that enables typical and maximum performance initiatives.

In the face of rapid turbulent changes in the global business, evaluative measure that is continual is necessary to ensure achievement of desire goals. The key and critical
Factors in firms had shifted from efficient to satisfactory metric as the determinant of excellence, with reliance on intellectual capital principles for continual quality services [14]. Customer expectations are dynamic; maximizing value requires total organizational involvement and commitment to ensure inclusive growth and reliability. Greater commitment and collaborated climate provides an enabling ground for more participation and control which indeed improves creativity, excellence and sustain competitive advantage. This paper presents complimentary and integrated view of performance with elaboration on its influencing factors, which has the inclination to transform effectively facilities resources into delivery better output and value. Fundamental to any successful firm is to maintain focus on its delivery outcomes by adapting to change in relationship and the work to be delivered. Customer often challenged by the firm culture and structure [30]. Change in customers liking and expectation is continuous, radical one-time solution to improve service delivery is apparently not feasible or likely to be sustainable. This requires a continuous improvement culture that is innovative to ensure effective, quality service delivery and optimal value. Organization heightened the search for new effective service delivery models thereby benchmarking against best practices as such can continuously improved service delivery models. This scenario indeed led to the birth of TIMELESS PRACTICE MODEL as guide and benchmark for firms to ensure effective services delivery and excellence. This strategy model apparently has provides effective and sustainable path to bridging the gap between expectations and delivery. To achieve an effective and sustain service delivery is to be fundamental in our approach to issue which entails being flexible, integrated and sustainable in our strategy vision. This is key to delivering the future, the new age of resource productivity and excellence.

2.2. Approach

Based on comprehensive literature search on performance research, nine influence factors (Timeless Practice) in Figure 1 below were deduced as model for performance measure. This model is used as benchmark to evaluate the performance of outsourcing firms in Malaysia. Over 150 Questionnaires were sent out to outsourcing service delivery firms in Malaysia by post and personal visits, 54 of them responded contrary to the expectations. Though the number of outsourcing firms could not be established at the time of this study however the sample size of 54 is greater than 30 thus statistical assumed normal, sufficient and used in the analysis. Item reliability statistics of the variables were also carried out. The purpose of the measurement is to evaluate how well certain variables measure specific construct to ensure the validity of the instrument. The paper used qualitative approach with quantitative support and applied multivariate analysis to ascertain strategy capability of the firms. Multivariate statistics show how to conduct basic analysis of variables; this gives relationship between and across variables. This is a method of dimensional reduction, used qualitatively to explore the major trends in data. Often one finds a strong size component in the data. Principal component analysis (PCA) as quantitative tool is used in qualitative analysis to explore the major trends in data. It is a method of data reduction whose objective is to reproduce the variance in the data rather than providing correlation between measurements.

This paper introduces a framework that uses satisfaction, effectiveness, and efficiency as metrics for measuring service delivery performance of Malaysian outsourcing firms. Performance in this paper referred to the approach that is adopted to achieve a particular project task, with goal to examine strategic insights in Malaysian outsourcing firms. The survey focused on project managers, unit’s leaders, activities and operations which give basis for output improvement, perfection and excellence.

Satisfaction of the workplace is theoretically influenced by the flexibility, integration, and sustainability of a company’s working environment. Effectiveness in achieving company’s mission is theoretically influenced by pattern in the company’s strategy, workers’ participation, and facilities performance. Lastly, company’s efficiency is theoretically influenced by activities operation, commitment by the facility resources, and value by the facilities.

The perception of the respondents on the degree of importance of each factor was arbitrarily scaled as follows: 1 = Not important; 2 = Quite important; 3 = Moderately important; 4 = Important; 5 = Very important.

When business is supported adequately with strategy, having the right combination of processes, technologies and people, the ultimate goal of linking the business performance to more business value can be achieved with ease.

![Figure 1. Timeless Practice Model.](image-url)
3. Results

Table 1 below shows the values in mean and standard deviation of the variables observed. Looking at the nine influence factors of the twelve variables observed in the study, ‘PERFORMANCE’ has the highest mean value, while ‘COMMITMENT’ has the least. Considering the remaining three factors, ‘SATISFACTION’ metric has the highest mean while ‘EFFICIENCY’ metric has the least value. Table 2 shows the reliability test carried out which has a value of 0.835; this validates the instrument used. The pattern recognition at figure 2 below had shown the emergent pattern formed by the firms. Variables with the same characteristic clustered together and those distinct moves farther away signifying the variance and covariance of the data about the mean. The mean shows the location in space of the data, while variance measures the dispersion of the data about the mean and the covariance measures the extent to which variables vary together. Coordinates axes are convenient pegs on which to hang measurement [4-31]. Information is loosely defined as scatter of points in the space which were obtained from the observed population.

### Table 1. Item Statistics.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexibility</td>
<td>3.7546</td>
<td>.46705</td>
<td>54</td>
</tr>
<tr>
<td>Integration</td>
<td>3.7037</td>
<td>.59096</td>
<td>54</td>
</tr>
<tr>
<td>Sustainability</td>
<td>3.7083</td>
<td>.66188</td>
<td>54</td>
</tr>
<tr>
<td>Pattern</td>
<td>3.7546</td>
<td>.53087</td>
<td>54</td>
</tr>
<tr>
<td>Participation</td>
<td>3.7593</td>
<td>.58270</td>
<td>54</td>
</tr>
<tr>
<td>Performance</td>
<td>3.8333</td>
<td>.55372</td>
<td>54</td>
</tr>
<tr>
<td>Activities</td>
<td>3.4676</td>
<td>.66241</td>
<td>54</td>
</tr>
<tr>
<td>Commitment</td>
<td>3.1528</td>
<td>.68408</td>
<td>54</td>
</tr>
<tr>
<td>Value</td>
<td>3.6173</td>
<td>.52767</td>
<td>54</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>3.0139</td>
<td>.77462</td>
<td>54</td>
</tr>
<tr>
<td>Effectiveness</td>
<td>2.3120</td>
<td>1.00968</td>
<td>54</td>
</tr>
<tr>
<td>Efficiency</td>
<td>2.9306</td>
<td>.64504</td>
<td>54</td>
</tr>
</tbody>
</table>

### Table 2. Reliability Statistics.

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>Cronbach's Alpha Based on Standardized Items</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.835</td>
<td>.852</td>
<td>12</td>
</tr>
</tbody>
</table>

Table 2 shows item reliability statistics of the variables observed. The purpose of the measurement is to evaluate how well certain variables measure specific construct. The reliability of a metric varies between 0 and 1, the lower the value the poorer the reliability [32, 4]. The Cronbach’s Alpha based on standardized value of 0.893 signifying the model fit and indeed the validity of the instrument. The multivariate analysis had shown parallel translation of pattern of points; the objective is to investigate the grouping among the variables. Consequently the perception of similarity between variables is satisfied by considering the spatial distance between patterns. The primary criterion is to determine whether these relationships follow the established standard.

Factors with higher or lower than expected value are displayed closer to the border of display and at a distance from the center; this enables the conduct of basic analysis of pattern across variables. The influence of linear dependence is examined by the spread and extent to which variables vary together.
From the discrimination measures the influence factor ‘pattern’ is ranked the highest from the analysis with a mean value of 0.742 while ‘Activities’ is ranked the lowest. While among the three performance metrics, Efficiency is ranked first and Satisfaction metric ranked third and the least. This further bring to fore the gap in outsourcing strategy which need improvement to ensure excellence services delivery.

Table 3 shows discrimination between factors, the analysis focuses more on reduction in dimensionality of the data. Tradeoff between the factors and their variances enables substantially reduction in dimension of the original data. From the table it has shown that all the factors are of significant importance with PATTERN having the highest mean and ACTIVITIES the least. Also between the three performance metrics, EFFICIENCY has higher value in mean with satisfaction metric the least.

The pattern recognition at Table 4 above had signified the strategy incapability of the firms which cannot deliver optimal services delivery hence unsatisfactory. This is noted by the off diagonal elements indicating the perceived difference between the satisfactory metric with effectiveness and efficiency measures. The 0.645 value had shown high correlation in the effectiveness measure. The correlation and similarities in data suggested presence of certain amount of redundancy, which is evident in the pattern shown above. The analyses had shown the pattern and trend in outsourcing firms’ strategies which is in-effective and passive for performance excellence and competitiveness. Organization adaptability had becomes necessary and essential so as to go beyond the reactive management culture which is obtainable in most firms now.

4. Discussion

This era is moving into a new conceptual age where reliance obviously is on the satisfactory metric, to meet ever changing choice and flexibility in customers. Expectation, self-esteem, feelings of security, were pictured as goals towards which an employee can move to, effective organizations are those that exhibit high concern for people and work, which is defined as firms that is proactive to change. Professional are not machines that are subject to laws of electro-magnetism, rather they are employees, knowledge workers subject to fears, doubts, variable levels of self-esteem, uncertainty, anger, rage and a whole range of emotions neglected by the old practices and yet are leading indicators that measure results [4, 33, 34].

The study [23] had found that typical performance is influenced by emotional stability, and maximum performance measure is synonymous with cognitive ability. This performance outlook however can be suppressed if the degree of satisfactory measure in a workplace is low. Satisfactory measure is thus regarded as the new normal and critical success factor to deliver effectiveness and sustain services delivery this generation of ours full of uncertainty and change.

The Correlation by the factors means redundancy and ineffectiveness is apparent which had signified the strategy
incapability of the firms and these findings further attested to the assertion at the ‘NAFAM Convention [5].

5. Conclusion

This inflexibility in strategy by most firms gives rise to ineptitude and thus cannot deliver effectiveness and sustain service excellence to customers. The pattern recognition by the analysis had signified the strategy incapability of the firms which cannot deliver optimal services delivery. In view of the findings, the study concluded that outsourcing services delivery in Malaysia is inert and unsatisfactory. The research paper is one of the few benchmark models from Malaysia that holistically evaluates performance and effectiveness in outsourcing firms.

i. This study had recommended further research work to ascertain the scope and potentials in the firms to give basis for formulation of a principal component (PC) model which could be an overriding objective.

ii. Outsourcing decisions are based on greater part organization strategies; a small shift from the optimal decision will have a disastrous effect on the competitive advantage of a firm. It is this combination of these facilities resources logical in a holistic manner that gives credible outcomes and the expectations.

References


