



CENTRE OF STUDIES FOR BUILDING SURVEYING  
FACULTY OF ARCHITECTURE, PLANNING AND  
SURVEYING UNIVERSITI TEKNOLOGI MARA

**FACTORS THAT INFLUENCE THE SELECTION OF  
OUTSOURCED CONTRACTORS IN MAINTENANCE  
WORK IN MALAYSIA CONTEXT**

MUHAMAD QADRI HIDAYAT BIN ABDUL KAHAR  
(2018424054)

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## **ABSTRACT**

Purpose to create a model that describes the clients' strategic outsourcing of services management process while it is still in progress. The research to introduce the critical factors that influence the decision to outsource maintenance works selection in Malaysia's companies. The primary goal is to determine the relative importance of each of the identified factors based on the expressed opinions of in-house maintenance managers in these universities' respective maintenance departments. The study investigates a previously unexplored area and adds to our understanding of outsourcing management during the ongoing phase of continuous operation. The investigation focused on what factors that some company need to hiring a strategic outsourcing

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# CHAPTER 1

## INTRODUCTION

### 1.1 Background of Research

Outsourced contract maintenance in a variety of industries, from aviation to IT and manufacturing, this is becoming a more common way for companies to maintain their assets. In-house staffing, a hybrid of in-house and outsourcing, and complete outsourcing are the three most common approaches to maintenance management.

The objective of the outsource contractor selection is to identify the tactical benefits of using the outsourcing contractor for maintenance work. Outsourced contractor selection follows the same principle. Some clients regard the cost as the most important criteria to base the criteria on selecting outsource contractor. However, research recommends that some criteria of selection should be deeply taken into consideration.

Subcontracting a process to a third-party firm, such as product design or production, is known as outsourcing. Maintenance outsourcing, on the other hand, is simple. It entails delegating maintenance tasks to a third party. (Lee, 2012)

Maintenance outsourcing is sometimes seen to be an effective way to relieve managers of maintenance management and allow them to focus on what is known as core competency in their organization. All of this is the effect of treating maintenance of any sort as a non-core company activity. Even so, it is not always the case that maintenance is not a primary focus of a company's core competencies; for example, in a pulp and paper mill, maintenance is the primary focus. As a result, outsourcing is not the best solution in every maintenance situation. Furthermore, the conventional wisdom regarding the outsourcing decision states that you should outsource your non-core business activity is an approach which of the type easy to and hard to carry out. It did not provide the guidance to deciding which activity is non-core business. And lots of companies which adopting this approach end up making the judgement highly subjective. No doubt, to lots of businesses, maintenance outsourcing is a good alternative. "Any business done in the background to support not only the creation of the work of turnover should be outsourced in 10 to 15 years," the well-known American Duroc management scholars predicted. However, before truly contracting out the maintenance task, it is necessary to think twice. Not only should we delegate