

Outsourcing Cleaning Services as an Alternative to In-House Cleaning in an Organization: A Case Study of the Bank of Agriculture (BOA), Bauchi Plaza

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Abstract

The meritorious effects of outsourcing cleaning services are being examined in the Bank of Agriculture Plaza in Bauchi, Bauchi State, Nigeria. Purposive sampling was used to choose 36 Bank workers and questionnaires were used to collect primary data from these individuals. The analysis was done using descriptive statistics. The results demonstrated a significant variation in cleaning service quality between the two scenarios. This suggests that the cleaning service's caliber improved once it was outsourced. Given the satisfaction gained from continuing the contracted cleaning solutions, the study advises the Bank to do so in order to improve operational effectiveness and resource allocation.

Keywords: Outsourcing, Cleaning Service, In-House, Bank of Agriculture, Bauchi.

Introduction

Outsourcing is handing off to a third party some of the duties that were previously handled within the organization. It is a deal when one business hires another to deliver services that might be done internally as well. Outsource has been employed as a business strategy for a long time. The industrialization served as its foundation (Common, Flynn & Mellon, 2016). Numerous businesses that had benefited from economies of scale were already diversifying discovered that they required multiple management layers. As a result, management systems grew out of control, which limited their capacity for adaptability and creativity. Due to the above, businesses had to create a new approach that concentrated more on the main business while outsourcing non-essential functions in order to remain competitive on the global arena. This was the beginning of outsourcing's development as a business model (Smith, 2021).

Whenever a company decided to outsource, it turns over the duties of completing non-essential tasks that had previously been handled internally by employees of the company to a third party, allowing the company to concentrate on its core business. Universities and other educational establishments are starting to turn to outsourcing in an effort to assure cost efficiency, improved service delivery and competitiveness in the face of declining monetary backing (Kanter, 2019).

Since many businesses were concerned with cutting costs in the nineties, they expanded the variety of services they might outsource to include cleaning, accounting, human resources, data analysis, and security. The number of emerging service providers, particularly foreign contractors operating on a worldwide scale, also increased. . In the United States service sector, for instance, call center and technical support services were outsourced, which benefited many young Filipinos who were proficient in American English. To remain price viable, several businesses in wealthy nations have also hired Russians for their quantitative and analytical talents (Da Cruz, 2018).

Of course, the main reason to outsource facility care to an office cleaning business is to save money. First and foremost, experienced, qualified and resourced office cleaning service will save you money right away. This savings is achieved in part through scale, cheaper bulk cleansing supplies and equipment, and the like, in addition to structured and systematic recruitment, on-boarding and education. The Janitorial Company engages in this process on a regular basis. Larger cleaning firms are established and have a lot of bulk purchasing power, which allows them to save money on supplies, and consumable goods, among other things, which they passed on to you (Russel, 2017).

Contracting workplace cleaning services saves you money and time spent on cleaning personnel recruitment, training, screening, and management. When you consider how much money is spent on administration, benefits, healthcare, screening, and other time-consuming management and administrative activities, it is clear to see the advantages of outsourcing to a professional office cleaning business (Adebayo & Aderinto, 2017). Choosing the best office cleaners for your facility will give you more bangs for your buck. Any experienced office cleaning business may provide a better service at a lower cost (and fewer headaches for you). Cleaning is not a component of their business (Adebayo & Aderinto, 2017).

Literature Review

Farndale, Thite, Budhwar and Kwon (2021) defined outsourcing as acquiring anything that was never originally sourced internally or might have been sourced domestically despite the choice to outsource it. Outsourcing as described by Peng (2014), is the transfer of an organizational activity to an outside supplier who will undertake it on behalf of the focus enterprise. Miroudot and Cadestin (2017) described outsourcing as the acquisition of a value-creating activity from a third party. Outsourcing is also characterized as a process strategy in which a company contracts out the production process or service delivery activity inside its value and distribution network, resulting in lower techniques of production and transactional economics costs (Dakare & Ikenwa, 2016). Dakare and Ikenwa (2016) observed that these definitions usually fall under the categories of content, context and process perspectives.

Outsourcing is also known as "vertical disintegration." Vertical dissolution, the inverse of vertical integration, occurs when a firm's value chain operations are leased out to another organization that can accomplish them more efficiently (Woodcock, 2020).

Outsourcing is defined as a service or production optimization strategy option aiming at increasing resource appropriation from value chain activities that are not the focus activities of an institution's core business or important functional domains for the purposes of this study. We contend that when outsourcing is correctly incorporated into an organization's operations strategy, it improves flexibility, strategic effectiveness, and strategic competitiveness (Zhu, Ng, Wang & Zhao, 2017). Outsourcing is typically a difficult decision for business managers to make since it requires the business to weigh the potential cost savings against by the expenses of losing control over the service. The prevalent argument behind outsourcing decisions in Nigerian universities is that rather than spending so much money on operations that are not fundamental primary activities, university administrators now outsource them to independent vendors to offer the services. There are several reasons why universities outsource. It varies from of the necessity to reduce expenses to the transfer of cost-related risks to third-party service providers. The primary motivation for exporting is the desire to keep competition which drives firms to outsource where others can do it better resulting in savings (Adebayo & Aderinto, 2017).

According to Isaksson and Lantz (2015) firms consider their outsourcing decision to be successful when the advantages realized exceed the expenses of carrying out the tasks in-house. On the other hand side, various negative consequences of outsourcing have been identified, including unrealized savings, hidden expenses (Kakabadse & Kakabadse, 2000), and the potential loss of technology and corporate confidential data (Katz-stone, 2000). The dearth of an appropriate cost estimate, the institution's failure to choose a suitable supplier, which resulted in poor performance of the outsourced activities, unrealistic expectations of the outsource provider due to overstated promises, poorly designed contract terms and agreements without well-defined key indicators, which makes it difficult to figure out where things are at, have all been cited as reasons why outsourcing has failed.

Pahiranthan (2017) claimed that customers' decisions on the corporate strategy to use to suit their demands can be heavily influenced by the quality of the service. And although providing cleaning services is not a basic function of an academic setting, it is essential for the wellbeing of students and faculty members as well as the academic community at large. A safe environment reduces the likelihood of infections spreading. No pupil desires to study in a messy setting. No employee can function effectively in a messy setting. As a result, it must be kept tidy. It is enough to declare that every university that wants to accomplish its main goals, which are teaching, research and community work, Notwithstanding the alleged risks connected with outsourcing, will eventually need to consider outsourcing its support services like cleanliness and information systems.

Muraguri, Ng'ang'a and Omondi (2015) found that external cleaning offer higher-quality services than those offered by internal cleaning service workers after researching the impact of outsourced cleanliness operations on service quality in Kenyan public universities. Additionally, it was discovered that even though the cleaning service was more expensive, a higher value for the money was obtained. However, a study by Beckwith (2016) examined

public institutions in New South Wales, Australia, using a two ordinary differential econometric model and data from sixty-one (61) cleaning service contracts, provided evidence demonstrating that, whereas the performance of cleaning services provided by cleanup agencies was preserved (that is, neither altered nor managed to improve), the rates were moderately reduced.

In a similar manner, Mohammed, Sani and Musa (2018) confirmed that outsourcing is a crucial way to increase IGR in higher education institutions and hence offer an additional source of funding for those establishments through with a study of outsourcing as an alternative for higher education financing (HEF) in Nigeria using Adamawa State University and Gombe State University as case studies. A survey on university community satisfaction with in-house sourcing versus outsourcing among chosen government universities in Ethiopia was conducted by Mohammed, Abebe and Wondim (2019). Outsourcing gave universities the chance to better resource management, reduce administrative stress, staff complaints, operating costs, and recruitment costs. Additionally, a rise in delivering services quality was observed.

To determine if outsourcing improves the quality of service in public healthcare institutions in South-East Nigeria, Arisi- Nwugballa (2016) used a field survey approach. The results showed that outsourced generated significant performance improvements through the outsourced services. Ogbogu (2017) evaluated the outsourcing process in a Nigerian university employing quantitative analysis. According to the study's findings, outsourcing has boosted quality of service, cut costs, boosted efficiency, and allowed the university to focus on its main activities. Prempeh and Nsiah-Asare (2017) conducted the study using the same set of factors among Ghanaian technical universities and found comparable results. Overall, despite the fact that outsourcing does not constitute a new occurrence in Nigeria, a review of existing literature on public sector outsourcing schemes has shown a dearth of empirical studies on outsourcing in Nigerian universities.

Methodology

An epistemological convergence, which involved the adoption of both an interview method and a qualitative descriptive method to collect data from respondents chosen through purposive sampling and who are employees of the Bank of Agriculture, was combined, made it easier to achieve the study's overall goal. Marshall (2002) gave some assurance that the conclusions drawn from a study won't be theory- or insinuation. Given that it would enable the collecting of public opinion regarding the management of the bank's choice to outsource cleaning services, the decision to utilize a surveying method to collect primary quantitative data using a questionnaire approach was considered appropriate for this research. The interviewing method resulted in main qualitative study that reflected first-person evaluations from respondents' unique viewpoints on the quality outcomes of the outsourcing of cleaning companies. The interviewing technique produced primary qualitative data that reflected first-hand assessments from respondents' views on the quality outcomes of the outsourced cleaning service. The data were used as a supplement

to the quantitative data's analysis. Quality effectiveness is the factor used in the study to determine whether to outsource. Two sections made up the questionnaire: The participant's personal information, including gender, employment history, and academic background is contained in Part A. The respondents' views on the quality of the cleaning service both before and after it was outsourced are covered in Part B of the questionnaire. Because they have direct contact with the service providers and are the ones who evaluate their performance, the researcher thought that the client representatives would make ideal respondents. In order to evaluate the data gathered on the respondents' personal information and to quantify the significance of the difference between the quality of the cleaning services that were outsourced and those that were internally sourced before and after, descriptive statistics like mean, deviation, and percentage were used.

Discussion of Results

Two stages of the analysis were completed. The bio-data of the respondents were analyzed in the first section using descriptive statistics, and the quality of the cleaning services before and after outsourcing was examined in the second section using a t-test technique. The comments made by the respondents during the interviews were employed to clarify the quantitative results at each phase of the presentation of the findings.

Profile of the Respondents

From the answers in Table 1, it is clear that there are more male than female respondents. In particular, male participants make up 52.7% of the population sample while female respondents make up 47.2%. 19.4% of respondents, who are drivers and securities, had a secondary school diploma, according to an analysis of the respondents' educational backgrounds. A National Diploma is held by 11.1%, a Bachelor of Science/Higher National Diploma (BSC/HND) by 50%, a Master's degree by 19.4%, and a PhD by 0% of those in attendance. This suggests that the participants are well-educated and are able to comprehend the questions and provide accurate answers. 94.4% of the respondents have worked for the bank for more than five years, according to the amount of years they have spent there. This suggests that the respondents can provide highly accurate information about the cleaning service in the bank before and after the effort, which began about twelve (12) years ago.

Table 1: Profile of the Respondents

Characteristic	Frequency	Percentage
Sex		
Male	19	52.7
Female	17	47.2
Total	36	
Education Qualification		

School Certificate	7	19.4
ND	4	11.1
BSC/HND	18	50
MSC	7	19.4
Total	36	
PHD	-	
Number of Years Spent with Bank		
Less than Five (5) Years	2	5.6
5 – 10 Years	3	8.3
10 – 15 Years	15	41.7
15 – 20 Years	11	30.5
Above 20 Years	5	13.9
Total	36	

Source: Field Survey, 2022

Table 2: Respondents Perception on the quality of cleaning service before and after Outsourcing

The results of the calculated mean score are shown in Table 2 below. The respondents agreed that the outsourcing cleanup provider acts promptly to requests than the in-house cleaners, with the mean score of 2.46 for before outsourcing and 3.39 for after outsourcing, which measures the degree of promptness of cleaners to requests made by client's representatives. In an interview, a participant said, "When it comes to promptness to demand, I award it to an outsourced firm.

Similarly, the professional cleaning supplying bank was rated higher on reliability, which considers the cleaners' capacity to ensure client safety and provide assurance that there will be a resolution to their difficulties, with a mean score of 2.20 for before outsourcing and 3.30 for after. One respondent stated, "I prefer the outsourced services over our in-house cleaning since they have a way of handling issues."

Prior to outsourced, respondents' opinions on service quality in terms of tangibility were 2.34 and 3.30, respectively. The available physical facilities, equipment, employees, and communication materials are tangible outsourcing quality metrics. According to the analysis conducted, a greater percentage of respondents concur that providers employ existing tools that makes their work more efficient than in-house cleaners. "Unlike earlier, our office equipment is now dusted using a vacuum cleaning machine," said one responder during the survey.

The outsourced professional cleaning provider was evaluated higher on competency, which measures the capacity of the external contractor to deliver care and individualized attention to customers, with a mean score of 3.31 after and 2.34 before outsourcing. One respondent stated, "The contractors are superior to our workers in that they enjoy flexible hours. The

cleaning company was rated with a mean score of 3.3 over the in-house cleaners after outsourcing cleaning services and 2.75 before in terms of its capacity to provide individualized attention, carry out their tasks at convenient times, have the best interests of the client at core, and also deal with customers with care.

	BEFORE		AFTER	
	Mean	Std	Mean	Std
Responsiveness				
.Level of prompt service	2.43	.244	3.50	.723
.always willing to help	2.28	.233	3.22	.698
.never too busy to respond to client.	2.66	.223	3.44	.705
Average	2.46		3.39	
Reliability				
.do what they promised at the right time	2.85	.338	3.22	.723
.sincerely showing interest in solving problems	1.66	.233	3.45	.710
.do something at certain time as promised.	2.10	.299	3.38	.689
Average	2.20		3.35	
Tangibility				
.the use of modern equipment	2.44	.622	3.60	.755
	2.25	.520	2.80	.625
.outfit of the cleaners	2.33	.785	3.51	.690
.the working condition of the equipment	2.34		3.30	
Average				
Competence				
.knowledge to answer question	2.88	.727	3.54	.765
	2.65	.560	2.95	.688
.clients safety when dealing with the service provider	2.73	.793	3.51	.550
.ability to relate courtesy	2.75		3.31	
Average				

Attention				
.give individual attention	2.69	.755	3.55	.815
.carry out their activities at convenient time	2.80	.625	3.13	.725
.having best interest of the client at heart	2.51	.690	3.25	.790
.deal with client with care	2.98	.420	3.30	.755
Average	2.75		3.3	

Source: Field Survey, 2022

Conclusion

It is impossible to overstate the advantages of outsourcing cleaning services because they have a huge positive impact on businesses. A competent cleaning staff can complete more work in less time, and a professional maintenance business may obtain better prices on machinery, consumables, and refill items like toilet paper, towels and hand soap. As a result, there are frequently significant huge savings. Further than the immediate cost-cutting measures, there is also reduction of the significant expenditures associated with personnel hiring, training, management, and recruitment.

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