

Management Problems and Concepts in Facilities

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Abstract

In the current business environment with fierce competitions, a company can only survive through producing better quality products or cutting cost below than their competitors [1]. Facility costs, as organisations' second largest expenditure (only after staff remuneration), will greatly influence the cost-effectiveness and thus competitiveness of entities [2]. The role of facility management (FM) is considered as an effective integration management of the physical resources and support services to enhance the operation of a certain organisation in short and long term [3]. FM practice may optimise its function and effectiveness by adapting into different organisational context and responding to the organisation's specific needs to assist creating right and high-productive environment for the organisations to conduct core business.

Keywords

Facility management, business environment, team working performance.

1. Introduction

In the New Generation (NG) Company, which is a typical Small and Medium-sized Enterprise (SME) located in the east of China, FM performance problems have been observed. As the occurrence of the similar issues in the other SMEs is of high possibility, it is of great significance to find out the reasons of the behaviours of the FM team members and explore opportunities to improve the effectiveness of people at work. This essay will firstly briefly present the behavioural problems in FM teams: inefficiency, ineffectiveness and irresponsibility. Then the root cause for this issue will be identified. Following that, Alderfer's ERG theory will be introduced and applied for the analysis of job performance improvement. A three-step recommendation from the managerial perspective will be proposed: identifying the individuals' needs, satisfying their dominate needs and measuring the work performance to verify the effectiveness of changes. Finally, the implications of the changes will be discussed.

2. Management Problems in the FM Team of SMEs in China

Currently in the SMEs of China, FM is not fully recognised and various managerial problems exist. From the personal experience in Chinese manufactory companies, it has been perceived that FM scope is usually limited to operational level with the activities covering security, maintenance, cleaning, catering et cetera. In the case of NG Ltd, it owns over 200 full-time employees, six product lines, two research labs and one test centre. The facility management team consists of one director and thirteen skilled workers taking responsible for the operational FM activities. As the FM staff over the total staff ratio is approximately one over sixteen, it is considered that FM operation is not the core business in this organisation [3].

There are a number of problems in the current FM team with the general issue of under-expected work performance. Three managerial issues will be identified, which are inefficiency, ineffectiveness and irresponsibility. The first problem is the inefficiency of finishing tasks. For instance, the procurement staff spent a whole afternoon in purchasing printing ink, which actually could be completed within one hour. This would in consequence result in not only delay

of printing jobs, but also complaints from colleagues. Another problem is ineffectiveness of detecting and debugging defects. One fact is that the water bill for August was six times of the usual months and only then did the utility maintainer report that there might be a leakage in the water pipe. If he had noticed it earlier, economic loss would be dramatically reduced. The third problem is irresponsibility and “none of my business” attitude of the workers. Once some guests came to visit, it was observed that the floor was wet but the “caution” warning was not placed on it by the cleaners. It would cause safety hazards and damage to the corporate image. In addition, absenteeism, arriving to work late and leaving early were common in the FM team. As these work performance issues are prevalent in the other firms as well, diagnosing the primary reason of the poor job performance will be the starting point to implement proper strategies to improve work efficiencies in Chinese SMEs. According to Griffin (1990), work performance is resulted from three key elements: skills, motivation and job opportunities. In this case, it can be seen that the employees have the skills and abilities to accomplish tasks in time. They also own the opportunities to achieve better work performance, hence it is deduced that the root issue for the phenomena described above is the lack of motivation. The influence of employees’ motivation on job performance has also been proved by numerous researchers and practitioners [4].

3. Adopting the Alderfer’s ERG Theory to Improve the Team Work Performance

A number of theories of motivation have been devolved explaining behaviours of individual, group or organisation at certain times [5]. Of the two main strands of motivation theories, the content theories aim at identify people’s needs and goals, namely what motivates people; while the process theories provide clues for how people get motivated [6]. Alderfer’s ERG theory, as one of the human needs theories, has been chosen as a framework for the analysis of what can motivate the workers. The theory is generally considered as a modification and refinement of the well-known theory – Maslow’s need hierarchy theory. As illustrated in Fig. 1, ERG theory argues that human beings have three core needs: existence needs, relatedness and growth needs, and these needs are motivators. The existence needs contain physiological and material needs, such as pay and physical working conditions. Relatedness needs mean maintaining relationships with significant people, including family members, superiors, peers etc. Growth needs refer to the desire for personal development [7].

The prediction from the theory implies that when low level needs are satisfied, higher level needs will emerge but the need hierarchy does not need to be strictly ordered [8]. This process is called satisfaction progression. In addition, more than one need may motivate at the same time. When a barrier or blockage to the higher-order need occurs, human beings are likely to have negative responses and the needs for the lower-order needs will be stronger, which is called frustration- regression process [8]. This theory reflects a dynamic process in human needs and concerns about the individual differences [5]. This flexibility may enable the implementation of particular strategies addressing particular issues. The variables such as type of industry, gender, age, position level and education level may all cause differences of employees’ needs [4]. Individual personality will influence the need satisfaction and job performance as well [9]. However, the validation of need hierarchy theories is controversial and empirical studies demonstrated that partial of the propositions in Alderfer’s ERG theory were supported [10]. The model is also difficult in terms of detailed measures and this will put an emphasis on effective communications between the managers and members.

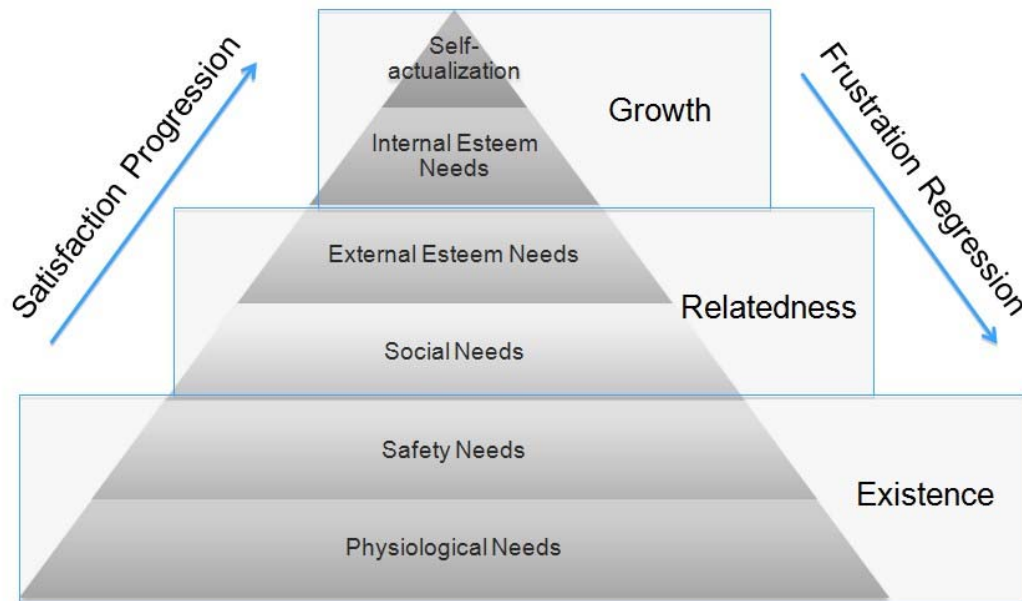


Fig 1. Alderfer's ERG theory model

A three-step motivation strategy will be proposed to improve the FM operational performance. The first step is to understand the present needs of employees through communication. It is reported that in China, the relationship between employees and employers is much closer than it is in western countries [11]. It indicates that the facility managers may have a better understanding of the staff needs, which is a good beginning of the changes. Through day-to-day communication with the workers, the manager in NG Ltd has summarised top motivation preferences: pay, welfare, job security, promotion and the most important non-work factor that may influence their work performance was childcare. He also personally predicted that feeling valued by others was also of significance. This result is basically in consistence with the surveys conducted by Wiley for over 40 years about the motivators of employees [12]. Among all these motivation preferences mentioned by the FM staff, pay, welfare and job security can be categorised into existence needs, recognition by others fits into relatedness needs and promotion in part of growth needs.

After identifying the individuals' needs, the second innovation step is to satisfy their dominate needs according to needs levels. To motivate the people with existence needs, offering fair payment and satisfactory welfare system is necessary. According to the ERG theory, when a certain source is limited, the satisfaction of people is dependent on the comparison with others in the same situation with them [11]. In FM teams, the wage budgets are within limit. Thus to avoid dissatisfaction of employees, it is vital to guarantee that people with same skills and same positions be treated with same pay and welfares. The theory also proposed that "the less existence needs are satisfied, the more they will be desired". To fulfil more potential existence needs, the organisation may provide physical examination for well performed employees as a bonus. For instance, every employee with a full attendance record in a month can have a free on-site physical check. This can be helpful to eliminate the absenteeism and "arriving at work late and leaving early" phenomena if they find the bonus attractive.

For the employees value relatedness needs but actually are in lacking of it, giving them feedbacks of work and showing respect to them may be a proper way to activate their motivation. The theory states that "the less relatedness needs are satisfied, the more they will be desired" [5]. Providing people with prompt feedbacks may remind them of work process and they may adjust their efforts to complete the remaining tasks. External esteem needs may be satisfied because of the feeling that their effort and work are worthwhile. For example, when a

facility technician finishes fixing the monitoring system, the leader can help to test it whether it works or not. The in time respond can probably enhance the sense of achievement as well as stimulating their feeling of respect from superiors. There are a number of other actions can be taken to meet the employees' relatedness needs. Simple examples are appreciation for work done and sending paychecks with thanks notes on them. As children's education becoming the major concern of the FM group, providing regular English training courses for their children may be an indirect motivator for them and therefore enhance their loyalty for work.

Some FM members are pursuing promotion, which means their potential motivator is growth needs. These employees probably need to learn new things at work and utilise their capabilities to solve problems. This may require the manager to increase job variety and autonomy for the workers. For example, the cleaner taking responsibility for the office building and the one for the workplace may have a job rotation. They are also given the freedom in decision-making such as the cleaning frequency of windows and lifts. However, promotion is not always possible, especially in this flat structured organisation. Referring to ERG theory, when the desire for the higher-order needs is blocked, the lower-order needs will increase [12]. That means, when promotion is unrealistic, one's relatedness needs become stronger, which is described as frustration process. In this condition, the manager should realise that more social interactions will be useful to satisfy the frustrated needs. Organising leisure or sports activities is an option to create more social connections between the frustrated one and his peers.

As long as the proposals addressing three levels of dominate needs have been discussed, the third step for job performance improvement is performance measurement and implication prediction. The performance indicators can be classified into quantitative and qualitative ones. Attendance records are persuasive quantitative data to reveal the changes of motivation levels of the staff. From empirical knowledge, employees with more motivations will react more actively to work and their attendance rate will be higher. The qualitative measurement indicators tend to be vague and more subjective. For instance, the cleanness of floors, windows, walls and even some dead angles is one indicator of the motivation level of the cleaners. The manager can compare the building cleanness before and after the implementation of motivation strategies. Other performance indicators such as the frequency of electrical device test by the maintainers, the variation of lunch dishes served by the cooks and sleeping hours of the on-duty doormen may all be perceived. Based on these indicators, the judgement on whether FM members get motivated or not can be concluded.

If the employees are motivated, their needs reflected on the ERG triangle will move upwards. This may benefit not only the companies, but also themselves. For themselves, they are likely to be more passionate towards work and find work more enjoyable. This positive work attitude may help them learn more and their happy mood will influence other staff. It is predictable that their life quality has an improvement as more fundamental needs being satisfied. For the organisations, one direct benefit is the physical working environment improvement. With the leveraging of the job performance, the support function of the FM team may be stronger. In addition, the FM directors may input less in managing the workers but gain more effective output. However, de-motivation process may be experienced by the workers when they are frustrated. The managers thus have a vital role in maintaining effective communications with FM members.

4. Conclusion

In reviewing this report, it firstly outlines the behavioural problems of FM teams in Chinese SMEs based on the case of NG Ltd. Inefficiency, ineffectiveness and irresponsibility are summarised as three key issues of work performance. Then the root cause for the under-expected job performance has been identified as a lack of motivation. It is considered that their behaviours can be explained by Alderfer's ERG theory model, which is a human needs theory

developed approximately four decades ago. To improve the work effectiveness and efficiency, a three-step proposal has been discussed from the managerial view. The first step towards change is identifying employees' needs through day-to-day communication. Five top working motivation preferences have been perceived and collected: pay, welfare, job security, recognition by others and promotion. The most important non-working motivator of the team members is children's education. These needs have been allocated to Alderfer's ERG model.

The second step in the recommendations is trying to satisfy their dominate needs according to different needs levels in the model. To motivate the people with existence needs, it is proposed that offering fair payment and satisfactory welfare system and providing physical examination for well performed employees may be useful. For the employees lack relatedness needs, giving feedbacks of work, showing respect to them, appreciating for work done and providing regular English training courses for their children may be a proper way to activate their motivation. For the employees with the dominate needs of growth needs, increasing job variety and autonomy is thought appropriate. When the need such as promotion cannot be satisfied, organising leisure or sport activities may alleviate the employees' frustration feeling. The third step is assessment for performance improvement. Quantitative measurement indicators such as attendance records and qualitative ones such as building cleanness have been mentioned. It also predicts that the benefits for the employees are life quality improvement, and for the companies, FM function enhancement will be a direct benefit.

However, four limitations should be pointed out in this case of adopting human needs hierarchy model for the analysis of the organisational behaviour problems. The first limitation is that as the model reflects, human need is a dynamic process, which may change due to some events. Satisfying the needs the employees have several months ago does not necessarily motivate them at present. Therefore, it seems of great importance to improve communication channels to gain a deeper understanding of them at the regular basis. For instance, listening to their ideas in regular meetings and providing a suggestion box to collect their thoughts may be useful.

The second limitation is that the model itself is simple and has academic debates. Whether the theoretical proposals are useful to improve the FM team work performance or not needs practical verification. The third one is that the proposals do not include cost analysis. Some suggestions may be not cost-effective and this will hinder their implementation. The forth limitation owes to the vagueness of qualitative performance indicators. The efficiency and effectiveness of performance are sometimes subject to personal perception and tend to have measurement difficulties. In practical applications, if the changes are perceived as a success in the FM team, it is suggested that the three-step strategy may be implemented to a wider range of organisations.

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