

ABSTRACT

Title of Research Paper : Development and Problems of Outsourcing
 Business by the Public and Private Sectors :
 Case Study of Tuck Group Co., Ltd.
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Degree : Master of Arts (Social Development)
Year : 2001

On the study of development of outsourcing business by the public and private sectors the issues taken into account for consideration were period of business operation, number of service branches, number of employees, type of service, capital or its source, and personnel development activities within the outsourcing business. On the study of the qualifications of the employees within the outsourcing business the variables taken into account for consideration were comprised of age, sex, domicile, educational qualification, category of outsourcing, period of service, and training. With respect to the problems and obstruction of outsourcing business, the outsourcing company should consider several issues. The issues were capital, recruitment of employees, training, staff resignation, financial liquidity, staff quality control, conditions and terms of employment contract, staff qualification, staff salary and welfare, human relations, work reliability, contingency, loss of control, resistance by regular staff, quality of service, and period of employment contract. The study on development and problems of outsourcing business by the public and private sectors was performed on 3 subject groups comprised of: 1) the corporate firms providing outsourcing, 2) the employees who were in the outsourcing, and 3) the organizations enjoying the service of the outsourcing.

The source of information or data in this study was comprised of primary data and secondary data. The data were obtained through the interviews with executives of the service companies, the employees who were in the business of outsourcing, and the executives relevant to the organizations enjoying the service of outsourcing (case study of Tuck Group Co., Ltd.). In addition, the study of documents, reports,

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distribution documents of the firms providing service on outsourcing, clients' historical background, the employees of the service providers were included. This study being a study and analysis based on descriptive statistics comprised of e.g. frequency and percentage.

Results

The researcher found that the operation of outsourcing in Thailand has been available since 1952 from the beginning number of 20 employees in two companies and until so far there are a large number of companies operational on providing outsourcing business with active employees of approximately 450,000 persons. As the case study of Tuck Group Co., Ltd., the company has been evolved respectively. The company has started its business operation since 1986 with one office with staff of 100 persons. At present, there are five branches with the total number of 5,149 employees and the company has expanded into seven subsidiaries. All of these subsidiaries were engaged in the outsourcing but only on different categories of services. From the beginning of only security guard service the group of companies was currently engaged in total of 21 categories of outsourcing with source of capital from Thai investors of six companies altogether, and Thailand – Netherlands joint-venture of one company at the shareholding ratio of Thailand : Netherlands, 70% : 30%. From the beginning of 18 organizations enjoying the service originally until so far there are total number of 732 organizations it's very obvious the outsourcing has been developing very rapidly. It's with anticipation that within the next 10 years this business will interest and attract more people to join in the same of which could play a great role in relieving and solving the problems of unemployment in Thailand.

In respect to the problems and obstructions of the outsourcing business, the study found that these problems were comprised of:

- 1) cash flow crisis or revolving fund system,
- 2) the internal and external management of the service company,
- 3) problems on the employer's conditions and terms of employment,
- 4) problems on labor relations,
- 5) problems on insecure of labor business employees towards their corporate stability.

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Recommendations

This study is very useful for not only the outsourcing corporate firms, the employees who worked in the outsourcing firms, but also the organization engaging the outsourcing service in terms of:

1. downsizing the organization to be more flexible,
2. reducing the costs of management,
3. relieving the unemployment problems seriously faced.