



Evaluation of Factor Affecting Suppliers' Capacity Building at Isfahan Water and Wastewater Company

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ABSTRACT: This study aimed to Evaluation of Factor Affecting Suppliers' Capacity Building at Isfahan Water and Wastewater Company in 2019 by the descriptive method of survey type and with applied purpose. The statistical population consisted of three groups including employer, consultant, contractor factors, all of whom were reported 50 persons were selected by using the census sampling method. The used questionnaire was a researcher-made questionnaire developed by the researcher, based on 50 items and 4 components (legal-formal, contract, management, and financial) based on a 5-point Likert scale. The face, content, and construct validity of the the questionnaires are confirmed. Questionnaire reliability coefficient by use of Cronbach's alpha was (0.711) in the legal-formal dimension, (0.889) in the contract dimension, (0.946) in the management dimension (0.871) in the financial dimension and the total reliability of the questionnaire was estimated as (0.961). The findings of the study indicated that the status of the outsourcing process for the suppliers' capacity building is above average. In addition, in the ranking of effective factors in the increase of the suppliers' capacity in the outsourcing process, the financial component with the mean rating of (2.78) was the first rank; the legal-formal component with the mean rating of (2.49) was the second rank; contract component with the mean rating of (2.43) was the third rank and management component with the mean rating of (2.30) was the fourth rank.

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1- Introduction

One of the most prominent features of the Third Millennium is the rapid growth and rapid acceleration of environmental change. Undoubtedly, this impetuous move will also have an impact on today's business world, radically transforming traditional business and business paradigms. This vibrant environment requires that today's organizations undergo major changes in their structure and strategies compared to the past. In fact, today's organizations are moving towards network-centric or expressing behaviors in the form of a small core - a large network. In this way, organizations will select limited activities to do their job and outsource the rest of their activities to a supplier network outside the organization [1].

Outsourcing is a conscious, thinking-based business decision to outsource domestic work to an external supplier and is concerned with providing some of the goods or services needed by a contracted business or organization with an outside supplier [2]. This strategy occurs when the execution of the purpose, tasks, and operations hitherto provided through internal resources is accomplished by communicating with an external supplier within the organization's long-term scope [3]. Outsourcing is the transfer of repetitive and intermittent internal activities, as well as the decision-making powers of outsourced contractors to a contractor. It should be noted

that in outsourcing not only the activities are outsourced, but often productive factors such as manpower, equipment, tools, technologies, and other related assets and decision-making powers and responsibilities and decision-making powers. Conflicts about certain elements of the assigned activity are also assigned to it [4]. To do this successfully and effectively, outsourcing organizations need to identify outsourced processes, outsource evaluation, outsourcing contracts, transfer procedures, and procedural status. Contracts should be given adequate attention [5]. Therefore, it can be concluded that before outsourcing, many criteria and criteria must be considered to select not only the appropriate supplier but also appropriate processes and measures for outsourcing.

The Water and Wastewater Company outsource most of its activities, so it is important to carefully explain many of the outsourcing requirements before embarking on the process of outsourcing the desired processes and taking action on their outsourcing. Such as legal, contractual, intra-organizational, managerial, and financial matters, with due regard. However, not only the water and wastewater companies but also other organizations, are currently not paying close attention to developing the outsourcing process and enhancing solutions to attract the participation of powerful and capable suppliers, since the present study seeks to evaluate the factors affecting the increase. The capacity of the suppliers in the outsourcing

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process at Isfahan Water and Wastewater Company can be said to be different from previous studies in this regard and can in turn cover the vacancy of studies in this field. It is one of the research necessities. Given the above, the present study seeks to answer the following questions:

1- What are the factors contributing to increasing the capacity of suppliers in the outsourcing process in Isfahan Water and Wastewater Company?

2. How important are each of the factors contributing to the capacity building of suppliers in the outsourcing process?

2- Methodology

The purpose of this study was to evaluate the effective factors on increasing the capacity of suppliers in the outsourcing process in Isfahan Water and Wastewater Company using a descriptive survey method. The statistical population of the study consisted of three groups of employer factors (Water and Wastewater Company), consultant factors (monitoring system), and contractor factors which were reported the 50 people in the year 1398. They were selected as a statistical sample. In this study, a researcher-made questionnaire was developed based on literature review and structured interviews. The following 50 items and 4 components (legal-legal, contract, management, and financial) questionnaire were developed based on a 5-point Likert scale. It should be noted that according to the researcher and expert approval, the articles were distributed in 4 components (legal, legal, contract, management, and financial). To determine whether 50 identified items could be included in the specified categories, the researcher asked 10 experts to comment on the classification, then the extent and frequency of agreement with each expert. Questionnaire items were classified and then content validity was calculated. Finally, after completing the questionnaire, the face and structural validity, and reliability of the questionnaire were assessed. Data analysis was performed using SPSS software.

3- Results and Discussion

Based on the results, it can be concluded that the status of outsourcing process for capacity building of suppliers in Isfahan Water and Wastewater Company is above average and the components used can be relatively strong in capacity building of suppliers in Isfahan Water and Wastewater Company. Have an impact.

The results also show that there is a significant difference between the legal-legal, contract, management, and financial components in outsourcing development to capacity-building suppliers in Isfahan Water and Wastewater Company.

According to the results of Table 1, Friedman test rankings, the financial component with average rating (2.78), and legal-legal component with average rating (2.49), contract component with an average rating. (2.43) Third rank and average management (2.30) have the fourth rank in outsourcing development to the capacity of suppliers in Isfahan Water and Wastewater Company.

Considering the results of previous researches and the results obtained in the present study, it can be concluded that outsourcing, as one of the tools of organization development and productivity improvement in the form of downsizing. In recent years, executives and executives of many organizations,

Table 1: Friedman test results

Rank	Group of Barriers	Mean Score
1	Management	2.30
2	Contract	2.43
3	Legal-legal	2.49
4	Financial	2.78

including the Water and Wastewater Company, have been exposed to and implemented in a variety of ways. In the past at the Water and Wastewater Company, outsourcing was used when the company could not perform well, was weak in competition, lacked capacity, faced financial difficulties, or was technologically inferior. It was. In contrast, today, water and sanitation companies are using this tool to restructure the company, and its executives have realized that it is vital to building the key capabilities needed to meet customer needs. The way to try. Focusing on legal, contract, management, and financial factors can have a significant impact on increasing the capacity of suppliers.

4- Conclusion

The purpose of this study was to evaluate the effective factors on increasing the capacity of suppliers in Isfahan Water and Wastewater Company. To achieve the stated objective, the experts' opinions on the questions extracted from the research literature were obtained through structured interviews. The results of the analysis were statistically analyzed. The findings of the study indicate that the status of the outsourcing process is above average. In addition, in the ranking of effective factors in increasing the capacity of suppliers in the outsourcing process, the financial component with an average rating (2.78) is ranked first, the legal-legal component with an average rating (2.49) is ranked second, Contract components were ranked third (2.43) and management was ranked fourth (2.30). Given the serious challenges facing the water and wastewater industry, such as the increasing current and capital costs of infrastructure costs, the legalization of water tariffs, the collection, and disposal of sanitation in the year. Recent upheavals, a surge in cumulative losses, a three-fold increase in the cost-to-average price of potable water and sanitation, the existence of over 1,400 kilometers of mainly worn-out networks and facilities, and a 30% loss of water in the distribution network, and the urgent need for reconstruction and renovation That, the growing need for network and water and wastewater facilities development, in line with population growth, growing customer expectations to upgrade, The focus on outsourcing water and wastewater activities have become increasingly apparent, so to further develop the outsourcing process and to succeed in this, the water and wastewater company should first select the activities that require outsourcing. And, secondly, select the

suppliers to outsource and rely on the core competencies of the organization and the necessary planning to select the suppliers that are capable of meeting the expected current needs of the company. Meet water and wastewater and can maximize productivity for Bring Water and Sewage Company. On the other hand, the Water and Wastewater Company, to attract the most suppliers, should pay attention to all the factors, components, and indicators that are most concerned by the suppliers, and in Table (3), to attract more reliable suppliers. Participate and partner with the Water and Wastewater Company to utilize the capabilities and resources they have to effectively implement outsourced processes.

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