The main factors causing the outsourcing use in the construction organizations’ activities

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Abstract. The current trend of optimizing business in construction in Russia indicates a growing orientation of construction organizations to foreign experience in the use of outsourcing, as a technology to transfer the certain types of activities or functions of their business along with responsibility for the result of the latter to outside specialized organizations. The article discusses the factors affecting the construction organization management system and causing the use of outsourcing in these organizations. The authors propose to group these factors into external ones in relation to the control system, as well as to the system of construction production and internal ones - factors reflecting the subject and object of management characteristics. Considering the outsourcing internal factors use in the field of building production management, the authors believe that it is necessary to take into account their close relationship with goals, objectives, various needs, functions, organizational structure, production technology, personnel policy of the building organization. The article identifies two directions for the outsourcing us, which affect the construction organization competitiveness growth, identifies goals and objectives that the construction organization solves in the process of using outsourcing.

Introduction
Toughening competition in global markets, the new information and communication technologies emergence and the active use of work network principles determine the search for new tools to improve the modern enterprises competitiveness. One of these tools is outsourcing. The outsourcing establishment and development issues in Russia are investigated by A.A. Kizim, E.V. Kazakovtsev [1], A.A. Kirillov [2], E.E. Koba [3], I.D. Kotlyarov [4], T.F. Kutuzov, ON Rudenko [6], L.S. Churkina [7], N.V. Lutskaya [9], N.V. Mandrik [10], V.S. Poleschuk [11]. We would like to note the specifics of studying the features of the outsourcing use in the construction industry, which significantly reduces the researchers’ number to a few people - I.V. Lineva [8], V.V. Sinyaev V.E. [12-14], Solov’eva, I.S. Lebedeva [15]. For example, the researcher of outsourcing processes in the construction industry Sinyaev V.V. considers outsourcing as a targeted allocation of individual business processes and delegates them to the third-party organization execution [12]. At the same time, in his opinion, outsourcing is a strategic decision of the company, pursuing the goals of improving the quality, reducing costs and execution time of individual transferred functions.

It is characteristic that the construction organization management is ready to consider outsourcing as an alternative business development to other traditional ways, which is caused by the presence of a number of factors influencing the final decision of the management to implement the outsourcing mechanism.
Since construction is a fairly dynamic system, distinguished by its constituent elements interaction complexity, the behavior probabilistic indicators, the range of factors determining the outsourcing use in the construction organizations activities is diverse. The outsourcing use in a construction company, like any other event of a strategic nature, must be adequate in relation to the environment in which the organization operates. Thus, the study of using outsourcing feasibility should imply an assessment of the overall possibilities for implementing an outsourcing project.

Materials and Methods
The theoretical and methodological basis of the study was the works of well-known domestic scientists, economists and civil engineers, dedicated to the essence disclosure and outsourcing content, its development trends, as well as the works devoted to this management tool development potential state analysis in the construction industry.

The article uses the methods of systematic, monographic, structural and logical research. Each of the methods will be used based on functionality.

Results and Discussion
Factors affecting the construction organization management system and the construction industry, and, as a consequence, the results of managerial work, and in particular the decision to implement outsourcing, can be divided into two large groups:

- external to the control system, as well as to the construction production system;
- internal - factors reflecting the characteristics of the management subject and object.

Let us single out the most significant external factors that can stimulate or limit the impact on outsourcing in the construction production field.

A. The construction organizations specifics imply taking into account the impact on the natural factors organizations activities, including climatic, natural-resource, landscape conditions that affect the locating possibility in a particular locality or region not only a potential outsourcing customer organization, but also the outsourcer. It is impossible to exclude the possibility of a situation when an outsource provider offering services in the field of industrial outsourcing or the non-core servicing functions outsourcing, due to physical remoteness or inaccessibility to the service facility unjustified for it, would be unreasonable to cooperate with the customer of outsourcing [2].

B. An important role is also played by state-political aspects of the construction organization functioning, which can make a significant contribution to shaping a decision on the outsourcing use, since in the Russian economy of the modern period, the analysis and assessment of market development macroeconomic stability, which affects sustainability, becomes an urgent task, cooperative ties in general. The next subgroup of factors is regulatory and legal factors that are a part of legal, state-political and environmental factors. They can encompass the requirements of environmental, technical and other creation and operation security of the objects under construction. In some cases, the use of outsourcing in construction companies from this point of view may be unacceptable if the required services provider fails to provide an appropriate level of quality according to these criteria. Here we can also refer to the legal requirements for technical solutions provided by outsourcers. Consequently, the presented factors may impose serious restrictions on the construction organization activities in the event of inconsistency between the construction production or the forms of construction execution and other works that are outsourced to the current standards and legislation.

B. The fact that for a construction organization an important aspect of the relationship between it and potential outsourcers is the order, form, obligatory and necessary conditions for the provision of services by the latter should be concerned as well. In this regard, the service provider reliability assessment has an important influence on the outsourcing volume in the field of construction production (Fig. 1).
Figure 1. Tasks solved by a construction company with outsourcing

The construction organizations activities specifics suggest that outsourcing organizations entered into an outsourcing agreement with a construction company, as a rule, perform one or more types of one-type specialized work. Such a system for coordinating the actions of the outsourcers by the customer of outsourcing is extremely important for the uninterrupted progress of the construction industry as a whole. In addition, such a system may allow a construction organization to reduce the negative consequences of the independence partial loss in terms of technology or management from a strategic outsourcing partner during and after the joint work agreement termination.

G. One more important factor in the outsourcing development is the commercial component of the conditions for the conclusion of outsourcing contracts in a particular market. This should include: 1) market conditions (the required services providers availability); 2) the image of potential outsourcers; 3) potential risks of cooperation; 4) national and regional market characteristics [6]

Next, we highlight the internal factors determining the outsourcing use in the field of construction production. As a rule, they contain the reasons for the emergence of a problematic situation in the construction organization production activity. For example, high wear or disposal of special equipment serving its qualified specialists; simple construction machines and equipment and, accordingly, unsatisfactory indicators of the used fixed assets efficiency, as well as labor productivity, etc. The listed circumstances may lead to the appearance of a “bottleneck” in the general technological process and appeal to an outside organization capable of performing the corresponding types of work. In turn, the construction organization management expectations in this case are reduced to obtaining the following effects from interacting with an outsourcer: reducing machines and equipment downtime; reduce losses from poor quality construction; technical equipment growth; losses elimination due to reduced staff turnover, etc.

We group internal factors that cause outsourcing of the management subject.

A. The logistics principles introduction into the building organizations practice has led to the integration of economic, technical, technological and informational processes and individual links of material flows into a single system of end-to-end material management and informational processes. This circumstance was reflected not only in the stocks reduction and working capital reduction in the construction industry, but also increasing the management personnel workload.

B. The strong market relations active development led to the development of relations with suppliers of external resources, which leads to an increase in the role of communication factors. These factors help to build an adequate system of communication with the external control subsystem in the organization, which is an important task facing the top management. In this regard, the analysis of the contractual system built with the outsourcer will be most effective if approached from the point of view of identifying the specifics of informational interrelationships and interrelations, because informational interactions are on a par with the functioning, mechanisms of reproduction, development orientation principles. Of course, the existing open-type economic systems are important system-forming factors that influence the management system and its structure organization formation.

Components of assessing the outsourcing service provider reliability

- guarantee the timely supply of the necessary resources, development and implementation of relevant solutions that will ensure that there are no deviations in the implementation of the outsourced business process, which ultimately will affect the building organization and customer outsourcing efficiency
- guarantee of the qualification of the outsourcer to the delegated parties for the business process implementation
Considering the internal factors of the use of outsourcing in the field of building production management, it is necessary to take into account their close relationship with the goals, tasks, various needs, functions, organizational structure, production technology, personnel policy of the building organization. In this regard, in our opinion, the following theses are relevant for the disclosure of the set of the studying internal factors problems.

One of the important internal environment factors is an organizational management culture in a construction organization. The management decision to conclude an outsourcing contract will depend on the openness, competencies development, the construction company competitiveness, its ability to adapt to business integration at the strategic cooperation level.

The management objectives definition and selection are the basis for the specific functions’ development, the structures definition, the management methods and styles selection, the entire economic mechanism formation, including the outsourcing elements integration into this economic mechanism. The management organization basis is the development of a system of organizational provisions that determine the management structure. Consequently, the organizational structure shows the area of responsibility of each individual employee or department and its relationship with other structural units. In this regard, as a result of making a decision on the use of outsourcing, a certain restructuring in a construction company should ultimately lead to harmonious cooperation between the customer and the outsourcing performer and a common desire to fulfill the goals set by the organization.

The goals achievement should include the allocation of target tasks, which are complex works that must be completed within a specified period and in certain ways, that is, an individual worker, a unit, an external executive involved or the entire organization can be set with the designated purpose.

The presence of the tasks assigned to the outsourcer allows management to develop recommendations aimed at improving the construction organization organizational structure and increasing the company’s productivity by: 1) optimizing the costs of performing a certain management function; 2) switching efforts to the main strategic goals and objectives of the organization; 3) reducing the work duplication as a result of the business process implementation; 4) the managers workload regulation at various management levels; 5) development of a rational plan for the personnel employment structure and the distribution of functions between employees in accordance with changes in the structure and scope of the organization’s activities when outsourcers are involved.

The ability to increase the competitiveness of a company in the construction market due to the emergence of reserves as a result of the outsourcers using external resources is one of the main factors in the outsourcing use in the activities of a construction organization both in the field of construction and in construction management. In this case, the outsourcing implementation acceptability criterion is based on the building organization competitiveness two elements qualitative improvement condition:

- the basic component, determined by the ratio between the competitive part of active funds to their total number;
- forming component, determined by the ratio of the number of highly qualified managerial personnel and other workers, including unique knowledge and skills, to the total number of personnel in a construction organization.

Thus, the introducing outsourcing fundamental goal in a construction organization can be to increase its competitiveness and adopt outsourcing as one of the directions for the effective competitiveness management development.

Conclusions
If we consider the factors of using outsourcing with respect to enhancing the competitiveness of a construction organization, we can distinguish two directions:

- the lower costs advantages, where it is necessary to organize production at lower costs and realize in a shorter time the entire production cycle of the construction industry - from the design and design stage to turnkey delivery to the customer;
- advantages in specialization, where it is necessary to be able to stand out from a variety of competitors, offering consumers the realization of original contracting projects that are distinguished by a high level of quality with standard characteristics or a non-standard set of properties.

In our opinion, outsourcing is capable of constructively influencing an increase in the construction organization efficiency only when its goal is to achieve a competitive advantage of high order. In turn, it is necessary to emphasize that the main factor of successful competition in construction is the construction products competitiveness, which, in turn, are directly affected by price and quality.

Moreover, the price factor or factor relating to the production costs reduction and allowing the construction organization to gain economic benefits as a result of the business processes transfer to the side, today many experts seem to be the main factor in the decision to use outsourcing in construction organizations.

Outsourcing, which is able to play a significant role in pricing policy, makes it possible to declare an acceptable and necessary price for the construction product customer, taking into account the target market and market positioning. We believe that the construction organization is able to achieve the following goals from the outsourcing use (Figure 2).

**Figure 2.** The goals achieved by the construction organization from the outsourcing use

Thus, competitive outsourcing can allow a number of critical tasks to be solved in a construction organization (Figure 3).
Figure 3. The tasks solved by a construction organization with outsourcing

Summary
It should be taken into consideration that the factors of using outsourcing in the construction organizations activities must necessarily be consistent with the increasing positive changes factors in the structures under consideration. On the one hand, as an alternative, the outsourcing development can be acceptable only if there is a prerequisite for the construction organization success within the adaptation framework to the external environment, the maximum benefit from the opportunities arising in the external environment. On the other hand, outsourcing relationships form an organization that has no boundaries on how to remove barriers within the company, i.e. between functions and structural units, as well as external barriers - between the organization, consumers of construction products and suppliers of the necessary resources.

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