

# FACILITIES MANAGEMENT: THE PROSPECT OF ITS IMPLEMENTATION IN THE TOURISM INDUSTRY IN MALAYSIA

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#### Abstract:

As more and more tourists are coming to the shore of Malaysia, we need to justify the quality of services and provision of products from the tourism industry. First class services would be expected if we are to compete with our close neighbors in terms of facilities provided within the hospitality industry to ensure repeat businesses. After all, tourists will only come back if they find that their expectations of our tourism industry are met. How do we ensure that our services and products are of quality? How do we ensure that facilities are not only provided for the convenience of tourists but also they are properly maintained, so that public and private facilities for the tourists are kept in excellent condition? These are some of the major questions this paper will try to highlight and how Total Facilities Management can be used to ensure that services and products are provided as expected by the tourists.

Keywords: Facilities Management, Tourism Industry, Quality Services and Maintenance

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#### 1. INTRODUCTION

Tourism industry in Malaysia has become one of the most important revenue earners. In the light of the September 11 incident, the tourists profile coming to Malaysia has changed dramatically. The country is receiving tourists made up of citizens of countries whom have not made Malaysia their holiday destination until recently. However, this could be generally considered as having a positive impact on Malaysian tourism, and other industries that support the tourism industry.

The tourism industry has also been earmarked to play an important role in the socio-economic development of the country. The Government, through its

agencies, has been actively promoting the tourism industry, locally and abroad. The tourism industry in Malaysia is potentially significant in meeting the objectives of development, particularly those associated with income and employment creation and export earnings generation. A range of activities to support these objectives have been and is still being carried out in the form of infrastructure building and hotel upgrading, pioneer status, special touring packages and the expansion of tourists service expertise.

Of late however, there is a major concern regarding the maintenance of services and facilities provided for tourists, be it public amenities as well as privately provided goods and services. The Prime Minister, during the past few months has conveyed his concerns regarding the maintenance mentality or rather the lack of it among Malaysians. Malaysia, spent millions on building world class facilities and services but fall short on maintenance which saw these facilities becoming obsolete after just a few years. During the tenure of the former Prime Minister, he too has chided the Malaysian citizens of the world class facilities but third world mentality.

The question here is, is there any mechanism that could ensure that facilities and tourism products remain in excellent condition years after they were built or provided? Can something be done to ensure international and domestic tourists will keep coming back to enjoy their holidays and vacations and hence ensure that the tourism industry in Malaysia continues to flourish now and in the time to come?

This paper seeks to highlight the concept of facilities management in the tourism industry in Malaysia so that services and facilities will continue to be of significant contribution towards maintaining the flow of tourists into Malaysia and repeat businesses in the future.

#### 2. AWARENESS IN FACILITIES MANAGEMENT

The idea of Facilities Management was first introduced in the United States in the 60's and later spread to other European countries such as United Kingdom, Germany, Netherlands and Denmark. Other countries followed suit but Malaysia is quite slow to adapt the ideas until recently. The concept of FM has also seen the evolution from the merely contracting out of the cleaning services to the concept of Integrated Facilities Management.

There are different types of facilities but most of them could be grouped into real estate, people, finance and technology & equipment. For tourism products where FM could be implemented, they would largely fall into the real estate types although the rest of the types of facilities would still benefit from the implementation.

One of the major functions of FM is to ensure that the organization's physical resources remain as an asset to the business and not a liability. In times of high operating costs, increasing competition amongst businesses and rising employees' and customers' expectations, organization should try to maximize the return on their investments in both facilities and human resources, the greatest assets of any organization. Buildings, facilities and people all interrelate to the extent that failure in one link of the chain will affect overall performance.

In the early 60s, one of the main reasons for the introduction of FM was the introduction of computers in the workplace. In the 90s, additional emphasis was placed on the utilization of the workplace in the enhancement of creativity within the organization by managing space more effectively and efficiently. World economics has played a significant part as increased competition both nationally and internationally, has encouraged many organizations to look inward with greater intensity than before in order to become more competitive.

According to Becker (1990), the major factors contributing to an increase in awareness of the need for FM are:

# 2.1 Introduction of IT

Computers are being used extensively in organizations throughout the world and this has placed new demands on buildings. Technical characteristics such as height of ceilings, capacity and positioning of buildings, ventilation and air-conditioning installations, the size and ability of cable raisers and uninterrupted power supply.

# 2.2 Global competition

All organizations wishing to survive had to improve both their services and products and also have to manage all their facilities (property, equipment, people) more effectively to compete nationally and internationally. Management had to become more efficient whenever there is a change in business practice.

# 2.3 Cost of space

Rentals and other costs regarding rentals have increased gradually over the years especially in city areas. Hence, spaces have become more precious than ever and need to be managed efficiently.

2.4 Rising expectations from clients/customers

Customers (tourists) are demanding more and more for each single RM they are paying. Expectations differ from different backgrounds of customers. After the September 11 incident, there have been an increased number of tourists to Malaysia due to various reasons. Hence the focus should also take into account the different approach of welcoming this new group of tourists.

2.5 Rising expectations from business operators.

Business operators are not just looking at the profits they can make, but more emphasise is now on the ability of the business to sustain its presence in the industry and able to garner more trade surplus, while at the same time keeping high quality personnel in their company.

All of these pointers should be taken into considerations by business operators in the tourism industry. There is definitely a need to adapt and adopt but the mere survival of business operators especially in the tourism industry depends on the ability to change and the speed in which changes are being made. Hence we will look at the need to implement the FM into tourism industry in order to enable the industry compete with similar operators locally and also abroad and to maintain its sustainability. Areas of interests would be in the facilities needed by tourists that made their stay here in Malaysia memorable and will leave a lasting impact on them.

# 3. DEFINITION AND RATIONALE FOR FACILITIES MANAGEMENT

Business organisations may have already considered the distinction between their core business and non-core business (such as cleaning and security) as part of their drive to deliver customer's satisfaction and achieve better value for money. Since the running of an organisation involves complex, co-ordinated process and activities, it is necessary to take an integrated view. Hence, facilities management is seen as creating an environment that is conducive to carrying out the organisation's primary

operations, taking an integrated view of services infrastructure and using this to deliver customer's satisfaction and value for money through support for and enhancement of the core business.

The British Institute of Facilities Management defines facilities management as the practice of coordinating the physical workplace with the people and work of an organisation. Facilities management is an integrated approach to operating, maintaining, improving, and adapting the buildings and infrastructure of an organisation in order to create an environment that strongly supports the primary objectives of that organisation (Barret, 1995). Thus it can cover real estate management, financial management, change management, human resources management, health and safety and contract management in addition to building and engineering services maintenance, domestic services and utilities supplies (Atkin & Brooks, 2000).

The International Facilities Management Association (2003) defines FM as "the practice of coordinating the physical workplace with the people and workplace of the organization. It integrates the principle of business administration, architecture and the behavioral and the engineering science".

## 4. THE NEED FOR FACILITIES MANAGEMENT IN TOURISM

Facilities management (FM) exists to support the core business that is the preliminary goal - seeking activities of the enterprise. The role of FM in facilitating organizational performance, and thereby in providing competitive advantage, is widely acknowledged. Thus, tourism industry also needs facilities management to enhance performance in the industry. The implementation of FM in tourism industries should be focussed on the maintenance issues. The importance of maintaining facilities in developing countries is being stressed much more these days because many projects, especially tourism facilities such as roads, museum buildings, zoo and many more have failed in the past as a consequence of lack of procedures. In road maintenance the situation is even worse. As the government continues to build the road networks, the previous lack of attention to maintenance has become apparent in the declining state of the existing network. In many cases, investments have to be made into rehabilitating the existing system which has so painstakingly been developed.

In Malaysia, the road network seems to be deteriorating at a faster rate than is has been constructed. Funds for maintenance are generally spent on improvement and emergency works rather than on routine maintenance. According to Edmonds and De Veen (1991), public works are caught in a vicious circle. Budgets for road maintenance are insufficient and are spent on putting the networks into maintenance condition. There remain no funds, however, for routine periodic maintenance, thus the network continues to deteriorate.

At the entrepreneurial level, most tourism businesses are nowadays aware of the need for quality improvement. Few of them, however, emphasise this need in their strategies and even less in developing quality systems in order to improve their performance and satisfy the customer. A great deal of these systems have been established by the bigger tourism companies, such as international hotel chains, multinational tour operator, airlines and other visitors attractors. In contrast, despite the fact that the majority of small tourism enterprises appreciate the importance of quality improvement as a means of sustaining competition, they are mainly concerned with upgrading their facilities or inspecting their products. In most cases, however, they do not develop formal quality systems.

The analysis of initiatives aimed at quality improvement in tourism proves that this issue is not new and has received much attention form both public and private tourism organisations. Various steps have been taken at international and national levels to build quality awareness among the providers of tourism products and services. There are also examples of developing national and regional tourism quality systems.

The quality experts agree that poor quality results either form the lack of quality awareness/ interest or from employing the wrong quality improvement (Wille, 1992). The previous analysis proves that both public and private tourism organisation, at all levels, recognise the need for quality problems in tourism do not result from lack of quality awareness or interest but from improper systems of quality improvement being implemented. So what is wrong with the existing tourism quality systems?

Owing to the above consideration, a systems theory implemented in FM is to provide a framework for the examination of reasons for current quality problems. A system is defined as an ordered set of interrelated components of FM that affect each other by being part of the system. The components of the system include inputs into the system derived from the environment that are converted into outputs through the use of an appropriate process.

From our perspective, there are four main issues in implementing FM in the tourism industry namely:

- Sustainable tourism
- Transportation
- New products
- The future of tourism

## 5. SUSTAINABLE TOURISM

The main issue arising form this is the need to consider during the early phases of tourism development. Developing a product that sits in harmony with the local environment has to be considered. Over the last 15 years, Malaysia has seen a dramatic rise in the number of tourists visiting, from up-market segments right through the back packers undertaking a round the world trip. Malaysia has many differing attractions on offer, and if it wants to remain successful, it needs to be integrated with the high quality product that both considers and fits the local environment. Much Malaysian sees tourism as a quick way to earn a substantial living. It could therefore be concluded that sustainability need to evolve through effective planning, where guideline are set on the breadth and depth of tourism development. Further, locals need to be educated about sustainability in the hope of training people to preserve the product that actually offers them a living.

#### 6. TRANSPORTATION

Transportation is notably well presented, especially the activities of the airline operators. Mak & Go, noted that the airline industry in Asia is suffering as European and US airlines compete for global supremacy. As a result, Asian carriers are forced to negotiate strategic alliances to avoid being sidelined. In conclusion, these developments are likely to influence tourism, as increases in airline competitions will

lead to improved service as well as reductions in prices, as operators strive to ensure that capacity targets are met.

#### 7. NEW RODUCTS

In reviewing tourism products, one can note that these sometimes have a short life span resulting in a stream of new offerings into the market place. A recent surge in the opening mega malls has seen the shopping principles combined with theme parks. The idea behind such combination is to draw people across state borders even across continents, in search of a unique experience. As most of these complexes are built outside city centres, one can also see benefits in terms of urban rejuvenation, bringing investment and job opportunities to the local community.

#### 8. FUTURE OF TOURISM

Elaborating on the future of tourism, Jefferson looks at the prospects for the industry over the next 10 years, basing his findings on demographic, socio economic and political trends. Of major importance, demographically, is the growth of older travellers. In fact, one in four Europeans will be over 55, and in the USA and Japan one in seven people will be over 64. The main implications arising from demographic change are likely to be in the increased number of senior citizens in the developed countries of the world, whose countries generate visitors. A further influential trend arising form Jefferson's study is the amount of holidays people take. Furthermore, as holidays are becoming realities to many people, they will help the industry to extend its product life- cycles.

Another important issue affecting the future of tourism is that of barriers caused by International laws and regulations. Research conducted by Edgell on politics and tourism notes that many countries are using the industry as a generator of income and employment and that these variables could actually be enhanced further if barriers to international tourism can be reduced or eliminated.

Yet another perspective is, tourism can be used as a catalyst to increase career opportunities and level of wages. This situation may lead countries to follow ad hoc approach to development, where little considerations is given for the long term future and instead, short term goals of employment and economics are sought.

Government must take responsibility for maintaining an economic environment conducive to attracting businesses. This might be enhanced by private investment in employees' education and by enabling staff to visit a wide array of tourism locations so as to broaden their development experiences.

#### 9. THE IMPLEMENTATION OF FM IN TOURISM

Facilities management (FM) is increasingly becoming an important function in the built environment. This includes tourism industries. With development well under way in both the developed and developing countries, the number of buildings and infrastructural facilities which need to be professionally managed and maintained has grown to reach the same level of significance traditionally found in new constructions works. However, unlike new construction, FM, if it is to be taken within the context of not only property maintenance and management, but also retrofitting, refurbishment and renovation works- involves more risk because of its higher level of uncertainties during the inception, design and construction stages. These uncertainties do not, however, mean that quality standards in FM should be compromised. Like new construction works, total quality management (TQM) can likewise help to rationalize and enhance effective FM. Beside, evaluate of performance is another way to implementing FM in tourism.

Facilities management (FM) is no longer a new concept in the USA, Japan and Western Europe and other parts of Asia. Facility managers are found in large corporation, banks, the manufacturing industries and consultancies, in fact almost everywhere there are plants, buildings and services to be provided in support of the main core business. It follows from such situations that a more rational approach to facilities management needs to be identifies. The existing system of project implementation frequently leads to conflicts among the parties involved in the FM process, hence rendering the system of effective communication and teamwork. As facilities projects become more varied and complex in nature, a fresh management paradigm seems imperative. In this context, a shift from the profession- based scenario to a project- oriented, team based scenario can be envisaged. The various disciplines should function within such a team culture, guided by policies, procedures and systems while focusing on the objectives and benefits identified for the project from the outset.

Such an effort is perceived as a 'quality approach', and it stands to reason that the core management philosophy pursued should therefore adhere to the fundamental principles of total quality management of TQM. In this scenario, the inspection – oriented quality system, which is highly prevalent in facilities management will be superseded by prevention- oriented quality management.

On the other hand, facilities project under tourism are undertaken in the main single batches. Although many of the basic processes are repeated from job to job (for example, property maintenance and management), the specifics of applications are always changing. This FM through TQM will be achieved by;-

- a. Discussing the scope of FM and factors which affect TQFM
- b. Explaining the definition and philosophy of TQM within the tourism industry (This topic is covered in another paper)
- c. Proposing a framework for implementing tourism in FM (This will be covered in another research project)

# 10. FACTORS AFFECTING TQM

In essence, a FM system can be product and/or process that will help to enhance the performance of FM functions. The nine basic areas of responsibilities drawn up by the International Facilities Management Association for facility managers are:-

- a. facilities planning and design
- b. facilities construction and renovation
- c. co- ordination of facilities change and relocation
- d. procurement of furnishing, equipment and external services
- e. development of corporate facilities policies
- f. long-term facilities planning and analysis
- g. building operations, maintenance and engineering
- h. furnishing and equipment inventory management
- i. real estate procurements and disposal

These responsibilities suggest that facilities management contains four main areas in;-

- a. the continuous programmed co-ordination of all efforts, namely planning, designing, construction and management of facilities towards enhancing the working environment of the people and the organization's ability to meet its business objectives;
- the total integration of a diverse field of disciplines on business, architecture, behavioural and engineering science under one entity in an organization to oversee all facilities functions previously controlled by independent departments;
- c. the management of activities proactively rather than the management of facilities reactively
- d. A business concept where facilities management policies and procedures are guided by organizational goals and objectives as well as available resources.

Facilities management is therefore a multidisciplinary, but integrative, function that generally involves more than one department in a large organization. Engineers, facilities managers/ administrators, planners, designers and developers are among the various professionals who are involve with facilities management to achieve the following goals:-

- a. Reduce total facilities- related cost
- b. Improve productivity and functionality of the organization/ industry (by improving the housing of the enterprise)
- c. Develop more meaningful and accurate forecast of future space requirements, hence reducing the expenditure for resources
- d. Achieve more accurate future capital budgets
- e. Formulate a framework where established budgets can be achieve more effectively
- f. Improve employee morale and efficiency. This is particularly so, when employees are encouraged to be more anticipatory rather than reactionary towards their FM decisions.

- g. Solutions to specific problem can be developed within the context of an overall space utilization master plan.
- h. The efficiency for space utilization can be improved
- i. In phasing out space requirements, a reduction in the new/future space required can be achieved.
- i. Selective implementation and construction can be postponed or avoided
- k. The number or rearrangement and relocation projects can be reduced
- I. Through better information management, the inventory of space, equipment and furnishing can be controlled
- m. The capital resources required to support operations can be controlled and allocated more effectively
- n. By improving the overall work environment, more functional, flexible and costeffective facilities can be attained
- Functional standards can be developed for offices, workstations, equipments and special facilities.
- The reduction in average procurements cost can be achieved.
- q. The standardization of interior planning, design projects and design components can be attained
- r. The necessary current and future facilities requirements data can be kept readily available
- s. Energy consumption can be reduced.
- t. The distribution of electrical, communication and similar services can be undertaken more effectively.

While the above responsibilities fall within the scope of facilities management, the term 'facilities managers' is, however, still largely confined to those responsible for the management of buildings. On the premises that this conventional view of the facilities manager's scope of work can be overcome in the near future, the prospects practitioners in facilities management will be directed to solving and attending to some of the challenges in the tourism industry

#### 11. CONCLUSION AND RECCOMMENDATIONS

Whether facilities management can be implemented into the tourism industry remains to be seen. However, many business organisations involved in the tourism industry have already applied some form of facilities management functions in their business operations and management. What needs to be done further is to look at how managing the business in an integrated manner can be done. This paper seeks to highlight the opportunities of implementing total facilities management in order to see the full benefits to the organisations in the long run. Hence, we would like to suggest that, a further comprehensive research be carried out within the tourism industry so that some guidelines or framework of the implementation of total facilities management can be formulated.

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