



Strategic Management of Outsourced Maintenance Service: A Case Study

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Abstract Maintenance is a relevant attribute for any company, and it needs to be faced strategically to ensure its effectiveness. This study aims to understand the relationship between a company that hires outsourced labor and those that perform such services. There is currently a lack of understanding about this relationship in the organizations. For this, a case study was carried out with two companies in the industrial sector located in Brazil. The study was based on operational maintenance planning, service administration, maintenance strategies, and cost and failure reduction. The main conclusion is that hiring maintenance services generates essential value for the company. By hiring an outsourced company, secondary services started to have less impact on the production processes of the final product.

Furthermore, through maintenance strategies and processes, latent repair demands, when performed regularly, reduce costs and failures. The improvement meets stakeholders' expectations and contributes to sustainability optimization. The study is an invaluable source of information for professionals and companies planning to outsource maintenance activities.

Keywords: Outsourcing, Maintenance, Strategies, Processes.

1 Introduction

Currently, some studies discuss industrial maintenance outsourcing processes. Otani (2008) argues about the development in outsourced maintenance management. Paim (2020) studied how Management can deal with outsourced company jobs. Pinto (2018) analyzed the quality and reliability of outsourced services, and Pelegrini (2018) studied tool maintenance outsourcing in the metal-mechanic sector. New visions about the Management of outsourced companies are still needed. Thus, this study aims to understand the strategic relationship between hiring and executing outsourced industrial maintenance services. To this end, a case study was conducted with a company that operates in the ophthalmic lens manufacturing industry, where managers responsible for hiring outsourced labor as well as the suppliers of the company were interviewed to have a better understanding of the processes of outsourced maintenance services

2 Business Strategies and Operational Processes

Whether outsourced or not, every company needs a good business strategy for flawless operational operation. According to Oliveira (2004), the current economic context is characterized by high competitiveness, consumer sophistication, and speed changes occur. According to Mattos (2003), changes have occurred worldwide, whether in the financial, technological, productive, or organizational areas. In addition, it has altered the competitive environment and, more precisely, companies that are inserted in this context and the business strategies that participate in it. Mattos (2003) also stated that strategies need to be constantly aligned with the market and work with the most up-to-date information possible. According to Gonçalves (2000), the process concept does not have a single interpretation, and the variety of meanings

found generates misunderstandings. According to Szczepanska (2018), operational processes are of great importance in eliminating productive business imbalance, always aiming to reduce costs and improve performance. For Scola (2003), companies can obtain a competitive advantage over their competitors. This occurs by obtaining a single focus in all organizational dimensions, reducing conflicts between activities by optimizing internal operational processes.

3 Methodology

This study was developed to understand the strategic relationship between hiring and executing outsourced industrial maintenance services. To this end, the method was selected as the case study because it allows in-depth studies on various topics, including simple, everyday topics (YIN, 2016). Also, according to the author, the case study allows an investigation to preserve holistic and meaningful characteristics of real-life events. Thus, it allows us to understand reality from specific contexts that, although not generalizable, contribute to the creation and understanding of theories.

4 Results and Discussion

The case study shows that the outsourcing of equipment maintenance of the contracting company caused an increase in the reliability of its machines. It is important to emphasize that the increased reliability through preventive Maintenance generated favorable financial results. The contracting company's reduction of costs and failures is also based on the direct monitoring of the client to synchronize the entire supply chain, from beginning to end, to deliver a quality product reducing production costs.

The two semi-structured interviews show that planning operational maintenance, service administration, maintenance and reduction strategies of costs and failures are the four main categories in the relationship of the provision of outsourced maintenance services.

5 Conclusion

The conclusion is that after outsourcing the maintenance service, the contracting company started to direct its primary focus on the production of its product, entrusting the responsibilities related to the repair sector to the contracted company. Furthermore, the outsourced company's strategies and processes in the maintenance area improved remarkably, aiming at the best use of the latent repair demands, consequently reducing costs and production and maintenance failures.

The study reinforces the importance of strategies and processes for companies and the need to accomplish changes when planning everyday operations. It is essential to verify the organization's objectives and evaluate the performance of teams to make decisions efficiently to achieve the planned results. In addition, this study highlights the importance of repair methods applied by several companies since they are critical factors. One of the study's limitations was the number of companies operating in the outsourced Maintenance in a single company. In this sense, using labor outsourced from different companies within the same contracting company could bring new insights into strategies. Another limitation was concerning the number of interviews conducted since the low number of interviews raises the incidence of bias. Therefore, further work is recommended to encompass interviews with different levels of the organization, which would bring in-depth knowledge about the theme.



3 References

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