



Case Study of Job Insecurity Among Malaysian Employees with Technology Involvement in Shared Services Center (SSC) Industry

Yeoh Wee Win

School of Business (SOBIZ), INTI International College Penang (IICP)

Corresponding Author: Yeoh Wee Win meekeyeoh@yahoo.com

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ABSTRACT

The study had been intended to explore the case study of the job insecurity arises among the Malaysian employees in aligned with the advancement in the technology development in the shared services center (SSC) industry in Malaysia. It is known that the trend of SSC had been creating the wave in Malaysia due to the ideal location with rich in professional talents and resources leveraging the higher quality of SSC built up in Malaysia. However, the involvement of the technology advancement had created not only the increase in the deliveries of SSC but also rising the concerns among the employees. The automation and artificial intelligence (AI) had been the major threats towards the job insecurity among the employees as the concerns arises for the employees in losing the significant role in the organization. Therefore, the current study had explored the relationship between the technology involvement against the job insecurity among the employees in the SSC industry with Malaysian market. The quantitative study had been assisted with the distribution of 150 questionnaires to the target study of the employees of SSC in Malaysia. The outcome of the study had shown the result where the impact of the technology involvement in SSC industry had proven the positive relationship presence against the job insecurity. In other words, the employees are highly concerns with the increasing application of technology in the workplace and business process. This had certainly draw out the concerns to be highlighted into the SSC industry to develop the strategic planning to assist the adoption process of the technology in SSC industry in Malaysia.

INTRODUCTION

Increasing numbers of companies around the world are taking the strategic approach of establishing a shared services center in order to improve their own operations and cut costs. A shared service center (SSC) is "the hub of an organization's back-office operations" (Modrzyński, 2020), where a wide range of services are coordinated to support the company's day-to-day activities in areas such as finance, accounting, human resources, procurement, and more. Companies of all sizes, from startups to multinationals, are investing in SSC development in response to the increasing intensity of competition in today's business environment (Modrzyński, 2020). This trend is driven by the desire to retain valuable institutional knowledge within core business processes and to consolidate specialized knowledge and skills. The SSC also strives to establish a fair workload distribution in order to cut down on employee numbers, which will improve the company's bottom line (Strikwerda, 2014).

These days, SSCs are increasingly being adopted as the standard procedure in most companies throughout the world. Since the idea of saving money coincided with the launch of the SSC, its continued expansion is warranted (Zoey, 2019). The business had been heavily trending to allow the technology like the Big Data (BD), Robotoci Process Automation (RPA) But the operational task alone won't achieve the efficiency without the fusion of the technology like the artificial intelligence (AI), robotic automation process (RPA), data analytics (DA), and so on, which had become the common tool to assist the business operational process defined within the SSC to continue to increase in value (Zhang, 2019). In conclusion, the SSC had been looking for ways to strengthen the business processes in order to guarantee that the organization's existing procedures would continue to be improved upon (Barkhi & Kozlowski, 2017). For many companies, investing in technological applications for their SSCs is a no-brainer, given what they see as the clear advantages over expenses that will ultimately lead to the expansion of that company's bottom line.

The SSC industry has a clear need for the application and involvement of technology in business processes, but whether or not employees working within those processes intend to do so is an open question. This is because employees' readiness factors may not provide a clear conscious for them to accept technology into the workplace (Zoey, 2019). Employees' openness and willingness to accept the shift are seen as crucial to reaping the benefits of applying the new technology in the business process, which has been identified as a major process in the adoption of the new technology (Strikwerda, 2014). As the SSC industry continues to heavily invest in cutting-edge technology for its business processes, gauging its workforce's preparedness to embrace change has become an important focal point (Shahul, Salamzadeh & Salamzadeh, 2022). This is because the management of SSCs can do a lot more to help their staff adjust to the new norm if they have a firm grasp of how their employees feel about technological advancements (Walker, 2017).

SSCs have become the primary emphasis in Malaysia's Accounting & Finance industry for various reasons, including low labour costs and a staff that is multi-lingual, speaking English, Malay, Cantonese, and Mandarin (Sapry, Ali

& Ahmad, 2020). However, the fact that the workforce includes a large number of certified finance professionals is probably the biggest selling point, as this ensures not only that the services provided are of a high standard, but also that businesses can anticipate the performance of a wider range of complex tasks, a trend that has been developing over the recent years (Walker, 2017). With the uprising trend of the SSC industry in Malaysia, it is no doubt that the businesses had actively exploit the market by encouraging more advanced technologies to be introduced to enhance the efficiency of the business processes to achieve higher cost savings for the benefits of business (Zhao, Jin & Huang, 2021).

However, the concerning factor had arisen in align with the rising technology application in the SSC where the employees had been feeling insecure of the job security and feeling threaten to lose their roles to the modern technology. Despite being a myth, there are many discussions initiated by the business experts mentioning the possibilities of employees losing their role at the workplace in ten years period of time. The difficult outlook for the employees had certainly created the pessimistic mindset at work. The SSC industry had been growing rapidly these days with no doubt that the business can further extend to growth by improving the business process with the modern technology. Therefore, this had created the problem statement for the research to address the research question on "How employees react towards the job outlook with the rise of the technologies in SSC industry in Malaysia?".

LITERATURE REVIEW

Working conditions are affected by employees' attitudes, which are in turn shaped by the organization's culture, as stated by Peansupap and Walker (2015). Culture in the workplace is developed gradually over time and has a lasting impact on personnel. Company culture refers to the prevailing mindset and set of behaviours that have emerged within an organisation through time. According to Aboelmaged (2018), an employee's sense of stability in their current position is influenced by the management's direction, which in turn is influenced by the management's communication and impression. Some workers, however, may view their employers' greater reliance on technology for business procedures as a security risk, fearing that automation and other forms of digitalization would lead to job cuts including the rise in fear of losing one's job causes workers to put it ahead of all else in the workplace (Shahul, Salamzadeh & Salamzadeh, 2022). A lack of initiative to learn and utilize the new technology and attitudes that don't correspond with the value of the business are direct results of the anxiety that has translated into a potential rejection of new technology in the workplace. According to McClure (2017), the willingness to accept the change into technological development would provoke personal issues that will alter the perspective of the employees, and the study indicated a substantial association between job security and acceptance of technology. The recent trend of digitalization in the business, as stated by Peansupap and Walker (2015), has been aimed at reducing the workforce size in order to save money. Because of this, there was a lot of pushback from staff members when new technology was introduced.

According to the findings reflected by Aboelmaged (2018), technological uncertainty is a major element in workers' decisions to turn down employment opportunities. When there is an increase in the use of technology to take over the task and workload of the employees, job security tends to be a top issue. Peansupap and Walker (2015) incorporated this idea, noting that individual behaviour research is constantly evolving, and that this evolution has revealed the relevance of job stability for individuals when it comes to the adoption of new technology. This is due to the fact that a growth in technological adoption will reduce the demand for human labour, hence resulting in the reduction of the costs associated with human labour in favour of automation. They felt insecure since this misconception kept raising questions and drawing criticism from them. As a result, workers will have more incentive to resist change and stick with what they know instead of adapting their work to take advantage of technological advancements (Reilly, 2014). McClure (2017) noted that prior research had found that employees' willingness to adopt new technologies was correlated with how confident they were in their ability to perform their current jobs in the face of increasing automation. Consequently, it appears that worries about losing one's work have a favourable effect on people's willingness to adopt new technologies. Nonetheless, there is still a sizable contingent of workers who are optimistic about the new technology's potential benefits, viewing their involvement with it as a chance to advance professionally and further the company's goals (McClure, 2017).

In light of these results, there is sufficient evidence to conclude that concerns about job security continue to play a substantial role in determining how people react to new technologies. The inclusion of H3 in the research framework was motivated by the prior paper's strong suggestion of a positive association between job security and the change in technology acceptance for the business process.

METHODOLOGY

This study will employ a primary data collecting strategy, in which information is gathered by contacting the original source of the data directly (Song, Son & Oh, 2015). The development of the questionnaire re for the primary data collection will leverage the customization advantage for the research study to collect the relevance data input for the quantitative study (Apuke, 2017). As a result, the questionnaire will be utilized to gather information for the study's quantitative analysis, a strategy favored because of the increased likelihood of collecting a large number of samples in a short amount of time (Krosnick, 2018). The convenience sampling had been a time and cost-efficient selection method, which will be applied to the study's intended population of working employees at SSCs in Malaysia (Song, Son & Oh, 2015). The questionnaire distribution will be completed online to reach the target participants of the study.

The working adults in Chinese corporations will serve as the study's primary population, making them an ideal source for the unit of measurement in a quantitative study. Companies are encouraged to join the ranks of the country's multinational corporations (MNCs), which often have more resources to devote to technology and a more extensive capacity for automating repetitive tasks. In

this way, the involvement of the employees of these MNCs will supply pertinent input that may be converted into significant empirical data that will lead to the study's conclusion.

It has been decided that convenience sampling, a form of non-probability sampling, will be used to collect data for this study. Researchers using a convenience sampling strategy can save time and money during the data collection process by selecting samples based on their own discretion and how easily they can be accessed (Apuke, 2017). Because the sample sizes for the quantitative study will be somewhat high, convenience sampling will be the best method for guaranteeing that enough data is gathered. Besides, the sample size is proposed to have 150 samples as reference to the previous quantitative study indicating the need of minimum 150 respondents to observe the significant in the data trend and pattern (Saunders, Lewis & Thornhill, 2015).

Next, we'll bring in correlation analysis to get a sense of how the study's variables might be related to one another (Sekaran & Bougie, 2016). The statistical output of a correlation analysis is used to determine whether or not a significant correlation exists between two variables and, if so, whether that correlation is positive or negative (Cooper & Schindler, 2014). Since the presence of a positive or negative relationship can be identified through the use of a correlation analysis, its use has been linked to the necessity of conducting hypothesis testing in the present investigation. The R value of -1 to 1 derived from the correlation analysis of the study will serve as a measurement of the strength of the correlation, which can range from very weak to very strong according to the interpretation of the Pearson Correlation Coefficient provided in Table 1 (Apuke, 2017).

Table 1. Interpretation of Pearson Correlation Coefficient (r)
 (Gogtay & Thatte, 2017)

R	Strength
0-0. 19	Very weak
0. 20-0. 39	Weak
0. 40-0. 59	Moderate
0. 60-0. 79	Strong
0. 80-1. 00	Very strong

To test whether or not the hypothesized relationship between the independent variables and the dependent variable is significant, the data will be analyzed using multiple regression, with the results providing support for the research's central hypothesis and helping to ensure the study's goals are met (Sekaran & Bougie, 2016). Based on the research frameworks being developed for the study, a regression model will be developed where this model will serve as the study's primary quantitative strategy to assessing the hypotheses.

RESULT AND DISCUSSION

Table 2. Reliability Analysis

Reliability Statistics	
Cronbach's Alpha	N of Items
.973	4

The Cronbach's Alpha had been referring to the measurement of the reliability analysis where the study will proceed to observe the quality and consistency of the data collection. This step had been crucial for the quantitative study where the reliability analysis will identify the accuracy of the data to be reflected in the findings. Based on the information in table 2, the Cronbach's Alpha had been recording 97.3% which translate to the achievement of the reliable data as the benchmark of 70% had been passed. Therefore, the study had continued to apply the data input for the quantitative data analysis.

Table 3. Correlation Analysis

Correlations		
		TA
JS	Pearson Correlation	.482**
	Sig. (2-tailed)	.000
**. Correlation is significant at the 0.01 level (2-tailed).		

The Table 3 had been showing the outcome in the correlation analysis where the correlation analysis had induced the need to understand the correlation between two variables including the study between the technology application against the job security for the employees. The result had shown that the Pearson Correlation Coefficient had recorded 0.482 which means that both variables are sharing moderate positive strength of correlation. The p-value test is 0.000 that appear to be lower than 5% tolerance level which means that there is proven significant for the existence of the positive correlation between the two variables.

Table 4. ANOVA Stats

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	63.162	4	15.790	37.876	.000 ^b
	Residual	60.451	145	.417		
	Total	123.613	149			
a. Dependent Variable: TA						
b. Predictors: (Constant), JS						

With the regression model being designed for the quantitative study, the ANOVA analysis had been crucial to deliver the testing on the feasibility of the regression model for the study. The Table 5 had been identifying the p-value test at 0.000 which is lower than the tolerance level of 5% indicating that the regression model is significant and suitable to be proceed for the regression testing.

Table 5. Regression Analysis

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.240	.355		3.497	.001
	JS	.222	.068	.227	3.245	.001

a. Dependent Variable: TA

Shifting the focus towards the regression analysis, the regression analysis had been clear where the Table 5 had been demonstrating the statistical output for the regression model. The regression model had been testing the significant of the relationship between the technology application in the shared service industry against the job security for the employees. The p-value testing had been carried out for the regression analysis where the Table 5 had shown the outcome where the p-value testing achieved 0.001 falling below the 5% tolerance level which means that the data input had sufficiently proving the significant of the relationship between the technology application in the shared service industry against the job security for the employees.

The present findings of the investigation, together with the hypothesis that was derived from the earlier research articles that were examined in the literature review, will be used in the process of testing the hypothesis. According to the findings of the study paper that came before this one, there is evidence to give a proposal on the significant in the positive correlation and link between the independent variable of job insecurity for employees against the application of technology in the shared service business. This was shown to have a positive correlation. This had been led to the formulation of the hypothesis in H1, which will be examined against the empirical evidence for the study. The H1 will be tested against the empirical evidence for the study. With regard to the recent findings, there is sufficient evidence to suggest that there is a significant positive correlation between the two variables. Furthermore, the regression analysis had been recording the p-value of 0.001, which it lowered in comparison to the tolerance benchmark of 5%, indicating that there is a significant in the relationship between job security and the acceptance of technology in the operation of the business. As a result, the findings of the study led to the rejection of the null hypothesis, which is denoted by H0, and the acceptance of the alternate hypothesis, which is denoted by H1.

According to the findings of the study that Aboelmaged (2018) had pondered on and analysed, the technological threat had evolved into one of the primary motivating factors for workers to turn down employment opportunities

in the workplace. When there is an increase in the use of technology to take over the task and responsibility of the employees, job security is likely to be the primary issue. Employees are concerned about their future careers with the firm, and they fear that technology will take their jobs. Peansupap and Walker (2015) had added in where the advancement of research for individual behaviour had proven the relevance of job security for individuals when it comes to the adoption of new technologies. This was mentioned in the context of Peansupap and Walker's findings. This is due to the fact that a growth in the use of technology will result in a reduced demand for human labour, which will lead to the removal of the expenditures associated with human employees and their replacement by automation. The job security factor was factored into the quantitative analysis, and the empirical data gathered for the study revealed the existence of a positive correlation between the job security factor and a change towards the embrace of technology in the business operations of the SSC industry. Because people have the mentality that their current duties and responsibilities will one day be replaced by the modernization of technology, job security from the danger of technology has frequently been the primary concern when it comes to the adoption of new technology. This is because of the present perspective of individuals on the roles and responsibilities. However, the participation of technology should be regarded in a good light since an increase in the usage of technology will aid in minimising the manual burden that restricts the capacity of the employee to explore into a more analytical position rather than engaging in operating routine and data input duty. The findings of the study had provided sufficient evidence to allow for the inference of a result indicating the existence of a positive relationship. This result indicated that there is a presence of a positive relationship in which an increase in the job security mindset will appear to contribute to the importance for the industry as a whole and for employees to feel secure in their future role and career with the company. The management should be a part of the team that tries to persuade the workers that the function of technology is not to undermine the value of their existing roles but rather to increase the value of those roles so that the company can reach even higher levels of success.

CONCLUSION

Based on the findings and result of the study, the research had concluded the objective of the research in the study which benefits the relevance parties involved highlighted through the rationale of the study. Firstly, the academic field of research definitely benefits from the outcome of the study where the findings of the research had brought in valuable new knowledge for the scope of study. This will help to narrow down the literature gap which will help to improve additional source of reference for the future researchers investigating the similar relevance scope of study. Besides, this will also contribute to the development to the new areas of the research study in the future for the purpose of academic.

In addition, the current of the technology advancement together with the development of the popularity within the shared service industry (SSC) in Malaysia had been triggering the need to understand the trend in the business market. Therefore, the current research study had certainly hit the right point to

provide the understanding on the perspective of the employees towards their mindset on the job insecurity over time with the development of the technology advancement which may concerns the employees. Based on the outcome for this research, it became clear that the study had suggested that the increase in the technology advancement had constantly increasing the concern for the employees as the threat to the job insecurity. This will push the employer to push for more innovative approach to keep the employees motivated for the involvement into the technology advancement.

SUGGESTION

The current research study does not stop with the completion of the current study, but the study will be extended to explore new areas of study within the relevance field and major for the current topic of interest. The future study can be suggested from the current study to further explore the understanding on the motivation of the employees to comply with the adoption of the technology advancement in the shared service center industry. The study can link to the factors like the payment and incentive package as well as the career development in the observation of the perspective of the employees to corporate into the adoption of the new technology.

The theory such as the technology acceptance model (TAM) can be applied into the study to extend the understanding on the readiness of the employees in the current trend of the shared service industry. This had been crucial where the TAM had defined the adoption of the technology to become clear providing the additional understanding against the behaviour for the employees. This can assist the shared service industry to further redesign the approach towards the employees to create the synergy to improve the adoption rate for the employees.

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