

Assessing the Impact of a Managed Services Model on Organisational Performance in the Zambian Telecommunications Industry

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Abstract

The telecommunications industry in Zambia has experienced rapid growth, leading to increased competition and operational complexities for telecommunication companies. In response, many firms have adopted the managed services model (MSM) as a strategic approach to enhance their organizational performance. This study assessed the impact of the MSM on organizational performance in the Zambian telecommunications industry, focusing on four key variables: cost efficiency, improved focus on core competencies, access to human resources, and access to modern technologies. A descriptive research design with a quantitative research approach was employed for this study. A sample of 224 participants from different telecommunications companies in Zambia was surveyed and data were collected using a structured questionnaire. The study investigated the relationships between the above-mentioned variables and organizational performance. The results of the study revealed a positive and significant correlation between the four variables and organizational performance in the Zambian telecommunications industry ($p < 0.05$). The study demonstrated that Managed Services Model has a significant positive impact on organizational performance in the Zambian telecommunications industry. The variables were all found to be positively and significantly related to organizational performance. These findings suggest that adopting the model is a viable strategy for telecommunication companies seeking to enhance their overall performance, improve financial outcomes, and maintain competitiveness in a dynamic industry landscape. The implications of this research are valuable for telecommunication industry stakeholders, including company executives, policymakers, and investors, as it provides insights into the benefits of implementing the Managed Services Model.

Keywords

Managed Service Model, Cost Efficiency, Access to Human Resources, Access to Modern Technology, Organisational Performance

1. Introduction

Transferring value chain activities to an expert service provider is not a new phenomenon as companies have been outsourcing services such as facilities maintenance, provision of catered food to employees, sanitary services and so on, for decades. The trend has continued in all industry verticals, and telecommunication industry has been no exception (Patil & Patil, 2014). According to Rundquist (2017), outsourcing was not formally recognized as a business strategy for improving organizational performance until 1989, although it gained momentum during the second industrial revolution in the late 19th century due to the development of specialized services and the emphasis on cost-saving measures by organizations (Rundquist, 2017; Slack et al., 2013; Piore & Sabel, 2010). In recent years, outsourcing as a business strategy has expanded to encompass intangible or knowledge-intensive activities such as information technology, product development, and research and development (R&D) (Quinn, 2010). It has become an integral part of organizational strategies aimed at enhancing performance (Bhattacharya et al., 2015).

However, successful outsourcing requires a holistic and comprehensive strategy toward managing outsourced operations, which includes contract management, vendor governance, and risk management (Wiengarten, Pagell, & Fyness, 2013). Business leaders who outsource may reap benefits, such as reduce costs; improve productivity; and gain new capabilities, innovation, and flexibility (Marchewka & Oruganti, 2013). Wiengarten et al. (2013) argued that business leaders commonly applied both cost and quality performance metrics to measure outsourcing success. Moreover, the cost metrics were easier to measure because quality parameters were highly subjective in nature (Hopwood, 2018).

In recent years, the telecommunications industry has seen a paradigm shift towards adopting a managed services model as a strategic approach to manage and improve operational efficiency. This transition is particularly evident in emerging economies such as Zambia, where the telecommunications industry plays a central role in facilitating economic growth and technological progress. As part of this growth, telecommunications companies have explored various business models to improve their service delivery and operational efficiency. One such model is the Managed Services Model (MSM). While this model offers potential benefits, its implications for the organizational performance of telecommunications companies in Zambia remain inadequately explored. There have been some studies carried out on the impact of outsourcing on the quality of service and operations of telecommunication industry worldwide. No studies

have been done on the Zambian telecommunication industry. Therefore, there is no information on how the model is impacting the Zambian telecommunication industry. This is the primary reason for conducting an assessment on the impact of the managed services model on the Zambian telecommunication industry.

The problem at hand centers around understanding and assessing the impact of the managed services model on the organizational performance of telecommunication companies operating in Zambia. The managed services model presents a shift from traditional in-house management practices, and its effects on key performance indicators such as operational efficiency, cost management, customer satisfaction, innovation, and overall competitive positioning require rigorous investigation. As Zambia strives to expand its telecommunication infrastructure to support socio-economic development, it is essential to comprehensively comprehend whether the adoption of managed services positively or negatively influences these critical performance dimensions.

The model presents a shift from traditional in-house management practices, and its effects on key performance indicators such as operational efficiency, cost management, customer satisfaction, innovation, and overall competitive positioning require rigorous investigation. As Zambia strives to expand its telecommunication infrastructure to support socio-economic development, it is essential to comprehensively comprehend whether the adoption of managed services positively or negatively influences these critical performance dimensions.

Failure to conduct a comprehensive study on the impact of the managed services model in Zambia's telecommunications sector may result in negative outcomes. Without proper investigation, companies may adopt the model blindly, leading to inefficient resource allocation, reduced operational efficiency, and potential harm to customer satisfaction. Furthermore, ignorance can hinder innovation and competitiveness, thereby hindering the industry's ability to support socioeconomic growth and technological advancement. It is therefore essential to conduct the necessary studies to inform decision-making and ensure sustainable development of Zambia's telecommunications infrastructure. Therefore, the objective of this paper is to assess the impact of a managed services model on organisational performance in the Zambian telecommunications industry.

The remainder of this paper is organized as follows. Section 2 presents a review of literature relevant to knowledge creation and integration. Section 3 focuses on the research methods employed in this study. It covers aspects such as research design and approach. It also discusses the sampling strategy, data collection and analysis tools. Following that is section 4 which analyses and interprets the research findings, engaging in a detailed discussion of the results obtained from the study. The last two sections of this paper conclude and provide recommendations for the study.

2. Literature Review

The literature review was presented in line with the main concepts of the study.

2.1. Outsourcing in Organisations

Typically, companies engage in outsourcing with the aim of improving efficiency and reducing costs. As described by Houthoofd (2016), outsourcing can range from simple tasks like hiring a freelancer to edit a company newsletter to large-scale initiatives such as contracting an outsourcing company to handle accounting and payroll functions. Outsourcing can involve directly hiring independent contractors or engaging outsourcing companies that employ or contract workers to provide the required services (Handfield & Nochols 2019). The outsourcing company may either send its workers to the client's workplace or provide a dedicated workspace. In some cases, outsourcing companies adopt practices like home shoring, which involves hiring home-based workers, or offshoring, which entails contracting services from outside the client's country.

A Managed Services model also known as a fully outsourced model is a type of business relationship in which a service provider takes on responsibility for the management and maintenance of a customer's infrastructure and end-user systems.

The trends of global telecommunications industry show an orientation towards reduction of costs as well as an increasing need for being more competitive on an international market. Competitive advantages related to inventions, innovation and globalization growth have resulted in possibilities for the rise of doing business. This is of relevance both to countries that are economically well developed and to developing countries, paying attention to the fact that the trends of outsourcing in telecommunication businesses have not been widely analysed (Ahmed et al., 2014).

According to Patil & Patil (2014), outsourcing is not a recent phenomenon in the industry. Companies have been outsourcing non-core services or functions for many years. Outsourcing of IT management picked up in the late 80's and since then it has mushroomed into a multi-billion-dollar industry. Initially the key driver for outsourcing was controlling operational expenses but over the period, several other factors have been prominent such as flexibility in control of investments and resources, risk sharing, acquisition of special skills and competencies, revenue sharing, establishing long term strategic relationship, etc. The discussion in outsourcing usually is about outsourcing non-core services while retaining core services in-house. Outsourcing in telecom continues to evolve. In most telecommunications companies worldwide, Towers (active and passive components) constituted almost 70% of the networks. This infrastructure used to be managed by the staff of the operators but in recent years this has been outsourced to independent tower management companies. There have been tower management companies providing these services for years in the North American and European markets. In the Indian market, operators like Bharti Airtel created a company Bharti Infratel for providing Tower management services. In Zambia, IHS and the recently formed Infratel Corporation Zambia Limited provide these services.

White paper by (Ericsson, 2007) states that while other industries have tried, tested and enjoyed the benefits that Managed Services offer for a number of years, most telecom operators have traditionally viewed network operation as part of their core business, a view closely linked to the strong technology drive within the telecom industry. This is changing because of faster technology development, changing consumer demands and aggressive competition, and the resulting price pressure, operators are increasingly adopting Managed Services as a change agent to implement new business models where they outsource network and services related activities, such as operations and maintenance.

2.2. Organizational Performance

Organizational performance can be defined as the level of achievement attained by an enterprise based on certain criteria (Machuki & Aosa, 2011). According to Richard et al. (2009), organizational performance encompasses three specific areas: financial performance, product market performance, and shareholder return performance.

Several scholars, including Machuki and Aosa (2011) and Richard et al. (2009), have highlighted the challenges associated with measuring organizational performance. It is a multidimensional construct that cannot be adequately characterized by a single operational measure. Common measures used to assess organizational performance include financial market measures, mixed accounting/financial market measures (such as shareholder value analysis, cash flow per share, market value added), survival rates, and subjective measures. Kaplan and Norton (1996) propose the use of balanced scorecards as a comprehensive approach to measuring organizational performance. The balanced scorecard method takes into account various aspects of performance.

Maku and Iravo (2013) conducted a study that examined the impact of outsourcing on organizational performance at Delmonte Kenya Limited. The study had several objectives, including investigating the outsourced activities/services/products at the company, assessing the contribution of outsourcing to focusing on core competencies, exploring the link between outsourcing and accessibility to modern technology and expertise, examining cost savings resulting from outsourcing, and investigating the effects of outsourcing on organizational flexibility. The target population consisted of 250 employees in management positions, and a sample size of 70 employees was selected using random and systematic sampling methods. Descriptive data analysis using the Statistical Package for Social Sciences (SPSS) was used to analyse the collected data.

The study findings indicated that outsourcing allowed the company to access modern technology and expertise, enabling increased production capacity. The company also benefited from specialized skills and technologies not available internally, resulting in an improved organizational image through associations with niche service providers. The main statistical findings highlighted the positive effects of outsourcing on core competencies, access to confidential informa-

tion, and the mitigation of internal staff negativity. However, the study also identified potential risks, such as the “spill over” of problems from outsourcing service providers, such as labour strikes.

Based on these findings, the researchers recommended that organizations consider outsourcing non-core activities as a major competitive strategy. They emphasized the importance of supervision and assigning specific management functions to oversee outsourced activities, as the ultimate responsibility remains with the firm. Additionally, companies were advised to evaluate the capabilities and integrity of service providers to safeguard against the disclosure of confidential information to competitors.

2.3. Literature Gap

While outsourcing services/managed services have gained significant attention in the global business landscape, there is a research gap regarding their specific impact on organizational performance in the telecommunication industry in Zambia. Despite the increasing adoption of outsourcing practices by telecommunication companies in Zambia, there is a lack of comprehensive research that explores the outcomes and implications of outsourcing managed services in this specific context.

Existing studies on outsourcing and managed services have mostly focused on developed countries or broader industry sectors, and there is limited research specifically addressing the telecommunication industry in Zambia. Therefore, a research gap exists in understanding the effects of outsourcing managed services on organizational performance within this particular industry in Zambia.

Apart from contributing to the existing knowledge base and enhancing understanding of outsourcing dynamics in the Zambian telecommunication sector, this study can assist telecommunication companies in Zambia in making informed strategic decisions regarding their outsourcing initiatives. It can help them assess the potential benefits and risks associated with outsourcing and develop effective strategies for selecting and managing outsourcing partners to enhance their overall performance.

Understanding the relationship between outsourcing and organizational performance can help telecommunication companies identify areas for improvement. By gaining insights into the factors that influence performance outcomes, companies can optimize their outsourcing processes, enhance operational efficiency, improve service quality, and ultimately achieve better financial performance and competitiveness in the market.

The study findings can also assist policy makers in formulating effective policies and regulations that govern outsourcing practices in the telecommunication industry. It can provide insights into the potential benefits, risks, and challenges associated with outsourcing, enabling the government to develop guidelines that promote sustainable outsourcing practices and protect the interests of all stakeholders involved.

3. Methodology

The conceptual framework guiding this study is based on the premise that the adoption of a managed services model influences various aspects of organizational performance in the telecommunications industry. Drawing from existing literature and theoretical foundations, the framework considers independent variables that are hypothesized to have an impact on organizational performance. The conceptual framework illustrating the relationships between variables is shown in **Figure 1**.

A descriptive research design with a quantitative research approach was employed for this study. The research design was chosen for its ability to statistically characterize the traits, trends, and relationships between independent factors and the dependent variable. **Mugenda and Mugenda (2003)** state that a descriptive design primarily focuses on characterizing the characteristics of respondents. This approach allows for statistical analysis of the results and enables extrapolation to a broader context beyond the specific study (**Bryman, 2014**).

The study's target population encompassed all relevant players in the telecommunication industry in Zambia.

Cooper and Schindler (2014) define sample size as a statistical concept that involves determining the appropriate number of observations or replicates to be included in a statistical sample. It is a crucial factor in empirical studies where inferences about a population need to be drawn based on a sample. Sample sizes are used to represent specific portions of a population that are selected for a particular survey or experiment. In cases where the population is very large or its size is unknown, it is recommended to employ a secondary formula provided below to calculate the sample size, n .

$$N = (Z^2 p (1 - p)) / (e)^2 \quad (1)$$

where:

z = z-score

e = margin of error

p = standard of deviation

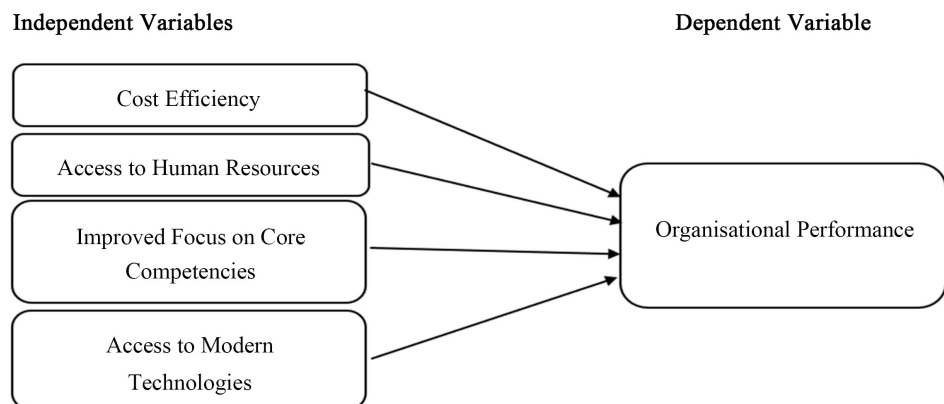


Figure 1. Conceptual framework.

In this study, a confidence level of 90% was used, corresponding to a Z -score of 1.645, 90% confidence level, a standard deviation of 0.5, and a margin of error (confidence interval) of $\pm 5\%$.

$$n = ((1.645)^2 \times 0.5(1 - 0.5))/(0.05)^2 = 270 \quad (2)$$

A sample of 270 respondents was used for this study.

A simple random sampling method was employed for several reasons. Firstly, it only requires a basic knowledge of the population to be studied beforehand. Secondly, it avoids classification errors, making it suitable for data analysis using inferential statistics. Thirdly, simple random selection is free from bias and prejudice and provides a representative sample of the population. Lastly, this method facilitates the evaluation of sampling error. In simple random sampling, every member of the target population has an equal chance of being selected for the sample (Saunders et al., 2013).

The survey method was utilized for data collection. Questionnaires were distributed to the relevant employees in the Telecommunication Industry in Zambia. The questionnaire consisted of closed-ended items, providing predefined answer options for respondents to choose from. According to Chaawla and Sondhi (2011), primary data is considered original and specific to the problem or project, collected to meet the specific needs and objectives outlined in the study.

In this study, a quantitative approach using correlational research design was adopted for data analysis. The data was analysed using both descriptive and inferential statistics. The descriptive analysis provided an overview of the characteristics of the study's variables, including frequency, means, standard deviation, and percentages. These measures are crucial in data analysis as they reveal the structure, normality, and features of the data. In the inferential analysis, the researcher employed correlation and multiple regression analysis to quantify the relationship between the independent and dependent variables in the study. The Statistical Package for Social Sciences (SPSS) was used as the software for data analysis.

4. Results & Discussion

A total of 270 questionnaires were distributed to employees in the telecommunication industry in Zambia. From this number, the study realized a response rate of 82.9%, which is considered high and sufficient based on the recommended threshold of 30% - 40% (Saunders et al., 2013).

The study indicated that the majority of respondents were male, accounting for 62% of the total sample (224 individuals), while the remaining 38% were female. The study revealed that the age group of 18 - 25 years was the least represented in this study accounting for 8% of the total sample size. The age group of 31 - 40 years accounted for the highest representation of the sample with 34%.

When examining the highest level of education achieved by respondents, the results revealed that 37% had obtained a master's degree, 50.4% held a bachelor's degree, 0.4% possessed a PHD, and only 13% had a diploma certification. The level of education was deemed important as it provided the targeted audience with a comprehensive understanding of outsourcing in the telecommunication industry in Zambia. By involving well-educated respondents, researchers can expect more informed and articulate answers, leading to a comprehensive understanding of the factors influencing outsourcing decisions in the Zambian telecommunication sector. These respondents are likely to have experience in outsourcing practices, enabling them to offer deeper insights into its benefits, challenges, and overall impact on the industry.

Regarding the duration of employment or their experience within their respective organizations, the results from **Table 1** indicated that 41% of the respondents had worked for their companies for a period of 6 to 10 years, 36% had worked for over 10 years, and only 23% had worked for less than 5 years. A significant majority (over 77%) had worked for more than 6 years, demonstrating an adequate duration of employment. The number of years that respondents had spent working in their organizations was considered important, as it indicated that the respondents possessed substantial working experience, knowledge, information, and institutional memory that were deemed valuable for this study.

Before conducting descriptive and inferential analysis, the data underwent checks for normality using kurtosis and skewness values. All normality tests yielded significant results, with kurtosis and skewness values falling within the range of -2 to $+2$, as suggested by **George and Mallery (2019)**. No outliers or missing values were detected, indicating that the data was suitable for analysis.

Table 1. Demographic profile.

	Description	Frequency	Percent
Gender	Male	139	62
	Female	85	38
Age	18 - 25 years	19	8
	26 - 30 years	72	32
	31 - 40 years	77	34
	Over 40 years	56	25
Education	Diploma	28	13
	Undergraduate degree	113	50.4
	Master's Degree	82	37
	PHD	1	0.4
Experience	1 - 5 years	52	23
	6 - 10 years	92	41
	Above 10 years	80	36

The study revealed cost efficiency, access to human resources, improved focus on core competencies, and access to modern technologies as major drivers (variables) in managed service model. The study's descriptive results in **Table 2** indicated that all the variables were above the mean value of 3.5 indicating respondents' agreement with several aspects of the managed service model.

The correlation matrix, presented in **Table 3**, displays the correlation coefficients between independent variables and their corresponding significance levels. This procedure was essential to assess the nature of relationships among the variables.

The findings of the study revealed that there were significant correlations between various independent variables and organizational performance in telecommunication industry in Zambia. Cost efficiency exhibited a moderate positive correlation with organizational performance ($r = 0.557, p < 0.05$). Access to Human Resources, Improved Focus on Core Competencies, and Access to Modern Technologies all showed moderate positive and significant correlations with organizational performance, with $r = 0.343, r = 0.430$, and $r = 0.400$ respectively at $p < 0.05$ level of significance.

Table 2. Description analysis.

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Cost Efficiency	224	1	5	3.54	0.651
Access to Human Resources	224	1	5	3.64	0.746
Improved Focus on Core Competencies	224	1	5	3.80	0.757
Access to Modern Technologies	224	1	5	3.69	0.846
Organisation Performance	224	1	5	3.60	0.595
Valid N (listwise)	224				

Table 3. Correlation analysis results.

Variables	1	2	3	4	5	6	7
1 Education	1						
2 Experience	0.079	1					
3 Cost Efficiency	-0.031	0.008	1				
4 Access to Human Resources	0.004	-0.160*	0.279**	1			
5 Improved Focus on Core Competencies	-0.106	-0.112	0.337**	0.276**	1		
6 Access to Modern Technologies	-0.094	-0.130	0.279**	0.140*	0.492**	1	
7 Organisation Performance	0.036	0.004	0.557**	0.343**	0.430**	0.400**	1

*. Correlation is significant at the 0.01 level (2-tailed). **. Correlation is significant at the 0.05 level (2-tailed).

It is worth noting that Access to Human Resources had the weakest moderate relationship with organizational performance ($r = 0.343$, $p < 0.05$), while Cost efficiency had the strongest strong relationship with organizational performance ($r = 0.557$, $p < 0.05$).

These results indicate that the independent variables were positively and significantly correlated with each other and with the dependent variable, implying that they moved in the same direction. An increase in one variable was associated with an increase in the other variable and vice versa.

The study adopted a regression method to underscore the impact each variable had on organisation performance in the telecommunication companies in Zambia. The unstandardized coefficients indicated that cost efficiency had the strongest impact on organisation performance ($\beta = 0.366$, $p < 0.05$), followed by access to modern technologies, access to human resources, and the least weight was observed for Improved Focus on Core Competencies as shown in **Table 4**. Education and experience were used in this study as control variables.

The study revealed that all the variables that influence outsourcing significantly and positively affect the organisation performance in Telecommunication industry in Zambia. This is seen in the fact that all the variables have significant p values.

Cost efficiency emerged as a critical factor positively affecting organizational performance. The significant and positive relationship between the managed service model and cost efficiency has substantial implications for telecommunication companies in Zambia. By outsourcing certain non-core functions to specialized service providers, organizations can reduce operational costs, achieve

Table 4. Regression analysis results.

Model	Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		β	Std. Error	Beta		
1	(Constant)	3.671	0.173		21.216	0.000
	Education	-0.032	0.060	-0.036	-0.540	0.590
	Experience	-0.001	0.053	-0.001	-0.013	0.989
2	(Constant)	0.709	0.275		2.577	0.011
	Education	0.005	0.046	0.005	0.105	0.916
	Experience	0.049	0.041	0.063	1.196	0.233
	Cost Efficiency	0.366	0.052	0.401	7.097	0.000
	Access to Human Resources	0.135	0.044	0.170	3.066	0.002
	Improved Focus on Core Competencies	0.126	0.049	0.160	2.583	0.010
	Access to Modern Technologies	0.136	0.042	0.194	3.236	0.001

economies of scale, and optimize resource allocation. This finding suggests that adopting the managed service model can be an effective strategy for companies seeking to improve their financial performance and maintain competitiveness in the market. The potential cost savings could free up financial resources that can be redirected towards innovation, customer experience, or other strategic initiatives.

The study findings support the notion that by outsourcing non-core functions, telecommunications companies can concentrate their efforts and resources on their core competencies. This strategic shift allows organizations to develop their competitive advantage, innovate more efficiently, and excel in their areas of expertise. As a result, companies can differentiate themselves in the market and gain a stronger market position. Outsourcing non-core functions allows organizations to focus their resources, time, and expertise on what they do best – their core competencies. This leads to improved efficiency in core areas, as employees can dedicate their efforts to tasks aligned with their expertise, resulting in higher productivity, and streamlined processes.

Access to human resources was found to be positively related to organizational performance. Access to skilled and specialized human resources is crucial for any industry, including telecommunications. Outsourcing certain functions to expert service providers allows organizations to tap into a broader pool of skilled professionals and specialized expertise, which might otherwise be challenging to acquire internally. This implies that by leveraging the managed service model, telecommunication companies in Zambia can enhance their workforce capabilities, gain access to top talent, and ensure a more efficient allocation of human resources. Outsourcing human resources allows organizations to access specialized talent that may not be available in-house. Service providers often have a vast network of professionals with expertise in different domains, enabling organizations to fill skill gaps and meet specific project requirements. With HR functions outsourced, organizations can place a greater focus on employee development and retention. Efforts can be directed towards training, upskilling, and creating a positive work culture to enhance employee satisfaction and loyalty. Outsourcing human resources can result in cost savings compared to hiring full-time employees. Organizations can avoid expenses related to recruitment, onboarding, training, and providing employee benefits, leading to reduced operational costs. This study provides a comprehensive understanding of how organizations can leverage human capital to enhance their competitiveness, efficiency, and agility in a rapidly evolving digital landscape. The findings offer valuable implications for industry practitioners, policymakers, and researchers seeking to optimize organizational performance through strategic HR management and outsourcing strategies.

The managed service model enables organizations to leverage modern technology and infrastructure provided by specialized service providers. This finding suggests that telecommunication companies can stay up to date with the latest

technological advancements without having to invest heavily in their own infrastructure. By harnessing cutting-edge technology, companies can offer improved services, better customer experiences, and greater operational efficiency. Outsourcing modern technologies enables organizations to stay at the forefront of technological advancements without making significant capital investments in acquiring and maintaining the latest hardware and software. Although Weigelt (2009) argues that greater reliance on outsourcing may reduce a firm's learning by doing, internal investment, and tacit knowledge applications, thereby impeding a firm's integrative capabilities and performance in the market. This access to advanced technologies empowers companies to remain competitive and meet evolving customer demands. By collaborating with technology-focused service providers, organizations can tap into their expertise and innovative capabilities. This can lead to accelerated innovation in product development, service delivery, and overall business processes, driving continuous improvement and growth. Utilizing modern technologies through outsourcing can streamline product development and service delivery processes, resulting in a reduced time-to-market for new offerings. This enables organizations to respond quickly to market changes and seize new opportunities ahead of competitors.

The most significant implication of the study's findings is the positive impact on overall organizational performance. The combination of cost efficiency, access to human resources, focus on core competencies, and modern technology enhances an organization's ability to deliver value to customers, respond to market changes, and achieve its strategic objectives. The study's results highlight the managed service model as a valuable tool to drive growth, profitability, and long-term success in the telecommunications industry in Zambia. By adopting the managed service model and realizing the benefits associated with it, companies in the telecommunications sector can gain a competitive edge over their rivals. Those that integrate managed services effectively can offer better services at competitive prices, respond swiftly to market changes, and adapt to technological advancements more readily. This competitive advantage can be a game-changer in a highly dynamic and competitive industry.

5. Conclusion

In conclusion, this study aimed to assess the impact of the managed service model on organizational performance within the telecommunication industry in Zambia. The variables under investigation were cost efficiency, access to human resources, improved focus on core competencies, and access to modern technology. By adopting a descriptive research design with a quantitative study approach, valuable insights were gained into the relationship between these variables and organizational performance.

The survey findings provided compelling evidence of the positive impact of the managed service model on the telecommunication industry in Zambia. The study revealed a significant and positive relationship between all the variables

and organizational performance. This correlation highlights the importance of adopting the managed service model to achieve better performance outcomes in the telecommunication industry in Zambia. Companies that embrace this model can harness its benefits to achieve higher levels of productivity, innovation, and customer satisfaction, ultimately contributing to their overall success.

The findings of this study provide valuable empirical evidence supporting the positive impact of the managed service model on organization performance in the telecommunication industry in Zambia. By enhancing cost efficiency, facilitating access to crucial resources, and enabling a sharper focus on core competencies, the managed service model emerges as a strategic and practical approach for telecommunications companies to thrive in a competitive market. Organizations seeking to improve their performance should consider adopting this model and leveraging its benefits to propel their growth and success.

6. Recommendations

Based on the findings of the study several key recommendations can be made to guide telecommunication companies in leveraging this model effectively and optimizing their performance:

Strategic Outsourcing Decisions: Organizations should approach the adoption of the managed service model as a strategic decision rather than a reactive one. Careful consideration should be given to which functions to outsource and which service providers to partner with. Conducting a thorough assessment of core competencies and identifying areas where outsourcing can add the most value is essential. Strategic alignment between outsourcing decisions and overall business objectives will be critical in maximizing the benefits of the managed service model.

Identify Key Performance Indicators (KPIs): To measure the impact of the managed service model on organizational performance, companies should establish relevant and measurable Key Performance Indicators (KPIs). These KPIs can include metrics related to cost savings, service quality, customer satisfaction, response times, and revenue growth. Regularly tracking and analyzing these KPIs will enable organizations to assess the effectiveness of the managed service model implementation and make data-driven decisions for continuous improvement.

Strengthen Partnership with Service Providers: Building strong and collaborative relationships with service providers is crucial for success. Companies should focus on selecting reputable and experienced managed service providers with a proven record of accomplishment in the telecommunication industry. Regular communication, mutual goal setting, and performance evaluations will foster a productive partnership and ensure that the outsourced functions align with the organization's objectives.

Invest in Employee Development: While outsourcing certain functions, organizations should also invest in developing their internal workforce. Upskilling

and reskilling employees in areas of strategic importance can empower them to contribute effectively to the core competencies of the organization. A well-trained and motivated workforce can work in synergy with the managed service model to drive organizational success.

Continuous Monitoring and Evaluation: Organizations should establish a systematic process of monitoring and evaluating the performance of the managed service model. Regular audits and reviews will help identify any areas for improvement and ensure that the model continues to deliver the expected benefits. Flexibility and adaptability in response to changing business dynamics and customer needs will be crucial for sustained success.

Risk Management and Security: The study's positive findings should not overshadow the importance of risk management and security considerations when adopting the managed service model. Organizations must assess the potential risks associated with outsourcing certain functions and put in place robust security measures to safeguard sensitive data and information. This may involve contractual agreements with service providers regarding data protection and compliance with industry regulations.

Benchmarking and Best Practices: Telecommunication companies should engage in benchmarking exercises to compare their performance with industry peers and identify best practices. Learning from successful implementations of the managed service model in other companies can provide valuable insights and guidance for optimizing their own approach.

Balancing Flexibility and Long-term Commitments: Companies should strike a balance between short-term flexibility and long-term commitments when engaging in managed service agreements. Flexibility allows for scaling services as needed, while long-term commitments can lead to more favourable terms and better partnerships. A well-balanced approach will ensure that the organization can adapt to changing market conditions while maintaining stability and consistency in service delivery.

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Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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