ALTERNATIVE SERVICE DELIVERY FOR SENIOR CITIZEN CARE SERVICES IN MALAYSIA

Corresponding author
*Norhayati Mohd Alwi
Department of Accounting
Kulliyyah of Economics and Management Sciences
International Islamic University Malaysia
Jalan Gombak
53100 Kuala Lumpur
Mobile: 6013-3414696
Tel: 603-6421 4746
Fax: 603-6421 4609
mhayati@iium.edu.my

** Intan Aidura Alias
Department of Psychology
Kulliyyah of Islamic Revealed Knowledge and Human Sciences
International Islamic University Malaysia
Jalan Gombak
53100 Kuala Lumpur
Mobile: 6019-6963718
Tel: 603-6421 5157
Fax: 603-6421 5063
intan_ia@iium.edu.my

***Fatimah Mat Yasin
Department of Accounting
Kulliyyah of Economics and Management Sciences
International Islamic University Malaysia
Jalan Gombak
53100 Kuala Lumpur
Mobile: 6019-2022409
Tel: 603-6421 4000
Fax: 603-6421 4609
fatimahmy@iium.edu.my

ALTERNATIVE SERVICE DELIVERY FOR SENIOR CITIZEN CARE SERVICES IN MALAYSIA

ABSTRACT

Under the New Public Management (NPM), Alternative Service Delivery (ASD) provides opportunities to third parties to be involved in the provision of services. This research aims to explore the use of ASD business model under the NPM for senior citizen care services. Specifically the research attempts to provide insights on the level of involvement of third parties and the challenges that they faced including financial sustainability when providing care services for senior citizens. To achieve the objectives, data on the financial sustainability of 16 non-governmental organisations (NGOs) that provide senior citizen residential care services around Peninsular Malaysia were collected. Specifically, survey questionnaires were given to assess the NGOs' financial sustainability. The top management of the NGOs were also interviewed to obtain further insights. Analysis indicated that the NGOs relied on several financial resources to manage the care services and most of the centres have very limited amenities and a small number of staff. The findings may provide guides on the proposed business model and strategies for ASD implementation in senior citizen care services.

INTRODUCTION

Population ageing has become a worldwide phenomenon and Malaysia is no exception. According to The World Assembly on Ageing in 1982, senior citizen can be defined as those aged 60 and above. In Malaysia, the population aged 60 years old and above continues to grow and is projected to reach 3.5 million in 2020 (New Straits Times [NST], 2018). On top of that, the United Nation (UN) has projected Malaysia to be an ageing nation by 2030 when the population of senior citizens reaches 15% of its total population as shown in Figure 1 (Employees Provident Fund [EPF] Report, 2017; Transformasi Nasional [TN] 2050).
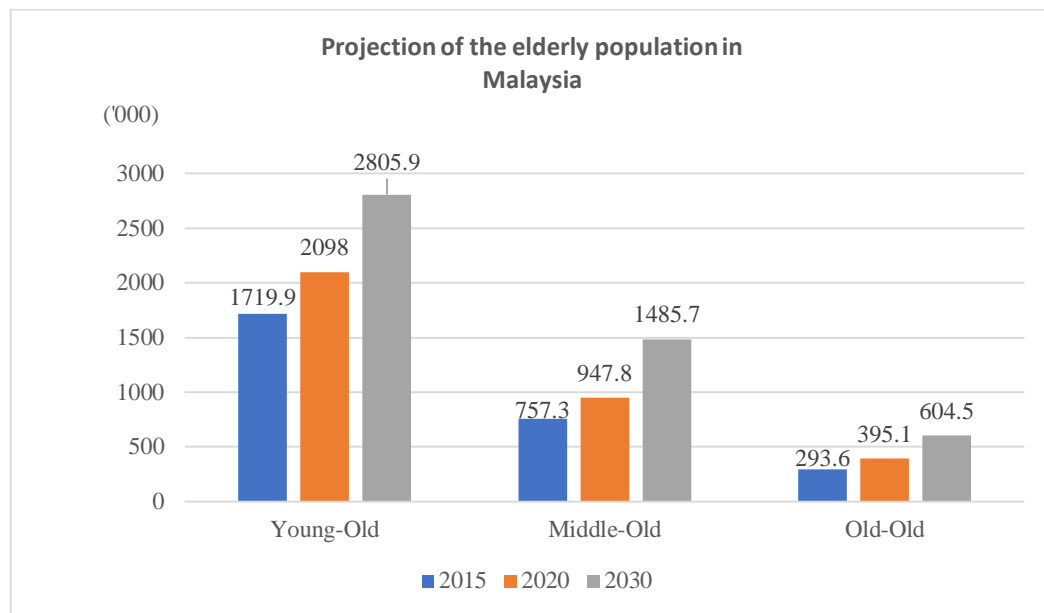

Figure 1. **Projection of the elderly population in Malaysia (Source: EPF Report 2017)**

Given this scenario, it is evident that a lot of effort has to be made to deal with the problems and challenges that may arise. Among others, the common problems faced by the senior citizens include deteriorating health, non-productivity, lack of proper shelter, senility and financial incapacity (NST, 2018). These problems will eventually affect the Malaysian government as the demands for senior citizen care services are expected to increase. Without proper preparation to grapple with these problems and challenges, it will disrupt the government budget and spending.

Towards an ageing nation by 2030, the Government has prepared aged care and support facilities for the senior citizens. To date, the Government has provided various care services to the senior citizens including residential nursing homes, daycare centres, respite care centres, transportation

services and daily recreational and leisure activities for senior citizens to help sustain their life. The road to this point, however, has been far from smooth, and the Government has been facing many challenges including financial constraints which have forced the government to find effective ways to reduce government spending. The Government is therefore in need of a new service delivery model and thus, the New Public Management (NPM) may offer a suitable framework to solve the issue.

The NPM provides opportunities to third parties such as private sectors, non-governmental organisations (NGOs) and community through community-based organisations (CBOs) to be involved in sharing the government burden (CIPFA, 2016, Furlong & Bakker, 2010, Garcia Prado & Lao Peňa, 2010). Through more efficient and effective operations and structure to meet the needs of the stakeholders, cost savings can be achieved. Also, the involvement of third parties through Alternative Services Delivery (ASD), is also vital in improving the services provided to the senior citizens.

The implementation of ASD has been recommended by the Government through the Social Welfare Department's Strategic Plan 2016-2020. The plan emphasises on the cooperation between the Government and NGOs in ensuring better quality services for the senior citizens. Furthermore, the implementation of the ASD also parallels with the Transformasi Nasional 2050 (TN 50) announced in 2016. Given recent policy recommendations and the needs of ASD implementation in Malaysia, it is important to suggest a suitable business model of ASD under the NPM for senior care services. Thus, this study explores the level of involvement of third parties in ASD and the challenges that they face when providing senior citizen care services.

The remainder of the paper is structured as follows. The second section discusses the contextual background of the study and insights from prior literature. The third section describes the research methods employed while the fourth section presents the findings and discussion of the results. In the final section, conclusions are drawn.

LITERATURE REVIEW

Alternative Service Delivery – An Overview

ASD or Alternative Service Delivery is part of NPM or New Public Management which allows the involvement of third parties in delivering the services to the participants or customers. The following subsections discusses the ASD in relation to NPM and potential ASD model that can be implemented in practice.

ASD in relation to NPM

NPM refers to a reformed method in managing public services. Traditionally, these services are fully governed by one party such as the government. By the turn of the millennium, many

governments had made a move by having more collaborations through networking with third parties to provide better services to the citizens. By deploying corporate strategies, NPM strives to reduce problems in public service delivery such as inefficiency, increasing costs and lack of trust in the public sector (Fredriksson & Pallas, 2018). Some of the main characteristics of NPM are managerialism, market orientation, devolution, orientation towards output-driven policies and structure, and implementation of measurable performance indicators (Christensen & Laegreid, 2001). A lot of governments have explored ASD which is part of NPM as a means of building collaboration with the third parties.

The term ASD or Alternative Service Delivery is defined as "a creative and dynamic process of public sector restructuring that improves the delivery of services to clients by sharing governance functions with individuals, community groups and other government entities" (Ford & Zussman, 1997, p. 6). Russell and Bvuma (2001) emphasised that ASD involves identifying, developing and adopting new means of delivering public services other than the traditional and hierarchical bureaucracy. Simply, ASD refers to the provision of public services to the citizens by other than the public service (Kiggundu, 2016). Parallel to the NPM, several reasons for the implementation of ASD include the rising cost of service delivery, an increasing number of population and needing to raise efficiency. Through the collaboration with third parties such as NGOs and CBOs, the government may overcome the high-cost issues, increase efficiency and others. According to Banks and Hulme (2012), NGOs and CBOs have creative and innovative approach in meeting the needs of their clients. Having a smaller number of clients to serve, they can understand better and fulfil most of the demands requested by the clients. On top of that, the NGOs and CBOs are generally assisted by dedicated activists and volunteers who are highly motivated to deliver the services (Garcia Prado & Lao Peňa , 2010). With their potentials, the collaboration between the Government, NGOs and CBOs can help in the provision of the overall services to the citizens.

ASD models

ASD focuses more on collaboration instead of transformation (Wilkins, 2011). An effective ASD implementation can improve the services to the citizens. The World Bank (2005) has come out with six criteria in ensuring the effectiveness of ASD, namely public interest, government roles, effective jurisdiction restructuring, partnership with outside agencies, business principles and capability principles. The three most common ASD scheme introduced in various countries are privatisation, corporatisation and partnership between the government and private sector (Furlong, 2012). Under these schemes, the following are three different ASD models involving the NGOs/CBOs:

- Model 1 – Outsourcing Model: NGOs/CBOs as a service provider

In model 1, the management is handled by the government, but the services provided are outsourced to the NGOs/CBOs.

- Model 2 – Partnership: 50% Government and 50% NGOs/CBOs

In this model, the services are managed through partnerships between the government and NGOs/CBOs. Both parties are responsible for providing the funds in managing the services. In other words, Model 2 involves cooperation between these parties, in which the government delivers part of a service and another part is delivered by the NGOs/CBOs.

- Model 3 – Social Enterprise: 100% NGO/CBO Involvement

This model suggests that the NGOs/CBOs provide all related services without the government's involvement and will generate income through the services offered.

The above models show the different level of collaboration between the government and NGOs/CBOs in delivering the services. Public managers can choose from numerous approaches as they decide how to structure the delivery of services (Salamon, 2002). Meanwhile, Wilkins (2011) suggested a more complex model, which discusses three strategic ways in determining the best ASD model, which are:

- choosing the right organisation, ministry, corporate body, agency and third party;

- designing the most appropriate ASD model based on four clusters: ministry and department; statutory bodies; partnership and contract; and private firm and public sector; and

- managing performance to get the best results.

The selection of the most appropriate ASD model, especially based on financial implications is important in ensuring the sustainability of the service delivery and the best services provided to the clients (Furlong & Bakker, 2010). The government should implement the best model, customised according to the country's specifications and needs. Therefore, a study on the ASD implementation is important to provide insights on the current implementation of ASD and the

challenges faced by all related parties in providing the services. Accordingly, the best model can be adopted.

Prior studies on ASD

ASD is not a new practice and has been implemented all around the world since the 1990s to offer better services (Ford & Zussman, 1997). In the following subsection, a brief overview of ASD for public services is provided. It is then followed by a brief overview of ASD for senior citizen care services and finally on the financial implications of ASD.

ASD for public services

ASD can be implemented in any sector of public services such as water and sanitation, education, tourism, transport and healthcare. The ones with a much higher cost and number of consumers are considered critical. In Kenya, ASD was adopted for the provision of water and sanitation services (Werchota & Nordmann, 2015). The project was funded by the Water Services Trust Fund, using shared facilities and low-cost technologies. Scaling up had improved many aspects of consumers' lives. For example, substantial amounts of household income were saved, incidences of waterborne diseases were declined, quality of hygiene was improved and the burden of fetching water, usually involving women and children, was significantly reduced.

In another part of Africa, ASD was implemented through the establishment of International Regional Organisations (IRO) in areas of peace, security, development and integration (Kiggundu, 2016). The East African Community (EAC), comprised of Kenya, Tanzania, Uganda, Rwanda and Burundi, was established to enhance regional integration in various areas including politics, economy, social, and culture. With an aim to improve welfare and conditions of the people through increased peace and security, competitiveness, value-added production, and trade and investment, the involvement of EAC has helped in terms of expansive regional integration, which has in turn created conditions for sustained high economic growth, better macroeconomic management and coordination, improved trade, strategic and effective use of summitry, and much improved border services in movements of goods, services, capital, people and skills. Particularly in the transport sector, the time for cargo movement across certain areas was reduced by more than fourfold in the region.

In Israel, ASD for municipality services managed to reduce the government activities and utilise limited resources by reducing costs, lowering debts and increasing tax revenues (Sarig, 2013). Nevertheless, it is important to highlight the fact that ASD did significantly improve the facilities or services provided to the citizens through collaboration (Kiggundu, 2016; Werchota & Nordmann, 2015).

ASD for senior citizen care services

Many governments globally have been exposed to collaboration with third parties in providing senior care services due to the increased ageing population. For example, ASD for senior citizens has been greatly implemented in Ghana, Australia and South Korea. In Ghana, a senior citizen NGO, called HelpAge has been financially and socially assisting isolated senior citizens for the past 20 years (Agbényiga & Huang, 2011). Since the Government was not able to provide adequate senior care services (e.g. lack of senior care facility and/or lack of skills in senior care among social workers), HelpAge has been offering such services to help the senior citizens in need. The services are important as most seniors live in multigenerational households. HelpAge paved its ways to collaborate by building organisational networking beyond borders consisting of local communities of older people, government agencies, international organisations, local NGOs, as well as local and international individuals. The Government made its contribution through land donation and tax waivers. Meanwhile, a strategic partnership with private organisations was established by having these organisations to manage financial assistance from donors. Based on a survey conducted at the daycare centres run by HelpAge, it can be implied that older men and women had a positive attitude towards ageing experience as they were generally satisfied with the services provided. Those at the centres were also actively involved in older people empowerment movement. Overall, HelpAge has successfully helped in the provision of eldercare by doing advocacy work for the rights of older people, providing shelter and nutritious food, and conducting health programmes.

In Australia, non-hospital senior care services are provided under aged care schemes consisting of Commonwealth Home Support Programme (CHSP), Home Care Packages and Residential Care. Organisations such as NGOs, NPOs, government bodies, companies, consortiums, partnerships and others are involved in this scheme as outlined in the guidelines (CHSP Guidelines, 2018). These organisations may register as service providers and grants are given by the Government to provide a range of services. The services include transport, social support, assistance with food preparation, nursing and personal care, domestic assistance, home maintenance and modification, support for carers and allied health services. Largely, the services provided are funded through tax revenues. In total, about 1700 service providers were involved in providing the services to 925,000 Australian senior citizens between 2015 and 2016 (Kim, Subramaniam & Flicker, 2018). Meanwhile, Home Care packages are subsidised services for the elderly who require more care needs than those offered through CHSP but wish to stay at their own homes. The elderly have to pay a certain amount of money for the services including case management. An assessment team or ACAT will assess the elderly's needs and suggest suitable packages for the elderly. There were about 500 service providers with various home care packages given to about 89,000 Australian senior citizens between 2015 and 2016. They also offered residential support services for those who require more assistance and cannot live independently. Similarly, this program is subsidised and a certain amount of money has to be paid by the elderly based on their eligibility determined by the ACAT team.

In South Korea, the aged care is supported by Long Term Care Insurance (LTCI), a scheme that was established in 2008. Through multiparty contributions, this scheme was designed to protect and provide services for the registered senior citizens regardless of their background and economic status. The senior citizens with LTCI certified have an option to use covered services by the public or private providers based on their preferences (Kang, Park & Lee, 2012). Currently, there are more than 8000 service providers and more than 6000 providers offering residential care beds and about 3000 offering home-based services (Kim et al., 2018). However, the programme has been reported to face some challenges such as low-quality system, lack of coordination and absence of long-term plans. Most importantly, the unavailability of the long-term blueprint for aged care acts as a barrier to providing comprehensive healthcare for the aged beneficiaries.

Financial implications of ASD

The ageing population has massive implications for the government as the demand for the senior citizen care services, usually associated with higher costs to the government, is increasing. Therefore, one of the important reasons for ASD implementation is to minimise the financial costs of the services. In providing services to the elderly, the providers incurred costs such as personnel, operational and administrative cost. The ASD implementation saved the government expenditure between 10% and 40% depending on the services provided (Lychak, 2001). Innovative technological usage, flexible procurement procedure and reduced overhead cost administered the cost-saving strategies (Zubane, 2011). Garcia Prado and Lao Peňa (2010) emphasised that the ASD implementation has reduced personnel cost such as administrative staff, nurses and others. The savings came from having a small number of administrative staff and community as the cost for these were much lower compared to paying for the doctors and nurses. A study on ASD in Africa, however, demonstrated high cost-saving without a big cut on the total number of workers (Russell & Bvuma, 2001). In most cases, the financial implication from personnel cost, burdening the Government, can be reduced through ASD implementation. However, the Government needs to ensure that the current workforce holds a position at the new agency or stays in service regardless of the ASD initiatives (The Treasury Board of Canada Secretariat, 1996).

Whilst the personnel cost was found to be reduced with ASD implementation, it was evident that operational cost increased (e.g. medicine cost) when compared between ASD and traditional Government agencies (Garcia Prado & Lao Peňa, 2010). Operational cost refers to the costs to ensure that the care and protection of the residents are prioritised. The costs include costs for caring, food preparation, utility, hospital transportation, medical and others (Deloitte, 2016). The cost of caring for an ill person is higher than for a healthy person (Henriksson, Ledin & Good, 2001). In Malaysia, the rise in chronic non-communicable diseases (NCDs) among the citizens has become a concern as it will also affect the costs for the elderly. NCDs increase with age and in turn increase the healthcare costs among the elderly (Koris et al., 2019). Therefore, it can be

said that the increasing number of unhealthy elderly and healthcare costs is expected. Proper care is crucial and needs to be prioritised for the residents who are bedridden and unable to care for themselves which would result in much higher costs.

The providers of senior care services also incurred a high cost for capital investment (Deloitte, 2016). This includes expenditures for new buildings, renovations, purchases of equipment, etc. The NGOs cannot rely solely on the residents' fees as the administration cost is high (Deloitte, 2016). To deliver the best services to the citizens, a high cost is indeed a significant constraint to the service providers. Therefore, this study examines the involvement of the third parties in ASD and the challenges that they might be facing including financial constraints when providing senior citizen care services.

Elderly Care in Islam

"*Anyone who does not show mercy to our children nor acknowledge the right of*

our old people is not one of us" (Tirmidhi, 1998, 3: 386)'

Gentle treatment or care for the elderly is a very important matter in Islam. The matter can be examined from two perspectives, i.e care by the family members, and another is care by the authoritative bodies. As a son/daughter in the family, it is obligatory for them to treat their parents with ultimate care and kindness (Qur'an, al-isra' 17:23-24). However, in the current economic condition, the children may have some constraints in providing adequate care for their parents such as limited space, time, and skills.

Islamic ruling takes into consideration these constraints and as such allows the care to be passed on to a third party such as residential homes or daily centres for the elderly. This permission comes with several conditions, among others: with the consent and willingness of the parents, the home/centre is able to provide adequate care to the parents, proper care of awrah, runs useful programs for the parents, and allow frequent visit by the children. Having been passed the caregiving responsibility, the homes/centres provide the required care for the elderly parents.

The obligation to care for parents is clearly underlined in the Qur'an and supported greatly by the Hadiths. The command has been given next to the prohibition of shirk of Allah as in the Surah Israa verses 23-24:

> "*Your Lord has decreed that you shall not worship anyone except Him, and [He has enjoined] kindness to parents. Should they reach old age at your side —one of them or both— do not say to them, 'Uff!' And do not chide them, but speak to them noble words. Lower the wing of humility to them, out of mercy, and say, 'My Lord! Have mercy on them, just as they reared me when I was [a] small [child]!'". The verse highlights the minimum level of cruelty possible towards the parents as 'uttering 'Uff!'*

Another verse that stresses this point is given as 'Worship Allah ˹alone˺ and associate none with Him. And be kind to parents, relatives, orphans, … (Qur'an, an-Nisa', 4: 36).

Taking from these verses, not a harsh word should be expressed towards the parents, all the more any kind of physical aggression. The gentle treatment towards parents are also required even if the parents are not Believers. Allah swt commands the children to treat even their non-believing parents kindly as parents are still deserving kind treatment of the children despite being bad parents.

Referring to the two verses, the former verse also calls for the supplication for the parents in appreciation of the upbringing effort made by the parents. This reflects the high status of the parents which is further emphasized in the Hadith, 'Abdullah ibn Amr reported: The Prophet, peace and blessings be upon him, said, "*The pleasure of the Lord is in the pleasure of the parents, and the displeasure of the Lord is in the displeasure of the parents.*"(Source: Sunan al-Tirmidhī 1899). In fact, a parent's prayer, particularly of the Mother may be granted immediately without any boundary. Such is the status of the parent that the children are called to continue serving their parents even after the parents' demise. The supplication of a soleh son/daughter continues to be accepted and counted by Allah. In summary, care for the parents can determine the children's condition in the current life and the Hereafter.

In relation to the roles of the Muslim community or the Muslim authoritative bodies in a country, they have a responsibility to ensure that care is given to the elderly in need, such as the homeless elderly. Elderly care services may be provided by community-based organizations (CBO) or Government or NGO. As the providers do not have blood ties with the elderly that should ensure proper delivery of caregiving services, the elderly risk being subjected to mistreatment or abuse. As such, there must be a policy or regulation to protect the rights and keep the welfare of the elderly. A regulatory body needs to be established to play this role.

The setup of the elderly centres must abide by the safety regulation of an elderly home and the operation of these centres must be monitored regularly for the services they provide. For this, a specific budget needs to be allocated particularly since the elderly may not be able to contribute in return to the financial standing of the country as most are no longer employed or earning stable income. If this is not possible, corporate bodies should be roped in to provide sponsorship through their CSR projects by giving certain incentives for their contribution to this cause. Considering a big amount of money would be needed, the incentives for this cause should be better compared to other causes.

The requirements given are the ideal however they are easier said than done, particularly because aging issues are rather new and yet to be understood completely. Though there are clear rulings relating to the rights of the elderly in Islam, the implementation requires further

investigation. As such, there should also be continuous research activities on the elderly. The research should also be about improving caregiving skills for the caregivers, not just the third-party caregivers but also the family members caregivers. This of course requires funding and interested researchers. Hopefully, with the research initiatives, better and more just treatment can be provided to the elderly, meeting the requirements of Islam.

Alternative service delivery (ASD) in elderly care services is certainly the way to go and in line with the Islamic principles. The present research contributes in this manner by exploring the financial requirements of NGO-based elderly centres currently operating in Malaysia.

METHODOLOGY

This study employed a mixed-method approach as it offers the possibility of a comprehensive and holistic understanding of the issues or challenges in ASD implementation and the best ASD model for future implementation. The data collection took place over a period of 6 months between May and October 2017.

Structured questionnaires, semi-structured interviews, document reviews, observations during workshop and focus group discussions were used for data collection in the study, which was a part of a consultancy research project, examining ASD in senior care services. Semi-structured questions targeting the management board of the centres, and structured questions targeting the finance executive were developed to guide the interviews. The survey questionnaires and interview guides were designed to explore the best possible model for ASD implementation by knowing how financial resources of the centres were managed and the cost-effectiveness of the effort.

The questionnaires and the interview guides were pre-tested for validity and reliability by administering the items to a total of 62 respondents consisting of management team and residents of senior citizen care centres run by the Government and NGOs. These centres, however, were not involved in the actual research. The feedback from the respondents was examined and incorporated in the questionnaires and interview guides.

The revised questionnaires and interview guides were then administered to owners, management team (e.g. finance executive, officer) and residents of 26 senior citizen care centres located in Peninsular Malaysia. Sixteen centres were run by NGOs while 10 centres were run by the Government. Before the interview session, the interviewee was briefed about the confidentiality of the information collected and assured that the anonymity of his/her answers would be safeguarded. Consent to tape-record the interview was obtained before the interview. The main aim of the selection of the respondents and interviewees was to collect and gather data from those in positions to offer useful insights on the subject matter.

In addition to the questionnaires and interviews, a review of the NGOs' documents (e.g. profile, annual report, reports etc.) was carried out to get further insights on the activities run and costs

borne by the centres. The review was also carried out to make the researchers familiar with the questions and promote active discussions with the participants during the focus group discussions.

The focus group discussions were also conducted with the management representatives from the NGOs senior citizen care centres to identify their perceptions on the challenges faced during ASD implementation, the readiness of the NGOs to take over ASD from the Government and suggestions on the best possible ASD model to be implemented in Malaysia. The length of the focus group discussion ranged from 90 to 150 minutes, with an approximate average of 120 minutes. Four focus group discussion at locations representing the four regions (North, Central, East, South) were also conducted. Towards the end of the data collection period, a workshop with the top management were conducted to enhance the understanding of the prior findings.

RESULTS AND DISCUSSION

NGO and Senior Citizen Care Services in Malaysia

As listed in the Jabatan Kebajikan Masyarakat (JKM) website, there are currently 311 NGOs registered with Kementerian Pembangunan Wanita, Keluarga dan Masyarakat (KPWKM) under the Care Centre Act 1993 and 16 registered nursing homes under the Private Healthcare Facilities and Services Act 1998. Among the large NGOs are Majlis Pusat Kebajikan Kebangsaan SeMalaysia (MPKSM), Persatuan Kebajikan Usiamas and Majlis Kebangsaan Persatuan Warga Kanan Malaysia (NASCOM). Table 1 provides the breakdown of the NGOs at each state.

Senior citizen care services are not limited to providing temporary (daycare) or long-term residence/placement but also having a strong support system. The support system is formed through the collaborative effort of many parties. In Malaysia, some efforts have been initiated through the alliance between KPWKM with NGOs to support the process of healthy ageing. For example, Senior Citizen Care Unit Programme (UPWE) sees a collaboration with MPKSM to provide free transportation services for the senior citizens who live alone or with families who cannot afford to go to the health centres, clinics or government hospitals to get treatment, and/or attend medical check-ups. There are a total of 11 vans stationed around Malaysia for the programme.

Pusat Aktiviti Warga Emas (PAWE) is another example of a collaborative effort between MPKSM and Usiamas. There are currently 88 PAWEs in operation, established by KPWKM to meet the needs of the senior citizens who wish to do recreational and leisure activities. Table 2 shows the breakdown of PAWEs according to states.

Table 1: *Breakdown of NGOs in Each State*

State	Number of NGOs
Johor	68
Kedah	15
Kelantan	1
Melaka	30
Negeri Sembilan	27
Penang	17
Pahang	17
Perak	1
Perlis	1
Sabah	8
Sarawak	12
Selangor	93
Terengganu	2
Kuala Lumpur	19
Total	311

KPWKM intends to have PAWEs in every parliamentary area that is about 222 nationwide. Senior citizens are encouraged to be a member of PAWE to join the activities besides receiving daycare services. The activities at PAWEs include therapy and rehabilitation, craftwork, agriculture, and talks on religion, health, culture and recreation. All of the activities are free of charge.

There are also Pusat Jagaan Harian or Day Care Centre for the Elderly under the management of Persatuan-Persatuan Warga Berida Malaysia, NACSCOM. At present, there are three centres located at Damansara Jaya, Subang Jaya and Kota. Similar to PAWE, senior citizens can join many social and educational programmes at these centres.

Table 2: Number of PAWEs in Each State

State	Number of PAWE
Perlis	2

Kedah	6
Penang	3
Perak	5
Kuala Lumpur	7
Kelantan	5
Sabah	7
Sarawak	11
Labuan	1
Selangor	8
Negeri Sembilan	4
Melaka	3
Johor	12
Pahang	8
Terengganu	6
Total	88

Finally, for those living in the community, there is a Home Help service where any trained welfare volunteer can provide any support services to the senior citizens. Home Help is one of the KPWKM's initiatives to provide support to the senior citizens at their own homes. The services provided are care services (e.g. folding clothes) or support services (e.g. pay bills and send to clinic) at home, either for those living alone on their own or living with their families during working hours.

Current Business Model of NGO-Run Centre

From the questionnaires and interviews, it was revealed that the NGO-run centres provide various services, namely care and protection, cleaning services, food preparation, recreational activities, fund-raising, aftercare services, daycare and assistance to go to medical centres. However, most of these centres are operated in small scale. Generally, the number of elderly residents at many NGO-run centres was only about 10% to 20% of the total number of elderly residents at government-run centres.

To sustain the services, fees from the elderly residents are collected by the NGOs even though the collection is based on the residents' affordability. Some residents have enough savings so they can financially support the fees. However, those who do not have any source of income are sponsored by the NGOs.

The private sectors also play their role by providing financial assistance to NGO-run centres for certain needs. Islamic centres such as Baitulmal and Zakat agencies do provide some funding to these centres. Besides that, religious centres (e.g. mosques, churches) also provide some financial assistance to these centres. However, the amount of financial assistance from these parties is not significant enough to ensure financial sustainability. Due to this, the financial aspect is still the main challenge faced by many NGOs. Therefore, to sustain services, many NGOs are still expecting some funding from the Government.

Sources of Income for NGOs

The findings revealed that the NGO-run centres have various sources of income. These include client fees, government grant, public and corporate donations and social entrepreneurship. Table 3 provides the details.

Table 3: Sources of Income for Senior Citizen Care Centre

Sources of Income for NGOs	Details
Client fees	• The average fees paid by the senior citizens in NGO: - Day Care (healthy): RM1,000 - Day Care (bedridden): RM1,500 - Non-day Care(healthy): RM600-RM1,400 - Non-day Care (bedridden): RM1,000-RM2,000 • No fees charged to the senior citizens who stay at Government senior citizen care centre
Government Grant	• The grant is an important source of income for government-run centres • Its approximate spending is about RM3-4 million per year per centre • This grant is partially funding the NGO-run centres
Zakat	• Zakat is only given to those who are eligible • Estimated zakat for a senior citizen is about RM250 monthly depending on the State

Public & Corporate Donations	● Most NGOs receive donation in goods (e.g. food, toiletries, diapers, bed, groceries) especially during festive celebrations
	● Estimated value of donations in goods is between RM200 to RM40,000 depending on the size of the centre
	● There is also assistance from volunteers who help out senior citizens
Waqf	● Few NGOs receive Waqf assistance (e.g. wheelchairs)
Social entrepreneurship	● Some NGOs generate their own income by running businesses (e.g. homestay)
	● Some senior citizens (in government-run centres) make handicrafts and sell them to earn personal income

The findings suggested that religious centres (e.g. mosques, churches), associations, the public (individuals), federal and state governments, and corporations are contributing in terms of both cash and benefits in goods. However, the contributions are minimal, short-term and more of one-off donations only. Furthermore, the fees charged to the senior citizens are mostly used to pay for the operational, management and administrative costs of running the centres. In comparison to NGO-run centres, all residents of the ten government-run centres are not charged with any amount as their fees are waived. This is because the residents have no relatives and no source of income to support themselves. The findings also revealed that the government-run centres also receive minimal contribution from the public.

Managing Cost for Survival: Operational and Administrative Costs

The findings from the field suggested that many NGOs struggle to make ends meet. For many NGOs, they simply meet the basic needs and nothing more beyond that. Financial sustainability is indeed a big challenge. Table 4 provides a summary of the costs incurred by the NGOs.

Table 4: Operational and Administrative Costs incurred by the NGOs

Type of Costs	Details
Operational Costs	
Monthly Cost	• Estimated cost for one resident (productive) is between RM800-RM1,200 per month • Varies between healthy and bedridden senior citizens • Higher costs are incurred to provide services for bedridden senior citizens
Food and Beverages	• Estimated cost for one resident is between RM8-RM20 per day • Food and beverages accounts for the largest percentage of the total costs
Medical	• Paid by family members; treatment received from public hospitals (cost is free) • For a few centres, the treatment cost for each resident is between RM40-RM200 a month
Counselling	• Most of the NGOs do not provide counselling services to residents • Some NGOs provide religious teachers as counsellors to the residents (cost is free) • For few centres, the counselling cost is about RM6,000 a month
Personnel	• Estimated cost is between RM600-RM13,000 per month • It is common for the NGOs to employ just one or two staff
Rental	• The rental cost is between RM450-RM10,400 per month • One of the NGOs has its own building to operate the centre • For some NGOs, their buildings are sponsored by the community
Licensing Fee	• The fee is between RM50-RM1,400 • For a few centres, they renew the license once for five years with the rate between RM60 and RM100
Other Costs	• Other costs include festival programme, diapers etc. • The cost is between RM100-RM3,000 per month
Administrative Costs	

Building	● Some NGOs own their buildings through purchase and some through waqf contribution (e.g. Bakti Murni: ¼ of the building was from waqf contribution while ¾ of the building was purchased by the owner)
Transportation	● Some centres received vehicles as a form of contribution and waqf
	● On average the costs range from RM800-RM30,000
IT-Related	● Most of the centres do not incur IT cost
	● The estimated costs for a few centres range between RM150-RM1,500

Based on the field visits, it was found that an average total of residents in NGO-run centres was between 10 and 20 persons. This number is much lower than the number of residents in government-run centres. On average Rumah Seri Kenangan and Rumah Ehsan could accommodate between 200 to 250 residents. Thus, it can be concluded that currently, NGOs are operating at a capacity that is between 5% and 10% of the government-owned centres.

Most of the centres run by the NGOs have very minimum facilities and number of manpower. While the number of manpower may be low, the staff keeps changing due to inability to cope with the caregiving challenges. This has a considerable impact on the management especially in terms of managing financial records as more focus is placed on the operation of the centres. In contrast, in the government-run centres, a large amount of costs comes from staff costs. However, in NGOs, food and beverages takes up the largest portion of the total costs.

ASD Model, NGO and Savings on the Government

The concept of ASD has been promoted by the Government under the National Transformation Plan 2050. The emphasis is on the collaborations between the Government, NGO and community-based organisations to protect the welfare of the senior citizens. ASD is also seen as a means to provide the services sufficiently, efficiently and effectively.

Under NPM, the adoption of ASD model may offer savings to the Government (Garcia Prado & Lao Peňa, 2010; Lychak, 2001; Russell & Bvuma, 2001). NGOs are seen to be able to survive despite their financial hardships as NGOs have a flexible procurement procedure and thus able to reduce overhead cost (Zubane, 2011). The choices of ASD model include partial outsourcing and full outsourcing of senior citizen services. Under partial outsourcing, NGOs shall take full charge of operational activities and the Government shall take charge of management activities. Under full outsourcing, NGOs shall assume full responsibility for managing operational and administrative matters. To fulfil the roles and responsibilities of being service providers, NGOs need to evaluate their capabilities based on management, healthcare services, personnel, governance, financial management, and quality control.

Nevertheless, based on the findings, currently NGOs are facing several challenges to continue providing services to the elderly. The first challenge is they have to ensure a continuous financial

support from donors (community). Secondly, NGOs need to provide enough facilities to meet the needs of an increasing number of clients. Thirdly, NGOs need to learn to sustain without government grants (self-sustain). Finally, they have to maintain their staff as the turnover due to work challenges is quite high.

CONCLUSION

Several contributions can be drawn from this study. Firstly, insights on issues, challenges and impact on the involvement of NGOs in the ASD of the senior citizen care services have been significantly highlighted. Secondly, this study offers strategies to implement ASD that would benefit all parties effectively. Thirdly, a guide on the proposed business model has been projected. However, this study is still limited in some respects. For example, the ability of NGOs to run large senior citizen care centres such as Rumah Seri Kenangan is yet to be tested. Besides that, the study has not zoomed in the details on how the Government's involvement, especially as a regulator, might offer different insights on the implementation of ASD in senior citizen care services.

REFERENCES

Ab Halim, M. 'A., Abd Murad, A. H. & Ab Rahman, M. F. (2019). Penderaan Warga Tua Di Malaysia: Perlindungan Dalam Aspek Undang-Undang. *Proceedings of the Industri Warga Emas Peringkat Kebangsaan: Menuju Pengurusan Patuh Syariah 2019,* 42-48. Retrieved from http://fsu.usim.edu.my/e-prosiding-wargaemas2019/

Agbényiga, D. L. & Huang, L. (2011). Impact of the organisational networks on the roles of NGOs in eldercare: Perspectives from HelpAge Ghana Day Centres. *Ageing International*, *37*(3), 338–355.

Banks, N., and Hulme, D. (2012). *The role of NGOs and civil society in development and poverty reduction* (Working paper). University of Manchester, Manchester. Retrieved from https://hummedia.manchester.ac.uk/institutes/gdi/publications/workingpapers/bwpi/bwpi-wp-17112.pdf

Benside, B. & Grine, F. (2014). Old Age and Elderly Care: An Islamic Perspective. *Cultura. International Journal of Philosophy of Culture and Axiology, 11*(1), 141–163.

Australian Government Department of Health. (2018). *Commonwealth Home Support Programme Guidelines* Retrieved from: https://agedcare.health.gov.au/programs-services/commonwealth-home-support-programme/the-commonwealth-home-support-programme-guidelines.

Christensen, T. & Laegreid, P. (2001). New Public Management: The effects of contractualism and devolution on political control. *Public Management Review*, *3*(1), 73-94.

Deloitte. (2016). *Australia's Aged Care Sector: Economic Contribution and Future Directions*. Retrieved from: https://www2.deloitte.com/content /dam/Deloitte/au/Documents/Economics/deloitte-au-australias-aged-care-sector-economic-contribution-010616.pdf

EPF. (2017). *Social Protection Insight.* Kuala Lumpur: Employees Provident Fund.

Ford, R., and Zussman, D. (1997). *Alternative service delivery: Sharing governance in Canada*. Toronto: Institute of Public Administration of Canada.

Fredriksson, M. & Pallas, J. (2018). New Public Management. *The International Encyclopedia of Strategic Communication*, 1 (6), https://doi.org/ 10.1002/9781119010722.iesc0119

Furlong, K. (2012). Good water governance without good urban governance? Regulation, service delivery models, and local government. *Environment and Planning A, 44*(11), 2721-2741.

Furlong, K. & Bakker, K. (2010). The contradiction of alternative service delivery: Governance, business models, and sustainability in municipal water supply. *Environment and Planning C: Government and Policy, 28*(2),1-44.

Garcia Prado, A. & Lao Peña, C. (2010). *Contracting and Providing Basic Health Care Services in Honduras: A Comparison of Traditional and Alternative Service Delivery Models*. Retrieved from World Bank website: https://openknowledge.worldbank.org/handle/10986/13609 License: CC BY 3.0 IGO.

Henriksson M., Ledin T. & Good L. (2001). Postural control after anterior cruciate ligament reconstruction and functional rehabilitation. *American Journal of Sports Medicine, 29*, 359-366.

Jabatan Kebajikan Malaysia (2015). *Jabatan Kebajikan Malaysia: Pengenalan Warga Emas.* Retrieved from: http://www.jkm.gov.my/jkm/index. php? r= portal/left&id=VEpUUXV3THFURkZETmxWNjZpQ1BXdz09

Jabatan Kebajikan Masyarakat (2017). *Garis panduan mekanisme pelaksanaan Dasar Warga Emas Negara dan Pelan Tindakan Warga Emas Negara*. Retrieved from: http://www.jkm.gov.my/jkm/uploads/files/penerbitan /BUKU% 20PELAN%20STRATEGI%20JKM%202016-%20FINAL%20 (FULL).pdf

Kang, I. O., Park, C. Y. & Lee, Y. (2012). Role of Healthcare in Korean Long-Term Care Insurance. *Journal of Korean Medical Science*, *27*(Suppl), 41-46.

Kiggundu, M. N. (2016). Alternative service delivery in Africa: The case for international regional organisations. *Africa's Public Service Delivery & Performance Review*, 283-311.

Kim, M. Y., Subramaniam, P., & Flicker, L. (2018). The Australian aged care and its implications for the Korean aging crisis. *Annals of Geriatric Medicine and Research*, *22*(1), 9-19.

Koris, M., Mohamed Nor, N., Haron, S. A., Hamid, T. A., Aljunid, S. M., Muhammad Nur, A., Ismail, N. W., Shafie, A. A., Yusuff, S., & Maimaiti, N. (2019). The cost of healthcare among Malaysian community-dwelling elderly. *Jurnal Ekonomi Malaysia, 53*(1), 89-103.

Lychak, D. (2001). *Report on alternative service delivery.* Retrieved from: http://www2.hamilton.ca/Hamilton.Portal/Inc/PortalPDFs/ClerkPDFs/committee-of-the whole/2001/Nov19/Item%203.2.pdf

Nordmann, D. & Werchota, R. (2015). Using the water kiosk to increase access to water for the urban poor in Kenya. http://www.global delivery initiative. org/library/case-studies/using-water-kiosk-increase-access-water-urban-poor-kenya

Lam Thye, L (2018, October 17). 'Preparing for Ageing Population'. *News Straits Times.* https://www.nst.com.my/opinion/letters/2018/10/422166/preparing-ageing-population

Russell, E. W., & Bvuma, D. G. (2001). Alternative service delivery and public service transformation in South Africa. *International Journal of Public Sector Management*, *14*(3), 241-265.

Salamon, L. M. (2002). *The tools of government: A guide to the new governance.* Oxford: Oxford University Press.

Sarig, E. (2013). Alternative service delivery arrangements in Local Municipalities in Israel: A case study. *Current Urban Studies, 1*(3), 48-58.

The Chartered Institute of Public Finance & Accountancy (CIPFA) (2016). *Alternative service delivery models. Transforming organisations in local government.* http://www.cipfa.org/~/media/files/cipfa%20thinks/cipfa-insights-alternative-service-delivery-models.pdf?la=en

The Treasury Board of Canada Secretariat (1996). Alternative service delivery. Canada: Communications Directorate Treasury Board of Canada, Secretariat. Retrieved from www.collectionscanada.gc.ca/eppp-archive /100/201/301/tbs-sct/tb_manual-ef/Pubs_pol/hrpubs/TB_858/ASD_e.html

The World Bank (2005). *Public sector governance and accountability series: Public services delivery*. http://siteresources.worldbank.org/PSGLP /Resources /Public ServiceDelivery.pdf

Transformasi Nasional 2050 (TN50), *National Transformation 2050.* Retrieved from:https://www.penerangan.gov.my/dmdocuments/transformasi_nasional_2050/mobile/index.html#p=16

United Nations. (1982). Report of the World Assembly on Aging. https://www.un.org/esa/socdev/ageing/documents/Resources/VIPEE-English.pdf

Wilkins, J. (2011). *Alternative service delivery revisited*. London: Commonwealth Secretariat

Zubane, P. (2011). *Alternative service delivery models for the South African public service for the year 2020* (Master's Dissertation, Stellenbosch University). Cape Town Stellenbosch University. http://scholar.sun.ac.za/handle /10019.1/1746