Determining the relationship between job satisfaction and customer service levels at a small retailer in South Africa

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ABSTRACT

Customer service is an integral part of doing business today. Customer service providers must have adequate preparation to interact effectively with the customer. The preparation is a result of a commitment to increase understanding of the customer service industry, the knowledge of current trends, the ability to interpret those trends and the development of the fundamental skills necessary to achieve excellence. The aim of this is to analyse perceptions of job satisfaction levels at a small retailer in South Africa and establish whether there is a relationship between job satisfaction and customer service levels.

It is evident from the research that the majority of respondents 43 percent strongly disagree with the statement that employee attitude is commendable, a view that is disputed by management. Management is of the impression that it is doing enough to address customer satisfaction problems. The research also established that the customer's perception is that there is little empowerment to the frontline staff. The leadership is perceived as management style, which do not allow for people empowerment with the majority of 52 percent strongly disagreeing that employees are empowered to make decisions. 5 percent were non-committal whilst the next larger group had not observed any employee empowerment. The research established that a lot of investment has been made into upgrading the systems leading to better quality of service as compared to other utilities.

The research conducted, confirmed that training, motivation and empowerment are an essential component of high work because an organization's success relies on front line employees' skill an initiative to identify and resolve problems, to initiate changes in work methods, and to take responsibility for quality customer service.

The research confirmed that there is a relationship between job satisfaction and customer service levels. It is therefore, important to motivate, reward and empower its employees to provide an environment in which employees are happy to work in and feel they are appreciated and have room to contribute.

Keywords – Job satisfaction, customer service, small retailers, customer's perception, motivation, empowerment

Customer service is an integral part of doing business today. Customer service providers must have adequate preparation to interact effectively with their customers. The preparation is a result of a commitment to increase understanding of the customer service industry, the knowledge of current trends, the ability to interpret those trends and the development of the fundamental skills necessary to achieve excellence (Harris 1996).

The aim of this is to analyse perceptions of job satisfaction levels at a small retailer in South Africa and establish whether there is a relationship between job satisfaction and customer service levels. Two types of customers are identified, external and internal customers. The former type of customers is the paying customer who comes to your company from outside. They respond to your business by arriving at your doorstep, telephone line, or

mailbox ready to exchange their money for your goods and services. On the other hand, internal customers are people who work in your organization and do business with each other –the employees of the company. This idea of referring to employees of the company as internal customers gives co-workers a sense of responsibility in the customer process, argues Harris (2003). This research will concentrate on the latter type of customers as a focus of study. To further clarify the concept of the internal customers, Albrecht (2004) argues that to the people who work in the patrol department, the entire company is their customer, the man who delivers the interoffice mail has a whole room full of customers; the woman who answers the telephone order lines is served by the company's operations department, the billing centre and the creators of the mail order catalogues. Employee's feeling about their jobs is contingent on the nature of the work but also on the background, values and needs that they bring to the job. Whether employees are satisfied with a given job thus depends to some extend on what they hope to get out of it.

AIMS AND OBJECTIVES

The aim of this is to analyse perceptions of job satisfaction levels at a small retailer in South Africa and establish whether there is a relationship between job satisfaction and motivation. Deregulation and commercialization brought with it fierce competition and a plunge of the rail freight market share. Change was inevitable in order for the retail giant to survive and compete effectively in the retail industry.
The objectives of this article are to:
- Gather perceptions on levels of job satisfaction
- Analyse the levels of customer satisfaction.

To attain the objective of this article, the following hypothesis was formulated.

H_1 There is a relationship between job satisfaction and customer levels.

RESEARCH METHODOLOGY

The data was sourced from two populations, namely:

- 57 Employees and
- 100 Customers

The researchers used questionnaires for both populations and asked the questions face-to-face, because the population will be selected by name, and it is small enough for the researchers to administer the interviews. The main construct of this study (customer) service was measured through the use of Likert-type scales as opposed to the demographic variables, like respondent income and age, whose questions delivered only nominal data.

The basic scale design therefore consisted of a Likert-type scale with five scale points (with labels ranging from strongly agree to strongly disagree) and 11 scale items. This scale was found to be highly reliable with a Cronbach's Alpha of 0.7. The constructs measuring cherry picking behaviour as price searching across time and price searching across stores were measured using similar scales with five scale items. These two scales were also found to be reliable. No items on any of these scales were reverse scored.

In this study the researchers want not only describe the sample data such as means, standard deviation and proportions but they wish to make inferences about the population based on what was observed in the sample. The dataset is further augmented by customer service levels and job satisfaction. Therefore the following null and alternative hypotheses were formulated:

H_{01} $\mu 1 = \mu 2$
$H_{A1}: \mu 1 \neq \mu 2$

LITERATURE REVIEW

Job satisfaction is a complex concept, which can mean a variety of things to different people. Mullins (2004) defines it as a more of an attitude, an internal state. It could for example, be associated with a personal feeling of achievement either quantitative or qualitative.

Although most people are satisfied with their jobs overall, they are not necessarily happy with all aspects of their jobs. People certainly have a feeling about different aspects of their jobs, such as co-workers, pay, the nature of

work and supervismy level thus job satisfaction refers to people's feelings about the different aspects of their job. As the revenue stream is sourced from customers, this makes them potentially the most important strategic stakeholders. The volatility of revenue levels is driven by customer demand, reflecting business cycles, which requires an understanding of customers and the nature of their situations. It is therefore of great importance to build a relationship with your customers since they are the users of the sevice or product you make, and their needs are varied and forever changing. Setvices are a rapidly growing and increasingly impmtant patt of today's economy. Since services are customer-driven, pleasing the customer is more impmtant than ever.

ANALYSIS AND INTERPRETATION OF RESULTS

Customer factors

The questionnaire was divided into four themes that is employee attitude towruds the retailer, employee skills displayed in customer sevice, employee empowerment, and comparison with other utility provide·s in the countly.
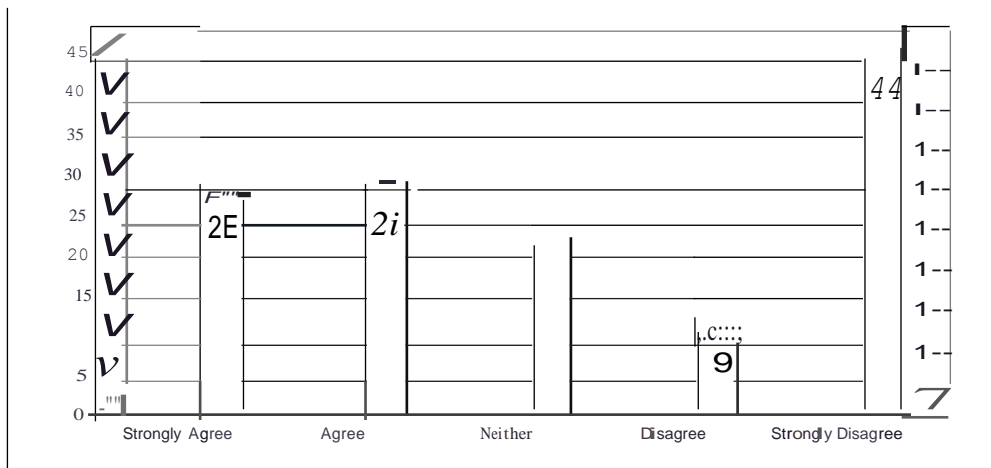
Employee's attitude

Positive employee attitude is impmtant for any business as su·essed by Freemantle (2004). As a result, they have to be empowered to work independently. As the manager wants his /her setvice provider to be the customer's best friend regarding customer sevices matters, the manager must also be the employee's best friend. The responses are summru·ised in figure 1.

From the results presented in figure 1, it is evident that the majority of respondents, 44 percent su·ongly disagree with the statement that employee attitude is commendable. In the opinion of the researcher, this can be attributed to the fact that management is doing little to encourage the development of inte·nal commitment. 20 percent are non-committal as to whether employee attitude is commendable or not, while 27 percent agree that employee attitude is commendable.

For clru·ity on employee attitude towards the company, question Al, the four statements shown below were posed and the customer responses are displayed in table 2

Figure 1:   Employee attitude

Table 2:   Customer service provider's attitude

STATEMENT Employees...	Strongly. Agree	Agree	Neither	Disagree	Strongly Disagree
A1.1. feel satisfied working in this department	26	27	16	9	22
A1.2...feel committed to the department's objectives	19	24	19	16	22
A1.3...feel their supervisors are concerned about them and how they do the work	13	15	20	15	37
A1.4...feel recognised and supported by management	9	11	17	19	44

From table 2, it can be suggested that the concept that internal quality of a working environment contributes most to employee satisfaction is unknown concept. The high percentages of disagreement bear testimony. Heskett et al (1997) argue that internal quality is measured by the feelings that employees have towards their jobs, colleagues, and the company itself. Internal quality is also characterised by the attitudes that employees have towards one another and the way they serve each other inside the company. It will be interesting to see how the same customers perceive employee skills, which follow in the next section.

Employee skills displayed in customer service delivery

The importance of employee skills cannot be overemphasised as employees can hardly be expected to operate the latest technology equipment without equipping them with the necessary skills. Question A2 solicited customer perception of employee skills in customer service delivery.

The majority of respondents, 44 percent strongly disagree that employee skills are commendable, while 26 percent were non-committal probably because most of the respondents are newly employed who have yet to develop skills for the job. 32 percent of the respondents agreed that employee skills are commendable. This can be attributed to the fact that some of the respondents are with the company for longer period of time and have developed a sense of love and security with the company.

To extract from the customer enough information about employee skills, five concise questions were asked. The results are shown in table 3.

Table 3 shows an agreement that there is a relationship between customer service and job satisfaction. To attain the objective of this article, the following hypothesis was formulated.

H_1 There is a relationship between job satisfaction and customer service levels.

The response of the hypothesis is shown in table 2.

Table 3:   Customer service level and job satisfaction

STATEMENT Employees....	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree
A2.1. has clear sense of the roles and their overall purpose	20	13	26	14	27
A2.2. are given the tools and equipment that they need to perform their job	32	28	5	19	16
A2.3. are given praise and thanks for a job well done	8	22	8	19	16
A2.4. are regularly provided with coaching to improve performance	7	17	13	9	18
A2.5. feel recognised and supported in their daily work	9	13	17	17	43

Table 4 shows that the Pearson correlation indicates a perfect correlation of **1** at a significant level of 0.05 2-tailed. When conducting the z-test, HOI was rejected thus accepting Ha**1**. Therefore, by accepting Ha**1,** one may conclude that there is a significant conelation between job satisfaction and customer service levels.

Employee empowerment to serve customers

Customer service providers are continuously faced with customer situations that are unique to the customer and that are somewhat beyond the boundaries of existing policies. Therefore, empowerment is nothing else, but making someone else takes the risk and responsibility. The second type of empowerment is the inter·nal commitment that occurs when employees are committed to a patticular project or program for their own individual reasons or motivation. The customers were given four statements pertaining to employee

empower·ment to respond to. The responses are summarised in figure 3.

As indicated in figure 3, the maJonty of respondents 51 percent, strongly disagree that management is empowering customer setvices providers. This is probably because management has no trust in employees of not having the necessaty skills and capabilities in performing their duties without any supetvision. In the researcher·'s opinion, this was caused by the rigid and bureaucratic systems typical of gover·nment machinety.

Management must empower· employees through accompanying high performance expectations with expressions of confidence, foster· the opportunities for employees to pat1icipate in decision-making and provide autonomy from organisational restr·aint. In order· to gather more accurate information on employee empowerment to serve customers, four questions relating to this theme wer·e asked.

Table 4   **The** Pearson Correlation

		(STORE IN 05) is conveniently location	total customer service to job satisfaction
Oob satisfaction 05)	Pearson Correlation		.073
	Sig. (2-tailed)		.348
	N	167	166
total: job satisfaction to customer service	Pearson Correlation	.073	
	Sig. (2-tailed)	.348	
	N	166	175

Figure 3:   Employee empowerment
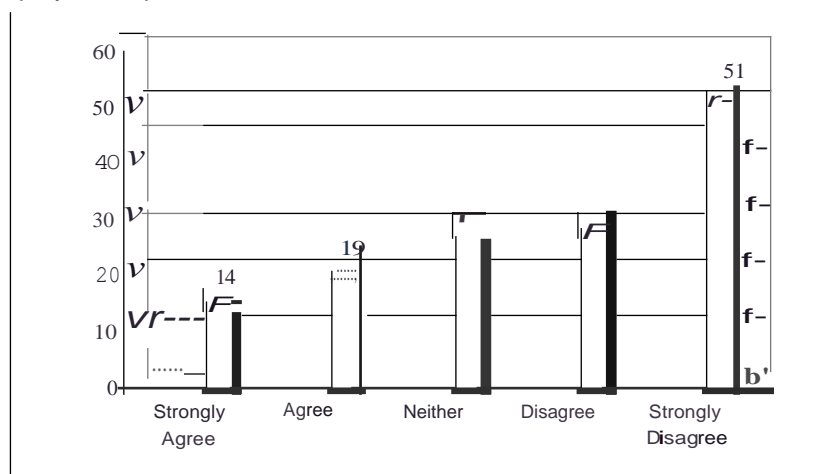
SIGNIFICANCE OF THE CASE STUDY

The significance of this case study is that it reveals to management the importance of customer service in maintaining a competitive advantage. It is therefore imperative to formulate a customer service statement. A customer service statement forms an integral part of the customer service strategy. The link between job satisfaction and customer service levels shows that satisfied employees promote healthy customer service.

RECOMMENDATIONS

The reasons for the recommendations are given, mainly from the cited literature review, and also how management could go about to achieve the recommendations. The recommendations served to encourage the management to further develop and empower its employees in order to motivate them, thereby improving their productivity level, which is of strategic significant to the organisation's competitive position. Improving employee motivation and involvement will introduce a culture of learning and service quality within the organisation, which will lead to high levels of customer service. Factors which need to be looked at are as follows:

Employee attitude

Management is advised to improve employee attitude. As the literature review insists, sins of a defective support system such as the rail utility's inefficiencies and unreliable railway system can be forgiven by a customer after sensitive and courteous handling by an employee with a positive attitude such as a warm smile, a sensitive glance, a welcome piece of unsolicited information, or a thank you. Employee's attitude can be improved by improving the employee's working conditions, rewards, training and development. These factors will be discussed briefly in the next sections.

Customer service level and job satisfaction

Customer service level and job satisfaction is vital to any organisation because, as the literature review has shown, it is a means to make every employee more valuable to the enterprise by extending his skills and knowledge, modifying his attitudes towards his job and adjusting his patterns of behaviour in the organisation. A survey should be done to determine what it is that employees do not understand and how it can be improved. It is very likely that employees have trouble with implementing strategies or are unsure about what the boundaries are for entertaining or servicing customers. Social training, which focuses on the interpersonal values, attitudes and techniques needed to render good service, should also form part of the training program. Furthermore, training and development serve as a dual purpose in the sense that it helps management meet its human resources requirements, while at the same time increasing the market value of those being trained. This translates to higher motivational levels.

Empowerment

Research has shown that Customer Services employees feel generally that they cannot solve their immediate problems and are not at power to make decisions to satisfy customer needs. Management list the lack of empowerment as an internal constraint to satisfy customer service and Customer Services service providers find the red tape frustrating. Therefore, Customer Services management must make empowerment more than just a management fad or buzzword. Give the people the authority and associated responsibilities to make decisions considered to be in the organisation's best interest. But empowerment does not mean that mangers can abrogate responsibility.

CONCLUSION

In conclusion, there is no doubt that employee job satisfaction is a necessity for customer service satisfaction. The strategies for obtaining job satisfaction, empowerment, self-respect, self-reliance are important for management. Employees must be provided with training, information and other support designed to allow them to use their judgment in responding to customer complaints. Lastly the research indicated that there is a significant relationship between job satisfaction and customer service levels.

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