

**EFFECTS OF QUALITY ORIENTED HUMAN RESOURCE MANAGEMENT  
PRACTICES ON CUSTOMER SATISFACTION IN MOI TEACHING AND  
REFERRAL HOSPITAL, KENYA**

**JUDITH C. KIGEN**

**SBE/PGM/012/09**

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AWARD OF THE DEGREE OF MASTER OF BUSINESS MANAGEMENT IN  
THE SCHOOL OF BUSINESS AND ECONOMICS, MOI UNIVERSITY,  
KENYA.**

**MAY, 2011**

## **DECLARATION**

### **BY CANDIDATE**

This proposal is my original work and has not been presented for a degree in any other university. No part of this proposal may be reproduced without prior written permission of the author and or Moi University. Copies of this Research will be availed at the University Library and to the Administration of Moi Teaching and Referral Hospital for reference and further studies where need be.

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**JUDITH C. KIGEN**  
**SBE/PGM/012/09**

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**DATE**

### **BY THE SUPERVISORS**

This thesis has been submitted with our approval as university supervisors

---

**DR. THOMAS CHERUIYOT**  
**SENIOR LECTURER**  
**DEPARTMENT OF MARKETING AND**  
**MANAGEMENT SCIENCE**  
**SCHOOL OF BUSINESS AND ECONOMICS**  
**MOI UNIVERSITY**

---

**DATE**

---

**DR. LOICE MARU**  
**SENIOR LECTURER**  
**DEPARTMENT OF MARKETING AND**  
**MANAGEMENT SCIENCE**  
**SCHOOL OF BUSINESS AND ECONOMICS**  
**MOI UNIVERSITY**

---

**DATE**

## **DEDICATION**

This proposal is dedicated to my spouse Dr .Kigen for his unwavering support and our dear daughter, Meghan for allowing me to go to class even when I was to be home with her.

Am sincerely thankful to my parents for encouraging me never to stop learning

Finally am greatly in-debted to God for giving me the strength and grace to do my M-Phil alongside my daily duties.

## **ACKNOWLEDGEMENT**

I sincerely acknowledge my well able supervisors, Dr T Cheruyiot and Dr. L Maru who through their expertise, guidance and support, have enabled me to come this far in my research.

I also appreciate the Research Department – IREC at the Moi Teaching and Referral Hospital for allowing me to conduct my Research at the Institution.

## **ABSTRACT**

There has been a move towards quality practices by organizations as a strategic tool to create a competitive edge. The practices have been used to make quality products and achieve superior customer satisfaction. The purpose of the study is to investigate the effect of quality oriented Human Resources practices on customer satisfaction at Moi Teaching and Referral Hospital, Kenya. The specific objectives of the study include: examining the effects of Training and Education; Employee involvement; quality leadership; team work; and. performance appraisal on customer satisfaction. The study will adopt a causal comparative approach so as to study the cause and effect relationship between the variables in the subject matter of the study. The study will sample (100) staff in the organization by use of stratified sampling method since the study population is divided into homogeneous groups/departments. Representative samples will then be drawn from the departments using simple Random sampling method. The research will be executed by use of questionnaires that will be distributed to the target population to seek facts and opinions that will support the objectives of the study. The data collected will be analyzed by use of descriptive techniques such as frequencies, percentages, means and standard deviations and inferential statistical techniques such as correlation of analysis Pearson's product moment correlation analysis and Multiple regression analysis to study the relationship between the study variables as postulated by the study hypothesis and based on the study objectives and summarized by use of tables. The study is expected to show whether quality Human Resource Practices positively contribute towards customer satisfaction that in turn enables the organization to meet its objectives. Conclusions shall be made based on the research findings and the researcher will recommend further research on this area of study since it is still a new concept in the business arena.

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## **LIST OF ABBREVIATIONS**

COMESA	– Common Market for East and Southern Africa
EAC	– East Africa Community
HR	– Human Resources
IREC	_ Institutional Research and Ethics Committee
ISO	– International Standards Organization
MTRH	_ Moi Teaching and Referral Hospital
QDF	– Quality Deployment Function
TQM	– Total Quality Management

## OPERATIONAL DEFINITION OF TERMS

These definitions will be mentioned and used in the main body of the Literature review.

**Total quality management;** Set of management systems and processes that create a delighted customer.

**Human resource management;** The study of the organization's most valued resource that includes attraction, selection, acquisition, reward, maintenance, development and

**Customer satisfaction;** The measure of how well the company's goods or services meet or exceed customer expectation.

**Employee;** A person who renders his services to an organization in return for a reward in form of salaries or wages.

**Customer;** A person who buys the organizations goods and services

**The cost of quality;** this is the measures of non-quality (not meeting customer requirements) and a measure of how the quality process is progressing.

**A cultural change;** the in-built attitude that appreciates the primary need to meet customer requirement, implements a management philosophy that acknowledges this emphasis, encourages employee involvement and embrace the ethic of continuous improvement.

**Enabling mechanisms of change,** includes training and education, communication, recognition, management behavior, teamwork and customer satisfaction programmes.

**Implementing TQM;** Involves the definition of the mission, identifying the outputs, identifying the customers, negotiating customer requirements, developing a supplier specification that details customer objectives and determining the activities required to fulfill those objectives.

**Management behavior;** that includes acting as role models, use of quality processes and tools, encouraging communication, sponsoring feedback activities and fostering and providing a supporting environment.

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background to the Study**

Total quality management, as defined by Juran (1991), is the set of management processes and systems that create delighted customers through empowered employees, leading to higher Revenue and lower cost. It involves integration of all functions and processes within an organization in order to achieve continuous improvement of the quality of goods and services. The goal is customer satisfaction.

Total Quality Management means thinking about quality in terms of all functions of the company and is a start-to-finish process that integrates interrelated functions at all levels. It is a systems approach that considers every interaction between the various elements of the organization. This means the overall effectiveness of the system is higher than the sum of included outputs from the sub-systems. The subsystems include organized functions in the life-cycle of a product such as design, planning, production, distribution and field service. In the management sub-systems also require integration industry strategy with a customer service, the tools of quality and employee involvement. The pivotal key is that any product, service or process can be improved and a successful organization is one that consciously seeks and exploits opportunities for improvement at all levels. The load-bearing structure is customer satisfaction and the watchword is continuous improvement (Mercer, 1991:11).

##### **1.1.1 Quality and Customer Satisfaction**

Quality drives a company's market share and where superior quality and large market share are both present, profitability is guaranteed. Quality also reduces costs. This reduction in these provides an additional competitive edge. As in the figure below, quality is of two types; customer driven quality and conformance or internal specification quality. Conformance or internal specification quality relates to appropriate product specification and service standards that lead to cost reduction. Thus there's an inverse relationship between internal conformance quality and costs and thus the phrase by Crosby (1979) "Quality is free".

As quality improves so does cost hence improved market share and profitability and growth. Therefore, as below, improving both internal (conformance) quality and external (customer perceived) quality not only lowers cost of poor quality or non-quality but also serves as a driver for growth, market share and profitability (Rose (1991). The organization and its functions, is a link between its products and services and the final consumer (customers). Customer satisfaction will be the result of three part system; company processes (operations), company employees who deliver the product and services that is consistent with customer expectations. It will be thus determined by the extent to which the three part system interacts and the company objective should be to increase the interaction of these three areas as much as possible and ultimately make all three circles to converge into an integrated system. The extent to which this condition is achieved depends on the effectiveness of the process, the employees and determination of what constitutes satisfaction. Like any other system, control is necessary. Thus standards are set performance is measured and variation if any is corrected (Watkins, 1992).

Internal customers are also important in a TQM programme. These are the people, activities and functions within organization that are the customers of other people, activities or functions. Conflicts usually arise between the needs of the internal and external customer. A balance then needs to be struck between the needs of these two groups by determining the real needs of each and design processes to meet both, Crosby, (1979:69-70).

The purpose of this study is thus to provide a link showing relationship between the quality human resource management practices and customer satisfaction. The study shall focus on practices such as, Quality Leadership; Human resource focus, Training and Education, Performance appraisal, and Customer focus.

## **1.2 Statement of the Problem**

Customer satisfaction is a business term that involves a measure of how goods and services by a company meet or surpass customer satisfaction. In a competitive market place, where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. Thus

gaining high levels of customer satisfaction is very important to a business because a satisfied customer is most likely to be loyal and to make repeat orders and use a wide range of services offered by a business (Cavallo and Perelmuth, 1989:12).

Successful organizations are those that focus their efforts strategically. To meet and exceed customer needs, organizations need to follow the overall organization strategy that must add value for the targeted customer over the long run by consistently meeting their needs better than the competitor does. The issues in building customer satisfaction are to acquire satisfied customers and the obvious way to determine what makes customers satisfied is simply to ask them. (Cronin and Taylor, 1992:55-68).

For service business, some of the important indicators of quality are as; the outcome of the service, timeliness, dependability, reputation of the provider friendliness or courteousness to requests, competence, appearance of physical facilities, approachability of the service provider, location and access, respect of customer rights or feelings, willingness to listen to the customer, honesty and ability to communicate in a clear language (Heady and Choi, 1992: 5-14). Human resources is seen as link between the organization's systems, processes, goods, services and strategies and the ultimate consumers (customer). There's need to embed what the customer considers of value in the employees of the organization. All the efforts must be concentrated towards delivering goods and services that will meet and even surpass the needs of the customer. Business continuity through profitability and growth is a function of a satisfied customer. Quality oriented human resource practices should work towards establishing a corporate culture that upholds customer satisfaction as an overriding goal and as a daily routine.

The study aims at establishing the extent to which quality human resource practices embraced by the organization translate to customer satisfaction so that a strategic fit is established between quality service delivered by the employees and value derived by the customers.

### **1.3 Objectives of the Study**

#### **1.3.1 General Objectives of the Study**

The general objective of the study is to study the relationship between quality oriented Human Resource practices and customer satisfaction.

#### **1.3.2 Specific Objectives of the Study**

The study is aimed at achieving the following objectives:

- (i) To examine the effect of Quality Leadership and Teamwork on customer satisfaction;
- (ii) To examine the effects of continuous Employee Training on customer satisfaction;
- (iii) To establish the effects of Employee involvement on customer satisfaction and
- (iv) To examine the effects of performance appraisal of employees on customer satisfaction.

### **1.4 Research Hypothesis**

Null Hypothesis;

Quality oriented Human Resource Practices have no effect on customer satisfaction

### **1.5 Significance of the Study**

Since the beginning of 1980s, there came about enhanced technology advancement with the introduction of use of computer in business. As a result, there was interconnection of business and people via the internet computer network that later gave rise to globalization. Globalization has led organization to strive towards attaining competitive edge over each other by ensuring an all-time effective customer

service and unique internal capability (highly trained employees and quality leadership).

This study will be of significant importance to both the employers who are the custodians of the organization's reason for being and the employees who are responsible in implementing the quality procedures and practices.

The employers will be able to appreciate the quality practices that will add value to their customers and the employees will have the opportunity to be involved in a process that adds value to their work life.

The study is also of great significance to the customers. They will have the opportunity to define to management that which they perceive as quality.

The study can also be replicated by organizations that have not embraced quality management practices to enhance the quality of their service delivery.

The researcher will thus to highlight the significance of Total Quality Human Resource management practices and their importance in achieving customer satisfaction so as to remain competitive and achieve high performance.

### **1.6 Scope of the Study**

The study shall be conducted at Moi Teaching and Referral hospital, Eldoret Town. This is because the organisation received its Quality certification Award in the in the recent months and thus will be suitable to study its Human Resource Quality Practices. The investigation will focus on the employees in the various departments and the hospital's clients. The study shall focus on quality Human Resource Practices including training, continuous improvement, Education, Team work and Customer satisfaction. The study shall be conducted during the month of January,2012 through to September, 2012.



## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

The chapter will introduce the concept of Total Quality management with a narrow focus on quality human resource management practices. These shall be considered in light to its effects on customer satisfaction. The chapter shall also highlight customer satisfaction models and the yardsticks used to measure customer satisfaction.

#### **2.2 Customer Satisfaction**

Customers always experience quality when using company products or interacting with the services of the organisation. Successful companies are those that have understood the impact of customer defined quality. The focus on quality is majorly to enhance customer satisfaction which is defined as the ability of a company's product or service to meet or exceed customer expectation. Customer satisfaction has been enhanced through the elaborate company systems and processes and programmes as those of TQM whose key implementers are the staff. The bottom line for the customer is whether he or she obtained the desired service or product. Customer satisfaction should be the focus of all activities in the organisation. The motivation should stem from considering the customer as the king, embracing quality as part of every day's work and maintaining a goal of obtaining value for the money. This will ensure focus on the customer and the company can meet these needs so as to enhance customer satisfaction

From the beginning of the "customer service revolution" almost 20 years ago, a body of business research has focused on customer satisfaction and customer-focused organizations. Business consultants, corporations and others have worked to identify the characteristics of organizations that consistently please their customers so as to develop tools for monitoring customer satisfaction, and to build continuous, quality improvement systems that respond to consumer feedback.( Ron and Dick, 1989:31). The definition of customer satisfaction has been widely debated as organizations increasingly attempt to measure it. Customer satisfaction can be experienced in a

variety of situations and connected to both goods and services. It is a highly personal assessment that is greatly affected by customer expectations. Satisfaction is also based on the customer's experience of both contacts with the organization and personal outcomes. (Hanan and Karp, 1989).

Customer satisfaction differs depending on the situation and the product or service. A customer may be satisfied with a product or service, an experience, a purchase decision, a salesperson, store, service provider, or an attribute or any of these. Customer satisfaction focuses on the customer's entire experience with an organization or service and the detailed assessment of that experience. For example, reporting methods developed for health care patient surveys often ask customers to rate their providers and experiences in response to detailed questions such as, "How well did your physicians keep you informed?" These surveys provide actionable data that reveal obvious steps for improvement. Customer satisfaction is a highly personal assessment that is greatly influenced by individual expectations. Some definitions are based on the observation that customer satisfaction or dissatisfaction results from either the confirmation or is confirmation of individual expectations regarding a service or product.(Padilla, 1996).

In spite of the varied definitions, organisations should concentrate on goals that are more closely linked to customer equity. Instead of asking whether customers are satisfied, companies ought to determine how customers hold them accountable (Wreden, 2004).

### **2.2.1 Customer-Focused Mission Statements**

The management should emphasize the importance of customer satisfaction by providing a guiding vision that is clearly communicated through an organizational mission statement and set of principles. An effective mission statement accomplishes three purposes, among them is that it focuses and guides employee actions. By providing a constant touchstone for employees, the mission statement has a powerful role in reinforcing customer service. According to marketing expert Feig, (1977:77) a strong mission statement both inspires and challenges employees. It can also help employees feel that they are part of something important, which is an operating

principle of high-performing companies. In addition, it helps set and manage customer expectations and as a result, the actual services offered can be measured against this standard. The mission statement is continually updated based on information from customer research, including focus groups, discussions and surveys.

The mission also contributes to instilling a culture of customer orientation. More than a slogan, it states what the company intends to do and must do for the customer and should be capable of being implemented daily by the staff who interact with the customers. (Manello, 2000).

In addition to focusing on customer satisfaction, mission statements of many successful companies include employee satisfaction. These organizations recognize that customer service depends on employees who know they are valued, are treated well, and have the tools they need to put the mission into action.

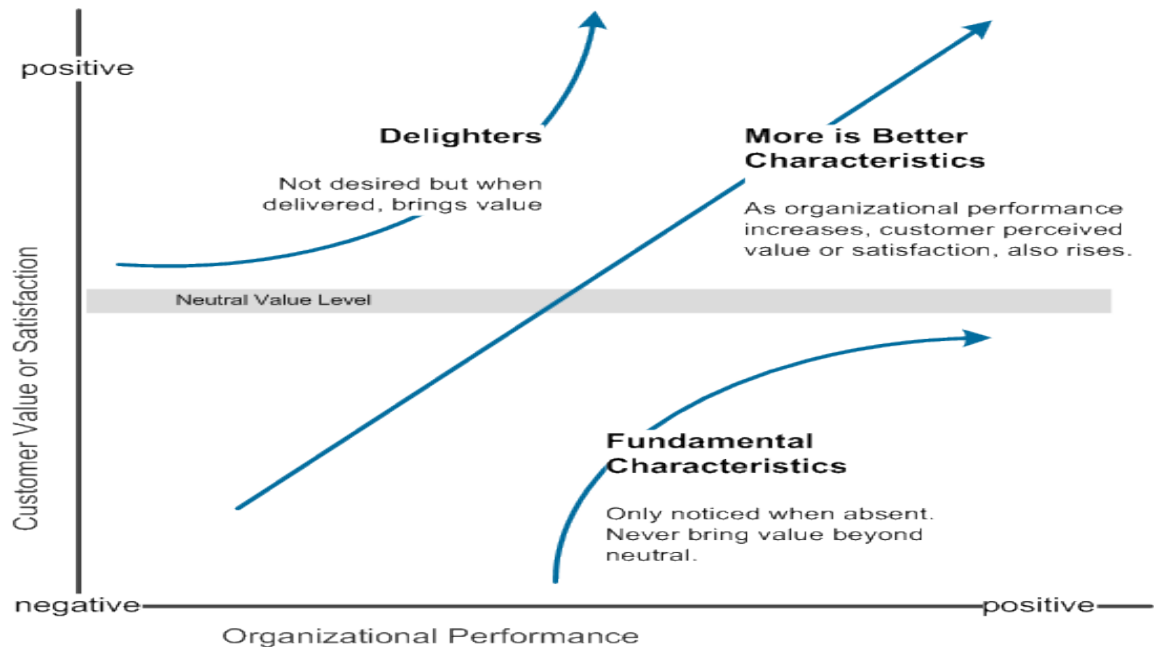
### **2.2.2 Frameworks for Evaluating Customer Satisfaction**

Different disciplines approach consumer research from different standpoints; however they are all interested in identifying how an innovation - a new product or a service - is accepted by the consumers. Some disciplines use techniques for evaluating market response, others measure social influences on creating market acceptance, while yet others study personal characteristics of consumers and how these affect purchasing decisions of each individual consumer. Each discipline also develops and uses specific methods as well. However, there are also general tools that are employed in many disciplines including:

#### **Kano Model of Customer Satisfaction**

The Kano *et al.* (1996) model of customer satisfaction classifies product attributes based on how they are perceived by customers and their effect on customer satisfaction. According to the model, there are three types of product attributes that fulfil customer satisfaction to different degrees: basic or expected attributes, performance or spoken attributes, and surprise and delight attributes. A competitive product meets basic expected attributes, maximises performances attributes, and includes as many excitement” attributes as financially feasible. In the model, the

customer strives to move away from having unfulfilled requirements and being dissatisfied.



**Figure 2.1 The Kano model (Kano, et al., 1996)**

The performance or spoken attributes (the central line of the model) are those expressed by customers when asked what they want from the product. Depending on the level of their fulfilment by a product or a service these requirements can satisfy or dissatisfy consumers. The basic or expected attributes (lower curve in the model) are basic attributes, which customers take for granted and they are so obvious that they are not worth mentioning. While the presence of these attributes is not taken into account, their absence is very dissatisfying. The surprise and delight attributes (upper curve in the model) lay beyond customer's expectations. If they are present they excite the customer, but their absence does not dissatisfy, as customers do not expect them. A successful combination of expected and exciting attributes provides a company with an opportunity to achieve competitive advantage. A successful company will correctly identify the requirements and attributes and use them to document raw data, user characteristics, and important service or product attributes.

To make information about the identified requirements about attributes understandable and useful for designers, a Quality Function Deployment (QFD) approach is often being used. The goal of QFD is to assure that the product development process meets and exceeds customer needs and wants and that customer requirements are propagated throughout the life cycle of the product. The approach uses a number of matrices, which help translating customer requirements into engineering or design parameters, specifying product features, manufacturing operations and specific instructions and controls. QFD allows for the minimising of errors and the maximising of product quality for customers. The approach is probably the only existing quality system with such strong orientation to customer satisfaction.

### **Innovation Framework**

Rogers (1995), suggests five steps, through which an adopter goes to in the adoption of a new product or a service. These include first knowledge of an innovation, forming an attitude toward the innovation, decision to adopt or reject, implementation of the new idea, and confirmation of this decision. The first knowledge is acquired when an individual is provided with the information about the innovation. The attitude is formed while evaluating the features of innovation and a resolution on accepting or rejecting the product follows. Implementation corresponds to the consumption and confirmation refers to the need to reaffirm the decision about the innovation adoption. As a result, he also maintained that people accept innovation differently, depending on their personality, their innovativeness, and interpersonal communication, and according to this could be classified into innovators, early adopters, early majority, late majority, and laggards. Innovators seek newness and value the time period that is passed since the product launch. Laggards seek reassurance and confirmation about product or service qualities through interpersonal communication and word-of-mouth. This requires the organisation to identify the characteristic of its target customers and design their products so as to meet and exceed their expectation.

## The SERVQUAL model

Given the growth of services in the last decades, many researchers have recognised the need to develop measures of service quality. One of the most often used measures is the SERVQUAL based on extensive research in generic determinants of perceived service Quality. Parasuraman, Berry et al. 1994). The model measures the difference between customers' expectations about general quality of a certain group of service providers and their perceptions about the actual performance of a service provider from that group. It uses a set of service quality determinants (explained in Box 1) measured by a 22- item scale. The model defines customer satisfaction as perceived service quality, which is the gap between expected service and perception of service actually received (Figure 9).

Many service industries use the model as a basis for developing surveys to evaluate customer satisfaction.

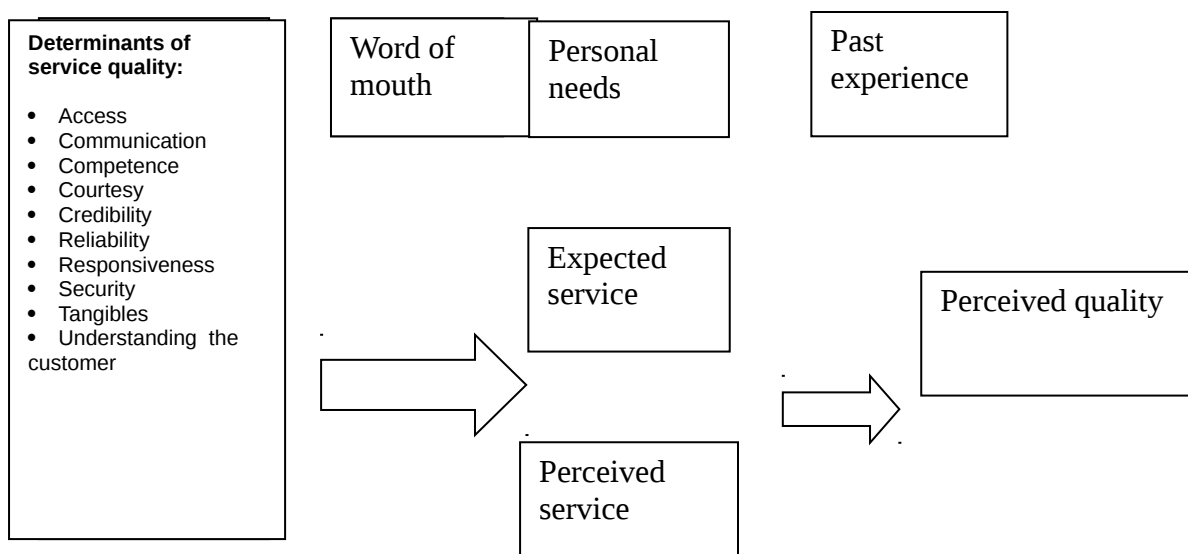


Fig 2.2 Service Quality model, Parasuraman, Berry et al. 1985)

Access means approachability and ease of contact; Communication means informing the customers in an understandable way and listening to them. It may imply that companies need to use different languages to talk to different customer groups (for instance professional and private customers) in explaining what the service comprises, how much various service elements and offers cost, and other features of the service;

Competence means possession of required skills (that is organisational and personal) and knowledge to perform the service; Courtesy comprises politeness, respect, friendliness of the service provider personnel; Credibility includes trustworthiness and honesty. Reliability means that the service is performed with high accuracy and thoroughness every time; Responsiveness concerns the willingness of employees to provide the service and how fast the service is provided. Security comprises physical and financial safety and confidentiality; Tangibles include all physical products that are involved in service delivery, and even other customers. Understanding the customer means taking steps to know customer better, learning their specific requirements, providing individual attention, recognising regular customers. (Parasuraman, Berry et al. 1985)

### **2.2.3 Toolbox for Measuring Customer Satisfaction**

The tools that may be employed to measure customer satisfaction include consumer surveys/polls, interviews and focus group discussions. Customer satisfaction surveys are a questionnaire based information collection tool to determine the level of satisfaction with various product or service features. Developing a good questionnaire is the key to collecting good quality information. Questions must be short and concise, well formulated, easy to interpret and answer, and facilitate unbiased responses. Survey techniques and questionnaire designs are well known to research community and multiple guidance from different disciplines exist, (Hill, Brierley *et al.*, 1999). Many methods are being used for gathering survey information. Telephone surveys are generally used to collect data from a large group of customers and to target segment markets. They are more effective in obtaining data than mail or e-mail questionnaires and can potentially provide a higher depth of data (Fetz, 1996). Online surveys offer an economical and fast alternative form of surveying. They can be

utilised with current customers, or the entire on-line population to provide fast feedback on satisfaction and allow quick automatic information processing.

Mail surveys are the least expensive approach, but they often have a low response rate, this becomes problematic for the statistical reliability of the data. These surveys also do not permit follow-up questions and do not offer the depth of a telephone survey (Dickey, 1998). Return cards allow getting customer response and certain possibility for measuring customer satisfaction. They proved to be especially useful if they are used in after-sale interaction with consumers, repair or service activity or warranty registration (Dickey 1998).

Customer intercepts and exit surveys are two types of in-store information collection methods. They are especially useful in probing customer in their shopping environment.

These surveys aim to intercept consumers in retail places and deliver a short structured Questionnaire on their satisfaction with the delivered service, preferences, or behaviour. The intercept surveys can also incorporate limited product testing, which provides opportunity to appraise consumer opinion immediately after sampling a product. Consumer intercepts are usually employed to gain a fast or first overview of the phenomena studied. They are relatively cheap and can result in a considerable sample. Their major disadvantage is that samples may not randomly chosen leading to stratified sampling and reducing the representativeness of the results.

### **In-depth interviews**

Sometimes, companies complement surveys with in-depth personal interviews. Such Interviews can serve as a test bed for questionnaires and be an effective when the number of respondent is small. Personal interviews are often used when companies are creating specific “customer profiles” or “satisfaction improvement plans” (Dickey 1998). The Likert technique presents a set of attitude statements. Respondents are asked to express agreement or disagreement on a multi-point scale. Thus, a total numerical value can be calculated from all the responses. In-depth interviewees are chosen based on their willingness to participate, their value as a customer, and their ability to articulate issues (Kessler 1996). The strength of in-depth interviews is that they provide possibilities to get access to consumer perceptions of the offer, discover



new variables and new needs of consumers and test and correct instrument. However, several weaknesses could be noted. For example, when interviewees are not randomly chosen, the conclusions need be confirmed with a broad, stratified random sampling. It is also difficult to have a large number of interviews and thus the sample is rarely representative. The personal interviews also require certain flexibility and interpersonal communication skills, which may not be always at hand.

### **Focus Group Interviews**

Focus groups interviews is a direct questioning of a group of usually 8-12 people that Provides fast feedback on service issues and customer satisfaction. It is a qualitative data gathering technique, in which the interviewer directs the interaction and inquiry in a very structured or unstructured manner, depending on the interview's purpose (Denzin and Lincoln 1994).

In consumer research, this method is used extensively for eliciting opinions, which explain consumer behaviour in shopping centres. It is also applied to pre-test and post-test advertisements and commercials. Focus groups may be the most cost-effective means of measuring product acceptance and may help define how the product should be adapted to a particular market or group of customers. Depending on the researched area, groups are recruited based on specified and varied criteria, such as age, gender, or other important characteristics. The respondents are recruited among the customers of a given shopping centre or supermarket.

The strengths of the focus groups interviews are the possibility to assess how people perceive themselves or conceptualise issues and the possibility to test new issues or new dimensions of customer satisfaction. The weakness is that it is difficult to distinguish between personal and group perceptions. Group dynamics can also prevent certain issues or perceptions from being tackled. In addition, the size of a sample is rarely representative.

### **Observations**

Participant observation is research that involves social interaction between the researcher and informants in the milieu of the latter, during which data are systematically and unobtrusively collected (Taylor and Bogda, 1984). Observations

provide the possibility to observe product or service at a system level – during interaction with the user and during interaction with the environment. A source of data in the observation is everything that goes around the setting. This includes the physical environment and activities as well as social environment, such as patterns of interaction, frequency of interactions, direction of communication patterns, decision-making patterns, verbal and non-verbal communication patterns.

Observations are unobtrusive and do not require direct interaction with participants, thus, observation can be conducted inconspicuously. It will always have an advantage whenever it is necessary to observe behaviour in their natural context. However, observations are typically limited to a small sample of activities with the focus on only external behaviour. The danger for the ‘complete observer’ is to fail to understand the perspective of participants. Conclusions have to be inferred from what can be observed without any possibility of checking these interpretations against what participants say in response. Hence, with a less engaged research role there is a greater risk of missing out on an important aspect, or more seriously completely misunderstanding the behaviour (Hammersley and Atkinson 1995).

One of the main criticisms of observation research is that it lacks reliability. Since data is collected in a non-standardised way, it is not generally useful for statistical treatment.

Without a statistical analysis to confirm the significance of observation patterns or trends, researchers often find it hard to ensure that their findings are real and not merely the effects of chance.

### **Mystery shopping**

This type of research is based on the information collected at points-of sale. Mystery shopping consists of natural observation conducted by specially trained persons sent by a company, who pretend to be customers or business partners. These persons visit selected retail points to gather information and observations about staff responsiveness, attitudes towards customers or products, staff quality and competence, their appearance (and other related behavioural attributes), the aesthetics and functionality of inspected site, *i.e.* overall perception of the shopping experience.

Some researchers use SERQUAL model for identifying attributes of the service to be evaluated by mystery shopping (Lowndes, 2000). Mystery shopping helps to raise customer service standards and identify weak points from the customer perspective. It allows evaluation of services from the customer side and unbiased representation of the weak point of the service. The direct involvement in the process allows a better understanding of customer and service provider behaviour and the important moments of their interaction that in the end might affect customers' perception of the service. Mystery shopping is, however, a time consuming procedure and requires significant effort to find and train mystery shoppers. Hiring professional mystery shoppers can be also costly.

### **2.3 The Evolution of Total Quality Management (TQM)**

The concept of quality has existed for many years, though it's meaning has changed and evolved over time. In the early twentieth century, quality management meant inspecting products to ensure that they met specifications. In the 1940s, during World War II, quality became more statistical in nature. Statistical sampling techniques were used to evaluate quality, and quality control charts were used to monitor the production process. In the 1960s, with the help of so-called "quality gurus," the concept took on a broader meaning. Quality began to be viewed as something that encompassed the entire organization, not only the production process. Since all functions were responsible for product quality and all shared the costs of poor quality, quality was seen as a concept that affected the entire organization. (Juran 1988).

The meaning of quality for businesses changed dramatically in the late 1970s. Before then quality was still viewed as something that needed to be inspected and corrected. However, in the 1970s and 1980s many U.S. industries lost market share to foreign competition. In the auto industry, manufacturers such as Toyota and Honda became major players. In the consumer goods market, companies such as Toshiba and Sony led the way. These foreign competitors were producing lower-priced products with considerably higher quality. To survive, companies had to make major changes in their quality programs. Many hired consultants and instituted quality training programs for their employees. A new concept of quality was emerging. (Deming, 1986).

One result is that quality began to have a strategic meaning. Today, successful companies understand that quality provides a competitive advantage. They put the customer first and define quality as meeting or exceeding customer expectations. Since the 1970s, competition based on quality has grown in importance and has generated tremendous interest, concern, and enthusiasm. Companies in every line of business are focusing on improving quality in order to be more competitive. In many industries quality excellence has become a standard for doing business. Companies that do not meet this standard simply will not survive. (Gavin , 1988:101-110)

The importance of quality is demonstrated by national quality awards and quality certifications that are coveted by businesses. The term used for today's new concept of quality is total quality management (TQM).

### **2.3.1 Total Quality Management**

Total quality management is the set of management processes and systems that create delighted customers through empowered employees, leading to high revenue and lower cost. The interest in quality is due in part to foreign competition and trade deficit. American companies continue to face strong competition from those of European nations and those from the Asian Region. In Africa, companies have been propelled to engage in quality management activities by the presence of multi – national companies such as Coca – Cola, Unilever and Proctor Allan and Gamble. In Kenya, the move towards quality certification has been enhanced by competition from International companies, Regional Trade blocks such as COMESA, SADDEC , and the recently launched East African Community. Quality certification is viewed to give an organisation a competitive edge and enhances its internal capabilities through its empowered and well trained employees (Feigenbaum, 1990:16).

As a result, attention to quality has been the driving force behind increased and sustained market share and when superior quality and large market share are present, profitability is virtually guaranteed. Better quality is necessary for the survival of the organisation and quality can be improved in three ways; through innovation in design

of a product or service, through **innovation** in processes and through improvement in of existing processes. (Ross, 2000)

The definition of quality depends on the role of the people defining it. Most consumers have a difficult time defining quality, but they know it when they see it. For example, although you probably have an opinion as to which manufacturer of athletic shoes provides the highest quality. The difficulty in defining quality exists regardless of product, and this is true for both manufacturing and service organizations. (Maasaki and Helsen, 2007)

Some of the definitions of quality includes Conformance to specifications, where quality refers to how well the product or service meets the targets and tolerances determined by its designers. For example, the dimensions of a machine part may be specified by its design engineers as 3.05 inches. This would mean that the target dimension is 3 inches but the dimensions can vary between 2.95 and 3.05 inches. Similarly, the wait for hotel room service may be specified as twenty minutes, but there may be an acceptable delay of an additional ten minutes. As these examples illustrate, conformance to specification is directly measurable, though it may not be directly related to the consumer's idea of quality.

Quality may also be defined as fitness for use (Juran, 1986). This focuses on how well the product performs its intended function or use. For example, a Mercedes Benz and a Jeep Cherokee both meet a fitness for use definition if one considers transportation as the intended function. However, if the definition becomes more specific and assumes that the intended use is for transportation on mountain roads and carrying fishing gear, the Jeep Cherokee has a greater fitness for use. Fitness for use is also a user-based definition in that it is intended to meet the needs of a specific user group.

This is a definition of quality also encompasses the value that consumers often use for product or service usefulness. This is the only definition that combines economics with consumer criteria; it assumes that the definition of quality is price sensitive. For example, suppose that you wish to sign up for a personal finance seminar and discover that the same class is being taught at two different colleges at significantly

different tuition rates. If you take the less expensive seminar, you will feel that you have received greater value for the price. ( Maasaki and Helsen, 2007)

Support services provided are often how the quality of a product or service is judged. Quality does not apply only to the product or service itself; it also applies to the people, processes, and organizational environment associated with it. For example, the quality of a university is judged not only by the quality of staff and course offerings, but also by the efficiency and accuracy of processing paperwork. Quality may also be subjectively defined based on the judgmental evaluation of what constitutes product or service quality. Different factors contribute to the evaluation, such as the atmosphere of the environment or the perceived prestige of the product. For example, a hospital patient may receive average health care, but a very friendly staff may leave the impression of high quality. *Similarly*, we commonly associate certain products with excellence because of their reputation for example Rolex watches and Mercedes-Benz automobiles. ( Maasaki and Helsen, 2007)

### **2.3.2 Costs of Quality and Customer Satisfaction**

The reason quality has gained such prominence is that organizations have gained an understanding of the high cost of poor quality. Quality affects all aspects of the organization and has dramatic cost implications. The most obvious consequence occurs when poor quality creates dissatisfied customers and eventually leads to loss of business. However, quality has many other costs, which can be divided into two categories. The first category consists of costs necessary for achieving high quality, which are called quality control costs. These are of two types: prevention costs and appraisal costs.

The second category consists of the cost consequences of poor quality, which are called quality failure costs. These include *external* failure costs and internal failure costs. The first two costs are incurred in the hope of preventing the second two. Prevention costs are all costs incurred in the process of preventing poor quality from occurring. They include quality planning costs, such as the costs of developing and implementing a quality plan. Also included are the costs of product and process design, from collecting customer information to designing processes that achieve

conformance to specifications. Employee training in quality measurement is included as part of this cost, as well as the costs of maintaining records of information and data related to quality.

Appraisal costs are incurred in the process of uncovering defects. They include the cost of quality inspections, product testing, and performing audits to make sure that quality standards are being met. Also included in this category are the costs of worker time spent measuring quality and the cost of equipment used for quality appraisal. (Crosby, 1979)

Internal failure costs are associated with discovering poor product quality before the product reaches the customer site. One type of internal failure cost is *rework*, which is the cost of correcting the defective item. Sometimes the item is so defective that it cannot be corrected and must be thrown away. This is called *scrap*, and its costs include all the material, labour, and machine cost spent in producing the defective product. Other types of internal failure costs include the cost of machine downtime due to failures in the process and the costs of discounting defective items for salvage value.

External failure Costs are associated with quality problems that occur at the customer site. These costs can be particularly damaging because customer faith and loyalty can be difficult to regain. They include everything from customer complaints, product returns, and repairs, to warranty claims, recalls, and even litigation costs resulting from product liability issues. A final component of this cost is lost sales and lost customers. For example, auto manufacturers whose products have been recalled due to malfunctions such as problematic brake systems and airlines that have experienced a crash with many fatalities. External failure can sometimes put a company out of business almost overnight.

Companies that consider quality important invest heavily in prevention and appraisal costs in order to prevent internal and external failure costs. The earlier defects are found, the less costly they are to correct. For example, detecting and correcting defects during product design and product production is considerably less expensive than when the defects are found at the customer site External failure costs tend to be

particularly high for service organizations. The reason is that with a service the customer spends much time in the service delivery system, and there are fewer opportunities to correct defects than there are in manufacturing. Examples of external failure in services include an airline that has overbooked flights, long delays in airline service, and lost luggage (Maasaki and Helsen, 2007)

### **2.3.3 The TQM Philosophy**

The underlying factors in TQM include Customer focus whose goal is to identify and meet customer needs, continuous improvement that involves a philosophy of never-ending improvement, employee empowerment where the employees are expected to seek out, identify, and correct quality problems, use of quality tools and ongoing employee training in the use of quality tools .It also encompasses product design products needs to be designed to meet customer expectations its process management so that quality is inbuilt into the process and identifying the sources of quality problems and correcting them and managing supplier quality and quality concepts. ( Ross, 2000).

### **2.3.4 Human Resource Focus**

According to McGregor (1985), most managers would agree that the effectiveness of their organizations would be at least doubled if they could discover how to tap the unrealised potential present in their human resources. Human Resource Focus involves how the company enables employees to develop and utilise their full potential, aligned with the company objective. Also, it involves the company's effort to build and maintain a work environment and work climate conducive to performance excellence, full participation, personal and organisational growth.

Human Resource focus is made up of the following three elements, including a work system which implies how all employees contribute to achieving the company's performance and learning objectives, through the company's work design, compensation and recognition approaches. In addition, it also involves employees' Education, Training and Development. This is how the company's education and training support the accomplishment of key company action plans. It is also made up



of the company needs, including building knowledge, skills and capabilities and contributing to improved employee performance and development. Human Resource focus also focuses on employee well-being and satisfaction which is measured by how an organisation maintains a work environment and work climate that supports the well-being, satisfaction and motivation of employees. The TQM approach offers a substantial potential for improvement if accompanied by an appropriate Human Resources effort. It is becoming a maxim of good management that human factors are the most important dimensions in quality and improvement. People really do make Quality happen. (Ross, 2000).

The basis of Deming's (1988) 14 points philosophy includes, institute training on the job, break down barriers between departments to build teamwork, drive out fear at the work place, eliminate quotas on the shop floor, create conditions that allow employees to have pride in their workmanship and abolish annual reviews and merit ratings and institute a programme of education and self improvement. As a result TQM has far reaching implications for management of Human Resources. It emphasises self-control, autonomy and creativity among employees and calls for greater, active cooperation rather than just compliance (Verespect 1988:28-36).

### **2.3.5 Employee Empowerment and Customer Satisfaction**

Part of the TQM philosophy is to empower all employees to seek out quality problems and correct them. With the old concept of quality, employees were afraid to identify problems for fear that they would be reprimanded. Often poor quality was passed on to someone else, in order to make it "someone else's problem." The new concept of quality, TQM, provides incentives for employees to identify quality problems. Employees are rewarded for uncovering quality problems, not punished. In TQM, the role of employees is very different from what it was in traditional systems. Workers are empowered to make decisions relative to quality in the production process. They are considered a vital element of the effort to achieve high quality. Their contributions are highly valued, and their suggestions are implemented. In order to perform this function, employees are given continual and extensive training in quality measurement tools. (Ross, 2000)

To further stress the role of employees in quality, TQM differentiates between *external* and *internal customers*. *External customers* are those that purchase the company's goods and services. *Internal customers* are employees of the organization who receive goods or services from others in the company. For example, the packaging department of an organization is an internal customer of the assembly department. Just as a defective item would not be passed to an external customer, a defective item should not be passed to an internal customer. ( Maasaki and Helsen, 2007).

Employee empowerment gives employees an in-built attention towards quality. Their role is to prevent and stop defect and issues that could derail customers 'use of the product or service. An in-built culture of quality eventually enhances customer satisfaction.

### **2.3.6 Team Approach and Customer Satisfaction**

TQM stresses that quality is an organizational effort. To facilitate the solving of quality problems, it places great emphasis on teamwork. The use of teams is based on the old adage that "two heads are better than one."Using techniques such as brainstorming, discussion, and quality control tools, teams work regularly to correct problems. The contributions of teams are considered vital to the success of the company. For this reason, companies set aside time in the workday for team meetings. Teams vary in their degree of structure and formality, and different types of teams solve different types of problems.

One of the most common types of teams is the quality circle; a team of volunteer production employees and their supervisors whose purpose is to solve quality problems. The circle is usually composed of eight to ten members, and decisions are made through group consensus. The teams usually meet weekly during work hours in a place designated for this purpose. They follow a preset process for analyzing and solving quality problems. Open discussion is promoted, and criticism is not allowed. Although the functioning of quality circles is friendly and casual, it is serious business. It accords the employees of the organization the opportunity to share issues

relating to how well they can serve the customers and devise creative means of resolving customer complaints. ( Maasaki and Helsen, 2007)

The study will attempt to bring out the fact that quality circles are key to achieving customer satisfaction since they present a consolidated approach towards resolving customer related issues by the organization's employees.

### **2.3.7 Leadership system and Customer Satisfaction**

Strong leadership is necessary to ensure organizational success. An essential aspect of effective leadership is the ability to influence other people. A leader is endowed with the responsibility of having a vision that entails ideas or objectives that clarify to others where they should be headed. He must then "sell" the vision by articulating it in a compelling and persuasive manner that inspires his followers to overcome obstacles and keep moving toward the ideal future. The leader encourages followers to support the accomplishment of the vision and induce them to use their personal initiative and talents in achieving the vision (Blank, 2003).

Over the years, theories have been developed to understand what makes a leader including trait theory, behavioral theory, Fielder's contingency model, path goal theory and exchange theory. Trait theory articulates that leaders possess certain unique characteristics (traits) that distinguish them from the rest such as self confidence, determination and communication skills. The premise of trait approach is to provide a profile of the effective leader. The profile can then serve as a map to people who aspire to be leaders and guide their efforts to be effective in leadership roles. However, trait characteristics vary from one leader to another so that the theory presents a subjective perception of leadership. (Blank, 2003)

Behavioral theories attempt to identify what good leaders do by mapping out behavioral dimension of leadership or describing leadership styles. A behavioral dimension is clearly brought out by the studies conducted at Ohio State University and the University of Michigan in the 1940s and 1950s. The studies revealed two dimensions that summarize how subordinates describe most leadership behaviors. The first dimension is the concern that the leader has for the feelings, needs, personal

interest problems and well being of followers. This dimension is called consideration or employee-oriented behavior. The second dimension refers to activities designed to accomplish group goals including organizing tasks, assigning responsibilities and establishing performance standards. This refers to initiating structure or production-oriented behaviors. From the two dimensions, leaders who are high in concern for production and high in concern for people tend to achieve optimal subordinate performance and satisfaction. As such the most effective manager relates well to their followers and can effectively delineate what needs to be done. (Blank, 2000)

Path Goal Theory was developed by House (1997) and focuses on how leaders influence subordinate perceptions of work goals and paths to achieve their goals and influence them to ensure that their goals are consistent with the overall objective of the group or organization. The exchange perspective on leadership emphasizes the importance of relationship between a leader and employees. Transactional leaders use legitimate, coercive or reward power to elicit obedience. They do not generate passion and excitement and they do not empower or inspire individuals to transcend their own selfish interest for the good of the organization.

Transformational leaders however attempt to instill in followers the ability to question standard modes of operation. They tap people's ability to recreate through innovation and are charismatic, inspirational and give followers individualized consideration. This leadership has a positive and increasing optimum productivity (Kennedy and Anderson, 2002).

Leadership modes described above should be used by managers to improve effectiveness. Quality leadership ensures inspiring of followers to own up goals, willingly without being coerced. The researcher will base the study on the aspects of Houses' (1997) Path Goal Theory. The study seeks to highlight Customer satisfaction as an important pillar in achieving organization's goals. Organization's leadership match individual goals with that of the organization by designing work systems that enhance customer satisfaction and inspiring innovativeness and company culture that uphold customer satisfaction.

Leadership system refers to how leadership is exercised, formally or informally, throughout the company. It forms the basis for and the way the key decisions are made, communicated and carried out. It includes structures and mechanisms for decision making, selection and development of leaders and managers and reinforcing values, practices and behaviours. An effective leadership system creates clear values that respect the capabilities of employees and other stakeholders in the company and sets high expectations for performance and performance improvement. It builds loyalty and teamwork based on the values and the pursuit of shared purposes. It encourages and supports initiative and risk taking, subordinates organisation to purpose and function, and avoids chains of command that require long decision paths. An effective leadership system includes mechanisms for leader's self examination, receipt of feedback and improvement.

Some principles and practices of Quality Management may differ among firms and industries but there's unanimous agreement as to the importance of leadership by top management in implementing TQM. Such leadership is a prerequisite to all strategy and action plans. According to Juran (1991) it cannot be delegated. Those firms that have succeeded in making total quality work for them have been able to do so because of strong leadership.

The characteristics of excellent leadership may include individuals who are, Visible, committed and knowledgeable; who promote the emphasis on quality and know the details and how well the company is doing. They are personally involved in education, training and recognition and are accessible to and in routine contact with employees, customers and suppliers. ( Reimman, 1991)

The leaders try to effect as much change as possible through their suppliers, through the government and through any other means that promote quality. The leadership goes beyond incremental improvement and looks at the possibility of making large gains and getting the whole workforce thinking about different processes not just improving processes. Leaders are strong drivers and they have clearly defined customer satisfaction and quality improvement objectives. – The leaders effect cultural change related to quality. There are written policies, mission, guidelines and other documented statements of quality values or other bases for clear and consistent

communications. Flat structures have been put in place to allow more authority at lower levels. Employees are empowered and managers are seen as coaches rather than bosses. The senior management is accessible to customers. (Ross, 2000)

Quality leadership will enhance customer satisfaction by consistency of purpose of satisfying the needs of the customer and the plan to achieve the same as instituted by top management

### **2.3.8 Employee Involvement and Customer Satisfaction**

At the heart of TQM is the concept of intrinsic motivation – involvement in decision making. Employee involvement is a process for empowering members of an organization to make decisions and to solve problems appropriate to their levels in the organization. Employee involvement consist of those practices initiated by management and are designed to increase employee information about and commitment to the organization. The employer gives the employee the opportunity to become involved in their work and the organization beyond simple performance (Armstrong 2002).

The logic is that people closest to a problem or opportunity are in the best position to make decisions for improvement if they have ownership of the improvement process. Empowerment is equally effective in the service industries, where most frequently the customer's perception of quality stands or falls based on the action of the employee in one-on-one relationship with the customer. Customer-oriented organizations are those that empower and motivate employees by involving them in essential organizational processes. When everyone participates in developing organizational plans and strategies for improvement, it adds more ideas, increases employee buy-in, and contributes to a culture of employee empowerment. (Spector and McCarthy, Feb, 2007:19-20)

### **2.3.9 Training and Development of employees and Customer Satisfaction**

Training is the act of increasing the knowledge and skills of employees for doing a particular job. The purpose is to achieve a change in the behavior of those trained and

to enable them do their job better. Training programmes in organizations cut across departments and all cadres of employees. This is because the purpose is to bring improvement in performance of work and learning better techniques for performing their daily tasks. Thus training should be a continuous process since it increases the knowledge and skills of new employees in performing their jobs and services as a refresher course for the old employees. (Flippo, 1984)

Training also includes the learning of techniques that are required for intelligent performance of definite tasks and it is meant to develop the ability to think clearly about problems arising out of the job and exercising sound judgment in making work related problems. Every organization has to introduce systematic training programme for its employees who are the most valued assets of the organization and are therefore responsible for its progress and stability. (Chhabra, 2005)

Increase in skills and knowledge in employees ensures high productivity in terms of both the quantity and quality of output. They are able to learn the best available methods of performing the work and hence standardization can be made as a rule for high performance rather than exception. As a result, employees will work intelligently and make fewer mistakes when they possess the required know-how and have an understanding of their jobs and the interdependence of one job on another.

Several training programmes are available to employees in organization. Induction or orientation training involves introducing new employees to the organization and its procedures, rules and regulations. This is to enable the new staff to easily get acquainted with the work environment and fellow employees. The training is very short informative and given immediately after recruitment to create a feeling of improvement in the minds of newly appointed employees. (Chhabra,2005)

Job training relates to specific job which the worker has to handle. It gives information about incentives, work systems and methods to be used. The aim is to develop skills and confidences among workers so as to enable them perform their jobs effectively and create continuous interest in their jobs. Apprenticeship training programmes tend more towards education than merely on the vocational training. Under this method, both knowledge and skills in doing a job are involved. It

combines on-the-job training and experience with classroom instruction in particular subjects. The method is mostly applicable in industries that require constant flow of new employees expelled to become all-round performers. (Chhabra,2005).

In internship training, the organization enters into a formal agreement with a training institute to provide practical knowledge to its staff. This method is mostly applicable where theoretical knowledge is to be backed up by practical experience on the job for instance medical staff. Refresher training or retraining is meant for employees who have been in the organization for some period. The basic purpose is to acquire the existing workers with the latest methods of performing their jobs for instance introduction of new technology which is associated with new work methods and job requirements. Refresher training becomes necessary because many new jobs are created due to changes in demand for goods and services for the organization, change in customer preferences and realigning of organizational goals and objectives.

For a training programme to contribute to competitive advantage of the organization, it has to be assigned according to match both the organizational goals and objectives and the employee capabilities. The organization would only institute a programme where end result can be traced in the overall performance of the company through increased profitability (output) and employee efficiency.



While designing and training programmes, the following steps are followed as shown in the figure below;

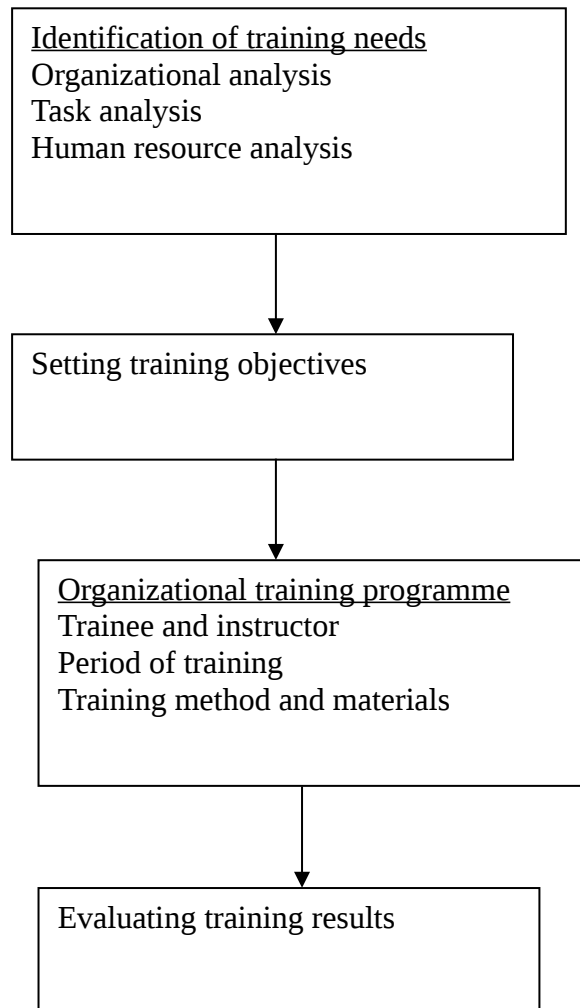


Fig 2.3 Design of a Training Programme: Human Resource Management: Concepts and Issues Pp. 236

Identification of training needs is facilitated by the new technological changes for instance computerization that means automation of work systems that were previously manually done. Performance also arises as a result of poor work performance as reflected by low output, lack of initiative and widening of gaps between what workers are doing and what they should be doing. A need analysis may also be instituted by analyzing the strength and weaknesses of the organization which may reveal two areas of weakness that need to be handled seriously.

Once training needs are identified, the training objectives are set in concrete terms, and methods to achieve these objectives are designed. The overall aim of any training programme is to enhance organizational effectiveness through factors such as increased productivity, improved product or service quality, better human resource planning, prevention of employee obsolescence and employee growth as shown below.

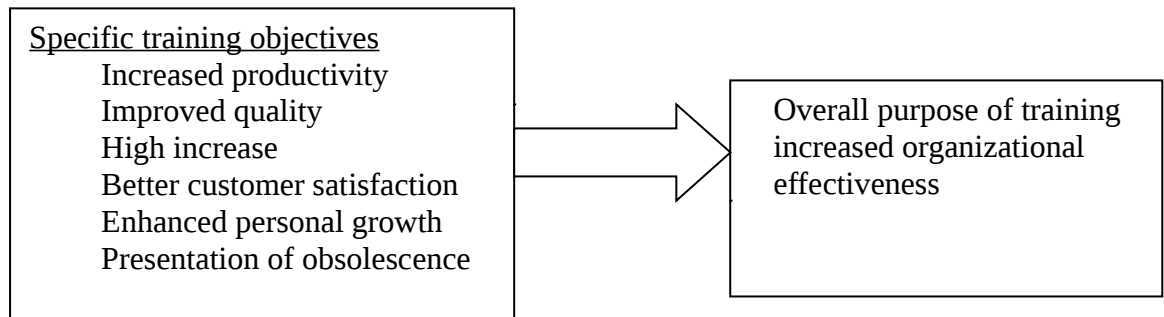


Fig 2.4 Objectives of training (Human Resource Management: Concepts and Issues pp 238)

### **Employee training and customer satisfaction**

Once the training objectives have been clearly identified and the desired goal is identified, a training programme is made to include trainees, trainers and the training period. Proper selection of trainees is of major importance if paramount and gainful resources are to be obtained. A trainee should be trained for the kind of job he or she likes and is fitted to perform. In this respect, training is closely related to the selection of personnel. Careful screening of candidates will raise the effectiveness of the training programme. The trainer would emphasize the importance of job, its relationship to the work flow and the importance of rapid and effective learning. He needs a professional expertise so as to appreciate the value of training job in relation to the enterprise and understand what employee would go through in order to acquire the skills and knowledge as envisaged by the programme.

The length of the training period depends upon the skill to be acquired, the trainees learning capacity even the training methods used.

To increase effectiveness of training, written material is usually desirable as a basis for instruction, review and reference. The training section may prepare the training material with the help of line supervisors to be used for different jobs. A complete outline of the course should be made include main topics to be covered and distributed well in advance to the trainees so that they are prepared for the course.

Training is indispensable for both the organization and the workers therein. Since it is costly and time consuming it is essential to determine its effectiveness in terms of achievement of specific training objectives.

Evaluation of training would provide useful information about the effectiveness of training as well as about the design of future training programmes. It will also provide useful data on the basis of relevance of training and its integration with other functions within the organization.

The trainees should be able to apply the newly acquired skills during the programme and this should influence their attitudes, interests, values and expectations and future performance.

The training effectiveness can be measured through employee reactions that is, their perception and knowledge of the training objectives, content and methods.

In case the trainees considered the programme worthwhile and liked it, the training can also be measured by the extent to which employees have gained the desired training period that is the extent to which they have learnt the training objectives.

In addition training effectiveness can also be evaluated on the basis of employee behaviour. This could be based on the improvement in the attitude towards work and other colleagues, work performance and commitment to fulfilling their daily routines. Productivity, improvement, quality improvement, cost reduction, accident reduction, reduction in labour turnover and absenteeism are the outcomes of training that can be used to evaluate its effectiveness.

Training is an important tool of management capable of making significant contribution to the goals of the organization by narrowing the gap between expectations and achievement. Hence an effective training programme should be relevant to the job requirements, flexible so that it makes allowance for differences among individuals regarding ability, aptitude, learning capacity and emotional make-up.

A good programme should also be conducted by well qualified and experienced trainers and it should prepare trainers mentally before they are imparted any job knowledge or skill. The programme should also emphasize both theory and practice so that it helps in both the acquisition and application of knowledge. The programme should have the support of top management since they influence the quality of training in organization by the policies they adopt and the extent to which it supports the programme.

Increased involvement means more responsibility, which in turn requires a greater level of skill which must be achieved through training. Although the type of training depends on the need of a particular company and may or may not extend to technical areas, the one area that should be common to all organisation training programmes is *problem solving*. Problem solving should be institutionalized and internalised in many if not most, companies. This would be a prerequisite to widespread empowerment. Training usually falls into three categories as; Reinforcement of the quality message and basic skill remediation; Job skill requirements and Knowledge about principles of TQM which covers problem solving techniques, problem analysis, statistical process control, and quality measurement

The aim of the study is to highlight the significance of employee training in customer satisfaction. Employee training first and foremost ensures that organization's staff has the ability to clearly identify and meet the need of their customers or final consumers of their product. It bridges the gap between customer expectation and employees' knowledge and skills to meet this expectation.

Training programmes should also enable the staff to view the customer as the main objective of their daily routine. This will call for change of perception of work from fulfilling duty to ensuring that daily contact with customers translate to several visits in the future. As a result the organization is assured of continued business and hence meeting its goals and objectives.

The study intends to highlight the importance of top management support in training by making a policy for continuous training programmes within the organization.

The aim is to view training as a strategic tool to meet these stated goals through highly skilled and developed workforce hence enhancing its internal capabilities to beat competition.

### **2.3.10 Performance Appraisal of Employees and Customers Satisfaction**

Performance appraisal is the process of assessing the performance and progress of an employee on a given job and his potential for future development (Gupta, 2001). It involves rating of an employees' performance in matters pertaining to his present job and his potential for a better job. The employee's strength and weakness at work is analyzed and corrective measures are taken so as to enhance his performance. The process is continuous and evaluations are taken so as to enhance his performance. The process is continuous and evaluations are arranged periodically according to a definite plan.

The main purpose is to secure information necessary for making objective and correct decisions on employees. The process also provides feedback to employees so that they are fully aware of their current performance and areas that need improvement. The process of performance appraisal involves first, establishing the performance standards which will form the criteria to be used for appraising performance of employees. The criterion is established with the help of job analysis that reveals the job content. This criterion is discussed with the immediate superior and the expectations are clearly communicated to the employee to obtain their reactions and where necessary standards may be revised or modified with the light of feedback obtained.

Once the performance standards are specified and accepted a right technique is selected to measure performance, identify the internal and external factors influencing performance and collecting information on results achieved.

Actual performance is then compared with predetermined performance and this will reveal deviations which may either be positive or negative. Necessary actions should be taken to enhance positive donations and eliminate or reduce negative deviation.

The results of the appraisal must be communicated to and discussed with the employee to enable the employee identify his areas of weakness and motivate himself

more towards positive performance. The impression the subordinate receives about his performance has an impact on his subsequent performance. Through mutual discussions with the employees, the steps required to improve performance are identified and initiated.

### **Performance measures**

To be effective, a performance appraisal system should have clear objectives. The aim should be to enhance employee performance continually and that the positive performance will ultimately contribute to organization's overall performance. The expectations are to be communicated and discussed in advance with the employee and these should be agreeable and realistic. The supervisor's role will be to guide the employee through the stated goals.

An atmosphere of mutual trust and confidence should be created to help obtain employee commitment and ownership of the process. The performance standards, procedure for evaluation are developed to ensure uniformity and comparison of ratings. As such employees are made fully aware of the set standards and should be involved in the setting of the standards.

In addition, evaluation ought to be trained in the philosophy and techniques of appraisal. They should be provided with the knowledge and skills in documenting appraisals, conducting post appraisal interviews and rating of errors.

The methods that could be used to appraise performance may include , appraisal by results (**Management by objective**)

This approach involves a process, whereby the superior and the subordinates of an organization jointly identify its common goals, define each individual's major areas of responsibility in terms of expected results and use these measures as guide for assessing contribution of each of its members.

Performance for each employee are set on the basis of the organizational goals so that energies are set in the right direction and employees are aware of what they will be judged on at year end. The goals are periodically reviewed and revised to keep from flexible and upto date. Action plans to adhere the goals are decided through mutual consultation between employees and superiors and check points are established to measure progress towards the goal.

Frequently, performance review meetings are held between the supervisor and the employees to discuss progress areas of weakness, and identify steps to improve performance. After every performance review feedback on performance is communicated to the employee so that he can regulate and improve his performance. On the basis of performance review rewards are decided and new goals and performance targets are determined for the next period.

### **360° Appraisal Feedback**

This involves rating an employee or manager by everyone above, alongside and below him as shown in the diagram below. Structured questionnaires are used to collect responses about the employee from his supervisors, peers and subordinate. Several parameters relating to performance and behaviour are used in the questionnaire. The responses are presented collectively to the assessor in form of charts and graphs followed by comments and interpretation. Counselling sessions are arranged with the employee to remove the weaknesses identified in the 360° degree assessment

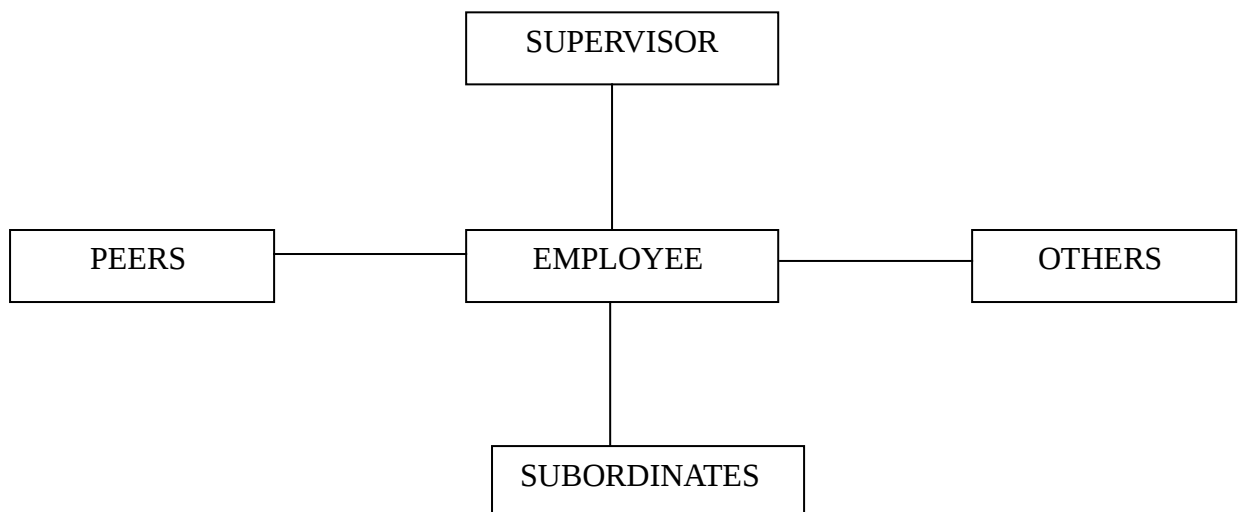


Fig 2.4 360° Appraisal, Human Resource Management: Concepts and Issues pp 395

### **Performance Appraisal of employees and Customer Satisfaction**

Performance appraisal may be the Achilles' heel of TQM. Blanchard (1984), a popular author and management consultant, comments that in every organisation, its people are the most important resources. What is clear is that old measurement,

appraisal and reward systems do not work for TQM. Given how people experience and cover performance error, it appears that neither performance appraisal supporters nor TQM gurus have invented a methodology for completely installing performance appraisal that meets TQM requirements. The assumption is that employee performance improves through profound knowledge, daily motivation, good supervisory coaching and pride in quality product.

More specifically, the Human Resource function can take these actions to become a major contributor to company – wide TQM; Jump – start the TQM process by becoming a role model for customer service. This means that the Human Resource Department must perceive other departments in the organisation as its customer group. Demonstrate the commitment to TQM principles by soliciting feedback from its internal customer and otherwise modelling specific principles. The department should serve as a beachhead for the TQM process throughout the company and thereby acting as a senior management tool in implementing the process. In addition, it should take the TQM process company – wide by developing and delivering the training and development necessary for the major culture shift that is required and Utilize department’s strength in recruitment, selection, appraisal and reward system development to institutionalise a quality-first institution. (Armstrong, 2001)

The purpose of performance appraisal is to serve as a diagnostic tool and review process for development of the individual, team and organisation. The integration of TQM and performance appraisal is necessary. One should reinforce the other. The organisation can modify its existing system using principles such as; using customer expectation to generate individual’s job expectation and not the job description; use of Results expectations to meet different criteria than management by objectives statements. The Performance expectation should be made to include behavioural skills that make that real difference in achieving quality performance and total customer satisfaction. The employee should be active participants in the process, not merely “drawn in’. Regardless of the specific system adopted, performance management practices need to be in line with and supportive TQM. (Ross, 2000)



### **2.3.11 Quality Oriented Human Resource Management**

The Human Resource function should be designed to support TQM throughout the organisation while ensuring that good quality management practices are followed within the processes of the function itself. This means continuous improvement as a way of life in the department. Bowen and Lawler (1992) suggested the principles of TQM to be put in place in the Human Resource Department including; Doing things right the first time – quality work the first time; Focus on the customer; Strategic holistic approach to improvement; Continuous improvement as a way of life and Mutual respect and teamwork.

### **2.4 Research Gap**

Most of the research studies that have been done consider the aspects of quality Human resource management and Customer satisfaction separately yet the two work in tandem with each other as the study will attempt to prove. The researcher therefore anticipates filling this gap by establishing the relationship between the study variables supported by data collected from the target population at Moi Teaching and Referral Hospital, Eldoret Town

### **2.5 Conceptual Framework**

According to Peter Drucker (1969), there's only one valid definition of business purpose: To create a Customer Focus involves how the company determines its long term requirements, expectations and preference of target and potential customers and markets. It also refers to how the company uses this information to understand and anticipate needs and to develop business opportunities.

The customer is not really interested in the sophistication of a company's process control, its training programme, or its culture. The bottom line for the customer is whether he or she obtains the desired product or service. This truism has been upheld by Deming, Juran, and Crosby. Some companies indicate a commitment to customer and market focus by adopting and publicising a mission statement, examples of which may include; Focus on customer and uncover innovative ways to service their product needs; The customer is our boss, quality is our work and value for money is our goal

or Customers are the focus of everything we do – Our work must be done with our customers in mind, providing better products and services than our competition.

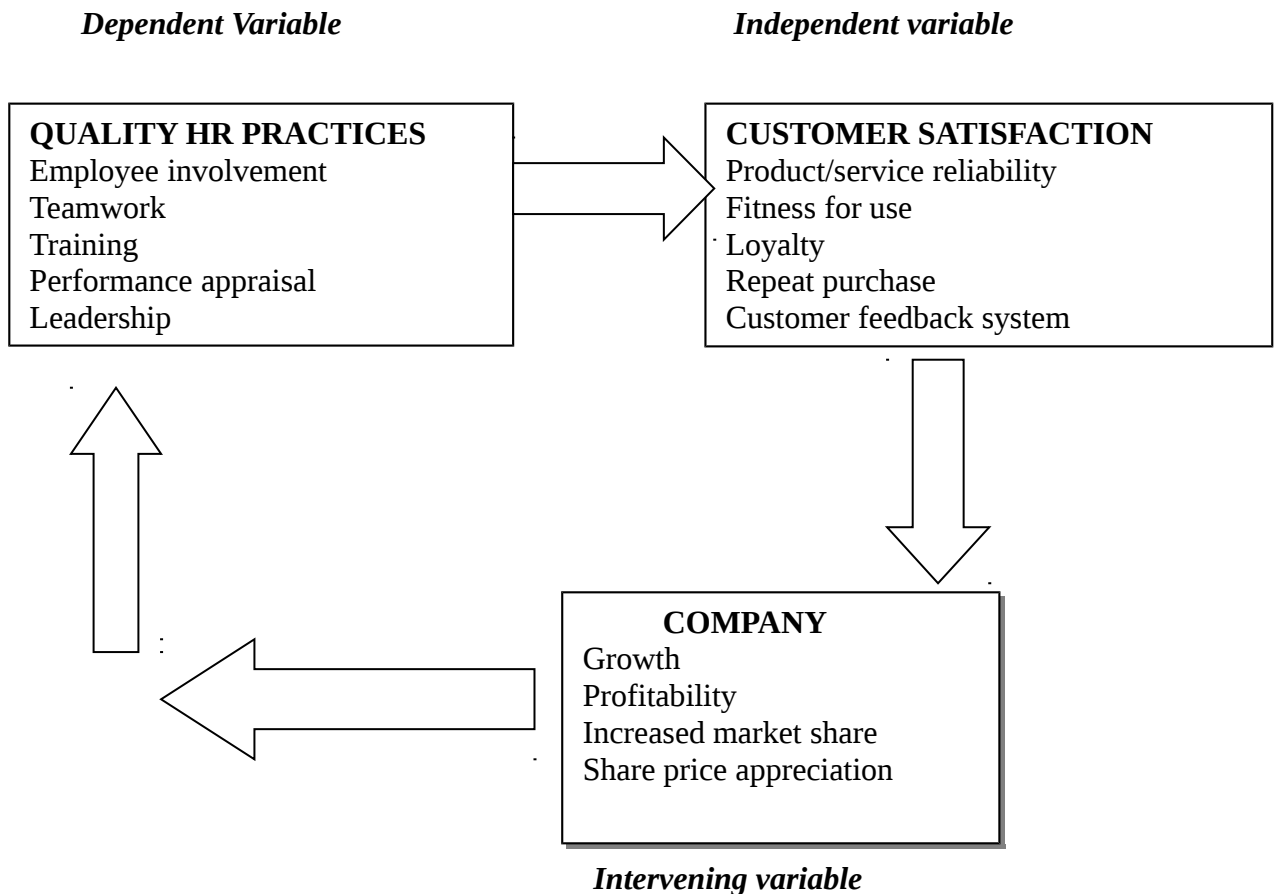
From the company's point of view, customer satisfaction is the result of a three – part system: company processes (operations), company employees who deliver the product and service that is consistent with, customer expectation. Although individual and teams may have targets that are directed at process improvement in their specific activities, a common theme or focus may integrate the many individual or group efforts that may have their own priority.

The issues in building customer satisfaction are to acquire satisfied customers, know when you have them, and keep them. An audit of the company's TQM infrastructure needs to be made to determine what satisfies customers. Many companies consider investment in handling of complaints as a means of increasing customer commitment and building customer loyalty. Effective complaint handling can have dramatic impact on customer retention rates, deflect the spread of damaging word of mouth, and improve bottom line performance.

Customer satisfaction will usually lead to loyalty and product repurchase. It can influence post-purchase or post experience actions such as word of mouth communications, product information search activity and changes in shopping behaviour and trial of associated products. Customer satisfaction is influenced by perceived quality of the product and service attributes features and benefits and is moderated by customer expectation regarding the product or service. The expectation is either explicit or implicit. Explicit expectation are the mental targets for product performance while implicit expectation are those that represent the norms of performance that reflect the accepted standards established by business in general and other companies.

The study is will attempt to actualise the conceptual framework as below; the interacting variables are quality human resource management practices and customer satisfaction. Thee quality human resource practices include employee involvement, Teamwork, training, performance appraisal and leadership system. Customer satisfaction will be examined in the light of factors such as product and service reliability, consistency, loyalty and future repurchase or re-use of the service.

As per Figure 2.6, the independent variable will be measured by the factor listed under Quality Human Resource Practices and the dependent variable will be measured by factors listed as above. From the figure above, customer satisfaction resulting from implementation of quality Human Resource practices lead to the overall profitability and growth and the process starts all over again.



**Fig 2.6. Conceptual Framework**

## **2.6 Operationalisation of the Study Variables**

The study variables are customer satisfaction and Quality Human Resource management Practices. The researcher's definition of customer satisfaction is that it is the ability of a good or a service to meet and exceed the needs of a customer in a manner that the customer is able to do a repeat purchase and refer the good or service to another party. In this loyalty to the organisation's goods and services is built and hence the organisation is in a position to meet its objectives. For purposes of the study, customer satisfaction shall be measured in terms of, the ability of the organisation product or service to meet the needs of the customer( fitness for use), staff relationship with the customer, reliability of the product service, referrals made to other customers and repeat purchase of the good or service. These measurements shall be quantified by use of the Likert scale system for ease of data analysis.

The researcher shall define quality human resource practices as those organisation's activities that enable employees to serve their customers in a satisfactory manner. These activities are meant to enable employees to view customer satisfaction as the ultimate and most important goal of the organisation. The activities considered in the study include Teamwork, leadership, employee Education and Training and Employee empowerment. Their measurement shall also be converted to Likert scale system for ease of analysis of data.

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.1 Introduction

This chapter gives a preview of the design of the study as selected by the researcher. The design has been dictated by the subject matter of the study. The chapter also highlights.

#### 3.2 Research Design

Explanatory design approach will be used. The researcher chose this design to study the cause and effect relationship between the study variables. The unit of analysis is the only organisation within Eldoret town that has adopted quality Human Resource management practices through its ISO certification programme. The study shall consider Human Resource practices such as Teamwork, Training, Employee involvement, Leadership and employee performance appraisal and their effect on customer (client) satisfaction.

#### 3.3 Target population

The organisation's population consists of Doctors, Nurses, Clinical Officers, client (patients) and Administrative and supports staff the sum of which comes to approximately over 1000. For purpose of the study **a population of one hundred respondents will be studied.**

**A sample size of not less than 100 members of staff and clients (patients) will be targeted from a population of about five hundred members of staff and hospital clients consisting of 20% of the population so that it's a true representative of the study population.** Orodho and Kombo (2006).

The sample size above will **be limited to the staffs that are in daily contact with the clients consisting of clinical officers, Nurses, Patient attendants and Record Clerks.**

In their daily interaction with the hospital clients study they are expected display professionalism as per their training standards. Those in supervisory positions are

expected to play their leadership roles in order that the hospital clients receive their rightful service. **Different departments play different roles but for the benefit of the hospital clients. Team work is of essence.**

It is for this reason that the sample is limited to the staff as stated above.

**The study will exclude doctors and pharmacists since they deliver the final service to the clients after they have been attended to by the other staff in the service chain.**

### **3.4 Sampling Design**

#### **3.4.1 Sampling Method**

Stratified and simple random sampling techniques will be used to select sample elements from among the population. This is because the population is divided into homogeneous sub – groups (departments) Orodho and Kombo (2006). A simple random sample will then be selected from the sub groups. Stratification shall be based on the departments of the organisation. Bias will be avoided as much as possible.

### **3.5 Data Collection**

#### **3.5.1 Type and Sources of Data**

Both primary and secondary sources of data will be used. Primary sources include data obtained by the researcher by use of interviews and questionnaires. The importance of primary data is its accuracy und authenticity. Secondary sources include data already collected and are obtained from text books, journals, and journals and these have contributed immensely to the Literature Review of the study

#### **3.5.2 Data Collection Instruments and procedure**

The researcher intends to use structured Questionnaires to collect the required data. The questionnaires will be well constructed to ensure reliability and validity of the data collected.

The questionnaires are considered appropriate since the information sought from the respondents is clearly articulated for ease of reference and even further discussion

with the respondents. The instrument also gives the respondents time to go through the questions and give accurate response hence validity of data collected.

The researcher will use interview schedules with the key informants.

### **3.5.3 Data Collection Procedures**

There are different procedures available in collecting the necessary data. However not all methods will be suitable for this research as they enjoy advantages and suffer from disadvantages. Methods of Data collection include use of interviews, observation and questionnaires.

Kaul, (1984) defines an interview as a process of communication or interactions in which the subject of the interview gives the needed information verbally. For purposes of the study, interview method will be used for its advantages such as, speed and Cost so that the Interviewers have more control over the data gathering process. The method also allows for probing of more details hence accurate and comprehensive results. Other methods that are used to collect data include the use of Focus Groups discussions, Key informants, use of questionnaires

### **3.5.4 Reliability and Validity Testing of Instruments**

Reliability refers to the extent to which results are consistent over time and are an accurate representation of the total population under study and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable. In research it is influenced by the random error which is the deviation from the true measurement due to factors not effectively addressed by the researcher for instance inaccurate coding, interviewer's bias or interviewee's fatigue. (Mugenda, 2003)

The researcher will ensure reliability of data by use of Test – Re-Test Method. Sample questionnaires will be administered to the respondents prior to their actual distribution to ensure the required information will be obtained. The questions in the questionnaire have also been grouped according to the study variables.

Validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. It is the accuracy and meaningfulness

of inferences which are based on research results. It is the degree to which the results obtained actually represents the phenomenon under study.( Mugenda,2003)

The researcher will use Construct validity to test the validity obtained. This is because there is no a criterion or domain of content generally acceptable to measure the study variables. (Joppa, 2000)

The study variables have thus been hypothesized and their relationship will be tested using the analytical model as below.

The researcher aims at putting lots of effort in data collection so as to avoid bias and incorrect information from the respondents. This is because the researcher understands that the quality of conclusions is dependent on the information gathered at the data collection stage. The questionnaires have been well constructed so that the questions are clearly understood and easy to answer.

### **3.5.5 Data Analysis**

Data will then be processed and analysed in a sequence of stages including editing, coding, classification, tabulation and data validation The data collected will be analysed using descriptive statistical methods including frequencies, percentages, means and standard deviations and inferential statistical techniques such as correlation of analysis, Pearson's product moment correlation analysis and Multiple regression analysis to analyse the association between study variables.

### **3.5.6 Analytical model**

The multiple regression model as below will be used as the ultimate analysis to establish relationship between study variables.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

Where:

Y = Customer Satisfaction

X<sub>1</sub> = Quality Leadership

$\alpha$  = Constant

X<sub>2</sub> = Employee Training

$\beta$  = Estimated Coefficients

X<sub>3</sub> = Employee involvement

e = randomly error term

X<sub>4</sub> = Teamwork

X<sub>5</sub> = performance appraisal



### **3.6 Ethical Considerations**

As required by the research ethical standards, the researcher will adhere to all ethical requirements of the study. The information obtained shall be used for academic purposes only. The researcher will obtain approval from the Institutional Research and Ethics Committee (IREC) at MTRH where research will be conducted.

### **3.7 Limitations of the Study**

The issues that are expected to arise in the process of data collection are as, time limitation, Un- Cooperative respondents, financial constraints, mistrust and fear by the respondents.

The researcher will try to minimise these limitations by identifying key contact persons in various departments selected for purpose of the study and assure the respondents that the information obtained will be treated with utmost confidentiality and will solely be used for academic purposes only. The researcher also has drawn budget to appropriate the funds to be spent during the research study.

### **3.8 Expected Output**

The researcher expects to obtain all the information so as to achieve the objectives of the study and hence establish the relationship between quality oriented Human Resource practices and customer satisfaction.

## CHAPTER FOUR

### 4.0 DATA PRESENTATION AND ANALYSIS

#### 4.1 The Perceived Customer Satisfaction

An organization's existence is aimed at serving the needs of its targeted clients. All its activities and efforts are designed towards this desired end, therefore a satisfied client means enhanced existence of the organization. This research therefore sought to establish perceived customer satisfaction using Likert scale for answering (1=Strongly Disagree, 2=Disagree, 3=Moderately Agree, 4=Agree, 5=Strongly Agree). Thus this question was analyzed using the mean to identify the rank of each factor.

This objective was measured using variables such as, the accessibility of the Institution, whether the staff are polite and respectful, whether the language of communication is easily understood, responsiveness of the staff and their willingness to offer the service, whether the service is offered with accuracy, confidentiality of patient information, respect of patient rights as stipulated in the client charter, cleanliness of the work environment, the training of the staff, availability of drugs within the institution, availability of the doctor or medical assistant in time, in general, whether the service was satisfactory, and whether I would recommend the institution to others.

The results of the finding are presented in table 4.1 below:

**Table 4.1 The Perceived Customer Satisfaction**

	N	Mean	Std.	
			Deviation	Variance
The environment is clean and well maintained	111	4.32	.853	.727
The institution is easily accessible	111	4.13	.507	.257
I would recommend the institution to others	111	3.84	.968	.937
The service is offered with accuracy and thoroughness	110	3.79	.705	.497
The language of communication is easily understood	110	3.77	.630	.397
My rights were respected as stated in the client charter	110	3.63	.844	.713
The staff are polite and respectful	111	3.57	.950	.902
Patient information is private and confidential	111	3.45	.795	.632
The doctor/medical assistant was available in time	111	3.42	.769	.592
The staff are responsive and willing to offer the service	109	3.39	.733	.537
The service was satisfactory	110	3.35	.785	.616
The staff are well trained and perform their jobs	110	3.35	.872	.760
competently				
Drugs are available within the institution	110	2.26	1.106	1.223
Valid N (list wise)	103			

From the clients' response as can be seen in the table above, it is notable that most of the respondents do agree that the environment within the Moi Teaching and Referral Hospital is clean and well maintained by scoring the highest mean mark of 4.32 as illustrated above. The hygiene of the institution seems to be acceptable to most of the respondents and majority of them are satisfied with cleanliness of the facility.

The location of MTRH shows that it is convenient to many of its clients as can be seen from the table as it has the second rank with a total mean of 4.13. It's therefore important to say that the location of MTRH is accessible to many of its clients. It is evident also that most of the people who are users or have used the facility services would recommend the institution to others. This is evident as can be seen from the table above that it is the third most agreed measure of customer satisfaction on quality service provision.

On the human resource management practices to clients, the staff of MTRH offer quality service with accuracy and thoroughness. As it can be seen from the table, this measure was rated fourth with a total mean of 3.79, slightly higher than that of the language used for communication and how the clients easily understand it. From the findings it is therefore important to note that the language used at the facility is easily understood and that the

On establishing whether the Doctors or Medical assistants were available in time, the response was moderate although a greater number agree to the statement. The table 4.1.1 above shows that the variable scored a mean 3.42 indicating that there is some laxity among the medical assistants on attending to the clients when needed.

The four bottom ranked measures that ought to be looked at included the staff being responsible and showing willingness to offer the service to the clients without favour or willingly without supervision. The other things that ought to be looked at were the satisfaction of the clients with regard to staff training and job performance. The statement was ranked the second from the bottom with a mean of 3.35 indicating that majority of the respondents were moderate or were neither in agreement nor disagreement with the statement.

Least of all was the statement on the availability of drugs within the institution which was ranked the least mean score of 2.26 indicating that the respondents perceive that the institution lacks drugs within the its departments. This suggests the institution should take stern action to reverse the trend so as to satisfy their clients.

#### **4.2 The Extent of Quality Leadership**

The success of the organization is dependent upon the leadership in place and their relationships and interaction with the employees to foster customer satisfaction. The research therefore sought to establish the extent to which quality leadership in the organization enhances customer satisfaction. The findings were established based on the following measures as illustrated in the table of findings below:

**Table 4.2 The Extent of Quality Leadership**

	N	Mean	Std. Deviation	Variance
I know the mission, and vision of the organization	112	4.37	.612	.374
The mission and vision were clearly communicated and explained	112	3.91	.539	.290
I'm in routine contact with my supervisors daily	112	3.76	.979	.958
Duties are adequately distributed in the department	112	3.50	.831	.691
The daily tasks are as stated in the role description	112	3.48	.597	.356
Lines of authority and responsibility are clearly defined	112	3.48	.626	.392
Supervisors are available for consultation in the course of duty	112	3.43	.890	.792
There is a clearly defined role (job) description	112	3.41	.620	.384
My relationship with the supervisors is formal	112	3.06	1.110	1.232
I feel that I contribute towards the attainment of the mission and vision	112	2.53	1.037	1.075
Valid N (list wise)	112			

Statistics indicate that the staffs of MTRH know the mission and the vision of the institution as it was ranked the first with the highest mean of 4.37 as above.

It can be noted also that although the staff know the vision and mission of the institution, they feel that they do not contribute towards the attainment of the mission and vision of the institution as it is illustrated in the table above with the least mean of 2.53.

It can be noted also from the table above that the mission and the vision of the institution is clearly communicated and explained within the institution as most of the respondents did agree with the statement. This can be seen from the table above as it is ranked the second with a mean of 3.91.

Respondents do acknowledge that they are in routine contact with their supervisors daily as they carry out their daily tasks as it can be seen from the table that it is ranked the third highest rated measure with a mean of 3.76.

However, it is also important to say that although they are in contact with their supervisors daily, the relationship between them appears not to be formal as it can be seen that this measure is ranked the second lowest with a mean of 3.06.

The findings also indicate that duties are distributed in the department though not very adequately as it was rated the fourth most highly scored measure with a mean of 3.5.

In addition, it is noted that the role (job) description in the institution are not clearly defined as this statement was scored the third last with a mean of 3.40.

It can also be noted that the daily tasks are as stated in the role description as most of the staff agree with the statement which was rated the fifth with a mean of 3.48. The same also applied to the statement that Lines of authority and responsibility are clearly defined within the institution.

Respondents rated the availability of the supervisors for consultation in the course of duty the fourth least with the mean of 3.42 as indicated in the table above. This therefore suggests that there is need for more interactions between the leadership and the staff so as to satisfy the needs of their clients.

### 4.3 The Extent of training for Quality

Training programs in organizations are aimed at enhancing both the knowledge and capacities of employees in order to increase their productivity both in quality and quantity. The table below shows how the measures of the response by interviewees;

**Table 4.3 The Extent of Training for Quality**

	N	Mean	Std. Deviation	Variance
I have been trained on quality customer satisfaction	112	4.46	.642	.412
The training sessions are on-the-job and off-the-job	112	3.86	.653	.427
The training sessions are relevant to my daily routines	112	3.82	.700	.490
The training enhance the way I perform my duties	112	3.43	.732	.535
The training sessions are progressive i.e follow up from previous sessions	112	3.35	.756	.571
There are reviews and tests at the sessions	112	3.03	.832	.693
Certificates are issued after the sessions	112	2.71	1.045	1.093
Training certificate is a factor while being considered for promotion	112	2.31	1.040	1.082
Valid N (list wise)	112			

From the table above it is clear that the staff agree that they have been trained on quality customer satisfaction by the organization and that the training is done both on-the-job and off-the-job as it can be seen that they are ranked the top most in the table with mean of 4.46 and 3.86 respectively.

It's evident from the table therefore that this trainings are conducted by the organization to enhance way the staff perform their duties to foster customer satisfaction as this training sessions are relevant to their daily routine as can be seen from the table above that the staff do agree that the trainings are relevant to their daily routine as it is scored the third with a mean of 3.82.

The respondents disagree with the statement that training certificates is a factor considered for one to be promoted as well as with the statement that disagree

certificates are issued after the session as can be seen from the table above indicating the two statements rated the least with means of 2.31 and 2.71 respectively.

It can be realized also from the findings that it is not always that after the training session that certificates are issued. It could be that they are not issued at times and that the trainings may not be progressive at times. As these statements were rated with mean of 3.03 and 3.35 respectively.

#### **4.4 The Extent of employee involvement for Quality**

This is a measure that defines the extent in which the employees participate in the organizational process and decision. It is aimed at creating an enabling environment for them to fulfill their duties with ease and confidence in order to increase productivity. The findings were tabulated as shown in the table below:



**Table 4.4 The Extent of employee involvement for Quality**

	N	Mean	Std. Deviation	Variance
Am at liberty to correct problems arising in the course of my duty	112	4.01	.982	.964
Issues above my authority are escalated immediately to the supervisor	112	3.53	.735	.540
Suggestions are welcomed and considered	112	3.35	.867	.752
Regular department meetings are held	112	3.31	.817	.667
I participate in the process of work scheduling and rotations	112	3.27	1.074	1.153
I participate in the decision making process in the department	112	2.83	.889	.791
Valid N (list wise)	112			

From the table above the respondents do agree with the statement that they are at liberty to correct problems arising in the course of their duty. From the table 4.5 above the statement scored a mean of 4.01an indicator that most of the mistakes made by the staff are corrected at liberty as the respondents perceived so.

It's noticed from the table above also that the other measures with a mean of 3, is an indicator that most of the respondents are moderate about the variables apart from the last rated statement which sought to establish whether they participate in the decision making process in the department or not.

In this last statement it is clear that the staff do not participate in the decision making process in the department as suggested by its lowest mean of 2.83.

#### **4.6 The Extent of Team Work for Quality**

The organization is formed up of different departments undertaking different activities but all working together to achieve one goal that is customer satisfaction. No

department can stand alone but all the various departments need each other. Thus team work spirit is a key factor to ensure that there is success in the desired goals. Employees therefore are called upon to embrace team work to accomplish this goal. This therefore was a base to study what the staff feels about team work spirit in the institution and the findings were tabulated as shown in the table below:

**Table 4.5 The Extend of Team Work for Quality**

	N	Mean	Std. Deviation	Variance
Regular departmental meetings are held	112	3.71	.639	.408
The proceedings are recorded and well kept	112	3.43	.756	.571
Matters raised in the previous meetings are addressed	112	3.30	.804	.646
There is quality committee in the department	112	3.19	.833	.694
Complaints from clients are documented and acted upon	112	3.10	.794	.630
Support from other departments is easily accessible	112	2.96	.972	.944
Members are at liberty to raise concerns without fear or intimidation	112	2.58	1.088	1.183
Valid N (list wise)	112			

From the findings it's observed that there are regular departmental meetings that are held in the institution as it is observed from the table 4.2.4 above which indicates the mean of 3.71.

Nevertheless, it appears that most of the respondents who responded to this measures were neutral about most of the statement as shown in the table above except for the statement that sought to establish support from other departments and whether the staff are at liberty to raise concerns without fear or intimidation which were ranked the lowest with a total mean of 2.96 and 2.58 respectively.

From the findings therefore it's evident that team work has not been totally achieved for quality service or customer satisfaction as majority of the respondents were moderately in agreement or disagreement with the measures.

It's therefore important for the institution to look into putting in place policies that promote team work to foster quality service and customer satisfaction.

#### **4.7 The Extent of Performance Appraisal for Quality**

It was important to analyze employee performance for purpose of continuous improvement of both the employee and the company. The main objective of this measure is to enhance good performance and improve on areas of weakness. The findings were as illustrated in the table below:

**Table 4.6 The Extent of Performance Appraisal for Quality**

	N	Mean	Std. Deviation	Variance
There are performance targets in the department	112	3.86	.781	.610
The targets are specific and attainable	112	3.51	.710	.504
The targets are reviewed periodically	112	3.48	.710	.504
I discuss with my supervisor the expected targets at the beginning of the year	112	3.40	.799	.639
Corrective measures are taken to reduce any variance from expected results	112	3.19	.777	.604
There are rewards for meeting the performance targets	112	3.10	.986	.972
Valid N (list wise)	112			

From the table 4.2.5 above, it's indicated that there are performance targets in the department since the statement is ranked highest with the mean of 3.86.

It can be seen also from the table above that all the other measures were rated almost the same or were slightly higher by a mean of 0.03 or 0.11 this applies to the targets specificity and their attainability which is ranked the second in the table with a mean of 3.51 slightly higher than the review of the targets periodically which comes third with a mean of 3.48.

Discussion of expected targets with the supervisors at the beginning of the year was ranked the fourth in the table with a mean of 3.40 suggesting that majority of the respondents to this measure were moderate and the same applies with the other measures thus it can be noted that performance appraisal for quality in the institution has not been implemented to achieve quality as perceived by majority of the staff .

## 4.8 Inferential Statistics

Inferential statistics deals with inferences about population based on results obtained on samples.

In this study, multiple regressions was used to analyze the data obtained from the field.

### 4.8.1 Multiple Regression

The multiple regression model below will shows the ultimate analysis to the established relationship between the study variables. It was used for testing hypothesis about the relationship between independent variables(Y) and two or more independent variables (Xs) and for prediction (Koutsoyiannis, 1993).

The regression model used in this study is given as;

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

Where:

Y = Customer Satisfaction

X<sub>1</sub> = Quality Leadership

$\alpha$  = Constant

X<sub>2</sub> = Employee Training

$\beta$  = Estimated Coefficients

X<sub>3</sub> = Employee Involvement

e = Randomly Error Term

X<sub>4</sub> = Teamwork

X<sub>5</sub> = Performance Appraisal

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

In this study the dependent variable was relevant of the programs denoted as Y. The dependent variable is made up of quality HR practices which include employee involvement, teamwork, training, performance appraisal and leadership. These dependent variables were summed up and average established as (Y<sub>1</sub>). The independent variables were customer satisfaction comprising product /service reliability (X<sub>1</sub>), fitness for use (X<sub>2</sub>), loyalty (X<sub>3</sub>), repeat purchase (X<sub>4</sub>) and customer

feedback system ( $X_5$ ). Each of these independent variables were made up of sub variables which were averaged to derive the main independent variables as follows; For  $X_1$ , the sub-independent variables averaged include;- cleanliness of environment , accessibility of the facility, accuracy and privacy of the services offered. The sub-independent variables that constitute the second independent variable  $X_2$  included: recommendations of the institutions to other users, satisfaction levels and availability of drugs. Loyalty  $X_3$  involved responsiveness, willingness, and respect for customers, accuracy and thoroughness. Repeat purchase  $X_4$  depends on politeness, respect, language of communication and timely availability of service. Customer feedback system  $X_5$  constitutes performance, excellent training and environmental sustainability.

#### **4.8.2 Correlations**

Correlations may be defined as the degree of relationship between two or more variables. The degree of correlation between two or more variables is called simple correlation. The degree of relationship connecting two or more variables is called multiple correlations (Koutsoyiannis, 1993). A simple correlation was carried out to establish the degree of relationship between customer satisfaction and the quality of human resource practices. The results are as indicated below.

**Table 4.7: Correlations of *selected clients at Moi Teaching and Referral Hospital 2013***

		Quality of HR practices (Y)	Service reliability (X <sub>1</sub> )	Fitness for use (X <sub>2</sub> )	Loyalty (X <sub>3</sub> )	Repeat purchase (X <sub>4</sub> )	Customer feedback system (X <sub>5</sub> )
Pearson correlation	Y	1.000	.245	.165	.673	.055	.105
	X <sub>1</sub>	.245	1.000	.567	.234	.840	.382
	X <sub>2</sub>	.165	.567	1.000	.804	.578	.879
	X <sub>3</sub>	.673	.234	.804	1.000	.231	.456
	X <sub>4</sub>	.055	.840	.578	.231	1.000	.200
	X <sub>5</sub>	.105	.382	.879	.456	.200	1.000
Sig. (1-tailed)	Y	-	.003	.056	.239	.456	.213
	X <sub>1</sub>	.003	-	.145	.456	.005	.045
	X <sub>2</sub>	.056	.145	-	.567	.034	.093
	X <sub>3</sub>	.239	.456	.567	-	.112	.678
	X <sub>4</sub>	.456	.005	.034	.112	-	.236
	X <sub>5</sub>	.213	.045	.093	.678	.236	-
N	Y	103	103	103	103	103	103
	X <sub>1</sub>	103	103	103	103	103	103
	X <sub>2</sub>	103	103	103	103	103	103
	X <sub>3</sub>	103	103	103	103	103	103
	X <sub>4</sub>	103	103	103	103	103	103
	X <sub>5</sub>	103	103	103	103	103	103

**Source:** Data Analysis 2013

From the table above, there exists a positive correlation coefficient between quality of HR practices and all the independent variables namely service reliability (X<sub>1</sub>), fitness for use (X<sub>2</sub>), loyalty (X<sub>3</sub>), repeat purchase (X<sub>4</sub>) and customer feedback system (X<sub>5</sub>)

The correlation coefficient between quality of HR practices (Y) and service reliability X<sub>1</sub> was .245. The positive sign of the correlation indicates that the two variables Y<sub>1</sub> and X<sub>1</sub> tend to move together in the same direction i.e. they tend to decrease or increase together. Repeat purchase (X<sub>4</sub>) had the lowest of relationship with the independent variable with a correlation coefficient value of .055, pointing to a weak relationship between the two variables. Fitness for use (X<sub>2</sub>) had a relationship with the independent variable with a correlation coefficient value of .165, pointing to a average

relationship between the two variables. Loyalty ( $X_3$ ) had the highest relationship with the independent variable with a correlation coefficient value of .673. Similarly, Customer feedback system ( $X_5$ ) had average relationship with the independent variable with a correlation coefficient value of .105.

A regression of  $Y_1$  (quality of HR practices ) against service reliability ( $X_1$ ), fitness for use ( $X_2$ ), loyalty ( $X_3$ ), repeat purchase ( $X_4$ ) and customer feedback system ( $X_5$ ) was done and results summarised as follows.

**Table 4.8: Coefficients**

Model	Unstandardized coefficients		standardized coefficients	t	Sig	95% confidence intervals for b		Correlation			Collinearity statistics	
	B	Std Error	Beta			Lower bound	Upper bound	Zero order	Partial	Part	Tolerance	VIF
1. (constant)	.746	.225		3.316	.001	.300	.113					
$X_1$	.064	.201	.342	.356	.002	.068	1.29	.123	.023	.21	.732	1.34
$X_2$	.586	.034	.612	.672	.352	.418	1.89	.345	.012	.11	.572	1.29
$X_3$	.345	.054	.123	.976	.000	.321	.784	.783	.623	.32	.974	1.45
$X_4$	.423	.123	.023	1.67	.002	.301	1.23	.573	.118	.24	.285	1.23
$X_5$	.583	.620	.342	2.85	.102	.209	.923	.572	.354	.20	.581	1.65

a Dependent variable: Quality of HR practices

Source: Data Analysis 2013

**Table 4.9: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the estimate	Change statistics					Durbin-Watson
					R Square Change	F change	df1	df2	Sig. F change	
1	.563(a)	.625	.604	.34783	.625	34.100	5	78	.000	1.675



a. Predictors: (constant, service reliability, Fitness for use, Loyalty, Repeat purchase and Customer feedback system)

b. Dependent variable (quality of human resource practices)

Source: Data analysis 2013

The regression equation

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

From the model above, we can note that there exists a positive relationship between Y (quality of human resource practices) and all the independent variables namely service reliability ( $X_1$ ), fitness for use ( $X_2$ ), loyalty ( $X_3$ ), repeat purchase ( $X_4$ ) and customer feedback system ( $X_5$ ); based on the positive coefficients of the variables;  $\beta_1=.064$ ,  $\beta_2=.586$ ,  $\beta_3=.345$ ,  $\beta_4=.423$  and  $\beta_5=.583$

$\beta_1=.064$  is the sample parameter estimate of the population parameter  $\beta_1$ . It shows that when the service reliability improves by one percentage point, the quality of HR practices improves by 6.4%. It follows then that a unit improvement in customer satisfaction in terms of service reliability, fitness for use, loyalty, repeat purchase and customer feedback system improves the quality of human resource practices by 6.4%. Similar argument is extended to the parameter estimates linking quality of human resource practices to service reliability, repeat purchase and customer feedback system. The estimate  $\beta_2=.586$  tells us that when fitness for use improves by one unit percentage point of customer satisfaction in the sampled population, it actually improves by 58.6%. Thus the one percent increase in the customer satisfaction (service reliability, Fitness for use, Loyalty, Repeat purchase and Customer feedback system) will generate a 58.6% improvement in the quality of human resource at the hospital.

This also applies in the case of  $\beta_3=.345$ ,  $\beta_4=.423$  and  $\beta_5=.583$ . Indeed one unit increase in the quality of human resource practices would encompass all the sub variables that make it up such as employee involvement, teamwork, training, performance appraisal and leadership. Since the sample used in the study is assumed to be representative of the population of the clients and staff of Moi Teaching and Referral Hospital, Eldoret. The positivity of the parameter estimates are supported by the results of the partial correlations coefficient. Partial correlation coefficient is defined as measure of strength of the relationship between the criterion or dependent variable and a single predictor variable when the effects of the other predictor variables in model are held constant (Johnson and Bhattacharyya, 1973). Partial correlation coefficient is used to identify the independent variable with the greatest incremental predictive power beyond the predictor variables already in the regression model.

## **CHAPTER FIVE**

### **5.0 SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Overview**

Customer satisfaction is a highly personal assessment that is greatly influenced by individual expectations. Some research observation shows that customer satisfaction or dissatisfaction results from either the confirmation or is confirmation of individual expectations regarding a service or product. A successful combination of expected and exciting attributes provides a company with an opportunity to achieve competitive advantage. A successful company will correctly identify the requirements and attributes and use them to document raw data, user characteristics, and important service or product attributes. Customer satisfaction was established using surveys questionnaire based information collection tool to determine the level of satisfaction with various product or service features. The type of interview used in this research survey was In-depth interview chosen based on the willingness of the respondents to participate, their value as a customer, and their ability to articulate issues. in-depth interviews was selected because it is possibilities to get access to consumer perceptions of the offer, discover new variables and new needs of consumers and test and correct instrument. This therefore helps to attain the objective of the organization which involved: To examine the effect of Quality Leadership and Teamwork on customer satisfaction; To examine the effects of continuous Employee Training on customer satisfaction; To establish the effects of Employee involvement on customer satisfaction and finally to examine the effects of performance appraisal of employees on customer satisfaction.

## **5.2 Summary of the Findings**

### **5.2.1 The Perceived Customer Satisfaction**

From the findings it was established that the clients do agree that the environment within the Moi Teaching and Referral Hospital is clean and well maintained, hygiene of the institution is up to standard to most of the respondents and majority of them are satisfied with cleanliness of the facility.

The location of the facility is also convenient to many of its clients. It is evident also that most of the people who are users of the facility would recommend the institution to others. It can be noted that the human resource offer quality service with accuracy and thoroughness. From the findings it is therefore important to note that the language used at the facility is easily understood and that the services are offered with thoroughness and accurately.

Findings also confirmed that clients are treated or attended to with a lot of respect with regards to their rights as stated in the charter. This is attributed to the fact that majority of the respondents agree to this statement as they were being interviewed. It was also noticed that the staff are polite and respectful to the clients although it may not be so to all respondents.

Respondents were not very sure whether their information was treated with confidentiality and thus giving a large figure of the respondents who agree moderately to the statement on whether patients' information was treated with confidentiality and privately. They were also not sure about the availability of the medical assistances on time.

Regarding the staff being responsible and showing willingness to offer the service to the clients without favor, the response was moderate and likewise to the satisfaction of the clients together with staff training and job performance. The statement regarding availability of drugs within the institution indicates that the respondents perceive that the institution lacks drugs within its departments.

### **5.2.3 The Extent of Quality Leadership**

Statistics indicated that the staff of MTRH understands the mission and the vision of the institution. It can be noted also that although the staff understand the vision and mission of the institution they feel that they do not contribute towards the attainment of the same. It is also clear that the mission and the vision of the institution is clearly communicated and explained within the institution as most of the respondents did agree with the statement.

Respondents do acknowledge that they are in routine contact with their supervisors daily as they carry out their daily tasks. Although they are in contact with their supervisors daily, the relationship is not formal as many respondents disagreed with the statement, thus their relationship ought to be formalized.

Findings indicate that duties are distributed in the department though not adequately. Nevertheless it is noticed that there is no clearly or there is slightly clear defined role (job) description in the institution as this statement indicated that majority of the respondents moderately agreed to the statement. It can also be noted that the respondents were moderately agreeing that the daily tasks are as stated in the role of description, same as the statement that Lines of authority and responsibility are clearly defined within the institution.

#### **5.2.4 The Extent of Training for Quality**

The staff agrees that they have been trained on quality customer satisfaction by the organization and that the training is done both on-the-job and off-the-job. It is important also to note that trainings are conducted by the organization to enhance the way the staff performs their duties to foster customer satisfaction as these training sessions are relevant to their daily routine. The respondents are in disagreement with the statement that training certificates is a factor considered for one to be promoted as they also disagree that certificates are issued after the training sessions. It could be that they are not issued at times and that the trainings may not be progressive at times.

#### **5.2.5 The Extent of Employee Involvement for Quality**

The respondents do agree with the statement that they are at liberty to correct problems arising in the course of their duty, an indicator that most of the mistakes made by the staff are corrected at liberty as the respondents perceived so. It's noticed from the findings also that the other measures were rated moderate as the respondents neither agree fully nor disagree with the statements apart from the last rated statement which sought to establish whether they participate in the decision making process in the department. In this last statement it is clear that the staff do not participate in the decision making process in the department. Which means that if there is any decision to be made in the department they are not involved or only a few of them are involved.

### **5.2.6 The Extent of Team Work for Quality**

From the findings it's evident that team work has not been totally achieved for quality service or customer satisfaction as majority of the respondents were neither in agreement nor in disagreement with the measures. It's therefore important for the institution to look into putting in order policies that promote team work to foster quality service and customer satisfaction.

### **5.2.7 The Extent of Performance Appraisal for Quality**

It's indicated from the findings that the measures used in this objective were moderately rated as majority of the respondents were not in agreement or in disagreement with them as was indicated by the mean. Thus it can be noted that performance appraisal for quality in the institution has not been implemented to achieve quality as perceived by majority of the staff in the institution.

### **5.3 Conclusion**

From the research it is evident that the institution is clean well maintained and majority of them are satisfied with cleanliness of the facility. The location of MTRH is satisfactory to many of its users. It is evident also from people who use or have used the facility that they would recommend the institution to others.

From the findings it's evident that the services are offered with thoroughness and accuracy. Clients also confirmed that they are treated or attended to with a lot of respect with regards to their rights as stated in the charter. It was also noticed that the staff are polite and respectful to the clients although it appears that it is not so to some respondents.

The staff are not involved in the decision making process which means there is a disconnect with their supervisors. There is poor team work in the institution which compromises with the quality service or customer satisfaction. It can be realized also that performance appraisal for quality in the institution has not been implemented to achieve quality as perceived by majority of the staff in the institution.

To attain customer satisfaction all this factors are to be looked upon for any institution to achieve its objective in customer satisfaction.



#### **5.4 Recommendation**

On the extend of quality leadership the organization ought to inform the staff that they contribute to the attainment of the vision and mission of the institution and should be encouraged to work in order to attain them. It's important for the institution to put in order policies that promote team work to foster quality service and customer satisfaction. Policies should be put in place that aims at achieving quality service in the institution. The staff should be involved in the decision making process to enable them to be effective and offer quality service in order to attain quality service for customer satisfaction. Staff training for quality customer satisfaction should be made mandatory in the institution and that the staff should be issued with certificates to show that they have been trained and also for consideration during promotion. To foster leadership in the institution relationship between the supervisors and the other staff ought to be formalized and distinguish duties and responsibilities and clear defined roles and responsibilities amongst the staff. Finally it's important for the stakeholders to ensure that the institution is well stocked with drugs and enough medicine as it was noted that many of the respondents disagreed with the statement that there are drugs in the institution. The staff also should be encouraged and motivated to enable them to like their job and avail themselves whenever they are required and also to make them work professionally by treating the client's information private and confidential. These activities should be considered by institutions to foster customer satisfaction and includes; Teamwork, leadership, employee Education and Training and Employee empowerment.

These activities are meant to enable employees to view customer satisfaction as the ultimate and most important goal of the organization will enable the institution to

attain its efforts designed toward the desired goal of customer satisfaction, which enhanced the existence of the organization.

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**APPENDIX I**

**CONSENT FORM – FOR THE STAFF MTRH**

**Introduction**

Moi Teaching and Referral Hospital recently received its ISO Certification in its pursuit of delivering world – class health care services to its clients. In line with this commitment to quality, it has continually empowered its most valued resource – its staff, so as to uphold its status as the best referral hospital in the region.

This research is aimed at studying the effects of Total Quality Human Resource Management practices on Client satisfaction.

Kindly answer the attached question in line with your area of service by marking a tick ( ) or a cross (X) in the brackets under each question. The information obtained shall be treated with utmost confidentiality and shall solely be used for academic purposes.

Signature.....

Date.....

Thank You

Judith Kigen

SBE/PGM/012/09

**APPENDIX II**

**CONSENT FORM – FOR THE HOSPITAL CLIENTS**

**Introduction**

Moi Teaching and Referral Hospital recently received its ISO Certification in its pursuit of delivering world – class health care services to its clients. In line with this commitment to quality, it has continually empowered its most valued resource – its staff, so as to uphold its status as the best referral hospital in the region.

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Signature.....

Date.....

Thank You

Judith Kigen

SBE/PGM/012/09

### APPENDIX III

#### QUESTIONNAIRE FOR THE HOSPITAL STAFF

##### **A. Extent of Quality Leadership**

Leadership in the organisation is the ability to show the way and to enjoin others so as to achieve the desired goal. The success of the organisation is dependent upon the leadership in place and their relationships and interaction with the employees.

Kindly answer the questions below with regard to your daily responsibilities and your relations to your supervisor(s)

Key: 1 = Strongly Disagree    2 = Disagree    3= Moderately Agreed  
4 = Agree    5 = Strongly Agree

<b>Leadership Items</b>	<b>SD</b>	<b>D</b>	<b>MA</b>	<b>A</b>	<b>SA</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
I'm in routine contact with my supervisors daily					
Supervisors are available for consultation in the course of duty					
My relationship with the supervisors is formal					
There is a clearly defined role (job) description					
Duties are adequately distributed in the department					
Lines of authority and responsibility are clearly defined					
The daily tasks are as stated in the role description					
I know the mission, and vision of the organization					
The mission and vision were clearly communicated and explained					
I feel that I contribute towards the attainment of the mission and vision					

##### **B. Extent of Training for Quality**

Training programmes in organisations are put in place to enhance both the knowledge and capabilities of employees so as to enhance their productivity both in quality and quantity.

Kindly answer the questions below in relation to how you have been trained in your area of work and how the Training programmes have influenced your performance

Key: 1 = Strongly Disagree    2 = Disagree    3= Moderately Agreed    4 = Agree    5 = Strongly Agree

<b>Training Items</b>	<b>SD</b>	<b>D</b>	<b>MA</b>	<b>A</b>	<b>SA</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
I have been trained on quality customer satisfaction					
The training sessions are conducted on-the-job and off-the-job					
The training sessions are relevant to my daily routines					
Certificates are issued after the sessions					
The training sessions are progressive i.e follow up from previous sessions					
The sessions enhance the way I perform my duties					
There are reviews and tests at the end of the sessions					

Training certification is a factor while being considered for promotion					

### C. Extent of Employee Involvement for Quality

Employee involvement is the extent of participation by the employee in the organisational processes and decisions. The objective is to create an enabling environment for them to fulfil their duties with ease and confidence so that productivity is enhanced.

Kindly answer the questions below with regard to your participation in providing quality service to your clients

Key: 1 = Strongly Disagree    2 = Disagree    3 = Moderately Agreed    4 = Agree    5 = Strongly Agree

Employee Involvement Items	SD	D	MA	A	SA
	1	2	3	4	5
I participate in the process of work scheduling and rotations					
Regular departmental meetings are held					
Suggestions are welcomed and considered					
Am at liberty to correct problems arising in the course of my duty					
Issues above my authority are escalated immediately to the supervisor					
I participate in the decision making process in the department					

### D. Extent of Teamwork for Quality

The organisation is composed of different departments with different activities all working together towards the desired goal. No department is independent of the other. Therefore Teamwork is key. Employees are thus expected to work together in unity to make the organisation succeed.

Kindly respond to the questions below to show how teamwork contributes or does not contribute to offering quality service to your clients

Key: 1 = Strongly Disagree    2 = Disagree    3 = Moderately Agreed    4 = Agree    5 = Strongly Agree

Extent of Teamwork for Quality	SD	D	MA	A	SA
	1	2	3	4	5
Regular departmental meetings are held meetings					
The proceedings are recorded and well kept					
Matters raised in the previous meetings are addressed					
Members are at liberty to raise concerns without fear or intimidation					
There is a quality committee in the department					
Complaints from clients are documented and acted upon					
Support from other departments is easily accessible					

**E. Extent of Performance Appraisal for Quality**

It is necessary to analyse employee performance for purpose of continuous improvement of both the employee and the company. The objective is to enhance good performance and improve on areas of weaknesses.

Kindly answer the questions below with regard to how your performance is appraised to enhance quality in your organisation.

Kindly respond to the questions

Key: 1 = Strongly Disagree    2 = Disagree    3 = Moderately Agreed    4 = Agree    5 = Strongly Agree

<b>Extent of Performance Appraisal for Quality</b>	SD	D	MA	A	SA
	1	2	3	4	5
There are performance targets in the department					
The targets are specific and attainable					
The targets are reviewed periodically					
I discuss with my supervisor the expected targets at the beginning of the year					
There are rewards for meeting the performance targets					
Corrective measures are taken to reduce any variance from expected results					



## APPENDIX IV

### QUESTIONNAIRE FOR THE HOSPITAL CLIENTS

#### **F. Perceived Customers Satisfaction**

The reason the organisation exist is to serve the needs of its target clients. All activities and efforts are designed towards this desired end. A satisfied client means enhanced existence of the organisation.

Kindly respond to the questions below to based on your experience while at the institution

Key: 1 = *Strongly Disagree*    2 = *Disagree*    3= *Moderately Agreed*    4 = *Agree*    5 = *Strongly Agree*

<b>Perceived Customers Satisfaction</b>	<b>SD</b>	<b>D</b>	<b>MA</b>	<b>A</b>	<b>SA</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
The institution is easily accessible					
The staff are polite and respectful					
The language of communication is easily understood					
The staff are responsive and willing to offer the service					
The service is offered with accuracy and thoroughness					
Patient information is private and confidential					
My rights were respected as stated in the client charter					
The environment is clean and well maintained					
The staff are well trained and perform their jobs competently					
Drugs are available within the institution					
The Doctor / Medical assistant was available in time					
In general, the service was satisfactory					
I would recommend the institution to others					

Kindly note that the information provided is strictly confidential and is meant for purposes of research only. Your co-operation is sincerely appreciated.

**Thank You**

## APPENDIX V

### **THE INTERVIEW SCHEDULE FOR THE QUALITY AUDIT DEPARTMENT**

- I. What are / is the objective(s) of the Quality programme?
- II. What is the attitude of the staff toward the programme?
- III. Does the audit cover the entire organisation?
- IV. How are the issues arising from audit addressed?
- V. How are the corrective measures from (IV) above are implemented?
- VI. Has the programme been beneficial to the organisation and its clients?
- VII. In what ways?

**APPENDIX VI**

**RESEARCH WORK PLAN**

September, 2011	Proposal writing and defense
October, 2011	Proposal corrections and administering of questionnaires
May 2012,	Data collection and follow upon contact persons
July, 2012	Data analysis,, Tabulation and presentation/ Thesis writing
August, 2012	Thesis defense/ submission

## **APPENDIX VII**

### **RESEARCH BUDGET**

The researcher intends to spend as follows in the course of data collection and analysis and presentation;

Stationery and printing,	ksh.20, 000
Questionnaire distribution	ksh.10, 000
Phone calls and visits	ksh.2000
Typesetting editing and binding	ksh.5000
Total	ksh.37000