

**RESEARCH ARTICLE**

**THE CHALLENGES OF  
SERVICE DELIVERY AND CUSTOMER SATISFACTION IN THE PUBLIC SEC  
TOR (THE CASE OF ADAMA TRANSPORT AUTHORITY)**

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**ABSTRACT**

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Customer satisfaction is considered a prerequisite for customer retention and loyalty, and can help to boost profitability, market share and return on investment. Thus, to be successful in the current competitive environment, service organizations must streamline their service delivery systems and respond to ever-discerning customers' demands for efficient and quality services. Adama Transport Authority is one of the public institutions which facilitates, coordinates and promotes private investment in the city administration. This term paper assessed service delivery and customer satisfaction in the transport authority in relation to location, facilities, requirements and forms, transparency and participation, employees' effect on service delivery and satisfaction in their job (salary, benefit and trainings), timeliness, customer satisfaction and complaint handling, which are the best measure of customer satisfaction. The result of the term paper indicated that manpower at offices with the necessary, inaccessibility of photocopy service, the existence of problems related to location, reception area, meeting standards, time, low salary scale, low provision of skilled based training, low incentives and compliant handling system are the major problems that dissatisfy customer satisfaction.

**1. INTRODUCTION**

Lane, (2000) states that New Public Management (NPM) became the most popular during the 1980 and 1990s in reforming the public sector. It is a theory of the most recent paradigm change in how the public sector is to be governed, and is part of the managerial revolution that has gone throughout the world affecting all countries. Avashinand Maheshwari, (2007:86) also indicate that NPM is amongst the latest concepts to enter the lexicon of public administration in a bid to transform it completely. It is a merger of public and business administrations by taking the "what and "why" from public administration and "how" from business administration. The needs and nature of service of a particular reform program determines the choice of strategies to be used. Schacter (2000:5) has identified the success factors for public sector reforms in developing countries. The local leadership and ownership of reforms, popular pressure for reform, a strong bond of accountability between citizens and the public sector



or, wide dissemination of information, creating organizational culture that is outcome oriented and mission driven, capacity building on policymaking and implementation, and integrating downsizing programs into a large frame of reference are the factors identified.

As Gaster and Squires, (2003:8) state public service delivery is the most important element of NPM driven public sector reforms. Public service is a term often used to mean services provided by the government to the citizens, either directly (through the public sector) or indirectly by financing the private provision of the service.

Measuring service quality and customer satisfaction is a central issue to evaluate public sectors reform implementation even though there is a challenge that arises from the absence of universal definition of quality services and measurement indicators. But there is a general agreement among scholars in the area that quality of service should be measured or judged by the customers. However, they differ on the techniques or methods of how customer satisfaction is measured. As Leisen and Vance, (2001:308) indicated there are two schools of thought namely the European school of thought, Which includes both process and outcome; and the US school of thought which focuses on process aspects of services.

Customer service is task that involves interaction with customer in person or mail. It is designed, performed and communicated with two goals in mind; operational efficiency and customer satisfaction. Essentially, it embraces all personnel whose jobs bring them in to contact with customer on routine as well as on exception basis. Such personnel become part of the overall service product even though their jobs may have been defined in strictly operational term. Hence, the need to balance operational efficiency against customer satisfaction should be considered.

Donald Water (2002:9) defines quality as the ability of a product or service to meet and preferably exceeds customer expectation. Kotler (2003:57) also defines quality as “the totality of features and characteristics of a product or service, which bear up on its ability to satisfy stated and implied needs. The quality of services can be particularly difficult to measure as it relies more on the subjective opinions of

customers. But among other things, it is dominated by judgments about availability, responsiveness to customers needs, competence of staff, courtesy and helpfulness of staff, communication between participants, timeliness, and, fairness.

The Ethiopian service delivery policy (2001:1) service delivery refers to the systematic arrangement of activities in service giving institutions with the aim of fulfilling needs and expectations of service users and other stakeholders with the optimum use of resources. In short, improvement of service delivery means increasing the cost effectiveness, coverage and impact of services. Although the Ethiopian civil service has had a long tradition and experience of serving various governments, it has been until recently given little attention to improving public service delivery. Unfortunately, the idea that the civil service exists to serve the public good has been neglected in Ethiopian public institutions. Therefore, in order to overcome the problem and to overhaul and enhance the civil service system the government embarked on a comprehensive civil service reform program of which service delivery is a component.

Besides the federal Government of Ethiopia has issued service delivery policy in the civil service in 2001, by considering the fact that one of the prerequisites for service delivery improvement in the civil service is the existence of clearly defined policy that reflects government intentions and expectations regarding service delivery and quality of services as well as the rights and obligations of service providers and recipients in the process of service delivery.

The Ethiopian civil service was fraught with problems that impeded the realization of expected outcomes. Some of the problems that limited the effectiveness of the civil service in carrying out government policies and programs and consequently its role in promoting economic and social developments are: positive attitude towards public service has not developed to the desired extent, insufficient recognition that citizens have rights to receive services from government, lack of accountability in civil service institutions for failure to meet expected performances, etc. In addition the fact that civil service in many cases has not been able to properly address the rights of service users to get public service in equitable manner have contributed to the prevailing negative perception among the public about the efficacy of government institutions and



ivil servants.

Regarding services provided, Adama Zonal district level had Provided transport, communications, agriculture, education, health and water services delivery to his customers. From the services delivered by Adama town this term was focused on service delivered by transport authority. Adama transport authority has 51 employees who are working in the organization. The problem of service delivery and customer satisfaction was assessed by different scholars in different organizations but this study tried to assess service delivery and customer satisfaction in the Adama transport Authority.

### **1.1 Objectives of the research**

The objectives of this study was to assess service delivery and customer satisfaction in the Adama transport Authority in relation to location, facilities, requirements and forms, transparency and participation, employees' effect on service delivery and satisfaction on their job (salary, benefit and trainings), timeliness, customer satisfaction and complaint handling, which are the best measure of customer satisfaction.

### **2. Methodology**

The researcher described service delivery and customer satisfaction in the Adama transport Authority. As Abiy, et al (2009) mentioned that, such type of research called descriptive case study which describes phenomenon or event. They mentioned that case studies emphasize on specific area or locality. Public service delivery also involves all these actors. In view of this, the study was guided by descriptive case study approach. In this study, both primary and secondary data sources were used. To conduct this research, researchers used both primary and secondary data collection methods. The primary data sources collected through key informant interviews and passive observations. Secondary data sources also collected through reading of federal and ONRS constitution, government reports, policy, books, and websites.

## **3. RESULTS AND DISCUSSIONS OF THE TERM PAPER**

The result tried to assess service delivery and customer satisfaction in the Adama transport Authority in relation to location, facilities, requirements and forms, information access, manpower availability, transparency and participation, employees' effect on service delivery and satisfaction on their job (salary, benefit and trainings), timeliness, customer satisfaction and complaint handling, which are the best measure of customer satisfaction.

### **3.1 Location of the areas**

As one of the principles of quality serv

ice states, public services as well as information about them should be accessible to every citizen to empower them. The convenience of the location of the service area affects the quality of service. Thus it is necessary to evaluate the location of the authority. Accordingly, the location of the authority is inconvenient for the majority of customers. The reason why the location of the authority is inconvenient were lack of parking area, the building has no sufficient light on stairs, lack of fresh air circulation and absence stationeries service.

### **3.2 Reception area**

The authority reception area was very bad. The following factors contributed the authority's reception area to make very bad. These were the area of the reception is very small to serve many customers at a time, the number of chairs is insufficient and not comfortable, lack reading materials, lack of entertainment facilities and Lack of clean and easily accessible toilet.

### **3.3 Information Access**

Information is resource. So, providing complete and accurate information is an important point to help and empower customers. The authority's service delivery with respect to getting complete an accurate information customers and employees were not satisfied with information access. Thus, the authority has to strive for further improvement of its information access.

### **3.4 Employees view on fulfillment of manpower and comfortable office**

Having adequate manpower and well equipped office with the necessary facilities is vital for the satisfaction of employees as well as customers. But, the problems with regard to fulfilling manpower and office with the necessary facilities which necessitates further effort by the authority.

### **3.5**

### **Employees' view on the provision of skill based trainings and incentives**

In order to achieve effective, efficient and economic utilization of scarce organizational resources, managers should upgrade the skill of their staffs by providing skill based training; motivate them b



y giving monetary and non monetary benefits/incentives as well as by creating favorable working conditions. In this regard, authority's provision of skilled based trainings and incentives is low. Thus, the authority should take into consideration the widely accepted view that satisfied employees will deliver quality service or improved performance and try to provide skill based trainings and incentives for its staff.

### 3.6

#### **Requirements and Forms**

The authority's requirements was vague. This gives a message that the authority has to evaluate its requirements. So, in order to provide fast service and for the best satisfaction of its customers the authority has to make forms as fair, few and clear.

### 3.7 Consultation to and with customers

To ensure "comprehensiveness" and "representativeness" of the service delivery, consulting service users is important. The authority's consultation to and with clients during the process of its service delivery improvement was non participatory. Thus, the authority has to be aware of this and try to improve.

### 3.8 Timeliness

Customer service is not merely provision of service with cooperative front line workers. Rather, the time taken to provide the service is a necessary factor. Thus, as time is a decisive factor, it is clear that delayed delivery of services will result in dissatisfaction of customers. The standard time set by the agency for all the services it provides is less than one hour. They spent one and more than one hour to get the service. Therefore, the authority has to strive to meet the standard time.

### 3.9

#### **Employees Effect on Service delivery**

The extant literature on service quality indicates that most of the criteria by which customers evaluate the perceived quality of service, such as empathy, reliability, courtesy, assurance and even tangibility are all associated with employee favorable behaviors and attitudes (Wilson and Frimpong, 2004). In line with this, the authority was practicing poor to employees' responsiveness. Thus, the authority has to continue strengthening this condition by providing incentives and creating different mechanisms that increase employees' willingness.

### 3.10

#### **Courteousness and helpfulness of the staff**

One of the principles to customer satisfaction and quality service is courtesy and helpfulness of staffs to customers. Customers should be treated with utmost consideration and respect in the service delivery process i.e. in communicating information, delivering service, and dealing with problems. Thus, the courteousness and helpfulness of staff to customers is found to be in a bad condition. Thus, in order to continue the staff support as per requirement of the customer and to the best satisfaction of them, the authority needs to recognize and appreciate the courteousness of its staffs.

### 4.11 Customer satisfactions

Delayed delivery of service and Lack of coordination with relevant stake holders reason are the main problems why customers are dissatisfied/ very dissatisfied in the authority. So, the authority needs to monitor customer expectations and satisfaction on a continuous basis and to be innovative in order to respond meaningfully to changes about the customer's expectation since customer satisfaction is not static.

### 4.12

#### **Employees satisfaction with the salary and benefits from authority**

The interactive nature of service delivery places employees in a very critical role in the delivery of quality services. The interactive nature of the service delivery process means that employee customer interactions should be considered as an important facet in evaluating the job satisfaction of employees who interact with external customers. To date there has been strong empirical evidence in support of the view that overall job satisfaction is critical to employee service performance quality. The apparent logic is that employees who are satisfied with their jobs generally and with their pay particularly tend to be cooperative, helpful, and respectful to both coworkers and customers. Thus, satisfied employees will deliver quality service to both internal and external customers. Therefore, the employees are dissatisfied with the pay of the authority.

### 3.13. Complaint Handling System of the Agency

As one of the principles of quality service





states, public organizations should devise mechanisms to monitor whether services are delivered properly and as per the promised standard and if not to redress problems as quickly as possible. Customers should also be encouraged to file their complaints. A successful company is one that listens openly, acts appropriately, and uses customer's feedbacks to improve its service (Tiosroud, 1993 cited in Yekunoamlak, 2004). In this regard, authority had no clear system for complaint handling, had no person assigned to receive complaints and even they do not know how they can complain.

#### **4. SUMMARY OF THE FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

##### **4.1 Summary of the findings**

In modern, highly competitive business world, the key to sustainable competitive advantage lies in delivering high quality service that will, in turn, lead to satisfied customers. Customer satisfaction is considered a prerequisite for customer retention and loyalty, and can help to boost profitability, market share and return on investment. Thus, to be successful in the current competitive environment, service organizations must streamline their service delivery systems and respond to ever-discerning customers' demands for efficient and quality services.

Adama transport Authority is one of the public institutions which facilitates, coordinates and promotes private investment in the city administration. This term paper assessed service delivery and customer satisfaction in the authority in relation to location, facilities, requirements and forms, transparency and participation, employees' effect on service delivery and satisfaction on their job (salary, benefit and trainings), timelines, customer satisfaction and complaint handling, which are the best measure of customer satisfaction.

The major results on this term paper are:

- 1) The location of the authority is inconvenient because it does not have parking area; the building is dark, not clean and with bad smell and unaccessible for photo copy service.

- 2) Concerning other facilities like over

all comfort of the reception area, it is very bad because of the following reasons:

- ✓ The size of the reception is very small to serve many people at a time
- ✓ There are no reading materials like brochures, magazines, guidelines etc
- ✓ No entertainment facilities like TV, classical music, tea and coffee service
- ✓ The place where the reception located is obstacle for other office
- ✓ Lack of clean and easily accessible toilet

3) In terms of giving information, the agency is on the inexistence.

- 4) Concerning the fulfillment of manpower and office with the necessary facilities as well as provision of skilled based trainings and incentives, the authority lack partial fulfillment of office with the necessary facilities and confirmed the existence of low provision of skilled based trainings and incentives.

- 5) As far as the requirements and forms concerned the authority the requirements are unfair.

- 6) The authority is found in a bad position concerning transparency and consultation to and with clients since most of the respondents viewed the service delivery as transparent and confirm the existence of good consultation.

- 7) Regarding meeting the standard time, the authority was not served with in the standard time.

- 8) Based on the criteria by which customers evaluated the perceived quality of service such as reliability, responsiveness, assurance, empathy and even tangibility, the employees of the authority are found in a bad.

- 9) Concerning compliant handling system, the authority is found in a bad position, because of the following reasons

- ✓ There is no clear system for



- or complaint handling
- ✓ No person assigned to receive complaints
- ✓ Even they do not know how they can complain

#### 4.2 Conclusions

The result of the study indicated that inaccessibility of photo copy service creates inconveniences and dissatisfaction on the investors. Besides, manpower and offices with the necessary facilities are found to be partially fulfilled. The other factors related to the authority services delivery were the existence of problems related to location, reception area, meeting standard time and complaint handling system. Concerning employees of the authority, they were not satisfied because of low salary scale, poor working conditions and low provision of skilled based training and incentives. Thus, to curb the problems, the researcher forwarded suggestions in the recommendation part accordingly.

#### 4.3 Recommendations

Based on the findings of the study and the conclusions made above, the following recommendations are forwarded:-

- 1) The authority should develop mechanism that helps the customers to get photo copy service easily.
- 2) Either there should be late lifts or the authority should be located at the first floor
- 3) The authority in collaboration with the institutions found within the building should install enough electric light especially in the stairs.
- 4) The authority should strive to meet its standard time. And it should have a recording mechanism of actual performance vs. standards so that it would be easier to take corrective measures.
- 5) By its special nature the customers of investment need not only mere service but also comfortable service. So, taking this in to consideration the authority should fulfill all the necessary facilities like clean and wide reception room with enough and comfortable chairs, reading materials, TV with world wide information, news, classical music, tea and coffee service, clean accessible toilet, enough parking area, special desk which provides information. Besides, it has to give due attention for fulfilling offices with necessary facilities and keep them clean and attractive.
- 6) The authority should accept the generally accepted view that “satisfied employees
  - ✓ make satisfied customers” and invest in its employees to motivate them to serve customers best.
  - ✓ Employees should be trained to act in a manner that recognizes customers as a valuable asset. To motivate employees and get their commitment.
  - ✓ the authority should offer them attractive salary, monetary and non-monetary
  - ✓ benefits. Unless otherwise the authority satisfies its employees turn over will
  - ✓ increase more thus, the current good performance may not continue and it may be
  - ✓ difficult for further improvement
- 7) The authority should fulfill all the necessary manpower to provide all the services on timely bases.
- 8) Since for developing countries like Ethiopia, investment is the best way for reducing poverty, the authority Agency should integrated and work in coordination with the relevant offices and maximize the returns/outcomes of investment.

- 9) The authority should establish efficient and effective ways of complaint handling procedures and communicate those procedures to customers.

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#### **Acronyms and Abbreviations**

NPM New Public Management

ICT Information and Communication Technology

ECA Commission for Africa

TQM

Total Quality Management

FDRE Federal Democratic Republic of Ethiopia

TV Television Km

Kilometer

NB: Note that

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