

Employee Fulfilment and Service Quality in the Service Industry in Uganda- A Case Study of the Hospitality Sector

Muheebwa Florence Prescah*, Mbabazi Mary Grace, Rubalema Alex

Mountains of the Moon University Uganda

*Corresponding author: Muheebwa Florence Prescah | Received: 05.05.2019 | Accepted: 10.05.2019 | Published: 30.05.2019
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Abstract

Original Research Article

Success in hospitality business arises from strategies that ensure that an organization has necessary resources, especially people, who could be utilized to achieve its goals effectively. The current study addressed employee fulfilment toward work-related factors, which could present the effect to service delivery, service cost and service reliability in the hospitality industry. Sixty-seven respondents from eight hospitality organizations in Uganda participated in the study in 2019. The result indicated that employee fulfilment toward work-related factors had significant relationships with service reliability, service cost as well as service delivery. It indicated that supervision style had the strongest link to service reliability while the salary factor was identified as having the lowest influence on service cost and moderate impact on service reliability and service delivery.

Keywords: Employee fulfilment, service quality, motivation.

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INTRODUCTION

The customer judges process quality during the service. Output quality is judged by the customer after the service is performed. The definition of quality as adopted by the American Society is “The totality of features and characteristics of a product or service that bears on its ability to satisfy stated or implied customer needs” [2]. If the experienced service equals the expected service, service quality will be good. On the other hand if the experiences are below the expectations, the customer will probably be unsatisfied and service quality will be lower. Customer perceptions of service quality result from comparing expectations prior to receiving the service and actual experiences with the service. If expectations are met, service quality is perceived to be satisfactory; if unmet, less than satisfactory; if exceeded, more than satisfactory [11]. The expectations/experiences connection is consistent with service quality scholar Gronroos’ conclusions based on research he performed in Europe.

Quality evaluations derive from the service process as well as the service outcome. The manner in which the service is performed can be a crucial component of the service from the customer’s point of view. Service quality is of two types. First, there is the quality level at which the regular service is delivered. Second, there is the quality level at which “exceptions” or “problems” are handled. Delivering good service

quality requires strength at both levels. When a problem occurs, the low contact service firm becomes a high contact firm. Credit card service is a good illustration. Usually, the credit card user has no personal contact with the credit card company. There is contact with the merchant at checkout but not with the credit card company unless there is a problem. The problem may be noticed by the company or by the user, but in either case personal contact between company and customer may result [3].

Service quality assessment is made during the service delivery process, which usually takes place with an encounter between a customer and a service provider. Customers will compare their perceptions of service received with expectations of service desired. When expectations are exceeded, service is perceived to be of exceptional quality and also to be a pleasant surprise [1]. When expectations are not met, service quality is deemed unacceptable. Satisfactory quality will be confirmed when expectations are met. Expectations are based on several sources, including word of mouth, personal needs, and past experience.

Employee fulfilment or lack of it hinges on a productive, fulfilling relationship between staff and management; indeed, the success of any service organization depends on staff members who enjoy their jobs and feel rewarded by their efforts. It is an obvious statement that “high employee fulfilment levels can

reduce employee turnover” [7]. Dissatisfied employees tend to perform below their capabilities, result in high turnover of staff and leave their jobs relatively quickly and are not very likely to recommend the organization as an employer to anyone else. On the other hand, satisfied employees are the ones who go the extra mile” to be helpful to customers [5]. When employees are unhappy, a pervasive atmosphere and ill will spread throughout the workplace; customers feel its sting and everything suffers. Sadly, these employees often direct their unhappiness to their customers.

Too often, attracting and keeping quality employees in order to achieve that goal is swept under the rug. Creating an environment where employees who are admired, polished, and appreciated will result in an organization’s enhanced service quality. In addition, weeding out the employees who are fake gemstones is necessary to maintain morale of the good performers [8]. The costs associated with low employee morale are expenses associated with decreased productivity, unresolved conflict, and unproductive time spent gossiping and complaining to co-workers or employee turnovers. Employee retention and turnover are the most objective measures of employee fulfilment in organizations. The Harvard Business Review reports that a 5% increase in retention results in a 10% decrease in cost and productivity increases ranging from 25% to 65% [6].

Many hospitality organizations feel that employee compensation is the dominant factor in employee fulfilment. Consequently, employers attempt to buy employee fulfilment with increased pay and benefits. In today’s competitive business environment, this approach can only be taken so far [10]. Fortunately, there is a much less expensive way to create greater employee fulfilment. It is virtually cost free and it increases productivity that significantly improves the bottom line.

A workplace environment that does not understand, appreciate, and foster the need of all employees for recognition, appreciation, and for fair and equitable treatment is one they may see chaos, conflict, confusion and turnover. Employees need to know that they are valuable members of an organization, and are respected for their contributions. There is a psychological contract between an employee and employer. This contract is based on the employee carrying out certain workplace duties in exchange for the employer meeting certain employee needs. An employer has the right to expect that an employee carry out duties in a competent and appropriate manner. The employee needs recognition, and proof of his/her value with satisfactory monetary compensation.

Numerous researchers have indicated that job satisfaction has a significant impact on employee retention and quality of life. However, there is still a

need to explore more about employee fulfilment, especially its link to service quality in the service industry. Human resource is considered as one of the most strategic resources of any organization. Employees are also one of the main highly cost resources of service firms. It seems that satisfied employees in these organizations are a critical prerequisite to the satisfaction of external customers as well as their service quality [9]. It is a known fact that recruitment of employees is an expensive, time-consuming task. While attracting good staff is not easy, their retention can be even more difficult. The substantial cost associated with employee turnover is often ignored. New employees require training and guidance, and lack the experience of existing staff. Much of the knowledge gained by existing employees may be undocumented, and is therefore lost when they leave the organization. It is expected that the findings of the current study will contribute to the gap in existing literature by supporting or contradicting the results of previous researchers. The aims of this study were to: a) examine whether there was a relationship between employee fulfilment and their service reliability; and b) to what extent do the components of employee fulfilment relate to the dimensions of service quality?

METHODOLOGY

The current study identifies six factors that related to employee fulfilment. On the service quality dimension, it consisted of three factors, namely cost effectiveness, service delivery and service reliability. More specifically, the research factors consisted of six independent factors and three dependent factors. Six independent factors were divided into three extrinsic motivators and three intrinsic motivators. They are as follows: a) Extrinsic motivators: Supervision style; Salary and Working environment; b) Intrinsic motivators: Job responsibilities; Job advancement and Recognition. With regard to the three dependent factors, they are: Service cost or cost effectiveness; On-time service delivery and Service reliability.

Employees within eight hospitality organizations, who worked within the hospitality industry in Uganda, were selected to respond and considered sufficient and large enough to make analysis. Participants had different backgrounds, educational level, position and age. Everyone primarily involved was asked to respond to research questionnaire.

Data was collected through a self-administered questionnaire. Questions were both closed and open-ended. Respondents were thus given the opportunity to express their thoughts on the last open-ended question as freely as possible. Prior to data collection, quantitative questionnaire was developed for the selected factors in order to analyze the variables. The main battery of these questions was related to employee fulfilment and their service outcome such as service

reliability, service cost and service delivery. There are two reasons behind the use of such quantitative measures. First, they are likely to facilitate cross-factors comparisons that are to follow; comparison between scores is easily done and outlined immediately as well as attract the investigator’s attention. Second, multiple factors with scales provide the investigator with more confidence in the validity of the measure. This is especially important since only one investigator performed data collection and analysis, which enhance the risk of bias in the interpretation of data.

The first part of questions was for respondents’ personal data. It consists of six questions that were gender, position level, working department, educational level, age and working experience. The second part was questions that related to research factors. 29 questions were initiated from both independent and dependent factors.

RESULTS

A total of 67 questionnaires considered as acceptable and usable were returned, which was 78 percent of the total number of respondents. 67 % or 45

were male and 33% or 22 were female. 52.2% of respondents’ education level was below Bachelor’s degree, followed by 38.8% at Bachelor’s Degree level, and 9% as Master’s Degree level or higher. Most of respondents’ age was between 20- 30 years old, representing 56.7% of total. Response to the working experience results shows that the largest percentage of respondents i.e. 83.6% reported having less than 5 years of working experience. Of the people who responded, 7.5 % identified themselves as managers, 23.9 % as supervisors and 68.6 % as staff.

As on the scale of the survey form, it consists of a five-point likert scale ranging from “1=strongly agree” to “5=strongly disagree”. According to Table 1, the mean scores of six factors relating to employee fulfilment were reported as; Supervision Style (x = 1.99), Working environment (x = 2.24), Job responsibility (x = 2.36), Recognition (x = 2.38), Job advancement (x = 2.60), Salary (x= 2.81). On the service factors, the mean of the Service reliability factor was 1.73, On-time service delivery was 1.79, and Cost effectiveness was 2.14.

Table-1: Mean and Standard Deviation of Nine factors

No.	Research Factors	Mean	Standard Deviation
1	Supervision style	1.99	0.58
2	Working environment	2.24	0.65
3	Job responsibility	2.36	0.65
4	Recognition	2.38	0.57
5	Advancement	2.60	0.66
6	Salary	2.81	0.81
7	Service reliability	1.73	0.63
8	On-time/service delivery	1.79	0.66
9	Cost effectiveness	2.14	0.45

The correlation results indicated that there are significant relationships between employee fulfilment and service reliability, cost effectiveness and on-time delivery. More specifically, there is a positive and significant relationship between employee fulfilment and service reliability. There is a positive and significant relationship between employee fulfilment and cost effectiveness, in exception of the salary factor. There is a positive and significant relationship between employee fulfilment and on-time delivery.

The findings demonstrated how employee fulfilment links to service reliability, service cost, and service delivery. As a result of the correlations, attention to employee fulfilment on supervision style factor was the first priority because supervision style not only had an impact on service reliability but also had an impact on on-time service delivery as well as service cost effectiveness. Salary was identified as the lowest impact on service cost effectiveness but moderately impacted on service reliability and on-time service delivery.

Table-2: Correlation results between employee fulfilment and service quality

Research factors	Cost effectiveness	On-time service delivery	Service reliability
Supervision style	0.443**	0.598**	0.668**
Salary	0.238**	0.367**	0.319**
Working environment	0.471**	0.333**	0.420**
Job responsibility	0.435**	0.486**	0.416**
Advancement	0.434**	0.507**	0.440**
Recognition	0.405**	0.310*	0.340**

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

Working environment significantly affected cost of service the most, and less affected on-time service delivery. It had moderate impact on service reliability. Job responsibility had the most correlation with on-time service delivery followed by service cost and service reliability respectively. Job advancement correlated with on-time service delivery at the strongest level. Service reliability and service cost had moderate and lowest correlation with job advancement. Recognition correlated with cost of service the most, followed by service reliability and on-time service delivery.

DISCUSSION

From the nature of all employee fulfilment relationship factors with the three outcomes, supervision style was the most agreeable factor by most of the respondents that it had an impact on the outcome which was the service reliability, service cost and service delivery. The supervision style of supervisors can be spread and affected employee personality, workplace atmosphere and customers. Sometimes the supervision style can further lead to enhanced organization image. Of course, it more or less affects growth and organization survival finally.

Working environment was number two consequence of employee fulfilment as agreed by the respondents that its relationship with cost of service was the highest. A poorly designed workplace, for example, could lengthen time in response to customers' requirement. With improper working environment design, employees have to run around their offices in order to accomplish only one task, for example. Taking time would be one day possibly instead of only one hour, thus, cost of service increases. Its impact will also link to service reliability and on-time service delivery.

For job responsibility, respondents agreed that its relationship with service delivery was the highest. It is natural that employees who are assigned heavy workload beyond their capability would deliver service with decreased efficiency.

The recognition factor showed meaningful impact on service cost. Without recognition, employees may not feel appreciated, hence may perform their duty with no inspiration, thus not much concern about the cost of delivery. Job advancement was ranked the fifth as respondents agreed that it had the strongest relationship with service delivery. Job advancement serves as a carrot - an award to be given out in the future as a result of today's hard work. It could boost morale and motivate employees to work hard and be willing to efficiently deliver their services to customers.

Salary was the last factor to which 44.3 % of respondents averagely agreed that its impact on the service delivery was the most but had no relationship at all with cost of service. 2.8159 of salary mean

presented it as the last factor within the six-employee fulfilment factors agreed upon by the respondents.

The result of this study provides concrete evidence that each employee fulfilment factor has a different degree of impact on service reliability, service cost and service delivery time. It is evident that any service organization demanding good service quality, high service delivery efficiency and low cost of service from employees should pay attention to their employee fulfilment. Despite their intangible nature, the result shows that these service outputs are driven by employee fulfilment. Ignoring employee fulfilment therefore implies ignoring a large amount of the organization's bottom line result. Taking care of employee fulfilment, on the other hand, requires supervisors' and managers' art and skills in motivation management. Generally, the results seem to support the notions and findings reported in previous researchers such as in [4, 9].

As competition intensifies, hospitality business is looking harder to find solutions to the above problems; quality and efficiency. Within such a business environment, the first and most difficult step towards skillful motivation management to address the issue of employee fulfilment for most managers and supervisors is the need to accept the fact that employee fulfilment as well as any other issues concerning human behavior significantly relates to individual feelings and emotions rather than any systematic, mechanistic tools operating by rules of cause.

Given one common situation, different individuals can still perceive different aspects of the situation; thus employee fulfilment is an issue that requires supervisors' and managers' constant and personalized attention. On the other hand, many managers and organizations may realize the impact of employee fulfilment on service quality but sometimes may not perceive it as an issue of top priority requiring immediate attention, as certain more tangible issues they are dealing with on a daily basis may present themselves as more urgent, pressing needs. Though addressing employee fulfilment components may not guarantee service reliability, cost of service and service delivery efficiency, focusing on employee fulfilment improvement, could potentially address a number of other seemingly tangible causes.

CONCLUSION

The current study aimed to address two major research questions; is there a relationship between employee fulfilment and service quality? If there is, what is the nature of the relationship? And to what extent do the components of employee fulfilment relate to the dimensions of service quality? In short, the results seem to indicate that employee fulfilment significantly relate to the service reliability, cost effectiveness and on-time delivery provided by the service firms studied in this research.

Similar to other studies, this research has its own limitations. The research was conducted with a sample size of only 86 respondents in 8 hospitality organizations in Uganda. The results, therefore, could not represent the entire industry. It also presents a certain limit on insights of the data and requires further in-depth studies with larger samples from a variety of service organizations. Future research should address this point by including larger sample size of research population from more diversified organizations besides hospitality organizations. In addition, the research findings were based on lateral relationship between employee fulfilment and service reliability, service cost and service delivery efficiency and it was not a causal effect. As a result, the findings did not indicate the cause-effect relationship among the interest variables. Future research might consider examining the cause-effect relationship between employee fulfilment and service quality.

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