

Full Length Research Paper

Evaluation of customer handling competencies of Ethiopian employees'

Rajasekhara Mouly Potluri^{1*} and Awgichew Abiye Zeleke²

¹Department of Economics and Management, Faculty of Economics and Finance, Kazak-British Technical University, Almaty 050000, Republic of Kazakhstan.

²Graduate School of Telecommunications and Information Technology, Marketing Expert Ethiopian Telecommunications Corporation Addis Ababa, Ethiopia.

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Service quality has become essential for the survival of service companies to attract and retain customers in the present day's fiercely competing business world. Competent employees are the key to deliver excellent quality services, this study mainly focuses on evaluation of customer handling competencies of Ethiopian employees' which is an imperative to maximize customer satisfaction. Data for the study was collected through self administered questionnaires distributed to 300 customers and 500 employees of 50 companies in Ethiopia. Collected data was analyzed using SPSS software package. The result shows that most employees working at the front desk service areas did not demonstrate most of the basic marketing competency indicators. As a result, most customers were not satisfied with the service provided by the Ethiopian companies and ranked its service quality as poor. The research identifies basic competency deficiencies of Ethiopian employees in handling customers' and has managerial implication of how to staff the work force with the skill needed to deliver quality service.

Key words: Customer handling/marketing competencies of frontline employees, elements of marketing competency, factors affect employees' competency, service delivery standards, customers' satisfaction.

INTRODUCTION

In the complex and dynamic present day's business environment, organization's survival is highly determined by its ability to attract and retain customers. Customers are attracted and remain loyal only if they are satisfied with the product or service offered by the company. Customers' satisfaction has a potential impact on profitability of an organization through repeat of purchase and as a source of new business through word of mouth. Satisfying customers requires effective delivery of quality services. Service quality is the ability of the organization to meet or exceed customer expectations. The benefits of quality service include customer retention and loyalty, positive word-of-mouth to attract new customers, cost savings and increased revenues and profit. The pay-offs also relate to employees in terms of morale, satisfaction

and retention to increase customer satisfaction. However, quality service delivery is affected by the human element of the delivery system. "Strong customer satisfaction and loyalty depends on the value they receive which in turn depends on the relationships between people within the firm and customers." (Doyle, 1995). "The attitude and behavior of contact employees can influence customers' perceptions of the service quality" (Coggins, 2003).

Frontline employees are the first lines of contact in the organization and they are the main players to create the first and long lasting impression on the organization and project a positive image in the minds of customers. They are also capable of creating awareness, understanding and need among customers to use the organization's programs, products and services effectively to generate revenue.

According to Lovelock and Wirtz (2004), competent employees play a crucial role to create satisfied and loyal customers. "They are the actors who appear front stage in the service drama when they serve customers.

*Corresponding author. E-mail: prmourly@yahoo.co.in. Tel.: +7 702 4916759. Fax: +7 727 272 0489.

Elements of the drama can be related to the service design and delivery, the setting (service scope, social and physical characteristics), scene (with script), performance (service delivery), cast of actors and actresses (service providers) and audience (customers)". Competency is more than just knowledge and skills. It involves the ability to meet complex demands, by drawing on and mobilizing psychosocial resources (including skills and attitudes) in a particular context. "Marketing competency involves the ability to meet complex demands, by drawing on and mobilizing psychosocial resources (including skills and attitudes) in a particular context." (Salganik et al., 2003) From the customers' point of view, as per the understanding of the researchers, frontline employees are:

- i.) Core part of the service (visible element of the service, deliver the service and significantly affect the service quality).
- ii.) The service firm (represents the service firm).
- iii.) The brand (frontline employees and the service are core part of the brand and the human element is the most important).

Competencies are observable behaviors, knowledge, skills, and abilities of marketing personnel to attract and retain customers by delivering quality service. Competent frontline employees are invaluable assets for any organization's survival in the dynamic and competitive environment.

In Ethiopian corporate sector just like other parts of the world, there is also a high customers-employees contact in the service and product delivery areas of sales, installation and bill collection centers. These frontline employees are the main interface of these Ethiopian organizations that play crucial role to delight customers and serve as a key source of competitive advantage.

Literature review

Competency is defined as a required standard of skill, knowledge, ability or behavioral characteristics that an individual needs to perform his/her work successfully. It is a combination of several factors like motives, traits, self-concepts, attitudes or values, skills and abilities all of which are required from an individual to function properly and satisfy the needs and interest of customers as well as achieve the objectives of the organization. The nature of competency is described in different literature as:

"The behaviors, knowledge, and motivations that is required to be effective in a job" (Summers, 2004). "A standardized requirement for an individual to properly perform a specific job"(Wikipedia, 2007).

Basically there are three level of competency requirement.

- i.) Organization-wide requirements in terms of the culture

and the behaviors required at which the individual operate.

- ii.) Organization-specific requirements full understanding of the strategic requirements of the business and the requirements of the business as reflected in the strategic areas of competence.
- iii.) Job requirements in terms of personal competencies of both business professional and technical requirements.

Importance of assessing employees' competency

Assessing the competency level of employees helps organizations to communicate desired behaviors, control costs and increase customer satisfaction. It can also serve as the foundation to hire, train and develop employees. It is necessary to continually assess the competency level of employees.

- i.) To ensure that employees in a particular job/occupation have the necessary skills abilities and attitude to perform the needed activities and achieve organizational objectives.
- ii.) Identify the skills employees possess as well as any gaps existing between actual and required skill levels and to close these gaps. Assessing the competency level of employees help management to identify and close the gaps in individuals' capabilities for better customers' service.
- iii.) To identify current skill levels and the needs of training and development to meet skill requirements of a particular positions.
- iv.) To make necessary changes in the training curriculum based on the gap.

According to the United states office of personnel Management (1999), the competency level of employees are used to integrate selection, training, appraisal and compensation. On the other hand competencies are used.

- i.) As a strategy to strengthen the link with organizational culture, results, and individual performance by emphasizing competencies that are needed across occupational specialties.
- ii.) As a tool to help describe work and what is required from employees in jobs in a broader, more comprehensive way to identify and close the gaps in individuals' capabilities and the requirement of the position.
- iii.) As a method to align individual and team performance with organization, vision, strategies, and the external environment (United States Office of Personnel Management, 1999).

The commonwealth of virginia identified the following six most important marketing skills and core competencies to be possessed by frontline service employees that help them to work towards profitability of their organization and provide quality service to satisfy customers (com-

Table 1. Analysis of selected Ethiopian companies employees competency factors

Marketing Parameters	Positive		Totals	Negative			Totals
	Always	Frequently		Occasionally	Rarely	Never	
1. Business Understanding	3.6	6.4	10.0	19.7	32.3	38	90.0
2. Result Focus	5.7	7.3	13.0	17.1	42.4	27.5	87.0
3. Customer Service Orientation	6.5	9.2	15.7	15.1	36.7	32.5	84.3
4. Teamwork	9.0	9.2	18.2	15.8	30.5	35.5	81.8
5. Interpersonal Communication	10.0	13.7	23.7	10.3	28.1	37.9	76.3
6. Personal Effectiveness	41.5	34.1	75.6	13.4	6.2	4.8	24.4

Figures are in Percentage.

monwealth of virginia, 2007). Understanding of the business results focus, customer service teamwork and cooperation interpersonal communication personal effectiveness.

The BC public service, on the other hand, focuses only on the three competencies of result orientation, customer service and team working (BC public service, 2002).

METHODOLOGY

The main objective of the research was to assess the competencies of frontline employees at the high customers contact areas of Ethiopian corporations. Due to the wide geographical coverage and large population of the study, the scope of the research was limited only to 50 Ethiopian companies in both public and private sector also covered both manufacturing and service sectors. The population for the study includes both front desk employees and all types of customers of the corporations found in Ethiopia. A random sampling technique was used to select sample employees and customers from the stratified population across fifty Ethiopian companies. A self-administered questionnaire of both open ended and closed ended forms to collect the relevant data from 300 customers and 500 employees of 50 companies in Ethiopia. Two types of questionnaires (for employees and for customers) were used to collect the necessary data from the selected sample employees and customers. The questionnaire for employees was structured around six marketing competence areas of business understanding, result orientation, customer service, team work, interpersonal communication and personal effectiveness. The questionnaire for customers was designed to collect data supplementary to the data collected from employees and data related to competency of employees that might not be directly answered by them. To ensure accurate data collections, the questionnaire was translated to local language (Amharic). The collected data from both employees and customers were summarized, coded and manipulated by using SPSS software package. The data was analyzed and interpreted using the statistical tools of frequency tables, cross tabulation and descriptive frequencies (mean responses) to answer the research question and achieve the desired objectives.

RESULTS AND DISCUSSION

Customer handling competencies: All frontline employees competency was assessed using the basic marketing competency indicators of business understanding, result focus, customers' service orientation, teamwork, interpersonal communication and personal effectiveness. In ana-

lyzing the result, the responses of the first three measurements (never, rarely and occasionally demonstration of competency indicators) are deduced as negative and the other two measurements (frequently and always) are inferred as a positive response to the questions (Table 1).

Business understanding: Understanding organizational aspiration, technical and operational skills of the services, ability to solve work related problems and knowing where to obtain assistance were the key sub competency indicators asked under this competency. According to the response of participants, the corporation's mission, objectives and goals is never (38%), rarely (32.3%) and occasionally (19.7%) understood by participants. The rest 6.4 and 3.6% of participants frequently and always understood the mission, objectives and goals of the corporation. From the above results it is clear that most frontline employees do not have a clear understanding of the company's mission, objectives and goals. Majority of them comment that they are not given awareness in training about the company's vision, mission and objectives.

Result focus: Under this competency indicator, participants are asked five questions regarding application of innovative ideas, timely performance of activities, working process improvement, prioritizing activities, achieving own performance target. The responses of participants show that they had never (27.5%), rarely (42.4%) and occasionally (17.1%) demonstrated result oriented competency and the remaining 7.3 and 5.7% frequently and always demonstrated expected level of result oriented competency. It is understandable from the above data that the majority frontline employees are less result oriented in delivering the service to customers.

Customers' service: Under this competency indicator, 15.7% of marketing employees frequently and always consider the needs and interest of customers while they deliver the service. The rest of them never (32.5%), rarely (36.7%) and occasionally (15.1%) consider the needs and interest of customers while delivering the customer oriented service. From the above results, it was apparent that Ethiopian companies' front desk employees were not that much competent in delivering customer oriented ser-

Table 2. Customers' overall evaluation of services quality provided by the Ethiopian companies

Types of customers	Overall evaluation of the quality of the services provided by the Ethiopian Companies				Total
	Very poor	Poor	Good	Very good	
	Individual consumers	76	88	32	
Corporate customers	34	12	4	0	50
Retailers	26	19	3	2	50
Total	136	119	39	6	300

vice.

Team working: Under this competency indicator, the response of participant shows that they had never (42.5%), rarely (33.5%) and occasionally (15.8%) participate in a teamwork willingly and actively to achieve common goals. The rest of them frequently and always (8.2%) participate willingly and actively in teamwork. From the above result it is lucid that most Ethiopian companies' frontline employees don't exhibit the team work, cooperation and information and experience sharing while treating the customer.

Interpersonal communication: The result shows that 37.9, 28.1 and 10.3% of respondents never, rarely and occasionally maintained proper exchange of information with the remaining peers. Only the remaining 23.7% of the employees were willing to exchange communication with their co-employees. The above analysis shows that there was poor inter-personal communication among the most marketing personnel of the Ethiopian companies.

Personal effectiveness: Under this competency factor, 4.8, 6.2 and 13.4% of frontline marketing employees of Ethiopian companies replied that they had never, rarely and occasionally had observed some inconvenience to show personal effectiveness in tackling the customers. And more than 75% of Ethiopian employees' confidently expressed their personal effectiveness at the time of customer tackling. From the data presented above, it is possible to say that most frontline employees are competent and personally effective.

Quality of the service and customers@satisfaction: As it is seen from Table 2, 255 customers out of 300 totally expressed their dissatisfaction about the services provided by the frontline employees of Ethiopian companies even though most of the employees have given positive opinion on their personal effectiveness.

However, it is difficult to exactly associate the quality of service with the level of employees' competency since service quality encompasses many more factors external to the basic marketing indicators.

Conclusion

Measuring customer handling competency of frontline

employees is not a simple task as it is difficult to identify which marketing capabilities leads to high performance of employees especially in the developing country like Ethiopia. There are so many factors beyond the basic marketing competencies that influence individual performance. However, it is possible to draw several conclusions from the findings of the study. The overall competency profiles show that majority of participants rarely and occasionally demonstrate most of the basic marketing or customer handling competency indicators and are not competent enough to deliver the full fledges of the service. Based on the findings of the research and the changing conditions of Ethiopian business environment, the following changes are required in handling the customers. Staffing the service delivery position with appropriately skilled personnel (the right man at the right position) is the first method for ensuring competent marketing personnel to achieve the strategic objectives of quality service. The training departments of Ethiopian companies should be focused on changing the training curriculum which is going to bring the competent knowledge, skills as well behavioral and attitudinal changes required to meet the present day's market situation. Customers' feedback is also an important input for the continuous improvement of the service delivery. Therefore, it is necessary to persistently collect the information from both the employees as well from the customers to get the frequent feedback about the service delivery and its system.

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