

## Enhancing Customer Service through Employee Engagement in the Service Sector. A Comparative Study of a Hotel and a Tour Operator in Victoria Falls, Zimbabwe

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### Abstract

*The aim of this paper is to ascertain how customer service could be enhanced through employee engagement. Lack of documented evidence of the contribution of employee engagement to customer service improvements in the service sector in Zimbabwe motivated the researchers to carry out this study. Customer service is at the heart of business growth and survival for organisations in the service sector. It therefore became imperative for this study to establish the contribution of employee engagement initiatives towards enhancing customer service. Organisations in Zimbabwe are focusing on re-capitalisation and re-industrialisation with the belief that organisational success may be enhanced, relegating people focus to a secondary status. However, a study on engagement within the service industry in Zimbabwe was therefore essential to ascertain the value of placing employee engagement at the centre of business success in enhancing customer service. The sample size for the study was 66 and the research adopted a mixed methodology approach, were a detailed description of employee engagement was given while also making some statistical illustrations. The approach took a comparative case study design using two service organisations a hotel and a tour operator. Research instruments used to collect data included questionnaires and interviews. The findings of the research showed that 58% employees in the tour operating company were engaged and strategies such as employee share ownership schemes, training and development opportunities and competitive reward packages were in place in that company than in the hotel where engagement level stood at 39%. The conclusion drawn is that customer service could be enhanced through strategically employing and implementing human resource practices that foster employee engagement. A number of recommendations were put forward by the researchers that could improve engagement levels of shopfloor employees in both organisations in order to attain high standards of customer service.*

**Key words:** Employee engagement, Customer service, Service sector, Victoria Falls, Zimbabwe

### Introduction

The challenge today is not just retaining talented people, but fully engaging them in their work activities. It becomes imperative for organisations to fully engage their most priced resource, the people, in reaching organisational goals. Employee

engagement has become a tropical subject not only for academics and researchers but also for practitioners in organisations (Schaufeli and Bakker, 2004). In a business environment highly characterised by dynamism and increased competition, organisations of repute in the service sector are beginning to value employee engagement as a panacea to challenges they face. Such challenges may include building sustainable customer loyalty and creating brands of choice that would attract and retain clients. Thus organisations seeking to trademark themselves and strategically realise their goals should embrace employee engagement as the magic potion to addressing customer service issues.

Customer service is the lifeblood of any business. It encompasses everything a company does to satisfy its customers and help them realise the greatest possible value from the goods and services they are purchasing. Kotler, Armstrong, Saunders and Wong (1999) argue that customer satisfaction and loyalty (customer service outcomes) can result only when the organisation has satisfied its employees. They advance that happy employees will let loose their enthusiasm on customers, creating even greater customer satisfaction.

Organisations in the service sector such as hotels and travel agencies should pay attention to customer service as their continued existence is dependent on customer retention. Building sustainable relationships with customers requires that an organisation retains its employees, who should exhibit high levels of organisational citizenship behaviour. In this day, the greatest possible arsenal available for strategically managing personnel lies in employee engagement.

Kahn (1990:694) defines engagement as “the harnessing of members’ selves to their work roles such that they employ and express themselves physically, cognitively, mentally and emotionally during role performance”. If employees are cognitively, emotionally, mentally and physically engaged they are able to give more than expected to the clients of their organisations. This helps to make customers feel important as supported by Kotler (2002) who states that customers should feel important and appreciated as this creates good feeling and trust.

Schaufeli and Bakker (2004) conclude that when one is engaged in one’s work one is absorbed in the work and approaches one’s work with vigor and stays dedicated to that work. They cement this notion by arguing that an engaged employee would bring his or her discretionary effort to work. Enhancing customer service requires building a sustainable relationship or connection between staff and clients. Truss, Soane, Rees and Gatenby (2009) contend that engagement should be viewed as a workplace approach designed to align individuals’ commitment to organisational goals and values, stimulate intrinsic motivation to ensure organisational success and at the same time it should enhance a sense of satisfaction for employees.

Rothmann and Rothmann (2010) stress that the need for business to maximise the inputs of employees has contributed to the interest in engagement. Business needs are driven by intense, often global, competition, which is increasing the need for employees to be committed and engaged to their company, their customers and their work in order to become distinct from competitors. Bakker, Demerouti and Schaufeli (2003) affirm that engagement predicts positive organisational outcomes including customer satisfaction. Empowerment has been identified as a factor leading to engagement (Simpson 2008). It enhances job involvement and satisfaction and is one way in which organisations can prevent job dissatisfaction (Rothmann and Stander, 2009). They further argue that when an individual is psychologically empowered they feel in control of their work, perceive of their work as being consistent with their values and feel competent to perform their duties and are confident of their abilities.

The service sector in Zimbabwe has faced contrasting experiences economically. Zimbabwe's tourism industry, widely celebrated in the 1990s, witnessed a sharp decline in business in the period 2000 to 2009 as a result of an unsustainable economy characterised by economic sanctions, travel restrictions, hyper inflationary conditions and loss of business among other pressures. The period 2010 up to this day has witnessed the country improving on the economic front, regional and international image and general governance such that the fruits unto the service sector are becoming more and more evident through increased business outcomes. (Robertson, 2011)

The paper is theoretically guided by three models. Kahn's 1990 personal engagement theory which asserts that engagement is an extension of the self. He argues that for one to be engaged at the level of the self they should experience psychological meaning (feeling of satisfaction upon task accomplishment), psychological safety (a sense of belonging and having a supportive team) and psychological availability (feeling that cognitive, emotional and physical resources are available to meet job demands). Schaufeli and Bakker 2002 in their work engagement theory assert that availability of job resources increases engagement while job demands such as work overload and lack of proper equipment disengages employees. The Gallup engagement hierarchy of 2001 advances four stages an employee goes through on the way to complete engagement and these include having access to basic needs such as adequate resources to perform the work, feeling valued and recognised, developing a sense of belonging and being provided with developmental opportunities.

## **Methodology**

The research largely took a qualitative approach allowing the researcher to gain a deeper understanding of people's perceptions, experiences and feelings about the

subject matter. Quantitative techniques were also used in presenting data and when measuring engagement levels of employees. The research took the design of a multiple case study using two cases namely a hotel and a tour operator. The researcher used both primary and secondary sources to collect data. Questionnaires and interviews were used as primary data gathering tools. The researcher also analysed customer feedback trend forms.

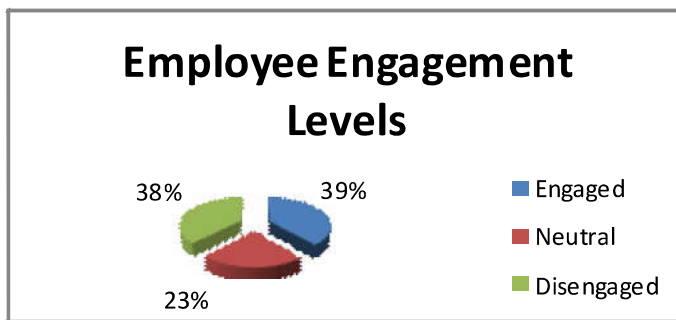
Questionnaires were distributed to 41 shopfloor employees and 17 first line and middle management in both organisations. The questionnaires distributed to shopfloor employees mainly chefs, drivers, waiters, bedroom hands, reservationists and receptionist cashiers measured their engagement levels as these are customer contact employees. Another set of questionnaires was administered to first line and middle managers since they play a critical leadership role in the organisations. Information collected from them was needed to ascertain their role in supporting employee engagement initiatives for improving customer service.

Interviews were employed in gathering data from 8 senior managers including human resources managers in both organisations. Information from senior management was gathered to understand the extent to which senior managers in both organisations were committed to customer service enhancement through crafting deliberate strategies that fostered employee engagement. 15 shopfloor employees were interviewed as they returned questionnaires. This was done to obtain a rich understanding of the rated responses. These interviews were randomly conducted with employees who had time to spare off their duties upon submission of questionnaires administered to them.

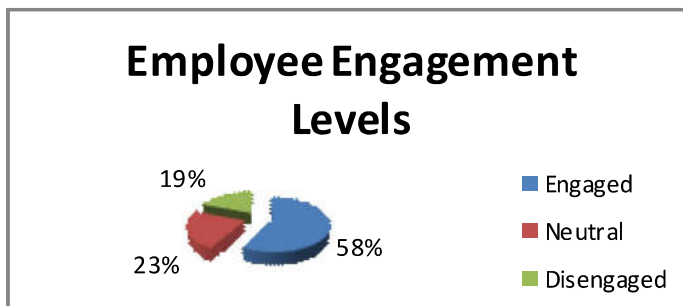
The sample size for the hotel was 36 consisting of 21 shopfloor employees, 10 first line and middle managers and 5 senior managers. For the tour operator the sample size was 30 consisting of 20 shopfloor employees, 7 first line and middle managers and 3 senior managers. Convenience sampling was adopted in selecting senior managers due to their busy schedules while stratified random sampling was used for selecting shopfloor employees and first line management to ensure representation of all departments in the organisations. Data was presented and analysed using the thematic approach. Yin (2003) states that this approach makes use of themes to present and analyse data where the researcher focuses on key issues by identifying aspects within each case and then looking for common themes that transcend the case. This approach allowed the researcher to make an easy comparison on the common issues coming out of both cases. Simple descriptive statistics in the form of graphs, pie charts and tables were made use of.

## Results and Discussion

A comparison of engagement levels for both organisations shows that shopfloor employees in the tour operating company are more engaged (58%) than those in the hotel company (39%) while their neutral percentages are exactly the same at 23%. Neutrality reflects that employees were indifferent when asked to rate certain aspects of the indicators used to measure their engagement levels. More employees in the hotel (38%) are disengaged than in the tour operating company (19%). An analysis of the indicators of employee engagement could lead to greater understanding of these statistics. One can contend that employees in the tour operating company are engaged to their work and organisation than those at the hotel. This would ultimately lead to better customer service by employees working for the tour operator.



**Fig 1a:** Engagement levels for employees at the hotel



**Fig 1b:** Engagement levels for employees in the tour operating company

**Roles and responsibility**

82% of the employees at the hotel and 77% in the tour operating company said they were aware of what was expected of them at work as roles and responsibilities were communicated through job descriptions, performance reviews and statutory handouts. Harter, Schmidt and Hays (2002) argue that engagement of employees can occur if there is clarity of expectations that is roles should be clearly explained to employees. That way, employees will get motivated to perform and accomplish their goals as they appreciate the contribution they make towards the attainment of organisational goals. It is good to note that both organisations understand the importance of clarifying roles and responsibilities to their employees so that they are able to perform to the best of their abilities. This would result in enhanced service delivery to clients and contribute to upholding high quality standards, a key success factor for organisations in the service sector.

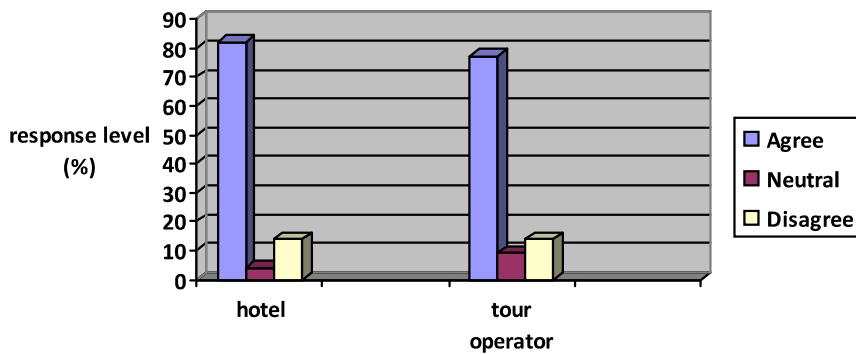


Fig 2: Response on role clarity

**Empowerment**

Empowerment implies that frontline employees can exercise a degree of discretion during service delivery and have the ability to make decisions over their work. (Grazier 1998 cited Kotler, Armstrong, Sunders and Wong 1999). Sixty eight percent employees in the tour operating company felt more empowered than the 28% in the hotel. By giving the employee control over his or her work within ethical boundaries, people working for the tour operator are able to provide exceptional service to customers and quickly resolve complaints from disgruntled clients. Sixty eight percent hotel employees felt disempowered citing poor management style

that leaned towards autocracy as the main challenge. This has led to the shopfloor employees finding their jobs disinteresting. Disempowered employees cannot deliver value to customers and clients.

Kotler et al (1999) argue that to win in today's marketplace, companies must be customer centred, and they must deliver superior value to their target customers. It therefore means that if the battle cry of a company is to exceed the expectations of its customers, then managers have to first exceed the expectations of their people. Empowerment is one vital strategy as acknowledged by Simpson (2008) saying it is a leading factor to engagement as it enhances job involvement and satisfaction.

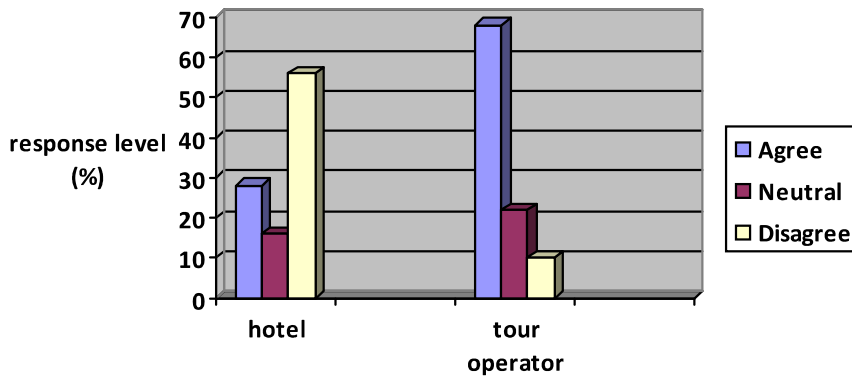


Fig 3: Response on empowerment

### Leadership and Support

Fifty six percent of the employees in the tour operating company felt their leadership was supportive and helpful than those at the hotel were only 22% employees felt they had supportive leadership. Hotel employees said their views were often not considered even on matters affecting their interests at the workplace, making it difficult for them to become attached to their organisation. They also felt they did not receive adequate feedback on how well they performed. In the tour operating company employees felt that management offered them support, appreciating their ideas and incorporating them in decisions they made. They said they felt satisfied by the leadership support inherent in the tour operating company and as argued by Kotler et al (1999) customer service can only result when organisations have satisfied service employees. Employees in the tour

operating company further stated that through various avenues such as having open door policy and team building exercises they advanced their views which were considered when management made decisions affecting their interests at the workplace.

Supervisor support is a key ingredient of achieving high customer service. Support can come in the form of demonstrating the willingness to guide employees in performing their duties or providing counselling sessions to employees on issues that affect their performance. When an employee receives support and feels appreciated and rewarded for performing his or her duties well, he or she will engage in his or her work. When employees find their supervisors and managers not or less supportive they will fear making customer pleasing decisions and will be slow in responding to customer enquiries and complaints leading to high customer dissatisfaction.

Freeney and Tiernan (2006) argue that having a supportive leadership instils a greater sense of responsibility among employees who would feel valued. This would foster their engagement towards achieving the ends of the organisation. It means that the employee will be motivated and become dedicated to their work leading to positive interaction with clients as exemplified by one shopfloor employee in the tour operating company who said management gave them room to make initiatives and as such they enjoyed and were empowered to recommend to clients various tours packages. This ultimately would lead to happy customers as they would go about having the feeling of satisfaction from the interaction with such happy employees.

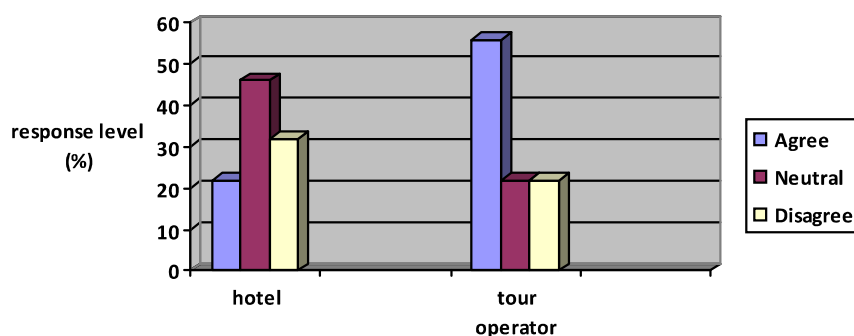


Fig 4: Response on leadership and support



## Growth and Development

Fifty eight percent of the employees in the hotel and 40% in the touring company felt their organisations were not supportive in training and developing them. Employees in the hotel felt that their jobs were not offering them opportunities and time to develop as they often had to contend with long working hours due to the nature of the industry, and this made it difficult for them to advance their studies. Employees in this company also felt that training opportunities were selectively availed, mostly to those in direct service provision, ignoring other employees from back of office departments. Management at the hotel concurred stating that the organisation concentrated on developing skills of employees mostly in the Food and Beverage and Kitchen departments ignoring those in other departments such as housekeeping, marketing and guest relations, repairs and maintenance, accounts, procurement and front office whose skills were equally critical in the organisation, generating a feeling of alienation among these employees. From the touring company 40% of the employees stated that the absence of a training and development policy bred inconsistency and selectivity in according employees time off to advance their studies.

Harter et al (2002) argue that for employees to be engaged in their work career opportunities should be availed to them. This makes them feel that the organisation cares for them and would in return fully commit themselves to their duties. The Gallup 2001 Engagement model highlights the importance of career development of staff to increase engagement. As argued by Kotler et al (1999) customer interaction becomes compromised when employees are not highly trained leading to customers not voicing their concerns but simply leaving and never to return again or dissuading potential clients from associating with such an organisation seemingly not concerned with service interaction.

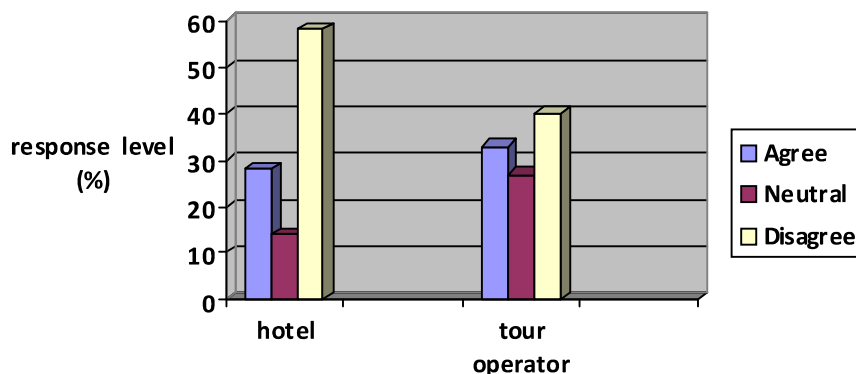


Fig 5: Response on growth and development

### Satisfaction and loyalty

Sixty percent of the employees in the tour operating company felt more satisfied and loyal to their employer than 14 % of those in the hotel. Employees in the hotel stated that they were less satisfied with their work due to lack of empowerment initiatives, low salaries and poor career management initiatives. They stated that the main reason why they were still contracted with the organisation was to gain exposure and also that job opportunities were very limited in a struggling economy. This demonstrates high levels of disengagement whose impact would be poor performance, service delivery, quality and ultimately lead to poor service interaction with clients. Management in the hotel cited red tape and policy inflexibility as impediments to their efforts to drive people centred strategies that would engage employees.

Kotler et al (1999) argue that customer satisfaction and loyalty (customer service outcomes) can only result when the organisation has satisfied employees and when an organisation has dissatisfied employees the likelihood of delivering good customer service even with all other resources available is limited. A dissatisfied employee would not speak well of his or her organisation. Disengaged employees can even damage the image of the organisation through bad publicity not only in the labour market but also in the media and this will chase away loyal customers.

Employees in the tour operating company stated that they felt satisfied with their jobs, enjoyed going to work and had a great sense of loyalty. This was attributed by management and shopfloor employees to the implementation of strategies such as empowerment, share ownership scheme, better paying salaries compared to their competitors, supportive leadership and flexible working arrangements that allowed people time to study. This meant that shopfloor employees in the tour operating company were engaged and were dedicated to meeting and exceeding customer expectations during service delivery. This conforms to the argument by Mullins (2000) cited in Lovelock, Wirtz and Chatterjee (2004) who says that happy employees will let loose their enthusiasm on customers, creating even greater customer satisfaction. As a result of their satisfaction employees in the tour operating company would even recommend their organisation to prospective employees as they tend to be satisfied and loyal to it. This shows that they are engaged to the organisation and when an employee is engaged, Lockwood (2005) cited in Endres and Macheno (2008) believe that he or she would speak positively about his or her organisation and would remain working for the organisation despite opportunities elsewhere.

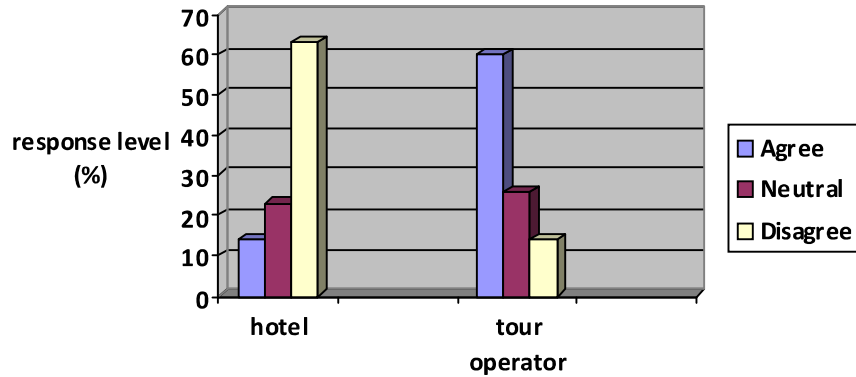


Fig 6: Response on satisfaction and loyalty

### HRM Practices Fostering Employee Engagement

To ensure employees become engaged in their work, it is vital that strategies or initiatives be put in place by organisations. People focused initiatives should motivate employees to perform highly, be fully committed and concentrated on their work and moreover become permanent citizens of their organisations. This will be beneficial to the organisation as argued by Bakker, Demerouti and Schaufeli (2003) that engagement predicts positive organisational outcomes including customer satisfaction.

Management in the hotel said that the organisation had implemented people focused practices to keep employees happy and satisfied at the workplace. The practices included comprehensive medical cover, monetary incentives, training and development opportunities, and accommodation. It is however the absence of such powerful strategies as empowerment and good leadership that makes only 39% of employees in the hotel engaged. Schaufeli, Salanova, Gonzalez-Roma and Bakker (2002) argue that the presence of job demands such as lack of empowerment and inadequate resource availability lead to employee disengagement and it makes it difficult for employees to become dedicated and absorbed in their work. The strategies in the hotel may not be sustainable in fostering employee engagement when compared to such strategies as empowerment of shopfloor employees and having supportive leadership.

In the tour operating company practices that were implemented in an effort to drive employee engagement included empowerment of employees over their work, performance incentives to customer service and support employees, share ownership schemes, improved communication channels and supportive leadership.

Shopfloor employees and management agreed that these practices had contributed to improved service delivery. Fifty eight percent of the employees in the tour operating company were found to be engaged. Employees stated that they were satisfied with their jobs, would recommend the organisation as a great place to work for and felt empowered by their supportive leadership. This could lead to cognitive and emotional engagement as said by Kahn (1990). Ultimately when employees are cognitively and emotionally engaged May, Gilson and Harter (2004) argue that they are psychologically available and would be willing to invest their effort in their work. High engagement levels of employees in company B can be translated into exceptional performance when serving clients such that customers would feel important and appreciated thus creating a good feeling of trust (Kotler et al 1999) which would lead to customer satisfaction and loyalty.

### **Challenges Faced in Driving Employee Engagement**

Employees at the hotel stated that lack of adequate and modern equipment made it difficult for them to effectively carry out their duties. If resources are limited, it compromises service provision and guests or clients would eventually become recipients of poor or low quality standards and this would permanently drive them away. May, Gilson and Harter (2004) stated that employee engagement is also a product of psychological availability, meaning that employees should also have adequate physical resources to engage at work. When employees lack adequate resources they fail to serve the customers well leading to customer dissatisfaction. In both companies poor salaries were stated to be a major impediment to staff retention. It becomes a challenge to get employees to excel in their work when they feel the compensation they get is not equal to the effort they put. The effect of poor salaries is demotivation and poor service which compromise customer service. The bureaucratic system in the hotel was a major concern among employees and management contributing to delays in making and approving decisions. Such a system leads to slow clientele service by the employees when they have to wait longer for decisions that could be made at shopfloor level if they are empowered. When this happens, a customer becomes inconvenienced in the service provision leading to loss of the customer.

### **Conclusion**

The research findings have established that organisations that invest in their people are able to influence the energies of these individuals to become dedicated and

committed in the performance of their duties and improve on the organisational service deliverance to customers. Employing people centered strategies such as empowerment, supportive leadership and clarity of roles and responsibilities have led employees in the tour operating company to better levels of employee engagement where 58% of the employees were found to be engaged in their work. In the hotel only 39% of employees were found to be engaged in their work. The low level of engagement among hotel employees was attributed to poor levels of employee empowerment, leadership support and low salaries hence the need for deliberate strategies to engage its employees. Conclusively, service sector organisations can enhance customer service by building and maintaining high engagement levels among their employees.

### Recommendations

- Management in the tour operating company should craft a comprehensive training and development policy that will provide a logical and systematic way of managing career plans for its employees. It will help the organisation to align individual career goals to those of the organisation and would present a felt fair system of granting study leave and funding.
- To create a greater willingness to serve guests management in the hotel can craft an empowerment policy that will allow employees within specified boundaries to make customer pleasing decisions without concern for repercussions as long as they are meeting customer needs.
- In the hotel the training policy should be made to provide development opportunities to employees from other departments such as housekeeping, front office and accounts as they are key customer service partners.
- In valuing the contribution of their service contact employees both companies can come up with customer service awards recognising employees for exceptional service for example a paid day off or incentive for receiving positive customer comments.
- Both companies can regularly conduct attitude surveys to gather information on the feelings of their employees towards the organisation, its leaders and customer service. This would go a long way in improving procedures and systems for effective customer service.
- Both companies can engage in benchmarking by carrying out surveys to establish model practices being employed by organisations in the best practice in so far as employee engagement is concerned.

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