

# Evaluating Customer Satisfaction for Training Provider: A case study in Johor Bahru

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## ABSTRACT

This study focused on level of customer satisfaction for training provider by using SERVQUAL method. This study was conducted in Johor Bahru (MPC JB, FMM JB and SIRIM JB). The objectives of this study are to determine the level of customer satisfaction for training provider and also to find the most anticipated service quality dimensions (based on SERVQUAL) for training provider. The method used in this study is a modified SERVQUAL based questionnaire using LIKERT SCALE for data collection. The data collection was conducted in Johor Bahru area where the respondents have attended training or received service from any of the three mentioned training providers. Mean analysis statistical is then used to analyze the data. Finally the level of customer satisfaction for the related training provider was obtained and it was found that there are three dimensions (tangible, reliability and empathy) needed quality of improvement in order for the training provider to increase their customer satisfaction and directly improve to excellent service.

**Keywords:** SERVQUAL, customer satisfaction, training provider.

## I INTRODUCTION

Companies in Malaysia have been providing training to their human force in ensuring their competitiveness and sustainability in the chaos of economy nowadays. The assistant of Human Resources Development by the government enhance the value of K-knowledge and skill of local personnel. This will ensure the investment from domestic and international companies to our shore in order to derive our growth of economy. Certain employers allocate a big amount of money for their employees training and upgrading of skills. Training programs are costly in money, but also in time. Therefore, they should be evaluated carefully to determine the effects, and to decide whether they should be improved or should be

continued (Herman and Karin, 2010). There are a lot of sources have been used for training by training provider. The level of satisfaction of customer and the effectiveness of the training is a critical factor to the company for human resources planning. Service quality is about ensuring customers, both internal and external, to get what they want. Customer satisfaction is the feeling or attitude of a customer towards a product or service after it has been used. Satisfaction and service quality are often treated together as functions of customer's perceptions and expectations. Training provider provide training for trainer while, training is a service to give to their customer. Service quality is determined by the differences between customer's expectations of services provider's performance and their evaluation of the services they received (Parasuraman et al., 1985, 1988).

In this context, the term of training refers to the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies. In other word, training entails personal involvement, commitment and experiential gains. Training involves learning by doing. Training aims to provide human force with proficiency in the execution of given tasks. Training is important for several reasons. In addition, trainings are purposive and meant to equip the human forces with the necessary skills or to upgrade skills that are required for particular jobs. The major advantage of trainings is the trained work forces need lesser supervision than those who are not. A trainee acquires new knowledge, skills and attitudes and applies them in job situations. Training is a key strategy for generating skills in people, since it enables them to both learn and unlearn skills – in other words, to acquire new skills and change inappropriate skills (Pilar Pineda, 2010). Services are intangible and heterogeneous. Thus, it is extremely difficult to assess. There are other researchers who have looked into the importance of customer satisfaction. Kotler (2000) defined satisfaction as:

“a person’s feeling of pleasure or disappointment resulting from comparing a product’s perceived performance (or outcome) in relation to his or her expectations”. Hoyer and MacInnis (2001) said that satisfaction can be associated with feelings of acceptance, happiness, relief, excitement, and delight. Simply stated, customer satisfaction is a customer feels when comparing his expectations with the actual quality of product or service provided. The advantage to determine the levels of customer satisfaction is to understand the customer’s feeling and perceptions. These result are also able to identify areas for improvement and make the necessary changes. The most obvious reason why companies have to worry about customer’s satisfaction is they need customers to be ready to repurchase their services in the future (Olga V. Krivobokova, 2009).

*“Quality” = “Customer satisfaction” = “Value” / “Cost”*

Excellent service quality and high customer satisfaction are important issues and challenges for the service industry (Hung et al., 2003).

This paper endeavors to fill the gap in the service quality which determines customer satisfaction by exploring the five dimensions of customer perceived service with expected service in the context of training provider in Johor Bahru.

## II LITERATURE REVIEW

### *SERVQUAL model*

One of the most popular models, SERVQUAL used in service was developed by Parasuraman et al (1985, 1988). SERVQUAL is based on the perception gap between the received service and the expected service, and has been widely adopted for explaining customer perception of the service (K. Ravichandran, B. Tamil Mani, S. Arun Kumar & S. Prabhakaran, 2010). Studies on service quality have extensively examined service quality measurement to help superiors effectively manage service quality delivery (Parasuraman et al., 1988; Babakus and Boller, 1992; Bolton and Drew, 1991; Cronin and Taylor, 1992; Yang, 2007). The SERVQUAL model has been widely used by service providers in various industries to assess key quality attributes with a view to devising strategies for quality improvement (Parasuraman et al., 1998). The SERVQUAL instrument enables providers to ascertain perceived service quality by calculating a so-called ‘gap’ between customers’

expectations of the service they would receive and their perceptions of the service they actually receive (Parasuraman et al., 1988, 1991).

### *Training*

Training may be defined as the systematic acquisition of skills, rules, concepts, or attitudes that should result in improved performance of the trainee (Aamodt, 2007). Training is often necessary to find a new job or to be successful in your career in an organization (Herman and Karin, 2010). Training is the key strategy for generating skills in people, since it enables them to both learn and unlearn skills – in other words, to acquire new skills and change inappropriate skills (Pilar Pineda, 2010). As illustrated by the preceding scenario, training sessions which deal with soft skills topics such as diversity and quality are often quite entertaining but seldom involve the kinds of hands on experiences that help employees translate awareness into action. Training should involve tangible, hands on skills and observable behaviors (Aaron W. Hughey and Kenneth J. Mussnug, 1997).

### *Evaluation of training*

Evaluation has become a very important task for the organization, and there are several very sound reasons to start to put more effort into it (At-Athari and Zairi, 2002). The evaluation of training in organizations is to mean the analysis of the total value of the training system or action in both social and financial terms, in order to obtain information on the achievement of its objectives and overall cost – benefit ratio of training, which in turn guides decision – making (Pilar Pineda, 2010).

### *Customer satisfaction*

Satisfaction is closely linked with the quality of the product or service received. The process of improving quality has to be aimed at consumers. The manufacturer must do the following (Olga V. Krivobokova, 2009):

- Identify customers and define their requirements for products;
- Transform the customer requirements into technical terms;
- Identify the stages in the technological process of manufacturing products, and develop criteria of the process;
- Assess the results and the level of customer satisfaction.

Customer satisfaction means the satisfaction degrees of customers purchasing commodities. Under electronic commerce, how to raise the consumers' degree of satisfaction and gain the consumers' loyalty has become the key factor relating with whether e-commerce enterprise can survive (Minghe Wang, Peide Liu and GuoliOu, 2007). Therefore, customer satisfaction must be translated into a number of measurable models to evaluate customer satisfaction level and organizational operating efficiency (Shun-Hsing Chen, Tsu-Ming Yeh and Chee-Cheng Chen, 2011). Providing high quality services and improving customer satisfaction are widely recognized as fundamental factors boosting the performances of companies in the hotel and tourism industry.

### III METHODOLOGY

To find if customers are happy with the products and services they are receiving, an organization must implement a metric for tracking customer satisfaction. This can be done by using a SERVQUAL questionnaire. The SERVQUAL is an instrument for measuring 'gap' between customer's expectations of the service they receive and their perceptions of the service they actually receive with respect to five dimensions of SERVQUAL scale. Primary data was collected and an undisguised structured questionnaire, SERVQUAL by Parasuraman was used for the study.

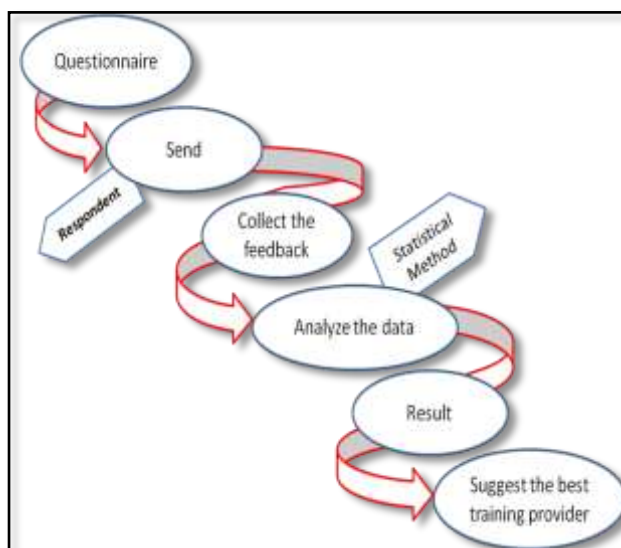


Figure1. Methodology process

The questionnaire uses Likert scales (seven levels) to evaluate according to any kind of subjective or objective criteria and followed by a series of

number which respondent can choose to show how much they agree with the statement.

### IV EMPIRICAL FINDING

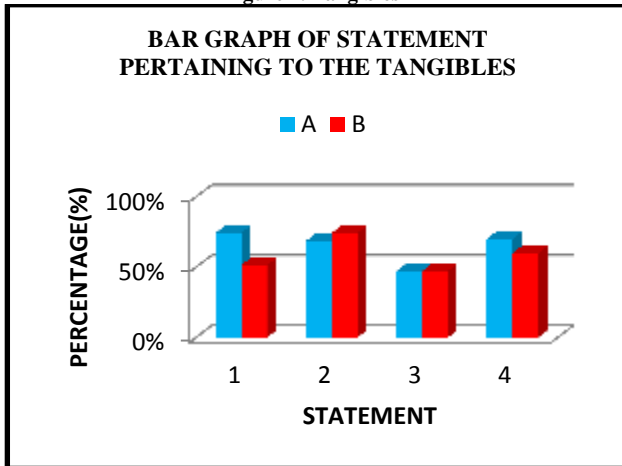
The questionnaire consists of open ended question, close ended question and question use LIKERT SCALE. Part A consists of five demographic variables investigated in this study. There are gender, profession, position, salary and training provider that the respondents have attended the training before. The demographics of the final sample are shown in Table 1. The majority of the respondents (73.4%) were male, and almost half (49.3%) from manufacturing profession as an executive (61.2%). Some (51.8%) get 3000 until 4999 of salary. The most popular training provider is MPC (53.3%).

Table 1. Demographic of sample.

Items	Detail	Percentage (%)
Gender	Male	73.4
	Female	26.6
Profession	Manufacturing	49.3
	Education	19.2
	Construction	31.5
	Others	0
Position	Non executive	27.7
	Executive	61.2
	Manager	11.1
	Others	0
Salary	Below 999	9.2
	1000-2999	29.4
	3000-4999	51.8
	5000-6999	9.6
	7000 and above	0
Training provider	MPC	53.3
	FMM	25.6
	SIRIM	21.1
	Others	0

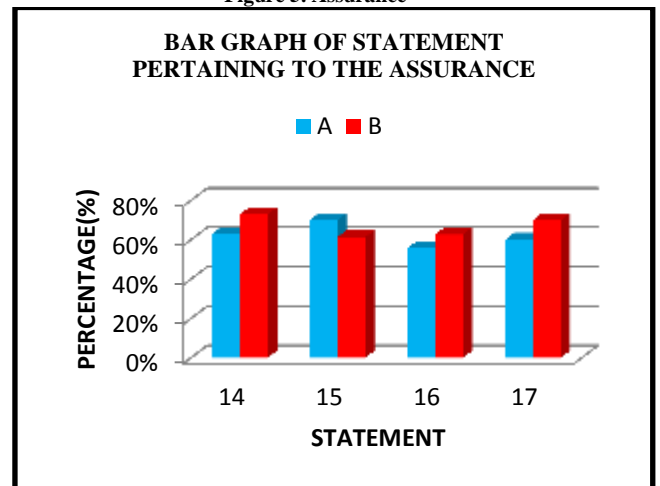
Part B has a set of statements relate to respondent feelings about training provider using LIKERT SCALE rating. The set has 44 statements. Statement 1a until 22a is for expected service quality of training provider and statements 1b until 22b is for received service quality of training provider. The values of the five dimensions (tangible, reliability, responsiveness, assurance and empathy) show the statements pertaining to the dimension.

Figure 2. Tangibles



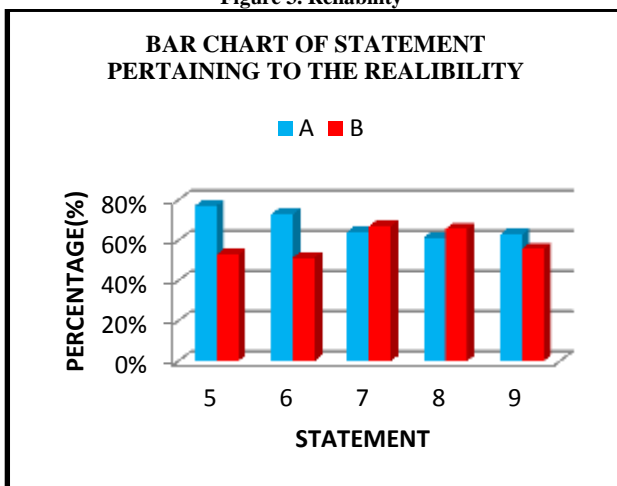
Bar graph represents the tangible result for statement from 1A until 4B.

Figure 5. Assurance



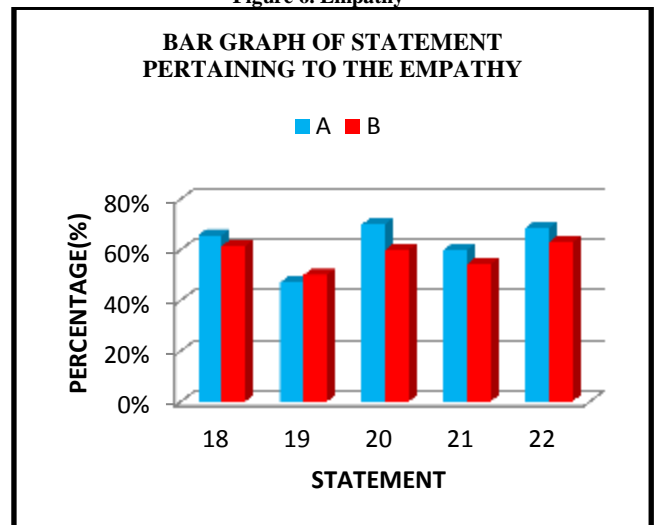
Bar graph represents the assurance result for statement from 14A until 17B.

Figure 3. Reliability



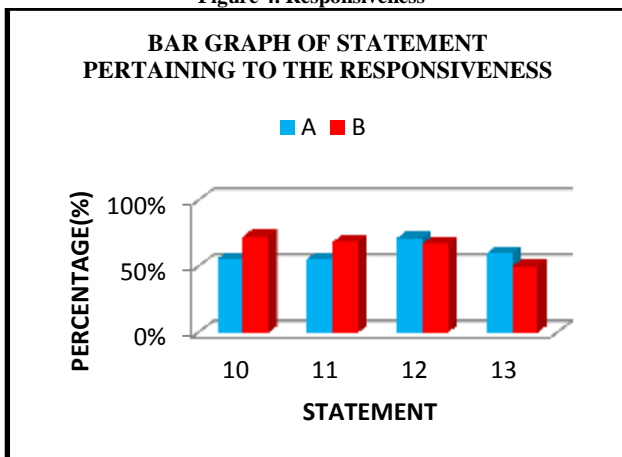
Bar graph represents the reliability result for statement from 5A until 9B.

Figure 6. Empathy



Bar graph represents the responsiveness result for statement from 18A until 22B.

Figure 4. Responsiveness

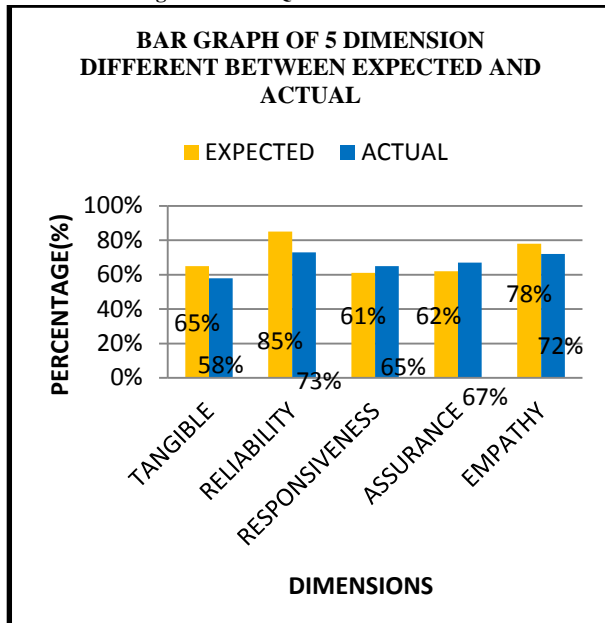


Bar graph represents the responsiveness result for statement from 10A until 13B.

The result shows the level of customer satisfaction which depends on the five dimensions measured. From that, it can determine which dimension is very important for customer.

## V CONCLUSION

Figure 7.SERVQUAL five dimensions.



The extent of the quality disconfirmation in five dimensions is based on the order from the highest different to the lowest different, as follows: reliability (11%), tangibles (7%), empathy (6%), responsiveness (-4%), and assurance (-5%). From this result, 3 dimensions can be improved like tangible, reliability and empathy. The tangible of training provider is the second factor to be improved by training provider which has less in appearance of physical facilities, equipment and communication for their expected customer. The most dimensions that were not fulfilled customer satisfaction are reliability. The training provider should be able to perform the promised service dependably and accurately for customer to be satisfied.

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