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FACTORS AFFECTING QUALITY CUSTOMER CARE SERVICES IN TELKOM KENYA

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Abstract

The purpose of the study was to examine factors affecting quality customer care service in Telkom Kenya: a case study of Telkom Kenya, specific objectives are to determine how staff training, to establish how accessible centres, to find out how policies and guideline, to examine how agility supply chain of goods and service affect quality customer care services in Telkom Kenya. The problem statement is Telkom Kenya lost most of its customers to its competitors mainly due to poor customer service skills, policies and provision by the organisation, poor agility supply chain management of its core products and services and lack of strategic business customer care location on a decentralized business system for easy accessibility by its clients. The scope of the study focused on Telkom Kenya Head Office in Nairobi. The target population includes the management, employees and the customers. The focus was on a selected sample of customers and employees seeking their opinion and views on the issues that influence quality service.

List of Abbreviations: *AT&T - American Telephone & Telegraph, EFQM - European Foundation Quality Management, HR – Human Resource, IT – Information Technology, KPTC – Kenya Posts and*
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Telecommunications, TK – Telkom Kenya, RDD – Research and Development Department, CIT – Critique Incident Technique, QFD – Quality Function Deployment, CCK – Communications Commission of Kenya

1. Background of the Study

Telkom Kenya, being Kenya's leading telephone provider was created in 1997 as a fully owned subsidiary of Telkom Kenya. In May 2007, Vodafone Group acquired a 40 % stake and management responsibility for the company leaving Telkom Kenya with 60% shareholding. Telkom Wireless Kenya entered the telecommunication service industry in the year 2007 and was officially launched in the month of January. Its prefix code starts with 020 giving Kenya an opportunity to fully appreciate the time potential of mobile telephone and creating an environment that stimulates simplicity, assurance, understanding and clarity. However, Telkom Wireless has faced stiff competition from three other operators who offer telephone services in Kenya; Safaricom Kenya, Bharti Airtel and Essar Yu Mobile. The company as a whole is divided into several departments. The customer care department provides services to the subscribers.

2. Problem of the Statement

Specialized Telecommunication institution are facing increasing challenges brought about by the effect of globalization, communication market liberalization and the vast opportunities being created by emerging new information technologies. Telkom Kenya has kept pace by continuously improving product taste and preference and marketing its products. But its main failures are lack of well structured customer care policies and guidelines, and HR department employment of untrained staff hence not looking at the end customer satisfaction and needs. A company creates its own image to the public according to the way it receives handles and discharges its customer and due to stiff competition and the poor handling of customers by Telkom Kenya, its market share has dropped by 49% while the customer volume has dropped by 45% since its inception to become the fourth ranked telecommunication company by market share and customer volume (CCK 2011).

3. Objectives of the Study

- i. To assess the factors affecting quality of customer care services in Telkom Kenya.
- ii. Determine how staff training affects quality customer care services.
- iii. Establish how accessible centres affect quality customer care services.

- iv. Find out how policies and guidelines affect quality customer care services.
- v. Examine how agility supply chain affects quality customer care services.

4. Justification of the Study

Despite the fact that Telkom Kenya was the first telecommunications company to be established in Kenya, it has seen a significant fall in market share while its two major competitors, Safaricom Kenya and Bharti Airtel have gained market share by 60% and 34% respectively (CCK 2009). This provokes a study in order to look into factors affecting quality customer care services in Telkom Kenya. Other studies done by scholar's lefts some gaps by not bring out clearly the main causes and relation between quality service and customer satisfaction. Also, the scholars have concentrated their studies in fast developed countries like India, Singapore and this leaves a gap which necessitates a study to be carried in a developing country like Kenya.

5. Significance of the Study

To the Telkom Kenya the study will help top management come up with customer care policies, procedures and guidelines to understand factors affecting service quality delivery in the industry. To the junior staff customer care training knowledge will be added to their experience hence understand the customer care operations well. The study can also be of significant help to the policy makers in the country in understanding how quality services should be provided to the customer as well as keeping in pace with the competition.

6. Limitations of the Study

The major limitation was employees and customers unwillingness to provide relevant information for fear of it being leaked to the company's competitors.

7. Target Population

The target population in research study included the employees of the Telkom Kenya and their customers. The population consisted of three categories of respondents namely, permanent employees (P.E), contracted employees (C.E) and customers of Telkom Kenya.

8. Sampling Design

Table 1 Sampling Design

Respondents	Frequency	Percentage
P.E	3500	83
C.E	600	10
Customers	5000	7
Totals	9100	100

The sample was a representative of the population. It included members who were participating in the study outlining their various characteristics.

9. Sampling Procedures and Sample Size

Stratified random sampling technique was used since it works more effectively where the sampling frame is heterogeneous i.e. different kinds of characteristics; consisting of permanent, contractual employees and casuals. The population was divided into small groups called strata then a systematic technique was used to select members who would participate in the study from each stratum. Due to the large population, a minimum of 10% sample size was a good representation of the population therefore, a choice of 9100 respondents was considered since it was more than 10% of the total population.

10. Data Collection and Survey Instrument

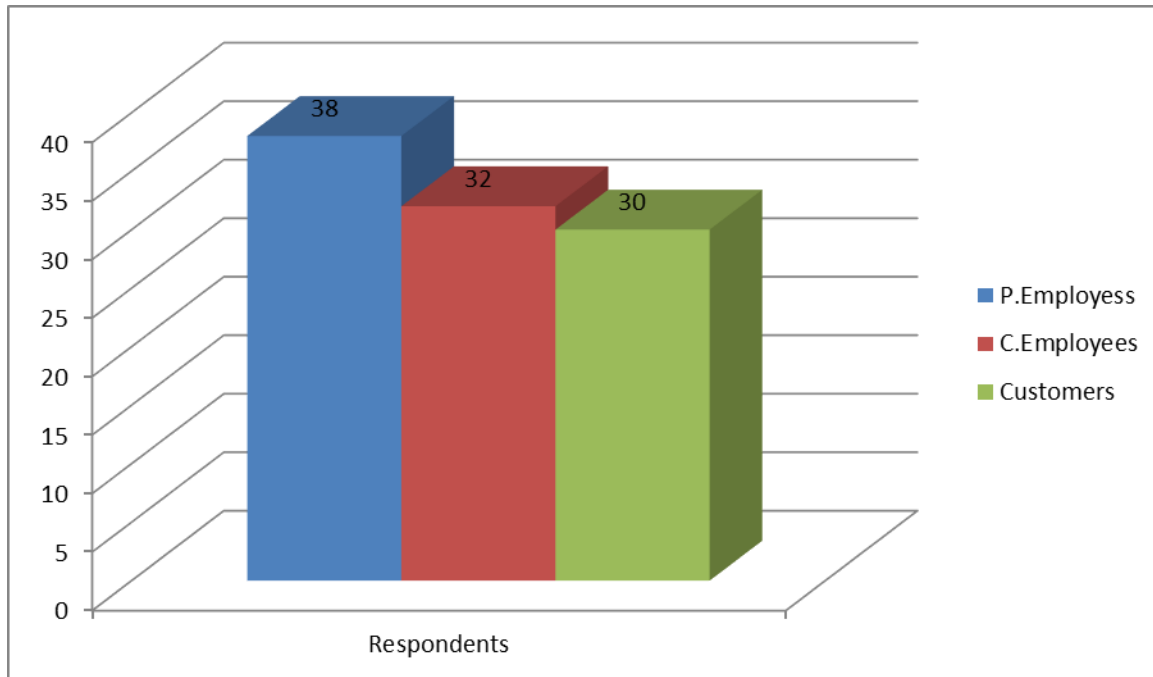
Data for this study was collected through the use of questionnaires which were semi-structured and based on pre-determined or standardized set of questions. Open-ended questions were used where there were no pre-determined answers while close ended were used where pre-determined answers were needed.

Data Analysis, Presentation and Interpretation

11. Staff Training

The study showed that 38% of the customers, 32% of permanent employees and 30% of the contracted employees supported the fact that customer care quality service is vital in every organization and if not can lead to loss of customers. This is presented in the figure below.

Figure 1 Staff Training



12. Strategic Care Location

From the response, most employees and customers (a total of 35) indicated that strategic care location affects services at Telkom Kenya, as opposed to a total of 15 respondents who maintain that strategic care location does not affect services at the company. This is displayed in the table below.

Table 2 Strategic Location

CATEGORY	Not affect		Total
	Affect		
P.EMPLOYEES	25	10	35
C.EMPLOYEES	6	4	10
CUSTOMERS	4	1	5
TOTAL	35	15	50

It implies that strategic customer care location enables easy access to Telkom products, after-sales services hence skills and knowledge to improve customer care quality hence improve organizational performance and service delivery in Telkom Kenya.

13. Customer Care Policies and Guidelines

Table 3 Customer Care Policy and Guidelines

CATEGORY		FREQUENCIES		
P.EMPLOYEES	25	5	5	35
C.EMPLOYEES	6	2	2	10
CUSTOMERS	3	1	1	5
TOTAL	34	8	8	50

The above analysis on customer care policies and guidelines 54% of the respondents stated that there is need for a well defined organizational structure to improve customer care services, 24% showed that the customer care policy was average while 22% showed that there is weakness. This implies that well structured customer care policies framework on how to deal with customer will attract more customers in the organization hence need to improve performance on quality of services given to Telkom Kenya customers.

14. Agility Chain Supply

Table 4 The effect of Agility Chain Supply in Telkom Kenya Ltd

CATEGORY		FREQUENCIES		
P.EMPLOYEES	21	4	5	30
C.EMPLOYEES	10	2	2	14
CUSTOMERS	3	1	1	5
TOTAL	34	7	8	50

43% of the respondents stated that there is need for a well defined organizational agility to access products strategy, 38% showed that the agility strategy was average while 12% showed weakness in the agility strategy.

15. Summary of Findings

The study focused on four specific variables which were customer care policies and guidelines, agility supply of products and services, staff training and customer care strategic business location. The study revealed that customer care training is very important in every organization as it provides staffs with customer knowledge and skills to manage customers. The respondents also seemed dissatisfied with the employee's services. They claimed that the firm lacks continuous supply chain hence there was no agility supply of products and services. Customer care training was recommended that employees were to be well trained and be given customer care knowledge ,skills in order to boost their customer handling ability and get to attract more customer hence increases organizational performance.

16. Conclusion

The objective for this study was to clarify the factors that affect quality customer care provision in Telkom Kenya Ltd. Efficient and effective training and development of employees is an essential element for Telkom Kenya continuing growth in an increasingly telecommunication world. Telkom Kenya requires employees who are committed and flexible in order to aid its expansion of the business. The expansion of Telkom Kenya relies on retaining existing customers and acquiring new ones. All customers need to be confident and happy in Telkom Kenya. This relies on committed and flexible employees delivering the highest standards of service to meet Telkom Kenya objectives. Telkom Kenya structured approach to training and developing its existing and new employees provides a strong foundation for its continuing growth.

The study also suggests that the consumer decision-making process for service products is best modeled as a complex system that incorporates both direct and indirect effects on quality of the service.

17. Recommendations

The study recommends that if Telkom Kenya is to compete competitively in the world market and Kenya, it should specifically concentrate on service quality delivering to customer hence customer satisfaction. The customer care department should be taken seriously and those employees trained on

customer care values in order to improve their services to its customers hence customer satisfaction and improve organisational performance. It further recommends that employees should be provided with proper facilities and equipment like motor vehicles, motorcycles in order to timelessly and agile deliver product and services to the customers hence remain competitive in the market.

Telkom Kenya should institute appropriate motivating factors like salary improvement, incentives to boost staffs working morale. Training was also recommended for the employees to acquire relevant skills, knowledge and attitude towards the job and enable quicker and easier handling of customers and development of good public relations.

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