

Mpofana Municipality: an investigation of the perceptions of municipal stakeholders towards service delivery.

By

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Submitted in partial fulfilment of the requirements for the degree of Masters of Business Administration, School of Management, University of KwaZulu-Natal, Pietermaritzburg, South Africa,

15 September 2006.

ABSTRACT

This study aimed at investigating perceptions of different stakeholders, which were the community, administration (staff) and councillors on service delivery by Mpofana Municipality. This research provided recommendations that would assist in terms of accelerating service delivery, which is noted as the most fundamental responsibility of all municipalities in South Africa as the fulfillment of the constitutional mandate. The study provided recommendations that will assist in terms of accelerating service delivery, not only in urban areas but in rural areas as well.

The study focused on Mpofana Municipality using the Servqual model to measure perceptions in terms of service delivery, i.e. what is expected compared with perceptions of service experienced.

The overall SERVQUAL score of the councillors and the staff revealed that the perceptions were equal to the expectations. The results showed that the SERVQUAL calculated from the responses of the staff and councillors were very similar and the gap between their perceptions and expectations was minimal. These results confirmed that staff and councillors hold similar expectations and perceptions in relation to customers. The results of the staff and the councillors were very similar because they were internal respondents associating themselves with the Mpofana municipality.

The results showed that the community's expectations about the service which they received from Mpofana Municipality did not match their perceptions. This presents a great challenge to the councillors, as well as to the management of the municipality. The Mpofana Municipality is expected to provide excellent service to its customers all the time.

What customers/client/community wanted and what they got from an institution did not match. This was not a satisfactory indication of the quality of service that the Mpofana municipality was displaying. These SERVQUAL scores also indicated that

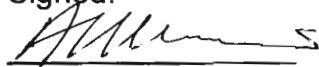
there were definite areas needing attention e.g. reliability, responsiveness and assurance.

Service delivery could be improved if both councillors and staff were to align their expectations to those of the community and design services to the specifications and expectations of the customers.

DECLARATION

I, Muzi Aaron Madlala hereby declare that the contents of this dissertation are my own work, and that all sources utilised; have been accurately reported and acknowledged. This dissertation has not, nor is submitted for any degree / examination at any university.

Signed:



Muzi Madlala

29/01/2007.

Date

ACKNOWLEDGEMENTS

The following people are thanked for making this study possible:

Professor Debbie Vigar-Ellis, for supervision.

Mandla Ntombela, for his assistance during this study.

The Mpofana Municipal Council and staff, for allowing me to conduct this study and for providing data.

Lastly, but not least, my colleagues from the School of Business and all my family members.

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CHAPTER ONE: INTRODUCTION

1.1 INTRODUCTION

This section of the study gives information on the background and motivation. It starts by looking at the background of the proposed study and thereafter, the motivation related to the proposed research.

1.2 BACKGROUND TO THE STUDY

The Mpofana Municipality comprises the former Transitional Local Council (TLC) area of Mooi River and portions of the former Indlovu Regional Council's Sub-Region 2. The municipal area covers an approximate 181 000 hectares. The demographic information was drawn from the 2001 Census figures compiled by Statistics South Africa (South African Census, 2001). The total population for the area in the 1996 Census figures was estimated at approximately 25 101, and the 2001 Census results estimate a total of 36 826 (Mpofana Municipality, Integrated Development Plan, 2004, p.10). In terms of the gender breakdown the majority of the population are males, at 51.7% (19035) with females at 48.3% (17791).

A large portion (42.6%) is under the age of 19 years old, the 15-19 years age group has the largest population of 11.4% in terms of the age breakdown category. The above information indicates that the fairly young school going population will require schooling facilities in the near future.

The provision of services for both the rural and urban component of the municipality is currently at different levels. The urban area has far more services and facilities, with a fairly low overall population, suggesting a clear imbalance between the areas (South African Census, 2001, 2001, p, 65).

The Republic of South Africa, Local Government: Municipal Structures Act, 1998, Section 18 defines the municipality as the third sphere of government made up of

Council (political office bearers), administration and the community. The government of the Republic of South Africa is made up of three spheres of government i.e. National, Provincial and Local. Mpofana Municipality falls under the Local government. The mission of Mpofana Municipality is to be a pro-active, accountable and financially viable municipality that is continually striving to provide efficient, sustainable and customer-oriented services (Mpofana Municipality, 2004, Integrated Development Plan, p. 4).

In terms of the Republic of South Africa, Constitution Act 108(1996) sec. 152 (1) the objects of local government are:

- a. to provide democratic and accountable government for local communities;
- b. to ensure the provision of services to communities in a sustainable manner;
- c. to promote social and economic development;
- d. to promote a safe and healthy environment; and
- e. to encourage the involvement of communities and community organisations in the matters of local government

(Republic of South, 1996 Constitution (Act 108), Section 152).

The Republic of South Africa (Local Government: Property Rates (Act no. 6), 2004, Section 2) entitles the Municipality to levy taxes on properties and for services rendered in its area of jurisdiction. All revenue raised is spent in accordance with the budget, to provide services and develop and maintain infrastructure. In return, the community expects services to be delivered for taxes paid. The Member of the Executive Council (MEC) for Local Government allocates powers and functions to municipalities, according to size and capacity. The following powers and functions are allocated to Mpofana Municipality:

- a) Building regulations
- b) Electricity reticulation

- c) Local tourism
- d) Municipal planning
- e) Municipal health services
- f) Storm water
- g) Trading regulations
- h) Billboards
- i) Cemeteries
- j) Cleansing
- k) Control of public nuisance
- l) Fencing
- m) Licensing of dogs
- n) Licensing and control of undertakings that sell food.
- o) Local amenities
- p) Local sports facilities
- q) Municipal parks and recreations
- r) Municipal roads
- s) Noise pollution
- t) Pounds
- u) Public places
- v) Refuse removal, refuse dumps and solid waste disposal.
- w) Street trading
- x) Street lighting
- y) Traffic and parking

(South Africa Local Government Demarcation. 2004)

1.3 MOTIVATION OF THE PROPOSED STUDY

The above-mentioned powers and functions determine the nature of services to be rendered by the municipality to its community. Mpofana Municipality receives an allocation from the national budget to execute its mandate of providing basic services to the community. According to the Republic of South Africa (Local Government: Municipal Systems Act, 2000, Section 16) municipalities are required to ensure community participation in the budget process. The same Act also requires the Municipality to prepare a five- year integrated development plan and be reviewed on an annual basis (Republic of South Africa, Local Government: Municipal Systems Act, 2000, Section 23). The community is supposed to make a significant input to the plan and be fully appraised of budget implications and the type, as well as level, of service to expect. Mpofana Municipality prepared the integrated development plan in 2001, with specific intended development and service delivery outcomes.

Two of the four wards that make up Mpofana Municipality are rural and predominantly farm areas. Both of these wards were not part of the municipality prior to 2000. Since 2000, outstanding debt for rates and services has been escalating by R1m monthly. It is currently at R36m and indicative of high non-payment level. Due to a very unstable financial situation, the municipality has not been in a position to maintain its fleet, equipment and infrastructure, resulting in a negative impact on service delivery. A number of positions remain vacant, resulting in serious constraints on capacity to render uninterrupted service delivery.

Mpofana receives an average of three complaints daily, in relation to bills issued and low levels of service delivered to members of the public. Due to constant pressure from the community, the councillors are blaming the administration for poor service delivery. In the same way, the administrators are blaming

councillors for work overload and not providing adequate resources that can accelerate service delivery.

1.4 RESEARCH PROBLEM

The increase in the total population is putting immense pressure on the already limited services available to the community, who live mainly in the urban component of the municipality. The community living in the urban areas represents only a small percentage of the total population. A large percentage lives in rural areas, where there are little or no services available to those communities.

Historically, municipalities have supplied infrastructure services through service departments arranged on hierarchical departmental lines (Department of Local Government, Guidelines for Private Sector Participation in Municipal Service Delivery, 2000, p.11). Generally, individual infrastructure services have not been separated into autonomous units with clear objectives, or given the financial autonomy to pursue those objectives. Therefore the challenge that faces South African municipalities is to deliver better services to residents within the context of limited financial and human resources.

This study is investigating perceptions of different Municipal stakeholders that could be informed by challenges facing Municipality in terms of service delivery. These challenges could lead to dismal failure of Mpofana Municipality to deliver on its mandate on service delivery and neglecting that community participation could play a vital role. The common problem prevailing across the municipalities is lack of co-operation among municipal stakeholders, which are the community, administration and councillors according to this proposed research (Republic of South Africa, 1997, White Paper on Transforming Public Service Delivery, p.4). Subsequently, that leads to poor service delivery, lack of communication and uncoordinated objectives (Republic of South Africa, 1997, White Paper on Transforming Public Service Delivery, p.3).

The study also aims at investigating perceptions of different stakeholders which are the community, administration and councillors, on service delivery by Mpofana Municipality. This research will provide recommendations that will assist in terms of accelerating service delivery, which is noted as the most fundamental ideology of all municipalities in South African as the fulfillment of the constitutional mandate. The study will provide recommendations that will assist in terms of accelerating service delivery, not only in urban areas but rural in areas as well.

1.5 RESEARCH OBJECTIVES

- To investigate perceptions on service delivery at Mpofana Municipality.
- To establish dimensions contributing to any gaps in service quality.
- To establish if there are differences in terms of stakeholders perceptions.

1.6 ANTICIPATED CONTRIBUTION

The study will assist in terms of speeding up the service delivery process through the identified problems that create obstacles. Stakeholders will understand the operational roles within the broader scope of what is expected of themselves as key players of better service delivery. The results of this report will be directly presented to the Provincial Department of Local Government and Mpofana Municipal Council, for consideration and possible implementation of the recommendations.

1.7 CHAPTER PLAN

Chapter 2: covers the theoretical framework underpinning the study. It looks at the definition and characteristics of services. The Servqual gap analysis model is discussed in the context of the objectives intended to be achieved by the study.

Chapter 3: looks at the literature that has been used or provided by the government of the country on day-to-day issues on service delivery and developmental programmes. The government has enacted various pieces of legislation, enabling local government to conduct its affairs. Acts and policies will

be considered as main sources of information and special attention will be given to Batho Pele principles. The Batho Pele is the national government's policy for transforming public service delivery. (Republic of South Africa, 1997, White Paper for Transforming Public Service Delivery, p.1) It is all about giving good customer service to the users of government services.

Chapter 4: Research Methodology: provides information on the research methodology.

Chapter 5: Presentation: presents findings of the study.

Chapter 6: Discussion of findings and Conclusion: deals with the discussions and the conclusion of the study.

Chapter 7: Recommendations: provides recommendations from the study.

Chapter 8: Limitations and further recommendations: views limitations of the study and future recommendations that could be developed for further research.

CHAPTER TWO: THEORETICAL FRAMEWORK OF SERVICE DELIVERY

2.1 INTRODUCTION

This chapter covers the theoretical framework underpinning the study. It looks at the definition and characteristics of services. The Servqual gap analysis model is discussed in the context of the objectives intended to be achieved by the study.

2.2 DEFINITION OF SERVICES

Services are economic activities whose output is not a physical product and which are consumed at the time when they are produced (Zeithaml, 2003, p. 3). "In the simple terms, services are deeds, processes and performances" (Zeithaml and Bitner, 1996, p. 5). Services have certain characteristics which are different to those of goods and call for the use of appropriate marketing techniques.

2.3 CHARACTERISTICS OF SERVICES

Services have specific features that distinguish them from goods. For the purposes of understanding service marketing, quality and management, it is worth noting the following characteristics of services:

- Intangibility
- Perishability
- Inseparability
- Variability

(Mc Coll *et al.*, 1998, p.48).

2.3.1 INTANGIBILITY

A pure service cannot be assessed using any of the physical senses such as touch, taste and smell (Mc Coll, 1998, p.48). Unlike goods that are mostly objects in nature, services are performed and cannot be produced and stored (Zeithaml, 2003, p.20). Some services come with tangible products. In such instances, what

appeals to the consumer is how the product is being served rather than the product itself (Zeithaml, 2003, p.451).

As a consequence of intangibility;

- It is difficult to patent services (Zeithaml, 2003, p.20).

Physical goods, because of their nature, can be touched and pre-determined before consumption. This allows a company to claim the sole right of producing that particular product. It is a challenge to most companies to patent a deed or performance which cannot be touched or repeated in the same manner that it was originally delivered. Even if a service company can develop new service concepts, competitors can easily copy those methods, as they are not legally protected.

- Customers cannot judge quality in advance (Zeithaml, 2003, p.20).

When purchasing goods, customers can be afforded an opportunity to inspect the product intended to be purchased whether it meets the expected service quality standards before any decision is made. In some instances, samples are given out as part of the marketing process. The only time a customer can evaluate the quality of service offered is after the service has been produced. A service can only be assessed after experiencing it. Reliability, personal care, attentiveness of the staff and their friendliness can only be verified once a service has been purchased and utilized (Mc Coll, 1998, p.48).

Services cannot be displayed resulting in difficulty for the customer to evaluate quality prior to consumption. For example the quality of service offered by a bank can only be evaluated after the service experience, as it cannot be pre-assessed.

- The lack of a tangible product makes advertising difficult (Zeithaml, 2003, p.20).
- Lack of intangibility poses marketing challenges to service providers in deciding on advertising strategies, especially on how to communicate the service offer to the customer.

In order to address challenges presented by intangibility, marketers should implement service-marketing programmes, which will reduce customer uncertainty by means of adding value and should implement other strategies to reduce the risk from the customer's perspective (Lovelock, 1996, p.140). One of such strategies is to add tangibles to the service offering (Kotler and Armstrong G, 1999, p.577), e.g. the look of the buildings and people and communication material, as well as the equipment.

2.3.2 PERISHABILITY

Unlike goods, services are perishable and therefore cannot be stored or inventoried to meet fluctuating demand patterns (Kurtz, 1998. p.11). Where a service is offered and not utilised at the time when it is available, it becomes lost forever because it cannot be saved for future use and becomes a lost opportunity to the company, e.g. empty aeroplane seat (Fitzsimmons and Fitzsimmons, 2001, p. 28).

To reduce the negative impact of perishability, service companies must develop strategies to cope with fluctuating demands by making simultaneous adjustments in demand, supply and capacity (Kurtz, 1998.p.11). In order to plan for adequate supply and appropriate capacity, demand forecasts must be accurate. The imbalance between demand and capacity is likely to have an impact on service delivery (Kurtz, 1998, p.101). If the demand for a service exceeds capacity, the resources are overstretched, resulting in low service quality standards (Zeithaml, 2003, p.413). Where demand exceeds capacity, some customers end up being turned away, leading to profit loss, as well as unhappy customers. Likewise, low

demand leaves much of the resources underutilized (Zeithaml, 2003, p.413). Ideally, a business must strive to achieve an optimal balance between capacity and demand (Zeithaml, 2003, p.413). But because of the nature of the services; they cannot be inventoried and are perishable, it becomes very difficult for service firms to predict the fluctuation of service demand patterns (Zeithaml, 2003, p.413). Because of this unpredictable fluctuation of demand trends, the service firm could end up not delivering according to specific service design and the customer being unhappy with the service experience (Zeithaml, 2003, p.413). Service companies are always faced with the challenge of striving to improve their levels of quality service in order to satisfy customers and to maintain or improve their market positions (Mc Coll *et al*, 1998, p.33).

In order to improve service quality, service companies need to understand customers better in terms of their expectations and perceptions regarding their service offerings (Mc Coll *et al*, 1998, p.25). The vehicle that can be utilised to understand the expectations of the customers is marketing research (Zeithaml, 2003, p. 125). Some companies believe they understand what customers want and design service products without actually finding out the customers' expectations (Zeithaml, 2003, p. 124).

2.3.3 INSEPARABILITY

The manufacturer is able to make goods, when convenient to it, and then the goods are made available to customers, at times which are convenient for them (Mc Coll *et al.*, 1998, p.49). Services are usually sold directly to the customers. Service is said to be inseparable from its means of production (Mc Coll *et al.*, 1998, p.50). Services are sold first before being consumed, unlike goods, which are produced before being sold for consumption (Zeithaml, 2003, p.21). The production and consumption of services cannot be separated and sometimes the consumer can take part during the production (Zeithaml, 2003, p.21). Services are produced and consumed simultaneously.

The production of most services requires the consumer to be physically present at the production point (Kurtz, 1998.p.11). The service process can, in most instances, only start when the customer is present (Kasper *et al*, 1999, p. 16).

When a service is intangible and inseparable it becomes difficult for service providers to maintain a consistent output level (Palmer, 2001, p.19). This is in contrast to the manufacturing of goods, whose output volumes, because they are physical objects, can be pre-planned, quantified and produced at a predetermined output level.

Inseparability has certain marketing implications and poses challenges to the way in which services are marketed. Because they are sold before being consumed, mass production becomes impossible (Zeithaml, 2003, p. 22). The opportunity of pre-delivery inspection, which is open to the goods manufacturer, is not normally possible with services. Once a mistake has been made there is no chance for it to be corrected, before consumption occurs. In goods production, quality is dependent on production processes, whereas, in the case of services, the involvement of the customer in the production process may affect the outcome of the service transaction, either positively or negatively (Zeithaml, 2003, p. 22). Part of service production entails interaction with the consumer and consumers interacting among themselves, thereby affecting each others' service experience (Zeithaml, 2003, p. 21). The quality of that interaction will determine whether the consumer will repeat the purchase of the service in the future (Zeithaml, 2003, p.353).

2.3.4 VARIABILITY

Services are usually performed by human beings who happen not to be alike and consequently provide different levels of service. Various service employees perform the same service differently and even the same service employees will provide varying levels of service from one time to another (Kurtz, 1998, p.13). Because service is a performance, sometimes by different people, providing the same level of service becomes impossible (Zeithaml, 2000, p. 33). It therefore

becomes difficult to maintain consistency when the production relies on imperfect human inputs.

Variability is also a result of different people who experience service differently. The same service is offered to different people who have different preferences.

Complexity of the service transaction process will determine the extent of variability. This can differ between institutions and even within one institution (Kurtz, 1998, p.79). The dimension of variability is the extent to which a service can be customised to meet the specific needs of individual customers (Mc Coll *et al*, 1998, p.62). This results in variation of the service to suit specific needs of a particular customer (Gabbott and Hogg, 1998, p.28).

The major problem with a service being variable is that it can pose problems for brand building in services, compared to tangible goods (Mc Coll *et al*, 1998, p.50). In many situations it makes it difficult to have standard costing and pricing of service provision. (Mc Coll, *et al*, 1998, p.51).

The challenges presented by variability can be overcome by carefully selecting and training staff on a continuous basis (Kotler and Armstrong, 1989, p.578).

Services thus have different characteristics to those of goods. Unlike goods, services are intangible, perishable, inseparable from the production process and highly variable.

Because of the nature of the services, with their unique characteristics, the traditional marketing mix of goods is not applicable to services marketing techniques. The traditional marketing mix is extended to suit the unique characteristics of services.

2.4 THE SERVICES MARKETING MIX

The marketing mix is the term used to describe the combination of elements comprising the offer that the business makes to its customers. The traditional marketing mix consists of four Ps, namely: product, price, promotion and place. the services marketing mix, because of the unique characteristics of services, comprises of seven Ps namely: service outcome (product), price, place, promotion, physical evidence, people and process (Clarke, 2000, p.44). The marketing mix implies that the elements are interrelated (Kurtz, 1998, p.22). These elements are to be individually manipulated such that, when put together, they create an appealing proposition to the customer and also maximize profits for the business (Kurtz, 1998, p.21). This section embarks on a discussion of the service marketing mix, which is a set of tools available to the company to shape the nature of the business offering to customers (Mc Coll *et al.*, 1998, p. 17).

2.4.1 SERVICE OUTCOME (PRODUCT)

The product is the means by which the organisation seeks to satisfy consumer needs, which might be tangible or intangible (Mc Coll *et al.*, 1998, p.19). The service outcome is the product component of the mix comprised of two elements, viz. technical and functional. The technical component is the end result of the service offering, whereas the functional component refers to the manner in which the service is delivered (Kurtz, 1998, p.22). The provision of electricity is a typical example of the service outcome component of the marketing mix of Mpofana Municipality. The availability of energy to residents makes up the technical element of the service outcome, while the efficiency with which it is provided will make up the functional element.

2.4.2 PLACE (DISTRIBUTION)

Distribution refers to availability and accessibility of services (Kurtz, 1998, p.23). Physical location becomes an important element when the customer becomes an active part of the production process (Mc Coll *et al.*, 1998, p.20). Location of the service should be in a place that is most convenient to both service provider and customer (Payne, 1993, p.263). Customers seek local access to services, often

at a time which may not be economically advantageous to the producer (Kotler, 1996, p.441). Not all of the services offered by the Municipality are available and accessible to all of its residents. Service points make up the crucial elements of the place component of the marketing mix.

2.4.3 PRICE

When pricing, it is important for the organisation to decide on its strategy for the product and, at the same time, to seek additional objectives. The clearer the company is about its objectives, the easier it is to set the price (Kotler, 1996, p.341). A company that seeks to make profit recovers all of its production costs and charges a margin that satisfies its objectives, having taken into consideration what the competitors charge for a similar product (Lovelock, 1996, p.237).

Customers perceive the low price as an indicator of best value for money (Lovelock, 1996, p.237). Customers do not mind paying high prices, as long as the quality of the product that they buy is worth it (Lovelock, 1996, p.239). This will depend on the quality of the service they receive. Because of the inherent characteristics of the services, price becomes important to consumers, as an indicator of what to expect (Kotler, 1996, p.384). A high price can convey a message of better service being provided. There are a number of factors that influence how prices are determined.

The four main factors are:

- The cost of producing the service
- The amount customers are willing to pay
- The price that competitors are charging &
- The regulations imposed by the government which affect pricing.

(Mc Coll *et al*, 1998, p.333).

One factor that has the greatest impact on sales is the price customers are willing to pay for the service provided (Mc Coll *et al*, 1998, p.333). When

customers buy a product they exchange something of value to get something of value. If the price is high, it could be perceived as high quality or high risk (Kotler, 1996, p.351).

2.4.4 PROMOTION

Promotion is a communication tool used as an ongoing process of communication between the organisation and the customers (Kotler, 1996, p.461). Promotion means the activities that communicate the merits of the products and persuade the target consumers to buy it (Kotler, 1996, p.461). The promotion process determines what is to be said, when it is to be said, where it is to be said and who is to say it (Mc Coll *et al*, 1998, p.368). Promotion adds significance to service. It can also add tangibility and help the customer make a better evaluation of the service offered (Payne, 1993, p.150). Promotion is the component of the mix that defines how the service is advertised and promoted to customers.

The promotion mix consists of advertising, personal selling, sales promotion and public relations (Kotler, 1996, p.471). Combinations of these are used to create a positive word-of-mouth message for the service provider and its service (Kotler, 1996, p.471). With more planning, an organisation can ensure that every encounter is turned into an opportunity to convey a positive message that encourages repeat business from customers and encourages them to pass on the message to others (Mc Coll *et al*, 1998, p.365).

2.4.5 PEOPLE

This component of the mix comprises all human actors who play a part in service delivery and thus influence the buyer's perceptions, namely, the firm's personnel, the customer and other customers in the service environment. (Zeithaml *et al*, 1990, p.19). People are a vital element of the marketing mix (Mc Coll *et al*, 1998, p.20).

This is one of the three added components to the traditional mix of four Ps. The attitude and the behaviour of the employees play a crucial role in formulating customer perceptions on the quality of service offered by the business (Zeithaml, 2003, p.19). Well-trained, well-motivated employees can act as elements in developing the organisational image in the eyes of the customer, more so when they have substantial contact with them (Payne, 1993, p.132). This is because their good behaviour or lack thereof, affects how the customer perceives the service provider and the quality of service with which they are provided (Mudie & Cottam, 1999, p.132). A happy employee will be warmer and will take more active steps in efficiently providing the service, e.g. by responding quickly to customer requests (Jude, 1998, p.96). Employees can help build customer trust, promote benefits, teach customers and monitor and evaluate organisational performance (Fish *et al*, 2000, p.96).

Some services require customers to perform certain acts as part of service offering, and if not performed as required, the quality of service is negatively affected (Zeithaml, 2003, p.19). Service customers are sometimes referred to as partial employees who would require that the boundaries of the organisation be expanded to accommodate them (Zeithaml, 2003, p.356). This is so because some services can only be produced with the participation of the customers and therefore would have an input that will determine the quality and the quantity of services to be produced (Zeithaml, 2003, p.356). Customers need to be managed in the same way that service employees are managed if they are part of the production system (Zeithaml, 2003, p.356). Greater productivity and efficiency can be achieved when customers are regarded as part of the production system, e.g. self- service operations (Lovelock, 1996, p.375). On the other hand, the production system should be isolated as much as possible from the customers where they do not form part of the systems, so as to reduce uncertainty on the quality and productivity (Zeithaml, 2003, p.357).

Customers can also influence the service outcomes of other customers. Their behaviour could create an environment that distracts those offering the service, thus impacting on the quality of the service outcome (Zeithaml, 2003, p.356).

2.4.6 PROCESS

Process refers to the actual procedures, mechanisms and flow of activities by which the service is delivered (Zeithaml *et al.*, 1990, p.20). Some services require specific steps to be followed in the process of delivery. It is such steps that provide the customer with the evidence of the quality of service delivered (Zeithaml *et al.*, 1990, p.20). The operational flow of the service is very important, as it involves the customers in making a decision. The more specified the service offered, the more significant is the process (Mc Coll *et al.*, 1998, p.371). Production standards are of great concern to service organisations in which customers are involved with the production process (Mc Coll *et al.*, 1998, p.372). Where there is greater degree of customer involvement, productivity levels and the quality or production standard of service will be determined by the role that the customer will play in the service production process (Zeithaml, 2003, p.25). Maintaining constant production standards becomes a challenge to service managers because an employee cannot provide the same level of service all the time to different customers (Zeithaml, 2003, p. 352).

2.4.7 PHYSICAL EVIDENCE

Physical evidence of service is the environment in which service is delivered (Zeithaml, 2003, p.25). It includes all the tangible representations of the service, such as brochures, letterheads and business cards (Zeithaml, 1990, p.20). When there is nothing else on which to base the judgement of the quality of service, customers rely on the cues of the environment in which the service is delivered, to evaluate their service experience (Zeithaml, 2003, p. 25). Physical evidence provides an opportunity to send a message of better quality to the customer (Zeithaml, 2003, p. 25). Physical evidence consists of the organisation's facilities and other tangible communications (Cant *et al.*, 2006, p.305).

The intangibility of the service makes it difficult for customers to evaluate the quality of the service and requires the service organisation to provide tangible evidence of the service (Cant *et al*, 2006, p.305). Evidence of the tangible service is provided in the following ways;

- Physical facilities: signage, exterior design, parking, landscape.
- Tangible communication: business cards, stationery, corporate identity and colours.

Cant *et al*, 2006, p.305

The appearance of staff can also provide evidence about the quality of service (Palmer, 1994, p.34). Not only the physical facilities and communication tangibles help to provide the physical evidence of the service, but also the ambient factors. The ambient factors are air quality, air temperature, music and other sounds (Strydom *et al*, 2004, p.285). However, it must be noted that physical evidence needs to be tailored to the targeted customer as different things appeal to different people (Groucutt *et al*, 2004, p.408).

The service marketing mix consists of elements that, if managed properly, would improve the quality of service provided and also narrow the service quality gaps and result in the satisfaction of the customer.

2.5 CUSTOMER SATISFACTION

Customer satisfaction is the customer's evaluation of a product or service, in terms of whether that product/service has met their needs or not, or if it has exceeded their expectations (Zeithaml, 2003, p.86). Customer satisfaction should be at the heart of the marketing team, especially when the team designs the product. Customers have to be satisfied with the service they are receiving. If they are not, they pose a threat to the organisation's well-being (Parasuraman *et al*, 1988, p.68).

Customer satisfaction is influenced by the following factors:

- Service features

Features are characteristics or qualities of a product or service (Kotler, 1996, p.354). The service features can enhance the quality of service and also contribute to the level of customer satisfaction.

- Emotional responses

The state of the customer's emotions at the time of the service experience can also influence the level of satisfaction. Satisfaction is influenced by the customer's emotional responses to the product, as well as to the perception of the quality expected (Zeithaml, 1990, p.63). Customers' emotions can affect their perceptions of satisfaction with the product/service (Zeithaml, 1990, p.100). For example, if a customer is in a bad mood, negative feelings may carry over and may influence perceptions of satisfaction.

- Attributions for service success or failure

Attributions or perceived causes of events influence perceptions of satisfaction (Zeithaml, 2003, p. 87). Customers look for reasons of the level of service delivered. The outcome of the assessment of those reasons contributes significantly to the judgment by the customer on whether the experienced service meets the expectations held prior to the experience of the service.

- Equity

Customer satisfaction can also be influenced by the perception of equity and fairness (Zeithaml, 2000, p. 76). The equity theory suggests that parties in an exchange feel equitably treated and therefore become satisfied if the amount of input in the exchange is in balance with the amount of output (Spreng and Chiou, 2000, p.1). For example, if a customer lodges a complaint or raises a query regarding the product, he expects that the query will be dealt with thoroughly and in a manner that he considers to be fair and equitable.

- Perceptions of service quality

Failure to meet needs and expectations will result in dissatisfaction with the product/service (Parasuraman *et al*, 1988, p.75). The service outcome and the way in which the service was provided will influence the overall assessment of the service experience and affect the determination of whether the customer is satisfied or dissatisfied with the service relative to expectations held prior to the service experience (Zeithaml, 2000, p. 75).

There is a high correlation between service quality and customer satisfaction. Higher levels of service quality result in higher levels of customer satisfaction (Kotler, 2000, p.57).

It is in this regard that the service company that seeks to improve customer satisfaction must focus its effort on the improvement of service quality.

2.6 SERVICE QUALITY

Service quality relates to the extent to which customers are satisfied and delighted (Bergman and Klefsjo, 1994, p.263). This presupposes that service quality can be realised when the service offering satisfies the customer. The customer holds certain expectations which if exceeded, in the process of service delivery, the customer becomes satisfied or delighted (Fitzsimmons and Fitzsimmons, 2001, p.44).

2.6.1 DIMENSIONS OF SERVICE QUALITY

There are five service quality dimensions, namely;

- reliability
- responsiveness
- assurance

- empathy
- tangibles

Customers will evaluate the quality of service on the basis of the above-mentioned dimensions, individually or as a combination (Zeithaml, 2003, p.93).

- **“Reliability** is the ability to perform the promised service dependably and accurately” (Zeithaml, 2003, p.95). It is also a measure of whether the service can be consistently delivered (Bergman and Klefsjo, 1994, p.267). This dimension is a test of whether the business can deliver as promised (Zeithaml, 2003, p.96). It is a customer expectation that the service is going to be delivered on time, every time, without any errors (Fitzsimmons and Fitzsimmons, 2001, p.45).it is with this backdrop that reliability can be referred to as the ability to deliver what has been promised and deliver it consistently(Strydom *et al*, 2004,p.296).
- **Responsiveness** is a measure of willingness to serve the customer (Zeithaml, 2003, p.97). It is demonstrated in various ways, one of which will be the time it takes to deal with customer requests. Staff in the front line is often the ones who set the image of the company (Brian, 2000, p.52). It is therefore very important to ensure that front line staff is empowered to deal with customer requests, since the ability or inability of the front line staff to respond to these requests reflects on the ability to the service company to deliver service quality. Employees can be empowered through high- level training and creating motivating environment (Cant *et al*, 2006, p.291). Front line employees should always demonstrate willingness to help the customer (Bergman and Klefsjo, 1994, p.267).

This dimension emphasizes attentiveness and promptness in dealing with customer requests, complaints and problems (Zeithaml, 2003, p.97). It also captures the notion of flexibility and ability to customize the service to

customer needs (Zeithaml, 2003, p.97). A company must be certain to examine the process of service delivery from the customer's point of view, rather than from the company's (Zeithaml, 2003, p.97).

- **Assurance** is demonstrated by the level of knowledge the employees display as well and reassures the customer of the quality of service provided (Zeithaml, 2003, p.97). This dimension is important for services which the customer perceives involve high risk, or about which they feel uncertain about their ability to evaluate outcomes (Zeithaml, 2003, p.97). Trust is the key to whether this dimension is perceived to exist (Walker *et al*, 2000, p.42). Trust and confidence may be embodied in the person who links the customer to the company (Walker *et al*, 2000, p.42), e.g. in the bank, a customer will be assigned to the banker, who will get to know the customer individually and the bank will co-ordinate all their banking services. There is "no substitute for trust" (Dawson, 2000, p.184).
- Customers view **empathy** as an important dimension of service quality. According to Dorian (1996), a true caregiver must always be accessible. This accessibility means physical and emotional accessibility (Swartz and Iacobucci, 2000, p.56). The essence of empathy conveys the message that customers are unique and special. Canning (1999, p.217) states that, since the customers are the foundation of business, making them happy is a good business decision. Taking care of the guests is taking care of people (Romano, 2002, p.5). Customers want to feel and be part of the company that provides them with service (Larkin, 1999, p.90).
- The physical condition of equipment, service facilities and general appearance of employees will influence the assessment by the customer of the level of service quality (Canning, 1999, p.218). This involves

physical facilities, equipment and the appearance of personnel. Most companies combine **tangibles** with other dimensions, to create a service strategy which will provide fast, efficient service (Zeithaml, 1990, p.20). Physical evidence of service includes all the tangible representations of the service such as brochures and posters (Zeithaml, 1990, p.20). Britner refers to this aspect as the “service scape” (Britner, 1992, p.75). The service scape is the physical environment in which the service is delivered, as well as the social environment (Britner, 1992, p.75). The buildings, parking and signage are three dimensions of the physical environment (Britner, 1992, p.75). The service scape plays a critical role in shaping customer expectations, differentiating firms and influencing the nature of customer experiences (Britner, 1992, p.80). The physical environment includes factors such as cleanliness and design factors such as colour and materials (Mc Coll *et al*, 1998, p.370).

Mahomed (2003, p.95) in his study about patients’ opinions of hospitality service quality in Pietermaritzburg, recommended that employees need to be provided with relevant training in order to create a positive impact on reliability, responsiveness, assurance and empathy. He also stressed the importance of designing the service facilities such that they impact positively on the customer’s perceptions of service quality.

Service quality can be influenced by service encounters, the role played by company employees, the role played by customers and the imbalance between capacity and demand.

2.6.2 SERVICE ENCOUNTERS

Customers evaluate the service level quality at the point of interaction with the firm (Zeithaml, 2003, p. 99). This point is referred to as the moment of truth. It is

the point at which the firm performs the service (Zeithaml, 2003, p. 99). A service can have more than one service encounter (Zeithaml, 2003, p. 101).

There are three types of service encounters: face-to-face encounters, remote encounters and telephone encounters (Zeithaml, 2003, p. 102). Face-to-face service encounter occurs when the company deals directly with the customer and requires that the customer be physically present when the service is performed. The service encounter can happen when interaction with the customer occurs telephonically. Some services have more than one service encounter that make up a service cascade (Zeithaml, 2003, p. 102). An example of a service cascade in a municipality will be an application for electricity connection. It starts with filling in forms at the administration offices. After filling in the application, it is referred to the technical services department responsible for the actual connection. Treatment meted out to the customer at an application stage will contribute to the overall impression regarding service quality after the actual connection.

The customer will form an impression regarding the quality of service at each service encounter (Zeithaml, 2003, p. 102). Each service encounter contributes to the overall satisfaction or dissatisfaction of the customer (Zeithaml, 2003, p. 102). Service encounters in a service cascade provide an opportunity to the service provider to mitigate mistakes that could have occurred in one of the encounters during the service experience (Zeithaml, 2003, p. 105).

The actions of the other customers have great influence on the service encounter. It thus becomes important for service companies to develop appropriate strategies to manage customer-to-customer relationships (Lovelock, 1991, p. 160). Customer-to-customer interaction can be managed by adopting the following strategies;

- Selecting customers on the basis of whether they can interact positively with other customers. This can be achieved by ensuring that customers who are selected are likely to contribute positively to the enjoyment of the service by other customers, e.g. restricting age limit.
- Setting rules of behaviour expected from customers. The behaviour of one customer who does not conform to other customers' expectations of service quality is likely to negatively influence the enjoyment of that particular service.
- Facilitating positive customer interaction. Encouraging customers to interact helps to create bonds between them, thereby enhancing opportunities for the enjoyment of the service.

(Lovelock, 1991, p. 160)

There are various stages at which a sense of satisfaction and dissatisfaction is generated during the service encounter and creates a particular perception regarding the quality of service (Zeithaml, 2003, p. 105). One instance that will trigger a moment of pleasure or displeasure is when there has been failure to deliver the service. The customer will evaluate service quality judging by how the employees of the firm deal with the situation in terms of addressing service recovery processes (Zeithaml, 2003, p. 105).

Customers can also evaluate the quality of service offered in instances where they have particular requests that are not in the course of normal offerings of the firm (Fitzsimmons and Fitzsimmons, 2001, p.212). The ability of the firm to adapt to such requests will contribute to the evaluation of the service experience and development of a particular perception on the quality of service offered (Fitzsimmons and Fitzsimmons, 2001, p.212). Some customers evaluate service quality based on the ability of the firm to deal with problem customers.

2.6.3 EMPLOYEES' ROLE IN THE DELIVERY OF SERVICE QUALITY

One of the three added elements of the marketing mix for services is people (Zeithaml, 2003, p. 24). Employees are a component of this element. Even if the firm can thoroughly analyse and understand customer expectations in order to design services accordingly, services are still to be performed by employees. No matter how good the service design is, employees' inability to perform could result in service failure, leading to customer dissatisfaction (Zeithaml, 2003, p. 321). Therefore employees can make a huge impact on customer perceptions of service delivery. The role of the employees comes in different forms in service delivery situations (Zeithaml, 2003, p. 318). In one instance, they can be a service on their own, e.g. providing a painting service. If the service offering is painting, it is the employee who paints and therefore painting cannot be separated from the employee. If there is a need to improve the service, more investment should be made in the employee in order to improve the service offered. They can also personify the organisation. In this regard, employees portray a particular image of the organisation in relation to service delivery standards (Zeithaml, 2003, p. 318). They provide the initial impression of the organisation (Groucutt *et al*, 2004, p.403). The behaviour of the employees influences the perceptions of the customers about the organisation and, through their behaviour and appearance, provide the public face of the organisation (Groucutt *et al*, 2004, p.403). Employees can be service marketers in persuading customers to accept the firm's service, because customers make certain judgments and formulate perceptions on the firm's service quality based on the image projected by the employees (Zeithaml, 2003, p. 318).

The ideal situation that all service companies are striving for is to foster customer- oriented culture throughout the organisation (Zeithaml, 2003, p. 320). All service quality dimensions are driven by the employees, to the extent that customer satisfaction is dependent on employee satisfaction (Zeithaml, 2003, p. 320). The interaction between the customer and the employees occurs in the

context of the service company's culture (Fitzsimmons and Fitzsimmons, 2001, p.206). Culture is a set of values and beliefs that shape the behaviour of employees in the organisation (Fitzsimmons and Fitzsimmons, 2001, p.206). It is with this backdrop that service companies must embark on internal service marketing. Organisational policies help to entrench common beliefs and values (Blem, 1995, p.48).

Employees need to be provided with training that enables them to perform better. Training refers to the acquisition of specific skills and knowledge that empowers employees to perform their jobs better (Palmer, 1994, p.195). An employee who is not well trained and empowered cannot give assurance to customers on the level of service standard and hence the customer will be dissatisfied and become frustrated (Zeithaml, 2003, p. 320).

Internal service marketing is an effort to sell the message of the organisation, using the same techniques it uses to convey the message to external customers (Palmer, 1994, p.211). It is on the premise that services are performed by employees during their interaction with the customers (Cant *et al*, 2006, p.310). The nature and quality of services is largely dependent on the attitude and behaviour of the employees (Cant *et al*, 2006, p.310). It therefore becomes important for a service company to communicate the message internally, before conveying the message to the external customer. A clearly formulated mission statement serves as a better tool to convey the message internally, to get employees better acquainted with the purpose of the organisation (Palmer, 1994, p.211).

An unhappy employee is not likely to be responsive to the needs of the customer and therefore impacts negatively on the quality of service provided (Zeithaml, 2003, p. 320). It therefore becomes imperative to improve the quality of the

motivational environment (Groucutt, *et al*, 2004, p.403). This requires that a positive motivational environment be created to support the ambitions and goals of the employees. There is a correlation between a happy employee and service quality, leading to the profitability of the organisation (Cant *et al*, 2006, p.310). The satisfaction of the employees leads to greater productivity, which drives value creation, resulting in the satisfaction of the customer (Cant *et al*, 2006, p.310).

Service employees, especially those on the frontline, are always faced with conflict situations that impact on service quality perceptions (Zeithaml, 2003, p. 323). The conflict situation arises out of issues that are personal compared with the role that employees are expected to play (Zeithaml, 2003, p. 323). The personal versus role conflict is a result of a situation where the employee is expected to behave in a particular way that is sometimes against his personal values, in order to perform the assigned duties in a manner that will enhance service quality levels, e.g. an employee who is required to always wear a particular uniform when serving customers. The level of service quality meted out to the customer can be influenced by the result of the conflict of the employee's personal interests and the expected role during service delivery (Zeithaml, 2003, p. 324).

It is important that the human resources function identifies itself with the client's needs, in order to tailor its operational functions to such needs (Palmer, 1994, p.195). One of the responsibilities of the human resources function is to ensure that the right people are recruited and selected. The right people for a service company are those who are service-oriented (Blem, 1995, p.50).

2.6.4 CUSTOMERS' ROLE IN SERVICE QUALITY DELIVERY

Because of the inseparability of the services, customers become part of the service production process, by interacting with the employees, as well as with

other customers (Zeithaml, 2003, p.352). The level of participation by customers differs from one service to another (Zeithaml, 2003, p.354). One service may require the presence of the customer to receive the service, whereas, in other cases, the customer input is required to produce the actual service. Input could be in the form of information or some kind of effort (Zeithaml, 2003, p.354). It is important for customers to understand their roles and what to do in a given situation, as their input in the service delivery process is likely to impact on the service quality.

The manner in which other customers behave can influence the quality of service delivered ((Lovelock, 1991, p. 160). Customers are likely to develop a negative perception on the quality of service if the behaviour of other customers does not make a positive contribution during the service interaction process (Lovelock, 1991, p. 161).

In order to overcome some of the challenges presented by customers in a service that has high customer involvement, some service organisations develop education programmes aimed at ensuring that customers understand their roles, so as to participate effectively (Cant *et al*, 2006, p.303). The following section looks at the different types of customer expectations of services.

2.7 CUSTOMER EXPECTATIONS OF SERVICES

Customer expectations are pre-trial beliefs a consumer has about the performance of a service that are used as the standard against which performance is judged (Kurzt, 1998, p. 66). Customers hold certain beliefs and hopes of what to expect from a service experience (Kurzt, 1998, p. 66). There are two types of expectations that a customer can hold, namely desired and adequate service levels.

2.7.1 DESIRED SERVICE

The desired service is what the customer believes should be. It is what the customer wishes for or hopes to receive (Zeithaml, 2000, p. 50).

Desired service levels are influenced by personal needs and enduring intensifiers (Zeithaml, 2000, p. 67). Personal needs originate from psychological and physical conditions, whereas enduring intensifiers are made up of derived expectations from other people (Zeithaml, 2000, p. 67). This occurs when the customer's expectations are driven by those of others he represents (Zeithaml, 2003, p. 67). Desired service levels are what the customer wishes for and therefore can be influenced or caused by personal philosophies about service that the customer upholds (Zeithaml, 2000, p. 67).

Desired service expectations can also be referred to as "will" or "should" expectations (Laroche *et al*, 2004, p.363). The will expectations are normally considered to be predictive and associated with the theory commonly used in customer satisfaction. This kind of a desired expectation explains what the customer thinks will happen. Predictive expectations are conceptually defined as the level of service the customer expects to receive from a particular service provider in a given situation (Hamer, 2006, p.221). The study by Hamer (2006, p. 220) suggests that predictive expectations are the significant predictor of the perceived service quality.

On the other hand, there is a normative expectation which is more of what the customer thinks should be. It is more related with what the customer thinks the service should be like to constitute what can be considered as quality service and lead to satisfaction. Tse and Wilton (1988) in Hamer (2006, p.220) describe normative expectations as the optimal product performance for which the consumer would ideally hope.

Laroche *et al.* (2004, p.364) refer to another level of desired service expectation, called deserved expectation. This is what the customer thinks he deserves, taking into consideration the amount of investment or input he has made. The investment could be related to the amount of time spent shopping or the effort put in the interaction process. The deserved expectation can be considered to derive its cue from the theory of equity. Laroche *et al.*, (2004, p.370) concludes that both “will” and “should” expectations consist of two dimensions which are technical and functional.

The experience of the service by the customer is a factor that determines the level of desired service expectations (Parasuraman *et al.*, 1991, p.4). The previous encounter with the service could increase the desired service level because of the information the customer has about the service and therefore would expect more than what he previously experienced.

2.7.2 ADEQUATE SERVICE

The adequate service level expectation is what customers accept and is partly influenced by what customers predicted as the expected service level and therefore form part of the “will” expectations (Laroche *et al.*, 2004, p.364).

The customer could also be aware or recognize that while wishing for, or hoping to receive, a particular service, there could be constraints to delivery thereof and he would thus be prepared to accept a lower level of service (Zeithaml, 2000, p. 50). The lower expectation level of service is called adequate service (Zeithaml, 2000, p. 50).

One of the characteristics of services is that they vary across industries as well as across employees within the firm. The extent to which customers are prepared to tolerate that variation is called the zone of tolerance (Zeithaml, 2000, p.

51).Parasuraman in Lewis (1993, p.2) defines the zone of tolerance as the difference between desired and adequate service expectations.

If performance goes below the adequate service level, customers get frustrated (Zeithaml, 2000, p. 52). Performance above desired level delights customers and customers would take no notice if performance remained between desired and adequate levels of service (Zeithaml, 2000, p. 52).

Customers' expectations of adequate service are influenced by specific circumstances and are therefore more changeable (Parasuraman *et al*, 1991, p.5). Adequate service level expectations are influenced by transitory intensifiers, perceived service alternatives, customer perceived service role, situational factors and predicted service (Zeithaml, 2000, p. 68).

- The situational factors make up one of the dimensions of service expectations (Laroche *et al*, 2004, p.362). The situational factors could be all factors that pertain to time and place, including physical and social surroundings. Situational factors influencing adequate service levels expectations are regarded as conditions beyond the influence of the service provider and tend to lower customer expectations.
- Transitory intensifiers are temporary factors that make the customer aware of the need for a service (Zeithaml, 2000, p. 68). These factors are precipitated by emergency situations that require a service (Zeithaml, 2000, p. 68). A typical example could be a breakdown of a vehicle on the road. One would expect the repairer to respond as quickly as possible and also fix the vehicle the first time. Therefore, under such emergency situations, the speed of the service would influence the level of adequate service expectations.
- One of the factors that influence the adequate service level expectations is the number of alternative service providers. The higher the number of

alternative service providers, the higher the adequate service level expectations (Zeithaml, 2000, p. 68).

- A customer who plays an active role in service delivery will have higher service level expectations. Johnston (1994, p.49) suggests that the width of the expectation zone of tolerance is correlated to the degree of customer involvement. This would mean that the customer becomes more sensitive to satisfaction or dissatisfaction because of the greater effort he exerts in searching for more information about the service. As the customer acquires more information about the service, the levels of expectations are increased, further narrowing the zone of tolerance.

The adequate service expectations are likely to increase as the consumer gains more experience of the service (Walker and Baker, 2000, p.417). This is so because expectations are formulated on the basis of the experience that the customer has concerning the product. The information that the customer had about the service pre-encounter helps to set the minimum acceptable standard of service which is considered to be adequate. As soon as the customer gains more experience and more information about the service, the minimum acceptable standard changes and also impacts on the size of the zone of tolerance.

Customer expectations form the basis on which the perceptions are considered (Zeithaml, 2003, p. 85).

2.8 CUSTOMER PERCEPTIONS OF SERVICES

Customer perceptions of services refer to the manner in which customers evaluate whether they have experienced quality service and whether they are satisfied with the service experienced (Zeithaml, 2000, p. 74). Perceptions on services will be based on the assessment of the quality of service received, as well as to whether the customer derived any satisfaction from the service experience (Zeithaml, 2000, p. 74). Service quality does not translate to customer satisfaction, but is a component of a broader concept of customer

satisfaction (Zeithaml, 2000, p. 74). Perceptions are therefore evaluated against expectations of service levels held prior to the service experience (Zeithaml, 2000, p. 74).

Iacobucci, in (Palmer and O'Neill, 2003, p.255) argues that the difference between quality and satisfaction constructs is that quality relates to managerial delivery of the service, while satisfaction reflects customers' satisfaction with the service. Therefore perceptions on service quality are evaluated on the basis of the service experience by the customer against the expectations held prior to the experience. The expectations form the baseline against which the experience is going to be evaluated and a conclusion can be made whether or not the customer is satisfied.

Sheth *et al* (in Palmer and O'Neill, 2003, p.257) contend that the perceptions are shaped by a combination of three factors;

- Stimulus characteristics

People view the stimulus in different ways and therefore will formulate different perceptions based on how they view the stimulus.

- Context

The context of the stimulus with its characteristics helps to shape the way in which people formulate perceptions.

- Situational variables in which the information is received

The situational variables include social, personal and cultural characteristics. A person who has prior experience of a service is a typical example of a situational variable that helps to formulate the perception on a particular service.

If the customer places too much importance on the service or service encounter, he is likely to give serious attention to processing the information coming out of the experience and formulate a particular perception on the service experience.

Robinson (1965) (in Palmer and O'Neill, 2003, p. 260) feels that the level of interest an individual has in a particular stimulus may be an influence on the level of attention afforded to interpret it.

Iacobucci *et al* (in Carman, 2000, p.337) maintain that the perception of service quality is an attitude. It is an attitude that is formulated as a function of a combination of attributes that a customer considers to be components of service quality. Gronroos (in Carman, 2000, p.337) describes these attributes as technical and functional. Technical attributes are those that pertain to the outcome of the service, whereas functional relates to the process of delivering the service.

One of the findings of the study by Palmer and O'Neill (2003) about the effects of perceptual processes on the measurement of service quality is that the perceptions change over time. They state in the study that the buyer's- purchase intentions are influenced by their perceptions at the time of the re-purchase and not those prevailing immediately after the consumption of the service. Consequently, the perceptions that influence the expectation of the service quality are those held at the time of the next purchase.

The gaps model is an instrument utilised for identifying the gap between customer expectations and the actual service experience. It relates the service experienced by the customer to expectations held prior to that experience.

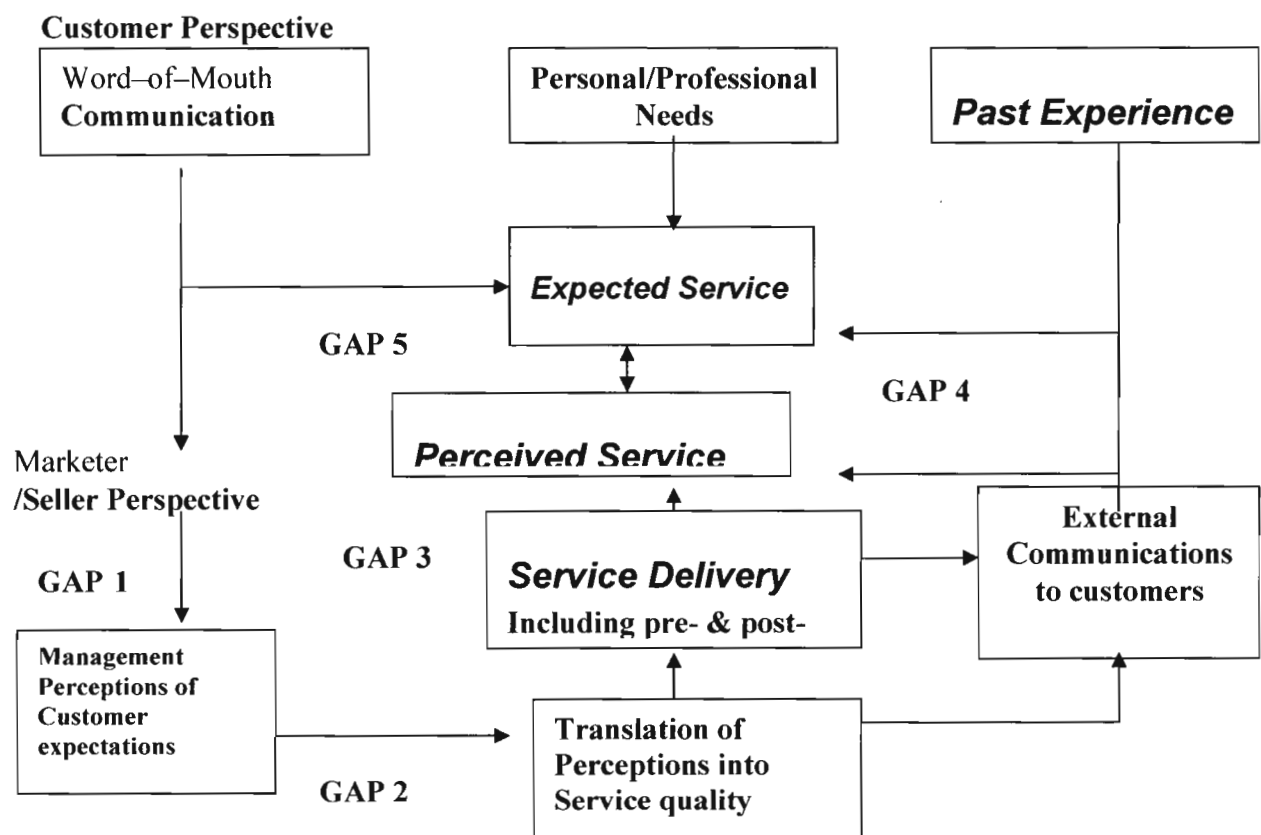
2.9 GAPS MODEL OF SERVICE QUALITY

The gaps model focuses on the difference between customer expectations of the quality or standard of service delivery and the actual service experience (Zeithaml, 2000, p. 28). Customer expectations originate from the frame of reference against which the customer will judge the level of service delivery (Zeithaml, 2003, p.60). Perceived service is the actual service experience. Companies are continually striving to narrow the gap between the two, so as to create customer satisfaction and build long-term relationships (Zeithaml, 2000, p.

28). The model suggests that the gap can only be closed if four other gaps are closed, namely: not knowing what the customers expect, not seeking the right service design and standards, not delivering to service standards and not matching performance to promises. The following section deals with the gaps model of service quality (Zeithaml, 2003, p.533).

The Gaps Model

Figure 1: SERVQUAL Gap Analysis Model Diagram



(Zeithaml, 2000, p.26).

2.9.1 GAP 1: CONSUMER EXPECTATION AND MANAGEMENT PERCEPTION

This is the difference between customers' expectations and management's perceptions of what they want (Mc Coll *et al*, 1998, p.154). This gap occurs when

management is not aware of what customers expect, or think they know what consumers want and proceed to deliver this, when, in fact, customers expect something quite different (Zeithaml *et al*, 1990, p.38). This occurs when management does not interact directly with customers, or is unwilling to ask about expectations (Zeithaml *et al*, 1990, p.38). Gap1 could have several causes, such as insufficient use of market research, lack of interaction between management and customer, insufficient upward communication between contact employee and managers and too many layers between contact employees (Parasuraman *et al*, 1988, p.483).

To close Gap 1, or to minimize the size of Gap 1, it is important for management to have a better understanding of the customer through market research orientation and constant interaction with the customer and adequate service recovery in case of service failure (Zeithaml, 2003, p. 533).

2.9.2 GAP 2: MANAGEMENT PERCEPTIONS-SERVICE QUALITY SPECIFICATION GAP

This is the difference between the company's service quality specifications and management's perception of customer expectations (Fish *et al*, 2000, p.168). This gap occurs when management sets specifications for quality or the specifications are not stipulated clearly (Parasuraman, 1991, p.485). The perception of feasibility on the part of management to meet customer expectations is, to a large extent, a contributory factor on the size of gap 2 (Lovelock, 1996, p.413). The greater the management's perception that customer expectations cannot be met, the larger gap 2 will be.

Other factors which influence this gap are failure to connect service design to service positioning, lack of customer-defined service standards, failure of the process to focus on customers' requirements, inappropriate physical evidence and service scope (Lovelock, 1996, p.371).

The gap between management's understanding of the customer's expectation and the translation of these expectations into service quality depends on a number of factors:

- Management commitment to service quality (Lovelock, 1996, p.411).

The commitment by management, which is demonstrated by setting priorities for the employees that seek to acknowledge the expectations of the customers, will enhance the performance of employees and strive to achieve higher levels of service quality (Zeithaml, 2003, p. 534).

- The extent to which the service role in the company is standardised and routine.

Management sometimes believes that services are characterised by variability and therefore cannot be standardised (Zeithaml, 2003, p. 534). While that is the case, the effective translation of the managerial perceptions into specific service quality standards depends on the degree to which tasks can be standardised or routinised (Lovelock, 1996, p.412). According to Levitt (1976) (in Lovelock, 1996, p.412), the standardisation of service can take three forms; substitution of hard technology for personal contact and human effort, improvement of work methods and a combination of the two.

- Goal setting and the existence of a formal mechanism for setting the quality of service goals (Zeithaml, 1990, p.87).

Service employees will be better motivated to perform better if there are clear goals set in respect of service standards (Zeithaml, 2003, p. 534).

In order to close Gap 2, management must be committed to improving service quality by developing customer-defined service standards to meet customers'

expectations and be receptive to new ways of doing business that overcome barriers to delivering quality service(Lovelock,1996,p.371).

Physical evidence to meet customers' expectations must be designed (Lovelock, 1996, p.372). Customers rely on cues associated with the service environment when evaluating the service experience, in the absence of anything else to base their judgement (Berry *et al*, 2006, p.43). It is in this regard that the physical evidence can play a crucial role in the specification of service quality expected by customers.

2.9.3 GAP 3: SERVICE SPECIFICATIONS-SERVICE DELIVERIES

This is the difference between service delivery and quality specifications (Mc Coll *et al*, 1998, p.154). This gap occurs due to human error, as well as to mechanical breakdown of facilitating or support goods (Zeithaml, 1990, p.91). Even when a guideline exists for performing service well, high-quality service performance is not a certainty and appropriate resources must back up standards (people, systems and technology) (Parasuraman *et al*, 1988, p.89). The level of the service-delivery falls short of the standard due to ineffective recruitment, poor employee technology job fit, lack of empowerment, perceived control and teamwork (Zeithaml, 1990, p.89).

To close Gap 3, employees should understand roles they are to play in the company (Zeithaml, 2003, p.353). They should have clear objectives and goals concerning the company, they should implement the correct strategies and obtain regular feedback on their performance (Zeithaml, 1990, p.486). Management must recruit the right people for the right job and train them in using the technology and purchasing the equipment that will be appropriate to increasing employee-technology job fit (Liswood, 1990, p.53).

Recognition and rewards programmes must be in place. These will help to measure the performance expected from the employees to work hard and to

improve team spirit among the employees (Lovelock, 1996, p.371). Empowering the employees to take control of certain areas in the department will improve the quality of service provided the customers, minimize time wasted to get authorisation and reduce the stress level (Lovelock, 1996, p.370). This can be achieved by pushing decision-making power down the organisation allowing employees greater discretion in how they achieve their set quality goals. It was found that teamwork is important in producing service of quality, because teamwork is the heart of service quality (Lovelock, 1996, p.371).

2.9.4 GAP 4: SERVICE DELIVERY-EXTERNAL COMMUNICATIONS

This is the difference between service delivery and the service provider's external communications (Zeithaml, 1990, p.113). Promises made by the company through its media advertising and other communications can raise customer expectations (Zeithaml, 1990, p.115).

The causes of Gap 4 are over-promising in advertising/personal selling, inadequate co-ordination between operations and marketing and differences in policies and procedures in all the service outlets (Zeithaml, 1990, p.488). Additional factors which influence external communications are that the company fails to capitalize on opportunities to educate customers on how to use services appropriately (Parasuraman *et al*, 1988, p.350). They fail to manage customers' expectations of what they will receive in service transactions and fail to build long-term relationships (Parasuraman *et al*, 1988, p.349).

Gap 4 can be closed if the company does not promise things that it cannot provide to customers and manage the customer expectations by explaining what is and is not possible and also explaining the reasons why (Lovelock, 1996, p.371). Marketers should understand the components of the service/product which they promote (Zeithaml, 1990, p.490). The pricing strategy should be in line with competition and be fair in the customer's eyes (Zeithaml, 2003, p.484).

Gap 4 can also be closed by ensuring that consistent service standards are delivered across organisational locations (Lovelock, 1996, p.371).

2.9.5 GAP 5: EXPECTED SERVICES

Gap 5 relates to expected service, compared with experienced service (Gronroos, 2000, p.101). Gap 5 measures the “moment of truth” for the company (Parasuraman *et al*, 1988, p. 90). Gap 5 is the most important, as it gives the difference between a customer’s expectations and what he really perceives he receives from services purchased (Zeithaml, 2000, p.66). While the other gaps play an important role in the delivery of quality service, it is Gap 5 which ultimately must be closed if an organisation is to succeed in the long run (Zeithaml, 2000, p. 67).

The feeling about the service can vary from customer to customer (e.g. perceptions of the service can be bad, good or even exceed the customer’s expectations (Zeithaml, 2003, p.63). When the outcome is bad, the customer will feel disappointed, but when the outcome is good, the customer will feel satisfied and be happy to tell other people about his experience (Zeithaml, 2003, p.63).

The whole focus of the gap model is on gap 5 which is the customer gap (Zeithaml, 2003, p 531). The customer gap is the result of gaps 1 to 4, which means that factors leading to those gaps need to be narrowed or closed in order to narrow gap 5 (Zeithaml, 2003, p. 531).

2.10 MEASURING SERVICE QUALITY

The improvement of service quality has become a very important strategy to improve competitiveness. In order to achieve this, service companies focus on the identification of customers’ requirements and the measurement of satisfaction levels (Yang, 2003, p.310). Various models to measure service quality have been developed by researchers over the past years. One such model is the one developed by Ching-Chow Yang. Yang’s model seeks to measure service quality by identifying service quality attributes which are considered to be important by

the customers and also those that are perceived by service employees to be important (Yang, 2003, p.310). This model seeks to identify service requirements by the employees and then measure satisfaction on the basis of those requirements. What makes it different to some of the models that are used to measure service quality is that it extends to cover the identification of the attributes that are considered to be important by the employees and therefore helps to highlight to the employees that there are many differences between their views and the external perceptions of customers (Yang, 2003, p.324).

Service quality can also be measured on a systems theory perspective (Johnson and Tsiros, 1995, p.8). The systems theory suggests that the organisation, such as a service firm, consists of sub-systems that operate in a larger system (Johnson and Tsiros, 1995, p.8). Sub-systems are made up of inputs, process and output. Inputs in a service system comprise factors such as equipment and service area. Quality is evaluated by assessing the physical condition of the equipment, whether or not employees are well attired and the service area is neat. The process side of the system helps to evaluate the quality of interaction between the customer and the service provider. It answers the question of how is the service provided (Johnson and Tsiros, 1995, p.10). The output measures the actual product emerging from the system.

Service quality can be measured by implementing a Servqual instrument, defined as a concise multiple item scale with good reliability and validity, which the companies can use to measure customers' perceptions of service quality, compared to their expectations (Parasuraman *et al*, 1988, p.168). The Servqual instrument can be adapted and designed to be applicable across a broad spectrum of services (Parasuraman *et al*, 1988, p.167). The relative importance of each dimension to the customer can be limited to the industry, the individual business unit, the branch and the department (Parasuraman *et al*, 1988, p.168).

The Servqual instrument has evolved to become the most commonly used measurement instrument in marketing (Parasuraman *et al*, 1988, p. 242). Service quality is sometimes defined as a comparison between consumer expectations of service and consumer perceptions of the service level provided (Parasuraman *et al*, 1988, p.80). A Servqual instrument applies gap analysis to customer expectations and customer perceptions.

Servqual has been criticized by various researchers for some shortcomings and other forms of measures have been developed to address the areas of weakness in the Servqual. One such model is SERVPERF, which is based on the presumption that service quality is an antecedent to customer satisfaction and therefore customer satisfaction has a significant effect on purchase intentions as opposed to service quality (Baggs and Kleiner, 1996, p36).

Shahin (2006, p.5) states that Servqual is useful in measuring Gap 5, which has more to do with the gap between service expectations and perceptions. Even though Servqual has been criticized extensively on both theoretical and operational grounds, Asubonteng *et al* (1996) (in Shahin, 2006, p.6) conclude that: "Until a better but equally simple model emerges, Servqual will predominate as a service quality measure".

2.10.1 DESCRIPTION OF A SERVQUAL INSTRUMENT

According to Parasuraman *et al* (1988, p.85), Servqual is an instrument that measures the perceptions of customers about service quality. It measures customers' expectations before service encounters, as well as the perceptions about the actual service experience. Servqual can be expressed in a formula format as follows:

Q=P-E where

Q represents quality

P represents perceptions and

E represents expectations.

This formula implies that if expectations equal perceptions the consumer is technically satisfied. When perceptions exceed expectations, the consumer is more than satisfied. When expectations exceed perceptions, the consumer is dissatisfied and this will reflect in a negative Servqual score (Zeithaml, 1990, p.200).

Servqual is based upon a generic 21-item questionnaire, which was designed to cover five dimensions of service quality, namely tangibles, reliability, responsiveness, assurance and empathy (Zeithaml, 2003, p 136).

These dimensions are:

- Tangibles-physical facilities, equipment and appearance of personnel;
- Reliability-ability to perform the promised service dependably and accurately;
- Responsiveness-willingness to help customers and provide prompt service;
- Assurance-knowledge and courtesy of employees and their ability to inspire trust and confidence;
- Empathy-caring, individualized attention, which the firm provides to its customers.

(Pitt, 1999, p.261).

The first set of 21 items measures the expectations within the type of service under investigation. The other measures the perception of a particular service provider.

The questionnaire was constructed as a Likert scale that is a summated rating scale with 5 options, 1 being strongly disagree, 2 being disagree, 3 uncertain, 4 agree and 5 strongly agree (Mc Coll *et al*, 1998, p.158).

2.10.2 DISADVANTAGES OF THE INSTRUMENT

The Servqual instrument disadvantages:

- Numbers of researchers have failed to identify the five underlying dimensions.
- The model has been criticised for ignoring price and value.
- Customer perceptions are poor measures of loyalty, which is seen as the multiple goal.
- Focuses on service delivery process (functional) and excludes service encounter outcomes

(Kang, 2006, p.37).

Even though Servqual has been criticised for the above-mentioned disadvantages, it still remains the most commonly used instrument to measure service quality (Palmer and O'Neill, 2003, p.187).

2.10.3 ADVANTAGES OF THE INSTRUMENT

The Servqual instrument advantages:

- It serves as a diagnostic methodology for uncovering broad areas of a company's service quality shortfalls and strengths.
- It can be used periodically to track customer perceptions of service quality relative to that of its competitors.
- The instrument can be used in multi-unit retail branches to track the level of service provided by an individual department.
- The instrument can be used to categorise customers into several perceived quality segments

(Parasuraman *et al*, 1988, p.242).

2.11 CONCLUSION

Marketing mix should be used to shape the nature of the service offered to customers (Mc Coll *et al*, 1998, p.17). Marketers have to find ways to make the service more tangible and to increase the service of the service provider (Kotler and Armstrong, 1996, p.423). A company effort to develop profitable long-term relationships with customers should be based on superior customer value and satisfaction (Lovelock, 1991, p.240).

The gaps model serves to present the service marketing concepts and strategies in an integrated manner that starts by looking at the customer and builds up to what is expected of the organisation to enhance the quality of service, in order to improve customer satisfaction (Zeithaml, 2003, p.531). The gaps model conveys a very clear message that in order to improve service quality, managers need to close the provider gaps from gap 1 to 4 as they impact negatively on customers' perception of service quality (Zeithaml, 2003, p.539). The most commonly used model to measure service quality is the Servqual instrument. It measures the extent of Gap 5, which represents the expectations of the customer, as well as the perceptions about the actual service experience. Chapter three covers the context in which theory is applied by the local government on service delivery and development.

CHAPTER THREE: SERVICE DELIVERY IN LOCAL GOVERNMENT

3.1 INTRODUCTION

This chapter covers the context to which theory is applied in the local government on issues that pertain to service delivery and development in general. Various pieces of legislation and policies have been enacted by the South African Government, enabling the municipalities to facilitate and expedite service delivery in their areas of jurisdiction.

Local government, under the of the Republic of South Africa(Constitution (Act of 108), 1996, Section 40(1) is identified as one of the three spheres of government that is the closest to the community. It is a sphere of government that directly interacts with the members of the public, on a daily basis, on issues that affect their lives. It is often regarded as a mirror reflecting the successes and failures of the policies of the national government.

The purpose of this chapter is to provide the description and the background to the status of local government in South Africa. It also looks at service delivery by Mporofana Municipality in the context of the local government system in South Africa.

3.2 HISTORICAL CONTEXT OF SERVICE DELIVERY IN LOCAL GOVERNMENT

South Africa since 1994 has been undergoing a process of transformation from the apartheid system to a democratic society. Apartheid was a system that geographically, institutionally and socially segregated South African society along racial lines (Van Niekerk *et al*, 2002, p.34). Van Niekerk *et al*, (2002, p.34) define apartheid as "... a value system, a form of government and a policy of racial segregation..."

The deployment of government resources during the apartheid era was skewed along racial lines. Much of municipal services were directed to the urban white communities and left the black communities with few and very limited, developmental interventions.

When the African National Congress was voted into government in 1994, one of its goals was to redress the imbalances of the past by ensuring that basic services are accessible and enjoyed by all citizens. The commitment by government spheres to ensuring access to services by all is well documented in the of the Republic of South Africa, Constitution, 1996,(Act108),Chapter four, the Reconstruction and Development Programme (RDP), Growth Employment and Redistribution(GEAR) and other policy documents.

3.2.1 NORMATIVE GUIDELINES OF PUBLIC ADMINISTRATION

The Republic of South Africa, Constitution of 1996, (Act 108), Section 195 enshrines the principles of equitable service delivery, community participation, transparency, impartiality, development-orientated administration and effective use of resources. These principles serve as values which are applicable to all organs of state and spheres of government (The Republic of South Africa, Constitution of 1996, (Act 108), Section 195).

The Republic of South Africa, 1997, White Paper on Transforming Public Service Delivery, 1997, p.8 contains eight principles that serve as guidelines on service delivery in the public service. These principles are generally referred to as Batho-Pele Principles (Republic of South Africa, 1997, White Paper on Transforming Public Service Delivery, p.8). Batho Pele means “people first” that is the government’s commitment to serving people and putting the public first. These principles are focused on the improvement of the quality of services and exceeding customer satisfaction (Republic of South Africa, 1997, White Paper on Transforming Public Service Delivery, p.3). The Batho-Pele principles are applicable to all spheres of government and are described as follows:

- **Access**

(Chapter Eight of the Republic of South Africa, 2000, Local Government: Municipal Systems Act, Section 73) states that municipalities must ensure that communities have equal access to basic services and that these are reviewed regularly with a view to upgrading and improving quality. The Republic of South Africa, Constitution of 1996, (Act 108) , Section 9 states that no organ of state may unfairly discriminate directly or indirectly against anyone on any grounds, including race, gender, sex, colour, sexual orientation , age, disability, religion and language.

- **Consultation**

It is mandatory for the municipality to consult the community when preparing the Integrated Development Plan (IDP). A municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance and must, for this purpose, encourage and create conditions for the local community to participate in the affairs of the municipality (Republic of South Africa, 2000,Local Government: Municipal Systems Act, sec.16). Consultation provides the municipality with an opportunity to understand the expectations of the community so as to improve the service offering and narrow the gap between customer expectations and management's perceptions of such customer requirements.

- **Courtesy**

Public servants must behave in the manner that shows respect to members of the public. This principle can also be associated with two service quality dimensions, namely: assurance and empathy. One of the service quality dimensions is the responsiveness of employees to the needs of customers. The (Republic of South Africa, 2000, Local

Government: Municipal Systems Act, Section 6) calls for all municipalities to be responsive to the needs of the community.

- **Information**

Decision-making should, to a large extent, be influenced by the high quality level of information gathered and managed by the municipality. Information should be disseminated to different municipal stakeholders to allow for active participation in the affairs of the municipality.

All municipalities are required to develop the performance management system that has clear objectives of the municipality and performance indicators for objective assessment. Members of the public are encouraged to participate in the process of developing, implementing and evaluating the objectives, targets and indicators of the performance management system. Providing accurate information empowers members of the public to determine what can realistically be expected from the municipality and thereby developing what can be regarded as adequate service expectation. Members of the public or customers cannot accurately determine the level of tolerance if there is no information available on which to base what can be realistically expected, in terms of service quality level from the municipality.

- **Service standards**

All public service institutions must uphold high service standards. The level of the quality of service must be communicated to the members of the public. By communicating the level of the quality of service, members of the public are being assured of the service level to expect, on which a comparison will be made to formulate service perceptions. The strength of the reliability of the municipality is measured against what is being promised to the community in terms

of service quality. Can the municipality be depended on for service delivery? The production and consumption of services cannot be separated. The consumer becomes part of the production process. Municipalities solicit the ideas of the public regarding the level and the quality of service to be delivered.

- **Openness and transparency**

Municipalities must be open and transparent in all the operations and decisions taken.

- **Redress**

Municipalities are to conduct their affairs and deploy their resources in the manner that progressively attempts to redress the imbalances created by the apartheid policies in terms of service delivery. The new democratic dispensation provides hope in the minds of the public that hardships experienced as a result of apartheid will be adequately addressed by providing services equitably.

- **Value for money**

Municipalities should endeavour to provide best service with the least available resources.

(The Republic of South Africa, 1997, White Paper on Transforming Public Service Delivery, p. 3)

3.3 LOCAL GOVERNMENT IN SOUTH AFRICA AFTER 1994

Coetzee (1985, p.26) refers to local government as the administration of cities, towns, villages and geographically organised communities. It is also defined as "...that level of government which is commonly defined as a decentralised representative institution with general and specific powers devolved to it by a higher tier of government within a geographic area" (Ismail and Bayat, 1997 p. 3).

In terms of the (Constitution of the Republic of South Africa, 1996, (Act 108), Section 40) the government consists of three layers: national, provincial and local government which is recognised as distinctive, interdependent and interrelated.

The term “local government” refers to a sphere of government and not to an individual municipality. Local government is made up of individual municipalities put together (Reddy, 1996, p.50).

Municipalities are established to render services in their areas of jurisdiction (Republic of South Africa, Constitution of 1996, (Act 108), Section 151).

3.3.1 STATUS OF MUNICIPALITIES

According to the (Republic of South Africa, Constitution of 1996, (Act 108), Chapter 7) a municipality enjoys the same status as national and provincial spheres and operates independently of the two.

The following conditions are applicable to local government in the Republic of South Africa:

- The local sphere of government consists of municipalities that must be established in the whole of the Republic.
- National and provincial governments may not impede a municipality’s right to exercise its powers
- The municipal council has the legislative and executive authority of a given municipality
- A municipality has a right to govern on its own initiative, subject to national and provincial legislation.

(Constitution of the Republic of South Africa, 1996, (Act 108), Section 151)

3.3.2 CHARACTERISTICS OF MUNICIPALITIES

Municipalities operate within the framework of both national and provincial governments and within the ambit of the Republic of South Africa, 1996, Constitution (Act 108), It is in this regard that a municipality cannot pass by-laws that contradict the national or provincial legislation (Republic of South Africa, 1996, Constitution Act (108), Section 41).

Ismail and Bayat (1997, p.5) mention the following as the characteristics of municipalities that distinguish them from other spheres of government:

- Well-defined areas of jurisdiction-municipalities can govern the affairs and the people of only a particular geographical area.
- Municipalities can pass by-laws that are legally binding.
- Municipalities can employ personnel to do and manage its business.
- Municipalities provide direct participation in the local government through elections held every five years.
- Municipalities exist to provide particular basic services.
- Municipalities have constitutional powers to charge rates and taxes.

3.3.3 CATEGORIES OF MUNICIPALITIES

Municipalities are established under three categories:

- Category A: a municipality that has exclusive municipal executive and legislative authority in its area.
- Category B: a municipality that shares municipal executive and legislative authority in its area with a category C municipality within whose area it falls.
- Category C: a municipality that has municipal executive and legislative authority in an area that includes more than one municipality.

(Republic of South Africa, 1998, Local Government: Municipal Structures Act, 1998, Section.8)

The Municipality consists of three different role-players, namely:

- Council
- Community
- Administration

(Republic of South Africa, 2000, Local Government: Municipal Systems Act, Section 2)

The Municipal Council is made up of representatives that are elected through local government elections conducted every five years (Republic of South Africa, 1998, Local Government: Municipal Structures Act, Section 12). It is this body of the Municipality that carries the responsibility of realising the aspirations of the people. The Council is accountable to the community on all promises made while canvassing for votes. The Republic of South Africa, Local Government: Municipal Systems Act, (1998), Section 4) empowers the Municipal Council with both legislative and executive authority.

The election process involves all interested political parties canvassing for votes. The Republic of South Africa (Municipal Electoral Act no. 27, 2000) regulates the manner in which elections for local government are conducted in the Republic of South Africa. The parties develop election manifestos around issues that are considered to be the priority needs of the community. It is at this stage that promises are made and expectations are formulated by members of the community. People have personal needs that shape their expectations when they choose to vote a particular councillor or political party into power.

The national government develops policies that inform processes in all spheres of government of how services are to be delivered to communities. The Municipal Council takes the cue from national policies and develops implementation strategies that are founded on national government's principles. The Municipal administration is responsible for the implementation of the policies developed by

the local, national and provincial spheres of government. Councillors, through community participation processes, consult communities to confirm their expectations on the level of service quality. Communities become part of the service design and provide an opportunity to the Municipality to narrow the gap between what is expected and the actual service experience.

3.4 MUNICIPALITIES AND SERVICE PROVISION

Local government and municipalities exist primarily to bring government closer to the people by providing services to the communities for which they were created. The Republic of South Africa (Constitution (Act 108 of 1996), Section 153) identifies the following objectives of a municipality which underpin their role in the provision of services:

- Promoting social and economic development.
- Promoting a safe and healthy environment.
- Encouraging the involvement of the community in the matters of the municipality.

The personal needs of customers in a Municipality revolve around issues like availability of water, electricity, roads, housing and many more necessities that support human life.

A municipality must exercise its rights and discharge its duties in the provision of services in a sustainable manner taking into consideration the financial and administrative capacity following an Integrated Development Planning (IDP) approach (Republic of South Africa, 2000, Local Government: Municipal Systems Act, Section.4).

3.4.1 INTEGRATED DEVELOPMENT PLAN

Integrated Development Planning is an approach to planning that involves the whole municipality and its citizens in finding the best solutions to achieve effective long-term development (Community law centre, 2001, p.3). An IDP is a

broad plan for an area that gives an overall framework for development. It looks at existing conditions and facilities, at the problems and needs and finally at the resources available for development (Republic of South Africa, 2000, Local Government: Municipal Systems Act, Section 26). The Republic of South Africa (Local Government: Municipal Systems Act, (2000), Section 16) requires all municipalities to promote public participation in all municipal affairs, including the integrated development planning process. As part of the IDP process a forum must be established where different stakeholders of the municipality, including the community, meet and are afforded the opportunity to say what their needs are (Republic of South Africa, 2000, Local Government: Municipal Systems Act, Section 16). This exercise provides a good opportunity for narrowing gap 1 and 2 of the service quality model. It is at this stage that the municipality gets to understand the expectations of the community better and it should design the kind of services that will meet the expectations of the customers. There are six main reasons why a municipality should have an IDP. These are to:

- make good use of scarce resources
- help speed up delivery of services to poor areas
- attract additional funds (government departments and private investors are more willing to invest their money where municipalities have an IDP)
- strengthen democracy
- overcome the inequalities and discrimination of the apartheid system
- promote co-ordination between local, provincial and national government (Education and Training Unit, 2003, p.4).

All municipalities have to draw up an IDP in consultation with local forums and stakeholders. In other words, the public must participate fully in the process (Republic of South Africa, 2000, Local Government: Municipal Systems Act, Section 16). The final IDP document has to be approved by the Council. The plan must show:

- the basic needs of the disadvantaged sections of the community

- the long-term vision for meeting those needs
- the need for these sections of the community to advance socially and economically
- how the plan will be financed and whether it is financially sustainable, that there will be money in the future to keep the plan going
- the capacity of the municipal council to carry out the plan and what resources are available to help carry out the plan.

(Republic of South Africa, 2000, Local Government: Municipal Systems Act, Section 16)

The Municipal Council is responsible for co-ordinating the IDP and must draw in other stakeholders in the area, who can help and/or benefit from development in the area (Republic of South Africa, 2000, Local Government: Municipal Systems Act, Section 30). All municipal planning, including municipal services planning must take place using the IDP as a guide and the annual Council budget should be based on the IDP.

3.4.2 MUNICIPAL SERVICES

It is at local government this level that people interact directly with the government. All government interventions and programmes directed at improving the plight of the people are intended to impact at this level of government.

Municipal services are those services identified in the Constitution and other services that may be assigned by national or provincial legislation to a municipal council (Republic of South Africa, 2000, Local Government: Municipal Systems Act, Section 73). Municipalities must make sure that people in their areas have at least the basic services they need. There are a large number of services that they provide, the most important of which are:

Air pollution

Child care facilities

Electricity and gas supply

Local tourism

Municipal health services

Municipal planning

Municipal parks and recreation

Refuse removal

Municipal roads and storm water drainage

Sewage collection and disposal

Street lighting

Water supply

These services have a direct and immediate effect on the quality of the lives of the people in that particular community. For example, if the water that is provided is of a poor quality or refuse is not collected regularly, it will contribute to the creation of unhealthy and unsafe living conditions.

The municipal services are offered in various forms and levels.

3.4.3 MUNICIPAL SERVICE LEVELS AND MECHANISMS OF PROVIDING SERVICES

A municipality can decide on the level of the service to provide and whether to provide services directly to the community or explore alternative mechanisms (Republic of South Africa, 2000, Local Government: Municipal Systems Act, Section 77).

It is possible for a municipality to improve and expand the delivery of services by improving its own ability to do so (Education and Training Unit, 2003, p.4). By improving a number of skills, municipalities may be better able to deliver services effectively and efficiently from inside. Better communication between the municipality and citizens will help Council determine the needs of the community

and whether or not they are being met. Improved financial planning will help find the best possible ways to use available funds. Better technical skills will improve delivery of a particular municipal service.

A municipality may also outsource the provision of a service. In other words, it may choose to hire someone else to deliver the service, but it remains the responsibility of the municipality to choose the service provider and to make sure that they deliver the service properly.

The most important factor for the municipality to consider is the level (or standard) at which the service is provided. The choice of the level of a particular service is influenced by affordability as well as community needs. When municipalities make decisions about the level of services, they should seriously consider the long-term viability of providing a service at that level (Education and Training Unit, 2003, p.2). If a municipality provides a service at a higher level the costs to provide the service increases and so does the price that the municipality will have to charge its customers. Since municipalities rely heavily on income received from users, if the costs are too high and people are unable to pay, the municipality will lose money and will not be able to continue to provide the service.

Table 1 lists the different service levels for the most important services:

Table 1: Service Levels

Service Type	Level 1 Basic	Level 2 Intermediate	Level 3 Full
Water	Communal standpipes	Yard taps, yard tanks	In-house water
Sanitation	(Sewage collection/disposal	VIP Latrine Septic tanks	Full water-borne
Electricity	5-8 Amp or non-grid electricity	20 Amps	60 Amps
Roads	Graded	Gravel	Paved/tarred & kerbs
Storm-water drainage	Earth lined open channel	Open channel lined	Piped systems
Solid Waste disposal	Communal (Residents)	Communal (Contractors)	Kerbside

(Education and Training Unit, 2003, p.3).

One of a municipality's most important tasks is to determine the needs of the citizens and how best to provide for these needs.

1. A municipality must determine what services it is providing, who is receiving it and what the quality is thereof, for example how often the refuse is collected.
2. The municipality must determine which services should be expanded or improved. Are some areas in the community very dirty and poorly maintained?
3. The priorities for expanding or improving services must be decided.

(Education and Training Unit, 2003, p.3)

Once it has been established which services are to be expanded or improved clear timeframes and targets must be developed, so that the municipality can decide the best ways to reach its goals (Education and Training Unit, 2003, p.3).

It must also decide what resources - financial, equipment, and skills - it will require to meet its goals (Education and Training Unit, 2003, p.4).

It may happen that a municipality discovers that it does not have sufficient resources and may decide that it will phase in the provision of services or only provide it to a section of the community.

Poor services can make it difficult to attract business or industry into the area and will limit job opportunities for residents (Republic of South Africa, 2000, White Paper on Municipal Service Partnerships, Section 1). Recent cases in some of the municipalities particularly in the Free State (Khutsong) and Western Cape (Khayelitsha) provinces, indicated that there is a perception among the residents in terms of service delivery that their municipalities were unable to deliver as expected (Mail and Guardian, 2005, p.12). Perceptions are always considered relative to expectations and one of the inhibitors to learning about customer expectations is fear of asking what customers expect (Zeithaml, 1996, p.22).

Lack of finances or capacity is considered to be the reason some municipalities cannot provide a good service. Such municipalities have found other ways to ensure that the services are improved and reach the people most in need of them. It is possible for a municipality to improve and expand the delivery of services by improving their own ability to do so (Republic of South Africa, White Paper on Municipal Service Partnerships, 2000, Section 1). By improving a number of skills, municipalities may be better able to deliver services effectively and efficiently from inside. Better communication between the municipality and its citizens will help Council determine the needs of the community and whether or not they are being met. Improved financial planning will help find the best possible ways to use available funds. Better technical skills will improve delivery

of a particular municipal service (Republic of South Africa, 2000, White Paper on Municipal Service Partnerships, Section 1).

3.4.4 FREE BASIC SERVICES

As part of its overall strategy to alleviate poverty in South Africa the government has put in place a policy for the provision of a free basic level of municipal services. In his address at the inauguration of the Executive Mayor of Tshwane on 10 February 2001, President Mbeki said: "The provision of free basic amounts of electricity and water to our people will alleviate the plight of the poorest among us, while plans for the stimulation of the local economy should lead to the creation of new jobs and the reduction of poverty" (Mbeki, 2001, p.1). From this statement it is clear that water and electricity has been prioritised as a free basic service for the poor.

By far the most complex issue to consider when discussing the provision of free basic services is the funding of such services (Department of Local Government-Free Basic Services, 2004, P.77). Municipalities receive their part of the equitable share. They can apply for infrastructure grants and they raise their own revenue through service charges (Republic of South Africa,Local Government: Municipal Finance Management Act, 2005, Section 45). Municipalities need to analyse what their costs for free basic services provision are, what allocations they receive and what their internal resource base is (Department of Local Government-Free Basic Services, 2004, P.77). This should then form the basis of what would be affordable and therefore what the most suitable options for implementation would be. One of the basic principles of the Reconstruction and Development Programme recognises that the legacy of apartheid cannot be addressed in a piecemeal fashion, but requires the integration of all available resources and strategies to achieve sustainable development.

3.5 MPOFANA MUNICIPALITY AND PROVISION OF SERVICES

The provision of services at both the rural and urban component of the Mpofana municipality is currently at different levels. The urban area has far more services and facilities with a fairly low overall population, suggesting a clear imbalance between the areas (Mpofana Municipality, Integrated Development Plan, 2001, p.10).

3.5.1 THE STATUS OF MPOFANA MUNICIPALITY

Mpofana municipality was established by proclamation as a category B municipality in terms of the Republic of South Africa, 2000, Local Government: Municipal Structures Act, Section 12. The total population of Mpofana Municipality is estimated at 36 826, with an estimated total number of 9 597 households (Mpofana Municipality, Integrated Development Plan, 2001, p.15).

Mpofana Municipality is a public service institution that offers various services. Examples of such services are refuse removal, provision of electricity, cutting of verges, library services, primary health care and many more, as prescribed and allocated in terms of relevant legislation.

The Member of the Executive Council (MEC) of the Provincial Government responsible for local government in each province determines the number of seats to be allocated to each Council immediately after the election. Mpofana Municipality has seven seats and is allocated seven seats that are currently occupied by the following political parties;

- | | |
|-----------------------------|---|
| • African National Congress | 4 |
| • Inkatha Freedom Party | 2 |
| • Democratic Alliance | 1 |

3.5.2 VALUES UNDERPINNING SERVICE DELIVERY AT MPOFANA MUNICIPALITY

Mpofana Municipality identified certain values to underpin all efforts to serve the community, namely:

- Maintain customer focus and strive for quality, effectiveness, efficiency and sustainability in the delivery of all services.
- Develop a high performance and excellence culture based on innovation and development.
- Undertake the responsibility with stewardship and play a leadership role on issues of importance to the municipality.
- Actively seek and forge mutually beneficial partnerships with all stakeholders.
- Communicate effectively with communities and other stakeholders in a manner that promotes their participation.
- Act with respect, honesty, trust and empathy.
- Uphold diligence, professionalism and risk tolerance in the quest for innovation and improvement in service delivery.
- Promote ongoing development of management and adaptable skills to cope with changes in the environmental and customer expectations.
- Create an environment that is conducive to self-initiative and fostering a culture of individual identity with the municipality as an organisation.
- Commit to equity and social redress.
- Be inclusive, transparent, and accountable and act with integrity.

(Mpofana Municipality: Corporate Strategic Plan, 2003, p.4)

The commitment of Mpofana Municipality to the improvement of the quality of services is clearly captured in the mission statement (Mpofana Municipality, IDP Review 2006, p. 30);

“Mpofana Municipality is to be a proactive, accountable and financially viable municipality that is continually striving to provide efficient, affordable, sustainable

and customer-orientated services – committed to participation principles in the social and economic development of our community.”

3.5.3 AVAILABILITY OF SERVICES AT MPOFANA MUNICIPALITY

Tables 2 to 12 provide an indication of the types and levels of services that are available for the communities of the Mpozana municipal area. From this the municipality is able identify areas of need and the services required.

Table 2: Dwelling Types

Dwelling Type	No. of Households	Percentage
House or brick structure on a separate stand or yard	6 345	67.8
Traditional dwelling/hut/structure made of traditional materials	2 386	25.5
Flat in block of flats	144	1.5
Town/cluster/semi-detached house (simplex: duplex: triplex)	37	0.4
House/flat/room in back yard	176	1.9
Informal dwelling/shack in back yard	67	0.7
Informal dwelling/shack NOT in back yard e.g. in an informal/squatter settlement	192	2.1

(South African Census, 2001, p.113)

The statistics show that there have been major housing projects in this area, as a high percentage (67.8%) of the households reside in “stand alone” brick structures. There are very low numbers of households which are regarded as residing in shacks or squatter settlements.

Table 3: Water Sources

Water	No. of Households	Percentage
Piped water inside dwelling	2 842	29.6
Piped water inside yard	3 594	37.4
Piped water on community stand: distance less than 200m from dwelling	400	4.2
Piped water on community stand: distance greater than 200m from dwelling	454	4.7
Borehole	305	3.2
Spring	235	2.4
Rain-water tank	44	0.5
Dam/pool/stagnant water	415	4.3
River/stream	1 185	12.3
Water vendor	11	0.11
Other	112	1.2

(South African Census, 2001, p.114)

The statistics indicate that 67% of the households already have water within their properties. Nevertheless, 22% of the households are dependent on untreated water, which presents a potential health hazard.

Table 4: Energy / Fuel for Lighting

Energy / Fuel	No. of Households	Percentage
Electricity	5 124	53.5
Gas	30	0.3
Paraffin	67	0.7
Candles	4 297	44.8
Solar	34	0.35
Other	47	0.49

(South African Census, 2001, p.116)

Even though just over half (53.5%) of the households already have electricity for lighting purposes, 44.8% are still making use of candles. This is an indication that there is still a sizeable backlog and the need to improve electricity supply.

Table 5: Energy / Fuel for Heating

Energy / Fuel	No. of Households	Percentage
Electricity	3 127	32.6
Gas	144	1.5
Paraffin	519	5.4
Wood	5 424	56.5
Coal	136	1.4
Animal dung	31	0.3
Solar	11	0.1
Other	206	2.2

(South African Census, 2001, p.118)

A high 56.5% of the total households make use of wood for heating purposes. This is an indication that natural forests are being depleted, which poses downstream environmental concerns.

Table 6: Means of Communications

Communication Means	No. of Households	Percentage
Telephone in dwelling and cell-phone	943	9.8
Telephone in dwelling only	540	5.6
Cell-phone only	1 261	13.2
At a neighbour nearby	809	8.4
At a public telephone nearby	2 754	28.8
At another location nearby	224	2.3
At another location; not nearby	529	5.5
No access to a telephone	2 533	26.4

(South African Census, 2001, p.120)

The statistics show that cellular telephones are becoming the most popular means of communication, with 13.2% of the total number of households using cell phones only as a means of communication. This number is expected to grow. Planning should consider the improvement of network servicing, especially in remote areas where these are aggressively becoming popular. The statistics also show that just over one quarter of the population is still depending on public telephones whilst another one quarter does not have any form of communication.

Table 7: Refuse Removal

Refuse Removal	No. of Households	Percentage
Removed by local authority at least once a week	3 923	50
Removed by local authority less often	29	0.3
Communal refuse dump	265	2.8
Own refuse dump	3 033	31.7
No rubbish disposal	1 459	15.2

(South African Census, 2001, p. 122)

The municipality is currently servicing 50% of the total number of households, particularly those in the urbanised areas, whilst 31.7% is making use of their own refuse dumps. This poses environmental threats as the status of these is unknown. Even the 15.2% of the households that do not have any form of refuse removal/disposal poses questions around the issues of disposal.

Table 8: Toilet Facilities

Facility	No. of Households	Percentage
Flush toilet (connected to sewerage system)	3 989	42
Flush toilet (with septic tank)	817	8.6
Chemical toilet	213	2.2
Pit latrine with ventilation	401	4.2
Pit latrine without ventilation	1 726	18.2
Bucket latrine	537	5.7
None	1 919	20.2

(South African Census, 2001, p. 123)

Most households (42%) are serviced by a sewerage system network. When one considers this together with the other categories, it is clear that the backlog has been addressed, to an extent. A socio-environmental concern is that 20.2% of the households do not have any form of system.

Table 9: Mode of Transport

Transport Mode	No. of People	Percentage
By foot	13 973	38
By bicycle	340	0.9
By motorcycle	107	0.3
By car as a driver	1 033	2.8
By car as a passenger	1 839	5
By minibus/taxi	936	2.5
By bus	512	1.4
By train	51	0.1
Other	134	0.4
Not Applicable	17 896	48.6

(South African Census, 2001, p. 125)

Motor vehicles are not a common mode of transport. There is a large proportion of the population (38%) that is dependent on walking and (48.6%) falls within the not applicable category, which means that the mode of transport for a larger number of the population remains unknown.

A number of social services have been discussed above, but other social aspects pertaining to Mpofana Municipality, such as employment figures, types of employment, education levels and number and type of physically challenged

people, are discussed in this section. It is without doubt that such facts and figures are important for the municipality in planning for the present and future needs of the communities. The municipality could use these facts to determine the relevance of strategies in the Strategic Framework, as well as priority projects.

Table 10: Occupation

Occupation	No. of People Employed	Percentage
Legislators; senior officials and managers	297	3.2
Professionals	252	2.8
Technicians and associate professionals	486	5.3
Clerks	493	5.4
Service workers; shop and market sales workers	710	7.8
Skilled agricultural and fishery workers	1 334	14.6
Craft and related trades workers	626	6.8
Plant and machine operators and assemblers	1 011	11
Elementary occupations	3 940	43.1
Occupations unspecified and not elsewhere classified	0	0
Undetermined	301	3.3

(South African Census, 2001, p.129)

A high 43.1% have elementary occupations (low end group). This is as a result of the large number of people employed in the agricultural sector.

Table 11: Level of Education

Education Level	No. of People	Percentage
Not applicable	0	0
No schooling	5 581	26.4
Some primary	4 567	21.6
Complete primary	1 448	5.4
Some secondary	5 374	25.4
Std 10/Grade 12	3 094	14.6
Higher	1 075	5.1

(South African Census, 2001, p.131)

Most of the people have some form of education, even though a very small percentage has higher education. This suggests that most of the people in the job market have the potential to be trained to become competitive. The 26.4% with no schooling are probably adults residing in the rural areas.

3.6 PRICING

Municipalities ensure financially viable local governance by developing a policy framework that:

- addresses the root causes of the financial problems that face municipalities
- empowers municipalities to fulfil their constitutional mandate
- enables municipalities to play a central role in creating sustainable living environments

(Republic of South Africa, Local Government: Municipal Systems Act, 2000, p.26)

Urban and rural municipalities, and even those in different metropolitan areas, are in very different financial circumstances. They have very different prospects for providing adequate services at reasonable costs. Some municipalities particularly those in rural areas do not have adequate tax bases to fund the delivery of even a minimal level of basic services (Republic of South Africa, Local Government: Municipal Systems Act, 2000, p.77).

When pricing, it is important for the organisation to decide on its strategy for the product and, at the same time, to seek additional objectives. The clearer the company is about its objectives, the easier it is to set the price (Kotler, 1996, p.341). Mpofana Municipality prices according to what the perceived value would be for the customer and for a specific service and also consider the cost incurred for that service (See appendix A).

3.7 CONCLUSION

The local government is the third sphere of government, made up of municipalities of different categories (Republic of South Africa, 1996, Constitution (108), section 151). One of the objects of the municipality is to provide basic services to the community. In terms of the (Republic of South Africa, Local Government: Municipal Systems Act, 2000, section 77) municipalities should continuously evaluate the quality of service rendered and consider the best mechanisms for service delivery. Municipalities are required to be responsive to the needs of the community and provide services in an efficient, effective and sustainable manner (Republic of South Africa, 2000, Local Government: Municipal Systems Act, section 6). The (Republic of South Africa, 2000, Local Government: Municipal Systems Act, section 24) places an obligation upon the municipality to solicit the views of the community, and all other government sector departments, when preparing the Integrated Development Plan. This provides the municipality with an opportunity to determine the expectations of the community and develop delivery strategies commensurate with the level of expected service delivery.

CHAPTER FOUR: RESEARCH METHODOLOGY

This chapter describes the methods and procedures used for measuring service quality in the study and which were used for data collection. It gives information on the research questions, objectives, research design, data collection procedures and limitation of the study.

4.1 PROBLEM STATEMENT

The study investigates perceptions of different stakeholders which are the community, administration and councillors, on service delivery by Mpofana Municipality. This research aims at providing recommendations that will assist in terms of accelerating service delivery, which is noted as the most fundamental ideology of all municipalities in South African as the fulfillment of the constitutional mandate. The study will provide recommendations that will assist in terms of accelerating service delivery, not only in urban areas but rural in areas as well.

4.2 RESEARCH OBJECTIVES

- To investigate perceptions on service delivery at Mpofana Municipality.
- To establish dimensions contributing to any gaps in service quality.
- To establish if there are differences in terms of stakeholders perceptions.

4.3 RESEARCH DESIGN

This section will look at population, sampling and data collection procedures.

4.3.1 POPULATION

According to the census of Statistics South Africa, 2001, the population of Mpofana Municipality was estimated at 36 826 (Mpofana Municipality, 2004, Integrated Development Plan, p. 7). By then, Mpofana Municipality was required to have seven councillors, as a requirement of local government legislation (Republic of South Africa, Local Government: Municipal Structures Act, 1998,

Section 12). The Mpofana Municipality's current administration staff is estimated at ninety seven, with seven community representatives.

4.3.2 SAMPLING

Convenience sampling was used in this study. A nonprobability convenience sampling method was used for data collection. The total sample size is three hundred and ninety nine (399). It comprises of three hundred and sixty five (365) representing the community by 91.5% from the total sample; with the representative of ninety one (91) per each municipal ward of the three wards and ninety two (92) from the other municipal ward. Seven councillors ((7) were representing 1.8% of the total sample and twenty seven (27) administration staff representing 6.7% of the total sample of Mpofana Municipality. According to Hair *et al.* (2003, p.340) convenience sampling is a method in which samples are drawn based on convenience, for example interviewing of individuals at shopping centres or other high-traffic areas is a common method of generating a convenience sample. According to Hair *et al.* (2003, p.340) the disadvantage of convenience samples is that the data are not generalisable to the defined target population. Durrheim and Terreblance (1999, p.380) suggest that taking cases on the basis of their availability is referred to as "convenience" or "opportunistic" sampling as was the case with the current study. Respondents were randomly selected as they were willing to participate in the study, which involved community within the given number per ward and staff with the use of the list received from the Municipal Manager's office. All seven councillors were selected to participate in the study.

4.3.3 QUESTIONNAIRE

The questionnaire was a Servqual instrument that was developed by Parasuraman *et al* (1988). The five Servqual dimensions measured were tangibles, reliability, responsiveness, assurance and empathy. Servqual is a multiple-item scale for measuring service quality (Parasuraman *et al*, 1988,

p.168). The advantage of the Servqual questionnaire is that it provides accuracy and a complete collection of all valuable factors, in the correct manner and with minimal bias (Parasuraman *et al*, 1988, p.445).

The Servqual statements are structured as follows:

Reliability: statements 1-4

Responsiveness: statements 5 - 8

Assurance: statements 9-12

Empathy: statements 13-16 and 21

Tangibility: statements 17-20

(Zeithaml, 2003, p.136 and see also appendix F)

The questionnaire has two sets of twenty-one statements. The first 21 statements deal with clients' expectations of the quality of the service that the municipality should offer. The next 21 statements relate to performance perceptions of the service actually provided by the municipality, both being fairly similar in sentence construction. The questionnaire was constructed as a Likert scale, that is a summated rating scale with 7 options, 1 being strongly disagree, 2 being disagree, 3 slightly disagree, 4 neutral, 5 slightly agree, 6 agree and 7 strongly agree.

The first five statements deal with reliability which is the level of delivering desire, accuracy in performance and the actual accuracy and dependability received. The second three statements look at responsiveness that dealt with actual levels of willingness to help and deliver prompt service. Assurance statements dealt with actual behaviour and knowledge of employees and their ability to build trust and confidence. Empathy statements dealt with ability to display individual attention and caring towards customers (Mc Coll *et al.*, 1998, p.155). The last four statements on tangibility related to the appearance of physical facilities, personnel and communication materials.

4.3.4 PRE-TESTING

Salant and Dillman (1994, p.120) and Allison *et al.* (1996, p.52) deal with the importance of conducting a pre-testing survey to test the clarity and “user friendliness” of a questionnaire. A questionnaire was pre-tested with ten respondents from the people who were attending the workshop in Mooi River from the District Municipality. These respondents did not form part of the sample for this study. The pre-test indicated that respondents did not experience any problems with the questionnaire and that led to the assumption that there was no ambiguity in the questionnaire.

By using Servqual, research analysis is aided, as it provides a tried and tested method of analysis (Zeithaml, 1990, p.156). This allowed the data and the resulting analysis to have a higher probability of being accurate.

4.4 DATA COLLECTION PROCEDURE

The questionnaire was used for data collection of this study on all three stakeholders, which is community, councillors and administrative staff. Self-administered questionnaire was used for gathering information through the temporary hired agents for the purpose of assisting respondents in completing the questionnaire. Quantitative method was used to allow the process of gathering information to provide short responses. The data related to the community was collected at Mpofana Municipality wards, and that related to councillors and staff was collected at the main municipal offices. It took almost two weeks to get all the questionnaires back. The data was collected on the month of August 2006.

4.5 ANALYSIS OF DATA

Data was analysed so that it could provide an analysis of the results from what has been studied and answers to the research questions. The purpose of coding data is to render data in a form which can be presented and analysed (Birley and Moreland, 1998, p.59). The data from the questionnaires was then captured to the statistical software package called SPSS version 11.5. Frequency tables were produced. The different descriptive statistics were calculated using SPSS.

The data from the questionnaire was recorded, using the specified analysis for Servqual. Different analyses were carried out; pie charts were used to display the results. The mean, which is the average score summing over the responses and divided by the sample size for each variable, was calculated (Parasuraman *et al.*, 1988, p.251). The median, which is the value in the centre of a data set, when arranged from highest to lowest, was calculated for each variable. The mode is the most frequent value (Zeithaml, 1990, p.156). The range is the difference between the highest and lowest values for each variable. This indicates consistency in the responses of people who participated in the study. The standard deviation is the square root of the variance (Parasuraman *et al.*, 1988, p.252). The use of hypothesis testing was used to measure differences between perceptions and expectations among community, councillors and staff. Hypotheses are a core concept within statistical methodology. An hypothesis is a "proposition that is advanced for testing or appraising generalisation" (Tredoux & Durrheim, 2002, p.234).

The hypothesis was tested using the T-test and chi-square: the T-test was used to compare more than two (estimated) variables or population means and its purpose was to evaluate the difference between three means (Terre Blanche *et al.*, 1999, p.143) The present study compared the expectations and perceptions of the community, councillors and staff of the Mpofana Municipality. The chi-square test worked by comparing observed and expected frequencies. It

underpinned many multivariate forms of categorical or nominal data analysis (Tredoux & Durrheim, 2002, p.232).

4.6 RELIABILITY

These results of this study were consistent with those reported in Parasuraman *et al.* (1988), suggesting that the measures exhibit high levels of reliability and internal consistency.

Cronbach's alpha was calculated as part of the reliability test, to assess how valid the results were and whether or not similar results would be obtained if the sample size was increased. A value of 0.7 or higher is a very good value that can lead us to say that we will get the same results if we carried out this survey with a larger sample of respondents (Birley and Moreland, 1998, p.62). Cronbach's alpha was calculated for the perceptions, expectations and then the combined statements (perceptions 1-21 and expectations 1-21). The results are as follows:

TABLE 12: CRONBACH'S ALPHA

ITEM	QUESTIONS	CRONBACHS ALPHA
OVERALL	1-21	0.9297
EXPECTATIONS	1-21	0.9352
PERCEPTIONS	1-21	0.9562

The alpha values were satisfactory.

The study considered the mean, the mode, the median, the sample variance and the standard deviation of the sample. The mean or the arithmetic mean is the sum of all the values divided by the sample size, the mode is the most frequent response given by the respondents and the median is the middle-most value when the data(per variable/question) is arranged from highest to lowest. The sample variance is the degree or quantity by which each observation varies one from another. The sample standard deviation is the square root of the sample variance. From the table above, the majority of the questions have a mode of "7" for the EXPECTATION questions, which represents a response of "strongly

agree,” and for the PERCEPTION questions the modal response for the majority of the questions was a “1,” which represents a response of “strongly disagree”. The standard deviations were consistently about 1 and this indicated good consistency among the observations due to the low variability. The mean and median values were consistent with modal values.

4.7 CONCLUSION

Chapter 4 presented the research methodology, data collection procedure, questionnaires and data analysis. Use of the Servqual instrument was explained. The reliability of the study was also viewed. Pre-testing was explained as to eliminate any possible ambiguity, unclear choices and poorly worded questions. The data collection will be analysed using SPSS and data results will be presented in Chapter 5, using five dimensions scores.

CHAPTER FIVE: FINDINGS

5. 1 INTRODUCTION

Chapter 5 presents the data collected with the use of the Servqual instrument, which was used to investigate perceptions and expectations of service quality at Mpofana Municipality.

5.2 FINDINGS OF THE STUDY

The total sample size was 399 and questionnaires were correctly completed, resulting in a response rate of 100% that was due to research assistants who had to play a role of interpreting to those respondents who were not familiar with the language (English). The respondents were divided into three categories, namely staff, councillors and the community. It comprises of three hundred and sixty five (365) representing the community by 91.5% from the total sample; with the representative of ninety one (91) per each municipal ward of the three wards and ninety two (92) from the other municipal ward. Seven councillors ((7) were representing 1.8% of the total sample and twenty seven (27) administration staff representing 6.7% of the total sample of Mpofana Municipality.

To calculate and measure scores for the five Servqual dimensions, the researcher measured perceived service quality according to the following formula:

$$Q=P-E$$

(Q represents quality, P represents perceptions and E represents expectations).

The findings are presented such that they reflect the perceptions and expectations of each stakeholder group, which is community, councillors and staff.

5.2.1 EXPECTATIONS OF THE COMMUNITY

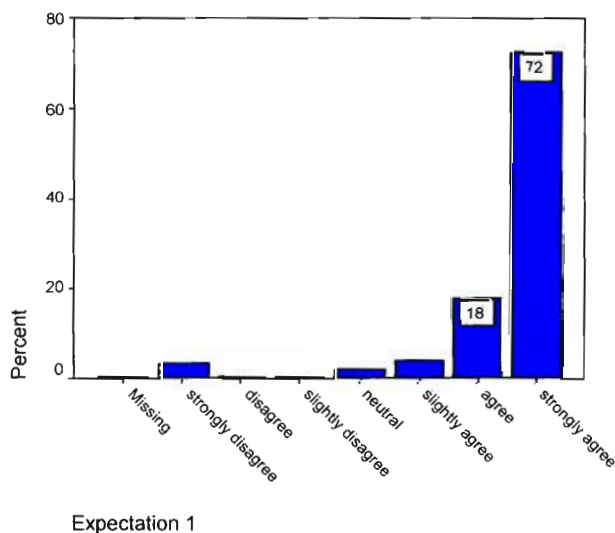
The questionnaire is made up of statements that measure the expectations across five service dimensions. The statements are categorised according to the dimensions they intend to measure and are represented as follows:

- Statements 1 to 4 measure expectations on reliability
- Statements 5 to 8 measure expectation on responsiveness
- Statements 9 to 12 measure expectations on assurance
- Statements 13 to 16 and 21 measure expectations on empathy
- Statements 17 to 20 measure expectations on tangibles

The following were the findings of the study in relation to the statements that pertain to the expectations by the community, followed by the summary of the findings of the staff sample (27 respondents) and councillors (7 respondents).

1. ***When a municipality promises to do something by a certain time, they will do so.***

Figure 2: Keeping promises

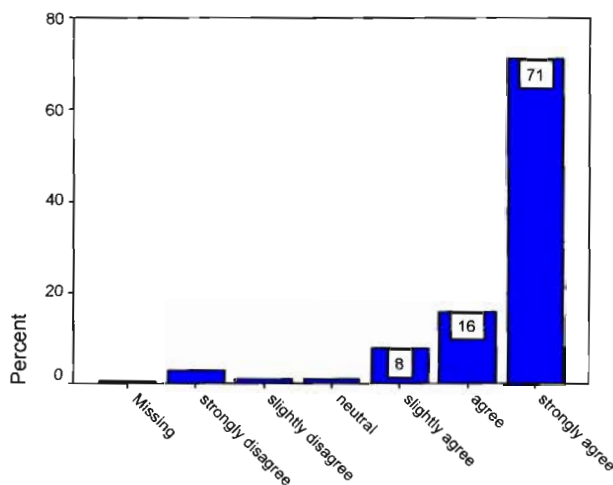


The modal response for this statement is “strongly agree” (72.3%).

The majority of the respondents (90%) in the community category expect the municipality to keep promises. The customer expects that the service is going to be delivered on time, every time, without any errors (Fitzsimmons and Fitzsimmons, 2001, p.45). Only 3% of the respondents disagree with the statement.

2. *When customers have problems, the Municipality should show a sincere interest in solving it*

Figure 3: Commitment to resolving problems



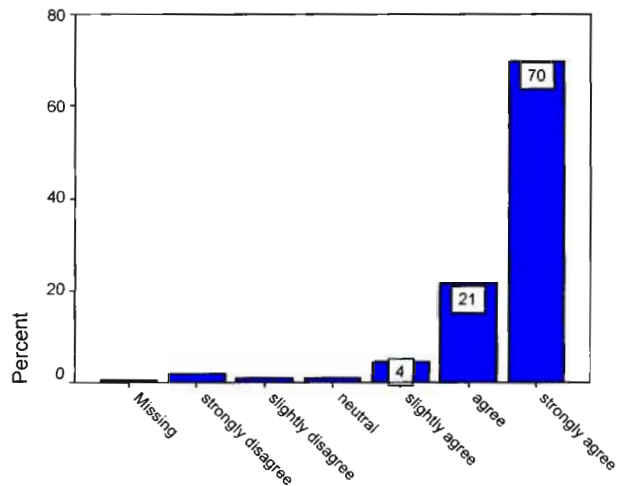
Expectation 2

The modal response for this statement is “strongly agree” (71%).

Seventy one percent and 16% of the respondents strongly agree and agree with the statement, respectively. The majority of the respondents (86%) in the community category hold high expectations that the municipality will demonstrate a high level of interest and commitment to resolve their problems. Only 3% of the respondents disagree with the statement.

3. A good Municipality should perform the service right the first time.

Figure 4: Accuracy



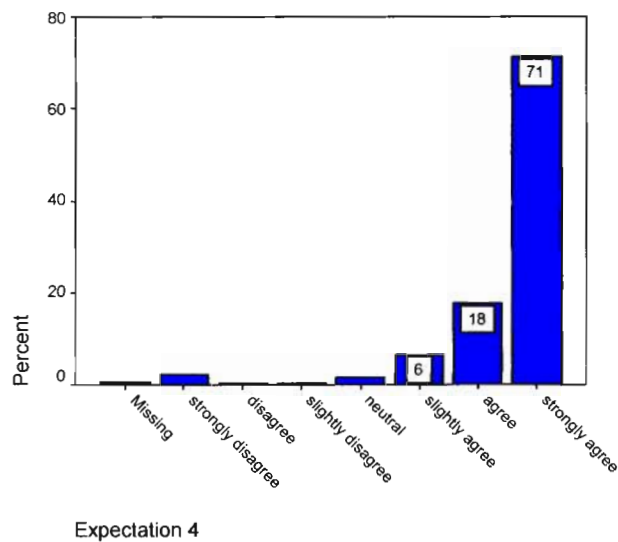
Expectation 3

The modal response for this statement is “strongly agree” (70.2%).

A high 91% of the respondents in the category of the community expect the municipality to be accurate the first time when performing the service, with only 3% that does not expect the municipality to perform the service right the first time.

4. A good Municipality should provide its services at the time it promises to do so.

Figure 5: Providing service at the promised time

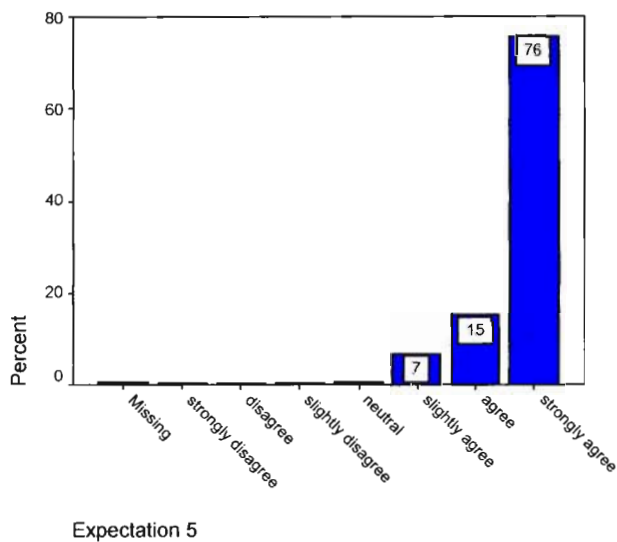


The modal response for this statement is “strongly agree” (71.6%).

Eighty nine percent of the respondents agreed with the statement: 71% of the respondents strongly agree and 18% agree with the statement. The majority of the respondents (89%) hold high expectations of a good municipality to provide services at the promised time. A very small percentage of the respondents (2%) disagree with the statement.

5. *A good Municipality should keep customers informed about when services will be performed.*

Figure 6: Keeping customers informed

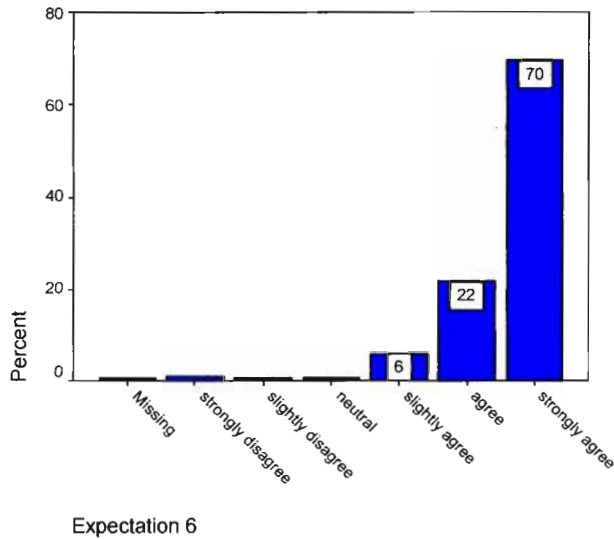


The modal response for this statement is “strongly agree” (75.9%).

Most of the respondents (91%) agreed with the statement and expect employees of a good municipality to tell the customers exactly when a service would be performed; 0.3% disagreed with the statement and do not expect staff to say exactly when the service would be performed.

6. Employees of a good Municipality will give prompt service to customers

Figure 7: Giving prompt service

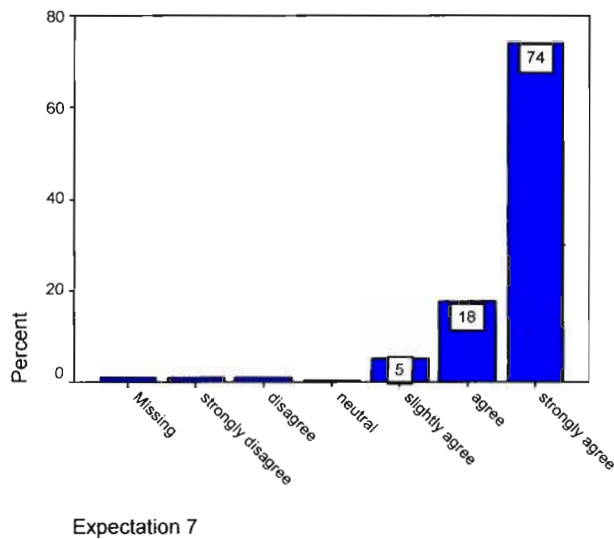


The modal response for this statement is “strongly agree” (69.9%)

Most of the respondents(92%) agreed that employees must give prompt service to customers at all times; 69.9% and 22% of the respondents strongly agreed and agreed, respectively that the employee must give prompt service to customers, while only 0.8% of the respondents strongly disagreed with the statement and do not expect staff to give prompt service to customers.

7. Employees of a good Municipality will always be willing to help customers

Figure 8: Willingness to help customers

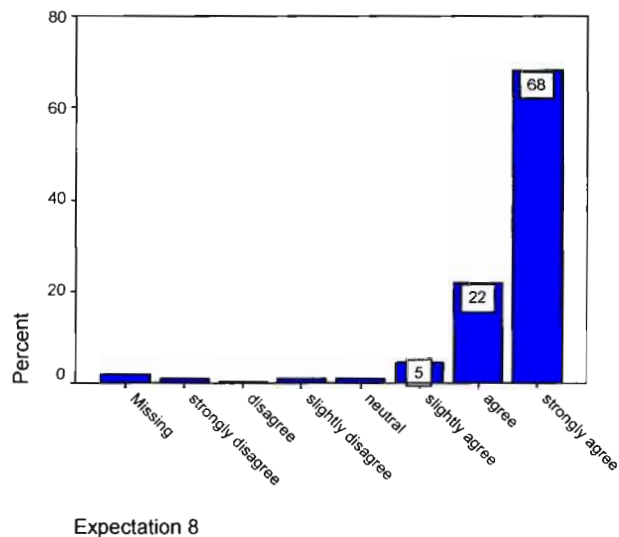


The modal response for this statement is “strongly agree” (74%)

Ninety two percent of the respondents agreed on the importance of employees being willing to help their customers; 1.9% disagreed with the need for employees to be willing to help customers. The majority of the respondents (92%) hold very high expectations of the municipal employees demonstrating willingness to help customers. Only 1.9% of the respondents think that it is not important for municipal employees to demonstrate willingness to help customers.

8. *Employees of a good Municipality will never be too busy to respond to customers requests*

Figure 9: Response to customer requests

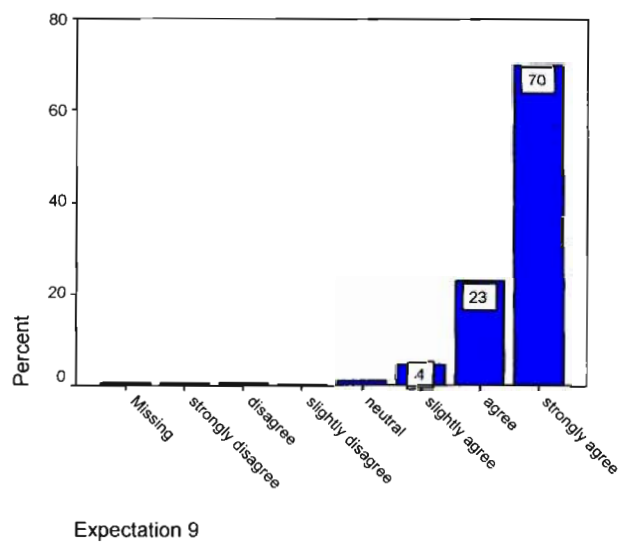


The modal response for this statement is “strongly agree” (68.2%)

Ninety percent of the respondents agreed with the statement that employees of an excellent municipality will always find time to deal with the requests of customers. The majority of the respondents (68% strongly agree) and (22% agree) feel that it is important for municipal employees to be willing and show keen interest in dealing with customer requests. A low percentage of the respondents (0.11%) did not agree with the statement.

9. The behaviour of employees of a Municipality will instil confidence in customers

Figure 10: Behaviour of the employees instil confidence

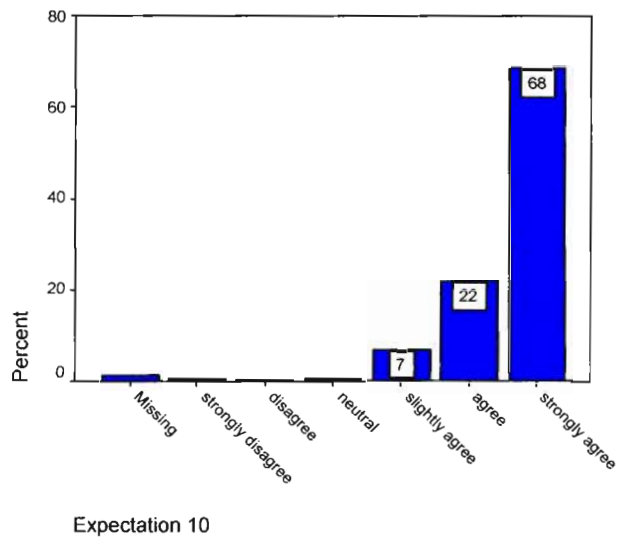


The modal response for this statement is “strongly agree” (69.9%)

A high 93% of the respondents agreed that the behaviour of employees instil confidence in customers. Only 0.10% of the respondents disagreed that employees should instil confidence in customers when doing their jobs.

10. Customers should feel safe in their transactions with a municipality.

Figure 11: Feeling safe to transact with a municipality

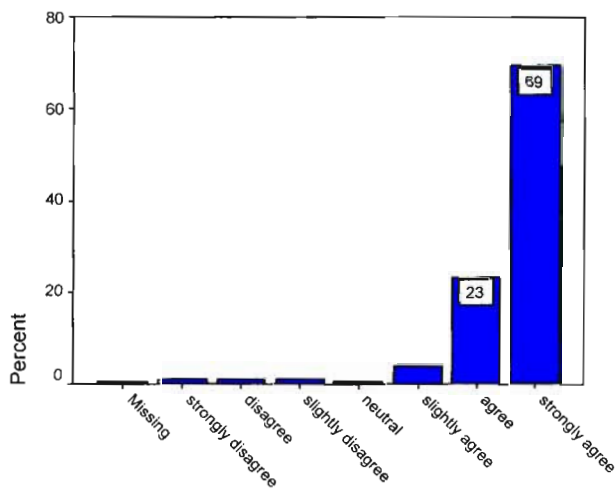


The modal response for this statement is “strongly agree” (68.5%)

The majority of the respondents (90%) believe that it is important to feel safe when transacting with a municipality. Safety could refer to safe physical environment, as well as the integrity of the actual transaction. Only 0.8% of the respondents disagreed with the statement.

11. Employees of a good Municipality should always be courteous with customers

Figure 12: Consistent courtesy with customers



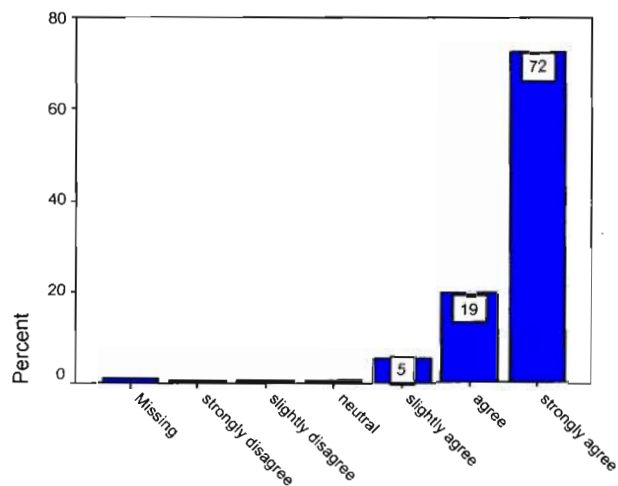
Expectation 11

The modal response for this statement is “strongly agree” (69.3%).

Most of the respondents (92%) agreed that employees of a municipality should always treat customers with courtesy. The importance of consistent courtesy is reflected in the findings that show 69% and 23% of the respondents strongly agreeing and agreeing, respectively, with the statement. A small percentage of the respondents (0.16%) feel that it is not important for the employees of a municipality to be courteous when dealing with the customers.

12. Employees of a good Municipality should have knowledge to answer customers' questions

Figure 13: Knowledge to answer customers' questions



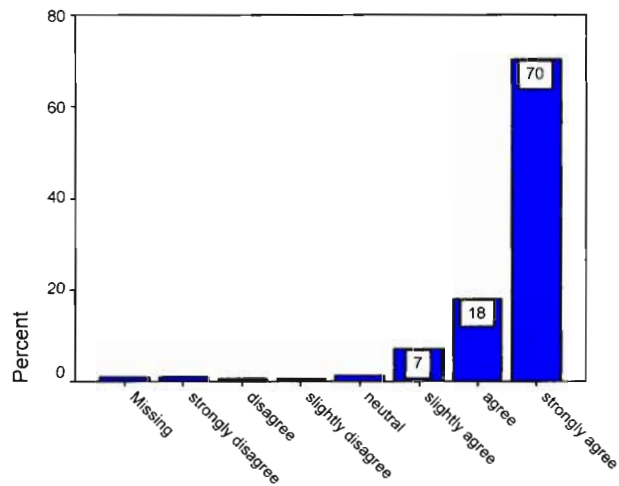
Expectation 12

The modal response for this statement is “strongly agree” (72.3%)

A high 91% of the respondents expect employees of a good municipality to have knowledge to answer their questions. Only 0.10% of the respondents feel that it is not important for the employees of a municipality to have knowledge to answer their questions.

13. The Municipality should give individual attention

Figure 14: Giving individual attention to customers



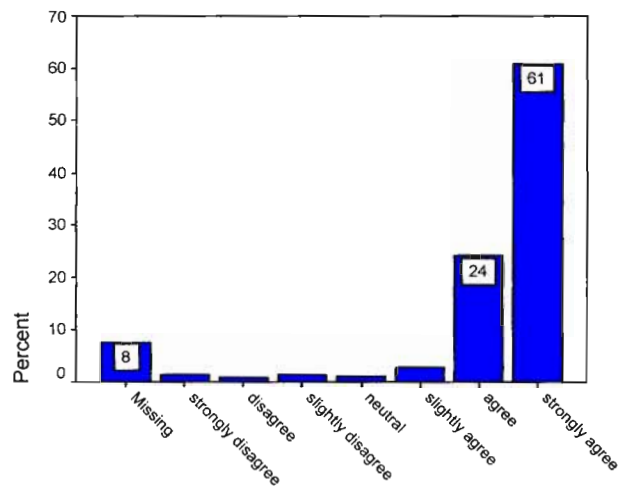
Expectation 13

The modal response for this statement is “strongly agree” (70.4%)

The majority of the respondents (88%) agree that the municipality should give individual attention; 70% of the respondents strongly agree and 18% agree with the statement. Only a few respondents (1.6%) do not agree that a good municipality must give individual attention.

14. An excellent Municipality should have employees who give customers special attention

Figure 15: Giving special attention to customers



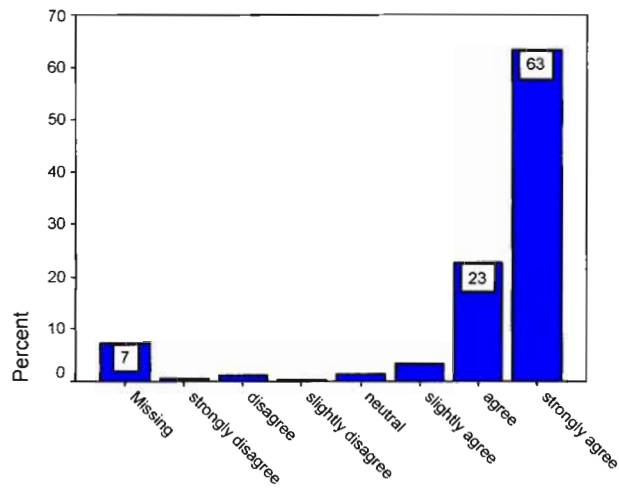
Expectation 14

The modal response for this statement is “strongly agree” (60.8%).

Eighty five percent of the respondents agreed that employees of a good municipality should give personal attention to customers and 2.2% disagreed with the statement. These results are a reflection of the importance that the respondents attach to personal attention by a municipality.

15. A good Municipality should have the best interest of its customers at heart

Figure 16: Having the best interest of customers at heart



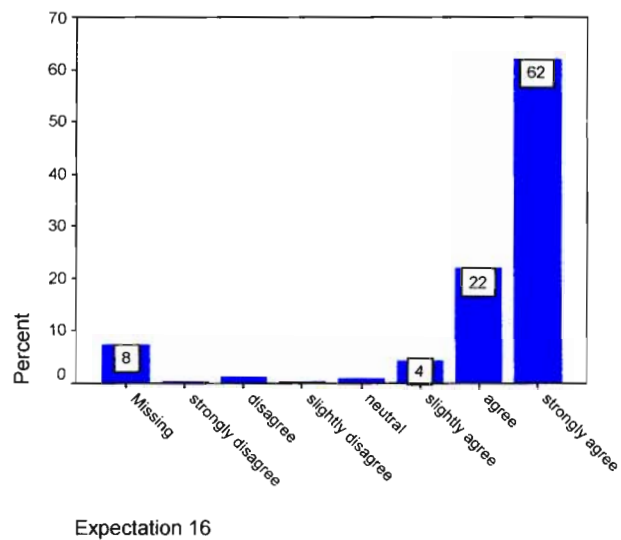
Expectations 15

The modal response for this statement is “strongly agree” (62.3%).

Most (86%) of the respondents agreed that staff must be willing to put customers’ interests first; 1.6% of the respondents disagreed with the statement and do not expect staff to have customers’ best interests at heart.

16. Employees of a good Municipality should understand the specific needs of customers.

Figure 17: Understanding the specific needs of customers

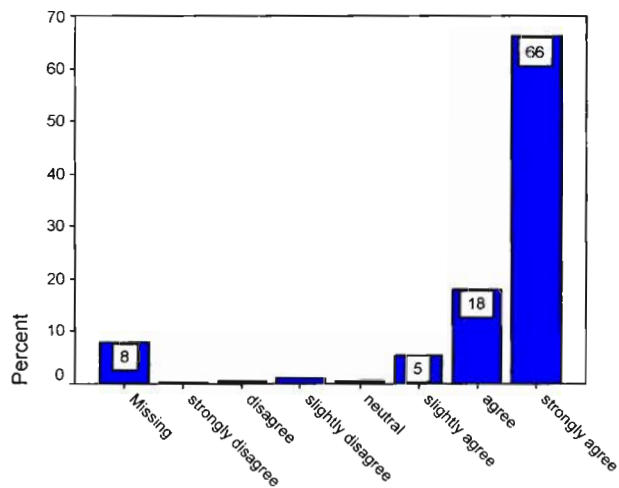


The modal response for this statement is “strongly agree” (62.2%).

It is the expectation of most of the respondents (84%) that staff should identify and understand customers’ needs. 62% and 22% of the respondents strongly agree and agree, respectively, that employees of a good municipality should have a clear understanding of what customers’ needs are. Only 1.9% of the respondents disagreed and did not expect the staff to understand the specific needs of the customers.

17. A good Municipality should have modern equipment

Figure 18: Modern equipment



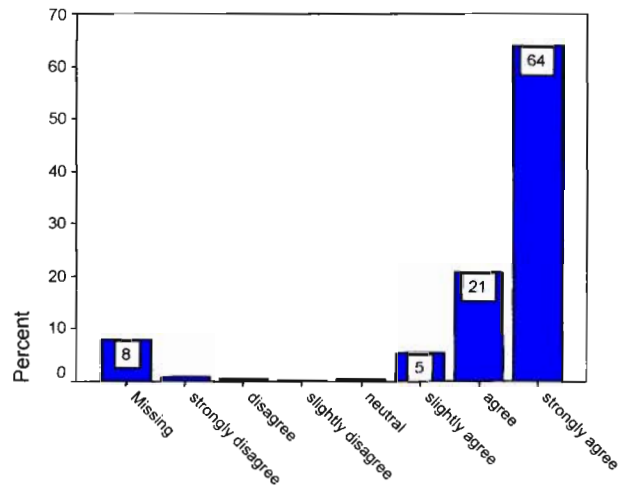
Expectation 17

The modal response for this statement is “strongly agree” (66%).

Most (84%) strongly agreed with this statement. Respondents expect a good municipality to have up-to-date equipment. Only 0.8% of the respondents disagreed.

18. A good Municipality's physical facilities should be visually appealing

Figure 19: Physical facilities



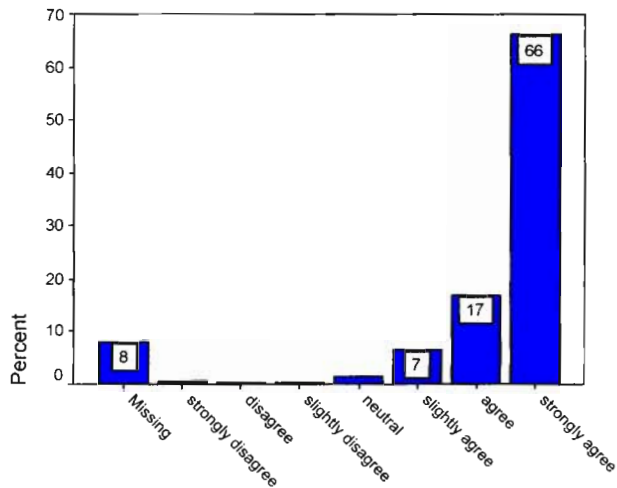
Expectation 18

The modal response for this statement is “strongly agree” (63.8%).

Most (85%) of the respondents agree that the physical facilities of an excellent municipality must be visually appealing; 65% strongly agree with the statement, while 21% of the respondents agree that the physical facilities must be visually appealing. Only 0.13% of the respondents disagree with the statement.

19. Employees of a good Municipality should appear neat

Figure 20: Appearance of the employees



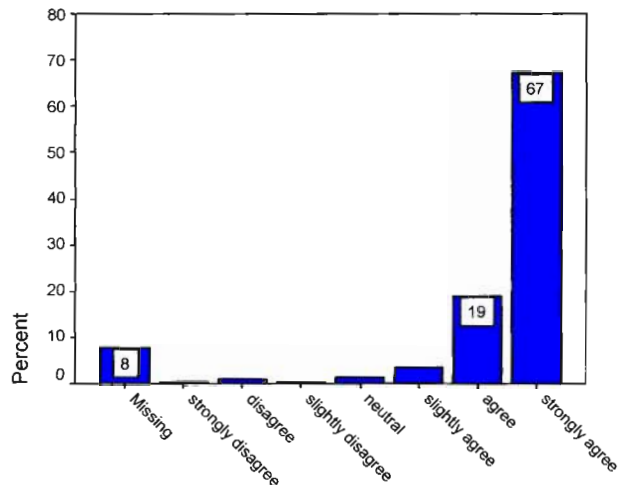
Expectation 19

The modal response for this statement is “strongly agree” (66%).

The majority of the respondents (83%) feel that employees of a good municipality should always appear neat. These results are an indication of the importance of staff neatness to the respondents. Only 0.8% of the respondents disagree with the statement.

20. Materials associated with service (such as pamphlets or statements) at a good Municipality should be visually appealing

Figure 21: Materials associated with service



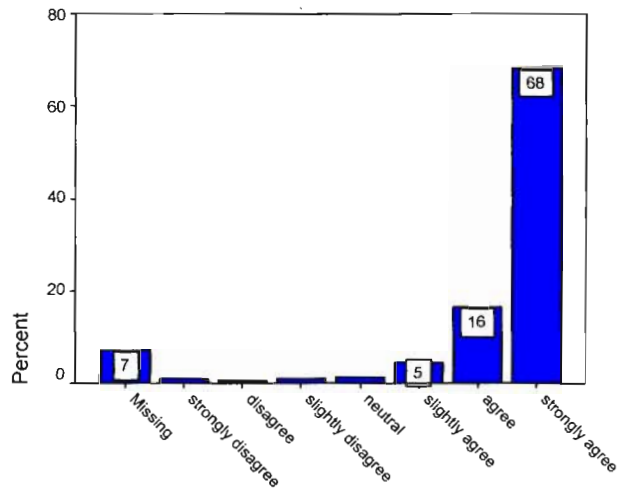
Expectation 20

The modal response for this statement is “strongly agree” (67.1%).

The majority (87%) of the respondents agreed that materials such as brochures, which provide information, must be visually appealing to customers. Brochures and pamphlets should be placed at the counters and areas that are easily accessible and convenient to customers. Only 0.11% of the respondents disagreed with the statement and did not expect brochures to be visually appealing.

21. A good Municipality should have convenient business hours.

Figure 22: Convenient business hours



Expectation 21

The modal response for this statement is “strongly agree” (68.2%).

Most (84%) of the respondents agree and expect a good municipality to have convenient operational hours. Only 0.11% of the respondents disagree with the statement.

TABLE 13: SUMMARY OF COMMUNITY EXPECTATIONS

Question	Expectations
	Mean
2	6.465
14	6.471
1	6.488
21	6.505
16	6.51
4	6.511
3	6.523
15	6.534
8	6.54
13	6.543
19	6.557
11	6.559
18	6.567

17	6.574
6	6.581
10	6.586
9	6.587
20	6.595
7	6.624
12	6.648
5	6.678

This section has reflected the service quality dimensions in which the customers' expectations were rated the highest. These service quality dimensions are responsiveness and assurance.

All of the statements have the modal responses of "strongly agree" and "agree," meaning that the expectations of the respondents as far as Tangibles, Empathy, Assurance, Reliability and Responsiveness were high.

The highest average score on reliability was 6.52 related to showing interest in solving customer's problems. The expectation on responsiveness was rated at 6.68 in terms of willingness to help customers. The highest score on assurance was 6.59 in relation to the behaviour of the employees in instilling confidence to customers. Empathy was 6.54, which is a good municipality giving individual attention. The highest score on expectation regarding tangibles was 6.59 related to materials associated with the service.

Overall, the highest average score on community expectations was on responsiveness at 6.68, related to keeping customers informed about when services will be performed. The second highest overall score 6.64 on assurance related to employees having knowledge to answer customers' questions. The lowest overall score on community expectations was on reliability at 6.46 related to showing interest in solving customers' problems. The second lowest at 6.47 was assurance related to employees giving special attention to customers.

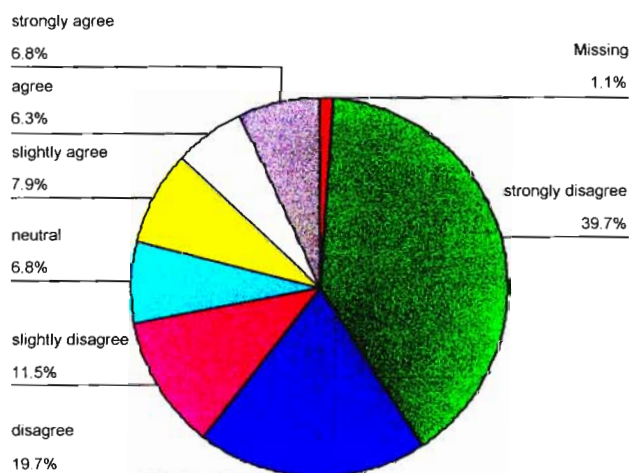
These results have indicated that the majority of the respondents expect a good municipality to provide service that will exceed their expectations all the time.

The next section deals with the results of the survey of the perceptions about service delivery at Mpofana municipality, relative to the expectations.

5.2.2 PERCEPTIONS OF THE COMMUNITY

1. When Mpofana Municipality promises to do something by a certain time, it does so.

Figure 23: Keeping promises

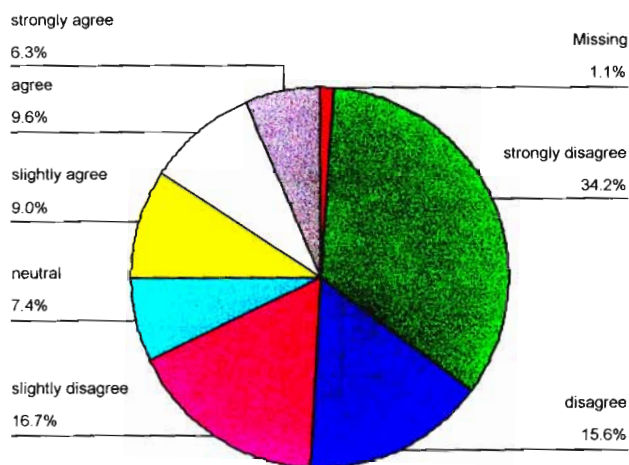


The modal response for this statement was “strongly disagree” (39.7%) and “disagree” (19.7%).

The majority of the respondents (60%) disagree with the statement. In the opinion of the majority of the respondents, Mpofana municipality does not keep promises; 7.9% of the respondents slightly agree with the statement. Only 13% of the respondents believe that Mpofana municipality keeps promises.

2. When you have a problem, Mpofana Municipality shows a sincere interest in solving it

Figure 24: Commitment to resolving problems

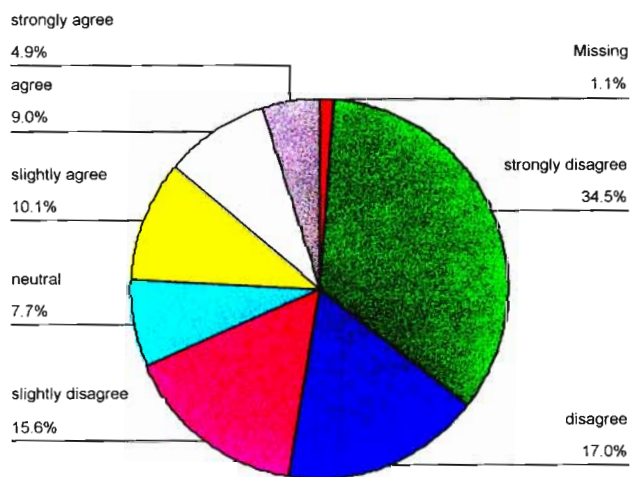


The modal response for this statement was “strongly disagree” (34.2%) and “slightly disagree” (16.7%).

About two thirds (67%) of the respondents do not believe that the Mpofana municipality shows interest in solving the problems of its customers. Only 25% of the respondents are of the opinion that Mpofana municipality shows interest in solving the problems of its customers.

3. Mpofana Municipality performs the service right the first time

Figure 25: Accuracy

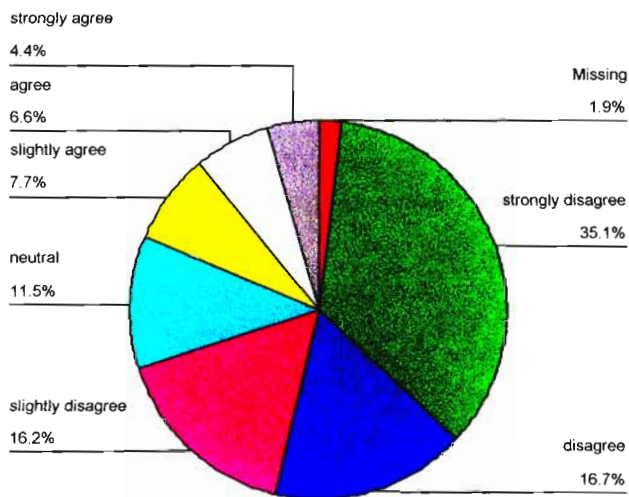


The modal response for this statement was “strongly disagree” (34.5%) and “disagree” (17%).

Most of the respondents do not feel that Mpofana municipality performs the service right first time. 52% of the respondents maintain that Mpofana municipality does not perform the service right the first time, with only 14% of the respondents maintaining that Mpofana municipality performs the service right the first time.

4. Mpofana Municipality provides their service at the times they promise to do so

Figure 26: Providing service at the promised time

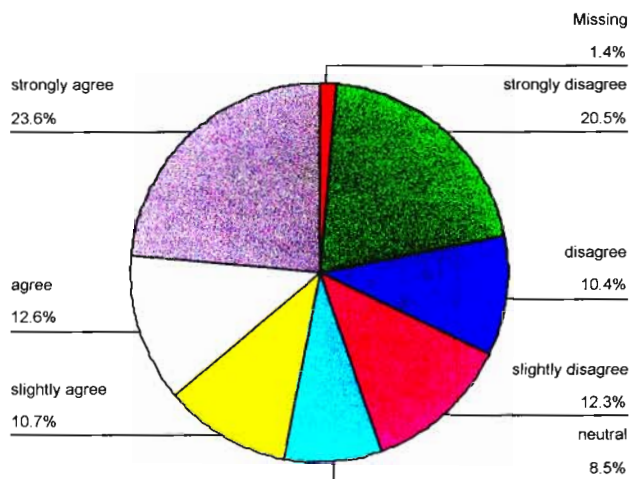


The modal response for this statement was “strongly disagree” (35.1%) and “disagree” (16.7%).

The results show that Mpofana municipality does not provide services at the time it promised to do so; 52% of the respondents do not agree with the statement. Only 11% of the respondents agree with the statement.

5. Municipality keeps customers informed when services will be performed

Figure 27: Keeping customers informed

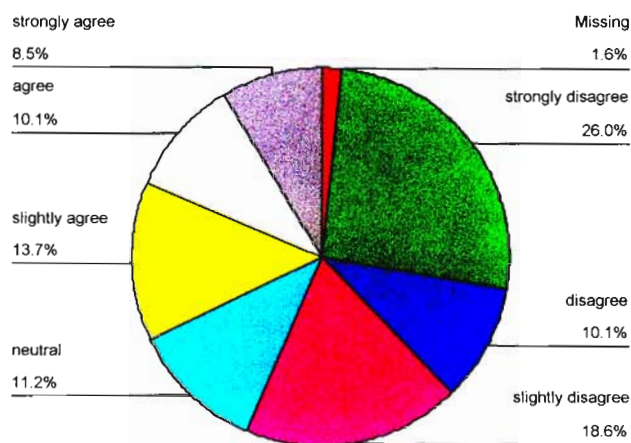


The modal response for this statement was “strongly disagree” (20.5%) and “strongly agree” (23.6%).

Twenty six percent of the respondents agreed that employees tell customers exactly when services will be performed, as well as updating customers with the progress, with 11% of the respondents slightly agreeing with the statement; 31% of the respondents disagreed that employees inform or update the customers concerning exactly when services will be performed.

6. Employees in Mpofana Municipality give you prompt service

Figure 28: Giving prompt service

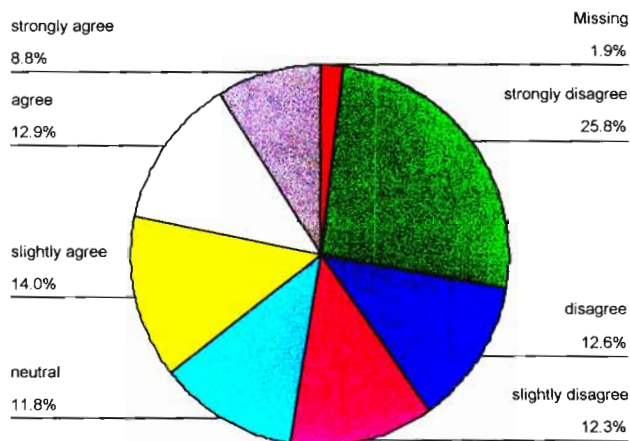


The modal response for this statement was “strongly disagree” (26%) and “slightly disagree” (18.6%).

Nineteen percent of the respondents agreed that the employees of Mpofana municipality provide a prompt service to its customers; 13% of the respondents slightly agreed with the statement. Most of the respondents (36%) disagreed that the employees of Mpofana municipality give prompt service.

7. Employees in Mpofana Municipality are always willing to help you

Figure 29: Willingness to help customers

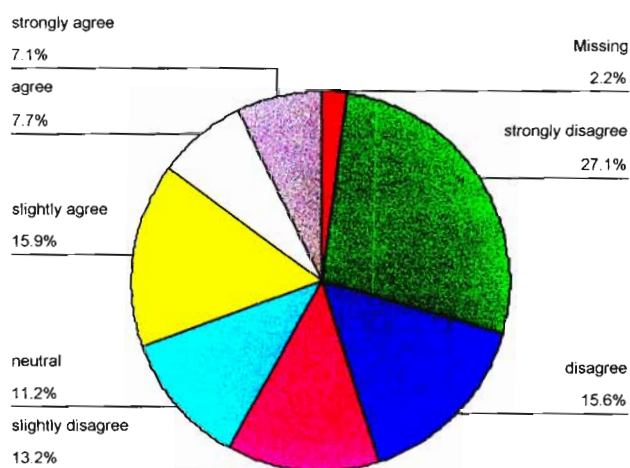


The modal response for this statement was “strongly disagree” (25.8%) and “slightly agree” (14%)

Thirty nine percent of respondents disagreed with the statement; 12% of the respondents slightly disagreed with the statement. Most of the respondents (26% strongly disagree, 13% disagree) do not believe that the employees of Mpofana municipality are always willing to help their customers. Only 27% of the respondents felt that employees of the municipality are always willing to help customers.

8. Employees in Mpofana Municipality are never be too busy to respond to your requests

Figure 30: Response to customer requests

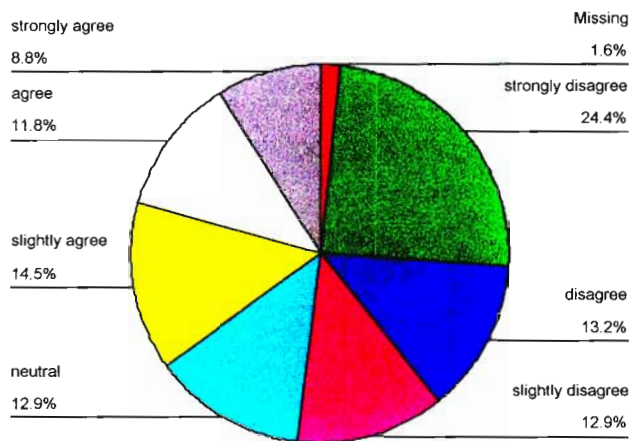


The modal response for this statement was “strongly disagree” (27.1%) and “slightly agree” (15.9%).

Only 14% of the respondents agreed that staff at Mpofana municipality is never too busy to attend to customers’ requests; 16% slightly agreed. Most of the respondents (42%) disagreed with the statement, which means that staff at Mpofana municipality is always too busy to respond to customers’ requests.

9. The behaviour of employees in Mpofana Municipality instils confidence in you.

Figure 31: Behaviour of the employees instil confidence

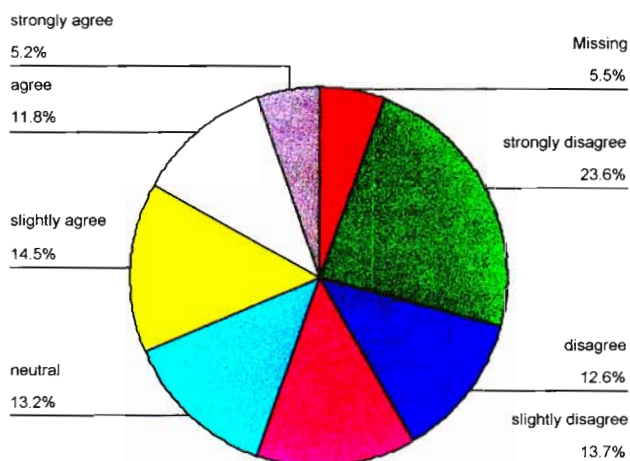


The modal response for this statement was “strongly disagree” (24.4%) and “slightly agree” (14.5%).

Only 21% of the respondents agreed with the statement that the support and commitment they get from the staff instils confidence in them; 37% disagreed with the statement and felt that the overall behaviour of staff does not instil confidence in them. Only 13% of the respondents disagreed with the statement.

10. You feel safe in your transactions with Mpofana Municipality.

Figure 32: Feeling safe to transact with a municipality

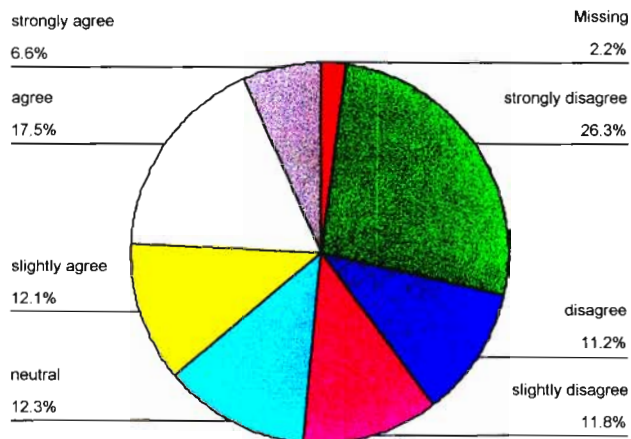


The modal response for this statement was “strongly disagree” (23.6%) and “slightly agree” (14.5%).

Over a third (37%) of the respondents disagreed with the statement. This indicated that the majority of the respondents felt that it is not safe to transact with Mpofana municipality. This could be due to an unsafe physical environment or lack of confidence with the integrity of the actual transactions; 17% of the respondents felt that it is safe to transact with Mpofana municipality. Only 13% of the respondents were neutral.

11. Employees in Mpofana Municipality are always courteous with you

Figure 33: Consistent courtesy with customers.

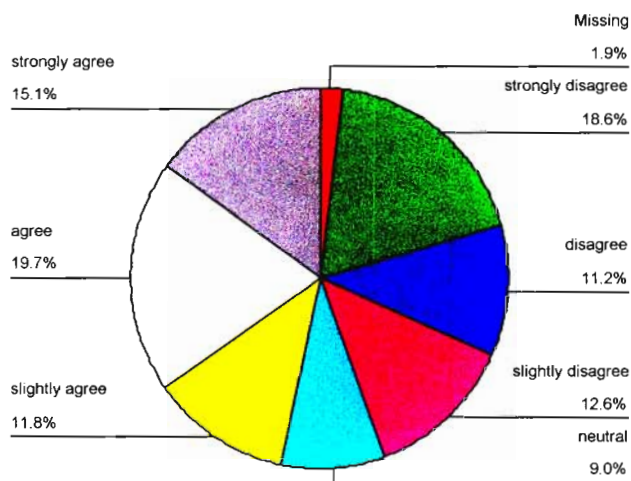


The modal response for this statement was “strongly disagree” (26.3%) and “agree” (17.5%)

Over one-third (37%) of the respondents (37%) felt that the employees in Mpofana municipality are not courteous with their customers, with only 12% of the respondents slightly disagreeing with the statement; 25% of the respondents agreed with the statement, with 12% slightly agreeing.

12. Employees in Mpofana Municipality have knowledge to answer your questions

Figure 34: Knowledge to answer customers' questions

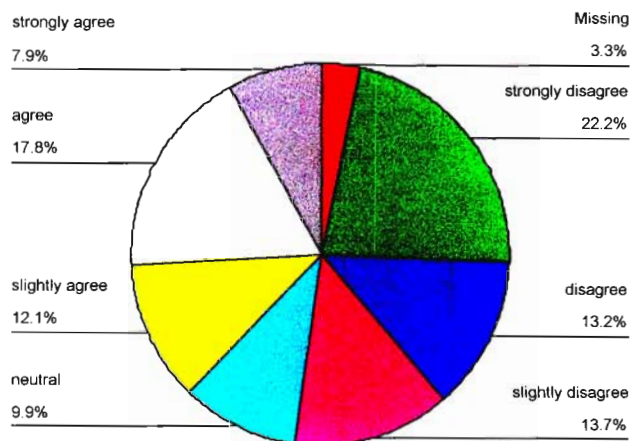


The modal response for this statement was “strongly disagree” (18.6%) and “agree” (19.7%)

Thirty five percent of the respondents agreed that staff has the knowledge to answer customers' questions; 30% disagreed and think that staff lacks knowledge to answer questions when dealing with customers, with only 12% and 13% slightly agreeing and disagreeing, respectively.

13. Mpofana Municipality gives individual attention

Figure 35: Giving individual attention to customers

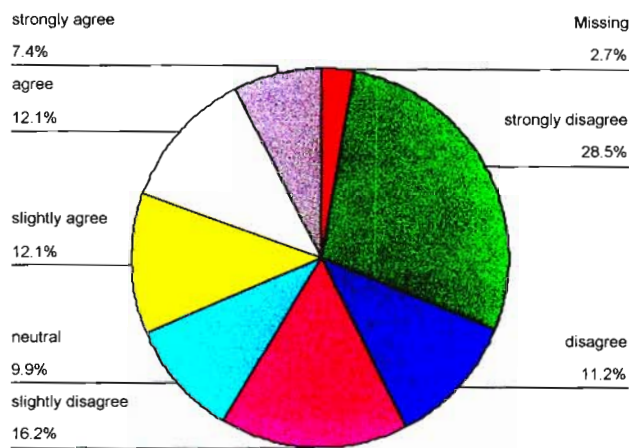


The modal response for this statement was “strongly disagree” (22.2%) and “agree” (17.8%).

About a quarter (26%) of the respondents agreed with the statement that the customers receive individual attention from the employees of the municipality. The majority of the respondents (35%) disagreed with the statement; 14% and 12% of the respondents disagreed and agreed, respectively, with the statement.

14. Mpofana Municipality has employees who give you special attention

Figure 36: Giving special attention to customers

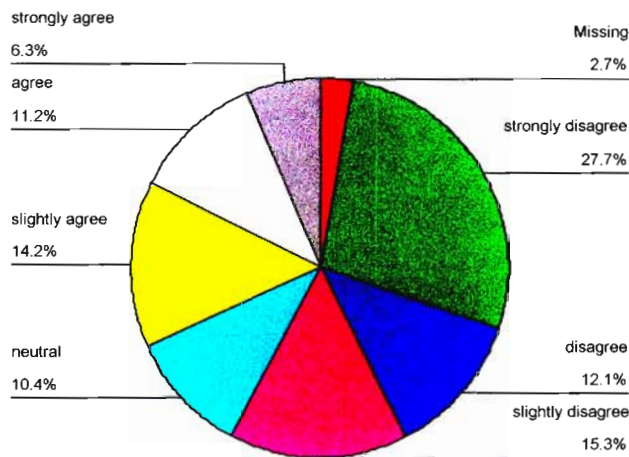


The modal response for this statement was “strongly disagree” (28.5%) and “slightly disagree” (16.2%).

Thirty percent of the respondents disagreed with the statement. They did not feel that employees in Mpofana municipality give special attention to the customers; 12% of the respondents slightly disagreed with the statement. Only 19% of the respondents agreed with the statement.

15. Mpofana Municipality has your best interests at heart

Figure 37: Having the best interests of customers at heart

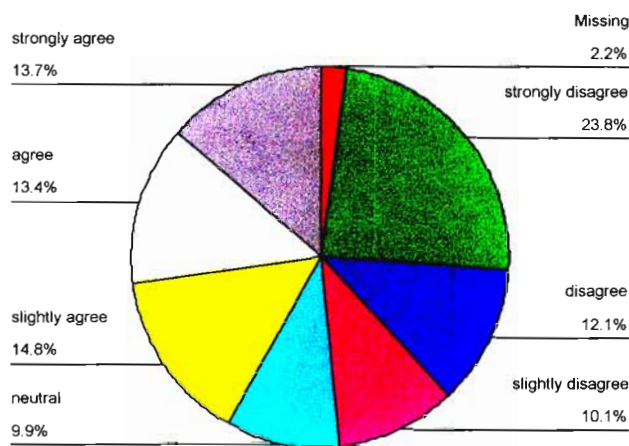


The modal response for this statement was “strongly disagree” (27.7%) and “slightly disagree” (15.3%).

Only 17% of respondents agreed that the employees of Mpofana municipality have customers’ interests at heart. Most of the respondents (40%) disagreed with the statement; 15% of the respondents slightly disagreed with the statement; 14% slightly agreed.

16. Employees of Mpofana Municipality understand your specific needs

Figure 38: Understanding the specific needs of customers

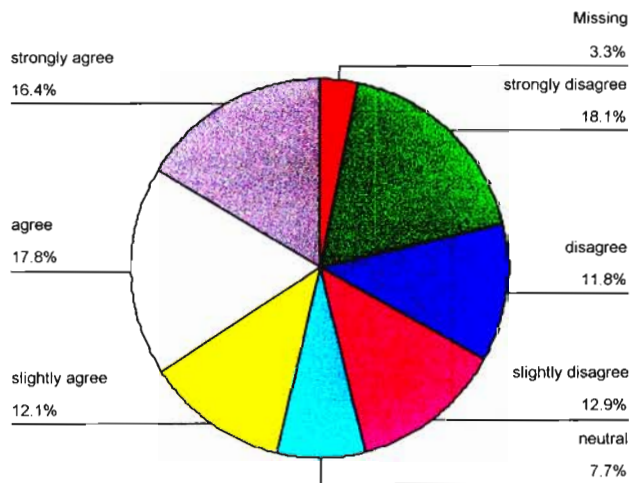


The modal response for this statement was “strongly disagree” (23.8%) and “strongly agree” (13.7%).

Only 27% of the respondents agreed with the statement and felt that the employees of Mpofana municipality understand the customers’ needs. Over a third of the respondents (36%) disagreed with the statement; 10% of the respondents and 15% slightly disagreed and slightly agreed, respectively, that the employees of Mpofana municipality understand the specific needs of customers.

17. Mpofana Municipality has modern equipment

Figure 39: Modern equipment

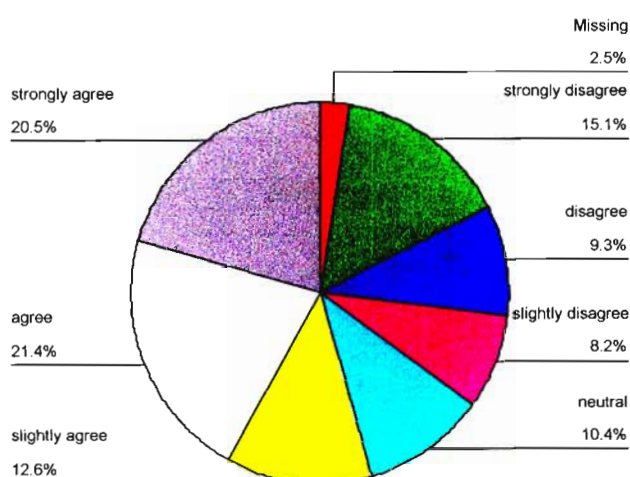


The modal response for this statement was “strongly disagree” (18.1%) and “agree” (17.8%).

About a third (34%) of the respondents agreed that Mpofana municipality has modern equipment, with only 12% slightly agreeing with the statement; 29% of the respondents disagreed with the statement and only 13% slightly disagreed.

18. Mpofana Municipality's physical facilities are visually appealing

Figure 40: Physical facilities

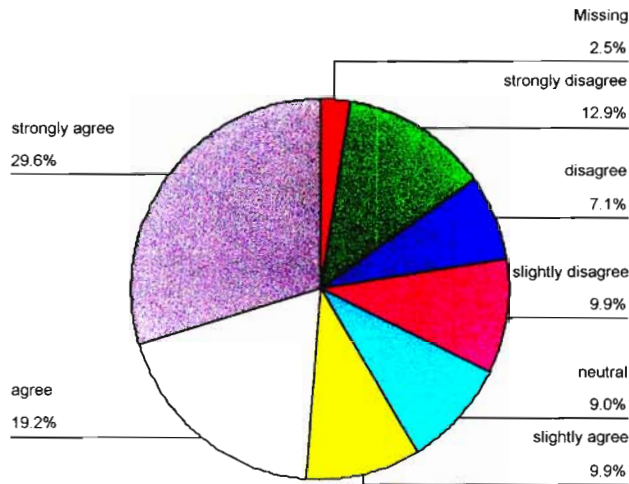


The modal response for this statement was “strongly agree” (20.5%) and “agree” (21.4%).

Forty two percent of the respondents felt that Mpofana municipality's physical facilities are appealing; 24% disagreed with the statement; 13% of the respondents slightly agreed, while only 8% slightly disagreed.

19. Employees of Mpofana Municipality appear neat

Figure 41: Appearance of the employees

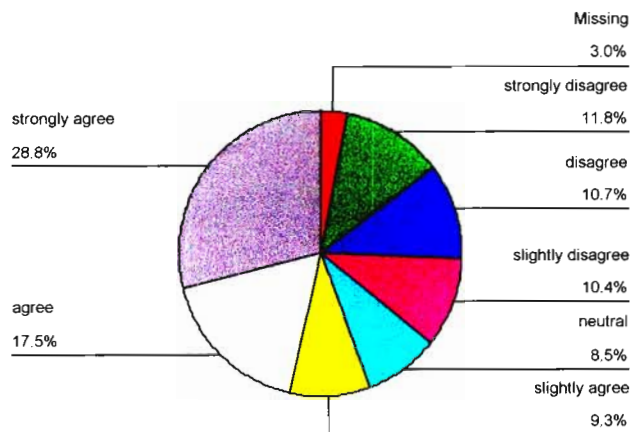


The modal response for this statement was “strongly agree” (29.6%) and “agree” (19.2%).

The employees of Mpofana municipality appear neat, according to almost half of the respondents (49%); 20% of the respondents felt that the employees of Mpofana municipality are not neat; 10% slightly agreed with the statement.

20. Materials associated with service (such as pamphlets or statements) are visually appealing at Mpofana Municipality

Figure 42: Materials associated with service

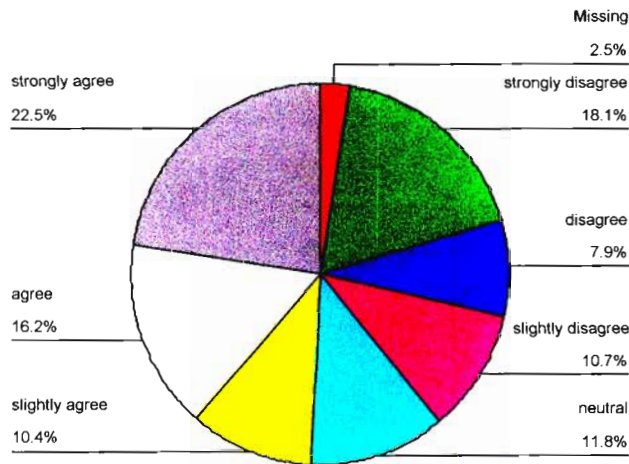


The modal response for this statement was “strongly agree” (28.8%) and “agree” (17.5%)

Almost half (47%) of the respondents agreed with the statement that the materials used by Mpofana municipality were visually appealing; 22% of the respondents disagreed and do not think they are visually appealing. Only 10% of the respondents slightly disagreed, while only 9% slightly agreed with the statement.

21. Mpofana Municipality has convenient business hours

Figure 43: Convenient business hours



The modal response for this statement was “strongly agree” (22.5%) and “agree” (16.2%).

Thirty nine percent of the respondents felt that the operating hours of Mpofana municipality are convenient; 10% slightly agreed with the statement; 26 % of the respondents did not agree with the statement and felt that the operating hours are not convenient.

TABLE 14: SUMMARY OF COMMUNITY PERCEPTIONS

Question	Perceptions Mean
1	2.619
4	2.711
3	2.823
2	2.863
8	3.167
14	3.239
15	3.252

10	3.33
6	3.35
7	3.405
9	3.423
11	3.439
13	3.544
16	3.704
17	3.994
12	3.997
5	4.067
21	4.22
18	4.409
20	4.601
19	4.706

The highest average score on community perceptions related to reliability was at 2.86 regarding Mpofana municipality showing interest in resolving customers' problems. On responsiveness, keeping customers informed about when the services will be performed was rated the highest at 4.06. The highest average score on assurance was 3.99 related to employees in Mpofana municipality having knowledge to answer customers' questions. Empathy was 4.22, which is Mpofana municipality having convenient business hours. The highest average perceptions score on tangibles was 4.70, related to the appearance of the employees of Mpofana municipality.

Overall, the highest score on the perceptions was on tangibles rated at 4.70 related to the appearance of the staff. The second highest score was also on the tangibles rated at 4.60, related to materials associated with the service.

GAP ANALYSIS: COMMUNITY

The Gap is calculated as the difference between the mean scores of the perception questions and the expectation questions. The gap scores are averaged as follows:

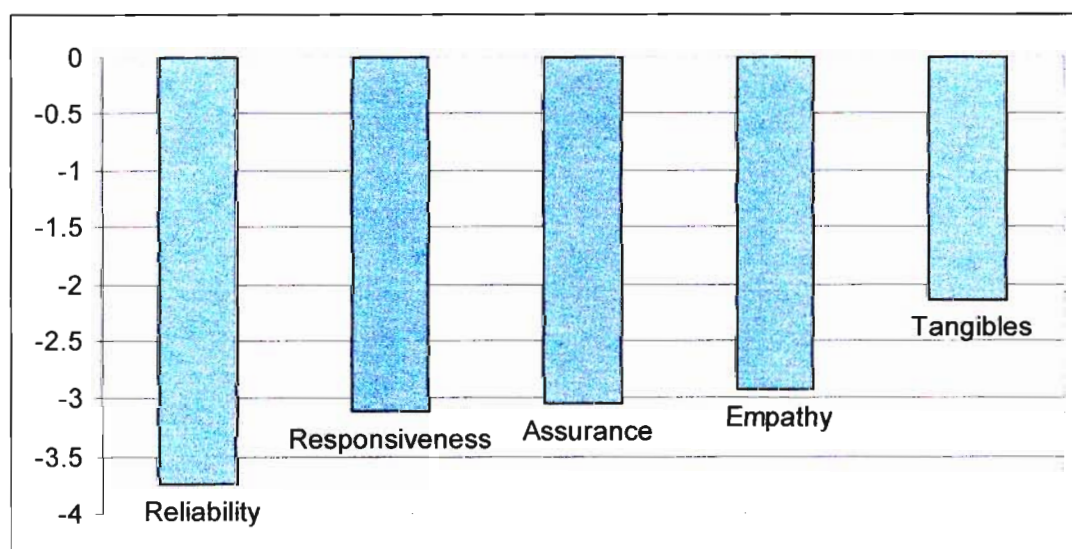
TABLE 15: GAP ANALYSIS-COMMUNITY

Factor 1	Gap Reliability	Mean difference questions 1-4
Factor 2	Gap Responsiveness	Mean difference questions 5-8
Factor 3	Gap Assurance	Mean difference questions 9-12
Factor 4	Gap Empathy	Mean difference questions 13-16,21
Factor 5	Gap Tangibles	Mean difference questions 17-20

		Perceptions	Expectations	Difference/Dimension Score	Factor Score
	Question	Mean	Mean		
Factor 1	1.000	2.619	6.488	-3.869	
	2.000	2.863	6.465	-3.602	
	3.000	2.823	6.523	-3.700	
	4.000	2.711	6.511	-3.800	-3.743
Factor 2	5.000	4.067	6.678	-2.611	
	6.000	3.350	6.581	-3.231	
	7.000	3.405	6.624	-3.219	
	8.000	3.167	6.540	-3.373	-3.108
Factor 3	9.000	3.423	6.587	-3.163	
	10.000	3.330	6.586	-3.256	
	11.000	3.439	6.559	-3.121	
	12.000	3.997	6.648	-2.651	-3.048

Factor	13.000				
4		3.544	6.543	-2.999	
	14.000	3.239	6.471	-3.232	
	15.000	3.252	6.534	-3.283	
	16.000	3.704	6.510	-2.806	
	21.000	4.220	6.505	-2.285	-2.921
Factor	17.000				
5		3.994	6.574	-2.580	
	18.000	4.409	6.567	-2.159	
	19.000	4.706	6.557	-1.852	
	20.000	4.601	6.595	-1.994	-2.146
Factor	Score				
Reliability	-3.743				
Responsiveness	-3.108				
Assurance	-3.048				
Empathy	-2.921				
Tangibles	-2.146				
Overall servqual	-2.9932				

FIGURE 44: Gap Analysis- Community



The scores indicate that the expectations have all exceeded the perceptions by about 3 units. This is an unsatisfactory to poor service quality index for any institution to have. The biggest differences are with regards to:

Reliability
Responsiveness
Assurance

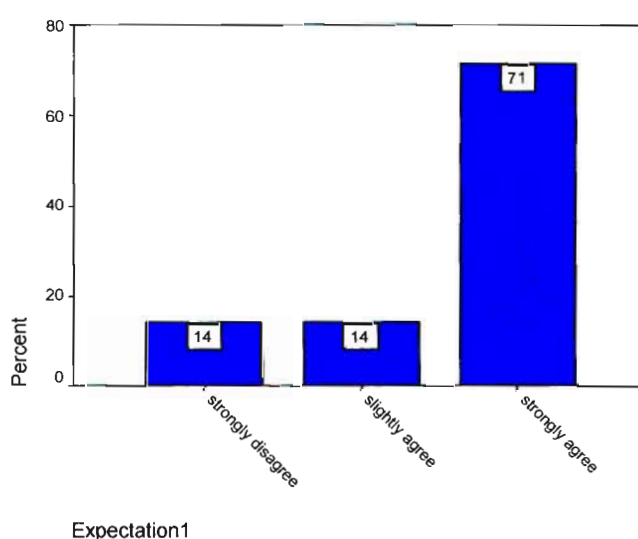
Overall these are areas that need attention.

5.2.3 COUNCILLORS' EXPECTATIONS

Seven councillors (7) were representing 1.8% of the total sample and it was 100% as all councillors were interviewed.

1. When a municipality promises to do something by a certain time, they will do so.

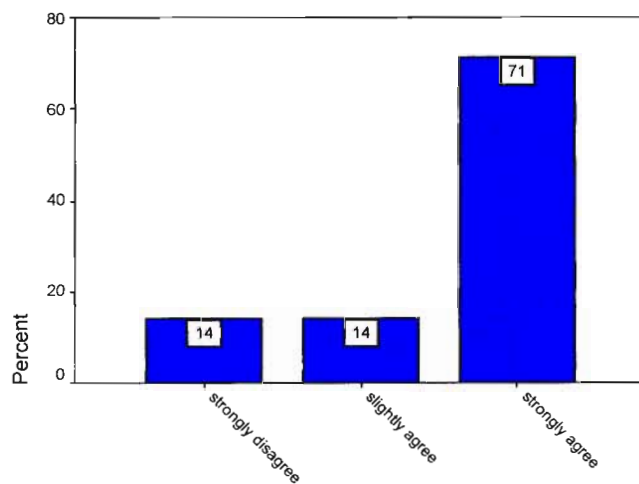
Figure 45: Keeping promises



The majority of the respondents (71%) in the councillors' category expect the municipality to keep promises. Only 14% of the respondents disagree with the statement.

2. When customers have problems, the Municipality should show a sincere interest in solving it

Figure 46: Commitment to resolving problems

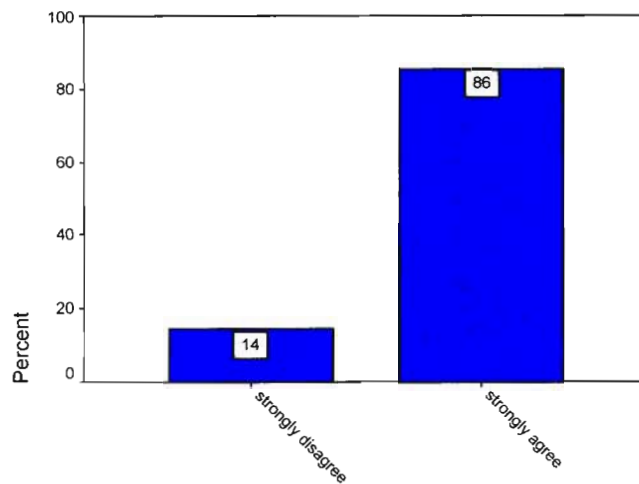


Expectation 2

Seventy one percent and 14% of the respondents strongly agree and slightly agree with the statement respectively. The majority of the respondents (71%) in the councillors category hold high expectations that the municipality should demonstrate a high level of interest and commitment to resolving their problems. Only 14% of the respondents disagree with the statement.

3. A good Municipality should perform the service right the first time.

Figure 47: Accuracy

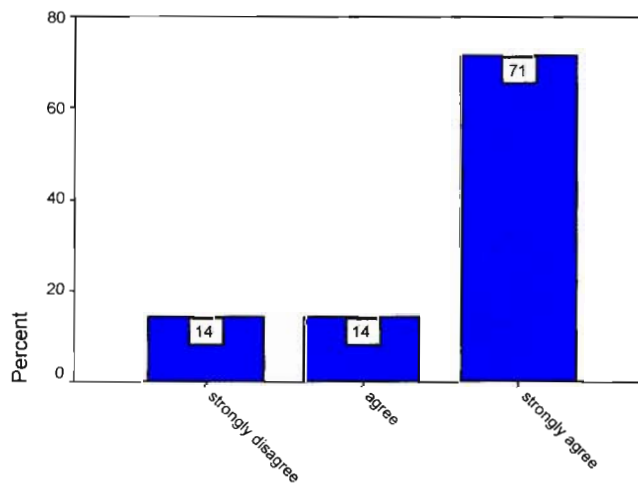


Expectation 3

A high 86% of the respondents in the councillors' category expect the municipality to be accurate all the time when performing a service, with only 14% that does not expect the municipality to perform the service right the first time.

4. A good Municipality should provide its services at the time it promises to do so.

Figure 48: Providing service at the promised time

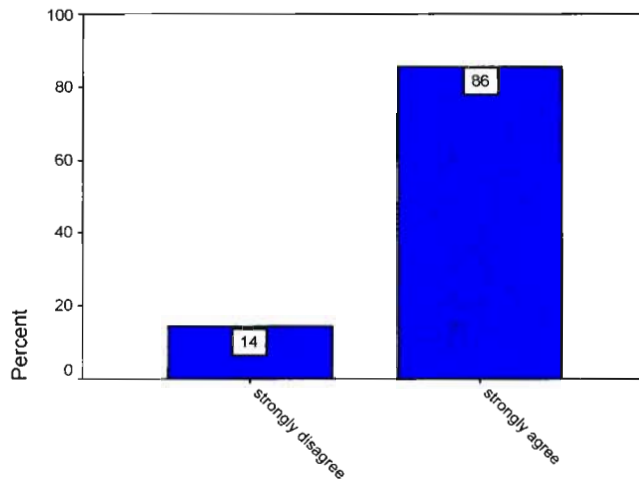


Expectation 4

The majority (85%) of the respondents agreed with the statement; 71% of the respondents strongly agree and 14% agree with the statement; (85%) hold high expectations of a good municipality to provide services at the promised time. A small percentage of the respondents (14%) disagree with the statement.

5. A good Municipality should keep customers informed about when services will be performed.

Figure 49: Keeping customers informed

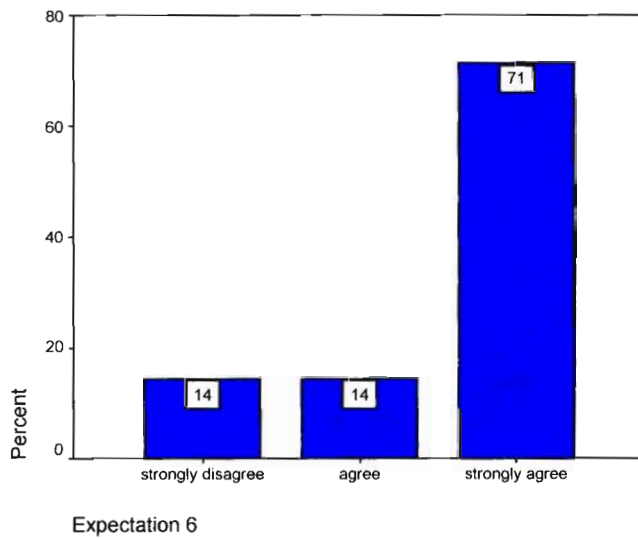


Expectation 5

Most of the respondents (86%) agreed with the statement and expect employees of a good municipality to tell the customers exactly when a service would be performed; 14% disagreed with the statement and do not expect staff to say exactly when the service would be performed.

6. Employees of a good Municipality will give prompt service to customers

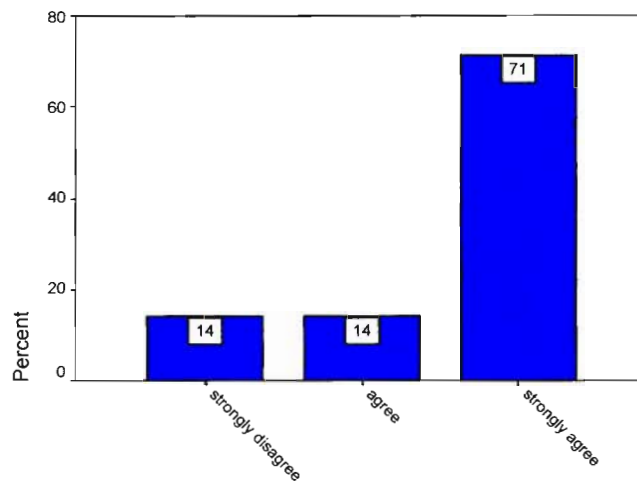
Figure 50: Giving prompt service



Most of the respondents(85%) agreed that each employee must give prompt service to customers at all times; 71% and 14% of the respondents strongly agreed and agreed, respectively, that the employee must give prompt service to customers, while only 14% of the respondents strongly disagreed with the statement and do not expect staff to give prompt service to customers.

7. Employees of a good Municipality will always be willing to help customers

Figure 51: Willingness to help customers

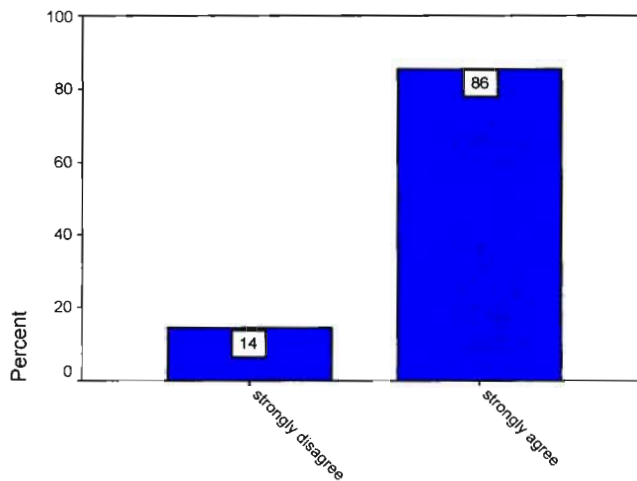


Expectation17

A high 85% of the respondents agreed on the importance of employees being willing to help their customers; 14% disagreed with the need for employees to be willing to help customers. The majority of the respondents (85%) hold very high expectations of the municipal employees demonstrating willingness to help customers. Only 14% of the respondents think that it is not important for municipal employees to demonstrate willingness to help customers.

8. Employees of a good Municipality will never be too busy to respond to customers' requests

Figure 52: Response to customer requests



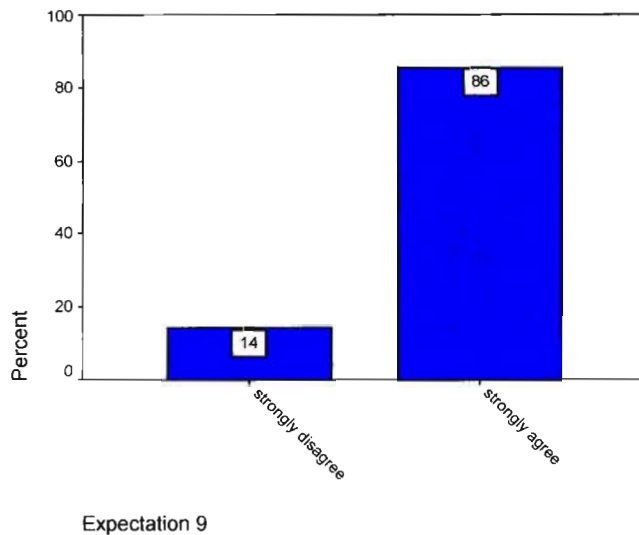
Expectation 8

The modal response for this statement is “strongly agree” (86%).

Most (86%) of the respondents agreed with the statement that employees of an excellent municipality will always find time to deal with the requests of customers. The majority of the respondents (86%) feel that it is important for municipal employees to be always willing and show keen interest to deal with customer requests. A low percentage of the respondents (14%) did not agree with the statement.

9. The behaviour of employees of a Municipality will instil confidence in customers

Figure 53: Behaviour of the employees instil confidence

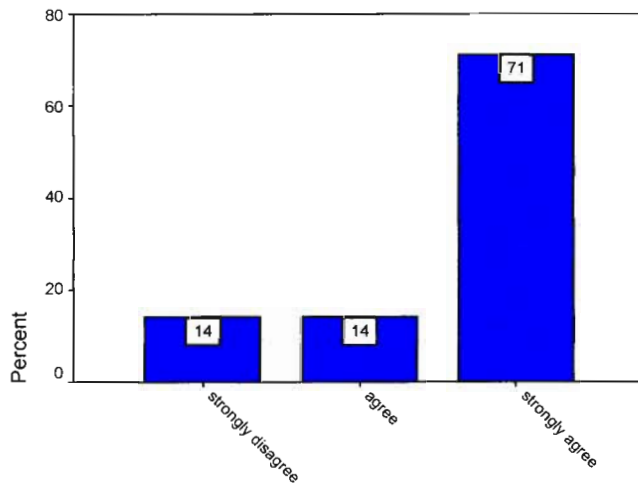


The modal response for this statement is “strongly agree” (86%)

Most (86%) of the respondents agreed that the behaviour of employees instil confidence in customers. Only 14% of the respondents disagreed that employees should instil confidence in customers when doing their jobs.

10. Customers should feel safe in their transactions with a municipality

Figure 54: Feeling safe to transact with a municipality



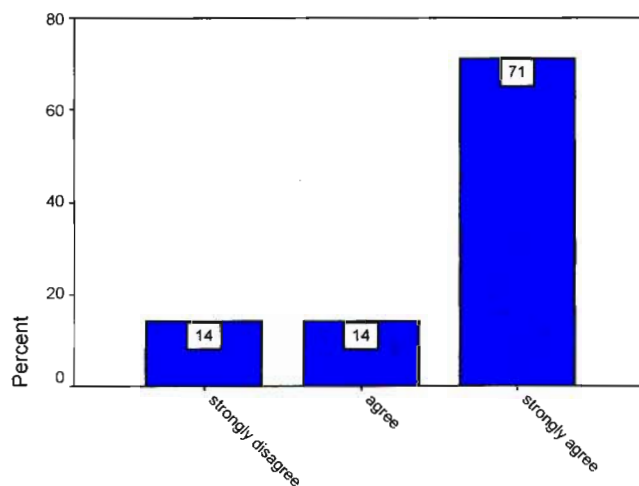
Expectation 10

The modal response for this statement is “strongly agree” (71%)

The majority of the respondents (85%) believe that it is important to feel safe when transacting with a municipality. Safety could refer to a safe physical environment as well as the integrity of the actual transaction. Only 14% of the respondents disagreed with the statement.

11. Employees of a good Municipality should always be courteous with customers

Figure 55: Consistent courtesy with customers



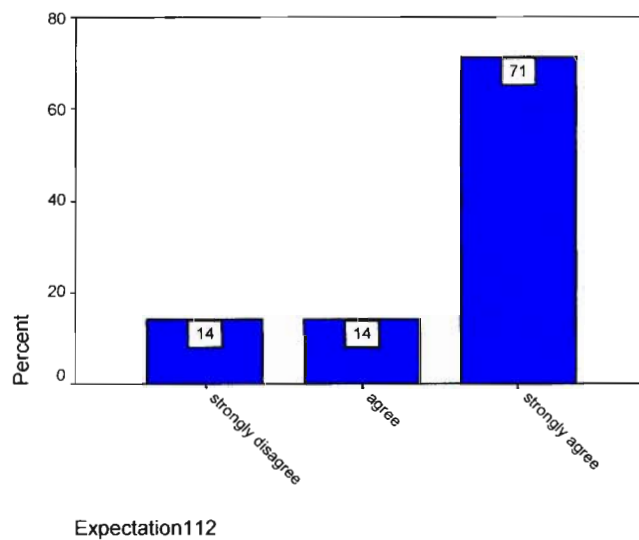
Expectation 11

The modal response for this statement is “strongly agree” (71%).

Most of the respondents (85%) agreed that employees of a municipality should always treat customers with courtesy. The importance of consistent courtesy is reflected in the findings, which show 71% and 14% of the respondents strongly agreeing and agreeing, respectively, with the statement. A small percentage of the respondents (14%) feel that it is not important for the employees of a municipality to be always courteous when dealing with customers.

12. Employees of a good Municipality should have knowledge to answer customers' questions

Figure 56: Knowledge to answer customers' questions

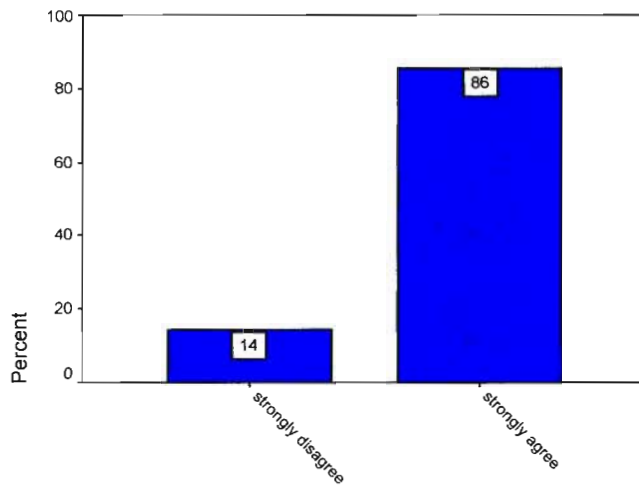


The modal response for this statement is "strongly agree" (71%).

Most (85%) of the respondents expect employees of a good municipality to have knowledge to answer their questions. Only 14% of the respondents feel that it is not important for the employees of a municipality to have knowledge to answer their questions.

13. The Municipality should give individual attention

Figure 57: Giving individual attention to customers



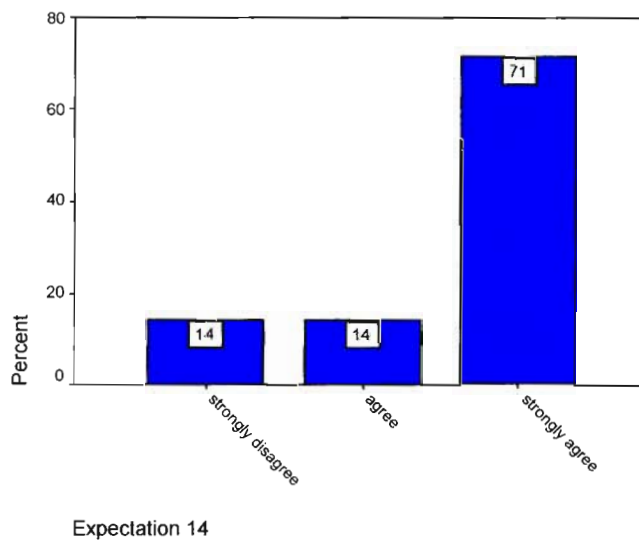
Expectation 13

The modal response for this statement is “strongly agree” (86%).

The majority of the respondents (86%) agree that the municipality should give individual attention. Only a few respondents (14%) did not agree that a good municipality must give individual attention.

14. An excellent Municipality should have employees who give customers special attention

Figure 58: Giving special attention to customers

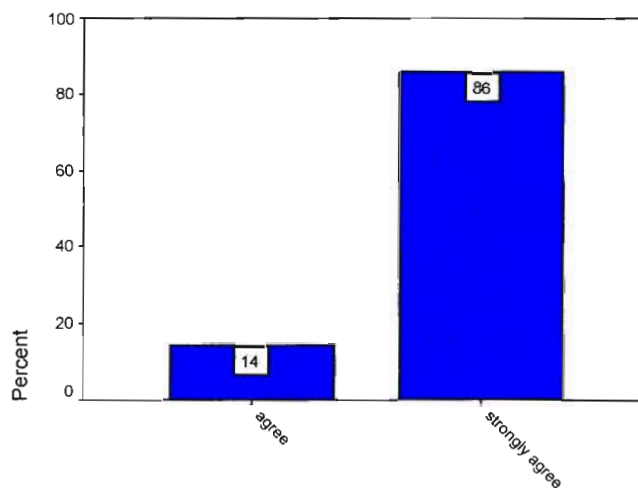


The modal response for this statement is “strongly agree” (71%).

Most (85%) of the respondents agreed that employees of a good municipality should give personal attention to customers and 14% disagreed with the statement. These results are a reflection of the importance that the respondents attach to personal attention by a municipality.

15. A good Municipality should have the best interests of its customers at heart

Figure 59: Having the best interests of customers at heart



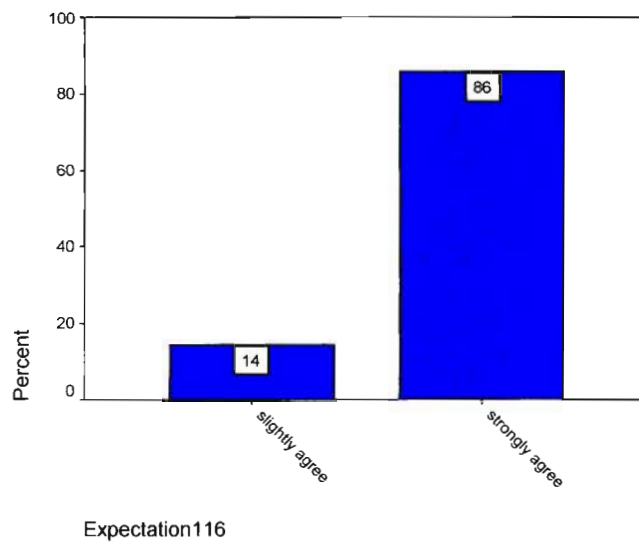
Expectation 15

The modal response for this statement is “strongly agree” (86%).

A high 86% of the respondents agreed that staff must be willing to put customers’ interests first; 14% of the respondents disagreed with the statement and do not expect staff to have customers’ best interests at heart.

16. Employees of a good Municipality should understand the specific needs of customers.

Figure 60: Understanding the specific needs of customers

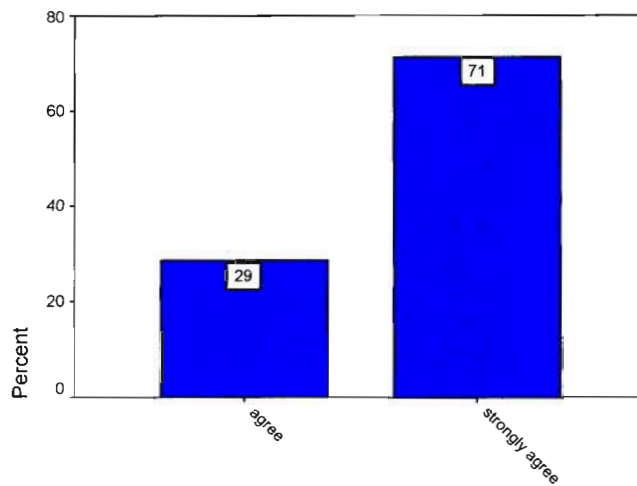


The modal response for this statement is “strongly agree” (86%).

It is the expectation of most of the respondents (86%) that staff should identify and understand customers’ needs. Only 14% of the respondents disagreed and did not expect the staff to understand the specific needs of customers.

17. A good Municipality should have modern equipment

Figure 61: Modern equipment



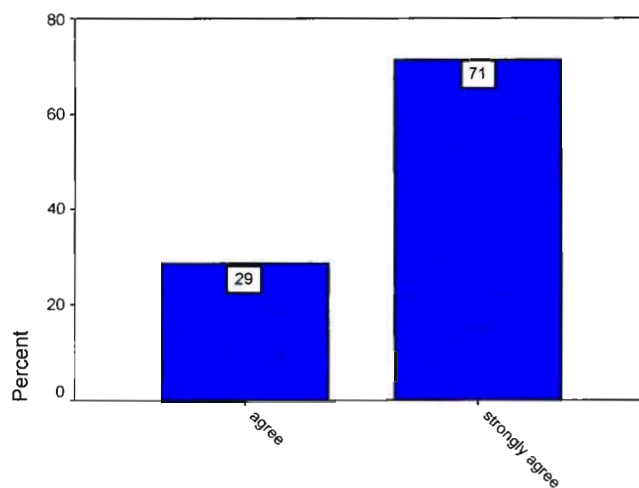
Expectation 17

The modal response for this statement is “strongly agree” (71%).

Most of the respondents (100%) agreed with this statement. Respondents expect a good municipality to have up-to-date equipment. There were no respondents who disagreed with the statement.

18. A good Municipality's physical facilities should be visually appealing

Figure 62: Physical facilities



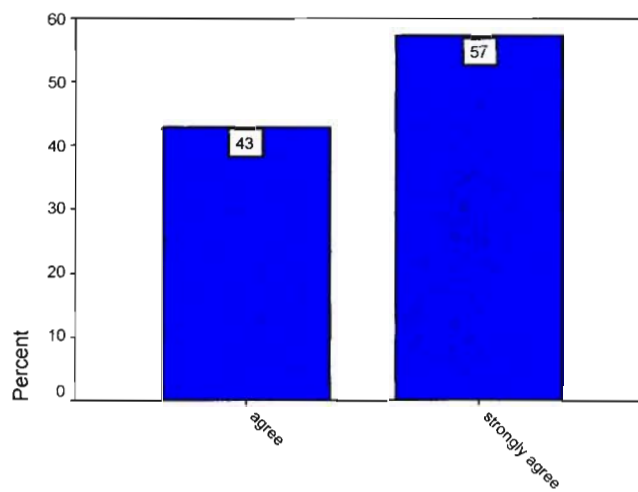
Expectation 18

The modal response for this statement is “strongly agree” (71%)

All (100%) of the respondents agreed that the physical facilities of an excellent municipality must be visually appealing; 71% strongly agreed with the statement, while 29% of the respondents agreed that the physical facilities must be visually appealing.

19. Employees of a good Municipality should appear neat

Figure 63: Appearance of the employees



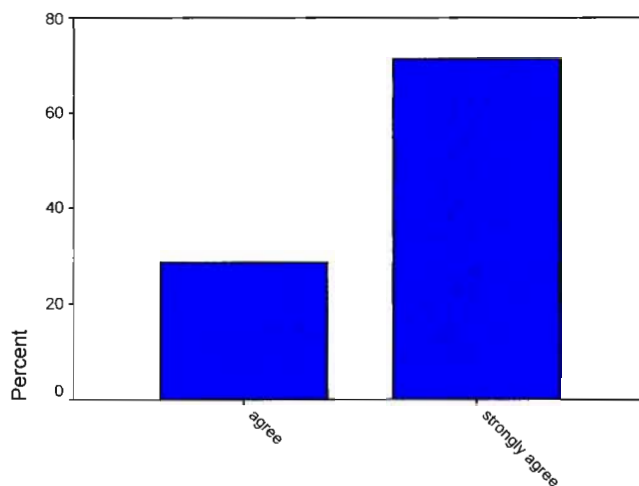
Expectation 19

The modal response for this statement is “strongly agree” (57%).

All respondents (100%) felt that employees of a good municipality should always appear neat. These results are an indication of the importance of staff neatness to the respondents.

20. Materials associated with service (such as pamphlets or statements) at a good Municipality should be visually appealing

Figure 64: Materials associated with service

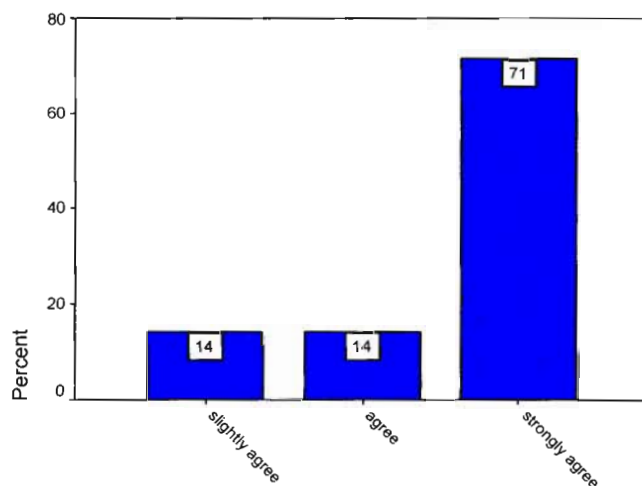


Expectation 20

All respondents (100%) agreed that materials such as brochures, which provide information, must be visually appealing to customers. Brochures and pamphlets should be placed at the counters and areas that are easily accessible and convenient to customers.

21. A good Municipality should have convenient business hours

Figure 65: Convenient business hours



Expectation 21

The modal response for this statement is “strongly agree” (71%).

Most (85%) of the respondents agreed and expect a good municipality to have convenient operational hours. Only 14% of the respondents slightly agreed with the statement.

TABLE 16 : SUMMARY OF COUNCILLORS’ EXPECTATIONS

Statement	Expectations
	Mean
1	5.857
2	5.857
4	6
6	6
7	6
10	6
11	6
12	6
14	6
3	6.143
5	6.143
8	6.143
9	6.143
13	6.143

21	6.571
19	6.571
16	6.714
17	6.714
18	6.714
20	6.714
15	6.857

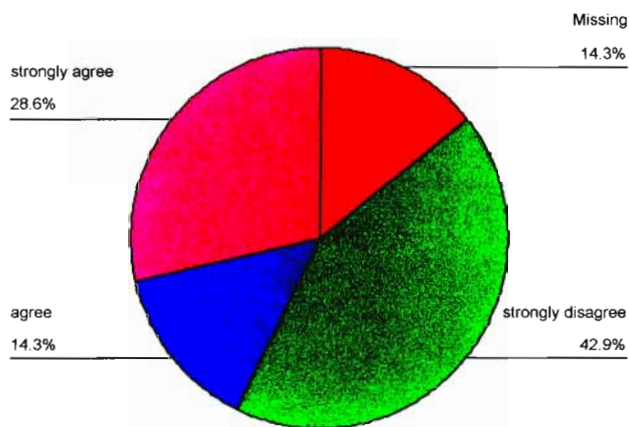
The overall highest score on councillors' expectations was rated at 6.85 on empathy related to a good municipality having the best interest of customers of at heart. The second highest score was rated at 6.71 on both empathy and tangibles. The score on empathy relates to employees having an understanding of the specific needs of customers. The second highest score on tangibles relates to modern equipment, physical facilities and materials associated with the service. The scores indicated that staff was holding high expectations on tangibles. The lowest score was on reliability rated at 5.85 related to keeping promises and showing sincere interest in solving customers' problems.

5.2.4 COUNCILLORS' PERCEPTIONS

Twenty seven (27) administration staff representing 6.7% of the total sample of Mpofana Municipality.

1. When Mpofana Municipality promises to do something by a certain time, it does so.

Figure 66: Keeping promises

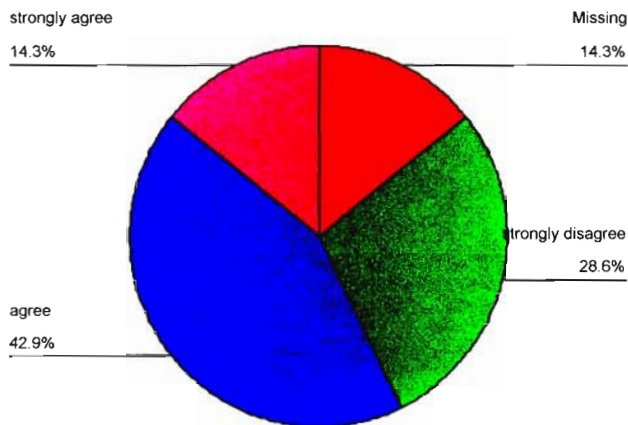


The modal response for this statement was “strongly disagree” (42. 9%).

The majority of the respondents (44%) disagree with the statement. In the opinion of the majority of the respondents, Mpofana municipality kept its promises; 43% of the respondents did not agree with the statement.

2. When you have a problem, Mpofana Municipality shows a sincere interest in solving it

Figure 67: Commitment to resolving problems



The modal response for this statement was “agree” (42.9%) and “strongly disagree” (28.6%).

Fifty seven percent of the respondents felt that the Mpofana municipality had a sincere interest in solving the problems of its customers. Only 29% of the respondents were of the opinion that Mpofana municipality showed no interest in solving the problems of its customers.