



Submitted in part fulfilment of the requirements for the degree of
Master of Science in International Hotel Management

**Assessing Determinants of Consumer Perceptions of Service Quality, its
Improvement and Image in Malawian Lodges: Focussing on Employees'
Expectations and Perceptions**

by

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Abstract

Service quality in the hospitality industry continues to gain considerable debate and research attention on many fronts. The debate has emphasised the customers' view of defining service quality as they perceive it to be more than the provider. Yet many scholars agree that in service provision, there is also the presence of the provider and the customer. Do employees' expectations and perceptions validate the determinants of customer's perceptions of service quality? The present study assesses the determinants of consumer service quality in Malawian lodges but focussing on employee's expectations and perceptions. The study explores employees' feelings about the image of the lodges and any service quality improvements used by the lodges.

The study has utilised a questionnaire based on SERVQUAL to gather information for analysis using SPSS 18.0 and was administered in nine different lodges in Mzuzu City in the Northern Region of Malawi, involving employees working in different sections of the lodges. A total of 40 employees were interviewed and showed a large proportion of male respondents. The study cannot claim to be conclusive for it is limited to a small sample from one city.

The findings show that employees felt that their lodges are friendly, supported by employees' ranking of professionalism and skills as one important factor why customers choose to stay at the lodges. Secondly, the findings show that employees' expectations and perceptions were high in the assurance dimension which deals with employees' knowledge, courtesy and their ability to convey trust and customer confidence. The findings show that employees' perceptions in all five features (reliability, assurance, tangibles, empathy and responsiveness) of the service quality were clearly lower than their expectations.

This is an important study of service quality in lodges in Malawi; it contributes to the literature and therefore, provides a comparative study of service quality with similar studies done in different parts of the world.

Declaration of Originality

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Michael Bennett Sepula

September 2011

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List of Abbreviations

GDP	Gross Domestic Product
HRDP	Human Resources Development Plan
MGDS	Malawi Growth and Development Strategy
RATER	Reliability, Assurance, Tangibles, Empathy, Responsiveness
TSPRR	Tourism Strategic Plan Revision Report

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I love you guys!!!

CHAPTER 1: INTRODUCTION

1.1 Tourism in Malawi

1.1.1 Tourism Resources

Malawi, a land-locked country in Central Africa, has a relatively diverse tourism related resources and these remain largely undeveloped. The prominent resource is Lake Malawi which provides a substantial scenic view and the possibility of water-based activities. According to the Malawi Tourism Guide (2011) website, the lake has been voted as the number one most beautiful lake in the world. The lake, which stretches up to 363 miles in length and up to about 50 miles wide in spots, is home to over 1000 species of fish. Malawi also holds a place in the top ten places in the world to find happiness (Olmsted, 2011). A world renowned travel writer Paul Theroux when describing Lake Malawi writes:

‘These are typically "places where there's fulfilment, good food and enough of it, good weather, families intact, and a sense that they don't have a desire to look for something elsewhere..."’ (Olmsted, 2011:par1)

Other resources include the National Parks and Game Reserves; the mountain plateaux and to a lesser extent the urban centres, and a wide range of other attractions that remain to be developed. The fact that Malawi is within reach of beautiful tourist attractions in Zambia (especially South Luangwa National Park), Mozambique (Indian Ocean beaches, islands and diving) and Tanzania (game reserves and beaches), she is poised to offer significant opportunities for joint destination packages according to Malawi Government’s Tourism Strategic Plan Revision Report (TSPRR) (2008).

1.1.2 Tourism Development Framework

The Malawi Growth and Development Strategy (MGDS) 2006/07 to 2010/2011 is the central operational medium-term strategy for the country, major drive is to create wealth through sustainable economic growth and infrastructure development as a means of achieving poverty reduction. In order to support the priority areas identified to achieve this, the development framework of the MGDS is built around a number of broad thematic areas, which includes Sustainable Economic Growth. The main objective is to maximise the contribution to economic growth through the potential sectors of growth, such as tourism. The government's vision has given tourism a priority status as another potential alternative industry to boost the economy which has been agriculture based for a long time. More importantly, tobacco has been the major foreign exchange earner for the country. Threatened by worldwide anti-smoking lobbying, it is apparent that tobacco growing will likely collapse in the nearest future.

According to the MGDS, there are efforts aimed at establishing Malawi as a key and leading eco-tourism destination in Africa and domestic tourism will also be increased. Along with this realisation, comes the Malawi National Tourism Policy whose main drive is to optimise the contribution of the tourism sector to national income, employment and foreign exchange earnings. The policy encourages the creation of an enabling environment for private sector involvement in the industry, community participation and enhancing the role of the public sector in facilitating sustainable tourism development in the country. In this case, the TSPRR (2008) suggests the following strategies to be vigorously pursued and include: increasing capacity to service additional tourists in international competitive accommodations; improving transporting links to tourism destinations; and increasing attractiveness of national parks for tourism and eco-tourism; and improving tourism marketing regionally and internationally.

1.1.3 Tourism Demand

According to the TSPRR (2008), Malawi records and publishes visitor departures using the Immigration Department Exit Cards, unlike most countries that collate tourism arrival statistics. Therefore, in the absence of a specific ‘arrival’ register, ‘departures’ are largely used as a proxy for tourism arrivals. Statistics available in the recent Malawi Tourism Report 2008 show that in 2008 Malawi recorded 742,000 visitor arrivals, 1% more than 2007. Between 2003 and 2007, Malawi’s international visitor arrivals increased by yearly average of 14%. There was a slow growth in 2008 and this is hugely attributed to the uncertainties that surrounded the global economic situation during this period extending over to 2009. The Malawi Tourism Report (2008) and Tanzania Tourist Board Report (2009) underscore that world economic slump led many visitors to stay home and subsequently cut their spending on holidays as unemployment rose and the crisis negatively impacted on the people’s savings. Subsequently, this reduced consumer confidence on the market and the shocks inevitably spilled over to all economic sectors including tourism.

It is worth noting that the great majority (77.1%) of Malawi’s visitor arrivals come from other African countries, particularly Mozambique, Tanzania and Zimbabwe, while the United Kingdom, followed by the Netherlands and Germany are the main source markets from Europe. Visitors from Europe formed 13.1% in 2008. However, World Bank (2011) figures indicate that Malawi registered 755,000 visitor arrivals in 2009 in terms of international tourism representing about 2% increase from 2008. These World Bank statistics further show that during the 2007, visitors to Malawi contributed about US\$48,000,000 to the national economy from US\$43,000,000 in 2006 representing an increase of about 11.6% in tourism receipts.

The Malawi Tourism Report (2008) indicates that business visitors constitute the largest single component (an estimated 49.4% of total departing visitors in 2008), followed by visit friends or relatives (VFR) (25.7%) and leisure visitors (24.1%). Most Africans (60%) visited

for work or business reasons. This contrasts with Europeans, 62.3% of whom visited for leisure purposes. Effectively, the TSPRR (2008) recognises that the Malawi Government intends to work closely with the private sector to strategically diversify tourism and hospitality products, identify niche opportunities, and make Malawi's tourist destinations a good value proposition against competitors in the region.

1.1.4 Utilisation of Accommodation

According to the Malawi Tourism Report (2008), the Department of Tourism recognises the following types of accommodation utilised by visitors: hotels/inns/lodges, rest houses, private houses and other accommodation. There is growing evidence that the national room occupancy increased from 53.5% in 2007 to 57.6% in 2008 in these facilities. The increase is attributed to the growth in domestic tourism especially the business and meeting segment. Interestingly, there has been a steady growing trend where more visitors are staying in hotels/inns/lodges (29.8%) in 2008 although a large proportion still stayed at rest houses (34%) in the same year. Clearly, major towns and lakeshore districts continued to register higher occupancies in 2008 and this has provided a considerable opportunity for further investments in the accommodation sector. Because of the growing number of visitors staying at hotels/inns/lodges, the lodges therefore remain the main focus of this dissertation.

1.2 The Problem Statement

Despite all these positive indicators of tourism growth in Malawi, it is worth noting that the industry is increasingly becoming competitive and the country cannot, however, continue to compete because of good Flora and Fauna alone. Long gone are the days of Sun, Sea and Sand. Additionally, having an exceptional physical product offering is not also enough to attract both local and international tourists. The phenomenon of build-it-and-they-will-come is rather archaic and ineffective approach to garnering tourism demand in today's age. An important element requiring much attention in the travel, tourism and hospitality industry is the growing mismatch between product and services offered by destinations and the needs

and expectations of the travellers and this calls for immediate redress.

Distinguished scholars such as Grönroos (2007) argue that experiences are a distinct offering from services. Experiences must provide a memorable offering, but in order to achieve this, a customer must be drawn into the offering such that a feeling is exuded and to feel it, he or she must actively participate during the interaction with various elements created by the service provider (Pine and Gilmore, 1998; Gupta and Vajic, 1999; Palmer, 2008). This requires well qualified personnel who can deliver flawless personalised service according to the needs and the behavioural characteristics of the customers. In order to achieve this, the 2008 Human Resources Development Plan (HRDP) for tourism in Malawi observes that there is a great need for a strong human resource base in Malawi with highly trained actors (service personnel/employees) at all levels of the service/experience cycle.

The HRDP (2008) reveals that it is widely believed that hospitality and tourism products and services could be designed and produced cheaply without applying abilities, skills and experiences by untrained human resources in the country. Ironically, Cairncross *et al.* (2008) confirm that one of the issues requiring addressing in any hospitality firm is the need for personnel with high standards of specialised skills in a number of areas such as business strategy, customer service quality management, health and safety, food and beverage operations, hospitality trends and innovations, public relations and sustainable service quality management. In other words, both external and internal service quality (the working environment) should be clearly articulated to all employees at every stage of the service encounter throughout the value chain as illustrated by Heskett *et al.* (1997) in order to ultimately produce the desired customer satisfaction and profitability in the lodges (Palmer, 2008). Therefore, human resource development and general lack of capacity and understanding in service quality management are some of the pertinent issues that should adequately be addressed (Cairncross *et al.*, 2008).

The Malawi Government in its HRDP (2008) has already identified the importance of education and training to achieve competitiveness in tourism and hospitality. There are challenges to build human capital for the tourism/hospitality sector to make a key contribution to economic progress and social well-being. The needs of hospitality and tourism require highly developed human resource skills.

This problem is further aggravated by the country's lack of a national qualification framework which provides for standardisation of education and training activities because the tourism and hospitality sector has been neglected in the overall economic re-building process. Additionally, there is a perceived mismatch between the various professional programmes of public and private training providers and industry needs in the country. Indoctrinated by such apprehensions, there have not been concerted efforts in the past to provide relevant education and training programmes of acceptable international standard resulting in Malawi offering the tourism and hospitality products and services in lodges generally perceived non-standardised and of low quality. This is consistent with the fears that have been previously established by Jones (2003) that underpin service quality debate:

“Non-professionals come in (to the industry) for a whole range of reasons... and think of the hospitality sector, whether it is a small restaurant, a guesthouse, a small hotel or even a pub, they think they bring their life skills to that particular job and can run it successfully. Nobody goes into an airport and say “I can fly this!”... 98% of the population in UK walks into a pub or hotel and says “It’s a piece of cake. I could do this!” (Jones, 2003:1).

Jones (2003) continues to observe that the too many small hospitality establishments also tend to reinforce the argument that service quality standards are poor due to lack of expertise which ultimately, leads to little or no investment in the business if there are no

meaningful gains in the business. Malawian hospitality scenario therefore, is not very different from this picture.

1.3 The Research Background

Whether in the academic field or business practice, studies of service quality have gained a considerable attention in the hospitality management (Narangajavana and Hu, 2008). Thus, many scholars acknowledge that the perceived service quality paradigm was introduced as a conceptual framework to assist managers and researchers understand how customers perceive the service quality features, or “what constitutes a service in the minds of customers” (Grönroos, 2007:76). The model has since received wide recognition in literature and has been used to determine characteristic service quality features from the customer’s perspective. This in turn, has resulted in a number of hospitality establishments instituting improvement programmes which range from introduction of a unique service culture, rigorous recruitment and training of service personnel, to empowerment and establishment of appraisal systems to match the demanding needs of the customer (Narangajavana and Hu, 2008). Researchers have argued that benefits resulting from good service include increased customer loyalty, increased market share, higher return on investment, reduced costs and establishment of a competitive advantage (Ismail *et al.*, 2009).

Candido (2005) notes that service quality is a function of service quality gaps, and the earlier proponents are studies of Parasuraman *et al.* (1985; 1991). Candido (2005) also further observes from other studies that the gaps include such aspects as selection, training and adequate levels of autonomy, rewards to personnel, contact personnel’s perception of customers, experiences and expectations, and service quality evaluation. Jobber (2007) echoes the same views:

“Consequently, the selection, training and rewarding of staff who are the frontline service people are of fundamental importance in the achievement of high standards of service quality.” (Jobber, 2007:896).

It is apparent that the existing studies arguably emphasise the customer’s perspective of service quality. Furthermore, the existing studies on service quality in hotels and similar establishments are much more embedded and focussed on either European or Western or even Asian backgrounds (Candido, 2005; Nadiri and Hussain, 2005; Sohail *et al.*, 2007; Narangajavana and Hu, 2008). Whether these conceptual frameworks of service quality work or not in the Malawian lodging industry, has not previously been established, more importantly, let alone, whether or not employees understand their expectations and perceptions of service quality. Therefore, in order to provide a better understanding and research generalisability, this study seeks to establish determinants of customer service quality in Malawian lodging industry but importantly, focussing more on employees’ perspective and establishing their expectations and perceptions in the process.

1.4 Research Aim and Objectives

The aim of the research is to assess determinants of consumer perceptions of service quality, its improvement and image in Malawian Lodges but focussing on employees’ expectations and perceptions and understanding their role in the process of delivering service quality.

In order to achieve this aim, the following specific objectives are presented:

- To establish employees’ expectations and perceptions of consumer service quality determinants in Malawian lodges.
- To establish employees’ perceptions on the image of the lodges they work for in delivering service quality in Malawian lodges.

- To examine employees' perceptions of service quality improvement efforts pursued in Malawian lodges.
- To identify practical implications and suggestion for lodge management to implement effective ways to motivate employees to act positively to ensure service quality in Malawian lodges is achieved.

1.5 Structure of the Dissertation

This dissertation is distinctly divided into five chapters.

Chapter 1 of the dissertation provides the background information to the current tourism in Malawi, tourism resources, the tourism development framework, demand and accommodation utilisation. The problem statement is further highlighted and the research background is provided. The chapter finally outlines the research aim and objectives for this particular study.

Chapter 2 reviews the relevant literature pertaining to the characteristics of services in general, service quality as perceived by the customer, determinants and measurement of service quality features and their application to the hospitality industry. Conceptual frameworks and definitions widely used are discussed to refine the research problem. The use of SERVQUAL instrument and criticisms associated with this measurement tool are critically discussed. Finally, employees' perspective and their role in delivering service quality are examined in depth.

Chapter 3 presents the details of the research methodology used for this study and this includes the formulation of hypotheses, the design of the questionnaire and the sample size needed for the survey to be reliable and valid.

Chapter 4 presents the findings obtained from the modified SERVQUAL scale in assessing service quality as outlined on the questionnaire and also presents the output of data analysis by using the appropriate statistical techniques in this case the SPSS software. The chapter also presents a discussion of the findings.

Finally, **Chapter 5** presents a conclusion of the findings. A conclusion is systematically drawn in which managerial implications of the study are pointed out and relevant recommendations are made. Limitations of the study and areas of future research are also highlighted.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

In today's world, a combination of different elements play part in the service sector's growing importance. Many economic experts confirm that services are making a steady-fast and important contribution to economic development of nations. Looy *et al.* (2003) identify two major streams of contributing factors to this growing trend. Firstly, increasing consumer incomes and sociological changes have led to a greater demand for services. Secondly, increasing professionalism in companies and tremendous technological evolution has created a new array of services, notably, investment banking, insurance, accounting, and legal services. The hospitality and tourism industry, being service oriented, is an equally important part of this equation (Reid and Bojanic, 2010).

Out of service growth, emerges the service quality construct which is undoubtedly linked to the creation of a competitive edge of many lodging establishments such as hotels or lodges and value of their products and services amidst growing number of competitors (Grönoos, 2007). Accordingly, Sohail *et al.* (2007:64) argue that "to remain profitable, hotels need to continuously improve customer experiences", a view noted by Narangajavana and Hu (2008) from earlier studies of a conceptual gap model of Parasuraman *et al.* (1985) and later, Grönoos' (1993) image model of the perceived service quality. The scholars explain that perceived quality emanates from the comparison of a consumer's real experiences with his or her expectations of the service offering, again, a view shared by Loureiro and Gonzalez (2009). This observation obviously, includes the customer service experiences gained from the lodging industry too.

The purpose of this section is to review both theoretical and empirical studies on the nature of services, service quality and its measurement, improvement and linkages with the image of a firm. Finally, the perceptions and the role of employees in service quality will be discussed.

2.2 Nature of Services

According to Looy *et al.* (2003) service industries are now the largest contributors to employment and Gross Domestic Product (GDP) in most countries. The service sector has considerably experienced steady increase in importance in the world economy however, significance vary between developed and developing countries. The majority of researchers seem to agree that services make an important contribution to economic development of a nation. As the result, several scholars and publications have attempted to classify services into various types based on a number of parameters. Importantly, in terms of categorising services, this chapter recognises contributions made by Looy *et al.* (2003), Grönoos (2007) and Palmer (2008).

In general, Looy *et al.* (2003) have identified several categories of services namely, distributive services which include transportation, communication and trade. Secondly, they have identified producer services which encompass investment banking, insurance, engineering, accounting, bookkeeping and legal services. The final category is the social services that include health care, education, non-profit organisations and government agencies and finally, personal services such as tourism, dry cleaning, recreational services and domestic services. The lodging industry today is a sector operating in an environment characterised by ever growing competition in a “highly fragmented, high growth market, and challenges” (Chand, 2010:551) with potential viability challenges posed by different market entry modes such as consolidations, mergers and acquisition, franchising, foreign collaboration, management contracts, etc (Brookes and Roper, 2010, Chand, 2010).

Palmer (2008) examines mainly the interactions taking place between the buyer and the seller. He has classified services based on these service encounters into high-involvement services, e.g. hospitality industry; goods maintenance services, e.g. building repairs; service for the mind, e.g. education and finally, intangible asset maintenance services such as legal services. While Grönoos (2007) has slightly departed from Looy's *et al.* (2003) and Palmer's

(2008) approaches, he has considered the technological aspects and carefully placed services into distinct themes: “high-touch” services (which are mostly people dependent in service process, and includes physical resources and technology-based systems) and “high-tech” services (automated systems, information technology and other types of physical resources). Additionally, he has considered “discrete/continuously rendered” services (one-off or discrete processes and those that will be performed on a continuous basis) (Grönroos, 2007:57).

Following the above classification themes, scholars argue that the term service is difficult to define because they believe it is rather a complicated phenomenon with a number of various connotations, however, many of them agree that services are processes or activities, intangible in nature (Grönroos, 2007). Reluctantly, he proposes the following definition:

“A service is a process consisting of a series of more or less intangible activities that normally, but not necessarily always, takes place in interactions between the customer and service employees and/or physical resources or goods and/or systems of the provider, which are provided as solutions to customer problems.” (Grönroos, 2007:52).

Most often, tangible evidence is limited to the service provider's physical facilities, equipment, and personnel (Parasuraman *et al.*, 1985). Accordingly, Palmer (2008) concurs that this is the time during which a consumer interacts with all aspects of the service firm. It is particularly noteworthy, for example, that the hotel industry has always been under the impression that objective factors like physical facilities, appearance, ambience etc. are the most important aspects of customer satisfaction (Akkiraju and Shekhar, 2009). A study by Shanka and Taylor (2004) examined the perceived importance of the service and facilities. Three components namely, physical facilities, service experienced and service provisions emerged and were found to significantly contribute to the overall importance rating of the hotel attributes. Nadiri and Hussain (2005) add that hotel managers should therefore pay attention to the physical facilities of the hotel if they are to improve quality of services

because customers expect hotels to have modern looking equipment and appealing physical facilities.

On the contrary, Grönoos (2007) and Sohail *et al.* (2007) stress that services largely reflect a social contact between a customer and a service provider during the consumption process. This explanation is critical to marketing theory and practice by service research because a customer is present in the service process, where the service is produced and delivered, and participates in the process and perceives how the process functions at the same time as the process develops (Looy *et al.*, 2003). Thus, Palmer (2008) claims that from the customer's point of view, firstly, interactions can be influenced by the customer himself or herself either as a beneficiary of the service or owner of the entire process. Secondly, the nature of the interaction is influenced by the nature of tangible elements found in the service offer including the presence of employees. In this regard, Palmer (2008) continues to argue that services are essentially processes where establishment's resources interact with the customers so that the value is generated in the customers' activities and processes.

In conclusion, services are more or less subjectively experienced processes where there is simultaneous production and consumption activities taking place, thus what happens in the service encounter, will obviously have a critical impact on the perceived service offered in the eyes of the customer (Grönroos, 2007).

2.3 Concept of Service Quality

It is widely believed by many scholars that the term quality is a complex term, made up of several elements and criteria and Nadiri and Hussain (2005:472) define it as “a global judgment or attitude relating to the overall excellence or superiority of the service”. Gržinić (2007) puts it differently and says all quality elements or criteria are equally important in order to obtain one hundred percent quality. If only one element of quality is missing, the

complete quality of product or service is impossible to obtain. Parasuraman *et al.* (1985:41) challenge from the onset that quality is basically “an elusive and indistinct construct.” Sohail *et al.* (2007) agree that due to the vague nature of service quality, it is not an easy one-dimensional construct to conclude whether a service is evaluated as good or bad. The current global perspective, takes the view that the key to sustainable competitive advantage is entrenched in delivering high quality services that ultimately result in satisfied customers (Ismail *et al.*, 2009). It is obvious that there is great need to understand what customers really look for and what they evaluate (Grönoos, 2007). He further argues that when a service provider understands how services are perceived and evaluated by the customers, it will be easy to identify ways of managing these evaluations and influencing them in a desired direction, an argument supported by Markovic and Raspor (2010).

Competitive advantage of an establishment is dependent on the quality and value of its products and services. Markovic and Raspor (2010) emphasise, more specifically that in a highly competitive hospitality industry, service is one of the most important elements for gaining a lasting competitive advantage in the marketplace. Palmer (2008) argues that if customers’ requirements determine what constitutes service quality, there is need to properly find a way of identifying what those requirements are. He proposes further research to examine how expectations of service quality are created by the customers because they are at liberty to define what purely constitutes service quality based on their own perceptions (Sohail *et al.*, 2007). However, Tam (2004) cautions there is need to establish relationships among customer satisfaction, service quality and perceived value because these attributes are all increasingly recognised as harbouring a competitive advantage package.

Akkiraju and Shekhar (2009) recognise that service quality has generated considerable interest and debate in the research domain because of the difficulties in defining and measuring it with no overall consensus emerging on either. It is vital to manage business processes properly in order to increase satisfaction to the customer on all levels both, internal and external. Particularly in hotel industry, service quality, as an extremely subjective

category, is crucial to the satisfaction of the customer, stimulating intention to return, encouraging recommendations and hotel viable performance through human resource practices (Nadiri and Hussain, 2005; Gržinić, 2007; Tse and Ho, 2009; Chand, 2010).

Ingram and Daskalakis (1999) noted that much of the recent literature considers service quality from the viewpoints of both provider and customer; nonetheless, Grönroos (2007) still insists that what really matters most is quality as it is always perceived by customers. Thus, customers will assess service quality by comparing the service they get with the service they desire. Hence, service quality plays a critical role in adding value to the overall service experience (Lau *et al.*, 2005) but at the same time it is instrumental in increasing customer satisfaction, doing more with less, reducing costs, increasing sales, and enhancing repeat purchases (Tse and Ho, 2009) resulting in more customer delight and making customers more interested in continuing the relationship with the service provider (Grönroos, 2007). Interestingly, Ingram and Daskalakis (1999) observe that greater competitiveness has caused hospitality companies to be increasingly aware of the importance of quality as a source of competitive advantage. Effectively, clientele in the hospitality business equally base their purchase decisions on factors such as price, value, and satisfaction they derive from the experiences.

Without understanding this important aspect of service quality, it is difficult for service organisation to develop and implement successful and realistic marketing models for their businesses (Grönroos, 2007). Further, Tam (2004) concurs there is need to establish relationships among customer and/or employee satisfaction, service quality and perceived value because these variables are increasingly recognised as harbouring a competitive advantage package for service firms through the employees. Additionally, Tam (2004) observes that customer satisfaction is a necessary precursor for customer loyalty, which in turn, drives profit growth and performance of any service operation. Jobber (2007) takes a value chain perspective and adds that firms that have scored highly on service quality perform seemingly better in terms of market share growth and profitability. The hotel

industry has long focused on ensuring service quality at all levels as a differentiation tool to establish competitive positioning and to improve return on investment (Tse and Ho, 2009). It is recognised that hospitality firms compete primarily with their services (Cairncross *et al.*, 2008); a situation that creates what is described as a service competition (Grönroos, 2007). The greatest challenge is therefore for many hospitality firms such as lodges, to bring together service quality, customer satisfaction and marketing into one alignment for purposes of establishing good customer relationships (Looy *et al.*, 2003). Therefore, quality improvements as suggested by many scholars immensely advocate the need to encompass the needs of the customer in order to enhance customer satisfaction (Palmer, 2008). A lot of emphasis in service quality research and inclinations are obviously towards the perspective of the customer. However, the current study will attempt to establish employees' understanding of their role in achieving customer satisfaction as well.

2.4 The Perceived Service Quality

According to Zeithaml *et al.* (1996), perceived service quality is the extent to which a service establishment successfully delivers a service to meet the purpose of customers. Customers establish the perceived value of service based on their previous experience with the service delivered (Markovic and Raspor, 2010). Clearly put, a well perceived quality is obtained when the experienced quality meets the expectations of the customer or even the employee. If, however, expectations are unrealistic, Grönroos (2007) warns, the total perceived quality will be rated poorly, although the experienced quality was good and possibly evaluated in an objective manner.

There are a number of avenues through which service quality is evaluated by the customer which will later be examined if employees pursue the same means. Two important contributions to the definition of the service quality concept are centred on the perception that the client has of the quality delivered by the firm: the image model and the gap model

(Loureiro and Gonzalez, 2009). Grönoos (2007) suggests the image of the firm, word-of-mouth, and public relations as some of the means favoured by the customer. These he quickly adds, are only indirectly controlled by the service firm on one hand. There are, however, marketing communication channels such as advertising, direct mail, sales promotion, websites, sales campaigns and Internet, directly controlled by the establishment on the other hand as shown in the Figure 1.1 adapted from Grönoos (2007:77). It should, however, be noted that the evaluation of service quality is primarily subjective and lies largely with the customers, a view underscored by many researchers. Further, the service quality depends heavily on the effectiveness with which the front-line employees deal with customers (Chand, 2010).

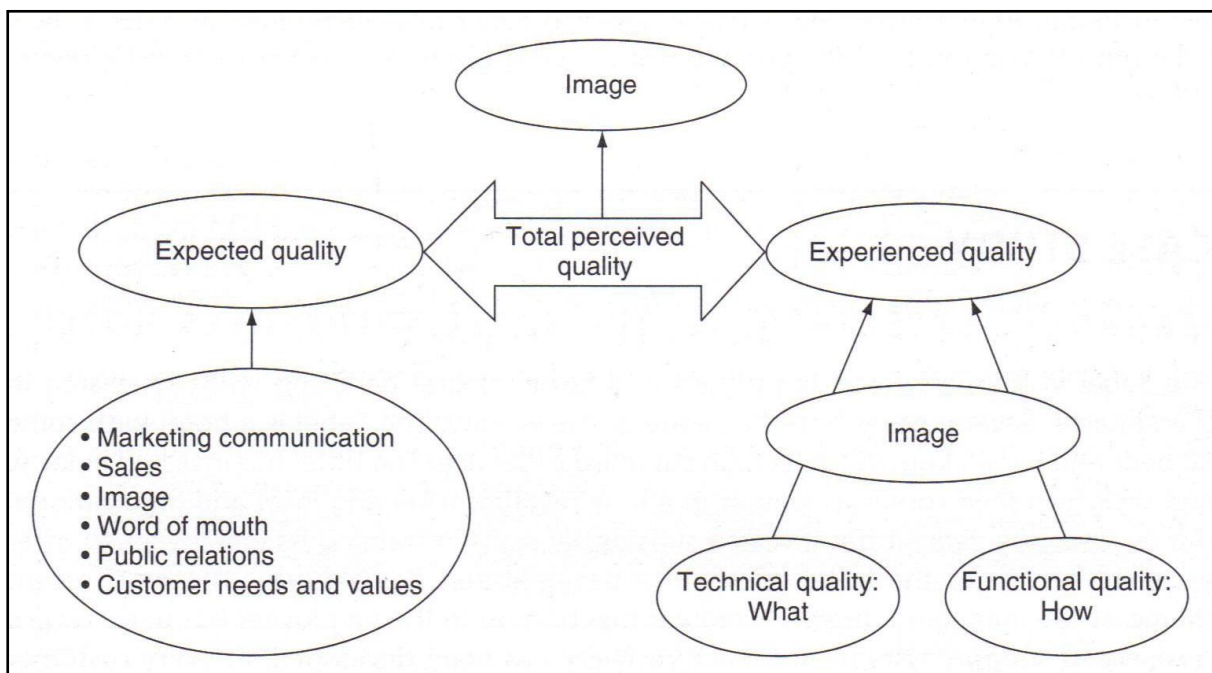


Figure 2.1: Total perceived quality, adapted from Grönoos (2007)

Zeithaml *et al.* (1996) explain that the criteria used by customers in shaping their expectations and perceptions falls into five determinants of service quality entrenched in the gap model and have extensively been discussed in literature. These are reliability, assurance, tangibles, empathy, and responsiveness known as RATER dimensions defined in Table 1.1 below, adapted from Buttle (1996). Grönoos (2007) contends that good perceived quality is

basically achieved when the experienced quality meets the expectations of the customer which in this case, is the expected quality. He argues that expected quality relies on many factors such as marketing communication (advertising, direct mail, sales promotion, websites, sales campaigns and Internet, directly controlled by the establishment), word-of-mouth, company image, price, customer needs and values. Thus, alternatively, Parasuraman *et al.* (1991) offer a conceptual framework of the impact of service quality on certain behaviours that clearly indicate whether customers remain with or defect from a service firm.

<i>Dimension</i>	<i>Definition</i>
<i>Reliability</i>	<i>The ability to perform the promised service dependably and accurately</i>
<i>Assurance</i>	<i>The knowledge and courtesy of employees and their ability to convey trust and confidence</i>
<i>Tangibles</i>	<i>The appearance of physical facilities, equipment, personnel and communication materials</i>
<i>Empathy</i>	<i>The provision of caring, individualized attention to customers</i>
<i>Responsiveness</i>	<i>The willingness to help customers and to provide prompt service</i>

Table 2.1: Service Quality Determinants, adapted from Buttle (1996)

In conclusion, if the expectations are unreasonable, the total perceived quality will be low. Reid and Bojanic (2006) help us to infer from this debate that if customers are satisfied with a service, they are much more likely to purchase from the same service provider, and if they remain satisfied, they will become loyal customers with time.

2.5 Service Quality Dimensions

Various research scholars continue to look at different dimensions of the service quality employing different criteria. For example, earlier proposals were made by Lehtinen and Lehtinen (1982) and came up with three distinct service quality dimensions: physical quality, interactive quality and corporate quality. Physical quality includes the physical aspects associated with the visible components of service such as the reception area and equipment. Interactive quality involves the interaction between the customer and the service personnel, while corporate quality includes the firm's image or reputation which according to Grönroos (2007) is indirectly controlled.

Gržinić (2007) proposed two aspects of quality: design quality and quality of conformity. The design quality concept implies the presentation of products or services directed to the needs of the clients. He illustrates this aspect by giving an example of a hotel company that meets the needs of its clients only if they are included in its design. On the other hand, the quality of conformity, with the design, completes the first aspect because it represents the level to which the product or service meets the needs of the entire market.

Other researchers such as Ekinici and Dawes (2009) suggest that service quality is two dimensional, i.e. physical quality and staff behaviour. On the former aspect, the hotel industry has always been under the impression that objective factors such as physical facilities, appearance, or ambience are the most important aspects of customer satisfaction (Akkiraju and Shekhar, 2009). Other scholars have suggested the use of the serviscape quality, introduced by Bitner and Boomer, which describes various elements of the physical environment especially of the service encounter (Grönroos, 2007) where the staff and customers are present. On the later aspect, Cairncross *et al.* (2008) emphasize its importance and claim that:

“customers judge the quality of the service they receive largely on their assessment of the people who provide the service. Firms who understand this

successfully devote significant efforts to recruitment, training and motivation of their staff, so as to ensure that their customers experience a service exceeding their expectations” (Cairncross *et al.*, 2008:150).

In this regard, the evaluation of service quality is primarily subjective and lies largely with the customers as discussed earlier on. Interestingly, other authors such as Chand (2010) recognise that service quality depends heavily on the effectiveness with which the front-line personnel deal with customers. More importantly, as observed by Candido (2005) service quality is a function of service quality gaps and these gaps include selection, training and adequate levels of autonomy, rewards to personnel, contact personnel’s perception of customers, experiences and expectations, service quality evaluation, etc. Thus, this particular argument of Candido (2005) would be useful to understand employees’ role in service quality in this research.

It is arguably the work of Grönroos (2007) that has attracted significant attention in the service dimension debate. Different from the above researchers, he identifies two important dimensions of service quality, again, as perceived by customers: the technical or outcome dimension (what is offered and received), for example, a bed in a lodge or a meal in a restaurant and a functional or process-related dimension (how is it offered and received) (Ramsaran-Fowdar, 2007), evident during the customer-frontline employee interaction. However, Grönroos (2007) warns that the functional quality dimension cannot be evaluated as objectively as the technical dimension; usually due to the simultaneous nature of production and consumption of a service offering. Hence, Sohail *et al.* (2007) are quick to conclude that the functional quality of a service process purely represents the social interaction between service provider and customer.

The provider plays an important role in the delivery of product to customer. An organisation therefore, may be unsuccessful, “if excellent technical quality is often counteracted or badly nullified by badly managed or handled buyer-seller interactions or service encounters”

Grönroos (2007:76). Thus, it is logical to mention that where several service firms, as in the lodging industry, are competing with similar outcomes or technical quality, it is the functional quality impact of the service process that counts. Nonetheless, it should be born in mind that ultimately, total quality is a product of both technical and functional quality aspects as depicted earlier in Figure 1.1.

2.6 Measuring Service Quality

Service quality has been studied over the past 20 years and in literature two types of measurements are widely covered. The debate continues to recognise that the conceptual differences between service quality and customer satisfaction are somewhat vague, most studies to date, are however, based on the disconfirmation notion in which customers' satisfaction is measured against the quality they experience (Iacobucci *et al.*, 1994; Buttle, 1996; Grönroos, 2007). In particular, the hotel industry has also received a fair share of different types of research focussing on various aspects of the service quality. According to Grönroos (2007) there are two types of measurement instruments used: attribute-based measurement instruments and qualitative measurement instruments and SERVQUAL tool is a classic example of the former and will be discussed in greater detail.

2.6.1 Attribute-based measurement instruments: - The SERVQUAL

These are the most widely used measurement tools in both academic and business research. For example, SERVQUAL instrument is a well known instrument with a number of attributes that describes the features of a service and respondents are asked to rate the service on these attributes. These are based on Zeithaml's *et al.* (1996) five RATER dimensions namely, reliability, assurance, tangibles, empathy and responsiveness as defined by Buttle (1996). The comparison is between customers' previously held expectations of how the service should be performed and their experiences of how the service is rendered, a situation that leads to

disconfirmation or confirmation of expectations (Grönroos, 2007; Kattara *et al*, 2008; Palmer, 2008). The underlying principles of SERVQUAL model are founded on the premises that the customer's evaluation of service quality is crucial. This evaluation is conceptualised as a gap between what the customer expects of the service quality emanating from a number of service firms (Buttle, 1996). The gap model will be discussed later in the chapter. This can be used by various companies particularly the lodging firms, to understand the expectations and perceptions of their customers in other words, it can help the lodging managers understand how service quality can be improved.

2.6.2 The SERVQUAL Application in Hospitality Research

Evidence in the publications of Reid and Bojanic (2006), Grönroos (2007), Palmer (2008), and Markovic and Raspor (2010), unanimously suggests that SERVQUAL model, mentioned above, is one of the major research instruments for measuring quality in service industries, developed by Parasuraman *et al.* (1985). This is true considering that various researchers have modified and used it in different contexts within the hospitality industry. For example, the following studies have utilised the SERVQUAL model: Ingram and Daskalakis' (1999) study aimed at testing the importance placed on tangibles and intangibles by providers and customers in the Cretan hotels which have been certified by the ISO 9000 standard; Hsieh and Hsieh's (2001) examination of the relationship between job standardisation and service quality at service-oriented firms in Taiwan; the study by Shanka and Taylor (2004) examining the perceived importance of the service and facilities attributes provided by a 3-star hotel; Lau's *et al.* (2005) assessment of the expectations and perceptions of service quality in Malaysia's four- and five-stars hotels; Nadiri and Hussain's (2005) study of service quality of European customers in Cyprus hotels; Su and Sun's (2007) application of content analysis to compare the evaluating methods and service-quality measurement of the different national hotel rating systems; Kattara's *et al.* (2008) investigation of the relationship between employees' positive and negative behaviours, customers' perception of service quality and overall customer satisfaction; Akkiraju and Shekhar's (2009) evaluation of the hotel service

quality and its relationship to the star status; Markovic and Raspor's (2010) assessment of the perceived service quality of hotel attributes and determination of the factor structure of service quality perception in the Croatian hotel industry.

The SERVQUAL model is Parasuraman's *et al.* (1988) 22-attribute instrument for assessing customer perceptions and expectations regarding the quality of service (Buttle, 1996). A level of agreement or disagreement with a given item is rated on a seven point Likert-type scale. The level of service quality is represented by the gap between perceived and expected service. It specifically identifies five gaps between customer's expectations and perceptions of actual service delivery (Buttle, 1996; Grönroos, 2007; Palmer, 2008) as illustrated in the Figure 1.2 below. The quality gaps that exist between various elements of the model are the result of inconsistencies in the quality management process. The ultimate gap between the expected and and perceived (experienced) service is a function of the other gaps that may have occurred in the process (Grönroos, 2007).

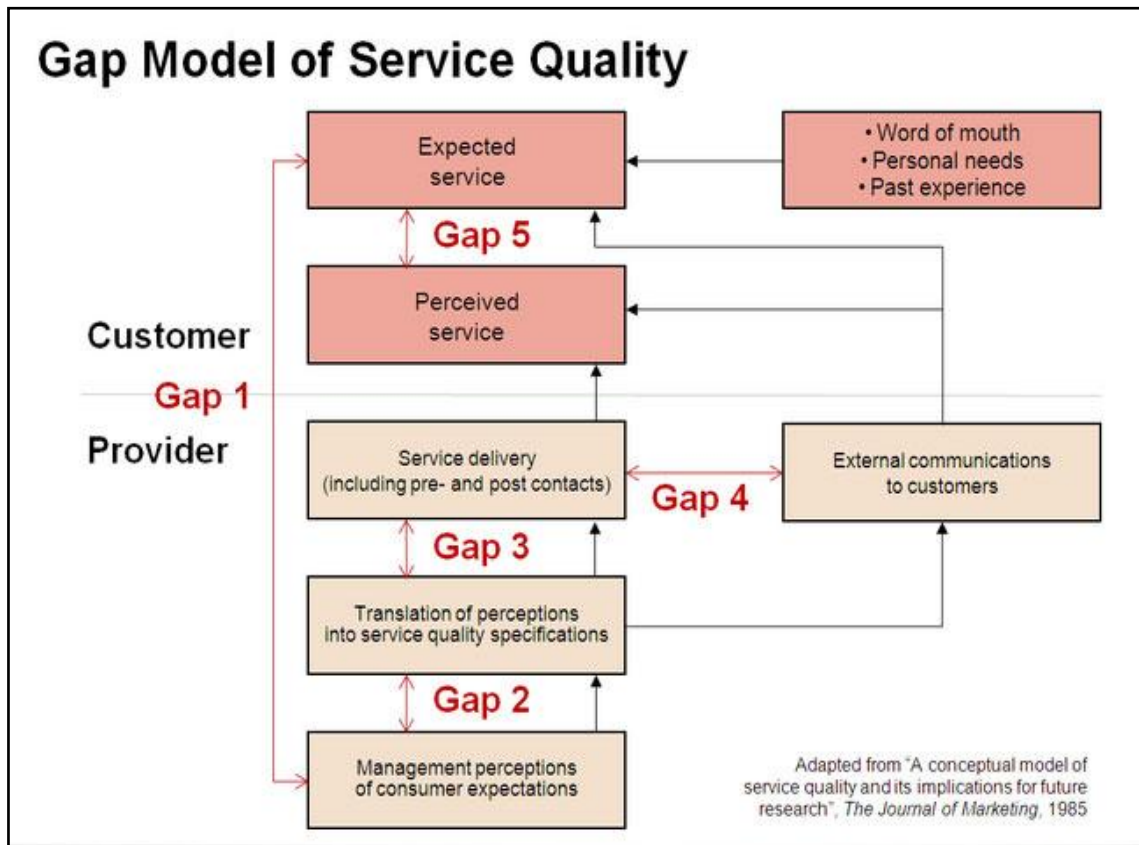


Figure 2.2: The Service Gap Model, adapted from Vovici Corporation (2010)

The five gaps that organisations should measure, manage and minimise are adapted from (Vovici Corporation, 2010) and generally this is what most academic and business researches in the service quality domain have covered as shown in Figure 1.2 above:

- **Gap 1** is the distance between what customers expect and what managers think they expect - Clearly survey research is a key way to narrow this gap.
- **Gap 2** is between management perception and the actual specification of the customer experience - Managers need to make sure the organisation is defining the level of service they believe is needed.
- **Gap 3** is from the experience specification to the delivery of the experience - Managers need to audit the customer experience that their organisation currently delivers in order to make sure it sticks to the specifications.
- **Gap 4** is the gap between the delivery of the customer experience and what is communicated to customers - All too often organisations exaggerate what will be provided to customers, or discuss the best case rather than the likely case, raising customer expectations and harming customer perceptions.
- Finally, **Gap 5** is the gap between a customer's perception of the experience and the customer's expectation of the service - customers' expectations have been shaped by word of mouth, their personal needs and their own past experiences, quite consistent with image model of Grönroos (2007). Routine transactional surveys after delivering the customer experience are important for an organisation to measure customer perceptions of service.

Accordingly, the gap model allows management to make an analytical assessment of the causes of poor service quality, however, “if the first gaps are great, the task of bridging the subsequent gaps becomes greater”, Palmer (2008:330) warns. Clearly, it is in the interest of this research to assess the employees’ understanding of this model especially gaps 1, 2, 3 and 5.

2.6.3 Limitations of the SERVQUAL Model

Despite its increasing popularity and use, SERVQUAL has been not spared from an academic torrent of both theoretical and operational criticisms (Buttle, 1996). Research done by Cronin and Taylor (1992) questions the validity of the expectation-perception theory advanced by Parasuraman *et al.* (1985, 1988). Cronin and Taylor (1992) actually doubt whether or not customers consistently assess service quality in terms of expectations and perceptions. Instead, they assert that service quality is directly influenced only by perceptions of service performance. Accordingly, they developed an instrument of service performance (SERVPERF) that seemingly produces better results than SERVQUAL (Ingram and Daskalakis, 1999). In addition, Palmer (2008) reports that there have been an ongoing debate about whether it is practical to ask consumers about their expectations of a service immediately before consumption and their perceptions of performance immediately after.

Parasuraman *et al.* (1988) believe that their five proposed determinants of service quality that underpin the basis of the SERVQUAL scale, are easily assignable to other service sectors, however, Buttle (1996) challenges that there are many studies that have somewhat failed to reproduce the five-factor model. In other words, he questions what he calls the dimensionality of the construct arguing that the determinants are supposed to be context specific in this case.

While Nadiri and Hussain (2005) confirm that on several occasions the SERVQUAL scale is viewed to be uni-dimensional for some services, on the contrary, Palmer (2008) contends that the scale has displayed a multi-dimensional character for other services, thereby raising lots of stability questions in its use in service quality research. For this reason, Buttle (1996) comments that:

“When the SERVQUAL instrument has been employed in modified form, up to nine distinct dimensions of SQ [service quality] have been revealed, the

number varying according to the service sector under investigation” (Buttle, 1996:16).

Buttle (1996:17) has reported that there are also some “psychometric” challenges associated with the use of the different scores on SERVQUAL namely: reliability, discriminant validity and variance restriction problems, as the result subsequent researchers suggested the use of non-difference score measures to mitigate the problems identified (Palmer, 2008).

Critics argue the construct focuses much on service process dimensions (functional quality) and not the perceived quality of the outcomes (technical quality) as discussed by Grönroos (2007), however, the hospitality industry is considered as a high involvement personal service industry, therefore making the approach more suitable due to the inseparability of production and consumption of the service (Palmer, 2008).

2.6.4 Other Instruments Developed from SERVQUAL

Following the development of SERVQUAL instrument and its criticisms, researchers have since studied service quality using a number of different modified versions of the instrument (Narangajavana and Hu, 2008; Loureiro and Gonzalez, 2009). Table 1.2 below summarises some of the important measurement tools adapted from SERVQUAL for perceptions of service quality but used particularly in the hospitality research. Apparently, all of them are attribute based models (Grönroos, 2007).

Researcher	Service Quality Instrument	Brief Description of the Instrument
Parasuraman <i>et al.</i> (1985; 1988; 1991)	SERVQUAL	7-point likert scale, generic for service industries. Measures customer expectations and perceptions with 22 items in five dimensions. Critiques identified a number of validity shortfalls.

Knutson <i>et al.</i> (1991)	LODSERV	A modified version of SERVQUAL. Measures hotel guest service expectations and experience of service quality.
Cronin and Taylor (1992; 1994)	SERVPERF	Made up of the same 22 items of the SERVQUAL scale but is used exclusively to measure service performance perceptions.
Mei <i>et al.</i> (1999)	HOLSERV	An extension of SERVQUAL
Ekinci and Riley (1999)	Q-sort	Validates the dimensions of the established models of service quality
Getty and Getty (2003)	Lodging Quality Index (LQI)	Measures customer's perception of service performance
Loureiro and Gonzalez (2009)	RURALQUAL	An instrument of evaluation of the quality of the service provided by rural lodgings

Table 2.2: A Synopsis of Service Quality Measurement Instruments developed from SERVQUAL

Despite several criticisms, SERVQUAL has been used to measure service quality in a variety of contexts (Ingram and Daskalakis, 1999) and without doubt, SERVQUAL is valued in research circles and continues to inform the direction of future research in service quality. For this reason, this study uses the same instrument because no evidence exists that this instrument can or cannot work in the Malawian lodging industry. It has not previously been established, importantly whether or not employees understand their role in providing service quality. Therefore, in order to provide a better understanding and research generalisability, this study seeks to establish determinants of customer service quality and image in Malawian lodging industry but focussing on employees' perspective and understanding their role in this process.

2.7 Causes of Poor Perceived Quality Improvements (Matching Expected and Perceived Service Levels)

Slightly different from the gap model some authors such as Grönroos (2007) identify several factors that lead to failure in quality improvements. He first all faults a firm's approach to quality improvement. He suggests that perceived service quality improvements must not be considered as a programme or a sheer campaign, but rather, an ongoing process which has to be constantly reinforced and monitored by management. Jobber (2007) on the other hand faults firms' management on misunderstanding of what the customer expects due to lack of rigorous market research that leads to managers and/or staff to judge wrongly the important attributes that customers embrace when evaluating a service, and the manner in which customers utilise such attributes in the evaluation process. He goes further to mention management's unwillingness to provide adequate resources even if they are aware of their customers' expectations of the service. In other instances a number of authors have mentioned exaggerated promises or overpromising as being responsible for a huge gap existing between customer expectations and their perceptions of service quality (Reid and Bojanic, 2006; Palmer, 2008; Reid and Bojanic, 2010).

More specifically, Luchars and Hinkin (1996) identify another set of factors leading to failure of some service quality improvement programmes in hotels, for example, attempting to do a lot hastily; little or absence of support from the most senior management; lack of adequate measurement criteria; lack of understanding of the nature of true quality improvement programmes. Therefore, this has created a dilemma in the hospitality industry, failing to establish acceptable quality management techniques. In some cases this process has been sluggish for most managers view service quality as being intangible and therefore difficult to measure (Reid and Bojanic, 2006)

2.8 The Role of Employees in Service Quality

2.8.1 Importance of Service Employees in the Service Quality Delivery

Recently, there has been a considerable interest and growing debate in service quality research literature about various roles played by employees in the hospitality industry. The hotel industry has taken great strides and paid significant attention on service quality at all levels as a differentiation platform to establish competitive edge and to improve profitability (Tse and Ho, 2009). A number of studies have focused on different contexts of the employees' involvement at various levels. This is also equally echoed by Jobber (2007) who strongly asserts it is well known that many services involve a great deal of contact between service staff and customers; for such services as the lodging industry, the quality of the service experience is therefore heavily dependent on these "staff–customer inter-personal relationships" (Jobber, 2007:910).

2.8.2 Importance of Good Human Resources Management Practices in Service Quality Debate

Notable research works in this area, for example, include Chand's (2010) investigation of the effects of human resources practices on service quality, customer satisfaction and performance in the hotel industry is one aspect of understanding employee's perceptions of service quality. He established that human resources management practices such as recruitment and selection, training and development, influence positively the improvement of service quality. Accordingly, Cairncross' *et al.* (2008) study confirmed that the incorporation of training procedures, both formal and informal, within hospitality firms is recognised as a vital element in achieving sustainable perceived service quality. Nadiri and Hussain (2005) emphasise that management should ensure that employees are well trained and understand the level of service that the hospitality firms such as lodges, are expected to provide to their clientele. As such, employees need to demonstrate adequate personal attention to the organisation's customers. Supporting this idea in one particular study, Tse and Ho (2009) had

asked employees to recall and describe some critical incidents of service encounters that lead to customers either being satisfied or dissatisfied with the service offering. Kattara *et al.* (2008) collaborate that the employees of an organisation are therefore vital for ensuring success in customers' perceptions and satisfactions, especially the customer-contact personnel who are ultimately responsible for providing a quality service that meets the expectations of customers. It is therefore clearly understood that employees play a critical role in moulding the expectations and perceptions of customers about a service quality offered in lodges. Thus, the lodging industry calls for the right people with the right professional skills and credentials and they must be employed and put in the right job to ensure service quality as perceived by the customer.

A number of studies have highlighted the importance of friendly type behaviours of service employees such as friendliness, smiling face, caring, politeness, responsiveness, trustworthiness, helpfulness and understanding. These are believed to enhance service quality outcomes, result in customer satisfaction and ultimately facilitate the establishment of long-term relationships between employees and customers (Jones and Dent, 1994; Sparks, 1994; Kattara *et al.*, 2008). Clearly, these attributes are among those that form the basis for the dimensions of Parasuraman's *et al.* service quality model. Equally important is the study of Lemmink and Mattsson (1998) that examined the relationship between friendly employee behaviours and customer satisfaction. They demonstrated that there was significant and positive relationship between the levels of personal warmth in service employees toward customers and customer service quality perceptions and customer satisfaction.

Another study by Subramony *et al.* (2004) established a positive relationship between effectiveness of employees' internal service and customers' service quality perceptions, while Nicolini and Silvia's (2006) study mentions that customer evaluation of the service is moulded by factors linked to the psychological interaction established during the service encounter, and by factors connected to Grönroos' (2007) technical-specific characteristics of the service. Therefore, Kattara *et al.*, (2008) concludes that employees' behaviours and/or

attitudes have an influence on customer perception of service quality and on customer satisfaction. However, this is particularly difficult for customer contact employees that are considered to be low-skilled. Their greatest challenge would be dealing with emotional situations when the entire image of the service organisation is at stake especially where customers become irate and dissatisfied with a service offering (Mattsson and Lemmink, 2002). “Because emotions are intangible, difficult to control and instantaneous, they have both short-term and long-term effects on customer perceptions” (Kattara *et al.*, 2008:312).

Kattara *et al.* (2008) acknowledge the findings of past studies conducted in the hotel sector. They note that because most hotels depend on their employees to deliver excellent service, therefore hotel employees provide a competitive advantage. They further stated that service quality, customer satisfaction and loyalty are influenced to an extent by the attitudes, beliefs and actions of hotel employees, and that by providing outstanding service, hotel employees can enhance the image of the hotel and the level of perceived and actual service quality (Arnette *et al.*, 2002; Grönroos, 2007). In addition, Kong and Jogaratnam (2007) confirmed the fact that employee personalisation and courtesy predicted significantly customer satisfaction.

Finally, Chand’s (2010) study on impact of human resources management practices on service quality suggest that the human resources management practices improve hotel service effectiveness and from this perspective, Sheng and Lin (2004) argue that the service quality therefore relies hugely on the customer-contact employees’ effectiveness when dealing with customers in the lodging industry. Therefore, the efforts to promote service quality must be entrenched within the professional approach to management of operations, especially by considering human resource development plans that are viable in a hotel industry where staffing problems are continuously faced (Chand and Katou 2007).

2.8.3 The Need for Quality Employees Who Understand the Importance of Service Quality

Previously research efforts that have been undertaken to develop an appropriate measure for the service quality of the hotel industry, vis-à-vis the employee dimension and perceptions were regarded to be a critical aspect of hotel service (Tse and Ho, 2009). Inspired by very few studies that have investigated the relationships between employees' personality and important performance outcomes of the organisation, Ekinici and Dawes (2009) examined how frontline employees' personality traits affect interaction quality and consumer satisfaction from the consumers' point of view. Thus confirming what Hsieh and Hsieh (2001:147) speculated about service contact-employees who they claim, are usually faced with situations "involving task uncertainty that moderate the relation between job standardisation and service quality as perceived by customers".

The greatest challenge is to have quality staff in place clearly pointed out by Cairncross *et al.* (2008) and Chand (2010) as they observe that the lodging industry is, for instance, constantly faced with dire skill shortages, a burgeoning staff attitude problems and unprecedented high levels of staff turnover. The remedy to these challenges is suggested by Nadiri and Hussain (2005) who emphasise that management's role is to ensure that employees are well trained and understand the level of service that the hotel expects to provide for their customers. They further advise that employees should always demonstrate sufficient personalised attention to their clientele. "In order for service employees to be in the frame of mind to treat customers well, they need to feel that their company is treating them well" thus necessitating a high regard for human resources policy, consequently customers will have a positive regard of the service they receive (Jobber, 2007).

2.8.4 Employees Attitudes and Behaviour towards Service Quality

Allport (1935) defined an attitude as “a learned predisposition to respond to an object or a class of objects in a consistently favourable or unfavourable way”. Eagly and Chaiken (1993) refers to it as a “psychological tendency” with some level of emotional involvement. These scholars emphasise that attitude its own right plays a vital adjustment function by directing people away from undesirable element and towards the more desirable ones. Chiang *et al.* (2009) contend that people need attitudes in order to explain and justify their behaviours. To this end, Hsieh and Hsieh (2001) advise that service-oriented firm such as lodges must effectively manage their customer contact employees to ensure that their attitudes and behaviour are conducive to the delivery of quality service. In addition, Jobber (2007) in conjunction with Ekinici and Dawes (2009:517) propose that there should be rigorous employee recruitment procedures and training processes and management needs to identify the employees with the right attitudes and “relevant interaction quality (employee skills, knowledge) and the deeper psychological traits”.

Arguably, whilst training frontline staff with skills specific to an organisation is a particularly important part of each training programme, there needs to be an awareness of an overall correctness of skills being imparted, according to industry standards, in order to avoid a mismatch of skills and methods (Cairncross *et al.*, 2008). Kattara *et al.* (2008) acknowledge the findings of past studies conducted in the hotel sector. They note that because most hotels depend on their employees to deliver excellent service, therefore hotel employees provide a competitive advantage. They further stated that service quality, customer satisfaction and loyalty are influenced to an extent by the attitudes, beliefs and actions of hotel employees, and that by providing outstanding service, hotel employees can enhance the image of the hotel and the level of perceived and actual service quality (Arnette *et al.*, 2002; Grönroos, 2007). In addition, Kong and Jogaratnam (2007) confirmed the fact that employee personalisation and courtesy predicted significantly customer satisfaction.

In conclusion, Kattara *et al.* (2008) comment that the employee's perspective is equally important because personnel in the lodging industry, particularly the frontline staff, are virtually the first and last contact point with a hotel guest. They form a hub of the hotel business and their position finally informs customer's perceptions of the entire service quality rendered. It is therefore imperative that this research should assess understanding and perceptions of employees working in Malawian lodges of the service quality constructs, in the context of all the service quality theoretical and empirical frameworks discussed above,

2.9 Employees and their Perceptions of the Lodges' Image

According to Kandampully *et al.* (2011), corporate image has both the functional and the emotional components. The functional component is related to tangible features which are measurable, while the emotional component is associated with psychological dimensions which are entrenched in the feelings and attitudes employees show toward their lodging firms. Fundamentally, researchers argued the image of the lodging establishment emanates from the success of that establishment to offer excellent services to the customers culminating into its positive universal impression formed by the customer (Kandampully *et al.*, 2011). They argue that an establishment's positive image induces customer satisfaction and assessment criteria such as credibility, quality, and, eventually, reinforces customers' repurchasing decisions. Thus, the relationships between service quality and corporate image can be of main interest to lodging firms and researchers.

Kandampully *et al.* (2011) conclude that the consistency in delivering quality of service creates and sustains the image of a lodging firm which, ultimately, results in customer loyalty. It is equally believed that employees who form positive images of a lodge from their previous experiences may generally feel more satisfied with the anticipated service performance of the lodges prior to working for the lodges. Similarly, it is important that "employees are convinced by the hotel brand prior to having confidence to "sell" the brand to customers" (Tsang *et al.*, 2011:481). Additionally, they stress that employee identification

with the lodging firm and their own behaviour greatly influences how employees begin to define their own relationship with that particular establishment.

2.10 The Relationship between the Service Quality Improvement and Employees' Perceptions of Service Quality

Narangajavana and Hu's (2008) study specifically investigated the relationship between the service quality improvement such as hotel rating systems and establishment's performance changes. Four dimensions in service quality improvement emerged, namely: service delivery, hotel employees, guest facilities and surroundings, and prestige. However, their findings established that the dimensions of service quality improvement identified, were not significantly associated with hotels' star levels.

Narangajavana and Hu (2008) claim that in many instances, the hotel rating system is one of many instruments that has consistently been used by the hotel industry in order to reach an expected level of service quality and to convey this message to the public. Hotel rating systems are related to service quality improvement, and service quality improvement, in turn, is associated with the establishment's performance. The researchers advocate for incorporation of all dimensions of the service quality construct in the rating system order to make it more robust and must be carried out on regular basis to ensure compliance with up to date information. As the result the hotels will gain customer's confidence in the service offering. Su and Sun (2007:392) take cognisance of the fact that hotel rating systems differ remarkably between countries due to "local cultural differences in values and preferences". They are quick to point out that these discrepancies may, however, impact on the ratings of both establishment's facilities and service quality if they are not well tamed.

It should be noted that the licensing of tourism-related facilities and services by the Ministry of Tourism, Wildlife and Culture in Malawi, is not a statutory requirement, but is undertaken

by the Tourism and Hotels Board. While the Department of Tourism de facto provides the secretariat for the Board and is responsible for compiling a register of all tourism enterprises, the Board alone has the power to grant or revoke (subject to appeal) the necessary licences following inspections conducted by the Safety and Standards section of the department.

On the other hand, Ingram and Daskalakis' (1999:27) study found that the hotel managers used various means of communicating service quality goals to their personnel, including "meetings, seminars, training programmes, personal contact, newsletters and appraisals". They further found that some managers preferred hotel refurbishment and renovation, together with personnel training, as means of improving service quality in their establishments. Kilic and Okumus (2005) found that managers rated staff recruitment, training, multi-skill training programs, and motivation as key factors of productivity in the lodging industry.

2.11 Conclusion

The chapter has thoroughly examined the relevant literature pertaining to various aspects of service quality. First of all, the nature of services has been examined followed by a discussion of the concept of service quality, the debate surrounding customer expectations and perceptions and that service quality is evaluated as perceived by the customer. It has been highlighted that the aspect of employees' role in the way service quality is perceived during the buyer-seller interaction (Grönroos, 2007), is not hugely emphasised in research despite several efforts pursued by researchers to study other aspects of employee involvement in the service quality yet employees still remain key players in the service encounter of the service encounter. The role of the employees needs to be pursued in order to relate it to what drives a customer to perceive the service quality mirrored against his or her expectations in terms of service quality and image of the lodges they work for.

It yet remains a subject of contention whether it is only customers that would ultimately define service quality in an activity where production and consumption of an offering involves both employees and the customer and at the same time the intangibility nature of the offering makes it even more difficult to evaluate.

CHAPTER 3: METHODODOLOGY

3.1 Introduction

The purpose of this chapter is to provide details on how the study was conducted. The study objectives are re-stated and the types of investigations are clearly explained. Following the review of literature in the Chapter 2, hypotheses formulation is thoroughly done to form a foundation for the methodology. The methods employed in the collection of secondary and primary data for the study are examined. This includes the sampling techniques used and how the questionnaire was developed reflecting theoretical concepts drawn from the literature review in the previous chapter. Finally, this chapter also identifies and provides the limitations associated with the methodology used in light of the theoretical framework.

3.2 Purpose of the Study

The purpose of the research is to assess the determinants of consumer service quality in Malawian lodges with more focus on employee's perspective and understanding their role in the process.

In order to achieve this aim, the following specific objectives are presented:

- To establish employees' expectations and perceptions of consumer service quality determinants in Malawian lodges
- To establish employees' perceptions on the image of the lodges they work for in delivering service quality in Malawian lodges
- To examine the employees perceptions of service quality improvement efforts pursued in Malawian lodges
- To identify practical implications and suggestion for lodge management to implement effective tools to motivate employees to act positively to ensure service quality in Malawian lodges is achieved.

The study is intended to thoroughly assess employees' understanding of the customers' critical determinants of service quality as well as their role in this process. The cause-and-effect relationships among variables (Saunders *et al.*, 2009) expressed in the five RATER dimensions of the SERVQUAL model would be established from the employee's perspective working in the lodging industry in Malawi (Buttle, 1996).

3.3 Hypothesis Formulation

Based of the objectives of the study and the literature review, the following hypotheses were formulated:

- H1₀- There is no relationship between employees' perceptions of service quality and their perceptions of the image of the lodges they work for.
- H1₁- There is relationship between employees' perceptions of service quality and their perceptions of the image of the lodges they work for.
- H2₀- There is no relationship between employees' perceptions of service quality improvement and their perceptions of the image of the lodges.
- H2₁- There is relationship between employees' perceptions of service quality improvement and their perceptions of the image of the lodges.
- H3- Service quality improvement has a positive impact on the employees' perceptions on service quality

The theoretical framework of the variables is shown in Figure 3.3 below. It is a modified version based on Kandampully's *et al.* (2011) study to understand the influence of hotel service quality and corporate image on tourism customer loyalty and Kattara's *et al.* (2008) hypothesised relationship model between study variables on the impact of employee behaviour on customers' perceptions of service quality and overall satisfaction.

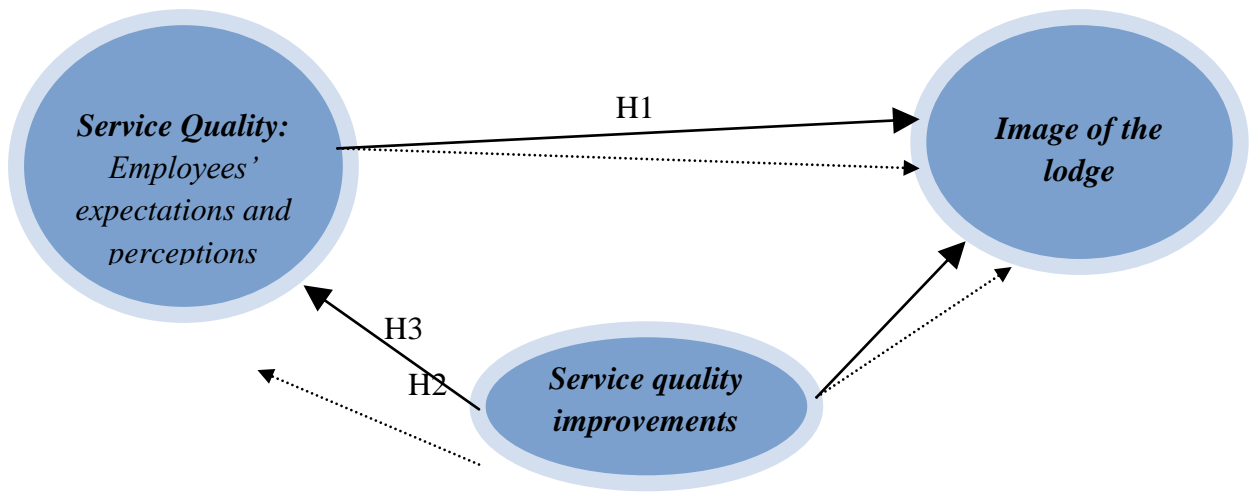


Figure3.1: Modified hypothesised relationship model from Kattara *et al.* (2008) and Kandampully *et al.* (2011)

Key:

- ▶ There is significant relationship between the variables
-▶ There is no significant relationship between the variables

3.4 Type of Investigation

It is recognised from Saleh and Ryan's (1991) and Hsieh and Hsieh's (2001) studies that the successful provision of a service begins with the ability of management and the entire organisation structure of the lodges assessing customer's expectations correctly and the authors observe that recently, a there has been a significant amount of linkage research

drawing management's and customer-contact staff's views on the subject. SERVQUAL was proposed as a generic measure of service quality that may be applicable to the lodging industry in Malawi. This was an important driver as there is barely any literature related to service quality of lodges let alone hotels in Malawi. It is therefore vital to establish whether employees understand why service quality is of great significance to the customer when they are making choices to stay at the lodges. Additionally, the SERVQUAL model had previously been applied in some service-oriented industries such as retail banking, telecommunications, securities brokerage, product repair and maintenance other than the hospitality industry (Ramsaran-Fowdar, 2007).

In using SERVEQUAL model, Lewis (1987) explains more specifically that what are usually of particular interest are the measured differences between the abstractions that are often based on respondent's subjectivity. Lau *et al.* (2005) argue that if the difference between expectations and perceptions can successfully be measured, perceived quality would be defined in this case according to Grönroos (2007) and Parasuraman *et al.* (1985; 1988; 1991), a concept quite similar with Parasuraman's (1985) service quality model, which utilised the expectancy-disconfirmation theory.

A comprehensive relevant literature review and works from previous studies on service quality by Parasuraman *et al.* (1985; 1988; 1991; 1998), Ingram and Daskalakis (1999), Lau *et al.* (2005), Akkiraju and Shekhar (2009), Loureiro and Gonzalez (2009), (Chand, 2010), provided the basis for the development of the close-ended and self-administered questionnaire for this study. The original 22-items SERVQUAL questionnaire (Parasuraman *et al.*, 1985) was used with slight modification, however, to suit the lodging industry setting. For example, instead of 'xyz Company has modern looking equipment,' the statement was modified to the 'This Lodge has modern-looking equipment (Markovic and Raspor, 2010) to fit specific questions and local conditions (Cairncross *et al.*, 2008).

This study is essentially assuming the nature of an explanatory research obviously because it is undertaken to measure employees' feelings, opinions and perceptions, therefore it seeks to establish any significant variability in the employees' understanding of service quality in the lodges they work in (Saunders *et al.*, 2009). Because this study was intended to thoroughly examine and explain employees' understanding of the customers' determinants of service quality and indeed their expectations and perceptions in this process, the study has used a combination of largely attribute based model and to some extent qualitative approach to studying the perceived service quality (Grönroos, 2007).

3.5 Data Collection Methods

Different studies have relied on the use of secondary data (data already in existence but for different purposes) from different sources and primary (new) data obtained from the actual field work to answer different research questions (Wright and Crimp, 2000). However, (Saunders *et al.*, 2009) warn that secondary data may not necessarily answer your own research questions for it may have been collected for entirely different reasons but can be helpful to provide perhaps some comparative or contextual information. It is therefore important to ensure that primary data is freshly collected to specifically answer a particular research question because "most organisations collect and store a variety of data to support their operations" (Saunders *et al.*, 2009:256). In this study, examples of secondary data include *inter lia* the documentary materials such as academic and trade journals, organisations' official websites. It can be multiple sources such as books, governments publications and various annual reports and industry statistics or even government commissioned and academic surveys (Saunders *et al.*, 2009). Evidently this study has used secondary data to provide a thorough understanding of the context to the research problem under investigation. To this extent, Ghauri and Grønhaug (2005) is quick to point out that financial resources are thus enormously are saved from the use of secondary data.

In contrast, primary data helps to mitigate problems associated with use of secondary data. For example, where secondary data is literally failing to provide meaningful answers to a particular set of research questions of a different research, primary data certainly becomes of paramount importance because new data will thus, provide direct answers to the research questions of a particular study (Wright and Crimp, 2000; Easterby-Smith *et al.*, 2008)

Saunders *et al.* (2009) advise that questionnaires, best suited for primary data collection, work well with standardised questions that a researcher can be certain will be understood and interpreted similarly by all respondents throughout, in this case the lodge employees. In support of use of questionnaires Kotler (2003) comments that they are quicker and efficient means of collecting primary data.

Primary data for this study was collected through a questionnaire survey amongst employees of different independently owned lodges in Mzuzu City in the Northern Malawi because it was believed to be the most efficient way of reaching a large number of respondents, whereas the data required facilitated the use of a paper administered questionnaire with closed questions (Chand, 2010).

3.6 Questionnaire Design

According to Gates and Mc Daniel (2001) a questionnaire is a set of questions in order to elicit data from intended respondents for purposes of accomplishing objectives of a research project. Questionnaires can be either self-administered, completed by the respondents themselves electronically (Internet or Intranet), or by post or delivered by hand to the respondents and collected at a later stage or interviewer administered where the responses are recorded by the interviewer in a face-to-face encounter or via telephone (Saunders *et al.*, 2009).

The questionnaire was developed according to the SERVQUAL model of measuring the service quality gaps between employees' expectations and perceptions. The design also allowed the dimensions of service quality suggested by Parasuraman *et al.* (1985) to fully assess employees' understanding of their role in the service quality delivery in the lodging industry (Ingram and Daskalakis, 1999).

The questionnaire was divided into four sections to assess employees' understanding of the customers' critical determinants of service quality as well as their role in this process (Appendix 1). The first section of the questionnaire had an introductory remark about the researcher's details, description of the purpose of the study and the university involved. The section also collected the lodges' profile on number of rooms, number of employees, facilities available and any use of computer operating software. This section of the questionnaire further collected demographic information on employees' age, gender, level of education, employment record and tenure in order to examine possible connections with employees' perceptions of consumer's perceived service quality (Cairncross *et al.*, 2008).

The second section of the questionnaire measured employees' impressions and how employees feel about the image of the lodges they work for stated on a 7-point semantic differential rating scale (Saunders *et al.*, 2009). The main reason for asking employees about this variable was to establish their perceptions of the image of the lodge they work for. The items in this section included excitement, organisation, popularity sophistication and friendliness of the lodge. The section further measured employees' understanding of some of the attributes customers use quite often when selecting a lodge to stay in (Lau *et al.*, 2005). In this regard, employees were asked to rank six attributes in order of importance when guests are choosing that lodge.

The third section of the questionnaire measured employees' expectations and perceptions of the original 22 attributes describing the five RATER determinants: reliability, assurance,

tangibility, empathy and responsiveness. Within the section the research instrument sought to reflect the basic premise around SERVQUAL, and appropriate questions to each of the five dimensions were carefully chosen. In fact the purpose of this section was to test whether the employees were able to distinguish between their expectations and perceptions (Saleh and Ryan, 1991) and whether their profiles can also influence these variables or not. Employees were asked to state on a 7-point Likert scale (from 1 = 'Strongly Disagree' to 7 = 'Strongly Agree') what they expect and perceive the service in the lodges should be and what customers say about their services (Grönroos, 2007; Parasuraman *et al.*, 1985; 1988; 1991).

Finally, section four was aimed at assessing employees understanding of any service quality improvements if any that are embarked on by the lodges. Two of the questions were put on a 7-point semantic differential rating scale to find out employees' extent of awareness of inspection exercise done by the Department of Tourism. The respondents were further asked to state the extent to which they felt the inspections were important on a 7-point similar semantic differential scale. The data collected from this section, was analysed to establish the nature of service quality improvement programmes instituted by the lodges (Hsieh and Hsieh, 2001; Cairncross *et al.*, 2008; Chand, 2010). The purpose of collecting such data was to establish employees' perceptions and attitudes towards the service quality improvement programs.

The names of the lodges and respondents were kept anonymous to avoid any possible embarrassment that might likely arise on sensitive questions (Pizam, 1994; Akkiraju and Shekhar, 2009). Sample lodges were identified from the Tourism Report of 2008 of the Department of Tourism in Malawi that serves as a resource centre for business information and maintains relevant database of all licensed lodges.

The survey was conducted over a two-week period by a trained research assistant. Access to the lodges was sought initially by telephoning the lodge managers directly, who in some

instances, referred the researcher to the owners of the lodges in order to obtain the required approval. Where access was granted, the whole arrangement was immediately put in writing describing the nature and importance of the study to the lodges contacted. The employees were generally keen to have their opinions elicited and mostly the respondents preferred to study the questionnaires and complete them at their own time. The questionnaires were collected at a later agreed date. Two lodges allowed their employees to complete the questionnaires on the instant with however, the guidance of the presence of the research assistant. In this case, employees responded to the questionnaire and the exercise lasted from between 10 - 40 minutes. Generally lodge employees were happy to talk about problems after the completion of the questionnaires.

3.7 Sampling Design

Sampling techniques in any research are vital for they provide a researcher with the opportunity to gather data required by considering sub-group as opposed to the entire population of all possible cases under investigation (Sekaran, 2000; Saunders *et al.*, 2009). Therefore, Jankowicz (2005) defines sampling as a deliberate means of choice of a number of elements or cases from a population for the purpose of collecting data that will be analysed to explain behaviours or phenomena with the possibility of generalising about the whole population. Thus the sub-group representing the population is called the sample.

Sampling is very useful for a number of reasons as outlined by Saunders *et al.* (2009). Importantly, it becomes necessary to sample where it is clearly impossible for the researcher to carry out a survey of the entire population due to time and budgetary or financial constraints. Sekaran (2000) recommends that sample sizes larger than 30 but less than 5000 cases are thus more suitable for most studies. Drawing from the studies of Stutley (2003), Saunders *et al.* (2009) add that it also possible to perform statistical analyses including any inferences from a minimum number of 30 or more cases in a sample.

Various sampling techniques are recorded in research methods literature. However, the main techniques used to choose a probable sample according to Saunders *et al.* (2009) include simple random, systematic and stratified random sampling. In this study, a stratified random sample of employees was selected from at least ten different independently owned lodges in Mzuzu City of Northern Malawi with the smallest lodge possessing 7 guestrooms and the largest lodge having 52 rooms. The total employment levels indicated that one lodge had as low as 6 employees and another lodge with the highest total number registered 30 employees. This represented an average employment level of 20.4 employees in the 10 lodges. The overriding business model of the lodges chosen remains that of the small, independent family establishments, mostly run by indigenous individuals similar to Chand's (2010) study.

The sample of each lodge's employees was stratified by the departments they work in (Saunders *et al.*, 2009). Due to the size of the lodges, responses were expected from at least one employee from the following target departments; the manager's office, reception, restaurant and bar, housekeeping and the kitchen generating an average sample size of 50 employees from all 10 lodges. In order to ensure that 95% confidence level and 5% margin of error were achieved, 44 responses were required (Saunders *et al.*, 2009). Assuming a response rate of 52.7% of the sample (Baruch and Holtom, 2008) and provided the sample is representative, then 83 questionnaires were supposed be administered. However, only 40 questionnaires (from 9 lodges) were completed, returned and rendered usable. One lodge vehemently refused to grant access to the research assistant citing the exercise was posing security risks to the lodge. The sample size was small due to the fact that the city has very few lodges and the 10 were considered purely on the basis of level of business activity, outlook of the physical facilities, and target markets (mostly they attract the business segment coming to the city).

3.8 Data Analysis

Basic descriptive analyses such as examination for coding errors, normality, skewness, frequencies, means and standard deviations were used. Spearman's Rank Order Correlation was applied in order to assess the strength of relationships and differences between data variables (Saunders *et al.*, 2009). A statistical software package SPSS version 18.0 was used to analyse the questionnaire data in this regard.

The statistical analysis techniques also included reliability test and validity of the measurement scales (Ismail *et al.*, 2009). A review of the hospitality literature was done to establish the important variables related to the constructs of service quality, image of the lodging firms and service quality improvements (Narangajavana and Hu, 2008). In this case, Cronbach's alpha, the most commonly used measure of reliability or internal consistency was used. Lærd Statistics (2011) explains that this analysis technique is mostly used when the questionnaire has a number of Likert questions and the researcher intends to establish whether the scale is reliable or not. Saunders *et al.* (2009:373) add that reliability is thus the test for the "robustness" of the questionnaire whether or not it can successfully yield similar results in different situations. Nunally (1978) recommends an alpha coefficient of 0.70 and above for the scale to be considered reliable. Accordingly, the questionnaire for this study was tested for reliability for most of the questions were placed on a Likert scale of 1 to 7 and the Cronbach alpha scores for the 22 items of expectations and perceptions were 0.919 and 0.916 respectively. Both scores were obviously greater than Nunnaly's (1978) 0.70 score, thereby indicating a higher level of internal consistency for the questionnaire used with the 40 cases.

Use of content validity of the questionnaire was more appropriate and was applied through the use of expert guidance of research supervisor. The main reason for using content validity was to establish whether the measurement questions provided sufficient coverage of the investigative questions in general (Saunders *et al.*, 2009). The supervisor was asked to review

the first draft of the questionnaire and to provide feedback “based on the clarity, wording, flow, completion time and the extent” to which it was believed the questionnaire measured what it was supposed to measure (Kattara *et al.*, 2008:313). Essentially, the questionnaire was allowed to be administered without any further changes. Generally speaking, because the instrument has adopted the Parasuraman’s *et al.* (1988) SERVQUAL framework which has been widely used in previous research works within the hospitality setting, the scale and the approach of this study are nonetheless, quite comparable.

Buttle (1996:10) suggests that the analysis of the data obtained by administering SERVQUAL can be done using several forms:

“item-by-item analysis (e.g. $P1 - E1$, $P2 - E2$); dimension-by-dimension analysis (e.g. $(P1 + P2 + P3 + P4/4) - (E1 + E2 + E3 + E4/4)$, where $P1$ to $P4$, and $E1$ to $E4$, represent the four perception and expectation statements relating to a single dimension); and computation of the single measure of service quality $((P1 + P2 + P3 \dots + P22/22) - (E1 + E2 + E3 + \dots + E22/22))$, the so-called SERVQUAL gap.” (Buttle, 1996:10)

This study utilised the $(P1 + P2 + P3 + P4/4) - (E1 + E2 + E3 + E4/4)$ format for every item of each of the five dimensions in order to analyse the data on expectations and perceptions of the employees about the service quality of the lodges they are working for.

3.9 Limitations

As in any other research, this study methodology has however witnessed a number of limitations. Being the first time that this study is done in Malawian lodges, in many lodges access was met with considerable resistance as the research assistant had to explain clearly what exactly the research was all about. This placed pressure on the time of gaining the much

needed access to the lodges. Secondly, an immediate impression built from the lodge's initial responses to grant access, automatically leads one into speculating the calibre of respondents to be expected for the survey while the outlook of physical facilities were deceptively superb to the researcher's mind. This aspect might give rise to the fear of "uninformed response" and this is consistent with Saunders' *et al.* (2009:363) observation that "if they [respondents] have insufficient knowledge or experience they may deliberately guess answers" thereby reducing the reliability of the data being collected. Thirdly, the limited experience and skills of the researcher might have played a significant part in the application of the methodology. Finally, due to time constraints, the questionnaire was not pilot tested before the collection of the data.

3.10 Conclusion

This chapter was aimed at thoroughly discussing the methodology employed in this study that include purpose of the study, hypothesis formulation, data collection methods, questionnaire design, sampling design, data analysis and finally the limitations associated with the methodology.

CHAPTER 4: RESULTS AND DISCUSSION

4.1 Introduction

This chapter is aimed at presenting the results of the study. Basic descriptive analyses such as examination for frequencies, means and standard deviations are presented. Spearman's Rank Order Correlation was done in order to assess the strength of relationships and differences between data variables (Saunders *et al.*, 2009) and the results are presented. In this regard, a statistical software package SPSS version 18.0 has been used to analyse the questionnaire data collected from the field study. In this study, the differences in employee expectations and perceptions, age, level of education, experiences were examined.

The findings of this study are discussed based on previous research findings. Conclusions are drawn and paralleled against the relevant existing literature and finally, limitations associated the findings of this study, are discussed followed by a conclusion.

4.2 Profile of the Lodges

All the nine lodges in this study are located in one city, licensed by the Department of Tourism in Malawi. The capacity of the lodges ranges from 7 guestrooms and the largest lodge having 52 rooms. In terms of the workforce, the numbers vary from 6 to 30 employees as shown in Table 4.1 below:

Lodge	No. of Rooms	No. of Employees	Employee/Room Ratio
<i>Lodge 1</i>	11	28	0.4
<i>Lodge 2</i>	20	25	0.8
<i>Lodge 3</i>	52	30	1.7
<i>Lodge 4</i>	8	13	0.6
<i>Lodge 5</i>	31	29	1.1
<i>Lodge 6</i>	8	10	0.8
<i>Lodge 7</i>	8	6	1.3
<i>Lodge 8</i>	15	18	0.8
<i>Lodge 9</i>	7	10	0.7

Table 4.1: Capacity and size of workforce in the lodges under study (n = 9) (Source: Field Study)

Table 4.1 shows how the lodges in the study range in room capacity and how, paradoxically, a large number of some of the lodges (lodges 1, 2, 4, 6, 8 and 9) indicate a lower room to employee ratio than others (lodges, 3, 5 and 7). Evidently, the size of the workforce is not related to the size of the lodges. Obviously this has an influence on the standard of service delivered and efficiency, or may suggest some implications for the productivity of the lodges.

4.3 Demographic Profiles of the Lodge Employees as Respondents

Characteristics	Frequency	Percentage
<i>Gender:</i>		
Female	13	32.5
Male	27	67.5
<i>Age group in Years:</i>		
16 to 24	7	17.5
25 to 34	21	52.5
35 to 44	9	22.5
45 to 54	2	5.0
55 and over	1	2.5
<i>Section worked in:</i>		
Admin/Manager's office	8	20.0
Front office/reception	10	25.0
Housekeeping	5	12.5
Restaurant/bar	10	25.0
Kitchen	7	17.5
<i>Position/Designation:</i>		
Manager	6	15.0
Supervisor	8	20.0
Receptionist	4	10.0
Room attendant	5	12.5
Waiter/barman	10	25.0
Chef/cook	7	17.5
<i>Highest level of education:</i>		

	Secondary	16	40.0
	Technical/vocational	21	52.5
	University	3	7.5
<i>Employment status:</i>			
	Part-time/temporary	5	12.5
	Full-time/permanent	35	87.5
<i>Length of current employment:</i>			
	Less than 3 months	12	30.0
	Between 3 to 6 months	3	7.5
	Between 6 months to 1 year	6	15.0
	Between 1 to 3 years	10	25.0
	Between 3 to 5 years	2	5.0
	Between 5 to 10 years	5	12.5
	More than 10 years	2	5.0
<i>Previous work experience:</i>			
	Yes	24	60.0
	No	16	40.0
<i>Length of previous experience:</i>			
	No previous experience	16	40.0
	0 to 3 months	1	2.5
	Between 3 to 6 months	3	7.5
	6 months to 1 year	3	7.5
	Between 1 to 3 year	8	20.0
	Between 3 to 5 years	3	7.5
	Between 5 to 10 years	6	15.0

Table 4.2: Descriptive analysis showing demographic profiles of respondents (Source: Field Study)

The demographic characteristics of the respondents are shown in the Table 4.2 above. In terms of distribution of respondents by gender, the male respondents (67.5%) dominated the completion of the questionnaires over female respondents (32.5%). In terms of ages, Table 4.2 and Figure 4.1, indicate that these respondents were distributed among different age groups, of which the group aged between 25 to 34 years was the largest category, more than half of the respondents, representing 52.5%, followed by the group whose ages ranged from 35 to 44 years representing 22.5%, then that from 16 to 24 years (17.5%), 45 to 54 years (5%) and finally those that were 55 years and over (2.5%). The majority of the employees (52.5%) as shown in Figure 4.2 had attended technical or vocational education and training especially in tourism and hospitality programmes. 40.0% of the employees had only attained secondary school education and 7.5% went to university and not surprising, they were the managers in some of the lodges under study.

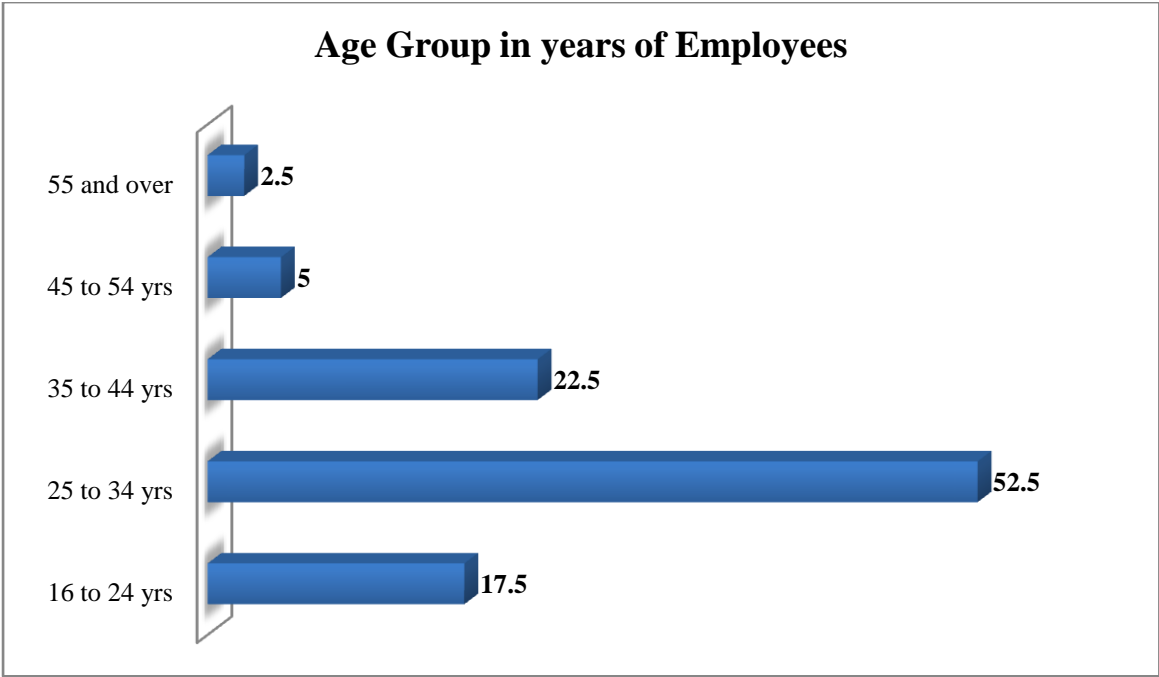


Figure 3.1: Age groups of employees (Source: Field Study)

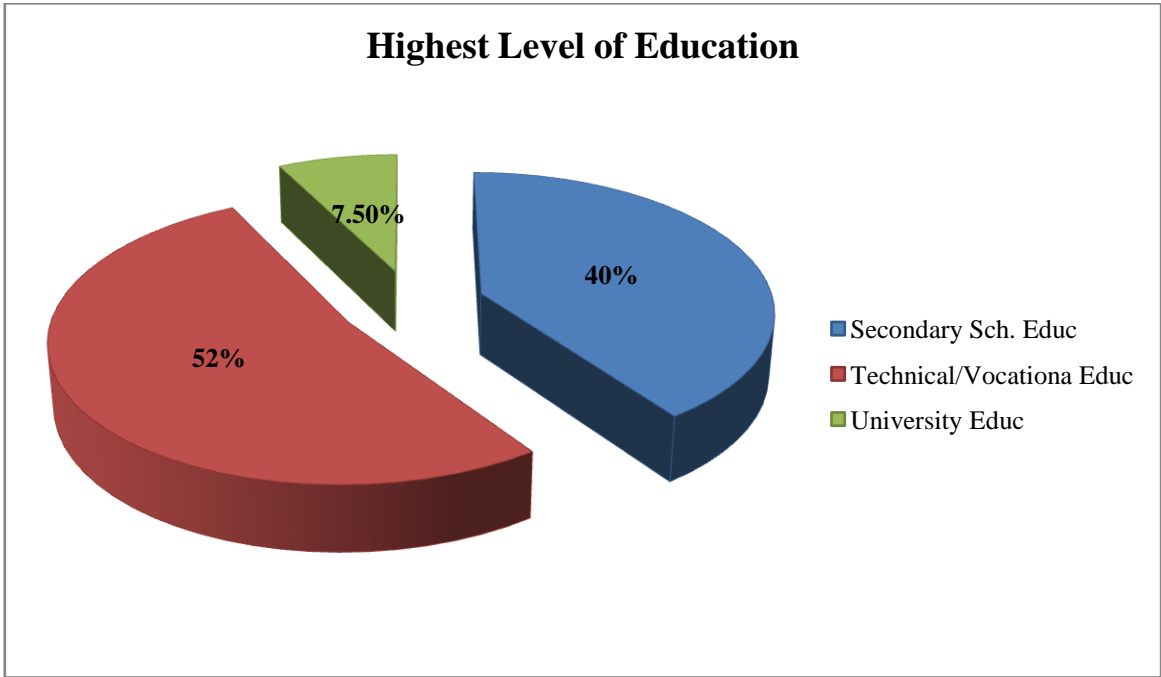


Figure 4.2: Employee's highest level of education (Source: Field Study)

Regarding the distribution of respondents in sections they work for, current length of employment, employment status and previous work experience, Table 4.2 and Figure 4.3 below, clearly show that the majority of the respondents (50%) came from the front office/reception (25%) and restaurant/bar (25%). All these were customer contact employees. 20.0% of the respondents were from admin/managers office. The kitchen represented 17.5% and finally housekeeping represented 12.5%. Interestingly, the positions of waiter/barman, chef/cook, and room attendant represented 25.0%, 17.5% and 12.5% respectively of respondents. This coincided quite well with the sections they work for. However, it was observed that the positions of manager, supervisor and receptionist had represented 15.0%, 20.0% and 10.0% respectively of the respondents, clearly suggesting that the all these employees worked collectively in the front office/reception area to assist the customers as shown in Table 4.2 and Figures 4.3. Perhaps the tasks of a receptionist are shared among these three positions in the front office/reception area. The majority of employees (30.0%) have worked for the lodges for up to 3 months while 25.0% have worked for their respective establishments for 1 to 3 years and those that have worked from 3 to over 10 years constitute 10.0% of the respondents. The overwhelming majority of employees (87.5%) were currently employed on full-time/permanent basis and only 12.5% were employed on part-time/temporary basis.

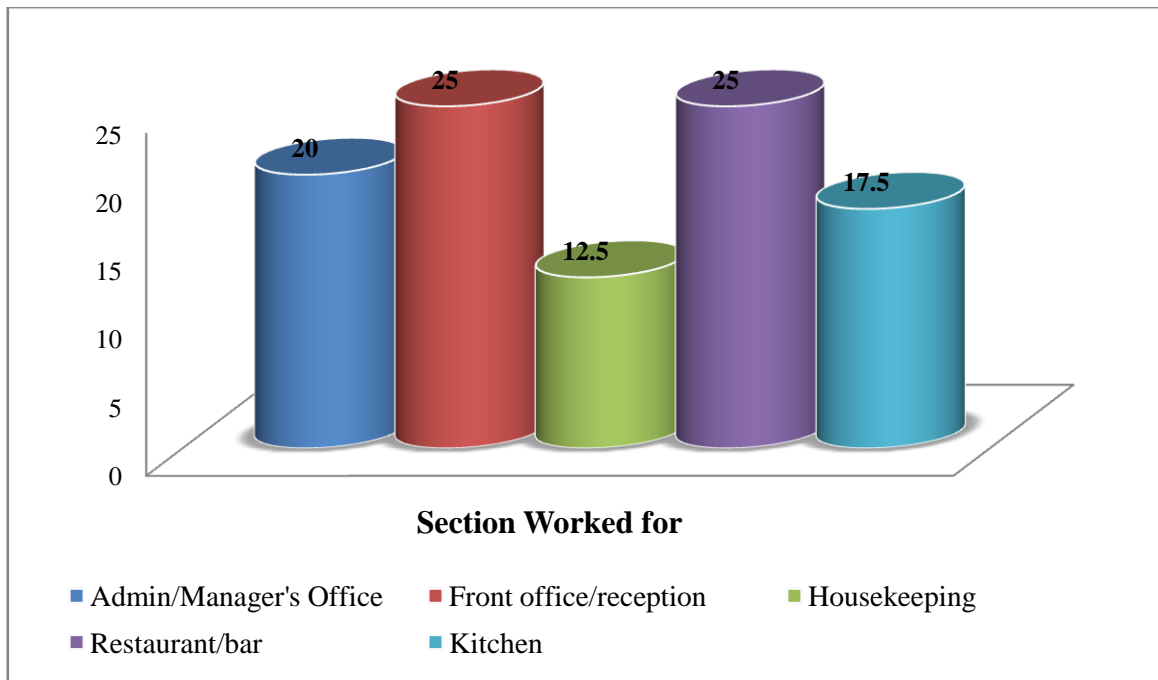


Figure 4.3: Lodge sections in which respondents work (Source: Field Study)

Finally, 60.0% of the respondents mentioned that mentioned they had previous work experience from other establishments while 40.0% said they had no previous work experience. In terms of length of previous experience, the 60.0% was distributed as follows: the majority of employees (20.0%) had worked for 1 to 3 years, followed by a group of employees (15.0%) that had worked for 5 to 10 years. Another groups of employees each representing 7.5% had worked for periods between 3 to 6 months; 6 months to 1 year; and 3 to 5 years. Only 2.5 % had previously worked for less than 3 months before securing employment with the lodges they are currently working for.

4.4 Image of the Lodge

Employees were asked to evaluate the image of the lodges they are currently working for. To this end, respondents were asked to state their feelings or opinions about the lodges. Items in this category were measured on a 7-point semantic differential rating scale and consisted of the following lodge image features: ‘dull/exciting’; ‘disorganised/organised’; ‘unpopular/popular’; ‘unsophisticated/sophisticated’ and ‘unfriendly/friendly’. The descriptive analysis of these items shows the mean scores in Table 4.3 below and employees felt that their lodges are “friendly” (mean score = 6.60). This suggests that employees consider friendliness as more important to their lodges than the other items. The lowest mean score (4.85) was recorded in the item of how employees felt about their lodges in terms of the level of sophistication. It is clear that employees perceive their lodges as not being “sophisticated” compared to other establishments within and outside the city.

Image Feature or Item of the lodge	Mean N = 40	Std. Dev.
Dull/Exciting	6.05	1.197
Disorganised/Organised	5.68	1.639
Unpopular/Popular	6.07	1.474
Unsophisticated/Sophisticated	4.85	2.225
Unfriendly/Friendly	6.60	0.871

Table 4.3: Image Features of the Lodges (Source: Field Study)

Additionally, employees were asked to rank in order of importance a set of six attributes that they felt many customers use or consider when selecting a lodge to stay in. These attributes were considered after the review of literature on what criteria customers use to select a particular lodging facility. Furthermore, the descriptive analysis for the following attribute was done: professionalism and skill; physical atmosphere and ambience; comfortable

guestroom/variety of menu items; reputation and credibility (value for money and trust); and convenience of the location/ease of access. Table 4.4 below shows the mean scores of the ranking given by the respondents working in the lodges.

Lodge Attribute	Mean N = 40	Std. Dev.
Professionalism and skill	5.48	1.086
Physical atmosphere and ambience	4.90	1.464
Comfortable guestrooms/variety of menu items	5.25	1.080
Staff behaviour and attitude	5.10	1.482
Reputation and credibility (value for money and trust)	5.20	1.305
Convenience of location/ease of access	5.00	1.617

Table 4.4: Lodge attributes customer use to choose a lodge (Source: Field Study)

The mean scores above indicate that employees ranked “professionalism and skill” as the most important (mean = 5.48) followed by “comfortable guestrooms/variety of menu items” (5.25), then “reputation and credibility (value for money and trust)” (mean = 5.20). Ranked fourth and fifth are “staff behaviour and attitude” (mean = 5.10) and “convenience and of location/ease of access” (mean = 5.00), respectively. “Physical atmosphere and ambience” ranked as the least important, had an attribute mean score of 4.90.

4.5 Employees' Expectations and Perceptions Measurement

4.5.1 Employees' Expectations of Service Quality in Lodges

Service Quality Dimensions	Mean N = 40	Std. Dev.
<i>Tangibles</i>	6.58	0.933
E1Modern looking equipment for excellent lodges	6.38	1.444
E2Physical facilities will be visually appealing	6.53	1.261
E3Personnel will be neat in appearance	6.63	1.234
E4Materials associated with service will be visually appealing	6.80	0.966
<i>Reliability:</i>	6.46	0.887
E5Excellent lodges promise to do things on time	6.30	1.506
E6Problem solving for the guest	6.73	1.037
E7Performing services right first time	6.63	0.807
E8Excellent lodges will provide the services at the time they promise to do so.	6.30	1.682
E9Excellent lodges will insist on error free records	6.35	1.406
<i>Responsiveness</i>	6.52	1.147
E10Exactness of guest services at excellent lodges	6.53	1.396
E11Prompt service at excellent lodges	6.50	1.468
E12Willingness of employees to help customers	6.65	1.145
E13Employee's response to guest requests - never too busy	6.40	1.646

<i>Assurance</i>	6.64	0.893
E14Behaviour of employees will instil confidence in guests	6.65	0.864
E15Guest feeling safe in their transactions in excellent lodges	6.53	1.358
E16Courtesy of employees with guests in excellent lodges	6.50	1.301
E17Employees in this lodge will have the knowledge to answer guests' questions	6.88	0.516
<i>Empathy</i>	6.56	0.796
E18Individual attention in excellent lodges	6.55	1.108
E19Operating hours at excellent lodges	6.60	1.008
E20Employee personal attention to customers	6.35	1.312
E21Excellent lodges will have guest's best interest at heart	6.60	1.215
E22Employees understanding the specific needs of their guests	6.70	1.018

Table 4.5: Employees' expectations of the service quality in lodges (Source: Field Study)

The table 4.5 above shows that the employees' expectations were higher in the dimension of assurance (mean = 6.64) than the other four dimensions. This means that employees consider this dimension of service quality as important when they are working for a lodge. Important aspects of this dimension include "knowledge to answer questions", "employees can be trusted" and "feel safe in their transactions".

Further, Table 4.5 above also shows that the employees' expectations in the dimension of tangibles (mean = 6.58) were second highest to assurance. Employees placed the dimensions of empathy (mean = 6.56) and responsiveness (mean score = 6.52) as third and fourth ranked respectively. The reliability dimension had the lowest mean score of employees expectations

of all the five dimensions, (mean score = 6.46). This dimension is associated with the ability to perform the promised service dependably and accurately.

Item of assurance dimension, i.e. ‘employees in this lodge will have the knowledge to answer guests’ questions’, was considered more highly than the rest of the 22 items on the SERVQUAL measurement (mean score = 6.88). The item of reliability, “Excellent lodges will provide the services at the time they promise to do so” had the lowest mean score of 6.30 among all the items of the scale.

4.5.2 Employees Perceptions of Service Quality in the Lodges

Service Quality Dimensions	Mean N = 40	Std. Dev.
<i>Tangibles:</i>	6.06	1.082
P1Modern looking equipment for this lodge	5.78	1.747
P2Physical facilities for this lodge are visually appealing	6.03	1.423
P3Personnel are neat in appearance	6.15	1.369
P4Materials associated with service are visually appealing	6.28	1.132
<i>Reliability:</i>	6.18	1.100
P5This lodge promises to do things on time	6.05	1.616
P6Problem solving for the guest	6.47	1.176
P7Performing services right first time	6.30	1.344
P8Provision of services on promised time	6.20	1.539
P9Error free records at this lodge	5.85	1.875

Responsiveness	6.31	1.009
P10Exactness of guest services at this lodge	6.42	1.152
P11Prompt service at this lodge	6.15	1.460
P12Willingness of employees to help customers	6.65	0.580
P13Employee's response to guest requests - never too busy	6.00	1.826
Assurance:	6.46	0.786
P14Behaviour of employees instils confidence in guests at this lodge	6.38	1.148
P15Guest feeling safe in their transactions in this lodge	6.70	0.564
P16Courtesy of employees with guests in this lodge	6.30	1.067
P17Knowledge of employees to answer guests questions	6.52	0.847
Empathy:	6.30	1.073
P18Individual attention in this lodge	6.30	1.244
P19Operating hours at this lodge	6.22	1.441
P20Employee personal attention to customers	6.10	1.614
P21This lodge will have guest's best interest at heart	6.23	1.561
P22Employees understanding the specific needs of their guests	6.63	0.667

Table 4.6: Employees' perception of service quality in lodges (Source: Field Study)

Table 4.6 shows that employees perceptions mean score for the dimension of assurance was still the highest of all the five dimensions of service quality (mean score = 6.46). This suggests that employees in this study, regarded assurance feature very highly and important. This finding has been consistent with employees' expectations. Surprisingly, on the other hand, the dimension of tangibles had the lowest mean score of 6.06, suggesting that

employees' perceptions of this dimension were comparatively lower than in the other dimensions.

4.5.3 The Service Quality Gaps between Employees' Perceptions and Expectations

Service Quality Dimensions	Perceptions Mean N = 40	Expectations Mean N = 40	Differences (P – E)
<i>Tangibles:</i>	6.06	6.58	-0.525
P1 – E1	5.78	6.38	-0.6
P2 – E2	6.03	6.53	-0.5
P3 – E3	6.15	6.63	-0.475
P4 – E4	6.28	6.80	-0.525
 <i>Reliability:</i>	 6.18	 6.46	 -0.285
P5 – E5	6.05	6.30	-0.25
P6 – E6	6.47	6.73	-0.25
P7 – E7	6.30	6.63	-0.325
P8 – E8	6.20	6.30	-0.1
P9 – E9	5.85	6.35	-0.5
 <i>Responsiveness</i>	 6.31	 6.52	 -0.2125
P10 – E10	6.42	6.53	-0.1
P11 – E11	6.15	6.50	-0.35
P12 – E12	6.65	6.65	0

P13 – E13	6.00	6.40	-0.4
<i>Assurance:</i>	6.46	6.64	-0.1625
P14 – E14	6.38	6.65	-0.275
P15 – E15	6.70	6.53	0.175
P16 – E16	6.30	6.50	-0.2
P17 – E17	6.52	6.88	-0.35
<i>Empathy:</i>	6.30	6.56	-0.265
P18 – E18	6.30	6.55	-0.25
P19 – E19	6.22	6.60	-0.375
P20 – E20	6.10	6.35	-0.25
P21 – E21	6.23	6.60	-0.375
P22 – E22	6.63	6.70	-0.075

Table 4.7: The gaps between employees' perceptions and expectations (Source: Field Study)

The findings in Table 4.7 above indicate that employees' perceptions in all five features of the service quality were clearly lower than their expectations. This confirms the relative perceptions of employees towards service quality and the fact that before entering the profession they regard the lodges they would work for with high expectations, yet the employees themselves are part of the whole delivery process.

A major gap between employees' expectations and perceptions or performance of the lodges was particularly found in the dimension of tangibles (mean score difference = 0.525). This again confirms the importance employees attach to the physical features of the lodges they would work for especially the decor and physical outlook.

The findings also show that employees' perceptions exceeded their expectations only in one item of assurance dimension of service quality, 'guest feeling safe in their transactions', (mean difference = 0.175). The mean scores for both employees' expectations and perceptions for the assurance dimension are higher than the rest of the other dimensions. The biggest concordance was observed in the item of responsiveness "willingness of employees to help customers" where there was no difference in the mean scores of employees' expectations and perceptions of the item, (mean score difference = 0).

In this study, the largest proportion of employees had either attained secondary school education (40%) or technical/vocational education in the field of hospitality (52%). There were no statistically significant differences found between two groups of employees in their perceptions of service quality of the lodges especially in the dimensions of tangibles, responsiveness, assurance and empathy. Notwithstanding, there was a statically significant difference between these groups of employees in the dimension of reliability whose tenets are accuracy and dependability of the promised service, ($t(35) = -2.313, p = 0.031$). It was further established that there was no statistically significant difference between employees with and those without previous work experience in their perceptions of the service quality in the lodges.

Spearman's Rank Order Correlation analysis was carried out for the employees' perceptions of service quality in all dimensions and their perceptions of the image of the lodge. The findings in Table 4.8 indicate that there were generally statistically significant medium to strong positive relationships between all dimensions of service quality perceptions formed by the employees and all features of image perceptions. A positive strong relationship was found between the feature of 'dull/exciting' and the dimension of tangibles, ($r_s = 0.698, p = 0.000$). Nonetheless, it is observed that there was no statically significant relationship between

features of ‘unpopular/popular’ and ‘unfriendly/friendly’ lodge with employees’ perceptions of service quality in the dimensions of ‘tangibles’ and ‘reliability’ respectively.

It is also possible that employees who formed positive images of a lodge from their previous experiences may generally feel more satisfied with the anticipated service performance of the lodges prior to working for the lodges. “It is, therefore, necessary that employees are convinced by the hotel brand prior to having confidence to “sell” the brand to customers” (Tsang *et al.*, 2011:481). Additionally, the scholars stress that employee identification and behaviour greatly influence how employees begin to define their own relationship with an establishment. Kandampully *et al.* (2011) says satisfied employees are expected to have a greater positive image about a hotel. It is believed that when people have a positive impression of lodges, the tendency is to rate specific features of the lodge, such as the image or service quality, in a more positive way.

Finally, Table 4.9 shows relationships between awareness and perceptions of importance of service quality inspections and employees’ perceptions of service quality. It was found that awareness and perceptions of importance of inspections had a statistically significant medium positive relationship with the dimension of reliability, ($r_s = 0.377$, $p = 0.018$) and ($r_s = 0.350$, $p = 0.031$). The dimension of responsiveness was medium positively related only to awareness of inspections, ($r_s = 0.341$, $p = 0.034$). Table 4.10 shows that only awareness of service quality inspections is positively related to the lodge image feature of ‘disorganised/organised’, ($r_s = 0.337$, $p = 0.036$) and ‘unfriendly/friendly’, ($r_s = 0.404$, $p = 0.011$).

Table 4.8: Correlation between employees' perceptions of lodge image and their perceptions of service quality

			Tangibles perceptions	Reliability perceptions	Responsiveness perceptions	Assurance perceptions	Empathy perceptions
Spearman's rho	Dull/Exciting	Correlation Coefficient	.698**	.327*	.453**	.614**	.479**
		Sig. (2-tailed)	.000	.039	.003	.000	.002
	Disorganised/Organised	Correlation Coefficient	.567**	.453**	.564**	.586**	.369*
		Sig. (2-tailed)	.000	.003	.000	.000	.019
	Unpopular/Popular	Correlation Coefficient	.303	.417**	.445**	.616**	.400*
		Sig. (2-tailed)	.057	.007	.004	.000	.010
	Unsophisticated/Sophisticated	Correlation Coefficient	.683**	.534**	.659**	.542**	.502**
		Sig. (2-tailed)	.000	.000	.000	.000	.001
	Unfriendly/Friendly	Correlation Coefficient	.439**	.089	.378*	.533**	.328*
		Sig. (2-tailed)	.005	.586	.016	.000	.039

N = 40; **. Correlation is significant at the 0.01 level (2-tailed); *. Correlation is significant at the 0.05 level (2-tailed).

Table 4.9: Correlation between service quality improvements (inspections) and perceptions of service quality in lodges

			Tangibles perceptions	Reliability perceptions	Responsiveness perceptions	Assurance perceptions	Empathy perceptions
Spearman's rho	Inspection awareness carried out by the Department of Tourism	Correlation Coefficient	.162	.377*	.341*	.167	.222
		Sig. (2-tailed)	.326	.018	.034	.309	.174
	Importance of inspections to the improvement of service quality in lodges	Correlation Coefficient	.224	.350*	.168	.243	.294
		Sig. (2-tailed)	.176	.031	.314	.142	.073

N = 40; **. Correlation is significant at the 0.01 level (2-tailed); *. Correlation is significant at the 0.05 level (2-tailed).

Table 4.10: Correlation between service quality improvements (inspections) and employees' perceptions of lodge image

			Dull/Exciting	Disorganised/ Organised	Unpopular/ Popular	Unsophisticated/ Sophisticated	Unfriendly/ Friendly
Spearman's rho	Inspection awareness carried out by the Department of Tourism	Correlation Coefficient Sig. (2-tailed)	.211 .197	.337* .036	.126 .443	.038 .816	.404* .011
	Importance of inspections to the improvement of service quality in lodges	Correlation Coefficient Sig. (2-tailed)	.127 .448	.177 .289	.135 .419	-.084 .616	.297 .070

N = 40; **. Correlation is significant at the 0.01 level (2-tailed); *. Correlation is significant at the 0.05 level (2-tailed).

4.6 Improvement of Service Quality in the Lodges

4.6.1 Inspections Awareness and Its Importance

Improvement of Service Quality	Mean N = 39	Std. Dev.
Inspection awareness carried out by the Department of Tourism	6.67	0.898
Importance of inspections	6.84	0.437

Table 4.11: Inspections Awareness and its Importance (Source: Field Study)

The respondents were also asked about their awareness of the quality inspections conducted by the Department of Tourism in Malawi. Table 4.11 above shows that 39 respondents indicated they were almost fully aware (mean score = 6.67) and felt that such an exercise is extremely important (mean score = 6.84) to the improvement of service standards in the lodges.

Frequently mentioned Reasons why Inspections are important	Frequency N = 39
Encourages maintenance of standards	12
Encourages cleanliness/Hygiene improvement for both staff/facilities	11
Enhances service quality improvement	11
Promotes care in handling customers in terms of service	3
Helps in the publicity of services provided	2

Table 4.12: Reasons why inspections are important (Source: Field Study)

Employees were also asked to state reasons why they felt service quality inspections are important to the lodges. Among the reasons cited by the respondents, the two reasons that

frequently emerged as the most important were: enhancing service quality standards and improving cleanliness of the lodges. Table 4.12 above lists the responses in descending order of frequency.

Employees were further asked to make suggestions on how lodges could improve their delivery of the service. Table 4.13 shows the suggestions the respondents made, arranged in descending of frequency and the improvement of the facilities such as guest rooms or linen staff training, proper communication within the lodges between staff and management emerged as some important areas that need immediate attention in order to improve service quality delivery.

Comments of employees on improvement of service	Frequency
	N = 37
Improve beddings and guestrooms in general/modern equipment/facilities	16
Staff training or seminars/upgrading staff/recruitment of trained	6
Proper communication channels between staff/Management taking staff suggestions on board	6
Improving staff welfare/staff motivation - salary/benefits	5
Making familiarisation tours to see other lodges/hotels standards	3
Management should take staff suggestions on board	1

Table 4.13: Employees' comments on the improvement of service quality (Source: Filed Study)

4.6.2 Improvement of Service Quality Standards in the Lodges

Method of Communication	Frequency N = 39		Percentage N = 39	
	Mostly used	Not used	Mostly used	Not used
Staff meetings and seminars	31	8	79.5	20.5
Staff appraisals and recruitment	21	18	53.8	46.2
Lodge refurbishment and renovations	10	29	25.6	74.4
Personal contact	21	18	52.5	45.0
Staff training	17	22	56.4	43.6

Table 4.14: Mostly used means of communicating service quality standards (Source: Field study)

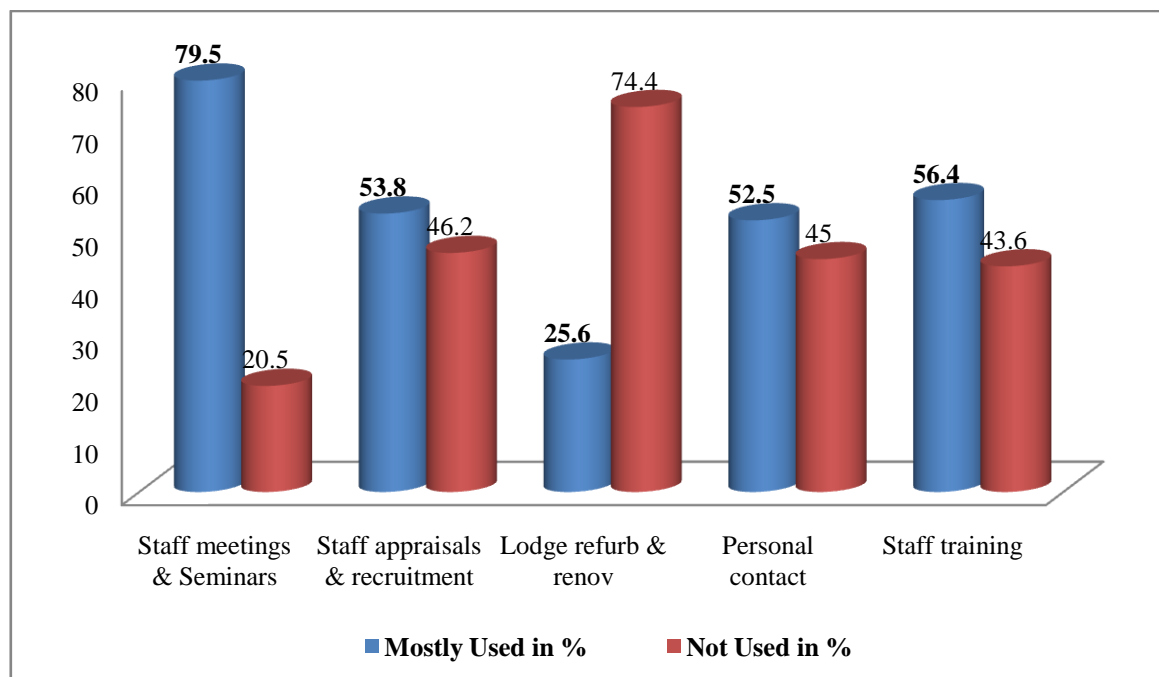


Figure 4.4: Methods of communicating service quality standards and their percentages

Respondents were asked to mention any three mostly used methods employed by management to communicate expected service quality standards and goals for their lodges. It is clear from Table 4.14 and Figure 4.4 above that 79.5% of the sample, N = 39, mentioned that staff meetings and seminars were mostly used followed by staff training (56.4% of the sample). Finally, coming third is the use of staff appraisals and recruitment as one of the mostly used methods of communication although the absolute frequency figures are not different from those of personal contact as another method used. 74.4% of the sample respondents mentioned that lodge refurbishment and renovations was the least used method of enhancing service quality of the lodges.

4.7 Discussion and Analysis

The ranking of attributes likely used to choose a lodge are similar to Mohsin and Lockyer (2010) findings in their study to identify how service quality can be viewed in hotels. The current findings imply a strategic meaning for lodge owners or managers because they indicate employees feel that customers choose their lodges because of employees' professionalism and skills that they possess in handling customer service which can be enhanced through formal or informal training as suggested by Cairncross *et al.* (2008) in order to increase the level of service quality or professionalism the lodges presents to their clientele. They further suggest such training can also help lodges to adopt service types and style specific to those establishments and at the same time stimulate or motivate staff members (Jobber, 2007). This can be considered from management perspective. For this endeavour to happen, Cairncross *et al.* (2008) argue it will depend on the organisational size and financial resources which ultimately have an impact on the kind of formal training strategies to be adopted, for example, induction.

The employees' expectations were higher in the dimension of assurance than the other four dimensions. This means that employees consider this dimension of service quality as important when they are working for a lodge. Important aspects of this dimension include

‘knowledge to answer questions’, ‘employees can be trusted and feel safe in their transactions’ (Buttle, 1996). Employees are generally aware that their knowledge, courtesy and their ability to convey trust and confidence to customers can yield more customer trust. The employees thus, recognise that if a customer cannot trust a lodge that does not guarantee his or her security and safety in all transactions, the customer will obviously be dissatisfied (Iwaarden *et al.*, 2002). Employees are also aware that the operating licenses given after the quality inspections conducted by the Department of Tourism are also important in relation to customer’s trust and instil confidence in them about these lodges.

Further, the findings also show that the employees’ expectations in the dimension of tangibles were second highest to assurance. This means employees regard this dimension of service quality as important when they are working in a lodge. They generally expect the appearance of physical facilities of the lodge (including guestrooms and well appointed receptions), equipment used in operations such as the kitchen or restaurant, grooming of personnel themselves and even communication materials used within the establishment such as guest registration cards or menu cards, to be functional and good looking. While the visual aspects of the lodges may be subjectively judged differently from customers’ point of view, the results suggest that the expectations of employees are, nonetheless, equally high for this dimension. This is in line with literature of Jobber (2007) and Palmer (2008).

The reliability dimension had the lowest mean score. This dimension is associated with the ability to perform the promised service dependably and accurately. Perhaps, employees feel that they fail to provide this aspect of service quality to their customers usually due to exaggerated promises made by lodges (Reid and Bojanic, 2006), constrained level of resources and management support to meet the expectations of the customers at the same time (Jobber, 2007).

Item of assurance dimension, i.e. ‘employees in this lodge will have the knowledge to answer guests’ questions’, was considered more highly than the rest of the 22 items on the

SERVQUAL measurement. This could perhaps suggest that employees in these lodges consider themselves to possess adequate knowledge to handle customers' needs and wants. This lies in the fact that often times employees think the only possible answer to customers' needs is to simply tell them whether what they are looking for is available or it is not, without further resilience on how customer needs can be met. The employees enter the profession with absolute conviction that it is easy to provide customer service without prerequisite knowledge to handle customers' requirements. This is consistent with what Jones (2003) observed in the study of hospitality in the UK that people enter the trade believing that it is an easy industry and anyone can deliver the services, consequently leading to providing products of poor standards and low quality of services in the lodging industry. A survey done by the Department of Tourism in Malawi reported in HRDP (2008) reveals this challenge and therefore, suggests further training for employees is necessary to mitigate this apparent problem within the industry. To this end, other authors such as Chand (2010) recognise that service quality depends heavily on the effectiveness with which the front-line personnel deal with customers. More importantly, as observed by Candido (2005) service quality is a function of service quality gaps and these gaps include selection, training and adequate levels of autonomy, rewards to personnel, contact personnel's perception of customers, experiences and expectations, service quality evaluation, etc. in order for them to provide assurances and confidence to their clientele.

The item of reliability, 'Excellent lodges will provide the services at the time they promise to do so' was rated lowly among all the items of the scale. This suggests that employees are afraid to commit themselves to providing the services needed by the customers at the time specified by the service provider for fear of the obvious customer discontentment afterwards. It can be speculated that perhaps the employees lack confidence required in order to satisfy this reliability item. This is also related to Gap 4 of the service quality model of Parasuraman *et al.* (1985) between the delivery of the customer experience and what is communicated to customers. All too often lodges exaggerate what will be provided to customers, or discuss the best case rather than the likely case, raising customer expectations and harming customer perceptions if the lodges eventually fail to deliver the promises (Ingram and Daskalakis,

1999; Reid and Bojanic, 2006). Hence, employees particularly those with experience, are well aware of this challenge if the expectations are raised too high for the customers.

The findings further indicate that employees' perceptions in all five features of the service quality were clearly lower than their expectations. This confirms the relative perceptions of employees towards service quality and the fact that before entering the profession they regard the lodges they would work for with high expectations, yet the employees themselves are part of the whole delivery process. The challenge is; to what extent do the employees themselves ensure that all the specifications of the services are adhered to, to maintain the service quality levels they expect to deliver? Perhaps their enthusiasms and the desire to providing quality service are hampered by a number of factors which most often are related to the family business model widely characterising the lodging industry in Malawi. As the result, the owners' commitment to delivering service quality will hugely affect the way employees will strive to deliver the expected service quality. It gives a disturbing picture that employees' expectations are not met which obviously has an impact on the service quality perceptions of employees in the lodges they work for (Mohsin and Lockyer, 2010).

In Luchars' *et al.* (1996) study, while assessing the customer expectations and perceptions of service quality, their findings showed that the hotel customers' perceptions of service quality in hotels they investigated were lower than their expectations and the gaps between customers' expectations and perceptions were significant. The results about employees' expectations and perceptions in this study are quite similar. It means that employees will evaluate service quality by comparing the service they actually provide to their customers with the service they wished it should have been. Thus, service quality plays a critical role in adding value to the overall service provision experience for the employees as well and more efforts by lodge operators, as suggested by Luchars *et al.* (1996), should be directed towards improving the service quality, however, the challenge is that acknowledge of plausible quality management techniques has been rather slow because intangibility nature of service which poses difficulties to evaluate.

A major gap between employees' expectations and perceptions or performance of the lodges was particularly found in the dimension of tangibles. This again confirms the importance employees attach to the physical features of the lodges they would work for especially the decor and physical outlook. It signifies that employees are dissatisfied in terms of the tangible feature of the lodges. This gap in perception related to tangibles feature could be linked to managerial failure or ignorance and the need to mobilise more resources required to meet this aspect of service quality (Ingram and Daskalakis, 1999). In conclusion they argue that, alternatively, it could be that the maintenance or repairment of the lodge facilities is not given adequate attention for it is a resource challenge for most owners and managers once a lodge has been built.

The wide gap in tangibles established in this study, could also highlight that employees understand the lodge product offering the way they expect it to be which might not be adequately satisfied and therefore, this raises some issues about how owners and managers of lodging facilities should monitor quality and make resources a priority to manage the facilities effectively (Ingram and Daskalakis, 1999). Even Akkiraju and Shekhar (2009) concur that the hospitality industry always pays attention to factors like physical facilities, appearance, décor, ambience, etc. and regard them as the most important aspects of customer satisfaction. The physical facilities such as the guest rooms and amenities, equipment, appointment of reception areas or restaurants could be some of the areas that need a closer look. This is consistent with Ekinci and Dawes (2009) who suggested that service quality is two dimensional, i.e. physical quality and staff behaviour. The physical aspects of the lodges thus, contribute substantially to the formation of high or low perceptions of service quality.

The gaps found in this study, correspond to Parasuraman's *et al.* (1985) findings and confirm that even employees have higher expectations in all five dimensions of service quality than the actual experiences of the services delivered. Paradoxically, the employees are an important component of the whole service encounter. Employees are present during the production and consumption of the service. Accordingly, employee's role is to ensure that

whatever a customer perceives during this interaction is a function of employees' perceptions too. The gaps highlight and validate the gaps in the Service Quality Gap model of Parasuraman *et al.*, (1985; 1988; 1990) that exist between management and employees who deliver the service specifications as outlined by management. This is particularly true with Gap 2 between management perception and the actual specification of the customer experience to be delivered by the employees. Thus, managers need to make sure the lodges define the level of service they believe is needed.

Additionally, Gap 3, according to Parasuraman *et al.* (1985), exists when employees translate the experience specification to the delivery of the experience. Evidently, management of the lodges need to audit the customer experience that their lodges currently deliver in order to make sure it conforms to the specifications. In this study, employees' differences between their expectations and perceptions in the dimensions of the service quality delivered, confirms the existence of dissatisfaction if employees' perceptions of service quality do not exceed their expectations with the lodge service standards as well, validating numerous findings on customers in the literature.

The findings also show that employees' perceptions exceeded their expectations only in one item of assurance dimension of service quality, 'guest feeling safe in their transactions'. The mean scores for both employees' expectations and perceptions for the assurance dimension were higher than the rest of the other dimensions. Generally, this underscores how employees consider this feature as important perhaps because all the items of this dimension are directly referring to their role in ensuring that the quality feature is achieved to generate the customer satisfaction. The biggest concordance was observed in the item of responsiveness 'willingness of employees to help customers' where there was no difference between employees' expectations and perceptions of the item. In contrast, the study of Markovic and Raspor (2010) established that among the four dimensions they studied, reliability dimension emerged as the most important predictor of perceived service quality in the hospitality industry, and it refers to solving guests' problems, performing error-free service at the promised time, providing prompt service, and convenient opening hours of hotel facilities.

The inconsistencies are arising perhaps because employees' perceptions of service quality are different from those of their customers in the service encounter. Clearly, these differences play a significant role in how service quality construct can be best structured to ensure that both employees and customers share the same understanding during the production and consumption of services as suggested by Ekinici and Dawes (2009).

In this study, the largest proportion of employees had either attained secondary school education (40%) or technical/vocational education in the field of hospitality (52%). There were no statistically significant differences found between two groups of employees in their perceptions of service quality of the lodges especially in the dimensions of tangibles, responsiveness, assurance and empathy. Notwithstanding, there was a statically significant difference between these groups of employees in the dimension of reliability whose tenets are accuracy and dependability of the promised service. Thus, this finding reflects the important influence of training has on the elements or items of reliability dimension which relate directly to employee's involvement when delivering service quality.

It was further established that there was no statistically significant difference between employees with and those without previous work experience in their perceptions of the service quality in the lodges, indicating that previous work experience of the employees in this particular case, does not have any significant impact on the perceptions of service quality. The finding is highlighting how importantly the subject of service quality has been viewed largely by the entire lodging industry where the employees with previous work experience are believed to have acquired perhaps different perceptions from those employees with no experience at all. However, in making conclusive assertions, heed is taken from the warnings of Saunders *et al.* (2009) that the small scientifically important effects can turn out to be insignificant in some dimensions of the service quality construct just because of the small sample size. Alderson (2007) says that whether the statistical difference or the significance between employees with and without previous experience indicates importance itself or an impact of small sample size is somewhat difficult to judge here.

In a similar study done by Ingram and Daskalakis (1999) in which they established the divergence between the perceptions of service quality of managers and guests, they concluded that whether the findings may or may not apply in different lodging facilities of different types, markets or even locations, cannot be easily implied. Thus, it is possible that the findings of this study may or may not, however, be easily replicated in other lodging settings, such as hotels or resorts.

On the relationship between employees' expectations and perceptions of service quality and their perceptions of the lodge image, Spearman's Rank Order Correlation analysis for the features of lodge image (excitement, organisation, popularity, sophistication, and friendliness of the lodge) was done to measure the strength and direction of association with employees' the employees' perceptions of service quality in all dimensions and their perceptions of the image of the lodge. The findings in Table 4.8 indicate that there were generally statistically significant medium to strong positive relationships between all dimensions of service quality perceptions formed by the employees and all features of image perceptions. A positive strong relationship was found between the feature of 'dull/exciting' and the dimension of tangibles. Nonetheless, it is observed that there was no statistically significant relationship between features of 'unpopular/popular' and 'unfriendly/friendly' lodge with employees' perceptions of service quality in the dimensions of 'tangibles' and 'reliability' respectively.

It is possible that employees who formed positive images of a lodge from their previous experiences may generally feel more satisfied with the anticipated service performance of the lodges prior to working for the lodges. "It is, therefore, necessary that employees are convinced by the hotel brand prior to having confidence to "sell" the brand to customers" (Tsang *et al.*, 2011:481). Additionally, the scholars stress that employee identification and behaviour greatly influence how employees begin to define their own relationship with an establishment. Kandampully *et al.* (2011) says satisfied employees are expected to have a greater positive image about a hotel. It is believed that when people have a positive

impression of lodges, the tendency is to rate specific features of the lodge, such as the image or service quality, in a more positive way. Consequently, employees will be more willing to identify and align themselves with the lodge whose image is more favourable, an argument advanced by Tsang *et al.*, (2011).

While the two studies' objectives are somewhat different, the current study results sharply contrast with Kattara's *et al.* (2008) investigation of the relationship between employees' positive and negative behaviours, customers' perception of service quality and overall customer satisfaction. Kattara's *et al.* findings confirmed the correlation between these variables and their consecutive and exchanging effect. It was also concluded that employees' behaviours have great effect on the image of the lodge and ultimately, the service quality. In this study, employees' perceptions of image clearly have a huge effect in the way employees expect the services to be in the lodges they work for. Further investigations need to be carried out to examine what exact role employee's image perceptions plays in the way their expectations and perceptions of service quality are moulded.

Generally, it can be concluded that there is a **monotonic relationship** between employees' perceptions of service quality in all dimensions and their perceptions of the image of the lodge (Iwaarden *et al.*, 2002), i.e. either the variables mean scores increase together or as one variable mean score increases the other variable value decreases (Lærd Statistics, 2011). It can generally be concluded that the study has established a statistically positive significant relationships between features of the lodge image and the rest of the dimensions of service quality especially in perceptions, thus, the analysis rejects the null hypotheses, **H1₀**, and supports the alternative hypotheses, **H1₁**. In this regard, Foster (2001) quickly warns that researchers need to note that correlation itself does not necessarily indicate causal relationships between the service quality dimensions and attributes of the lodge image; it is possible that they are related to some extent by some other factors or variables that produce the variation. Perhaps what causes this variation can, thus, be investigated further in a different study. However, in this case, the findings are in agreement with Kandampully's *et al.* (2011) study and it is believed that employees who are likely going to form positive

images of a lodge from their previous experiences may generally feel more satisfied with the anticipated service performance of the lodges prior to working for the lodges.

On improvement of service quality in lodges in Malawi, employees were also asked about their awareness of the quality inspections conducted by the Department of Tourism. Employees indicated they were almost fully aware and felt that such an exercise is extremely important to the improvement of service standards in the lodges. It means that these deliberate interventions by the authorities ensure that the lodges comply with the minimum standards. It is a requirement that every tourism enterprise like lodges complies with the minimum standards as per the Tourism Regulations in order to obtain an operating license.

Employees were also asked to state reasons why they felt service quality inspections are important to the lodges. Among the reasons cited by the respondents, the two reasons that frequently emerged as the most important were: enhancing service quality standards and improving cleanliness of the lodges. These findings are consistent with Mohsin and Lockyer's (2010) study of customer perceptions of service quality in luxury hotels. Similarly, from these findings it can be concluded that employees attach value to how important these aspects are to the service quality. In contrast, Luchars' *et al*, (1996) study pointed out factors that can lead to failure of some service quality improvement programmes in the lodging industry and the factors include: attempting to do too much too fast by the lodges; lack of support from the owners or management; lack of adequate evaluation criteria set or even lack of understanding of true quality improvement programmes specifically aimed at service quality. Therefore, lodges must make meaningful budgetary allocations and other supporting resources that can certainly make these aspects improved to sustain the perceptions of quality.

Employees were further asked to make suggestions on how lodges could improve their delivery of the service. A list of suggestions the respondents made, was arranged in descending order and the improvement of the facilities such as guest rooms or linen staff training (physical dimension), proper communication within the lodges between staff and

management (to instil proper staff behaviour and confidence), emerged as some important areas that need immediate attention in order to improve service quality delivery. Critically, these aspects are entrenched within the dimensions of service quality. Again, all these interventions are consistent with the findings established by a number of researchers mentioned throughout this discussion (Hsieh and Hsieh, 2001; Candido, 2005; Grönroos, 2007; Cairncross *et al.*, 2008).

On the contrary, service quality improvements continue to take various approaches. This is perhaps one reason why, on the external front, the hotel star-grading exercise has recently been instituted in Malawi in an effort to ensure that the lodging industry comply with certain minimum service quality standards on the sidelines the internal efforts done by lodges. This effort will obviously witness the improvement in standards of most lodging establishments in readiness for the grading. Su and Sun (2007) argue that most hotels in developed and even developing countries have embarked on rating systems that are consistent across their nations. This is why in their study of 3-star hotels, Shanka and Taylor's (2004) examined the perceived importance of the service and facilities' attributes, and they found that three components emerged as important: physical facilities, service experienced and services provision. These components were found to significantly contribute to the overall importance rating of the hotel attributes. However, Su and Sun (2007) still argue that the rating should be applied across all the five dimensions of the service quality i.e. assurance, tangibles, reliability, responsiveness, and empathy and all other tenets of this construct studied over time.

Despite arguing that the criteria used in ratings in other countries often reflect "local cultural differences in values and preferences" (Su and Sun, 2007:392), they are quick to warn that these "inconsistencies may affect ratings of both facilities and service quality". Malawi's star ratings of its lodging facilities, on the other hand, are comparable to reflect regional and international standards, thereby making the ratings more robust and as a way to gain customer confidence. However, the ratings like regular service quality inspections are based on two premises: on the assessor's experience which is a balance between quality and

condition (taste and fashion will not have an influence) and customer experience, consumer feedback and comments. On the former premises, it is not clear how questions of subjectivity on the part of assessors, will be resolved in the process in order to draw conclusions of the ratings that are acceptable and credible.

Furthermore, employees were asked to mention any three mostly used methods employed by management to communicate expected service quality standards and goals for their lodges. It was clear that staff meetings and seminars were mostly used followed by staff training. 74.4% of the sample respondents mentioned that lodge refurbishment and renovations was the least used method of enhancing service quality of the lodges. Through these methods, different levels of employees' competence and abilities or behaviour can be assessed and re-aligned to help sustain stability of a service because job standardisation in lodges could lead to conformity and consistency of quality according to Hsieh and Hsieh (2001). This can be achieved through the establishment of well designed job descriptions and specifications for the employees. Caincross *et al.* (2008) echo the same views that although training employees with skills specific to lodge setting can be an exceptionally important aspect of each training programme, there needs to be an awareness of holistic correctness of skills being imparted, based on lodging industry set standards, in order to avoid the adoption of incorrect skills and methods to achieve service quality. Furthermore Caincross *et al.* (2008:161) cite "my business is an island" attitude demonstrated by various lodging operators depicts a "poor industry image as an employer".

In relation to the findings of this study, Chand's (2010) investigation of the impact of human resources management practices such as training and development, recruitment and selection, quality circle or man power planning, on service quality, revealed that they have a positive influence on the improvement of service quality as well as on customer satisfaction and hotel performance. To this effect, the findings also indicated that customer satisfaction or value in the lodges can be achieved through increasing employees' responsiveness to customers' needs and that the creation of customer value which have a positive impact in the firm's profitability.

The results of this study are in congruent with Chand's (2010) findings because employees mentioned staff meetings and seminars, staff training, and staff appraisals as methods of improving service quality standards in the lodges. These are some of the internal interventions lodges have put in place to ensure service quality. If these practices are pursued vigorously, they will clearly have an influence on the effectiveness of delivering the quality service and as a consequence customer satisfaction and lodge performance in terms of profitability. However, these previous findings do not indicate whether there is any positive relationship between employees' profiles and the human resources practices pursued to drive their responsiveness to improving service quality in the hospitality industry.

In order to confirm the above assertion, another Spearman's Rank Order Correlation test was done for the independent variable of employees' perceptions on the importance of improvement of service quality standards and dependent variables of employees' perceptions of the service quality in the lodges they work for. The findings show that there was a statistically significant medium strength positive relationship between employees' attitudes and their perceptions in the dimensions of reliability. This result is, however, consistent with the study of Markovic and Raspor (2010) which established that among the four dimensions they studied, reliability dimension emerged as the most important factor of perceived service quality which in the lodging industry. But there was no statistically significant positive relationship in the dimensions of tangibles, assurance, responsiveness and empathy, established with the employees' perceptions of service quality improvement. Because the relationship only exists with one dimension of service quality, generally, the null hypothesis, **H2₀**, is accepted and the alternative hypothesis, **H2₁** is rejected. These findings could mean that despite a medium positive relationship existing in the dimension of reliability, there is need to treat all the dimensions equally important in the way they contribute to the service quality construct. At the same time, Saunders *et al.* (2009) comment that there is a possibility of a statistically significant relationship between the variables under investigation but we cannot conclude with absolute certainty in this case. "Although hypothesis testing has taken place, it is often only discussed in terms of statistical significance" (Saunders *et al.*, 2009:450)

Moreover, the findings show that only awareness of service quality inspections is positively related to the lodge image feature of ‘disorganised/organised’ and ‘unfriendly/friendly’. This contradicts the findings of Tsang *et al.* (2011). They argued that employees will be more willing to identify and align themselves with the lodge whose image is more favourable, look organised, sophisticated, exciting and friendly. This can effectively be achieved through continued inspections and employees’ awareness of the importance of such interventions and willingness of the operators to improve for the better. In most cases the employees will be able to see the lodge’s facilities, and its operating procedures and processes and this represents the image of the lodge itself. Therefore, image can affect the perceptions of quality in many ways if the image is favourable or not in minds of the employees (Grönroos, 2007).

The relationship only existed with some of the features of the image lodge, generally, the null hypothesis, **H3₀**, is accepted and the alternative hypothesis, **H3₁** is rejected because these results show that there may be no statistically significant relationship between the lodge image and service quality perceptions; they can perhaps nevertheless, point to some other relationships played by service quality improvements. More research, therefore, needs to be done to thoroughly establish exactly this relationship.

4.8 Conclusion

This study investigated the determinants of perceptions of consumer service quality but focussing on employees' expectations and perceptions of employees working in various lodges. Various relationships between variables of employees' profiles were examined to establish any links in the way they perceive service quality in the lodges they work. A number of previous research findings were paralleled against this current study's findings in order to establish any consistencies and divergent theories.

Firstly, it has been found that there were different rooms-employee ratios for the lodges under investigation. We speculate that this may have a huge influence on the service quality being delivered. However, more than 50% of the employees who responded to the questionnaires came from the manager's office, front office and restaurant or bar and the rest for the other sections of the lodges. It means that the lodges realise the importance of the customer contact employee in fostering good delivery of service quality to customers. The role of these employees has adequately been widely discussed and addressed by several researchers before. The respondents profile clearly compares well to the samples of most studies that have looked at the role of frontline or customer contact personnel in hospitality service quality debate.

Secondly, in terms of the image of the lodges, the employees felt that customers choose their lodges because of their display of professionalism and skills. Again this attribute has received a lot of attention in research in its relation to training employees to deliver the expected service standards in the lodges. However the study fails to establish the causal relationship

Employees' expectations were high in the dimension of assurance associated with competence, courtesy, credibility and security factors, followed by tangibles. The dimension of reliability was the lowest in the expectations of employees suggesting that the employees questioned their own ability to promised services to customers dependably and accurately due

to various challenges faced by the lodge management. Yet other researchers, for example, Markovic and Raspor (2010) have confirmed that this is an important dimension in the hospitality industry, albeit, from the customer perspective.

Furthermore, it was also found that the employees' perception of assurance dimension was higher than the other service quality dimensions. However, overall, employees' perceptions were lower than their expectations in all dimensions and a major gap existed in the dimension of tangibles whilst the smallest gap was noticed in the dimension of assurance, however, employees' expectations being higher than the perceptions generally. There were generally positive relationships established between employees' perceptions of the image of their lodges and perceptions of service quality. However, more research needs to be done in order to examine why this relationship exist and what exact role do service quality improvements such as inspections, play on these dimensions of service quality

5.1 Introduction

The aim of the study was to assess the determinants of consumer service quality, its improvement and image in Malawian lodges focussing more on employee's expectations and perceptions. This chapter is aimed at providing the summary of the main findings and conclusions. Secondly, practical recommendations applicable to the lodging industry are made and limitations of the study are discussed. Finally, suggestions for future research are also highlighted.

5.2 Summary of the Main Findings

Firstly the study sets out to explore employees' feelings about the image of the lodges they work for. It was evident that employees felt that their lodges are friendlier despite the fact they ranked the lodges lowly in terms of levels of sophistication. Supporting this finding was employees' ranking of professionalism and skills as one important factor why customers choose to stay at the lodges. It is recognised that these findings reveal noteworthy aspects concerning employees' attitudes and professional behaviour they possess in the quest to deliver perceived good services from customer's perspective. Moreover, it not surprising that these findings show that a large proportion of employees (52%) had technical or vocational education in the field of hospitality and this alone, underscores the importance of training has on the attitudes of employees on the images of the lodges they work for. The extent to which lodges pursue training strategies of their employees largely depends on the managerial zeal and availability of organisational financial resources.

Secondly, the findings also show that employees' expectations and perceptions were high in the dimension of assurance which deals with employees' knowledge and courtesy of employees and their ability to convey trust and instil customer confidence. This dimension also includes aspects of employees' competence, ensuring lodge credibility is not

compromised, providing guest safety and security at all levels of service experience. Critically, all these responsibilities are directly dependent on employees' involvement. Unlike in previous researches, reliability dimension emerged as the most important predictor of perceived service quality which in the hospitality industry, the dimension refers to solving guests' problems, performing error-free service at the promised time, providing prompt service, and convenient opening hours of hotel facilities. These differences play a significant role in how service quality paradigm can be best structured to ensure that both employees and customers equally share the same understanding during the simultaneous production and consumption of services so that their expectations and perceptions are in equilibrium.

The study findings show that employees' perceptions in all five features of the service quality were clearly lower than their expectations confirming the relative perceptions of employees towards service quality and the fact that before entering the profession they regard the lodges with high expectations, and engage in the process of establishing a balance of ensuring these expectations are sustained because they are part of the whole service delivery process. The challenge is the extent to which the employees involve themselves to ensure that all the specifications of the services to be delivered are adhered to, to maintain the service quality levels they expect prior to assuming various responsibilities. In this study, employees' differences between their expectations and perceptions in the dimensions of the service quality delivered validate the existence of dissatisfaction if employees' perceptions of service quality do not exceed their expectations with the lodge service standards.

A major gap between employees' expectations and perceptions or performance of the lodges in the dimension of tangibles confirms the high importance employees attach to the physical features of the lodges they would work for. Clearly, employees are very dissatisfied in terms of the tangible feature of the lodges. This gap in perception related to tangibles feature could be linked to managerial failure or ignorance and the need to mobilise more or adequate organisational resources needed to meet this feature of service quality. Many operators believe that once they build and put physical facilities in place, the rest will take care of itself without regular quality checks.

It was further established that there was no statistically significant difference between employees with and those without previous work experience in their perceptions of the service quality in the lodges, indicating that previous work experience of the employees in this particular case, does not have any significant impact on the perceptions of service quality. The finding is highlighting how importantly the subject of service quality has been viewed largely by the entire lodging industry where the employees with previous work experience are believed to have acquired perhaps different perceptions from those employees with no experience at all. Caution is, however, paid to the size of the sample in this study because whether the statistical difference or the significance between employees with and without previous experience indicates importance itself or an impact of small sample size is somewhat difficult to assess here.

Finally, the study has also established that employees felt that regular inspections are important in enhancing service quality standards. Employees further suggest that physical facilities of the lodges and staff training should be given adequate attention in order to promote the service quality standards. Whether these are perceived in the same way by customers in Malawi or not can be established through further studies.

In conclusion, the study has established that the employees, like customers, have their own expectations and perceptions of service quality in the lodges working if they are measured using the same instruments.

5.3 Managerial implications

It is recognised that after a review of relevant literature, the subject of service quality in the hospitality industry continues to gain considerable debate and research on many fronts. Many establishments today are treating the issue of service quality with greatest importance. Do employees' expectations and perceptions validate the determinants of customer's perceptions of service quality? Based on the research findings and the above conclusions, several recommendations can be put forward for lodges in Malawi.

Results of the current study suggested that employees' expectations of service quality in lodge in Malawi are higher than their perceptions with assurance being viewed as the most important determinant of service quality. Investment in employees is paramount. In the employee hiring and training processes, lodge operators need to identify the relevant employee professional skills because these aspects underpin the understanding that employees need to display in order to deliver the right services to the customer. Other useful approaches to such training can include role plays, simulations and watching videotapes of service failure situations in the industry during staff meetings and seminars. Lodge operators will be expected to allocate more financial resources for the human resource development, revealing that recruiting and selecting the most suitable personnel for the existing vacant positions.

The gaps observed in tangibles also entail that owners and managers of lodging facilities should put resource mobilisation on the priority list, manage the facilities effectively and monitor the service quality on a continuous basis. The findings can be used as a pointer for lodge operators to improve the most crucial service quality features and enhance service quality and business performance. The abilities, skills, knowledge, and experience of employees especially front line staff are critical factors in running lodges and also in improving service quality. Therefore, training workshops and other similar interventions on service quality management should be provided for these employees as well as lodge owners. It is believed that not only can these programs help lodge operators understand the service

quality, but they will also assist them in developing a holistic view of managing lodges and enhancing a favourable image which the employees easily get identified with.

Lodge owners or managers need to find new and objective ways of monitoring the needs of their guests as well as employees. In the whole lodging industry, lodge management relies on employees to deliver quality service, therefore, employees are deemed to be a pillar of competitive advantage. The challenge for many lodges is to understand and identify how employees would define and create memorable and effective experiences for their guests.

There is need for good human resources practices that will have an influence in the way service quality is delivered, resulting in customer satisfaction and increased lodge profitability. Lodge management must actively encourage employee complaints. It is better for the establishment to know employees' problems because that will provide an opportunity to correct the situation rather than letting this spill to customers who later complain to family members and colleagues. Aspects of assurance are as equally important to the customer, as they are to the employees respond to respond positively. An establishment should be swift in responding to employees if they are aggrieved.

Researchers warn that if each lodging firm "sees itself as a largely independent micro-entity then the career paths within the broader industry will continue to remain unappealing, particularly to young people" (Cairncross *et al.*, 2008:161). Therefore, this study calls for concerted efforts to see the lodging industry in Malawi establishing what Cairncross *et al.* (2008:161) call "an industry leaders' forum to take responsibility for the development of a campaign to promote the career choices available and benefits of working in the industry". This will also promote and inspire the interest of the young employees to work with devotion and passion. That way service quality can be enhanced because the employees will remain identified or associated with the long term benefits emanating for the grouping

The study has shown that service quality is positively related to lodge image. Thus, crucial to employee satisfaction in the lodging industry, is to have favourable image of the lodge. This study clearly provides lodge operators helpful hints into possible strategies that may help them to concentrate on the long term goal of enhancing their lodges' image. From a strategic perspective, service quality, improvements and image should be managed both from the operational and marketing perspectives because these are aspects that can be successfully managed through consistent superior service in order to ultimately drive customer satisfaction.

5.4 Limitations of the Study

Just like any other piece of research, this study has a fair share of limitations. Firstly, the sample size for the study was too small for a number of meaningful statistical analyses. It was noted that the small scientifically important effects can turn out to be insignificant in some dimensions of the service quality construct just because of the small sample size. Whether the statistical differences or the significances between variables under study indicate importance itself or an impact of small sample size was somewhat difficult to assess here. The data for the study was mainly collected via a survey questionnaire from middle managers and junior employees of the lodges. Alongside with the questionnaire, collecting data via in-depth interviews from senior managers and owners could certainly have provided wealthier information than this.

Secondly, due to time and resource constraints, the researcher had limited the hotels that were included in this study to lodges in Mzuzu City in the Northern Region of Malawi and not the whole Malawi. Hence generalisations to other locations may be limited, even in similar conditions. The study is therefore, limited in generalisability to the entire industry in the country.

5.5 Future Studies

This study was focused only on lodges. Future study should test whether the variable structure in this study is valid in other types of accommodation in the region (e. g. hotels of bigger size and those that have been star graded).

Future studies need to focus on the relationships between organisational ownership, structure, managerial levels of control and training programmes and their influence on achieving and maintaining service quality as a sustainable competitive advantage.

Future studies should also examine pertinent issues such as internal service quality, level of participation for different customers in service delivery, and distinguishing factors between different employees' abilities to provide service quality. They studies should also assess hotel staffs' perceptions of service performance and compare them with guests' perceptions in order to identify the differences using other measurement tools to validate existing findings in other studies.

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APPENDIX 1: The Questionnaire

**Service Quality Questionnaire
For Lodge Staff**

(For official use only): Lodge Code: Questionnaire No:
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I am a student, pursuing MSc. International Hotel Management at University of Surrey, United Kingdom. Currently, I am writing a dissertation on “*Assessment of Determinants of Consumer Perceptions of Service Quality in Malawian Lodges: Focussing on Employees’ Role and Perceptions*” in partial fulfilment of the study programme. I would like to carry out a survey to find out about your feelings. Please be so kind and help in taking part in this survey by answering the questions below. It will not take longer than a couple of minutes. The information you provide will solely be used for academic purposes of this dissertation and treated in the strictest confidence. You will notice that you are not asked to include your name or address anywhere on the questionnaire.

Even if you feel the items covered may not apply directly to your working life, please do not ignore them. Your answers are essential in building an accurate picture of the issues that are important to improving the support for service quality delivery in lodges in Malawi.

Thank you for your participation and time in advance.

Lodge profile:

Total Number of rooms: Total Number of Employees:

Other facilities available:

Does the Lodge have any special computer (hotel) operating software?

Yes No

If Yes, what is the software specifically used for in the Lodge?

.....
.....
.....

SECTION A: - Personal Information of the Employee

(1) Please provide your personal information and employment details:

Gender: Male Female

Age group: 16 to 24 25 to 34 35 to 44 45 to 54 55 and Over

Section: Administration/Manager's office

Front office/reception

Housekeeping

Restaurant and bar

Kitchen

Position/Designation:

(2) What best describes your highest level of Education?

Primary Secondary Technical/vocational University

(3) What best describes your employment status?

Part-time/Temporary Full-time/Permanent

(4) How long have you worked for this Lodge?

Less than 3 months

Between 3 to 6 months

Between 6 months to 1 year

Between 1 to 3 years

Between 3 to 5 years

Between 5 to 10 years

(5) Do you have previous experience working in other lodges?

Yes No

(6) If Yes, for how long?

.....

SECTION B: - Image of the Lodge

(1) I would like to know your feelings/opinion about this Lodge. (There is no wrong or right answer).

For each of the following aspects, there is a scale ranging from (1) to (7). Please think and circle the number that best shows your feelings on each scale.

This Lodge is...

Dull	1	2	3	4	5	6	7	Exciting
Disorganised	1	2	3	4	5	6	7	Organised
Unpopular	1	2	3	4	5	6	7	Popular
Unsophisticated	1	2	3	4	5	6	7	Sophisticated
Unfriendly	1	2	3	4	5	6	7	Friendly

(2) Listed below are a set of attributes (a) to (f) that many customers use when selecting a lodge to stay at. Please rank these attributes in order with regards to how important each attribute is to the Lodge when guests choose this Lodge. Rank the attributes from 1 to 6:

(1) is the least important and (6) is the most important

Attribute	Rank
(a) Professionalism and skill
(b) Physical atmosphere and ambience
(c) Comfortable guestrooms/variety of menu items
(d) Staff behaviour and attitude
(e) Reputation and Credibility (Value for money and trust)
(f) Convenience of the location/ease of access

SECTION C: - Expectations and Perceptions Measurement

Expectations, (e):

Based on your experiences as a member of staff working in a lodge, please think about the kind of lodge that would deliver excellent quality of service. Please show the extent to which you think such a lodge would possess the feature described by each statement. If you feel a feature is *not at all essential* for excellent lodges such as the one you have in mind, circle the number 1. If you feel a feature is *absolutely essential* for excellent lodges, circle 7. If your feelings are less strong, circle one of the numbers in the middle. There are no right or wrong answers. I need a number that truly reflects your feelings regarding lodges that would deliver excellent quality of service.

Perceptions (p):

The other set of statements relate to your feelings about the lodge you have attended. For each statement, please show the extent to which you believe the lodge has the feature described by the statement. Once again, circling 1 means that you strongly disagree that the lodge you work for has this feature and circling 7 means that you strongly agree. You may circle any of the numbers in the middle that show how strong your feelings are. There are no right or wrong answers – I need a number that best shows your perceptions about this Lodge.

Srl No.	Variable Category	Strongly Disagree Strongly Agree						
(A _e)	<u>Tangibles: - Expectations</u>							
E1	Excellent lodges will have modern looking equipment.	1	2	3	4	5	6	7
E2	The physical facilities at excellent lodges will be visually appealing.	1	2	3	4	5	6	7
E3	Personnel at excellent lodges will be neat in appearance.	1	2	3	4	5	6	7
E4	Materials associated with the service will be visually appealing at an excellent lodge. E.g. registration cards, menus, cutlery/crockery, bed linen, etc.	1	2	3	4	5	6	7
(A _p)	<u>Tangibles: - Perceptions</u>	Strongly Disagree Strongly Agree						
P1	This Lodge has modern looking equipment.	1	2	3	4	5	6	7
P2	This Lodge's physical facilities lodges are visually appealing.	1	2	3	4	5	6	7
P3	This Lodge's personnel are neat in appearance.	1	2	3	4	5	6	7
P4	Materials associated with the service are visually appealing at this Lodge. E.g. registration cards, menus, cutlery/crockery, bed linen, etc.	1	2	3	4	5	6	7

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| Srl No.                | Variable Category                                                                        | Strongly Disagree <span style="float:right">Strongly Agree</span> |   |   |   |   |   |   |
|------------------------|------------------------------------------------------------------------------------------|-------------------------------------------------------------------|---|---|---|---|---|---|
| <b>(B<sub>e</sub>)</b> | <b><u>Reliability: - Expectations</u></b>                                                |                                                                   |   |   |   |   |   |   |
| E5                     | When excellent lodges promise to do something by a certain time, they do.                | 1                                                                 | 2 | 3 | 4 | 5 | 6 | 7 |
| E6                     | When a guest has a problem, excellent Lodges will show a sincere interest in solving it. | 1                                                                 | 2 | 3 | 4 | 5 | 6 | 7 |
| E7                     | Excellent lodges will perform the services right the first time.                         | 1                                                                 | 2 | 3 | 4 | 5 | 6 | 7 |
| E8                     | Excellent lodges will provide the services at the time they promise to do so.            | 1                                                                 | 2 | 3 | 4 | 5 | 6 | 7 |
| E9                     | Excellent lodges will insist on error free records.                                      | 1                                                                 | 2 | 3 | 4 | 5 | 6 | 7 |
|                        |                                                                                          | Strongly Disagree <span style="float:right">Strongly Agree</span> |   |   |   |   |   |   |
| <b>(B<sub>p</sub>)</b> | <b><u>Reliability: - Perceptions</u></b>                                                 |                                                                   |   |   |   |   |   |   |
| P5                     | When this Lodge promises to do something by a certain time, it does so.                  | 1                                                                 | 2 | 3 | 4 | 5 | 6 | 7 |
| P6                     | When a guest has a problem, this Lodge shows a sincere interest in solving it.           | 1                                                                 | 2 | 3 | 4 | 5 | 6 | 7 |
| P7                     | This Lodge performs the service right the first time.                                    | 1                                                                 | 2 | 3 | 4 | 5 | 6 | 7 |
| P8                     | This Lodge provides its service at the time it promises to do so.                        | 1                                                                 | 2 | 3 | 4 | 5 | 6 | 7 |
| P9                     | This Lodge insists on error free records.                                                | 1                                                                 | 2 | 3 | 4 | 5 | 6 | 7 |

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Srl No.	Variable Category	Strongly Disagree Strongly Agree						
(C_e)	<u>Responsiveness: - Expectations</u>							
E10	Employees of excellent lodges will tell guests exactly when services will be performed.	1	2	3	4	5	6	7
E11	Employees of excellent lodges will give prompt service to guests.	1	2	3	4	5	6	7
E12	Employees of excellent lodges will always be willing to help customers.	1	2	3	4	5	6	7
E13	Employees of excellent lodges will never be too busy to respond to guests' requests.	1	2	3	4	5	6	7
		Strongly Disagree Strongly Agree						
(C_p)	<u>Responsiveness: - Perceptions</u>							

P10	Employees in this Lodge tell guests exactly when services will be performed.	1	2	3	4	5	6	7
P11	Employees in this Lodge give guests prompt service.	1	2	3	4	5	6	7
P12	Employees in this Lodge are always willing to help guests.	1	2	3	4	5	6	7
P13	Employees in this Lodge are never too busy to respond to guests' requests.	1	2	3	4	5	6	7

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| Srl No.           | Variable Category                                                                | Strongly Disagree <span style="float: right;">Strongly Agree</span> |   |   |   |   |   |   |
|-------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------|---|---|---|---|---|---|
| (D <sub>e</sub> ) | <b><u>Assurance: - Expectations</u></b>                                          |                                                                     |   |   |   |   |   |   |
| E14               | The behaviour of employees in excellent lodges will instil confidence in guests. | 1                                                                   | 2 | 3 | 4 | 5 | 6 | 7 |
| E15               | Guest of excellent lodges will feel safe in their transactions with the lodge.   | 1                                                                   | 2 | 3 | 4 | 5 | 6 | 7 |
| E16               | Employees of excellent lodges will be consistently courteous with guests.        | 1                                                                   | 2 | 3 | 4 | 5 | 6 | 7 |
| E17               | Employees of excellent lodges will have knowledge to answer guests' questions    | 1                                                                   | 2 | 3 | 4 | 5 | 6 | 7 |
|                   |                                                                                  | Strongly Disagree <span style="float: right;">Strongly Agree</span> |   |   |   |   |   |   |
| (D <sub>p</sub> ) | <b><u>Assurance: - Perceptions</u></b>                                           |                                                                     |   |   |   |   |   |   |
| P14               | The behaviour of employees in this Lodge instils confidence in guests.           | 1                                                                   | 2 | 3 | 4 | 5 | 6 | 7 |
| P15               | Guests in this Lodge feel safe in their transactions with the Lodge.             | 1                                                                   | 2 | 3 | 4 | 5 | 6 | 7 |
| P16               | Employees in this Lodge are consistently courteous with guests.                  | 1                                                                   | 2 | 3 | 4 | 5 | 6 | 7 |
| P17               | Employees in this Lodge have the knowledge to answer guests' questions.          | 1                                                                   | 2 | 3 | 4 | 5 | 6 | 7 |

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Srl No.	Variable Category	Strongly Disagree Strongly Agree						
(E _e)	<u>Empathy: - Expectations</u>							
E18	Excellent lodges will give guests individual attention.	1	2	3	4	5	6	7
E19	Excellent lodges will have operating hours convenient to all their guests.	1	2	3	4	5	6	7
E20	Excellent lodges will have employees who give customers personal attention.	1	2	3	4	5	6	7
E21	Excellent lodges will have their guest's best	1	2	3	4	5	6	7

	interests at heart.							
E22	The employees of excellent lodges will understand the specific needs of their guests.	1	2	3	4	5	6	7
		Strongly Disagree Strongly Agree						
(E _p)	<u>Empathy: - Perceptions</u>							
P18	This Lodge gives guests individual attention.	1	2	3	4	5	6	7
P19	This Lodge has operating hours convenient to all their guests.	1	2	3	4	5	6	7
P20	This Lodge has employees who give customers personal attention.	1	2	3	4	5	6	7
P21	This Lodge has their guest's best interests at heart.	1	2	3	4	5	6	7
P22	This Lodge understands the specific needs of their guests.	1	2	3	4	5	6	7

APPENDIX 2: Ethical Issues in Research Form

Please complete this form in discussion with your Supervisor and sign where indicated. Your Supervisor must countersign the form. **Once completed, take the form to the Student Support desk. All forms must be presented by 16 May at the latest (this date applies to FT students).** Staff will record that your form has been completed. If no ethical approval is required, the form will be stamped and returned to you. If ethical approval is required, you will be provided with instructions on how to obtain ethical approval.

YOU MAY NOT COLLECT DATA BEFORE IT HAS BEEN CONFIRMED THAT ETHICAL APPROVAL IS NOT REQUIRED, OR UNTIL ETHICAL APPROVAL IS OBTAINED.

If data are collected without ethical approval, it is possible that you could be asked to destroy the data. If you change your method or sample, a new form must be completed.

Name of student: MICHAEL SEPULA Course: MSc. ITM

Supervisor: DR A. WILLIS

Dissertation topic: ASSESSING DETERMINANTS OF CONSUMER PERCEPTIONS OF SERVICE QUALITY IN MOUNTAIN LODGES: FOCUSING ON EMPLOYEE ROLE AND PERCEPTIONS.

Please answer **Yes** or **No** to the following questions, by circling your response. If you answer **Yes** to any question, ethical approval will be required for your study either from the Faculty of Management and Law Ethics' Committee or the University Ethics' Committee.

Does the study, or may the study, involve Faculty of Management and Law students?	YES <input type="radio"/>	Seek Faculty of Management and Law ethical approval
	NO <input checked="" type="radio"/>	
Does, or may the study, involve Undergraduate students across the University of Surrey?	YES <input type="radio"/>	Seek approval from University Ethics' Committee
	NO <input checked="" type="radio"/>	
Does, or may, the study, involve Faculty of Management and Law staff as subjects?	YES <input type="radio"/>	Seek Faculty of Management and Law ethical approval
	NO <input checked="" type="radio"/>	
Does, or may, the study involve staff across The University of Surrey?	YES <input type="radio"/>	Seek approval from University Ethics' Committee
	NO <input checked="" type="radio"/>	
Does the study involve vulnerable groups (e.g. children)?	YES <input type="radio"/>	Seek Faculty of Management and Law ethical approval
	NO <input checked="" type="radio"/>	
Will the respondents receive payment (including in kind or involvement in prize draws)?	YES <input type="radio"/>	Seek Faculty of Management and Law ethical approval
	NO <input checked="" type="radio"/>	
Could questioning – in questionnaire or in interview – or other methods used, cause offence or be deemed as sensitive?	YES <input type="radio"/>	Seek Faculty of Management and Law ethical approval
	NO <input checked="" type="radio"/>	
Does the study involve invasive procedures (e.g. blood tests) or feeding trials?	YES <input type="radio"/>	Seek approval from University Ethics' Committee
	NO <input checked="" type="radio"/>	
Does your research study involve staff or patients from the NHS?	YES <input type="radio"/>	Seek approval from NHS Research Ethics' Committee AND University Ethics' Committee
	NO <input checked="" type="radio"/>	

Supervisor comments:

Student's signature [Signature] Date 08/04/11

Supervisor's signature [Signature] Date 8. APRIL

