

Research article

The link between employee satisfaction and customer satisfaction at the Zimbabwe Open University (ZOU)

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Abstract

The study examines the relationship between employee satisfaction and customer satisfaction within an Open and Distance learning institution. The Zimbabwe Open University (ZOU) was selected for the study. The employees considered for this study were the university's lecturers with students constituting the customer segment. A census of all the university's 10 regional centres was used as study units with respondents drawn proportionally from all the regions. Data analysis revealed that indeed there is a positive relationship between employee satisfaction and customer satisfaction. Each group derives satisfaction from different aspects of what occurs at the university, yet the satisfaction experienced by one group is expected to affect their performance, and thus the satisfaction experienced by the other group. For example, a lecturer who is happy with his or her colleagues may be motivated to do more team-teaching and enhance the learning experience (and thus satisfaction) of students. **Copyright © IJABM, all rights reserved.**

Keywords: Employee satisfaction, Customer satisfaction

Introduction

The main endeavour of ZOU along with other universities is to provide tertiary education to students to enable them to pursue their chosen careers. In this maze it is possible to forget that a university is in fact a business, one that competes for the best students and market share. Top quality lecturers and a wide student base are critical to

the overall prosperity of the university. Evaluating student and lecturer satisfaction is however a complicated task.

The purpose of this analysis is to gain an understanding of lecturers' satisfaction, conduct an assessment of student satisfaction, and to determine useful correlations between these two components that will be useful in improving higher education. Unlike the many businesses that develop concrete, reproducible items, a university encompasses the characteristics related to a service industry. Shank et al. (1995) states that:

Educational services are intangible, heterogeneous, and inseparable from the person delivering it, variable, perishable, and the customer (student) participates in the process. Additionally, colleges and universities are increasingly finding themselves in an environment that is conducive to understanding the role and importance of service quality; this environment is a fiercely competitive one.

As is evident from this final statement, competition in higher education is just as prevalent as in any other organization, so it makes the understanding of student satisfaction all the more critical to the university's success.

Since lecturers play a vital role in contributing to student satisfaction, many hypothesize that one of the best ways to affect student satisfaction is to increase job satisfaction among the university's lecturers.

The Zimbabwe Open University, (Z.O.U), rank among the top rewarding government institutions in Zimbabwe. On average a lecturer earns US\$2700 per month compared to US\$500 earned by teachers and other civil servants. In a country where the poverty datum line is pegged at US\$ 597 lecturers are considered above average earners. Improving on this, Z.O.U pays retention allowances to its academic staff and has also put in place housing and motoring loan schemes for its employees in collaboration with local banks. The major purpose for making all these frantic efforts is to improve staff morale so that this translates to improved customer satisfaction. Research suggests that employees who feel being fairly treated by their organisations will treat their customers better, resulting in higher levels of customer satisfaction, (Zeithmal and Bitner, 2003).

Literature Review

The relationship between employee satisfaction and customer satisfaction

The specific relationship between employee satisfaction and customer satisfaction has been the subject of a number of empirical studies. The relationship is often described as the 'satisfaction mirror' reinforcing the idea that business success results from employee satisfaction being 'reflected' in terms of customer satisfaction (Schlesinger and Heskett, 1991; Norman and Ramirez, 1993; Liedtka et al, 1997).

The direct relationship between employee satisfaction and customer satisfaction is established based on the theory of emotional contagion (Sutton and Rafael., 1988; Hatfield et al., 1992, 1994; Barsade, 2002). Emotional contagion links employee satisfaction to customer satisfaction. Hatfield et al (1994) defined emotional contagion as the "tendency to automatically mimic and synchronise facial expressions, vocalisation, postures, and movements with those of another person and consequently to converge emotionally". Therefore emotional contagion is the transference of emotions during interpersonal transactions.

Accordingly, we conjure that when customers are exposed to the emotional displays of employees, they experience corresponding changes in their own affective status (Pugh, 2001; Barsade, 2002). Service employees with a high level of job satisfaction will appear to the customer more balanced and pleased with their environment, leading to positive influence on the level of customer satisfaction (Homburg and Stock, 2004).

There are several reasons as to why employee satisfaction leads to customer satisfaction. Bulgarella (2005) advanced some of the reasons as follows;

1. Employees that interact with customers are in a position to develop awareness and respond to customer's goals and needs.

2. Satisfied employees are motivated employees; that is, they have the motivational resources to deliver adequate effort and care.
3. Satisfied employees are empowered employees; in other words they have resources, training and responsibilities to understand and serve customer needs and demands.
4. Satisfied employees have high energy and willingness to give service; at a very minimum, they can deliver a more positive perception of the service/product provided.
5. Satisfied employees can provide customers with interpersonal sensibility and social account (i.e. adequate explanations for undesirable outcomes). It has been suggested that these components of international justice (i.e. quality of interpersonal treatment provided in a negotiation exchange) have a significant impact on customer satisfaction. According to this view, because satisfied employees experience interactive justice, they can deliver it; that is, satisfied employees have enough resources to show empathy, understanding, respect, and concern.

It is reasonable to suggest that employee satisfaction leads to customer satisfaction in high contact service environment like a university. One of the notable reasons could be none other than emotional contagion. The theory of emotional contagion when applied to service encounters implies that customers catch the emotion of service personnel during service delivery encounters. Therefore a service employee who is dissatisfied with some aspects of his job would display negative emotions during service encounters and consequently the customers would catch those negative emotions. Once the negative emotions are imparted to the customer, that customer is likely to report dissatisfaction. Therefore emotional contagion is evidently one of the avenues through which customer satisfaction could be linked with employee satisfaction. It is therefore clear and reasonable to hypothesise that;

H1: Employee satisfaction is positively associated with customer satisfaction.

Materials and Methods

A survey method was employed to find out employee and customer satisfaction levels with regard to aspects that affect each respective group. According to Zikmund (2003), the survey is a quick, inexpensive, efficient and accurate way of assessing information about a population. The case study method was used, whereby an Open and Distance learning institution, Z.O.U was selected. Two groups were targeted within the university; lecturers (employees) and students (customers).

Five (5) lecturers from each of the university's 10 regional centres were selected for the study giving a sample size of 50 lecturers. Naturally the sample size for students was also 50 because for each lecturer there was going to be a corresponding student filling in the customer satisfaction part of the questionnaire. The questionnaire was designed to collect information from lecturers and students soon after the delivery of lectures. After a lecture, a lecturer answered questions on employee satisfaction and a student answered questions on customer satisfaction as part of the same questionnaire.

Measures

Employee satisfaction

In order to capture the degree of employ satisfaction a Job Descriptive Index (Blazer et al., 1997) was adopted. This measurement scale has five items which measures the level of employee satisfaction with salary, promotional opportunities, nature of the job, relationship with co- workers and the nature of supervision. Each item was rated on a seven point likert scale ranging from 1 (totally disagree) to 7 (totally agree).

Customer satisfaction

The researcher developed a customer satisfaction scale for open and distance institutions. This scale has got items that measure core services which are lecture delivery, library services, internet services, and modules provision. Ratings were done on a seven point scale ranging from 1 (totally disagree) to 7 (totally agree).

Results and Discussion

Employee satisfaction results

Table 1: Employee satisfaction: The overall satisfaction results

	Item	Overall Index unsatisfied	Overall Index satisfied	Row Total
Count Row Percent	Salary	20 40%	30 60%	50
Count Row Percent	Nature of job	18 36%	32 64%	50
Count Row Percent	Co-workers	18 36%	32 64%	50
Count Row Percent	Promotional opportunities	20 40%	30 60%	50
Count Row Percent	Nature of supervision	17 34%	33 66%	50
Count Row Percent	Overall satisfaction	19 38%	31 62%	50

The overall employee satisfaction results include the satisfaction levels of salary, nature of job, relationship with fellow employees, promotional opportunities and nature of supervision. The mid level of the Likert scale of 3.5 was used to categorise the respondents' overall satisfaction level into either satisfied or unsatisfied. Levels > 3.5 were deemed satisfied and levels < 3.5 unsatisfied.

Frequency counts were used to calculate the actual percentage of satisfied and unsatisfied employees and these results are presented in Table 1 above. Of the 50 respondents who took part in the survey, 31 were deemed satisfied. This represents 62 percent of all respondents as being satisfied to some degree. Employees were deemed satisfied with all the facets of employee satisfaction. The high satisfaction values were represented as follows; salary 60%, nature of job 64%, relationship with co-workers 64, promotional opportunities 60% and nature of supervision 66%.

Customer satisfaction results

Table 2: Customer satisfaction: The overall satisfaction results

	Item	Overall Index unsatisfied	Overall index satisfied	Row Total
Count Row Percent	Lecture delivery	19 38%	31 62%	50
Count Row Percent	Library services	20 40%	30 60%	50
Count Row Percent	Modules	18 36%	32 64%	50
Count Row Percent	Internet services	16 32%	34 68%	50
Count Row Percent	Overall satisfaction	18 36%	32 64%	50

The overall customer satisfaction results include the satisfaction levels on lecture delivery, library services, modules, and internet services. 3.5, the mid point of a 7-point Likert scale was used to categorise the respondents' overall satisfaction level. Levels > 3.5 were deemed satisfied and levels <3.5 unsatisfied. Table 2 represents the frequency counts, as well as calculated percentages of the satisfied customers as opposed to those deemed unsatisfied. Of the 50 customers surveyed 32 of them were deemed satisfied. This represents 64% as being satisfied with the services of the university. Provision of internet services obtained the highest level of satisfaction with a rating of 68%. Lecture delivery, library services and modules provision all scored high in customer satisfaction representing 62%, 60% and 64% respectively.

The Relationship between Employee satisfaction and Customer satisfaction

Using the overall employee satisfaction and overall customer satisfaction results in Tables 1 and 2 Pearson's correlation between the two construct was computed. The output is shown in Table 3 below.

Table 3: Correlation of employee satisfaction and customer satisfaction

		Employee satisfaction	Customer satisfaction
Employee satisfaction	Pearson Correlation	1	.958**
	Sig. (2-tailed)		.000
	N	50	50
Customer satisfaction	Pearson Correlation	.958**	1
	Sig. (2-tailed)	.000	
	N	50	50

** . Correlation is significant at the 0.01 level (2-tailed).

The results of employee satisfaction and customer satisfaction surveys have been compared to determine if a relationship exist between the two constructs. A Pearson correlation performed on the two constructs, indicate a strong relationship exist between the two constructs at this level. The results of the Pearson correlation are indicated a correlation of 0.958 with a significant value of $p=0.000$ suggesting a significant relationship between employee satisfaction and customer satisfaction. Employees and students are all satisfied with their interaction at the university.

Conclusions

It is therefore imperative for the university's leadership to improve employee satisfaction with the hope that as the levels of employee satisfaction rise, customer satisfaction would automatically improve. Bulgarella (2005) identified some of the strategic steps that can be adopted to improve employee satisfaction. These are;

1. Identify root causes of dissatisfaction among employees.
2. Conduct benchmark studies of the best practices in selected other companies.
3. Develop employee satisfaction measurement systems that can be used corporate wide and world-wide.
4. Monitor employee satisfaction on regular basis
5. View employees as the primary source of competitive advantage.
6. Show concern for total employee well-being.

7. Develop meaningful employee involvement and effective communication channels.
8. Introduce managerial accountability for people management.

This therefore means that in order to improve customer satisfaction, there is need to increase the levels of employee satisfaction. Considering that the incentives offered to lecturers have led to increased employee satisfaction, management at ZOU should not fall into complacency and assume that what they have done is enough. Maslow (1954)'s hierarchy of needs theory postulate that once a need is satisfied it ceases to be a motivator. Therefore management should regularly monitor the movement of employee needs along the hierarchical order of human needs. Moreover, Herzberg (1968; 1984)'s two factor theory notes that employee needs are categorised into hygiene or maintenance factors and motivators or growth factors. Once motivators are satisfied they become hygiene factors and their presence no longer satisfies the employees, but their absence lead to dissatisfaction. Therefore since the programmes that the university leadership introduced have proved to be a success, there is need for an upgrade of these programmes in order for them to continue as motivators. This calls for management to regularly implement new motivational programmes that could be in form of bursaries for educational advancement or more grants for research.

Competing Interests

The mere fact that the authors are employees of the university understudy brings in the issue of competing interests. There may be an element of subjective reporting of the findings due to the employment relationship between the authors and the organisation under study.

Authors' contributions

The corresponding author was involved in all activities from conceiving and designing the study, data acquisition, data analysis and interpretation and drafting of the final article. The co-author assisted from data analysis to the drafting of the final article.

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