

**INSTITUTE OF DISTANCE LEARNING
KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**IMPACT ASSESSMENT OF CALL CENTERS ON CUSTOMER SATISFACTION:
A CASE STUDY OF THE GHANA WATER COMPANY LIMITED IN KUMASI AND ACCRA
METROPOLIS**

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DECLARATION

I hereby declare that this submission is my own work towards the Executive Masters of Business Administration and that, to the best of my knowledge, it contains no material previously published by another person or material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

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(Head of Dept.) **Signature** **Date**

DEDICATION

This study is dedicated to My Dear Wife and Children, who have been my inspirer, supporter and comforter for all these years

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ABSTRACT

Majority of companies' call centers have become a tool for achieving increased customer satisfaction and the Ghana Water Company is no exception. This research sought to find out the type of customers who patronize Ghana Water Company Limited call centres and their level of satisfaction about how their calls are handled and assess the functions/services that are most important to these customers. It also sought to unravel the influence that factors like employee training, tone of voice, attitude, operational speed and employee level of expertise has on customer satisfaction and finally to identify the extent of customer satisfaction with Ghana Water Company services. Ghana Water Company Limited was used as a case study. The target population for the research comprised all call centre workers of Ghana Water Company Limited stationed in the Accra and Kumasi metropolis. The study was conducted with a quantitative method, executed through questionnaires. Responses were analyzed in frequency counts and percentages employing statistical tools like SPSS and Microsoft Excel. Findings of the study revealed that most call center customers were males between the ages of 18 - 35 who were mostly civil servants or self-employed; most customers appreciated the alacrity with which center attendants took customers calls, and their general attitude on the phone but bemoaned that more often than not, their complains or request are not handled adequately or to their satisfaction and therefore contributed to their general dissatisfaction with Ghana Water Company Limited's call center service. Based on the above findings, the study therefore recommended that call attendants receive further training in effective call handling. Furthermore, Management of call centers should consider further research on other aspects of customer satisfaction to find out how the needs of the customer could be met in full.

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CHAPTER ONE

GENERAL INTRODUCTION

1.1 Background to the study

Virtually all businesses are interested in providing information and assistance to existing and prospective customers. In recent years, the decreased costs of telecommunications and information technology have made it increasingly economical to consolidate such information delivery functions, which have led to the emergence of groups stationed in offices, known as call centers, which receive and transmit large volumes of requests by telephone. The group can be centralized, geographically spread or composed with agents in individual offices. Mehrota (1997:p244) defines a call center as: "Any group whose principal business is talking on the telephone to customers or prospects."

A call centre is operated by a company to administer incoming product or service support or information inquiries from customer. Outgoing calls for telemarketing, clientele, product services, and debt collection are also made. Nowadays call centers play a considerably important role in the service processes of companies. They are closest to the (potential) customers and therefore have a major influence on the customers' perception of the company. The influence of call centers in our service-driven economies has undoubtedly grown last decade. This has been recognized in a lot of articles and by companies involved in the call center processes. For example Gans et al. (2003:p112), Grossman et al. (2001), Mehrota (1997:p315), Dawson (2004:p411) and Stolletz (2003:p313) mention the rise of call center presence in the service business and state this with impressing numbers of growth in call centers, employees and turnover.

In the early years, call centers were seen as cost centers (Bapat & Pruitte, 1998:p414). Nowadays service has become more important and the call center is often the most important

way to communicate with customers. Processes in call centers have (often) become more complex (Lin, Lai and Hung, 1998:p210) and available new technologies offer new possibilities. To take advantage and benefit from these new developments a business and managerial approach is a necessity. That is why companies start looking at call centers as profit centers. Because of this newly adopted approach, techniques are developed to manage the call center processes at higher levels (strategic and tactical). Integration with back-end processes and (information) systems within the company becomes necessary.

For the vast majority of companies, call centers have become a tool for achieving increased customer satisfaction and the Ghana Water Company is no exception. Established in Accra just before World War I, the Ghana Water Company limited has continually achieved growth and expanded to cover almost the entire length and breadth of Ghana. Throughout this period, the company has delivered operational efficiencies, improved services to customers, reduced the impact of operations on the environment, and contributed towards greater sustainability. These achievements notwithstanding, sustained customer satisfaction continues to elude the company due to lapses in customer services delivery. With this background and from the need to achieve customer satisfaction, the Ghana water company limited launched and continues to operate call centers in designated parts of the country to promptly address customer needs. But do these call centers have an impact in influencing customer satisfaction levels or do they just add up to the cost of the company without necessarily reaping in any benefits?

1.2 Statement of the problem

There has been growing dissatisfaction amongst customers as to the non availability of centers to channel their concerns and grievances. Furthermore, there is also the complain of most companies in the country not having a customer call center to serve the needs of

customers who for one reason or the other, cannot come to the company offices in person to express certain concerns or make complaints. The Ghana water company limited, taking into consideration all expressed concerns of its customers, went ahead to establish regional call centers that would cater for customers who wanted their concerns addressed but didn't have the time or capacity to come in person to the offices of the company. Though the establishment of these call centers is relatively good, its ability to serve customers satisfactorily has come under serious questions and scrutiny lately. A significant number of customers have expressed reservations about the effectiveness and purpose of the call center since to them; it is not serving the purpose of its establishment. A number of notable lapses have been cited that need research and careful analysis to ascertain their effect on customer satisfaction. Additionally, it is important that such a research identifies the type of customers that access Ghana Water Company limited call centers, their assessment of the company's call center services and their levels of satisfaction. All the above has necessitated the need for this study.

1.2 Research Objectives

The specific objectives are as follows:

1. Find out the type of customers who patronize Ghana Water Company limited call centres and the level of satisfaction about how their calls are handled.
2. Assess the functions/services that are most important to customers?
3. Find out the influence that factors like employee training, tone of voice, attitude, operational speed and employee level of expertise has on customer satisfaction.
4. To identify the extent of customer satisfaction with Ghana Water Company Services.

1.3 Research Questions

Based on the basis of the objectives set above the following research questions were formulated to guide the study.

1. What types of customers patronize Ghana Water Company's call centers?
2. What is the level of satisfaction of customers on how calls are handled?
3. What functions /services are most important to customers of Ghana Water Company?
4. How do customers rate their overall satisfaction in relation to Ghana Water Company Services?
5. What is the composite influence of employee training, tone of voice, attitude, operational speed and level of expertise on customer satisfaction?

1.5 Significance of the Study

The researcher believes that, by identifying the key operational determinants of successful call centre operations, call centre management will be in a better position to improve their operations thereby satisfying customers better. Also, by analyzing the impact of call center activities on customer satisfaction, management of call centers would be better informed to formulate guidelines and policies that would improve call center respondents' training and regulations of work.

1.6 Limitations of the Study

Several assumptions and limitations pertain to this study. First, cost of undertaking the study: printing questionnaire and travelling to distribute and receive them was very high on the researcher. Furthermore, it was not only difficult but also stressful to combine office work and research. This prevented the researcher from reaching a larger sample size. Hence, the

size of the sample was small and was limited to customers of Ghana Water Company Limited and call center representatives working in two branches of Ghana Water Company Limited. Indeed, there is no evidence that the sample in this study is typical of the broader population.

Secondly, the study should have been undertaken throughout the year to allow for more data gathering in order for a very fair and representative assessment of customer needs and satisfaction levels.

The third limitation of this research is the fact that the collection of data took place at a particular point in time. There is no guarantee that the responses received would be indicative of responses solicited and given at another time. There is also a potential that other factors outside the control of the researcher (setting, time of day, recent conflicts, and fatigue of the participants) could influence the responses (Shell, 2001).

1.7 Organization of the study

This study is made up of five chapters. Chapter one deals with background to the study, the problem statement, research questions and purpose of the study. Also in this chapter are the significance of the study, delimitation, definition of terms and organization of the study. Chapter two focuses on the review of related literature. This covers objective and analytical review of the theoretical framework within which the study is conducted as well as previous essays, commentaries and accepted publications on the study subject. The study also relied on published material both in print and on accepted internet sites. Chapter three focused on the methodology used in gathering data. It described the research design, the population, sampling procedures, and data gathering instruments, pre-testing technique, data collection procedures and methods of data analysis. Chapter four focused on data presentation analysis

and discussion of findings whilst in Chapter five; there is the summary of findings, conclusions, recommendations and suggestions for further research.

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CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter contains findings of the review of secondary sources of data relating to the research topic. Information for the literature review was obtained from relevant articles, textbooks, journals, speeches, web sites and other credible sources of information. This chapter also contains the works that have been done by other researchers which were considered relevant for the subject of study. The following topics were reviewed for the study.

- I. Call Centre
- II. Customer Satisfaction
- III. Role of the Call Centre Representative
- IV. Call Centre Representative Training
- V. Call Centre Representative Stress and Turnover
- VI. Assessing Call Centre Representative Skills
- VII. Service Quality
- VIII. Employee satisfaction
- IX. Customer Service and Customer Satisfaction
- X. Customer Satisfaction with Call Centres

2.1 Call Centre

According to Michell, (1998), a call centre is a physical or virtual operation within an organization in which a managed group of people spend most of their time doing business by telephone, usually working in a computer-automated environment. Reuters (2001), however

define a call centre as an operational group within a business which is concerned with the development of customer relationships, using integrated technology solutions and business processes whilst Mehrota (1997: p244) simplifies its definition simply as: "Any group whose principal business is talking on the telephone to customers or prospects." It is argued that today's call centres are complex operations that require a combination of technology, process, and human talent in order to succeed (Miciak, Alan and Desmanais, 2001).

Call centres allow a company to build, maintain, manage and satisfy customers by solving problems and resolving complaints quickly, having information, answering questions, and being available usually all the time of the year. Call centres are an integral part of most industries today. They play an essential role in today's business world and are often the primary source of contact for customers (Miciak, Alan and Desmanais, 2001). Call centres are changing the way companies communicate with customers and are a strategic asset in delivering exceptional service quality. Companies that focus on customer loyalty are increasingly using their centres to differentiate their product or service offering and drive customer satisfaction.

It is been argued that call centres can form the heart of successful customer satisfaction strategies (Michell, 1998). There is increasing evidence that call centres are gradually migrating into customer contact centres thereby increasing customer satisfaction avenues and contact (Acey, John, 2002). Customer contact centres handle all relationships with the customer and utilize multiple channels integrating traditional channels of telephone and fax, with newer technologies such as e-mail, SMS, and Internet.