

**CUSTOMER CARE AND ORGANISATION PERFORMANCE : A CASE STUDY OF  
CHASE BANK KENYA**

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## DECLARATION

This research report is my original work and has not submitted before any other university or institution of higher learning for the awards of diploma or degree.

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## APPROVAL SHEET

I, certify that the research dissertation submitted by the candidate was done under my supervision.

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SIGNATURE: *Atsind*.....

DATE: *06/04/2011*.....

## **DEDICATION**

I dedicate this report to my mother charity, my brothers thinji, muchiri and ndegwa, my sister nyawira, my father mureithi and my friends jemimah luka, charity muchora, and munde Thomas for their continued support to achieve this degree.

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I thank the authorities of Kampala international university for providing the students the conducive environment for our studies. The library is well stocked with a variety and current works of books. Special mention also goes to the finance department of KIU, as at times our financial resources were low, they would still allow us to seat for our examinations. Thank you and well done.

I thank my family especially my mother for the financial sacrifices that had to be made to accomplish this work. My supervisor, Mr. Gulebyo Muzamir was such a pillar of strength as he guided me in writing this research.

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## **ABSTRACT**

This study was set out to establish the extent to which customer care affects organizational performance in chase bank. Specifically the study was to establish

Roles of customer care in the performance of an organization in the competitive environment, ways of improving customer care service, establish the problems or weakness of customer care in chase bank.

The findings of the research revealed that customer care has a number of benefits, these include enthusiastic customers tell others about their experiences customers influence other customers and enthusiastic customers may be willing to pay more, that problems faced by customers in Chase bank are lack of procedure because of multiple application that provide too much flexibility that is each customer care representatives develops their own procedure, customer service department have relatively high staff turnover, as there are many applications and procedures that

will be more satisfied with their work, that ways of improving customer care would be the representatives being multi skilled and able to answer customer queries and complaints with minimum of hands off, proactively educating customers with bank services so that they will be satisfied with organizational services and products show care and also gives us the opportunity to inform them of the latest offers or customer loyalty programs. Sharing of customer information between departments, all departments should network to share customer service issues and inquiries, allowing each department to service customers with accuracy.

The research therefore recommended that survey by mails, suggestions; recommendations and complaints from customers through mails, suggestion box or telephone should be adopted, sharing of customer information between all departments should be encouraged and lastly training programmers aimed at providing skills in Customer care should be organized on regular basis by the bank.

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# **CHAPTER ONE**

## **1.0 Introduction**

The study focused on the effect of customer care on organization performance with regard to Chase bank Kenya, this chapter presented the background of the study, Problem statement, Objectives of the study, research questions, scope of the study, significance of the study, and conceptual frame work.

## **1.1 Background of the case study**

Chase bank Kenya is a private commercial bank that was established on 1996 to succeed the former Cooperative and rural Development Bank (CRDB) .The latter which was a public institution with the majority of shares held by the government of the United Republic of Kenya. The succession was a result of the liberation of the banking Industry in Kenya. The Liberation, which followed the enactment of the Banking and Financial Institution Act (BFIA) of 1991 and the government policy to divest its interest in the sector, prompted recapitalization of the bank to levels stipulated by the BFIA. In July 1999 the privatized bank changed from CRDB (1996) Limited to chase Bank for marketing purposes.

Chase Bank target segment is retail clients with emphasis on medium and small scale businessmen and individuals. In their efforts to bring the services near to their target segment, they have established branches at all regional centers in Kenya. They also reach their potential customers in rural areas through their micro finance initiative, whereby the bank has entered into business partnership with a number of micro finance initiative

institutions (as independent intermediaries) to provide financial services to their members and surrounding community in Kisumu, Mombasa, Thika and Nakuru as pilot regions.

The entry of new banks and non-bank financial institutions has enhanced the competition and improved the quality and type of financial products and services provided. Currently, there are more than 25 registered banks and 10 non-financial institutions. Each of these institutions plays an important role in financial resource mobilization. Prior to financial liberalization, all financial institutions in Kenya were operated in a closed economy policy up to the mid-1980s under public ownership. The government, under the Ministry of Finance, had a hundred percent shareholding over all banks. As such, the government did not pave the way for competition among financial institutions.

Although many organizations in Kenya, including financial institutions, were concentrating on improving the quality of customer service, they still faced a number of problems. These included rigidity and refusal to accept changes by top management and a lack of adequate management, banking, and market know-how. Senior managers were appointed by the government from the civil servants cadre without business backgrounds. Low morale and lack of resilience associated with civil servants, increasing political interference in management and operational decisions leading to the misallocation of financial resources through direct lending to the public sector, interest rates and foreign exchange rates administratively determined by the central bank on behalf of the government. Given the situation and the prevalent high inflation, it was no surprise that depositors experienced negative real interest rates. Kenya began experiencing drastic

changes in the competitive business environment .There was thus a need of good customer care under the current competitive market. This situational change has therefore forced the researcher to investigate the effect of customer care on organization performance at Chase bank

### **1.2 Statement of the problem**

In order to win the market in today's world of business competition, customer care is very important. For a business firm to survive and prosper today it must deliver high quality customer care to improve customer satisfaction. Customer care is one of the areas that need much attention in a business organization, especially a service oriented one. Due to privatization, the chase Bank is facing competition from other companies like National Banks of Kenya (NBK) National Microfinance Bank (NMB). Kenya Postal Bank (TPB), Citibank, Barclays, Stanbic and prime bank among others.

As customers are now free to choose any bank they think they will be satisfied with, the most important thing to enable the bank to perform well in this competitive market is to improve the customer care services. Due to this problem of competition the chase bank should set up customer care strategies, starting by training its workforce, improve customer service and service delivery to customers. All workforces of chase bank have to be trained on customer care. Thus, the concern of the study was to determine the effect of customer care on organization performance at Chase bank Kenya

### **1.3 General Objective**

To examine the effect of customer care on organization performance at Commercial Banks with reference to Chase bank Kenya.

#### ***Specific objective:***

The Objectives were to:

1. Identify roles of customer care in the performance of an organization in the competitive environment
2. Establish the problems or weakness of customer care in chase bank
3. Suggest ways of improving customer care service

### **1.4 Research questions**

1. What are the roles of customer care in the performance of an organization in the competitive environment?
2. What are the problems or weaknesses of Customer care in the chase Bank?
3. What are ways of improving Customer care Service?

### **1.5 Scope of the study**

#### ***Geographical scope;***

The entry of new banks and non bank financial institutions has enhanced the competition, improved the quality and type of financial products services provided. Currently, there are more than 25 registered banks and 10 non –financial institutions. Each of these institutions plays an important role in financial resource mobilization. However the researcher based her study at chase bank Nairobi branch, kisumu branch, Mombasa branch and thika. This is because under the expansion programme the Nairobi branch has shown growth with regard to customer Care services. The study involved selected

employees in the company placing special emphasis on the Customer care department, Public relations departments and ranged within a period of six months. It equally aimed at gender sensitivity in the selection of respondents to ensure that both men and women participate equally.

### ***Content scope***

Content scope dwelt on the meaning of customer care, the role of customer care, Increase of customer satisfaction, effective customer care, handling customers' complaints and the environment without customer care system. The study also assessed the need for a customer care system in commercial banks and the extent to which possible solutions of how to improve customer care can be derived in competitive markets.

### ***Time Scope***

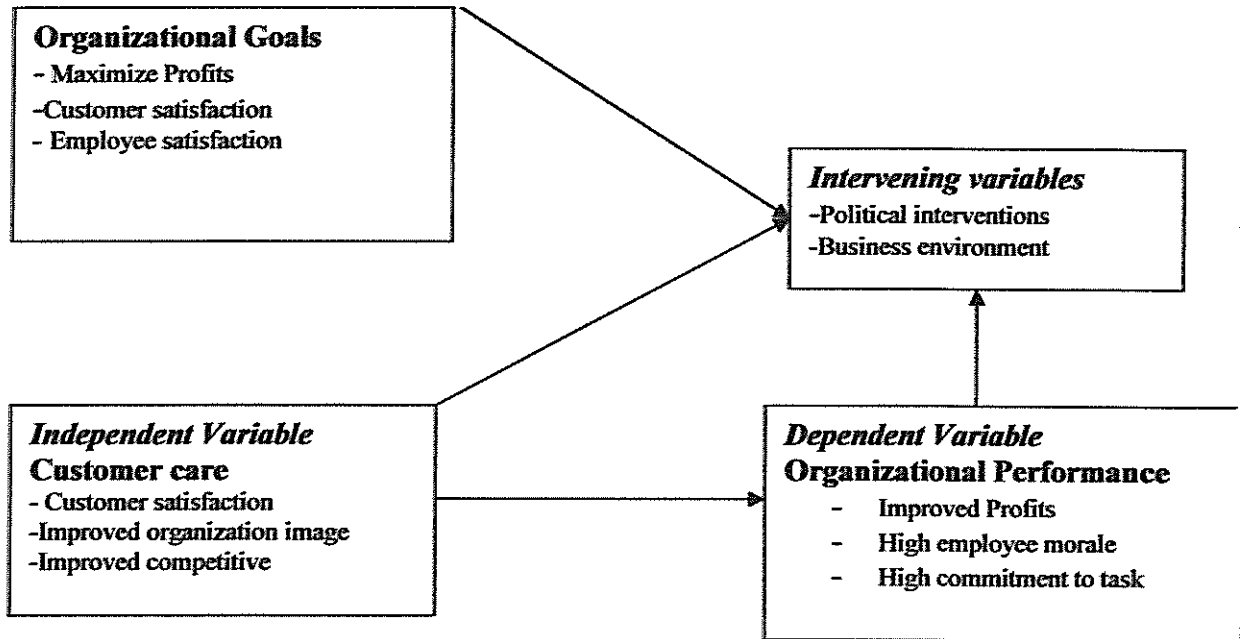
The study was intended to take 3 years in which the researcher established the effect of customer care on organization performance with regard to chase bank Kenya.

## **1.6 Significance of the study**

- i. The research findings may help commercial banks especially chase Bank adopts more realistic approaches to improving customer care.
- ii. The results of the study may be useful to future researchers who might be interested in a related field.
- iii. The result may contribute to the existing theories on customer care and organizational performance of Banks
- iv. There is a greater hope also that the study may be a source of great experience and a contribution to the academic career of the researcher



**Fig: 1:1 Conceptual Framework**



**Source: Author 2009**

The conceptual framework indicates that the role of every organization is to achieve both customer satisfaction, employee satisfaction and maximize profits. This can be achieved through enhancing measures of Organizational performance that create the ability to Improve company profits, boost employee morale and commitment to task. However the customer care goals (independent-variable) which include customer satisfaction, improved organizational image and improved competitive advantage are a necessary qualification to enhancing organizational performance(Dependent Variables) and attaining Organizational goals. Profitability is generally most important to the firm’s life form thus being one of the organizational goals. However this can be also be affected by other independent factors (intervening factors) especially political intervention in the case of instability and business environment (stakeholders).

### **1.7 Theory of the study**

According to Rizal (2002) reflection of theory and practice, customer care is increasingly being seen as an important managerial issue. It has also been acknowledged as a key factor in increasing sales volume. The theory further reflects that existing customers are among the most important assets of an organization as they have already chosen them instead of their competitors . Keeping their custom costs far less than attracting new ones , so it is worth taking steps to ensure that they are satisfied with the service they receive.

## **CHAPTER TWO REVIEW OF RELATED LITERATURE**

### **2.0 Introduction**

This chapter presented a review of literature relating to the variables under investigation; it presents the theoretical orientation of the study and related literature. The related literature was presented with the objectives of the study and cited to suit the functionalism of Customer care with regard to Organizational Performance in general and chase bank in particular. The researcher made a number of links that arose from the literature.

### **2.1 Overview of a customer**

Kotler (1994) defines customer as an individual, group, company etc with the need for demand for some goods and /or services. He correctly observes that, customers are a focal point in the entire marketing mix. Like the hits of a bicycle wheel, they determine the destiny of any business enterprise. Customers are not an interference in the business but the most important asset compared to anything else in the business enterprise .They are the heart of the business, and are considered the hardest thing to get while at the same time the easiest to loose if you d not handle them with care.

Lovelock (1984) defines customer as person to whom a service is delivered. In a business undertaking, citing chase bank as an example a customer can be called a buyer, consumer

or a client. Stanton et.al (1994) defined a customer to include an individual or organization that makes a purchase decision. In many cases, a customer is also a consumer when the consumer is the individual or organizational unit that uses or consumes a product. But often the customer and the consumer are different for instance in a household parents frequently makes purchase decision for products that the children consume .Mayal et.al (1993) defined a customer as a person who has entered into a contract with an organization to buy its product, similarly curie (1989) defined a customer as an organization/individual who buys from a tradesman or shop.

Customer care is a skill designed to give people more confidence in their ability to deal with customers and reduce their excitement and stress, which is practiced by the person who is given the services. Thus customer care is concerned with the consumer's satisfaction that is why you may come across the phrase "customer is king" which means putting customers first, anticipating their needs and establishing customer relationship.

## **2.2 The meaning of customer care**

Customer care is a customer service that seeks to acquire new customers, provide superior customer satisfaction and build customer loyalty. Customer care is the additional service that organization offers to their customers in order for the customers to enjoy the use of organizational products. The objectives or Customer Care include exploring the concepts of customer service, identifying factors that influence quality of input for and outcome or quality service delivery and identifying barriers to quality service delivery.

### **2.3 The role of customer care**

The main role of customer care is to acquire new customers, to provide customer satisfaction and to build customer loyalty. Customer care is not just something that happens but by using the right techniques, quality customer care can be managed in a service operation just as other enterprises manage in creation of more tangible products. A specific collection of strategies is needed to achieve high quality customer service. What managers of service operations do has more influence on the quality of customer service than any other single fact (Shenyagwa 1989). Customer care has a number of benefits, these include enthusiastic customers tell others about their experiences customers influence other customers and enthusiastic customers may be willing to pay more.

### **2.4 Increase of customer satisfaction**

Customer care enables you to identify and focus special attention on your most profitable and potential customers. Customer care also increases the efficiency of you marketing, sales and customer service departments by enabling them to deliver more relevant timely service to each other. Customer care allows you to tailor your communication and offering services based on customer's interest and preference. Customer care solutions gather information about potential customers so you can tailor your sales message to their needs and interest .a customer may communicate to you through your website ,phone or face to face .

The information gathered during those contacts is managed through a customer care application. Customer care enables customers to retrieve product information and pricing anytime, day or night. This reduces the need to constantly add staff as you add new product service and your customer base grows. If the customer complaints have been dealt with effectively, quickly and to the customers' satisfaction this can actually increase loyalty to the organization and reduce cost.

### **2.5 Effective customer care**

Customer care should be the concern of every worker in the organization. There are several ways that can enable the organization to provide effective customer care .They are include, customer care representatives being multi skilled and able to answer customer queries and complaints with minimum of hands off. This will reduce unavoidable transfers and delays, thereby keeping customers waiting times and frustration level to a minimum. The relationship with the customer should be proactively managed at all stages of the customer's life cycle to make them feel valued.

Proactively educating customers with bank services so that they will be satisfied with organizational services and products show we care and also gives us the opportunity to inform them of our latest offers or customer loyalty programs. A constant customer service presence twenty four hours a day shows that the organization cares for the customers.

Sharing of customer information between departments all departments should network to share customer service issues and inquiries, allowing each department to service customers with accuracy. Knowing your customers, research customers shopping habits and identify and follow up with the most profitable customers save time to deal with them. Determine what works what is right for one organization may not be right for another, research your customers base and determine what technologies and practices work best.

## **2.6 Handling Customers Complaints**

According to Carol Meyer et.al (1993) handling customer's complaints includes looking smart and efficient. Welcoming the customers and adopt the right helpful attitude by smiling and not showing resentment because the customer might be prepared for the battle and already decided exactly what they are going to tell you ,expecting the organization staff to be defensive. If they are welcomed with a friendly smile and feel that there is genuine interest in the problem, this starts the interview well.

Be sympathetic to the customer, thanking them for bringing the error to the organizations attention. When the customer is explaining what the complaint is about, listen to the full story, do not interrupt taking notice if necessary and focus completely on the customers. Ask open questions to elicit any further information that is required, gently establish the full story, stay calm and do not attempt to justify the organizations position or argue with the customer. Ensure that the foundation of the complaint is understood by reiterating it to the customer and obtaining the customers agreement that tries is the problem.

Do not give excuses if the organization had made an error nor blame the computer or another member of the staff. Simply admit that a mistake has been made. If the problem requires the attention of more senior staff or specialist knowledge, explain this to the customer pass it to the person who can deal with the problem and follow this up.

If the complaint is justified, apologize to the customer; explain what will be done to rectify the situation, ensuring that what is promised is done quickly. Consider whether or not the customer should be sent a letter of apology and ensure that customer understands .explain what will be done and why so that they will appreciate the caution to be taken and feel well disposed towards the organization.

If the complaints are unjustified, the customer should be given a clear and courteous explanation of the organizational attitude or practice. Whatever action is taken, ensure that the customer feels the complaint has received proper attention, even if it is not always possible to satisfy the customer when it is decided that the complaint is unjustified. Consider whether there is any assistance, advice or an available service that could be sold to the customer to help prevent the problem recurring.

### **2.6.1 Basic methods of getting feedback from customers**

The methods you choose and how you use them depend on the type of feedback you want from customers. For example to find out their needs in products and services there are some common methods that any organization can choose to employ. Employees are usually the people who interact the most with your customers, ask them about the



products and service that customers ask for; equally ask them about customer complaints if any.

Comment cards with questions on them should be distributed. The cards should contain some questions like if the customers were satisfied, how could we provide a perfect service or whether there are any services that customers would like to see exist in our organization. By the customers answers you will know the performance and other customer wants.

If there are other companies selling the same product and the customers are buying more from you then you can know that they like your product, but other wise then you must know that the customers are not satisfied with your products and you must take appropriate measures to solve this problem. You must ask the customers if they are satisfied with your services and if not what do they think that the organization can do top them so as to bring their satisfaction on organizational products.

Notice what customers are buying from you and documenting the records. If you already know what customers are buying from you is this written somewhere? It should be so that you won't forget, particularly during times of stress or when trying to train personnel to help you out. Survey by mails, receive suggestions, recommendations and complaints from customers through mails or telephone and positive attitude.

## **2.7 Need for a customer care system**

Capability to proactively acquire new sales and customers, the customer care system should be capable of targeting new sales as well as matching customers and product and should offer this information to customer care representatives when contracting the customer. Capability to provide prompt service to existing customers, the customer care system should include automation to provide prompt service to customers. The system should be designed in such a way that it allows interaction with all customers for example there should be a short waiting time. The ultimate objective is to provide the customer with the required service by a given time.

The customer care system should reduce costly human errors, easy to use, incorporate procedures, reduce information being typed and verify information entered. Capability to acquire additional marketing information. Any contract with customer is valuable and should be viewed as an excellent opportunity to acquire future marketing information as part of each contract; marketing information should be captured in an easy and consistent manner.

### **2.7.1 Customer satisfaction**

Satisfaction is a persons feeling of pleasure or disappointment resulting from comparing products and perceiving performance as being to his /her expectation. The consumer is thus highly satisfied (Kotler 1994) Customer expectation is influenced by past buying experience, friends, associates, device, marketers, competitors information and promises. Stanton et.al (1994) defines customer satisfaction as how close experience with the product or service meets or exceeds customer expectation.

According to EMA (1982) satisfaction is the consumer's evaluation of the performance of the deposit system along with certain dimensions. This is the theory of Tour and Peat (1988) which states that an individual accesses the rewards and costs of social interaction by judging it against the comparison level and this assessment determines his or her satisfaction with the outcome of that interaction.

There is no one statute or case law that alone defines the term customer. As definition can be gleaned from a number of cases however Stanton (1994) notes that a customer is the most important visitor of our premises because he is not depending on us, we depend on him, he is not an interruption to our work but the purpose of it and neither is he an outsider in our business but part of it.

Kotler (1994) further states that the customer is the most important person ever in the office in person or by mail. We are not doing him a favor by serving him; he is giving us an opportunity by doing so. He is not someone to argue or match with. Nobody ever won an argument with a customer, He is a person who brings us his wants, favor by giving us his wants. It is our job to handle them profitably to him and to ourselves.

### **2.7.2 Competitive markets**

Competitive market or competitive environment is then situation where there are many firms operating in the same area and offering the same products or service to the same market. Competitive markets have many producers and many consumers in a given

market. Equally consumers have clearly defined preferences and sellers attempt to differentiate their products from those of their competitors, the goods and services are heterogeneous usually though not always intrinsically so. There are a few barriers to entry and exit. In today's world markets play a vital role in the function of delivering goods and services. They are provided feedbacks producers on customer needs and expectations for purposes of improvements on the products. Marketers promote and advertise the product or service offered. In so doing, they use marketing techniques that tend to draw customers attention on what they should expect.

In the case of financial institutions for instances, markets try to make customers feel comfortable with the banking service through various marketing techniques at service points. The front offices that deal directly with customers are responsible for portraying first hand image of the bank. However, back offices in the bank also play a similar role although indirectly. These include the operations and finance departments. Marketers therefore, have an influencing power on customers as they are the ones who have direct contact with the customers just before the customers decide to engage in purchasing the product.

### **2.7.3 The environment without customer care system**

Most banks have customer care service, though those that do not have an effective customer care system are characterized by lack of procedure because of multiple application that provide too much flexibility that is each customer care representative develops their own procedure. The services that a customer receives depends on the

customer care representative, some services may be good while others may not be good. The customer will perceive this unevenness as poor customer service, as good customer care system, in contract implements Customer care representative procedures and force them to follow company procedures.

Customer service department have relatively high staff turnover, as there are many applications and procedures that Customer care representatives must learn, the training time is lengthy and costly to the service providers. A good customer care system is easy to learn and use and therefore has a shorter training time.

Because lack of automation a great deal of handling tasks off to other people or departments manual hand offs mean waiting time ,more data entry and increased possibility of human error, a customer care system reduces the number of hand offs by automating these manual tasks.

Poor customer service due to inadequate infrastructure results in poor CSR job satisfaction .Consequently, the consumer service department will experience high turn over and poor customer service. With a customer care system customer service will be better and customer care representatives will be more satisfied with their work. Having seen the above points it is very important for any organization to have customer care system that may suit their customer and hence bring profit to the organization.

## **2.8 Organizational Performance**

There was a time when performance was seen primarily in terms of individual Motivation and individual performance .Increasingly the focus has shifted to emphasize

performance of the organization as a whole .This change of emphasis is drawn starkly by Deming (1986) cited in Derek et .al (2002)He assets that performance variations are the result not of individual differences but of the systems that are implemented and controlled by managers .Factors that are outside the control of the individual. Deming further highlights a critical perspective on the importance of the systems, processes and culture for ultimate organizational performance .Total quality management is intended as a holistic approach affecting every aspect of the organization with a view to building quality into everything that is done, it is the philosophy of the way the organization is managed, Wilkinson et .al (1998) cited in Derek et. al (2002).Another initiative identified by Wilkinson is the emphasis on the quality of customer service and the adaptation of quality into service sector. The central focus of total quality into service sector .The central focus of total quality management is on identifying and meeting customers needs. Total quality is not something that can be achieved but is a focus for continual improvement as in the Japanese term “Kaiser”. The theory of continuous process improvement refers to substantive, systematic change. The challenge is to create an environment for substantive systematic change. Lashley (1995) also advances team building in Banks as a means of empowerment and continuous improvement .A natural development to team building initiatives is the formation of self managed teams to solve problems and drive continuous improvements .Atkinson (1994) also argues that the foundation to continuous improvements is work place improvement teams which probably started as quality circles and may have evolved into self –managed work teams .Their aim is to continuously seek improvements within their own merit and is supported by corrective actions .

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 Introduction**

This Chapter highlighted on the research design that was used, area of the study, population of the study, sample selection methods and size, data collection methods, validity and reliability, procedures of data collection and analysis methods that were used.

#### **3.1 Research design**

The research was a cross sectional, descriptive and analytical survey designed to show the extent to which commercial banks face challenges in customer care delivery and organizational performance in Kenya. Samples of respondents were drawn from chase commercial Bank Nairobi Branch, in addition to information expected to be generated from discussions, observations and interviews with the chase bank employees and management.

#### **3.2 The study population**

The target population will be the Chase bank Management and employees who will make a total of thirty (30) respondents. The people dominating this area are Multi-ethnic. The heads of the departments will only be used as informants on the challenges faced by the banking sector in customer care this is because they experience an impact on these challenges as heads of sections which critically need most of these challenges being investigated.

**Table (1) Distribution of Respondents**

<b>Department</b>	<b>No. of Respondents</b>
Clients	14
Customer Care Department	9
Public Relations Department	7
<b>Total</b>	<b>30</b>

**Source: Primary Data**

### **3.3 Selection of respondents**

The selection of respondents employed both probability and non-probability sampling methodology. Both purposive and convenient sampling methods were employed. A list of staff in the selected departments was used as a sampling frame. Then stratified sampling was used to ensure that both men and women participate equally. The picking of respondents made sure the sample is sufficient enough. It estimated that the survey received a total of seven (7) Public Relations members, nine (9) Customer care employees, and 14 clients hence making a total of thirty (30) respondents. The expectation was that the sample justifiably gave equal reliable and representative information.



### **3.4 Data collection methods**

Data collection was from two main sources; primary and secondary. Secondary sources included relevant documents and reports. Secondary data was collected by reviewing available literatures/publication in relation to the topic. The researcher employed the technique to pick information that was available from these reports. Primary sources included data collected from selected respondents. Primary data was collected by administering questionnaires and interview guides in relation to the topic. The researcher employed the technique to pick information that was available from the respondents.

### **3.5 Instruments for data collection**

#### ***The questionnaire***

The semi structured questionnaire was the main instrument of the study to be administered to the staff of the selected departments. The questionnaire was designed to explore key variables of factors affecting customer care on organizational performance. The researcher prefers to use this method because of its ability to solicit information from respondents within a short time as supported by Gupta (1999). Moreover, respondents are given time to consult records and sensitive questions will be truthfully answered (proctor 1997:40-45).

#### ***Structured interviews***

Interviews were administered to the Departmental heads at Chase Bank, concerning the role of customer care and organizational performance. Structured questionnaires were designed in such a way that more specific and truthful answers related to challenges faced

by Firms were got. Interviews have been preferred because according to Amin (2003), they give an opportunity to probe and obtain detailed information on an issue.

### **3.6 Validity and reliability of instruments**

#### ***Validity of the questionnaires***

The validity of the questionnaire was established by expert judgment method proposed by Gay (1996). Two experts in the field of research in addition to my supervisor were contacted to judge the materials. The researcher adjusted the materials according to the expert's recommendation. Questionnaire samples were pre-tested to similar respondents to check its reliability.

#### ***Data Processing and Analysis***

Qualitative data analysis sought to make general statements on how categories' or themes of data are related. The data was in the form of texts and materials which described occurrences. The researcher detected various categories in the data, which were distinct from each other. The researcher then established relationship among these categories. Generating themes and categories was done using codes, which were assigned manually.

### **3.7 Research Procedure**

The researcher started by obtaining a letter from the Kampala International University to enable her visit the Chase office at Nairobi to inform them formally about the forthcoming study. A list of employees was obtained from the human resource department and this was used to make up the sampling frame. Key informants were purposively selected during the administering of the questionnaire.

The research instruments used was designed to capture qualitative data. The questionnaire was administered to 23 respondents. The interview schedule targeted 7 key informants. The technique also enabled the researcher to learn new information relevant to the study, which had not been incorporated in the design of the instruments.

### **3.8 Limitation of the study**

The limitations included probability of bias due to the sampling method and data collection due to the possibility that some of the respondents did not consent to participate in the study. Time factor was of essence due to academic pressure.

Some mitigating policies were therefore put in place like follow-ups incase of non-response, sourcing for affordable equipments and sourcing for funds from any available source. For objectivity, the researcher increased the number of respondents and later used personal judgment to limit this from occurring.

## CHAPTER FOUR

### PRESENTATION, ANALYSIS AND INTERPRETATION OF THE RESULTS

#### 4.0 Introduction

This chapter of the study systematically presents the results that were obtained from the research that was conducted, results are quantitatively presented. The analysis and interpretation follows tabular presentation at some stages and the interview results from the respondents are also presented to supplement the quantitative presentation.

The presentation of the study is guided by the research questions that guided the study. The background information of the respondents however is also presented. Hence forth, the presentation is divided into two sections where section one presents the background information of the respondents, while section two, represents the results of the study according to the interview guide and the research questions that guided collection. The presentation of the data follows in the following discussion.

#### 4.1: Gender

**Table 4.1: Gender distribution of the respondents**

	<b>Respondents</b>	<b>Percent</b>
Male	20	67
Females	10	33
<b>Total</b>	<b>30</b>	<b>100.0</b>

**Source: Primary Data**



Majority of the respondents were males represented by 67%. While minority were the females represented by 33%. The results indicated both males and females participated in this research and that the research finding is vital.

**Table 4.2. Level of education of respondents**

<b>Level of Education</b>	<b>No. of respondents</b>	<b>Percentage</b>
<b>Other Certificates</b>	11	36.6
<b>Diploma CPA (K)</b>	5	16.7
<b>Degree</b>	6	20
<b>Masters</b>	8	26.7
<b>Total</b>	<b>30</b>	<b>100</b>

**Source: Primary Data**

Majority of the respondents were had achieved certificates represented by 36.6%. While minority had diplomas represented by 16.7%. This revealed that the majority of respondents were educated and so the research findings were vital.

**Table 4.3 :Age of the respondents**

<b>Years of experience</b>	<b>Respondents</b>	<b>Percent</b>
1-3 years	6	20
4-7 years	14	46.7
7-10 years	3	10
Over 10 years	7	23.3
<b>Total</b>	<b>30</b>	<b>100.0</b>

**Source: HR department**

Majority of the respondents had stayed in Chase bank for a period of 4-7 years while minority had stayed of 7-10 years. The research findings were fundamental in that most of the employees knew the bank well.

During the face-to-face interviews most of the respondents indicated that it is not easy to spend more than 10 years with Chase Bank (Nairobi). They basically attributed this to lack of motivation by the organization this included both incentive wise and financial.

**Table: 4.4: the roles of customer care**

	<b>Respondents</b>	<b>Percent</b>
Frequently	12	15
Occasionally	8	28.3
Not Much	6	44.7
No Idea	4	12
<b>Total</b>	<b>30</b>	<b>100.0</b>

Majority of the respondents showed that they frequently attended training on customer care. While a minimal number showed they were not interested in the training.

**Table:4.5 problems faced when serving customer**

	<b>Respondents</b>	<b>Percent</b>
Communication	8	26.7
Fraud	6	20
Illiteracy	12	40
No idea	4	13.3
<b>Total</b>	<b>30</b>	<b>100.0</b>

**Source: Primary Data**

The majority of the respondents 12 (40%) felt that the persistent problem was illiteracy while the lesser number of 13.3% had no idea However ) of the respondents felt that language barrier was a major hindrance to effective service delivery in Nairobi town.

During the Face to face interviews the respondents stated that it was difficult to interact with their clients and explain their products well this was because most of their clients were illiterate. The respondents further stated that the problem they faced was rather communication to the clients, those who came from the region and are working within the bank though stated that they usually come in handy and preferred that the bank should have put this into consideration before sending other people into the region. Respondents



cited cases of fraud and singled out the Congolese community in particular to be associated with this vice. A small fraction of the respondents said that they had no idea to the problems they faced at the bank.

**.Table: 4.6: Factors affecting the Organizational Performance of Chase Bank**

	<b>Respondents</b>	<b>Percent</b>
Effective management	11	36.7
Globalization	2	6.7
De- regulation	4	13.3
Market Mix	6	20
Technology	7	23.3
<b>Total</b>	<b>30</b>	<b>100.0</b>

**Source: Primary Data**

The number one factor that is affecting the organizational performance of Chase bank is lack of effective management while globalization is affecting the organization the least.

**Table: 4.7: ways of improving customer care in Chase Bank**

	<b>Respondents</b>	<b>Percent</b>
Infrastructure improvement	12	40
Training	8	26.7
Management improvement	10	33.3
<b>Total</b>	<b>30</b>	<b>100.0</b>

**Source: Primary Data**

The ways of improving customer care in Chase bank would be to improve the internal management of the bank. The bank needs also needs to give more training to their employees to enhance their knowledge of banking. Lastly the bank should improve on the infrastructure.

From the second objective of the study, the researcher delivered a research delivered question. In order to get to get appropriate answers to this research, a number of elements were subjected to the respondents to solicit for the variables in question. For instance, the researcher solicited respondents, opinion on the problems or weakness of customer care services in the Chase Bank the results are depicted in table

**Table:4.8: problems or weaknesses of customer care services in Chase Bank**

	<b>Respondents</b>	<b>Percent</b>
Training	10	33.3
Management	6	20
Infrastructure	12	40
No idea	2	6.7
<b>Total</b>	<b>30</b>	<b>100.0</b>

**Source: Primary Data**

Majority of the respondent felt that the biggest weakness facing Chase bank is infrastructure while the lesser number of the respondent had no idea .

**Table :4.9 :whether the following advertising function were reflected in Chase Bank**

	<b>Respondents</b>	<b>Percent</b>
Strongly agree	6	20
Agree	8	26.7
Neutral	4	13.3
Disagree	12	40
<b>Total</b>	<b>30</b>	<b>100.0</b>

**Source: Primary Data**

This indicates that there was a wide perception which was 40% of the respondents who disagreed that the Bank had feedback mechanism on the quality of services delivered however 13.3% were neutral.

	<b>Respondents</b>	<b>Percent</b>
Hotline number	9	30
Suggestion Box	14	46.7
Verbal interaction	4	13.3
Written form	3	10
<b>Total</b>	<b>30</b>	<b>100.0</b>

The majority of the respondents felt that the suggestion box was more preferred method to the others. 9(30%) of the respondents felt that the hotline method was better of however 4(13.3%) of the respondents felt that through verbal interaction one would be able to asses and interact with the consumer yet 3(10%) of the respondents felt that written forms that could be given in form of a questionnaire to clients was more precise and tangible.

There are equally those respondents who felt that by introducing questionnaires that can be filled by clients without the provision of writing their names on them would be quite appropriate than any other method in that the bank would get precise answers and areas on which it needs to improve it services. The researcher sought to find out from the respondents the extent Chase bank invested their funds on customer care training

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.0 Introduction**

The Chapter presents the summary of the results derived from the data presented . The discussion leads into varying conclusions and a number of recommendations are subsequently derived

#### **5.1 Summary of the findings**

##### **5.1.1 Role of customer care in the performance of an organization**

The findings of the research revealed that customer care has a number of benefits, these include enthusiastic customers tell others about their experiences customers influence other customers and enthusiastic customers may be willing to pay more.

Customer care enables one to identify and focus special attention on your most profitable and potential customers. Customer care also increases the efficiency of you marketing, sales and customer service departments by enabling them to deliver more relevant timely service to each other. Customer care allows one to tailor communication and offering services based on customer's interest and preference.

##### **5.1.2 Problems faced by customer in chase bank**

The findings of the research revealed that problems faced by customers in Chase bank are lack of procedure because of multiple application that provide too much flexibility that is each customer care representatives develops their own procedure .

Customer service department have relatively high staff turnover, as there are many applications and procedures that Customer care representatives must learn, the training time is lengthy and costly to the service providers. A good customer care system is easy to learn and use and therefore has a shorter training time.

Because lack of automation a great deal of handling tasks off to other people or departments manual hand offs mean waiting time ,more data entry and increased possibility of human error.

Poor customer service due to inadequate infrastructure results in poor CSR job satisfaction. Consequently, the consumer service department will experience high turnover and poor customer service. With a customer care system customer service will be better and customer care representatives will be more satisfied with their work.

### **5.1.3 Ways of improving customer care**

The findings of the research revealed that ways of improving customer care would be the representatives being multi skilled and able to answer customer queries and complaints with minimum of hands off. This will reduce unavoidable transfers and delays, thereby keeping customers waiting times and frustration level to a minimum; the relationship with the customer should be proactively managed at all stages of the customer's life cycle to make them feel valued; Proactively educating customers with bank services so that they will be satisfied with organizational services and products show care and also gives us the opportunity to inform them of the latest offers or customer loyalty programs. Sharing of customer information between departments, all departments should network to

share customer service issues and inquiries, allowing each department to service customers with accuracy.

## **5.2 Conclusions**

1. From the study the results from research objective One proved that in financial institutions for instances, markets try to make customers feel comfortable with the banking service through various marketing techniques at service points. Therefore the front offices that deal directly with customers are responsible for portraying first hand image of the bank. The services that a customer receives depends on the customer care representative-ness, some services may be good while others may not be good. The customer will perceive this unevenness as poor customer service.

2. From the study the results from research objective Two concluded that poor customer service due to inadequate infrastructure results in poor CSR job satisfaction. Consequently, the consumer service department will experience high turnover and poor customer service. With a customer care system customer service will be better and customer care representatives will be more satisfied with their work.

3. From the study the results from research objective three concluded that among the several ways of improving customer care there is need for the customer care representative being multi-skilled and able to answer queries and complaints with minimum of hands off. The relationship with the customer should be proactively managed at all stages of the customers' life cycle to make them feel valued.

### **5.3 Recommendation**

It is therefore recommended that survey by mails, suggestions, recommendations and complaints from customers through mails, suggestion box or telephone should be adopted.

It is recommended that a constant customer service presence should be available whenever the bank is open this shows that the organization cares for its customers.

It is recommended that sharing of customer information between all departments should be encouraged. Hence networking to share customer service issues and inquiries thus allowing each department to serve customers with accuracy.

It is equally recommended that training programmers aimed at providing skills in Customer care should be organized on regular basis by the bank.

### **5.4 Areas for further research**

There is need to do research on customer care and customer retention further research can also be done in product quality and organizational performance in chase bank.



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**INTERVIEW GUIDE FOR THE HEADS OF SECTIONS CHASE BANK**

1. To what extent does Customer care affect the Organizational performance of commercial banks?

2. What measures does Commercial Bank enforce in managing smooth operations with regard to Customer Care?

3. What extent does Chase bank invests their funds on Customer Training?

4. Do you feel that there are any solutions that can help improve Customer Care?

5. What are the factors affecting the Organizational performance of Chase bank?

- a) Technology
- b) Globalization
- c) Effective management
- d) Deregulation
- e) Marketing mix

6. How would you rate the contribution of the above factors to Chase bank Organizational performance and Customer Care?

1. Poor 2. Fair 3 .medium 4. Good 5. Excellent

Technology 1. 2. 3. 4.

Globalization 1. 2. 3. 4.

Effective management 1. 2. 3. 4.

Deregulation 1. 2. 3. 4.

Marketing mix 1. 2. 3. 4.

7. What are the management strategies put in place for smooth Organizational Performance and Customer Care?

## THE EFFECT OF CUSTOMER CARE ON ORGANIZATION PERFORMANCE

### CASE STUDY: CHASE BANK

Dear respondents as part of my requirements to the award of a Bachelor in business administration at Kampala International University. I am administering this questionnaire to collect information on the effect of customer care on organization performance at Chase bank .Please answer as honestly as possible.

#### INSTRUCTIONS:

- 1 Do not sign your name anywhere on this questionnaire.
- 2 For Section A, and B, Just tick and fill in for other sections.

#### QUESTIONNAIRE FOR CHASE BANK EMPLOYEES

##### SECTION A: RESPONDENT BACKGROUND (TICK WHERE APPROPRIATE)

1.1 Gender: Male  Female

1.2 Age: 20-29

30-39

40-49

50-59

60-above

1.3 Number of years in the organization

2-5  5-10  10-above

1.4 Education Background

Primary  O-Level  A-Level  other

**SECTION B:**

2.0 What are the Services offered by Chase Bank?

- a).....
- b).....
- c).....

2.1 Do you face any problem(s) when serving customers

Yes  No

2.2 If yes mention them

- a) .....
- b) .....
- c) .....
- d) Other specify.....

2.3 How do you solve the problems you have just mentioned?

- a) .....
- b) .....
- c).....

2.3.1 Have you attended any course concerning the roles of customer care?

Yes  No

3.0 If no, how do you work?

- a).....
- b).....

3.1 What ways/methods do you use to know if a customer has been satisfied with the service you offered to them?

a) .....

b).....

4.0 Do you advise the Organization in order to increase efficiency in customer care

Yes  No

4.1 Do you think the methods put in place by Chase to deliver service to customers are the most appropriate ones

Yes  No

4.2 If yes do you think they are appropriate

a).....

4.3 If no what should be done

a).....

4.4 Do you think there might be an impact in lacking good quality customer care

a).....

**THE EFFECT OF CUSTOMER CARE ON ORGANIZATION PERFORMANCE  
CASE STUDY:CHASE BANK**

Dear respondents as part of my requirements to the award of a Degree in business administration at Kampala International University. I am administering this questionnaire to collect information on the effect of customer care on organization performance at Chase bank .Please answer as honestly as possible.

**INSTRUCTIONS:**

- 3 Do not sign your name anywhere on this questionnaire.
- 4 For Section A, and B, Just tick and fill in for other sections.

**QUESTIONNAIRE FOR CHASE BANK CLIENTS**

**SECTION A: RESPONDENT BACKGROUND (TICK WHERE APPROPRIATE)**

1.1 Gender: Male  Female

1.2 Age: 20-29

30-39

40-49

50-59

60-above

1.3 Number of years dealing with the organization

2-5  5-10  10-above

1.4 Education Background

Primary  O-Level  A-Level  other

2.0 How did you know about Chase Bank?

- a) Colleague

- b) Newspaper
- c) Seminar/workshop
- d) Other (please Specify).....

2.1. How long have you been a client at Chase bank?

- a) More than 20 years
- b) 10 –20 years
- c) 1-10 years
- d) Less than 1 year

2.2 How do you view the service delivery by Chase bank to you Esteemed Clients

- Very Good
- Good
- Fair
- Poor

3.0 If fair or poor what do you suggest?

- a).....

3.1 How long do you take on a normal day before getting services at Chase bank nairobi

Branch?

- a) Over 60 minute
- b) Within 30-60 minute
- c) Within 1-30 minute
- d) Less than 30 minute

3.2 Do you feel satisfied with the services offered by Chase bank?

Yes  No

3.2.1 If No state the reasons why

a).....

3.3 Have you ever banked with any other financial institution?

Yes  No

3.3.1 What difference if any do you see between the service offered by Chase and other banks

a).....

4.0 What suggestion is appropriate according to you in enhancing Customer Care?

- a) Increasing the number of staff
- b) Increasing the number of ATM machines to lessen crowding in the Banking Hall
- c) Increasing the number of Chase branches
- d) Any other suggestion .....

4.1 What amongst the following do you need to be informed about?

- a) How to obtain a loan
- b) How to operate an ATM machine
- c) Advised on the interest rates and bank charges on loans and services
- d) Advised on the general interest rates.
- e) Other specify .....