# Impact of Employee Behavior to Customer Satisfaction among Selected Establishments in Zambales, Philippines

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Employees' behavior leads to customer satisfaction, which, in return, affects the organization's overall productivity. This research attempts to explore the behavior of employees with customers' satisfaction among selected establishments in Zambales. Descriptive research design is used with the questionnaire to gather data from three hundred forty-six respondents who were randomly selected. The findings showed that most of the respondents were female, single, and college graduates in the early adulthood stage. The respondents strongly agreed on employees' behavior regarding employees' general characteristics, behavior towards customers, and work attitude. There was no significant difference in the dimensions of employees' behavior, but a significant difference in employees' behavior as to general characteristics when customer-respondents were grouped according to educational attainment. Significant on level of customer satisfaction when customer-respondents are grouped according to civil status, and there is "high positive relationship" between the level of satisfaction and employees' behavior as to general characteristics and behavior towards customers while "very high positive relationship" between the level of satisfaction and employees' behavior as to attitude towards work. Recommendations are provided.

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HERE is a wide variety of employees' behaviors in any hospitality organization that can occur within the workplace. Employees' behaviors are defined as various sequences of actions carried out by employees within the organization (1). Various behaviors that subsist within a workplace are by-products of a diverse chain of actions conceded out by its employees (1). Gronroos stated that employees' behavior within an organization plays a vital role in dealing with customers, determining an organization's productivity and success (2). Accumulating literature affirmed that employees' good behavior

results in reasonable customer satisfaction, affecting productivity.

Employee's behavior and customer satisfaction in one way determine the direction of an organization. An increasing number of customers will mean the long-term life of a business. Organizations should look for innovative ways to retain and increase customers. Meeting customer satisfaction is considered a means of attracting them. Satisfaction means an assurance that they will get and feel what is desired or wanted. Determining customer satisfaction is not an easy task since different custom-

ers have different levels of satisfaction, needs, and wants. Though it seems challenging in the global market, competing businesses are developing their marketing strategies to effectively attract and gain more customers (3).

The satisfaction of customers can be based on the quality of service provided by the employees. Customer satisfaction is an essential factor affecting organizational survival. However, most organizations are not well-informed about their customers' feelings and think they receive various business services.

Customer is considered as the source of profits in an establishment. Satisfied customers are likely to continue to do business with a company, while dissatisfied customers are likely to take their business elsewhere. Satisfied customers attract others and tell them about their positive experiences or service gained; on the other hand, dissatisfied customers move away from influencing them with their negative experiences and service. Focus on customers has increased since the beginning of the consumption era. Further, the shift to post-consumption enables organizations to render more services on top of their customers' expectations. Moreover, the importance of customer satisfaction and quality of service has been proven relevant to help improve an organization's overall performance and success (4).

Recent literature provides an essential element for an employee to become fruitful, which establishes an understanding of customers' satisfaction perspective, thus this study.

# **Objectives**

The study aimed (i) to determine selected customer-respondents profile in terms of their age, sex, civil status, and highest educational attainment; (ii) to describe the behavior of employees of selected establishments as to general characteristics, behavior towards customers, and attitude towards work; (iii) to determine the level of customer satisfaction; a test of difference on the dimensions of employees' behavior as perceived by customer-respondents; (iv) to test of difference on the behavior of employees when grouped according to customers profile variables; (v) to test of difference on customer satisfaction when grouped according to profile variables; and (vi) to test of the relationship between employees' behavior services dimensions and the level of customer satisfaction.

#### **Methods**

The descriptive method of research is used with survey questionnaires as the main instrument in data gathering. The purpose of this type of research is to present a fact concerning the current status of prevailing conditions, practices, procedures, techniques, and processes which one may wish to study. The method is necessary to gather information about existing conditions. Hence, the descriptive method is the most appropriate in this study; it was intended to determine the respondents' demographic profile regarding their age, gender, civil status, and highest educational attainment.

A provincial-wide study was conducted in selected establishments in Zambales, Philippines. This study's respondents were composed of 346 customers from Zambales' selected establishments. The questionnaire was composed of several parts. Part 1 dealt with the customer-respondents' profile regarding sex, age, civil status, and highest educational attainment. Part 2 in-

cluded the respondent's assessment of customer services' dimensions regarding general characteristics, customer attitude, and work attitudes. Part 3 dealt with the assessment of the level of customer satisfaction. Before finalizing the research instrument, the researchers had conducted validation among customers in selected establishments who were not included as the official respondents. All noted discrepancies were taken into consideration and integrated with the final print out of the research instrument.

Descriptive and inferential statistics were used in analyzing and interpreting the data gathered.

#### **Results and Discussion**

The frequency and percentage distribution on customer-respondents' profile variables are presented in Table 1. The majority of respondents, with 242 (69.90%), are females, and 104 (30.10%) are males. The findings imply that the female-respondents' supremacy reflected on mothers' role is going to market for household needs. The respondents' computed mean age was 30.27 or 30 years old, which implies that the respondents were relatively young in their early adulthood. This is the stage of personhood where the individual is expected to experience new roles and patterns to become a spouse and a breadwinner. Most of the respondents, with 197 (56.90%), are single; 132 (38.20%) are married, and 17 (4.90%) are widowed. The findings provide a clear manifestation that the respondents are still enjoying the life of being a bachelor. They are not yet ready to accept and be obligated to marital responsibility to provide children's needed welfare as education, food, clothing, and shelter. There were 233 (67.30%) who attained a college degree; 94 (27.20%) are High School graduates; 12 (3.50%) are Elementary graduates, and 7 (2.00%) attained their Graduate

**Table 2** shows the responses towards dimensions on Behavior of Employees concerning Customer Services and Satisfaction. Customer-respondents strongly agreed on Employees behavior in terms of General Characteristics, 4.48 (Rank 1); Behavior towards Customers, 4.47 (Rank 2); and Attitude towards Work, 4.44 (Rank 3). Overall, customers "Strongly Agree" on employees' behavior in selected establishments about customer services and satisfaction reflected the computed grand mean of 4.46.

**Table 3** shows the level of satisfaction of customers. Customers "Strongly Agree" that "1 = Employees respectfully interact with their co-workers" reflected on the computed mean of 4.64 (Rank 1) while "5 = Employees follow instructions very well" had the lowest mean of 4.38 interpreted as "Strongly Agree" (Rank 12). Overall, the computed level of customer satisfaction was 4.49, interpreted as "Strongly Agree."

The findings support the fact that customer satisfaction is considered the backbone of an overall total quality service rendered by an employee. Satisfied customers remain loyal to the business and continue to patronize goods and services rendered in an establishment resulting in productivity and success. Customer satisfaction is not a perfect indicator but an essential factor of customer loyalty.

The Analysis of Variance (ANOVA) in testing difference on the dimensions of employees' behavior as perceived by custom-

Table 1. Frequency and Percentage Distribution on Profile of Customers.

Profile Variables	Frequency (f)	Percentage (%)
Gender		
Male	104	30.10
Female	242	69.90
Total	346	100.00
Age (Mean = 30.27 or 30 yr)		
≥ 46	34	9.80
41-45	23	6.60
36-40	18	5.20
31-35	72	20.80
26-30	43	12.40
21-25	156	45.10
Total	346	100.00
Civil Status		
Single	197	56.90
Married	132	38.20
Widowed	17	4.90
Total	346	100.00
Educational Attainment		
Graduate Studies	7	2.00
College	233	67.30
High School	94	27.20
Elementary	12	3.50
Total	346	100.00

Table 2. Employees Behavior as Perceived by Customers.

Dimensions	Overall Weighted Mean	Qualitative Interpretation	Rank
1. General Characteristics	4.48	Strongly Agree	1
2. Behavior towards Customers	4.47	Strongly Agree	3
3. Attitude towards Work	4.44	Strongly Agree	2
Grand Mean	4.46	Strongly Agree	

er-respondents is shown in Table 4.

There is no significant difference in the perceived dimensions of employees' behavior manifested on the computed P-value of 0.86, which is greater than the 0.05  $\alpha$  level of significance; hence the null hypothesis is accepted. The findings imply the similarity of customer-respondents perception towards dimensions of employees' behavior. The perceived service quality is the assessment experienced by customer-respondents towards excellence and service rendered by employees. The perception of customers is based on the gap between expectations and the level of actual performance rendered. Numerous litera-

tures suggest a more specific model in determining employee performance and customer satisfaction towards service quality (5).

The ANOVA to test differences in customer-respondents' perception of employees' behavior as to general characteristics when respondents are grouped according to profile variables is presented in **Table 5**.

There is no significant difference in the perceived employee behavior as to General Characteristics when customer-respondents are grouped according to gender, age, and civil status manifested on the computed significant value of 0.0913,

**Table 3. Level of Customers Satisfaction.** 

Leve	el of Customer Satisfaction	WM	QI	Rank
1	Employees respectfully interact with their co-workers.	4.64	SA	1
2	A helpful attitude at work is evident, assisting customers and co-workers.	4.39	SA	11
3	Employees demonstrate excellence in handling multiple assignments.	4.42	SA	9
4	Employees are a good team worker and respected by peers.	4.51	SA	6
5	Employees follow instructions very well.	4.38	SA	12
6	Employees consider the welfare and protection of customers.	4.41	SA	10
7	Employees demonstrate the ability to work with other people.	4.56	SA	3
8	Good personal outlook, well-groomed, and hygiene are evident among employees.	4.55	SA	4.5
9	Employees are honest and polite.	4.58	SA	2
10	Employees are readily available and willing to get the job done.	4.45	SA	8
11	Employees are functional and never get late to work or work events.	4.47	SA	7
12	Employees can communicate clearly.	4.55	SA	4.5
	Overall Weighted Mean	4.49	SA	

Table 4. Test of Difference on Employees' Behavior as Perceived by Customers.

Source of Variation	SS	df	MS	F	P-value	F-crit	
Between Group	0.08	2	0.04	0.15	0.86	3.00	
Within Groups	260.18	1,035	0.25				
Total	260.25	1,037					
Decision: Fail to Reject Ho (Not Significant)							

Table 5. Test of Difference on Employees Behavior as to General Characteristics When Customer-Respondents are Grouped According to Their Profile.

Sources of Variations	SS	Df	MS	F	Sig.	Decision
Gender						
Between Groups	0.001	1	0.001	0.012	0.913	Fail to Reject H0, Not Significant
Within Groups	9.690	344	0.099			
Total	9.691	345				
Age						
Between Groups	0.250	5	0.050	0.499	0.777	Fail to Reject H0, Not Significant
Within Groups	9.441	340	0.100			
Total	9.691	345				
Civil Status						
Between Groups	0.199	2	0.040	0.395	0.851	Fail to Reject H0, Not Significant
Within Groups	9.492	343	0.101			
Total	9.691	345				
Educational Attainment						
Between Groups	1.403	3	0.281	3.182	0.011	Reject H0, Significant
Within Groups	8.288	342	0.088			
Total	9.691	345				_

Table 6. Test of Difference on Employees Behavior as to Behavior towards Customers When Customer-Respondents are Grouped According to Their Profile.

Sources of Variations	SS	Df	MS	F	Sig.	Decision	
Gender							
Between Groups	0.004	1	0.004	0.042	0.837	Fail to Reject H0, Not Significant	
Within Groups	10.244	344	0.105				
Total	10.248	345					
Age							
Between Groups	0.615	5	0.123	1.201	0.315	Fail to Reject H0, Not Significant	
Within Groups	9.633	340	0.102				
Total	10.248	345					
Civil Status							
Between Groups	0.275	2	0.055	.518	0.762	Fail to Reject H0, Not Significant	
Within Groups	9.973	343	0.106				
Total	10.248	345					
Educational Attainment							
Between Groups	0.791	3	0.158	1.572	0.176	Fail to Reject H0, Not Significant	
Within Groups	9.457	342	0.101				
Total	10.248	345					

Table 7. Test of Difference on Employees Behavior as to Attitude towards Work When Customer-Respondents are Grouped According to Their Profile.

Sources of V	Sources of Variations		Df	MS	F	Sig.	Decision
Gender	Between Groups	0.002	1	0.002	0.014	0.907	Fail to Reject H0, Not Significant
	Within Groups	11.103	344	0.113			
	Total	11.104	345				
Age	Between Groups	0.638	5	0.128	1.146	0.342	Fail to Reject H0, Not Significant
	Within Groups	10.466	340	0.111			
	Total	11.104	345				
Civil Status	Between Groups	0.510	2	0.102	0.905	0.481	Fail to Reject H0, Not Significant
	Within Groups	10.594	343	0.113			
	Total	11.104	345				
Educational	Between Groups	0.795	3	0.159	1.450	0.214	Fail to Reject H0, Not Significant
Attainment	Within Groups	10.309	342	0.110			
	Total	11.104	345				

0.777, and 0.851, which are higher than 0.05  $\alpha$  level of significance, hence the Null hypothesis is accepted. On the other hand, there is a significant difference in the perceived employee behavior as to general characteristics when customer-respondents are grouped according to educational attainment manifested on the computed significant value of 0.011, which is lower than 0.05  $\alpha$  level of significance, hence the null hypothesis is Rejected.

Similarly, every company has its own distinct and unique selection and hiring of employees based on the fast-food establishment's vision and mission. The selection of an applicant must suit the objective of the company.

**Table 6** shows the ANOVA to test the difference in customer-respondents' perception of employees' behavior towards Customers when customer-respondents are grouped according to profile variables. There is no significant difference in employ-

Table 8. Test of Difference on the Level of Customer Satisfaction When Customer-Respondents are Grouped According to Their Profile.

Sources of Variations	SS	Df	MS	F	Sig.	Decision	
Gender							
Between Groups	0.012	1	0.012	0.109	0.742	Fail to Reject H0, Not Significant	
Within Groups	10.621	344	0.108				
Total	10.633	345					
Age							
Between Groups	0.539	5	0.108	1.003	0.420	Fail to Reject H0, Not Significant	
Within Groups	10.094	340	0.107				
Total	10.633	345					
Civil Status							
Between Groups	1.638	2	0.328	3.424	0.007	Reject H0, Significant	
Within Groups	8.995	343	0.096				
Total	10.633	345					
Educational Attainment							
Between Groups	0.672	3	0.134	1.267	0.285	Fail to Reject H0, Not Significant	
Within Groups	9.961	342	0.106				
Total	10.633	345					

Table 9. Test of Relationship between Behavior of Employees and Level of Customers Satisfaction.

Sources of Correlations	Level of S	Satisfaction	Interpretation
General Characteristics			
Pearson Correlation	1	0.551**	High Positive Relationship
Sig. (2-tailed)		0.000	(Significant)
N	346	346	
Behavior towards Customers			
Pearson Correlation	1	0.624**	High Positive Relationship
Sig. (2-tailed)		0.000	(Significant)
N	346	346	
Attitude towards Work			
Pearson Correlation	1	0.766**	Very High Positive Relationship
Sig. (2-tailed)		0.000	(Significant)
N	346	346	

<sup>\*\*:</sup> Correlation is significant at the 0.01 level (2-tailed)

ees' perceived behavior as to Behavior towards Customers when customer-respondents are grouped according to gender, age, civil status, and educational attainment manifested on the computed Significant value of 0.837, 0.315, 0.762, and 0.176, which are higher than  $0.05~\alpha$  level of significance, hence the null hypothesis is accepted.

Relatively, behavior towards customers determines customer expectations and the level of services of employees to the customer. The behavior of employees towards customers will sway repeat purchases and word-of-mouth from the latter. The behavior of employees influences customers' attitudes towards the organization and the product, which will lead to patroniza-

tion (6).

The ANOVA to test difference on customer-respondents' perception of employees' behavior as to attitude towards work when customer-respondents are grouped according to profile variables is shown in **Table 7**.

There is no significant difference in employees' perceived behavior regarding Attitude towards Work when custom-er-respondents are grouped according to gender, age, and civil status, and educational attainment manifested on the computed Significant value of 0.907, 0.342, 0.481, and 0.214, which are higher than 0.05 Alpha Level of Significance, hence the Null hypothesis is accepted.

The findings supported the study conducted by Hsu, who noted that employees' attitudes towards work should reflect their customers (7). Employees strive to attain excellence in work; the same should be reflected in their behavior to the customer.

The variance analysis to test differences in customer satisfaction level when customer-respondents are grouped according to profile variables is shown in **Table 8**.

There is no significant difference in the perceived level of customer satisfaction when customer-respondents are grouped according to gender, age, and educational attainment manifested on the computed Significant value of 0.742, 0.420, and 0.285, which are higher than 0.05  $\alpha$  level of significance, hence the null hypothesis is accepted. On the other hand, there is a significant difference in the perceived level of customer satisfaction when customer-respondents are grouped according to civil status manifested on the computed Significant value of .007, which is lower than 0.05  $\alpha$  level of significance, hence the null hypothesis is rejected.

Moreover, as an employee fails to deliver what is expected, the organization should take service recovery to respond to an employee's service failure (8). Thus, organizations should consider recovery management to retain, if not to regain customers (9). Service failure and failed to recovery management are why customers jump from one establishment to another, offering the same service or product. Therefore, building and re-storing employee-customer relationships are considered an alternative to recovery management.

**Table 9** shows the pearson product moment coefficient of correlation to test the relationship between employees' behavior and customer satisfaction. A high positive relationship between employees' satisfaction and general characteristics and behavior towards customers was manifested in the computed p-value of 0.551 and 0.624, respectively. The computed Significant or P-value of 0.000 is lower than 0.01  $\alpha$  level of significance.

Therefore the null hypothesis is rejected. Hence there is a significant relationship. Meanwhile, the computed r-value of 0.766 for Attitude towards Work denotes a very high positive relationship. Therefore, the computed Significant or P-value of 0.000 is lower than 0.01  $\alpha$  level of significance; therefore, the Null Hypothesis is rejected. Hence there is a significant relationship.

The findings imply that as employees' behavior becomes more remarkable than ever, customer satisfaction increases. The study findings support the claim of (10) that an increase in employees' quality service can develop a positive attitude among customers, which affects their loyalty to the establishment. Therefore, a high level of service quality increases customer satisfaction. Similarly, a decline in service quality will dissatisfy customers.

## Conclusion

- i. The majority of the respondents are female, single, and college graduates in the early adulthood stage.
- ii. The respondents "Strongly Agree" on employees' general characteristics, behavior towards customers, and attitude towards work, respectively.
- iii. The respondents perceived "Strongly Agree" on the customer level of satisfaction.
- iv. There is no significant difference in the perception towards dimensions of employee behavior.
- There is a significant difference in employees' behavior as to General Characteristics when customer-respondents are grouped according to educational attainment.
- vi. There is a significant difference in customer satisfaction when customer-respondents are grouped according to civil
- vii. There is a "high positive relationship" between the level of satisfaction and employees' behavior regarding general characteristics and behavior towards customers during a "very high positive relationship" between satisfaction and employees' behavior as to attitude towards work.

# Recommendations

- Employees should be flexible and demonstrate readiness to accept multiple assignments.
- ii. Employees should demonstrate and show genuine interest in customers without prejudice and discrimination.
- Employees should give and afford the best services without asking for additional remuneration or "tips".
- iv. Middle managers may consider giving employees extra training to entertain foreign guests and visitors.

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