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# **University College London**

**“A Study into Customer’s Perceptions of Service Delivery  
and its Impact on an Outsourced FM Service Provider”**

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## **Abstract**

This report discusses the issues of service delivery and the impact on an outsourced FM service provider. It focuses on HBML, one of the UK's leading FM providers and part of the Balfour Beatty Group.

The issues facing outsourcing is one of how to ensure the customers are delighted in the service they receive and their perceptions are positive. This can be a difficult prospect when the customer has a higher expectation than the service delivery model requires, or the provider is unable to deliver to this standard.

Meeting these expectations is one of the conundrums facing HBML, particularly in London where there has been a haemorrhaging of business in the past 12 months leading to loss of revenue in excess of £7m.

To discover how customers perceive the service, a survey based on the five dimensions of the ServQual model was distributed to determine how they measured the delivery by HBML. This was also sent to HBML managers to ascertain what gaps there were in assessment of the service provision.

This produced a set of results which indicated the customer's perception of HBML was not positive, with the majority of answers suggesting they had neutral views or were slightly either side of this position. The results from the CSM's were more positive, indicating gaps in both appraisals of the service.

This is likely to lead to an imbalance between customer and service provider which could ultimately lead to damaged relationships and loss of business. It is essential that action is taken to prevent this situation escalating and to reverse the effects of current customer perceptions.

The introduction of a service delivery system, such as the input-transformation-output model, could lead to an improved service, which could see benefits as described in *The Service Profit Chain*, Heskett et al. (2000). Based on this study it is recommended this model or similar are implemented or others explored to stem the outward flow of business.

## **Glossary of Abbreviations**

<b><u>Term</u></b>	<b><u>Abbreviation</u></b>
<b>Key Performance Indicators</b>	<b>KPI's</b>
<b>Service Level Agreements</b>	<b>SLA's</b>
<b>Total Facilities Management</b>	<b>TFM</b>
<b>Facilities Management</b>	<b>FM</b>
<b>Building Engineering Services</b>	<b>BES</b>
<b>Haden Building Management Ltd</b>	<b>HBML</b>
<b>United Kingdom</b>	<b>UK</b>
<b>Heating, Ventilation, Air Conditioning</b>	<b>HVAC</b>
<b>Personal digital assistant</b>	<b>PDA's</b>
<b>Personal Development Reviews</b>	<b>PDR's</b>
<b>Specific; Measurable; Achievable; Realistic and Timely</b>	<b>SMART</b>
<b>Customer service managers</b>	<b>CSM's</b>
<b>Planned Preventative Maintenance</b>	<b>PPM</b>
<b>British Institute of Facilities Management</b>	<b>BIFM</b>
<b>Facility Manager</b>	<b>F.Mngr</b>
<b>Mechanical, Electrical and Building Fabric (MEBF)</b>	
<b>Transfer of Undertakings</b>	
<b>(Protection of Employment) Regulations</b>	<b>TUPE</b>
<b>Return on Sales</b>	<b>RoS</b>

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## **1 Introduction**

Service quality is at the forefront of all businesses that rely on their customers for the success of the organisation. However, the definition of service quality can often differ between suppliers and customers; this can be aggravated when the expectation of the customer is not met.

If it is to be assumed that "perception is reality" then that of the customer is of the utmost importance. Should the reality, or indeed the perception, be a negative one then the consequences could have a catastrophic effect on the business, leading to financial penalties imposed, if the service is measured through Key Performance Indicators (KPI's) or Service Level Agreements (SLA's), broken relationships, or ultimately the loss of contracts.

Confusion or misunderstanding of the service being offered can make it difficult and sometimes impossible for managers to deliver to customers. In the case of Facilities Management (FM) services, where the goods delivered are in the main intangible, this can be exacerbated when either party is unsure of the deliverables, or does not view the service in the same light as the other party.

Further problems can incur when the end user is unaware of the constraints surrounding the scope of a contract, for example, if a Building Engineering Services (BES) specification requires office temperatures to be within set parameters of 21°C to 23°C then this is not likely to endear itself to an end user who is more productive with temperatures lower than these. This is likely to put pressure on both client and provider, where the client is not the end user.

It is important the client and service provider understand what it is that is to be delivered and within what constraints, that they both view the service with the same subjectivity and concur with each other over the importance and performance issues.

Should there be any disparity between client and service provider over any of these areas it is likely to lead to problems as mentioned above.

It is therefore fundamental that FM service providers understand both what constitutes service quality and their customers perception of this. Only then can an operating strategy and service delivery system be designed to ensure this is delivered to customers.

This report focus' on Haden Building Management Ltd (HBML), one of the Balfour Beatty group of companies and one of the countries leading outsourced FM service providers, with an annual turnover in excess of £400m and circa 10,000 employees.

There has, in recent months, been criticism of the company by customers over the service it provides, this had led to management changes, which have sometimes exacerbated the problem, and in some cases loss of contracts, particularly in London, where in excess of £7.1m of revenue per annum has been lost in the past 12 months, this has led to a reduction in gross profits of £600k.

Currently there is risk to contracts worth £9.2m revenue per annum; this will lead to further losses in gross profits of £1.2m.

A number of key questions therefore need to be answered in order to stem this flow of business.

- Are the customer's perceptions of HBML justified?
- Are HBML managers and customers aligned in their understanding of the service provision?
- Is there an operating model that can be adopted to ensure consistent and high service delivery that meets the needs of the customer and end user?

With these in mind, this report was designed to identify how these questions could be structured in such a way that both customer and service provider manager answer in a unilateral way, determine gaps and come to a conclusion which could affect the long term prosperity of HBML and its employees.



## 2 Management Problem

In the fiscal year 2006-2007 HBML lost business within its London sector to the value of £7.1m revenue. This resulted in loss of gross profits of £600k. Currently there is risk to contracts worth £9.2m revenue per annum; this will lead to further losses in gross profits of £1.2m. Fig 2.1.1

Fig 2.1.1 – HBML London Sector Risk Matrix

### Contracts Lost 06-07

Regional Profit Centre (RPC)	Full Year Turnover 06-07 - '000	Full Year Op Profit 06-07 - '000	Type of Service
KEE	£851,891	£37,853	MEBF
KHA	£740,644	£74,608	MEBF
KIA	£522,834	£75,704	MEBF
KIB	£258,809	£49,755	MEBF
KIC	£324,112	£26,675	MEBF
KID	£139,493	-£2,308	MEBF
KIE	£222,508	£25,868	MEBF
KIF	£203,362	£22,835	MEBF
KIN	£1,299,553	-£26,650	MEBF
KJI	£1,071,817	£129,575	MEBF
KJR	£440,191	£118,791	MEBF
KJS	£34,690	£33,758	MEBF
KJT	£273,590	-£29,748	MEBF
KJU	£612,159	£57,871	MEBF
KJW	£95,196	£8,813	MEBF
<b>Total</b>	<b>£7,090,849</b>	<b>£603,400</b>	

### Contracts at Risk

Regional Profit Centre (RPC)	Full Year Turnover 06-07 - '000	Full Year Op Profit 06-07 - '000	Type of Service
KGM	£2,120,625	£568,585	MEBF
KHP	£4,357,303	£271,680	TFM
KIJ	£156,660	£14,425	MEBF
KIM	£223,262	£25,336	MEBF
KJD	£660,852	£101,158	MEBF
KJF	£673,512	£63,139	MEBF
KJP	£830,761	£132,118	MEBF
KJQ	£139,552	£31,817	MEBF
<b>Total</b>	<b>£9,162,527</b>	<b>£1,208,258</b>	

Although the result is the loss of revenue and profits the root cause of this problem needs to be investigated further.

There are likely to be a number of reasons, but the overwhelming impression is that HBML is failing to provide customers with an FM service which satisfies their requirements, or they perceive this to be the case.

To quote a senior manager within a leading UK property company, which has had a long established, and prosperous, relationship with HBML for over 15 years until early 2007, *"Haden has taken its eye off the ball in London"*

There have been other instances, both anecdotal and quoted which have a similar theme. One customer, on referring to a retender for an existing contract in March 2007, was quoted as saying *"if HBML cannot deliver at its current price, then how is it to deliver improved service at a lower cost?"* Needless to say HBML were not successful in its attempt to win this business.

Regardless of whether these customers were justified in their impressions of HBML it cannot be disputed they were influenced by them, subsequently HBML suffered as a consequence.

Another example, although not attributed to HBML, but could easily apply, is a quote by a former customer of a lift maintenance company.

*"We realise that you have the best capabilities on the market to repair and maintain elevators and in most cases you do a good job in this respect. However, we do not feel comfortable with the way you are doing the job. We cannot trust your service technicians to start doing the repair or maintenance task according to what has been promised and quite often you do not give exact promises about when the job will start. Although some of your people are attentive and show an interest in our concerns regarding the elevator and its problems, most of them could not care less about us and the need to keep us informed. Sometimes we do not even recognise them as your employees. Quite often the service technician leaves the job unfinished and we do not know why or when he will be back to finish the job. Because we cannot always trust your way of doing the job and because it is complicated for us to be your customers, we think that the quality of your services is low and that we, therefore pay too much for it".<sup>1</sup>*

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<sup>1</sup> Operations Management Handbook. Doran, Des. Kingston University Business School. pp3.2

This raises the question "*are HBML customers justifiably dissatisfied in the service offering?*" Would the answer to this conundrum be evidence based or is it their perception?

There are other factors to consider, such as do HBML FM managers understand what it is that the customers consider as important, do they feel the service they provide meets the expectations of the customer, or are they unaware of how the customer feels and continue towards contract loss without an appreciation of any problems.

It is these areas which need to be explored fully and any gaps identified to enable improvements in service or changes in customers perceptions to be made.

From both the evidence, i.e. loss of contracts and anecdotal, one can assume a hypothesis that "*the customers of HBML have a negative perception of their service provision and expectations are not met*".

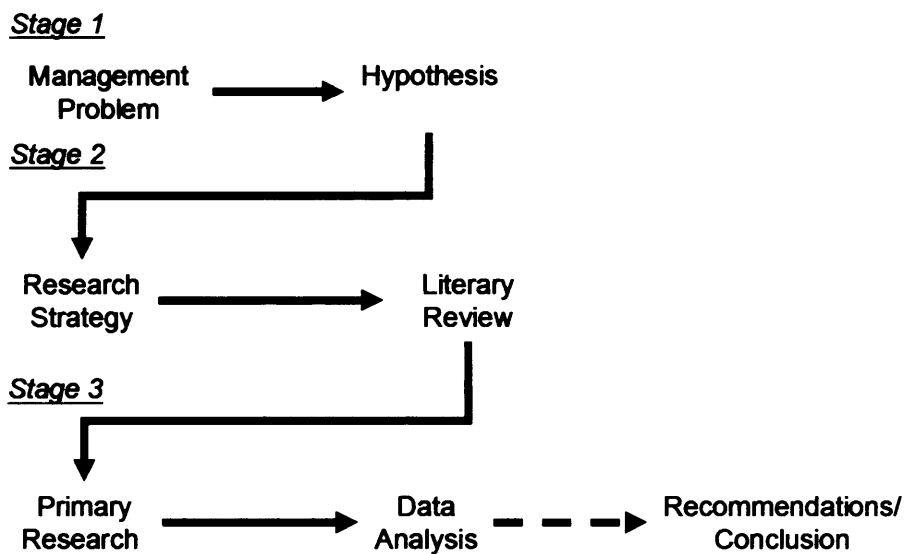
### 3 Research Methodology

#### 3.1 Research Methodology <sup>2</sup>

To determine the focus of the study, a research methodology was formed. This was based on three stages

- Stage 1      Management Problem/Hypothesis
  
- Stage 2      Research strategy/Literary review
  
- Stage 3      Primary research/Data analysis

Fig 3.1.1 – Research Methodology



#### 3.2 Research Strategy

The research strategy was based on the management problem and hypothesis, notably that within the past 12 months HBML has lost business through failing to provide acceptable services to its customers, either perceived or evidence based.

<sup>2</sup> Adapted from Business Research Methods. Cooper & Schindler. pp101

To determine what form the primary research should take a literature review on service quality was carried out. This provided established models which could be compared to that offered by HBML.

A sample set of HBML contracts were chosen, both current and past. Most of these were based in London, however, it was felt that to understand if this was a London problem, or company wide, nationally based contracts were also chosen, determined by known or anecdotal evidence which highlighted either positive or negative experiences.

Surveys were compiled which were sent to the sample set, customers and HBML managers, this provided quantitative data. An analysis of this provided an understanding of how both parties viewed the others perceptions of the service delivery and the emphasis each placed on the areas of service quality identified as key indicators.

This enabled the key questions to be answered and to make recommendations which would provide HBML with more robust and sustainable operating systems.

## 4 Secondary Research

Existing literature was reviewed to explore the following three areas, how does a customer view service quality? What are the gaps between a customer and provider when determining service delivery? and, what are the fundamental elements of a service delivery model?

### 4.1 Quality Service – A Customers View

To deliver quality services it is useful to understand what they are: Zeithaml et al. (1990) offer the following three *concepts*.<sup>3</sup>

*“First; services are basically intangible. Because they are performances and experiences rather than objects and when what is being sold is purely a performance, the criteria customers use to evaluate it may be complex and difficult to capture precisely”.*

In the case of FM this is a key issue, as the services are not only intangible, but also likely to be invisible to most customers, unless there is a break in the service, such as poor cleaning regimes or failed Heating, Ventilation, Air Conditioning (HVAC) systems.

*“Second; of those with a high labour content, performance will often vary from producer to producer, from customer to customer, and from day to day”.*

This is a relevant point in today's economic market, particularly in London, where there are acknowledged skills gaps, in building engineering services, and labour shortages, in the lower skilled areas, such as cleaning.

*“Third; production and consumption of many services are inseparable. Quality in services often occurs during service delivery, usually in an interaction between the customer and the provider”.*

The interaction between FM provider and end customer is not always noticeable.

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<sup>3</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp15

Should the customer not be aware of the processes or support behind the actual service provision it may be difficult for them to offer balanced judgement on this.

The following themes emerge from the above *concepts*.<sup>4</sup>

*"Service quality is more difficult for customers to evaluate than goods quality. Therefore, the criteria customers use to evaluate service quality may be more difficult for the marketer to comprehend".*

This concept is particularly relevant in FM as there are a myriad of customers each with their own criteria for measuring service. For an FM service provider this presents a significant challenge as the output is not necessarily visible to customers.

*"Customers do not evaluate service quality solely on the outcome of the service; they also consider the process of a service delivery".*

For much of FM the outcome is the key identifier, as it would be difficult to achieve an acceptable standard of FM provision without clear and robust processes.

*"The only criteria that count in evaluating service quality are defined by customers. Only customers judge quality; all other judgements are essentially irrelevant. Specifically, service quality perceptions stem from how well a provider performs vis-à-vis customer's expectations about how the provider should perform".*

This statement is essentially true within FM, however, it must be noted that the customers and providers understanding of the service provision must be clear, as there could be false perceptions and expectations from either party leading to a breakdown in relationships between provider and customer.

The above *statements* identified some key questions;<sup>5</sup>

- *How exactly do customers evaluate the quality of a service?*

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<sup>4</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp16

<sup>5</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp16

To answer this question the customer must be identified, not always obvious in FM, the customer may appear to be the one who authorises payment each month, but this is not always the case as there are many stakeholders, and indeed many methods of evaluation, such as KPI's or SLA's. Therefore the method of evaluation is as fundamental as an understanding of the customer's position.

- *Do they directly make a global evaluation or do they assess specific facets of a service in arriving at an overall evaluation?*
  
- *If the latter, what are the multiple facets or dimensions on which they evaluate the service?*

As there may be varying degrees of service, ranging from business or life critical maintenance to less critical areas, such as cleaning services within little used office environments, there is likely to be more emphasis on key areas. It is important that this is understood and the correct weighting is given to these areas, as they could influence the overall perception of the service.

- *Do those dimensions vary across services and different customer segments? If customers expectations play a crucial role in the assessment of service quality, which factors shape and influence those expectations?*

A full understanding of both customers and their expectations is required by the service provider to ensure the delivery of FM services meets the customer's requirements.

Focus group interviews by Zeithaml et al. (1990) highlighted common traits which can be related to customer's perceptions of FM service, particularly given some of the quotes attributed to clients of HBML. <sup>6</sup>

- *Definitions of Service Quality*

In that the key to ensuring good service quality is meeting or exceeding what customers expect from the service.

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<sup>6</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp18 &19



- *The extent of discrepancy between customers expectations or desires and their perceptions*

How the customer perceive the actual service performance in the context of what they expected.

- *Factors influencing expectations*

Such factors include “*word of mouth communications*”, where a customer may be influenced by the experiences of others; “*personal needs*”, where individual customer’s needs are likely to differ dependant on circumstances; “*past experiences*”, whereby previous experiences, either negative or positive are likely to influence future expectations; “*external communications*”, from the service provider to the customer, lack of communication, of either positive or negative issues can pose problems for customers, particularly if there is a need to report to the end user.

- *Dimensions of service quality*

The criteria in which service quality is measured, Zeithaml et al. (1990) identified ten of these which are defined as service quality dimensions. Fig 4.1.1

**Fig 4.1.1**  
**Ten**  
**Dimensions**  
**of Service**  
**Quality**<sup>7</sup>

Dimension & Definition	Eg's of Specific Questions Raised by Customers
<b>Tangibles:</b> Appearance of physical facilities, equipment, personnel, and communications materials	Do the tools of the repair person look modern? Are the facilities attractive?
<b>Reliability:</b> Ability to perform the promised service dependably and accurately	Are repairs carried out the first time? When a provider promises to call me back in 15 mins, do they do so?
<b>Responsiveness:</b> Willingness to help customers and provide prompt service	Does the provider resolve problems quickly? Is the repair firm willing to give me a specific time when the repair person will show up?
<b>Competence:</b> Possession of the required skills and knowledge to perform the service	Does the repair person appear to know what they are doing?
<b>Courtesy:</b> Politeness, respect, consideration, and friendliness of contact personnel	Does the repair person take off his muddy shoes before stepping on my carpet?
<b>Credibility:</b> Trustworthiness, believability, honesty of the service provider	Does the repair firm guarantee its services?
<b>Security:</b> Freedom from danger, risk, or doubt	Can I be confident the repair job was done properly?
<b>Access:</b> Approachability and ease of contact	Is the repair service conveniently located?
<b>Communication:</b> Keeping customers informed in language they can understand and listening to them	Do the repair firm call when they are unable to keep a scheduled appointment?
<b>Understanding the customer:</b> Making the effort to know customers and their needs	Is the repair firm flexible enough to accommodate my schedule?

<sup>7</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp21

These dimensions can be linked to the service provision offered by HBML; the following examples support this.

*Tangibles:*

The equipment provide by HBML to its employees, including tools; materials, office space; IT equipment; communications, i.e. mobile phones, Personal digital assistant (PDA's); uniforms; vehicles etc are up to date and fit for purpose.

*Reliability*

The work carried out by HBML employees and its specialist sub contractors must be free of defects; all works must be carried out within agreed timescales.

*Responsiveness*

The ability to respond to problems quickly and effectively; the flexibility to meet the customers business requirements, particularly in the case of business critical equipment which can only maintained out of normal business hours; providing a 24/7 service to respond to emergency calls at all times.

*Competence*

Ensuring all employees are competent to carry out works assigned to them; providing training to employees to increase skills; carrying out Personal Development Reviews (PDR's) and identifying training needs for employees which enhance their productivity competence.

*Courtesy*

All employees to be courteous to customers, including front line staff and functional support; HBML employees to be aware and respectful of customers requirements, including the premises they are engaged to work in and the customers business activities.

### *Credibility*

HBML must ensure its reputation as a professional company is not compromised through failings in service delivery; competence of employees; corporate governance or customer service.

### *Security*

The security and safety of the customers, its employees and visitors; HBML employees and its sub contractors and members of the public must not be put at risk through poor workmanship or breaches of safety.

### *Access*

HBML must be accessible to its customers and suppliers, both geographically and physically to ensure service delivery can be carried out effectively and promptly and to respond to customers requests.

### *Communication*

Communication channels must be made clear and simple to all customers, it is essential that they are made aware of issues in a timely manner; are able to communicate with the correct person when the need arises and are open at all times.

### *Understanding the customer*

The need to understand the customers operations and their requirements, including strategic business plan which could affect the facilities within which they operate. The diverse customer base of HBML requires continuous assessment of their business.

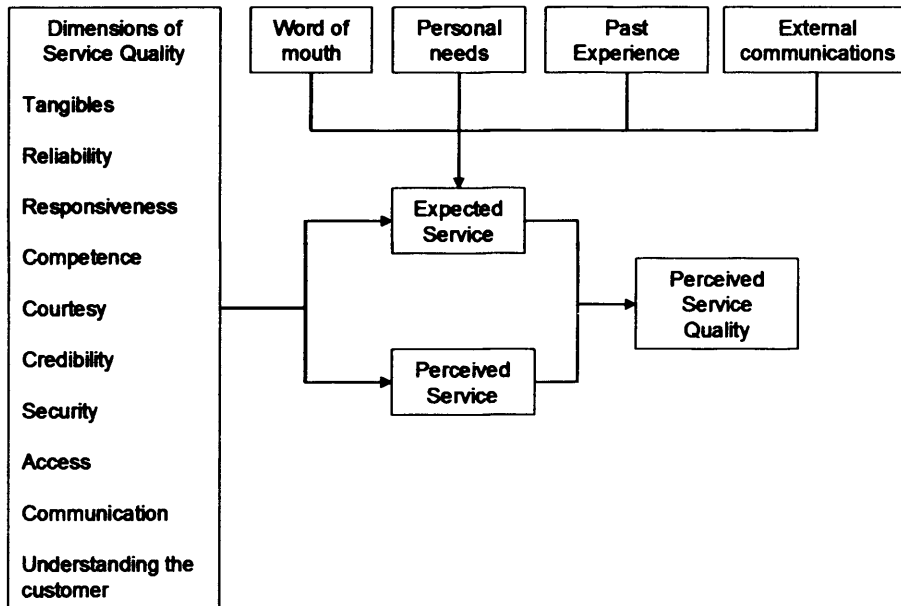
The model "*Customer Assessment of Service Quality*",<sup>8</sup> by Zeithaml et al. (1990) provides a useful indicator of how customer perception of service quality is derived.

Fig 4.1.2

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<sup>8</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp23

Fig 4.1.2 – Customer Assessment of Service Quality<sup>9</sup>



Each of the ten dimensions, together with the factors that will influence their decisions will ultimately have a bearing on the customer's perception of the service provision offered by HBML.

Further development of the *Servqual* model by Zeithaml et al. (1990) identified correspondence between a number of the original dimensions; these were refined to five which encompassed all areas. Fig 4.1.3

It is within this model that a number of the original ten dimensions are grouped into two new dimensions, *Empathy* and *Assurance*.<sup>10</sup>

This model can be adapted to provide an assessment of perceived service quality, in which it is demonstrated that if perception exceeds expectation this will have a positive outcome on the customers opinions, conversely if it does not exceed this, it will have a negative outcome. Fig 4.1.4

<sup>9</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp23

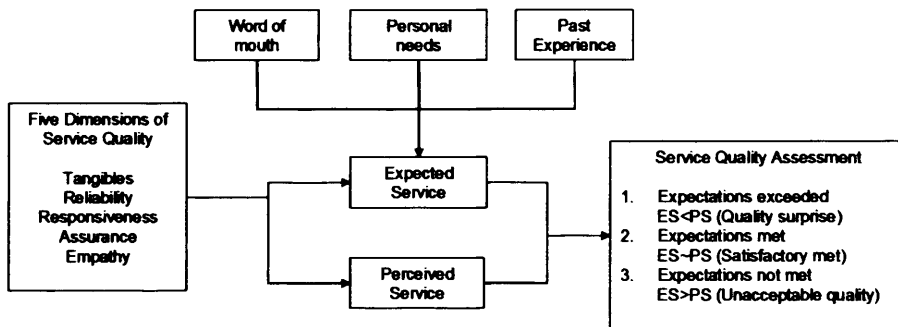
<sup>10</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp25

**Fig 4.1.3**  
**Correspondence**  
**between**  
**SERVQUAL**  
**dimensions and**  
**original Ten**  
**Dimensions** <sup>11</sup>

SERVQUAL Dimensions

Original Ten Dimensions for Evaluating Service Quality	Tangibles	Reliability	Responsiveness	Assurance	Empathy
Tangibles					
Reliability					
Responsiveness					
Competence					
Courtesy					
Credibility					
Security					
Access					
Communication					
Understanding the customer					

**Fig 4.1.4 – Perceived Service Quality**



The development of a seven-point questionnaire by Zeithaml et al. (1990) ranging from 7 - (strongly agree) to 1 - (strongly disagree) measured both the expectation and perception of each dimension within the Servqual model. <sup>12</sup>

From this gaps can be identified in service delivery and the customer's perception of this.

<sup>11</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp25

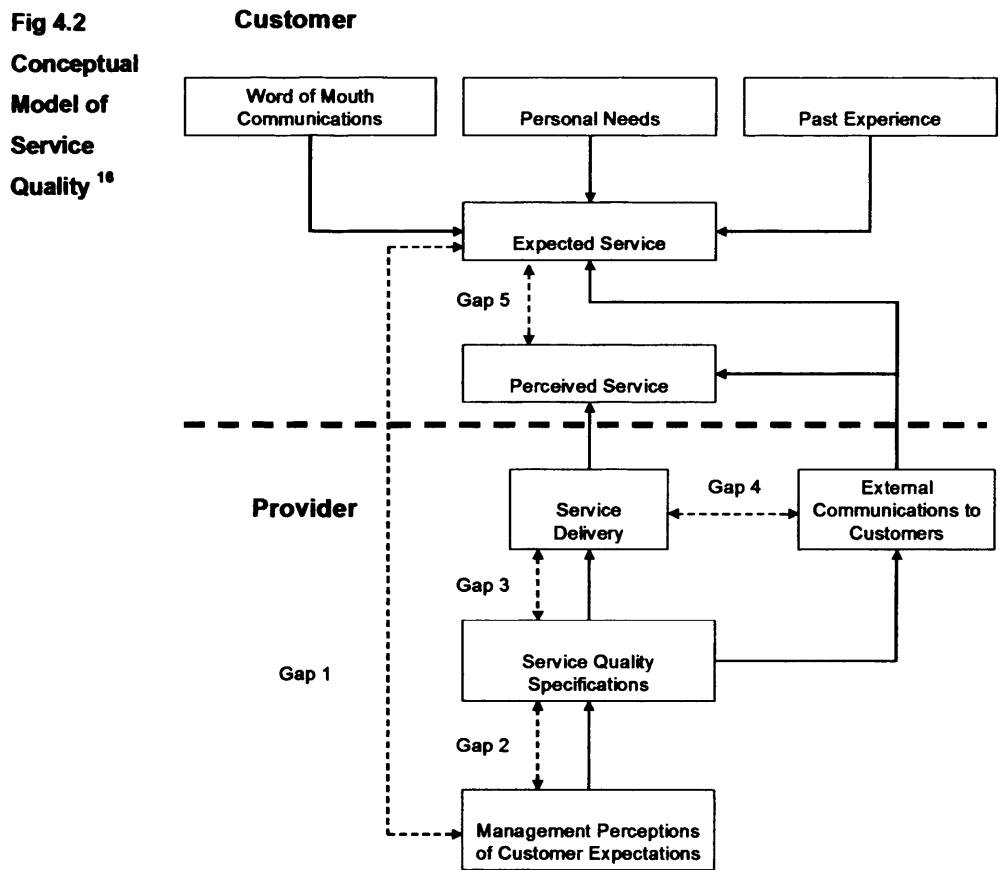
<sup>12</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp24

## 4.2 Service Quality Gaps

Service quality is defined by Zeithaml et al. (1990) as *"The degree of discrepancy between customer's normative expectations for the service and their perceptions of the service performance."*<sup>13</sup>

They made the assumption that customer's judge service quality by making a comparison between their expectations of the service that they should receive and their perceptions of the service that they actually receive.<sup>14</sup>

There are a number of gaps identified by Zeithaml et al. (1990) which are identified as the major causes of customer's poor perception of service quality.<sup>15</sup> Fig 4.2



<sup>13</sup> Operations Management Handbook. Doran, Des. Kingston University Business School. pp3.11

<sup>14</sup> Operations Management Handbook. Doran, Des. Kingston University Business School. pp3.11

<sup>15</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp37-45

<sup>16</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp46

#### 4.2.1 Gap 1: Customers Expectations – Management Perceptions Gap

*Not knowing what customers expect; understanding the difference between customer expectations and management perceptions of customer's expectations.*

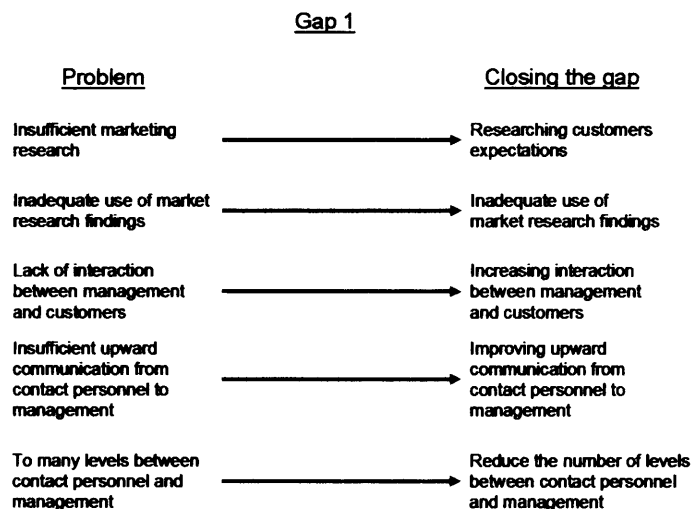
This is the most critical gap, understanding what the customer expects and delivering this can be key to successful service delivery. The issue identified by Zeithaml et al. (1990) suggests some companies think "inside out" rather than "outside in" in which they assume they know what their customers want and deliver that, rather than clarifying exactly what it is they want.

This can be a trait of FM, as many outsourced services are usually non core business to a customer. In the case of a service provider which is a specialist in a particular field they may believe they know what the customer wants, purely by having experience of this service and other customers requirements. However, each customer's requirements are likely to be unique to them and must be understood by the provider.

There are a number of key factors identified by Zeithaml et al. (1990) which contribute to this gap; they can be closed by acknowledging where the problems lie and putting in a strategy to overcome these. Fig 4.2.1

Fig 4.2.1

Key reasons for Gap 1<sup>17</sup>



<sup>17</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp52-65

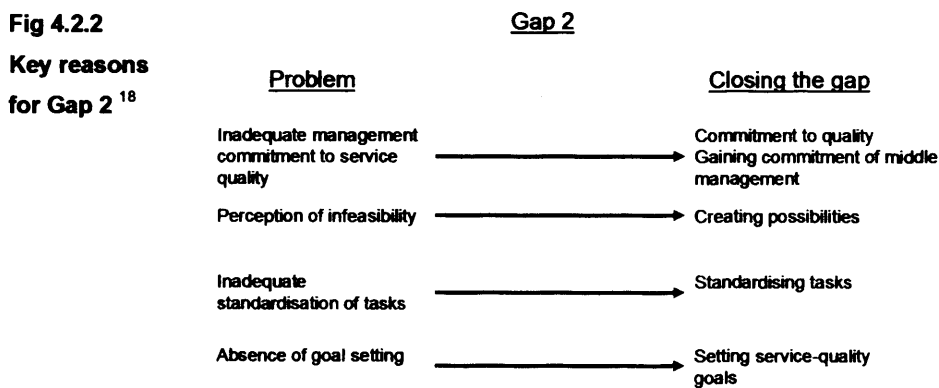
These gaps, and the recommendations for closing these can easily be adapted by HBML and other FM service providers, particularly the last three, as there has been criticism of HBML from customers for the lack of senior management interest in their business, to quote one blue chip client *"there have been three London Sector Directors within the last eighteen months, we have met only one!"*

Upwards communications and ensuring front line staff have a direct channel of contact with senior management will also improve understanding of customers needs, as these are often the first people who become aware of problems with the service.

**4.2.2 Gap 2: Management's Perception – Service Quality Specifications Gap**

*The wrong service – quality standards; the different service standard between management perceptions of customer expectations and service quality specifications.*

Once there is an understanding of customer's expectations the service delivery model must be designed to accommodate these. However, this can be constrained by a number of factors such as insufficient resources; lack of senior management commitment or short term profit orientation. Only if these are overcome can a robust operating model be designed. Fig 4.2.2



<sup>18</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp72-86



There is a tendency, particularly within hard services FM providers to promote operational staff who have little or no formal qualifications in management or FM, understanding how service quality impacts on customer perception may not be fully realised.

Providing formal training to managers will lead to greater understanding of how their actions impact on the service delivery model. This will give increased knowledge and allow them to develop systems which meet both the service specifications and exceed customer's expectations. Their commitment to achieving this will be increased through setting of targets which are Specific; Measurable; Achievable; Realistic and Timely (SMART).

Standardisation of tasks will lead to greater efficiencies and productivity, as staff will gain familiarity with processes. Encouraging them to develop new ways of delivering the service through incentives for identifying and implementing improvements will close this gap.

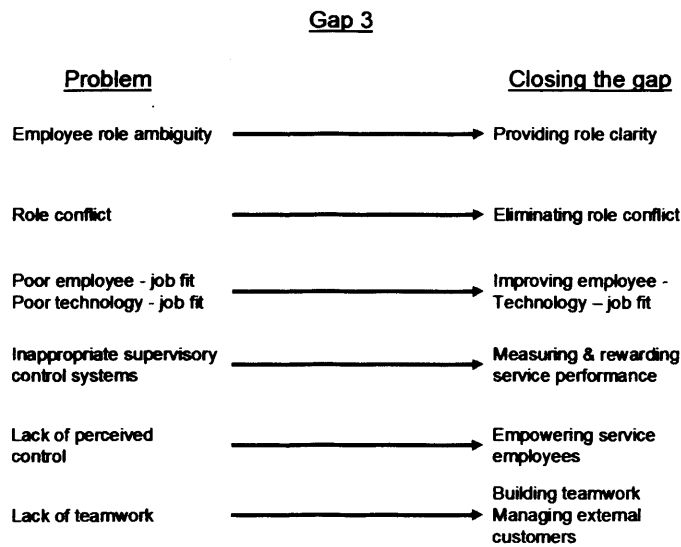
#### **4.2.3 Gap 3: Service Quality Specifications - Service Delivery Gap**

*The service performance gap; the difference of service performance between service quality specifications and the service actually delivered.*

This gap can be exacerbated in FM services where service provider and customer interact. A misunderstanding of the service requirement or an inability to provide this by providers can lead to failures. There is a greater propensity for variations in service due to labour intensive tasks; this can be affected by individuals should they not be fully aware of either the role they are required to play or their competence for the tasks.

Providing clarity to employees; ensuring that they have the same expectations as the customer; supplying them with the necessary equipment and support to carry out tasks will all contribute to improved service. Fig 4.2.3

**Fig 4.2.3**  
**Key reasons**  
**for Gap 3** <sup>19</sup>

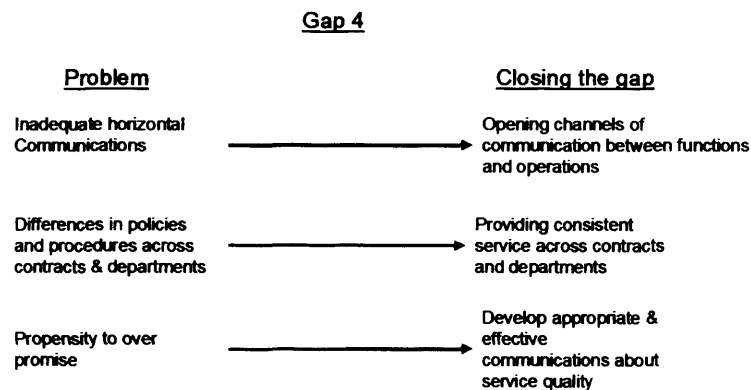


#### 4.2.4 Gap 4: Service Delivery – External Communications Gap

*When promises do not match delivery; the difference of communications between service delivery and what is communicated about service to customers.*

Promises made by FM providers to customers do not always match the service provision, particularly if the sales team do not communicate effectively and clearly what they have sold to the mobilisation or operations teams. This can escalate as staff change and bad practices creep in. Fig 4.2.4

**Fig 4.2.4**  
**Key reasons**  
**for Gap 4** <sup>20</sup>



<sup>19</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp90-109

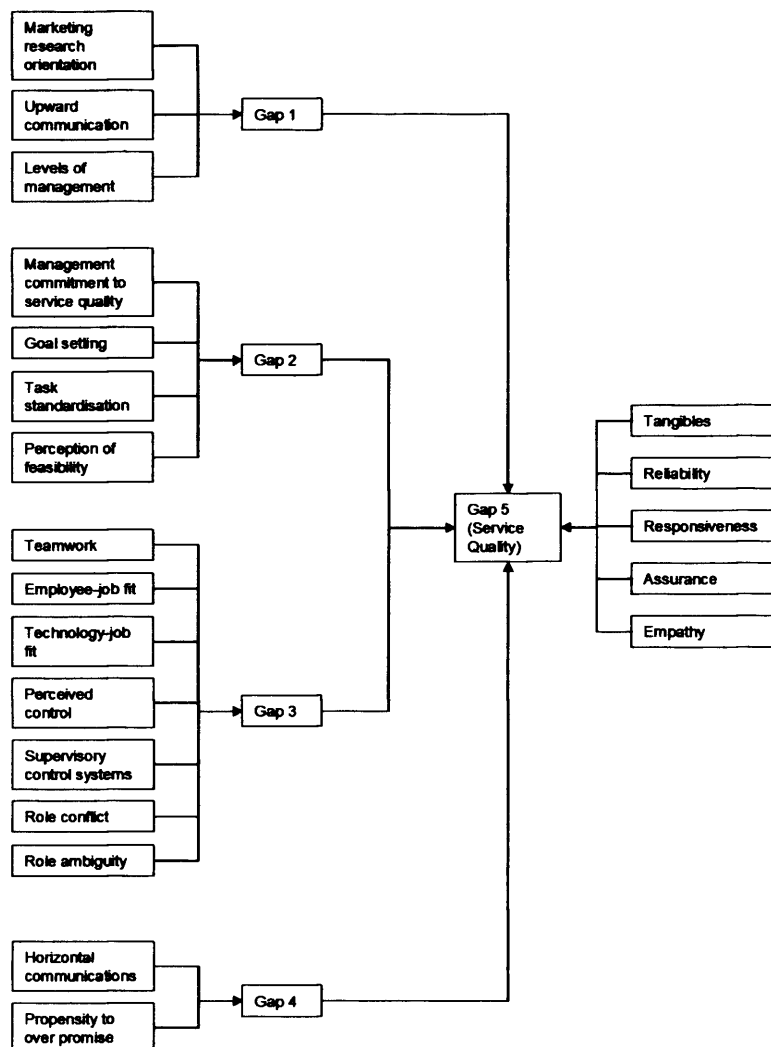
<sup>20</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp117-124

It is therefore essential that sales teams understand the capabilities of the service provider and do not over promise this. That communication channels are open and service is consistent across the company.

#### 4.2.5 The Extended Gaps Model

Each of these gaps will undoubtedly contribute to poor quality of service as perceived by customers.

**Fig 4.2.5**  
**The Extended**  
**Gaps**  
**Model of**  
**Service**  
**Quality**<sup>21</sup>



<sup>21</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp131

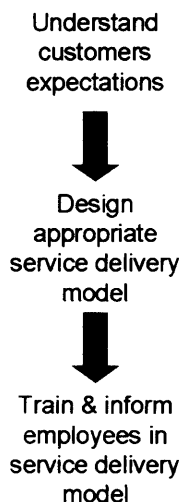
The extended gaps model, Fig 4.2.5, can provide a framework for understanding and researching service quality within organisations. It can also help answer the following critical questions.<sup>22</sup>

- *Which of the four service-quality gaps are most critical in explaining service quality variation?*
  
- *What are the main organisational factors responsible for the size of each of the four service-quality gaps?*

Determining which gap is most critical and designing systems to close this are likely to improve the service provision or offset service-quality problems with the others, for example, providing realistic expectations to customers could lead to enhanced perception of the service provision.

The sequence in which the gaps are closed can also have a positive impact on both service provision and perception of this. Fig 4.2.6

**Fig 4.2.6 – Sequence for closing service quality gaps**



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<sup>22</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp130-132

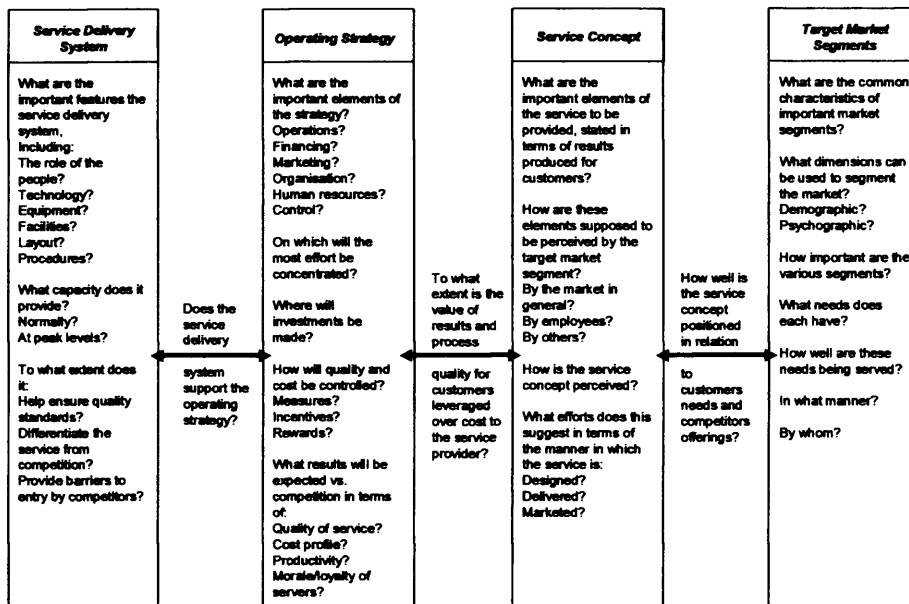
### 4.3 Service Delivery

The previous two sections discuss a customer's view of service delivery and the gaps which could define poor service. From carrying out further studies into these it is possible to design a proposal for a service delivery model which can be adapted for an FM service provider.

Heskett et al. (1997) discusses the *Strategic Service Vision*, and explores the relationships which comprise of the four important elements:<sup>23</sup>

- Service Delivery System
- Operating Strategy
- Service Concept
- Target Market Segments

Fig 4.3.1 – Elements of the Strategic Service Vision



<sup>23</sup> The Service Profit Chain: Heskett et al: pp9

From this model the individual elements, which form the strategic service vision, can be identified, these can be explored further to provide tangible measurements which can be adapted to a service proposal.

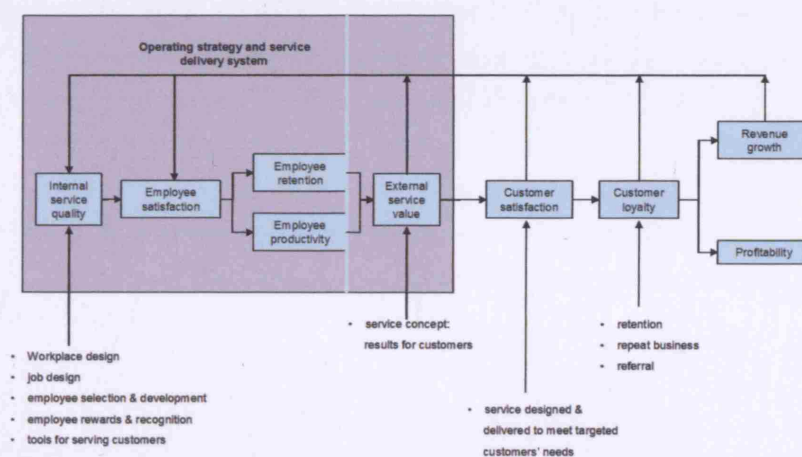
Within FM these can have a fundamental effect on the outcome of the service provision, for e.g. the service delivery system focuses on the resources, both human and technical; capacity planning and quality whilst the service concept is designed to meet the customer's needs.

The elements identified within this model are dependant on each other to ensure a successful delivery system, it is therefore key that all are considered when designing a model for FM services.

#### 4.3.1 Service Profit Chain

Further research by Heskett et al. (2000) identifies the service profit chain and explores the links within this. They propose that profit and growth are stimulated by customer loyalty; which is a direct result of customer satisfaction. This is influenced by the value of services provided to customers, which is created by satisfied, productive and loyal employees. These are driven by high quality support services and policies which enable them to deliver results to customers.<sup>24</sup>

Fig 4.3.2 – Links in the service profit chain



<sup>24</sup> Harvard Business Review March-April 1994. pp 164-165

Within FM there can be a tendency to focus on cost reduction; this can have a detrimental effect on the service provision, as quoted by a previous customer of HBML *"if HBML cannot deliver at its current price, then how is it to deliver improved service at a lower cost?"*

The benefits to FM in introducing a service model based on this are: <sup>25</sup>

#### Customers (occupiers)

- Improved employee satisfaction with their working environment leads to staff loyalty
- Loyalty drives productivity, leading to value
- Value drives external customer satisfaction
- Very high satisfaction drives customer loyalty, and
- Customer loyalty drives profitability and growth

#### Suppliers (FM management and service delivery companies)

- Recognition of the value of 'quality of service', leading to occupier employee satisfaction and loyalty
- Less cost-focus, more 'customer value' in FM contracts
- Longer-term relationships, with aligned interests

*"Internal Quality Drives Customer Satisfaction"* - The description of the working environment including employee recruitment, training, benefits; information and job design which ensure employees are able to function effectively. <sup>26</sup>

*"Employee satisfaction drives retention and productivity"* – high turnover of staff will lead to loss of productivity and lower morale which will inevitably lead to decreased customer satisfaction. The costs of recruiting and training of new staff will also have an adverse effect on the company's profits. <sup>27</sup>

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<sup>25</sup> Essential FM Report. Sept 2006. pp4

<sup>26</sup> Service Management, Operations, Strategy, Information Technology. Fitzsimmons & Fitzsimmons. pp 209

<sup>27</sup> Service Management, Operations, Strategy, Information Technology. Fitzsimmons & Fitzsimmons. pp 210

*"Employee retention and productivity drives service value"* – reliable and highly skilled employees who are accustomed to the nature of the business, are flexible and trained in other tasks will add value to the service provision.<sup>28</sup>

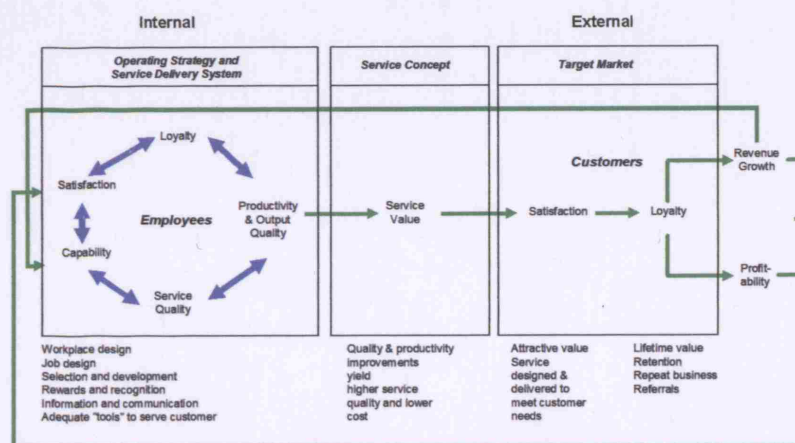
*"Service value drives customer satisfaction"* – an effective service delivery system operated by skilled and reliable employees will lead to greater customer satisfaction and a perception of added value.<sup>28</sup>

*"Customer satisfaction drives customer loyalty"* – loyalty from customers can lead to repeat business and recommendations to other customers, whilst an unsatisfied customer can speak out against the company leading to poor reputation within the operating marketplace.<sup>28</sup>

*"Customer loyalty drives profitability and growth"* – a 5% increase in customer loyalty can produce profit increase from 25 to 85%.<sup>28</sup>

Further benefits can be seen in *The Service Profit Chain* model, Fig 4.3.3; these include loyalty of employees; improved productivity and output quality; higher service quality and customer loyalty and satisfaction.<sup>29</sup>

Fig 4.3.3 – The Service Profit Chain



<sup>28</sup> Service Management, Operations, Strategy, Information Technology. Fitzsimmons & Fitzsimmons. pp 210

<sup>29</sup> The Service Profit Chain: Heskett et al: pp19



The success of a service delivery system can be measured through customer retention and satisfaction surveys, the challenge is how to design, implement and sustain a successful service delivery model which can be understood and delivered by employees, be perceived by customers as a high quality service and measured against existing services for quality.

## 5 Primary Research

Primary research was carried out in the form of a questionnaire to customers and HBML Customer service managers (CSM's) to collect quantitative data. The sample set was chosen for type of service, which is indicative of the London business, current and previous customers, to understand the decision making behind termination of contracts, and a number of Total Facilities Management (TFM) contracts outside of London which would provide a comparator for the London contracts.

The survey comprised of two elements, "Performance" and "Importance". Each element comprised of fifteen parts, these were adapted from the IPD Occupiers "Survey on Cleaning Services in the UK"<sup>30</sup>

- Reliability - ability to perform service dependably and accurately
- Responsiveness - willingness to help and provide prompt service
- Assurance – service personnel's knowledge and courtesy
- Empathy - caring and individualised attention by service personnel
- Tangibles - physical appearance of service personnel and their equipment
- Competence - possession of the required skills and knowledge
- Credibility - involves trustworthiness and believability
- Accessibility - approachability and ease of contact
- Communication - being informed in language you can understand
- Understanding - service providers' effort to understand company's needs

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<sup>30</sup> IPD Occupiers "Survey on Cleaning Services in the UK"

- Consulting - HBML's ability to align with your company's operations
- Price - monetary allocation in return for the FM service
- Offering - scope of services made available to your company
- Clout - ability to secure the best service offerings at the lowest price
- Geographics - ability to offer services in different locations

Each part consisted of 4 questions, examples were:

- Service personnel consistently perform their services correctly
- Service personnel do give you prompt service if needed
- Service personnel do give you personal attention

Each question was scored on a scale of 1-7; a 1 meant the respondent ranked the feature negatively, a 7 positively.

Prior to distributing the survey it was sent to HBML Directors, to gain approval to send to their customers and to receive feedback on the questions. It was also sent to 3 customers and 3 HBML managers, two within London and one national, again to obtain feedback.

The feedback from all was that the survey was too long. The total number of questions contained within the survey was 120. In order to obtain maximum returns the survey was shortened to include the 5 dimensions of the *Servqual* model as developed by Zeithaml et al.<sup>31</sup>

- Reliability - ability to perform service dependably and accurately
- Responsiveness - willingness to help and provide prompt service

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<sup>31</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp26

- Assurance – service personnel's knowledge and courtesy
- Empathy - caring and individualised attention by service personnel
- Tangibles - physical appearance of service personnel and their equipment

The questions within each dimension remained as did the emphasis on importance and performance. This shortened the survey to 40 questions. *Appendix 1 – HBML Customer Survey & Appendix 2 – CSM Survey*

The total number of surveys distributed was 30, which equated to 15 contracts; these were sent to the HBML contract manager and the customers Facility Manager (F.Mngr), or person with overall responsibility for managing the contract, if there was no F.Mngr in place. Fig 5.1.1

There were 10 current and 5 past customers chosen, 6 were on the risk register within London. They ranged in value from £95k to £7.8m. The total value of all chosen contracts in fiscal year 2006-07 was £26.3m, contributing gross profit of £2.9m per annum to HBML.

The relationships between customers and HBML ranged from 2 to 15 years.

**Fig 5.1.1 – Survey Distribution List**

Regional Profit Centre (RPC)	Full Year Turnover 06-07 - '000	Full Year Op Profit 06-07 - '000	Type of Service	Approx Length of contract	Current/ Lost	Geographical Region
KGM	£2,120,625	£568,585	MEBF	7 years	Current	London
KGY	£3,878,684	£703,377	MEBF	15 years	Current	London
KHD	£1,704,000	£153,360	TFM	6 years	Current	South
KHP	£4,357,303	£271,680	TFM	5 years	Current	London
KIA	£522,834	£75,704	MEBF	10 years	Lost 31/03/07	London
KIJ	£156,660	£14,425	MEBF	10 years	Current	London
KIN	£1,299,553	-£26,650	MEBF	2 years	Lost 28/02/07	London
KJD	£660,852	£101,158	MEBF	7 years	Current	London
KJF	£673,512	£63,139	MEBF	3 years	Current	London
KJI	£1,071,817	£129,575	MEBF	3 years	Lost 31/03/07	London
KJP	£830,761	£132,118	MEBF	12 years	Current	London
KJU	£612,159	£57,871	MEBF	8 years	Lost 31/03/07	London
KJV	£573,145	£63,715	TFM	2 years	Current	London
KJW	£95,196	£8,813	MEBF	2 years	Lost 28/02/07	London
KMA	£7,759,765	£620,781	TFM	4 years	Current	National

The number of returns was 14, (47%), 7 contracts in which both HBML manager and customer completed and returned the survey.

Of these, 6 were London based and 1 national, 5 were Mechanical, Electrical and Building Fabric (MEBF) and 2 TFM contracts. There were 6 existing contracts and 1 terminated, 4 of the existing contracts were considered to be at risk. The 2 remaining contracts were TFM and considered to be stable; both have been running for less than 4 years. Fig 5.1.2

Fig 5.1.2 – Survey Returns

Regional Profit Centre (RPC)	Full Year Turnover 06-07 - '000	Full Year Op Profit 06-07 - '000	Type of Service	Approx Length of contract	Current/ Lost	Geographical Region
KGM	£2,120,625	£568,585	MEBF	7 years	Current	London
KJD	£660,852	£101,158	MEBF	7 years	Current	London
KJF	£673,512	£63,139	MEBF	3 years	Current	London
KJP	£830,761	£132,118	MEBF	12 years	Current	London
KJU	£612,159	£57,871	MEBF	8 years	Lost 31/03/07	London
KJV	£573,145	£63,715	TFM	2 years	Current	London
KMA	£7,759,765	£620,781	TFM	4 years	Current	National

Of the contracts that did not return the surveys, 4 of these terminated on or before 31 March 2007, although the surveys were sent to both customer and HBML manager prior to termination, the feedback from the sites was that were unwilling to complete these due to the situation at the time, i.e. transfer of services to an incoming contractor and Transfer of Undertakings (Protection of Employment) Regulations (TUPE) issues with staff. Fig 5.1.3

Fig 5.1.3 – Survey Non>Returns

Regional Profit Centre (RPC)	Full Year Turnover 06-07 - '000	Full Year Op Profit 06-07 - '000	Type of Service	Approx Length of contract	Current/ Lost	Geographical Region
KGY	£3,878,684	£703,377	MEBF	15 years	Current	London
KHD	£1,704,000	£153,360	TFM	6 years	Current	South
KHP	£4,357,303	£271,680	TFM	5 years	Current	London
KIA	£522,834	£75,704	MEBF	10 years	Lost 31/03/07	London
KIJ	£156,660	£14,425	MEBF	10 years	Current	London
KIN	£1,299,553	-£26,650	MEBF	2 years	Lost 28/02/07	London
KJI	£1,071,817	£129,575	MEBF	3 years	Lost 31/03/07	London
KJW	£95,196	£8,813	MEBF	2 years	Lost 28/02/07	London

Of the remaining 4 non returns, 1 was felt to be a security issue and the remaining 3 offered no explanation other than time constraints did not allow them to complete and return.

Two of the non returns were considered to be at risk, with a potential loss of revenue of £4.5m per annum and gross profits of £286k.

The financial value of all contracts which completed the surveys was, in fiscal year 2006-07, £13.2m, gross profits of £1.6m, a Return on Sales (RoS) of 12.1%. The value of those that did not complete was £13.1m, gross profits of £1.3m, RoS 10.2%.

## 6 Survey Results and Detailed Analysis

A detailed review of the results is shown in this section. For each dimension a set of questions were posed to customer and HBML CSM's, these were compared for compatibility.

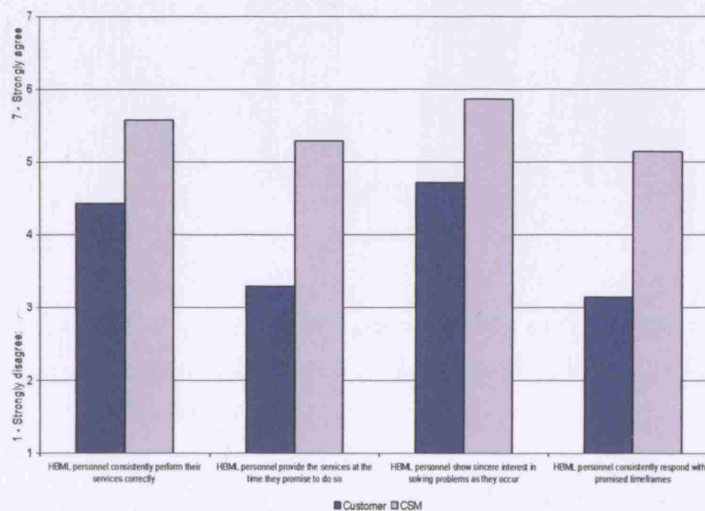
The following questions were asked, respondents were requested to rate each question for the performance of HBML personnel in delivering the service, and its importance to the service delivery.

### 6.1.1 Reliability Performance

*"The ability to perform the promised service dependably and accurately"*<sup>32</sup>

- HBML personnel consistently perform their services correctly
- HBML personnel provide the services at the time they promise to do so
- HBML personnel show sincere interest in solving problems as they occur
- HBML personnel consistently respond within promised timeframes

**Fig 6.1.1**  
**Reliability**  
**Performance**  
**Combined Results**



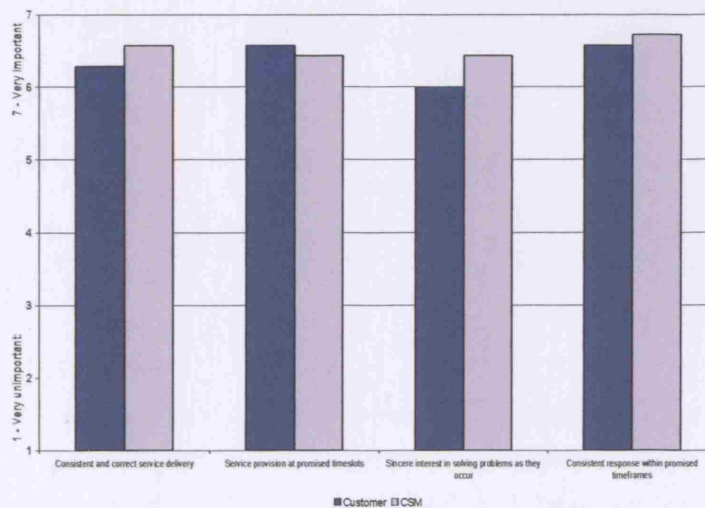
<sup>32</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp26

Fig 6.1.1 show the average combined responses for customer and HBML CSM's, it is clear the perception of the service provision is higher amongst HBML CSM's than that of the customer, averaging between 5 and 6 (mildly agree – agree), whilst the customer rates the reliability of HBML service staff between 3 and 5 (mildly disagree – mildly agree).

### 6.1.2 Reliability Importance

- Consistent and correct service delivery
- Service provision at promised timeslots
- Sincere interest in solving problems as they occur
- Consistent response within promised timeframes

**Fig 6.1.2**  
**Reliability**  
**Importance**  
**Combined Results**



Both customer and HBML CSM are aligned in their understanding of the importance of having a reliable and consistent service, Fig 6.1.2. An average score between 6 and 7 (agree – strongly agree) from both sets of respondents.

This is reassuring in the sense that HBML CSM's appreciate what the customer deems as important, however, they are misled into believing they are delivering a superior service to the one perceived by the customer, closer working relationship and communications between both could resolve this.

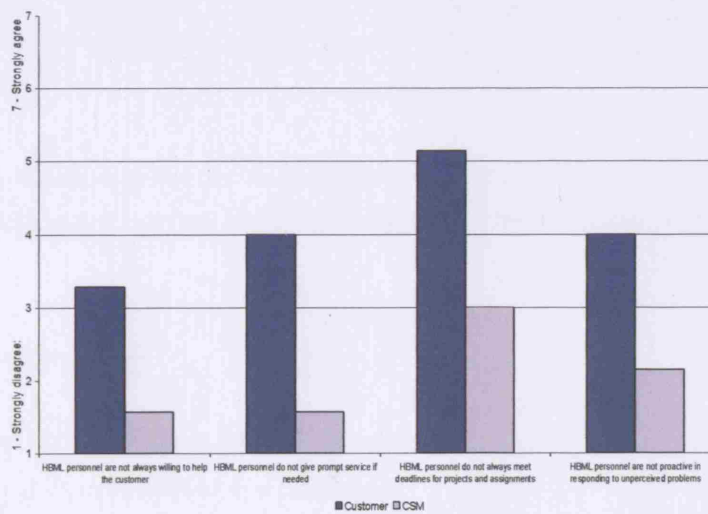


### 6.2.1 Responsiveness Performance

*"Willingness to help customers and provide prompt service"*<sup>33</sup>

- HBML personnel are not always willing to help the customer
- HBML personnel do not give prompt service if needed
- HBML personnel do not always meet deadlines for projects and assignments
- HBML personnel are not proactive in responding to unperceived problems

**Fig 6.2.1**  
**Responsiveness**  
**Performance**  
**Combined Results**



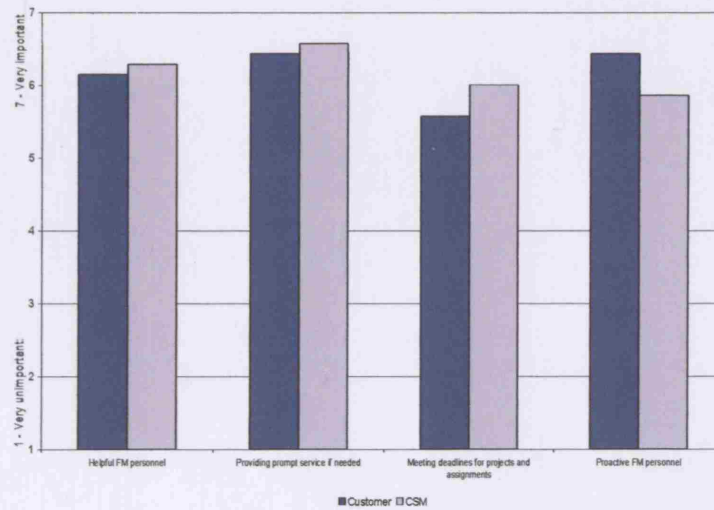
Responsiveness is an area of concern when measuring the customer's response, again there is disparity between both sets of respondees, particularly in meeting deadlines. It is noticeable that HBML CSM's feel that their service delivery exceeds what the customer perceives.

### 6.2.2 Responsiveness Importance

- Helpful FM personnel
- Receiving/providing prompt service if needed
- Meeting deadlines for projects and assignments
- Proactive FM personnel

<sup>33</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp26

**Fig 6.2.2**  
**Responsiveness**  
**Importance**  
**Combined Results**



The understanding of what's important is, once again fairly well aligned with *proving helpful personnel* and *prompt service* being the most important aspects of this dimension.

### 6.3.1 Assurance Performance

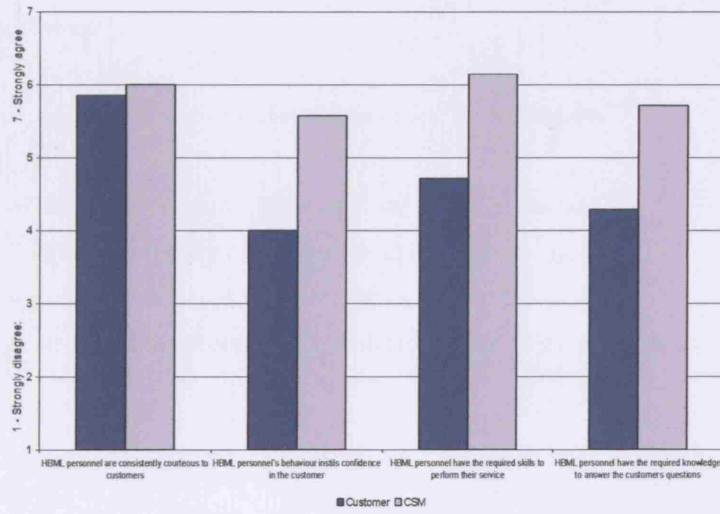
*"Knowledge and courtesy of employees and their ability to convey trust and confidence"* <sup>34</sup>

- HBML personnel are consistently courteous
- HBML personnel's behaviour instils confidence in the customer
- HBML personnel have the required skills to perform their service
- HBML personnel have the required knowledge to answer questions

Once again HBML CSM's have a higher opinion of their service than the customers. Fig 6.3.1. However, it is reassuring that both sets of results highlight that HBML contact personnel are courteous to customers with each giving 5.86 and 6 respectively (mildly agree to agree), this does through allow some scope for improvement. The largest gap is related to confidence, the customer has a neutral position, and this does cause some concern.

<sup>34</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp26

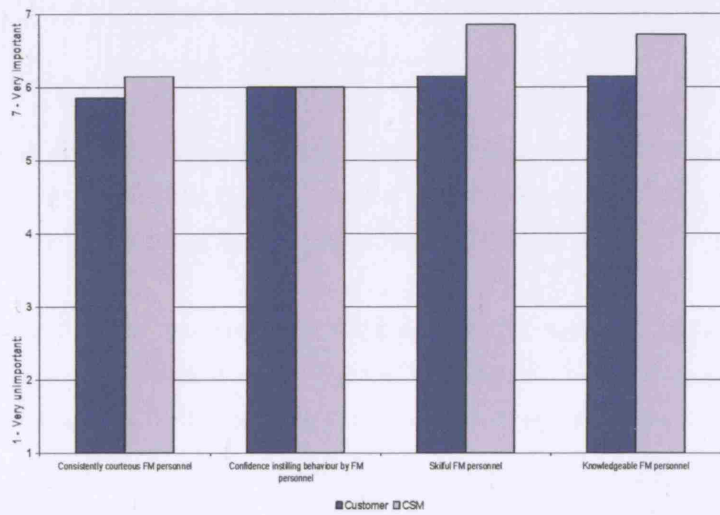
**Fig 6.3.1**  
**Assurance**  
**Performance**  
**Combined Results**



**6.3.2 Assurance Importance**

- Consistently courteous FM personnel
- Confidence instilling behaviour by FM personnel
- Skilful FM personnel
- Knowledgeable FM personnel

**Fig 6.3.2**  
**Assurance**  
**Importance**  
**Combined Results**



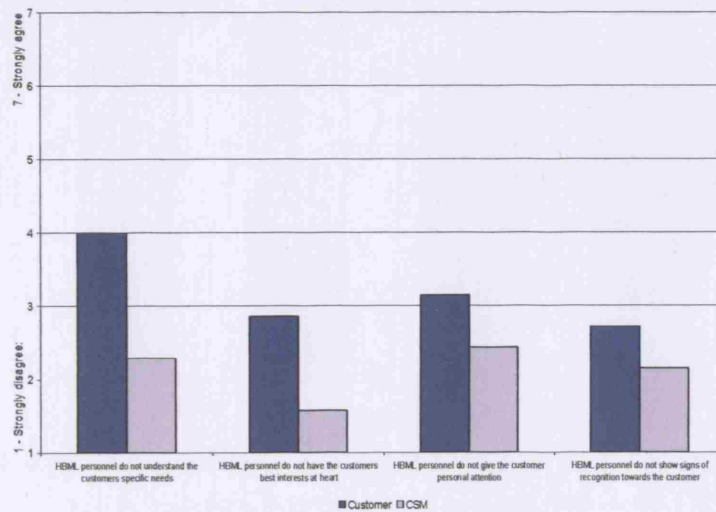
These results indicate the importance of skilful employees both to customer and HBML CSM's.

### 6.4.1 Empathy Performance

*"Caring, individualised attention the firm provides to its customers"*<sup>35</sup>

- HBML personnel do not understand the customers specific needs
- HBML personnel do not have the customers best interests at heart
- HBML personnel do not give the customer personal attention
- HBML personnel do not show signs of recognition towards the customer

**Fig 6.4.1**  
**Empathy**  
**Performance**  
**Combined Results**



Whilst there is no strong evidence to suggest HBML contact personnel do not show an empathetic approach to customers, it does demonstrate that customers have a neutral stance when asked if HBML employees understand their needs.

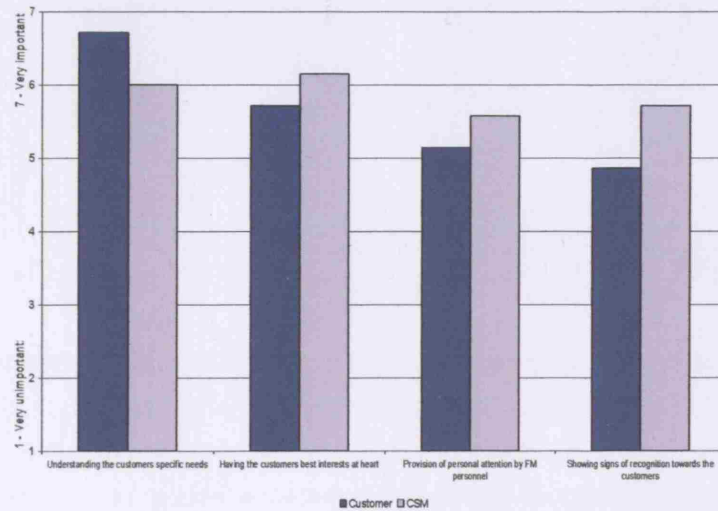
This could be down to lack of communication between customer and HBML employees, or the fact that there is a lack of understanding of the customer's requirements. It does though raise the question, are HBML managers in tune with their customers?

<sup>35</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp26

### 6.4.2 Empathy Importance

- Understanding the customers specific needs
- Having the customers best interests at heart
- Provision of personal attention by FM personnel
- Showing signs of recognition towards the customers

**Fig 6.4.2**  
**Empathy**  
**Importance**  
**Combined Results**



These responses, Fig 6.4.2, are again fairly well aligned; however, the significant shift is in the response related to understanding the customer's specific needs. This is further evidence that HBML CSM's do not fully engage with customers to determine what it is they require in a FM service provision.

### 6.5.1 Tangibles Performance

*"Appearance of physical facilities, equipment, personnel, and communications materials"*<sup>36</sup>

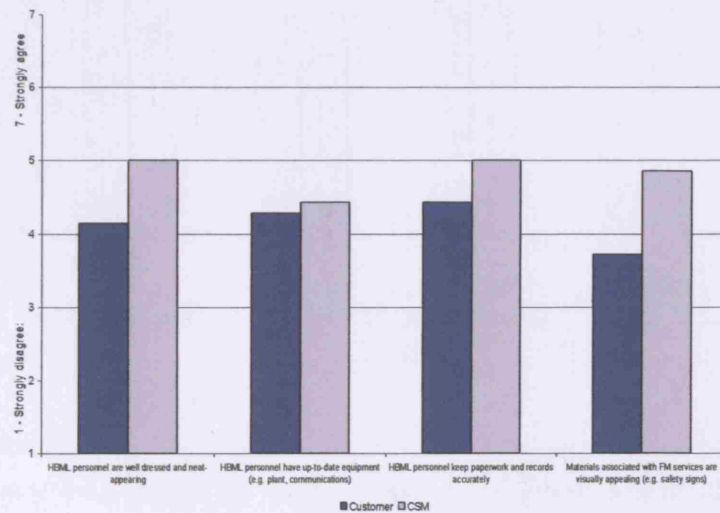
- HBML personnel are well dressed and neat-appearing
- HBML personnel have up-to-date equipment (e.g. plant, communications)
- HBML personnel keep paperwork and records accurately

<sup>36</sup> Delivering Quality Service: Balancing Customer Perceptions & Expectations: Zeithaml et al. pp26



- Materials associated with FM services are visually appealing (e.g. safety signs)

**Fig 6.5.1**  
**Tangibles**  
**Performance**  
**Combined Results**



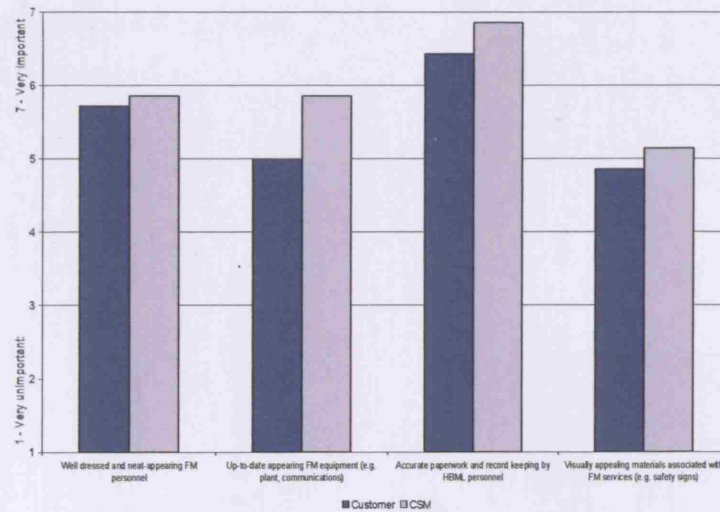
Most of the responses indicate a neutral position from customer and provider, which would indicate that this is an area which could be improved, it is also interesting to note that HBML CSM's also have a similar view as the customer; this may need further investigation as it could create a negative impression to customers and building occupants.

The other noticeable response is related to record keeping, the expectation would have been that this figure would have a strong positive response, particularly given the nature of building services and statutory legislation. There could be a number of reasons for this but they need further exploration.

### 6.5.2 Tangibles Importance

- Well dressed and neat-appearing FM personnel
- Up-to-date appearing FM equipment (e.g. plant, communications)
- Accurate paperwork and record keeping by HBML personnel
- Visually appealing materials associated with FM services (e.g. safety signs)

**Fig 6.5.2**  
**Tangibles**  
**Importance**  
**Combined Results**



There is acknowledgement that record keeping is an important element of service provision by both sets of respondees, this demonstrates an understanding for the requirement but does not explain why in practical terms it falls short.

### 6.6.1 Total Performance & Importance Measurement

The total performance and importance results were combined for all returned surveys and compared between customer and HBML manager. Figs 6.6.1; 6.6.2; 6.6.3 & 6.6.4

Fig 6.6.1 shows the average responses for each dimension for performance and the gap between customer and HBML CSM. This needs to be read in conjunction with individual charts.

There are significant gaps between responses, particularly in reliability and responsiveness.

The correlation in importance is clear, with both sets of respondents recognising the requirements for a successful FM service provision. Fig 6.6.2

Fig 6.6.1 – Total performance results summary

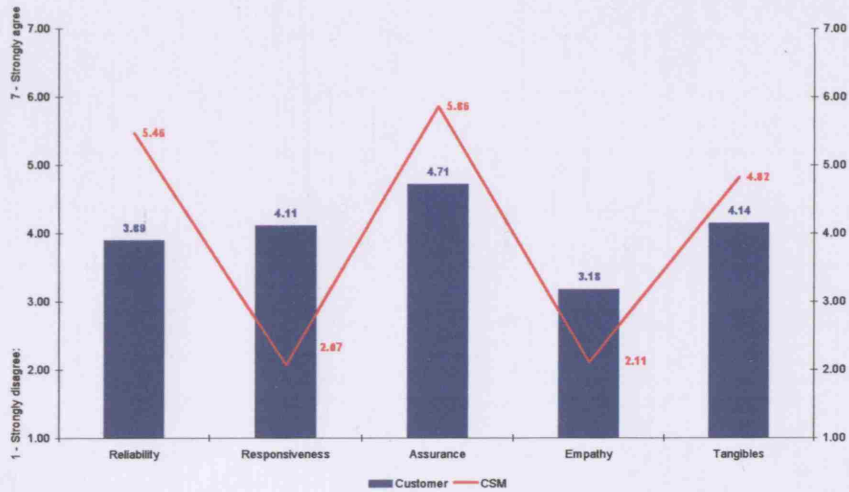
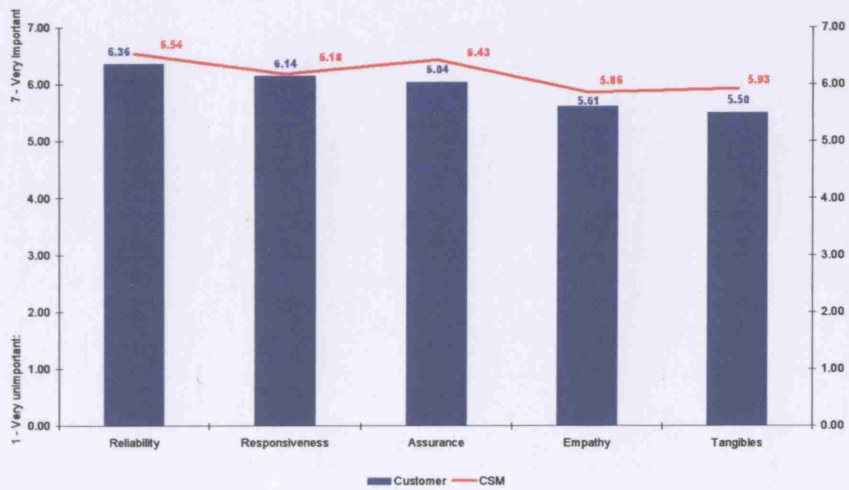


Fig 6.6.2 – Total importance results summary



Figs 6.6.3 and 6.6.4 show the responses for individual questions for each dimension, both performance and importance. This demonstrates that HBML CSM's are clearly unaware of the customers perception of their service as they consistently rank this higher than the customer.



Fig 6.6.3 – Total performance results detail

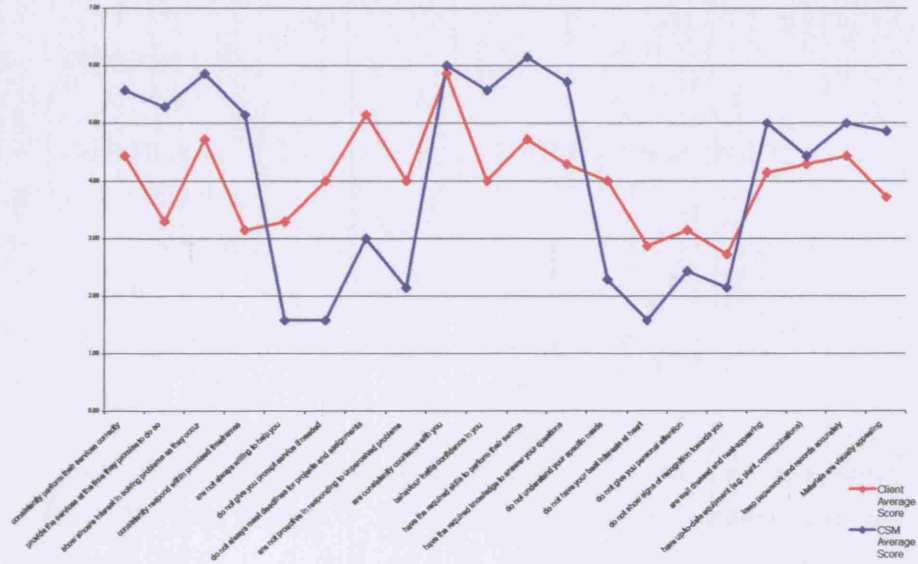
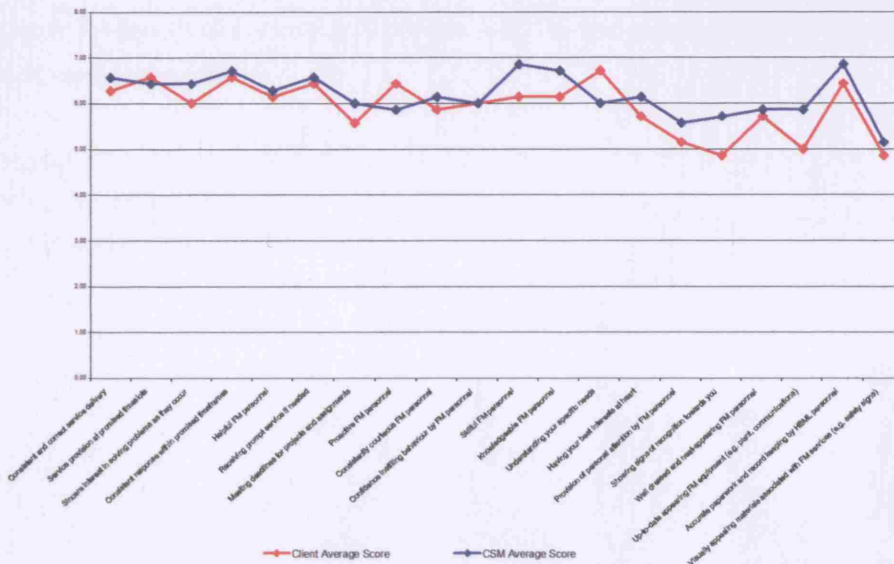


Fig 6.6.4 exhibits correlation between customer and HBML CSM for all elements of each service dimension.

Fig 6.6.4 – Total importance results detail



Sections 6.7 to 6.13, inclusive, provide results and specific information for individual contracts. See sections 6.1.1 to 6.5.2 for specific questions relating to each dimension.

## 6.7 Customer KJD

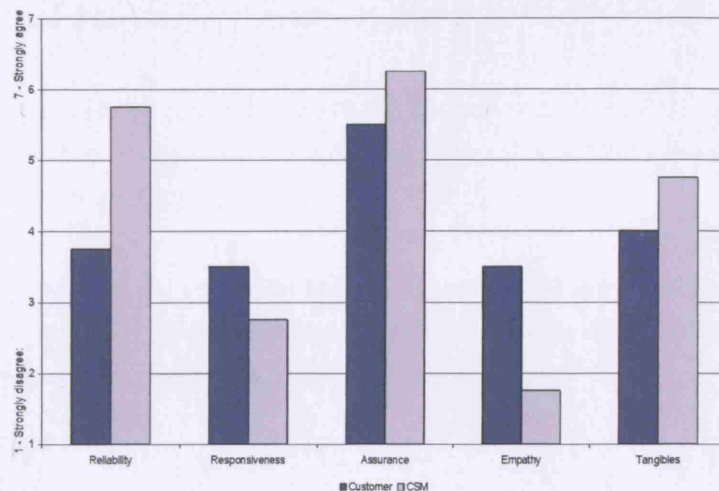
- Contract value £661k per/annum (at risk)
- Type of contract MEBF
- Length of contract 7 years
- Location London
- Type of business Sport/leisure
- Customer Business Size 100 - 1,000

There are particular concerns related to this customer, which has had a relationship with HBML for over 7 years. This is manifested in the discrepancies between customer and HBML CSM with regard to service performance; clearly there are issues which are not recognised by the HBML manager responsible for this contract.

The customer's perception of reliability and responsiveness range between *mildly disagree* to *neutral*, whilst the CSM feels they are providing a reliable service and is responding to the customers needs. Fig 6.7.1

Given the length of the contract and the fact it is recognised as at risk this should be addressed immediately.

**Fig 6.7.1**  
**KJD Performance**  
**comparison graph**



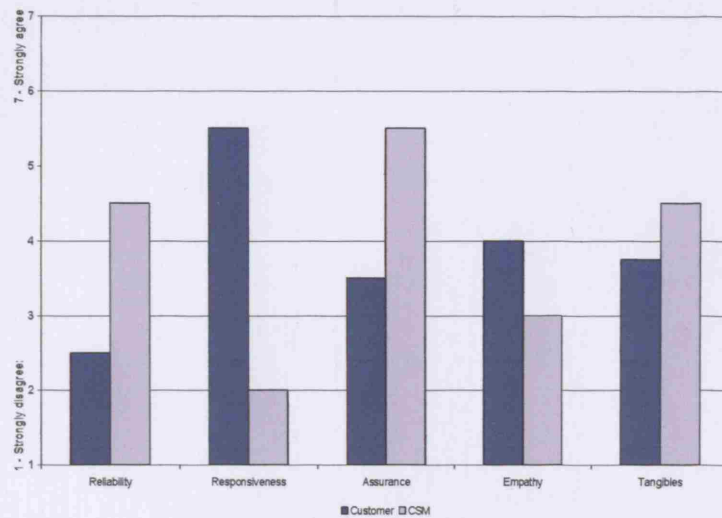




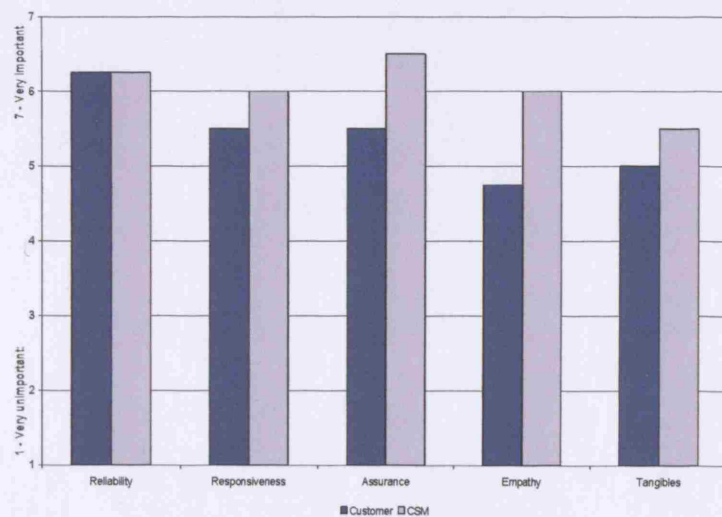
There are significant gaps between customer and CSM on this contract, particularly relating to performance, these gaps close when assessing importance but are not as closely aligned as previous respondents. Figs 6.9.1 & 6.9.2

There is evidence to suggest this contract is at significant risk of being lost, it is nearing the end of a 3 year contract and the perception of the customer is that it is failing in all areas.

**Fig 6.9.1**  
**KJF Performance**  
**comparison graph**



**Fig 6.9.2**  
**KJF Importance**  
**comparison graph**





## 6.10 Customer KJU

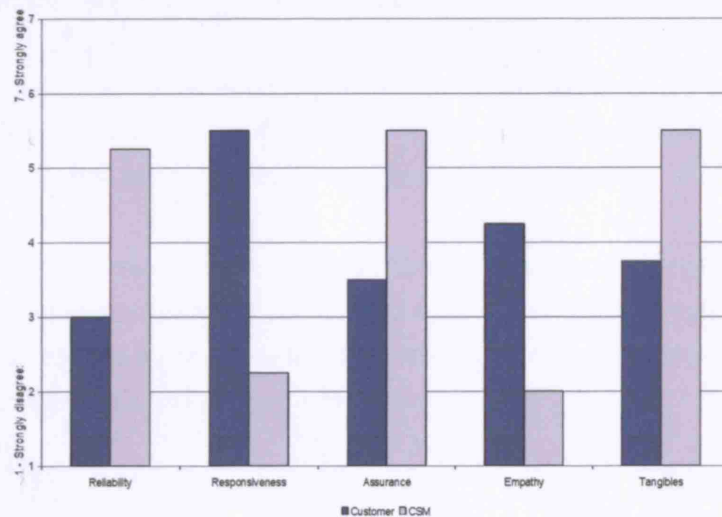
- Contract value £612k per/annum (terminated 31/03/07)
- Type of contract MEBF
- Length of contract 8 years
- Location London
- Type of business Real estate and business
- Customer Business Size 100 - 1,000

This contract was terminated in March 2007, it had been seen to be failing for a number of months and the customer had expressed their concerns to senior HBML management. Despite a change in CSM in the final months of the contract it failed in its attempt to continue to provide FM services in a competitive retender.

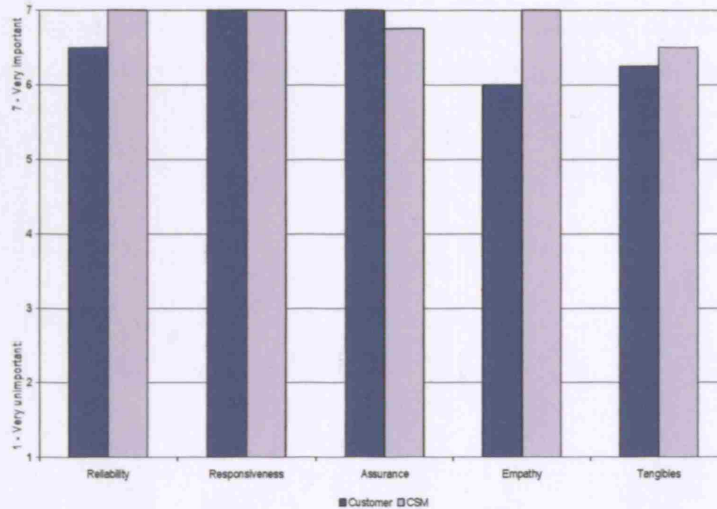
There were a number of negative responses from the customer which highlight areas where improvements were needed, for e.g they did not feel HBML were providing services within agreed timescales; they did not instil confidence or have the necessary knowledge and were not well dressed and neat appearing. Fig 6.10.1

These opinions contradict those of the CSM, but it must be noted that the CSM was in place for approximately 3 months and made significant improvements, the measurement period from the customer was taken over the previous 2 years.

**Fig 6.10.1**  
KJU Performance comparison graph



**Fig 6.10.2**  
**KJU Importance**  
**comparison graph**



Both customer and CSM recognised the importance of the service provision and its elements, each placing an equally strong emphasis in all areas. Fig 6.10.2

### 6.11 Customer KMA

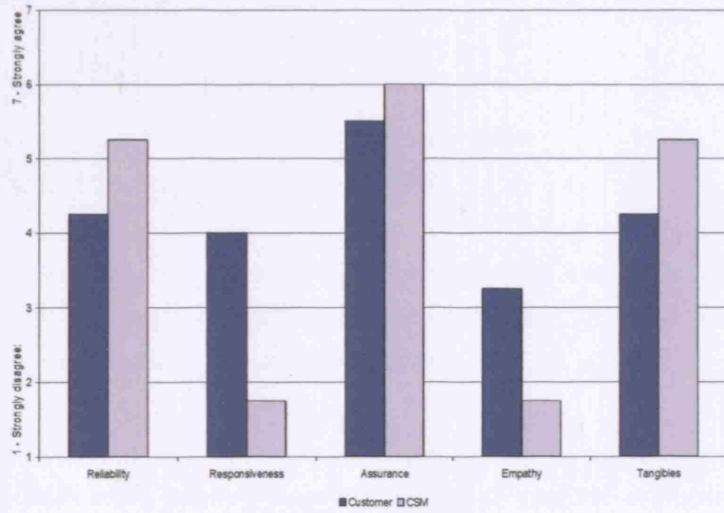
- Contract value £7.76m per/annum
- Type of contract TFM
- Length of contract 4 years
- Location National
- Type of business Public Services
- Customer Business Size 1,000 - 10,000

Contract KMA provides TFM services to a national customer, the response by the customer stated that their perceptions were based on the previous 4 years and not on the past 18 months in which significant improvements had been made.

It was recognised that there were difficulties in mobilising this contract due to its complex nature and wide geographical area. However, the close working relationship developed between customer and HBML management helped develop an operating system which improved the service provision.

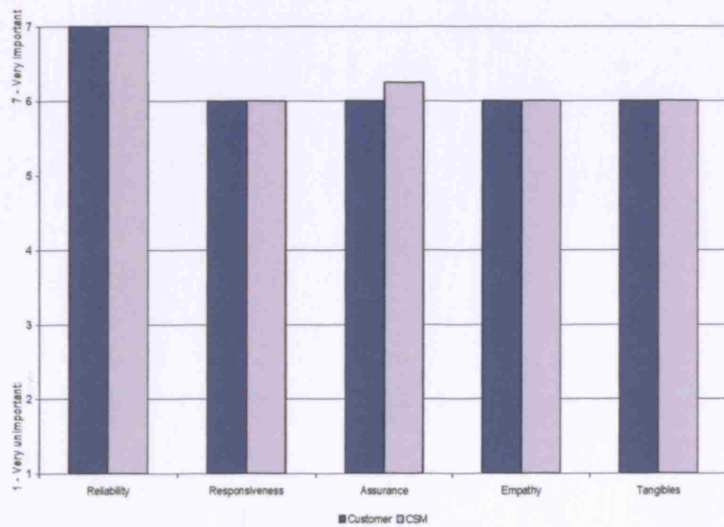
There did not appear to be any extremities in responses by either customer or CSM, and there were positive responses from the customer in reliability; assurance and tangibles. Fig 6.11.1

**Fig 6.11.1**  
KMA Performance comparison graph



The close relationship developed is manifested in the responses regarding importance; these were almost identical across all dimensions. Fig 6.11.2

**Fig 6.11.2**  
KMA Importance comparison graph





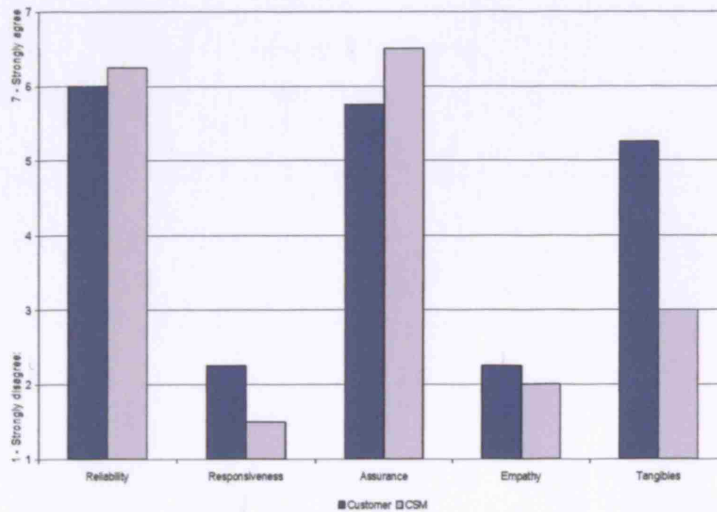
## 6.12 Customer KJP

- Contract value £832k per/annum (at risk)
- Type of contract MEBF
- Length of contract 12 years
- Location London
- Type of business Financial intermediation
- Customer Business Size 1,000 - 10,000

There are strong results from customer and CSM from this contract, it is recognised within HBML that there is a close working relationship between these. There is also very little staff turnover, with the majority of these employed on the contract for 3 years or more.

This is evident in the customer's positive perception in all dimensions of service quality; these are closely aligned to the responses by the HBML CSM. Fig 6.12.1

**Fig 6.12.1**  
**KJP Performance**  
**comparison graph**

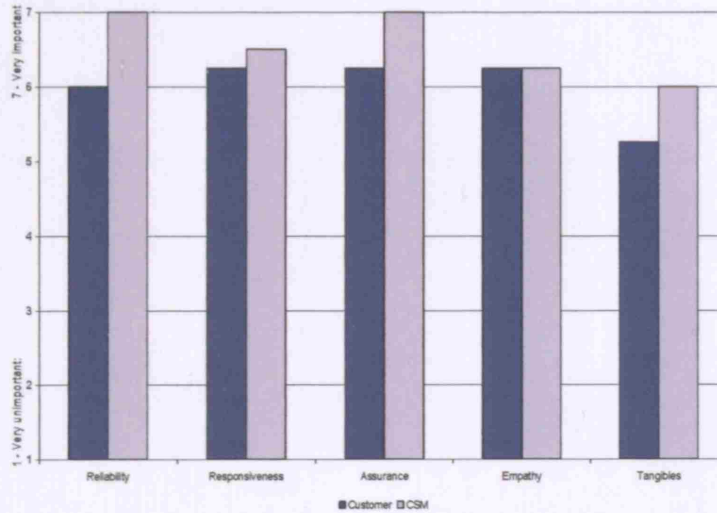


As expected the emphasis placed on importance by customer and CSM are closely aligned. Fig 6.12.2



Both customer and CSM at contract KJV demonstrate disparity in their responses for performance; again it is the CSM who rates the service higher than the customer, who demonstrates some concerns over all areas. Fig 6.13.1

**Fig 6.13.2**  
**KJV Importance**  
**comparison graph**



Once again there is close alignment in importance; it would appear that the CSM places greater emphasis in this area than the customer. Fig 6.13.2

#### 6.14 Customer Satisfaction

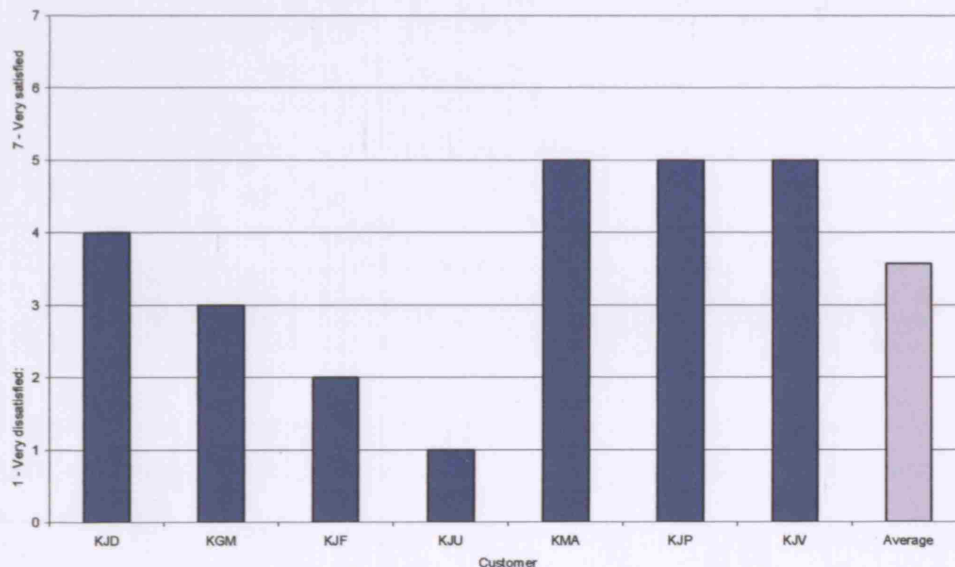
The final question was directed at customers only and was aimed to elicit how satisfied they were with the service received from HBML overall. Fig 6.14

It was based on a similar scale as used in the previous sections of the survey, with 1 being – *Very Dissatisfied* and 7 being *Very Satisfied*.

Based on individual results highlighted in previous sections there were no surprises in response, however, it must be noted that the three contracts deemed to be at risk each have a rating below the neutral position.

The average position being neutral to mildly dissatisfied, which does cause concern as the preferred position would be satisfied to highly satisfied.

Fig 6.14 – Customer Satisfaction



### 6.15 Standard Deviation

Standard deviation tests were carried out for each of the *ServQual* dimensions, the mean for customer and HBML manager responses, performance and importance for each contract. Figs 6.15.1 & 6.15.2

An assumption was made that any deviation greater than 1 was significant enough to cause concern.

The greatest deviation was in the area of performance, as expected based on previous results. There was no concern over importance where both sets of respondents were closely aligned.

There are differences in all areas, the greatest being in *responsiveness*, particularly in contract KJF which is still live and considered to be at risk. Empathy and assurance are the areas most closely aligned across all respondents.

Fig 6.15.1 – Standard Deviation - Performance

Performance	Reliability		Responsiveness		Assurance		Empathy		Tangibles	
	Customer	CSM	Customer	CSM	Customer	CSM	Customer	CSM	Customer	CSM
Client KJD	3.75	5.75	3.5	2.75	5.5	6.25	3.5	1.75	4	4.75
Std Dev	1.41		0.53		0.53		1.24		0.53	
Client KGM	3.5	5	4.5	2.5	4.25	5.25	3.25	2.75	3.25	4.25
Std Dev	1.06		1.41		0.71		0.35		0.71	
Client KJF	2.5	4.5	5.5	2	3.5	5.5	4	3	3.75	4.5
Std Dev	1.41		2.47		1.41		0.71		0.53	
Client KJU	3	5.25	5.5	2.25	3.5	5.5	4.25	2	3.75	5.5
Std Dev	1.59		2.30		1.41		1.59		1.24	
Client KMA	4.25	5.25	4	1.75	5.5	6	3.25	1.75	4.25	5.25
Std Dev	0.71		1.59		0.35		1.06		0.71	
Client KJP	6	6.25	2.25	1.5	5.75	6.5	2.25	2	5.25	3
Std Dev	0.18		0.53		0.53		0.18		1.59	
Client KJV	4.25	6.25	3.5	1.75	5	6	1.75	1.5	4.75	6.5
Std Dev	1.41		1.24		0.71		0.18		1.24	
Mean	3.89	5.46	4.11	2.07	4.71	5.86	3.18	2.11	4.14	4.82
Std Dev	1.11		1.44		0.81		0.76		0.48	

The live contracts deemed to be at risk have the greatest discrepancy in results; KJD, KGM and KJF all showing areas of concern, particularly in *reliability* and *responsiveness*.

KMA and KJP are the most consistent, with a deviation greater than 1 in *responsiveness* and *tangibles* respectively.

Fig 6.15.2 – Standard Deviation – Importance

Importance	Reliability		Responsiveness		Assurance		Empathy		Tangibles	
	Customer	CSM	Customer	CSM	Customer	CSM	Customer	CSM	Customer	CSM
Client KJD	6.25	7	6.5	6.25	6	6.5	6.25	5.5	5.75	6
Std Dev	0.53		0.18		0.35		0.53		0.18	
Client KGM	6.5	5.5	5.75	6	5.75	6	4.5	5	5.25	5.75
Std Dev	0.71		0.18		0.18		0.35		0.35	
Client KJF	6.25	6.25	5.5	6	5.5	6.5	4.75	6	5	5.5
Std Dev	0.00		0.35		0.71		0.88		0.35	
Client KJU	6.5	7	7	7	7	6.75	6	7	6.5	6.25
Std Dev	0.35		0.00		0.18		0.71		0.18	
Client KMA	7	7	6	6	6	6.25	6	6	6	6
Std Dev	0.00		0.00		0.18		0.00		0.00	
Client KJP	6	6	6	5.5	5.75	6	5.5	5.25	5	5.75
Std Dev	0.00		0.35		0.18		0.18		0.53	
Client KJV	6	7	6.25	6.5	6.25	7	6.25	6.25	5.25	6
Std Dev	0.71		0.18		0.53		0.00		0.53	
Mean	6.36	6.54	6.14	6.18	6.04	6.43	5.61	5.86	5.54	5.89
Std Dev	0.13		0.03		0.28		0.18		0.25	



## 7 Summary Analysis

There are clearly shortfalls in the customer's perception of the service provided by HBML in all of the ServQual dimensions.

The customer's and CSM's average assessment for performance in each of the 5 areas measured averages 4 (neutral). However there are differences when measuring each dimension separately.

### 7.1 Service Quality

The average response from the customers for *Reliability* was 3.89, which falls between the positions mildly disagree and neutral. The response from the CSM's is higher at 5.46, mildly agree to agree.

Neither of these responses is encouraging, there is no strong agreement across this dimension that the service meets expectations and the gap is significant enough to assume that the CSM's do not understand the customer's perception of the service.

Clearly the customer expects a higher service as their emphasis on the importance of this dimension is 6.36, which falls between important and very important. This is also acknowledged by the CSM's who return a similar response of 6.54. The high scores returned indicates they both understand what is required to meet or exceed an acceptable standard.

There are differences between contracts, the lowest response being from an existing customer, KJF, which is deemed to be at risk, however, the CSM for this contract also feels that this contract is not delivering.

It is 3 years since commencement of this contract, it could be that the customer expected a higher service than is currently being delivered, or the CSM does not understand what it is that should be delivered or is unable to do so, this will need further investigation.

Both TFM contracts are rated higher than the MEBF ones with the exception of KJP, which has been active for 12 years, this clearly shows that the expectations of the customer are being met on this contract.

The mean position for *Responsiveness* from the customer was 4.11, just above the neutral position; once again the most positive response is from customer KJP. The gap between customer and CSM is again significant; the largest of all 5 dimensions, indicating there are misconceptions in the service delivery by the CSM.

The question "*HBML personnel are not always willing to help the customer*" elicited the most positive response from the customer with a position of 3.29, mildly disagree to neutral. However, the CSM's disagreed with this statement.

Both sets of results indicate that there is a consensus of opinion with regards to importance of this dimension.

The dimension *Assurance* received the most positive response from the customer, just under the mildly agree position at 4.71. This indicated the customers felt HBML staff were knowledgeable and had some confidence in their skills; however, this still falls short of the desired position.

The CSM's rated this at 5.86 which fell short of the *agree* position. This should be higher as they are able to influence all aspects of this through training and recruitment of staff.

The most positive response indicated that HBML staff are courteous with customers; this is reassuring and indicates that many employees understand the importance of good customer relations.

Again, both sets of responses indicated acknowledgement of the importance of this element.

The CSM's average response for *Empathy* indicated that they did not agree with the statements, the customer indicated a more negative perception.

The gap was not of significant proportions to make the assumption that the CSM's were unaware of the customer's assessment of this. However, there is still scope for improvement in this area, the statement "*HBML personnel do **not** understand the customer's specific needs*" returned the most negative response from the customers, neutral position.

This highlights the lack of cohesion between CSM and customer, it would be expected that the CSM did understand the customer's needs, or at least the customer had the perception of this.

The importance placed on this dimension was lower than the previous ones; the CSM's placed this lower than any of the others. This indicates they place more emphasis on tangible measurements such as responsiveness and reliability which can be assessed through SLA's and KPI's.

The customer's highest response to any of the importance questions was within this dimension "*understanding the customer's specific needs*" which at 6.71 was very nearly at the very important position. The CSM's also considered this to be important.

The dimension, *Tangibles*, was the one in which both sets of respondents were most aligned, however, they were between the neutral to mildly agree positions which indicates that neither respondents felt that HBML were strong in this area.

The perception of both sets of respondents is that HBML are not operating with up to date equipment, are particularly appealing in the equipment they use or ensuring records are accurate.

This dimension can easily be measured through audits and benchmarking against other FM service providers, it should also be addressed as a matter of urgency as accurate records should be a priority, particularly when dealing with statutory or legislative requirements.

The importance placed on record keeping was reflected in the response from customer and CSM, rated at important to very important. All other areas were rated as important.



## **7.2 Service Quality Gaps**

The gaps identified by Zeithaml et al. (1990) are clearly demonstrated by the results. The CSM's perceptions of the service delivered are not matched by the customers.

This can be related to gap 1, which is assumed to be the most critical gap. Not knowing how the customer perceives the service can only be detrimental to the service provision.

It is central to the success of the service that the CSM's are aware of how the customers perceive this and meet expectations. The responses from the CSM's clearly indicates they believe they are delivering a service better than that perceived by the customers, in particular responsiveness and reliability, which are the clearest indicators of the service provided by HBML.

Gaps 2, 3 and 5 can be related to the importance measurements. Both sets of respondents stress the importance of each dimension, it can be assumed that the expected service or the service quality specifications should meet these. Yet neither rates the performance as high.

The rating for tangibles by both customer and CSM was neutral, indicating this could have an affect on the service delivery, these need to be explored further to determine if they do have a negative impact on this, or there are other factors affecting this, such as CSM's not having a full understanding of the service specifications or the customers expectations exceed these.

## 8 Recommendations

Improvements need to be made to the operating system in order to improve both the customer's perception and the actual service provision.

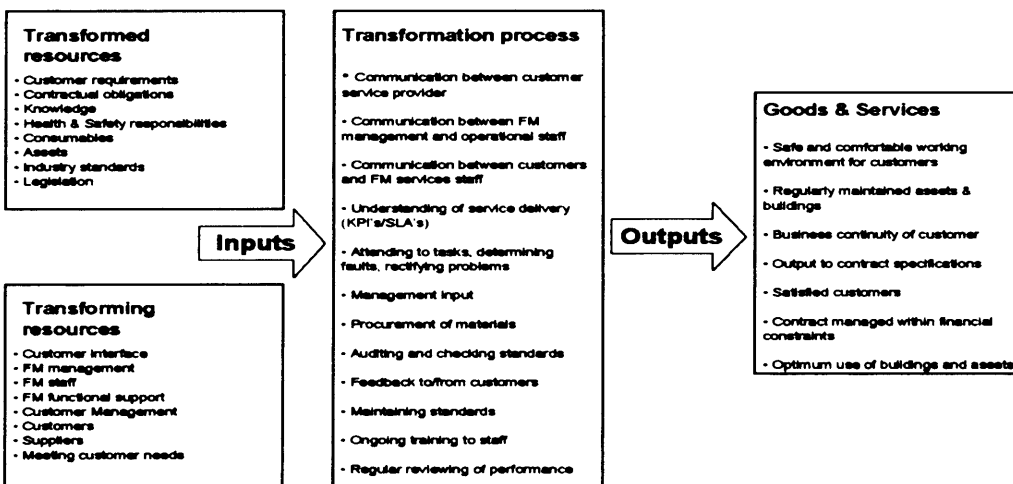
The four elements of the *Strategic Service Vision* discussed by Heskett et al. (1997) can be applied to the FM service by HBML which should, if the customer's requirements are understood improve the quality of this.

Clearly communication between HBML CSM's and their customers needs to be improved to enable this to be developed.

These elements are fundamental to a successful operation, HBML managers and operators must understand what is required to make improvements.

The sequence for closing these gaps is shown in Fig 4.2.6 pp22, and can be used to design an appropriate operating system, an example of which is shown in Fig 8.1.

Fig 8.1 - Input – transformation – output model for HBML FM services



The benefits to introducing such a model are discussed in section 4.3.1 pp25 & 26, which include loyalty of employees; improved productivity and output quality; higher service quality and customer loyalty and satisfaction as shown in the *service profit chain*.

Further measurement of success will be seen through improved satisfaction surveys, more closely aligned responses from customers and CSM's indicating HBML managers understand what it is the customer wants and is able to deliver this, improved customer retention and profits.

## **9 Conclusion**

The use of the ServQual dimensions and survey related to these have provided a useful model against which to measure the service provided by HBML and the customers perception of this.

The responses from customers and CSM's identified areas in which there were shortfalls in the service provided by HBML and gaps in assessment of performance, which can be related to the three questions asked in the introduction:

- Are the customer's perceptions of HBML justified?
- Are HBML managers and customers aligned in their understanding of the service provision?
- Is there an operating model that can be adopted to ensure consistent and high service delivery that meets the needs of the customer and end user?

The answer to the first question would appear to be positive, there are no clear statements by HBML CSM's that they feel the service they provide is excellent, the average response for performance in each dimension rated between the neutral position and agree.

The customer's response in each of the dimensions were indicative of this and further strengthened the argument that their perception of HBML's service is of a lower standard than their expectations.

The response to the second question was ambiguous, there were gaps between customer and CSM when measuring performance; however, they were aligned in when assessing importance.

This could indicate they have an equal understand of what constitutes good service, but the fact that the CSM's have a higher opinion of performance would appear to indicate they have no clear understanding of the customer's perception of this.

The introduction of an operating system, such as the input-transformation-output model could see enhancements to the service delivery which would benefit the customer and HBML employees leading to improvements as identified in the *service profit chain*.

The hypothesis as stated in section 2 pp4 "*the customers of HBML have a negative perception of their service provision and expectations are not met*" is proved to be positive.

The challenge is to overturn this and to ensure that HBML are able to deliver an excellent service, which is recognised by customers who will continue to provide business opportunities to HBML thus ensuring the long term security of the company and its employees.

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# 11 Appendices

## Appendix 1 – HBML Customer Survey

HBML Customer Survey - June 2007

### PERFORMANCE

	strongly disagree	disagree	midly disagree	neutral	midly agree	agree	strongly agree
	1	2	3	4	5	6	7
<b>Reliability - ability to perform FM services dependably and accurately</b>							
HBML personnel consistently perform their services correctly							
HBML personnel provide the services at the time they promise to do so							
HBML personnel show sincere interest in solving problems as they occur							
HBML personnel consistently respond within promised timeframes							
<b>Responsiveness - willingness to help and provide prompt service</b>							
HBML personnel are not always willing to help you							
HBML personnel do not give you prompt service if needed							
HBML personnel do not always meet deadlines for projects and assignments							
HBML personnel are not proactive in responding to unperceived problems							
<b>Assurance - HBML personnel's knowledge and courtesy</b>							
HBML personnel are consistently courteous with you							
HBML personnel's behaviour instils confidence in you							
HBML personnel have the required skills to perform their service							
HBML personnel have the required knowledge to answer your questions							
<b>Empathy - caring and individualised attention by HBML personnel</b>							
HBML personnel do not understand your specific needs							
HBML personnel do not have your best interests at heart							
HBML personnel do not give you personal attention							
HBML personnel do not show signs of recognition towards you							
<b>Tangibles - physical appearance HBML personnel and their equipment</b>							
HBML personnel are well dressed and neat-appearing							
HBML personnel have up-to-date equipment (e.g. plant, communications)							
HBML personnel keep paperwork and records accurately							
Materials associated with FM services are visually appealing (e.g. safety signs)							

### IMPORTANCE

	very unimportant	unimportant	midly unimportant	neutral	midly important	important	very important
	1	2	3	4	5	6	7
<b>Reliability - ability to perform FM services dependably and accurately</b>							
Consistent and correct service delivery							
Service provision at promised timeslots							
Sincere interest in solving problems as they occur							
Consistent response within promised timeframes							
<b>Responsiveness - willingness to help and provide prompt service</b>							
Helpful FM personnel							
Receiving prompt service if needed							
Meeting deadlines for projects and assignments							
Proactive FM personnel							
<b>Assurance - HBML personnel's knowledge and courtesy</b>							
Consistently courteous FM personnel							
Confidence instilling behaviour by FM personnel							
Skilful FM personnel							
Knowledgeable FM personnel							
<b>Empathy - caring and individualised attention by HBML personnel</b>							
Understanding your specific needs							
Having your best interests at heart							
Provision of personal attention by FM personnel							
Showing signs of recognition towards you							
<b>Tangibles - physical appearance HBML personnel and their equipment</b>							
Well dressed and neat-appearing FM personnel							
Up-to-date appearing FM equipment (e.g. plant, communications)							
Accurate paperwork and record keeping by HBML personnel							
Visually appealing materials associated with FM services (e.g. safety signs)							

Appendix 2 – HBML Customer Service Manager Survey

HBML CSM Survey - June 2007

PERFORMANCE

	strongly disagree	disagree	mildly disagree	neutral	mildly agree	agree	strongly agree
	1	2	3	4	5	6	7
<b>Reliability - ability to perform FM services dependably and accurately</b>							
HBML personnel consistently perform their services correctly							
HBML personnel provide the services at the time they promise to do so							
HBML personnel show sincere interest in solving problems as they occur							
HBML personnel consistently respond within promised timeframes							
<b>Responsiveness - willingness to help and provide prompt service</b>							
HBML personnel are not always willing to help the customer							
HBML personnel do not give prompt service if needed							
HBML personnel do not always meet deadlines for projects and assignments							
HBML personnel are not proactive in responding to unperceived problems							
<b>Assurance - HBML personnel's knowledge and courtesy</b>							
HBML personnel are consistently courteous to customers							
HBML personnel's behaviour instils confidence in the customer							
HBML personnel have the required skills to perform their service							
HBML personnel have the required knowledge to answer the customers questions							
<b>Empathy - caring and individualised attention by HBML personnel</b>							
HBML personnel do not understand the customers specific needs							
HBML personnel do not have the customers best interests at heart							
HBML personnel do not give the customer personal attention							
HBML personnel do not show signs of recognition towards the customer							
<b>Tangibles - physical appearance HBML personnel and their equipment</b>							
HBML personnel are well dressed and neat-appearing							
HBML personnel have up-to-date equipment (e.g. plant, communications)							
HBML personnel keep paperwork and records accurately							
Materials associated with FM services are visually appealing (e.g. safety signs)							

IMPORTANCE

	very unimportant	unimportant	neutral	important	very important
	1	2	3	4	5
<b>Reliability - ability to perform FM services dependably and accurately</b>					
Consistent and correct service delivery					
Service provision at promised timeslots					
Sincere interest in solving problems as they occur					
Consistent response within promised timeframes					
<b>Responsiveness - willingness to help and provide prompt service</b>					
Helpful FM personnel					
Providing prompt service if needed					
Meeting deadlines for projects and assignments					
Proactive FM personnel					
<b>Assurance - HBML personnel's knowledge and courtesy</b>					
Consistently courteous FM personnel					
Confidence instilling behaviour by FM personnel					
Skilful FM personnel					
Knowledgeable FM personnel					
<b>Empathy - caring and individualised attention by HBML personnel</b>					
Understanding the customers specific needs					
Having the customers best interests at heart					
Provision of personal attention by FM personnel					
Showing signs of recognition towards the customers					
<b>Tangibles - physical appearance HBML personnel and their equipment</b>					
Well dressed and neat-appearing FM personnel					
Up-to-date appearing FM equipment (e.g. plant, communications)					
Accurate paperwork and record keeping by HBML personnel					
Visually appealing materials associated with FM services (e.g. safety signs)					

Appendix 3 – HBML Survey Combined Results

<b>PERFORMANCE</b>									
	strongly disagree	disagree	midly disagree	neutral	midly agree	agree	strongly agree	Average Score Callt	Average Score Customer
	1	2	3	4	5	6	7		
<b>Reliability - ability to perform FM services dependably and accurately</b>									
HBML personnel consistently perform their services correctly	0	0	0	0	20	12	7	5.57	4.43
HBML personnel provide the services at the time they promise to do so	0	0	0	4	15	18	0	5.29	3.29
HBML personnel show sincere interest in solving problems as they occur	0	0	0	4	0	30	7	5.86	4.71
HBML personnel consistently respond within promised timeframes	0	0	0	4	20	12	0	5.14	3.14
	<b>Total Average</b>							<b>5.46</b>	<b>3.88</b>
<b>Responsiveness - willingness to help and provide prompt service</b>									
HBML personnel are not always willing to help the customer	3	8	0	0	0	0	0	1.57	3.29
HBML personnel do not give prompt service if needed	3	8	0	0	0	0	0	1.57	4.00
HBML personnel do not always meet deadlines for projects and assignments	0	4	9	8	0	0	0	3.00	5.14
HBML personnel are not proactive in responding to unperceived problems	2	6	3	4	0	0	0	2.14	4.00
	<b>Total Average</b>							<b>2.07</b>	<b>4.11</b>
<b>Assurance - HBML personnel's knowledge and courtesy</b>									
HBML personnel are consistently courteous to customers	0	0	0	0	0	42	0	6.00	5.86
HBML personnel's behaviour instils confidence in the customer	0	0	0	0	15	24	0	5.57	4.00
HBML personnel have the required skills to perform their service	0	0	0	0	5	24	14	6.14	4.71
HBML personnel have the required knowledge to answer the customers questions	0	0	0	4	5	24	7	5.71	4.29
	<b>Total Average</b>							<b>5.86</b>	<b>4.71</b>
<b>Empathy - caring and individualised attention by HBML personnel</b>									
HBML personnel do not understand the customers specific needs	1	8	3	4	0	0	0	2.29	4.00
HBML personnel do not have the customers best interests at heart	3	8	0	0	0	0	0	1.57	2.86
HBML personnel do not give the customer personal attention	1	6	6	4	0	0	0	2.43	3.14
HBML personnel do not show signs of recognition towards the customer	0	12	3	0	0	0	0	2.14	2.71
	<b>Total Average</b>							<b>2.11</b>	<b>3.18</b>
<b>Tangibles - physical appearance HBML personnel and their equipment</b>									
HBML personnel are well dressed and neat-appearing	0	0	3	8	5	12	7	5.00	4.14
HBML personnel have up-to-date equipment (e.g. plant, communications)	0	0	9	4	5	6	7	4.43	4.29
HBML personnel keep paperwork and records accurately	0	0	0	0	10	24	1	5.00	4.43
Materials associated with FM services are visually appealing (e.g. safety signs)	0	0	0	8	20	6	0	4.86	3.71
	<b>Total Average</b>							<b>4.82</b>	<b>4.14</b>
<b>IMPORTANCE</b>									
	very unimportant	unimportant	midly unimportant	neutral	midly important	important	very important		
	1	2	3	4	5	6	7		
<b>Reliability - ability to perform FM services dependably and accurately</b>									
Consistent and correct service delivery	0	0	0	0	0	18	28	6.57	6.29
Service provision at promised timeslots	0	0	0	0	5	12	28	6.43	6.57
Sincere interest in solving problems as they occur	0	0	0	0	5	12	28	6.43	6.00
Consistent response within promised timeframes	0	0	0	0	0	12	35	6.71	6.57
	<b>Total Average</b>							<b>6.54</b>	<b>6.36</b>
<b>Responsiveness - willingness to help and provide prompt service</b>									
Helpful FM personnel	0	0	0	0	0	30	14	6.29	6.14
Providing prompt service if needed	0	0	0	0	0	18	28	6.57	6.43
Meeting deadlines for projects and assignments	0	0	0	0	10	18	14	6.00	5.57
Proactive FM personnel	0	0	0	0	10	24	7	5.86	6.43
	<b>Total Average</b>							<b>6.18</b>	<b>6.14</b>
<b>Assurance - HBML personnel's knowledge and courtesy</b>									
Consistently courteous FM personnel	0	0	0	0	5	24	14	6.14	5.86
Confidence instilling behaviour by FM personnel	0	0	0	0	5	30	7	6.00	6.00
Skilful FM personnel	0	0	0	0	0	6	42	6.86	6.14
Knowledgeable FM personnel	0	0	0	0	0	12	35	6.71	6.14
	<b>Total Average</b>							<b>6.43</b>	<b>6.04</b>
<b>Empathy - caring and individualised attention by HBML personnel</b>									
Understanding the customers specific needs	0	0	0	0	10	18	14	6.00	6.71
Having the customers best interests at heart	0	0	0	0	5	24	14	6.14	5.71
Provision of personal attention by FM personnel	0	0	0	0	4	10	18	7	5.57
Showing signs of recognition towards the customers	0	0	0	0	15	18	7	5.71	4.86
	<b>Total Average</b>							<b>5.86</b>	<b>5.81</b>
<b>Tangibles - physical appearance HBML personnel and their equipment</b>									
Well dressed and neat-appearing FM personnel	0	0	0	0	10	24	7	5.86	5.71
Up-to-date appearing FM equipment (e.g. plant, communications)	0	0	0	0	5	36	0	5.86	5.00
Accurate paperwork and record keeping by HBML personnel	0	0	0	0	0	6	42	6.86	6.43
Visually appealing materials associated with FM services (e.g. safety signs)	0	0	0	4	20	12	0	5.14	4.86
	<b>Total Average</b>							<b>5.93</b>	<b>5.50</b>