Measurement of the methodology and effectiveness of the Caltex's training program at Canadian motors

By

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TO WHOM IT MAY CONCERN

RE: CONFIDENTIALITY CLAUSE

Due to the strategic importance of this research it would be appreciated if the contents remain confidential and not be circulated for a period of five years.

Sincerely

M.S GOOLAM-MAHOMED

DECLARATION

This research has not been previously accepted for any degree and is not being currently submitted in candidature for any degree.

Signed.. **(M.S. GOOLAM MAHOMED)**
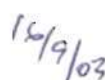
Date..

STATEMENT ONE

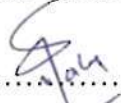This dissertation is the result of my own independent work and investigation, except where otherwise stated.

Other sources are acknowledged by explicit referencing. A bibliography is appended.

Signed.. **(M.S. GOOLAM MAHOMED)**

Date..

STATEMENT TWO

This dissertation is being submitted in partial fulfillment of the requirements for the degree of Masters in Business Administration.

Signed.. **(M.S. GOOLAM MAHOMED)**

Date..

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Thanks to my family, friends, work colleagues, and fellow group members, for their support, inspiration and encouragement over this last three years.

Finally, I would like to express my sincere thanks and gratitude to Mr B. Blair, for his guidance, motivation and support during the completion of this dissertation.

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Summary

Caltex have successfully implemented a training programme (Appendix O) designed in New Zealand where it has shown various levels of success. Based on those successes Caltex want to role out this programme to the rest of the world. The home country is imposing its training schedule on the host country. The Caltex training programme is designed with the premise that one size fits all. Thus the assumption is drawn that the needs and habits of motorists and employees in one country are the same, as in other countries.

The reliability of service delivery is often totally within the control of front line employees. When service deteriorates or fails, employees are essential for setting things straight and using their judgement to determine the best course of action for service recovery.

The responsiveness of front line employees directly influences customer's perception through their eager willingness to serve customers. The assurance of service quality is highly dependant on the employee's ability to communicate their credibility and to inspire trust and confidence. Empathy to consumers needs shows that the employees are caring and attentive.

This attitudinal study is intended to show that the Caltex training program of frontline staff will have a positive impact on customer satisfaction levels. The study aims to show that training and development of frontline staff in a South African context needs more than a general approach but also requires staff assessment and a practical on the job focus.

CHAPTER 1

DEFINITION OF PROBLEM

1.1 Introduction

"The Caltex brand has a lot of equity and the brand image is influenced by every employee in every way — the cleanliness of the service station, the quality of our product, how modern our packaging is, our company culture, and the way we treat our employees," says Bangkok-based, in-country Chairman, Steve Temple. He also believes the key driver for the brand is a consistent and modern approach. "We have to solidify our brand image. If it's inconsistent, it confuses people." He believes the Retail Operating Model team, which is housed in Bangkok, will help ensure consistency for the brand across all geographies.

"You may have the most up-to-date and sophisticated equipment. Add to that a facility that is the envy of the competition, fully wired up and ready to give you the technological edge. And you have the product your customers will be clamouring for. Sounds like a perfect business scenario. But as you've already noticed, the vital ingredient is missing — people. Without them, nothing moves, nothing works". (www.caltex .com)

All businesses are great machines of opportunity. It's the people who power them up and move them to seize the day. In all instances, it's the people you have on your team who will make the biggest impact upon your business. You can have the best in class when it comes to equipment, but to make an impression, having the right people will be the decider. They offer the brainpower that will propel a business forward.

You require their astuteness to run your business profitably. You bank on their experience to negotiate the organisation through difficult business channels. They are the difference between merely running a business and building a healthy, dynamic organisation.

Motivated employees who are well-trained and confident of their abilities, and with the supportive backing of their organisation will help it reach its full potential. And in an organisation such as Caltex, spread, as it is in over 180 countries, the expertise of individuals in their respective countries could be a key-deciding factor in making the right decisions.

Local knowledge will always be critical even if we live and operate in a global village. Cultural nuances have to be factored into the decision-making process, and you cannot presume that one size fits all. Quite often it needs to be adjusted for the perfect sizing.

Business in the past, and in the future, has always endured and prospered with the right relationships. People serve to cement relationships through intelligent interaction and empathy. Understanding the needs of our customers and participating in their success will build strong bridges that can span generations of continued activity.

Likewise, internal bridges can also serve to strengthen an organisation's ability to progress as a collective unit. A caring, listening organisation always strives to build a harmonious environment that thrives on the strengths of individuals working together as a team. A workforce that enjoys what it does goes a long way towards fulfilling quotas and meeting bottom lines.

In today's global environment, organisations have to ensure that their people are prepared to make the right decisions in a responsible manner. This will only be possible if they are properly trained and empowered to act on behalf of the organisation. The future of the organisation is really the future of the people who make it tick.

1.2 Defining the Problem

The retail petroleum industry is faced with severe price and marketing restrictions by government legislation. It is further handicapped by the stringent Labour Relations Act. Suppliers, who lease the dispensing pumps and storage tanks, which do not allow anybody else to supply fuel, further control the retailers.

With all the restrictions and legislations, he fuel industry has taken to diversify and increase its product range to include a car wash, convenience store and even emergency tyre repairs. These product line extensions have increased the target market in the retail fuel industry. In the final analysis the fuel retailers are in agreement that a successful business enterprise needs to maintain a flow of delighted customers. This is where product branding, structure and service delivery is key in customer satisfaction and the human touch becomes the differentiating factor.

The service delivery process is complex because of the different parties involved and the goods and values that do not align with those of the service organisation. In the delivery process the customer remains as the volatile variable.

The customer variable in a service station is the source of conflict especially when they fail to provide all the information necessary for the attendant to perform his duties satisfactorily. Thus it becomes imperative that the attendant is trained to extract the necessary information from the customer to perform his duties satisfactorily. The

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customer is also guilty of occasionally not following instructions from the attendants, further making the service delivery difficult.

Caltex and other brands have spent enormous amounts of money on building the brand name in South Africa and they have decided to embark on an ambitious employee-training programme for all its forecourt attendants. While the intentions are good the application methodology of the programme in South Africa could create problems.

Caltex have successfully implemented a training programme designed in New Zealand where it has shown various levels of success. Based on those successes Caltex want to role out this programme to the rest of the world. The home country is imposing its training schedule on the host country. The demographics of the two countries are different. The cultures are different. The level of education among the general populace is different. The general lifestyle and expectancy of service is different. This study aims to measure the effect of the Caltex training on the customer satisfaction level at Canadian Motors.

1.3 Purposes of the Study

The purpose of the study is to determine the training and development program implemented by Caltex on one service station. The question that I have formulated for my research is general and attitudinal to training, service and consumer satisfaction in the service station.

Not knowing what customers expect is one of the core causes of not delivering to customer's expectations. The first step in improving quality of service is for management or empowered employees to acquire information about customer's expectations.

The purposes were addressed through the following questions:

1) What are the customer's perceptions of service levels at Canadian Motors (a service station) in Pietermaritzburg, pre and post introduction of Caltex training?

2) What do customers expect when they drive onto the driveway of a service station?

3) How critical is the two to five-minute interactions between employee and consumer?

4) How do you measure and train to meet the needs of employees and satisfied consumers?

5) The Caltex training methods will increase customer satisfaction.

6) Will the training methods of a home country be effective in the host country?

7) Will the petrol pump attendants at Canadian motors benefit from the imported training methods of Caltex?

1.4 Organisation of the theses

Chapter 1 has introduced the reader to the background of the key roles played by frontline employees in the service station industry. The problem of training of employees to meet with the expectations of customers was shown as the purpose of this study.

In Chapter 2, delimitations of the research area and a breakdown of the business environment under study are discussed. In Chapter 3, the orientation and theoretical framework is discussed. The gaps model is used to identify the various challenges and strategies of a service related industry. Chapter 4 is the procedure that will be

followed to test the hypothesis. The analyses of the results are then discussed in

Chapter 5. The conclusion and recommendations make up Chapter 6.

CHAPTER 2

DELIMITATION OF RESEARCH AREA

The delimitation of this research is that the area of study is to be restricted to one Caltex site in Pietermaritzburg i.e. Canadian Motors.

The Caltex service station is situated in the central business district of Pietermaritzburg. It is in Boshoff Street, which is one of the main artery roads entering and exiting the city from the N3 as well as residential suburbs. In the one kilometre boundary there are seven other service stations. All the service stations provide the same product lines viz fuel, oil, car wash and convenience store. While the rest of the service stations are open 24/7. Caltex is a 6am to 10pm station. This is done purely for safety reasons.

The geographic location is well suited to the motor industry because of the large number of new and second hand car dealerships within a 500m radius. The streets to the east are mainly occupied by panel beaters, engineers and scrap car dealers. The street to the west has car accessories, wholesale goods merchants and hospitals. Thus our client base is mainly return customers rather than passing traffic. Regular and familiar faces are normally on the forecourt.

The flow of traffic on the forecourt begins initially with the regulars going to work. This goes on from 6:30am to 8:15am. From 8:30am the delivery vehicles and company representatives are our forecourt clients until around 2pm. From then on it is taxis and people going home until closing time.

We have a staff compliment of seventeen. There are eleven driveway attendants, two cashiers, and four staff members in management and supervisory capacities. The racial and gender breakdown is as follows:

- 1 White female

- 3 Indian males

- 5 African males

- 8 African females

Their ages range from 20 going up to 55.

All the staff has been employed for more than one year. The method of training used in the past has been a system of look and learn. The apprentice gets hooked to a regular attendant for a period of two weeks and learns what ever is done. Whilst this system has served the purpose for elementary training, we find that a more comprehensive training program is essential in this competitive environment.

The limitation of the research design we are using in this study is that it is a one-shot case study. The literature explains that this design consists of observing a single group or event at a single point in time, usually after some phenomenon that may have produced change.

This study is a weak design as it does not allow for comparisons with other unexposed groups, and focuses only on Canadian Motors. The time frame to complete this research was limited, and did not allow for comprehensive analysis of financial benefit to validate the training program.

CHAPTER 3

ORIENTATION AND THEORETICAL FRAMEWORK

3.1 Introduction

Modern day individuals find that time is becoming a very scarce commodity. Dealing with work stress and home obligations they find many of life's everyday tasks overwhelming. New services provided by retailers try to recover time for consumers. The generalisation of training methods by global corporation like Caltex to contain uniformity has got to address the needs of the host countries. The training theory discussed in this chapter intends to show that individual firms require to adapt their training and development to the needs of employers serving specific clients. The unique needs of clients need to be identified to train employees accordingly. The unique needs of the employees have to be addressed to provide tailor made training.

3.2. The Service Quality Module

It is essential that service companies that strive for success should be customer obsessed. The Service Quality Module identifies the various areas that drive company decisions on strategy and service marketing around customer expectations and perceptions. In order to satisfy customers the firm needs to close the gap between customer expectations and perceptions to build long-term relationships. The customer expects to get what they think they should, based on word of mouth communication and general advertisements. The challenge is for the company to read what the customer is expecting and to satisfy that need using its people, place and process.

- ❑ People: selection, training and motivation of employees can make a huge difference in customer satisfaction.

□ Physical evidence: the company needs to demonstrate service quality through presentation.

□ Process: the various processors chosen by companies to deliver their service.

3.3. The Gaps Model

The current process of training cannot be generalised to "one size fits all".

To address the specific needs at Canadian Motors, the Service Quality Module developed by A.Parasuraman, Valarie A.Zicthaml and Leonard L.Berry. ("A Conceptual Module of Service Quality and its implication for future research," Journal of Marketing, fall 1985. p44) will be used.
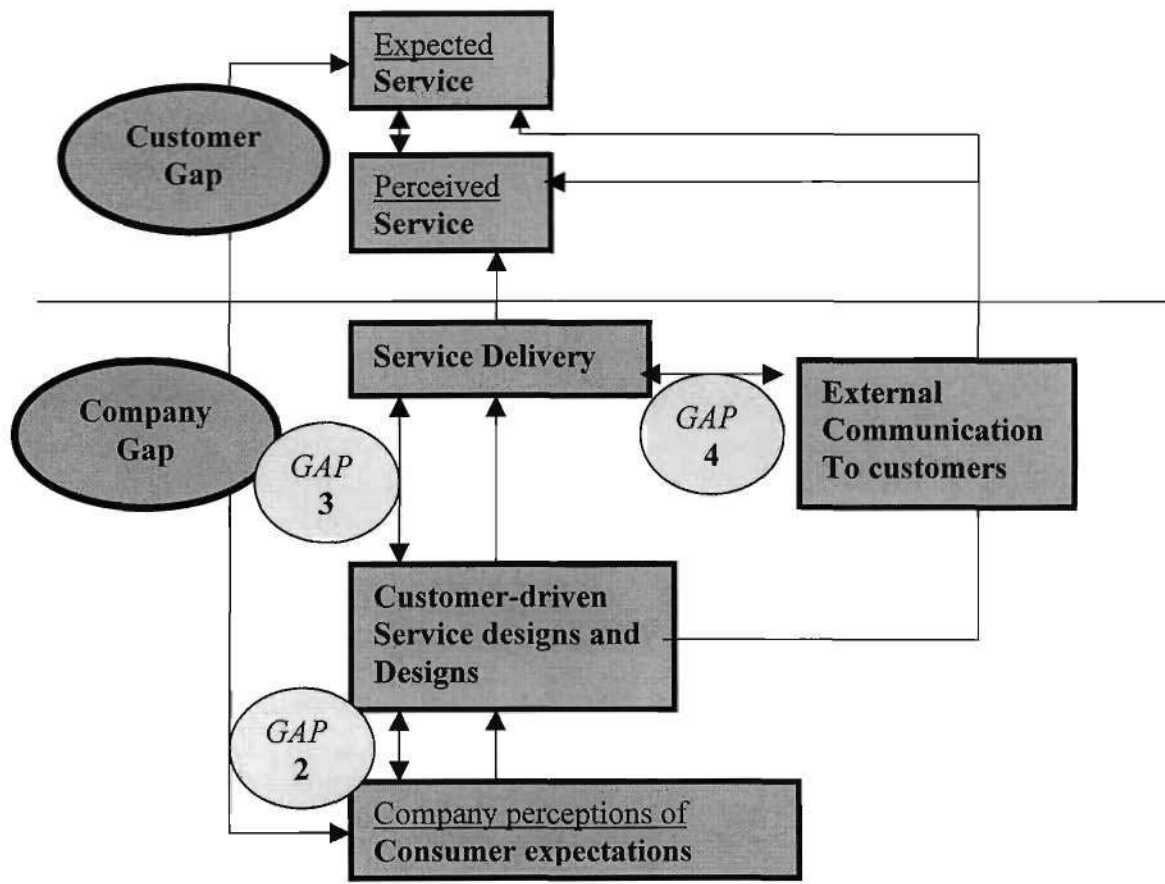
Figure 3.1: Gaps Model of Service Quality adapted from Integrating Customer Focus Across the Firm (2000:26)

This module highlights the main requirements for delivering high service quality and also identifying five gaps that cause unsuccessful delivery:

- Gap 1: between consumer expectations and management perception.

- Gap 2: between management perception and service quality specifications.

- Gap 3: between service quality specification and service delivery.

- Gap 4: between service delivery and external communications.

- Gap 5: between perceived service and expected service.

3.3.1 Provider Gap 1

In provider gap 1 from the above figure, the difference between customer expectation of service and company understanding of that expectation is highlighted. Management is not always aware of what customers expect for various reasons:

- o They do not interact directly with the customers
- o They are unwilling to ask about expectation
- o They are unprepared to address expectations

In the service station the frontline employees are strategic in identifying customer needs and therefore need to be empowered to provide management with feedback to make the necessary adjustments. The culture in South Africa has for too long been a "Ja Baas" one. Employees who are of the previously disadvantaged community are often too afraid to address management with customer issues. Their fear is that any complaint or suggestion may smack of insubordination or inadequacy to do the job and may lead to victimisation or dismissal.

The frontline staff needs to be trained to develop a relationship with the customers. At present the staff at Canadian Motors are poorly educated and therefore a special program in relationship needs to be developed at their level to emphasize the concept of relationship marketing and customer loyalty.

3.3.2 Provider Gap 2

The identification of provider gap 2 is the difference between management's understanding of customer expectations and the development of customer driven service standards. Here management, who are responsible for setting service standards, sometimes believe that consumer's expectations are unreasonable and unrealistic. The management is out of sync with customer expectations, which stems from a lack of

feedback from frontline employees. The communication link between management and frontline staff has to be clear and reinforced. It also has to be encouraged by incentives for positive inputs. The benefit of cash incentives is attractive to fuel attendants as the present salary structure places them amongst the lowest in the economy.

The service station has to establish internal company goals for productivity, efficiency, cost and technical quality. These goals must be based on the customer's requirements and expectations to enable attendants to provide excellent service.

3.3.3 Provider Gap 3

The provider gap 3 is the discrepancy between development of customer driven service standards and actual service performance by the employees. The various reasons listed below identify the critical inhibitors to closing gap 3:

- Employees that do not understand the role they play in the company

- Employees that see conflict between customers and company management

- The wrong employees hired

- Inadequate technology

- Inappropriate compensation and recognition

- Lack of empowerment and teamwork

- Customers who fail to provide all the information necessary

- Customers who do not follow instructions

This section is critical in analysing the discrepancy between development of customer driven service standards and actual service performance by employees.

The success of service station depends on the attendants because they are the service, they are the organisation in the customer's eyes and they are the marketeers.

The five determinants of service quality are:

- Reliability. The ability to perform the pronounced service dependably and accurately.

- Responsiveness. The willingness to help customers and to provide prompt service.

- Assurance. The knowledge and courtesy of employees and the ability to covey trust and confidence.

- Empathy. The provision of caring, individualised attention to customers.

- Tangibles. The appearance of physical facilities, equipment, *telephones* and communication materials.

The reliability of service delivery is often totally within the control of front line employees. When service deteriorates or fails employees are essential for setting things straight and using their judgement to determine the best course of action for service recovery. The responsiveness of front line employees directly influences customer's perception through their eager willingness to serve customers.

The assurance of service quality is highly dependent on the employee's ability to communicate their credibility and to inspire trust and confidence.

Empathy to consumers needs shows that the employees are caring and attentive.

The uniform and appearance of the employee are important aspects of the tangibles.

3.4 Strategies for Closing Gap 3

The strategies for closing gap 3, the discrepancy between development of customer driven service standards and actual service delivery, are:

- Hire the right people.

- Develop people to deliver service quality.

- Provide the needed support system.

- Retain the best people

3.4.1 Hire the right people

- Compete for the best people. Companies are formed to perform with other organizations to hire the best people. The companies are formed to use innovative and creative campaigns to attract talented employees.

- Hire for service competencies and service inclination. Service competencies are the skills and knowledge necessary to do the job and service inclination is the amount of interest shown in doing the service related work. Key factors that companies look to in this regard are people who have a 'can do' attitude, an egalitarian sense of themselves and a good sense of humour.

- Be the preferred employer. One of the ways of attracting the best people is to be known as the preferred employer in a particular industry. Some strategies used are to provide extensive training, career advancement opportunities, attractive incentives.

3.4.2 Develop people to deliver service quality

- Train for technical and interactive skills that allow them to provide courteous, caring, responsive and empathetic service

- Empower employees to accommodate customer requests and to recover on the spot when things go wrong
- Promote teamwork. Employees who are supported by a strong team are better able to maintain their enthusiasm and confidence.

3.4.3 Provide needed support systems

Service employees require internal support systems that are aligned with their need to be customer focused. To enable them to be efficient and effective in their jobs employees need the right equipment and technology.

3.4.4 Retain the best people

An organisation that has a high employee turnover can suffer low employee morale and poor customer service especially if the best employees leave.
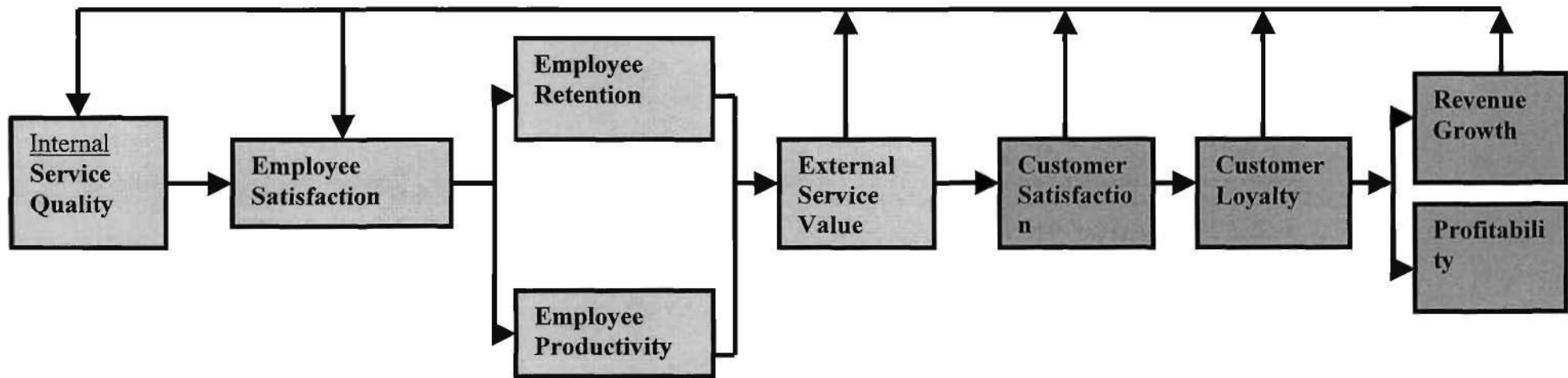
Figure 3.2: The service profit chain

Source: Adapted from an exhibit from Heskett, J.L., "Putting the service profit chain to work," Harvard Business Review, March-April 1994, pp. 166

3.5.The Service Profit Chain

The service profit chain suggests that there are critical linkages among employee satisfaction/productivity; the value of services provided to the customer and ultimately customer satisfaction, retention and profit. However we need to be aware that employee satisfactions do not automatically mean customer satisfaction; rather the two are inter-related of each other.

The front-line services employees are referred to as boundary spanners because they operate at the organisation's boundary. They form the link between external customers and the internal operations of the organisation. In the actual fuel industry the boundary spanners are the least skilled, lowest paid employees in the organisation. They are the first contact of the customers with the company. These positions are highly stressful and require the employee to make *real-time* trade-offs between quality and productivity on the job. Sometimes this stress and trade-offs result in a failure to deliver service as specified, which widens the gap 3.

The retail fuel industry is fully regulated by the government. The price and labour conditions are cast in stone for retailers, the profit margin and wage limits are government controlled. While first world countries have opted for self serve options, South Africa has not.

With stringent controls in place, the fuel retailer is only left with service delivery and other value added products to attract and retain clients.

3.6. High-Leverage Training Strategy

Training in general refers to the planned effort by a company to facilitate employees' learning of job related competencies. These competencies include knowledge and skills that are essential to perform the job. The ultimate end result of this type of training is to allow the employee to apply himself in the day-to-day activities. The highly competitive business environment forces companies to adopt innovative techniques to be able to gain the competitive advantage. Thus training today should be viewed as a way to create intellectual capital that includes basic training and advanced skills and an understanding of the customer or manufacturing system and self-motivated creativity. Therefore it is found that successful companies that have adopted the broader perspective or high-leverage training are those that have linked the training of employees to the strategic business goals and objectives. NOE et al (2000:208)

High-leverage training practises help to create an environment of continuous learning in the work place. Continuous learning requires the employees to understand the entire work process in the company. Here the employees learn new skills and acquire greater knowledge which they share with other employees. The role of management is to identify the training needs and to ensure the training is used in the workplace. The learning culture ensures that learning is rewarded, promoted and supported by management and company objectives. The employees are encouraged to think in new ways of doing things, to take risks and explore new ideas and processes.

3.7. Designing Effective Training Systems

One of the key characteristics of an effective training system is that it must contribute to the competitiveness of the company. To achieve this an Instructional Design

Process has been developed, which emphasizes that effective training methods involve more than just choosing the most popular and colourful. (Noe; Hollenbeck; Gerhart; Wright, McGraw Hill 2000:210).

3.7.1. Conducting a needs assessment

This process determines if there is a need for training. Some of the indicators that suggest that training is needed include performance problems, new technology, internal or external customer requests for training, job redesign, new legislation, changes in customer preferences, new products or employee's lack of skills. Management needs to consider three factors before choosing training as a solution to the indicators.

a) Support of managers and peers. The positive attitude among peers and managers is critical to successful training. Management must be willing to provide information to trainees about how they can more effectively use knowledge, skills and the opportunity to use training content on the job. If there is a lack of support then the employees are unlikely to apply the training content to their job.

b) Company Strategy. The business strategy should ensure that the company is allocating enough of its budget to training activities, the employees are receiving the correct training and the relevant job related training is being done.

c) Training Resources. The company has to allocate the necessary funds, time and expertise for the training. The training program sometimes entails in house development or outsourced consultants. The identification of training needs of individual employees will have to be correctly identified.

3.7.2. Ensuring Employees' Readiness For Training

This step refers to whether the employees have the personal characteristics (ability, attitude, beliefs and motivation) necessary to learn the program and to apply it in the work environment. Management needs to ensure that the employees self-efficacy, understanding the benefits of training, being aware of training needs, career interests, goals, understanding work environment and basic skills level are constantly monitored to maintain the high level of motivation.

3.7.3. Create a Learning Environment

Learning involves a change in behaviour on the part of the employee and to facilitate that change the training program needs to include specific learning principles:

- Employees need to know why they should learn

- Employees need to use their own experiences as a basis for learning

- Employees need to have opportunity to practice

- Employees need feedback

- Employees learn by observing and interacting with others

- Employees need the training program to be properly coordinated and arranged.

3.7.4 Transfer of Training

The transfer of training refers to the knowledge, skills and behaviours learned in training on the job. The work environment characteristics influencing transfer of training include:

- Climate for transfer refers to the trainees' perception of the work environment that inhibit or facilitate use of the trained skill

- Manager support

- Peer support

- Opportunity to use skill learned

- Technological support

- Self-management skills

3.7.5. Selecting Training Methods

A number of different training methods can be used to help employees acquire new skills and knowledge. Some of the more popular ones are:

- Classroom and audiovisual techniques

- Hands on methods which include on-the-job training, self directed learning, apprenticeship and simulations

- Group building methods are adventure learning, team training and action learning.

- Coaching and mentoring

- Literature based self-learning.

3.8. Workplace Learning and Safety Training

One of the most time consuming and costly aspects of workplace learning is that, despite quality training, employees keep falling back to old ways.

Employees are not a blank slate; not even beginners. Self-teaching attempts and observation of others have taught them at least some ideas, some basic skills.

Unfortunately, concepts and skills may be incorrect or incomplete. New employees sometimes "get it wrong".

Experienced employees' knowledge and skills can also become incorrect, incomplete or outdated over time, making them less effective performers. They then face having to change. If not corrected early, their outdated or faulty knowledge and skills soon develop into learned errors, misconceptions and ingrained bad habits, e.g., unsafe or inefficient working practices. Habits are automatic, reflex-like acts and behaviours that are not under conscious control - by the time you realise what you've done wrong, its too late to stop.

In training sessions the trainer points out errors, shows employees a better way and then they copy and practice it. During training they appear to catch on and can actually do the right thing, at least while the trainer is nearby and therefore serving as a cue for the correct performance. They may do the right thing afterwards, too, at least for a while, but they have to concentrate hard each time on exactly what to do.

The new idea or procedure feels strange having done it the other way for so long and because the new idea or procedure differs from the old idea or procedure there is a conflict or tension between them. We all have this knowledge protection mechanism but it is stronger in some people. It is an unconscious mechanism and we have little or no control over it. Personal inhibitions causes accelerated forgetting (within minutes or hours) of the new way and this is why you revert to your old incorrect understanding or way of working when you return to the workplace.

You know what you're doing wrong and what you should do and you're highly motivated to improve but your brain won't let you change. Problems in adapting to change are caused by what you already know, not by what you don't know.

Proactive habit interference is a major cause of a wide range of workplace change management problems including:

- Poor or unsafe work habits

- Problems of skill development

- Poor transfer of learning from workplace training and coaching to work on-the-job performance

- Transitioning problems

- Slow and low uptake of new technology by management and others

- Problems with goal setting, focusing and coping with distractions

- Many team problems. (*www.personalbest.com.au*)

The hypothesis to be tested is that the Caltex training method of employees will improve the levels of customer satisfaction at Canadian Motors.

CHAPTER 4

THE PROCEDURE

4.1. Introduction

This chapter describes the research methods used in this study, defines the population for the study, discusses the research instrument, and outlines the procedures used during the study.

4.2. Research Design

The limitation of the research design we are using in this study is that it is a one-shot case study. The literature explains that this design consists of observing a single group or event at a single point in time, usually after some phenomenon that may have produced change. This study is a weak design, as it does not allow for comparisons with other unexposed groups.

4.3. Population and Sample for the Study

The groups surveyed in this study consisted of customers at the service station in Pietermaritzburg. All the present staff were given equal number of questionnaires and were instructed to hand them to the customers at random. The total number of questionnaires was eighty-five.

4.4. Questionnaire

The research design is structured to determine whether the Caltex training method is suitable or not. Therefore the research design will take a cause and effect

methodology. In order to be a cause, concomitant variation is needed, i.e. there should be a co-variation between the cause and effect. For example, there should be a co-variation between training of staff and change in customer satisfaction. However, note has to be taken that the results of training can be considered a cause-effect relationship, is at best, probabilistic, i.e. it is more likely that customer satisfaction will increase if training is done, than when it is not.

The questionnaire (Appendix 4A) comprises of nine questions that address the needs of customers on the forecourt and the manner in which the attendants deliver the service.

4.5. Data Collection

Data pertaining to the research questions were collected in the following ways:

Data pertaining to perceptions and perceived needs of customers at Canadian Motors was collected by survey by the forecourt staff.

Data was collected through questionnaires in early July 2003 and the training of staff was conducted in July and August. Another lot of data was collected at the end of August to measure the change.

4.6. Validity

Validity of the instrument indicates whether or not the measurement instrument does in fact measure what it is intended to measure (Fitz-Gibbon & Morris, www.woodweb.com).

The type of questionnaire used in this study could only be considered valid if it contained questions and possible responses, which accurately represented the topic of study and was worded in clear, unambiguous language.

4.7. Data Analysis

A t-test was used to determine significant differences between:

1) The perceived importance of specific activities, and

2) The perceived adequacy of quality and availability of those activities.

A gap, or need, was considered to exist if the grand mean score between variables of the same item demonstrated a significant difference at the .05 levels as determined by the t-test.

CHAPTER 5

ANALYSES OF THE RESULTS

5.1.Introduction

Based on the statistical analysis referenced in appendix 5B, there is sufficient evidence to conclude that there is improvement in service levels after training. The calculated values as derived from the SPSS calculation indicate that these values are greater than the critical values, hence the evidence to support the improvement in service.

Table 5.1 Group Statistics for the questionnaire

	RATING	N	Mean	Std. Deviation	Std. Error Mean
TRAFCONT	before training	38	1.6053	.75479	.12244
	after training	45	1.3111	.51444	.07669
HELP	before training	39	1.2308	.48458	.07759
	after training	43	1.1163	.32435	.04946
GREETING	before training	39	1.1795	.50637	.08108
	after training	45	1.0667	.25226	.03761
OILWATER	before training	39	1.2821	.60475	.09684
	after training	44	1.1364	.40868	.06161
WINDSCRE	before training	36	1.5000	.69693	.11616
	after training	42	1.2857	.55373	.08544
ASHTRAY	before training	30	1.8667	.89955	.16424
	after training	28	1.7500	.79931	.15105
RESTROOM	before training	30	1.8667	.89955	.16424
	after training	31	1.6452	.70938	.12741
CONVSTOR	before training	29	1.5172	.63362	.11766
	after training	36	1.3611	.54263	.09044
CARWASH	before training	32	1.2188	.49084	.08677
	after training	38	1.4474	.60168	.09761

From the above statistics, T tests were undertaken and are attached as appendix 4E. The results indicate that the training did improve the levels of service as they were above the 0.05.

5.2. The Results of the Individual Responses

The results will be analysed in order as they appear on the questionnaire.

5.2.1.Traffic Control on Driveway

The first contact of service level by the customer is when he drives onto the forecourt. The results show that the attendants service delivery improved by 15.8 percent after training. The improvement after training is reflected because traffic control on the forecourt allows management to visually see attendants directing vehicles. The results are reflected on table 5.2 and table 5.3. The bar graphs graphically illustrate the improvement (Appendix F).

Table 5.2. Traffic control on driveway before training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Excellent	21	52.5	55.3	55.3
	satisfactory	11	27.5	28.9	84.2
	poor	6	15.0	15.8	100.0
	Total	38	95.0	100.0	
Missing	System	2	5.0		
Total		40	100.0		

Table 5.3 Traffic control on driveway after training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	32	71.1	71.1	71.1
	satisfactory	12	26.7	26.7	97.8
	poor	1	2.2	2.2	100.0
	Total	45	100.0	100.0	

5.2.2. Help with pump selection

The drivers of motor vehicles are sometimes unaware as to which side of the car the petrol filler point is located. Therefore there is a need for the attendant to direct the driver to park on the correct side of the petrol pump. The results show that there is an improvement after training as reflected in table 5.4 and 5.5. Bar Charts are as appendix G. The training program created awareness to attendants of the position of petrol filler points on vehicles and the benefit of easy filling if parked on the correct side.

Table 5.4. Help with pump selection before training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	31	77.5	79.5	79.5
	satisfactory	7	17.5	17.9	97.4
	poor	1	2.5	2.6	100.0
	Total	39	97.5	100.0	
Missing	System	1	2.5		
Total		40	100.0		

Table 5.5. Help with pump selection after training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	38	84.4	88.4	88.4
	satisfactory	5	11.1	11.6	100.0
	Total	43	95.6	100.0	
Missing	System	2	4.4		
Total		45	100.0		

31

5.2.3. Greeting and welcome

The service station depends on return business to survive and grow. Therefore the frontline staff needs to make the customer feel welcome and comfortable to encourage future business. The results after the training show an increase of 6.1 percent as per table 5.6 and 5.7. Bar charts are as appendix H. A significant observation is that there were no poor statistics recorded after the training.

Table 5.6. Greeting and welcome before training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	34	85.0	87.2	87.2
	satisfactory	3	7.5	7.7	94.9
	poor	2	5.0	5.1	100.0
	Total	39	97.5	100.0	
Missing	System	1	2.5		
Total		40	100.0		

Table 5.7 Greeting and welcome after training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	42	93.3	93.3	93.3
	satisfactory	3	6.7	6.7	100.0
	Total	45	100.0	100.0	

32

5.2.4 Checking of oil and water

The forecourt attendants' technical knowledge has to be at a level that will satisfy the customer. The motor vehicle is second to a person's home in asset value. The motorist expects detail to attention by the attendants. Training has shown an improvement of 9.1 percent.

Table 5.8 Checking of oil and water before training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	31	77.5	79.5	79.5
	satisfactory	5	12.5	12.8	92.3
	poor	3	7.5	7.7	100.0
	Total	39	97.5	100.0	
Missing	System	1	2.5		
Total		40	100.0		

Table 5.9 Checking of oil and water after training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	39	86.7	88.6	88.6
	satisfactory	4	8.9	9.1	97.7
	poor	1	2.2	2.3	100.0
	Total	44	97.8	100.0	
Missing	System	1	2.2		
Total		45	100.0		

33

5.2.5. Windscreen Cleaning

High levels of associated services play a crucial role in return business. The cleaning
of windscreens is one of the visible displays of quality service. Training has shown an
improvement of 15.1 percent. Management find this service easy to monitor and
attendants are usually given tips for good windscreen cleaning. The financial reward
for this service can encourage greater customer levels of satisfaction. Tables below
show the results and bar charts are as appendix J.

Table 5.10 Windscreen cleaning before training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	22	55.0	61.1	61.1
	satisfactory	10	25.0	27.8	88.9
	poor	4	10.0	11.1	100.0
	Total	36	90.0	100.0	
Missing	System	4	10.0		
Total		40	100.0		

Table 5.11 Windscreen cleaning after training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	32	71.1	76.2	76.2
	satisfactory	8	17.8	19.0	95.2
	poor	2	4.4	4.8	100.0
	Total	42	93.3	100.0	
Missing	System	3	6.7		
Total		45	100.0		

34

5.2.6. Ashtray Cleaning

Another related service is to clean out the ashtray in the motor vehicle. Long distance drivers appreciate this service when it is offered. The site has shown a drop in service levels, which can be attributed to seasonal fluctuation and holidays. Table 5.12 and 5.13 show the results of the tests and bar charts appear in appendix K.

Table 5.12 Ashtray cleaning before training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	14	35.0	46.7	46.7
	satisfactory	6	15.0	20.0	66.7
	poor	10	25.0	33.3	100.0
	Total	30	75.0	100.0	
Missing	System	10	25.0		
Total		40	100.0		

Table 5.13 Ashtray cleaning after training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	13	28.9	46.4	46.4
	satisfactory	9	20.0	32.1	78.6
	poor	6	13.3	21.4	100.0
	Total	28	62.2	100.0	
Missing	System	17	37.8		
Total		45	100.0		

5.2.7. Restrooms

The restrooms are aimed more at the long-distance travellers and holidaymakers. This service is seasonal and therefore was not responded to by some customers resulting in missing data. A limited improvement was however noted after training. Tables below show results and bar charts as appendix L.

Table 5.14 Restroom before training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	14	35.0	46.7	46.7
	satisfactory	6	15.0	20.0	66.7
	poor	10	25.0	33.3	100.0
	Total	30	75.0	100.0	
Missing	System	10	25.0		
Total		40	100.0		

Table 5.15 Restroom after training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	15	33.3	48.4	48.4
	satisfactory	12	26.7	38.7	87.1
	poor	4	8.9	12.9	100.0
	Total	31	68.9	100.0	
Missing	System	14	31.1		
Total		45	100.0		

5.2.8. Convenience Store

The convenience store has become a major profit centre for service station owners.

Awareness of the facility is an attraction for customers to purchase daily supplies.

Training has brought on a 11.5 percent improvement as show in tables 5.16 and 5.17.

The bar charts are as appendix M.

Table 5.16 Convenience store before training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	16	40.0	55.2	55.2
	satisfactory	11	27.5	37.9	93.1
	poor	2	5.0	6.9	100.0
	Total	29	72.5	100.0	
Missing	System	11	27.5		
Total		40	100.0		

Table 5.17 Convenience store after training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	24	53.3	66.7	66.7
	satisfactory	11	24.4	30.6	97.2
	poor	1	2.2	2.8	100.0
	Total	36	80.0	100.0	
Missing	System	9	20.0		
Total		45	100.0		

5.2.9. Car wash

The car wash is another revenue centre that is playing a major role in the motor industry. Customer awareness and satisfaction is essential for return business. The results of the data in table 5.18 and 5.19 show a drop in the level of satisfaction of the customer. The bar charts are as appendix N.

Table 5.18 Car wash before training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	26	65.0	81.3	81.3
	satisfactory	5	12.5	15.6	96.9
	poor	1	2.5	3.1	100.0
	Total	32	80.0	100.0	
Missing	System	8	20.0		
Total		40	100.0		

Table 5.19 Carwash after training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	excellent	23	51.1	60.5	60.5
	satisfactory	13	28.9	34.2	94.7
	poor	2	4.4	5.3	100.0
	Total	38	84.4	100.0	
Missing	System	7	15.6		
Total		45	100.0		

CHAPTER 6

CONCLUSION AND RECOMMENDATION

This chapter begins with a summary of the research followed by consideration of the seven research questions posed in Chapter One. Some conclusions are drawn as well as implications for practice and recommendations for further research are suggested.

6.1.Summary of Study

The purpose of the study was to determine whether the training and development program implemented by Caltex would be beneficial and effective in terms of customer satisfaction at a service station in Pietermaritzburg. The study investigated the levels of customer satisfaction at Canadian Motors and tried to determine the perceived needs of future training and development programs and services. The study also attempted to identify factors that could enhance a frontline employee training and development at Canadian Motors.

6.2.Conclusions and Recommendation

Several conclusions concerning the levels of customer satisfaction and employees training needs were drawn from this study.

Whilst there were increases in seven out of nine areas of the research questions, the growth rate has not been phenomenal. The highest growth rate was the improvement of traffic control on the forecourt. The responsiveness and assurance of frontline employees with regards to pump selection, greet and welcome and checking of oil and water grew between 6.1 percent and 9.1 percent.

The two areas with negative growth were the rest rooms and the car wash. The results of the area of data collection will have to take into account that not all motorists on the forecourt make use of these facilities. However cognisance must be made of the fact that the car wash is an integral revenue generating business unit and customer awareness is necessary for its success.

The process of planned change to effect organizational and individual goals is defined by Stenzel and Feeney (1976): The educational process of bringing about changes in behaviour to achieve a desired result is the purpose of all teaching. Therefore, building content for the training and development of individuals must be focused on effecting changes in the knowledge, attitudes, and skills of the individuals. The end result should be more effective programs on the part of the agency or organization, and self-learning and development for the individual. (p.44)

The literature has identified that there are some essential steps to be followed in terms of training of adult illiterate employees. It is recommended that a training model be developed to accommodate the unique needs of service employees based on the following steps:

> Identify the training needs to determine the gap between what employees "must do" and what they "actually do".

> The formulation of training objectives, which take into account the illiteracy problem in South Africa, the changing business climate and the technological developments.

> Prepare the employees to be taught on the job using mentors and supervisors.

> The training has to be evaluated to determine the effectiveness of the training and to correct if necessary.

The forecourt employees are in the lowest salary scales. Their educational levels are usually low. The nature of their job as discussed in the literature review is vital to the success of the service station industry. Therefore their training is essential. The training has to be about a change in behaviour to achieve the desired goals.

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Appendix 0

The Caltex Training Program

The Caltex training program comprises of a series of 10 study books and a record

register for

a supervisor to monitor the progress. The study books cover the following:

- ➢ Customer Service

- ➢ Store

- ➢ Selling

- ➢ Forecourt

- ➢ Product knowledge

- ➢ Point of sale

- ➢ Food safety

- ➢ Safety

- ➢ Customer relations

- ➢ Customer contact

The books animated and in simple English. Animated characters are used in cartoon

strips to deliver the training message.

Appendix 4A

60 SECONDS CRITIQUE OF OUR SERVICES

Name:

Address:

Vehicle details: Privately owned ☐   Company owned ☐   Rental ☐

	EXCELLENT	SATISFACTIONARY	POOR
Traffic control on driveway	☐	☐	☐
Help with pump selection	☐	☐	☐
Greeting and welcoming	☐	☐	☐
Checking for oils and water	☐	☐	☐
Windscreen cleaning	☐	☐	☐
Ashtray cleaning	☐	☐	☐
Rest rooms	☐	☐	☐
Convenience store	☐	☐	☐
Car wash	☐	☐	☐

Appendix 5B

t-test for Equality of Means						
T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
					Lower	Upper
2.101	81	.039	.2942	.14003	.01553	.57277
2.036	63.504	.046	.2942	.14448	.00549	.58282
1.268	80	.209	.1145	.09030	-.06522	.29420
1.244	65.389	.218	.1145	.09202	-.06926	.29825
1.319	82	.191	.1128	.08557	-.05740	.28304
1.262	53.949	.212	.1128	.08938	-.06638	.29202
1.299	81	.198	.1457	.11219	-.07754	.36892
1.269	65.505	.209	.1457	.11478	-.08350	.37488
1.512	76	.135	.2143	.14168	-.06789	.49646
1.486	66.503	.142	.2143	.14420	-.07357	.50214
.521	56	.605	.1167	.22406	-.33218	.56551
.523	55.872	.603	.1167	.22314	-.33036	.56369
1.070	59	.289	.2215	.20705	-.19281	.63582
1.066	55.113	.291	.2215	.20786	-.19504	.63805
1.070	63	.289	.1561	.14592	-.13548	.44774
1.052	55.391	.297	.1561	.14840	-.14123	.45349
-1.720	68	.090	-.2286	.13290	-.49381	.03658
-1.751	67.943	.085	-.2286	.13060	-.48923	.03199

III

Appendix 5C

Traffic Control Bar Graph before Training

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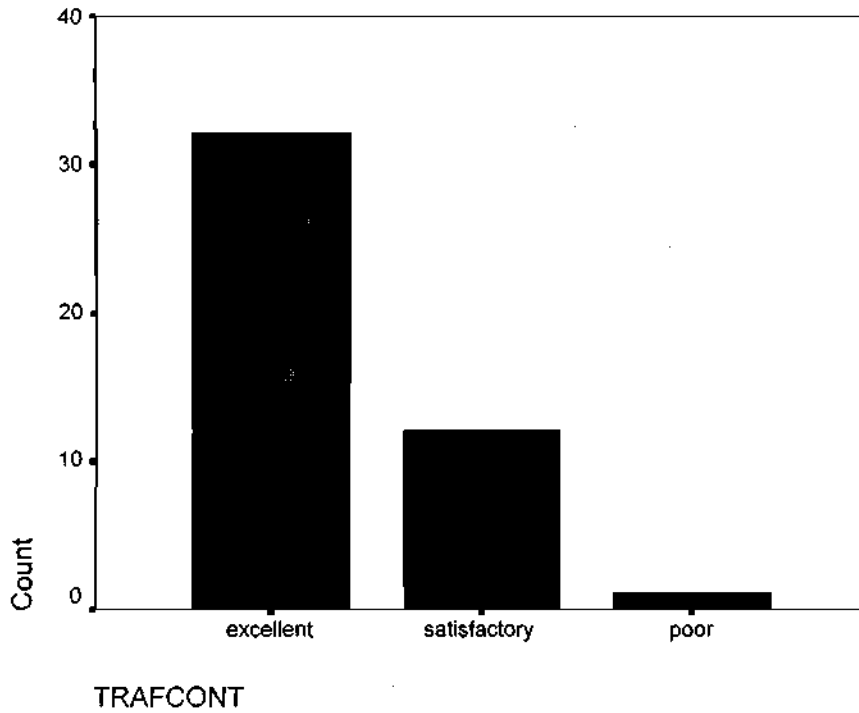
Traffic Control Bar Graph after Training

TRAFCONT
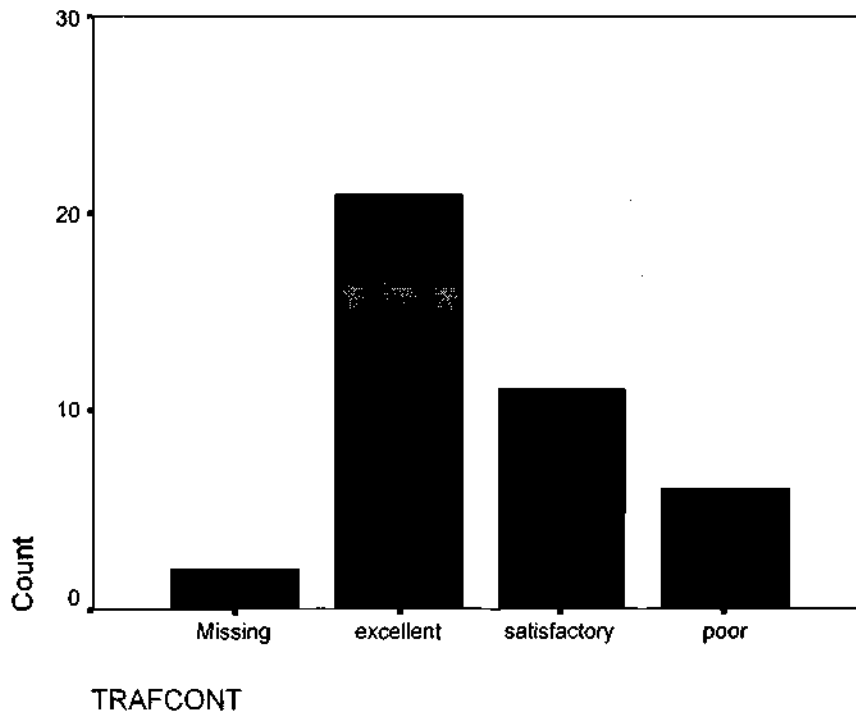
Appendix 5D

Help with Pump Selection Bar Chart before Training
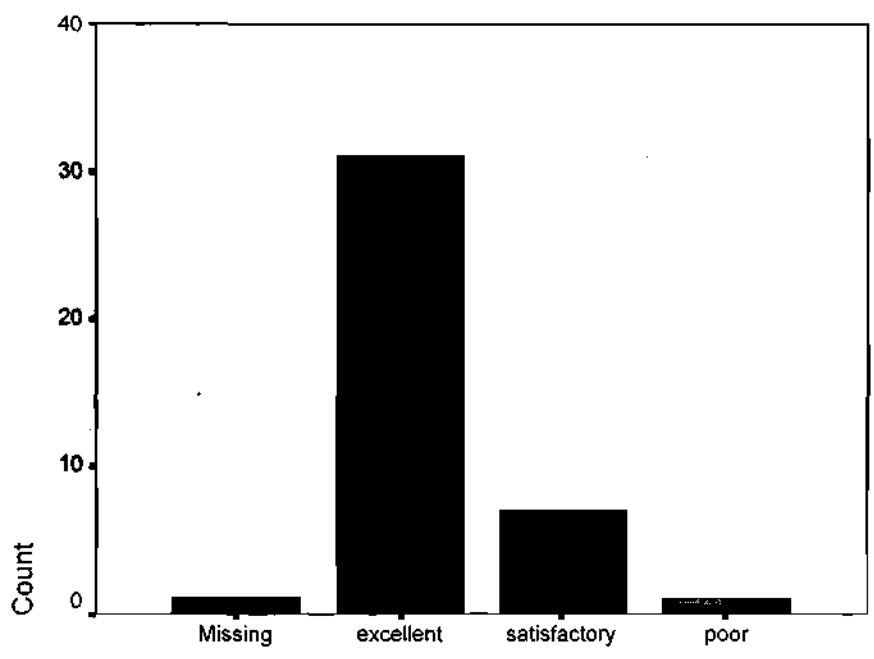
HELP

Help with Pump Selection Bar Chart after Training
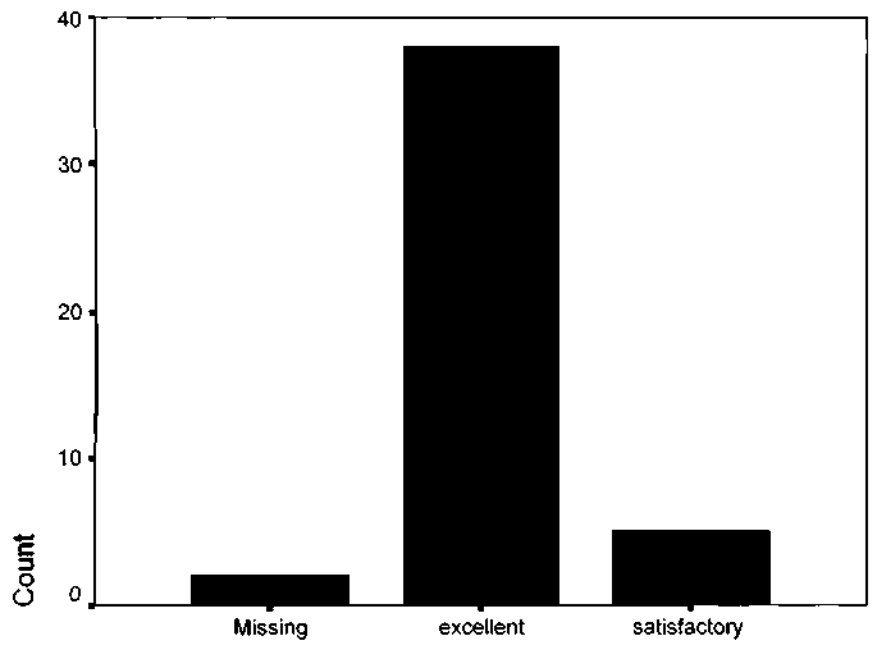
HELP

Greeting and Welcome Bar Chart before Training
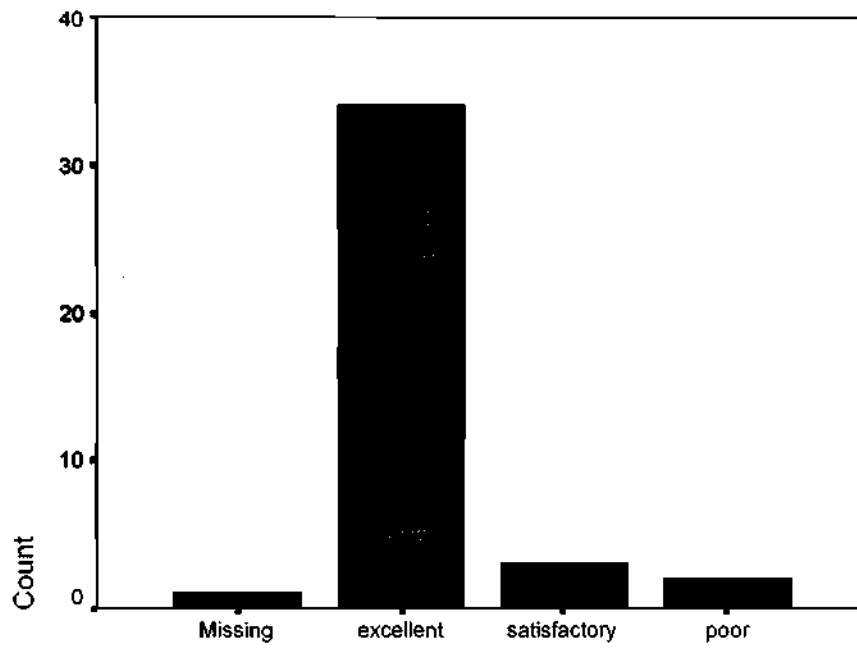
GREETING

Greeting and Welcome Bar Chart after Training
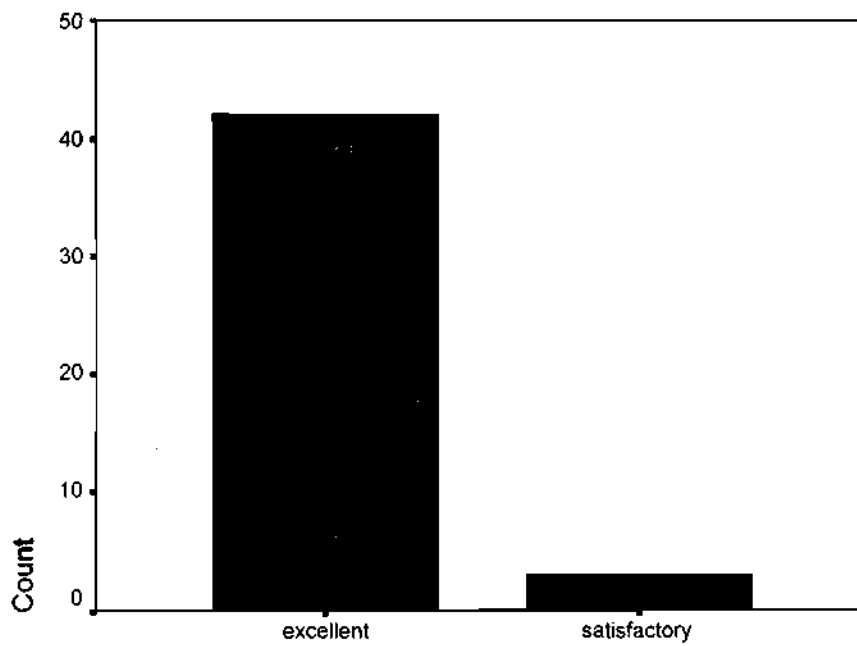
GREETING

Appendix 5F

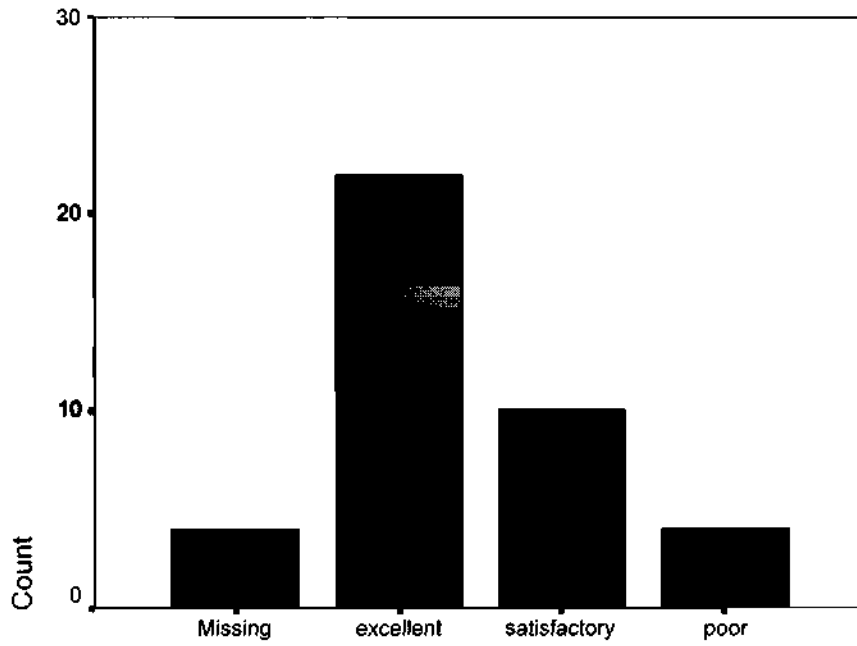Checking of Oil and Water Bar Chart before Training
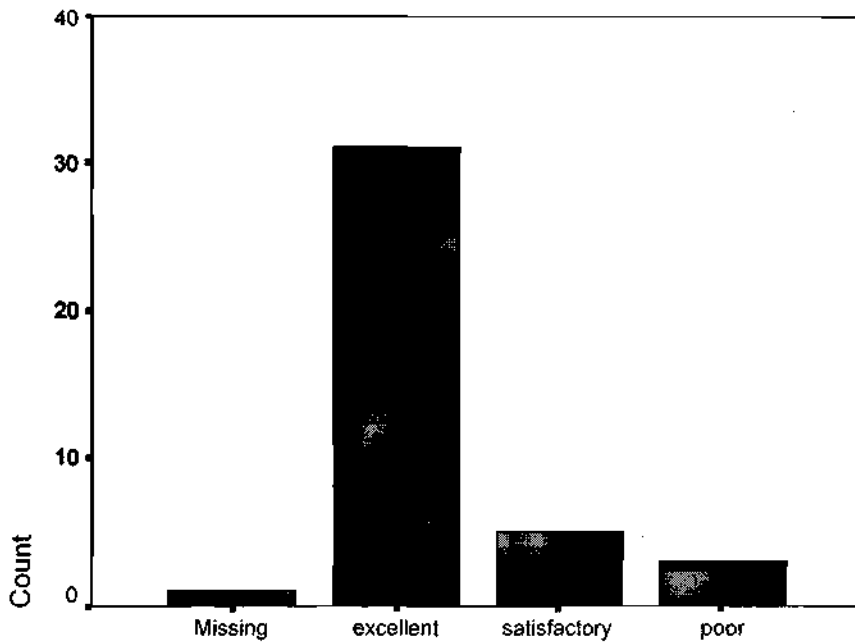
OILWATER

Checking of Oil and Water Bar Chart after Training
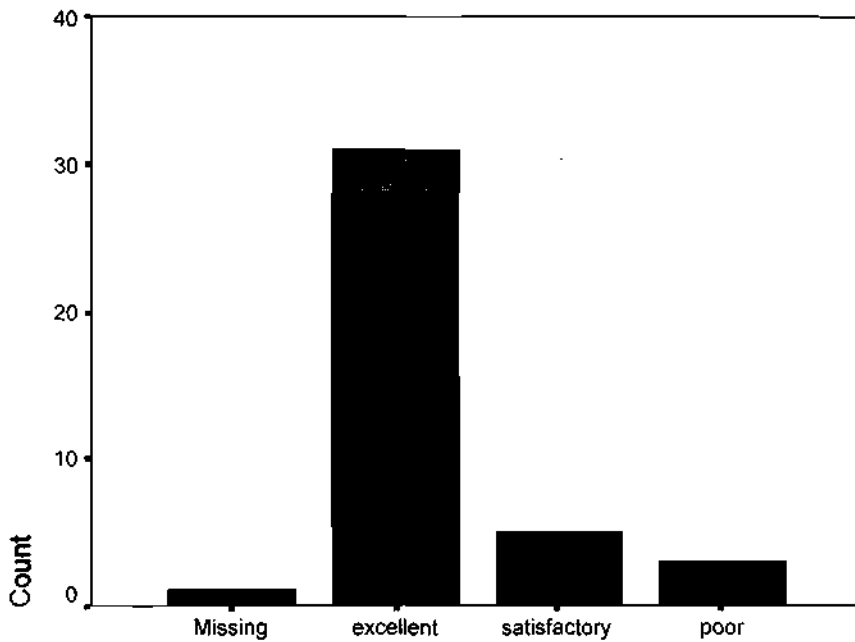
OILWATER

Windscreen Cleaning Bar Chart before Training

WINDSCRE

Windscreen Cleaning Bar Chart after Training
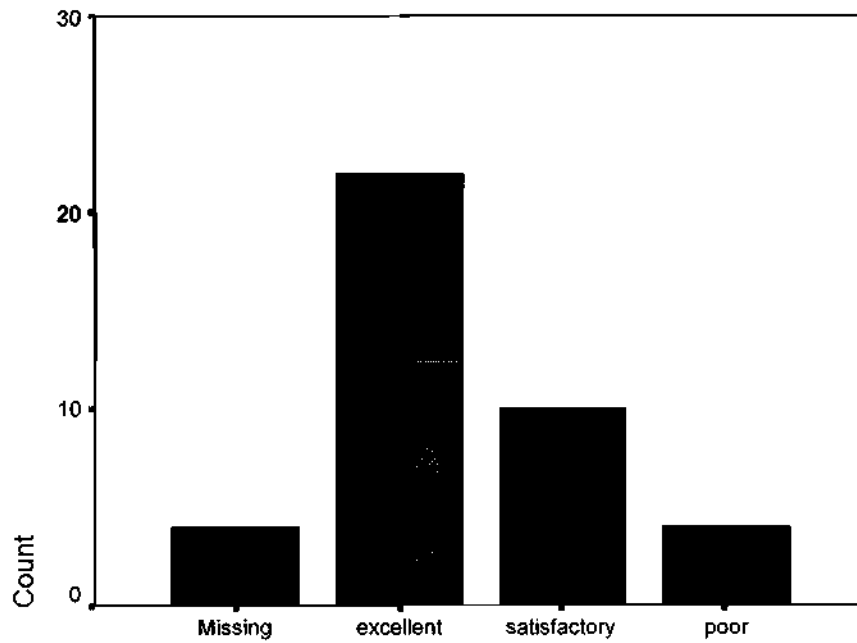
WINDSCRE

Appendix 5H

Ashtray Cleaning Bar Chart before Training
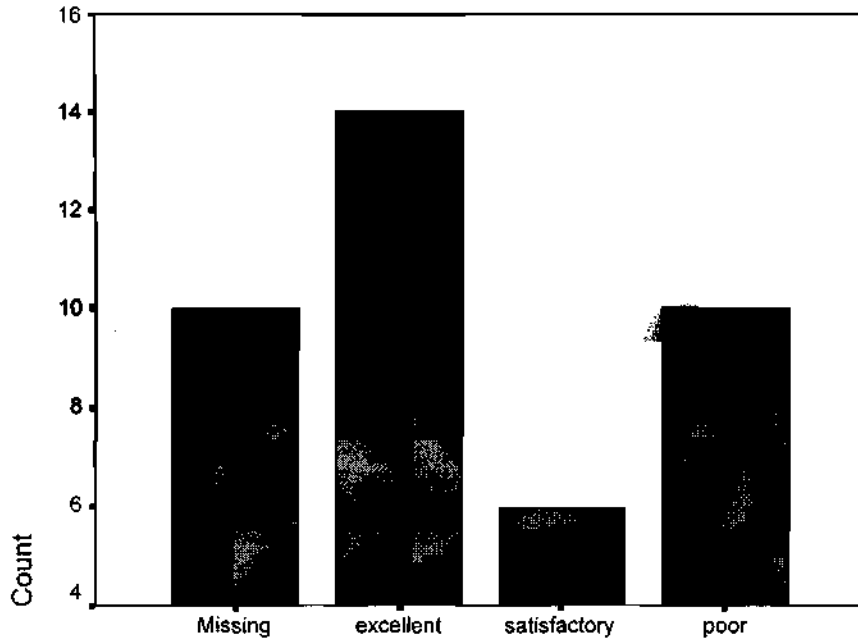
ASHTRAY

Ashtray Cleaning Bar Chart after Training
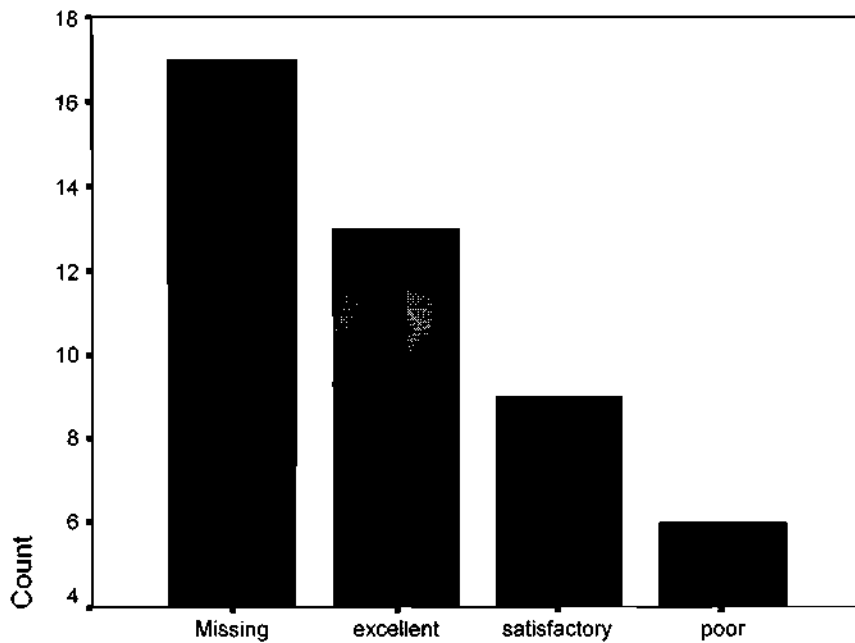
ASHTRAY

Appendix 5I

Rest Rooms Bar Chart before Training
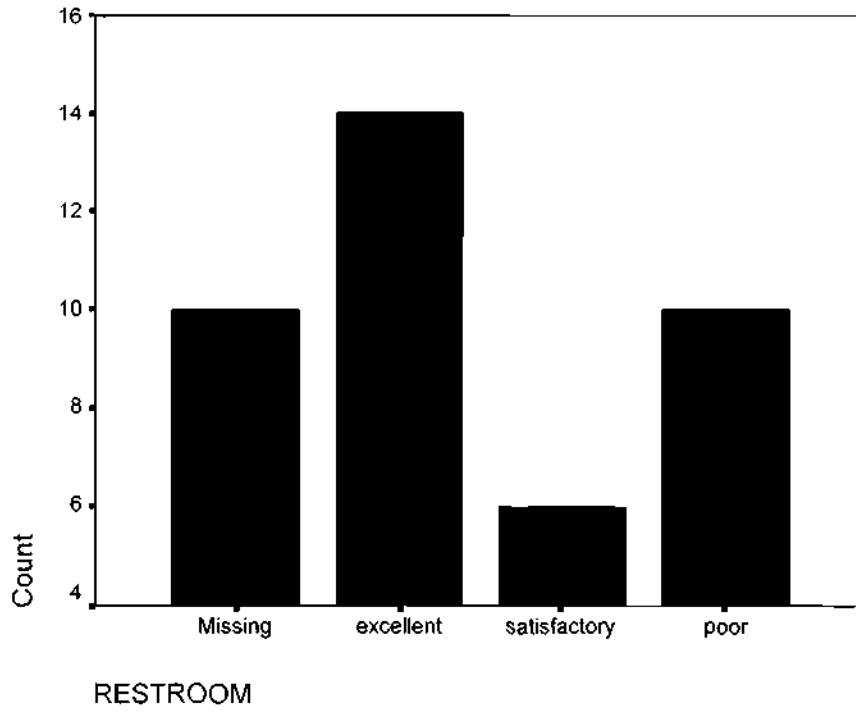
RESTROOM

Rest Room Bar Chart after Training

RESTROOM

X
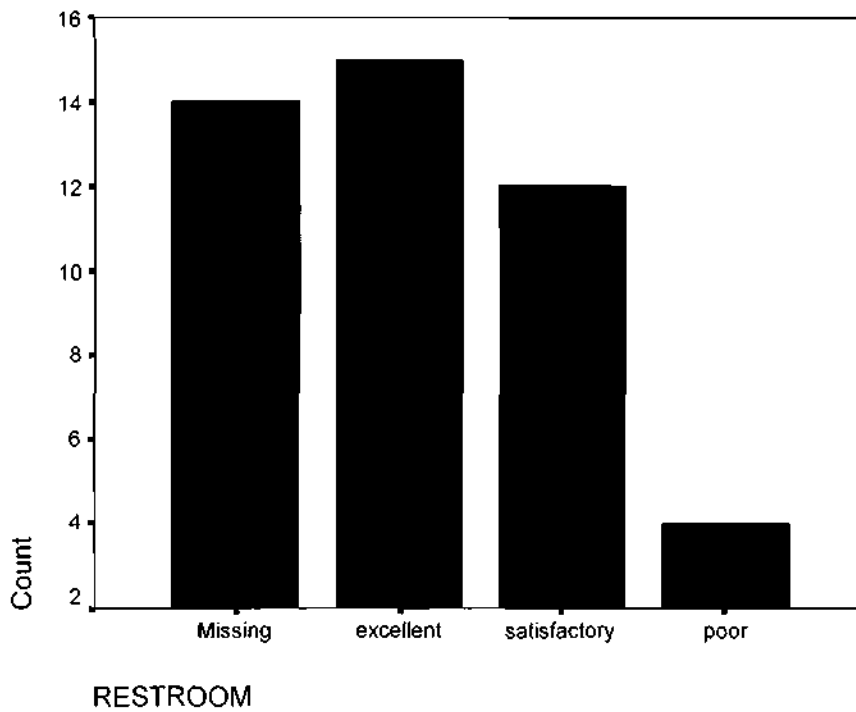
Convenience Store Bar Chart before Training
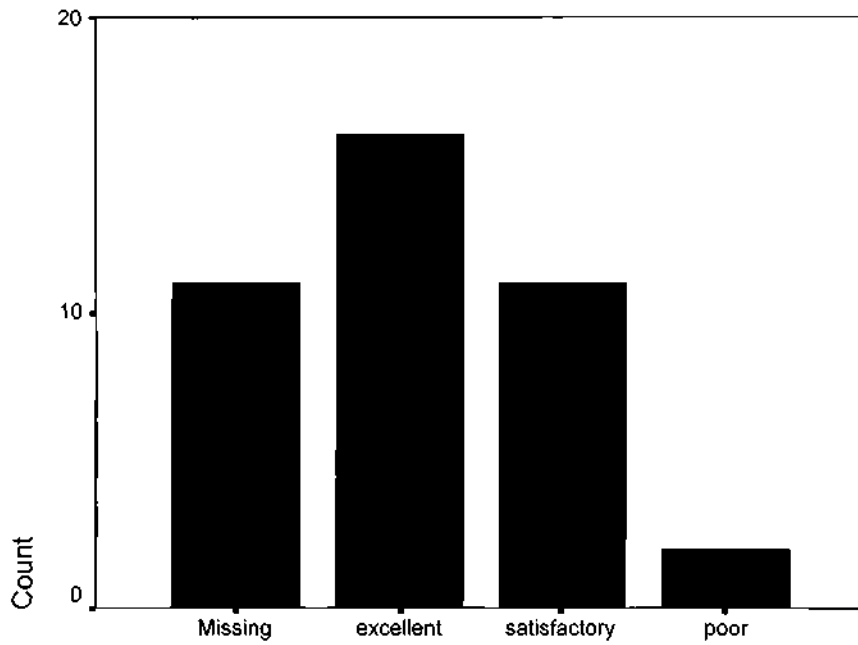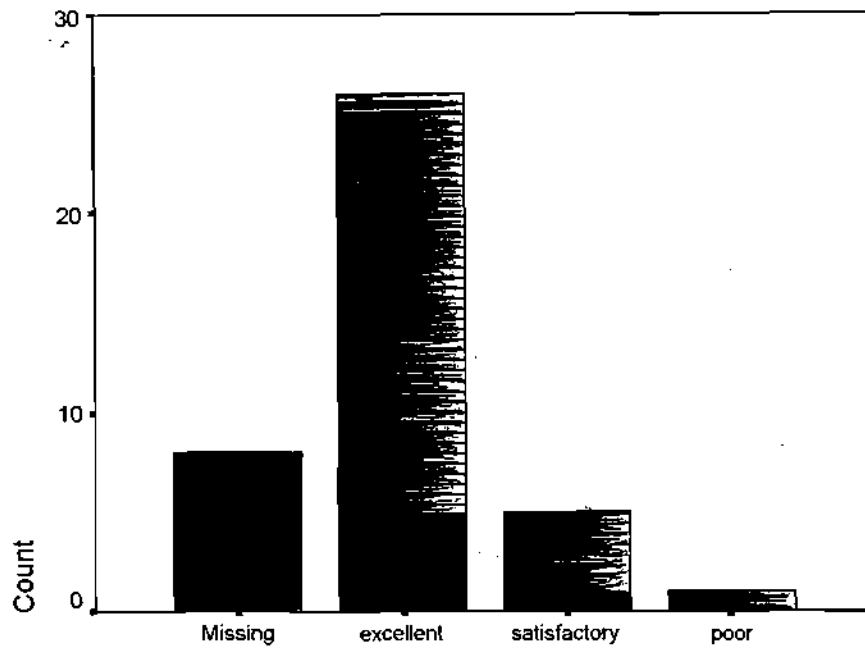

CONVSTOR
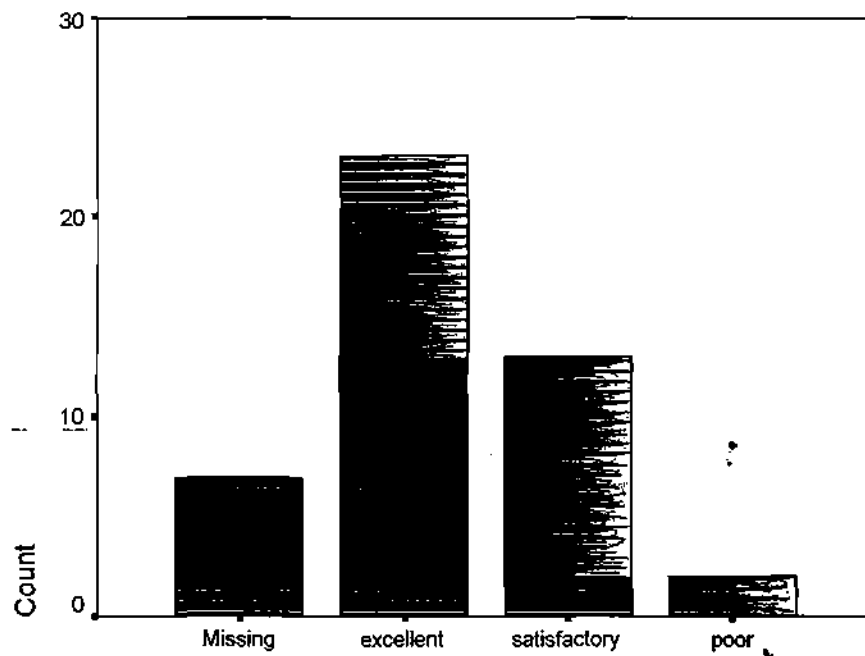
Convenience Store Bar Chart after Training
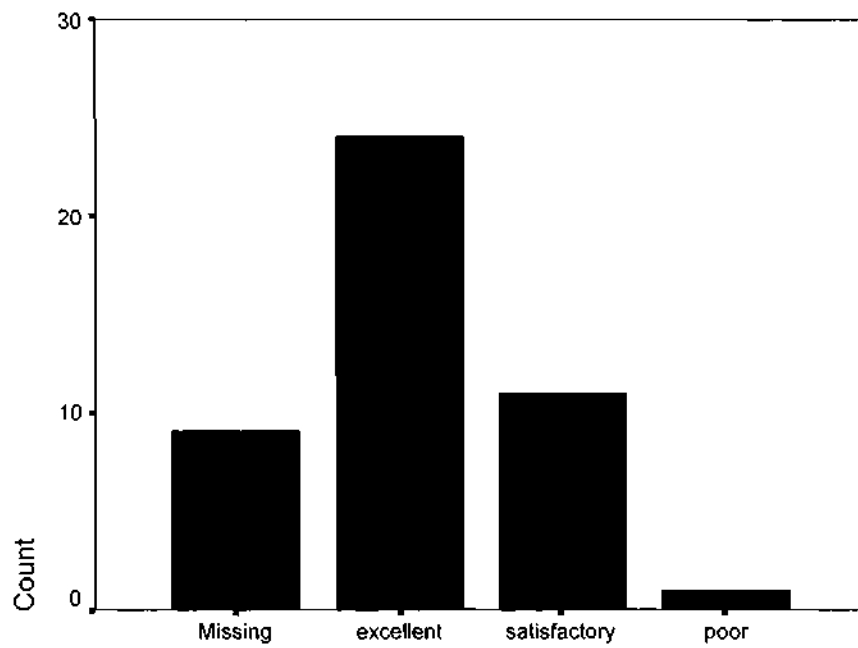
CONVSTOR

Car Wash Bar Chart before Training

Car Wash Bar Chart after Training