Are they as satisfied as we think they are? Comparing staff estimates and client ratings of service quality in New Zealand English language centres

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ABSTRACT

Non-managerial staff and clients in a representative sample of New Zealand English language centres (ELCs) offering English as a Second Other Language (ESOL) programs were surveyed on their perceptions of the quality of service provided in their institutions. Staff were asked to estimate levels of client satisfaction with the service. The data from staff estimates and actual client ratings were then subjected to statistical analysis in order to ascertain whether there was correspondence between the two sets of perceptions. The findings showed that staff perceived their clients to be significantly more satisfied with most aspects of the service than the clients actually were.

Introduction

ELCs have a hybrid character. While they are educational institutions that teach ESOL programs to both immigrant and international students, employ professional teachers and are typically subject to some form of monitoring by regulatory authorities, they are also service organisations, most of which function in a competitive business environment (Walker 1998). The staff – both teachers and non-teachers – are service providers (Walker 2000) whose effectiveness may depend on their degree of service orientation (Schneider 1980; Saxe and Weitz 1982; Kelley and Hoffman 1997). The students are clients who pay for the service and can determine an institution’s survival (Crichton 1994). Like many other service customers, ELC clients rely heavily for their choice of a service provider on word-of-mouth recommendation from a friend (Soutar, McNeill and Lim 1994; Bansal and Voyer 2000; Pires and Stanton 2000). Very satisfied or delighted clients may, in turn, recommend an ELC to their friends (Winston 1988; Kingman-Brundage 1994; MacStravic 1995; Butcher, Sparks and O’Callaghan 2001). Delighting – not merely satisfying – clients (Lovelock, Patterson and Walker 1998) is therefore not only an operational,
but also a strategic, issue for ELCs. An important part of this strategy involves awareness on the part of ELC management and staff of how their clients rate the service the ELCs provide. Such awareness could furnish ELCs with useful information for continuous improvement of their service, with a view to boosting client satisfaction to the level of delight, thus encouraging the proliferation of positive word-of-mouth recommendations.

A key question to be asked, however, is whether ELC staff have an accurate perception of how satisfied their clients are with the quality of the service ELCs provide. Correspondence between service provider and client perceptions of the quality of the service provided by service organisations is a recurring theme in research in other service contexts (for example, Schneider, Parkington and Buxton 1980; Tornow and Wiley 1991; Schmit and Allscheid 1995). Schneider and Bowen (1995) suggested that frontline service providers – such as ELC staff – are likely to have a good idea of how satisfied their customers are. A number of studies have reported a close association and/or positive correlations (for example, Wiley 1991; Johnson 1996) between employee estimates of customer satisfaction and actual customer satisfaction. Most of these studies have reported findings from financial and retail sectors. To what extent, however, does the same correspondence exist in the commercial ESOL sector and do ELC staff members have an accurate picture of how satisfied their clients are with the service they provide? This article describes research that set out to answer these questions.

**Methodology**

Staff and client focus groups were organised at New Zealand ELCs in order to identify major themes pertaining to the provision of ELC service and to client satisfaction with that service. The focus group findings were integrated with relevant themes from the services and satisfaction literature to develop an ELC staff survey and an ELC client survey.

At the time of the survey planning, 76 ELCs were identified as being in operation in New Zealand. All 76 ELCs were invited to take part in the surveys; 30 ELCs (40% of the total) agreed to participate. Eight of the ELCs constituted departments of tertiary institutions, and the other 22 were privately owned companies. Staff in non-management positions and student clients participated in the surveys.

The staff were questioned about their perceptions of the service climate quality in their institutions, that is their perceptions of the kinds of practices that can result in high levels of service quality and client satisfaction (Schneider, White and Paul 1998). The questionnaire contained
62 questions and used a five-point agree/disagree Likert scale, with a *don’t know* option, covering the following ten ELC service climate dimensions:

1. Management service practices
2. Management communication
3. Management support
4. Staff service practices
5. Client focus
6. Staff service ethos
7. Staff personal attributes
8. Staff concern for clients
9. Employment issues
10. Resourcing.

Ratings of service items in the *disagree* and *strongly disagree* categories represented a negative evaluation of these items; ratings in the *agree* and *strongly agree* categories represented a positive evaluation of these items; ratings in the *neither agree nor disagree* category represented a neutral stance.

An additional section asked staff to estimate how satisfied they thought their clients were with the service they provided. The questions in this section covered the same nine service dimensions and used the same disconfirmation scale as in the client questionnaire (see below). Respondents were given the following instructions:

For each item, please circle the number that best represents your estimate of how your clients evaluate the service provided by the English language centre.

1. Far worse than they expected
2. Worse than they expected
3. About what they expected
4. Better than they expected
5. Far better than they expected.

The ELC clients were surveyed on their satisfaction with ELC service, using a five-point disconfirmation scale (Danaher and Haddrell 1996) and a *don’t know* option. The client questionnaire covered 74 items in the following nine sections:

1. The teachers
2. The English lessons
3 The service procedures
4 Communication between ELCs and clients
5 The administrative staff
6 The homestay program
7 The facilities
8 The activities program
9 General aspects of the service.

The section on the teachers, for instance, contained these sample items:

1 Their professionalism
2 Their teaching skills
3 Their knowledge of the subject
4 How well prepared they are for the lesson.

Clients were asked, What is your level of satisfaction with xxx in this English language centre?, according to whether the item was better or worse than expected, as below:

1 Far worse than I expected
2 Worse than I expected
3 About what I expected
4 Better than I expected
5 Far better than I expected.

Ratings in categories one and two represented strong dissatisfaction and dissatisfaction respectively; ratings in categories four and five represented strong satisfaction and very strong satisfaction respectively. Ratings in category three represented satisfaction with the service provided. However this level of satisfaction has been referred to as ‘mere’ satisfaction (Patterson 1993; Lovelock, Patterson and Walker 1998) and not the level of strong/very strong satisfaction or delight that is likely to build client loyalty or encourage clients to recommend an organisation to others.

Most of the questionnaire items in the client questionnaire consisted of short phrases; complex structures were avoided. In order to enhance content validity, the questionnaire had a multilingual format, comprising (in addition to English) Mandarin, Korean, Japanese and German, the first languages of some 83% of the ELC client population at the time the survey
was being prepared (Education New Zealand 2000). A subsequent check of response numbers from the client survey showed that the proportion of respondents with these four first languages comprised around 87% of valid responses, with 13% of respondents having to rely on the English version. While this might be regarded as a limitation of the research, observation in the field did not indicate that use of the English version was a major handicap for these respondents. Although Likert scales are regarded as ordinal scales by some researchers, the Likert scales used in the client and the staff questionnaires were regarded as interval scales for the purposes of analysis. Scales containing dimensions made up of a number of different variables, as was the case in both questionnaires here, can more reasonably be regarded as interval scales because of the large number of categories that can be created (Bryman and Cramer 2001).

The researcher visited the premises of each of the 30 participating ELCs to conduct the survey. Letters explaining the research and inviting participation, together with questionnaires and return envelopes, were distributed to staff on the spot; additional questionnaires were mailed out to replace mislaid questionnaires or for distribution to staff who had been absent during the researcher’s visit. The researcher personally supervised the administration of the client surveys. A multilingual letter explaining the research and inviting clients to participate was distributed; respondents who wished to participate completed the questionnaires immediately. By arrangement with management, no members of staff were present during client questionnaire completion.

A sample of 587 staff was invited to participate. Although reliable data for New Zealand ELC staff numbers were unavailable at the time, this constituted approximately 38% of an estimated staff population of 1529. From this sample, 275 valid responses were obtained, a 47% response rate. Eighty per cent of respondents were female and 20% male; 83% of respondents were teachers and the rest worked in various administrative roles. From a client sample of 1835 (7% of the total client population in New Zealand ELCs at the time), 1684 valid responses were obtained, a 92% response rate. Ninety-four per cent of respondents were from Asian countries, 52% were female and 48% were male. (A more detailed report of the methodology and findings from the client survey can be found in Walker 2003).

Findings and discussion

GENERAL FINDINGS

From Figure 1, which provides an overview of the staff data aggregated into the three categories negative, neutral and positive, as described in the
previous section, it can be seen that ELC staff had a very positive view of the service they provided. They were particularly positive about the service orientation in their institutions, as represented by their personal attributes, their concern for clients and their service ethos. The level of client focus was also viewed in a very positive light. Staff were least positive about employment issues, including job security, stress levels and pay levels, and about resourcing, including teacher resources, facilities and equipment.

![Figure 1: Findings from ELC staff service climate survey](image)

Figure 2 displays the data from the client satisfaction survey aggregated into three summary categories, *dissatisfaction* and *strong dissatisfaction; mere satisfaction;* and *strong satisfaction and very strong satisfaction.* As can be seen from the table, clients were moderately satisfied with the service provided by their ELCs. The greatest satisfaction was reserved for the people who provided the service, that is the teachers, the administrative staff and the homestay families. Clients were least satisfied with the facilities and equipment provided by their ELCs.

Since the service climate survey and the client satisfaction survey were conceptually and substantially dissimilar (that is they did not encompass exactly the same set of items), a direct comparison of the data is not possible. Nevertheless, the findings in the two tables do provide an insight
into group differences, revealing, on the one hand, an overwhelmingly positive perception on the part of ELC staff of the quality of the service they provide, and, on the other, a somewhat more restrained response towards the service quality on the part of the clients being served.

**Figure 2: Findings from ELC client satisfaction survey**

**COMPARING STAFF AND CLIENT PERCEPTIONS OF SERVICE QUALITY**

As described in Methodology, above, one section of the ELC staff questionnaire asked respondents to estimate how they thought their clients rated the service they provided. The data from 29 responses to this question (one ELC did not provide enough data for statistical analysis) were examined in several different ways. First, using the data from staff estimates of client satisfaction and aggregated client satisfaction data, the mean ratings provided by staff and clients were ranked and a comparison was made between dimensions (Table 1). This revealed some approximations, but particularly striking is that the first and last ranked items are identical for both groups. The rankings show that ELC staff had an accurate perception of what their clients were most and least satisfied with, namely the teachers and the facilities respectively. Staff also had a fairly good idea of the relative standing of service dimensions such as the administrative staff, lessons and activities program.

Next the mean scores for each of the service climate dimensions were compared with the overall client satisfaction scores by means of a Pearson product-moment correlation, and ranked according to strength. The results showed that the staff estimate dimension was not only
moderately, positively correlated with client satisfaction ($r = .62$, $p < .01$), it also constituted the strongest correlation. This finding appeared to corroborate some of the previous findings in the services research of a close association between staff and client perceptions of service quality (Wiley 1991; Johnson 1996).

Table 1: Staff estimates of client satisfaction with ELC service and client ratings – comparison of ranked dimensions

<table>
<thead>
<tr>
<th>Rank</th>
<th>Actual dimension ranking according to client rating</th>
<th>Dimension ranking according to staff estimate of client rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Teachers</td>
<td>Teachers</td>
</tr>
<tr>
<td>2</td>
<td>Administrative Staff</td>
<td>Communication</td>
</tr>
<tr>
<td>3</td>
<td>Homestay</td>
<td>Administrative staff</td>
</tr>
<tr>
<td>4</td>
<td>Service processes</td>
<td>Lessons</td>
</tr>
<tr>
<td>5</td>
<td>Lessons</td>
<td>General</td>
</tr>
<tr>
<td>6</td>
<td>Communication</td>
<td>Service processes</td>
</tr>
<tr>
<td>7</td>
<td>General</td>
<td>Activities program</td>
</tr>
<tr>
<td>8</td>
<td>Activities program</td>
<td>Homestay</td>
</tr>
<tr>
<td>9</td>
<td>Facilities</td>
<td>Facilities</td>
</tr>
</tbody>
</table>

However, when it came to a comparison of the staff estimates and actual client ratings, a different picture emerged. First, for each ELC, the mean staff estimates of client satisfaction were compared with the mean client satisfaction ratings (for example, the descriptive data in each case). The estimates of staff in three ELCs (10.4%) were very close to their clients’ ratings, showing that they seemed to have a fairly accurate picture of how their clients rated their service. The estimates of staff in five ELCs (17.2%) were lower than the client ratings, indicating a more pessimistic assessment than was in fact the case. The estimates of staff in the remaining 21 ELCs (72.4%) were higher than the client ratings. Some staff estimates were unrealistically optimistic, given the conspicuously lower ratings clients gave their service. A t-test was then run to compare the mean staff estimates with mean client ratings of overall service for each of the nine dimensions, in order to see if there was a statistically significant difference between the two sets of data. The findings are presented in Table 2.

Eight of the nine dimensions displayed a significant difference, most at the $p < .01$ level. No significant difference was found for the dimension *teachers*. This indicates that the staff estimate of client satisfaction with teacher performance was fairly accurate. However, in seven of the eight remaining dimensions, the staff means were significantly higher than the client means.
indicating that staff estimated clients to be more satisfied with these dimensions than they actually were. The single exception was the relative perceptions of homestay – in this dimension, alone, the mean staff estimate was actually lower than that of the clients. In other words, the clients rated homestays more positively than ELC staff thought they did. Taken together, these findings provide evidence for a statistically significant gap between staff estimates of client satisfaction with the service and actual levels of client satisfaction.

A comparison of specific variables further highlighted differences between the two groups. Seven variables were identified in the service climate and client satisfaction surveys, which covered identical areas and were regarded as key aspects of the service provision. The two sets of data were aggregated into two categories respectively, and examined to gauge, on the one hand, to what extent staff perceived these items as positive or negative, and, on the other, to what extent clients were dissatisfied/strongly dissatisfied or very satisfied/very strongly satisfied with them. Although there were some approximations, for instance on staff friendliness, the comparison reiterated the theme of divergence between staff and client perceptions (Table 3).
Services best practice suggests that services should under-promise and over-deliver, while keeping service promises is a vital aspect of maintaining customer loyalty (Schneider and Bowen 1995). For ELCs, this would mean, for instance, that descriptions of their programs and facilities in their brochures and on their websites are honest and that they keep promises or those made by agents on their behalf. Although ELC staff seemed to be fairly confident that they were in fact delivering to clients what their institutions had promised – 61% viewed this positively – their clients did not have quite such a positive view, with only 22% expressing strong/very strong satisfaction in that regard. A client complaints procedure is an important conduit for the expression of client grievances and may, indeed, be a statutory requirement in ELCs. Again, staff overwhelmingly endorsed the complaints procedures – some 84% – but only 24% of clients were strongly/very strongly satisfied with it. Given the differences in item formulation and scale conceptualisation in the staff and client surveys, caution is advised in a comparative interpretation of this data. However, the specific differences noted here lend some weight to the previously noted global picture in terms of staff and client perceptions.

Table 3: Comparison of staff and client perceptions of specific service variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Staff perceptions, percentage responses</th>
<th>Client perceptions, percentage responses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Negative</td>
<td>Positive</td>
</tr>
<tr>
<td>Match between service description and service received</td>
<td>17</td>
<td>61</td>
</tr>
<tr>
<td>Atmosphere in ELC</td>
<td>4</td>
<td>86</td>
</tr>
<tr>
<td>Staff availability</td>
<td>3</td>
<td>90</td>
</tr>
<tr>
<td>Staff friendliness</td>
<td>0.4</td>
<td>98</td>
</tr>
<tr>
<td>Client complaints procedure</td>
<td>4</td>
<td>84</td>
</tr>
<tr>
<td>Client feedback procedure</td>
<td>10</td>
<td>68</td>
</tr>
<tr>
<td>Equipment</td>
<td>29</td>
<td>58</td>
</tr>
</tbody>
</table>

Further statistical tests were conducted to examine the extent of the consensus among ELC staff in their estimates of their clients’ satisfaction with
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the service. Four staff sub-groups were identified from the data, namely area of responsibility (administrative staff or teaching staff), gender, employment status (full-time or part-time) and length of time employed in the ELC. The data from these sub-groups in respect of the nine service dimensions were subjected to variance analysis. The findings did not indicate widespread disparity; neither gender nor employment status were indicative of significantly differing estimates of client satisfaction. Although there were indications that the longer staff were employed in an ELC, the higher their estimates of client satisfaction, significance could be demonstrated on only a small number of items and no clear patterns of major difference emerged. However, for one category a significant difference (p = .03) was evident, namely area of responsibility. Specific differences were noted between the teaching staff and the administrative staff in their estimates of the dimensions communication between ELCs and clients (p < .05), service procedures (p < .01), administrative staff (p < .01) and homestay (p < .01). In each case, the administrative staff estimate of client satisfaction was significantly higher than that of the teachers. Administrative staff therefore had a more positive view than teachers of how clients rated some dimensions of their service. In other words, the administrative staff had a significantly more optimistic perception than the teachers of how clients rated their own – the administrative staff’s – service.

Possible explanations for the findings

The processes that produced the staff–client perceptual gap identified in this study are undoubtedly complex. On an informal level, ELC staff probably rely on casual interaction with clients for clues and signals as to client attitudes. But cultural and language differences may obstruct both verbal and non-verbal communication and distort perceptions. This barrier may be particularly applicable to administrative staff communication with clients if, as is likely, they spend less time with clients than teachers do, and if they are, consequently, less ‘in tune’ with client thinking. Most of the research participants were Asian students in their late teens and their early twenties. Such a demographic is likely to have cultural characteristics that manifest themselves in a reluctance to offend older ‘respect persons’, such as teachers, by openly criticising aspects of the service they provide. In addition, long-term association with an institution like an ELC may transform a client into a ‘partial employee’ (Bowen 1986) or quasi-member of the organisation. The resulting extended service encounters with ELC staff are likely to lead to the forming of social bonds and even friendships between staff and clients, especially in smaller organisations (Lovelock, Patterson and Walker 1998), which could further reinforce reluctance to criticise. The group dynamic pertaining in classes might exert pressure on
some clients to remain silent, while female clients from some cultures may be inhibited from speaking out in the presence of male students and/or to male staff members. Thus, for any number of reasons, young clients may not express what they really think about the ELC service.

On a more formal level, ELC management and staff can obtain insights into client perceptions through client feedback surveys. But, as indicated in Table 5, almost a third of clients surveyed expressed dissatisfaction with this aspect of ELC service. In client focus groups run in preparation for this study, some respondents indicated that they were not surveyed at all, or that surveys were conducted only when they were leaving the institution. Feedback procedures in some ELCs may indeed be patchy or non-existent. In cases where feedback is obtained, findings may lack validity if inappropriate survey design and/or data collection procedures are used. For example the use of questionnaires exclusively in English, rather than in the client’s first language, could lead to misunderstandings, depending on the proficiency level of the respondent. Furthermore, ELC client surveys may be supervised by the very staff who are the subject of evaluations – a practice not likely to ease client inhibitions about giving honest responses. The perceived lack of anonymity of such contexts could lead to a form of data collection mode bias, in which students avoid making negative comments. Clients could suspend critical judgment as a result of their particular cultural response styles, which may require a politeness response to their ‘hosts’ (Peterson and Wilson 1992). Even in ELCs where effective feedback procedures are used, managers may not necessarily share client feedback data with their staff, thus contributing to staff lack of awareness.

Another part of the explanation may lie in national and cultural differences between the two groups of respondents under discussion here, in respect of their responses to service provision. Although no nationality/ethnicity data was collected from the ELC staff, researcher observation in the field revealed that the overwhelming majority of staff appeared to be from European backgrounds. As previously indicated, over 90% of the respondents were from Asian countries. There is increasing evidence in the services literature to support the belief that different national and cultural groups respond differently to service provision and express differing levels of satisfaction with the same service. Liu, Furrer and Sudharshan (2001), for instance, found that clients from cultures with low individualism and high uncertainty avoidance (Hofstede 1980), such as South Korea, tended not to complain, even if they were dissatisfied with the service they received. Matilla (1999) reported that Asian service consumers would be more likely than Westerners to prefer a personalised service, while the latter are more likely to base evaluations of a service on tangible clues in
the physical environment. Although ELC staff were not directly evaluating
ELC service in terms of their own satisfaction, such cultural differences
between a largely Asian clientele and European service providers may have
played a role in the processes occurring in the research described here.

Additionally, customer/client satisfaction itself is a difficult concept,
emcompassing a number of related cognitive and affective elements on the
part of the customer/client. It is influenced by many factors, including a
referent’s age, general level of life satisfaction and the number of service
choices available, not to mention the cost of the service to the customer –
Peterson and Wilson’s (1992: 68) comment, ‘… operationally, customer
satisfaction is a complex and elusive phenomenon’, would seem to be
something of an understatement. Consequently, the measurement of
satisfaction is fraught with difficulty (Oliver 1997). Unpredictable and
contrary findings are not uncommon in satisfaction research. For instance,
one study (Reichheld and Aspinall 1994) found that 90% of those
customers who switched brands were actually satisfied or very satisfied with
the brand they switched from. These problems may have been further
compounded by the nature of the task given to the staff respondents in this
study. Although social science researchers commonly survey people about
their own attitudes, it is, perhaps, not as usual for survey respondents to
be asked about other people’s attitudes, and probably even less so for
respondents to be asked to estimate other people’s satisfaction with their
(ie the respondents’) work. The fact that there was a drop of 15% in
the response rate for this question, compared to other sections of the
questionnaire, was an indicator of how difficult some respondents
apparently found the task to be. Even staff who believed themselves to be
well acquainted with client views of their service levels might still have
difficulty in providing an accurate estimate of their clients’ satisfaction. This
issue must therefore be acknowledged as a potential limitation of the study.
Further research in this area is recommended in order to further improve
our understanding of the relationship between staff and client perceptions
of ELC service quality.

Conclusions and implications

The research reported here explored the link between staff and client
perceptions of service in ELCs in New Zealand. The findings appeared,
initially, to confirm the close association reported in previous studies of
other service types. However, further exploration of the data presented a
more complex picture. Although ELC staff seemed to have a fairly good
idea of what their clients did and did not like about the service, there was a
significant gap between staff estimates of client satisfaction and actual client
satisfaction. Staff had a generally more positive perception than their clients of the service they provided, believing their clients to be significantly more satisfied with most aspects of the service than their clients actually were. Administrative staff appeared to have an even less accurate perception than teachers did of levels of client satisfaction with some aspects of ELC service.

The research findings have a number of implications for ELCs. If staff are unaware of actual levels of client satisfaction, they may not be providing the kinds of service that clients expect. Clients may have unrealistic expectations of what the service can do for them – for instance, they may expect to make quicker progress than is actually possible, given their initial proficiency levels and course duration. If this is the case, ELC management and staff need to become acquainted with client expectations and then to manage those expectations, in order to bring them into line with what can realistically be achieved within the service offering.

At an informal level, it may be difficult for staff to overcome clients’ cultural inhibitions and obtain from clients a truthful assessment of the service they are providing. Ironically, awareness of a lack of awareness may be a good initial step – if management and staff do recognise that there is potential for a problem to exist, they may then be able to take steps to try and improve the quality of informal communication between themselves and their clients. This could take the form of targeted in-house staff professional development sessions, covering areas such as service processes and/or cross-cultural awareness.

At a formal level, an effective quality feedback procedure is indispensable in order to gain insight into client satisfaction levels with an ELC’s program. However, as already noted, a feedback procedure has to be designed so that data are valid. Steps have to be taken, for instance, to assure respondents of confidentiality both during and after data collection. This could involve having data collected by a third party or devising an anonymous, computerised system of respondent input. Use of client first languages on questionnaires would further enhance the quality of the feedback obtained. Focus groups run by external facilitators could also be used to gauge client opinion about the service. While some managers may regard client data as sensitive, serious thought should be given to ensuring that data are shared with staff, so that staff themselves are aware of their clients’ perceptions of the service they provide.

Accurate intelligence about client attitudes to the quality of service provided is a vital strategic tool for ELCs. Without it, they are operating ‘blind’. As a result, they may not be able to realise the elevated levels of client satisfaction that might otherwise have been attainable. Insight into client perceptions assists ELCs to develop an effective, quality service that is
more likely to delight – not merely satisfy – clients, promote positive word-of-mouth recommendation, enhance their reputations, and thus help to maintain future client numbers.

REFERENCES


