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## Improving employee satisfaction and customer service through Total Quality Management in the United Arab Emirates

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### Abstract

*This paper aims to explore how key industries in the United Arab Emirates (UAE) such as Telecommunication, Civil Aviation, Road and Transport apply total quality management (TQM) techniques to improve employee satisfaction. Adopting an exploratory phenomenology approach, the paper used in-depth interviews with 18 participants including senior manager and employees from these key industries. Findings suggest that successful organizations apply TQM to achieve continuous improvement which reflects positively on employee satisfaction, leading to improvements in employee performance, customer satisfaction and ultimately delivering greater customer service. The paper identifies specific TQM tools that are currently being employed and recommends how they can be improved to enhance employee satisfaction. In doing so, the paper adds to current knowledge on the application of TQM techniques in the UAE and provides a useful reference point for industry leaders, institutions and researchers.*

Keywords: employee satisfaction, customer service, Total Quality Management, United Arab Emirates

### 1. Background

Total quality management (TQM) is a structured and comprehensive approach that organizations use to improve the quality of products and services. One of the benefits of TQM is employee satisfaction which affects performance and eventually achieves greater customer satisfaction. This study is organized as follows: description of aviation, telecommunications and transportation sector in United Arab Emirates (UAE), followed by how these different organizations are using TQM systems to improve employee performance and achieve greater customer satisfaction.

This paper aims to explore how organizations in the Telecommunication, Civil Aviation, and Road and Transport sector within the UAE are applying total quality management (TQM). The purpose is to show how the improvement of TQM will lead to employee satisfaction which will affect the performance of customer service and eventually achieving customer satisfaction. This study proposes and recommends new TQM tools and techniques for UAE different industries.

Empirical studies about the impact of TQM on organizational effectiveness within the UAE are difficult to find. This is one of the first studies that explored TQM and its impact on

organizational effectiveness within the UAE, especially within public sector organizations. In doing so the research adds to the current body of knowledge about the role of TQM techniques on UAE's government organizations and should provide serve as a reference point for scholars, institutions and researchers. The findings also add value to the body of research on leadership contribution as it discusses the methods of management and commitment to service quality that could be used by managers in both public and private sectors originations. This study also contributes to quality and strategic management as it discusses TQM tools used by organizations within UAE and the benefits of these tools in improving service quality.

The study opted for an exploratory study using the phenomenology approach, including 18 depth interviews with senior management and employees from different departments within the UAE's Civil Aviation (6), Telecommunication (5) Road and Transport (7) sector.

### **Aviation Industry**

The civil aviation industry in UAE is world's number one in aviation safety compliance. It achieved a score rate was 98.86%, which is the highest rate in history given by the International Civil Aviation Organization. According to Sheikh Ahmed bin Saeed Al Maktoum, President of the Department of Civil Aviation Authority, "This global recognition comes as a result of persistent efforts for many years in order to reach this high position that the country deserves" (Wam, 2015, p.13). The civil aviation sector in the UAE has experienced great growth over the last decade. The industry relies heavily on the quality and standards (UAE Aviation Industry , 2015). General Civil Aviation Authority of the United Arab Emirates was founded in 1996 under the Federal Decree No. (4) to regulate the civil aviation industry and provide better aviation services with a commitment to the security and safety of the State territory, support the aviation and aerospace industry (General Civil Aviation Authority, n.d.).

The independent entity is the only authority responsible for various regulatory and legislative aspects of the civil aviation sector in the UAE. Their responsibilities include the provision of air navigation services, and supervision of the various aspects of aviation safety (General Civil Aviation Authority, n.d.). In the UAE every Airport has a civil aviation department, they are located in Abu Dhabi, Dubai, Sharjah, Ras Alkhaimah, Fujairah and Al-Ain. The headquarters of the Commission is in Abu Dhabi, and the regional office is in Dubai which provide services to the Northern Emirates. (General Civil Aviation Authority, n.d.). The Northern Emirates represent the remaining 5 Emirates of Sharjah, Ajman, Umm al Quwain, Ras al Khaima (RAK) and Fujaira.

### **Telecommunications Industry**

Advancements in telecommunications have changed the very nature of life itself, it has revolutionized the way we exchange information, share ideas and do business. Telecom operating companies simplify a complicated process. The UAE telecommunications sector is one of the strongest and fastest growing sectors in the Arab world, operators are supported by the government initiatives and established policies (A Study Of The UAE Telecommunications Sector, 2015). Etisalat and Du are the only two operators in the UAE.

The UAE's telecommunications sector reported a 6.57% increase in revenue to Dh29.18 billion last year compared to Dh27.38 billion in 2012, according to Telecommunications Regulatory Authority's last 'Annual Sector Review' (Naushad K Cherrayil, Staff Reporter, 2014). Etisalat is one of the only two telecom operator in the UAE, the company is a strong and

profitable organization that achieved a profit of Dhs2.2 billion in the first quarter of (Smith, 2015).

### **The Transportation Industry**

Each Emirate in the United Arab Emirates has a road and transportation authority, in Abu Dhabi it is called Department of Transport and responsible for surface transport, maritime and aviation. In Dubai and Sharjah it is called Road and Transport Authority and responsible for transportation, roads and traffic in the Emirate. Ajman Public Transport Corporation is in charge of buses and taxis in the Emirate while RAK and Fujairah Transport Authority is following the same footsteps of the other authorities in the UAE (MEED, 2015)

The future for UAE's transportation sector is positive, driven by government projects like Abu Dhabi's Surface Transport Master Plan (STMP), 2021Vision and 2020 which aim to improve the country's strategic infrastructure (MEED, 2015). As the UAE government stated in the period of 2015-2017, there are more than \$20bn worth of transport project contracts scheduled to be awarded in the UAE (MEED, 2015).

UAE is one of the fastest growing countries in today's world, providing an advanced transport network and high quality infrastructure facilities has been a high propriety in the Government's agenda. The country recorded high rates of satisfaction towards roads and highways jumping from 54% in 2010 to reach 80% in 2011. In addition, the transportation sector including infrastructure and economic development makes up 41% of public expenditures (General Civil Aviation Authority, n.d.). The industry clearly has a crucial role to play in the UAE's future, thus an exploration into how it currently employs TQM systems and their success is justified.

## **2. The Research Statement**

This study focuses on Total Quality Management to explore how key organizations in the United Arab Emirates (UAE) such as Telecommunication, Civil Aviation, Road and Transport sector apply total quality management (TQM) techniques to improve employee satisfaction.

### **Objectives**

1. Describe the techniques UAE based organizations use to improve service effectiveness.
2. Analyze TQM practices in customer's services and how they affect performance, specifically related to improving customer satisfaction.
3. Explore the practices UAE based organizations apply to improving employee satisfaction.
4. Recommend new and creative TQM techniques to improve employee satisfaction, service quality and customer satisfaction.

## **3. Literature Review**

The challenge from global competition has increased pressures on organizations to improve the quality of products and services. Total quality management consists of culture, attitude and organization of a company that strives to meet customers' needs by providing high quality product and services. This paper aims to explore how key organizations in the United Arab Emirate such as Telecommunication, Civil Aviation, Road and Transport apply total quality management (TQM) techniques to improve employee satisfaction and customer satisfaction.

This Literature Review will address four themes to explore the research questions which are improving employee satisfaction and customer service through Total Quality Management in the UAE. Theme one will present the reasons to achieve and measure employee satisfaction in the organizations. This section will use the theories of motivation to explain employee satisfaction. The second theme discuss the gaps and dimensions of service quality by Parasuraman, Zeithaml and Berry (1985), the Servqual model and the prevalence of this model from 1998-2013. The last theme is about customer satisfaction, Juran theory of Steps in Quality Planning will be discussed and Oliver's Expectancy disconfirmation model.

### **Employee Satisfaction**

TQM involves improvements in many organizational aspects including employee satisfaction which has been an important issue for social research in the least two decades. It is regarded as an important factor that can enhance a company's performance and productivity (Christina & Gursoy, 2009; Matzler & Renzl, 2007). Job satisfaction has been defined as an auspicious stance or satisfying an emotional state that results from a person's job experience or a fit between a person and an organization (Tahernejad, Tahernejad, Ghorban, 2013; Locke, 1976; Wanous & Lawler, 1972; O'Reilly, Chatman, & Caldwell, 1991).

Swathi (2014) measured employee satisfaction as difficult undertaking as it is not easy to analyze what makes an employee feel satisfied with their job. To measure job satisfaction the use of some methods will be useful, such as personal interviews, surveys or opinion polls to collect timely information (Swathi, 2014). The concept of employee satisfaction is marred by varying opinions. Some describe employee satisfaction from an emotional state that employees experience, whilst others argue that employee satisfaction can be achieved through implementing techniques that motivate the workforce (Swathi, 2014). However, motivation theories also struggle to effectively explain how and why an employee is satisfied (Swathi, 2014).

*Employee Motivation theories:* Carol-Ann Morgan suggest that the applied theory of the workforce is an effective means to measure employee satisfaction and to motivate them (Morgan, 2015). For example, the use of Herzberg's (1983) theory, which is perhaps the most well-known theoretical construct relating to job satisfaction. The model identifies basic hygiene elements such as, pay and conditions that help to remove the dissatisfaction from work, rather than promote satisfaction (Morgan, 2015). If these factors are not satisfied, they will negatively influence employee efficiency. The "satisfiers" are factors which motivate staff, provide them motivation to work and have direct impact on satisfaction, ultimately increasing worker efficiency. The "satisfiers" tend to be related to achievement, recognition, responsibility, and the nature of the work completed (Morgan, 2015).

Julio Warner Loiseau (2011), endorses the use Herzberg's (1983) theory in the workplace to help managers understands what motivates staff by satisfying individual needs, desires and personals aims. The theory provides great insights related to satisfying employee needs. Organizations that care about employee and their human need and desire are much more effective than the organization which thinks about their employee as robots employed to complete specific tasks.

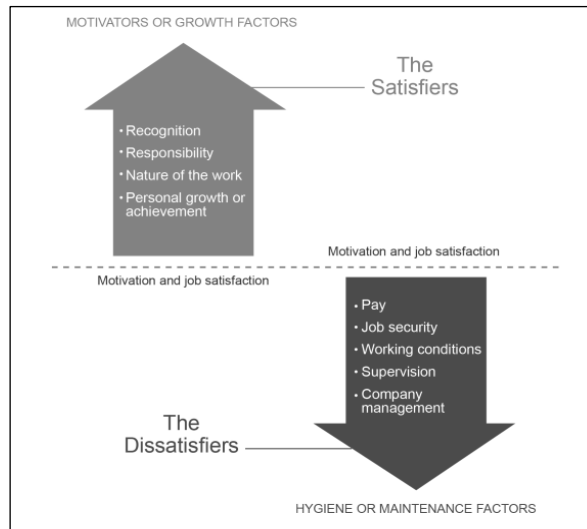


Figure 1: Herzberg's Theory (1983)

*Recognize and reward employees:* In the book called “1501 Ways To Reward Employees” Dr. Bob Nelson (2012) outlines a number of none-cost and low-cost ways of rewarding employees. Nelson (2012) suggests creative ideas that do not cost management, but provide positive impact on the employees, give them a push to look forward and achieve progress. For example, finding out what works with employees by having a chat with each one of them to discover the type of compliment they prefer, does the employee prefer recognition in public or private?. Also, having a monthly recognition program such as the employee of the month and involving other employees to vote for the most deserving employees (Nelson B. , 2012). These basic concepts affect employee satisfaction and develop a to friendlier workplace environment among functions and different levels. The tables on the next page show some of the other ideas in the book for managers to recognize and reward employees (Nelson D. B., 2012).

<b>Recognition Techniques</b>	
<b>For Immediate Application</b>	
-	Writing thank-you notes in the employee workstation
-	Response and listen when employees need to talk
-	Think by mistake as opportunity by helping employees learn from mistakes without criticizing them
-	Spreading positive gossip by telling employees the good progress and who make it

Figure 2: Low-Cost Recognition (Nelson D. B., 2012).

<b>Low-cost Recognition</b>	
-	Giving certificate of appreciation
-	Create name days in employees' honor
-	Featured in community newspaper
-	Sending email and voice-mail praise

Figure 3: Recognition Techniques for Immediate Application

### **Service Quality**

Agbor (2011) defined service simply as an intangible offer by one person to another in exchange of money for benefit. Quality is the entirety of characteristics and features of a service or product that determines their ability to satisfy implied or stated needs ( Agbor, 2011). While service quality is the differences between customer expectations and perceptions service (Agbor, 2011). This section will include the service quality gaps by Parasuraman, Zeithaml and Berry (1985) and the way to fix these gaps by service quality dimensions. Followed by an explanation of the Servqual model and its popularity since 1998 to 2013.

*Service quality gaps and dimensions:* Parasuraman, Zeithaml and Berry(1985) stated that there are seven gaps in the service quality concept and three of these are associated with external customers. Parasuraman et.al (1985) postulated that gap 1 is about customer expectations versus management perception which is due to the two layers of management. Gap 5 is the discrepancy between customer expectations and their perception of the service delivered as a result of the shortfalls on the part of service provider (Parasuraman, Zeithaml, & Berry, 1985). Gap 6 is the difference between customer expectations and employees perception as a result of the differences in the understanding of customer expectations by front-line employees (Parasuraman, Zeithaml, & Berry, 1985).

Since the aim is to provide quality services to satisfy customers, there are ten dimensions of service quality based on the original study of Parasuraman, Zeithaml and Berry (1988). The dimensions to be considered in any service are tangibles, reliability, responsiveness, competence, courtesy, credibility, security, access, communication and understanding the customer (Parasuraman, Zeithaml, & Berry, 1988). After refinement, these dimensions become five such as customers' expectations met through the outcome dimension, reliability and surpassed by means of process dimension, assurance, responsiveness, tangibility and empathy (Agbor, 2011).

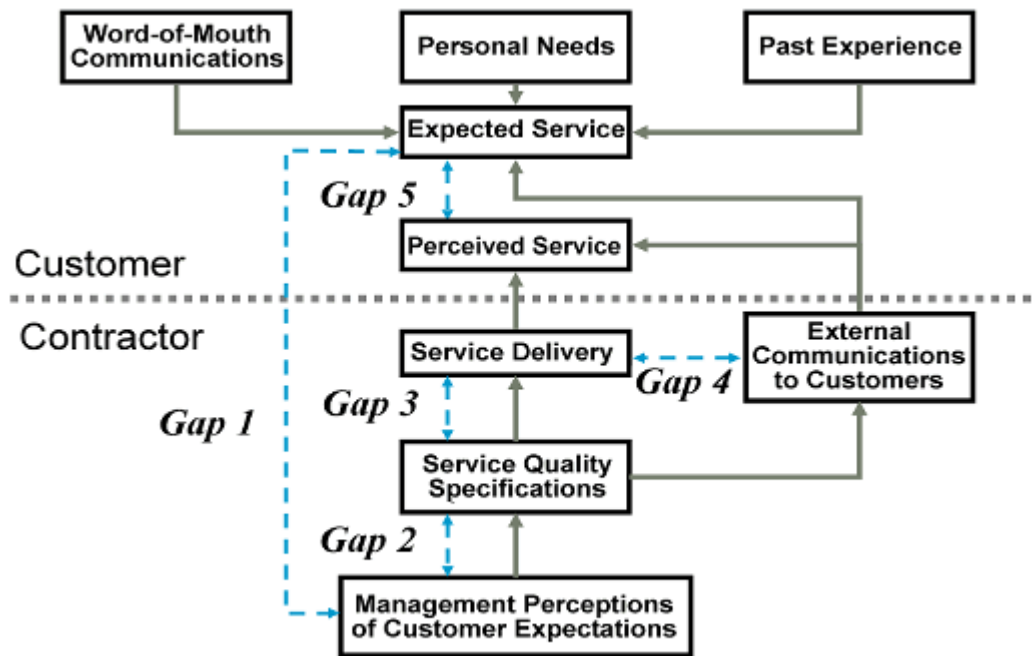


Figure 4: PZB Service Quality Model (Parasuraman, Zeithaml, & Berry, 1985)

Agbor (2011) also added that these dimension allow management to fix the gaps in service quality. Based on Parasuraman et.al (1985) this model enables the Service Quality Model to measure differences between consumers' perception and expectation of service quality.

*The service model:* Wang, Luor, Luarn, and Lu (2015) proposed that the best to fit the evaluation of service quality form the customer perspective is to apply the Servqual model when it is detailed perceived and expected service. Service implies less than satisfactory service quality, when perceived or experienced service is less than the expected service (Burböck, 2014). However, Burböck (2014) also added that an obvious inference when service quality is more than satisfactory, and perceived service is more than expected service.

*The prevalence of Servqual Model:* Servqual model provides a broad scoring system for organizations to weigh the credibility and efficiency of management and to serve the purpose of service improvement. Evidence of its effectiveness and the frequency of research on the Servqual model by country, journal, institution, and researcher from 1998 to 2013 reached 376 articles published in 176 journals (Wang, Luor, Luarn, & Lu, 2015).

## **Management Commitment in Service Quality**

The quality of service provided by employees reflect the reputation of the organization and effects customer's perception of service quality. Management's commitment to service quality (MCSQ) and employees responsible for providing these services also play a crucial role (Karatepe & Karadas, 2012). This section will include the relationship between management's commitment to service quality and job satisfaction by Ashilla, Rod and Carruthers (2008) and Babakus, Yavas, Karatepe and Avci (2003). Followed by the relationship of job satisfaction and service recovery performance by Cheung a (2010) and the three performance indicators of MCSQ -training, empowerment, and rewards- and their effect in service quality by Karatepe and Karadas (2012).

*MCSQ, job satisfaction and service recovery performance:* The relationship between management's commitment to service quality, job satisfaction and organizational commitment has an effect on customer satisfaction. Ashilla, Rod and Carruthers (2008), argued that MCSQ manifested through a simultaneous emphasis on customer service training program, empowerment of employees, supportive management, servant leadership and service technology. These dimensions send powerful signals and motivate employees to provide high quality services. These practices by management are also important in incentivizing employees when dealing with customer complaints (Ashilla, Rod, & Carruthers, 2008).

Ashilla et.al (2008) supported their study by using the works of Babakus, Yavas, Karatepe and Avci (2003) and discovered a positive relationship between job satisfaction and service recovery performance. Suggesting that when employees are satisfied in their jobs, their performance level increases as does their ability to deal with service failures (Ashilla, Rod, & Carruthers, 2008). Eventually this improves customer satisfaction and an effective service recovery can enhance the perception of the overall service quality (Ashilla, Rod, & Carruthers, 2008).

*The relationship between MCSQ and effective service quality:* Cheung and To (2010) stated that one of the predictors for improved service performance is employee involvement which will result in providing employees with a chance to share information on customer evaluations, problem solving and generating new ideas. This provides employees with guidelines on how to meet the demands of customer service and once these demands are met, customers can give the service provider a higher rating on the performance of service (Cheung & To, 2010). This statement confirms what Ashilla et.al (2008) concluded in that the empowerment of employees lead to improved service quality.

Cheung and To (2010) have also highlighted the fact that management's commitment to quality service (MCSQ) definitively affected the quality of service delivered, and any neglect in this area may lead to the failure of the service and to the programs of quality improvement. In order to objectively evaluate initiatives related to MCSQ, Babakus et.al (2003) suggested the best tool that management can use to guarantee effective service quality is employee involvement.

*The indicators of MCSQ to increase service quality:* Karatepe and Karadas (2012) claimed that training, empowerment, and rewards are the three important indicators of management commitment to increase service quality. Employees who lack required functional and personal skills are incapable of providing the required quality service and resolving customer issues effectively (Karatepe & Karadas, 2012). This supports the argument of Ashilla et.al (2008) that training programs motivate employees to provide high quality services.



Banker, Lee, Potter and Srinivasan, (1996) proposed that managers should empower front line employees because they are expected to deal with customer complaints and requests. Front line employees who lack the authority and responsibility to act and react are unable to deal with customer complaints (Banker, Lee, Potter, & Srinivasan, 1996). Karatepe and Karadas (2012) also claimed that applying the reward system to frontline employees who are usually low paid, will accelerate the delivery of the service. As a result, employees will deliver the best service and communicate better with customers if they are rewarded and this will reflect positively on the quality of service (Karatepe & Karadas, 2012).

This section addressed statements of Babakus et.al (2003) and Ashilla, Rod and Carruthers (2008) about management commitment to service quality and improving employees' job satisfaction. Eventually these elements would also affect the service recovery performance. Cheung and To (2010) and Babakus et.al (2003) suggested that employee involvement led to higher performance of the service and reduce service failure. While Karatepe and Karadas (2012) and Banker, Lee, Potter and Srinivasan, (1996) argued that service training, empowerment and reward system should be applied by managers to increase service quality.

After analyzing key concepts of Babakus et.al (2003), Ashilla, Rod and Carruthers (2008), Cheung and To (2010), Karatepe and Karadas (2012) and Banker, Lee, Potter and Srinivasan, (1996). This model displays the involvement of management to service quality, the effective outcomes from this commitment and the positive job outcomes and how they affect each other.

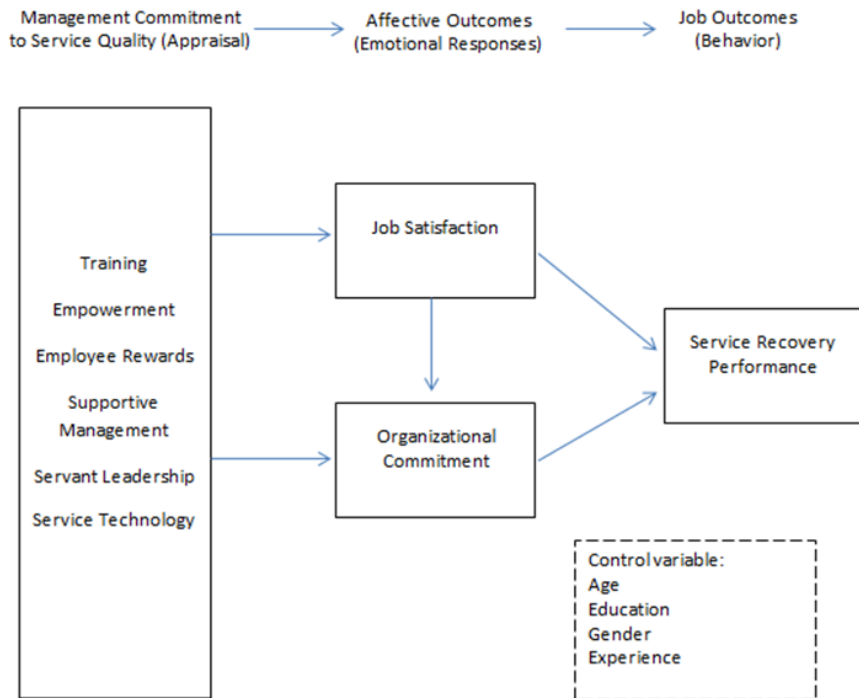


Figure 5: The Emotional Responses and Behavior of MCSQ

This table shows the top ten journals of Servqual publications from the year 1998 to 2013 which indicates the flexibility of this model and it can be applied in any sector.

**Table 1.** The Top Ten Categories According to Numbers of WOS Articles (1998-2013)

Research Field	Number of Articles	%
1. Management	156	42.5
2. Business	62	16.9
3. Information science library science	34	9.3
4. Computer science information systems	27	7.4
5. Hospitality; leisure sport; tourism	26	7.1
6. Operations research management science	17	4.6
7. Computer science artificial intelligence	13	3.5
8. Health care sciences services	12	3.3
9. Engineering industrial	12	3.3
10. Nursing	11	3.0

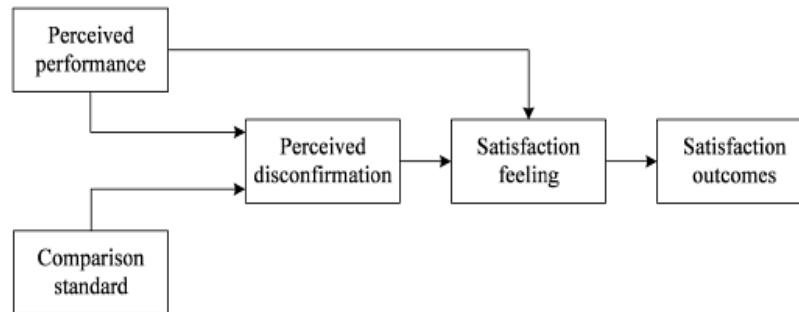
(Wang, Luor, Luarn, & Lu, 2015)

This section discussed the service quality gaps by Parasuraman et.al (1985) and the PZB Service Quality model and how it enables organizations to measure differences between consumers’ perception and expectation of service quality. Followed by the importance of the Servqual model and then the popularity and the uses of this model in many organizations from 1998 to 2013.

**Customers Satisfaction**

Customer satisfaction is a way to measure how products or services of the organization meet or exceed a customer's expectation. Customer satisfaction is key to success and provides the organization with a metric that can be used to manage and improve the business (Customer Satisfaction Evaluation: Methods for Measuring and Implementing Service Quality , 2009). Satisfaction is based on the fulfillment of customer expectations. As, Gerson (1993), Hill (1996) and Oliver (1997) highlight, satisfaction is a standard of how the offered total product or services fulfills customer expectations.

A study conducted by Medha Srivastava (2014) tried to find out what affected customers satisfaction, the survey shows different factors such as customer orientation, product quality, and training and customer services. The results show that customers tend to be satisfied if all of the factors are provided but the most important factors is customer service and the product quality. One of the most important theories for achieving customer satisfaction analysis is Oliver’s Expectancy disconfirmation model. The model looks at perceived performance from customer perspective and the different between what customers expects before and after purchasing. The study aimed to find what satisfied customers and what led to creating loyal customers, organizations can meet the customers expectation and satisfy their customers by applying this model (Customer Satisfaction Evaluation: Methods for Measuring and Implementing Service Quality , 2009).



**Figure 6** Expectancy disconfirmation model (Customer Satisfaction Evaluation: Methods for Measuring and Implementing Service Quality , 2009).

### Customer satisfaction theories

In today's market place customer satisfaction has become an urgent need for all organizations while in the past these were supplementary practices to act above requirement. As a result a number of theories have emerged to explain the term customer satisfaction and how it can be best achieved. However, not all of them succeed because measuring consumer satisfaction is difficult to standardize. In this section, three customer satisfaction theories will be explored starting with the Comparison Level Theory by Thibaut and Kelley (1959) and Agbor (2011). Followed by the Dissonance Theory by Cadozo (1965) and Yüksel and Yüksel (2008) and to conclude with the Contrast Theory by Yi (1990) and Cadozo (1965).

*The Comparison Level Theory:* Agbor's (2011) Comparison Level Theory sets the standard of representing what customers feel they should receive in the way of rewards and costs of a particular relationship. This depends on the type of customers and their expectations, as some customers have a high comparison level and expect high quality of services ( Agbor, 2011).

Thibaut and Kelley (1959) argued that consumers might be more likely to have predictive expectations before using the service and thinking of different standards like past experience or experience of other consumers which might become more likely after the service. The Comparison Level Theory suggested that based on the customers' comparison standard may serve managers to undertake required actions and compare their services with rivals to be more differentiated and gain customer satisfaction (Agbor, 2011).

*The Dissonance Theory:* Cadozo (1965) declares that a level of dissonance occurs when a person who expects a high value service but receives a low value service, this will lead to recognizing the disparity and experience a cognitive dissonance. Consumers may have psychological tension and try to change their perception of the service if a disparity exists between service expectations and performance (Cadozo, 1965).

In response to Dissonance Theory, Yüksel and Yüksel (2008) proposed that organizations should endeavor to raise expectations considerably above the service performance in order to achieve a higher service evaluation from consumers. In addition, Yüksel and Yüksel (2008) stated that this theory contributes to the understanding of the fact that expectations are not rigid because they may change through the consumption experience; however this does not provide a complete explanation of customer satisfaction.

*The Contrast Theory:* This theory provides an opposition to Dissonance Theory, as Yi (1990) explained when the actual service performance falls below expectations of consumers service the alteration between expectations and results cause consumers to exaggerate the disparity. This theory predicts when a consumer receive service below expectations; this service will be rated poorer than in reality (Cadozo, 1965). The Contrast Theory increases the pressure on service providers and calls to improve the services provided by taking into account the quality (Yi, 1990).

This section provided a brief overview of relevant theories of customer satisfaction, Comparison Level Theory, Dissonance Theory and Contrast Theory. The Comparison Level Theory by Thibaut and Kelley (1959) and Agbor (2011) suggest that when service performance exceeds prior expectations of customer satisfaction is improved, whereas dissatisfaction is an outcome when service performance falls short of standards. The earlier theories of satisfaction outline that consumers tend to exaggerate likes, as suggested by Dissonance Theory (Cadozo, 1965) and Yüksel and Yüksel (2008) or that they adjust the disparity between service performance. This also applies when initial expectations or the standard as suggested in the Contrast Theory by Yi (1990) and Cadozo (1965). This research will use Comparison Level Theory and Contrast Theory in RTA to help the authority understand customers' behaviors and gain more customer satisfaction.

#### **4. Methodology**

This proposed study intends to use qualitative research methodology. The use of a qualitative methodology is justified in exploring the impact of Total Quality Management on the effectiveness of public sector organizations. To measure employee satisfaction that affects service quality which will have a direct impact on customer satisfaction. Personal interviews represent an effective means of collecting data (Swathi, 2014). In different organizations , this study used in-depth interviews with 18 participants, including senior managers and employees from key organizations such as the Telecommunication, Civil Aviation, Road and Transport- to find out how do they apply total quality management (TQM). The study used purposeful sampling and non-probability sampling technique as Patton (2002) suggests purposeful sampling relies on the judgment of the researcher when it comes to selecting units which are based on sample knowledge and profession.

The interviews enabled the researchers to attain basic data and trends concerning the study effectively. Interviews were also useful in identifying relationships between different phenomena. Given the busy schedule of research participants were semi-structured interviews were preferred. Semi-structured interviews also provided the chance for recognizing new information and understanding the topic first hand, allowing new ideas to be assimilated as they are conceived (Cohen & Crabtree, 2006). The interview questions have been checked and reviewed by the business chair at the Sharjah Higher Colleges of Technology.

The choice of participants for piloting interviews was based on their knowledge and experience in the field. This determined whether they were selected as part of the sample. The piloting process also provided feedback to the researcher regarding the effectiveness of the interviews and survey questions prior to asking respondents. This also provided the researcher experience at interviewing and surveying techniques.

## **5. Findings**

**Service quality** is a comparison of expectations with performance, a business with high service quality will meet customer needs whilst remaining economically competitive (Swinton, 2015). The findings of managers and employees of UAE industries show that they are not applying Servqual model outlined in Parasuraman, Zeithaml and Berry (1988) study, The model would enables managers to measure differences between consumers' perception and expectation of service quality. The industries use ISO9001 standard, EFQM (RADAR) approach and Sheikh Hamdan Bin Mohamed model for service improvement called the Dubai Model. The tools used in service quality are fishbone analysis, cause and effect and 5 Whys.

In regards to interview results, the tools and models industries use seem to increase customer centricity and service efficiency. They ensure services consistently meet customer requirements. Furthermore, interview results revealed that these tools help maintain and improve quality standards which contribute to enhancing customer satisfaction. All of the respondents were satisfied with cost, accessibility, meeting customer needs and ease of services while 40% of employees rated attention of front line as poor. Low customer satisfaction regarding front-line employees suggests that the tools and models used in industry to improve service quality are not supporting and improving the relationship of front-line employees and customers.

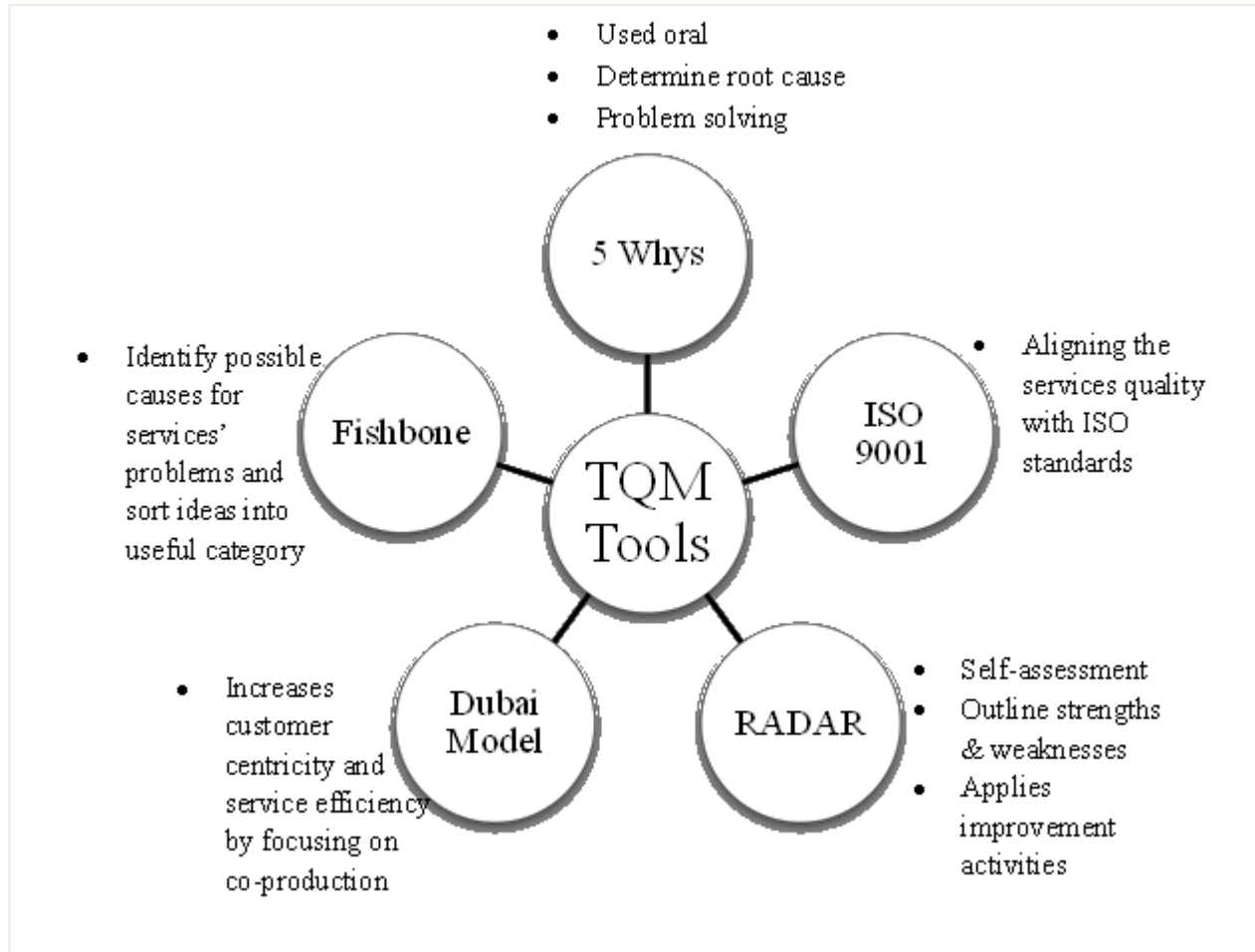


Figure 7. TQM Tools used by Telecommunication, Road & Transport and Civil Aviation in UAE

### Training

This study found that at the end of every year, employees of key industries in UAE in collaboration with managers were able to identify their training requirements. After attending training courses there is a system in place to ensure knowledge transfer as every employee is expected to transfers the knowledge of the training for to other employees using meetings or internal training. This process also seems to have a positive effect on employee motivation. These findings are consistent with previous studies (Ashilla, Rod, & Carruthers, 2008) that training program motivates employees to provide high quality services. However, one of the surprising results suggest that front-line employees are incapable of resolving customers' complaints effectively. This does not negate the training courses carried by industries for employees from all levels as indicated in interviews results. This study suggested several reasons behind front-line employees' shortcomings:

1. Lack of training courses for front-line employees about customers' relations.
2. Front-line employees unable to identify their areas to improve for HR team.
3. Front-line employees do not benefit of the training courses.

#### 4. Could there be other issues – low pay? Experience?

##### **Empowerment**

The results of this study reinforce previous findings (Ashilla, Rod, & Carruthers, 2008) that empowerment of employees' leads to improved service quality. UAE organizations involve employees in decision making by the level of control they have over their work and the ability to share suggestions and ideas in the entity as interview results have showed. However, the study found that front-line employees are not empowered which has a knock on, negative, effect on their ability to handle customer complaints. Furthermore, employees who lack of required functional and personal skills are incapable of providing quality services and resolving customers' complaints effectively (Karatepe & Karadas, 2012). A broader interpretation of these results would suggest that the reasons behind the low level of front-line employees' empowerment are:

1. UAE industries are unaware of the importance and the large role that front-line employees are playing in service quality.
2. Policies and instructions issued from management affect front-line employees' authority and responsibility to act and react in dealing with customers' complaints.
3. Managers do not trust front-line employees to give them the authority to resolve customers' complaints.

##### **Reward Systems**

UAE industries provide reward systems for employees and this reward policy is followed by all sectors and agencies such as the Tamaiz excellence program which allows each manager to rewards his staff. Reward systems applied in these industries are bonuses and certificate of appreciation and letters of appreciation from senior managers. A finding that is in line with previous studies which suggest that rewards motivate employees to provide better services which reflects positively on the quality of service (Karatepe & Karadas, 2012). Rewards system applied in industries led to better service quality. Figure2. Outline the indicators of management commitment in service quality in UAE organizations which are training, empowerment and reward system.

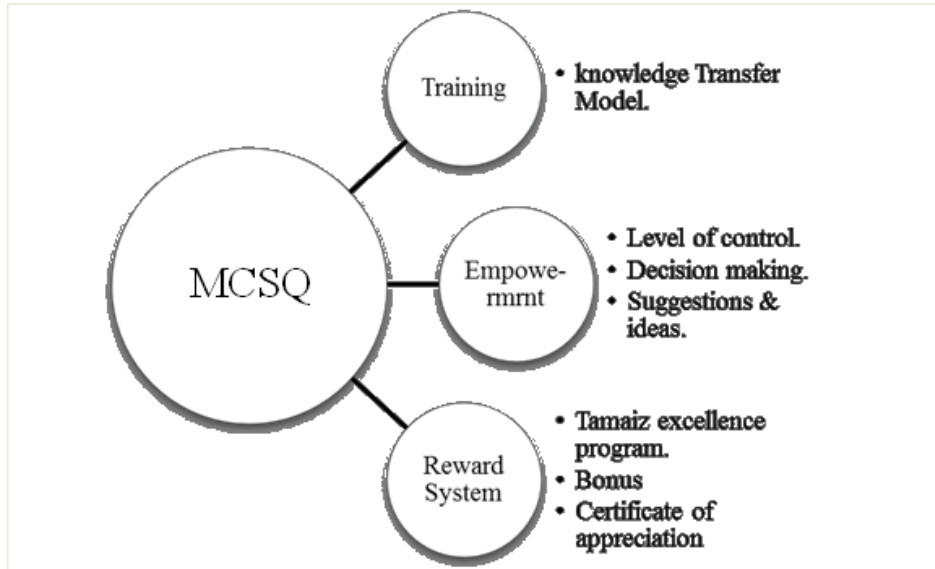


Figure 8. MCSQ in Telecommunication, Road & Transport and Civil Aviation in UAE

### Customer Satisfaction Theories

Customer satisfaction is a way to measure how products or services of the organization meet or exceed a customer's expectation. A customer satisfaction is an important key to success and performs better by providing the organization with a metric that can be used to manage and improve the business (Customer Satisfaction Evaluation: Methods for Measuring and Implementing Service Quality , 2009)

### Contrast Level Theory

Contrast level theory suggests that when consumers receive service levels below expectations; this service will be rated poorer than in reality (Cadozo, 1965). To avoid this organizations in the UAE tend to use customer relationship management (CRM) techniques “the customer relation management system” where any complaint issued by customer should be entered in the system to be solved within a certain time limit (KPMG, 2013). Furthermore these organizations are using diversified customer satisfaction tools to define customer’ needs to serve them better.

Surveys are annually conducted and mystery shopper are used to evaluate the quality of service and to measure how customers are satisfied to improve services. Customers’ chair and customer councils are employed by many organizations who involve customers in the decision making process. This is highly appropriate for organizations in the UAE as findings suggest that customers have high expectations of the services and on the whole organizations are meeting these expectations. This suggests high levels of customer satisfactions. Comparatively, previous studies highlight that the contrast level theory increases the pressure on service providers and calls to improve the services provided by taking into account the quality (Cadozo, 1965; Yi, 1990). The fact that frontline services are rated poor in the organizations in this study would support this argument.



### Comparison Theory

The findings of this study in term of comparison level theory, suggest that this theory applies to Telecommunication, Civil Aviation and Road and Transport as they benchmark services with international agencies. To an extent they are considered role models for other organizations in UAE who in turn benchmark their performance with these leading organizations. As a result, these organizations enjoy a significant competitive advantage to overcome other service providers and exceeded their customers’ expectations. This is supported by high levels of customer satisfaction. The findings support previous studies that managers required to compare their services with rivals become more differentiated, gain a competitive advantage and improve customer satisfaction (Thibaut and Kelley, 1959; Agbor, 2011).

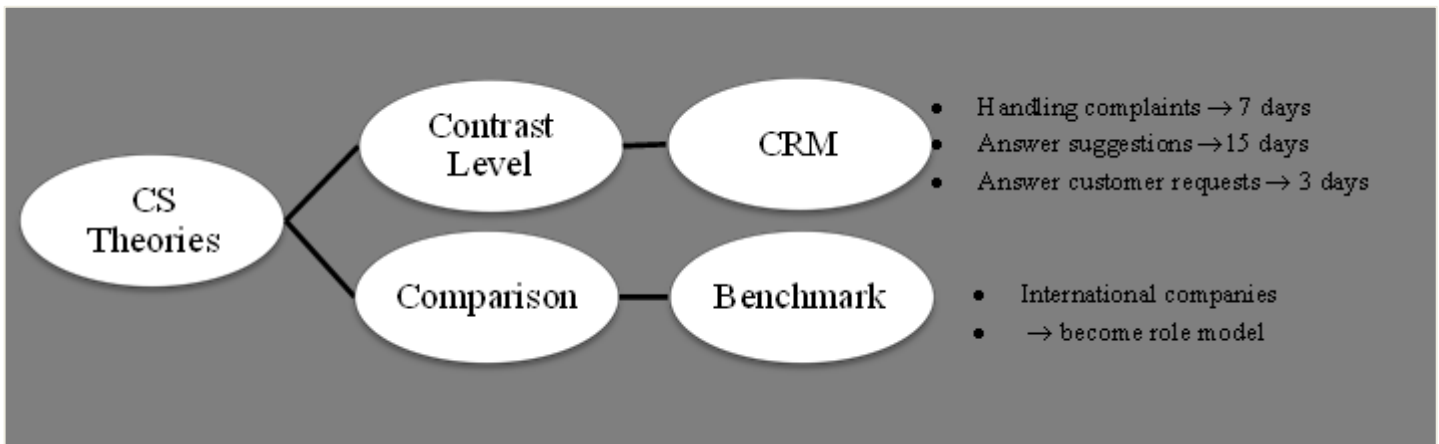


Figure 9. Customer satisfaction theories used in Telecommunication, Road & Transport and Civil Aviation in UAE

### 6. Recommendations

Overall, organizations in this study have effective services allowing them to have high customer satisfaction but there are some recommendations that must be taken into account. As findings highlight Telecommunication, Road & Transport and Civil Aviation have gaps in frontline employees’ performance in regards to customer satisfaction and this can be improved by using Servqual model that defines and improves nine gaps in service quality. By applying Servqual gap 1 will improve management commitment in service quality and specially empowerment level in these industries. Gap 5 will decrease the shortfalls of service providers. Gap 6 will improve the attitude of service provider and front-line employees will be more aware of handling customers’ complaints.

To improve the level of empowerment of front-line employees, management within the mentioned organizations can apply Randolph’s empowerment model which consists of three principles, the first is about sharing information by building trust through sharing sensitive information with front-line employees. Second principle is creating autonomy through structure by creating new decision making rules that support empowerment and uses a heavy doses of training. The third principle is letting teams become hierarchical not individualized by providing

direction and training for new skills, providing encouragement and support for change, and gradually encouraging managers let go of control (Yooch, 2014). Applying this approach will provide front-line employees with guidelines on how to meet the demands of customer service and once these demands are met, customer satisfaction will improve.

In regards to poor ratings of front-line employees' and their attitude towards training. HR managers in Telecommunication, Road & Transport and Civil Aviation should provide personal tests in self-knowledge for front-line employees. This will enable them to define their strengths and areas to improve. By knowing their weaknesses employees should be able to define appropriate training courses needed to improve his skills.

## **7. Conclusion**

This study provides a contribution to literature by exploring how key industries in UAE such as Telecommunication, Civil Aviation, Road and Transport apply TQM techniques to improve employee satisfaction. The findings of the study suggest that the reasons behind the effective services provided by these industries are connected with the diversification of models and tools they use in TQM (e.g. ISO9001, RADAR, Dubai Model, fishbone, cause and effect and 5 Whys). The results of this study show that the contribution of management's commitment to service quality led to higher service quality which reflected positively on customers' satisfaction. The findings also suggest that the low level of empowerment and training of front-line employees did affect the quality of UAE key industries' services and resulted in poor levels of customer satisfaction. The organizations believe in the traditional view of relationship between customer satisfaction and service quality where customer satisfaction is a result of service quality. Thus, poor levels of customer satisfaction in regards to front line staff are a cause of concern and an area of focus for these organizations.

This study recommends Telecommunication, Road & Transport and Civil Aviation management to use Servqual model to fill the gap in front-line employee performance with customers as this model will improve management's commitment in service quality and specially empower staff. Servqual will decrease the shortfalls of service providers and will improve the performance of front-line employees as they will be more aware of handling customer complaints. Applying Randolph's empowerment model consists of three principles of sharing information, creating autonomy through structure and letting teams become hierarchical. Randolph's model will provide front-line employees with guidelines on how to meet the demands of customer service and once these demands are met, customers can give the service provider a higher rating on performance of service. HR management should provide personal tests in self-knowledge for front-line employees to enable them to define their strengths and areas for improvement which will result in having effective training courses and improve employees' skills in customer service.

A future study should examine the empowerment level of front-line employees and training courses provided for them. A future study could explore specific reasons behind shortfalls in front-line employee performance by customer surveys to focus on specific service level gaps. Future research could also discuss the dimensions of key industries in UAE's model and initiatives to gain customers and employees satisfaction like customer councils, customer chairs and Knowledge models.

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