

# The Impact of Customer Services Relations on the Organizational Growth-A Case Study of MTN Communication Ltd.

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**Abstract-** *The main purpose and objective of this study is to examine how the organisation's personnel relate with the customers and the impacts of the customer service relations on the organisational growth. Seven research questions and three hypotheses were postulated to find solutions to the problems of the study. Forty personnel formed the sample size from two branches of the organisation. A self-designed instrument (CUSERIM) containing two sections was used in the collection of data. The findings of the study revealed that customer satisfaction enhance customer service relation and continuous patronage as well as organisational growth. Some of the recommendations of the study include having a sole department or Strategic Business Unit in charge of customer service relation, for the staff in such department must be trained, retrained and well motivated. They should also be customers "friends and family" as well as allowing the organisation's ideals and values to be tailored towards the needs and aspirations of the customers.*

**Keywords-** *Customer service; Organizational growth; Repeat purchase; Customer Loyalty*

## 1. INTRODUCTION

### 1.1 BACKGROUND TO THE STUDY

There are different kind of king in different locations and places. We have king in the communities, we have king in the animal kingdom as well as in the field of specialization, but it is not king in these areas we about to talk about. It is the king the area of business organisation; just like we all know that 'customers' are kings to every business organizations. All the daily activities must be geared or narrowed down to satisfying the king (customers).An organisation is into business only and only to fulfill the yearnings and aspirations of the user of their product. For instance, an organization that continually produces without selling for weeks will definitely feel up its store. In managing store level, once you overstock, you start having problem and looking at how and where do you get money to replenish your stock of raw materials for another production.Without being told, it is obvious that organization that focuses on quality customer service tend to grow faster, sometimes twice as fast as the competitors within the same market. As a result, customer service is fast becoming the factor which helps sustain competitiveness in the market.It must be noted that competitiveness is not trying to rub shoulder or knowing who can produce better. It is strongly based on how best the product produced will satisfy the yearnings and aspiration of their customers both the real and potential customers. The question now is how you get the customer which is very easy compared with retaining such customers and possibly using such customer to get to their

potential customers. There is a natural law that state that whatever you sow, you reap and that you cannot put something on nothing; it will just collapse like a pack of cards. Note that if a customer services relation is not well planned and controlled you cannot expect your customer to do what we call a repeat purchase not to talk of recommending such product to anybody. If you sow friendliness, courteousness and prompt service plus value added services, you get a harvest of respect, loyalty and prosperity. But if all these are placed on the customers, then you had put something on nothing and it means that as an organization, you are likely to collapse like a pack of cards. Given the shift from a manufacturing to a service economy, customer service relation has gained increased attention over the past several years (Bassi, Benson, & Cheney, 1996). Customer service relation is important because organisations that provide good customer service gain a competitive advantage over organisations that do not. For example, quality of customer service is related to customer loyalty, customer retention, and increased organisational profits (Reicheld & Sasser, 1990). In addition, loyal and satisfied customers serve as an important source of free advertising through referrals and recommendations, whereas unsatisfied customers are more likely to defect and to convey negative experiences to other potential customers (Hartline & Jones, 1996). These findings highlight the important relationships between customer service relation and organisational growth.

Again, in this new world of industrialization, customers will always have alternative to everything. If in Nigeria, people could have alternative to power supply in the name of solar power energy, gas, kerosene, fuel generator what else, can we not get alternative for? This goes to show how important it is for us to have a very, very cordial customer services relation. Infact, it should be imbibed as a doctrine by all the staff not just having the department alone.

### **1.2 STATEMENT OF THE PROBLEM**

In Nigeria of today, quality customer service relations has become very paramount, but as important as this seems, we still see organizations around performing in this area below the expectation despite the keen competition prevailing around. Many factors are responsible for the poor customer service relations which may include nonchalant attitude of employees of the organization as a result of the bad recruitment process used in recruiting into the organization, poor remuneration, inadequate training for the staff of the organization and many more. Some of these factors responsible for the poor customer service relations are what this research work will want to evaluate and bring into the open their consequential effect on the organizational growth. It must be noted by every organization today including the Nigerian Police needs to maintain a cordial relationship with their customers. For instance, where the populace sees the Nigeria Police differently, their intelligent unit can never achieve any success as criminality is not and never written on the forehead of anybody. As such, they need information from the populace to check-mate the criminals who live with and among the populace.

### **1.3 PURPOSE OF THE STUDY**

Therefore, the impact of customer service relations on organizational growth cannot be emphasized. Just as it is compulsory for organizations to grow, so also it is very vital for organizations to maintain a good and cordial relationship with their customers for them as organization to grow to greater height. Some of the purpose of this study includes:

- Evaluating the effect of quality customer relations on the growth of the organization. That is, how organizational growth hinge on the customer.
- Examining what the customer look out for and consider a satisfactory customer service relations
- To examine the role of each functional unit is the customer service relations as it relates to the staff in this unit; and many more.

### **1.4 SIGNIFICANCE OF THE STUDY**

The importance of this study cannot be overemphasized since we all know that without the customer, the producer is just doing what I can call "a physical exercise" which will not yield any growth. So also, the satisfaction of those customers is of high importance to the development and growth of the organization. As earlier mentioned, customers that are satisfied will always do a repeat purchase. A repeat purchase will increase sales; sales

growth will increase profit and profit increase will enhance availability of funds and consequently increase the growth and development of the organization. But in Nigeria of today, we found out that most customers only patronize certain organization with the notion that "it is not their fault, very soon we will stop coming here" and as soon as such opportunities arise, you see such customers running away from such organization. A brief look at our private universities is a good example. Some of them cannot meet up with the provision of primary education in terms of infrastructure and personnel but still they are not ready to improve. Such organizations also frustrate the few personnel either in the name of termination of appointment or otherwise. Perhaps, they do not realize they have customers who must be satisfied, such customers only endure for their ward to finish and will never recommend such schools to their enemies. Significance is the fact that this area of customers service relations had not been well researched into by scholars despite its sensitivity to growth and development of organizations. We should realize that with the industrialization, more organizations are coming into being and competition is becoming very keen even in the banking industries where you as customers must stay with your bank. Now, people how outgrow such notion and idea; you either do it right or I move to the next organization.

### **1.5 RESEARCH QUESTIONS**

The following research questions are raised to assist in examining these variables of the research:

- Are customer services relations very vital to the growth of the organization?
- What are the causes of poor customer relation services?
- Why is the relationship to the customer more important than the product in a competitive market?
- What are the strategies to adopt to have a better customer service relationship?
- What is "friendship factor" in business and its importance to organizational growth?
- What are the relationship between customer services and volume of sales?
- What is organisational growth?

### **1.6 RESEARCH HYPOTHESIS**

For the test of the research hypothesis, H<sub>0</sub> shall be used for the null hypothesis and H<sub>1</sub> for the alternative hypothesis. We, therefore, have the following hypotheses:-

Hypothesis One

H<sub>0</sub>- There is no significant relationship between the customer service relation and organizational growth.

H<sub>1</sub>- There is significant relationship between the customer service relation and organizational growth.

Hypothesis Two

H<sub>0</sub>- There is no significant relationship between the customer satisfaction and customer service relation

H<sub>1</sub>- There is significant relationship between the customer satisfaction and customer service relation.

Hypothesis Three

H0- There is no significant relationship between the customer satisfaction and continuous patronage

H1- There is significant relationship between the customer satisfaction and continuous patronage.

### **1.7 SCOPE AND LIMITATION OF THE STUDY**

The scope of this study is limited to the telecommunication industry with the special attention to the assumed leader and pioneer of the industry – MTN Nigeria Limited. Though, time is always a constraint but given the whole hours and days in this world a research can never be completed as it will only serve as appetizer for other research for other research. Also, one would have love to extend it to customers of other provider in the industry but the cost of moving here and there plus cost of the respondents coverage is a big problem, hence, the coverage is limited to their Abeokuta and Victoria Island Service Centre. Also, the literacy level of customers as regards their attitude to answering questionnaire will limit the response rate of customers and thus, a constraint to the research study. Another constraint is the availability of related research work in the area of customer service relation is another key area of problem.

## **2. LITERATURE REVIEW**

The customer service literature tends to cluster around a limited number of themes that tend to be either organisational behavior (OB) oriented (e.g., climate for services, linkage of employee and customer attitudes in service encounters) or marketing oriented (e.g. customer loyalty, relationship marketing). One major difference between the OB and marketing orientations is the nature of the service situation under investigation. Service situations lie on a continuum, with service encounters at one pole, and service relationships at the other (Gronroos, 1995; Gutek, Bhappu, Liao-Troth, & Cherry, 1999). The OB focus has been on the service encounter, which is defined as a single interaction between a customer and a boundary spanner (i.e. employees who interface with customers and other constituents outside the organisation). In service encounters, customers may tend to frequent a given service organisation, but they interact with different boundary spanners each time (Gutek et al, 1999). Encounters tend to be routine and of short duration. In contrast, the marketing focus has been on service relationships, the focal type of the current study. Service relationships are far less structured than service encounters, develop over time, and exist between a customer and a single employee who represents the firm, its image, and its services to the customer (Betancourt & Brown, 1997; Gutek et al, 1999). Although the marketing literature (and OB literature to a much lesser extent, e.g. Gutek et al, 1999) provides some theoretical discussion of service relationships, surprisingly little research investigates the *behaviours* of employees in service relationships, and their impact on customer perceptions of service effectiveness. In service relationships, where a single employee may be the only point of contact for

customers, monitoring service effectiveness becomes incumbent upon the employees delivering the service. Managers typically have little, if any, interaction with customers in service relationships, and managers are unable to train these employees for every possible customer service situation they will encounter (Cascio, 1995). Due to the nature of service (e.g. complex, dynamic, effectiveness is defined by customers) and service relationships (i.e. existing between a customer and a single employee, no direct manager involvement), seeking feedback from customers may be an important way for employees to monitor their own effectiveness in service relationships. No prior work has addressed employee feedback seeking behaviours (FSBs) in service relationship. The current study addresses these limitations by investigating both an antecedent (i.e. perceived organisational support) and the consequences (i.e. service effectiveness perceptions) of employees' feedback seeking behaviours in service relationships. Specifically, the current study presents a model that links employee perceptions of organisational support (POS) to employees' seeking customer feedback (i.e. strategy of feedback seeking, sign of feedback), and customer evaluations of service effectiveness (i.e. customer satisfaction, repatronage intentions, word-of-mouth intentions). The paper begins by defining and describing the criterion of interest: customer service effectiveness.

### **2.1 CUSTOMER RELATION SERVICE EFFECTIVENESS**

Customers who are satisfied tend to return for future business and sometimes assist in marketing a service organisation through word-of-mouth (Rucci, Kim, & Quinn, 1998). Previous research has demonstrated that customer retention is increasingly profitable year after year in many industries (e.g. automotive, banking; Reicheld & Sasser, 1990). Further, exerting efforts to retain current customers is significantly less costly than gaining new customers (Reicheld & Sasser, 1990).

Because service relation effectiveness is increasingly becoming a critical organisational objective (Cascio, 1995; Reicheld & Sasser, 1990), it is important to examine how the delivery of service differs from more traditional manufacturing and delivery of goods. The delivery of customer relation service is complex, dynamic, and dependent upon customer expectations and perceptions (Cascio, 1995; Iacobucci, Ostom, & Grayson, 1995). Unlike manufacturing and distribution of products, the delivery of customer relation service generally is not a highly routine or structured task. A service is distinguished from a product in three principal ways (Bowen & Schneider, 1988). First, a product is a tangible good, while services are much more intangible and may consist solely of acts or processes with no tangible product at all. Second, products generally are produced and then consumed, while services are often produced and consumed simultaneously. Third, the nature of service requires that customers are active participants in service

deliveries. This third factor, customer participation, highlights the relationship between the service contact employee and the customer throughout the service delivery process.

The effectiveness of customer relation service relationships has been operationalized in a variety of ways. Some studies focus on customer evaluations, such as customer satisfaction (Johnson, 1996; Schmit & Allscheid, 1995) or service quality (Parasuraman, Zeithaml, & Berry, 1988; Schneider, White, & Paul, 1998). Other studies focus on customers' behavioral intentions, such as word-of-mouth intentions (Blodgett et al., 1993; Boulding, Kaira, Staelin, & Zeithaml, 1993). One limitation of the previous research is that customer attitudes and behavioral intentions infrequently are examined within a single study thereby precluding thorough examination of the construct validity of these variables and how these variables relate to one another (cf., Zeithaml, Berry, & Parasuraman, 1996). The current study addresses this limitation by including measures of attitudes and behavioral intentions that are relevant to the examination of employee – customer relationships (i.e., customer satisfaction, word of mouth intentions, repatronage intentions). By including multiple indicators of service effectiveness, the current study will be able to examine:

- a. The factor structure of the constructs.
- b. construct validity
- c. relations among variables, and
- d. structural paths among variables (e.g. customer satisfaction's impact on behavioral intentions)

Service quality will not be examined in the current study because previous research suggests that service quality may stem more from behind-the-scenes processes (e.g. supply chain management) than actual exchanges between employees and customers (Iacobucci, et al., 1995). In contrast, the findings of Iacobucci et al. indicate that customer satisfaction stems from customers' experiences in service situations (e.g. interactions with service providers). Despite the debate surrounding the specific nature of customer service effectiveness (cf. Iacobucci et al., 1995; Gotlieb, Grewal, & Brown, 1994), there is agreement that customer attitude (e.g. customer satisfaction) are related to important customer behavioral intentions (i.e. word-of-mouth intentions and repatronage intentions). This proposition is consistent with Fishben and Ajzen's (1977) model of attitudes predicting behavioral intentions. Previous research on attitudes and behavioral intentions in other contexts provides further support for the assertion that customer satisfaction leads to behavioral intentions.

## **2.2 REVIEW OF FEEDBACK IN THE CUSTOMER SERVICE LITERATURE**

The closeness between customers and service employees suggests that customers may hold unique information about the performance of service employees that supervisors and peers do not have (Cascio, 1995; Lambert, Shama, & Levy, 1997). In an organisation where customer

service is important, service providers must gain a “glimpse” into customer perceptions of service effectiveness. While feedback-seeking behaviors by a boundary spanner have not been investigated in the customer service literature per se, there are two related research areas that provide a basis for the current research. First, there are a few studies that investigate a firm's interest in gaining organisational level service effectiveness perceptions from customers e.g. customer satisfaction surveys (Johnson, 1996; Schneider et al. 1998). In these studies, organisations are the collectors and administrators of customer feedback regarding organisational service effectiveness, compared to the current study, where employees seek feedback regarding their own service effectiveness directly from the customers with whom they interact. Second, there is a stream of research that examines customer evaluations of individual boundary spanners as a part of a formal performance appraisal system (Lambert et al, 1997; Lengnick-Hall, 1996; London & Smither, 1995; Miliman, Zawacki, Schulz, Wiggins & Norman, 1995). Again, these evaluations are solicited and collected by the organisation as compared to individual boundary spanners, and someone in the organisation (presumably a manager) determines what information will be relayed back to boundary spanners. Each of these areas will be reviewed below.

## **2.3 CUSTOMER EVALUATIONS OF THE ORGANISATION**

One body of research relevant to the role of feedback in customer service contexts examines employee perceptions that a firm seeks and/or values customer input in relation to service effectiveness. For example, Johnson (1996) considered “information seeking” with respect to service effectiveness in an employee survey of service climate. Johnson defined “information seeking” as an organisation's continuous efforts to identify and track service effectiveness and to share customer opinions of service with employees. Johnson found that employee perceptions of the organisation's information seeking were related to customer evaluations of overall service effectiveness and to customer evaluations of boundary spanners' effectiveness. Johnson concluded that seeking information from customers regarding service effectiveness, that is, determining needs and desires of customers is a critical first step in providing excellent service. The results of these studies also support the central tenet of this study – that customer feedback seeking behaviors are positively related to service effectiveness. These studies (Johnson, 1996; Schneider et al. 1998) demonstrate that there is a positive relationship between employee perceptions that the organisation solicits and values customer input and customer ratings of service effectiveness. The implication is that organisations that collect customer information on an organisational level are perceived as providing better service than those who do not collect customer information provide. Using

customer feedback allows organisations to monitor and regulate their service offerings and delivery. The current study examines this link at an individual level in service relationships, proposing that boundary spanners who collect more information (feedback) from their customers will be perceived as providing more effective customer service relation.

## **2.4 CUSTOMER EVALUATIONS OF INDIVIDUAL BOUNDARY SPANNER EMPLOYEES**

In addition to customers evaluating organisations, increasingly customers are being used to evaluate employees. For example, London and Smither (1995) report that approximately 60% of the consulting firms and organisations surveyed collect performance ratings of employees made by internal or external customers. In addition, customers traditionally have been included in formal performance appraisal programmes in teaching settings, and more recently in other service settings. In the light of the above, this finding indicates that organisations value customer perspectives as an important index of employee performance. The second social factor of interest is the degree to which customers perceive boundary spanners to be similar to themselves. Supervisors tend to develop a positive self-evaluation, thus subordinates perceived to be similar to themselves will be perceived in a more positive light than will subordinates perceived to be dissimilar to themselves. Customers are likely to engage in the same type of cognitive processing as supervisors when evaluating the service provided by boundary spanners. Thus, customers who perceive boundary spanners to be similar to themselves are likely to be more satisfied with the service delivered by these similar boundary spanners.

## **2.5 THE ROLE OF ACTIVE FEEDBACK SEEKING BEHAVIORS IN SERVICE EFFECTIVENESS**

Customer feedback seeking behaviors (FSBs) can be defined as actions taken to assess customer perceptions of service effectiveness. These actions range from explicitly asking the customer for evaluation of passively observing customer reactions to service encounters. Some examples include:

- Calling hotel guests during their stay to see if there is anything that can be done to enhance satisfaction with the service.
- Requesting that a client provide overall impressions/directions for improvement on current service and deliverable offerings.
- Monitoring reactions during a presentation to clients, noting popular and unpopular components for future use.
- Asking realty clients for an assessment of the match between their ideal properties and those shown by the realtors.
- Contracting a financial service client to determine potential improvements to an on-line brokerage offering.

These examples represent a variety of FSBs that could be enacted during a service relationship. FSBs such as these might benefit service effectiveness perceptions of customers in two ways. First, FSBs may provide critical information for boundary spanner self-regulation, allowing boundary spanners to tailor their services to customer expectations. Second, the sheer act of participation that is providing feedback to boundary spanners may enhance customer satisfaction.

## **2.6 CUSTOMER PARTICIPATION**

In addition to contributing to customer satisfaction by impacting role clarity and determining goal – performance discrepancies, soliciting customer input may provide further benefits due, to asking customers to participate in the services they receive. According to the principles of relationship marketing, part of the service concept lies in developing relationships between customers and contact employees (Berry, 1995). As a relationship develops, so does reciprocity between the customer and the contact employee. Customer input can be viewed by the customer as an investment in the organisation (or in the particular contact employee). The customer likely invests the time and input to the extent that the customer receives some benefits (Berry, 1995). Ultimately, the benefits of customer participation are the same for the organisation and the customer – increased service effectiveness, positive word-of-mouth intentions, and customer retention. Customers who receive better service are likely to be more satisfied and to return to the organisation in the future (Gwinner, Gremler, & Bitner, 1998).

## **2.7 FEEDBACK SEEKING STRATEGY**

There are two feedback seeking strategies reviewed in the literature direct inquiry and monitoring (Ashford & Cummings, 1983). Direct inquiry involves overt requests for feedback from others. Monitoring involves more indirect attempts at gaining feedback, such as observation and eavesdropping. These strategies result in different types of obtained information for the boundary spanner. Feedback gained through direct inquiry depends upon what questions are asked, and what a customer is willing to report (Fedor, Rensvold, & Adams, 1992) whereas feedback obtained through monitoring necessarily depends on making inferences about customer perceptions of service effectiveness (Ashford & Cummings, 1983). While not in a customer service setting, empirical studies have investigated the link between feedback seeking strategies and performance effectiveness. Ashford and Tsui (1991) investigated feedback seeking strategy in a field study of mid-level executives and found that feedback seeking though direct inquiry was positively related to managerial effectiveness ratings by supervisors, subordinates, and peers. They also found that monitoring was positively related to ratings made by subordinates and peers.

## **2.8 FEEDBACK SIGN**

In addition to feedback sign strategy, researchers have also examined the sign of feedback sought. The sign of feedback sought can be positive or negative. While there

is an extensive literature covering positive and negative feedback, that is, not sign of feedback *sought*, but feedback *offered* without a request, there is not as much research regarding the sign of feedback that employees actively seek. The research on feedback in general indicates that negative sometimes called constructive feedback has more informational value than positive feedback (London, 1997; Morrison & Bies, 1991). Thus, despite some speculation that negative feedback provides more informational value and thus should have a greater positive impact on performance.

## **2.9 NEGATIVE FEEDBACK SEEKING**

Despite the self-image risks of seeking negative feedback (Ashford & Cummings, 1983). Ashford and Tsui (1991) found that negative feedback seeking was positively associated with subordinates' opinions of managers' overall effectiveness. These results indicate that in a managerial situation, seeking negative feedback is associated with impressions that the seeker is strong and eager for improvement (Morrison & Bies, 1991). Types of feedback sought have not been investigated in a customer service situation, but there are two related studies that provide support for the impact of negative feedback on performance. First, one study addressed the impact of positive and negative formal feedback from managers, that is, feedback provided as part of a performance appraisal intervention. Waldersee and Luthans (1994) instructed managers to provide either positive, negative or no feedback to fast food employees over a three week period. In this study, employees in the negative feedback and control conditions significantly improved their performance. Second, evidence for the negative feedback – performance relationship can be drawn from research on recovery from service failure. A service failure is signaled by a customer report of dissatisfying service. This report of dissatisfying service provides negative feedback regarding the service received. Research shows that service providers who effectively recover from service failures often find customers to be more satisfied than prior to the service failure (Hart, Heskett, & Sasser, 1990; Johnson, 1995). Thus boundary spanners who effectively recover are taking into account the negative feedback received from customers and acting upon it to the customers' eventual satisfaction. In order to effectively recover from a service failure, or improve upon mediocre service, a boundary spanner needs feedback regarding customer assessments of service effectiveness. Due to the informational value of negative feedback, it is logical to predict that seeking customers' negative feedback will have an impact on customer evaluations of service effectiveness.

## **2.10 POSITIVE FEEDBACK SEEKING**

While there seems to be agreement that the informational value of negative feedback leads to performance benefits, there is less agreement about the relationship between positive feedback seeking and performance (Ilgen et al. 1979; London and Smither, 1995; Morrison & Bies, 1991).

While some authors point out the potential for positive feedback seeking to be associated with weakness or insecurity on the part of the seeker (Ashford Tsui, 1991), others point out that the content of positive feedback can enhance perceptions of the seeker's performance (Morrison & Bies, 1991). For boundary spanners serving in complex and unstructured roles, positive feedback seeking may be viewed by customers as an attempt to personalize service delivery, rather than as a sign of weakness or insecurity. That is, customers may view boundary spanner positive FSBs as beneficial to the customer. In fact, seeking any feedback from customers may be taken as a sign of caring about customer satisfaction. Given that previous research suggests that positive feedback is more readily accepted and accurately perceived by recipients than negative feedback (Ilgen, et al., 1979; London, 1997), boundary spanners who seek more positive feedback from customers likely are equipped to actually tailor their services to individual customers' needs and preferences. For these reasons, it is hypothesized that boundary spanners who seek more positive feedback likely provide better customer service.

## **2.11 BOUNDARY SPANNER PERCEPTIONS OF ORGANISATIONAL PRACTICES**

One of the most critical arguments made by proponents of relationship marketing is that organisations must “market” themselves to employees so that employees will reciprocate by “marketing” the organisation to customers (Berry, 1995; Bitner, 1995). Because managers likely have very little involvement with customers, it is in the best interest of the firm to create conditions that will maximize the “marketing”, or service orientation, of employees in their service relationships. According to Berry and Bitner, the best way to maximize employee service orientation is to treat employees the way you want them to treat customers. The guiding principal of this proposition is the norm of reciprocity. Eisenberger, Huntington, Hutchison and Sowa (1986) used the term “perceived organisational support” (POS) to describe employees' perceptions of the extent to which their contributions are valued and their well-being is supported by the organisation. The construct of POS is a measure of an employee's perceptions of the organisation's affective commitment to him or her, including satisfaction with the employee's performance, consideration of the employee's needs, recognition of the employee's input, and provision of future development and promotion opportunities. Employees with high POS believe that the organisation cares about them and will reward their efforts to perform beyond expectations. Employees with low POS perceive that the organisation is not understanding of mistakes or special needs and would prefer to hire someone else over them. Distinct from the work related attitudes of organisational commitment and job satisfaction, POS represents employees' beliefs regarding the commitment and support they receive from their organisation that develop based on accumulated personal experiences

(Shore & Tetrick, 1991) rather than employees' attitudes toward the firm.

### **3. RESEARCH METHODOLOGY**

This chapter presents methodology used in carrying out the research study. It includes the research design, the population of the study, sample and sampling procedure. Others are instrument used for data collection, validity and reliability of the instrument as well as methods of data analysis.

#### **3.1 RESEARCH DESIGN**

The research is a descriptive study based on survey design. The study is aimed at identifying the impact of customer services relations on the organisational growth. Questionnaire was used to obtain relevant information from the respondents to examine the main dependent variable (personnel performance and organisational growth), against the independent variable (customer services relations).

#### **3.2 POPULATION OF THE STUDY**

The research population of this study consists of the middle level personnel of MTN communication Limited, Abeokuta and Victoria Island. The organisations have about fifty middle level staff and we intend to use all the middle level staff as the universe of the study.

#### **3.3 SAMPLE SIZE AND SAMPLING PROCEDURE**

The sampling procedure of non-probability of convenience or accidental sampling method was adopted due to accessibility of the respondents (sample). Therefore, a total of 40 respondents were selected to form the sample of the study.

#### **3.4 INSTRUMENT OF THE STUDY**

The study made use of a self-designed questionnaire tagged "Customer Services Relations Impact" (CUSERIM). It was designed based on the research problem. The questionnaire was made up of four sections. Section 1 is about general background; section 2 deals with customers' satisfaction as it affects the customers' service relation; the organisational growth and the continuous patronage. Sections 2A, B, C, D, E, F, and G contained structured statements with four-response options based on Likert-type scale. These responses ranged from Strongly Agree (SA), Agree (A), Disagree (DA) to Strongly Disagree (SDA) and the respondents were required to indicate the extent to which they agree or disagree with the statements. The questions were assigned weight on a 4-point scale rated 1 to 4 as follows. Strongly Agree 4, Agree 3, Disagree 2 and Strongly Disagree 1. The instrument (CUSERIM) was subjected to proper scrutiny of the supervisor and some experts in Management Sciences (Marketing) in Crescent University, Abeokuta, Ogun State. Necessary corrections were made to upgrade the instrument before going to the field. The instrument was subjected to validity and reliability test with the administration of the pre-test to ten middle level

management staff of Crescent University, Abeokuta, though they did not form part of the sample of the study. Secondary data was collected mainly from reviewing the existing literatures relating to the issue under investigation and past personal experiences of the researcher. Copies of the questionnaires were administered on 40 middle level management staff of MTN Communication Limited, Abeokuta and Victoria Island. The distribution and collection were administered personally in organisations while others were through friends and relations.

#### **3.5 METHODS OF DATA ANALYSIS**

Data collected from respondents were hand scored on scoring sheets for analysis. The mean/average of the score were determined as well as the percentages and standard deviation were also used in analyzing the collected data and presented in tabular form. To make decisions on the tables, benchmark must be obtained by calculating the mean of the table mean score obtained by dividing the summation of the mean score by the number of the items analysed. In the same vein, the mean of the standard deviation summation can be obtained and used as the benchmark for the selection of significant attitude.

### **4. DATA PRESENTATION AND ANALYSIS**

This chapter deals with the presentation and analysis of the data collected during this research study. In accordance with the sample size stated in chapter three of this study, a total of forty (40) copies of questionnaire were administered to the respondents and all were recovered. The analyses of the data are shown on tables based on the research questions and hypotheses for the study.

#### **4.1 PRESENTATION OF DATA ANALYSIS AND INTERPRETATION**

The table 4.1 in Appendix shows how questionnaire were administered in the two chosen branches of MTN Communications with 35% (14 copies of questionnaire) distributed at Victoria Island Service Centre and the rest 65% (26 copies) shared in Abeokuta Customer Service Centre. Table 4.2 in Appendix shows the gender distribution of the questionnaire to the respondents. From the table, 30 copies of the questionnaire were shared among the male while 10 copies were share among the female. That is 75% to the male and 25% to the female. Again, we had 100% nationality from the respondents as all the respondents are from this great country, Nigeria and the respondents held different positions within the organisation while some of the respondents are notable customers of the organisation that patronize the organisation very often. The data shown in Table 4.3 in Appendix indicates that out of the total respondents, 27.5% are in the lower level cadre, 57.5% are in the Middle level cadre and 15% are at the top level cadre. The indication is that we have more of people in the middle level cadre as respondents and to certain extent, information provided by such group can be relied upon and considered more viable to use. From the table 4.4 in Appendix, 15% had worked

with the organisation for below 5 years; 55% had worked for between 6 and 10 years; 30% had worked for the organisation between 11 and 15 years while nobody had worked for 16 years and above among the respondents.

#### **Research Question 1**

Are the customer services relation very vital to the growth of the organisation?

From Table 4.5 in Appendix, the analysis revealed that customer services relation is a key to a reasonable growth in an organisation as well as good relationship between customers and the organisation and cordial relationship between the customer and the organisation are very vital to the organisation's growth with total score of 125 and mean score of 3.13. From the above, all the factors are very vital and relevant to the growth of the organisation.

#### **Research Question 2**

What are the causes of poor customer relation services?

From Table 4.6 in Appendix, the analysis revealed that low satisfaction of customer's needs as a result of lack or inadequate training with total score of 134 and mean score of 3.35; poor organisational management as a result of lack or inadequate training with total score of 174 and mean score of 4.35 and attitudes of employees towards customers with total score of 125 and mean score of 3.13 are the causes of poor customer relation services.

#### **Research Question 3**

Why is the relationship to the customer more important than the product in a competitive market?

From Table 4.7 in Appendix, the analysis revealed that those factors that enhance customer relationship and product in a competitive market include customers determining the market for a product, customers' retention is more important than the product and that satisfied customers most times assist in marketing a product or service with their total and mean score above the benchmark.

#### **Research Question 4**

What are the strategies to adopt to have a better customer service relationship?

Table 4.8 in Appendix, shows that the most essential strategies for better customer service relationships include better employee intrinsic and extrinsic working conditions, high organisational support to employees and provision of future developments and promotion opportunities with their total and mean score equal and/or higher than the benchmark.

#### **Research Question 5**

What is "friendship factor" in business and organisational growth?

From Table 4.9 in Appendix, all factors consider formed the "friendship factor in business and organisational growth as they all fall within the benchmark with their total and mean score.

#### **Research Question 6**

What are the relationship between customer services and volume of sales?

As revealed by the analysis of Table 4.10 in Appendix, cordial relationship with customer brings about high

volume of sales, repeat purchase is a factor to volume of sales and customer retention improves volume of sales as their total and mean score fall the range of benchmark.

#### **Research Question 7**

What is organisational growth?

From the analysis of Table 4.11 in Appendix, organisational growth include increase in profit determine growth in an organisation, good customer services relations is a key factor in organisational growth, and more customers could determine growth in the organisation as all these factors fall within the range of the benchmark calculated.

#### **Research Hypothesis 1**

There is no significant relationship between the customer service relation and organizational growth.

From Table 4.12 in Appendix, the calculated value of chi-square at 3 (r-1) degree of freedom and of 5% level of significance is 15 higher than the table/critical value of 7.815. Since, the decision rule says that the alternative hypothesis should be accepted if the calculated is more than the critical or table value. Therefore, in this case we accept the alternative hypothesis that says there is significant relationship between customer service relation and organisational growth. The projection was based on question 3 under the G category of the questionnaire.

#### **Research Hypothesis 2**

There is no significant relationship between the customer satisfaction and customer service relation

From Table 4.13 in Appendix, the calculated value of chi-square at 3 (r-1) degree of freedom and of 5% level of significance is 170.52 higher than the table/critical value of 7.815. Since, the decision rule says that the alternative hypothesis should be accepted if the calculated is more than the critical or table value. Therefore, in this case we accept the alternative hypothesis that says there is significant relationship between customer service relation and customer satisfaction. The projection was based on question 2 under the C category of the questionnaire.

#### **Research Hypothesis 3**

There is no significant relationship between the customer satisfaction and continuous patronage

From Table 4.14 in Appendix, the calculated value of chi-square at 3 (r-1) degree of freedom and of 5% level of significance is 15 higher than the table/critical value of 7.815. Since, the decision rule says that the alternative hypothesis should be accepted if the calculated is more than the critical or table value. Therefore, in this case we accept the alternative hypothesis that says there is significant relationship between customer satisfaction and continuous patronage. The projection was based on question 3 under the F category of the questionnaire.

## **5. DISCUSSION OF FINDINGS**

This chapter discusses the findings, conclusion, summary and recommendations. The essential focus of this study is to show the impacts of customer service relation on the organisational growth. It further try to show some of the



strategies for better customer service relationship, the friendship factor in business and organisational growth and established the relationship between customer services relation and volume of sales.

### **5.1 FINDINGS**

Findings in this study will be grouped and discussed under three broad sub-headings:

1. Customer satisfaction and customer service relation.
2. Customer satisfaction and continuous patronage.
3. Customer service relation and organisational growth.

#### ***CUSTOMER SATISFACTION AND CUSTOMER SERVICE RELATION***

This study revealed that there is much need for organisation to find a way to satisfy their customers, no matter what it will cost them. It is presumed that “customers are king in a business” and that the organisation is in business because of satisfying their needs. Therefore, the study went a long way in re-establishing this presumption. As such, there is much need for organisations to stem-up their customer relations activities to meet the yearnings of both the potential and actual customers of the organisation.

#### ***CUSTOMER SATISFACTION AND CONTINUOUS PATRONAGE***

From the above, when customers are well related with by the organisation via its members of staff, then it is very paramount that such customers will be satisfied by the products and/or services of such organisation. Therefore, it is imperative for such customers to make a repeat purchase and a repeat purchase will end up continuous patronage and eventual introduction of such products/service to other customers.

#### ***CUSTOMERS SERVICE RELATION AND ORGANISATIONAL GROWTH***

This study goes a long way in showing the importance of the customer service relation in the organisation. When you relate with your customers very well, you will be able to know their needs and yearnings, and as such, work towards satisfying it to bring about repeat purchase and repeat purchase will give rise to continuous patronage which will later help in the increase in the sales volume of the organisation. When the sales volume is increase, there is every possibility that the organisation profit will increase. One good thing lead to another, once the profit is increased in the organisation; training, development and motivational activities could be embarked upon by organisation for the staff. Then, check the organisational growth in terms of staff training and development; they will be there or in term of profit or financial earnings they will be there too.

### **5.2 SUMMARY OF THE FINDINGS**

Some of the findings in this study include:

1. That customer services relation is a key to a reasonable growth in an organisation.

2. That good relationship between customers and the organisation should be a primary objective of the organisation.

3. That cordial relationship between the customer and the organisation is very vital to the organisation’s growth.

4. That the causes of poor customer relation services includes low satisfaction of customer’s needs as a result of lack of training, poor organizational management as a result of lack of training and attitudes of employees towards customers.

5. That the customers determine the market for a product.

6. That customer retention is more important than the product.

7. That satisfied customers most times assist in marketing a service or product.

8. That the strategies for better customer service relationships include better employee intrinsic and extrinsic working conditions, high organizational support to employees and provision of future developments and promotion opportunities.

9. That what constitute a ‘friendship factor’ in business and organisational growth includes the fact that customers should be seen as friends of the organization.

10. That co-operation between customers and the organization would further promote organization’s growth.

11. That customer should be partners in progress for a better organization.

12. That the relationship between customer and volume of sales could be improved upon with cordial relationship with customers who bring about high volume of sales, repeat purchase which is a factor to volume of sales and customer retention improves volume of sales as well.

13. That increase in profit, good customer services relation which is a key factor in organizational growth and more customers could also determine growth in the organization.

## **6. CONCLUSION**

The research work was conducted to examine the impact of customer services relations on the organisational growth using MTN communication Limited as the case study. Based on the analysis of the responses of the respondents and the major findings discovered in the analysis, the researcher concluded that customer services relations plays a crucial role on the organisational growth. Customer services relations had a direct and positive impact on the organisational growth and inversely on the growth and development of staff of the organisation. As a result, every organisation should endeavor to have a very good customer services relation and if possible create a whole department or Strategic Business Unit (SBU) so as to enhance and facilitate the efficiency of the organisation

## **7. RECOMMENDATION**

Based on the findings of this research work and the conclusion, the following recommendations will reduce organisational poor growth. Organisations should have a sole department or Strategic Business Unit in charge of this particular responsibility.

1. The staff in such department or SBU must be well trained, retrained and well motivated adequately.
2. The customers of the organisation should always be seen as friends and possibly family member.
3. The organisation's ideals and values should be tailored towards the needs and aspirations of the customer.

## **8. SUGGESTION FOR FURTHER RESEARCH**

Since no one is an island; further study could be carried out on the same topic with a wider coverage area (sample) in terms of respondents to be able to extract more information and have a better conclusion.

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## APPENDIX

**Table 4.1 Questionnaire Distribution among the sampled branches**

MTN	NO. OF RESPONDENTS	%
VICTORIA ISLAND	14	35
ABEOKUTA	26	65
Total	40	100

Source: Survey Data, 2013

**Table 4.2 Gender Distribution Table**

SEX	RESPONDENTS	%
Male	30	75
Female	10	25
Total	40	100

Source: Survey Data, 2013

**Table 4.3 Management Level of Respondents in the Organisation**

Management Level	Number of Respondents	Percentage (%)
Lower Level	11	27.5
Middle Level	23	57.5
Top Level	5	15

Total	40	100
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Source: Survey Data, 2013

**Table 4.4 Length of Service distribution**

Number of Service Year	Number of Respondents	Percentage (%)
5 Years below	6	15
6 – 10 Years	22	55
11 – 15 Years	12	30
16 Years and Above	0	0
Total	40	100

Source: Survey Data, 2013

**Table 4.5 Customers Service Relations and Growth of the Organisation**

Item No	Description	Total Score	Mean Score
1.	Customer services relations is a key to a reasonable growth in an organisation	125*	3.13*
2.	Good relationship between customers and the organization should be a primary objective of the organization.	125*	3.13*
3.	Cordial relationship between the customer and the organization is vital to the organization's growth.	125*	3.13*
		375	9.39

Benchmark = 125 3.13

\* Significant

Source: Survey Data, 2013

**Table 4.6 Causes of Poor Customer Relation Services**

Item No	Description	Total Score	Mean Score
1.	Low Satisfaction of customer's needs as a result of lack or inadequate training	134*	3.35*
2.	Poor organisational management as a result of lack or inadequate training	174*	4.35*
3.	Ideals and values of organisation	88	2.20
4.	Poor understanding of customers' attitudes or behaviours	88	2.20
5.	Attitudes of employees towards customers	125*	3.13*
		609	15.23

Benchmark 121.8 3.05

\* Significant

Source: Survey Data, 2013

**Table 4.7 Customer Relationship and Product in a Competitive Market**

Item No.	Description	Total Score	Mean Score
1.	Customers determine the market for a product	174*	4.35*
2.	Customers retention is more important than the product	136*	3.40*
3.	Customer relationship brings about high patronage for a product	89	2.23
4.	Customer relationship improves competitiveness in the market of a product	89	2.23
5.	Satisfied customers most times assist in marketing a service or product	125*	3.13*
		613	15.34

Benchmark = 123 3.07

\* Significant

Source: Survey Data, 2013

**Table 4.8 Strategies for Better Customer Service Relationships**

Item No	Description	Total Score	Mean Score
1.	Better employee intrinsic and extrinsic working conditions.	149*	3.73*
2.	Recognition of employees input.	148	3.7
3.	High organizational support to employees.	149*	3.73*
4.	Training of employees in best customer services practices.	148	3.7
5.	Provision of future developments and promotion opportunities.	149*	3.73*
		743	18.59

Benchmark = 149 3.72

\* Significant

Source: Survey Data, 2013

**Table 4.9 Friendship factor in business and organisational growth**

Item No	Description	Total Score	Mean Score
1.	Customers should be seen as friends of the organisation	134*	3.35*
2.	Co-operation between customers and the organisation would further promote organisation's growth	134*	3.35*
3.	Customers should be partners in progress for a better organisation	134*	3.35*
		402	10.05

Benchmark = 134 3.35

\* Significant

Source: Survey Data, 2013

**Table 4.10 Relationship between Customer Services and Volume of Sales**

Item No.	Description	Total Score	Mean Score
1.	Cordial relationship with customer brings about high volume of sales	125*	3.13*
2.	Repeat purchase is a factor to volume of sales	125*	3.13*
3.	Customer retention improves volume of sales	125*	3.13*
		375	9.39

Benchmark = 125 3.13

\* Significant

Source: Survey Data, 2013

**Table 4.11 Organisational Growth**

Item No.	Description	Total score	Mean Score
1.	Increase in sales is the same as organisational growth	89	2.23
2.	Increase in profit could determine growth in an organisation	174*	4.35*
3.	Good customer services relations is a key factor in organisational growth	125*	3.13*
4.	Larger demand for product and services is equal to organisational growth	89	2.23
5.	More customers could determine growth in the organisation	136*	3.40*
		613	15.34

Benchmark = 123 3.07

\* Significant

Source: Survey Data, 2013

**Table 4.12 Chi-Square Table of significant relationship between customer relation and organisational growth**

<i>O</i>	<i>E</i>	<i>O-E</i>	$(O-E)^2$	$(O-E)^2 \div E$
20	10	10	100	10
10	10	0	0	0
5	10	-5	25	2.5
5	10	-5	25	2.5
$X^2$	=			15

**Degree of Freedom = 4 - 1 = 3**

**$X^2$  Calculated Value = 15 and**

**$X^2$  Critical/Table Value @ 0.05 @ 3 = 7.815**

**Table 4.13 Chi-Square of Relationship between Customer Satisfaction and Customer Service Retention**

<i>O</i>	<i>E</i>	<i>O - E</i>	$(O - E)^2$	$(O - E)^2 \div E$
19	10	9	81	4.26
19	10	9	81	4.26
1	10	-9	81	81
1	10	-9	81	81
$X^2$	=			170.52

**Degree of Freedom = 4 - 1 = 3**

**$X^2$  Calculated Value = 170.52 and**

**$X^2$  Critical/Table Value @ 0.05 @ 3 degree of freedom = 7.815**

**Table 4.14 Chi-Square of Relationship between Customer Satisfaction and Continuous Patronage**

<i>O</i>	<i>E</i>	<i>O - E</i>	$(O - E)^2$	$(O - E)^2 \div E$
20	10	10	100	10
10	10	0	0	0
5	10	-5	25	2.5
5	10	-5	25	2.5
$X^2$	=			15

**Degree of Freedom = 4 - 1 = 3**

**$X^2$  Calculated Value = 15 and**

**$X^2$  Critical/Table Value @ 0.05 @ 3 degree of freedom = 7.815**