# Analysing the Service Delivery Gap for a Power Utility Company in the Pre 2016 Period: A Case Study of Zimbabwe Electricity Transmission and Distribution Company (ZETDC).

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***Abstract:*** *Due to rising customer dissatisfaction in service quality delivery by ZETDC customers, it became imperative that a study be undertaken to identify areas of mismatch in the expected service and the actual service delivered. Gap 3 of the gaps model proposed by Parasuraman et al. (1985) was applied to ZETDC Marondera to identify the extent of the delivery gap to enable the designing of a service quality improvement program that could be adopted by the service provider. A quantitative research design was carried out using a cross sectional descriptive survey, where a self-completion questionnaire was developed for the gap model and distributed to a sample of 250 respondents using a convenience sampling technique to ZETDC customers in Marondera who included domestic and rural households, commercial institutions and farmers to determine their perceptions of service quality. Data analysis was conducted on the 210 responses that were returned. Findings show the Service delivery gap is +0.125. This is a positive rating which means that no gap exists between service quality specifications and actual service delivery.*
***Keywords:*** *Service Gap, Service quality, Customer Expectations*

## I. Introduction

Customer dissatisfaction is rising due to the declining service quality delivery by Zimbabwe Electricity Transmission and Distribution Company (ZETDC). ZETDC is a subsidiary of ZESA Holdings (Pvt) Ltd, a state-owned company whose mandate is to generate, transmit, and distribute electricity in Zimbabwe. The evident customer dissatisfaction implies that there is a mismatch in the expected service and the actual service delivered resulting in a service quality gap. Gap 3 of the Gap model proposed by Parasuraman et al. (1985) will be applied to identify the service delivery gap at ZETDC Marondera
The study aims to analyze the service delivery gap that exists in ZETDC so as to solve some service quality problems faced by the utility provider.

## II. Literature Review

### 2.3.3 Perceived Service Quality

According to Gronroos (1984; 37), the perceived service quality is "the outcome of an evaluation process where the customers compare their expectations with service they have received". Parasuraman et al. (1985; 1988) appeared to have the same notion, defining service quality as "a form of attitude, related but not equivalent to satisfaction that results from a comparison of expectations with perceptions and performance". In other words, service achieves quality in customers' opinion when it meets their expectations. Parasuraman et al. (1985) refers to this element of service quality "perceived service quality". Wetzels (1998; 8) correspondingly stated that "perceived service quality is a concept of quality, which can be characterized as a customer oriented approach to quality". This means that authors describe perceived service quality as the discrepancy between customers' expectations regarding a service and their perception of the actual service provided (Lovelock and Wirtz, 2011)

### The Gap Model (Parasuraman et al., 1985)

The gap model (Parasuraman, et al. 1985), comprising of four Provider gaps (Gaps 1-4) and the Customer gap (Gap 5). The model seeks to establish perceptual differences among key Service Triangle stakeholders identified by the four gaps which hinder an organization in providing high quality service. The direction of the internal provider gaps determines the fifth gap which is the basis of a customer-oriented definition of service quality that examines the discrepancy between customers' expectations for excellence and their perceptions of the actual service delivered (Zeithaml et al. 1990). The model is influenced by the confirmation/disconfirmation theory, which involves a comparison between expectations and performance. Before using a service, a customer has certain expectations. These expectations become a basis against which to compare the actual service performance. After experiencing the service, the customer then compares actual performance with expectations to confirm their perceptions (Parasuraman et al., 1985).
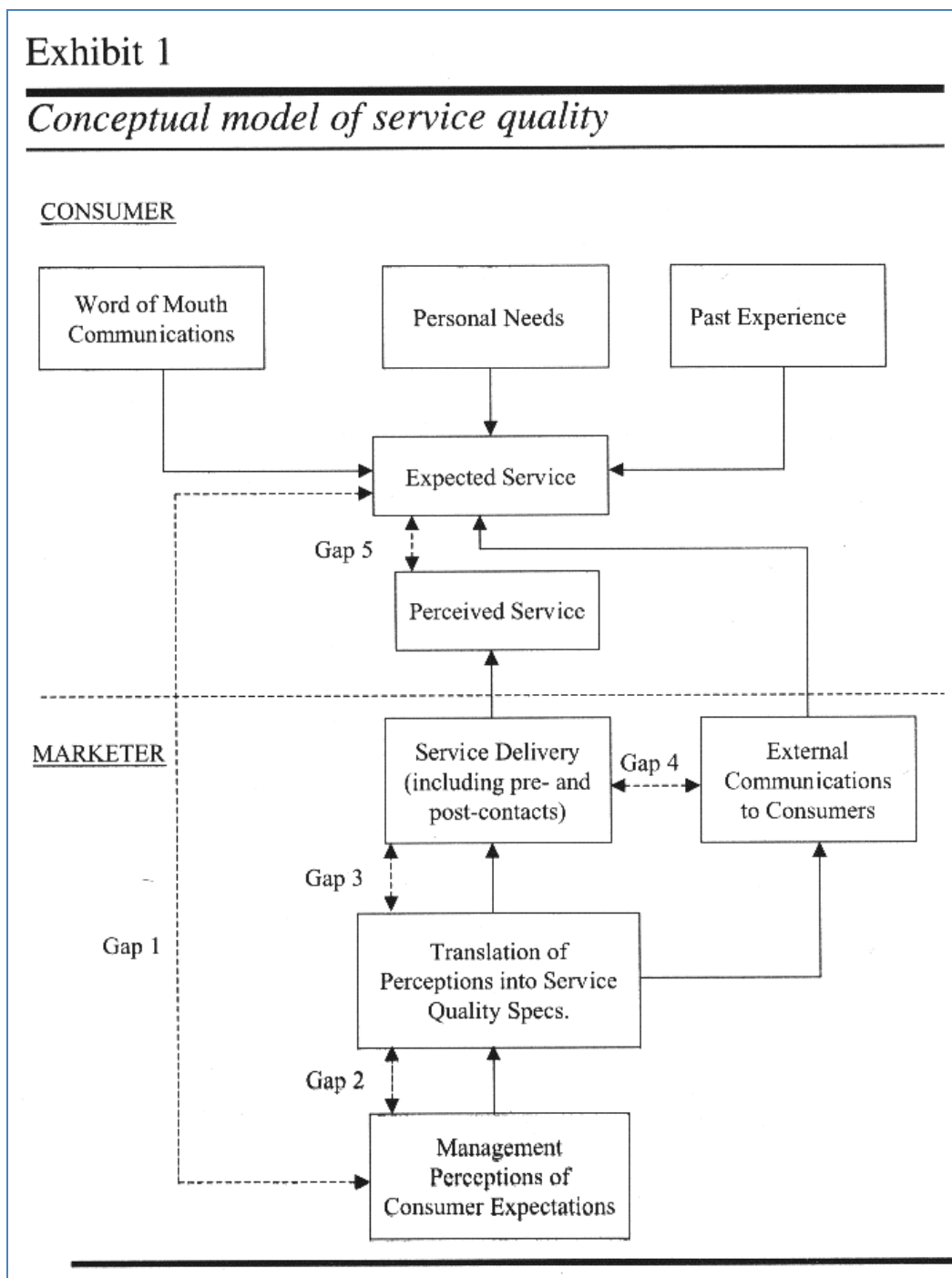
# Exhibit 1

## *Conceptual model of service quality*



**Figure 2.1:** A conceptual model of service quality
**Source: Adapted from Parasuraman et al. (1985)**

The Gaps Model of service quality, developed by Parasuraman, Zeithaml and Berry (1985), is the most critiqued and widely accepted conceptual framework for evaluating, and measuring quality (Mauri et al. 2013). The gap model has its foundations on the expectation-confirmation theory whereby if actual experience is better than expectation, there is satisfaction; and if the service experience was worse than expected then there is dissatisfaction (Chao and Kao, 2009). The model (Fig 2.1) illustrates a distinction between the customers and the organization in terms of service quality (Chao and Kao, 2009; Parasuraman et al., 1985), and it shows that eventually delivered service quality is determined by managerial causes as the antecedents of the four marketer gaps.

Figure 2.1 illustrates how these four gaps interacted with one another and with the customer gap. The gaps are shown by the dotted lines with double-headed arrows while the solid interconnecting arrows on the

other hand, represent the direction of influence. For example, the company's perceptions of consumer expectations influence service standards. Likewise external communication influences the customer's perceived and expected service.

It is clear therefore that the foundations of the Gap model are heavily based on the interactions of the service triangle stakeholders (Chao and Kao, 2009). Authors have identified the key ingredients of service quality improvements as: market and customer focus; motivated and well-trained frontline staff; well-designed processes; devolvement of responsibility and authority to the frontline staff; clear definition of quality; effective internal and external communications; and measurement (Gronroos, 1984).

**Gap 3: The Delivery Gap and Service Quality Management**

Gap 3 appears when employees are unable and or unwilling to perform the service at the desired level (Zeithaml et al. 1990). The gap is the discrepancy between service specifications that managers have established and actual service performances and is influenced by three main factors: cooperation, perceived control, and employee-job fit (Urban, 2009). Among the suggested solutions to cope with this gap there are introducing effective internal marketing in an organization, changing the supervisory system, and better employees training (Gronroos 1984).

The firm must have systems, processes, and people in place to ensure that service delivery actually matches or is even better than the standards in place. Service quality evaluation depends on the service process and the service outcome (Gronroos, 1984).

## III. Materials and Methods

The descriptive survey design was used for the study. A sample size of 250 respondents was obtained, all of them ZETDC customers who include households, businesses, institutions and farmers. The reliability score was 0.683 which was considered appropriate. Validity was ensured by pre-testing the questionnaire to ensure appropriateness, meaningfulness, and usefulness of questions

## IV. Results and Discussion

**Gap 3: Service Quality specifications Vs Service delivery Gap (Overall Average Mean = 3.03)**

Analysis of results indicated an overall mean of 3.03 which is marginally above the acceptable rating of 3.0. This shows an average performance which is an indication that respondents were generally agreeing that the service actually being delivered by ZETDC was according to service specifications. The findings are in line with Urban (2009:637) who in a study concluded that this gap was the least significant as employees were able to implement service specifications relatively well.

**Table 1: Service Quality specifications Vs Service delivery Gap**

| | Strongly disagree | Disagree | Neither disagree nor agree | Agree | Strongly Agree | **Mean** |
|---|---|---|---|---|---|---|
| The implementation of the prepayment program was done well | 8.1% | 29.0% | 17.1% | 33.8% | 11.9% | **3.12** |
| ZETDC educates and trains me how to use and save electricity | 3.3% | 41.9% | 23.8% | 26.2% | 4.8% | **2.87** |
| I get the same quality and consistency of service at ZETDC agents where I buy my recharge tokens | 8.1% | 46.7% | 19.0% | 20.0% | 6.2% | **2.70** |
| ZETDC employs people with adequate and relevant skills | 3.8% | 20.0% | 23.8% | 39.5% | 12.9% | **3.38** |
| Customers are cooperative with ZETDC employees when they are carrying out their tasks | 2.4% | 20.5% | 30.0% | 29.5% | 17.6% | **3.40** |
| The behaviour of other customers is negatively affecting my service | 1.4% | 23.8% | 34.8% | 34.3% | 5.7% | **3.19** |
| The faults department activities are in contrast with those of the Billing department | 1.0% | 21.4% | 41.9% | 31.0% | 4.8% | **3.17** |
| Customer complaints are handled effectively by ZETDC | 8.1% | 38.6% | 28.1% | 24.3% | 1.0% | **2.71** |
| The appearance of buildings and offices at ZETDC properly represent its image | 10.0% | 38.1% | 22.4% | 24.8% | 4.8% | **2.76** |
| **OVERALL AVERAGE MEAN** | | | | | | **3.03** |

**The implementation of the prepayment program was done well (Mean = 3.12)**

Analysis shows that 33.8% agreed while 11.9% strongly agreed that this was so. This gives a total of 45.7% against a total of 37.1% who disagreed. The overall mean of 3.12 shows that respondents were generally agree that the program was well implemented. A total of 17.1% of the respondents however remained neutral,

neither disagreeing nor agreeing. This group could have included those who had not changed from the post-paid billing system; a majority of whom are commercial farmers.

**ZETDC educates and trains me how to use and save electricity          (Mean = 2.87)**

Demand Side Management (DSM) involves the education of electricity consumers on how to use electricity more efficiently through strategies such as load shifting which encourages consumers to use electricity during "off peak" periods as well as reducing usage. DSM has the effect of optimising the consumption patterns of consumers. The results show a mean rating of 2.87 which indicates that consumers disagreed with that statement shown by the 45.2% of the responses.

Only 4.6% strongly agreed while 26.2% agreed. This gives a sum of 31% of respondents who agreed that they been educated and trained on how to use and save electricity. The reasons could be that ZETDC's choice of media to air its programmes on Radio Zimbabwe as well as on ZTV is not popular as most people now prefer to foreign over local channels (Matsa and Matsa, 2014; 20). Of the total respondents, 23.8% could not say whether they had been educated nor trained to use electricity efficiently. When ZETDC was faced with a massive electricity supply shortages, it turned to advise its consumers to "switch off switches". In the height of massive load shedding in 2015, caretakers of mostly government buildings were lashed out at by the public when a ZBC news reporter Rueben Barwe 'exposed' them to the nation over just how much electricity was being wasted when several buildings were left overnight with the lights on when in fact no one was in those buildings.

**I get the same quality and consistency of service at ZETDC agents where I buy my recharge tokens (Mean = 2.70)**

A total of 54.8% of the respondents denied this fact. The figure includes 8.1% who strongly disagreed. Among the respondents were 6.2% who strongly agreed while 20% just agreed. This shows that those who disagreed are about as twice as many as those who agreed. The reason could be that the independent vendors could be offering either a better service or a worse service compared to that offered by ZETDC receipting offices. The variability of the type of agents offering the e-vending service for electricity tokens from ZB, CBZ, Agribank, POSB, Netone, OK, Petrotrade as well as individuals makes it impossible to sustain any form of consistency. Findings also showed that 19% neither disagreed nor agreed. It could be those who are still buying their tokens from ZETDC or they may still be on the post-paid metering system.

The mean rating of 2.70 is the lowest on this gap and is significantly lower that the acceptable 3.0 mark. This implies that ZETDC still has challenges in matching service levels among all its agents to ensure consistency.

**ZETDC employs people with adequate and relevant skills (Mean = 3.38)**

Analysis of the data collected showed that a total of 52.4% of respondents agreed that ZETDC employs qualified people. The figure includes 39.5% who just agreed and 12.9% who strongly agreed. A total of 23.8% of respondents disagreed, a figure equivalent to those who were not sure. The reason for this somewhat positive result could be attributed to the modest efforts by ZETDC towards employee training and development in the period 2013-2015. It is however possible that these efforts fell short of expectations because according to Chirasha et al. (2015:355), the trainings were mainly focused on Managerial employees and not shop floor or contact employees who carried the operational tasks. For employees to deliver a superior service, service firms must recruit, train and provide adequate tools to employees. Yarimoglu (2014:83) identified employee competence as one of the determinants of service quality.

**Customers are cooperative with ZETDC employees when they are carrying out their tasks (Mean = 3.40)**

Research findings show that 47.1% of respondents concurred, 17.6% of them felt strongly so. The reason for this could be that customers would be eager to get assistance from ZETDC to have their power restored. The situation means the customer would be on the receiving end and at a disadvantage. Therefore some customers would be willing to do what is asked of them by ZETDC employees for them to carry out their tasks. Out of 210 respondents, 22.9% disagreed while 23.8% could not disagree nor agree.

**The behaviour of other customers is negatively affecting my service (Mean = 3.19)**

Respondents who agreed that they are affected by other customers and their behaviour constituted 34.3% while 5.7% strongly agreed. Those who were not sure totalled 34.8% while 25.2% denied this. It is possible that those who agreed could have had their service interrupted due vandalism or because a neighbour had cut a tree onto power lines. A majority of the faults recorded especially around the low density suburbs and farms involve trees falling onto power lines. This is because of the usually dense foliage that is found in such

places. There are however few such encounters at high density locations because there is usually little vegetation there.

**The faults department activities are in contrast with those of the Billing department (Mean = 3.17)**
The analysis showed that respondents were undecided if the activities of the two departments were in contrast or not. This is shown by the total of 23.8% who disagreed. A larger proportion however (41.9%) could neither disagree nor agree while 35.8% agreed there was a disparity between the faults and billing departments. This kind of disparity could have been evident in situations when customers were disconnected when in fact their payments were up to date.

**Customer complaints are handled effectively by ZETDC (Mean =2.71)**
Of the 210 respondents, 46.7% denied that customer complaints were being handled effectively. The figure includes 8.1% who strongly disagreed. Just 24.3% agreed with just 1% strongly agreeing. 28.1% neither agreed nor disagreed. This gave an overall mean rating of 2.71 which is a poor rating. It indicates that customers collectively believed that the customer handling at ZETDC was not effective. The long queues of customers evident at Marondera CSC could be the reason why the majority of respondents have such sentiments. ZETDC must create an environment where customers can raise service complaints and have them addressed, without fear of retribution. The must be a policy and procedures in relation to handling complaints which are accessible to customers, employees or other interested parties.

**The appearance of buildings and offices at ZETDC properly represent its image (Mean =2.76)**
A total of 48.1% of respondents denied this fact. The figure includes 10% who strongly disagreed. While 29.6% assented that the building properly represented the company's image, 22.4% had no opinion on this. The mean rating of 2.76 represents that generally respondents did not believe that ZETDC's buildings and offices properly corresponded with its image. The reason for this poor rating could be that the ZETDC buildings and offices are in a dilapidated and do not exemplify an organisation of such magnitude.

**Hypothesis Testing**
**H$_0$: There is a service delivery gap at ZETDC Marondera**
H$_0$: mean $\geq$ 2. 75
H$_a$ : mean < 2.75
We carried out a two tailed t-distribution test at 5% significance level and set to reject H$_0$ if T$_{cal}$> T$_{crit(upper\ limit)}$.
The two tailed test produced the results in the following table.
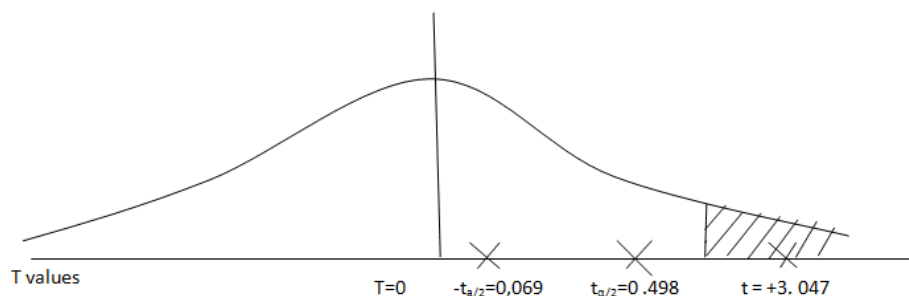
**Table 2: One-Sample Statistics**

|      | N | Mean | Std. Deviation | Std. Error Mean |
|------|---|------|----------------|-----------------|
| Gap3 | 9 | 3.0333 | .27893 | .09298 |

**Table 3: One Sample Test Gap 3**

|      | Test Value = 2.75 | | | | | |
|------|-------|----|---------------|-----------------|---------------------------------------------|--------|
|      | T | Df | Sig. (2-tailed) | Mean Difference | 95% Confidence Interval of the Difference | |
|      |   |    |                 |                 | Lower | Upper |
| Gap3 | 3.047 | 8 | .016 | .28333 | .0689 | .4977 |

This is shown by the t-distribution test diagram below.

**Figure 2: Service Delivery Gap for ZETDC Marondera**

# V. Conclusion

Since $t_{cal}$ value of +3.047 is greater than +0.498 at 0.05 level of significance, and p-value of 0,016, we reject $H_0$ and conclude that there is no Service delivery gap at ZETDC Marondera. This means that contact employees are able to convert service specifications into a tangible service encounter that meets customer expectations. Hypothesis testing was done using a much more restricted mean of 2.75 instead of the 3.0 mean which was used to analyze the variable means in Table 1 which showed there was no gap. The hypothesis testing result led us to reject $H_0$ and conclude that no gap exists between ZETDC service quality specifications and service delivery.

## 5.2. Conclusions
### Gap 3 for ZETD Marondera

Findings show that Service delivery gap had a rating of +0.125. This is a positive rating which shows that there is no negative variance effectively this means that no gap exists between service quality specifications and actual service delivery at ZETDC Marondera which indicates that contact employees are able to convert service specifications into a tangible service encounter that meets customer expectations.

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