Management of public services' attributes in the view of the consumers

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Abstract: *This paper emphasizes a study on the relevance of the basic attributes, according to consumers, of public services supply in Focșani, using the results of practical – theoretical research done with Serqual model. It is extremely important that in the case of supplying public services of general economic interest, the institutions should understand the consumers' desires and should make sure that supplying these services in the limits considered to be normal improves the consumers' perception. The importance of services' quality satisfies or not the citizen, satisfaction which is based on the identification and classification of attributes that help to a better understanding of perception, which will lead to the increase of users' satisfaction.*

Key words: Serqual model, the public services, the consumer perceptions, the citizen satisfaction

JEL Classification: D12, L32,L95, P46

1. Introduction

Public services represent a sector distinguished by a great diversity and high dynamics which offers its support "in order to implement the Lisbon Strategy, that is placing citizens at the heart of the public management concept through activities taking place in various areas (human resources, innovation, quality, e-governing) and through various actors to assist the efficacy and customer orientation of European public services." (European Public Administrations Network – EUPAN, 2008).

The requirements of modern society are to properly satisfy both the material and spiritual needs of the population. Services for the population play a key role in this respect and they satisfy a large range of needs, starting from the lower level (water, heat, electricity supply) to the superior ones regarding comfort, culture or leisure activities. Thus, the "main role of the services for the population is to satisfy people's numerous needs and to stimulate the development of human personality." (Ioncica 2006)

In not such a distant past and sometimes nowadays, the public sector did not answer and it does not promptly answer to the needs and requirements of the society and that is why it is more and more important to reorganize it in order to deliver better and faster services since citizens' demands hold an essential position regarding these changes. This is the reason why the level of customers' satisfaction and its influence on public organizations is critical to assess whether offered services are the way they should be. This is not an easy thing within public services due to the nature of the "customer" on the one hand and the nature of the public services on the other hand. Citizens/customers

have got different faces and roles; sometimes they are customers when it comes to service supply, sometimes they play the role of the citizens when they pay taxes and obey rules. (European Public Administrations Network – EUPAN, 2008)

One may say that customer satisfaction management is all about "doing enough for the customer" (Rust, Zahorik, & Keinigham, 1996). The concept of satisfaction generally indicates psychological moods such as welfare, happiness and content. In order to have a satisfied customer, the organizations must be aware of both their expectations and likes or dislikes. Companies do not own a recipe for satisfying customers, so it goes without saying that only a long-term relationship with a customer allows them to know exactly their level of satisfaction (a low number of complaints is often regarded as meaning a level of customer satisfaction, which is not always true). Customers' satisfaction is the result of an interior process of comparison (see illustration 1.) between:

- Personal needs, desires and expectations on one side and;
- Perceived quality of products and services on the other side.

Illustration 1. Interior process of comparison
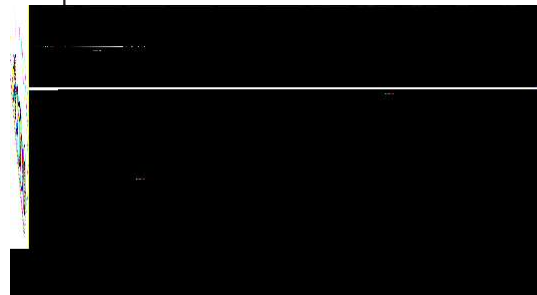
Source: Processed by authors

Within public services at European level it has been started the initiative of setting

the citizen/customer as the focal point, which is a shift from the point of view of the producer to the point of view of the citizen/customer (Pollitt and Bouckaert, 1995). At the moment, the citizen/customer represents the most important priority (if not the only one) of the European Union Member States, which is illustrated by the results of the survey undergone in 2007 in the Member States during Portuguese leadership (EIPA, 2007: 6). In almost two thirds of the states, the aspect regarding "customer perception" represents an important priority on the public administration agenda. (European Public Administrations Network – EUPAN, 2008).

In this respect, citizens' perception on the supply of public services of general economic interest by the Company of Public Utilities Focșani (CUP Focșani) is a current feed-back on customers' demands. On long term, this process leads to the maintaining, lowering or improving the individual level of supplied services standards.

2. Conceptual framework on measuring satisfaction level

The starting point for an organization whose strategies are customer-oriented is the customers' needs and expectations. In order to really accomplish or even surpass these demands, they must guarantee a proper level of quality of products/services. In this case, the concept of total product has been adopted which can be both a tangible asset and a service. In both cases it represents performance. Companies that can offer customers both competence/performance and reaching a high level of satisfaction at the same time can gain numerous advantages in relation to the competition.

At the same time, many companies have understood that even quality can be related to performance by a brand. In order to maintain and increase company success, managers must pay special attention to products/services expressed by quality of performance. During the last years the specialized papers and the practice have used many assessments to give an interpretation of the concept of quality.

Among these, a part is oriented towards the producer and another one towards the customer, while concepts such as competition are oriented towards the illustration of quality. Therefore, there are numerous aspects (see illustration 2) of quality among which an organization must choose from. (Raab, G., Ajami, R., Gargeya, V., Goddard, J.. 2008)

Illustration 2. Aspects of quality
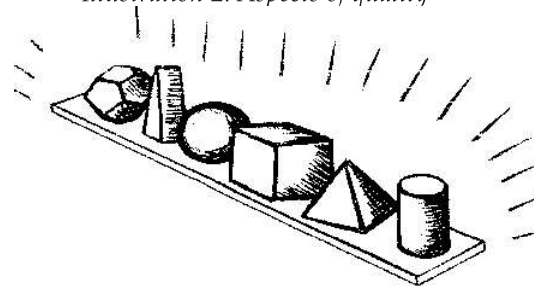
Source: Raab, G., Ajami, R., Gargeya, V., Goddard, J. – Customer Relationship Management. A global perspective. Gower Publishing Limited, Hampshire, 2008.

In the case of public services supplied to the population, the nature of customer satisfaction is different from that of the citizen. (Schmidt and Stricklan, 2000). The two concepts are different. If we analyze customer satisfaction, then we can ask direct questions about the supply of services towards the population (based on doing things correctly), while the surveys for citizens assess aspects

such as whether certain services should be supplied by the public sector (based on the right things that must be done). (European Public Administrations Network – EUPAN, 2008).

Taking this into account, we can say that the customers/citizens are the ones provided with these services due to the fact that the Company of Public Utilities Focşani holds the monopoly on the market in supplying water, heat, collecting garbage. They expect the company to offer good services by identifying some requirements. We are talking about a level of requirements that the company must meet in order to offer customers the proper quality of services. Therefore, the quality of services is provided by the differences between the expected and the supplied service, a study which is developed within *Servqual* model.

The model focuses on five differences which can determine customers' dissatisfaction and, ultimately, cause the failure of the service. The usefulness of the model was largely acknowledged and appreciated by the ideologists and practitioners. Later, a great emphasis was placed on the causes that can generate gaps and the ways to eliminate them.

To that effect, there are several available methods to investigate the features of customer requirements. (Urban G. L. and Hauser J. R. 1993)

3. Research methodology

"The numerous changes the Romanian society has passed through in the last period, starting with the transformation of the whole socio-economic system that took place in the 90's, continuing with the Euro-Atlantic accession process and more recently the that was not fully overcome, have generated huge costs that affected each sector. There is no need for a exhaustive analysis of this period to observe that many of the problems emerged could have been avoided or attenuated, thus reducing the devastating impact they had on some broad social strata."(Marinescu P.,Toma G. S., 2013). Does an assessment of the quality of public services offered to the population by the public administration (in a town in Romania in this case) represent a priority? The way the population will answer to this undertaking is going to be measured by this research.

3.1. Implementation

Within this research measuring the quality of services has been projected according to the requirements of Servqual model, that is according to five important scales: safety, promptness, reliability and empathy. This model is built on an answer scale meant to comprise both the expectations and the perceptions of the customers regarding the service which was offered. The model requires the customers to answer 22 questions concerning their perception of the quality of the service, as well as 22 questions concerning their expectations on the quality.

The respondents are asked to assess those statements using a five-step Semantic differential scale. The statements are dimensions of service quality based on five groups of factors that define customer satisfaction: reliability, tangibility, promptness, safety and empathy.

Their meaning is as follows:
· reliability – the offer of a professional, fair and reliable service;

· tangibility – physical elements that concur to supplying the service, amenities available for citizens, workers' equipment;

· promptness – the desire to help customers, supplying services whenever necessary, scheduling them;

· safety – employees' professionalism and civility, physical safety, their trustability;

· empathy – individualization of services according to customers' demands.

4. Study design.

4.1. Type of research and the method of obtaining primary data

In order to illustrate the assessment of customer satisfaction for a certain service we can use the tool proposed by Parasuraman (1988), Servqual model which is projected on an answer scale meant to hold both customers' expectations and perceptions regarding a service. Although there is criticism to this model, it allows the assessment of quality and, at the same time, it is a tool of improving and comparing to other organizations of the same sector.

In this case the research established and projected a survey according to Servqual scale of measuring service quality. The survey had two main sections as follows:

1. assessing the level of satisfaction given by the attributes of services

2. grading the importance of attributes

The study used a sample of 300 users of public services in the town of Focşani, among which we could process a number of 296 surveys, that is 98,66%. The data has been gathered in November - December 2013. The surveys had a number of 38 questions, among which 19 were about the perception on the quality of the service and 19 on the expectations concerning quality.

The main dimensions of the study are:

1. Reliability (A)
– the organization has obligations with the City Hall to supply public services;
– the organization has planned the supply of these services;
– some services are permanent (water, collecting garbage, sewage), others are alternative (taking the snow off the roads, servicing the roads);
– citizens are informed in due time on the changes regarding utility supply;

2. Tangibility (B)
– the organization offers help to citizens with low income;
– its workers should be well - equipped and trained;
– citizens are informed in due time on the changes regarding utility supply;
– citizens can access information online.

3. Promptness (C)
– services are supplied according to standards in effect and contracts;
– the organization should own effective machines and equipment;
– the organization replies to citizens' requests or complaints;
– the organization offers reaction time for citizens when it comes to price changes.

4. Safety (D)
– the organization implements environmentally-friendly policies regarding water and garbage;
– workers in the organization are able to meet citizens' demands;
– workers in the organization should be promoted to management due to their skills and not due to political influences.

5. Empathy (E)
– the organization can offer facilities for public transportation;
– the organization pays attention to groups of customers;
– citizens should easily obtain approvals for different requests;
– the organization should have contracts with the banking system for easy payment of utilities.

4.2. Data interpretation.

We have processed the data using the Semantic Differential scale thus obtaining the results for the extent of importance (on a scale from 1-5), then they have been classified into two categories:

"high" if the extent of importance is higher than the average (3,9344) and

"low", if the extent of importance is lower than this average.

This allows a classification of the service but also a grading of the level of satisfaction between the expected and received service. In this case, a classification of the service is completed in the next table:

Table 1. Classifying and grading services

Attribute		Importance of service IPS	Expected service SA	Gap (S A - IPS)	Assessing the degree of importance IP>IP average. IP<IP average	Servqual Interpretation
A	a1	4,15	3,43	-	The level of reliability complies with the average	Expectations are maintained within reasonable limits , but the standard of the service must be maintained at a high level
	a2	4,12	3,12	-		
	a3	3,96	3,03	-		
	a4	4,02	3,67	-		
	a‾	4,062	3,312	-0,749		
B	b1	4,13	3,63	-	The level of tangibility is a little above the average, but it complies with expectations	Workers training and equipment are inconsistent with the level of service tangibility.
	b2	3,93	3,50	-		
	b3	4,31	3,44	-		
	b4	4,33	3,09	-		
	b‾	4,175	3,415	-0,76		
C	c1	3,85	3,39	-	The level of promptness complies with the average and the expectations	The level of promptness must be either maintained or brought to at a high level.
	c2	3,72	3,46	-		
	c3	4,05	3,67	-		
	c4	4,22	3,11	-		
	c‾	3,96	3,407	-0,553		
D	d1	4,01	3,38		Safety is much below the average and expectations	Even if safety is continuously offered, it is necessary to revise the standard
	d2	4,03	3,38			
	d3	3,22	3,38			
	d‾	3,753	3,38	-0,373		
E	e1	4,03	3,24		The level of attention towards customers is below the average and expectations	The level of attention towards customers requires total revision or the implementation of another standard
	e2	4,05	3,31			
	e3	3,02	3,39			
	e4	3,79	3,03			
	e‾	3,722	3,242	-0,48		

Source: Processed by authors

5. Conclusions

The study has emphasized 5 important scales and 19 attributes. The study makes it clear that a series of attributes are considered to be vital, others are quite attractive even if the difference between the expected and received service is negative.

Carrying out an analysis of the research results within the organization which supplies services for the population in the town of Focșani according to each of the 5 dimensions of the Servqual model, we can notice that the differences between the customers' perceptions and expectations are all negative. This shows that the customers of this organization are not satisfied by any of the 5 dimensions (a graphic example is the attribute C1 where the services continuously supplied do not respect the standard, and, moreover, the bill is unreasonably overcharged based on unreal usage of the service).

A part of the attributes are primary, and by maintaining their importance at a level below average, the organization is going to have to accept the consequences in the future. In order to limit or balance out these negative consequences, it is necessary to impose either a total revision or the implementation of another assessment standard.(for instance, when measuring the attribute E1, the organization has changed the limit for the retired citizens, which has led to a conflict with this category since the political factors had made promises regarding this aspect during their campaign. The organization has a public-private statute, that is a partnership between the City Hall of Focșani and a private investor and it has not announced this intention, which means the decision was made without a previous consultation).

This negative level of the organization is given by the human factor that does not answer promptly to the requirements of the population (the reaction speed to the requirements of the population, the existence of a computerized database regarding customers requests), promptness (the ability of being fast and punctual in carrying out an action - DEX on-line) being a vital, defining attribute which influences all the other attributes.

In this case, the quality of the services on the whole is not as expected and the negative values prove the low quality of services. One can notice from the analysis shown in the chart that most complaints derive from safety (followed by empathy and promptness) while the least number of complaints derive from tangibility and reliability.

The organization's customer relation management has to identify customers' complaints and their evolution (periodically carrying out the research) in order to improve the quality of the services they will continue to supply.

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