
EFFECT OF INTERNAL CUSTOMER CARE ON EMPLOYEE SATISFACTION IN TANZANIA'S SMALL AND MEDIUM HOTEL INDUSTRY ENTERPRISES

David Mosoma

Faculty of Business and Management Sciences, Ruaha University College,
A Constituent College of St. Augustine University of Tanzania (SAUT)
PO Box 774, Iringa, Tanzania
Tel: +255 713 248 311,

ABSTRACT: *This article presents the findings of the study carried out in Tanzania on the influence of internal customer care on the satisfaction of employees. The hotels, which largely depend on customer care for their success in the hospitality industry, were used as a case study. The paper utilises data generated in two phases. The initial data was originally collected by the author during postgraduate diploma studies at the University of Dar es Salaam in 2007. Supplementary data was collected between June and December 2012 using semi-structured and descriptive study. A sample of 79 respondents was selected purposive. Based on the literature, the author developed a conceptual framework for analysing the relationship between internal customer care and employee satisfaction. Although customer care has become a celebrated concept in the existing literature, the application appears limited largely to taking care of the buyer at the expense of the internal customer, the employee. Indicative qualitative responses of the employees in the current study show that those hotels, which honoured internal customer care boosted their employees' morale and commitment, thus leading to job satisfaction, which is a crucial factor in promoting quality service in the hotel industry. On the other hand, hotels that downplayed and overlooked the significance of internal customer care mainly had employees who expressed a low degree of job satisfaction and just served external customers as strategy of protecting their employment and keeping their contractual obligations.. On the basis of these findings, the study recommends that hotels in this East African country need to invest strategically in internal customer care as a way of augmenting and promoting external customer care.*

KEYWORDS: Internal Customer Care, Employee Satisfaction, Hotel Industry, Tanzania

INTRODUCTION

Organisations, whether profit-oriented such as market enterprises or pure public goods-oriented such as law enforcement agencies, virtually exist to accomplish varied goals that are at the core of their organisational formation. However, one common goal for both market and public sector institutions is obtaining and retaining consumers of their products and services. The car manufacturing company, for example, cannot survive without users of cars. Similarly, a police post on a certain street would not be there if there are no worried communities whose life and property need to be protected. After all, there has to be security and public order and peace to be

assured for the public to continue supporting the existence of a police post in their neighbourhood. In other words, customers are centripetal to the survival goals in businesses.

With transformations that have elevated the need free market and competitive business policies, businesses including hotels have found themselves under increasing pressure to invest in initiatives that would allow them to get and retain customers (Dorrian,1996). Whereas scholars agree that getting customers is an important step towards the success of businesses generally, they also caution that getting customers may come accidentally and thus might not guarantee retention of those customers. From that intellectual angle, business owners and managers have found it compelling to make sure that any customer who calls in must leave satisfied as a way of boosting the organisation's image and attracting even more customers in addition to retaining old customers. Even without a clear meaning of it, customer care has become a visible function in businesses including Small and Medium Enterprises (SMEs).

The Problem

The rapidly expanding cities and towns in Tanzania since the early 2000s have witnessed the flourishing of hotels, which have been busy creating customer care desks and offices, some replacing the old reception counters with customer care offices. Some local hotels have employed newly-trained customer care officers and assistants in the place of traditional telephone operators and receptionists, who should hold the fort under the old setup. Some hotels have even created sophisticated communication mechanisms that provide automated methods for customers to provide daily feedback on the quality of services they receive. All these changes have been necessitated by the realities created by a competitive business operational environment created by a robust liberalised economy. Despite all these initiatives, which are collectively taken as strengthening customer care, customer satisfaction in most of the hotels has not improved to expected levels particularly in small and medium scale hotel enterprises. The question has been why? As a result, hotel owners and managers have been forced to do more to rectify the situation and improve customer care.

One important factor that has been neglected by the existing theory and literature has been the extent to which employees, as internal customers, are to be regarded as the most important customers whose satisfaction affect the way they serve the external customers. It had been argued that when businesses put employees first, they also put customers first since employees happy employees work towards the betterment of the organisation and its publics. Indeed, employees who are happy at work tend to provide better customer service because they care more about their organisation and other people, including customers; moreover, they tend to have more energy, and as a happy motivated lot they are more fun to talk to and are more interactive, and forthcoming with customers (Rosenblatt, 2003). Furthermore, there is a crucial need to understand the extent to which internal customer care, which includes inculcating a sense of belonging, social protection, participation, and creativity and innovativeness affect employee satisfaction. These are critical components since they constitute core determinants of employees' responsiveness to the needs and wants of external customers.

Research Objectives

The study was mainly aimed at examining the influence of internal customer care on employees' satisfaction small and medium enterprises (SMEs) in Tanzania hotel business. The specific objectives of the study were, first, to identify the available mechanisms and strategies to improve internal customer care in hotels; second, to assess the extent to which internal customer care mechanisms and strategies are related to employees' performance; and, third, to determine whether there is a relationship between the state of internal customer care and employees' job satisfaction.

THEORY AND LITERATURE ON INTERNAL CUSTOMER CARE

Whereas there is consensus on what constitutes customer care, its conceptual boundaries are more or less open, hence making it difficult to enumerate all the components that should be taken into account as constituting customer care. Traditionally, customer care is understood as a constituent concept that includes all activities and efforts carried out by business owners and management to make customers feel that the business firms or companies take into account their welfare, as well as their present and future needs as they relate to the companies (Birdir, 2002; Yoo and Park, 1984). In this regard, the concept "internal customer" would sound incompatible in classical theory of business management.

In modern business studies, customer care is not confined to the people who work in customer care departments. Instead, it stretches across business relations between the owner and management, business and employees, management and customers, and employees and customers (Machan, 1999). Indeed, apart from employees, who are specifically entrusted with day-to-day customer satisfaction activities, all employees have a role of facilitating and making sure that they best satiate customer needs and wants to increase business productivity. In turn, business productivity becomes a desired end of every employee since it determines the potential that the business might have towards meeting the socio-economic needs of every individual employee. However, the ambiguity of customer care as a concept in business studies tends to prevail as some scholars appear to have penchant for neglecting the "next person as a customer" view of relationship within business enterprises. Rahman *et al.* (2012) argue that customer satisfaction should consider both internal and external customers to attain high value creation. Wang (2012), in his study using SEM, concluded that at Taiwan-listed international tourist hotels, a satisfying internal service quality and organisational culture have a significant interactive influence on employees' job satisfaction

In studies conducted by the Chartered Management Institute, customer care is taken to be part of purposeful approaches of organisations to win and retain customers (CMI, 2003) or as a useful tool for assuring business continuity (CMI, 2007). This functional view of customer care emphasises two core components: customer creation and customer retention. However, it must be noted that it has little concern with the "employee as a customer approach", which underscores the importance of centralising internal customer care as the launch-pad for successful business continuity under competitive business environments. In line with the CMI's

conception, Dorrian argues that customer care is an intangible phenomenon that has no physical attribute. Therefore, those who are in businesses cannot feel customer care but rather the customers (Dorrian, 1996). In addition, Cohen and Bailey (1997), Nickles (2002), Olomi and Rutashobya (2002), and Harrison (2006), in their studies have elevated the employee to the pinnacle of customer relations, arguing that internal customer care (for the employee) is actually more important than the traditional consumer of services produced by a business because employee performance determines the nature of external customer satisfaction. Thus, they suggest, businesses need to value the employee as the nearest ever-present customer whereas the external customer becomes a customer only if he/she buys goods and services delivered by the internal customer.

In a more broad and accommodative way, customer care is perceived as the primary focus of all Total Quality Management (TQM) efforts targeting the customer. These are strategically designed to find out what the customer wants, how well the firm is delivering this output, and what the company needs to do to improve its performance. In this regard, customer care becomes something much more than simply serving the customer well. Some scholars consider it as an effective tool for containing costs of production and maximising performance of individuals in businesses (Earl, 2004; Olomi, 2009). It touches on all the activities in the organisational chain aimed at identifying how, when and what kind of interaction should the people be engaged in the organisations or businesses in the process of delivering quality services to the consumers of products and services. The implication is that caring for the customer exists in organisations even when there is no an external customer to serve at a given time (Galbreath, 2012; Kuratko *et al.*, 2005). This is logically internal customer care.

METHODOLOGY AND METHODS

Data used in this study was collected from three Dar es Salaam-based hotels. Dar es Salaam is the largest city and business hub of Tanzania. The city had until recently been the capital city before the relocation to the more centrally-located Dodoma. The hotel industry in this case represents a higher competition sensitive sectors (including other forms of the hospitality industry). The three hotels from which data was collected have some features in common. First, they were all established after the economic liberalisation that swept through the country in the 1990s, and thus were expected to strive towards establishing a competitive advantage over their competitors. All the three hotels strive to achieve a higher degree of efficiency and advertise their services. Specifically, they sell their hotels as providing state of art customer care and investing in skills and innovativeness. Peacock Hotel was selected because it located at the city centre serving clientele of higher status than the other two hotels. Its employees strive to meet different customer needs, hence even employees' satisfaction strategies carries different focus and magnitude. Durban and Lamada hotels, on the other hand, are located in medium and low income earning classes in Dar es Salaam. The inclusion of these hotels was aimed at tapping a range of customer behaviours and needs, which in turn affect employees' efforts and satisfaction strategies. The hotel industry in Tanzania was chosen because it is part of the SME category of businesses which have registered a remarkable high growth opportunities in the country. The industry also employs a large proportion of the population. In this regard, the choice of the

industry provided an opportunity for carrying out proper assessment. Also, the management of the industry has a multiplier (contagion) effect on the overall economy of the country. Although the three hotels do not operate at par, let alone serve similar sets of clientele, together they helped in answering the cardinal question on whether internal customer care had a significant influence on employees' satisfaction.

In terms of research methodology, purposive sampling was used to generate the required sample. Then both unstructured interviews and structured questionnaire survey were deployed to generate the primary data. The author used purposive sampling technique to generate the sample because he wanted to collect relevant data from respondents in the targeted population capable of answering the questions unambiguously. Detailed unstructured interviews with nine management employees from the three hotels and 10 experts in the field of business and customer care were held in the course of data collection. Second, a semi-structured survey questionnaire was administered with 60 respondents from non-management employees in the three hotels under study. Thus, 69 of the 79 respondents who participated in the study had an opportunity to fill in the questionnaire whereas 19 of the 79 respondents (including nine management staff and 10 experts and academicians in areas of customer care and business management) had an opportunity of being interviewed. The non-management employees who were involved in the study were 27 employees from Peacock, 17 from Durban hotel, and 16 from Lamada Hotel. In the management category, we were interested in the managers who were considered to be directly connected with functions aimed at improving the performance of employees to achieve the corporate business goals. In this regard, at least one supervisor who was concerned with customer care-related initiatives from each hotel was included in the group of interviewees. On the side of non-management employees, the respondents who were selected were those who had served in positions directly connected with customers. These included room attendants, waiters/waitresses, servers, receptionists as well as persons who had manned customer care service desks..

The qualitative data obtained from interviews were subjected to content analysis. In this process, the arguments and views of interviewees were examined in relation to the existing theoretical assumptions about the research questions that the study sought to address. Some of the statements and extracts from interview transcriptions and responses to open-ended questions in the questionnaire were used to augment findings from quantifiable responses, which were obtained through closed-ended questions in the questionnaire. The responses to closed-ended questions, which were aimed at quantifying opinions, were first analysed by using frequency and percentage tables, which formed the bases for interpreting the relationship between the study variables. The final task in the analysis was examining the responses across the cases, respondent groups, and methods of data collection used to find out where they diverge or converge.

Conceptual Framework

On basis of the existing literature, the researcher developed a conceptual model that shows the existing relationship between internal customer care, employee satisfaction, and the general success of a given business (Figure 1). This framework provided conceptual tools for studying the key components and variables that constituted the interrelationship between internal

customer care and employee satisfaction. The model employed also suggests that there is a significant link between internal customer care and employee satisfaction.

The core assumption that guided the study is that a profit-making organisation has, as its primary corporate goal, a primary objective of surviving in the market. This goal supersedes all other goals including profitability, business sustainability, and growth. After all, the latter goals become feasible only when an organisation is able to survive in the market as a viable entity. To achieve these goals, despite existence of many competition strategic paths, a business seeking to survive in a highly competitive sector, through its management shall invest in necessary human resources and provide all the requisite support. Investment can include paying good salaries and other physical rewards. However, monetary and physical rewards are temporary satisfiers in the sense that if they are provided employees could still expect more and more rewards or more lasting satisfiers. In this regard, the provision of positive internal customer care, which includes participation in setting goals, sharing plans about personal and business development, provision of feedback and challenges, encouragement in performing tasks, recognition, appreciation, and showing positive concern for private problems and lives of each of the individual employees. These latter motivators can result into higher satisfaction than the transient monetary and physical rewards. In turn, employee satisfaction is expressed in terms of employees regarding themselves as competent, working with courage in serving customers, loving their job and customers, reduced supervision, sense of belonging and contribution, positive attitude towards the job and customers. More significantly, internal customer care is supposed to translate into higher staff retention rates. A final product of the process of data analysis was the development of explanatory and descriptive assertions that address the three interrelated research objectives and their related aspects.

Research Questions

In light of the existing literature and the conceptual framework, a clear understanding of the influence of internal customer care on employees' satisfaction was cultivated in this study by addressing one general question, namely; Does internal customer care influence employees' satisfaction? To get this question addressed manageably, it was divided into three related questions based on the three specific objectives of the study. First, what are the available mechanisms and strategies for improve internal customer care? To what extent are internal customer care mechanisms and strategies related to employees' performance? Third, what relationship exists between the state of internal customer care and employees' job satisfaction?

RESULTS AND DISCUSSION

The theory and literature on customer care acknowledge the existence of formal and informal, planned and unplanned, as well as co-ordinated and uncoordinated mechanisms for strengthening customer care in businesses (Hendry and Pettigrew, 1986). However, there is also consensus that precedent efforts to achieve higher internal customer care must be those that are specifically directed towards achieving higher collective and individual performance among employees. In this regard, the existence of customer care efforts and mechanisms, which are acknowledged by both management and non-management hotel workers, should be taken as rational mechanisms

mounted towards making sure that the employees become committed to their responsibilities and, indeed, to serving their customers to their best satisfaction. Nevertheless, it should be taken with great caution that only efforts that are aimed at achieving employee satisfaction were considered as capable of altering the influence of internal customer care at the personal satisfaction level of employees as well as higher performance at the organisational level that is necessary for serving the external customer in a more committed and responsive way.

Internal Customer Care Mechanisms and Strategies

The key dimension of the relationship between internal customer care and the satisfaction of employees is the existence of mechanisms for achieving internal customer care. The data from the present study show that there are different mechanisms used by the three hotels under study to enable their workers to accomplish their responsibilities. The mechanisms used by the three hotels can fall into two broad categories of strategies. The first category includes control mechanisms that are used by the hotel management to make sure that employees fulfil their contractual obligations. The second category includes a broad range of mechanisms that are not part of the employees' contractual terms, but are nevertheless used as means for encouraging positive attitudes among employees towards supporting corporate objectives, their own work, and customers.

The customer care mechanisms in the first category are more supervisory in the sense that the hotels had in place different control mechanisms that were aimed at making the employees abide by the terms of their employment that were contractually agreed between the hotel management and the employees. As Table 1 (in appendixes) illustrates, the respondents from the three hotels were provided with unlimited opportunities to identify the strategies given priority by the hotels in enforcing customer care. The responses marked as serial number two in the table are directly related to the enforcement of customer care through emphasising contractual terms, which are consensually known between the management and employees. The study results show that these strategies were more prioritised than those strategies which are related to improving the relationship between the management and employees, developing the sense of belonging, and building a positive attitude towards one's job and the organisation's customers. Out of the 1,419 responses that were provided by the respondents, 821 (57%) for all the three hotels suggest that the hotels relied on contractual terms related strategies of enforcing customer care. These strategies include the use of close supervision (36.9%); emphasising prescribed employment-related policies, rules, and regulations (36.7%), asking customers to comment on how the employees attended to them (14.9%), giving bonuses to high performers (11.0%), and offering good salaries to employees (7.9%).

On the other hand, 598 responses (43%) emphasised the strategies related to a wider range of mechanisms aimed at enabling a good working relationship between employees and management; building commitment, encouragement, appreciation; and building a collegial environment for co-operation beyond formal work scenes. These mechanisms, which are generally related to cultivating a sense of an employee as being a hotel's customer, include building job confidence among employees (23.5%), planning and setting goals together (20.7%), providing timely feedback (12.7%). Moreover, sharing and solving private problems (10.2%),

sharing informal occasions such as dinners and end of year parties (4.5%), and encouraging team work and communication (3.8%). Compared with the first category of strategies, the strategies in category of customer care remain largely underutilised.

It might, however, be noted that the extent of utilising these categories of strategies differed across the three hotels. Whereas the majority of interviewees from Peacock and Lamada hotels had the view that their respective hotels placed more emphasis on relationship building, participation, and encouragement strategies, the employees from Durban hotel contended that the hotel and its management were more concerned with strategies aimed at enforcing contractual terms. For example, 302 responses out of 770 (32.9%) from Peacock hotel and 46 out of 145 (31.7%) responses from Lamada show that the hotels were much more concerned with positive internal customer care strategies. On the other hand, only 104 of the 510 (20.3%) responses obtained from Durban Hotel can be categorised as positively supporting internal customer care. The data appear to suggest that of the three hotels Peacock Hotel leads in prioritising mechanisms and strategies, which positively encourage internal customer care. It was followed by Lamada. Durban Hotel came in last in this aspect.

The data show that strategies that positively encourage internal customer care are given more priority at the Peacock and Lamada hotels than at Durban. However, one thing to note is that not all the strategies that positively support internal customer care were identified as of higher priority for Peacock and Lamada than Durban. In fact, for some of the strategies, the responses were found to fall out of this pattern. For example, whereas strategies such as providing feedback timely were identified as being given higher priority at Peacock Hotel (8.7 percent) followed by Durban (1.5 percent), and Lamada was the least (0.6 percent). This pattern of data seems to generate a normal curve that suggests that Peacock and Lamada hotels tend to emphasise strategies that positively encourage internal customer care more than Durban Hotel. In this regard, one would not take for granted the fact that the two hotels (Peacock and Lamada) have in place and prioritise strategies that positively support internal customer care and, thus, the state of internal customer care was likely to be much more improved in the two hotels than in Durban. Furthermore, there was a need to compare how the employees link customer care mechanisms used in their respective hotels with their own performance initiatives and Higher Performance Work Behaviour (HPWB).

Influence of Internal Customer Care Strategies on Employees' Performance

The strategies that were identified as being carried out by the three hotels under study to achieve higher performance at work and, thus, improve customer satisfaction are grouped into two types. The first type includes strategies that were identified as positively encouraging internal customer care or those that encourage participation, a sense of belonging and positive attitude towards job and customers. On the other hand, the second category of strategies include those, which are contractual in the sense that they enforce control mechanisms put in place to ensure that employees serve the hotel customers to their best. Under the second study objective, the extent to which the mechanisms in the first category influence performance was an issue of concern.

From the responses of employees (excluding management) from the three hotels, the study sought to establish how employees rate their own performance and the performance of their colleagues. All the employees, who were involved in the study, said that they rated their performance as either “excellent” or “very good”. In all the three hotels, 54 (90 percent) of the respondents said that their performance was “excellent”, five (8.3 percent) said that their performance was “very good”, and only one (1.7%) respondent said that the performance was neither good nor bad.

When the respondents were asked to mention the factors that were associated with their higher performance, they identified different factors, which can also be categorised as “related to” or “not related to” internal customer care strategies. Each of the respondents was asked to provide four reasons that would be associated with the state of performance that he/she had identified oneself with. The total number of responses that were provided was 196, out of which the majority 107 (55%) were related to internal customer care mechanisms as detailed below:

Higher Performance Behaviour Strategies “Related to” Internal Customer Care

There were different internal customer care related forces that employees identified as encouraging them to perform their duties well. These reasons and factors, at the level of data coding were summarised by combining them in relation to the theme each of the responses provided. Therefore, the top five factors that the employees associated with higher performance behaviour were identified. The number in brackets after each of the sentences shows how frequent the factors related to the general statement were mentioned by the respondents:

- When the employer, management, and the employees come together, they share corporate goals and objectives. They co-operate in identifying the key ways through which they would attract more customers and they build a shared future on the profitability level and the expected benefit of such profitability on the organisation and the individual employees (31).
- Business owners and managers seek to know the problems that employees face at work and out of work. They show concern when an employee shows signs that he or she has private problems, which affect his or level of efficiency at work. The employer and managers try to provide personal and private assistance to employees who face problems including sickness or sickness of family member; loss of a family member; domestic economic crisis and distress; opportunities for interacting and sharing ideas apart from job scenes; and resolution of conflicts with other workers or even family members (26).
- There are continuous initiatives by the managers and hotel owners to enhance the skills of the employees and make sure that the employees have sufficient skills and competencies related to their respective jobs. This is achieved through on-the-job training, mentorship, and other forms of appreciation. The hotels, especially Peacock, were identified with making a special effort to provide the workers with skills that would make them enjoy their work and are appreciated by the people they serve (12).
- The hotel management encourages creative skills, flexibly, innovativeness among employees as a way of identifying customer needs and serving them best so that they retain them. Rather than have rigid formats of delivering services to customers,

employees are encouraged to identify how best the management can satisfy its customers. The employees are not physically spot-checked when they attend to customers (19).

- The management and management strive to cultivate a sense of belonging; they also strive to create environment in which there is mutual trust between the management and employees. They equally allow employees to communicate freely with customers and directly receive appreciation from customers they directly serve (12).
- The management provides feedback to employees on the performance of the businesses including the income and the gap between the planned and actual levels of profitability (4).
- Others: Most of these factors are associated with higher performance of employees with internal customer care mechanisms and strategies, but could not be linked to any of the six categories (3).

Higher Performance Behaviour Strategies “Not Related to” Internal Customer Care

The study was able to establish a set of performance strategies, which the employees from the three hotels under study identified, not directly linked to the performance of individual employees. In this category, employees identified 89 strategies, which are also summarised into major sets of strategies hereunder. The number in bracket at the end of each of the strategies shows how frequently the strategies related to a given code of strategies were mentioned by the respondents.

- The managers and supervisors do make close follow-ups and supervision of jobs and sometimes have to interfere by taking specific responsibilities in serving customers on their own (45).
- Managers and supervisors are busy developing mechanisms and policies for controlling the performance of individuals. They place much emphasis on the procedures that the employees have to follow in serving the customers. The employees are continually reminded of the rules and regulations as determinants of their stay and success in their respective jobs (27)
- The employees who perform well are provided with physical motivations in a stipulated period. These include good salaries, bonuses, and special monetary or non-monetary awards when there is proof that employees have been outstanding in their performance (11).
- Sometimes, the supervisors and management make secret performance follow-ups on employees by asking customers on how the individual employees have attended to them (6)

From the two summaries, it can be noted is that, the hotels whose employees said that they had experiences of higher performance related strategies were mainly from Peacock and, to some extent, from Lamada. Indeed, the majority of the employees who were involved in the study (99%) from Peacock and (89%) from Lamada said that they rated their performance to be excellent. This finding reflects a connection between internal customer care strategies and higher performance as the employees' performance would not be so high in the absence of a supportive internal customer care strategy (including machinery factors). The employees at least have a

belief and an appropriate attitude that make them committed to performing their duties in an exemplary manner. Explaining the link between the strategies used at Peacock, one of the respondents from the hotel said she worked hard not because she was being paid the amount of salary she wanted, but rather because she would not like to let the management down as it used to help them on matters which are not part of their formal employment benefits. The respondent provided examples of occasions in which the hotel management went out of their way to help individual employees. These included their marriage ceremony, provision of help during the sickness of her father and her baby, and other more private matters mentioned to the researcher under the condition of keeping them private. On the other hand, one of the employees from Lamada, who was one of those who said that their performance was neither good nor bad, commented that performance was not an issue for him since the management knew the benefit of performing well knew and why they should perform well. There were other issues, including non-involvement in key organisational issues which contributed to his being apprehensive about the hotel. In other words, his response suggests that employees who are not included in planning performance, not aware of the importance of performing well, unable to draw a clear link between success of business and her own success can hardly become motivated to perform well. It is, therefore, arguably convincing to argue that internal customer care is one of the cornerstone performance drivers.

Relationship between Internal Customer Care and Employee Satisfaction

Further analysis of the findings on customer care and performance strategies helps to establish the relationship between internal customer care and employee satisfaction. This analysis was established by comparing the two variables in the three hotels under study. On the whole, the study findings suggest that there is a positive relationship between internal customer care and employee satisfaction. The first evidence to support this assertion was established by comparing the relationship between the duration that the employees had served in their particular hotel and the availability of sufficient efforts, strategies, and initiatives that were specifically identified as related to internal customer care.

The findings show that most of the Peacock Hotel employees had a relatively and comparatively long duration of working with their employer. Out of the 29 (including management staff) employees who were involved in the study, 22 (75.8%) had two to five years of working with Peacock; five (17.2%) had one to two years (medium duration) of employment; and two (6.8%) employees had six to 12 months (short duration). There was no employee at Peacock who had less than six months of employment. For Lamada, out of 17; ten (58.8%) employees had two to five years (long duration); four (23.5%) had six to 12 months; and the remaining three (17.6%) were newly recruited employees with less than six months (short duration) of employment. On the part of Durban hotel, which was identified as the least in terms of prioritising priority to internal customer care mechanisms, no employees were found to have long-term service. Specifically, 13 (72.2%) of the 18 employees were new in their employment with less than six months of employment, one (5.5%) had one to two years of employment, and only three (16.6%) employees (in the management position) had two to five years of service.

During an interview with one of the members of management at Durban, it emerged that in the last two years, there was higher employee turnover (probably due to dissatisfaction) than at both Peacock and Lamada hotels. One of the employees who had worked with Durban for one to two years commented that the employees at Durban used to leave after serving for only a short time due to poor working environment (which the researcher interpreted as a dissatisfying working environment). Similarly, the expectation of workers from the three hotels to stay with their current employers in the subsequent period also helped to explain the relationship between internal customer care and satisfaction of employees. The majority of the employees at Peacock affirmed that hotel management's concerted strategies to involve workers and improve the internal customer care had raised their expectations of staying with their current employer for a long time. Numerically, 24 (82.7%) of Peacock employees said that they expected to stay on with their employer for a very long time, three (10.3%) indicated otherwise, and two (6.8%) were not certain whether they would stay on with Peacock, their employer, for the long-term. On the other hand, the majority of employees (78.9%) at Durban Hotel, which had demonstrated little encouragement of internal customer care-related strategies, indicated that they would not stay with the hotel as their employer for a long time. These varied expectations at the two hotels—Peacock and Durban—suggest that there is a positive relationship between internal customer care and employee satisfaction. Hotels prioritising and investing in cultivating higher performance behaviour through the improvement of internal customer care show positive results on the side of employees' satisfaction. The employees at Peacock, for example, felt that they were part of the future of the company's success; they expressed a high degree of satisfaction in the sense that they were willing to contribute to the success of the hotel and they largely expressed willingness to work and grow with their current employer. This willingness seemed to be associated with the internal customer care initiatives and strategies rather than the presence of rules, higher pay, and strict supervision.

CONCLUSION

Conclusion about Policy and Practice

The growth of customer care as an important function that determines the success of businesses in competitive sectors has become a pressing challenge in the hotel industry, particularly in the context of Tanzania where economic reforms have led to the mushrooming of hotels and cut-throat competition. All the three hotels under study seem to the customer care practices. Hotels have realised that an external customer can hardly get satisfied if the internal customer is not dedicated to providing the best services to the external customer. In the case of Tanzania, it appears that initiatives to improve customer care exist alongside the old culture of achieving superior services to consumers through establishing rigid contractual rules and regulations as well as strict supervisory control and on-the-spot checking of workers as they interact with customers. As a result, these cultures have led to mixed and sometimes unpredictable relationships between internal customer care and employee satisfaction. Based on these findings, the study concludes that despite the dominance of control and contract-oriented cultures, there is closer and positive relationship between internal customer care and employee satisfaction worth exploiting in enhancing organisational performance and external customer care. The more the emphasis is placed on positive customer care-oriented strategies in efforts aimed at achieving

higher performance, the more likely are individual employees in an organisation to develop virtues of sharing the expected business profitability, and performance goals, by loving the job, cultivating competencies, and devoting their time to work hard. Hard-work and higher performance work behaviour, as a result of job satisfaction, creates a positive Psychological Contract within an individual employee, which assures employees that the success of the business and the success of individual employees are inextricably linked. From this point of view, the study takes hotels as a typical business whose success depends on the extent to which the internal customer (employee) is satisfied and motivated to serve as a stakeholder in the business and how much this employee regards the customers as his or her own customer rather than that of the hotel.

IMPLICATION FOR THEORY

Internal customer care results show direct relationship with several variables (as per Figure 1) in this study that specifically concentrated on the hospitality industry in Tanzania using three Dar es Salaam-based hotels as a case study. The variables in turn attest to an impact on employees' satisfaction, which in turn has effect on performance, which further affects the kind of service rendered. These results can potentially be incorporated in the parent discipline (Service Marketing) as the theory on the benefits of internal customer care and job satisfaction and quality of (external) customer care can apply to the other segments of the service industry. Furthermore, organisational performance depends on the wellbeing of an institution's human resources, processes and material in the due course value creation. Of these elements, the human resource is more critical than other variables in creating, maintaining and improving performance in the service marketing industry at large and hospitality industry business in particular. Above all, internal customer care provides a cross-cutting role in both product and service marketing. The importance of internal customer care in every business stands is based on the premise that satisfied employees devote time, efforts, skills and creativity and innovativeness in ascertaining good performances and opposed to a contractual kind of employee relationship which tends to promote job performance as a matter of daily and routine. So academicians should focus on providing literatures modelling organizational thinking and planning and implementation so that they could achieve good performances.

RECOMMENDATION.

It is, therefore, recommended that hotels must invest in developing positive internal customer care strategies to have a competitive advantage in an increasingly competitive operational environment in Tanzania. These strategies include allowing employees to participate in planning for productivity and profitability, and giving them freedom in setting of performance goals, supporting creativity and innovativeness in serving customers, and developing a sense of ownership and belonging among employees. On the whole, positive internal customer strategies have a dialectical positive effect on external customer satisfaction through improved service by employees experiencing job-satisfaction.

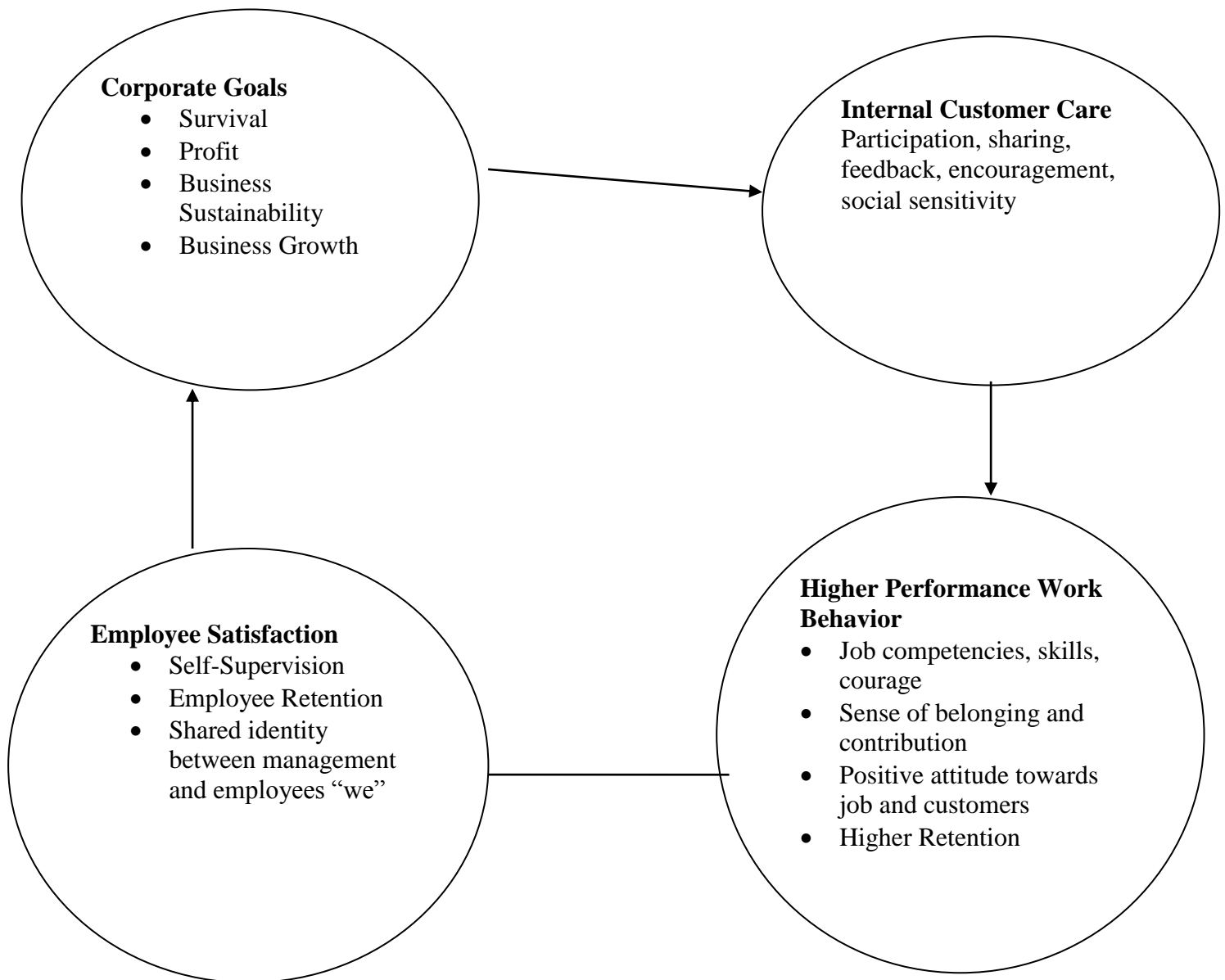
REFERENCE

- Birdir, K (2002), General Manager Turnover and Root Causes, *International Journal of Contemporary Hospitality Management*, Vol. 14 (1), pp. 43-49
- CMI. (2003), "Business Continuity Management", Research Report: London: Chartered Management Institute
- CMI. (2007), "Business Continuity Management", Research Report: London: Chartered Management Institute
- Cohen, S. G & Bailey, D.E. (1997)**, "What Makes Teams Work: Group Effectiveness Research From The Shop floor to the Executive Suite", *Journal of Management*, Vol. 23 (3), pp.239-390
- Dorrian, P. (1996), Intensive Customer Care, New Delhi: Wishaprasakashan.
- Earl, D. (2004), What is Internal Customer Service? A definition and Case Study, in *International Journal of Contemporary Hospital Management, Volume: 14, (1)*
- Galbreath, J (2012), Do customer Satisfaction, and Reputation mediate the Corporate Social Responsibility–Firm Profit Link? Evidence from Australia, *Australian Journal of Management*, Available at <http://aum.sagepub.com>, Accessed on 29 January 2013
- Harrison, C. (2006), Turning Customer Service Inside Out! How Poor Internal Customer Service Affects External Customers
- Hendry, C. & Pettigrew, A.M. (1986), The Practice of Strategic Human Resource Management, *Personnel Review*, Vol. 15 (5), pp. 3–8.
- Kuratko, D. E (2005), *Entrepreneurship; Theory, Process and Practice*, New Delhi: Richards & Hogget Publishers
- Machan, T.R. (1999), Entrepreneurship and Ethics, in *USA International Journal of social Economics*, Vol. 26 (5), pp.596-609
- Nickels, W. G. (2002), *Understanding Business*, West Chicago: Southwestern Publishing Co.
- Olomi D.R. (2002). "Entrepreneurship and Small Business Development, African Perspective Theory and Practice," University of Dar es salaam Entrepreneurship Center (UDEEC), University of Dar es salaam.
- Olomi D.R & Rutashobya, L. (1999), *African Entrepreneurship and Small Business development*. Dar es salaam: Dar es salaam University Press
- Rosenblatt, H. (2003), *The Customer Comes Second*, Sage Publications
- Yoo, D.K & Park, J.A. (2007), "Perceived service quality: Analyzing relationships among employees, customers, and financial performance", *International Journal of Quality & Reliability Management*, Vol. 24 (9), pp.908 – 926

Appendices

Table 1: Summary of Responses on Customer Care Enforcement Mechanisms in selected Hotels

	Customer Care Improvement Efforts	Peacock		Durban		Lamada		Summary	
		Yes	Percent	Yes	Percent	Yes	Percent	Total (Yes)	Percent(Yes)
1	We share & solves private problem	34	4.42	22	4.31	5	3.45	61/598	10.20
2	Good salary package	27	3.51	19	3.73	9	6.21	55/821	7.92
2	Bonuses and recognition	37	4.81	33	6.47	21	14.48	91/821	11.08
1	Builds my job confidence (training)	66	8.57	56	10.98	19	13.1	141/598	23.58
1	Encourages communication within teams	13	1.69	6	1.18	4	2.76	23/598	3.85
2	Emphasizes following policy and rules	105	13.64	166	32.55	37	25.52	302/821	36.78
2	Closest supervision	122	15.84	78	15.29	21	14.48	221/821	36.96
2	Interferes in job when he is not satisfied	98	12.73	69	1.18	8	5.52	175/821	10.20
2	Discusses and asks customers about me	79	10.26	41	8.04	3	2.07	123/821	14.98
1	We plan together, set goals	99	12.86	12	2.35	13	8.97	124/598	20.74
1	We share informal occasions	23	2.99	0	0	4	2.76	27/598	4.52
1	Gives feedback in time	67	8.7	8	1.57	1	0.69	76/598	12.71
	Total	770	100	510	100	145	100	1419/1419	100.00



Source:

Figure 1: Conceptual Framework for Studying Relationship between Internal Customer Care and Employees' Satisfaction

ACKNOWLEDGEMENT

A study of this nature would not possible without the material and moral support derived from others. In this regard, I humbly appreciate the contribution of individuals and institutions towards the completion of this study. Specifically, I also thank the managements of Peacock, Durban, and Lamada hotels, for their co-operation during the data collection period.