



Service quality strategies by private security firms in Kenya

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ABSTRACT

This study sought to identify service quality strategies by private security firms in Kenya. Specifically the study aimed to; evaluate the effects of employee capacity on service quality, assess the relationship between service process and service quality, and to analyze how relationship with stakeholders influences service quality. To achieve the above objectives, the study adopted a descriptive research design. The target population was a census of 60 managers comprising of 11 branch managers, 11 operations managers, 18 base commanders and 20 supervisors of all selected 11 companies under the Kenya Security Industrial Association (KSIA) within Nyeri County. Self-administered questionnaires were used to collect data from the respondents. Descriptive statistics such as frequency distribution and measures of central tendency were used to analyze data. A regression model was also used to establish the relationship between the dependent variables and the independent variables. Service process had the influence on service quality, seconded by relationship with stakeholders while employee capacity had the least influence on service quality. Additionally, the regression model generated explains the variables of the study. The study recommends that security firms should continue to improve in the service process since it has the highest influence on service quality. Delivering quality service is essential for achieving organizational success and survival in the competitive world. To enhance service quality the private security firms should create a synergy between service process and relationship with stakeholders since the variables had a significant relationship with service quality.

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INTRODUCTION

Asubonteng et al. (1996) stated that, intense competition and the hostility of environmental factors, service quality has become a cornerstone marketing strategy for company's in order to survive and grow. Service-based companies are compelled to provide excellent services to their customers in order to have a sustainable competitive advantage by understanding service quality in order to attain their objectives.

Freedonia Group (2008) declared that the global

security service market was worth \$138.6 billion in 2007 and was estimated at \$152.5 billion in 2009 and it will continue to grow at 7.4% annually, reaching \$218.4 billion in 2014. Much of the sector's growth will be stimulated in the leading emerging economies where it is projected that the turnover will increase at double-digit rates. Additionally, the Confederation of European Security Services through the Freedonia Group (2008), estimated in 1999 that more than 500,000 guards were employed by 10,000 private security companies (PSCs) in the European Union. The report also indicates that over 200,000 private security guards are employed in South-eastern Europe considerably more than the number of police officers employed. For example in

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Israel, the United Kingdom, United States and South Africa and the number of employees in (PSCs) they employ exceed those of public law enforcement agencies.

In Kenya, the private security industry is one of the fastest growing sectors of the economy and it is a significant employer. In 2004, the industry was valued at \$43 million and provided employment to about 50,000 Kenyans. It is spread across the country, although it is much more visible in urban centers than it is in rural areas. The private security industry fills the gaps that government may be unable to bridge using their security architecture (Mkutu and Sabala, 2007).

Currently in Kenya there is no specific government oversight body to regulate the private security industry, consequently there are over 2,000 security companies operating in Kenya. Approximately 30 PSCs are members of the Kenya Security Industry Association (KSIA). This means that majority fall outside the ambit of the industry self regulation mechanisms. Besides, a sizeable number of locally owned security companies operate illegally, since they are not registered with government authorities. As a consequence, many companies pay little attention to service standards. To bridge the gap KSIA was formed by companies in need to comply with the set standards which are drawn from the Laws of Kenya, internationally accepted technical and systems specifications, and the professional experience of all member companies, to establish a set of benchmarks. The study therefore evaluated the extent of implementation of set service standards to enhance service quality by private security firms so as to advice relevant bodies on the same. (KSIA, 2005).

LITERATURE REVIEW

Looy et al. (2003) asserted that quality holds the key to competing in today's global market by assisting in clear development of marketing strategies by building strong brand names. Despite the fact that quality management practices are primarily embraced in the manufacturing sector, quality management in the service industries has been gaining momentum over the past decade through Total Quality Management (TQM). The main theoretical framework by Zeithaml et al. (1988) is a combination of Gap theory and SERVQUAL theory (Figure 1). It is relevant to this research study as private security service requires high consumer involvement in the consumption process; hence, the attainment of quality service relies significantly on the co-contribution of the employees to the service delivery process.

Tornow and Wiley (2004) found a positive correlation between the capacity of employees and service quality. They also found that customer satisfaction is directly related to the attitude and perceptions of employees,

which relates to the organization and its management practices. To improve effectiveness in service quality, organizations must build the capacity to retain, attract and employ an adequate number of high-quality employees' in order to adapt to circumstances that are constantly changing.

According to a study by Schneider et al. (2003), to provide high quality service, employees need to get enough training in the necessary technical skills and knowledge, and interactive skills. Interactive skills help employees to provide courteous, caring, responsive and empathetic service. Successful companies invest heavily in training and make sure that the training fits their business goals and strategies.

Despite the size of the private security sector, there are no specific regulations or requirements in terms of the training and vetting of guards, and the quality of training and services vary considerably from company to company. Most companies provide some training for their guard force, but some PSCs place guards on duty with little or no knowledge of basic security provision, while others provide fairly extensive courses. Given the unevenness of training and standards, concerns are frequently raised about the quality and integrity of security staff, with allegations that guards are in collusion with criminals (Thuranira and Munanye, 2013).

According to Luecke (2006), discontent is unlikely to be derived solely from remuneration or working hours and that work enhancement is required for essential motivation and that it is a constant process for the management to ensure that the work should have an adequate assessment to exploit the full capability of employees. Additionally, certain factors such as opportunity for advancement, gaining recognition, responsibility, challenging or stimulating work, sense of personal achievement ought to be taken into consideration in order for employees to render efficient services to attain customer satisfaction and loyalty.

According to Abrahamsem and William (2005), working conditions for guards are not conducive, some guards report of lack of overtime payment, annual leave, insurance and social benefits. Additionally, guards are not well armed, issued only with a baton and a whistle, whereas criminals often carry firearms, machetes and other weapons. As a result attacks and violence towards security guards are common and sources within the sector estimate that between 5 to 10 security guards are killed each month mostly in Nairobi and Mombasa.

It is the duty of management to recruit the right personnel to fill the required positions within the organization in order to ensure that stated objectives are achieved. Therefore the main objective of recruiting is the need to attract and retain the right employee for the right work within the organization. In this regard service organizations tend to engage employees for their service competencies and preference (Luecke, 2006).

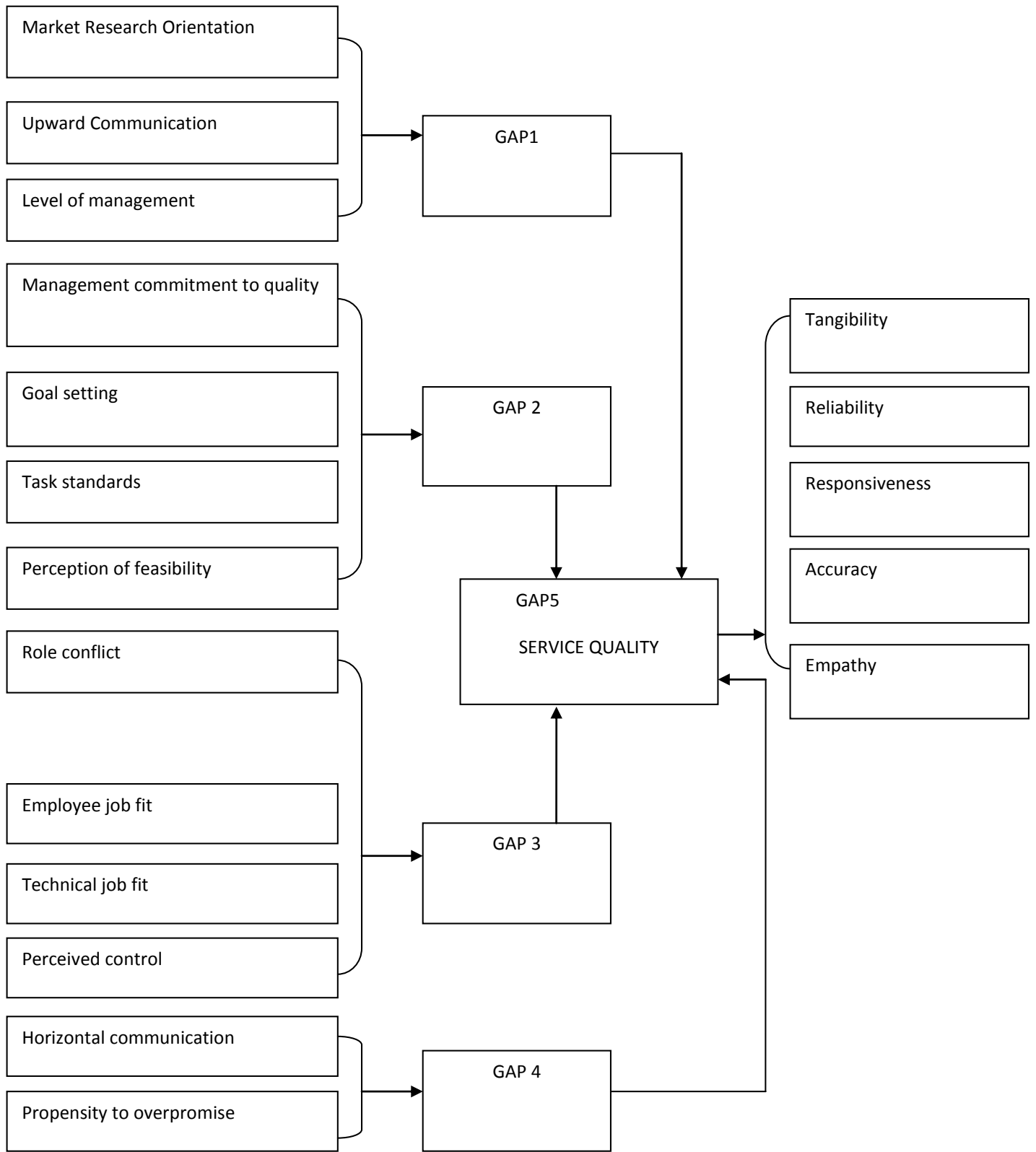


Figure 1. Extended service model by Zeithaml et al. (1988) employee capacity.

A survey by Wairagu et al. (2004), cited that employees of the private security companies are often young, incompetent, inadequately trained and equipped, and lack the motivation to deliver quality services additionally the majority of the workforce in the private security industry comprises young school leavers aged between 18 and 30 years.

As part of their effort to ensure higher quality and standards, KSIA requires all its members to subscribe to Staff check, a database that contains information on employees.

Service process

According to Goldstein et al. (2002), service process leads to an outcome resulting in the customer being either satisfied or dissatisfied with the service experience. It is of paramount importance that service organizations pay attention to designing the system by which service concepts are produced and delivered to customers. It is the role of delivery to ensure that the expected service outcome is received by the customer. A study by Zhu and Nakata (2007) argued that customer orientation is driven by service quality and impacts significantly on business performance. Further-more, the study argued that the relationship between customer orientation and business performance can be positively influenced by information technology (IT) capability.

The impact of IT capability on customer orientation is the result of enhanced service quality driven by technological changes that results to increased automation and better connectivity. This then leads to the facilitation of customer related activities such as the sharing of customer knowledge within the organization, gathering customer information, analyzing customer information and behavior, making decisions and planning customer initiatives.

Koufteros et al. (2005), provided empirical evidence about the relationship between organizational structure and internal communication since organizational structure facilitates processing and flow of information. However, as organizational structure has many dimensions which affect communication, the organization need to realize the value of TQM implementation, by building internal organizational structure. Organizational structure should be capable of fully supporting the implementation of the preferred structure by providing control and flexibility of activities in order to adapt quickly to the changing market place. It is thus important to assess organizational structures when evaluating an organization's TQM implementation (Figure 2).

Research study by Guo et al. (2008) on the impact of process variation on financial performance in financial service institutions sheds further light on the

dynamics of the impact of process orientation on customer satisfaction. They identify lack of rigorous policies and processes as one important factor that contributes to the substantial variation in service delivery. An improvement in processes can reduce the apparent variation in the process, and can have an indirect effect on business results through increased customer satisfaction. Hence process orientation, like employee management, supports a firm's customer orientation and has a direct effect on customer satisfaction.

Relationship with Stakeholders

The manner in which complaints are received and addressed demonstrates an important measure of organizational commitment to quality care and customer satisfaction. A well structured complaint and grievance policy is one of the foundations of good customer care service when clearly communicated to all parties involved (Legge, 1995).

The relationship between private security providers and the public police is crucially important in the effective delivery of security services. The private security sector (PSC) in Kenya is unarmed, and PSCs relies on police backup for any serious incident involving firearms and other weapons. Most security companies report more than five incidents a week involving firearms and number has increased significantly in recent years (Wairagu et al., 2007).

In Kenya the relationship between PSCs' and police is non-formalized due to lack of a clear regulatory framework for the private sector and the absence of a clear and consistent policy framework structuring the public-private security relationship. For these reasons, there is little collaboration between the public and the private security sectors. A high degree of suspicion also exists, with the police regarding private security guards as frequent lawbreakers and PSCs pointing out the involvement of police officers in criminal activities (Thuranira and Munanye, 2013).

Research gap

Service quality issues in the private security industry, within developing economies, have long been neglected when compared to research available in developed economies including Europe and the USA. The literature clearly suggests conducting research on service quality in developing economies will be viable since it will identify the areas of weakness with respect to service quality, and offer suitable solutions and specifically Kenya. Most of the researches that have been conducted on service quality issues are based on consumer perspective compared to service quality issues based on manage-

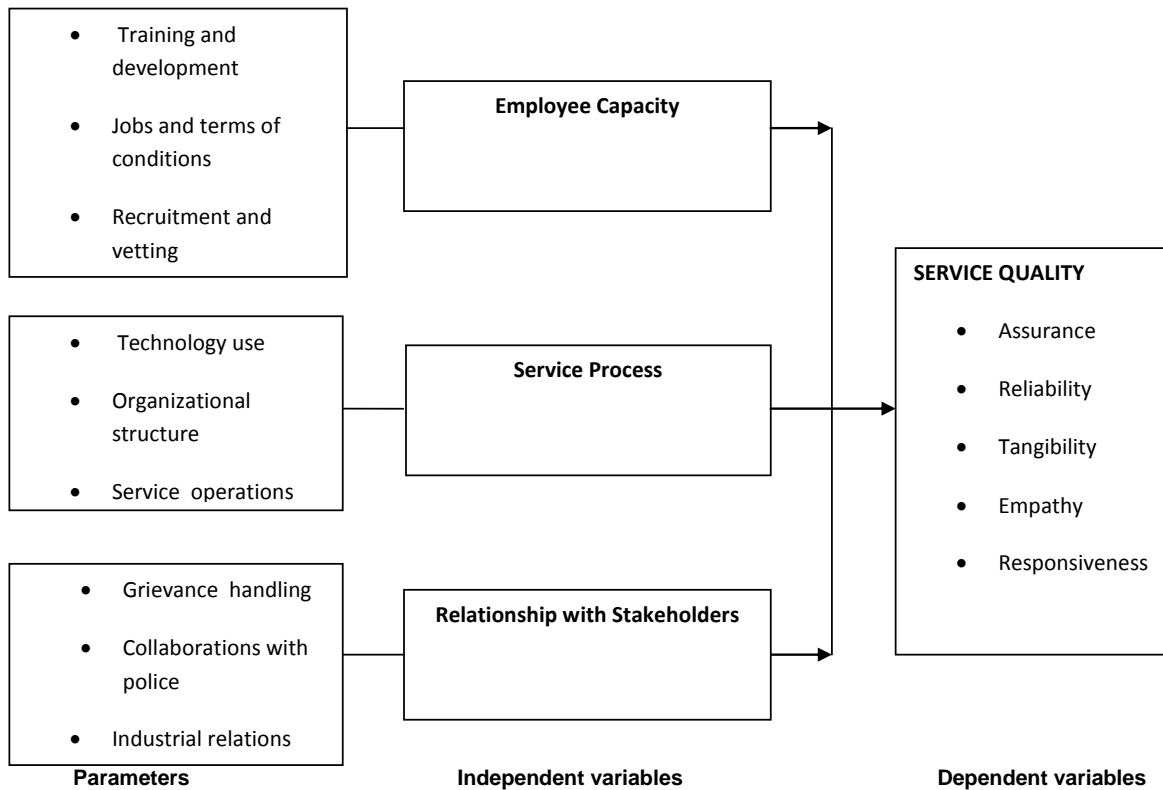


Figure 2. Operational framework.

ment perspective hence the study intends to shed more light on the issue.

Research objectives

To evaluate the effects of employee capacity on service quality by private security firms in Kenya;
 To assess the relationship between service process and service quality by private security firms in Kenya; and,
 To analyze how the relationship with stakeholders influences service quality by private security firms in Kenya.

METHODOLOGY

This study was a descriptive research design. The participants included 60 censuses of managers of private security companies under KSIA comprising of 11 branch managers, 11 operations mangers, 18 base commanders and 20 supervisors.

Questionnaires on the subject matter were administered to gather data from the participants. Descriptive statistics in the form of mean frequency and standard deviation were employed. Inferential statistics was conducted using T-test to determine whether there was a

significant difference between the means of dependent and independent variables. F-test was used in order to ascertain whether the model used best fits the population used. To test significance of the variable p-value was used with acceptable significance level of p=0.05.

Data analysis was carried out using SPSS version 20 and confidence level was set at 95%. A regression model in the following form was used:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + e \dots \dots \dots (i)$$

- Where: Y = Service quality
- β_0 = Autonomous factors
- X_1 = Employee Capacity
- X_2 = Service Process
- X_3 = Relationship with stakeholders.
- β_i = Coefficient for variables
- e = Error term

RESULTS AND DISCUSSION

From the ANOVA results, the p-value obtained was less than $\alpha = 5\%$, which implies that the regression model was significant in predicting the relationship between service quality and the predictor variables. The F-calculated at

Table 1. Regression output.

Variable	Unstandardized coefficients	Standardized coefficients	T-test	Significance	R ²	Adjusted R ²	F	Significant F
	0.280		2.166	0.0031	0.592	0.581	34.4	0.0000
Employee capacity	0.190	0.199	2.058	0.103				
Service process	0.371	0.402	3.521	0.0431				
Relationship with stakeholder	0.343	0.357	2.710	0.0459				

5% level of significance was 34.4. Since *F*-calculated is greater than *F*-critical (4.05058), this shows that the overall model was statistically significant.

Service process p-value (p=0.043) and relationship with stakeholders p-value (p=0.045) was statistically significant at 95% confidence level. There was no significant relationship between employee capacity p-value (p=0.103). This implies that service quality and relationship with stakeholders has influence on the service quality in private firms.

R² which is referred as the coefficient of determination implies the variation in the dependent variable that is due to change in the independent variables. According to Table 1, the value of R² was found to be 0.592. This shows that variation of 59.2% in the service quality in private security firms is caused by employee capacity, service process and relationship with stakeholders. Substituting the beta values in the model with the unstandardized coefficients, the specific model was estimated as follows:

$$Y=0.28 + 0.91 X_1 + 0.371 X_2 +0.343 X_3 + 0.0004$$

Where: 0.28 = Represent service quality that is constant despite the variations of independent variable.

The regression equation taking all factors employee capacity, service process and relationship with stakeholders constant at zero, the service private firms would achieve 0.28 service quality.

Employee capacity (X₁) indicates that one unit of change in employee capacity would lead to 0.190 increase in service quality. Service process (X₂) indicates that one unit of change in service process would lead to 0.371 increase in service quality. Relationship with stakeholders (X₃) indicates that one unit of change in the relationship with stakeholders would lead to 0.343 increase in service quality. The error value of 0.0004 represents other variables that have not been considered by the study but affect service quality by private security firms. Such factors include cost, response strategies and customer relationship management.

The model results indicates that service process has the highest β value of 0.371; relationship with

stakeholders is the second highest variable with β value of 0.343 and employee capacity is the lowest variable with β value of 0.190. This implies that service process had the highest influence with service quality in comparison with employee capacity and relationship with stakeholders.

The study established that the PSCs should implement service process as a strategy to enhance service quality through use of technology, fitness between organizational structure, strategy, customization of service procedures and techniques. It also illustrated that the PSCs had effective readdressal of grievance but collaboration with public securities was ineffective, this is demonstrated as the relationship with stakeholders was found to have a statistical significance. It then established that there was a significant relationship between service quality, strategy in terms of training, employees appraisal, working condition of the PSCs with career development. As such, PSCs should emphasize in the recruitment process and the implementation of employees capacity building.

Conclusion

Well implemented service processes are responsible for the quality service delivery by PSCs. Use of technology, fitness between organizational structures and strategies, prompt redress of grievances and easy communication of grievances are the main strength of PSCs. Prompt redress of grievances, ease in communicating grievances are the strengths of these companies. However, delayed response by police to emergencies is an obstacle hindering effective collaboration between public and private security providers. However, delayed response from law enforcement agencies to emergencies is an obstacle preventing effective collaboration between public and private security providers.

RECOMMENDATIONS

It is therefore recommended that a similar study be carried out on customers of private security firms; as well

as on members of Private Security Industry Association to compare the service strategies among the competing associations. Similar research should be conducted in other parts of the country to generalize the findings.

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