

**THE EFFECT OF CUSTOMER CARE ON SMALL BUSINESS GROWTH:
A CASE STUDY OF SMILE TELECOM LIMITED,
KAMPALA, UGANDA**

BY

**AJAMBO SHARON
1153-06124-01533**

**A RESEARCH REPORT SUBMITTED TO THE FACULTY OF
JOURNALISM AND MEDIA STUDIES IN PARTIAL FULFILLMENT OF
THE REQUIREMENT FOR THE AWARD OF
BACHELOR OF MASS COMMUNICATION OF
KAMPALA INTERNATIONAL
UNIVERSITY**

JULY, 2018.

DECLARATION

I **Ajambo Sharon**, a student of Kampala International University, hereby declare that this is my original work and to the best of my knowledge, has never been presented by any other person or institution for any academic award.

Signature.....

Date.....

AJAMBO SHARON

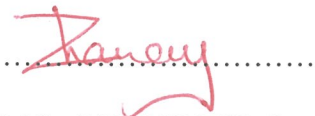
76%

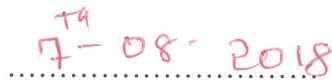
APPROVAL

This research report has been submitted for examination with my approval as a University Supervisor.

Signature

Date





MS. J.NANYONDO

SUPERVISOR

DEDICATION

I dedicate this work to my God, for helping me in the course of my Education.

I also wish to specially dedicate this work to my father Mr. Ogutti Milton for taking up the responsibility of educating me and his tireless effort that has seen me complete this course.

ACKNOWLEDGEMENT

I feel indebted to many people for the help, advice and support in as far as my Education is concerned. Special thanks go to my father Mr. Ogutti Milton and my mother, Miss Auma Christine for their continued support.

I also wish to thank the management and staff of Kampala International University for providing most of the information and advice. Special thanks go to my supervisor, Ms. Janet Nanyondo for her guidance, positive criticism and support in the production of this work.

Lastly to all my friends, within or out of the university, and the entire community at large, who have, in one way or another helped me in my Education.

TABLE OF CONTENTS

	Pages
DECLARATION	i
APPROVAL.....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS.....	v
EXECUTIVE SUMMARY/ABSTRACT.....	viii
 CHAPTER ONE.....	 1
INTRODUCTION	1
1.0 Introduction.....	1
1.1 Background to the study.....	1
1.2 Statement of the Problem.....	4
1.3 Purpose of the study	5
1.5 Research Questions.....	6
1.6 Scope of the Study.....	6
1.7 The Significance of the Study	7
1.8 Conceptual framework	8
 CHAPTER TWO	 10
LITERATURE REVIEW	10
2.0 Introduction	10
2.1 The concept of customer care	10
2.3 Challenges of ensuring effective customer care	18
2.4 How to address these challenges	19
 CHAPTER THREE	 20
METHODOLOGY	20
3.0 Introduction.....	20
3.1 Research Designs.....	20
3.2 Study Population	21

3.3	Sample size	21
3.4	Sampling Procedure	21
3.5	Methods/Tools of Data Collection.....	22
3.6	Data control and Measurement	22
3.7	Data Processing and Analysis.....	22
3.8	Ethical procedures of Data analysis	22
3.9	Study Limitations	23
CHAPTER FOUR		24
DATA PRESENTATION, ANALYSIS AND INTERPRETATION		24
4.0	Introduction.....	24
4.1	Demographic characteristics of Respondents.....	24
4.2	Customer care initiatives/practices	33
4.3	Impact of customer care on Business growth	36
4.4	Challenges of trying to ensure effective customer care practices.....	39
	Small businesses.....	39
CHAPTER FIVE.....		42
SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS		
	42
5.0	Introduction.....	42
5.1	Summary of Findings.....	42
5.2	Conclusion.....	43
5.3	Recommendations.....	44
REFERENCES		46
APPENDIX I.....		48
APPENDIX II.....		51
Interview Guide		51
APPENDIX III.....		52
APPENDIX IV.....		53

LIST OF TABLES

Table 1: Gender	25
Table 2: Respondents' Age	26
Table 3: Marital status of respondents	28
Table 4: Level of education of respondents	29
Table 5: Respondents' religious affiliation	31
Table 6: Respondents' positions of responsibility	32
Table 7: Responses on the customer care initiatives used	34
Table 7: Responses the impact of effective customer care on	36
Table 8: Responses on how to maintain effective customer care	39

LIST OF FIGURES

Figure 1: Respondents' Gender	25
Figure 2: Age categorization of respondents	27
Figure 3: Respondents' marital status.....	28
Figure 4: Education levels of respondents.....	30
Figure 5: Respondents' religious affiliation.....	31
Figure 6: Respondents' positions of responsibility	33
Figure 7: Responses on the customer care initiatives used.....	35

EXECUTIVE SUMMARY/ABSTRACT

This thesis entitled “The effect of customer care on small business growth” is presented as a result of a research that was carried out in Smile Telecom Company limited at their head office in Kampala. The study was based on three specific objectives, i.e.; to examine the various customer care initiatives used in Smile Telecom limited, to establish the impact of effective customer care on business growth in Smile Telecom limited, and to identify the challenges of trying to ensure effective customer care practices in Smile Telecom Limited.

The study took form of a case study design, with a study population constituted of sales and advertising managers, field distribution managers, customer care attendants and others. A study sample of 60 respondents was chosen, using simple random sampling method. Questionnaires and interviews were used in collecting both primary and secondary data. The collected data was analyzed using both qualitative and quantitative methods.

The study findings indicate that there are various customer care initiatives, and that these customer care practices have a significant positive impact on small business growth. Findings also show that there are various challenges faced in trying to ensure effective customer care mechanisms in small businesses.

There are many customer care initiatives which, if well implemented, they can lead to growth in these small businesses, though there are some challenges faced in trying to maintain effective customer care. He also recommended that there be emphasis on training, further exploration of new practices in customer care and more investment in training and knowledge acquisition in the field of customer service.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter gives a presentation of the background to the study, the statement of the problem, the purpose of the study, the study objectives, research questions and other important components.

1.1 Background to the study

Customer care is a crucial element of business success. Every time you have contact with your customers you have an opportunity to improve your reputation with them and increase the likelihood of further sales.

Customer care involves putting systems in place to maximize customers' satisfaction with your business. It should be a prime consideration for every business, the sales and profitability depends on keeping customers happy. Customer care is more directly important in some roles than others. For receptionists, sales staff and other employees in customer-facing roles, customer care should be a core element of their job description and training, and a core criterion when you're recruiting. But an entrepreneur need not neglect the importance of customer care in other areas of a business. For instance, the warehousing and dispatch departments may have minimal contact with the customers, but their

performance when fulfilling orders has a major impact on customers' satisfaction with the business.

A huge range of factors can contribute to customer satisfaction, but the customers - both consumers and other businesses - are likely to take into account; how well your product or service matches customer needs, the value for money you offer, your efficiency and reliability in fulfilling orders, the professionalism, friendliness and expertise of your employees, how well you keep your customers informed and the after-sales service you provide.

In small business trading, providing a high level of customer care often requires the entrepreneur to find out what the customers want. Once you have identified your most valuable customers or best potential customers, you can target your highest levels of customer care towards them. Another approach, particularly in the consumer market, is the obligation to treat all consumers to the highest standard.

Customer care is one of the most important elements of a business, good customer care or lack of it determines whether or not the business will grow. The existing customers need to be well motivated, to be given a reason for coming back, and the new customers need to have something that attracts them to come to your business rather than your competitors.

There has to be an element of a good business reputation if the business will be able to attract new customers. In all this, customer care is very crucial.

Small businesses are always under pressure to expand, to break even, and to grow. This is through increase in sales, to maintain a good reputation among its customers in order to attract new ones.

A satisfied customer is most likely to provide an organization with that most organic of all advertising tools, and that is word of mouth advertising. A happy and satisfied customer is much more likely to send more customers your way. Further, there is the potential for repeat business, which is the backbone of many businesses. It is obvious that a customer who has been provided with a product or service that he or she desired in the ideal way, would build a relationship with the seller.

Therefore the importance of customer care to the growth of any small business is immeasurable, it ensures that the business keeps its existing customers in addition to providing the possibility of persuading more customers to come. That is why its necessary to carry out an analysis of how customer care affects small business growth.

1.2 Statement of the Problem

In an effort by the government to promote private entrepreneurial undertakings to create more employment, there has been a policy of providing credit facilities to intending small scale entrepreneurs. As a result, many small businesses have come up in Uganda, but they find themselves in a difficult situation where they have to compete with bigger already established businesses both locally and internationally. This puts small businesses at a task to be at their best if they are to survive in the market. Excellent customer care is one of the initiatives that are meant to attract and maintain customers, and it has become increasingly important that small businesses reinvent themselves in order to grow, to suit the expectations of the market.

Customer care is very crucial in this aspect because in addition to the desire to grow, businesses want to build a good reputation which will further their expansion. The role of customer care in business growth is something that can not be underestimated. It has just not been fully examined to involve the wider detail, in terms of analyzing its impact on small business growth. Most studies on customer care in business have largely ignored its effect on small business growth. Given that and the importance of small business in Uganda, it's necessary that a critical study be conducted to ascertain the effect of customer care on small business growth. And that is where this study will be focused.

1.3 Purpose of the study

The purpose of this study was to examine the various customer care practices used in Smile Telecom limited and what impact they have on the growth of business in Smile Telecommunications limited in Kampala, Uganda.

1.4.1 General objective

The general objective in this study was to analyze the various customer care initiatives practiced in Smile Telecommunications Company Limited, what impact they have on the growth of small businesses as well as the challenges encountered in trying to maintain effective customer care practice.

1.4.2 Specific objectives

The study was aimed at achieving the following objectives;

- i. To examine the various customer care initiatives used in Smile Telecom limited.
- ii. To establish the impact of effective customer care on business growth in Smile Telecom limited.
- iii. To identify the challenges of trying to ensure effective customer care practices in Smile Telecom Limited.

1.5 Research Questions

The study attempted to find answers to the following questions;

1. What are the various customer care initiatives used in Smile Telecom limited?
2. What impact do these customer care initiatives have on the growth of your business?
3. What challenges do you face in trying to maintain a good customer care environment in your firm?

1.6 Scope of the Study

Content scope

The study was focused on the effect of customer care on small business growth. It was specifically centered on the customer care initiatives used in Smile Telecom Company, to find out how these initiatives are helping the growth of this firm.

Geographical scope

The study was carried out in Smile Telecom limited at their head office in Kampala. This organization was chosen because its one of the small enterprises in the service industry which has a huge growth potential yet competing with large and powerful corporations both local and international. It was also chosen because it's near to the researcher's

current residence, so it would be cheaper for the researcher in terms of accommodation and transport costs.

Time scope

The study covered the customer care initiatives used in Smile Telecom Company in the past three years. The study was carried out in one month (30 working days).

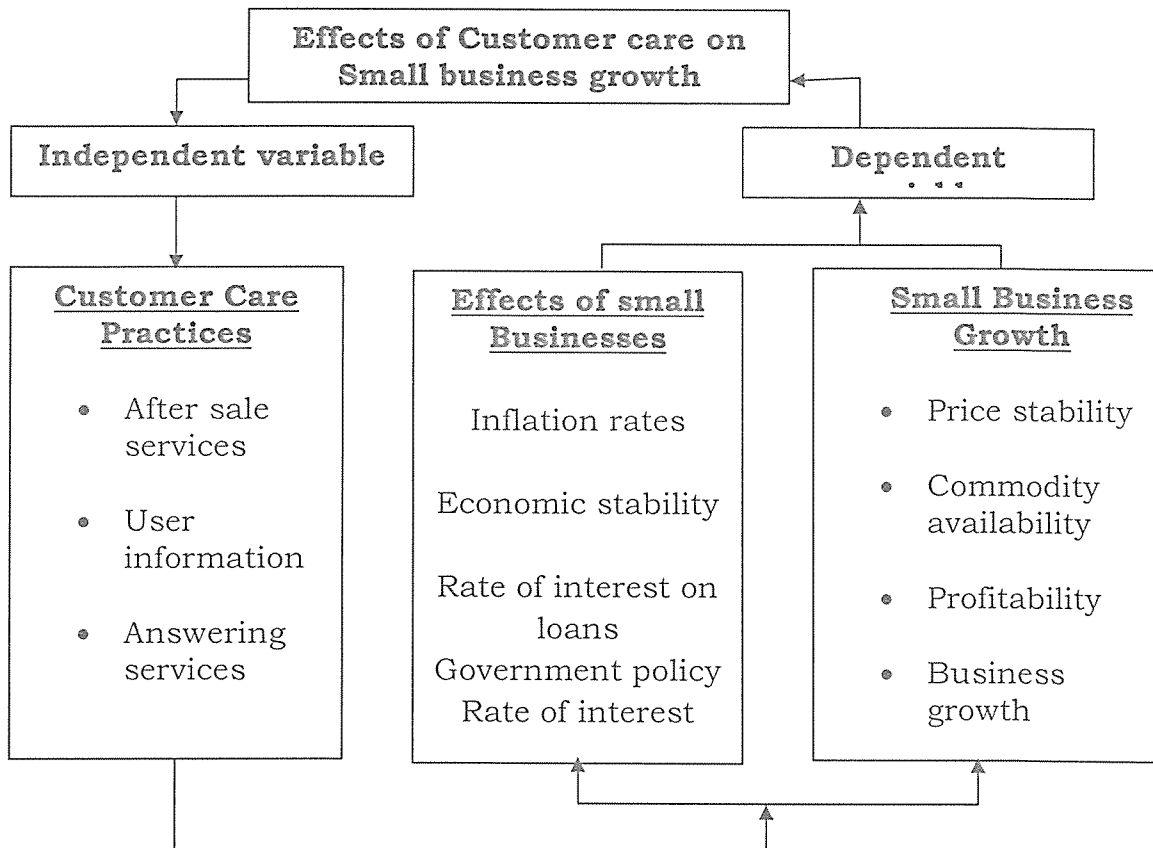
1.7 The Significance of the Study

The findings of the study will be useful or important in many different ways and to many different persons or groups of people;

- The findings of the study will help experts in drawing the interrelationship between effective customer care and small business growth.
- The study will help policy makers in identifying the weaknesses/challenges that small businesses face in trying to ensure effective customer care.
- The findings of the study will help in drawing remedies to the customer care weaknesses in small businesses.
- The study will bring in new knowledge on how to understand the impact of customer care on small business growth.

1.8 Conceptual framework

The study was carried out basing on the interrelations between the variables in the problem of study. It explored the connection between the independent, dependent and the intervening variables.



SOURCE: **Researcher.**

In this particular study, the independent variable, which is customer care (after sale services, answering services and user information services), work hand in hand with the supporting variables such as economic stability and inflation rates to predict government policy towards small businesses, for an investment, determine and influence the dependent variable i.e. the small business growth (business growth, profitability, price stability and commodity availability).

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter studies and presents the existing literature about the effect of customer on small business growth. It was based on the assessment of various scholars and researchers who have studied this problem before and analyze the activities, achievements and obstacles or challenges of effective customer care initiatives and their impact on growth of small businesses.

2.1 The concept of customer care

Customer care is a series of activities designed to enhance the level of customer satisfaction – that is, the feeling that a product or service has met the customer expectation. Its importance varies by products, industry and customer; defective or broken merchandise can be exchanged, often only with a receipt and within a specified time frame (Efraim, 2002). Retail stores often have a desk or counter devoted to dealing with returns, exchanges and complaints, or will perform related functions at the point of sale; the perceived success of such interactions being dependent on employees who can adjust themselves to the personality of the guest.

From the point of view of an overall sales process engineering effort, customer service plays an important role in an organization's ability to generate income and revenue (Peppers and Rogers, 2008). From that perspective, customer service should be included as part of an overall approach to systematic growth and improvement. A customer service experience can change the entire perception a customer has of the organization.

Customer care involves putting systems in place to maximize your customers' satisfaction with your business. It should be a prime consideration for every business - your sales and profitability depends on keeping your customers happy. Customer care is more directly important in some roles than others (Selden, 1998). For receptionists, sales staff and other employees in customer-facing roles, customer care should be a core element of their job description and training, and a core criterion when you're recruiting.

In business and trading, providing a high level of customer care often requires you to find out what your customers want. Once you have identified your most valuable customers or best potential customers, you can target your highest levels of customer care towards them. Another approach, particularly in the consumer market, is the obligation to treat all consumers to the highest standard (Kleiman, 2000).

Where possible, it's important to put systems in place to assess performance in business areas which significantly affect your customers' satisfaction levels, to identify Key Performance Indicators (KPIs) which reflect how well you're responding to your customers' expectations. Your customers and employees will be useful sources of information about the KPIs which best reflect key customer service areas in your business (Lado and Wilson, 1994). Make sure the things you measure are driven not by how your business currently runs, but by how your customers would like to see it run.

There are important areas of customer service which are more difficult to measure. Many of these are human factors such as a receptionist's telephone manner or a salesperson's conduct while visiting clients. In these areas it's crucial that you get feedback from your customers about their perceptions of your customer service. Customer surveys, feedback programmes and occasional phone calls to key customers can be useful ways of gauging how customer service levels in your business are perceived (Raymond, 2006). Customer feedback and contact programmes are two ways of increasing communication with your customers. They can represent great opportunities to listen to your customers and to let them know more about what you can offer.

Customer feedback can provide you with detailed information about how your business is perceived. It's a chance for customers to voice

objections, suggest changes or endorse your existing processes, and for you to listen to what they say and act upon it. Feedback is most often gathered using questionnaires, on your website, in person, over the telephone or by post (Dawn, 1995). The purpose of customer contact programmes is to help you deliver tailored information to your customers. One example is news of a special offer that is relevant to a past purchase - another is a reminder sent at the time of year when a customer traditionally places an order. Contact programmes are particularly useful for reactivating relationships with lapsed customers.

A business' existing customers are among the most important assets for the business - they have already chosen you instead of your competitors. Keeping their custom costs far less than attracting new business, so it's worth taking steps to make sure that they're satisfied with the service they receive. Existing customer relationships are opportunities to increase sales because your customers will already have a degree of trust in your recommendations (Bechet and Walker, 1993). Cross-selling and up-selling are ways of increasing either the range or the value of what you sell by pointing out new purchase possibilities to these customers. Alerting customers when new, upgraded or complimentary products become available – perhaps through regular emails or newsletters - is one way of increasing sales.

2.2 Customer care initiatives and how they promote Business growth

Your existing customers are among the most important assets of your business - they have already chosen you instead of your competitors. Keeping their custom costs far less than attracting new business, so it's worth taking steps to make sure that they're satisfied with the service they receive. There are a number of techniques you can employ, including; providing a free customer helpline, answering frequently asked questions on your website, following up sales with a courtesy call, providing free products that will help customers look after or make the most of their purchases, sending reminders when services or check-ups are due, offering preferential discounts to existing customers on further purchases

Existing customer relationships are opportunities to increase sales because your customers will already have a degree of trust in your recommendations. Cross-selling and up-selling are ways of increasing either the range or the value of what you sell by pointing out new purchase possibilities to these customers. Alerting customers when new, upgraded or complimentary products become available – perhaps through regular emails or newsletters - is one way of increasing sales. Satisfied customers will contribute to your business for years, through

their purchases and through recommendations and referrals of your business (Bailine, 2004)

According to Miles (1989), it's important to first of all to put in place a system of assessing a firm's performance in business areas which significantly affect its customers' satisfaction levels. It's important to identify Key Performance Indicators (KPIs) which reflect how well you're responding to your customers' expectations. For instance, you might track; the sales renewal rates, the number of queries or complaints about your products or services, the number of complaints about your employees, the number of damaged or faulty goods returned, average order-fulfillment times, the number of contacts with a customer each month, the volume of marketing material sent out and responses generated, time taken from order to delivery

He adds that the customers and employees of a firm are useful sources of information about the Key Performance Indicators, which best reflect key customer service areas in the business. It's necessary to make sure the things measured are driven not by how a business currently runs, but by how customers would like to see it run (Miles, 1989).

There are important areas of customer service which are more difficult to measure. Many of these are human factors such as a receptionist's telephone manner or a salesperson's conduct while visiting clients. In these areas it's crucial that you get feedback from your customers about

their perceptions of your customer service. Customer surveys, feedback programs and occasional phone calls to key customers can be useful ways of gauging how customer service levels in your business are perceived (Theope, 1999).

Customer feedback and contact programs are two ways of increasing communication with your customers. They can represent great opportunities to listen to your customers and to let them know more about what you can offer. Customer feedback can provide you with detailed information about how your business is perceived. It's a chance for customers to voice objections, suggest changes or endorse your existing processes, and for you to listen to what they say and act upon it. Feedback is most often gathered using questionnaires, on your website, in person, over the telephone or by post.

The purpose of customer contact programs is to help you deliver tailored information to your customers. One example is news of a special offer that is relevant to a past purchase - another is a reminder sent at the time of year when a customer traditionally places an order. Contact programs are particularly useful for reactivating relationships with lapsed customers. Do your best to make sure that your customers feel the extra contact is relevant and beneficial to them - bombarding customers with unwanted calls or marketing material can be counter-productive. Newsletters and email bulletins allow you to keep in touch

with useful information that can be read at a time that is convenient for the customer (Dietmer, 1996).

While good overall service is the best way of generating customer loyalty, sometimes new relationships can be strengthened or old ones refreshed, using customer loyalty schemes. These are programs that use fixed or percentage discounts, extra goods or prizes to reward customers for behavior that benefits your business. They can also be used to persuade customers to give you another try if you feel you have successfully tackled past problems with your customer service. You can decide to offer rewards on the basis of; repeat custom, cumulative spend, orders for large quantities or with a high value, prompt payment, length of relationship.

For example, a car wash might offer free cleaning every tenth visit or a free product if a customer opts for the deluxe service. A mail-order company might seek to revive the interest of lapsed customers by offering a voucher redeemable against purchases - response rates with such vouchers can be improved by setting an expiry date. You can also provide key customers with loyalty cards that entitle them to a discount on all their purchases. Employees who deal with customers' orders should be fully aware of current offers and keep customers informed. Sometimes brochures and other marketing materials are the best way of getting word out about a new customer incentive. Don't forget though that your

customers' view of the overall service you provide will influence their loyalty much more than short-term rewards will. (Gregger, 2000).

2.3 Challenges of ensuring effective customer care

The provision of effective customer care, crucial as it is to the growth of small businesses, has various challenges. These include among others the following;

There is a challenge of lack of adequate customer care skills among the population. Most of the existing workforce is not skilled in customer care practices/programs and so it becomes very hard to run an effective customer care program. The high literacy rates among the workforce makes the problem worse for especially small businesses which may not afford to hire experienced customer care personnel.

Poor communications infrastructure is another major hindrance. As noted above, the most effective and convenient means of communication with customers is e-mail and telephone calls. However, the communication infrastructures in Uganda are very poor, most of the people, the customers; do not own a telephone line, let alone being computer literate. This presents a major challenge.

Dishonesty and poor accountability is another important issue. In providing customer care, there are instances which may require one-on-one contact between a customer service employee and a customer. The

impression created by this one-on-one contact is very crucial. Yet the employer may not be able to ascertain how the customer care employee handles customers on personal level. An employee may generate false reports about customer feedback, and in such instances, by the time it gets to the attention of the management, harm would have already been done to the business reputation.

2.4 How to address these challenges

Initiate the on-job training programs to equip customer care employees with the necessary skills in handling customer service. This will help close the gap by providing the business with personnel who are sensitive about the satisfaction and feedback of customers and how important it is to the business.

Devise other means to communication with customers such as radio and television advertising to inform customers of the new products and services, discount programs and other initiatives. Open advertising crusades are also important in providing a forum for meeting face to face with customers.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter deals with the research methodology to the study; discuss aspects of the geographical area in which the research was conducted, the research design, the study population, sampling techniques, the sample size, the study instruments, sources of data, data analysis methods, data process methods respectively.

3.1 Research Designs

The research took the form of a case study, and the reason for this was because the issue of customer care in small business growth affects the whole country and the world in general. Since it would be very hard, costly, and time consuming to study the whole country, the study of Smile Telecom Company was intended to provide information that can/shall be treated as representative of the entire small business community in the country.

The study was both qualitative and quantitative. The quantitative data was obtained using structured questionnaires from different categories of people such as advertising managers and customer care attendants, while the qualitative data was obtained from key informants, interviews and observations.

3.2 Study Population

Smile Telecom Company employs about 80 people directly and hundreds of others indirectly throughout its distribution line. The target population in this study was comprised of sales and advertising managers, field distribution managers, customer care attendants and others.

3.3 Sample size

Due to the time and financial limitations, the researcher was not able to get information from all the relevant people in the country. Therefore a sample was drawn to represent the entire population. This sample consisted of 60 respondents, from Smile Telecom Company. They were chosen from among sales managers, advertising managers, field distribution managers and customer care attendants

3.4 Sampling Procedure

A total of 60 respondents were used as a sample for the study. These were selected from among the sales managers, advertising managers, field distribution managers, customer care attendants of Smile Telecom Company. Simple random selection method was used to select respondents for the study. In this method, all employees' names were pooled and respondents chosen randomly, in a way to give every one an equal chance of being selected, in order to avoid bias in sample selection.

3.5 Methods/Tools of Data Collection

The main methods of data collection were questionnaires and interviews. Structured questionnaires for qualitative research and interview guide for key informants were employed. Also observation guidelines were prepared specifically to record first hand information from participant observation in the field of study.

3.6 Data control and Measurement

The data obtained was tested for authenticity by the researcher. This was done by carrying out additional search and applying other methods like observation and literature check. The information got from all these sources was put together and measured to determine its correctness and accuracy to ensure consistency of the data obtained.

3.7 Data Processing and Analysis

In analyzing the data, the quantitative data was edited, coded and tabulated manually by the researcher, while the qualitative data included key informative interviews and literature search.

3.8 Ethical procedures of Data analysis

The use of questionnaire and interview guides was applied by the researcher to the various respondents. The same questions were informally given to different people and the answers from these people were useful in minimizing chances of biasness.

The researcher also physically participated in literature search on how effective customer care impacts small business growth. With the use of guiding check lists the researcher recorded the correct impression that was provided by the first hand information.

For purposes of confidence building among the respondents, the researcher explained the reasons for carrying out the study and this was to find out the effect of customer care on small business growth. The researcher also guaranteed anonymity for respondents who wished to be protected from exposure.

3.9 Study Limitations

The study was limited by financial constraints and the time scale. It was not possible for the researcher to cover all the people in the country, thus the need to formulate a sample which was used to represent the entire area of study.

Accessibility to confidential information which is necessary was not easy due to mistrust of officials. Therefore the researcher assured the respondents that the information obtained would be used for academic purposes only and would be treated with a high level of confidentiality.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.0 Introduction

This chapter is a presentation, interpretation and analysis of the data collected from the field. The objectives of the study were; to examine the various customer care initiatives used in Smile Telecom limited, to establish the impact of effective customer care on business growth in Smile Telecom limited, and to identify the challenges of trying to ensure effective customer care practices in Smile Telecom Limited. The results are presented in tables and in form of frequency counts and percentages as follows.

This chapter documents the findings based on data collected and analyzed on the impact of accounting information systems on the quality of financial reporting. Efforts were taken to sort and present findings based on study objectives. However, for more systematic presentation and discussions, the first section points to the demographic characteristics of respondents.

4.1 Demographic characteristics of Respondents

The study covered 60 respondents randomly selected from the departments of finance, accounting and human resource as well as other employees who were relevant. 54 questionnaires were distributed and 49

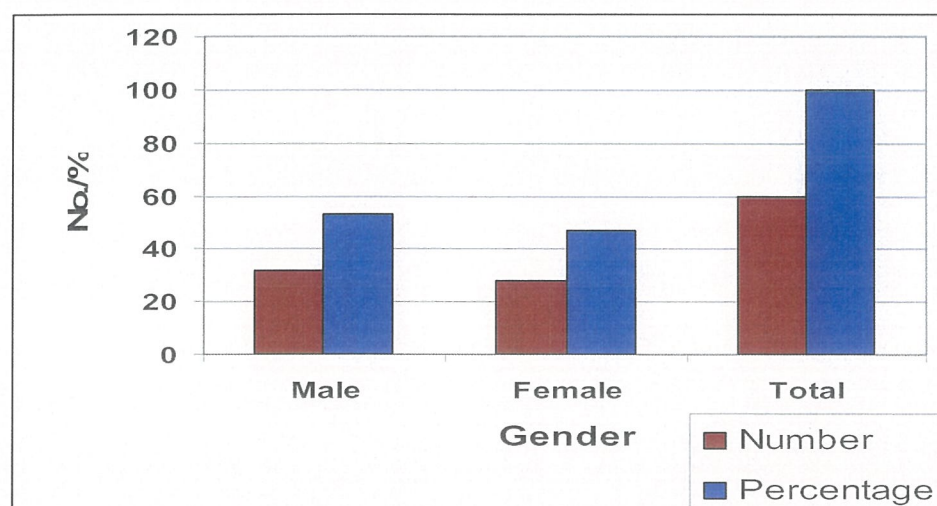
of these were filled and returned, representing a 90.7% positive response to questionnaires. All respondents responded during interviews.

4.1.1 Respondents' Gender

Table 1: Gender

Gender	Number	Percentage
Male	32	53.3
Female	28	46.7
TOTAL	60	100

Figure 1: Respondents' Gender



Source: Field Data

For reasons unknown to the researcher, most of the respondents willing to take part in the study were male. For this reason, majority of the respondents i.e. 32 (representing 53.3%) were males as compared to 28 females (representing 46.7%). The research drew the impression that there are more males working in Ivory bank at their Head office in Juba.

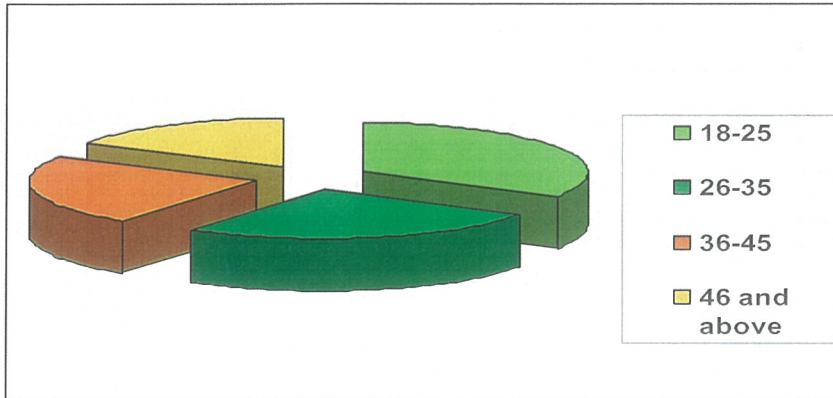
4.1.2 Age

Table 2: Respondents' Age

Age	Number	Percentage
18 – 25	20	33.3
26 – 35	16	26.7
36 – 45	14	23.3
46 and above	10	16.7
TOTAL	60	100

Source: Field Data

Figure 2: Age categorization of respondents



Source: Field Data

The age categorization of respondents was such that 20 respondents (33.3%) were aged between 18 – 25 years, 16 respondents were between 26 – 35 years, representing 26.7%, 14 respondents (23.3%) were between 36 – 45 years old and the remaining 10 (16.7%) of the respondents were aged 46 years and above. This implied that the people working in Ivory bank are of all age groups and that all of them are of legally mature working age.

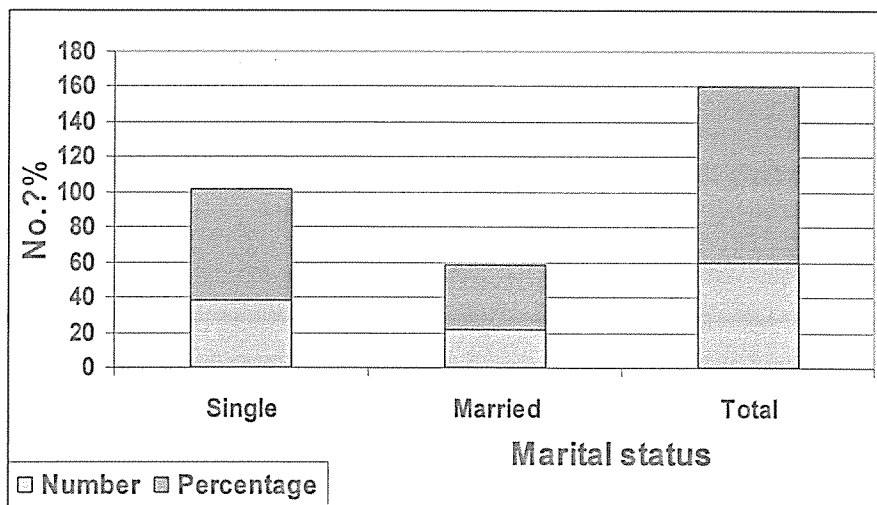
4.1.3 Marital status

Table 3: Marital status of respondents

Marital status	Number	Percentage
Single	38	63.3
Married	22	36.7
TOTAL	60	100

Source: *Field Data*

Figure 3: Respondents' marital status



Source: *Field Data*

In terms of the marital status of the respondents, 63.3% (38) were married while 36.7% (22) were single. A question related to marital status was posed to all respondents and the respondents were explicit in

their answers. Information about the respondents' marital status was intended to ascertain the degree of responsibility rested upon each of the respondents.

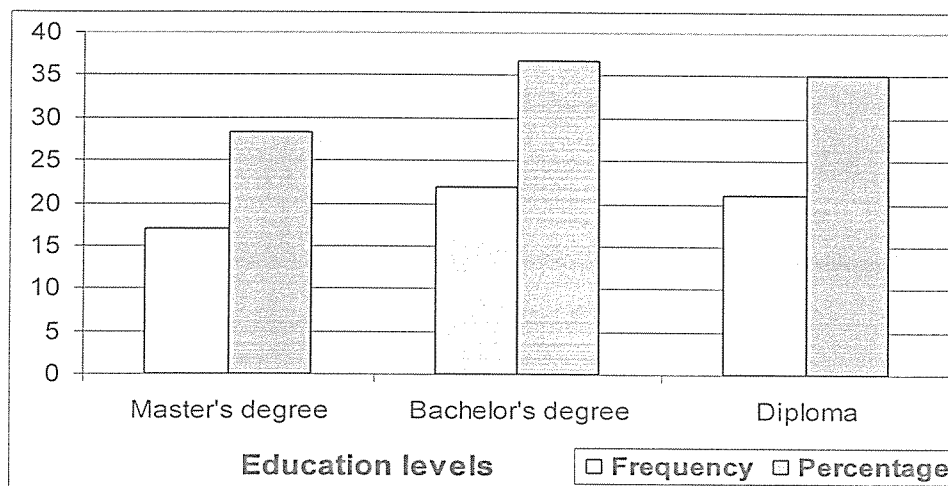
4.1.4 Level of education

Table 4: Level of education of respondents

Education level	Number	Percentage
Master's Degree	17	28.3
Bachelor's degree	22	36.7
Diploma	21	35
TOTAL	60	100

Source: Field Data

Figure 4: Education levels of respondents



Source: Field Data

Further investigations were made to evaluate education levels of respondents and findings revealed that 17 (28.3%) attained Master's degree level, 22 (36.7%) attained bachelor's degree level and 21 (35%) attained diploma level. This implies that all the respondents were educated and academically qualified to hold their respective positions, so they were able to provide relevant information.

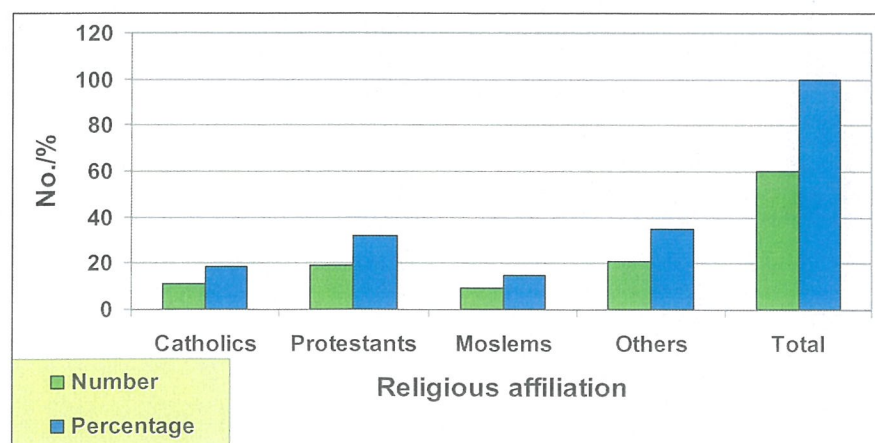
4.1.5 Religion

Table 5: Respondents' religious affiliation

Religion	Number	Percentage
Catholics	11	18.3
Protestants	19	31.7
Moslems	9	15
Others	21	35
TOTAL	60	100

Source: *Field Data*

Figure 5: Respondents' religious affiliation



Source: *Field Data*

From the above table, religious affiliations of respondents shows that 11 (36.7%) were Catholics, followed by 19 (31.7%) protestants, 21 (35%) others and only 9 (15%) Moslems. Those categorized as others comprised of the born-again Christians and those who practiced African religious beliefs.

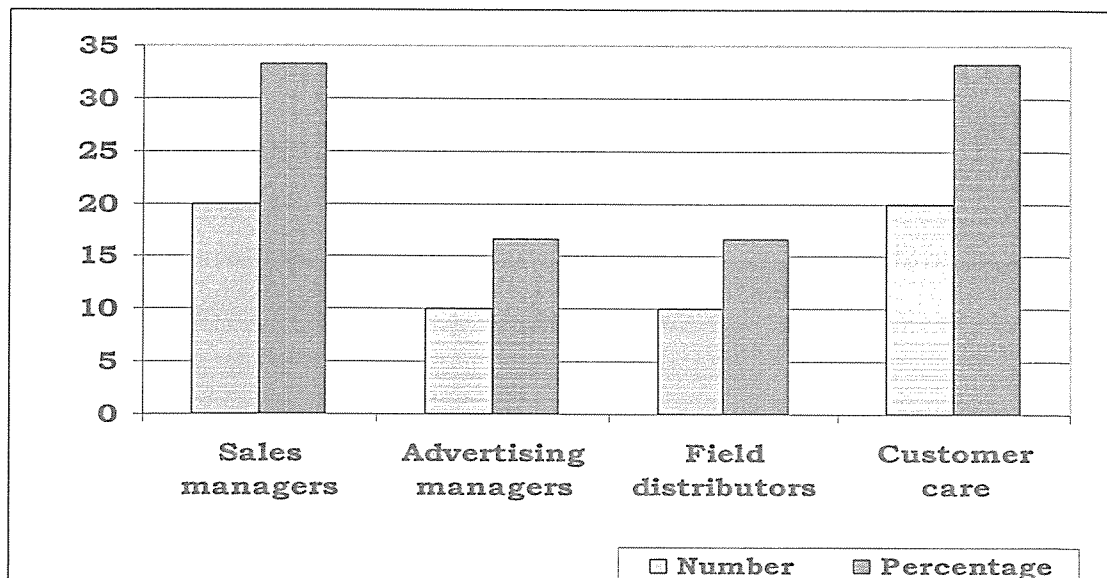
4.1.6 Positions of responsibility

Table 6: Respondents' positions of responsibility

Position	Number	Percentage
Sales managers	20	33.3
Advertising managers	10	16.7
Field distribution managers	10	16.7
Customer care attendants	20	33.3

Source: *Field Data*

Figure 6: Respondents' positions of responsibility



Source: *Field Data*

Investigations were further made to evaluate the positions of responsibility of the respondents and findings revealed that 20 (33.3%) of the respondents were sales managers, 10 (16.7%) of the respondents were advertising managers, 10 (16.7%) of the respondents were field distribution managers and the remaining 20 (33.3%) of the respondents were customer care attendants.

4.2 Customer care initiatives/practices

The first specific objective in the study was to examine the various customer care initiatives used in Smile Telecom Company limited, and to achieve this objective, respondents were asked to identify the various

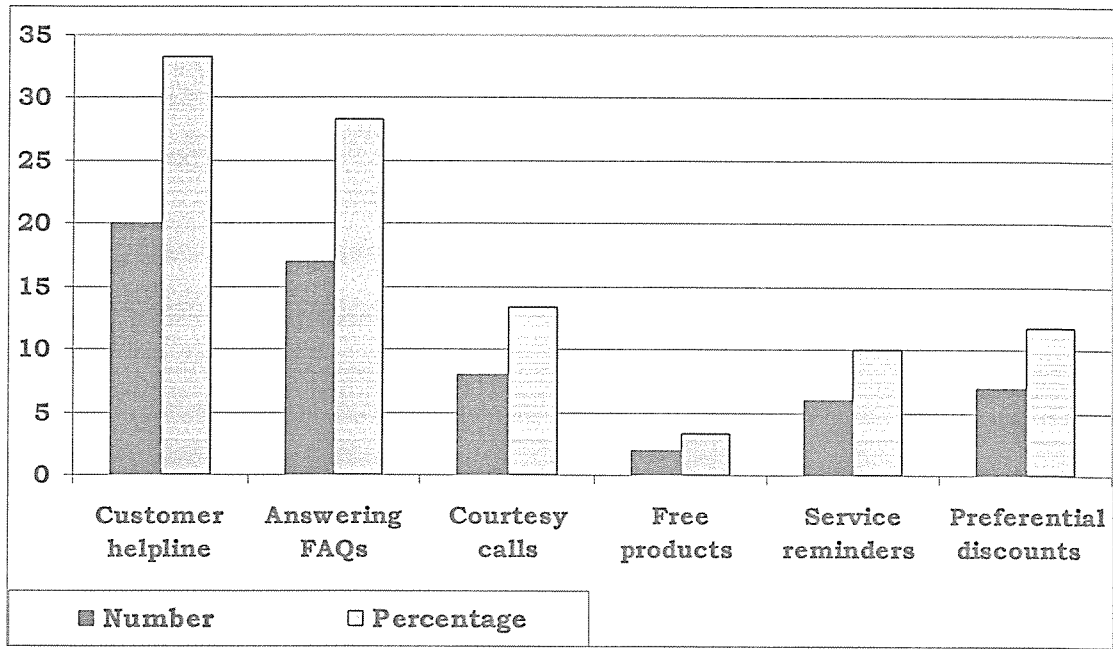
customer care practices employed by their company. Their responses are presented below;

Table 7: Responses on the customer care initiatives used

Cause	Frequency	Percentage
Providing a free 24 hour customer helpline	20	33.3
Answering frequently asked questions on the company website	17	28.3
Customer follow-up with courtesy calls	8	13.3
Providing free support products to help customers make the most of their purchases	2	3.3
Sending reminders when services or check-ups are due	6	10
Offering preferential discounts to existing customers on future purchases	7	11.7

Source: *Field data*

Figure 7: Responses on the customer care initiatives used



Source: Field Data

As seen from the findings above, respondents said that there were several customer care practices in their company. 20 respondents (33.3%) said that they provide a free 24 hour customer helpline, 17 respondents (28.3%) said that they answer all the frequently asked questions (FAQ) on the company website, 8 respondents (13.3%) said that they do customer follow-up with courtesy calls, 2 (or 3.3%) of the respondents said that they provide free support products to help customers make the most of their purchases.

Furthermore, 6 respondents (10%) said that they send regular reminders to customers on when services or check-ups are due, and 7 respondents

(11.7%) said that they offer preferential discounts to existing customers on future purchases.

4.3 Impact of customer care on Business growth

The second objective in this study was to examine the impact of effective customer care on small business growth, and to achieve this objective, respondents were asked to identify the various ways through which effective customer care helps the growth of their business. The responses to this are presented as follows;

Table 8: Responses the impact of effective customer care on business growth

Impact of customer care on business growth		SA	A	D	SD	Total
Shows assessment of performance against customer expectations	Count	40	18	2	0	60
	%	66.7	30	3.3	0	100
Increases communication with customers	Count	52	5	1	0	60
	%	86.7	8.3	1.7	0	100
Generates and maintains customer loyalty	Count	48	12	0	0	60
	%	80	20	0	0	100

Key: **SA** – Strongly agree

A – Agree

D – Disagree

SD – Strongly disagree

From the findings of the study presented above, it was pointed out that effective customer care helps to provide an assessment of the performance of the company against customer expectations. On this, 40 respondents (66.7%) strongly agreed, and 18 (30%) agreed and 2 respondents (3.3%) disagreed. These findings are supported by the works of Miles (1989), who found out that it's important to first of all to put in place a system of assessing a firm's performance in business areas which significantly affect its customers' satisfaction levels.

According to Miles, it's important to identify Key Performance Indicators (KPIs) which reflect how well you're responding to your customers' expectations. For instance, you might track; the sales renewal rates, the number of queries or complaints about your products or services, the number of complaints about your employees, the number of damaged or faulty goods returned, average order-fulfillment times, the number of contacts with a customer each month, the volume of marketing material sent out and responses generated, time taken from order to delivery.

He adds that the customers and employees of a firm are useful sources of information about the Key Performance Indicators, which best reflect key customer service areas in the business. It's necessary to make sure the things measured are driven not by how a business currently runs, but by how customers would like to see it run (Miles, 1989).

Respondents also said that effective customer initiatives increase communication with customers, which in turn creates a closer working relationship. On this, 52 respondents (86.7%) strongly agreed, 5 respondents (8.3%) agreed and 1 respondent (1.7%) disagreed. This is supported by Dietmar (1996), who said that customer feedback and contact programs are two ways of increasing communication with your customers. They can represent great opportunities to listen to your customers and to let them know more about what you can offer.

He adds that customer feedback can provide you with detailed information about how your business is perceived. It's a chance for customers to voice objections, suggest changes or endorse your existing processes, and for you to listen to what they say and act upon it. Feedback is most often gathered using questionnaires, on your website, in person, over the telephone or by post. The purpose of customer contact programs is to help you deliver tailored information to your customers.

According to the respondents, effective customer care practices also help to generate and maintain customer loyalty by creating an atmosphere of trust, friendship and closeness. And on this, 48 respondents (80%) strongly agreed and 12 respondents (20%) agreed. None of the respondents disagreed with it.

4.4 Challenges of trying to ensure effective customer care practices

Small businesses

The third and last objective in this study was to identify the challenges of trying to ensure effective customer care practice in Smile Telecom Limited, and in trying to achieve this objective, respondents were asked for their opinions on how to maintain effective customer care in their organization. Their responses are as follows;

Table 9: Responses on how to maintain effective customer care

How to maintain effective customer care		SA	A	D	SD	Total
Lack of adequate customer care skills	Count	32	17	8	3	60
	%	53.3	28.3	13.3	5	100
Poor communications infrastructure	Count	45	10	4	1	60
	%	75	16.7	6.7	1.7	100
Dishonesty and poor accountability	Count	52	8	0	0	60
	%	86.7	13.3	0	0	100

Key: **SA** – Strongly agree

A – Agree

D – Disagree

SD – Strongly disagree

Lack of adequate customer care skills; According to the respondents, one of the major challenges in maintaining effective customer care is inadequate skills. Managers said that they find it hard to recruit competent customer care attendants. They add that most of the existing workforce is not skilled in customer care practices and so it becomes very hard to run an effective customer care program. On this, 32 respondents (53.3%) strongly agreed, 17 respondents (28.3%) agreed, 8 respondents (13.3%) disagreed and 3 respondents (5%) strongly disagreed. This implied that the lack of adequate customer care skills is widely seen as a major challenge to the effort of maintaining effective customer care.

Poor communication infrastructure; The respondents also said that poor communication infrastructure is another major challenge in trying to maintain effective customer care. The most effective means of communication is e-mail and telephone call, yet many people do not have phone lines and do not have any computer knowledge, which presents a major challenge. On this, 45 respondents (75%) strongly agreed, 10 respondents (16.7%) agreed, 4 respondents (6.75) disagreed and 1 respondent (1.7%) strongly disagreed.

The respondents added that dishonesty and poor accountability is also a major challenge in trying to ensure effective customer care practices in small businesses. They said that some instances in customer care

provision may require one-on-one contact between a customer service employee and a customer, where the impression created by this contact is very crucial. Employer may however, not be able to ascertain how the customer care employee handles customers on personal level. An employee may generate false reports about customer feedback, and in such instances, by the time it gets to the attention of the management, harm would have already been done to the business reputation. On this, 52 respondents (86.7%) strongly agreed and 8 respondents (13.3%) agreed. None of the respondents disagreed with this.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

Given the findings documented in the previous chapter, the initiative in this chapter is to develop analytical conclusions and advance policy recommendations necessary for various stakeholders, academicians and researchers who may in future base on this study to adopt mechanisms against the gaps exposed in this research. The study was conducted basing on three objective, i.e.; to examine the various customer care initiatives used in Smile Telecom limited, to establish the impact of effective customer care on business growth in Smile Telecom limited, and to identify the challenges of trying to ensure effective customer care practices in Smile Telecom Limited. However, for a more systematic presentation, the chapter begins by making a summary of the findings of the study, then drawing logical conclusions based on empirical evidence already pointed out and thereafter advances the recommendations.

5.1 Summary of Findings

Small businesses in Uganda are faced with a major challenge of trying to survive amidst stifling competition from large organizations and multinational corporations. Maintaining effective customer care is one of the ways which can be used by small businesses to engineer growth in this highly imbalanced competitive business environment. The study

found out that there are various customer care initiatives/practices in Smile Telecom Company limited, including Providing a free 24 hour customer helpline, answering frequently asked questions on the company website, customer follow-up with courtesy calls, providing free support products to help customers make the most of their purchases, sending reminders when services or check-ups are due, and offering preferential discounts to existing customers on future purchases.

The study also found out that effective customer care initiatives impact on small business growth by enabling self-assessment of company performance against customer expectations, increasing communication with customers, as well as generating and maintaining customer loyalty.

The study further found out that the challenges faced in trying to maintain effective customer care included lack of adequate customer care skills among the populace, poor communications infrastructure, as well as dishonesty and poor accountability among the customer care practitioners, which may reflect negatively on the image of the business.

5.2 Conclusion

The findings interpreted and analyzed above led the researcher to draw a conclusion that there are several customer care initiatives practiced in Smile Telecommunications Company limited. These customer care initiatives have a positive impact on the growth of small businesses by way of enabling self-assessment of company performance in relation to

customer expectations, increasing communication between the business and its customers as well as generating and maintaining customer loyalty.

The researcher further concluded that there are various challenges faced in an effort to ensure/maintain effective customer care practices in small businesses, such as inadequate customer care skills among the populace, poor communications infrastructure, as well as dishonesty and poor accountability among the customer care practitioners. All these present a major challenge to small businesses trying to maintain effective customer care in their operations.

5.3 Recommendations

From the findings and conclusions made in the study above, the researcher suggested the following recommendations;

There is need by small businesses to emphasize the importance of effective customer care initiatives as a means of survival in the market. Since the market today is dominated by large organizations and multinational corporations, which have competitive advantage over small businesses, it's imperative that small firms maximize the areas where they can maneuver through the stiff and unfair competition, and provision of excellent customer care is one way of achieving this.

The practice of customer care should be relentlessly exploited through various avenues. Customer care practitioners should re-invent the practice to include other aspects that have not been explored. These may include customer training on the use of products and services, product or service referrals, after sale services, guarantees and warranty and others.

There is need for massive investment in knowledge and training in the field of customer service. As seen from the findings of the study, there is a gap in the customer care skills among the population. Therefore, there should be emphasis on massive training and maintaining high standards among all customer care practitioners in the country and beyond.

There should also be emphasis on ethical conduct and maintenance of high standards of operation in customer service practice. Issues of dishonesty and poor accountability in customer care practice, as raised in the study need to be appropriately addressed in order to build a strong customer base from the effective care and service rendered to them.

5.4 Suggestions for Further research

The concept of effective customer care practice is relatively uncommon in Uganda. Given the fact that in a globalized world today, competition comes from anywhere around the world. Further research needs to be conducted to ascertain the level of effectiveness of customer care in Uganda.

REFERENCES

Anfuso, Dawn. "Colgate's Global HR Unites Under One Strategy." *Personnel Journal*, October 1995, pp. 44-48.

Bechet, Thomas P, and James W. Walker "Aligning Staffing with Business Strategy, *Human Resources Planning*, 1993, pp. 1-16

Dall, Michael; Bailine, Adam (2004) *Service this: Winning the war against customer disservice* (1st ed.). Last Chapter First.

Kleiman, Lawrence S. *Human Resource Management: A Managerial Tool for Competitive Advantage*. Cincinnati: South-Western College Publishing, 2000.

Lado, A.A., and M.C. Wilson. "Human Resource Systems and Sustained Competitive Advantage: A Competency-Based Perspective." *Academy of Management Review* 19, no. 4 (1994): 699-727.

Noe, Raymond A., et al. *Human Resource Management: Gaining a Competitive Advantage*. 5th ed. Boston: McGraw-Hill, 2006.

Paul H. Selden (December 1998). "Sales Process Engineering: An Emerging Quality Application". *Quality Progress*: 59-63.

Peppers, Don and Martha Rogers, Ph.D. (2008), *Rules to Break and Laws to Follow*, Wiley,

Solomon, Micah (4 March 2010). Seven Keys to Building Customer Loyalty-and Company Profits Fast Company.

Turban, Ephraim (2002), Electronic Commerce: A Managerial Perspective,

Prentice Hall,

Robert Miles is Reader in English at Sheffield Hallam University.

, J.P.W. A revision of the genus Theope, 1999.

Wellisch, Dietmar & Walz, Uwe, 1998.

APPENDIX I

Questionnaire for selected employees of Smile Telecom Company in Kampala, Uganda

Dear Respondent,

This questionnaire is designed to seek information from you on the effect of customer care on small business growth. It is carried as a partial fulfillment of the requirements for the award of a Bachelor of journalism of Kampala International University. Your contribution, opinions and experience will be highly appreciated.

Thanks for your cooperation.

1. What is your name, sex and age?

.....
.....
.....

2. How long have you worked in this company?

.....
.....
.....

3. What position do you hold in this company?

.....
.....

.....
.....

4. What customer care initiatives/programs do you have in place in this company?

.....
.....
.....
.....
.....

5. How have your customers responded to these initiatives?

.....
.....
.....
.....

6. What effect have these customer care initiatives had on the growth of your business?

.....
.....
.....
.....

7. What challenges do you face in your effort to ensure effective customer care among your customers?

.....

.....

.....

.....

.....

8. How are you responding to these challenges?

.....

.....

.....

.....

9. How do you describe the reaction of customers and other small business owners to your customer care initiative?

.....

.....

.....

.....

10. How can the government help and how has it helped so far?

.....

.....

.....

.....

APPENDIX II

Interview Guide

1. What is your names, age and sex?
2. When was this company established?
3. For how long have you been working in this company?
4. On average, how many customers do you serve in a week?
5. What is the customer return rate in one month?
6. What customer care programs do you have?
7. How do you measure the effectiveness of these programs?
8. Is customer care important to your business growth?
9. If so, how?
10. Are there any customer care challenges you are facing as a small business in your effort to grow?
11. If so, how are you responding to these challenges?

APPENDIX III

Proposed budget for proposal and report writing

ITEM	QUANTITY	RATE	TOTAL COST
Ream of paper	3	12,000/=	36,000/=
Pens	5	400/=	2,000/=
Proposal Typing and Printing	2 copies	15,000/=	30,000/=
Transport	-	-	70,000/=
Research Assistants	6	20,000/=	120,000/=
Dissertation typing, printing and binding	4	40,000/=	160,000/=
Miscellaneous	-	50,000/=	50,000/=
TOTAL			468,000/=

Source: Researcher

APPENDIX IV

Time Frame/Work plan

TIME FRAME FOR RESEARCH REPORT	
DURATION	ACTIVITY
Two weeks	Proposal
Four weeks	Data collection
Three weeks	Data editing and coding
Three weeks	Data analysis and presentation
Two weeks	Report writing and compiling
FIFTEEN WEEKS	TOTAL TIME PERIOD

Source: Researcher