

Developing Service Delivery Standards for the Hospitality Industry in Ghana

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Abstract

Tourism trends in the whole wide world suggest that it is one of the biggest industries which employ over ten million people, globally. In a bid to get its fair share in this industry, the Government of Ghana has given greater attention to developing the hospitality industry to attract and accommodate a large number of tourists. However, most of the hotels in Ghana are beset with many problems as a result of poor service quality practices and its ownership types. Additionally, geographical location, cultural practices and economic factors has had a tremendous effect on their performance. Against this background, the goal of this study include identifying some of the management problems by assessing the extent to which management practices are applied toward the delivery of quality services in the hotel business in Ghana. The research investigates the extent to which service quality operations are managed in Ghana vis-à-vis the mandatory requirements set by the Ghana Tourist Board (GTO) and the World Tourism Organisation (WTO). The study suggests ways for improving hotel quality and destination competitiveness through strategic destination management decision-making.

Keywords: Service Quality Standards, Hospitality Industry, Tourism Development

1. Introduction

Hotel and restaurant management are bundled together and known as the hospitality industry or the Service sector. The sector plays significant roles in many economies, including those of the developing world such as Ghana, where there is increased importance and recognition for the Service sector. The percentage share of the Service sector to the Gross Domestic Product (GDP) in recent times ranges between 21% and 64% (Ghana Tourist Board, 2011). The hospitality industry is one of the world's major industries. It comprises of diverse activities, which include the hotel industry. The growth of the Service industries has created a demand for research into their operations and marketing. The hospitality industry's success can be seen as one of the key components of growth in the Ghanaian economy.

However, in the pursuit of Service growth and success, much depends on the performance of the industry which also flows from the quality of the services that are rendered (Joby, Grove & Fisk, 2006; Nickson, Baum, Losekoot, Morrison & Frochot, 2002). One perceived problem found by previous studies in the hotel industry in Ghana is the differences in the quality of the services that are delivered by entities in the industry. Darko (2002) contends that as competing firms expand, all operations at a given price level tend to become similar, and thus, service quality and its management by industry players therefore become the key differentiation factor.

In view of the above reasons, this exploratory study employs a desk review as a methodology to evaluate the service delivery standards currently in use by industry players in the hospitality industry in Ghana. Key questions that guide this paper are as follows: What is service quality and how is it structured? How do consumers and service providers perceive the phenomenon of service quality of hotels in Ghana? These questions are important because the desk review employed in this paper provides information to serve as a basis for a more robust study towards developing service standards based on local conditions within the hospitality industry in Ghana that will be appreciable and accepted by the WTO.

The paper is structured such that, in the next section, we provide a review of some relevant literature on the meanings of some of the key concepts such as service and service quality to offer explanations of these concepts as they are used in this paper. We follow that with an examination of the factors that are considered necessary for determining and measuring service quality generally, and end with a review of hospitality service delivery in Ghana.

2. Defining Service and Service Quality for the Hospitality Industry

Over the past three decades academics (Lovelock, 1990; Kotler, Bowens & Makens, 2006), have devoted a great deal of energy to discussing and documenting the major aspects that define services. A prevalent theme of these

efforts has been the characterization of 'services', particularly their differentiation from manufacturing firms and manufactured products (Parasuraman, Zeithaml & Berry, 2006). In spite of these efforts, unifying the field of services has been an enduring challenge and some semantic confusion remains about the word 'services' (Johns 1999).

In order to bring some clarification to this issue it is helpful to describe services from three different, but basic perspectives. First, services can be thought of as a whole industry that encompasses a number of economic sectors that are not concerned with the production of manufactured goods and that are therefore placed under a generic service umbrella (Schettkat and Yocarini, 2003). The service industry as a whole in turn comprises distinct segments such as financial services or telecommunications, which are all different (Lovelock, 1983). According to Parasuraman, Zeithaml and Malhotra (2005), services are different in terms of how they are produced, consumed, and evaluated. , service quality is based on consumer perceptions of the outcome of the service. For example, most teenagers will readily see that evaluating the quality of medical or legal care is more difficult than evaluating the quality of a set of cellular phones.

Secondly, it is about how the service is performed, and on this, the argument has been made by Zailani, Din & Wahid (2006) that service quality is subjective and depends on individuals' own appraisals. In services, evaluating the level of quality is much more elusive. Quality specifications for services come from multiple but simultaneous sources, including the company and the individual customers (Ritchie and Crouch, 2003). Quality concept can be viewed in various perspectives in order to fully appreciate the role it plays in the many parts of business organization. Zailani et al., 2006 contend further that thousands of individuals can attend a concert and leave with varying levels of service quality evaluations indicates that service quality is based on individual perceptions. Edvardsson (1996) highlighted that the concept of service should be approached from the customer's point of view, since it was his/her perception of the outcome that constituted the service. Customers may have different values and different grounds for assessment and, most of the time; they may perceive the same service in different ways.

Thirdly, service quality perceptions result from a comparison of what was expected to what was received (Parasuraman, Zeithaml & Berry, 2006). Often disappointments occur because they were led to have high expectations. Customer satisfaction is driven by service performance and it's resulted from the quality of the services. Edvardsson (1996) have summarized that the product for marketing quality services is the service performance. It is actually the performance that what customers buy. Therefore service quality is something each customer expects and something they value when they purchase a service (Caruana, 2002).

Service quality, according to Parasuraman et al., (2005) is an attitude or global judgment about the superiority of a service. To be globally competitive, service industries must achieve a quality service that exceeds customers' expectation, as it constitutes a vital determinant of the success or otherwise of organizations. Quality is the totality of characteristics of an entity that bear on its ability to satisfy stated and implied needs (Moody, 2005). Quality thus connotes a "degree of excellence" which implies 'zero' defect of a product or service. It is a conformance to requirements or a set of standards. Service quality is also customer definition or determination of the difference between expected services and actual service experienced (Caruana, 2002).

Service companies are trying to find ways to improve and provide superior quality service to satisfy their customers. Also satisfying customers is an ultimate goal for every company, as customers are the greatest resources, both short-term and long term survival of the company. Quality plays a significant role in determining and influencing customer satisfaction. Service-based industries such as hotels and restaurants are spending a tremendous effort to measure and improve the service quality of their businesses. All of them share one thing in common-that is to provide customer satisfaction (Nicolaidis, 2008).

3. Measuring Service Quality and Gaps

According to Zeithaml (2000), quality measurements only have operational value if they are able to indicate the ways in which service was or was not satisfactory. For service providers, the assessment of service quality is made during the actual delivery of the service. Lewis (1987) suggested that what can be measured are the differences between the abstractions. So if we can measure the difference between expectations and perceptions, which was defined as perceived quality, we can therefore determine the level of satisfaction.

The service quality construct is mostly conceptualized in the context of service marketing literature (Woo and Ennew, 2004). Therefore, it deals with the concept of perceived service quality. Customers determine the

perceived or cognitive value of service based on their experience with the service delivered. Furthermore, Edvardsson (1996) pointed out that service quality perceptions are formed during the production, delivery and consumption process.

Meanwhile, Kandampully and Hu (2007) identified gaps in hotel service quality delivery and the study proves that there is no difference on overall customer perception and overall perception of the hotelier. However Sultan and Simpson (2000) ascertain that in airline industry customers have higher expectations compared to their perception. Their highest expectation is on reliability and no significant differences were found between customer profile and their expectation and perception factors.

3.1 Determinants of Service Quality

According to Kottler et al. (2010), everyone has a story to tell about the time he or she received poor service at a hotel or restaurant, and about employees who gave them excellent services. Meanwhile, it is necessary to understand that variations in service quality have more to do with differences in the geographical location, economic and cultural characteristics of individuals doing the evaluation. Of the three variables, cultural differences seem to also encompass or subsume the other two.

Cultural differences play an important role in understanding differences in preferences between travellers (Reisinger and Turner, 2002), and that the spending patterns of Asian and western travellers, for instance, are rather different. Asian travellers tend not to spend as much as do western travellers. Western tourists, the so-called long haul customers, were willing to spend more of their budget on accommodation. Over the same period, the tourists of Asian origin, the short haul customers, by contrast, were willing to spend more of their budget on shopping and less on accommodation.

Another difference between Asian and non-Asian travellers was their demands for a wide range of hotel facilities. Asian travellers appeared to want more entertainment facilities such as karaoke and were also more likely to emphasize value for money, for example for hotel rooms, food and beverages, ambience and reputation of the hotels. However, western travellers considered room quality as the most influential factor in determining their overall satisfaction with hotels. Therefore, the hotel industry in Ghana should consider additional resources to maintain and improve the quality of hotel rooms, including room set-up, cleanliness, quietness, and room temperature control. The cultural differences in service determine expectations of service and the required standards. Tourism marketers and service providers should respond to the culturally accepted standards of the markets they serve (Reisinger & Turner, 2002).

Analyzing perceptions of service quality, particularly with respect to different customer segments, can help hoteliers to develop and formulate marketing strategies that meet the needs of each specific segment more effectively. Once customers' requirements are clearly identified and understood, hotel managers are more likely to be able to anticipate and cater for their customers desires and needs, rather than merely reacting to their dissatisfaction. Hoteliers can plan effective marketing strategies to target both Asian and Western travellers, satisfying them when they first visit, and then developing customer loyalty for the hotel's service and facilities thereafter (Choi & Chu, 2001).

It becomes clear from the foregoing therefore certain variables are equally important and deserve to be evaluated in any attempt to develop standards for determining the quality of service for the hospitality industry. These variables include staff reliability, competence, credibility, courtesy and responsiveness to customers. Others include the willingness to protect and understand customers. Hospitality or service staff reliability relates to the consistency in the performance of task and dependability, and manifests in accuracy in billing, and also in record keeping (Nicolaidis, 2008).

Reliability as a hospitality service quality determinant looks also at the time frame within which requested services are rendered to customers. Courtesy, politeness and respect, and responsiveness to customers and facility accessibility manifest in the form of giving prompt services to customers in areas of booking and room service at less waiting time and in convenient location of service facility (Choi & Chu, 2001)..

Hospitality industry players are able to perform these services when staff are competent, possess the required skills, and knowledge to perform, communicate effectively and clearly to keep customers informed about events and service implications. Employees with these qualities are the foundational blocks for industry players to build credibility for their brand name, reputation, as well as the confidence of the industry for its staff.

4. Hospitality Service Delivery in Ghana

The role of services in the world economy is growing and will continue in this way in the medium to long term. The economies of advanced countries are dominated by the services sector (e.g. Services comprise nearly 80% of the US economy). World trade in services now approaches \$ 1 trillion per year and is still growing (Galeotti, 2004). This development is even more profound in Africa where countries that are emerging from long periods of political and economic instability, have begun processes to achieve stability through return to democratic governance. These countries have therefore become attractive business destinations for investors from the Western European, North American countries as well as the far and the Middle-Eastern countries (Samuels, 2004).

In a bid to get its fair share from the global upward trends in the hospitality industry, the Government of Ghana has given greater attention to developing the hospitality industry to attract and accommodate a large number of tourists. As the country strives for economic growth, Ghana's governments have made strenuous efforts to get the hospitality industry - tourism - to contribute more to the national fund over the years. At the same time, governments have sought to add greater meaning to the slogan, "Ghana, Gateway to West Africa" by playing host to various international programmes, the latest being the 12th UNCTAD International Conference in Accra, after hosting Africa's biggest soccer fiesta – the 26th MTN Cup of Nations 2008, which was won by Egypt.

One major factor that seems to be militating against efforts at boosting the tourism and hospitality industry in Ghana is the dearth of suitable accommodation, especially those in the four and five-star categories. Ghana is fast establishing itself as one of the major tourist destinations after Kenya in Africa, due to:

- Its rich cultural heritage of African-American roots.
- The traditional hospitality of the people.
- The abundance of natural resources that create an ecologically intact tourist environment.
- The congenial socio-economic and political climate that augurs well for international
- business investment and its offshoot of tourist demanding hospitality services.

Another puller of hospitality is the issue of sports of which soccer through the ages of certain sporting ambassadors has given no small dimension to Ghana's popularity. Hence, the influx of all sort of cultures (such as African-Americans, the Germans, the British and, of course, the Europeans not forgetting African brothers and sisters from nearby countries) in search of their roots. Such a stream of people mean a lot to Ghana in terms of foreign exchange, but it has to be sustained.

It is the services provided to these visitors by way of accommodation, among others, that brings the money provided they are satisfied with the services. Consequently, a high premium must be placed on such areas as:

- The physical or natural environment.
- Cultural practices that influence service provision
- Economic factors that hinder the rendering of quality services
- The services rendered to support them by the hotel industry.

The geographical location of Ghana and the climatic conditions of the country hinders the use of heaters in the hotel room which is a determinant for hotel rating in the western world. The provision of foreign food used as a rating criteria, is most unfair to Ghana, since the local foods can be packaged well to be served in the hotels. Furthermore, today's tourism business environment and the multicultural diversity of international tourists points to the importance of developing a better understanding of the culturally different tourist (Reisinger & Turner, 2002). Previous studies reported that people from different cultures have different preferences, expectations and so travel consumption patterns (Woo and Ennew, 2004).

Cultural differences in value orientations and social behaviour have direct impacts on tourist holiday experiences. The hosts' ability to respond effectively to a culturally different tourist was an important element determining positive tourist holiday experiences and satisfaction (Reisinger & Turner, 2002).

Given that Ghana is a middle income country there are so many economic factors that hinder hoteliers to provide quality standards. Some of these hindrances include hoteliers not being able to train all staff to provide quality service, and also the resources to put fitting into the hotel rooms to meet international standards. It is for this reason and many others that this study tries to examine the service quality practices in the hotel industry in Ghana.

Recent growth trends of tourism as a global phenomenon support the view that firms and various destinations that provide high quality tourist products and services in an environmentally friendly and sustainable manner would remain in business to maximize the benefits of tourism. Worldwide tourism growth with its associated enormous socio-economic benefits has enticed many countries to embrace and treat tourism as an integral part of their development planning programmes. For many countries, high quality tourism has become an important means of promoting socio-economic development and a major source of foreign exchange. Tourism planning and development has therefore occupied an enviable position on the overall development agenda of countries including Ghana. An examination of tourism statistics from 1957 to 1997 suggest that worldwide expenditures and foreign exchange earning has been on a steady increase (WTO, 2011). One major distinguishing factor that differentiates destinations has been service quality of their tourist support services and attractions, though overall growth could be attributed to the concomitant effect of industrialization, globalization, the rise of consumerism, environmental, quality auditing, socio-demographic changes that took place at the close of World War II and the emergence of very experienced, sophisticated and discerning “New Tourist” (Parasuraman et al, 2009).

Delivering quality service consistently gives a competitive edge to service organizations. It requires an understanding of customer expectations and the types of expectations. Further, knowledge of factors influencing the desired service level, adequate service level, and zone of tolerance will help service organizations consistently meet and exceed service expectations of customers. While evaluating service offered by an organization, customers compare perceived quality of service with the expected quality of service. Therefore, service organizations should have knowledge about customer perceptions and the influence of factors such as service encounter, service evidence, image of the service organization, and price of the service on customer perceptions.

Statistics also revealed that in the 1990s Cape-Coast could boast of at least two hotels being built every year so by the close of 2001, Cape- Coast could boast of a proliferation of hotels of all stars, but as at 2004, the tempo had reduced to one hotel in three years and to date has continued experiencing a nose diving trend. In spite of the fact that a lot of marketing is being done to attract the African Americans, tracing their roots to Cape Coast, not much has been salvaged. This is due to the fact that desired services are not met. So guests prefer to make a day’s trip and return to Accra where at least they can get an appreciable standard of service. Again one of the shortfalls is the fact that hotel owners create and give titles to their hotels and advertises on them only for guest to come and get disappointed. For example titles like resorts which are not found in Ghana are being used by hotel owners. All of these have contributed to the downward trend of tourism arrivals and its corresponding revenue.

5. Conclusion

Despite the attraction of Ghana, there is the perception that, service quality practices in the hotels have remained at a low level. They appear to lack qualified personnel to provide the quality of service expected by the users. One perceived problem found by Darko (2011) is that as competing firms expand, all operations at a given price level tend to become more like one another. The crucial differentiation factor therefore becomes service quality and how to manage it, it is so vitally important.

In most cases people have made their money and channelled it into the hotel industry just to maximize profit. Such entrepreneurs, many a time, have no knowledge about what goes into the sustenance of hotels. They, therefore, employ family members who have no education or little education (let alone hotel management) to run these hotels. This is likely to lead to poor customer service delivery. Another driving force is the explosion of technology. Technology has changed the way work is performed through automation and computerization. Even more fundamental, however, are the marketing and management made possible by technology. Lodging marketing is adopting computerization in reservation services, yet some of the hotels do not even have facsimile and e-mail facilities through which reservation will be made which is a common feature in the developed countries of which the developing countries are competing with.

With this improved communication and computerized system, the patronage of some hotels will fall short of the service standards. This is because culturally, developing countries drag their feet in changing an existing system. Culturally, the Ghanaian resists change, especially there is the need to learn a new technology and more so when the training involves cost. Managers are not willing to invest in staff that may leave for better paid jobs elsewhere after spending money to train them.

In the case of Ghana for example, where an increasingly conspicuous portion of all economic activity is based on services, it would seem that in order to attain a golden age of business, astute service management would have to be a key driver. This trend of the growing importance of the service sector draws attention to the peculiar challenges facing the sector. One of these challenges is managing services demand (Aigbedo, 2008). While the future importance of delivering quality hospitality service is easy to discern and to agree on, doing so presents some difficult and intriguing management issues. Since the delivery of hospitality service always involves people, these issues centre on the management of people, and in particular on the interactions between guests and staff, interactions that are called service encounters.

Assessing quality of service is therefore proper, since it will provide a yardstick for assessing Ghana's tourist's reception readiness. Tourism statistics from 1999 shows that 60% of tourism revenue comes from hotel accommodation, 20% from transportation, 10% from attractions and 10% entertainment (G.T.B). It is therefore imperative that the hotel accommodation is given attention, in view of the fact that the bulk of the tourism revenue is generated from there.

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