

Corporate Core Values And Service Delivery: Case Of Magerwa Ltd

Eric Bienvenue MUGABO *, Prof. Edwin ODHUNO **

* Mount Kenya University, Rwanda

March, 2021

DOI: 10.29322/IJSRP.11.04.2021.p11217
<http://dx.doi.org/10.29322/IJSRP.11.04.2021.p11217>

Abstract

This research examined the corporate core values and service delivery, the case of Magerwa Ltd. Specifically the study had two objectives: to assess the ways in which corporate core values of integrity and efficiency are mainstreamed to achieve on-time service delivery in Magerwa Ltd and to investigate the key abilities of Magerwa Ltd to offer on-time service delivery, the target population was 150 customers of Magerwa Ltd where 114 respondents were sampled; information was gathered using questionnaire that were distributed to respondents by the researcher and the interview guide to compliment the data gathered from questionnaire. The validity and reliability were achieved through a pilot study. Information was analyzed, presented and interpreted by the use of Statistical Package of Social Science (SPSS) version 25. The study findings revealed a significant coefficient between corporate core value of integrity and efficiency and on-time service delivery. The study findings also indicated that corporate core values like integrity and efficiency are mainstreamed to achieve on-time time service delivery in Magerwa Ltd at 79.7% while Magerwa Ltd has the key abilities to offer on-time service delivery at 69.8%. These results suggested that the organization needs to enhance their corporate core values of integrity and efficiency in order to provide the service on time, the research also recommended that Magerwa Ltd set strategies to enhance on-time service delivery and allow customers to have a role in making and to collaborate with its partners like Rwanda Revenue Authority, Food Drug Agency, Revenue Protection Department and Rwanda Standard Board on what to do in order to increase on-time service delivery.

I. INTRODUCTION

According to Urde (2003) corporate core values also known core values or corporate values as the as the overall concepts that summarize the identity of a corporate brand and is the main concept to help building the goodwill brand process while Sandra (2009) defined core values as the essential thing that the organization has to settle down in and the principles that have the impact on how each one in the organization is thinking or acting, thus, every corporate or organization has to set up the core values in order to have the identity of what they are based on, which will guide the organization and help it to achieve its goals.

Magerwa Ltd as an organization has also settled down on its own core values among which are integrity and efficiency which will help the organization to achieve its goal of becoming the first logistic hub in the Great Lakes; at Magerwa Ltd, the core value of integrity is intended to make the organization achieve its goals to become the first logistic hub in Great Lakes while the core value of efficiency means a level of performance that includes using the minimum volume of input to achieve the maximum amount of output also efficiency requires reducing the number of needless resources used to produce a given output like people and also time. However, many researchers have highlighted the importance of integrity and efficiency on organization performance, but if the core values are not integrated in daily service delivery, the organization might miss to achieve its objectives on time, thus, this this study assessed the importance of corporate core values like integrity and efficiency on on-time service delivery by answering the following questions:

(i) What are the ways in which corporate core values of integrity and efficiency are mainstreamed to achieve on-time service delivery in Magerwa Ltd?

(ii) What are the key abilities of Magerwa Ltd to deliver its services on time?

After making the study about how core values of integrity and efficiency effect on-time service delivery at Magerwa Ltd, it helped to improve the research of effectiveness of corporate core values and its implementation especially on on-time delivery and as well as the reference for their work.

Literature Review

Corporate core values

Urde (2003) defined corporate core values as the overall concepts that summarize the identity of a corporate brand and is the main concept to help building the goodwill brand process; he has also concluded that core values are vibrant for continuity, consistency and credibility in a value-creating process. According to Van Luijk and Schilder (2010) in their book entitled the impact of values, fourth edition, they stated that there are different principles which can cause the connection between what the organization want to be and how it will perform the activities while Van Deth and Scarbrough (1995) found that there is more reasonable importance of what the qualities of core values are.; they expressed that the qualities of core values can have significance impact on organization or an individual who set them, the fundamental beliefs exist in various perspectives and identify with one another in various manners. Thus, this implies that the organizational employees may have the diverse conduct while the individuals who set the guiding principle or core values of the organization dependent on having some commitment in basic beliefs setting and what the organization stands for, so anyone in the organization can understands what is going on in organization and how those core values will help them to achieve its overall objectives (Dusschooten de Maat, 2004).

Integrity in logistics organizations

Integrity is the cornerstone of the market economy around the world, the success of all kinds of logistics companies operating in a market economy cannot be accomplished without building good faith; the integrity is the center of modern commercial society and an important strategic tool for sustainable development (Damanpour and Schneider, 2006). Chinese logistics companies need to have integrity as the logistics companies need to be better in fierce competition, improve the core advantage, create a good environment at the same time, and also have significance for the healthy development of the logistics industry in China according to Wei, Hui, Huiyan and Hongz, (2015).

This means that integrity in logistics organization is something more meaningful in order to achieve the organizational mission and vision as well as to satisfy their customers on time service delivery in the services they are providing.

Efficiency in logistics organizations

As defined by Milan (2013) efficiency is one of the key factors in the success of the company. Throughout works and training, the value of logistics quality is recognized; different problems arise in the process of output calculation. There is no all-inclusive meaning of effectiveness that is commonly acknowledged; various creators decipher productivity in various ways. According to Gleason and Barnum (2006), the best consideration has been paid to operational proficiency in both writing and practice. It is conceivable to characterize operational effectiveness as the proportion between assets separated and results acquired. Gleason and Barnum (2006) also represented the way toward estimating effectiveness in assembling organizations as being totally not the same as the way toward estimating proficiency in administration.

Service delivery

Service delivery, according to United Nations Development Programme (UNDP), is a way the government used to deliver services or goods to its citizens. This means that the government's way of using it has a significant impact on the delivery of public service in various ways. Decentralized Service Delivery Model (DSDSM); this model is also known as local government structures—this is the strongest and most popular concept used in many countries by delegating control to sub-national units. The model is based on the adherence that the country chooses to follow with the principles of democracy and regulation and finally Alternative Service Delivery Model (ASDM); this is the model for alternative government and private sector delivery of services to the population. Even if the changes take place, ownership remains government and ensures the power to deliver the good service to the public (Wenonah et al., 2012).

Dena, Alaka, Margaret and Santhosh (2012) found that service users can lack service delivery information. They also have the following findings that may affect the efficient delivery of services like: Customers and consumers may not be willing to challenge service providers on their own, mechanisms for social transparency may be unsuccessful individually, providers must be open to citizens' control by social responsibility, system availability, data availability and service quality and technology use while Rashid (2008) found that most respondents were unsatisfied about the integrity with the nature of client assistance agents, offices, administration accepting methodology, and the division it self's general climate; he was suggested that staff ought to be sent to the read division for client related instructional classes.

As Transparency International Rwanda found in their research on service delivery in the Land Sector in the City of Kigali and Secondary Cities of Rwanda, approximately 22% of respondents said they were not satisfied with the time it took for them to receive services. Perceived reasons for delays include: negligence, carelessness by staff, insufficient staff, and laziness by staff. Lack of staffing seemed to be severe. In some cases, a single land officer was responsible for multiple sectors.

Research Methodology

Study population and Sampling

As the main objective of the study was to assess the importance of corporate core values of integrity and efficiency on on-time at Magerwa Ltd, it was better to target people who use Magerwa's operations on a daily basis. Therefore, the respondents of this project were customers of Magerwa Ltd who used its services, the staff and managers. Based on Magerwa's report of 2018/2019 (April 2018 to March 2019) it has approximately an average of 150 customers daily, the researcher used this as population size to determine the sample size (Magerwa report, 2019).

Thus, Based on the report of the year 2018/2019 of Magerwa Ltd, the sample size of this study was 109 customers, 2 senior managers and 3 staff of Magerwa Ltd. That made a total sample size of the study 114 respondents. This implies that the findings were generalized with care from different people who use Magerwa ltd services.

Research instruments and Data Collection Methods

In this research both qualitative method and quantitative methods were used in the process of collecting data. In order to get information from the respondents, a questionnaire was used as an instrument which helped to collect quantitative data with closed-ended questions; these questions resolved to find how corporate core values of integrity and efficiency help to deliver service on time. The questionnaire was preferred in this study because it is a convenient tool for the selected sample of population. It also facilitated easy and quick collection of information in short period of time. The qualitative tool that was used in this research was interview guide. This instrument was used as primary for managers to answer open ended questions. The responses from the interview helped to enforce the information gathered through the questionnaires.

Before analyzing the completed questionnaires, the content was edited to ensure the consistency and completeness. Descriptive statistics was used to analyze the data gathered for this research. The tool that used to analyze the data gathered was Statistical Package for Social Science (SPSS) version 25 to generate descriptive analysis, and then the data presented using tables and graphs to give a meaning display of findings, the researcher also reviewed carefully the information obtained from respondents for deep understanding and editing where necessary then codified the information for adequate analysis.

Research Findings

Characteristics of the respondents

During this study, 64 respondents who represented by 56.1% were male while 50 respondents (43.9%) out of 114 respondents were female, the age of respondents was grouped into range groups of 10 years, where respondents of age group of 20 to 30 were 12.3%,

respondents of age group of 31 to 40 were 40.4%, the age group of 41 to 50 were 36% while age group of 51 to 60 were 11.3%. 42.11%, of the respondent have secondary school , 35.09% hold a bachelor’s degree, primary school were 12.28%, master’s degree holder were 3.51% while the ones who hold the professional certificate were 7.2%.

The study showed that 13.16% of respondents had less than one year of working experience, 36.84% had 1 to 3 years of experience; 25.44% had 3 to 5years of experience while 25.56% had above 5 years of experience, the study also found that 8.8% of respondents had less than 1 year of using Magerwa’s services, 41.2% had 1 to 3 years; 37.7% had 4 to 9 years while 12.3% had over 10 years using Magerwa’s services while 23.7% of the respondents use at least 1 time in a year, 37.7% use at least 2 to 5 times in one year, 20.2% use the service 5 to 10 times in a year while 18.4% use the services at least over 10 times per year, about the time it took for the last, more than half of respondents 54.4% spent 3 to 5 days to get service at Magerwa the last time, 3.5% spent less than one day, 21.9% spent 1 to 3 days while 20.2% spent over 5 days to get service at Magerwa Ltd the last time they needed it.

The ways in which corporate core values of integrity and efficiency are mainstreamed to achieve on-time service delivery in Magerwa Ltd

The corporate core values of integrity help to get services in MAGERWA Ltd.

| | Response | Frequency | Valid Percent |
|--------------|-------------------|------------------|----------------------|
| Valid | Strongly Disagree | 0 | 0 |
| | Disagree | 5 | 4.4 |
| | Not sure | 49 | 43 |
| | Agree | 42 | 36.8 |
| | Strongly agree | 18 | 15.8 |
| | Total | | 114 |

Source: Authors, 2021

The above table indicated that 52.6% agreed that corporate core values of integrity help to get good service at Magerwa Ltd while 4.4% disagreed. The findings also revealed that 71.1% agreed that Magerwa Ltd provides trust worth information while 28.9% were not sure about the statement; 48.3% agreed that Magerwa Ltd respects commitments to customers while 5.3% disagreed; 90.3% agreed that Magerwa Ltd provides clear deadline while 9.6% were not sure; 54.4% agreed that Magerwa’s employee have honesty while 45.6% were not sure about the statement; 43.9% agreed that Magerwa’s employee treat them with politeness while 1.8% disagreed, 22.8% agreed that Magerwa’s price is fair while 57.9% disagreed about fairness of price; 47.4% satisfied with on-time

service delivery at Magerwa Ltd while 21.1% disagreed about satisfaction on-time service delivery and 50.8% agreed that they can recommend someone to use Magerwa’s service while 48.2% were not sure if they can recommend someone to use Magerwa’s service.

The ways in which corporate core values of integrity and efficiency are mainstreamed to achieve on-time service delivery in MAGERWA Ltd

| | N | Mean | Standard deviation | Variance |
|--|----------|-------------|---------------------------|-----------------|
| Are the ways of getting service in Magerwa Ltd favorable? | 114 | 3.64 | 0.800 | 0.639 |
| Does Magerwa Ltd provide trust worth information to its customers? | 114 | 3.84 | 0.632 | 0.400 |
| Does Magerwa Ltd respect commitments to its customers? | 114 | 3.65 | 0.941 | 0.885 |
| Does Magerwa Ltd provide clear deadline of getting services? | 114 | 4.25 | 0.618 | 0.382 |
| Are Magerwa’s employees honest to customers? | 114 | 3.59 | 0.557 | 0.333 |
| Do Magerwa’s employees treat customers in polite way while they are offering services to them? | 114 | 3.65 | 0.852 | 0.725 |
| Is Magerwa’s services price fair to you? | 114 | 2.33 | 1.50 | 1.322 |
| Are you satisfied with on time service in Magerwa Ltd? | 114 | 3.30 | 0.841 | 0.707 |
| Can you recommend your friends to use Magerwa’s services? | 114 | 3.68 | 0.770 | 0.593 |

Source: Authors, 2021

The overall findings on this objective indicated that the mean is 3.54 while the standard deviation is 0.797; this indicates that there is a positive way in which corporate core values like integrity and efficiency are mainstreamed to achieve on-time service delivery in Magerwa Ltd at 79.7%.

The key abilities of Magerwa Ltd to offer on-time service delivery

The findings mentioned that all respondents 100% agreed that Magerwa’s employee have enough skills and professionalism to deliver service on-time; 57.9% agreed that Magerwa Ltd respects time to deliver service while 42.1% were neutral about the statement; 68.4%

agreed that Magerwa Ltd have enough resources to deliver service on time while 31.6% were not sure that Magerwa’s resources is enough to deliver service on time; 55.3% agreed that Magerwa Ltd has resources which can help to compete on the market while 40.45 were not sure and 4.4% disagreed then 63.2% agreed that Magerwa’s resources is will allocated to deliver service on-time while 25.4% were neutral and 11.4% disagreed about resources allocation in Magerwa Ltd.

The key abilities of Magerwa Ltd to offer on-time service delivery

| | N | Mean | Standard deviation |
|--|----------|-------------|---------------------------|
| Do Magerwa’s employees have enough skills and professionalism to provide its service on time? | 114 | 4.49 | 0.502 |
| Does Magerwa Ltd respect the time to deliver its services to customers as promised? | 114 | 3.74 | 0.717 |
| Does Magerwa Ltd have enough resources (machine, employees, manpower...) to provide service on time? | 114 | 3.91 | 0.735 |
| Does Magerwa Ltd have enough resources to compete with other logistics companies in Rwanda? | 114 | 3.62 | 0.745 |
| Does Magerwa’s resources well allocated to provide service on time? | 114 | 3.60 | 0.795 |

Source: Authors, 2021

The overall findings on the above objective were that average mean is 3.872 and the standard deviation is 0.698, which indicate that Magerwa has the key abilities to offer on-time service delivery at 69.9%.

The correlation between the study variables were found to be negative and not significant, where trust of information provided by Magerwa Ltd had a weak positive correlation of 0.051 on professionalism while it had negative correlation on other variables, Honesty had positive correlation on professionalism of 0.308 and 0.078 on respect of time, politeness of employees had no relationship with fairness about the price as well as the respect of time of Magerwa Ltd as organization, fairness of price at Magerwa Ltd did not have the relationship with trust worth information as well as the professionalism of workers while professionalism had a weak positive relationship with trust and honest as well as with polite of employees. Respect of time at Magerwa Ltd had no relationship with information provided as well as the employee professionalism while resources had a weak positive relationship with polite of employees. Thus the study variables had weak correlation because the problem of on-time service delivery at Magerwa Ltd may be caused by other intervening variables.

Recommendations

First, because a compelling majority of 71.1% confirmed a correlation between corporate core values as mainstreamed on service delivery, this ought to form the fundamental basis for service operations at Magerwa Ltd. Second, only a marginal 47.4% were satisfied with on-time service delivery, this ought to be an area of focus for immediate concern and improvement at Magerwa Ltd.

Conclusion

First and foremost, organizations exist to maximize the profit, thus the organization which is in logistic industry, has to maintain the service it provides to the customers in form of time, this means that it is more significant for logistic organization like Magerwa Ltd to set strategies like integrity and efficiency as core values which help to provide service on time.

During this study on integrity and efficient as corporate core values effect on-time service delivery, the research found that it is really meaningful to have employees who are honest to customers and treat customer with politeness and respect, employee must also have enough skills to provide service on time which lead to customer satisfaction on on-time service delivery.

The organization has also to enhance integrity in their commitments to customers like contract, promises with customer, setting fair price of the service in order to provide good service on time, the organization has also to have enough resources to compete in industry as well as well adequate resources allocation in order to provide service on-time to its customers.

References

- Damanpour, F. & Schneider, M. (2006). Phases of the adoption of Innovation in Organizations: Effects of Environment, Organization and Top Managers. *British Journal of Management*. 17, 215-236.
- Dena, R. Alaka H., Margaret K. & Santhosh S. (2012). Citizens and Service Delivery: *Assessing the Use of Social Accountability Approaches in Human Development*.
- Dusschooten de Maat, C. A. M. (2004). *Mensenmaken het verschil [people make the difference]*. Assen: Koninklijk Van Gorcum.
- Milan, A. (2013). "The problems of measuring efficiency in logistics". Conference: The 1st International Logistics conference.
- Rashid, M. H. (2008). *Measuring and Achieving Quality Customer Service: A Study on Public Sector in Malaysia*. World Development. 22(12), 1895-1907.
- Sandra, M. (2009). The Power of Core Values: *Let Your Employees and Your Customers Know What You Stand For*. An ignite white paper.
- Urde, M. (2003), "Core value-based corporate brand building", *European Journal of Marketing*, Vol. 37 No. 7/8, pp. 1017-1040.

- Van Deth, J. W., & Scarbrough, E. (1995). *The impact of values*. Oxford: Oxford University Press.
- Van Luijk, H. J., & Schilder, A. (2010). *Ethiek en corporate governance: patronen en verantwoordelijkheid [Ethics and corporate governance: patterns and responsibility]*. Schoonhoven: Academic Services.
- Wei, J., Hui, H., Huiyan F. & Hongz Z. (2015). *Study on integrity problems and countermeasure of Chinese logistic enterprise*. Vol 2, journal of applied science and engineering innovation.
- Wenonah, N. C., Cheryl, M., Lisa, M. R. & Nancy, A. P. (2012). *Support for Everyone”: Experiences of Occupational Therapists Delivering a New Model of School-Based Service*. Canadian Journal of Occupational Therapy 79(1):51-9

AUTHORS

First Author – Eric Bienvenue MUGABO, Masters of Business Administration, mugabobienvenu@gmail.com

Second Author – Prof. Edwin ODHUNO, The vice chancellor of Mt Kenya University Rwanda, EOdhun0@mku.ac.ke