

**Addis College**



**SCHOOL OF GRADUATE STUDIES  
DEPARTMENT OF CONSTRUCTION TECHNOLOGY AND MANAGEMENT**

**SERVICE DELIVERY AND CLIENT SATISFACTION IN  
REAL ESTATE DEVELOPMENT: THE CASE OF SOME  
SELECTED PRIVATE REAL ESTATES IN ADDIS ABABA**

**By**

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**NOV 2023**

**Addis Ababa Ethiopia**

# **Addis College**



**DEPARTMENT OF CONSTRUCTION TECHNOLOGY  
AND MANAGEMENT POST GRADUATE PROGRAM IN  
CONSTRUCTION TECHNOLOGY AND MANAGEMENT  
(COTM)**

**MSC THESIS ON CONSTRUCTION TECHNOLOGY MANAGEMENT**

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DEVELOPMENT: THE CASE OF SOME SELECTED PRIVATE REAL  
ESTATES IN ADDIS ABABA**

**By**

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**A THESIS SUBMITTED TO ADDIS COLLEGE DEPARTMENT OF  
CONSTRUCTION TECHNOLOGY IN PARTIAL FULFILMENT OF THE  
REQUIREMENTS FOR THE DEGREE OF MASTER OF SCIENCE IN  
CONSTRUCTION TECHNOLOGY AND MANAGEMENT**

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**NOV 2023**

**Addis Ababa, Ethiopia**

**DECLARATION**

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Department Of Construction Technology and Management Post Graduate  
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I hereby confirm that the changes required by the examiners have been carried out and incorporated in the final thesis.

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## **Acknowledgements**

First and for most, I would like to thank heartily to the almighty GOD for helping me in my ups and downs and making the impossible possible for me to successfully complete my study.

Then, I am very much indebted to my adviser Dagnachew Adugna (PhD) who sacrificed his valuable time to provide me professional guidance, constructive comments and assistance for successful accomplishment of this thesis work.

Thirdly, I would to extend grateful acknowledgement to my beloved husband and my children; and family members for their imperative support and encouragement to pursue this degree.

Fourthly, my deepest thank also goes to my friends who heartily assist me from the very inception of research topic and development of the research proposal till the ultimate of this thesis by providing me related materials, constructive comments and suggestions.

Fifthly, my special thanks extended to my friends who supported me during questionnaire development, write up and data collection and analysis process.

Moreover, I deeply acknowledge all data enumerators team who assisted me in collecting primary data as possible as accurately and timely, and without you this thesis may not be completed.

Finally, I would like to thank those who participated in interview process.

## Table of Contents

CHAPTER ONE: INTRODUCTION .....	1
1.1. Background of the study .....	1
1.2. Statement of the problem .....	3
1.3. Objective of the study .....	4
1.3.1 General objective .....	4
1.3.2 Specific Objective .....	4
1.4. Research questions .....	5
1.5. Significance of the study .....	5
1.6. Scope of the study .....	5
1.6.1. Thematic Scope .....	5
1.6.2. Spatial Scope .....	5
1.7. Organization of the document .....	5
CHAPTER TWO: REVIEW OF RELATED LITERATURE .....	6
2.1. Introduction .....	6
2.2. Theoretical Frameworks .....	6
2.2.1. Concepts of Real Estate Development .....	6
2.2.2. Concepts of Client Satisfaction .....	6
2.3. Empirical Studies .....	10
2.3.1. United States .....	10
2.3.2. United Kingdom .....	10
2.3.3. Germany .....	11
2.3.4. Sweden .....	12
2.3.5. Kenya .....	12
2.3.6. Ethiopia .....	12
2.4. Challenges of Real Estate Developments in Ethiopia .....	13

2.5. Responsiveness of real estates .....	14
2.6. Research Gap .....	21
2.7. Conceptual Framework .....	22
CHAPTER THREE: RESEARCH METHODOLOGY .....	24
3.1. Research Design.....	24
3.2. Sources of Data .....	24
3.3. Sampling Design .....	24
3.3.1. Target Population .....	24
3.3.2. Sample Size Determination .....	24
3.3.3. Sampling technique .....	24
3.5. Methods of Data Collection .....	25
3.6. Methods of Data Analysis .....	25
3.7. Methods of Data Presentations .....	26
3.8. Data Validity, Reliability and Normality .....	26
3.8.1. Validity of the Instrument .....	26
3.8.2. Data Reliability Test.....	26
3.9. Ethical Consideration .....	27
CHAPTER FOUR RESULTS AND DISCUSSIONS .....	28
4.1. Response Rate and Demographic Data of Respondents .....	28
4.1.1. Response Rate .....	28
4.1.2. Demographic Data of Respondents .....	28
4.1.2.1. Respondent category by sex .....	29
4.1.2.2. Respondent category by age group.....	29
4.1.2.3. Marital status of the respondents .....	30
4.1.2.4. Respondent category by education level.....	30
4.1.2.5. Real Estate type.....	31

4.1.2.6. Respondents' response based on waiting time.....	31
4.2. The current practice of service delivery by the private real estates.....	32
4.3. The current satisfaction level of clients provided by the real estates .....	35
4.4. Comparing the service delivery practices among the real estates .....	36
4.5 Establishing the relationship between client satisfaction and service delivery in real estates under study settings.....	37
4.6. Summary of Major Findings of the Study .....	41
CHAPTER FIVE CONCLUSION AND RECOMMENDATIONS.....	43
5.1. Introduction.....	43
5.2. Conclusion .....	43
5.3. Recommendations .....	44
5.4. Suggestions for further study .....	44
REFERENCES .....	45
Annex: I .....	47

## List of Tables

<i>Table 3.1 Sample size and sampling technique</i> .....	25
<i>Table 3.3 Result of Reliability Analysis for the Questionnaire</i> .....	26
<i>Table 4.1 Number of questionnaire Distributed</i> .....	28
<i>Table 4.2 Age category of the respondents</i> .....	29
<i>Table 4.2 Descriptive statistics of service delivery dimensions</i> .....	32
<i>Table 4.3 Descriptive Statistics of Client Satisfaction by Items</i> .....	35
<i>Table 4.4 Service Dimensions*Type of Real Estate</i> .....	36
<i>Table 4.5 Pearson correlation results</i> .....	38
<i>Table 4.6 Model summary</i> .....	39
<i>Table 4.7 ANOVA results</i> .....	39
<i>Table 4.8 Regression coefficient results</i> .....	40

## List of Figures

Figure 2.1 Conceptual Framework .....	23
<i>Fig.4.1 the respondent category and sex distribution.....</i>	<i>29</i>
<i>Fig 4.3 Marital status of the respondents .....</i>	<i>30</i>
<i>Fig 4.4 Education level of the respondents.....</i>	<i>30</i>
<i>Figure 4.5 real estate types.....</i>	<i>31</i>
<i>Fig.4.6 work experience of the respondents .....</i>	<i>31</i>

## **Abstract**

*Service quality in private real estate has to receive due attention to survive as entity. The purpose of this study was to investigate the client satisfaction of private real estates in Addis Ababa. Accordingly, four private real estates found in “Figa” site were selected purposively. The study design was descriptive survey which focused on households living in catchment areas of the construction site as a study population. This study used 264 households as study sample for quantitative survey whereas 20 households for qualitative data. SRVQUAL model was adopted as a base for this study and survey questionnaire was used for quantitative data while semi-structured interview was used as data collection tools for qualitative data. The quantitative data was analyzed using both descriptive and inferential statistics. The qualitative data was analyzed using narrative method. The findings of the study indicated that client satisfaction in all real estates in the study area were not in the same page and were not as per the standards. The Pearson Correlation analysis showed that there was a moderate positive significant correlation between client satisfaction; and service delivery dimensions such as reliability, responsiveness, empathy, tangibility, and assurance. The regression analysis indicated that explanatory variables (service delivery dimensions namely: - reliability, responsiveness, empathy, tangibility, and assurance) had positive and significant influence on client satisfaction. Moreover, the qualitative results supported the quantitative findings. The study recommends that real estates should ensure that the client satisfaction is up to the standard by soliciting feedback from clients, and conducting periodic assessment of employees perception towards their workplace environment; give due attention to job aids, work incentives, supervisor support, and performance feedback factors.*

**Key Words: Client, Satisfaction, Private, Real Estates, Service-Delivery**

## CHAPTER ONE INTRODUCTION

### 1.1. Background of the Study

Private real estate began to thrive in Ethiopia during the late 1990s and early 2000s when the pioneer Real Estate Companies built homes around the outskirts of Addis Ababa. It flourished further after the government incentivized construction of condominium houses with a market oriented lease law that began in 2002 (Aqubamicheal, 2009). In Addis Ababa alone about 5.5 million square meters (550 hectares) of land was provided in lease negotiations to 124 developers from December 2003 to October 2009. The government assumed that private developers would alleviate the housing shortage and most importantly create jobs (Mengistu & van Dijk, 2018). With this understanding the land was given in lease negotiations with relatively cheap prices and even free of any lease payment.

Nevertheless, out of 124 real estate developers who took land about 14 real estate companies actually transferred land to third parties illegally. Five additional companies have borrowed more than 100 million birr from banks by using the land leased as collateral. This happened while title deed clearly stipulates that the land: ‘cannot be used as collateral without the permission of the issuer’ (Ethiopian Business Review, 2023).

On the other hand, amongst those who joined the real estate scene, a handful tried to build and deliver on their promises, but only a few succeeded. A study conducted in 2019, reveals that only 19 real estate companies completed between 30% and 100% of the construction they have promised. Some private real estate projects originally promised to deliver the homes within 22 months since entering agreement with clients, between 2016 and 2019, but failed to do so and even asked for additional payments from customers. Luckily, the buyers won the court case and were granted the right to finish the building themselves, but many were not as fortunate (Mengistu & van Dijk, 2018; Wendafrash, 2021).

A few years ago, some real estates promised buyers a high-end living space but failed to deliver the houses. Due to this, a court ruled in favor of the customers and gave the developers’ lands to the buyers as compensation. The unparalleled success in real estate came from selling an idea of an early delivery promise, without even securing land. However, the demand for housing kept increasing on a constant basis, while the ability of

those real estates to deliver promised projects on time became questionable (DAGNE, 2019; Wendafrash, 2021).

Although most developers have delivered several other projects on time, the delay of the ones they are unable to deliver on time or according to the quality they have promised is reflecting poorly on them and the industry as a whole. Customers of several real estates have often made such kind of allegations based on their experiences. Yet, private developers attracted many average citizens and the rich, through fancy advertisements and a well-trained sales force, stretching the industry's limits (JIMA, 2018; Mengistu & van Dijk, 2018).

A study done on real estate revealed that the sources of finance for real estate developers are 0–1 percent from financiers, 75 percent from client installed payments and 24 percent from their own equity/savings. These data show that almost no loans are given to real estate developers. To real estate companies, their customers are the main sources of their income; the same income they use to build the projects they say they would deliver. Yet, they do not consider the fact that these “sources of income” are usually not people with money to spare, rather they are everyday citizens trusting enough to invest in real estates that promise them the houses they want. Therefore, the main source of finance for developers remains to be advance payments by the buyer and the developers own resource (Wendafrash, 2021).

Companies often claim that they are applying themselves to deliver projects in time and that delays are only natural especially in a market like ours that fluctuates. It is also argued that due to a lack of collateral, financiers/banks do not provide sufficient loans to real estate developers, which results in substantial delay and even compromised quality (DAGNE, 2019).

Some real estate companies claim that customers that pay the full amount reap more benefits than the benefits developers gain from them, since housing prices increase through time. Those who have paid the full amount would have their houses double or triple in price by the time they receive their houses. These claims suggest that developers take the hardest hit since they are the ones left to deal with skyrocketing construction costs (Submitted & Fulfillment, 2019).

The value of housing increases during the time buyers spend waiting for the delivery of their homes. Some customers even rent houses until they can move in their promised homes; hence, any compensation made should take into consideration expenses incurred by the customer during that time.

Needless to say, with these all scandals the sector has gone through several phases from its emergence in 1990's to where it has gotten now. However, the lack of proper policies, rules and regulations, requirement of high capital, land acquisition problems, scarcity of construction materials, price escalation of construction materials, foreign currency problem and devaluation of local currency, lack of long term financing, trust loss of buyers, political unrest are continue to be the major challenges confronting the sector. In addition, the real estate developers confirmed that the latest inflation has brought a significant impact on the housing industry, dramatically increasing construction and raw material costs (Wendafrash, 2021).

## **1.2. Statement of the Problem**

Construction industry in Ethiopian has long been facing a lot of problems, among which is delay in project execution (Hussen, 2022). Real estates in Addis Ababa are the major private sector entrusted by the government to alleviate housing problems in the city. However, the sector has been grappled with the problem of an increasing client complaints from time to time (Hussen, 2022). The major reason might be the delay on building construction project delivery time. These delays have brought negative effects such as increased costs, loss of productivity and revenue, many complaints between clients and contractor, and contract termination. This cost rise reduces the number of clients to possess real estate properties. Moreover, the delay in time highly reduces the satisfaction of clients and the number of complaints has been increasing from time to time. If these situations continue the real estates would be adversely affected and the institutions might be demolished permanently (Alemayehu, 2023). Thus, client satisfaction is an important issue and deserves to the focus of the current study.

Previous study result of Mesay and Biruk (2018) on the effect of service delivery on customer satisfaction in Afro-Tsiyon real estate revealed that reliability responsiveness, empathy and tangibles has significant effect with customer satisfaction, whereas assurance and assurance didn't show significant effect with customer satisfaction.

Furthermore, service quality was found to be delivered in areas of service empathy and tangible product characteristics. However, service quality fell below expectations in the areas of service assurance and reliability.

Likewise, the study result of Gebrehiwot and Teka (2020) in YOTEK real estate confirmed that all the five dimensions of service quality have a strong positive relationship with customer satisfaction. Though all the five dimensions are significant, responsiveness and tangibility are the first two dimensions of service quality that have a strong and positive significant effect on customer satisfaction. The above studies imply that service quality in private real estate has to receive due attention to survive as entity.

Nevertheless, studies so far have focused on a single private real estate and this has created a problem to see the client satisfaction level in a wider spectrum and set strategies to mitigate the challenge in the entire private real estates. Therefore, the current study sought to fill this gap by comparing the level of client satisfaction in four private real estates in Addis Ababa (Noah, Flint Stone Figa, Flint Stone Town, and TG).

### **1.3. Objective of the Study**

#### **1.3.1 General objective**

The general objective of the study is to assess the service delivery and client satisfaction in four private real estates in Addis Ababa as the case of Noah, Flint Stone Figa, Flint Stone Town, and TG.

#### **1.3.2 Specific Objective**

- To investigate the current practice of service delivery by the private real estates
- To assess the current satisfaction level of clients provided by the real estates
- To compare the service delivery practices among the real estates
- To establish the relationship between client satisfaction and service delivery in real estates

#### **1.4. Research Questions**

- What does the current practices of service delivery by private real estates look like?
- What does the current satisfaction level of clients of real estates look like?
- Do service delivery dimensions have any variations among the four real estates?
- What are the service deliveries dimensions that significantly affecting the client satisfaction in four real estates?

#### **1.5. Significance of the Study**

Beyond its importance as partial fulfillment for Masters of Science in Construction Management, the study designed to fill the gaps in identifying factors affecting construction client satisfaction and suggesting appropriate strategies so that the research finding and lesson help policy makers to formulate appropriate policy and strategic measures. The research also helps implementers and supervisors of real estate building projects to plan ahead for client satisfaction. Moreover, the study is believed to serve as a secondary data source for further researches to be carried out in the future.

#### **1.6. Scope of the Study**

##### **1.6.1. Thematic scope**

This study focused on assessing the real estate building projects client satisfaction at a four real estates in Addis Ababa.

##### **1.6.2. Spatial scope**

This study was spatially limited in Addis Ababa.

#### **1.7. Organization of the Document**

This study paper is organized in five chapters. The first chapter sets background of the study, statement of the problem, objectives, and significance of the study. Chapter two presents the review of literature, empirical and theoretical frameworks. The third chapter deals with research design and methodology, sampling procedures, data collection instruments and procedure; and data analysis and presentation. The fourth chapter deals with results and discussions while the last chapter deals with summary, conclusions, and recommendations.

## **CHAPTER TWO REVIEW OF RELATED LITRATURE**

### **2.1. Introduction**

This chapter presents theoretical and empirical literature in, relation to client satisfaction relevant to the focus of this research. The chapter is organizing in the following manner, firstly will look at the basic definitions, and models of satisfaction. Finally the conceptual framework that guides this study is presented.

### **2.2. Theoretical Frameworks**

#### **2.2.1. Concepts of real estate development**

Real estate development is a multi-step process that can be risky, lengthy and complicated. There are plenty of obstacles that can pop up along the way of real estate development. It can take years to bring a project from the initial planning stage through construction to final completion stage. Real estate development projects also can be highly lucrative investment opportunities (Smith, 2018). Real estate development is an idea that comes to completion and use the bricks and mortar put in place by the development team (Mike et. al., 1995)". The above definition can be rephrased as "Real estate development is a refined and confirmed idea that comes to satisfactory completion and satisfactory use of right bricks and mortar put in place by the specialized development team". This definition implies that the real estate development is not a single or a simple activity. It is a long term, continuing process and involves a number of activities. A real estate development project can be divided into three stages: (Smith, 2018).

#### **2.2.2. Concepts of client satisfaction**

Satisfaction is defined as the result of "things not going wrong" (*Public and Private Customers*, 2015). Researchers have widely identified it as one of the key challenges facing the construction industry (Patterson & Spreng, 1997). Per Cheng *et al.* (2006), satisfaction is achieved or exceeded if a product or service outcome meets or exceeds the customer's expectation. Maloney (2002) further explains that satisfaction entails recognizing the customer needs, requirements and devising measures to meet the requirements.

Construction client satisfaction was defined as the measurement of the extent to which a client's expectations for a service or a project overall are met (Zygiaris et al., 2022). Thus, it is essential to distinguish the two components of satisfaction - client expectations and the actual or perceived quality of the service offered. More so, satisfaction should not be considered as a global entity due to the various expectations of clients and the quality of services perceived. A proper measure of satisfaction includes a separate assessment of both client expectations and the quality of service provided.

Satisfaction is considered a comparison function between an individual's perception of an outcome and your expectation for that outcome or a comparison of pre-purchase expectations and post-purchase performance of the product or service customer satisfaction refers to the level of fulfillment expressed by the customer after the service delivery process. This is a subjective assessment of the service based on the five dimensions of service quality. Customer satisfaction is important due to its direct impact on customer retention and long-term competitiveness of the organization (Mu'azu et al., 2013).

Kaura et al. (2015) described that service quality has a direct impact on customer satisfaction. For this reason, this research considers that five dimensions of service quality are the important antecedents of customer satisfaction. Service quality refers to the ability of the service to address the needs of the customers (Ali et al., 2021). Customers have their own perception of quality before interacting with the organization. The expectancy-confirmation paradigm holds that customers compare their perception with the actual experience to determine their level of satisfaction from the interaction (Teas, 1993). Customer satisfaction is typically viewed as a predictor for such behavioral variables as loyalty and purchase intentions (Jones & Sasser, 1995; Anderson & Sullivan, 1993).

According to Jones and Sasser (1995), complete customer satisfaction is the key to securing customer loyalty and generating superior long-term financial performance. Customer satisfaction also appears to have a stronger and more consistent effect on purchase intentions than providing quality service (Cronin & Taylor, 1992). It is also widely noticed that high customer satisfaction leads to relationship strength and a deep state of collaboration has been found profitable (e.g. Storbacka et al, 1994). Anderson et

al. (1994) examined briefly the links between customer-based measures (customer satisfaction) of firm performance and traditional accounting measures of economic returns. Their findings emphasize that firms, which achieve high customer satisfaction also enjoy superior economic returns.

The research literature has focused on satisfaction with consumer goods and services but a widely used measure of industrial customers' satisfaction does not exist (Torbica & Stroh, 2001; Homburg & Rudolph 2001). In addition, it is important to take into account that business-to-business marketing is more complex than consumer marketing. It is a more rationalized buying process; many more people and procedures are generally involved in the process, and products/services are more complex (e.g. Cooper & Jackson, 1988).

Tikkanen and Alajoutsijärvi (2002) also argue that measurement models in industrial markets are too simplistic and mechanistic to take into account the complexity of real-life. Thus, the creation of a common satisfaction measurement and procedure is important in construction, where projects organizations and collaborative relationships often are of a 'one-off' nature. In construction, the relationship between client and contractor constitutes a multilevel complex in which parties operate simultaneously and collaborate with in-groups of networks. Therefore, customer satisfaction in construction should be understood as a relationship specific rather than a transaction specific construct (see e.g. Homburg & Rudolph, 2001).

In contrast to other areas of production, where the relationship between client and supplier is frequently long term, the relationship in construction is periodic and dependent on the duration of the project. Generally, construction does not share the benefits of regular-line activities. As a result, traditional customer relationship management models that have been used in product manufacturing will not produce the best result in construction. In addition, the mutual co-operation between customer and contractor is strongly emphasized and the customer's performance has considerable implications for the outcome of the construction project. The complex nature of the construction process, changes in project organization, and the uniqueness of each project make it difficult to exploit past experiences and customer feedback in the future.

Sextant et al. (2001) additionally recognized the satisfactory performance of participants as a prerequisite to maintaining harmonious working relationships. They argue that satisfaction surveys provide information to project participants that can be used to help improve their performance. Results of their importance-performance analysis suggest that contractors need to improve their performance in most aspects of performance. In terms of criteria in need for improvement, both clients and architects considered completion of defects the priority. Barrett (2000) similarly sees that client satisfaction is the ultimate measure of construction quality and will only be achieved if construction companies adopt a strong external orientation in order to address the full range of quality dimensions that impact on the client.

The common feature of the low satisfaction items according to this survey is that they come out in later phases of the construction project and they also require mutual co-operation between parties. The result can also suggest that contractor and client have not planned the completion stage or it has been poorly designed. Although not explicitly stated in the result, it could indicate that there might be a problem in managing schedules. Construction delay and overrun is a critical issue in the construction business and it has a strong influence on the success of a project. The result of the regression analysis shows that items related to quality assurance and handover have a strong impact on overall customer satisfaction. Contractors' ability to co-operate can reduce the impact of poor quality assurance in the completion stage.

The customer is satisfied with the schedule at the beginning of the process and dissatisfied during the rest of it. The reason for the low satisfaction remains during the rest of the process, if nothing changes. The following situation can also derive from deficient communication in the construction process. The contractor is somehow unable to communicate essential issues, such as schedule, to the customer. In our experience, the reason for this throughout the industry is optimism; the contractor believes that things are going to change for the better, even if the assumption it is not realistic. It is also widely noticed that contractors skate around negative subjects in communication with the customer. On the other hand, by well-timed communication it is also possible to reduce the consequences of failure in managing schedules. The previous situation can be

illustrated by situations in which contractors pursue short-term customer satisfaction at the expense of long-term quality and high customer satisfaction.

### **2.3. Empirical Studies**

In recent years, institutional real estate investment activity has experienced major changes in many countries throughout the world.

#### **2.3.1. United States**

In the United States, Real Estate Investment Trusts (REIT) was first authorized by U.S. Public Law enacted in 1960 and subsequently amended several times. Under U.S. law, a REIT is a firm for which the beneficial ownership is held through transferable shares. To qualify as a REIT for tax purposes, a firm must pay out at least 90% of its taxable income to shareholders. Equity REITs own and manage real property, often specializing in a specific property type (e.g., apartment buildings, shopping centers, etc.). Some REITs are privately held; others are publicly traded. Individuals, pension funds, and large corporate investors may buy shares of a REIT, earning dividends from the stream of income and capital appreciation generated from the real estate (Oluwole et al., 2021).

An undersupply of housing combined with increasing rates of households seeking rental housing has intensified demand for rental housing. That demand, rising mortgage rates, and the removal of some tax incentives for homeownership portend continued housing cost inflation, or rising rents. Moreover, because of REITs' highly favorable tax treatment—they are generally exempt from federal taxes as long as they retain their status (Oluwole et al., 2021).

#### **2.3.2. United Kingdom**

In United Kingdom, the introduction of a UK Real Estate Investment Trust (REIT) tax regime in 2006 provided existing UK resident quoted property investment companies (PICs) the option to opt out of UK corporate income taxation. The REIT legislation was a significant event in terms of economic impact (*Public and Private Customers*, 2015). Despite the Government's stated intention for the new regime to be tax neutral, a mean increase of £101.45m in the equity market value of potential REIT companies arose on its announcement. In the popular press, the market response was described as follows: 'More than £3.4bn was added to the property sector's combined market value as leading companies including British Land and Land Securities saw £700m and £1.1bn

respectively added to their market capitalization in the course of the afternoon (Daily Telegraph, 2006).

The REIT setting was chosen because the tax change is clearly defined in terms of business activity and, critically, from a research design perspective, managers' actions are publically observable and identifiable. Further, the tax and non-tax factors are clearly and explicitly identified in the legislation allowing a clear identification of non-tax factors that can counteract the benefits of planned tax incentives. The legislative imposition of a minimum dividend payout of 90% reduces managerial discretion over dividend policy. In turn, there is a consequential effect of an increased reliance on external sources of finance (Damodaran et al., 2005).

Further, on conversion to REIT status, any existing deferred tax provision on unrealized investment gains becomes redundant and is written back immediately into shareholders' reserves increasing distributable reserves. We find evidence consistent with managers prioritizing their welfare at the expense of shareholders.

### **2.3.3. Germany**

In Germany, REITs in Germany are limited in the types of properties they can invest in. While REITs can invest in commercial properties, infrastructure, plots, depending on their strategy, they cannot invest in residential properties built after 2007. The German REIT law prevents REITs to invest in newer residential properties because rents would rise even higher than today (apparently). A minimum of 75% of the earnings and of the assets of a German REIT must come/be from real estate and real estate only. Real estate-related activities (e.g. doing construction) are not allowed for REITs in Germany. The only real estate-related activity allowed is for Mortgage REITs to earn interest from giving out mortgages.

German REITs are not allowed to trade properties. The German REIT law demands that REITs focus on passive real estate management only. Only small changes to the property portfolio are allowed: REITs can shift 50% of their portfolio every 5 years or 100% of their property portfolio every 10 years. All REITs in Germany must be publicly traded companies. Other countries might allow public REITs and private REIT the German REIT law recognizes only publicly traded companies to apply for REIT status.

#### **2.3.4. Sweden**

In Sweden, large-scale investment projects have increasingly been dominated by several major financial institutions. As in other places, real estate investment analysis in Sweden has undergone considerable change in terms of rigor, focus, and perspective. This study is the first effort ever to systematically assess the current situation in the market for commercial real estate in Sweden. The study presents the results of a comprehensive 1988 survey of over 200 commercial real estate investment participants in Sweden including insurance companies, pension funds, construction firms, property management firms, and investment companies. The survey results are compared with results reported in the United States and elsewhere within the corporate and real estate capital budgeting literatures. The results reported here can thus be compared cross-sectional as well as over time across numerous dimensions.

#### **2.3.5. Kenya**

In Kenya, most real estate firms in Kenya have a critical role of designing policies, rules and regulations of how they have to respond to customers' needs, wants, problems or requests. Most realtors fall short in providing proper responsorial mechanism and if they do have, they are unable to manage the same for quite some time. This is more the case on realtors that do not want to address and embrace change as part of growth and at the end process the firms end up reporting losses. For instance, you might find that a customer who purchased a property at a certain location finds it difficult to access certain amenities or a client who has leased a property finds out that place is a waterlogged area and since he or she bought the land or home during dry seasons was not well conversant with the same. As a firm, it is proper to handle such complaints and respond to them as fast and efficient as possible to avoid inconveniences in the near future (*UNIVERSITY OF NAIROBI, 2022*).

#### **2.3.6. Ethiopia**

According to the 2020 Ministry of Urban Development and Housing report, the formal and informal sectors of housing supply's account for 69.8% and 30.2%, respectively. Within the formal sector; housing supply by the real estate developers was only 0.4% while 49.6% and 19.8% were supplied by the government and individuals (cooperatives and lease), respectively. Based on the past performances, it is hardly possible to balance

the demand and supply gap with in the near future. Though, private real estate development is one of the housing sectors engaged in providing housing for the dwellers in Addis Ababa, it was reported that the beneficiaries of the effort are mainly few high-income groups. As per data obtained from Addis Ababa Housing Agency currently there are about 900,000 people are on a waiting list for a government sponsored residential apartments (condominiums). Lack of sufficient and affordable housing is one of the major problems in Addis Ababa as well as in other major cities and towns across the country (Wendafrash, 2021).

Real estates in Ethiopia are the major private sector entrusted by the government to alleviate housing problems in the city. However, the sector has been grappled with the problem of the lack of proper policies, rules and regulations, requirement of high capital, land acquisition problems, scarcity of construction materials, price escalation of construction materials, foreign currency problem and devaluation of local currency, lack of long term financing, trust loss of buyers, political unrest are continue to be the major challenges confronting the sector. In addition, the real estate developers confirmed that the latest inflation has brought a significant impact on the housing industry, dramatically increasing construction and raw material costs (Wendafrash, 2021).

#### **2.4. Challenges of Real Estate Developments in Ethiopia**

In Ethiopia, land is owned by the state. Long-term leases are, however, available for urban land for periods of 50 to 99 years. The lease is transferable, subject to capital gains tax and can legally be used as collateral, at least for the lease value. Land lease offices of the regional governments or city administrations issue the land lease. The Ethiopian investment code stipulates that when a regional government receives an application for the allocation of land for an approved investment, it shall deliver the required land to the investor within 60 days. In practice, however, many real estate developers have found it difficult to obtain parcels of land adequate for their purposes, especially in Addis Ababa, in the required size, location, and time.

Availability of land is made difficult because the government does not yet have a complete and detailed land registry for any region or municipality. Land becomes available only at the pace it takes the city administration to carry out the required surveys, register plots of land, ascertain or arrange for their availability to new investors, and put

land ready for auction or for a negotiated bid. Even having gone through the long process of preparing the land for lease, the identified land may not be suitable due to size or unfavorable location or both. The formal physical transfer of land to the investor takes months, even when found suitable. The transfer of land use rights, as stated in the proclamation (federal and regional), has similarities to the internationally applied regulations. However, in facilitating the transfer, the institutions concerned are caught in bureaucratic bottlenecks that negatively influence the transfer, speedy facilitation and transparency of the market demands. Consequently, the transaction cost or the cost of transfer becomes huge, be it in terms of the amount of money involved and the time it takes (Bacry *et al.*, 2009).

Investigation of real estate form of housing delivery in Addis Ababa indicated the presence of various issues that need attention. There is no regulatory framework to control operations, the level of subsidy necessary for the sector is unregulated, and property rights of real estate investors and end-users are unclear. Moreover, real estate developments cater for the high income group; its prospects for the middle and low income group which make up the majority of inhabitants.

## **2.5. Responsiveness of Real Estates**

Responsiveness refers to the institution's ability to provide fast and good quality service in the period. It requires minimizing the waiting duration for all interactions between the customer and the service provider (Nambisan *et al.*, 2016). Most real estate firms around the world have a critical role of designing policies, rules and regulations of how they have to respond to customers' needs, wants, problems or requests. However, the responsiveness aspects in majority of developed countries are in better positions. Some of the reasons could be mentioned as formulation of the necessary policies that facilitate the efficient and effective ways of managing customers issues in a more flexible way that will enhance the welfare of the organizations and as well as the customer; and establishing proper mechanisms, which are well maintained such as platforms and systems in order that are sustainable.

On the contrary, the real estate development and responsiveness to their customers in Africa in general and in Ethiopia particularly have been facing critical challenges. Some of the challenges confirmed by the previous studies are:- First and foremost, lack of the

necessary policies that facilitate the efficient and effective ways of managing customers issues in a more flexible way that will enhance the welfare of the organizations and as well as the customer. Because of this, most realtors fall short in providing proper responsorial mechanism and if they do have, they are unable to manage the same for quite some time. Second, lack of well-established platforms and systems. Due to this, realtors that do not want to address and embrace change as part of growth and at the end process the firms end up reporting losses (*Public and Private Customers*, 2015; *Saudi Arabia*, n.d.; *UNIVERSITY OF NAIROBI*, 2022; Influencing et al., 2016; Mengistu & van Dijk, 2018; Oluwole et al., 2021).

Many authors have emphasized the significance of customer satisfaction and its use for evaluating the quality from the customer's perspective in construction literature (Barret 2000; Torbica & Stroh 2001; Maloney 2002; Yasamis *et al.*, 2002). In line with high-level requirements, dissatisfaction is growing among consumers with design and construction, because building projects are widely seen as unpredictable regarding delivery on time, within budget and to the standards of quality expected. Kometa et al. (1994) observed that “evidence abounds to suggest that clients are largely misunderstood and dissatisfied with the performance of their consultants and contractors.

Previous studies have identified several factors responsible for client dissatisfaction in the construction industry. For instance, Nkado and Mbachu (2001) attempted to differentiate between objective reality and client's perceptions of it. Accordingly, they argued that client satisfaction/dissatisfaction is a subjective phenomenon, which may not be based on objective reality (e.g. delivery of the project within time, cost, and quality targets), but on client's perceptions of the objective reality.

A research by Nkado and Mbachu (2006) revealed that there are three stages of client satisfaction in the procurement process: end of the development phase, the early part of the operation phase, and the ‘harvest’ and most crucial phase of the procurement process. Client dissatisfaction with any of the three stages is as a result of nonattainment of the satisfaction criteria operating at the given stage. The criterion underlying satisfaction at the end of the development phase is the achievement of time, quality and cost targets with satisfactory attitudes to service. The criteria underlying satisfaction at the first part of the operation phase include meeting buyer/user requirements, satisfactory functional/in-use

performance, and market attractiveness, which ensure quick disposal of the procured building (for speculative developers), or attracts rental/lease patronage (for portfolio investors). The criteria underlying satisfaction with the extent of fulfillment of investment objectives are returns on investment (in terms of profitability or capital growth), market share growth/competitive advantage, and enhancement of business processes (the latter criterion being the priority of owner-occupiers).

According to Adanan (2006) client satisfaction in the construction industry is how well a contractor meets the client's expectation. Construction clients are in agreement that contractors should undergo periodic skills development and training in vital areas in order to satisfy their clients. This clearly shows that if the contractor is not fully informed about client expectations according to the definition, then there is no possible way the contractor will be able to satisfy the client. In a nutshell, if the client's objectives are not taken into consideration by the construction team, there is no way client satisfaction levels will be improved. In other words, making use of a competent and reputable contractor could improve client satisfaction levels.

CIDB (2011) stated that value to clients is a very complex and often subjective issue, but it is recognized that quality of construction is a key component of perceived value to clients. "Lack of quality in construction is manifested in poor or non-sustainable workmanship, and unsafe structures, and in delays, cost overruns and disputes in construction contracts" (FIDIC).

Green and Lenard (1999) described a project on which the contractor and the client had a very close working relationship and how they both benefited from it and learnt from each other. A project's outcome is most greatly influenced at the upfront stage and this is where contractors should be encouraged to participate and contribute. Their input could be applied to enhance the quality of construction projects and therefore improve client satisfaction levels. Client satisfaction is a major determinant of project success and a fundamental issue for service providers who must constantly seek to improve their performance if they are to survive in the marketplace. Authors have indicated that construction companies must adhere to the principle of quality first, and insist on quality standards, with the core of artificial control and prevention, to provide more high quality,

safe, suitable, and economic composite products (Alman, 1989; Smallwood & Rwelamila, 1998; Smallwood, 2000).

According to Junnonen et al. (2009), customer satisfaction in construction is a complex phenomenon in which various factors have a different impact on the quality as perceived by the customer. Management and factors related to skills have a different impact on the factors describing the end result and methods of the project. According to this study, the contractor's ability to cooperate is divided into two directions: managing changes and communication. The result emphasizes the significance of communication in project production. In order to improve their level of service, the contractors should focus on developing and improving their central processes. With regard to customer satisfaction, this stresses the significance of the entire selection of services and products the contractor offers.

Hanson (2006:74) pointed out that the strong consensus among contractors on the prioritization of strategies for improving client satisfaction is significant and these strategies should be adopted by industry. Involving contractors at the initial critical stages of the construction project procurement process could add value to the project since, in this author's view; the benefit of their input diminishes the further into the process one progresses. There is almost a point of diminishing returns, whereby the opportunity to incorporate the contractors input on the building matters involved at the crucial initial stages of the project. The contractors' contribution to the project would have the greatest impact on the outcome if it occurred early on in the process. A project's outcome is most greatly influenced at the upfront stage and this is where contractors should be encouraged to participate and contribute. Their input could be applied to enhance the quality of construction projects and therefore improve client satisfaction levels.

Client satisfaction is a major determinant of project success and a fundamental issue for service providers who must constantly seek to improve their performance if they are to survive in the marketplace. To fix troubled projects, owners/clients may need to strengthen their project management team by filling in gaps or bringing in different and more experienced people (PWC, 2013).

According to Cheng (2008), strategic decisions made by the client at different project stages have been found to have a significant impact on client satisfaction. Furthermore,

advising service providers including contractors and consultants that having an improved understanding of the phenomenon of client satisfaction; and associated measurement criteria would help to improve their service quality, overall performance and to better satisfy their clients.

Cheng (2008) further encourages service providers to devote more efforts into improving their performance on the attributes of service quality identified as having significant association with client satisfaction, particularly service delivery and communications with clients. Kashiwa (2002) suggested that performance specification should include owner's requirement, and the method of identifying the best performance. Improved service quality from service providers will positively underpin project performance and lead to heightened client satisfaction and perceived project success, which will benefit both clients (project needs satisfied) and their service providers (potentially repeated work from satisfied clients).

A study result of Eke et al. (2006) revealed that most clients strongly agree that making use a competent professional team when executing projects could result in better satisfaction levels, reducing contractual and variation claims. Tang et al. (2003) highlighted eight key factors for evaluating customer satisfaction: professionalism of service; competitiveness of service; timeliness of service; quality of design; the degree of innovation; completeness of other considerations; availability of support for the client; and, supervision at implementation. Recently, Yang and Peng (2008), in their study on customer requirements for construction project management service highlighted cost, quality, time, communication, amongst other factors as dimensions for evaluating satisfaction.

In a study by Karna et al (2004) entitled "Customer satisfaction in construction", satisfaction of customers on Finnish construction companies, explored empirically the clients' main satisfaction/dissatisfaction factors. Customers were typically satisfied with the contractor's abilities to co-operate and the skills of contractor's workers and supervisors. In contrast, low satisfaction could be found for the items related to quality assurance and handover procedures and material.

According to Kärnä et al. (2004) customers were typically satisfied with the contractor's abilities to co-operate and the skills of contractor's workers and supervisors. In contrast,

low satisfaction could be found for the items related to quality assurance and handover procedures and material. The common feature for the areas of low satisfaction items is that they come out in later phases of the construction project. In generally, the quality of contracted work and of overall service level have an effect on general satisfaction.

On the other hand, feedback is a prerequisite for learning in construction both at the project level and on the company level. With well-timed feedback it is possible to prevent problems from developing or at least enable quick problem solving. Through effective feedback systems, the organization can foresee changes in the business environment and could also adapt to these changes beforehand. In addition, functional communication channels at the company and communication skills at the individual level are needed. This is challenging in construction due to its nature. It is difficult to give feedback and also allocate it to the right party. This also hinders the fulfilling of the continuous learning objective (Dissertations, 2009).

Rahman (2015) identified seven extremely important factors that have a significant affect in client satisfaction level and immediately need to improve namely (1)service quality (2) Communication skills (3)adherence to budget, (4)safety performance, (5)adherence to schedule, (6)sit personnel skills, and (7)management capabilities. Another research work was carried out to examine customer behavior towards residential projects in “A study of customer satisfaction of residential buildings in India” by Mohammed Roshan et al. (2017). An opinion survey was conducted on 104 respondents wherein they were asked to plot their preferences of the home variable provided by developers on a Likert scale. The mean values pointed to the fact that most of the respondents were not satisfied with the service and maintenance support provided by the developers.

The objective of the study by Ali et al. (2021) was to investigate the factors affecting customer satisfaction on purchase of residential apartments. A convenience sample of 94 customers was chosen for the survey response. The results pointed that any improvement in the indoor and outdoor factors would lead to a positive impact thereby leading to a greater demand for purchase of residential apartments.

In the paper “Literature Study on Satisfaction Factors of Customers in Construction Industry” by Shruthy Sivaprakasham *et al.* (2017), it was emphasized that to effectively measure customer satisfaction it was important to understand what customer satisfaction

meant and included and defining what needed to be measured and the method of measurement. The study by Piyush *et al.* (2016) focused on analysis of factors for satisfaction of customers of residential flats in Surat and Ahmadabad regions. The paper concluded that majority of these customers were dissatisfied on various factors involving purchase.

In another paper by Omonori (2014) customer satisfaction in the construction industry in Nigeria was evaluated. The results showed that the quality of the product was not usually dependent on the price of the product or services and. quality was seen as precedent of customer satisfaction. Jesin *et al* (2014) observed the performance of the construction company VGN Infra Pvt. Ltd and its customer satisfaction. The study identified product and service quality, price, location, delivery time and apartment buyers' characteristics as the key factors that were influencing apartment buyers' satisfaction.

Joy (2014) through his paper "A Study on Factors Influencing Quality of Construction Projects" established that Quality was an essential element for sustainability and customer satisfaction. It also defined Quality as "meeting the customer expectations" or "complying with the customer specifications". In another study to reveal the satisfaction of residential apartment owners of Chennai by Chezhiyan (2021) simple random sampling was on 200 residents and multiple linear regressions were carried out. The study concluded that service quality had a positive influence on customer satisfaction.

An exploratory study was conducted to understand the service component in the Real Estate business in the paper by Rao (1991). Five service factors were found to be related to client satisfaction: expectations, communication, relationship, effectiveness and knowledge. Of these, expectations had the most influence. In another study to measure the customer satisfaction in the Swedish Real Estate industry by Palm (2016), the objective was to identify the strategies of formal customer evaluations. It was a startling conclusion that only half of the 24 Real Estate companies that were studied conducted any sort of formal evaluations though they were all considered to be customer oriented.

Nasar *et al.* (2013) through their study analyzed the perception of customers regarding the services provided by Real Estate agencies in Kochi. This study considered six factors: i) Real Estate agent's goodwill, (ii) Real Estate property, (iii) information delivery, (iv) behavior of agents, (v) punctuality, and (vi) emergency services. Among these, the Real

Estate agent's good will turned out to be the most significant factor. Another study by Karna, S. (2004) to identify the service quality factors that significantly provided satisfaction to customers while making their Real Estate transactions through the intermediation service provided by some Real Estate agencies also showed that Real Estate Agents Good will to be considered as the prominent factor leading to customer satisfaction.

Shahedul *et al* (2000) did a study to measure the customer satisfaction towards a Real Estate company in Dhaka City. The analysis of the study found that customers were satisfied towards the Real Estate Company's product, their communication and distribution process, their employee behavior and also their safety and security issues. Another study by Wilson *et al.* (2001) titled "Towards customer delight: Added value in public sector corporate real estate", focused on the challenges of defining and demonstrating value added in the field of public sector corporate Real Estate. Thus the study of literature from various papers cited above demonstrate the various factors involved in customer satisfaction and quality perception of customers in the Real Estate sector.

Above all, previous studies clearly established that responsive dimension on service quality has proven difficult in most companies. Realtors want to sell, lease and manage and the often forget about the aftermath. For most companies to keep growing their customer base, it is important for them to respond to the issues of clients promptly and efficient. As a firm, it is proper to handle such complaints and respond to them as fast and efficient as possible to avoid inconveniences in the near future. This will enhance customer satisfaction and by word of mouth, it will create and appeal more as a brand outside the firms.

## **2.6. Research Gaps**

Real estate companies have historically focused on costs and a range of services, but competitive rivalry in the industry has forced companies to search for other tactics to make them appealing to consumers, one of which is enhancing the standard of service. Such perception of service quality has received almost no theoretical measurement attention, despite the fact that it is thought to be of great importance in the success of service delivery (Johnson et al., 1988).

Most studies conducted have been one-sided i.e. biased towards customer's perception and less on customer's expectation. Although, some objective measures of service quality can be taken as they are performed, such as time spent for waiting, number of errors in filling an order, and the like, it becomes quickly apparent that such measures do not adequately capture the real investigation of service quality for the intended purpose of customer satisfaction (Zeithaml, 1990).

Real estate institutions use findings of satisfaction survey in order to mark areas for improvement, strengthening curricula and programs and ensure institutional effectiveness (Bryant, 2006). Moreover, satisfaction survey give insights on how institutional reputation and quality is perceived by different stakeholders, developing a more clear understanding about factors that satisfy customers and it helps to limit customer attrition rate and made the organization suitable environment (Elliott &Shin, 2002).

To sum up, it is also evident from the above literature that for real estates to sustain and flourish, it imperative to understand the customers' expectation and perception towards satisfaction that can act as an essential means to improve the service quality. In Ethiopian context the studies conducted by (Aqubamicheal, 2009; HUSSEN, 2022; Mengistu & van Dijk, 2018; Kebede, 2019; Wendafrash, 2021) confirmed the direct relationship between clients satisfaction and service quality dimensions namely, tangibility, reliability, responsiveness, assurance, and empathy. Nevertheless, the above studies done in different real estates at different time and context and they have been concentrated on analyzing clients' satisfaction at single real estate.

This study clearly established dimensions such like context, time duration (lack of recent study) and methodology as research gaps. To fill these gaps, the current study will adopt five attributes (tangibility, reliability, responsiveness, assurance, and empathy) which are expected to be in line with the above studies but seeks to make comparison of clients' satisfaction among four real estates. Therefore, this study seeks to investigate the satisfaction of clients in four private real estates in Addis Ababa (Noah, Flint Stone Figa, Flint Stone Town, and TG); and compare the satisfaction of clients levels among them.

## **2.7. Conceptual Framework**

A conceptual framework may be defined as a collection of broad ideas and principles taken from relevant fields of inquiry to structure a subsequent presentation (Ravitch &

Riggan, 2016). As may be seen, the figure below the conceptual framework shows the connection among variables under the study. Independent variables will present in service delivery practices in terms of responsiveness, reliability, assurance, empathy and tangibility; and therefore the dependent variable quantity is client satisfaction.

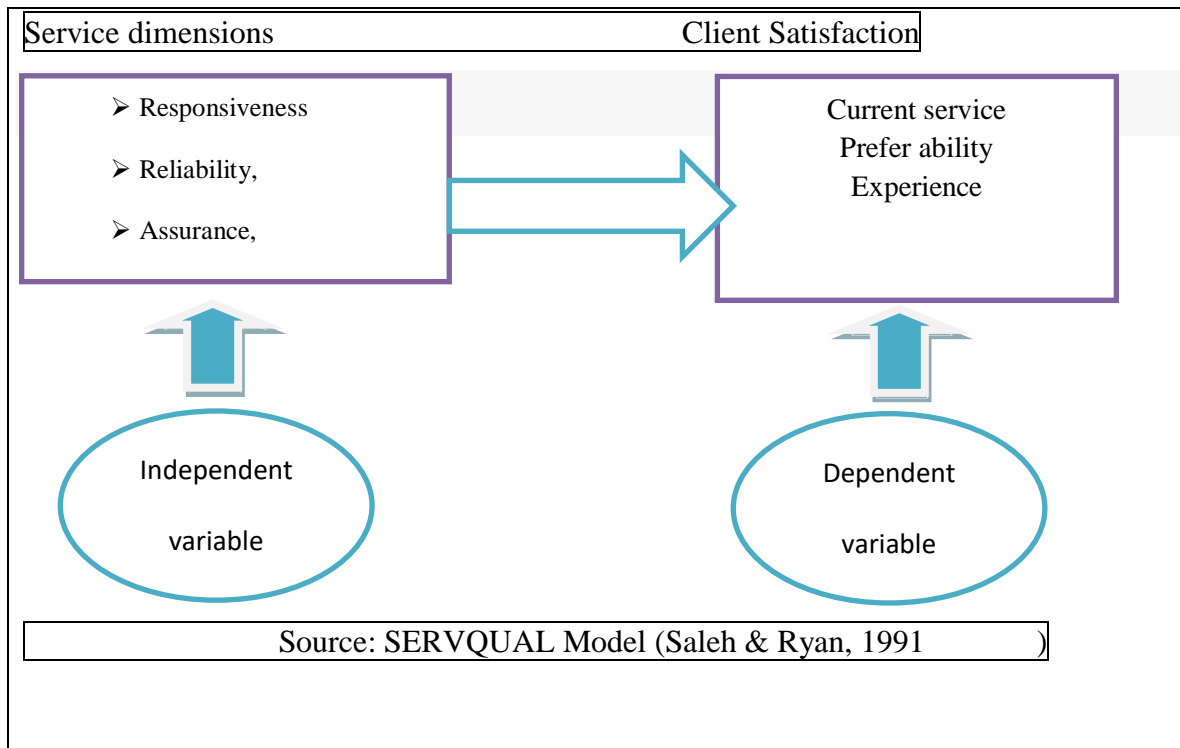


Figure 2.1 Conceptual Framework

## CHAPTER THREE RESEARCH METHODOLOGY

### 3.1. Research Design

This study is both descriptive and explanatory in nature. It is a descriptive study in the sense that it seeks to describe clients' perceptions about the service quality delivered by the real estates. The explanatory design was employed to examine the effect of service dimensions that affect clients' satisfaction, the dependent variable. The research was conducted by using both qualitative and quantitative research approaches.

### 3.2. Sources of Data

Both primary and secondary data were used to full fill the stated objectives of the research. The qualitative and quantitative types of data that got from primary and secondary sources were collected.

### 3.3. Sampling Design

#### 3.3.1. Target population

The total population of the study is the total number of individuals who purchased apartments from the four real estates. Hence target population of four real estates was 776 households.

#### 3.3.2. Sample size determination

The sample size is determined by (Solvin, 1960) formula. According to "Solvin" formula the sample size determined for quantitative study was:

$$n = N/1+Ne^2$$

Where,  
n is sample size,  
N is Population size  
e is error tolerance at confidence level of 95%(giving a margin error of 0.05).  
Accordingly  
 $n = 776/1+776*(0.05)^2 = 264$  households (HHs)

*Source: Author's computation, 2023*

#### 3.3.3. Sampling technique

In this study probability sampling was employed. This is because the target audiences are households who are living in the apartments of Flint Stone Figa, Flint Stone Town, Noah and TG and to provide them equal chances to be selected. According to the data collected from offices the numbers of apartments delivered to buyers are as follows. The Number

of customers that purchased apartment in the past from four real estates is 776 in number as indicated in the table below.

*Table 3.1 Sample size and sampling technique*

S/N	Name of the real estate	Total Clients	Proportionate sampling technique	Sample size
1	Flint stone Figa	429	$264/776*429=145.4484$	145
2	Flint stone town	100	$264/776*100=34.0206$	34
3	TG	47	$264/776*47=15.98968$	16
4	Noah	200	$264/776*200=68.0412$	68
5	Total	776	34.0%	264

$$n = N / (1 + 776 * 0.0025) = 776 / (1 + 1.94) = 776 / 2.94 = 263.9456 = 264; n = 264$$

Source: SPSS output, 2023

### **3.5. Methods of Data Collection**

In this study mainly primary data was used to fulfill the stated objectives of the research. Hence, both qualitative and quantitative types of data will be taken from these primary sources. The primary data was collected using tools such as questionnaire and interview.

Questionnaire: - The questionnaires embrace both closed and open-ended questions which allows for the collection of large amount of data from selected samples. The closed-ended questionnaires were prepared and standardized by using nominal type scales in a way that makes the respondents easy to understand. The open-ended questions were used mostly for variables which could not be presented in a closed and coded manner. Therefore, this study used survey questionnaire with 22 measures across five broad categories, namely reliability, responsiveness, assurance, empathy and tangibles.

Interview: - Interview questions were used for collecting data from the sub-city urban land management department managers in the town which is relevant in this study. Structured and semi-structured interview questions were prepared for them and then face to face interviews will be conducted.

### **3.6. Methods of Data Analysis**

The information collected through questionnaire and interview review were analyzed, and interpreted within the framework of the study objectives using different methods. The quantitative data was analyzed by using descriptive statistics such as frequency; percentage and standard deviation; and inferential statistics such as Pearson Correlation and Regression while the qualitative data gathered through interview was analyzed

thematically by narration. For data analysis the researcher used SPSS (ver. 23) as analytical tool.

### 3.7. Methods of Data Presentations

Regarding data presentation, quantitative data were presented using charts and tables while the qualitative data was presented in texts forms.

### 3.8. Data Validity, Reliability and Normality

#### 3.8.1. Validity of the instrument

Validity is the degree to which a measure accurately represents what it is supposed to. It is concerned with how well the concept is defined by the measure(s). Therefore this study made an attempt to addresses validity through the review of literature and adapting instruments used in previous research.

#### 3.8.2. Data reliability test

Reliability testing was done in order to determine whether the questionnaire and the results obtained were true and realistic findings. Cronbachs alpha was also calculated as part of the reliability test to assess how valid the results were and whether the researchers would get similar results to generalize if the sample size increases. A value of 0.7 or higher is very good values that can lead us to conclude that the researchers would get the same results if they carry out the survey with a larger sample of respondents (Burns and Bush, 2000: 329). In this case all of the independent variables included in the analysis have reliability co-efficient of  $\alpha \geq 0.7$  and over all reliability co-efficient value is 0.749. As a result, the reliability test indicates that there is high level of internal consistency and it allows proceeding towards data analysis.

*Table 3.3 Result of Reliability Analysis for the Questionnaire*

Independent variables	No of Questions	Cronbachs Alpha
Reliability	5	0.761
Responsiveness	3	0.745
Assurance	5	0.772
Empathy	4	0.755
Tangibility	5	0.725
Overall Reliability Analysis	22	0.749

*Source: Own computation (SPSS Analysis)*

### **3.9. Ethical Considerations**

In conducting research, adhering to the principles of research ethics will be indispensable. First, letter written from the Addis College was submitted to the construction site office in order to get permission to conduct the study. During this, the objective of conducting the study was explained to the clients of the project. Secondly, respondents were informed about the objectives of the study and as their response will be kept confidential and not used for a purpose other than the objectives of the study. Thirdly, they were also informed that they have the right not to answer any of the questions. Lastly, respondents were informed about the rights they have to know the results of the study. Furthermore, the name of respondents will be avoided from the questionnaires. Thus, voluntarily participates in the study were provided questionnaires and returned on time.

## CHAPTER FOUR RESULTS AND DISCUSSIONS

### Introduction

This chapter provides the results and implications of the results in accordance with the specific objectives of the study. This section comprises of the response rate of the respondents, which include sex, age group, tenure of employment, level of education and position held using bars and charts and deals with empirical findings on the study objectives and research questions using descriptive statistics such as: - percentage, mean and standard deviation.

### 4.1. Response Rate and Demographic Data of Respondents

#### 4.1.1. Response rate

The study targeted 264 respondents to provide the information of the study and 264 questionnaires were distributed to the respondents who composed the sample size of the study. All the distributed and usable questionnaires were returned giving a response rate of 100%.

*Table 4.1 Number of questionnaire Distributed*

S/N	Name of the real estate	Number of questionnaire distributed	Number of questionnaire returned	%
1	Flint stone Figa	145	145	100
2	Flint stone town	34	34	100
3	TG	16	16	100
4	Noah	68	68	100
5	Total	264	264	100

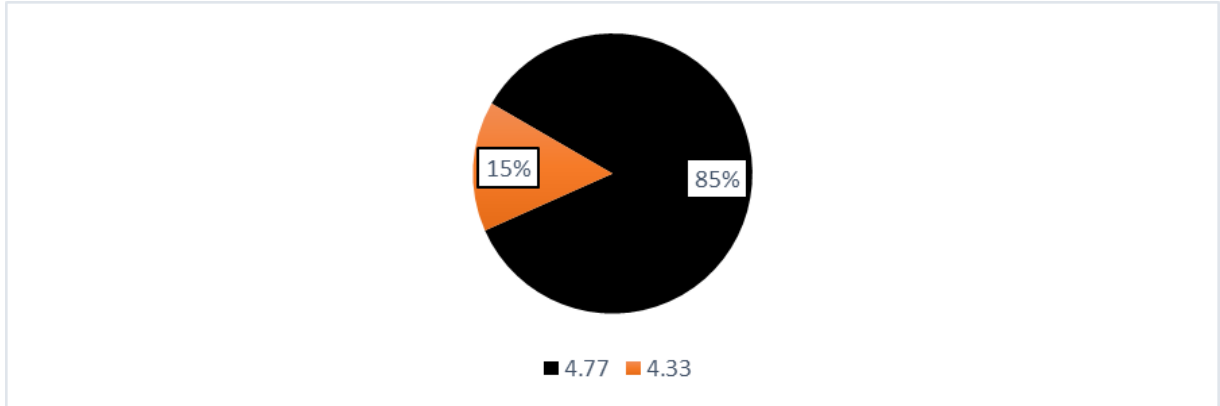
*Source: Computed by the researcher, 2023*

#### 4.1.2. Demographic data of respondents

This section of the study discusses the characteristics of the respondents from inventory, transport, warehouse and procurement such as sex, age group, marital status, work experience, real estate type, level of education and department. The researcher adopted charts and bar graphs to present and discuss the results of the sample characteristics below. The rationale of using figures was to ascertain the categories of the different characteristics in relation to the responses of the respondents. In order to summarize the results, figures were used by the researcher because it was another way of presenting the results in a summarized manner.

#### 4.1.2.1. Respondent category by sex

In order to present the respondents category and sex distribution categories of the respondents, frequency tabulation was used by the researcher. Figure 4.1 below presents the results:



*Fig.4.1 the respondent category and sex distribution*

*Source: Own Computation SPSS Analysis*

The results from Figure 4.1 above show that 85.0% (225) of the respondents were male whereas 15.0% (39) were female. From the findings, it is apparent that the study is not male or female biased. It can be said that the opinion of both sex is gathered in proportionally equal manner.

#### 4.1.2.2. Respondent category by age group

Frequency tabulation was used by the researcher to present the age distribution of the respondents. Table 4.2 below presents the results.

*Table 4.2 Age category of the respondents*

Age group	Frequency	Percentage
18-24 years	26	10
25-35 years	52	20
36-45 years	79	30
Above 45 years	107	40

*Source: Own Computation SPSS Analysis, 2023*

The results in Table 4.2 above indicates that 26 (10%) of the respondents fell in the age brackets of 18-24 years, 52 (20%) are in between 25-35 years, 79 (30%) are in 36-45 years, and 107 (40%) are above 45 years. The results imply that the composition of the respondents was made up of respondents who are representative of all age category in

the enterprise and it enables the researcher to get the data representing aged and young clients.

#### 4.1.2.3. Marital status of the respondents

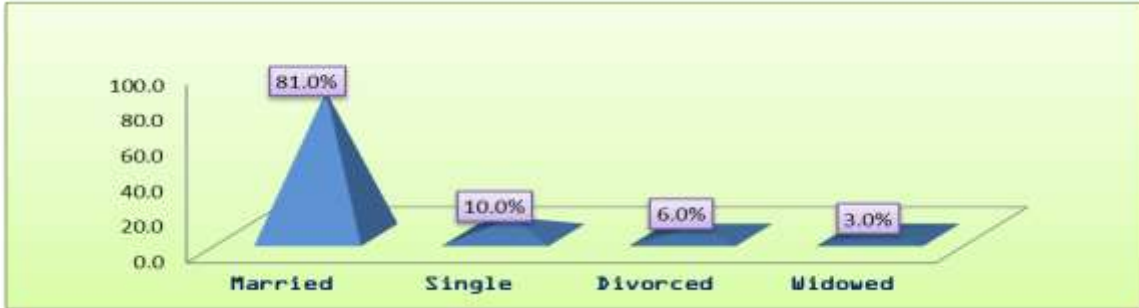


Fig 4.3 Marital status of the respondents

Source: Own Computation (SPSS Analysis, 2023)

Regarding the marital states of the respondents, 81% (214) are married, 10% (26) are single, 6% (16) are divorced, and 3.0% (8) are widowed. This shows respondents from different marital status have been included in the study.

#### 4.1.2.4. Respondent category by education level

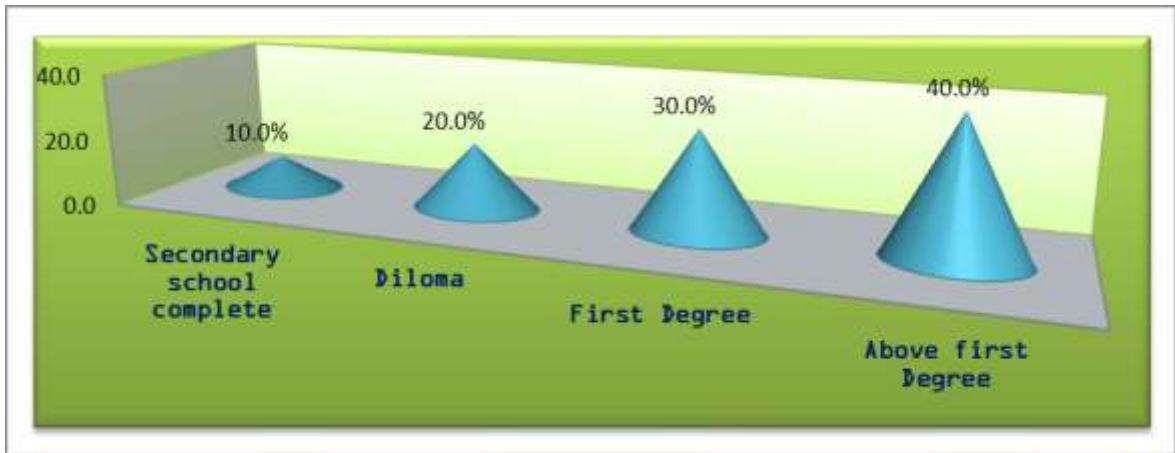


Fig 4.4 Education level of the respondents

Source: Own Computation SPSS Analysis, 2023

According to the results in Fig 4.4, 27(10%) of the respondents are secondary school complete, 53 (20%) possess diploma, 79 (30%) possess first degree, and the rest 105 (40%) have above first degree. From the findings, the majority of the responses (90%) are acquired from diploma holders and above. This may indicate that the respondents possess the required qualifications to understand major challenges that hinder the smooth implementation of service delivery.

#### 4.1.2.5. Real Estate type

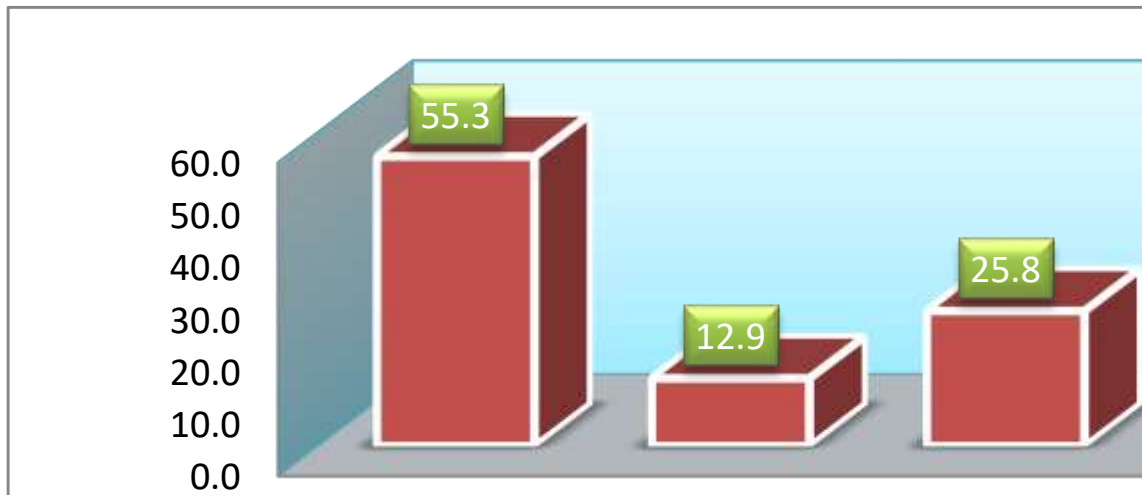


Figure 4.5 real estate types

Source: Own Computation SPSS Analysis, 2023

As the can be seen from the above bar graph, 146 (55.5%) of the respondents were from Flintstone Figa real estate, 34 (12.9%) were from Flintstone Town real estate, 68 (25.8%) were from Noah real estate and the remaining 16 (6.1%) were from TG real estate. This implies that the respondents were represented from four real estates proportionally.

#### 4.1.2.6. Respondents' response based on waiting time

The bar-graph was used by the researcher to present the distribution of the respondents based on waiting time to get the required service. Figure 4.4 below presents the results.

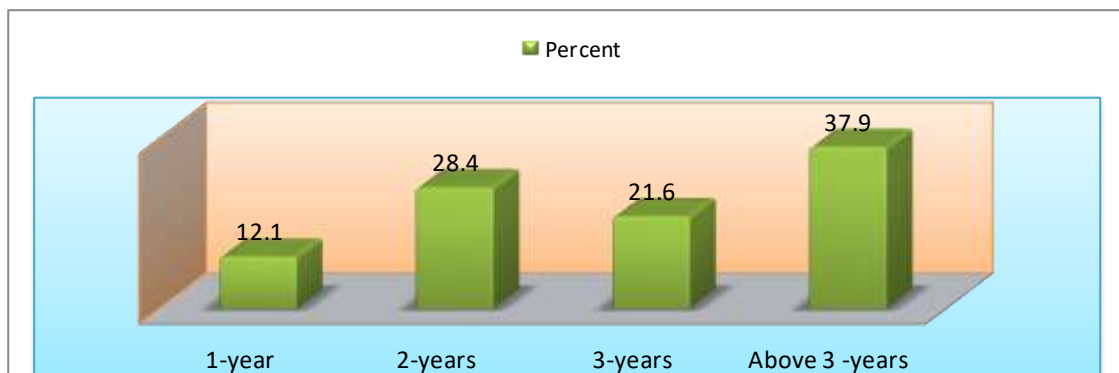


Fig.4.6 work experience of the respondents

Source: Own Computation SPSS Analysis, 2023

From the results in Figure 4.4 above, 32(12.1%) of the respondents had waited for 1-year, 75(28.4%) had waited for 2-years, 57(21.6%) had waited for 3-years, and the other majority 100 (37.9%) had waited for above 3-years to get the required service. This could

imply that the majority of the respondents (70%) had gotten the required service after waiting for 3-years a minimum. This may confirm that there was a delay to provide reliable service for the client.

## 4.2. The current Practice of Service Delivery by the Private Real Estates

### 4.2.1. Research question one

The descriptive part presents respondents responses in tables using mean and standard deviation.

*Table 4.2 Descriptive statistics of service delivery dimensions*

Items		Statistics	
1	RELIABILITY	Mean	STD
1.1	Provision of services as promised (prototype)	2.41	0.822
1.2	Display a helpful attitude in solving problems	2.50	0.775
1.3	Work order performed as it is required	2.56	0.782
1.4	Provision of services at the promised time (time issues)	2.49	0.867
1.5	Report periodic/continuous work progress	2.30	0.886
	<b>Reliability dimension</b>	<b>2.45</b>	<b>0.826</b>
2	RESPONSIVENESS		
2.1	Keeping clients informed of the time when the service will be performed	2.34	1.02
2.2	Providing immediate service to clients	2.94	0.449
2.3	Willing of the service providers to help clients	2.72	0.589
	<b>Responsiveness dimension</b>	<b>2.67</b>	<b>0.676</b>
3	ASSURANCE		
3.1	Employees who instill confidence in clients	2.57	0.694
3.2	Assuring the quality of work is up to standard	2.14	0.822
3.3	Displaying courtesy consistently	2.54	0.645
3.4	Having sufficient knowledge to answer client's questions	2.59	0.646
3.5	Being competent in problem solving	2.64	0.644
	<b>Assurance dimension</b>	<b>2.50</b>	<b>0.690</b>
4	EMPATHY		
4.1	Understanding client-specific needs	2.67	0.682
4.2	Offer personalized attention to clients	2.43	0.895
4.3	Post-project maintenance service	2.51	0.658
4.4	Business hours convenient for client	2.50	0.617
	<b>Empathy dimension</b>	<b>2.53</b>	<b>0.713</b>
5	TANGIBILITY		
5.1	Sufficient number of latest tools and equipment in good condition	2.38	0.691
5.2	Sufficient workforce to complete a project	2.00	0.834
5.3	Sufficient storing facility and good housekeeping	2.48	0.948
5.4	Proper dress code for workforce complying with code of conduct	2.23	0.948
5.5	Detailed documentation	2.43	0.757
	<b>Tangibility dimension</b>	<b>2.30</b>	<b>0.835</b>
		<b>Grand Mean=2.47; STD=0.757</b>	

*N.B: STD=Standard Deviation*

*Source: Own Computation SPSS Analysis, 2023*

The overall mean regarding the current the current service delivery practices related to quality in in the four studied real estates is found 2.47 and a standard deviation of 0.757.

The first dimension in the service model was about the reliability of the service delivery in terms of provision of services as promised, displaying a helpful attitude in solving problems, work order performance as it is required, provision of services at the promised time, and continuity of work progress (Mean: 2.45; STD: 0.826).

The second dimension related to service quality model is responsiveness which is composed of three items namely: keeping clients informed of the time when the service will be performed, providing immediate service to clients, and willing to help clients with mean value of 2.67 and standard deviation of 0.676.

The third dimension of service quality, Assurance, is composed of five items namely: employees who instill confidence in clients, assuring the quality of work is up to standard, displaying courtesy consistently, having sufficient knowledge to answer client's questions, and being competent in problem solving (Mean: 2.50; STD: 0.690).

The fourth dimension is empathy which is composed of four items such as understanding client-specific needs, offering personalized attention to clients, post-project maintenance service, and business hours convenient for client (Mean: 2.53; STD: 0.713).

Tangibility is the fifth dimension of service quality model comprises five items. These are: - sufficient number of latest tools and equipment in good condition, sufficient workforce to complete a project, sufficient storing facility and good housekeeping, proper dress code for workforce complying with code of conduct, and detailed documentation (Mean: 2.30; STD: 0.835).

The purpose of calculation of the mean was to find the average opinion of the respondents in respect to service quality in a Likert scale. The standard deviation was calculated to determine the average variance of the responses from the mean and hence determine the consensus levels amongst the respondents in respect to a given metric in a Likert scale. In this study, two dimensions namely, empathy and responsiveness are slightly above the average value of the Likert scale, assurance dimension is equivalent to the average value of the Likert scale which is 2.50, and the other two dimensions such as reliability and tangibility were below the average value of Likert scale. Therefore, these result lead to a conclusion that on average the respondents moderately agreed that the all

items have great influence on client satisfaction in the private construction project under study settings. In other words the overall mean of 2.47 (STD: 0.757) indicates that, service delivery needs much improvements with average dispersion in the response among the respondents.

As respondents mentioned employees have no clear information about the type of services they provide and the kind of documents they should process. Moreover, they replied as they have no clear procedures to follow and understand when the results are returned to the customers. Because of these, majority of the participants mentioned that employees are not serving as per the standards. This has created a challenge for them to deliver the services based on the standards as they said.

This implies that lack of clear procedures in service delivery is expected to reduce the quality of service delivery which ultimately affects the over-all performance of the company through pushing out potential customers. This is in line with the study conducted by Eke et al. (2006), who claims that that most clients strongly agree that making use a competent professional team when executing projects could result in better satisfaction levels, reducing contractual and variation claims.

In addition, a study result by Dissert (2009) confirmed that a well-timed feedback is important to prevent problems from developing or at least enable quick problem solving. This study added that through effective feedback systems, the organization can foresee changes in the business environment and could also adapt to these changes beforehand. In addition, functional communication channels at the company and communication skills at the individual level are needed to gather information and make timely decisions.

The current study is backed by the study results of Rahman (2015), who identified seven extremely important factors that have a significant affect in client satisfaction level. These were: - service quality, communication skills, adherence to budget, safety performance, adherence to schedule, sit personnel skills, and management capabilities. Conversely, Junnonen et al. (2009) underscored that in order to improve the level of service delivery and ensure client satisfaction, the contractors should focus on developing and improving their central processes including entire selection of services and products the contractor offers.

### 4.3. The Current Satisfaction Level of Clients Provided by the Real Estates

#### 4.3.1. Research question two

*Table 4.3 Descriptive Statistics of Client Satisfaction by Items*

Client satisfaction	Response Scale								Mean	STD
	V. Good		Good		Not Satisfied		No Response			
	F	%	F	%	F	%	F	%		
I am satisfied with the service provided by the contractor	22	8.3	140	53	47	17.8	55	20.8	2.49	0.91
I am satisfied that I chose this contractor wisely	22	8.3	121	45.8	116	43.9	5	1.9	2.60	0.67
I had a great experience using this contractor	23	8.4	128	48.4	111	41	3	1.1	2.64	0.65
Grand Mean=2.58; STD=0.74										

*Source: Own Computation (SPSS Analysis)*

The above table shows that client satisfaction level in four real estates selected for this study. The client satisfaction was assessed using three indicators namely service, willingness to choose, and experience. The result presented in the above table reveals that 22 (8.3%) of the respondents responded as the level of their satisfaction towards the service provided by the contractor as excellent, 140 (53%) responded as good, 47 (17.8%) responded as not satisfied. The remaining 55 (20.8%) responded as no response (Mean: 2.49; STD: 0.91). Regarding the level of satisfaction to their preference towards the contractor, 22 (8.3%) agreed that their satisfaction is at very good level, 121 (45.8%) agreed that their satisfaction is good to choose the contractor, 116 (49.3%) responded as they were not satisfied to choose the contractor and the remaining 5 (1.9%) had no response (Mean: 2.60; STD: 0.67).

While talking about the past experience in using the contractor, 23 (8.4%) agreed that their satisfaction level is at very good level, 128 (48.4%) agreed that their satisfaction towards using the contractor was at good level, 111 (41%) were not satisfied in their past experience and the remaining 3 (1.1%) responded nothing (Mean: 2.64; STD: 0.65). The overall mean value of client satisfaction is 2.58 with standard deviation of 0.74. From this we can comprehend that the satisfaction level is slightly above the mean value of the four point-Likert scale which is 2.5 and it can be located at the range that needs some improvement as recommended by Chileshe and Kikwasi (2014). As the participants

responded, the infrastructure is less accessible; there is inconsistency in service delivery and dalliance in response. The institutional office layout, the floor configuration, the furniture layout and lightning are convenient but they said that majority of the employees lack experiences and commitment to manage the processes.

#### 4.4. Comparing the Service Delivery Practices among the Real Estates

##### 4.4.1. Research question three

This part presents the level of service dimensions by type of real estate. The purpose of this study was to determine the level of each service delivery dimension and make a comparison among four real estates under study settings. A total of 264 clients from four real estates were selected by proportionate sampling method. A comparison of the average of service delivery dimensions is presented as indicated below in table 4.3.

*Table 4.4 Service Dimensions\*Type of Real Estate*

Service Dimension	Statistics	Flint Stone Figa	Flintstone Town	Noah	TG	F	p
Reliability	Mean	2.57	2.23	2.32	2.42	8.5	0.000**
	STD	0.493	0.394	0.366	0.281		
Responsiveness	Mean	2.74	2.56	2.58	2.54	2.9	0.036*
	STD	0.582	0.28	0.278	0.268		
Assurance	Mean	2.61	2.39	2.32	2.43	5.7	0.001**
	STD	0.641	0.255	0.303	0.262		
Empathy	Mean	2.64	2.41	2.38	2.37	7.8	0.000**
	STD	0.563	0.121	0.158	0.182		
Tangibility	Mean	2.42	2.1	2.19	2.2	6.7	0.000**
	STD	0.582	0.237	0.231	0.242		
Satisfaction	Mean	2.56	2.72	2.61	2.3	2.4	0.07
	STD	0.553	0.717	0.497	0.319		

*Source: Own Computation (SPSS Analysis)*

As indicated in the above table, a comparison of the average value of each service delivery dimension among the four real estates was conducted. Accordingly, the average value of reliability dimension in Flintstone Figa real estate (M=2.57) is found to be the highest while it is lowest in Flintstone Town real estate (M=2.23). The p-value (p<0.001) in this row is less than 0.05, which is the significance level of the study. This implies that there is statistically significant difference among the four real estates in terms of reliability dimension. Regarding the responsiveness, among the four real estates, Flintstone Figa real estate takes the highest average value (M=2.74) while TG real estate

takes the lowest average value ( $M=2.54$ ). As confirmed by the p-value ( $P<0.05$ ), there exist statistically significant difference among the four real estates.

When we see the average value of assurance dimension, Flintstone Figa real estate ( $M=2.61$ ) assumes the highest value whereas Noah real estate assumes the lowest average value ( $M=2.32$ ). The p-value in this row, which is below 0.05 ( $p=0.001$ ) indicates the significance difference that exists among the four real estates in terms of this dimension. This implies that the existing difference is statistically significant.

Tangibility is another dimension which is the highest in Flintstone Figa real estate ( $M=2.42$ ) and the lowest in Flintstone Town real estate ( $M=2.1$ ). In this row the p-value is less than 0.001 and it confirms the significance of the existing difference among the four real estates. This shows that the difference is statistically significant.

In contrary the average value of client satisfaction in Flintstone Town real estate is highest ( $M=2.72$ ) followed by Noah real estate ( $M=2.61$ ) and it is the lowest in the TG real estate ( $M=2.3$ ). However, the p-value that exceeds 0.05 ( $P=0.07$ ) indicates that the existing difference among the real estates is insignificant. This implies that the difference is statistically insignificant.

Overall, the above results indicate that service delivery dimensions in all real estates under study settings are not in the same page and are not up to the expected level. Interview respondents confirmed that the offices lack facilities and furniture in the center; all the participants agreed that the office is equipped with the necessary office facilities, furniture and computers. However, they mentioned that, the office lacks sophisticated information technologies in order to avail the necessary information to the customers and provide prompt service.

#### **4.5 Establishing the Relationship between Client Satisfaction and Service Delivery**

##### **4.5.1. Research question Four**

###### ***4.5.1.1. Correlation analysis***

In order to understand the existing relationship between client satisfaction; and reliability, responsiveness, empathy, tangibility, and assurance correlation analysis was adopted.

*Table 4.5 Pearson correlation results*

Item	Correlations					
	1	2	3	4	5	6
1 Reliability	1					
2 Responsiveness	.689**	1				
3 Empathy	.748**	.782**	1			
4 Tangibility	.679**	.723**	.762**	1		
5 Assurance	.698**	.754**	.786**	.726**	1	
6 Client Satisfaction	.821**	.859**	.909**	.826**	.871**	1
Sig.	.000	.000	.000	.000	.000	.000
N	200	200	200	200	200	200

\*\* . Correlation is significant at the 0.01 level (2-tailed).

*Source: Own Computation SPSS Analysis, 2023*

In order to determine the effects of the above mentioned factors on client satisfaction an attempt was made to establish the relationship through Pearson product moment correlation. In this regard five variables are strongly correlated with client satisfaction and the results are presented as shown in table above. The findings in this table indicates that there is a strong positive and significant correlation between client satisfaction and reliability ( $r=0.821$ ), with empathy ( $r=0.909$ ), with assurance ( $r=0.871$ ), with responsiveness ( $r=0.859$ ), and with tangibility ( $r=0.826$ ).

When talking about inter-item correlation, all independent variables are positively inter-correlated with each other. This implies that all independent variables are inter-related and can affect each other. It also shows the significance of measured variables to be investigated as determining factors for client satisfaction in private construction projects under study settings. Therefore client satisfaction is associated with the above mentioned factors such that the improvements in those factors, the better client satisfaction in the study organization.

#### **4.5.1.2. Regression analysis**

To evaluate the relationship between independent variables such as reliability, empathy, assurance, responsiveness, and tangibility; and dependent variable, client satisfaction, a standard multiple linear regression was conducted using SPSS 23- version. The parametric statistics of computer R2 values and Beta values were extensively used for the analysis. R2 value denotes the magnitude of relationships that exists between the dependent variable and the independent variables (see the description of R2 value below table of model summary).

*Table 4.6 Model summary*

<b>Model Summary</b>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.968 <sup>a</sup>	.937	.936	.03948	1.685

a. Predictors: (Constant), Assurance Dimension, Reliability Dimension, Tangibility Dimension, Responsiveness Dimension, Empathy Dimension

b. Dependent Variable: Client Satisfaction

Source: Own Computation (SPSS Analysis)

The findings in the above table indicates that, there is a strong and positive significant multiple correlation between the five constructs and client satisfaction (R=0.968). R-square tells how much of the variation of the dependent variable is explained by the independent variables. According to the results, from the total variation of client satisfaction 0.937 (93.7%) has explained by the five independent variables. Then, 6.3% of variance of client satisfaction has explained by other influencing factors, which were not covered by this study. The adjusted R square explains extent to which the model is fit for the population. The adjusted R square of the study was 0.936 and it indicates that the high portion of the model (93.6%) is fit for the population. An adjusted R square value further indicates that factors account for 93.6% after controlling for overestimation or underestimation of the estimate values (Adjusted R square value=0.936).

*Table 4.7 ANOVA results*

		ANOVA				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.513	5	.903	578.925	.000 <sup>b</sup>
	Residual	.302	194	.002		
	Total	4.815	199			

a. Dependent Variable: Client Satisfaction

b. Predictors: (Constant), Assurance Dimension, Reliability Dimension, Tangibility Dimension, Responsiveness Dimension, Empathy Dimension

Source: Own Computation SPSS Analysis, 2023

As indicted in the above table, the findings are significant because it is not by chance (F (5, 194) =578. 925) but as result of fitting the model. This, therefore, is to mean that the five independent variables contribute about 93.7% of variation to the client satisfaction at the private construction projects. Therefore, it is possible to deduce from the findings that

the five factors explain a huge amount of variation on the client satisfaction in the study organization.

*Table 4.8 Regression coefficient results*

Model	Unstandardized Coefficients		Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Standardized Coefficients Beta			Tolerance	VIF
(Constant)	-.205	.053		-3.887	.000		
Reliability Dimension	.180	.029	.177	6.106	.000	.387	2.584
Responsiveness Dimension	.198	.031	.202	6.297	.000	.314	3.184
Empathy Dimension	.325	.036	.326	8.961	.000	.244	4.100
Tangibility Dimension	.130	.028	.139	4.554	.000	.349	2.862
Assurance Dimension	.243	.033	.238	7.321	.000	.307	3.261

a. Dependent Variable: Client Satisfaction

*Source: Own Computation SPSS Analysis, 2023*

Tolerance and VIF give the same information. ( $Tolerance = 1 / VIF$ ). They tell us if there is multi-collinearity. If the Tolerance value is low ( $< 1 - R^2$ ), then there is probably a problem with multi-collinearity. In this case, since adjusted  $R^2$  is 0.936 and  $1 - R^2$  is about 0.064; and then tolerance is high for five variables. Thus, there is no indication of multi-collinearity. According to coefficients table above, five variables are significant as the p values of all variables are less than 0.01 significant levels.

As can be seen from the above equation the constant value (-2.05) indicates the value of client satisfaction when all of the independent factors remain constant. The value (0.180) of reliability suggests that, if reliability component is increased by one unit, client satisfaction increase by 0.180 units when all of the other variables remain constant. Similarly the value of responsiveness (0.198) indicates that that the value of client satisfaction increase by 0.198 units as the value of responsiveness increases by one unit. The variable coefficient of empathy (0.325) indicates that that the value of client satisfaction increase by 0.325 units as the value of empathy increases by one unit. The value of (0.130) of tangibility indicates that the value of client satisfaction increases by

0.130 as tangibility increases by one unit. The variable coefficient of assurance (0.243) indicates that the value of client satisfaction increases by 0.243 as assurance increases by one unit. Based on the results of the above analysis, the equation of the regression can be established as follows:

$$Y = -2.05 + X_1 * 0.180 + X_2 * 0.198 + X_3 * 0.325 + X_4 * 0.130 + X_5 * 0.243$$

Where, Y= Client Satisfaction

X1=Reliability

X2=Responsiveness

X3=Empathy

X4=Tangibility

X5=Assurance

Obviously, all of the explanatory variables which are in the regression table have positive and significant influence on the client satisfaction. Thus, empathy (0.326) followed by assurance (0.238) then responsiveness (0.202), then reliability (0.177), and then tangibility (0.139) are influential factors and have predictive power up on the client satisfaction in the institution under study settings. This indicates that five variables have a significant contribution to client satisfaction in this model. This study substantiates the findings of different past and current researches describing the importance of identifying the major hindering factors on quality service provision and establishing suitable environment for the proper implementation of the process.

#### **4.6. Summary of Major Findings of the Study**

Mainly, findings of this study show that majority of the respondents 57.4% perceive that the client satisfaction is at good and above level while the other 43.6% perceive that the client satisfaction is below the good level and pointed out the need of much improvement. As confirmed by respondents, the service delivery status in the study organization needs much improvement in relation to responsiveness, reliability, assurance, empathy and tangibility. On the other hand, analysis of inferential statistics indicates that the existence of significant positive relationship between client satisfaction and attributes such as responsiveness, reliability, assurance, empathy and tangibility. All of the study variables are significantly contributing to the variation of the dependent

variable, client satisfaction.

The interview respondents further indicated that the employees lack experiences and commitment to manage the service processes. Majority of the respondents suggested that it needs much improvement to make the employee motivated and perform their works up to the expected standards. Also they mentioned that regular surveillance and monitoring of the service delivery; and soliciting feedback from the customers on the regular basis are mandatory. The interview respondents also forwarded the strategies to mitigate the effect of hindering factors as follows: instead of waiting the whole year for evaluation, it would be better conducting periodic assessment and providing performances feedback to employees; establishing sophisticated information technologies in order to avail the necessary information to the clients and provide prompt service and setting conducive work environment motivating employees to serve as per the standards.

## **CHAPTER FIVE CONCLUSION AND RECOMMENDATIONS**

### **5.1. Introduction**

The purpose of this study was to determine the level of client satisfaction and examine the service delivery in terms of responsiveness, reliability, assurance, empathy and tangibility in four private real estates namely, Flintstone Figa, Flintstone Town, Noah and TG found in Addis Ababa. The study adopted descriptive survey study designs which were aimed at describing the current client satisfaction level and ascertaining whether there exists a significant association between service deliver in terms of responsiveness, reliability, assurance, empathy and tangibility; and client satisfaction. The study population comprises households living in catchment areas of the construction site. A random sampling strategy was employed to get 264 respondents for questionnaire.

The first step towards achieving the objective was measuring factors and later on determining their effects on client satisfaction. The factors are: - responsiveness, reliability, assurance, empathy and tangibility. All the constructs were measured on a three point Likert scale of 1-3 where, (1) “dissatisfied”, (2) “satisfied” (3) “Excellent”. A three-point Likert scale questionnaire was accustomed to collect primary quantitative data from 264 respondents; and the response rate was 100%. The data was analyzed quantitatively using descriptive statistics such as mean, frequency, percentage and standard deviation. Furthermore, inferential statistics such as correlation and regression analyses were done. Based on the empirical findings of the study the following summary, conclusions, and recommendations are made.

### **5.2. Conclusions**

Based on the findings of the study, the following conclusions can be made. The results of the findings show that, five variables have a significant contribution to client satisfaction in the model. These are: - responsiveness which includes three items namely: keeping clients informed of the time when the service will be performed, providing immediate service to clients, and willing to help clients; reliability comprises provision of services as promised, displaying a helpful attitude in solving problems, work order performance as it is required, provision of services at the promised time, and continuity of work progress; assurance composed of five items namely: employees who instill confidence in clients,

assuring the quality of work is up to standard, displaying courtesy consistently, having sufficient knowledge to answer client's questions, and being competent in problem solving; empathy composed of four items such as understanding client-specific needs, offering personalized attention to clients, post-project maintenance service; and business hours convenient for client; and tangibility which includes - sufficient number of latest tools and equipment in good condition, sufficient workforce to complete a project, sufficient storing facility and good housekeeping, proper dress code for workforce complying with code of conduct, and detailed documentation.

From the findings it can also be concluded that overall client satisfaction in the study area needs some improvements so that the institution excels in its service delivery and employees are motivated to discharge their responsibilities to the expected level of standards.

### **5.3. Recommendations**

In light of the research findings the researcher made the following recommendations: The private real estates under study settings need to establish a well-designed service delivery system by conducting regular surveillance and monitoring of the implementation processes; and to invest in developing the functional and interpersonal skills of the staff. In addition the real estates are in need of setting clear procedures for employees towards their works to guide and facilitate performance.

### **5.4. Suggestions for further Study**

Based on the findings drawn from this study there should be a sequence after a while to find out if there are any changes that have occurred and a comparison with this data may be done to measure the extent of change or otherwise. A replicate study may be carried out in other areas of automation implementation.

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## **Annex: I**

### **Questionnaires and Interview Questions**

#### **ADDIS COLLEGE, DEPARTMENT OF CONSTRUCTION TECHNOLOGY AND MANAGEMENT POST GRADUATE PROGRAM IN CONSTRUCTION TECHNOLOGY AND MANAGEMENT (CoTM)**

**Dear Participant,**

I am MA student in **Construction Technology and Management** in ADDIS COLLEGE, DEPARTMENT OF CONSTRUCTION TECHNOLOGY AND MANAGEMENT POST GRADUATE PROGRAM. The main purpose of this questionnaire is to collect the appropriate data that will help to investigate the satisfaction level of real estate building construction projects clients in Addis Ababa city, Lemikura sub-city, “Figa” site. This study will be conducted only for academic purpose, and hence it will not affect any one by any means. Thus, the data collected through this questionnaire is kept confidential and only used for academic purpose. Therefore your genuine and timely response is important.

**Thank you in advance.**

#### ***General Instructions***

- To make the research outcomes complete, reliable, and fruitful, please complete the questionnaire by considering each question thoughtfully and honestly.
- As I mentioned above your answers will be treated with the highest degree of confidentiality and data collected from this research will be used solely for academic purposes and will report in aggregate.
- If you have any questions or dilemmas, please contact me via Tel. +251912109418
- Thank you in advance for your cooperation, and honesty in answering the following questions.

Yours sincerely, Tenaye Legesse

**Part I: Demographic Profile of the respondent (Residents)**

Put an “X” mark in the space provided for all close-ended questions and write your opinion for all open ended questions on the space provided for them. For open-ended questions please write your response in number on the space provided.

1. **Gender** 1. Male----- 2 Female-----

2. **Age in years** -----

3. **Marital status** 1. Married----- 2 Single----- 3 Divorced----- 4. Widow/ed--

**4. What is your level of education?**

1. Illiterate----- 2. Primary----- 3. Secondary----- 4. Higher Education-----

**5. How long have you waited to get the service you required (pleases write in years) -----**

**Part II. Please rate the following three points. Where 1 Dissatisfied, 2 Satisfied, 3. Excellent**

I. SERVQUAL Questions		Scale		
1	RELIABILITY (Items)	Excellent (3)	Satisfied (2)	Dissatisfied (1)
1.1	Provision of services as promised			
1.2	Display a helpful attitude in solving problems			
1.3	Work order performed as it is required			
1.4	Provision of services at the promised time			
1.5	Report periodic/continuous work progress			
2	RESPONSIVENESS (Items)			
2.1	Keeping clients informed of the time when the service will be performed			
2.2	Providing immediate service to clients			
2.3	Willing to help clients			
3	ASSURANCE (Items)			

3.1	Employees who instill confidence in clients			
3.2	Assuring the quality of work is up to standard			
3.3	Displaying courtesy consistently			
3.4	Having sufficient knowledge to answer client's questions			
3.5	Being competent in problem solving			
<b>4</b>	<b>EMPATHY (Items)</b>			
4.1	Understanding client-specific needs			
4.2	Offer personalized attention to clients			
4.3	Post-project maintenance service			
4.4	Business hours convenient for client			
<b>5</b>	<b>TANGIBLES (Items)</b>			
5.1	Sufficient number of latest tools and equipment in good condition			
5.2	Sufficient workforce to complete a project			
5.3	Sufficient storing facility and good housekeeping			
5.4	Proper dress code for workforce complying with code of conduct			
5.5	Detailed documentation			
<b>II</b>	<b>Construction client satisfaction Questions (Items)</b>	<b>Excellent (3)</b>	<b>Satisfied (2)</b>	<b>Dissatisfied (1)</b>
1	I am satisfied with the service provided by the contractor			
2	I am satisfied that I chose this contractor wisely			
3	I had a great experience using this contractor			

If you have any comments-----

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-----Thank you

***Interview questions***

Q1. How do you see the current service delivery in private real estates?-----

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Q2. What are the challenges for client satisfaction by the service provided?-----

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Q3. What measures should be put in practice for improving the current service delivery  
in terms of

a) Reliability-----

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b) Assurance-----

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c) Empathy-----

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d) Tangibility-----

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e) Responsiveness-----

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Thank you