FACTORS INFLUENCING CUSTOMER SATISFACTION AT THE NATIONAL HOSPITAL INSURANCE FUND: A CASE OF THE GARISSA BRANCH, KENYA

BY

MOHAMUD, MOHAMED GEDI

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DECLARATION

This research project report is my original work and has not been presented for academic award in any other university.

Signature...~~Andalad~~............   Date...24 /08/10....

Name: Mohamud M. Gedi

Reg No: L50/72779/2008

This research project report has been submitted with my approval as university supervisor

Signature.................   Date...24 /0.8./10....

Name: Dr. Kyalo D. Ndunge

Lecturer, School of Continuing and Distance Education

University of Nairobi

DEDICATION

This research project report is dedicated to my mom Zeinab Ibrahim Mohamed who worked hard to see me through my education, My late Dad Mohamed Gedi Gabale (May Allah give him Jannah) for taking the rare decision of enrolling me in school while I was herding camels and goats at the hills of Takaba, Mandera West and my visually impaired brother Ibrahim Mohamed Gedi who despite this visual challenge is climbing the ladder of education.

ACKNOWLEDGEMENT

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LIST OF ABBREVIATION/ACRONYMS

NHIF – National Hospital Insurance Fund

ROK- Republic of Kenya

TQM – Total Quality Management

ICT- Information Communication Technology

GoK- Government of Kenya

NSHIS- National Social Health Insurance Scheme

ABSTRACT

The purpose of this study was to determine the factors affecting customer satisfaction at the National Hospital Insurance Fund, a case of the Garissa Branch. Organizations are increasingly interested in retaining existing customers while targeting non-customer. Measuring customer satisfaction provides an indication of how successful the organization is at providing products and/or services to the market place. Other specific objectives include quality service provision, customer needs and expectations, prompt payment of benefits, information technology and government policies. The study is considered important to various stakeholders including the government, management of NHIF and other researchers.

The research adopted a descriptive research design and the population size was 363 that included NHIF staff and specific clients. A sample size of 30% was drawn from the population; a stratified sampling technique was used to select the respondents. Data was collected by use of questionnaire method which had both closed and open ended questions. Data was analyzed using descriptive statistics including frequency distribution tables, means, mode and standard deviation. It was important to use other methods also e.g. interviews, documents analysis among others for triangulation purposes.

The research findings showed that quality service provision, customer needs and expectations, prompt payment of benefit, information and communication technology and government policies affect customer satisfaction.

It is recommended that improvement in quality service provision, customer needs and expectation, prompt payment of benefits, improved information and communication technology and favorable government policies will increase customer satisfaction at NHIF.

It was noted that there is a need to carry out further research at other branches and even in other organizations that provide various services to customers.

CHAPTER ONE

INTRODUCTION

1.1 Background to the study

Customer satisfaction is a measure of how products and services supplied by a company meet or surpass customer expectation. It is seen as a key performance indicator within business and is part of the four perspectives of a Balanced Scorecard. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. (Gitman et al,2005).Organizations are increasingly interested in retaining existing customers while targeting non-customers; measuring customer satisfaction provides an indication of how successful the organization is at providing products and/or services to the marketplace. Customer satisfaction is an ambiguous and abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and product/service to product/service. The state of satisfaction depends on a number of both psychological and physical variables which correlate with satisfaction behaviors such as return and recommend rate. The level of satisfaction can also vary depending on other options the customer may have and other products against which the customer can compare the organization's products (Joby, 2003).

Customers measure the quality of the firm by the quality of services the employees offer. It is therefore important to empower frontline service employees – to give them the authority, responsibility and incentives they need to recognize, care about and tend to customer needs. Top service companies should communicate their concerns about service quality to employees and provide performance feedback (www.pritchettonline.com) Service quality is the discrepancy between customers' expectations and customers' perception of the delivered service Gareth et al (1998) points out that quality refers to goods and services that are reliable, dependable and satisfying in the sense that they do the job that they are designed for, and do it well, so that they give their customers what they want. Because satisfying customers is so important, industries need to produce

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outputs that have the attributes customers' desire. Since the ability of an organization to satisfy the demands of its customers derived from its production systems, organizations need to devote considerable attention to constantly improving production systems.

Kottler (2002) adds that there are seven approaches to increasing service productivity, these are having skilful workers through the process of recruitment and selection, increasing quantity of service by surrendering quality, industrializing the service, reducing or making obsolete the service need by inventing a product solution, designing of more effective services, presenting customers with incentives to substitute own labour with company labour and also harnessing power of technology to give customers better services. Social Security includes any collective measures or activities designed to ensure that members of the Society meet basic needs and are protected from contingencies to enable them maintain a relatively decent standard of living. Its basic principle is risk pooling by society since no individual can fully guarantee his/her own economic security (Kanshik, 1999).

National Hospital Insurance Fund is a State Parastatal that was established in 1966 as a department under the Ministry of Health. The original Act of Parliament that set up this Fund in 1966 has over the years been reviewed to accommodate the changing healthcare needs of the Kenyan population, employment and restructuring in the health sector. Currently an NHIF Act No 9 of 1998 governs the Fund.

The transformation of NHIF from a department of the Ministry of Health to a state of corporation was aimed at improving effectiveness and efficiency. The Fund's core mandate is to provide medical insurance cover to all its members and their declared dependants (spouse and children). The NHIF membership is open to all Kenyans who have attained the age of 18 years and have a monthly income of more than Ksh 1000.

Garissa Branch was established in January 1996 and it covers the eleven districts of North Eastern Province which include Garissa, Fafi, Lagdcra, Ijara, Wajir North, Wajir East, Wajir South, Wajir West, Mandera East, Mandera Central and Mandera West. The

branch has about Two Thousand three hundred active contributing members; there is also a sub branch in Wajir and a satellite office in Mandera.

1.2 Statement of the Problem

In recent years NHIF has embarked on an ambitious reform program intended to convert it from a National Hospital Insurance Fund to a Social Insurance Health Scheme. As a converted scheme, the new NSHIF will operate as a mandatory National Social Insurance Health Scheme, serving as workers' 1st pillar of social insurance. Everyone with an income (except those excluded by national and international law) should be registered as a contributing member. However, this is subject to the existence of relevant legislation.

Organizations depend on their customers and therefore should understand current and future customer needs, Customer satisfaction is the goal of any organization in Kenya; NHIF must therefore meet its customer requirements and strive to exceed its expectations as required by the first Principle of Total Quality Management. NATIONAL HOSPITAL INSURANCE FUND (NHIF) Garissa Branch has numerous challenges in meeting its customer satisfaction. These are due to poor record keeping because of use of obsolete technology which can result in delayed payment of contributions thus the need to carry out this study in Garissa Branch. . The fund has recently trained all it senior management on customer care to counter this challenge and enhance better performance within the organization. There was therefore the need to study the how provision of quality services, use of ICT, assessment of customer needs and expectations and prompt payment of benefit influences customer satisfaction at NHIF Garissa branch

There are cases in Kenya where patients (claimants) who are normally NHIF customers and accredited health facilities take longtime to get their claims, thus the need to study customer relations in this organizations. NHIF needed to determine whether the implementation of TQM principle of Customer Focus can solve the problem of Customer relations in NHIF. The NHIF operates as an insurance fund, as a result of its institutional orientation its benefits is tied to unforeseen health risk that must be hospitalized at an accredited hospital with NHIF.Because NHIF operates on a defined contribution basis, its

structure does not allow for either pooling of risks among contributors or provide safety through a minimum benefit. This structural character of the NHIF therefore limits the scope of coverage provided especially since the defined contributory requirement places risks with the individual.

1.3 Objectives of the study

1.3.1. Broad objective

To find out the factors that influence customer satisfaction by National Hospital Insurance Fund, at the Garissa Branch.

The specific objectives of the study will be to;

i.   To investigate the extent to which quality service provision affects customer service by NHIF in Garissa.

ii. To determine the effect of assessment of customer needs and expectation in customer satisfaction by the NHIF in Garissa.

iii. To examine how information communication technology influences customer satisfaction by the NHIF in Garissa.

iv. To find out the extent to which prompt payment of benefit influences customer satisfaction by the NHIF in Garissa.

v.   To establish how government policy influence customer satisfaction by NHIF in the Garissa.

1.4 Research questions

The study sought information to answer the following questions.

i.   How does quality service provision influence customer satisfaction by the NHIF in Garissa?

ii. What is the effect of assessment of customer needs and expectation on customer service by the NHIF in Garissa?

iii. To what extent does prompt payment of benefits influence customer satisfaction by the NHIF in Garissa?

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iv. How does Information Communication technology influence customer satisfaction by the NHIF in Garissa?

v. How does government policy influence customer satisfaction by NHIF in Garissa?

1.5 Significance of the study

The findings of the study intended to benefit the following groups of people:

Top management of NHIF to undertake decisions in customer satisfaction in NHIF Garissa region, by understanding how quality service, information technology, prompt payment of benefit and government policy affect customer satisfaction.

The findings may be used to sensitize key policy makers in the government, especially ministry of finance and health by appreciating the findings on how policies set by the government through this ministry affect the customer satisfaction by NHIF Garissa Branch.

The direct beneficiaries will also use the finding of the study to realize their role in the success of NHIF so as to minimize the problems faced when the community members fail to contribute towards NHIF.

The board of directors NHIF and other stakeholders to borrow ideas on customer satisfaction in NHIF Garissa region by knowing how these factors influence customer satisfaction.

Other researchers interested in the area of customer satisfaction as a source of problem or replication of the study in other organization or areas by identifying gaps in this study.

1.6 Scope of the study

The study will focused on NHIF Garissa region. The region has one regional office and three satellite offices and about two thousand three hundred members. For the purpose of this study sample will be preferred.

1.7 Limitations of the study

The study may had the following limitation The time available to carry out the study was not adequate, the researcher was not able to interview all the customers of NHIF because

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of geographical area, Some respondent may have given incorrect information on the subject of the study and the Funds available to carry out the study not adequate.

The researcher overcame these challenges by trying to conduct the research within the required time by working for long hours. employed research assistant and used public means to cut on cost. The researcher sampled the study population into strata to get representation of the entire population and will minimized the cost by operating within the budget

1.8 Assumptions of the study

The study was based on the following assumptions. There was total cooperation from the participant in giving out the required information to carry out the study,
The study was to be carried out with the available resource and within stipulated time, the environmental conditions shall not inhibit the research work e.g. roads to study areas will not become impassible due to heavy rains.

1.9 Definition of Operational Terms

Customer satisfaction is a measure of how products and services supplied by a company meet or surpass customer expectation. It is seen as a key performance indicator within business and is part of the four perspectives of a Balanced Scorecard.

Technology- tools e.g computers that are used in NHIF to carry out day-to-day activities.

Customer- NHIF members/contributors who make monthly contribution to NHIF.

Customer expectations-The attributes or measure of satisfaction of product or services by customers

Social Security- Collective measures done to protect members of society from social problems e.g illness.

Policies- The procedures/ guidelines used by the NHIF management or government that controls all the activities of the fund.

Contributions- Money paid to NHIF by its members that can be investment by NHIF and paid to members later when they retire from active employment

NHIF ACT- the Act of parliaments that set up the laws and legislative procedures that set up the NHIF and define its roles.

Benefits- These are the money paid to NHIF members upon been admitted to hospital, invalidity, emigration or paid to their beneficiaries.

The Fund- National Hospital Insurance Fund.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction to Literature Review

This chapter presents a review of the related literature on the area under study as presented by various researchers, scholars, analysts and authors. It provides concepts definitions, concept perspective, current practices, past studies and the conceptual framework.

2.2.1 The Influence of Quality Service provision on Customer Satisfaction

Evans (1998) points out those customers want to get their money' worth from a product or service they purchase. Organizations of all types and sizes come to realize that their main focus must be to satisfy their customers .Satisfying the customer includes providing what is needed when it's needed. In many situations it's up to the customer to provide the supplier with requirements. A company that seeks to satisfy the customer by providing them value for what they buy and the quality will get more repeat business, referral business and reduced complaints and service expenses. Some top companies not only provide quality products but also give extra service to make their customers feel important and valued.

Stoner et al (2001) asserts that quality revolution is truly afoot in the business today. While this concern with quality is important, every business today wants to have quality products and services that are better than average, perform to the level needed, and are affordable. Nevertheless, 'quality' as is used in management means more a better than average product at a good price. It also means focusing on the production of increasingly better products and services at progressively more competitive prices. And this means doing things right in organizations on the first try, rather than making and correcting mistakes.

Kotler (1997), Quality customer service is a core business process, which entails "all the activities involved in making it easy for the customer to reach the right parties within the company and receive quick and satisfactory services, answers and resolutions to problems." Initially marketing as a discipline developed in connection with the selling of physical products. However, through the years, as the economies have grown more and more complex, it has become necessary to look at marketing from a broader viewpoint of the marketing of services.

The Social Insurance concept has been accepted as a compulsory obligation throughout the developed and developing nations. Its coverage is therefore an integral part of the Development process. However, a large proportion of population in the world still does not enjoy social insurance. Its coverage can be defined in terms of the number of contributing members as a percentage of the labour force (Rofman and Luchetti, 2006).

Membership has grown steadily over the years and the Fund has a cumulative registered membership of about 3 million.Today, NHIF continues to work on enhancing its organizational performance and improving the quality of services it provides to its members.NHIF considers the contributors as key to her success. Consequently, NHIF strives to provide contributors with quality, efficient and reliable services. NHIF is committed to being a world class centre of excellence in the provision of social health insurance. In order to achieve her objectives, it is important to understand the customer mindset; therefore, NHIF needed to conduct a study on the satisfaction levels of its customers and contributors. The research findings will form the basis for further improvement actions in the next performance year (2010/2011) and beyond. For NHIF to remain focused and responsive to customers shifting needs and preferences, carrying out frequent customer surveys is a prerequisite to achieving its goal.

National Health Insurance Fund cover in Kenya was limited to the Formal Sector which covers about one third of the workers numbering 1,907.3 million. The Informal Sector therefore covers two- thirds numbering 7,543.0 million and comprises of members who by statute are not eligible contributors to the NHIF. The Sector includes self employed plus employees of businesses not registered under the Companies Act. Due to the high

rate of unemployment in Kenya, the Informal Sector absorbs a large number of Kenyan working populations. NHIF however has started ambitious registration of self employed and retirees so that they can be covered in case of illness.

2.2.2 The Influence of Customer needs and expectation on customer satisfaction

Provision of quality should exceed customer's expectations. Customers compare the perceived service with the expected service. If the perceived service is below expectation: they lose interest with the provider while the opposite creates royalty. Customers compare the perceived services with the expected services. Quality service has a link to market growth and profitability resulting from having a loyal customer base. In order to deliver quality customer service, there is need to understand service quality from both the customers and service providers perspective. There is also need to understand the means of measuring, recording and monitoring the service quality (Gene-Epstein ,1997).

Dessler (2005) asserts that a product or service is said to be of high quality if it has attributes or features that meet the expectations of its consumers or users. Low quality product or service on the other hand have features or have features or attributes that fall below expectations of the users. If a product or service falls short of expectations, the customer is disappointed; if it meets expectations, the consumer is delighted. In other words quality refers to the total features and characteristics of a product or service that bear on its ability to satisfy given needs. The basic consideration is thus always the extent to which the product or service meets customer expectations.

Tension arises with clients when expectations are not met in the eyes of the client. The fundamental lesson about client relationships is to set realistic expectations. If this is not possible, it is not worth doing business with the client. He gives ways in which relationship with a client can be enhanced which include; keeping the client informed of all that is going on in the organization, offering solutions to clients when there are problems and asking for their thoughts, making promises that the organization can

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achieve and always adding value by incorporating the clients ideas such initiatives will reduce conflict and will thus enable good relationship with the clients(www.about.com).

2.2.3 The influence of Prompt payment of benefits on customer satisfaction

The National Hospital Insurance Fund policy states that the fund is committed to provide sustainable basic social insurance to eligible Kenyan workers through instant member registration, timely collection of contributions, prudent investment of contribution and prompt payment of members' benefits (www.NHIF.com).

One strategy for extending social insurance to the poor is to enhance social protection by extending coverage to the groups that may be excluded. Even though incomes in these sectors are usually low, is nonetheless necessary that they enjoy some level of protection.

2.2.4 The Influence of Information Technology on customer satisfaction

Sanya (2001) asserts that advancements in technology have dramatically revolutionarised ways in which information is handled in terms of collection, analysis, transmission and storage. Hence ICT has improved how tasks and skills can be handled more efficiently. Information technology can be applied in a variety of ways, organizations are faced with the challenge of how to maximize the benefits that can be reaped from the harnessing of information through technology. Organizations are thus maximizing on research and development to unveil various ways in which they can improve their products and services using technology.

Grant (2000) theorized that the future would be driven largely by information and that companies that will manage it well could have an advantage. Laudon and Laudon (2005) point out that in industries with high technology content, technical standards become established and this gives the dominant firm monopoly. The same is true for networked industries in which interoperability requires compatibility between users, The emergence of the digital firm has changed the focus and emphasis of business strategy from competing head –to-head against other firms in the market, to exploring, identifying, and occupying new market niches before competitors. Understanding the customer value

chain better and learning faster and more deeply than competitors are facilitated by the technology. Successful firms have thus aligned IT to the organizations business plan, firm's business processes and senior management strategic plans. If the organizations business plans and processes and management strategies are outdated then there is need to change the organization and technology to achieve an optimal fit.

2.2.5 The influence of Government Policy on customer satisfaction

Policies and legal requirement express standards that have community consensus, though to differing degrees: policies are considered a standard that all users should follow, whereas legal requirements are more advisory in nature. Both need to be approached with common sense (Wikipedia,2008). Organizations are expected to abide by the laws of the host country in which they operate. Governments often pass laws and establish regulating agencies to control and direct the behavior of organizations. He adds that behind every piece of legislation-national, state or local is a government agency charged with the responsibility of ensuring compliance with its mandate. Among the many plans in organizations, there are standing plans in the form of organizational policies and procedures that are designed for use over and over again. They set guidelines that direct behavior in uniform directions for certain types of situations regardless of where and when they occur in an organization. A policy communicates broad guidelines for making decisions and taking action in specific circumstances. Policies should focus attention on matters of specific organizational consequence and guide people in how they are supposed to deal with them (Schermerhorn, 2002).

Legal conditions affect the ability of organizations to conduct business. Major concerns include the level of political risk associated with doing business in a particular country and degree to which trade barriers are erected by various governmental corporations. Organizations must access the political risk which is the probability of occurrence of political actions that will result in either loss of enterprise or significant benefits from conducting business. Finally they add that governments set up laws which control the

way in which business are run and some of the laws may force organizations to be run in a certain manner which may not be beneficial to it (Barton et al , 2003) .

2.3 Critical Review

Although social health insurance is seen as an integral part of the development process, a large part of the population still does not enjoy any health insurance protection. However the average individual does not really understand health insurance and thus does not know what to expect of it. If people were to understand what health security is, there would be the possibility of knowing what to expect and thus this will contribute to them advising the social health insurance providers of their needs.

2.4 Summary and gaps to be filled by the study

Studies have been done in the past and have focussed on Customer satisfaction in business organizations. Little attention has been given to the public sector which plays a vital role of serving the public. New knowledge may be revealed or discovered thus the study will aim to improve and lift information on the topic.

2.5 Theoretical Framework

Other researchers and authors came up with various models on factors affecting customer satisafaction. From the review of various literatures; the Kano Model of Customer Satisfaction explains the factors as shown below.

2.5.1 Kano Model of Customer Satisfaction

The Kano et al. (1996) model of customer satisfaction classifies product attributes based on how they are perceived by customers and their effect on customer satisfaction (Kano, Seraku et al. 1996).

According to the model, there are three types of product attributes that fulfill customer satisfaction to a different degree:

1) Basic or expected attributes,

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2) Performance or spoken attributes,

3) Surprise and delight attributes.

A competitive product meets basic expected attributes, maximizes performances attributes, and includes as many "excitement" attributes as financially feasible. In the model, the customer strives to move away from having unfulfilled requirements and being dissatisfied as shown in Figure 2.2 below.
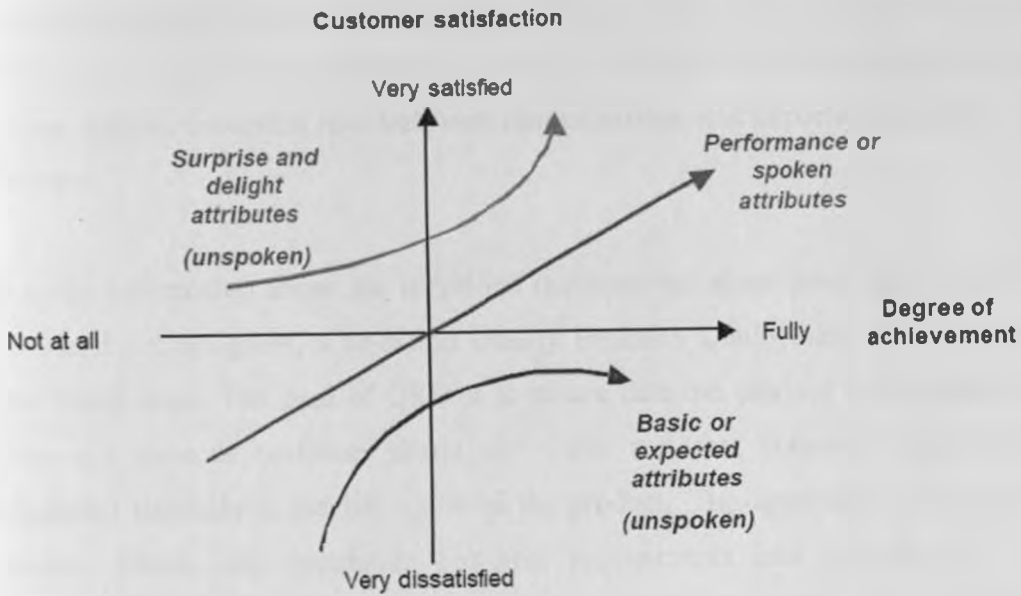
Figure 2.1 The Kano model (Kano, Seraku et al. 1996)

The performance or spoken attributes (the central line of the model) are those expressed by customers when asked what they want from the product. Depending on the level of their fulfillment by a product or a service these requirements can satisfy or dissatisfy consumers.

The basic or expected attributes (lower curve in the model) are basic attributes, which customers take for granted and they are so obvious that they are not worth mentioning. While the presence of these attributes is not taken into account, their absence is very dissatisfying.

The surprise and delight attributes (upper curve in the model) lay beyond customers expectations. If they are present they excite the customer, but their absence does not dissatisfy, as customers do not expect them.A successful combination of expected and exciting attributes provides a company with an opportunity to achieve competitive advantage. A successful company will correctly identify the requirements and attributes and use them to document raw data, user characteristics, and important service or product attributes.

To make information about the identified requirements about attributes understandable and useful for designers, a so-called Quality Function Deployment (QFD) approach is often being used. The goal of QFD is to assure that the product development process meets and exceeds customer needs and wants and that customer requirements are propagated throughout the life cycle of the product. The approach uses a number of matrices, which help translating customer requirements into engineering or design parameters, specifying product features, manufacturing operations and specific instructions and controls. QFD allows for the minimizing of errors and the maximizing of product quality for customers. The approach is probably the only existing quality system with such strong orientation to customer satisfaction.

2.6 Conceptual Framework

Independent variables   Dependent variables

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┌────────────────────┐
│ Quality service.   │───────────┐
│                    │            \
└────────────────────┘             \
                                    \
┌────────────────────┐               \
│ Customer needs and │────────────    \
│ expectations       │            \    \
│                    │             \    \      ┌─────────────────────┐
└────────────────────┘              \    \     │ Customer satisfaction│
                                     \────\────│ by the NHIF.        │
┌────────────────────┐               /    /    │                     │
│ Prompt payment     │──────────────/    /     └─────────────────────┘
│                    │             /    /
└────────────────────┘            /    /
                                 /    /
┌────────────────────┐          /    /
│ Information        │─────────/    /
│ Communication     │             /
│ technology        │            /
└────────────────────┘          /
                               /
┌────────────────────┐        /
│ Government policy  │───────/
│                    │
└────────────────────┘
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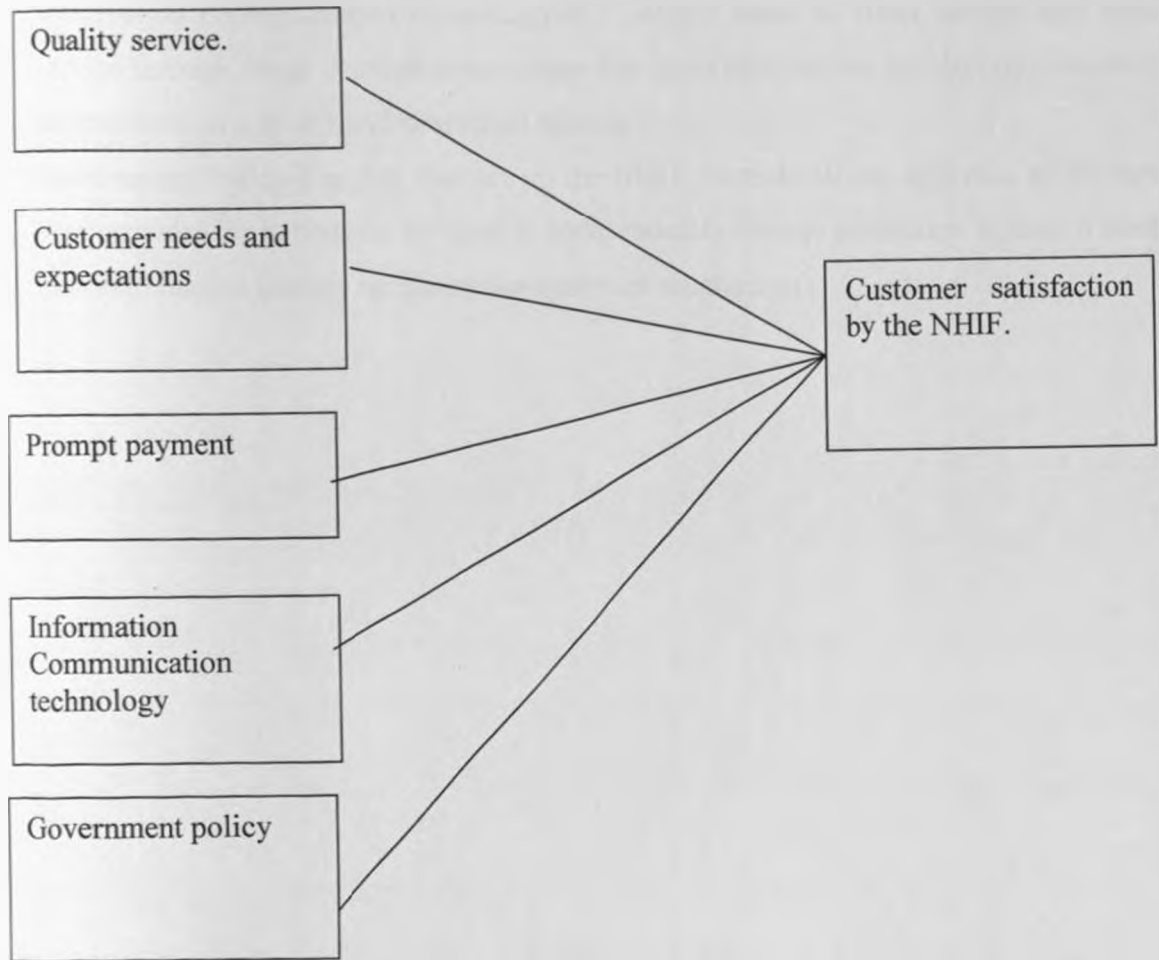
Figure 2.2 Conceptual Framework

The above conceptual frame work can be interpreted as follow;

Quality service-If quality service is provided to customers they will become content with the service and this will contribute to their satisfaction as it is of high quality.

Customer needs and expectations-When customer needs and expectations are met through the service provided to them they will be satisfied as the service is what they asked for.

Prompt payment of benefits-NHIF customers want to be paid their benefits on time, delays lead to customer complaints but fast payment of such benefits will lead to customer satisfaction.

Information communication technology-ICT usually leads to faster service and better service through easier communication; this thus leads to customer satisfaction as services are provided in a timely and simplified manner.

Government Policy-The Act that set up the NHIF controls all the activities of the fund thus provides limitations on the fund to independently change procedures in case it needs to make changes that are necessary for customer satisfaction.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research design, target population, data collection procedure and data analysis procedure that will guide the study.

3.2 Research Design

The study adopted combination of descriptive survey and naturalistic research designs. According to Kothari (2000), descriptive research design is used when the problem has been defined specifically and where the researcher has certain issues to be described by the respondents about the problem. This was because the method is appropriate for collecting both descriptive and explanatory data concerning employee's job satisfaction. In this case the researcher went to the population in a bid to tackle the topic of the study. Naturalistic design was used because of its appropriateness in providing an in depth description of the state of affair through direct observation.

3.3   The Target Population

The target population consisted of all staff of the NHIF from the Garissa Region offices and selected monthly customers, this consists of the population of interest. This is as depicted in the table that follows.

Table 3.1 Target Population

Group	Frequency	Percentage
NHIF staff	213	59
Selected customers	150	41
TOTAL	363	100%

3.4 Sampling Design

From the above population of 363, a sample of 30% was drawn by use of stratified random sampling. According to Mugenda & Mugenda (1999), a representative sample is one that is at least 10% of the population of interest. In addition, this sampling technique should be used when the population of interest is not homogeneous, in this particular case the population of interest was composed of NHIF staff of the Garissa office and selected monthly customers as depicted in the table above. These groups were mutually exclusive and are expected to give answers that are unique to the topic of the study. The sample will be obtained as indicated in the following table:

Table 3.2 Sample Design

Group	Frequency	Sample ratio	Sample size
NHIF staff	213	0.3	64
Selected customers	150	0.3	45
TOTAL	363	0.3	109

3.5 Data collection Instrument

The research instruments that was used included, questionnaires, focus group discussion and interviews.

3.5.1 Questionnaire for customer at the point of services

Structured and unstructured questionnaires was used to get information on NHIF customer satisfaction; this was especially used for educated respondents who could comfortably complete the questionnaires without any problem. Each section of the questionnaire sought different information for instance section A solicited information on age, sex and educational background, section B sought information on customer satisfaction, Section C quality service provision and Section D Customer needs and expectations. To ensure the effectiveness of this instrument a pre- test was carried out on sample population in the study area.

3.5.2 Questionnaire for staff

Structured and unstructured questionnaires was used to get information on NHIF staff members; this was especially used for all level of staffs in different department who could comfortably complete the questionnaires without any problem. To ensure the effectiveness of this instrument a pre- test was carried out on sample population in the NHIF.

3.5.3 Observations Schedule

This is a tool that provides information about that actual behaviour. Direct observation in this study was useful because some behavior involves habitual routine of which people are hardly aware. Direct observation allowed in putting customer feelings.

3.5.4 Focus groups discussion

A discussion guide was used to guide the discussion path. The moderator/interviewer focused on obtaining tangible and intangible information about customer service perception and important service quality dimensions. Participants were also guided to explain their experience as customers of NHIF in terms of quality of services and time taken to serve them.

3.5.5 In- depth interviews guide for staff

In-depth interviews was used to get qualitative information from corporate customers and stakeholders on a one-on-one basis. This involved the use of unstructured interviews aimed at obtaining unrestricted responses on their perception of NHIF and service satisfaction. It helped in identifying the key factors influencing customer satisfaction or dissatisfaction.

3.6 Validity and Reliability of the instruments

Validity and reliability of data collected was conducted to test the accuracy of the data collected. Questionnaire must be reliable, that is, the random error of responses must be minimised so that consistency of measurement is achieved. The questionnaire must also be valid–that is, it must be a true measure of what it purports to measure and must not be subject to bias. Validity can further be characterised as face, content, criterion, or construct validity.

3.6.1 Validity

The entire research instrument is tested to measure how well a test measures what it is supposed to measure. This refers to whether a study measures or examines what it claims to measure or examine. Questionnaires are said to often lack validity for a number of reasons. Participants may lie; give answers that are desired and so on. It is argued that qualitative data is more valid than quantitative data. This was done by ensuring that the right questionnaire administered to the right respondents for example questionnaire for staffs was administered to staffs and questionnaire for customers administered to customers.

3.6.2 Reliability

Reliability is the consistency of your measurement, or the degree to which an instrument measures the same way each time it is used under the same condition with the same subjects. In short, it is the repeatability of your measurement. A measure is considered reliable if a person's score on the same test given twice is similar. It is important to remember that reliability is not measured, it is estimated. It is done to ensure consistency of the results from the research instrument used. A reliability of the instrument will be done to ensure that result from one questionnaire can give similar answer to another similar questionnaire.To ensure reliability of the instrument,a pre-test was done by carrying out pilot study.

3.7 Data Collection procedures

The researcher got research permit from the department introducing him to the NHIF headquarters inturn notified their office in Garissa about the data collection for the purpose of this study. The researcher then booked a date for interview and administering of questionnaires.

Data was collected mainly by use of questionnaire method. This was due to the size of the sample which is relatively large and also as was time saving. The researcher made use of drop and pick method where the research tools was dropped and collected after being filled. Observation was considered by the researcher to supplement the answers and make opinions on the topic of the study. The questionnaire used both open ended and closed ended questions.

3.8 Data Analysis

Data was analyzed by use of descriptive statistics. Analysis of data was based on the research questions. Data was cleaned edited, coded, categorized and summarized into frequency distribution tables, charts or percentages using Ms Word and Ms Excel. It also used measures of central tendency especially mean, median and mode and measures of dispersion especially standard deviation. Cross tabulation was also used. Interview information was transcribed and reported in frequencies, percentages and narrative reports.

3.9 Expected output

The study was expected to reveal the factors that influence customer satisfaction by National Hospital Insurance Fund, a case study of the Garissa Region. In particular the study reveals the effects of quality service provision, customer needs and expectation, prompt payment of benefits, information technology and government policy on customer satisfaction by clients of the Garissa NHIF branch.

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION OF RESULTS

4.1 Introduction

This chapter presents the results of the data collected and further discusses these findings. It tackles both quantitative and qualitative analysis corresponding with the sections found in the questionnaires. The tables and figures in this chapter are derived from the findings of the study. This chapter presents an analysis of the findings of the research. Several descriptive analyses were made to achieve the objective of the study, which was: factors that influence customer satisfaction by National Hospital Insurance Fund, a case study of the Garissa Region.

The instrument used in the research was pre-tested to improve their validity and reliability basing on the objectives of the study. Questionnaires were edited as soon as they were received to ensure completeness. Filling in questionnaires was voluntary and participants were assured of anonymity and confidentiality.

4.2 Response Rate

Quantitative analysis deals with preliminary analysis procedures of sorting, frequencies and consistency checks on the data obtained. This further improved the quality of the data collected. Further and detailed analysis was also done. One hundred and nine (109) out of eighty eight (88) questionnaires given out were answered, thus the analysis was done using the questionnaires received from the respondents. The results are presented as shown below in Table 4.1.

Table 4.1: Response Rate

The study targeted 109 respondents with, 88 respondents answering the questionnaires comprising a 81 % response while the remaining 21 respondents comprising 19 % did not return their questionnaires. Mundy (2002) points out that a 60% response rate is acceptable but a 70-80% response rate is desirable for any research. This is as depicted in the table below:

	FREQUENCY	PERCENTAGE (%)
Response	88	81
Non-response	21	19
TOTAL	**109**	**100**

4.3 Demographic Information

The respondents were profiled using three different criteria that included their gender, the duration which the respondents had been working in the organization and their education level.

Table 4.2: Distribution of Respondents by Gender

The table below represents the gender of the respondents:

GENDER	FREQUENCY	PERCENTAGE (%)
Male	59	67
Female	29	33
TOTAL	**88**	**100**

The above table shows the respondents' gender. From the findings, the majority of the respondents were males as indicated by 67% of the response, while 33% were females. The great tendency of male respondents was noted to be due to more men being educated in the earlier years and also due to the insecurity in the area thus preference towards men being employed in the region. This tendency is however expected to change as women are gaining the relevant academic qualifications.

Table 4.3 distribution of Duration for which the respondents have been working.

EXPERIENCE	FREQUENCY	PERCENTAGE
0-5 years	22	24
6-10 years	34	39
11-15 years	27	31
Over 15 years	5	6
TOTAL	**88**	**100**

The respondents were requested to indicate the number of years they had worked for their respective organizations. The data in Table 4.3 indicates that majority of the respondents as shown by 39% had served for 6-10 years, 31% had served for between 11-15 years, 24% for 0-5 years and 6% for over 15years. This implies that most staff have the relevant work experience and thus their contact with the NHIF has been for a considerable period. This implies also that the staffs were able to answer the questions knowledgeably given their experience.

Table 4.4 Distribution of Respondents' level of education

EDUCATION LEVEL	FREQUENCY	PERCENTAGE
Primary	0	0
Secondary	18	20
College	42	48
University	23	26
Postgraduate	5	6
TOTAL	88	100

Table 4.4 represents the findings on the respondents' level of education. From the findings the researcher found out that majority of the respondents had college education as shown by 42 respondents (48%), 23 respondents (26%) had undergraduate degrees. 18 respondents (20%) had Secondary education,5 respondents(6%) had postgraduate degrees. The findings show that majority of the respondents are learned thus would be able to understand and answer the questionnaires. The levels of education would enable relevant information to be obtained from the respondents due to clarity and understanding of the level of customer satisfaction provided by the NHIF.

This general information was very important to the researcher as it helped to know how well the respondents were knowledgeable on the topic of the study which mainly depended on their level of education and duration the respondents had served as employees in the firm.This would thus be a great contributing factor with regard to the answers that would be expected from the respondents.

4.4 Customer Satisfaction

Table 4.5 Is the service satisfactory

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	55	62
No	33	38
TOTAL	88	100

The data in Table 4.5 represents the findings on whether the service provided by the NHIF satisfies its customers. Sixty two percent (62%) stated the service offered by the NHIF satisfies the customers while 38 % stated that it did not.

Table 4.6 Extent to which service provided is satisfactory

RESPONSE	FREQUENCY	PERCENTAGE (%)
Very Large Extent	7	13
Large Extent	19	35
Moderate Extent	17	31
Low Extent	9	16
Very Low extent	3	5
TOTAL	**55**	**100**

Table 4.6 represents the extent to which the service provided by the NHIF satisfies its customers. Majority of the respondents as shown by 35% stated the effect was to a large extent, 13% stated it as being used to a very large extent, 31 % reported a moderate extent, and 16% reported a low extent 5% to a very low extent. The findings show that the service provided by the NHIF satisfies a majority of the customers to whom its services are availed.

Table 4.7 Measures taken by the management of NHIF

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	51	58
No	37	42
TOTAL	**88**	**100**

The data in Table 4.3 represents the findings on whether the management of NHIF had introduced measures to improve the levels of customer satisfaction. Fifty eight percent (58%) stated that the management had introduced measures to improve levels of

customer satisfaction while fourty two percent (42%) stated that it had not put in place measures to enhance levels of satisfaction.

4.5 Quality Service Provision

Table 4.8 whether service provided is of quality

The following table represents the response on whether the service provided by the NHIF is of quality:

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	47	53
No	41	47
TOTAL	88	100

Majority of the respondents as shown by 53% answered in the affirmative while 47% disagreed with the statement. The findings of the study show that the service provided by the NHIF is of quality.

Table 4.9 Quality service provision on customer satisfaction

The following table represents the response on whether quality service provision contributes to customer satisfaction by the NHIF in Garissa.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	54	61
No	34	39
TOTAL	88	100

Majority of the respondents as shown by 61% answered in the affirmative, while 39% stated that quality service provision does not affect customer satisfaction. This clearly indicates that quality service provision affects customer satisfaction.

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Table 4.10 Extent to which quality service provision affects customer satisfaction

In the table below the respondents were requested by the researcher to give their views on the extent to which quality service provision affects customer satisfaction.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Very Large Extent	7	13
Large Extent	21	39
Moderate Extent	17	31
Low Extent	9	17
Very Low extent	0	0
TOTAL	**54**	**100**

Majority of the respondents as shown by 39% stated that this effect was to a large extent, 13% stated to a very large extent, 31% stated to a moderate extent and 17% to a low extent and a null percentage stated to a very low extent. The findings indicate that quality service provision contributes to customer satisfaction by the NHIF in Garissa.

4.6 Customer needs and expectation

Table 4.11 Whether customer needs and expectations are met by the NHIF.

In the table below, the respondents were requested by the reseacher, whether they thought customer needs and expectations are met by the NHIF in Garissa.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	61	69
No	27	31
TOTAL	**88**	**100**

The results from the table above show that majority of the respondents as shown by 69% of the respondents reported that customer needs and expectations were being met by the NHIF while 31% were of the opinion that customer needs and expectations were not being met.

Whether meeting customer needs and expectations contributes to customers' satisfaction

In the table below, the respondents were requested by the reseacher to give their views on whether the meeting of customer needs and expectations by the NHIF in Garissa contributes to their customers' satisfaction

Table 4.12 Customer needs and expectations on customer satisfaction

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	61	69
No	27	31
TOTAL	**88**	**100**

The results from the table above show that majority of the respondents as shown by 69% of the respondents reported that customer needs and expectations affect the satisfaction of the NHIF customers while 31% were of the opinion that it did not. This indicates that meeting the needs and expectations of customers is key to their satisfaction.

Table 4.13 Extent to which meeting of customer needs and expectations by the NHIF contributes to customer satisfaction.

In the table below the respondents were requested by the researcher to give their views on the extent to which the meeting of customer needs and expectations by the NHIF contributes to customer satisfaction.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Very Large Extent	32	52
Large Extent	17	28
Moderate Extent	9	15
Low Extent	3	5
Very Low Extent	0	0
TOTAL	**61**	**100**

Majority of the respondents as shown by 52% stated that this effect was to a very large extent, 28% stated to a large extent, 15% stated to a moderate extent and 5% to a low extent,0% to a very low extent. The findings indicate that meeting customer needs and expectations is critical in satisfying customers.

4.7 Prompt payment of benefits

Table 4.14 Payment of benefits

In the table below, the respondents were asked whether members of the NHIF are paid their benefits promptly.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	46	52
No	42	48
TOTAL	**88**	**100**

Majority of the respondents as shown by 52% responded in the affirmative while 48% stated that members are not paid their benefits on time. The findings shows that most of the members are paid their benefits on time, however there is a considerable number of members who have had delays in the payment of their benefits.

Table 4.15 Payment of prompt benefits and customer satisfaction

In the table below respondents were asked to give their opinion on whether prompt payment of benefits affects the levels of customer satisfaction by the NHIF in Garissa.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	66	75
No	22	25
TOTAL	**88**	**100**

Majority of the respondents as shown by 75% responded in the affirmative while 25% responded that prompt payment of benefits does not affect customer satisfaction. The findings show the most of the doctors are well rewarded as shown by the response from the study.

Table 4.16 Extent to which prompt payment affects the level of customer satisfaction

In the Table below respondents were further asked by the researcher to give their suggestions on the extent to which prompt payment of benefits affects the level of customer satisfaction.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Very Large Extent	21	32
Large Extent	27	41
Moderate Extent	15	23
Low Extent	2	3
Very Low Extent	1	2
TOTAL	**66**	**100**

Majority of the respondents as shown by 32% stated that this effect was to a large extent, 41% stated to a very large extent, 23% stated to a moderate extent and 3% to a low extent and 2% to a very low extent.

4.8 Information technology

Table 4.17 Is there usage of information technology in service provision

In the table below, the respondents were asked for their opinion on whether the NHIF uses information technology in the provision of its services.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	58	66
No	30	34
TOTAL	88	100

Majority of the respondents as shown by 66% responded in the affirmative while 34% responded that the NHIF did not use information technology in the provision of its services. The findings clearly show that there is the use of information technology in service provision.

Table 4.18 Information technology on customer satisfaction

In the table below respondents were asked to give their views on whether usage of information technology by the NHIF contributes to the level of customer satisfaction.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	55	63
No	33	37
TOTAL	88	100

Majority of the respondents as shown by 63% responded in the affirmative while 37% responded that information technology does not contribute to customer satisfaction. The findings showed that information technology contributes to customer satisfaction. This can also be represented as in the figure below:

Table 4.19 Extent to which information technology usage contributes to customer satisfaction

In the Table below respondents were further asked by the researcher to give their suggestions on the extent to which the usage of technology at the NHIF Garissa influences customer satisfaction.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Very Large Extent	7	13
Large Extent	20	36
Moderate Extent	15	27
Low Extent	13	24
Very Low extent	0	0
TOTAL	55	100

Majority of the respondents as shown by 36% stated that this effect was to a large extent, 13% stated to a very large extent, 27% stated to a moderate extent and 24% to a low extent.

4.9 Government Policy

Table 4.20 Whether Government policies affect the way in which the NHIF provides its services

In the table below, the respondents were asked whether government policies affect the way in which the NHIF provides its services and thus on customer satisfaction.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Yes	51	58
No	37	42
TOTAL	88	100

Majority of the respondents as shown by 58% responded in the affirmative while 42% responded that government policies does not affect the way in which the NHIF provides its services. The findings show that government policies affect the way in which the NHIF provides its services.

Table 4.21 Extent to which Government policies affects customer satisfaction

In the Table below respondents were further asked by the researcher to give their suggestions on the extent to which government policies influences customer satisfaction at the NHIF in Garissa.

RESPONSE	FREQUENCY	PERCENTAGE (%)
Very Large Extent	7	14
Large Extent	18	35
Moderate Extent	15	29
Low Extent	9	18
Very Low extent	2	4
TOTAL	**51**	**100**

Majority of the respondents as shown by 35% stated that this effect was to a large extent, 14% stated to a very large extent, 29% stated to a moderate extent,18% to a low extent and 4% to a very low extent.

4.9.1 Qualitative analysis

Qualitative analysis focuses on answers to open ended questions and any other relevant information. This was as shown below:

Efforts by the management of NHIF on customer satisfaction

The respondents were asked on any measures have been taken by the management of NHIF to improve the levels of customer satisfaction. They stated staff training, decentralization of major activities such as training and payment of benefits and formulation of service charters.

Enhancing customer satisfaction at the NHIF

The respondents were asked by the researcher on what can be done to improve on customer satisfaction by the NHIF in Garissa. They suggested serving customers to their needs and expectations, big office space for customers to be served one time, decentralization of benefit payment, creation of customer service days and the use of questionnaires to get contributory feedback from customers.

Enhancing quality service provision

The respondents were asked to suggest what can be done with regard to quality service provision to improve the levels of customers' satisfaction by the NHIF in Garissa. The respondents suggested customer sensitization of the operations of the NHIF, installation of a generator to prevent frequent blackouts, upgrading of the ICT equipment, aim by the NHIF to be ISO certified, frequent training of staff on customer service and the introduction of the claim process at the branch level.

Enhancing customer needs and expectations

The respondents were asked to suggest what can be done on customer needs and expectations to enhance customer satisfaction at the NHIF in Garissa. The respondents suggested education of customers on NHIF requirements and regulation, purchasing of new ICT equipment, upgrading of the systems used, paying of customers on time, establishment of a customer care desk, introduction of a suggestion box, improving on the archiving process and update of files on time.

Enhancing prompt payment of benefits

The respondents were asked by the researcher to suggest what can be done to enhance the prompt payment of benefits by the NHIF in Garissa. The respondents stated prompt processing of legitimate claims, introduction of proper and efficient I.T systems, recruitment of additional staff, decentralization of payment for payment to be made at the Garissa office and reduction of payment period.

Enhancing the use of information technology

The respondents were asked what can further be considered on the use of information technology to improve levels of customer satisfaction by the NHIF in Garissa. They suggested provision of computers to each staff, upgrade of the systems being used, roll out of programs that are easier to use, stabilization of the I.T system and the provision of finger print at the branch level.

Improvements on the Government policy.

The respondents were asked what can further be considered on the government policy to improve levels of customer satisfaction by the NHIF in Garissa. They suggested the amendment of the act to empower the NHIF in terms of social health insurance provision, incorporation of flexibility in the access of benefits' when one is jobless and the addition of the management to make decisions without all matters passing through parliament..

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of findings to the study, and in the process, draws conclusions based on the finding of the study. The chapter subsequently makes recommendations arising from the conclusions of the study. Finally the chapter makes suggestions for further research in connection with certain specific areas of this study.

The purpose of the study was to determine the factors that influence customer satisfaction by National Hospital Insurance Fund, a case study of the Garissa Region. Data was analyzed according to the objectives of the study. Data from each of the respondents was compiled and subjected to analysis. The summary of the results areas are as represented in the previous chapter.

5.2 Summary of Findings

The study sought to investigate to determine the factors that influence customer satisfaction by National Hospital Insurance Fund, a case study of the Garissa Region. Chapter one of the study discusses the background of the study, problem statement, research objectives and the research questions. It also outlines the significance of the study, assumptions and the scope of the study.

Chapter two attempted to review some of the studies that were carried out over the years on the topic of the study. The chapter discusses literature under the following headings: quality service provision, customer needs and expectations, information communication technology, prompt payment of benefits and government policy. It then gives an overview of the literature showing the research gap to be filled. Lastly, the conceptual framework of the study is provided.

Chapter three contains the details on the methodology that was adopted for this study. The chapter particularly deals with the research design. target population, sampling design, data collection procedures and the instruments of analysis that was used.

Chapter four presents the results of the data collected and further discusses these findings. It tackles both quantitative and qualitative analysis corresponding with the sections found in the questionnaires. The tables and figures in this chapter are derived from the findings of the study.

Chapter five presents a summary of findings to the study, and in the process, draws conclusions based on the finding of the study. The chapter subsequently makes recommendations arising from the conclusions of the study. Finally the chapter makes suggestions for further research in connection with certain specific areas of this study. The summaries to research questions are as show below:

5.2.1 Quality service provision on customer satisfaction

Research question 1 sought to find out if quality service provision influences customer satisfaction by the NHIF in Garissa. Majority of the respondents as shown by 61% stated that quality service provision by the NHIF affects customer satisfaction while 39% stated that it did not. This was mainly due to the fact that customers viewed quality service as key to their satisfaction. This clearly indicates that quality service affects the satisfaction of the customers of the NHIF Garissa region.

5.2.2 Customer needs and expectations on customer satisfaction

Research question 2 sought to determine the effect of customer needs and expectation on customer service by the NHIF in Garissa. Majority of the respondents as shown by 52% stated that this effect was to a very large extent, 28% stated to a large extent, 15% stated to a moderate extent and 5% to a low extent, 0% to a very low extent. The findings indicate that meeting customer needs and expectations is critical in satisfying customers of the NHIF in the Garissa region.

5.2.3 Prompt payment of benefits on customer satisfaction

Research question 3 sought to find out the extent to which prompt payment of benefits influences customer satisfaction by the NHIF in Garissa. Majority of the respondents as shown by 32% stated that this effect was to a large extent, 41% stated to a very large extent, 23% stated to a moderate extent and 3% to a low extent and 2% to a very low extent. The findings show that prompt payment of benefits actually affects the satisfaction of customers at the NHIF in Garissa.

5.2.4 Information communication technology on customer satisfaction

The study further sought to establish whether Information Communication technology affects the level of customer satisfaction by the NHIF in Garissa. Majority of the respondents as shown by 63% stated that information technology usage affects customer satisfaction while 37% responded that information technology does not contribute to customer satisfaction. The response was attributed to the faster service that the customers were getting due to the use of computers and communication response through the use of email.

5.2.5 Government policy on customer satisfaction

The study further sought to establish whether the policies set by the government contribute to the level of customer satisfaction by the NHIF in Garissa . Majority of the respondents as shown by 58% responded in the affirmative while 42% responded that government policies does not affect the way in which the NHIF provides its services..The response was attributed to the control that the acts of the government have on the operations of the NHIF.

5.3 Discussion of Findings

From the findings of the study the following conclusions were drawn:

It was concluded that quality service provision affects customers' satisfaction by the NHIF at the Garissa Branch. Evans (1998) points out those customers want to get their

money' worth from a product or service they purchase. Organizations of all types and sizes come to realize that their main focus must be to satisfy their customers .Satisfying the customer includes providing what is needed when it's needed. From the findings of the study 61% of the respondents stated that quality service provision contributes to customers' satisfaction. They added that if the service provided is of quality customers will be satisfied and will even be more open to ask for further assistance where necessary. Meeting of customer needs and expectations by the NHIF was found to contribute to customers' satisfaction from their service. Dessler (2005) asserts that a product or service is said to be of high quality if it has attributes or features that meet the expectations of its consumers or users. Low quality product or service on the other hand have features or have features or attributes that fall below expectations of the users. If a product or service falls short of expectations, the customer is disappointed; if it meets expectations, the consumer is delighted. From the study 69% of the respondents reported that customer needs and expectations affect the satisfaction of the NHIF customers as customer needs and expectations form the back bone of what the customers intend to get from the fund, thus when these are met customers end up being satisfied.

From the study 75% of the respondents asserted that prompt payment of benefits affect customer satisfaction. It can thus be concluded that prompt payment of benefits contributes to customers' service. It is therefore important for the NHIF to find ways to ensure that the delays that are experienced in the payment of benefits are eradicated so as to enable customer satisfaction.

From the findings of the study it was also concluded that the use of information communication technology by the NHIF affects the level of customer satisfaction. Laudon and Laudon (2005) point out that in industries with high technology content, technical standards become established and this gives the dominant firm monopoly. Understanding the customer value chain better and learning faster and more deeply than competitors are facilitated by the technology This was supported by the 63% response provided by the study. Information technology usage was found to enable faster service

delivery through easier access to records and communication of the same information to the customers.

It was also concluded that the policies set by the government affect customer satisfaction. governments set up laws which control the way in which business are run and some of the laws may force organizations to be run in a certain manner which may not be beneficial to it (Barton et al, 2003) This was supported by the findings of the study whereby 58% stated that policies set by the government control the nature in which the NHIF provided its services. It was noted that each activity had to be run in line with the Act which set up the fund thus the running of any business had to be in line with such policies.

5.4 Recommendations

Based on the findings of the study, the following recommendations were made:

5.4.1 Customer satisfaction at the NHIF

The respondents made the following recommendation to enhance customer satisfaction: serving customers to their needs and expectations, big office space for customers to be served on time, decentralization of benefit payment, creation of customer service days and the use of questionnaires to get contributory feedback from customers.

5.4.2 Quality service provision

The respondents made the following recommendations with regard to quality service provision in order to improve the levels of customers' satisfaction by the NHIF in Garissa. The respondents recommended: customer sensitization of the operations of the NHIF, installation of a generator to prevent frequent blackouts, upgrading of the ICT equipment, aim by the NHIF to be ISO certified, frequent training of staff on customer service and the introduction of the claim process at the branch level.

5.4.3 Customer needs and expectations

The respondents made the following recommendations on customer needs and expectations to enhance customer satisfaction at the NHIF in Garissa. The respondents recommended: education of customers on NHIF requirements and regulation, purchasing of new ICT equipment, upgrading of the systems used, paying of customers on time, establishment of a customer care desk, introduction of a suggestion box, improving on the archiving process and update of files on time.

5.4.4 Prompt payment of benefits

The respondents were asked by the researcher to make recommendations on what can be done to enhance the prompt payment of benefits by the NHIF in Garissa. The respondents stated prompt processing of legitimate claims, introduction of proper and efficient I.T systems, recruitment of additional staff, decentralization of payment for payment to be made at the Garissa office and reduction of payment period.

5.4.5 The use of information technology

The respondents were asked to make recommendations on the use of information technology to improve levels of customer satisfaction by the NHIF in Garissa. They recommended provision of computers to each staff, upgrade of the systems being used, roll out of programs that are easier to use, stabilization of the I.T system and the provision of fingerprint reader at the branch level.

5.4.6 Government policy

The respondents were asked to make recommendations on the government policy to improve levels of customer satisfaction by the NHIF in Garissa. Majority of the respondents recommended the amendment of the act to empower the NHIF in terms of social health insurance provision, incorporation of flexibility in the access of benefits' when one is jobless and the addition of the management to make decisions without all matters passing through parliament.

5.5 Suggestion for further research

The study only focused on the National Hospital Insurance Fund specifically the Garissa Branch. There is therefore the need for further research to be conducted at the other branches and even in other organizations that provide various services to customers. This will widen the scope of information collected on the topic of the study.

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APPENDIX 1

QUESTIONNAIRE FOR CUSTOMERS

INTRODUCTION

I am a postgraduate student pursuing Masters of Arts in Project Planning and Management at The University of Nairobi; I am carrying out a study on **An Assessment of factors influencing customer satisfaction in National Health Insurance Fund (NHIF), A case study of Garissa Branch.**

I am therefore seeking some information from you to enable me to carry out the said study. Please complete this questionnaire and answer all the questions. You are not required to state your name in the questionnaire and the information will be kept confidential and shall only be used for this purpose.

SECTION A

1. Sex (A)   Male   (B) Female

2. Years Worked
(A) 0-5   (B) 6- 10   (C) 11-15   (D) Over 15years (Cross the appropriate answer)

3. Highest Education Level
   (A) Primary
   (B) Secondary
   (C) College
   (D) University
   (E) Postgraduate
   ....

SECTION B

CUSTOMER SATISFACTION

6 (a) Customer satisfaction involves striving to give customers the service or products they need when they need it. In your opinion does the service provided by the NHIF satisfy its customers?

☐ Yes

☐ No

(b) If Yes, to what extent?

☐ V.Great

☐ Great

☐ Moderate

☐ Low

☐ V.low

7(a). Are there any measures that have been taken by the management of NHIF to improve the levels of customer satisfaction?

☐ Yes

☐ No

(b) If, Yes, please give examples.

....

....

....

....

8.Suggest what can be done to increase the levels of customer satisfaction by the NHIF in Garissa?

....

....

....

....

SECTION C

QUALITY SERVICE PROVISION

9(a).Do you think the service provided by the NHIF of quality?

☐ Yes

☐ No

(b) Please explain your answer above

....

....

....

....

10(a). Do you think the quality service provision contributes to customer satisfaction by the NHIF in Garissa?

☐ Yes

☐ No

(b) If Yes, to what extent?

☐ V.Great

☐ Great

☐ Moderate

☐ Low

☐ V.low

11.Suggest what can be done with regard to quality service provision to improve the levels of customer satisfaction by the NHIF in Garissa?

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SECTION D

CUSTOMER NEEDS AND EXPECTATION

12 (a) Do you think customer needs and expectations are met by the NHIF in Garissa?

☐ Yes

☐ No

(b) Please explain your answer above,

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13(a).Do you think the meeting of customers needs and expectations by the NHIF in Garissa contributes to their customers' satisfaction?

☐ Yes

☐ No

(b) If Yes, to what extent?

☐ V.Great

☐ Great

☐ Moderate

☐ Low

☐ V.low

14.Suggest what can be done on customers' needs and expectations to enhance the levels of customer satisfaction at the NHIF?

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SECTION E

PROMPT PAYMENT OF BENEFITS

15(a).Are the members of the NHIF paid their benefits promptly?

☐ Yes

☐ No

(b) If yes how long does it take for a member to paid he/her benefits

☐ One day

☐ Three days

☐ One week

☐ One month

☐ More

16(a). Has there been a complaint by clients on the time taken to receive one's benefits?

☐ Yes

☐ No

(b) Please explain your answer above,

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17(a).In your opinion do you think prompt payment of benefits affects the levels of customers satisfaction by the NHIF in Garissa?

☐ Yes

☐ No

(b).If Yes ,to what extent?

- ☐ V.Great
- ☐ Great
- ☐ Moderate
- ☐ Low
- ☐ V.low

18.What can be done with regard to prompt payment of benefits to enhance levels of customers satisfaction by the NHIF in Garissa?

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SECTION F

INFORMATION TECHNOLOGY

19(a) Does the NHIF apply the usage of information technology in the provision of its services?

☐ Yes

☐ No

(b).Please explain.

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20(a).In your opinion do you think the usage of information technology by the NHIF contributes to the level of customer satisfaction?

☐ Yes

☐ No

(b) If Yes ,to what extent?

☐ V.Great

☐ Great

☐ Moderate

☐ Low

☐ V.low

21.Suggest what can be done on the information technology to improve the levels of customer satisfaction by the NHIF in Garissa?

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SECTION G

GOVERNMENT POLICY

22(a).Does the Government policies affect the way in which the NHIF provides its services?

- ☐ Yes
- ☐ No

(b).Please explain.

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23(a).In your opinion do you think Goverment policy contributes to the level of customer satisfaction by the NHIF in Garissa?

- ☐ Yes
- ☐ No

23(b).If Yes ,to what extent?

- ☐ V.Great
- ☐ Great
- ☐ Moderate
- ☐ Low
- ☐ V.low

24.Suggest what can be done on government policy to improve the levels of customer satisfaction by the NHIF in Garissa?

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QUESTIONNAIRE FOR STAFFS

INTRODUCTION

I am a postgraduate student pursuing Masters of Arts in Project Planning and Management at The University of Nairobi; I am carrying out a study on A **survey of factors influencing customer satisfaction in NATIONAL HOSPITAL INSURANCE FUND (NHIF), A case study of Garissa Branch.**

I am therefore seeking some information from you to enable me to carry out the said study. Please complete this questionnaire and answer all the questions. You are not required to state your name in the questionnaire and the information will be kept confidential and shall only be used for this purpose.

SECTION A

1. Sex (A) Male   (B) Female

2. Department ....

3. Designation..

4. Years Worked

(A) 0-5   (B) 5- 10   (C) 10-15   (Cross the appropriate answer)

5. Highest Education Level

   (F) Primary

   (G) Secondary

   (H) University

   (I) Postgraduate

   (J) Others (Specify)......................

SECTION B

CUSTOMER SATISFACTION

6 (a) Customer satisfaction involves striving to give customers the service or products they need when they need it. In your opinion does the service provided by the NHIF satisfy its customers?

- ☐ Yes
- ☐ No

(b) If Yes, to what extent?

- ☐ V.Great
- ☐ Great
- ☐ Moderate
- ☐ Low
- ☐ V.low

7(a). Are there any measures that have been taken by the management of NHIF to improve the levels of customer satisfaction?

- ☐ Yes
- ☐ No

(b) If, Yes, please give examples.

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8.Suggest what can be done to increase the levels of customer satisfaction by the NHIF in Garissa?

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SECTION C
QUALITY SERVICE PROVISION

9(a).Do you think the service provided by the NHIF of quality?

☐ Yes

☐ No

(b) Please explain your answer above

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10(a). Do you think the quality service provision contributes to customer satisfaction by the NHIF in Garissa?

☐ Yes

☐ No

(b) If Yes, to what extent?

☐ V.Great

☐ Great

☐ Moderate

☐ Low

☐ V.low

11. Suggest what can be done with regard to quality service provision to improve the levels of customer satisfaction by the NHIF in Garissa?

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(b) Please explain your answer above,

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☐ No

(b) If Yes, to what extent?

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☐ Great

☐ Moderate

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☐ V.low

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- ☐ No

(b) If yes how long does it take for a member to paid he/her benefits

- ☐ One day
- ☐ Three days
- ☐ One week
- ☐ One month
- ☐ More

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- ☐ Yes
- ☐ No

(b) Please explain your answer above,

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- ☐ No

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- ☐ Great
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- ☐ Low
- ☐ V.low

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☐ No

(b). Please explain.

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☐ No

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☐ No

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☐ Great

☐ Moderate

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