An Evaluation of Users' Satisfaction with Property Management Services in Commercial Properties in Lagos, Nigeria

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Abstract

Customer or user satisfaction is an overall attitude regarding a good or service after its acquisition and use. The factor most important to satisfaction is the level of performance of the product. If the level of satisfaction with the product is high customers tend to be satisfied, even if they expect such level of performance. One of the challenges faced by property managers is that of ensuring optimal user satisfaction in the properties they manage. This paper examines tenants' (users) satisfaction with management of commercial properties by Estate Surveyors in Lagos. Users of commercial properties in Lagos were sampled using the simple random sampling technique. A structured questionnaire was administered to tenants of the commercial properties in Lagos.240 questionnaires were administered and 170 were returned and found usable and analyzed. The data were analyzed using frequency distribution, mean rank score and relative impact index. It was found that personal need is the most important factor that influence users' satisfaction with management of commercial properties. It was also discovered that users' of commercial properties are averagely satisfied with the management of the properties they occupy. It was recommended that both practitioners and academia should give more attention and value to the performance measurement of users' satisfaction so as to enhance cordial relationship among users and property managers.

Key-words: User Satisfaction, Commercial Property, Property Management, Lagos.

Introduction

The factor most important to satisfaction is the level of performance of the product, if the level of the product quality is high; customers tend to be satisfied, even if they had expected such level of performance. With respect to buildings, achieving customer satisfaction would imply there must be proper planning, design and construction to meet the satisfaction of its users, it is necessary to observe its durability, stability, resistance to weather, fire outbreak etc. In the last two decades, customer satisfaction and service quality have assumed topicality engaging the attention of practitioners and academic researchers. One of the significant challenges of management in service industries is providing and maintaining customer satisfaction. Customer service is an organization's ability to supply customers' wants and needs (Anshori & Langner, 2007).

Commercial buildings have been defined as those designed, built and operated for any use other than residential, manufacturing etc. These buildings can be dedicated to a single, homogeneous use such as corporate headquarters or they can be a complex combination of room for public interaction, space for commercial activity, classrooms, workspaces, cooking and dining facilities and even living quarters such as those found in dormitories. User satisfaction or dissatisfaction is a subjective phenomenon which cannot be based on objective reality but on client's perception of the objective reality. It should be noted that there will be dissatisfaction if focus is on the objective reality rather than seeing from the users' perspectives (Mbachu & Nkado, 2005). The overall goal of usability from a user perspective is to obtain acceptable effectiveness, efficiency and satisfaction (Bevan, 2008). Thus it is necessary to bring together the various requirements of the users of the commercial buildings in order to properly assess users' satisfaction with property management services in commercial properties.

Most property managers appear not to put enough emphasis in assessing the extent to which the properties they manage meet the satisfaction of their users. The customer in this case is the user of the facility. To provide quality work place, the customer must define their requirement clearly. However, requirement tends to be defined differently by property managers, largely without input from the building users (Smith & Pitt, n.d).

This paper aims at examining perceptions of users' satisfaction with management of Commercial properties under the management of Estate Surveyors with the view to drawing a framework for more user- friendly management of commercial properties. The objectives are to investigate factors influencing users' satisfaction with management of commercial properties and examine users' satisfaction level with the management of commercial properties.

This research is delimited in terms of geographical location and category of properties covered. Geographically, the study is restricted to Lagos state as it is the most active property market in Nigeria with the highest average property value and stock of investment (Babawale & Koleoso, 2006). In terms of category of properties covered, it is limited to commercial properties as commercial property remains the most capitalized in term of unit value and achieving a meaningful depth. (Wyatt, 2007)

Review of Related Literature

The Concept of User's Satisfaction

A key element of customer or users' satisfaction is the nature of the relationship between the users and the service provider. The higher the quality of service rendered the higher the level of satisfaction, thus quality of service is an important indicator of customer or users' satisfaction (Hoq& Amin, 2009). This underscores the imperative for regular assessment of user satisfaction.

Evaluation of customer satisfaction is important for safeguarding customer loyalty (Ilever, Cyr and Parent, 2006). For instance, housing satisfaction is the degree of contentment experienced by an individual with regard to the current housing situation. It should be noted that users/ tenants have vital roles to play in creating service outcomes to ultimately determine the value and level of satisfaction they receive. Assessing users' satisfaction in this regard is important as it plays a critical role in formulating successful housing policies (Oladapo, 2006). Users' satisfaction is the result of a user's assessment of a service based on a comparison of service delivery with their prior expectations. In order to ensure that positive users' satisfaction is attained, it is necessary to have a good understanding of the users' expectations and in understanding the users expectation there must be direct link with the users. (Mpwanya, 2006).

It is important to assess the satisfaction of users about the management of the property they occupy so as to understand user expectation and perception in order to gain numerous advantages. The concept of customer satisfaction according to Taylor and Baker (1994) cited in Mbachu and Nkado (2005) is regarded as raison d'etre for the existence and operation of an organization.

There appears to be a dearth of literature on user satisfaction in provision of property management service locally as against its application in other service sectors like the hospitality and housing sector. According to Susilawati (2002) a survey of tenant satisfaction should include: willingness to receive suggestions and implement them; appearance and property condition; quality of service management; contract agreement; tenant relationship; renew objectives; property characteristics; and readiness to solve a problem.

User or customer satisfaction plays an important role in the success and survival of organization in today's competitive market and the property industry cannot be an exception. A quality workplace can induce productivity gain in the organization. Improved workplace satisfaction can act as a catalyst in attracting and retaining talented members of staff, thereby increasing profits (Smith & Pitt, n.d.). It would appear that user satisfaction has been relegated to the background by property managers of office buildings. Given the multitude of features and varying quality of office buildings at different locations, an assessment of users' satisfaction remains the only means of meeting the objectives of users (tenants).

A Systems Approach to User Satisfaction

Oladapo (2006) advocated a systems approach to the concept of user satisfaction. This concept involves four interacting subsystems which include the tenant subsystem, the dwelling subsystem, the environment subsystem and the management subsystem.
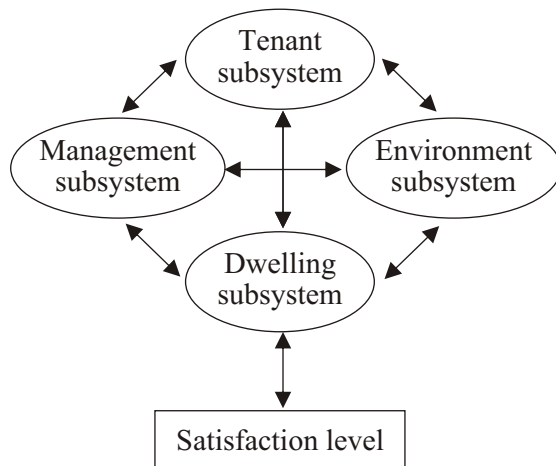
Figure 1: Systems Approach to User Satisfaction
Source: Oladapo (2006)

In figure 1, the management subsystem is the first subsystem, the dwelling unit subsystem is the second subsystem, and the environment subsystem is the third while tenants' subsystem is the fourth subsystem. The model depicts a system of tenant- dwelling unit- environment management interaction which produces a housing situation which the tenant component judges as adequate and satisfactory according to their housing needs and expectations.

At the heart of the user's satisfaction model in the Figure 1, is the tenant (user) which is the fourth subsystem, who is the recipient of all the feedback from the other subsystems and is therefore the central focus of the model on which satisfaction in property management should be based. The housing unit is a part of an environment subsystem which has influence negative or positive, on the users' living conditions and their satisfaction with a particular housing unit within the environment. The management subsystem comprises the whole institutional framework under which housing is administered. It follows from the above that though operating as a revolving system, the focus is the user whose loyalty

defines not just attainment of loyalty but in the long run (in the case of property) promotes the economic wellbeing of the property.

Hoq and Amin (2009) studied the role of customer satisfaction in enhancing customer loyalty. In particular, the purpose of their work was to examine the role of customer satisfaction in enhancing customer loyalty for Muslim and non- Muslim customers and the effects of customer loyalty on customers behavioural decisions in the Malaysian Islamic banking industry. The study used questionnaires and the data were analyzed using confirmatory factor analysis and squared multiple correlation. Cronbach's Alpha Coefficient was used to test the reliability of customer satisfaction, customer loyalty and intention to switch instrument. The study concluded that higher customer satisfaction leads to lower customer intention to switch banks and that customer satisfaction is the most important driver to enhance customer loyalty for non- Muslim than Muslim customers. It would imply that promoting user satisfaction through improved service quality helps in engendering customer loyalty.

Anshori and Langner (2007) studied the importance of customer satisfaction and supreme service provision in the hotel industry using Surabaya Plaza Hotel with the aim to gain insight into the concepts regarding customer satisfaction in the hotel industry and to explore the very needs and want of Surabaya Plaza Hotel's guests in order to discover the opportunities a hotel management has in improving the experience of current guests and in becoming more competitive in winning new customers. The research employed the survey method using structured questionnaires. The sourced data was analyzed using SPSS software. It was discovered that the hotel was

well acceptable to its customer with few complaints. It was also discovered that the quality of service, based on the wants and needs of the customers, was an important key factor to customer satisfaction and success in the industry.

Fen and Lin (n.d) carried out a study on service quality and customer satisfaction as an antecedent of customer's re patronage intentions. The purpose was to examine the relationship between service quality, customer satisfaction and customer re- patronage intentions in the context of the restaurant industry. Self-administered questionnaire were used and Pearson correlation analysis and linear regression were used to analyse the collected data. The research pointed out that service quality and customer satisfaction has a direct positive effect on customer's re-patronage intentions and also that customer satisfaction is a stronger predictor of re-patronage intentions as compared to service quality.

Reasons for Assessment of User Satisfaction

The key reason for the assessment of user satisfaction with management of properties is to obtain a more complete understanding of users' needs and to improve the service rendered in other to provide a better user experience. Bevan (2008) argued that assessing user satisfaction is necessary to make comparison between products, or to assess whether usability requirements have been achieved. He also emphasised that assessing user satisfaction is important in identifying usability problems, to obtain a better understanding of user needs so as to refine requirements.

Measuring user satisfaction with management of properties plays a key role in

quality and productivity improvement activities. Thus, the main reason for assessing user satisfaction with management of their properties they use/occupy on the basis of established rationale from research into related industries will include:

- To ensure that customers' requirements have been met.
- To be able to set sensible objectives and comply with them.
- To provide standards for establishing comparisons.
- To highlight quality problems and determine areas of priority attention.
- To provide feedback for driving the improvement effort.

Factors That Influence User Satisfaction

The basic factors that influence user satisfaction have been identified to:

- Personal needs: every user of a service has a set of key personal needs that they expect the service to address. These needs vary from service to service and from customer to customer. Thus, service providers must have a clear understanding of these needs to render an appropriate service.
- Previous experience: the previous experience of a user for a service will influence their future expectations for such service.
- Inter personal communication: user satisfaction is usually influenced by communications from sources other than the service provider itself. These other sources could be family, friends and colleagues, media etc
- Explicit service communication: statement from staff, leaflets or other publication have a way of influencing user satisfaction.
- Implicit service communication: factors

such as the physical appearance of building for instance renovation may lead the customer to expect other service aspects to be of higher quality.

- Personal beliefs.

According to Szymanski &Henard (2001) there are four main factors that influence user or customers' satisfaction for a product or service and they include:

- Perceptions of service and product quality.
- Perceived performance of products and services.
- Customer complaints behavior.
- Perceived or real interaction between customers and service providers.

These factors can either be subjective or objective. Subjective factors include customer needs, emotion etc while objective factors include product or service features. (Holjevac, Markovic&Raspor, n.d.).

Research Method

This study assesses user satisfaction with the management of properties. Lagos state was selected for investigation as it contains a sizeable numbers of commercial properties. A mixed method is adopted combining both qualitative and quantitative techniques. The study used questionnaire survey for primary data collection. The source of the secondary data was journal articles, textbooks, internet materials and other secondary data source.

The study population used for this study is the users of commercial properties. The users of commercial properties are considered to be in the best position to express their perception about the management of the properties they occupy. The sample is also restricted to office buildings.

The questionnaire is segmented in three parts. The first part is a letter of introduction. The second part addresses the characteristics of the respondents and the third part dwells on the study's stated objectives. The second part of the questionnaire which measures respondents' characteristics is composed of closed ended questions with single options and in some cases eliciting multiple responses questions. The third part of the questionnaire contain a combination of single and multiple response questions, opinion rating i.e. Likert- style and ranking questions. This method is considered most suitable to test respondents' perception on their assessment of user satisfaction with management of commercial properties.

Sample frame include all users of commercial properties managed by Estate Surveyors and Valuers in Lagos Metropolis. Two hundred and forty (240) questionnaires were administered to users; one hundred and seventy (170) were returned and found usable and analyzed, which represent 71% of the total number of questionnaires administered. Charts and descriptive statistics such as frequency, simple percentage mean and relative impact index were used to process responses of user/tenants.A combinations of descriptive and inferential statistics were used to analyse the data. The data was also analyzed using relative impact indices and mean rank score. On this basis, inferences and necessary conclusion were drawn from these relationships.

Results

The analysis yielded the following results:

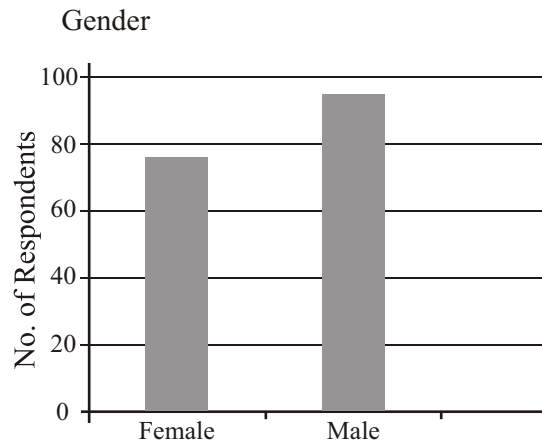### *Characteristics of Respondents*

Gender

Figure 2: *Distribution of the Respondents by Gender*

Figure 2 shows the frequency distribution of the respondents by gender. Ninety- four of the respondents are male while seventy- six of the respondents are female. From this, it can be seen that majority of the respondent are male.
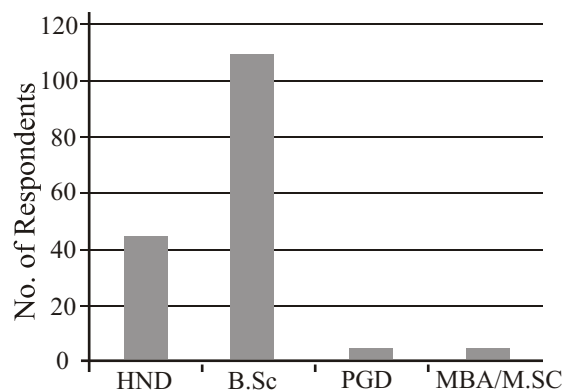
Respondent's Qualification

Figure 3: *Academic Qualifications of Respondents*

Figure 3 shows the frequency distribution of the respondents by educational qualification. One hundred and ten of the respondents are B.Sc holders, fifty- two of the respondents are HND holders, four of the respondents are PGD holders and also four of the respondents are MBA/M.Sc holders. From this, it can be seen that majority of the respondents are B.Sc holders. It can be seen that the questionnaires are completed by knowledgeable people thus their responses are quite reliable.

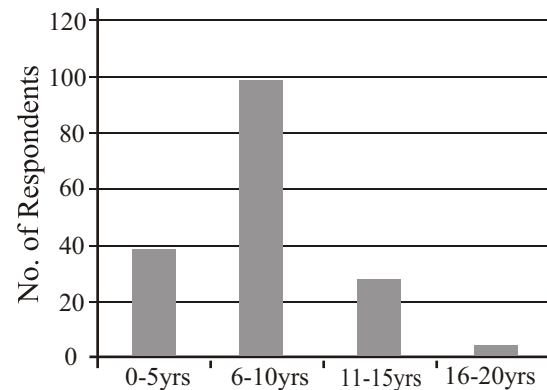### *Period Spent in the Properties as Users*

Figure 4: *Academic Qualifications of Respondents*

Figure 4 shows the frequency distribution of the respondents by years of using the property by users/tenants. Ninety- nine of the respondents have been using the property for 6-10 years, thirty- nine of the respondents have been the property for less than 1-5 years, twenty- eight of the respondents have been using the property for 11-15 years while four of the respondents have been using the property for 16-20 years. From this, it can be seen that majority of the respondents have been using the property for 6-10 years.
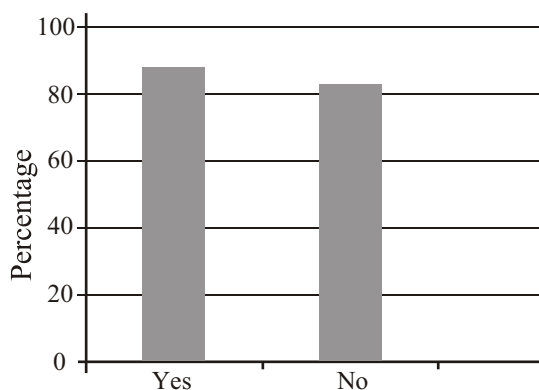
Property Managed by Professional Estate Firm

Figure 5: *Properties Occupied Managed by Professional Estate Firm*

Figure 5 above, shows that 88% of the properties occupied by respondents are being managed by professional Estate Surveying firms while 82% of the properties are not being managed by professional estate firm. From this, it revealed that a slight majority of the property occupied by respondents in the study area are being managed by professional Estate Surveying firms.

Table 1: *Users Level of Satisfaction with the Management of the Property*

Category	Frequency	Percentage
Very Satisfied	39	22.9
Satisfied	99	58.2
Average	28	16.5
Unsatisfied	4	2.4
Very Unsatisfied	-	-
Total	170	100

Table 1 shows the level of satisfaction of the users with the management of the property by the professional Estate Surveying firms. Thirty- nine (22.9%) of the respondents are very satisfied with the level of management of the professional Estate Surveying firms, ninety- nine (58.2%) of the respondents are satisfied with the level of management of the professional Estate Surveying firm, twenty-eight (16.5%) of the respondents are averagely satisfied with the level of management of the professional Estate Surveying firm while four (2.4%) of the respondents are unsatisfied with the level of management of the professional Estate Surveying firm. Majority of the respondents are satisfied with the level of management of the professional estate firm. Thus, it can be deduced that majority of the respondents are satisfied with the management of property by professional estate firm.

Table 2 shows, users rating of the quality of services provided by property managers are provided.

Table 2: *Users perception of quality services of property managers*

Category	Frequency	Percentage
Very Good	45	26.5
Good	99	58.2
Average	26	15.3
Bad	-	-
Very Bad	-	-
Total	170	100

The Table 2 shows the options that best describes respondents' perception of services

by property managers. Ninety- nine (58.2%) of the respondents perceive the services of the professional property managers to be good, forty- five (26.5%) of the respondents perceive the services of professional property managers to be very good while another twenty- six (15.3%) of the respondents perceive the services of the professional property managers as average. Majority of the respondents described the services of the professional property managers as good.

Table 3: *Ranking of the services performed by property managers*

Services	Mean	Rank
Routine management service	3.97	3.97
Rent collection	3.76	3.76
Porter services	3.66	3.66
Service charge administration	3.62	3.62
Repair and maintenance	3.56	3.56

Table 3 shows the ranking of the services performed by property managers by user (tenants) by using mean rank score. Routine management services was ranked first with mean score of 3.97, rent collection was ranked second with mean score of 3.76, porterage services was ranked third with mean score of 3.66, service charge administration was ranked fourth with mean score of 3.62 while repair and maintenance was ranked fifth with mean score of 3.56 which is the least among the services performed by property managers.

Factors Influencing Users' Satisfaction with Management of Commercial Properties

Table 4 portrays the respondents' ranking of the various factors that influence their level of satisfaction with management of the properties they occupy.

Table 4: *Ranking of the factors affecting satisfaction with the management of property*

Factors	RII	Rank
Personal needs	0.82	1
Personal experience	0.80	2
Managing firm/tenant relation	0.77	3
Shared experience	0.76	4
Quality of the property such as services, finishing, etc.	0.75	5
Previous experience with property managers	0.74	6
Managing firm's compliant handling procedure	0.72	7

Table 4 shows the ranking of factors affecting satisfaction with the management of the property occupied by respondents using RII (relative impact index). Personal needs was ranked first with RII of 0.82, personal experience was ranked second with RII of 0.80, managing firm/tenant relation was ranked third with RII of 0.77, shared experience was ranked fourth with RII of 0.76, quality of the property was ranked fifth with RII of 0.75, previous experience with property managers was ranked sixth with RII of 0.74 while managing firm's complaint handling procedure was ranked seventh with RII of 0.72 which is the least among the factors affecting satisfaction with the management of the property occupied by respondents.

Table 5: *Ranking of the Factors Determining Satisfaction with Management Services provided in the Properties Occupied by Users/Tenants*

Factors	RII	Rank
Personal needs	0.81	1
Personal experience	0.80	2
Managing firm's compliant handling procedure	0.78	3
Managing firm/tenant relation	0.77	4
Quality of the property such as services, finishing, etc.	0.76	5
Shared experience	0.74	6
Previous experience with property managers	0.73	7

Table 5 shows the ranking of factors determining satisfaction with the property management services provided in the property by respondents using RII (relative impact index). Personal needs was ranked first with RII of 0.81, personal experience was ranked second with RII of 0.80, Managing firm's complaint handling procedure was ranked third with RII of 0.78, Managing firm/tenant relation was ranked fourth with RII of 0.77, quality of the property was ranked fifth with RII of 0.76, Shared experience was ranked sixth with RII of 0.74 while Previous experience with property managers was ranked seventh with RII of 0.73 which is the least among the factors determining satisfaction with property management services provided in the property by users.

Conclusion and Recommendations

This study sought to assess users' satisfaction with the management of properties in Lagos metropolis. Users/tenants are an important source of information on the performance of building to facilitate an evaluation of the level of the management of property. This study is based on users of commercial properties and from the findings it is discovered that personal need is the more important factor that influences users' satisfaction with the management of commercial properties because they are concerned with the property meeting their corporate business needs. It is also discovered that users' of commercial property are averagely satisfied with management of properties by professional property managers.

Thus in the light of this study's finding, the following recommendations are made:

- Practitioners should endeavour to always assess users' satisfaction regularly to ensure the effectiveness of management of service quality.
- Practitioners should also implement a periodical customer service survey due to the changing business environment so as to aid rapid response to users' needs or requirement. This helps to increase users' satisfaction level.
- Academia and practitioners should give more apprehension and attention to articulate the values of performance measurement to users' of commercial property so as to avoid confusion and misunderstanding among users and property managers. This also helps to increase user confidence and trust in property managers and their activities.

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