



## Impact of service quality delivery on corporate reputation: The mediating role of training and development

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### Abstract

The study investigates the impact of service quality delivery on corporate reputation with training and development playing the mediation role at Thaba Chweu Local Municipality in South Africa. Data was collected from 384 customers of Thaba Chweu Local Municipality in South Africa with the use of convenience and purposive sampling technique. The Statistical Package for Social Science version 20 was used for data analysis. Findings of the study showed that service quality delivery significantly impact corporate reputation, customer satisfaction positively impact corporate reputation, training and development significantly mediate service quality delivery, customer satisfaction and corporate reputation. Managerial implications and suggestions for future studies have been presented.

**Keywords:** Service quality, training and development, corporate reputation, customer satisfaction Thaba Chweu Local Municipality, South Africa

### Introduction

The heightened competition in the business environment coupled with the sophisticated needs of consumers has given service providers the cause to focus on offering quality service in order to satisfy consumers (Ofosu-Boateng & Acquaye, 2020) [32] to enhance organization's reputation. Quality is defined as "meeting consumers' expectations (Wilson & Campbell, 2020). Service quality is an organization's ability to meet or exceed consumer's expectations (Chowdhury, 2023) [8]. Gross *et al.* (2021) [17] shared that service quality measures how good the level of service provided by the organization is so that it can meet consumer expectations. In the assertion of Ginting *et al.* (2023) [14], consumer satisfaction is associated with high service quality delivery and, that organizations should strive to deliver quality service if they want to stay in business. According to Perera (2023) [36], service quality delivery is significant in both private and public organizations. Public organizations basically provide a variety of service to consumers. Most of these services, for instance, water, electricity, health, among others, are to advance the well-being of the public (Sánchez-Torné *et al.*, 2020) [38]. Quality service delivery in these fields is non-negotiable therefore, public organizations should see to it as a necessity to augment their machinery and equipment to enhance quality service delivery. With globalization which presents both opportunities and challenges for economic development and improvement, public organizations are increasingly being influenced by citizen's perception and community satisfaction to enhance reputation (De Mooij, 2019) [10]. According to (De Mooij, 2019) [10], reputation is essential in any type of organization and, that organization's reputation and quality service delivery can engender trust and confidence among consumers. Wæraas & Dahle (2020) consider reputation as a collective representation of images of multiple constituent groups of an organization built over time. Extant literature (Bardos *et al.*, 2020) [3] posits that an organization's reputation is essential for survival during difficult and turbulent times. In the study of Tao & Song

(2020), it was revealed that having a solid reputation helps organizations to perform better both before and after crisis. Singh (2023) [43] identified continuous training and development as a key component in service quality delivery. Training is a short-term, reactive procedures used for operational objectives, whilst development is a continuous process utilized for executive responsibilities (Singh, 2023) [43]. According to Urbancová *et al.* (2021) [46], training and development programmes help employees enhance their knowledge and abilities on the job which facilitates quality service delivery.

Unlike the private organizations which strive hard to ensure quality service delivery as a result of the strenuous competition, most public organizations in African are perceived to belong to the government by both management and staff and therefore look unconcern in delivering quality service to meet consumers' expectations. It is worrisome to observe apathy on the part of management and staff towards consumers. In most of these organizations, service quality delivery is so poor to the chagrin of consumers. The Thaba Chweu Local Municipality in South Africa which is a public organization has courted the dissatisfaction of consumers in the municipality. It has been observed over time that, the poor service quality delivery coupled with bad attitude of both management and staff has eroded consumers' confidence in the organization. This has caused a huge damage to the reputation of the organization. However, Perera (2023) [36] shared that public organizations with the best reputations deliver continuous exceptional service quality to both the community and citizens.

Prior studies established the link between quality service delivery and organization's reputation (Biswas & Verma, 2023) [4]. In the study of Gonu *et al.* (2023) [15], a significant association was found between quality service delivery and organization's reputation. Biswas & Verma (2023) [4] also explained that service quality determines the reputation of an organization, and the level of quality provided often determines what consumers think of the organization which can lead to reputation being enhanced or downgraded. Also interesting is the perception, that both training and

development mediate service delivery and organization's reputation. However, Singh (2023) [43] asseverated that the association between quality service delivery and organization's reputation is as a result of amalgam factors and also dependent on the nature of the industry and the geographical location.

Nonetheless, it would appear that there is less known about the nexus between service delivery and organization's reputation with training and development mediation. Even though there have been some studies (Nunkoo *et al.*, 2020) carried out on quality service delivery in the context of South Africa, however, the emphasis of these studies were on private organizations suggesting a gap in literature. More so, there appears to be sparse studies conducted to investigate the nexus between service quality delivery and organization's reputation with training and development mediation, also suggesting a gap. It is argued that regardless of the organization, quality service delivery is paramount.

The question then is: how has service quality delivery with the mediation of training and development influenced the corporate reputation of Thaba Chweu Local Municipality in South Africa?

Outcomes of the study will be significant in a number of ways. With a collaborative understanding of service quality delivery and organization reputation and the mediating role of training and development, the academicians, policymakers, and stakeholders will find the outcomes of the study significant and paramount. The findings of the study will help service delivery organizations to appreciate the significance of delivering quality service and the repercussions involved in delivering poor quality service. Given the high level of professional, academic, and scientific interest in quality service delivery, the study may be referred to advance the academic and scientific contribution to apprehend the body of knowledge.

### Scope of the study

In this study, the scope covers consumers of Thaba Chweu Community in South Africa. Contextually, the study focuses on quality service delivery, customer satisfaction, corporate reputation as well as the mediating role of training and development. The Thaba Chweu Local Municipality in South Africa represents the geographically scope of the study. Additionally, questionnaire were administered to only 384 consumers and some selected employees of Thaba Chweu Local Municipality in South Africa

### Literature review

#### Theoretical review

This study is underpinned by the factors theory

#### Factors Theory

There exists an alternate view. Some research has tried to approach the determinants by attempting to classify them as 'satisfiers' and 'dissatisfiers'. Way back in 1976, Swan and Combs suggested that: Consumers judge products on a limited set of attributes, some of which are relatively important in determining satisfaction, while others are not critical to customer satisfaction but are related to dissatisfaction when performance on them is unsatisfactory (Swan & Combs, 1976) [45]. Swan and Combs made an attempt to classify the determinants into two - instrumental (the performance of physical product) and expressive (the psychological performance of the product). The authors

suggested that both of these have to be achieved to satisfy a customer. They further suggested that: Satisfaction will tend to be associated with expressive outcomes above or equal to expectations and dissatisfaction will tend to be related to performance below expectations for instrumental outcomes. Further, to be satisfactory, the product must meet expectations on both instrumental and expressive outcomes. Also, that dissatisfaction may result from either type of performance. The theory has been applied in the service literature to suggest its influence on consumers' satisfaction.

### Service quality

Quality is such an important issue that it is a really significant concept in our real life. Quality comes from the Latin word 'Qualitas' which refers to the nature of a person or the nature of an object. It is regarded as a strategic organizational weapon. And the pressing need of developing service organizations and upgrading their services necessitates the measuring of service quality. Service quality is an approach to manage business in order to ensure full satisfaction of the customers which will help to increase competitiveness and effectiveness of the industry (Biswas, & Verma, 2023) [4]. According to Ofofu-Boateng & Acquaye (2020) [32], quality in service is very important especially for the growth and development of service sector business enterprise, resulting into customer satisfaction. With the increase of the importance of service sector in the economy worldwide including South Africa, the need to focus on delivering quality service to meet customers' expectation has become indispensable. In buttressing this, Gonu *et al.* (2023) [15] shared that the quality of service offered will determine customer's satisfaction and attitudinal loyalty.

### The SERVQUAL Model

According to Wiśniewski *et al.* (2021) [48], service quality has aroused considerable interest and debate in the research literature because of the lack of general consensus regarding not only its definition but measurement as well. It is interesting to note the existence of several definitions on the subject. For instance, Zeithaml *et al.* (2023) [49] defined service quality as "the overall evaluation of a specific service firm that results from comparing that firm's performance with the customer's general expectations of how firms in that industry should perform. Herson *et al.* (2020) defined service quality in terms of "meeting or exceeding customer expectations, or as the difference between customer perceptions and expectations of service." Service quality has been conceptualized as a function of consumer expectations towards the service situation and process. Parasuraman *et al.* (1985) [35] developed a conceptual model of service quality where the authors identified five gaps that could impact consumers' evaluation of service quality. These five gaps are presented in Fig. 1



Source: Parasuraman *et al.* (1985) [35]

Fig 1: Service Quality Model

**Gap 1:** Customers expectation--customer perceptions: This refers to the gap difference between customers' expectations and customers' perceptions. Customers' expectations are what customers expects according to available resources which are influenced by cultural background, family lifestyle, personality, demographics, advertising, experience with similar products, information available online etc.

**Gap 2:** The knowledge gap: This gap is the difference between customers' expectations and managements' perception. In most cases managers are not aware or have not correctly interpreted customers' expectation in relation to organization's services or products.

**Gap 3:** The Policy Gap: This gap occurs as a result of the variance between management's perception and service quality specification. Such a gap reflects management's incorrect translation of the service policy into rules and guidelines for employees.

**Gap 4:** The Delivery Gap: This gap refers to the difference between service quality specification and service delivery. Organizations with a delivery gap may specify the service required to support consumers but have subsequently failed to train their employees and also not formulating good processes and guidelines for implementation.

**Gap 5:** The Communication Gap: This gap is the variance between service delivery and external communications. In some cases, the gap occurs when the promises made by organizations through promotions do not match the actual service delivery. Management needs to integrate their marketing communications and to avoid overpromising. By eliminating or reducing these gaps, service providers can improve their service quality and increase their profits. Parasuraman *et al.* (1985) [35] also defined 10 service gap dimensions such as: (Reliability, Responsiveness, Competence, Access, Courtesy, Communication, Credibility, Security, Understanding/Knowing the customer, and Tangibles)

However, in 1988, these ten dimensions were merged into five dimensions as delineates below

**Tangibility:** Appearance of physical facilities, equipment, personnel, and communication materials. It translates to CSS appearance and conditions of the building interior, (furniture's, equipment) and exterior, uniform of the staff companies signs and advertisements' materials

**Reliability:** Ability to perform the promised service dependably and accurately or delivering on its promises. This dimension is critical as all customers want to deal with firms that keep their promises and this is generally implicitly communication to the firms' customers. For the security industry reliability is interpreted as delivering safety and security immediately as this is required;

**Responsiveness:** Willingness to help customers and provide prompt service. This dimension is concerned with dealing with the customers' requests, questions and complains promptly and attentively. A firm is consider to be responsive when it communicates to its customers how long it would take to get answers or have their problems dealt

with. To be successful companies need to look at responsiveness from the point of view of the customer rather than the company's perspectives;

**Assurance:** (including competence, courtesy, credibility and security). Knowledge and courtesy of employees and their ability to inspire trust and confidence (combines original dimensions of competence, courtesy, credibility, and security). Assurance may not be so important relative to other industries where the risk is higher and the outcome of using the service is uncertain (think about for example the medical and healthcare industry);

**Empathy:** (including access, communication, understanding the customer). Caring, individualized attention the firm provides its customers (Combines original dimensions of access, communication, and understanding the customer). Customers should be treated as they are unique and special. There are several ways that empathy can be provided: knowing the customer's name, his preferences and needs.

### Corporate reputation

Corporate reputation as a term is often used interchangeably in the marketing literature with similar terms such as identity and image, and this has often led to confusion in both its usage and meaning (Sánchez-Torné *et al.*, 2020) [38]. Corporate reputation is the overall perception of stakeholders towards their organization, either positive or negative (Siva & Dias, 2022). It is a collective judgement of a company based on ongoing assessments of its financial, social, and environmental impacts (Sánchez-Torné *et al.*, 2020) [38]. From an economic perspective, the emphasis is on the firm's ability to deliver value that is superior to the value offered by its competitors (Siva & Dias, 2022). The management literature often views corporate reputation as an intangible strategic asset with a critical potential for value creation and as a barrier to replication by competitors (De Nicola *et al.*, 2024) [9], which thus contributes to firm performance and survival. In the context of the service industry, several considerations support the view that reputation is imperative to corporate success. Therefore, corporate reputation is crucial for companies' long-term sustainability (Vuong & Bui, 2024) [47].

### Training and development

In this era of development, where technology changes every now and then, the prerequisite for every organization to exist in the global market is training. Training and development have long been recognized and thus attracted great research attention from academic writers (Singh, 2023) [43]. This has yielded a variety of definitions of training and development. Noe (2020) [31] defined that behaviors are modified systematic and planned by training methods through learning events, programmers, and instructors, which will help employees perform their jobs effectively because training allows individuals to gain a level of knowledge, skills, and competencies. Access to training, according to (Murtiningsih, 2020) [27] is an opportunity to participate in training. Murtiningsih (2020) [27] further argued that Access to training is the extent to which employees are able to get training opportunities. In essence, improving productivity, superior products, and services quality, and maximizing or optimizing resources

are the tangible outcomes of training and development. In the process of training and development, besides producing results on additional skills, knowledge, and abilities, it also produces intangible results such as high self-esteem, enhanced morale, and satisfaction of subordinates (Murtiningsih, 2020) <sup>[27]</sup>.

### Service Quality Delivery and Corporate Reputation

Quality service delivery has been noted to enhance corporate reputation (Zeithaml *et al.*, 2020) <sup>[49]</sup>. According to Ofosu-Boateng (2020) <sup>[32]</sup>, the delivery of quality service to satisfy consumers will lead to consumers disseminating positive messages about the corporation which has the potential to enhance reputation. The author posits that reputation is an indispensable corporate asset in that it can attract consumers to the service. In buttressing, Kadir (2022) <sup>[20]</sup> shares that happy consumers as a result of quality service delivery will share their happiness with others as it has the urge to strengthen the reputation of the corporation. Extant literature (Wiśniewski *et al.*, 2021) <sup>[48]</sup> avers that the service quality dimension is one of reputation dimensions in the service sector such as the Thaba Chweu Local Municipality (a public organization responsible for water supply). The reputation of Thaba Chweu Local Municipality can be measured by the quality of service delivered (Wiśniewski *et al.*, 2021) <sup>[48]</sup>. Hence, it can be deduced that service quality delivery of corporations directly affects their reputation. Studies have shown that consumers often resist changing their reputational perceptions even when presented with negative information (Nasser *et al.*, 2023) <sup>[29]</sup>. Nasser *et al.* (2023) <sup>[29]</sup> further emphasized on the competitive benefits of acquiring and sustaining positive reputations and insist that organizations should endeavour to deliver quality service to ensure the protection of its reputation. In the study of Phi & Huang (2023), service quality delivery was found to impact bank reputation indirectly. On the other hand, Supriyanto *et al.* (2021) <sup>[44]</sup> opine that consumers' appreciation is not only the service focus, but the corporation that provides the service. Hence, service delivery of corporations should be delivered in such a way to engender reputation. Inferring from the literature, the study hypothesis that:

**H1:** service quality delivery will significantly impact corporate reputation

### Customer Satisfaction and Corporate Reputation

Customer satisfaction is a key and valued outcome of good business practice. According to Sharma *et al.* (2020) <sup>[41]</sup>, the principle purpose of a business is to create satisfied customers. Increasing customer satisfaction has been found to lead to enhancing corporate reputation and profitability, lower costs related to defective goods and services (Choi *et al.* 2022) <sup>[7]</sup>, increased buyer willingness to pay price premiums, provide referrals, and use more of the product (Nasser, Beydoun & Ali, 2023) <sup>[29]</sup>. Customer satisfaction is, in general, an attitude shaped on the basis of experience after clients acquire a product or use a service and pay for them. It is an indication of being pleased with product or a service. Extant studies have shown that satisfied customers will have the urge to promulgate positive message about the corporation to others (Lim *et al.*, 2020) <sup>[23]</sup>. In their study, Narteh & Braimah (2020) <sup>[28]</sup> found a significant relationship between customer satisfaction and corporate reputation. Sarstedt *et al.* (2023) <sup>[40]</sup> found that corporate reputation is considered to be a critical factor in the overall evaluation of any organization because of the strength that

lies in the customers' perception and mind when hearing the name of the corporation. Inferring from the extant literature, the study hypothesis that

**H2:** customer satisfaction will positively impact corporate reputation

### Service Quality Delivery, Corporate reputation and Mediation Role of Training and Development

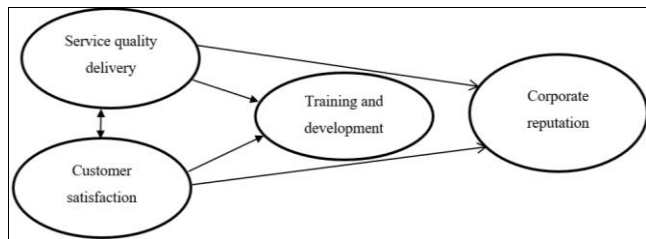
Service quality is one of the essential attributes that can capture and satisfy the valuable customer for a longer time (Nguyen *et al.*, 2020) <sup>[30]</sup>. In the views of Marcos & Coelho (2022), several organizations emphasize service quality because of their strategic contribution to improving competitiveness, mainly by attracting new customers, improving relationships with existing customers and enhancing corporate reputation. Service quality refers to a consumer's global judgement of the excellence of the service provided by an organisation (Law *et al.*, 2022) <sup>[22]</sup>. In the service sector, the satisfaction of customers depends upon the service providers' behaviours and awareness of service quality (Elizar *et al.*, 2022) <sup>[11]</sup>. Evaluating consumer satisfaction is challenging as a consumer's point of view regarding the provided service differs from the perspective of the service provider (Akıl & Urgan, 2022) <sup>[2]</sup>. Because quality is a relative term based on the perception of receivers, some consider the quality based on how well it meets the expectations of the receivers (Saneva & Chortoseva, 2022) <sup>[39]</sup>. Others think it is related to receivers' perception, while some think it depends upon the feedback of service end-users (Supriyanto *et al.*, 2021) <sup>[44]</sup>. As a result, continuous training and development has been identified as a key component in service quality delivery (Singh, 2023) <sup>[43]</sup>. Training is a short-term, reactive procedures used for operational objectives, whilst development is a continuous process utilized for executive responsibilities (Singh, 2023) <sup>[43]</sup>. According to Murtiningsih (2020) <sup>[27]</sup>, training and development programmes help employees enhance their knowledge and abilities on the job which facilitates quality service delivery. Murtiningsih (2020) <sup>[27]</sup> maintained that staff training and development programmes are imperative if the employees are to deliver quality service to enhance reputation. Hence training and development can be said to mediate service quality and corporate reputation. In buttressing this, Ofosu-Boateng & Acquaye (2020) <sup>[32]</sup> shared that customers often judge the quality of the service they receive largely on their assessment of the employees who provide the service. As a result, firms, who understand this successfully, devote significant efforts to the training and development of their staff, so as to ensure their customers experience a service exceeding their expectations to endanger corporate reputation. Prior studies show that in order to maintain and improve the quality of service delivery and to ensure customer satisfaction and boost corporate reputation, staff training and development programmes are required. In their study, Ghalawat *et al.* (2020) <sup>[12]</sup> found that staff training and continuous development add to organizational performance and reputation. Employee training plays significant role in improving employee performance, better quality service delivery resulting in strong corporate reputation (Ghorbanzadeh *et al.*, 2024) <sup>[13]</sup>. Therefore, quality service delivery and corporate reputation may suffer when training and development programmes are scarce. Studies have shown the mediation of training and development of service quality delivery and corporate

reputation (Gray *et al.*, 2022) [16]. Inferring from the literature, it was hypothesis that:

**H3:** training and development will significantly mediate service quality delivery and corporate reputation

**Conceptual framework**

Figure 1 depicts the framework relating to the concepts and the central themes of the study. The conceptual framework establishes the link between service quality delivery, customer satisfaction and corporate reputation. Training and development is seen playing the mediating role between service quality delivery, customer satisfaction and corporate reputation



Source: Author’s construct, 2024

Fig 1: Conceptual framework

**Methodology**

**Research Design**

In this study, the explanatory and descriptive design was used since the study intends to investigate the relationships between the stated variables, the adopted design is considered appropriate. The descriptive approach made it possible to present the analysed data in tables, figures, frequency and percentages.

The population constituted all consumers of Thaba Chweu Local Municipality in South Africa

The convenient and purposive sampling technique was employed as the strategy of Cochran (1963) was used to calculate a sample size of 384. This is because other researchers had used the strategy to determine sample size in their study. The formula is as follows:

$$N = \frac{Z^2 pq}{e^2}$$

Where

n= required sample size

Z= degree of confidence (i.e. 1.96) <sup>2</sup>

P= probability of positive response (0.5)

q= probability of negative response (0.5)

e= tolerable error (0.05) <sup>2</sup>

Hence, maximum variation of p=0.5, confidence level of 95% and ± 5% precision. Therefore, the resulting sample size for the study will be as

$$n = \frac{(1.96)^2 \times 0.5 \times 0.5}{(0.05)^2} = \frac{3.8416 \times 0.25}{0.25}$$

Therefore, n=3.8416 ≅ 384 respondents

In this study, the survey instrument for data collection was questionnaire. Questionnaire was used to collect primary

data from the respondents. Primary data constitutes the first-hand information that the researcher collects as information from first hand, such as surveys, observations, experiments, questionnaires, focus groups, interviews. Also, the use of secondary data was employed. The questionnaire was structured and organized where respondents had limited access to self-expression. The respondents were approached on weekends between 10am and 1pm since most of the consumers were found in a large number during this day and time. Secondary data came from academic journals and text books

To ensure the validity of the study, the questionnaire was pre-tested using 10 consumers from different municipalities in South Africa. Minimal modification was done after the piloting confirming respondent’s understanding of the instrument. Also, to ensure reliability on the other hand refers to the consistency with which a research instrument generates the same of the study, the researcher made sure that the right data sources were selected. Since the focus of the study was Thaba Chweu Local Community in South Africa, data was collected from consumers in that locality alone. This was to ensure that the right data was collected from the right source. Additionally, a Cronbach alpha was used to ascertain the internal consistency of responses received.

The study’s data collected was evaluated with the use of descriptive statistical techniques and quantitative analysis. Numerical values were assigned to the information collected. This was made possible with the use of Statistical Package for Social Sciences version 20.

Respondents participated at will as informed consent was also sought from respondents

**Results and discussion**

**Background Characteristics of f Respondents**

From the study, the marginal dominance of male respondents in Thaba Cheweu Local community is apparent as male respondents accounted for 195(50.80%) as against 189(49.20%) of female respondents.

The statistics from the dataset regarding the age variable of the respondents showed that the age bracket 22-29years were 64(17.70%) and the age bracket 30-37years were 90(23.40%). Also, it was revealed that the age bracket 38-45years were 110(28.60%) and the age bracket 46-53years were 120(31.300%). The study showed that fairly majority of Thaba Chweu Local Municipality consumers were in the age bracket of 46-53years. This was envisaged prior to the study

Results of the he dataset demonstrate that consumers with doctorate degree accounted for the least group of respondents with 50(13.00%). This was followed by master degree holders who accounted for 84(21.90%). Professional certificate holders accounted for 110(28.60%) of the respondents whilst 140(36.50%) of the respondents were undergraduates. Evidence from the statistics above obvious demonstrated that close to half of the respondents were undergraduate certificate holders.

The statistics obtained from the dataset regarding years of respondents as consumers at Thaba Chweu Local Municipality showed that fairly majority of the respondents 110(28.60%) have 6-10yers as consumer at Thaba Chweu Local Municipality. 100(26.00%) of the respondents have 1-5 experience as consumers at Thaba Chweu Local Municipality, 94(24.60%) of the have 11-15years of experience as consumers at Thaba Chweu Local Municipality and 80(20.80%) of the respondents have 16-

20years of experience as consumers at Thaba Chweu Local Municipality. The results of the study portrayed varied years of consumers’ experience at Thaba Chweu Local Municipality. Hence, such considerable years of varied experiences were imperative to access valuable information from the respondents to enrich the study.

**Test of hypotheses**

The following hypotheses were tested in this study:

**H1:** service quality delivery will significantly impact corporate reputation

**H2:** Customer satisfaction will positively impact corporate reputation

**H3:** Training and development will significantly mediate service quality delivery, customer satisfaction and corporate reputation

**Correlation analysis**

The statistics from the correlation analysis obtained revealed a positive correlation between service quality delivery (independent variable) and corporate reputation the (dependent variable). The findings demonstrate a positive relationship such that (r= .680, p=0.0001). The results are presented in table 1.

**Table 1:** Showing Correlation between the Independent and Dependent Variables

		CR	SQD
Corporate Reputation	Pearson Correlation	1	680**
	Sig. (2 tailed)		000
	N	384	384
Service Quality Delivery	Pearson Correlation	680**	1
	Sig. (2 tailed)	000	
	N	384	384

Source: Researcher’s Field Work, 2024.

\*\*\*CR and SQD denote service quality delivery and corporate reputation respectively

The findings obtained from the correlation analysis also revealed a positive correlation between customer satisfaction (independent variable) and the corporate reputation (dependent variable). The relationship demonstrates positive such that (r= .620, p=0.0001). The results are presented in table 2

**Table 2:** Showing Correlation between the Independent and Dependent Variables

		CR	CS
Corporate Reputation	Pearson Correlation	1	620**
	Sig. (2 tailed)		000
	N	384	384
Customer Satisfaction	Pearson	620**	1
	Sig. (2 tailed)	000	
	N	384	384

\*\*\*CR and CS denote corporate reputation and customer satisfaction respectively

Source: Researcher’s Field Work, 2024

**Model summary**

The entire summary of findings is shown by the regression analysis where R square shows the variation in the independent variables (service quality delivery and customer satisfaction) and the dependent variables (corporate reputation and training and development). The R square value of .788 signifies that 78.8. % influence on the dependent variables (corporate reputation and training and development) is as a result of service quality delivery and customer satisfaction (independent variables). Table 3 presents the results.

**Table 3:** Model Summary

Model	R	R2	Adjusted R2	Std. Error and Estimate
1	.702	.788	.626	.420

**Predictors:** (Constant), service quality delivery and customer satisfaction (independent variables), training and development and corporate reputation (dependent variables)  
 Dependent variables: corporate reputation and training and development

From table 3, the statistics showed that the R value is .702 which implies that the independent variables are 70.2% correlating with dependent variables. The R2 value is .788 meaning that independent variables explain 78.8% variation of the dependent variables whilst the adjusted R2 variable is .626

**ANOVA**

The ANOVA test was conducted to determine the level of significance of the survey results and also to determine the rejection of the null hypotheses or acceptance of the alternative hypotheses. From the test, the statistics show a significant level of 0.000a which is less than .05 indicating acceptance and shows strong influence of service quality delivery and customer satisfaction on corporate reputation. Table 4 presents the results

**Table 4:** ANOVA

Models	Sum of squares	Df	Mean square	F	Sig.
1. Regression	14.268	6	5.020	18.402	.000b
Residual	12.848	78	.160		
Total	27.116	84			

**Predictors:** (Constant), service quality delivery and customer satisfaction (independent variables)

Dependent variables: corporate reputation and training and development

From table 4 the statistics showed f-value to be 18.402 which is greater than mean value 6.110 as the p-value is 0.000 given the statistical model as 99%

**Table 5:** Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Constants	.804	.726		3.247	.002
service quality delivery	.662	.824	.684	3.462	.000
Customer satisfaction	.584	.708	.588	2.467	.165
service quality delivery, customer satisfaction and corporate reputation	.648	.624	.724	1.568	.000

**Predictors:** (Constant), service quality delivery and customer satisfaction (independent variables), corporate reputation and training and development (dependent variable)

**Dependent variables:** corporate reputation and training and development

### **Hypothesis 1: Service Quality Delivery will significantly impact Corporate Reputation**

The statistics in table 4.15 demonstrates that the independent variable service quality delivery beta value is .684 implying that the independent variable service quality delivery explains 68.4% of the dependent variable corporate reputation whilst about 31.6% is explained by other variables not delineated in the study. The p-value is .000, which demonstrates significant impact of service quality delivery and corporate reputation. Hence the first hypothesis

**H1:** service quality delivery will significantly impact corporate reputation was accepted.

### **Hypothesis 2: Customer satisfaction will positively impact corporate reputation**

Results of the statistics obtained in table 4.13 depict the beta value for the independent variable customer satisfaction is .588 demonstrating that the independent variable customer satisfaction explains 58.8% of the dependent variable corporate reputation whilst about 41.2% is explained by other variables not delineated in the study. The p-value is .165, which shows significant impact of customer satisfaction and corporate reputation. As a result, the study's second hypothesis

**H2:** customer satisfaction will positively impact corporate reputation was accepted.

### **Hypothesis 3: Training and development will significantly mediate service quality delivery, customer satisfaction and corporate reputation**

The beta value for the mediating variable training and development is .724 depicting that training and development mediates 72.4% of the independent variables such as service quality delivery, customer satisfaction and the dependent variable corporate reputation whilst about 27.6% is mediated by other variables not delineated in the study. The p-value is .000, which demonstrates a positive and significant mediation of training and development, service quality delivery, customer satisfaction and corporate reputation. Hence, the study's hypothesis *H3: training and development will significantly mediate service quality delivery, customer satisfaction and corporate reputation* was accepted.

### **Discussions of findings**

This section discusses findings of the study in relation to the study's hypothesis

**H1:** service quality delivery will significantly impact corporate reputation

**H2:** Customer satisfaction will positively impact corporate reputation

**H3:** Training and development will significantly mediate service quality delivery, customer satisfaction and corporate reputation

### **H1: Service Quality Delivery will significantly impact Corporate Reputation**

Regarding the first hypothesis, a significant impact was established service quality delivery and corporate reputation ( $\beta = .684$ ,  $p < .000$ ) was supported by the statistical result. This supports the hypothesis that was laid out by the study. The implication is that, modern organizations have no other option than to deliver quality services to enhance their corporate reputations. Without any doubt, service quality is very important component in any business-related activity. Given the heightened competition in the business environment, improving quality of service can enhance organization's reputation and profit. Mohd Sofian *et al.* (2023) [25, 26] consider corporate reputation to be a critical factor in the overall evaluation of any because of the strength that lies in the customers' perception and mind when hearing the name of the organization. Several studies have agreed that if organizations do not recognize the significance of corporate reputation and deliver quality service to enhance it, they lose the edge to achieve competitive advantage (Phi & Huong, 2023) [37].

This finding of the study is a confirmation of the study conducted by Burhanudin (2022) [5] whose study revealed that service quality impacts organization's reputation. Also, the study of Özkan, *et al.* (2020) [33] argued that service quality delivery leads to the organization's reputation because perceived value reflects the perception of all quality attributes contributing to the company's reputation

Theoretically, there has been a strong support for a positive link between service quality and corporate reputation. In the service quality literature for instance, corporate reputation is seen as an important element of service quality (Narteh & Braimah, 2020) [28]. For example, Grooten (1988) proposed three dimensions of service quality: technical quality, professionalism and skills, and image. The technical quality dimension includes professionalism and skills which is outcome-related. The image dimension refers to reputation and credibility, and the functional quality dimension includes attitude and behaviour, accessibility and flexibility, reliability and trustworthiness, and recovery, which are related to the service process. Grooten's (1988) image dimension of service quality is equivalent to the corporate quality dimension in the three-dimensional model of service produced by Lehtinen & Lehtinen (1991). This model consists of physical quality, interactive quality, and corporate quality. Physical quality includes physical products and support. The interactive quality dimension is based on the interaction between the customer and interactive components of the service company. Interactive quality can be varied per service interaction. Finally, corporate quality is related to corporate image and reputation.

### **H2: Customer satisfaction will positively impact corporate reputation**

The second hypothesis stated that customer satisfaction will positively impact corporate reputation. Thus, the study established a positive impact between customer satisfaction and corporate reputation ( $\beta = .588$ ,  $p < .165$ ), supporting the study's hypothesis. The findings of this study imply that, for

corporations to build good reputation, they must cater to the needs, wants and demands of their customers. That is the reason why many companies have continuously focused on the importance of customer satisfaction. Customer satisfaction has emerged as one of the most powerful tools for sustaining a competitive advantage for business success and survival and building corporate reputation nowadays. This result supports Caruana *et al.* (2021)<sup>[6]</sup> which reported a significant positive impact of customer satisfaction on corporate reputation. The authors ascribed that reputation is the stakeholders' perceptions about the business based on their past purchasing experience. The reputation is measured through the customer's perspectives about the company. Hence, the evaluation of corporate reputation is based on customer's perception and is their exploration of experience related to past actions of the firm. Reputation, which is an intangible value for organisations, provides sustainable competitive advantage to organisations. Once consumers are satisfied, they are likely to promulgate positive word of mouth information to others as they hold the reputation of the corporation in high esteem. This is supported by extant literature as suggested that meeting consumers' expectations during a service generates a higher recommendation as they communicate positively toward an organization's reputation (Açıkgöz *et al.* 2024)<sup>[1]</sup>. In practice, satisfied customers are less likely to complain and are more likely to recommend a business to others, which can contribute to a positive corporate reputation. Conversely, dissatisfied customers are more likely to complain and share negative feedback about a business, which can damage its corporate reputation. Hence, customer satisfaction is a key indicator of business growth and can have a significant impact on a company's corporate reputation. In addition, previous studies reveal that customer satisfaction enhances corporate reputation (Ugwunwanyi *et al.*, 2021). As corporations' reputation is enhanced, customers' perceptions regarding the corporate is equally enhanced because a corporate reputation helps the corporation to reduce customers' direct and indirect costs as well as the resources needed to supervise the relationship and ensure the firm does not engage in opportunistic behavior (Islam *et al.*, 2021)<sup>[19]</sup>. More so, the results of the study are equally in tandem with the Reputation Risk Management Theory. The theory justifies the fact that there is a strong relationship between customer satisfaction, corporate reputation, customer base, and business performance.

### **H3: Training and development will significantly mediate service quality delivery, customer satisfaction and corporate reputation**

Training and development mediation between service quality delivery, customer satisfaction and corporate reputation was also predicted. The beta value for the mediating variable training and development is .724 depicting that training and development mediates 72.4% of the independent variables such as service quality delivery, customer satisfaction and corporate reputation and the dependent variable corporate reputation. The p-value is .000, which demonstrates a positive and significant mediation of training and development and customer satisfaction and corporate reputation. Hence, the third hypothesis of the study was supported. Implications of the study's finding are that, for organizations to deliver quality service to satisfy consumers to enhance corporate

reputation, there is the need for employee training and development. According to Kadir (2022)<sup>[20]</sup>, satisfaction which is an overall customer attitude towards a service provider, or an emotional reaction to the difference between what customers anticipate and what they receive, regarding the fulfilment of some need, goal or desire can be achieved through training and development to deliver superior services. Gonu *et al.* (2023)<sup>[15]</sup> asserted that prompt responses to customers' complaints, smiling, maintaining positive attitude, active listening, among others which are essential ingredients of quality service delivery hinge on effective training and development. Law *et al.* (2022) intimated that such have the potential to enhance customer satisfaction, corporate reputation and productivity. In support of this, Singh (2023)<sup>[43]</sup> posits that for organizations to improve productivity, deliver superior products and services quality to satisfy the customers thereby enhancing corporate reputation, training and development remains indispensable. In the study of Hiregoudar & Patil (2020)<sup>[18]</sup>, the authors averred that a company's sustainable success depends on its reputation in the eyes of stakeholders. As a matter of fact, in today's conditions, where it is extremely easy to imitate products and services, corporate reputation, which represents only the values of the organisation, cannot be imitated by competitors and is the main element in its differentiation.

Findings of the study are also in line with the theory of reinforcement. According to Skinner, training and development programs infused with rewards in the form of bonuses, salary raises, promotion and awarding of certificate after the training program will definitely generate a positive outcome where employees show more interest in the training and development programs which according to Kuknor & Kumar (2024)<sup>[21]</sup>, could engender quality service delivery to satisfy the customer and, hence enhance corporate reputation

Nevertheless, the current findings conflict with some studies. For instance, Lee (2020)<sup>[24]</sup> established that training and development alone does not impact the delivery of quality service as other factors such the product/service itself, price and good customer service play significant role to enhance satisfaction which according to the authors could lead to company growth and reputation

### **Conclusion**

The study investigates the impact of service quality delivery on corporate reputation with training and development playing the mediation role at Thaba Chweu Local Municipality, South Africa. Data was collected from 384 customers and some selected employees of Thaba Chweu Local Municipality with the use of convenience and purposive sampling technique.

Results obtained showed marginal dominance of male respondents in Thaba Cheweu Local community as against female respondents. Also, it was revealed that fairly majority of Thaba Cheweu Local Municipality consumers were in the age bracket of 46-53years. Additionally, it was revealed that close to half of the respondents were undergraduate certificate holders. More so, the study portrayed varied years of consumers' experience at Thaba Cheweu Local Municipality.

Findings of the study's variables showed that service quality delivery significantly impact corporate reputation, customer

satisfaction positively impact corporate reputation, training and development significantly mediate service quality delivery, customer satisfaction and corporate reputation

### Managerial implications

The study's results have some implications for managerial considerations

Satisfying the customer has become so imperative and indispensable considering the debilitating competition among firms in the business environment. The 21st century customer should not be simply seen by managers as buyers of goods and services to be exploited for profit. Rather, managers must ensure that customers become strategic business partners

Since service quality delivery significantly impact corporate reputation, management of Thaba Chweu Local Municipality in South Africa should endeavour to deliver quality service to enhance its corporate reputation. Service quality dimension is one of reputation dimensions in the service sector. The reputation of Thaba Chweu Local Municipality can be measured by the quality of service delivered hence the need to focus on delivering quality service to impact corporate reputation positively

Given that customer satisfaction positively impact corporate reputation, management of Thaba Chweu Local Municipality in South Africa should embark on market research which will offer them the opportunity to understand the expectations of customers so as to deliver such services/products to meet and/or exceed those expectation which customer thinks a service provider should offer, rather than on what might be on offer

The emergence of technology has significant impact on customers' expectations. Only organizations with skilled and knowledgeable staff can meet such expectations. The prerequisite for management of Thaba Chweu Local Municipality in South Africa is to consider developing the skillset and knowledge of its employee through training and development. Given that training and development is indispensable in shaping the skillset of employees, management should consider training and development as an indispensable tool to enhance employees' skillset and job knowledge to enable them discharge quality service to delight customers. Therefore, it managers should, periodically design appropriate training and development programmes to help produce results on additional skills, knowledge, and abilities which has the potential to produce intangible results such as high self-esteem, enhanced morale, and satisfaction of employees. Management should understand that to improve productivity, offer superior products, and services quality, and maximizing or optimizing resources as well as enhancing corporate reputation, training and development of employees is quintessential and must not be toyed with.

### Suggestions for future studies

The study investigates the impact of service quality delivery on corporate reputation with training and development playing the mediating role. Future studies could consider other mediating factor which was not delineated in the study.

Also, the sample size can be widened in future studies to include other states to help the generalization of the findings

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