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Assessment of Customer Satisfaction on Public Employees Transport Service Delivery: The Case of Public Service Employees' Transport Service Enterprise (PSETSE)

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Abstract

Public enterprises are organizations established and owned by government to provide different services to the public. Most of the time these enterprises give their services to the public by collecting fees that are less than the market price of the goods and services provided. Basically, the government subsidizes the goods and services. Their customers are important stakeholders in organizations and their satisfaction is a priority to management. Most of these enterprises apply different types of activities to improve their service provision capacity to enhance the customers' satisfaction. Currently, Public Service Employees Transport Service Enterprise (PSETSE) implemented different activities to improve its service delivery and maximize their customers' satisfaction. This study was conducted to assess the service delivery performance and level of the customers' satisfaction of PSETSE. To achieve the objectives of this study, data was collected through questionnaires from a sample of 605 north direction customers of the Enterprise. The respondents were selected using simple random sampling method. Additional data was collected through interview with the transport service core process manger of the Enterprise. The data were analyzed using statistical tools such as percentage and frequency analysis. Service delivery of the Enterprise was evaluated by using the four factors namely, safety, comfort, performance and reliability, driver's behavior and condition of the vehicle and facilities. The results indicate that, almost all factors used to measure the service delivery of Enterprise rated as good and customers are satisfied except some factors within the dimensions. Generally, the finding of this study indicates that customers were satisfied by overall service provision of the Enterprise. Based on the findings of the study, the researcher forwards some recommendations like increasing the number of buses in the crowded routes, supporting service delivery with IT support, modify the design of the buses by considering disabled passengers and pregnant women, and others which help to improve the Enterprise service delivery performance.

Key words: Public enterprise, customer satisfaction, public transport

1. Introduction

Service is often seen as a complex phenomenon. The definition of Words have meaning service ranging from service to personal service as a product. So far, many experts express opinions

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about the definition of a service are: a service is an activity or a series of activities that take place in interactions with persons and/or inanimate things to provide consumer satisfaction (Lehtinen, 1983). According to Zeithaml & Bitner (2000), service involves economic activities that add value to existing products (such as convenience, amusement, comfort or health). According to Robert and Graham (2005), service concept is a shared understanding of the nature of the service provided and received. Service concept is a key tool that can communicate the set of benefits: outcome, experience, and operation together with the psychological benefits to the customer to demonstrate the potential value of the service. Turban et al. (2002) state that customer service is a series of activities designed to enhance the level of customer satisfaction, that is, the feeling that a product or service has met customer expectations.

Transport service plays a crucial role in urban development by providing access for people to education, markets, employment, recreation, health care and other key services. Especially in cities, enhanced mobility for the poor and vulnerable groups is one of the most important preconditions for achieving developmental goals. Cities with transport modes with integrated systems are more likely to evolve and prosper as centers for trade, commerce, industry, education, tourism, and services. Cities ranking at the top of surveys measuring urban quality of life have high quality urban transport systems. Providing adequate transportation services is challenging in almost all cities of the world. No matter how challenging, however, an efficient public transporation system is vital for any metropolitan city.

In Addis Ababa, currently, the demand for transport service is at its maximum, despite multiple attempts to address the demand via a light rail system, additional bus services, and increased taxi and private Uber-like transport services. Demand and supply of transport services could not be reconciled. In response, the government took different actions including the establishment of Public Service Employees' Transportation Service Enterprise (PSETSE) on September 5, 2007 E.C under the Council of Ministers Regulation Number 298/2006. This law provided provisions for the government to provide transportation services to transport public employees with transportation to and from work. Public enterprises are established and owned by government to provide different services to the public. In most cases, these enterprises provide services for small discounted or subsidized fees. The Ethiopian government provides these services to mitigate the overshadowing concern of transportation.

Tse & Wilton (1997) study on customer satisfaction or dissatisfaction is a response to the evaluation of the perceived discrepancy between expectations and service performance. Customer satisfaction is a function of expectations and service quality performance. Engel (1997) explains that customer satisfaction as the evaluation of alternatives selected where options equal or exceed expectations. Dissatisfactions arise when alternative options do not meet customer expectations. Therefore, measuring customer satisfaction with public transportation service has always been an important topic both in transportation research and practice. Lai and Chen (2011) believed service quality and perceived value should receive greatest attention to improve customer satisfaction. Tyrinopoulos and Antoniou (2008) nonetheless emphasize the differences in customer perception between different transit operators due to their specific characteristics and service conditions. In general, the most important satisfaction attributes across transit operators are service frequency, vehicle cleanliness, waiting conditions, transfer distance and network coverage. However, the results are varied among the transit systems. In the study of customer satisfaction with public transport in Indonesia, Budiono (2009) identified two categories of service attributes. The soft quality factor includes security issues and comfort, while the functionality quality comprises of frequency, travel time, punctuality, and time. The

author believed that the functional factor is more influential and thus should receive more attention to improve customer satisfaction.

In the same way, PSETSE must focus on customer satisfaction, studying and determining as soon as possible the customer satisfaction level, to adjust its service delivery as per the customer needs. Indeed, customer satisfaction has great significance in achieving the institution's objectives. Consequently, this study attempts to assess the level of customer satisfaction in Public Service Employees' Transportation Service Enterprise.

The transportation industry contribution to the growth of a nation is immense. It helps to stimulate the national economy. Modern and efficient transportation systems, as well, advance the quality of life and support business related activities.

For some time now, the city of Addis Ababa has been in a rapid change and growth mode. The natural development pace has necessitated the development of transportation systems in the city. As stated above, the city has introduced intense efforts to mitigate the multiple challenges. In tandem with these advances, mobility of the public has increased acutely. Together with the population increase of the city, the demand for efficient transportation system is profoundly strong.

Establishing an enterprise which gives public transport service or licensing private sectors to participate in the public transportation market by itself does not mean that it fulfilled the need of the public who need vibrant transportation services. One corrective measure the City of Addis Ababa took involved the creation of PSETSE. Prior to establishing the enterprise, public employees suffers severely having to endure long bus lines, delays, early morning chills, late arrivals at offices, etc. The demand hugely exceeded the supply of services. For too long, residents of Addis Ababa have been patient to receive transportation services.

The study assesses the level of customer satisfaction of public employees who use the government supported transport system provided by PSETSE. It is clear that the Enterprise might attempt to satisfy the needs of customers. However, the key determinants of the quality of service are the customers themselves and not the Enterprise. Knowledge on customer satisfaction is key to improving services. Without such information, the Enterprise has no way of learning how to improve its services. Equally as important is the information government gets from such a study. Knowledge on the status of the services can assist the City Government to remain vigilant on high quality city-wide services. Precise and timely information on a wide range of customer needs and expectations become critically important for the government since a negative customer service experience often leads to dissatisfied or disgruntled public. Similarly, too many unhappy customers can tarnish the name and reputation of a company by extension the image of a city, generating negative vibes.

Thus, this research sought to evaluate the extent of customer satisfaction on Public Service Employees Transportation Service Enterprise (PSETSE), examining efficiency and effectiveness on the quality-of-service-delivery using the appropriate and approved mechanisms.

The general objective of this study is to examine the level of customer satisfaction on transport service delivery provided by PSETSE. The following are the specific objectives of this study:

- To evaluate whether PSETSE meets key demands of customers,
- To identify major challenges PSETSE is facing to meet customer demand,
- To create awareness in decision-making bodies by demonstrating the intensity of the challenges, and
- To provide solutions as to how the problems may be resolved.

2. Review of Related Literature

2.1 Service Concept

Services have become the focus of increasing managerial attention for several reasons. They have experienced significant growth over the past several decades. They now represent a major portion of the world's economies, especially among more industrialized countries. Even in lesser developed countries, services still represent a significant portion of their economies (Davis and Heineke, 2003). Davis and Heineke futher point out that there are three elements or forces that managers need to recognize in this rapidly changing environment. These are: (1) speed or quick delivery; (2) intangibility or less focus on goods; and (3) connectivity or electronic communications between organizations and individuals and even within organizations.

Unlike business organizations whose ultimate goal is making profit, customer service in public service organizations shall create initiatives and commitment in management and employees securing the rights of service users to get public services in a fair and equitable manner (EMI, 2011). Public services are those services provided by government service organizations to the public implying the implementation of a service framework that will ensure the provision of such services in a sustainable manner to the public (EMI, 2011)**.** The Federal Democratic Republic Ethiopia (FDRE) Service Delivery Policy defines public service as those activities of government institutions aimed at satisfying the needs and ensuring the well-being of the society as well as enforcing laws, regulations, and activities of the government (FDRE, 2001).

2.2 Public Transport Bus Service

Transportation is a major component supporting life systems, government systems, and social systems. The government conducted the necessary investigation, prepared the framework and implemented the transporation system providing the funding, procuring the land and required vehicles and machines after studying the technical, sociological and political implications. To build a sustainable public transport system, revitalization is required in all aspects of the system. Government plays an important role in the planning, process, and implementation of public transportation policy. Various policies affecting the system must be harmonized, paving the way for mass transit and reducing the number of private vehicle on the road (Peñalosa, 2005).

As much as sustainability, reliability of the system is vastly important. This is key to efficiency and the mechanics of the economy. Transportation can be viewed as oil lubricating the engine of the economy. What is needed is a transport system that is consistently reliable, convenient, safe and affordable in order to optimize quality and accessibility to and by society. Available modalities need to be synchronized and integrated, particularly involving rail services, land, and air travel (Peñalosa, 2005).

As a sector that serves millions, the type of public transport vehicles operated must be in compliance with road condition requirements, legal requirements, and the demands of service users. Another aim is to provide broad enough service that reaches the majority of city dwellers and thereby ultimately reducing the number of private vehicles on the road. This in turn yields real benefits to the economy, public health, and the environment. The private car is most convenient, but long-term, its impact on the environment and public health calls for more suitable public transportation, most certainly in large cities (Peñalosa, 2005).

Bus transport entails vehicle that can carry more than 8 (eight) seats excluding four alternate drivers either with or without baggage transportation equipment. In most cases, bus transport is

not favored owing to rugged road conditions, mechanical defects of the vehicle, crowded nature of travelers, and the long distances traveled. In modern times, however, most of these concerns are addressed and services have been improved. Recent buses used in the City of Addis Ababa come with up-to-date technology, comfort, and amenities. Typically, city public transportation services are outsourced to bus fleets of various sizes such that the actual services are provided by private companies who meet government requirements and go through bidding processes to be selected. These private companies run strictly observed schedules on fixed routes. Where the demand is unmet, governments turn to alternative modes such as light rail, carpools system, bicycle rentals, and other car-share alternatives (Giannopoulos, 1989).

In a broad term, in light of the variety of transportation systems and given the high quality demand, the difficulty of building the required infrastructure, vehicles and scheduling improvements, many countries are starting to implement the Bus Rapid Transit (BRT) system. BRT can provide high-quality transportation services. BRT systems are designed around the consumer-based needs of speed, comfort, convenience, cost and safety rather than around a specific technology. In fact, BRT is really just a collection of best practice traits from a range of mass transit options (Wright, 2004).

2.3 Standards of Transport Service Quality

The quality of transport service refers to the level of comfort the service offers during travels. According to Armstrong-Wright et al. (1987) and Armstrong-Wright (1986), standards for quality of service are:

- Waiting time: the time passengers must wait at bus stations or stops for buses. Longer waiting times indicate poor quality. In developing countries to achieve a reasonable level of service, the average waiting time should be in the average of 5 to 10 minutes, with a maximum waiting time of 10 to 20 minutes under prevailing conditions (Armstrong-Wright et al 1987).
- Walking distance to bus stop: the distance that passengers must walk to and from bus stations or stops. It is an indicator of the coverage. For well-served urban areas it should be in the range of 300 to 500m from home to bus stop. Distances beyond 500m may be acceptable in low-density areas but, the maximum should not exceed 1000m (Armstrong-Wright et al 1987).
- Journey time: the total time spent to reach a destination from a given origin. It includes the walking time, waiting time, on vehicle time and walking to the destination. It should not be more than two to three hours per day. Excessive journey time reflects inadequate bus supply or poor scheduling or routing (Armstrong-Wright et al 1987).

2.4 Customer Expectation and Satisfaction

The customer is an input resource for many service operations and thus not only do we need to know how to manage the customer but also we need to understand what they expect from the operation. Most importantly, they are in most cases the final judge as to how well the quality of the service matches up to the requirement, and their continuous feedback determines its long-term success. The major focus of management is to satisfy their customers. This should be more than sufficient motivation for operations managers to ensure that there is a match between expectations and service delivery to satisfy or even delight customers.

2.4.1 Customer Expectation

Customer expectation, according to Davis and Heineke (2003, p.402), is the customer's preconceived notions of what level of service they should receive from a particular service. It is also viewed as what customers feel a service provider should offer rather than would offer (Simon and Foresight, 2009). Expectations can be derived from several sources: advertising, word of mouth, and previous experiences with similar types of operations (Davis and Heineke, 2003).

As Johnston and Clark (2008) described the customer as an input resource for many service operations and thus not only do we need to know how to manage customers but, we need to understand what they expect from the operations. The purpose of understanding customer's expectations is to try to ensure that services can be designed and delivered to meet those expectations. Thus, expectations and indeed perceptions are key components in delivering a quality service. Customer expectations about service delivery vary from person to person, product to product, service to service, culture to culture, etc. and failure to meet adequate service delivery expectations results in customer dissatisfaction (Fogli, 2006). Fogli further explained that when customers experience long wait times, late deliveries, incompetent services, or complicated procedures, they respond with dissatisfaction in various ways.

2.4.2 Customer Satisfaction

According to Jonson and Clark (2005: 134), "Customer satisfaction is the result of a customer's assessment of a service, based on a comparison of their perceptions of service delivery with their prior expectations". The level of customer satisfaction depends on their perceptions and expectations of the service. Customer's satisfaction occurs when the requirements of customers are exactly fulfilled by the services. That means to satisfy customers, service providers are required to deliver a service that can at least meet or exceed their expectations. If customers' perception of the actual service is below their expectation, service gap occurs and their satisfaction level is rated as poor (Baron and Harris, 2003). Hence, to achieve customer satisfaction, service providers are essentially demanded to know customer's expectations and periodically assess their level of satisfaction. According to Denton (1989: 17), "Customer satisfaction is the backbone of service organization and the organization gets more than money". Gaining competitive advantage for a service organization is dependent up on the level of satisfaction of customers. To satisfy customers, accurate understanding of their expectation has invaluable importance for those engaged in the business of service delivery. A service organization that understands the expected service in the mind of the customer has better chance of satisfying that expectation and getting competitive advantage over others (Palmer and Cole, 1995). In-depth understanding and fulfillment of customer's requirements and expectations enables service providers to retain their customer base by improving their satisfaction rate (McDonald, et al, 2001).

As stated by Davis and Heineke (2003), researchers have identified four common themes as the source of customer satisfaction/dissatisfaction: Recovery, Adaptability, Spontaneity, and Coping as described below.

- The recovery theme involves incidents in which there have been failures in the service delivery system and an employee must respond in some way to the customers' frustration, disappointment or complaint.
- The adaptability theme relates to the service systems ability to deal with customers' special needs or requests.

- The spontaneity theme relates to the unprompted or unsolicited actions by service workers.
- The coping theme relates to how service employees interact with problem customers. These incidents were related by service employees themselves rather than customers, but they illustrate how employee behavior can be the cause of customer dissatisfaction. A positive example of coping might be the service employee who, when confronted by an angry and verbally abusive customer, acknowledges the customer's frustration and thereby "diffuse" the situation.

Because these four themes seem to be major drivers of satisfaction or dissatisfaction with the service encounters that customers consider being memorable, it is important that service organizations train their employees to deal with them properly. Formal training, including role-playing of challenging situations, can help workers prepare for these kinds of situations so that they are not taken by surprise and consequently unable to meet the customers' needs.

3. Research Methods

3.2 Research Design

John A.H. et al., (2007) noted that research design is the blueprint for fulfilling research objectives and answering research questions. In other words, it is a master plan specifying the methods and procedures for collecting and analyzing the needed information. It ensures that the study would be relevant to the problem and that it uses economical procedures. The same authors discuss three types of research design, namely exploratory (emphasizes discovery of ideas and insights), descriptive (concerned with determining the frequency with which an event occurs) and explanatory (concerned with determining the cause-and-effect relationships). Therefore, the types of research to be employed under this study is the descriptive research design**.**

3.3 Research Approach

There are three approaches to conduct any research: Qualitative, Quantitative and Mixed approaches. According to Saunders et. al. (2009) mixed method approach is the general term for when both qualitative and quantitative data collection techniques and analysis procedures are used in research design. In this study mixed-method approach were employed to ensure effectiveness of the research process as the findings of the qualitative data enhance the findings of quantitative one, and vice versa. Mixing the datasets, the researcher provides a better understanding of the problem than if either dataset had been used alone. In addition, mixed methods research approach provides strengths that offset the weaknesses of both quantitative and qualitative research.

Mixed method research approach has three general strategies that is sequential mixed method, concurrent mixed method and transformative mixed methods. From those strategies the researcher used sequential mixed method. The researcher collects and analyzes the quantitative data followed by a collection and analysis of qualitative data.

3.4 Target Population

On average the enterprise has 75,000 daily customers which move in the four directions (north, south, east and west) of Addis Ababa using 410 buses. Therefore, because of budget and time

constraints, the target population of the study was only considered the north direction daily customers which number 19,238.

3.5 Sampling Techniques

In selecting the sample size, three factors were applied: nature of population, types of sampling design, and degree of precision desired (Salant and DIllman, 1994). Using a sample that is too large is a waste of resources while using a sample that is too small means getting results that are likely to be lacking in validity. In light of this, to select adequate sample size, the following procedures were employed.

The enterprise serves customers in the four directions - north, south, east and west of Addis Ababa. Due to budget and time constraints and the large customer size, the researcher purposively selected the north direction customers averaging 19, 238 daily. The rational for the selecting this direction is that it was more convenient for the researcher and that the line has large number of customers. For a sample, the researcher used Seloven sampling formula

$$n = \frac{N}{1 + N(e2)}$$

$$n = \frac{19238}{1 + 19238(0.04)2}$$

$$n = \frac{19238}{31.7808} = n = \underline{605}$$

Where the n=sample size; N=target population; e=margin of error

Note: Due to the fact that the number of the population is large and to make the sample more representative of the population, the researcher used the margin of error of 4%.

Finally, the researcher distributed the questionnaires to 605 respondents randomly because the respondents are homogeneous according to the service obtained. In addition to this, the researcher administered interviews with top management of PSETSE.

3.6 Results and Discussions

3.6.1 The Customer Satisfaction

A total of 600 questionnaires were distributed and the IBM SPSS was used for analysis. After the elimination of incomplete and invalid answers, a total of 467 valid questionnaires were collected, amounting to 77.8% of the distributed questionnaires. The questionnaire is distributed with five factors and 24 items. The five factors were: safety, comfort, performance and reliability, driver's behavior, condition of vehicles and facilities. Each factor was assessed for reliability using Cronbach's α. The reliability coefficients of the factors, along with the measures of satisfaction, exceeded the value of 0.5 recommended by (Nunnally, 1978). Each of the factors and the related items were analyzed and interpreted below.

3.6.2 Safety as Customer Satisfaction Factor

For the analysis of safety, six measuring items were distributed to passengers and the responses were analyzed and interpreted according to the values of the frequencies and percentage.

In case of safety in the bus and safety related to behavior of others, the passengers are satisfied on the service rendered by the Enterprise. In regards to technical soundness and regular engine failure of buses, security while on route, respondents reported their satisfaction.

However, on the entrance stairs to the bus, 18.2% of the respondents had safety concerns pointing to the fact that the stairs are too long and that they are unsafe for pregnant women and the disabled.

3.6.3 Performance and Reliability as Customer Satisfaction Factor

For the analysis of performance and reliability, four measuring items were distributed to passengers and the responses were analyzed and interpreted according to the values of the frequency and percentage. Seventy-one point nine percent (71.9%) of respondents agreed that the waiting time for bus services was acceptable; 86.1% of respondents agreed that the Enterprise provides continuous services on schedule, and 51.6% of the respondents agreed that the Enterprise announces any delay of buses ahead of time, for item No.4, 60.2% of the respondents agreed that sitting chairs are mostly available during travel time. However, 39.8% of respondents did not agree on this. On close scrutiny, the analysis of item No. 4 indicates that majority of respondents are moderately satisfied.

3.6.4 Drivers' Behavior as Customer Satisfaction Factor

For drivers' behavior, seven measuring items were distributed to passengers and the responses were analyzed and interpreted according to the values of the frequency and percentage. Drivers were evaluated on six parameters: their obedience of traffic regulations, driving safely, being consistently polite to passengers, their driving skills, whether they drop off passengers at their designated point (fermata), and their willingness to help passengers. Based on these parameters, passengers expressed their satisfaction in drivers' behavior.

- **Condition of the Vehicle and Facilities as Customer Satisfaction Factor**

Four measuring parameters were used to analyze the condition of the vehicles and the facilities: do the facilities and equipment look modern and attractive, is the bus clean inside out. Once again, the respondents indicated that they were satisfied with the conditions of the facilities and equipment.

- **For the Improvement of the Service Delivery**

3.6.5 Inside Factors Rank

The respondents ranked the inside factors for the improvement of the service delivery
1. Crowdedness, 2. Lack of seats, 3. Discomfort in temperature level, 4. Safety.

3.6.6 Outside Factors Rank

The respondents ranked the outside factors for improvement of service delivery
1. Absence of bus shade, 2. Long-waiting time, 3. Information on bus delays, 4. Lack of security.

3.6.7 Preference Rank

The respondents ranked their preferences as:
1. Getting seats, 2. Good quality bus, 3. Punctuality, 4. Air conditioning, 5. Safety, 6. Improvement in drivers' behavior, 7. Less walking distance.

3.6.8 Overall Satisfaction

Overall, 220 (47.5 %) customers are satisfied on the services provided by the Enterprise. Respondents offer different reasons under the open-ended question which include good drivers' behavior, punctuality, free service, relief from transport related problems, and security.

3.7 Interview Results

In this study one of the methodologies was interviewing top management. The responses from the transport service core process manager on the 12 interview questions are summarized below.

According to the interview made with the transport service core process manager of PSETSE on different questions regarding the Enterprise, the enterprise was established in September 5, 2007 E.C with major objective of resolving transport problems of public service employees in Addis Ababa. Currently, the Enterprise has 410 buses which serve, on average, 75,000 customers daily in four directions of Addis Ababa (north, south, east, and west).

To the question, "do you have a schedule for buses departure and arrival?", interviewee answered yes. The Enterprise schedules departure and arrival times for all their bus routes. Bus departure times in the morning are: 6:30am, 6:45am, 7:00am, 7:15am, and 7:30am. All destination buses are expected to arrive at their destinations before 8:30am, in time for work. Supervisors ensure that these departure and arrival times are honored at all times.

The management members interviewed stated that if there are concerns or problems, they are promptly informed by telephone or they appear in person to resolve any concerns. Management holds quarterly meeting to review the flow of service delivery and take corrective actions. The interviewees stated that the Enterprise conducts annual satisfaction surveys to monitor customer satisfaction.

Management interviewees indicated that the company takes immediate actions to satisfy customers and reduce complaints. In some cases, number of buses was increased to meet high demand. In other situations, buses were repaired immediately to avoid delays, and at other times, substitute buses were made available where repairs require time. Disciplinary actions are taken on drivers if conditions warrant it. As a standard practice, training is provided to bus drivers to increase their skills and customer service acumen.

When asked, "what improvements have been made to increase customer satisfaction?", interviewed managers answered that the Enterprise applied various activities to increase customer satisfaction. For instance, Enterprise increased the number of buses, plans to modify the design of newly procured buses considering disable persons and pregnant women, plans to make the IT facilities fully functional, has established electronic ID's for passengers, plans to improve the website development, and introduce stronger supervision.

Finally, the researcher raised a question about managers' concerns on customer satisfaction regarding the services of the Enterprise. The manager replied that the assessment made on customer satisfaction by the Enterprise indicated that customers are satisfied with the services provided. According to the manager, even if the results of this study indicates that customers are satisfied, he said, there are many unresolved issues that cause customers dissatisfied. Among these are: the total number of buses is not enough for effective service delivery. Unless resolved soon, such concerns may result in customer dissatisfaction sooner or later.

4 Conclusion and Recommendations

4.1Conclusion

The aim of this study was to measure customer satisfaction using the five factors: safety, comfort, performance and reliability, driver's behavior and condition of the vehicle and facilities on the public employees' transport services.

In this competitive global business environment, consumer expectations are ever increasing, service providers can meet expectations only if they are sensitive to customer issues. Thus, the public employees' transport services must understand the core responsibility of providing reliable services to customers consistently, which in the end will yield better quality of service. From the questionnaires distributed, the researcher used five factors with 24 passengers' satisfaction items. It is found that five of the factors are reliable for measuring passengers' service satisfaction, and all of the gap measuring factors are reliable using Cronbach's alpha (α). A questionnaire survey was conducted to tabulate passengers' demography. It was found that the majority of public employees transport service users are degree holders with combined percentage of (54.3%), the age of the majority ranged between 26 and 35 years (51.2%), and majority of the respondents were males (58.1%).

This paper is basically assesses customer satisfaction on public employees' transport service delivery. From interviews, it was found that the public employees' transport services serve customers in all four directions (north, south, east, and west direction) of Addis Ababa, using 410 buses and transporting an average of 75,000 customers daily.

The problems perceived by passengers include: crowdedness, lack of shades at stations, lack of information on bus delays, the gap between demand and supply, absence of suggestion boxes, and limited supervision by PSETSE.

Items to be addressed by PSETSE include: increase the number of buses in crowded routes, establish electronic ID system, develop the communication infrastructure, improve bus-stand facilities, and make the IT facilities fully functional.

4.2 Recommendations

Since, Public Service Employees Transport Service Enterprise (PSETSE) is a service organization, the researcher recommends the following improvements to its service delivery:

- Increase the comfort of passengers by improving the inside bus conditions and allowing only the set standard number of passengers in a single trip,
- Introduce controlling mechanisms so bus drivers do not pass over (skip) at stops so the wait time will be reduced,
- Install cameras or other control mechanisms, especially at crowded stations and terminals to keep passengers secured,
- Increase the number of busses at peak hours,
- Improve bus stand facilities with sufficient and clean areas, sufficient shelter and secured seating arrangements,
- The Enterprise should regularly review the network of bus services, and implement modifications as appropriate,
- Improve the communication infrastructure,
- Modify the design of newly procured buses to accommodate disabled passengers and pregnant women,
- Access transport services to neighboring towns around Addis Ababa, and
- Introduce electronic identification cards for customers.

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