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**CAPE TOWN TOP MUNICIPALITY ACCORDING TO
SURVEY**

Cape Town was announced as the top-performing municipality when it comes to customer satisfaction, according to the latest SAS Index™ results released by research company Synovate and the Department of Trade and Industry (dti) on 15 March 2005.

“Satisfying the diverse needs of these different groups within one municipality is never going to be a simple task,” said Albert McLean, managing director of Synovate South Africa.

“The results indicate, however, that it is indeed achievable, with Cape Town leading the way having achieved a SAS Index™ score of 79.9%. These satisfaction levels reported for the Cape Town Municipality are comparable to those reported for private sector companies like Telkom, Metropolitan Life and Discovery Health.”

Municipalities were measured for the first time in the latest SAS Index™ survey, and the results are certainly interesting. A restructuring of the municipalities around the country in 2000 saw the previous fragmented system disappear in favour of the new unicity concept. While this overcame the problem of duplication of systems and services, and widely dispersed authority, it did mean these new metropolitan municipalities needed to service areas from the extremely wealthy (e.g Constantia) to the poverty stricken informal settlements (e.g. Khayalitsha)

Although there are areas that need further attention, the study found that the Cape Town municipality staff generally came across as empathetic and friendly. The other municipalities that were measured in the study, EtheKwini (Durban) Nelson Mandela

(Port Elizabeth) and Greater Johannesburg, simply did not match the performance of Cape Town.

“Caught between criticism of high rates and expensive services on the one hand, and inadequate service delivery on the other, it seems inevitable that municipalities have to compromise the satisfaction of one group in order to meet the needs of others,” said McLean.

“However difficult, Cape Town appears to have balanced these opposing needs relatively well, and are providing an example worth following.”

While dissatisfaction with household services receives considerable media coverage, Cape Town respondents don't really have any real complaints with their electricity, water and sewage, or refuse collection services. But on the whole, delivery on other services has not been met with as much enthusiasm. In particular, Health Services and Emergency Services were not considered adequate.

“While the wealthy generally rely on private suppliers where possible, the failure to deliver on these essential services is indeed critical for most residents,” said McLean.

Respondents also identified numerous other areas of dissatisfaction, such as poor street lighting and road conditions, while there exists a need for more sports facilities and cultural or heritage programmes for most residents.

While Cape Town Municipality generally outperformed the other three municipalities in terms of their service delivery, their superiority in satisfying residents was not limited to these services. When comparing the performance of their staff to those of private organisations, Cape Town's municipal staff achieved favourable results in many aspects. Considered to be friendly, honest and helpful, they provided a professional, accessible face for the Cape Town Municipality.

The study also found that the municipality needs to prioritise service delivery with specifically accounts as an area for improvement. “Accuracy and timeous issuing of accounts are potentially service areas that should be problem-free, yet respondents rated the municipality poorly on these issues,” said McLean. “Rate boycotts and affordability have made this a contentious issue, but ensuring accuracy, and communicating in a respectful manner with those who are in arrears, is likely to resolve more issues and slowly build a relationship of trust with the public,”

Many respondents also believed that while the investing of limited resources into the municipal buildings may seem unnecessary, these facilities represents the ‘face’ of the city in some respects, and that it also sets the tone for dealings with its residents.

“In the light of the low satisfaction amongst residents in certain aspects, municipalities in general are quite fortunate that residents do not have the option of alternate suppliers,” said McLean. “The Cape Town Municipality faces a daunting task in allocating resources to upgrading service levels in some areas, maintaining the same level in others, as well as needing to overcome negative sentiment to their services in many areas.”

“Even Cape Town, whose performance was significantly better than the other municipalities that was measured, would need to bring about improvements if they would like to compete in the private sector.”

McLean points out that having identified the areas creating the most dissatisfaction, municipalities need to target their weaknesses and move forward in becoming a professional, competitive supplier.

“In the private sector, organisations wanting to compete successfully in a given industry, have little choice with regard to the service levels they provide. Quite simply, if their customers are not satisfied with their service levels, the organisation in question will lose their customers,” said McLean.

In addition, given South Africa’s isolation in the apartheid years, many South Africans expressed doubts as to whether service levels here were comparable to international standards. “SAS Index™ results over the past few years have dispelled these doubts, reporting satisfaction levels which often exceed those of their European and American equivalents. Furthermore, organisations are not relaxing in the light of acceptable service levels – two key industries, banking and telecommunications, have shown great improvements since they were first measured on the SAS Index™ in 1999,” said McLean.

City of Cape Town

STRENGTHS	WEAKNESSES
Services	
Electricity, Roads, Swimming Pools	Metro Police, Zoos, Cemeteries
<i>Customer Satisfaction Attributes</i>	
Staff are honest	Accounts statements are not accurate
Staff go out of their way to help	Municipality facilities are not clean and neat
Queues are short	Security around municipal offices are not adequate

“This is the fourth year that the SAS Index™ results are reported, and it is expected that this research will become increasingly established and recognised as the benchmark for decision makers, consumers and other stakeholders,” said McLean. “In addition, when these results are compared globally to the similarly-conducted American (ACSI) and European (EPSI) studies, it will provide a benchmark against which customer delights and complaints may be compared to other industries and municipalities across the globe. Consumers and investors therefore have access to comparative levels of service delivery in support of informed decision-making.”

“The study will be rolled out across all major industries and more municipalities in South Africa in the near future. This measurement of all industries will then service to provide both local and international comparisons to fuel the ongoing drive of local businesses to achieve world-class customer satisfaction,” said McLean.

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ABOUT SAS INDEX™ RESEARCH INTO MUNICIPALITIES

Increased competitive pressures and abundance of products and services addressing the same needs, has resulted in customer satisfaction becoming a basic requirement for business to stay profitable and competitive – this fact was recognised by the several industries in South Africa. Despite that, there remains a lack of transparency as to what service levels are really like in South Africa.

Synovate’s SAS Index™ was developed within the context of a need for a common, public measurement of customer satisfaction. The mission of SAS Index™ is to encourage competitiveness by offering a consumer-driven objective and neutral comparative measure of service delivery. The core business of SAS Index™ is to provide a comparative benchmark of customer and employee satisfaction across industries, between competitors and ultimately allowing global comparisons.

Most of the interviews for the Synovate and dti’s SAS Index™ research into municipalities were conducted on a face-to-face basis. All reasonable care was taken to ensure the interviews retain randomness in that areas and even days and times of interviews were pre-selected randomly for each of the municipal areas. The interviews took place from 10 January 2004 to 25 February 2005. Random Digit Dialing was used to generate telephone numbers for random samplings. This is a requirement for compliance with the ACSI and EPSI methods.

About Synovate

Synovate is one of the leading market research companies in the world with 4 500 employees in 44 countries, including South Africa.

Synovate provides clients with industry specific and branded solutions utilising best-in-class research tools and proprietary practices. Synovate harnesses the latest technology and thinking in both its methodologies and knowledge delivery to ensure solid scientific, independent and objective research.

Synovate in South Africa was formerly known as Proactive Insight. Visit www.proactive.co.za and www.synovate.com for further information.