

# Capacity Management Practices and Customer Satisfaction among the Shopping Centers in Sultan Kudarat

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**Abstract:** Firm's capacity management practices has a substantial influence on customer satisfaction especially across industries engaged in merchandising businesses. This study was conducted to measure the extent of capacity management practices considering workforce performance, tool capacity management and inventory management, additionally, the extent of customer satisfaction considering the factors customer compliments and customer expectations, with the used of survey result's mean. The study also determined the relationship of capacity management practices and customer satisfaction of shopping centers in the province of Sultan Kudarat using Pearson correlation. Among the 24 respondents obtained, the study revealed that workforce performance, tool capacity management and inventory management are often observed in the shopping centers. At the same time, 1000 customers strongly agreed that their compliments and expectations based on their shopping experience are achieved by the shopping centers. Meanwhile, the Pearson correlation revealed that capacity management practices have low positive relationship with customer satisfaction.

**Keywords:** Capacity Management, Customer Satisfaction, Inventory Management, Tool Capacity, Workforce Performance.

## 1. Introduction

A firm's capacity management has a significant impact on customer satisfaction especially across industries engaged in merchandising business [1]. There has been a great interest in the concept of Capacity Management Practices (CMPs) in the business competitive sector when the author [2] schematized that low capacity management implies the inability of the business to generate as per what the customer wants at a particular period of time. Otherwise, excess capacity means that business's money is being spent inefficiently, and this could have been invested elsewhere, for a profit instead. A common issue in this field found in a synopsis in the study of the authors [3] on the capacity management model, where it was inferred that the major issue on capacity management is one of the most complex to tackle in business management; a condition which is aggravated by the majority of businesses existed, which make it difficult to plan and assign productive capacity due to uncertain demand and personalized preferences. The CMP enables organization to manage demand according to business priorities, so that they make sure that certain critical processes always have enough capacity to run effectively. Within a competitive marketplace where businesses are constantly competing for customers, customer satisfaction is often seen as a key differentiator often acting as a final purchase trigger point. It should be considered a vital component of any business because it provides marketers and business owners with a metric that can be used to measure and improve business performance from a customer perspective [4]. On the other hand, it can also provide the initial warning signs that a customer is unhappy and potentially at risk of leaving. With all this considered, customer satisfaction can provide businesses with crucial information to understand what aspects are successful and where improvements need to be made [5]. A study done by

the author [6] concluded that the only action that shopping centers took to solve problems or challenges of bottleneck in operation was the best capacity management strategy. The management of the shopping centers should consider putting in place the recommended capacity management practices to even better its customer satisfaction by enhancement of capacity management practices that have not been fully embraced by some shopping centers. Their study showed that capacity management strategies that were used in the shopping centers, though it was evident that some elements of capacity management strategies need to be strengthened to help fortify their effects on enhancing the customer satisfaction in the establishments. A concept from recent international research investigates capacity management practices and customer satisfaction considering the indicators: shifting capacity practices, offloading capacity practices, and subcontracting capacity practices which applied in shopping malls setting. However, the problem identified in this study is the limitation of the subject as the workforce capacity management was underrepresented which is supposedly one of the primary indicators in order to come up with customer satisfaction [6]. The goal of this study was to undergo better conceptualization by-way-of noteworthy examining the capacity management practices which incorporate relevant aspects in shopping centers including (1) workforce capacity management practices; (2) tool capacity management practices; (3) inventory management practices, and the essentiality of the three in achieving customers' satisfaction.

## 2. Literature Review

### 2.1 Capacity Management Practices

The study conducted by the author [7] on the effect of capacity management on service delivery of economic banks

in Kenya using descriptive analysis wherein it sought to ascertain how the adoption of capacity management among the commercial banks and therefore the utilization of bank resources influenced the service delivery level within the banks. The study found that shifting capacity practices that were commonly employed by the banks include enhancement of employee capacity through offering staff training that may enable them to handle over one task and thus having the ability to be redeployed when the requirement arise, offering overtime services to the staff like paying them at a premium in times after they work outside the traditional working hours also as providing transport services for the staff. In addition, author [8] also studied capacity management and repair quality in petroleum distribution firms. Employing a discriminant analysis approach, the study established that the capacity management strategy mostly employed by the firms within the oil distribution sector in Kenya is to chase capacity management strategy which capacity management approach and repair context can interact and therefore the interaction positively influences perceived service quality. Author [9] conducted a study on the effect of capacity management strategies on service quality in Safaricom. The study intended to work out the extent of adoption of capacity management strategies, factors influencing implementation of capacity management strategies and to determine the effect of capacity management strategies on service quality in Safaricom stores. Though the findings showed that various capacity management strategies were in use at its facilities, it absolutely was evident that some elements of capacity management strategies investigated were still in their initial stages of implementation and so needed to be strengthened to assist fortify their effects on enhancing the standard of service provision. Author [10] believed that core practices for managing the service capacity of the service sector include five elements, including support facilities such as decoration, facility layout, support technology and equipment. Additionally to offering implicit services like comfort, status, convenience, comfort and also the general well-being of the shoppers.

## 2.2 Indicators of Capacity Management Practices

Workforce Performance Capacity Management is the first indicator under capacity management practices wielded in the study. Author [11] investigated the attitudes of management managers and staff towards the components of the training program and the impact of training on the performance of employees. The results generally showed a positive attitude towards training program developers identifying training needs, staff selection, and training program design. A positive attitude towards the impact of training on the performance of employees, even though there were some reservations about some of the impact of the training program achieved at the university. The researchers recommend that more training programs be introduced for employees who are better suited to their professional qualifications, giving employees an equal opportunity to attend training courses. It also recommends using the latest methods to convey training content. Engagement is an important factor in maintaining the vitality, survival, and profitability of a company, so this aspect poses a challenge for management [12]. Companies with enthusiastic employees improve customer satisfaction, profits, and employee productivity [13]. Employee involvement has

emerged as one of the biggest challenges in today's work environment. Given the complexity and strict regulations of many companies, employee involvement will continue to pose challenges for companies [14]. Organizations with enthusiastic employees generate higher profits than organizations without them [15]. Employee involvement is important to both the employee and the company. Employees can use contractual agreements to prevent a company from achieving its goals and objectives. In an organization, the ability of management to use employee engagement strategies is important. Attractive and meaningful work enables employees to identify and engage in their value within the organization. Author [16] suggested that there are opportunities for employee autonomy and that employees may have an impact on the environment. This effect goes beyond the benefits of intrinsic rewards. Meaningful work allows more employees to participate. However, we do not guarantee that employees will be hired. Achieving employee involvement requires autonomy, intrinsic compensation, and influence [16]. Workforce or employee performance management is a process that ensures employees focus on the tasks assigned to them in ways that contribute to achieving the mission of the business organization. It includes various types of systems. Workforce performance management system is a systematic kind of performance management form. Supervisors and managers are the one who's responsible for making sure that the performance of their employees are of quality. Each business organization's policy should specify how to carry out the performance of a management. Organizations should learn to adopt workforce performance management practices that best fit the nature of the work performed and while reaching the mission and goals of the organization. Employee involvement is important to any business. Deci and Ryan conducted the most influential survey of employee involvement in 1985 [17]. Question presented by author [18], how did it find the impact of training on HRM employee performance surveys? The way an organization train's people can affect its efficiency. An organization can improve the performance of the entire organization by using several training practices can be a major factor in a company's success, which justifies a research assessment. Without a doubt, there is a key factor important and vital in any organization. One of the factors as management strategies of the organizations is to invest in manpower or employees. This helps improve, motivate, and promote employee performance in a variety of HR applications [19]. Tool Capacity Management is the second indicator of capacity management practices applied in the study. As concluded by author [20] concerning enterprise prototypes for virtual systems, they systematically said that during the last decades, diverse enterprise frameworks had been developed, and plenty of enterprise had been innovated. This modern-day evaluation has defined many critical attributes. Innovation of recent technology has modified the manner of doing enterprise over the years, which has made the have a look at enterprise fashions in virtual marketplaces and critical vicinity of studies to do sustainable enterprise in today's virtual market. New enterprise version improvements are required with right hazard management; hence, new frameworks also are wanted for improvement of evaluation of those fashions. From the perspective of investors, regulators, customers, and society as a whole, the scope of current economic power by controlling their properties by rapidly advancing science, technology, and industry become

increasingly important. On the other hand, it destroys nature. Organizations are a major cause of environmental problems, but they have an important responsibility to resolve these problems. The approach and responsibility for these problems should not be limited to "solving after they occur", but to actively find solutions to these problems before they occur. Organizations need to take a more proactive approach and move in a clearer, more environmentally friendly direction. Environmentally friendly organizations are considered to be the organizations of the future. Reciprocally, these events should occur at the same time and represent a pitfall. If digital platforms don't thrive, enterprises are imperfect in terms of operating model changes. The threatening consequences falsely lead to the failure of many companies in the digital platform revolution. The success of a digital platform does not have to depend on the technologies that make up the execution of the platform. Success depends on whether the user accepts the platform. Recognize how platform escalation is renewing the competition. Inside the company is an unlimited number of software products, among which are millions of features that could be of some sort, the flow used to gain insights, whereabouts, and results. Gradually dependent on targeted and readily available data [21]. According to author [22], of their book "Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers, Hoboken, New Jersey: John Wiley & Sons, Inc", an enterprise version may be defined via way of means of 9 constructing blocks which similarly wraps the 4 important segments of enterprise: clients, offer, infrastructure and economic viability. To apprehend how the upward thrust of systems is remodeling opposition, we want to look at how systems vary from the conventional "pipeline" corporations which have ruled enterprise for decades. Pipeline corporations create prices via means of controlling a linear collection of activities—the conventional price-chain version [23]. Inputs at one quit of the chain (say, substances from suppliers) go through a sequence of steps that rework them into an output that is well worth extra: the completed product. Apple's handset enterprise is basically a pipeline however when integrating it with the App Store, the market that connects app builders and iPhone owners, it turns into a virtual platform. Innovation is considered one of the hallmarks of a company's success. It is a basic element for achieving customer satisfaction and fulfilling customer needs. That means finding new ideas that will be implemented to achieve competition Advantages for companies in an era of similar opportunities [24]. Activities are needed for change and improvement, such as innovation as the first step towards better business performance and environmental protection. "Introducing external or outside the organization relationships with new or significantly improved products (goods or services) or processes, workplace organizations, business practices or new organizational methods" by the [25]. Inventory Management is the third indicator of capacity management practices employed in the study. Inventory systems are an effective means of monitoring and tracking a variety of materials that enter and leave a company's warehouses and offices for accounting purposes. It is also important for the company to track all transactions and movements of goods in order to keep track of all inventories. However, at some facilities, material inventory is managed manually, so employees write down information about different materials as they move in and out of the room [26].

Further, author [27] stated that production control focuses on careful control of the manufacturing and sales processes of goods and services. They provide opportunities for product lines to be more efficient, economical, more reliable, predictable and higher quality production, more stable relationships with production, introduction and management in current and new markets, and process development. It believes it will provide a top-down and bottom-up approach to achieving your goals. Thus, production development and management also include analysis and substance measurements of all internal activity. At last, we concluded that management is not only an important key but also plays a vital role in before the production and after it also.

### 2.3 Customer Satisfaction

Customer satisfaction has a vital bearing on the company's profits. Customer satisfaction is the source of a fruitful job and services offered, as it repurchases customer loyalty to the brand and leads to sharing positive feedback with others to purchase and repurchase the product. The services provided to customers have a positive effect on the organization's acquisition of customers. There is a strong correlation between the quality of trusted service and the frequency with which customers return. Quality represents an important measure of an organization's success, survival, and continuity. In sharp contrast to the opinions of experts and scholars. It is widely agreed that there are characteristics that characterize quality tissues and their research. The importance of the role it plays in the success of these organizations and the form of their awards. Although lately many organizations have realized the importance of quality, some don't get the dimension s of the methods that enable them to put this concept under execution. The organization tends to rate the feelings of the consumer on the level of their product quality without rating their feelings on the organization itself. External customer satisfaction is a vital substance of shopping center and the way to get there is to strengthen their position in a highly competitive business marketplace where only those who can catch up can survive. There is a need for a background checking to the customers in today's competitive environment without being able to clone existing strategies but to apply new to diversify the goal of the business organization [28].

### 2.4 Indicators of Customer Satisfaction

Customer's Compliments is the first indicator of customer satisfaction used in the study. Compliments are not just a sign of satisfaction, but extensive range of enthusiasm related to shopper behavior. It delivers a strong form of response to the organization, and a helpful prospective for shaping both organizational and individual behavior can be greater than customer complaints. While the number of publications on the use of the compliments continues to grow in hospitality literature, little is written about how shoppers can share their positive and even experiences. With this in mind, this study looks at compliments from guests staying at a five-star hotel in Kuala Lumpur, Malaysia. Through a qualitative analysis of 220 scripts, this paper identifies the types of compliments given and provides important implications for hoteliers. The results show "rooms," "staff," "food," "services," and "location" are the top five factors that guest's applause. Discussion of these findings and implications of the results are also provided [29]. Customer's Expectations is the second indicator of customer satisfaction

carried out in the study. Generally, customer expectations are a set of ideas about a product, service, or a brand that a customer holds in their mind. Customers want these expectations met for them to feel satisfied with the customer service and with their purchase. They'll also have expectations that aren't so easy to see. Knowing customer's expectations is important to all businesses - whether you're a small business or a large enterprise organization. In recent years, 60% of large organizations plan to increase the effort they put into improving their customer experience compared with the previous year. One survey found 65% of SMB respondents said that customer-centric agility has increased in importance as a result of COVID-19. Customer expectations matter, because - if you can meet them - customers are likely to spend 140% more after a positive experience. To do well now and in the future, companies need to close the gap between customer expectations, and the actual customer experience. Customer expectations have been changing over time for a number of reasons, such as but not limited to demand for exceptional customer service is growing, especially among the millennial generation, the power of the consumer is greater, digital experience is made possible with cheaper and more available technology, and changing events and circumstances impact the way customers behave [30].

## 2.5 Capacity Management Practices and Customer Satisfaction

Wairimu (2014) investigated the capacity management and quality of service of oil distribution companies. Using a discriminative analysis approach, in this study, the most commonly used capacity management strategy for companies in the oil distribution sector in Kenya is the tracking capacity management strategy, which allows the capacity management approach and service context to interact. Interactions have a positive impact on the perceived quality of service. Measuring and understanding customer satisfaction helps organizations improve customer service. Satisfied customers are claimed to certainly recommend products and services to their relatives and friends. Therefore, marketing strategies need to be adjusted to improve customer satisfaction. A company's target market influences how companies segment their products and uses common attributes or demographics such as income, age, and education to tailor their products to customer satisfaction [31]. Author [9] conducted a survey on the impact of capacity management strategies on quality of service. The purpose of this study was to determine the extent to which capacity management strategies were implemented, the factors that influence the implementation of capacity management strategies, and the impact of capacity management strategies on retailer quality of service. As a result, the facility used a variety of capacity management strategies, but some elements of the capacity management strategies investigated are still in the early stages of implementation and need to be amplified to increase their impact on improvement. It was a clear quality of service delivery. Author [32] pointed out that customer satisfaction comes from measuring products and services based on an overall assessment of the customer's previous experience and the consumer's experience. They state that companies that provide quality services can truly meet the diverse needs of their customers, and customer satisfaction is an overall assessment of their products and services based on their

previous experience. According to author [33], customer satisfaction is one of the key mechanisms for a successful business in today's global economy. Measuring customer satisfaction can help retain existing customers and provide clues on how to attract new customers from a highly competitive business environment. Also, Author [33] discovered that retail purchaser delight relies upon purchaser service, logo diversity, save environment, handy location, and purchasing convenience. Customer delight in retail depend upon location, product quality, reliability, and procedure and employees' performance. There are seven approaches to increasing customer satisfaction. Acquire skilled workers through the hiring and selection process, improve service quality by price-performance ratio, industrialize services, reduce service requirements, or make them absolute by inventing product solutions to develop more effective services, encourage customers to replace their workforce with company jobs, and use the power of technology to provide better services to their customers.

## 2.6 Synthesis

Authors intended their studies to work out the extent of adoption of capacity management strategies, factors influencing implementation of capacity management strategies and to determine the effect of capacity management strategies on service quality in businesses. They believed that core practices for managing the service capacity of the service sector include five elements, including support facilities such as decoration, facility layout, support technology and equipment. Most related research recommend that more training programs should be introduced for employees who are better suited to their professional qualifications, giving employees an equal opportunity to attend training courses. Employee involvement has emerged as one of the biggest challenges in today's work environment. The way an organization train's people can affect its efficiency. An organization can improve the performance of the entire organization by using several training practices can be a major factor in a company's success, which justifies a research assessment. From the perspective of investors, regulators, customers, and society as a whole, the scope of current economic power by controlling their properties by rapidly advancing science, technology, and industry become increasingly important. Organizations need to take a more proactive approach and move in a clearer, more environmentally friendly direction. Reciprocally, these events should occur at the same time and represent a pitfall. If digital platforms don't thrive, enterprises are imperfect in terms of operating model changes. Inputs at one quit of the chain (say, substances from suppliers) go through a sequence of steps that rework them into an output that is really well worth extra: the completed product. Authors believe that it is a basic element for achieving customer satisfaction and fulfilling customer needs. At recent studies in this paper concluded that management is not only an important key but also plays a vital role in before the production and after it also. Customer satisfaction has a vital bearing on the company's profits. There is a strong correlation between the quality of trusted service and the frequency with which customers return. It is widely agreed that there are characteristics that characterize quality tissues and their research. Customer's Compliments is the first indicator of customer satisfaction used in the study. With this in mind, this study looks at compliments

from guests staying at a certain business. Customers want these expectations met in order for them to feel satisfied with the customer service and with their purchase. Customer expectations matter, because - if you can meet them - customers are likely to spend 140% more after a positive experience. Using a discriminative analysis approach, in the recent studies, the most commonly used capacity management strategy for companies is the tracking capacity management strategy, which allows the capacity management approach and service context to interact. A company's target market influences how companies segment their products and uses common attributes or demographics such as income, age, and education to tailor their products to customer satisfaction. Common purpose of the past studies was to determine the extent to which capacity management strategies were implemented, the factors that influence the implementation of capacity management strategies, and the impact of capacity management strategies on retailer quality of service. At last, measuring customer satisfaction can help retain existing customers and provide clues on how to attract new customers from a highly competitive business environment.

### 3. Problem Definition

This study generally aimed to determine the significant relationship between capacity management practices and customer satisfaction of shopping centers in Sultan Kudarat. Particularly, this study was conducted to answer the following concerns:

1. To ascertain the extent of the Capacity Management Practices of the shopping centers in Sultan Kudarat in terms of:
  - 1.1. Workforce Performance Management
    - 1.1.1 Employee Participation;
    - 1.1.2 Employee Training Management Practices;
    - 1.1.3 Employee Accomplishment Striving Practices; and
    - 1.1.4 Administrative Approach Practices
  - 2.2. Tool Capacity Management Practices
    - 2.2.1. Innovation Management Practices, and
    - 2.2.2. Computer Application Practices
  - 2.3. Inventory Management Practices
    - 2.3.1. Inventory Level Management Practices, and
    - 2.3.2. Performance of stocks department Management
3. To determine the extent of the customer satisfaction of shopping centers in terms of:
  - 3.1. Customer's Compliments; and
  - 3.2. Customer's Expectations
4. Is there a significant relationship between the capacity management practices of shopping centers and customer's satisfaction?

#### 3.1 Hypothesis of the Study

The null hypothesis of the study will be tested at 0.05 level of significance.

*H<sub>0</sub>: There is no significant relationship between capacity management practices of shopping centers in Sultan Kudarat and the customers' satisfaction.*

#### 3.2 Limitations of the Study

The study was conducted in the province of Sultan Kudarat specifically in Tacurong City and the Municipality of Isulan and Esperanza for the academic year 2021-2022. The

respondents of the study were the managers/supervisors and customers of the shopping centers wherein a total of 1024 respondents were used in the study. Finally, the study centered on the capacity management practices of the selected shopping centers and customer satisfaction. Additionally, some managers and supervisors feared in participating and answering the right information of what the shopping malls has truly practiced thinking that the researchers had a negatively hidden agenda and the fact that the nature of information the study was questing on capacity management practices in their shopping centers operation was sensitive due to disclosure security. The researchers addressed this by explaining to them that the research was merely for academic purposes only and their establishment name will not be reflected in the discussion and that the data information will be handled with immense confidentiality. Many respondents were unacquainted with what the research is about and puzzled on the processes for the fact that it was their first time participating in answering survey questions with formality. This was addressed by way of explaining to them the purpose and relied on objectives of the study way deeper by using layman's term instead of highly technical terms for them to understand the concept with ease.

### 4. Methodology

#### 4.1 Research Design

This study employed descriptive-correlational design to tabulate, analyze, and interpret data. The research utilized quantitative data, using descriptive statistics to define the mean for the respondents. Also, content analysis was used to describe the frequency and percentage of the demographic profile of the respondents of the study. Moreover, a Pearson Product-moment Correlation takes place to measure the relationship between the independent and dependent variables, such as the analysis with capacity management practices and its association with customer satisfaction. This approach is vital in isolating variables and seeing how they interact with each other. As the author used different sample sizes between two main variables ( $n=24$  for independent variable and  $n=1000$  for dependent variable), stratum (administrator.user) ratio of each shopping center and randomized selection of required pairs of cases was considered in the analysis (Arachchige, 2022).

#### 4.2 Research Locale

The study was conducted in the province of Sultan Kudarat, a province in Region XII (SOCCSKSARGEN) which composed of 11 municipalities and 1 city. The province has a total population of 854,052 people as of the 2020 census, with a density of 160 inhabitants per square kilometer or 410 inhabitants per square mile. Also, the researchers chose to conduct the study in the shopping centers in Isulan, Esperanza and Tacurong because both municipalities were classified as first class municipality, Isulan as the commercial center and Tacurong as the only city of the province, respectively. On a personal note, the researchers resides in the said province. Hence data collection is easy, accessible and inexpensive.

#### 4.3 Research Respondents

The respondents were selected using convenience sampling also known as availability sampling. This is a type of non-

probability sampling method that relies on data collection from population members who are conveniently available to participate in the study. This study has 1024 respondents. The identified and chosen respondents of the study compose of 24 managers/supervisors of the shopping centers and 1000 customers. The shopping centers were located in Isulan, Esperanza and Tacurong particularly Fitmart, Primark, City Mall, Central Plaza, Progress Commercial Trading, MGM Shopping Plaza, SWANA and Kimsan Plaza. Out of 26 participants, 24 confirmed to participate in which all of it were usable for the study. The response rate was 92.31%. The sample respondents were from six (6) shopping centers, from 24 different stalls specifically to grocery, kitchenware, RTWs, school supplies, hardware, men's wear, ladies wear children's wear, appliances, and textile. Two (2) shopping centers declined to participate in this study because of confidentiality reasons. With regards to selecting sample size for the customers, [35] on practical tools for international development proved that a good maximum sample size is usually 10% as long as it does not exceed 1000. Since the population of the customers in the province was more than a hundred thousand or even a million, sampling 1000 people will normally give a fairly and accurate result which lead to a  $\pm 5\%$  level of error. This indicates that the sample respondents well represented the population.

#### 4.4 Research Instrument

The study consists of four (4) instruments. The first instrument was used to measure the level of extent of the work force capacity management practices with the following indicators: employee participation, Employee Training, employee accomplishment striving practices, and administrative approach practices. The second instrument was used to measure the tool management practices with the indicators: innovation and computer application. The third instrument was used to measure the level of extent of production inventory management practices with the indicators: Inventory level management practices and production department management practices which was adapted from [36]. Lastly, the fourth instrument was used to measure the level of extent of customer satisfaction with the following indicators: customer compliments and customer complaints which was adapted from [6]. All instruments utilized a five-point type scale.

**Table 1.** The scale for Interpreting Capacity Management Practices

Range of Means	Descriptive Level	Interpretation
4.21 – 5.00	Always	The practice is always manifested/observed.
3.41 – 4.20	Very Often	The practice manifested/observed very often.
2.61 – 3.40	Sometimes	The practice sometimes manifested/observed.
1.81 – 2.60	Rarely	The practice rarely manifested/observed.
1.00 – 1.80	Never	The practice never manifested/observed at all.

The numerical, adjectival, and qualitative descriptions were used to describe the scale of each knowledge level taken

**Table 2.** The scale for interpreting Customer Satisfaction

Range of Means	Descriptive Level	Interpretation
4.21 – 5.00	Strongly Agree	The respondents agree to the highest extent.
3.41 – 4.20	Agree	The respondents agree to a high extent.
2.61 – 3.40	Undecided	The respondents are undecided.
1.81 – 2.60	Disagree	The respondents disagree to a low extent.
1.00 – 1.80	Strongly Disagree	The respondents disagree with lowest extent.

from the book of Preedy. The instruments on capacity management practices and customer's satisfaction were also pre-tested through Cronbach's Alpha to check its reliability and understandability. The measurement on reliability refers to the extent to which it is consistent measure of the research objective [37]. The result of the Cronbach's Alpha Test for capacity management practices was 0.773 while for the customer satisfaction result, it revealed an alpha score of 0.882.

#### 4.5 Statistical Tools

This study used the Mean of the respondents' survey result was utilized to determine the level of extent of the capacity management practices and its indicators (workforce management, tool capacity management and inventory management practices) as well as the level of extent of customer satisfaction and its indicators (customers' compliments and customers' expectations). Also, correlational analysis specifically Pearson correlation was employed to effectively describe and compare the relationship between capacity management practices and customer satisfaction.

**Table 3.** The Interpretation of the Correlation Coefficient in Interpreting the Relationship between Capacity Management Practices and Customer Satisfaction

Size of Correlation	Interpretation
1	Perfect Positive/Negative Relationship
$\pm .91$ to $\pm .99$	Very High Positive/Negative Relationship
$\pm .71$ to $\pm .90$	High Positive/Negative Relationship
$\pm .41$ to $\pm .70$	Moderate Positive/Negative Relationship
$\pm .21$ to $\pm .40$	Low Positive/Negative Relationship
$\pm .01$ to $\pm .20$	Very Low Positive/Negative Relationship
0.00	No correlation

The following scale value and their corresponding interpretation or rating were adapted from the book of [39] to interpret the computed results of the correlation coefficient and degree of relationships.

## 5. Findings

### 5.1 Capacity Management Practices

The first objective of the study is to determine the extent of capacity management practices of shopping centers from the lenses of managers/supervisors. As revealed in table 4, the capacity management practices of shopping centers in Sultan Kudarat yielded an overall mean of 4.22 and described as always. This means that capacity management practices among shopping centers are always manifested. With reference to this, the capacity management practices indicated that inventory management practices is the most observe indicator with the total mean of 4.36 and interpreted as always observed while the tool capacity management practices is the second most observed indicator with 4.17 total mean and interpreted as observed very often. This result may be attributed to the minimal positive benefits of applying capacity management practices in the operation of shopping centers in pursuit of providing customer's needs, such as to provide a quality workforce performance, establishing a modern and fast-accessed tools and equipment, and supplying enough inventories and stocks, taking into consideration the welfare of the customers in achieving a profitable business. In reference to the findings, author [10] believed that core practices for managing the employee workforce, service capacity of the service sector include elements, including support facilities such as decoration, facility layout, support technology and equipment and inventories. Additionally, to offering implicit services like checking inventorial status and also the general well-being of the shopping centers and the shoppers.

**Table 4.** Level of Extent of the Capacity Management Practices; n=24

Capacity Management Practices	Mean	Interpretation
Workforce Performance Management	4.115	The practice manifested/observed very often
Tool Capacity Management Practices	4.17	The practice manifested/observed very often
Inventory Management Practices	4.34	The practice is always manifested/observed
<b>Grand Mean</b>	<b>4.22</b>	<b>The practice is always manifested/observed</b>

#### 5.1.1 Indicators of Capacity Management Practices

The first sub-variable of the first objective of this study is to determine the extent of capacity management practices in terms of workforce performance management practices of shopping centers from the lenses of managers and/or supervisors. As shown in Table 4.1, the workforce performance management practices in terms of employee participation, employee training management, employee accomplishment striving practices, and administrative approach practices yielded an overall mean of 4.115 described as very often. This means that workforce performance management among shopping centers are often manifested. Considering workforce management, employee accomplishment striving practices appeared to have the highest mean with 4.92, described as always. While employee participation appeared to be the lowest with 3.61 mean score, described as very often. The result was justified

by the study of author [19] which concluded that one of the important factors as management practice strategies of the organizations is to invest in manpower or employee workforce. This helps improve, motivate, and promote employee performance in a variety of human resource application.

**Table 4.1** Level of Extent of the Capacity Management Practices of Shopping Centers in terms of Workforce Performance Management; n=24

Workforce Performance Management	Mean	Interpretation
Employee Participation	3.61	The practice manifested/observed very often
Employee Training Management Practices	3.90	The practice manifested/observed very often
Employee Accomplishment Striving Practices	4.92	The practice is always manifested/observed
Administrative Approach Practices	4.03	The practice manifested/observed very often
<b>Section Mean</b>	<b>4.115</b>	<b>The practice manifested/observed very often</b>

The second sub-variable of the first objective of this study is to determine the extent of capacity management practices in terms of tool capacity management practices of shopping centers from the lenses of managers and/or supervisors. As revealed in Table 4.2, the tool capacity management practices in terms of innovation management and computer application practices yielded an overall mean of 4.17 and interpreted as very often. This means that tool capacity management practices among shopping centers are often manifested. Considering tool capacity management, it is indicated that computer application practices is the most observe indicator (4.64 total mean) and the innovation management is the second most observed indicator (3.70 total mean), indicators described as always and very often respectively. The above result was anchored by the study of [24] which states in his findings that innovation is considered one of the hallmarks of a company's success. It was believed that it is a basic element for achieving customer satisfaction and fulfilling customer needs. That means finding new ideas that will be implemented to achieve competition advantages for companies in an era of similar opportunities.

**Table 4.2** Level of Extent of the Capacity Management Practices of Shopping Centers in terms of Tool Capacity Management Practices; n=24

Tool Capacity Management Practices	Mean	Interpretation
Innovation Management	3.70	The practice manifested/observed very often
Computer Application Practices	4.64	The practice is always manifested/observed
<b>Section Mean</b>	<b>4.17</b>	<b>The practice manifested/observed very often</b>

The third sub-variable of the first objective of this study is to determine the extent of capacity management practices in terms of inventory management practices of shopping

centers from the lenses of managers and/or supervisors. As shown in table above, the inventory management practices in terms of inventory level management practices and performance of stock department management yielded an overall mean of 4.34 and interpreted as always. This means that inventory management practices among shopping centers are always manifested. In view of inventory management practices, it is indicated that performance of inventory level management practices is the most observe attribute with 4.75 total mean and described as always and the stocks department management is the second most observed indicator with 3.92 total mean, described as very often. Author [26] affirms that inventory systems are an effective means of monitoring and tracking a variety of materials that enter and leave a company's warehouses and offices for accounting purposes. It is also important for the company to track all transactions and movements of goods in order to keep track of all inventories.

**Table 4.3** Level of Extent of the Capacity Management Practices of Shopping Centers in terms of Inventory Management Practices; n=24

Inventory Management Practices	Mean	Interpretation
Inventory Level Management Practices	4.75	The practice is always manifested/observed
Performance of Stock Department Management	3.92	The practice manifested/observed very often
<b>Section Mean</b>	<b>4.34</b>	<b>The practice is always manifested/observed</b>

## 5.2 Customer Satisfaction

The second objective of this study is to determine the extent of customers' satisfaction with regards to shopping centers from the lenses of customers residing in the province Sultan Kudarat. According to table 5, in reference to customers' satisfaction with the attributes of customers' compliments and expectations, it capitulates a grand mean of 4.31, described as strongly agree. The table also revealed that customers' compliments perspective contributes to the customers' satisfaction rating better than customers' expectation with a total mean of 4.34 and 4.27 respectively. This result are establish by the subjective judgement of the customers based on their shopping experiences, considering the factors on how the establishment provide a quality workforce and service performance, how efficient and effective the shopping centers in establishing modern tools and equipment, and in what way the centers handled to supplying enough inventories for the customers accordingly. With reference to the result, it fortifies the study of [9] which implies that some capacity management strategies were still in their initial stages of implementation and so needed to be strengthened and manifested more often than what is being initially practiced assisting their effects on enhancing the standard of shopping centers' provision.

**Table 5.** Level of Extent of the Customers' Satisfaction of Shopping Centers; n = 1000

Customers' Satisfaction	Mean	Interpretation
Customers' Compliments	4.34	The respondents agree to the highest extent
Customers' Expectations	4.27	The respondents agree to the highest extent
<b>Grand Mean</b>	<b>4.31</b>	<b>The respondents agree to the highest extent</b>

## 5.3 Relationship of CMP and Customer Satisfaction

Table 6 revealed an overall significant relationship between capacity management practices and customer satisfaction. With an r-value of 0.351 and interpreted as low positive relationship. A minimal extent of increase to capacity management has a directly proportional effect to customer satisfaction. This proved that the null hypothesis is recognized to be not true. A statistically significant test p-value result of <0.000 means that the test hypothesis is false or should be rejected. This implies that workforce, tools and innovations, and inventory as part of capacity management have minimally impacted customer decision-making and shopping experience satisfaction. The result supports the study of [33] which revealed that customer satisfaction is determined by store environment (innovation), customer service (employee workforce), and brand variety (inventory). He argued that retail customer satisfaction depends on location, security, product quality, reliability, and process and personnel services. It confirms the view of [32] who pointed out that customer satisfaction comes from measuring products and services based on an overall assessment of the customer's previous experience and the consumer's experience considering the management practices applied by the establishment to attain the overall positive assessment to their products and services.

**Table 6.** Overall Correlation Results between Capacity Management Practices and Customers' Satisfaction

Category	r	p-value	Significance
Capacity Management vs. Customers' Satisfaction	0.351**	p<0.000	Low Positive Relationship

\*\*Correlation is significant at the 0.01 level (2-tailed)

## 6. Conclusions

It can be concluded that managers and or supervisors inferred that shopping centers oftentimes employed workforce performance management (employee participation, and employee training management), tool capacity management (innovation management), and inventory management practices (performance of stocks department). Managers and/or supervisors also stated that the shopping centers always employed astounding performance in and workforce performance management (administrative approach practices), tool capacity management (innovation management), stocking department management and inventory level management practices. On the other hand, with reference to customer satisfaction, customers evaluated their level of satisfaction as strongly agreed with the highest extent in terms of their compliments and expectations towards their shopping experiences in the shopping centers.



As with the relationship between the two main variables, it was revealed that workforce management practices, tool capacity management practices and inventory management practices have minimal significant relationship with the level of customers' satisfaction, as the study revealed a low positive relationship. Thus, null hypothesis was proven to be not true. Further, it is an explicit implication that employee workforce, tools and innovation, and inventory as part of capacity management practices of the shopping centers have had a marginal significant impact on customer decision-making and shopping experience satisfaction. Fundamentally, the result of the study support the idea of [32] which pointed out that companies that provide quality capacity management practices can truly meet the diverse needs of their customers, and affects the customer satisfaction as their overall assessment of the shopping center's products and services based on their previous experience.

## 7. Recommendations

Based on the results of the study, the succeeding recommendations are made: Shopping centers must practice quality capacity management more often than what is being exercised for some elements of the capacity management strategies investigated are still in the early stages of implementation and need to be amplified to increase their impact on improvement, thus resulting to attaining greater satisfaction from the customers. During capacity changes, shopping malls should uphold strategies such as motivating the employees to enhance a flexible workforce to understand what the customers wants as to translate these expectations into customer satisfaction. The author also recommends for future researchers to explore other variables of capacity management that influences customers' satisfaction with the quality of their experience and whether these associations differ to other variables. Moreover, future studies may also expand the jurisdiction of the respondents as not limited only to shopping centers in a specific province since capacity management practices tend to be subjective in each establishment.

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