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## Linking Employee Performance to Customer Satisfaction: An Empirical Study in the Context of Adyar Ananda Bhavan (A2B), Ambattur Estate, Chennai

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### ABSTRACT:

This study examines the relationship between employee performance and customer satisfaction in the context of Adyar Ananda Bhavan, Ambattur Estate, Chennai. The main objective of the research is to analyze how employee performance factors influence the satisfaction level of customers in the food service industry. The study focuses on key dimensions such as employee behavior, service quality, communication, responsiveness, punctuality, and customer handling practices. The research adopted an empirical research design using both primary and secondary data sources. Primary data were collected through a structured questionnaire from a sample of 100 respondents, comprising 70 customers and 30 employees of A2B, Ambattur Estate. Convenience sampling technique was used for data collection. Statistical tools such as percentage analysis, mean analysis, correlation, and simple graphical representations were employed to interpret the collected data. The findings of the study reveal that employee performance has a significant positive impact on customer satisfaction. Customers highly appreciated prompt service, employee courtesy, cleanliness, and effective communication. The study also identified that motivated and well-trained employees contribute greatly to enhancing customer experience and loyalty. Furthermore, employees expressed that proper training, supportive management, and a healthy work environment improve their performance levels. The study concludes that maintaining high employee performance standards is essential for achieving greater customer satisfaction in the restaurant industry. It recommends that A2B management continue investing in employee training, motivation programs, and service quality improvements to strengthen customer relationships and sustain competitive advantage.

**Keywords:** *Employee Performance, Customer Satisfaction, Service Quality, Adyar Ananda Bhavan, Restaurant Industry*

### 1. Introduction:

The food service industry has changed a lot over the twenty years. This change is because of people moving to cities having money to spend, using digital technology and wanting different things. In this market making customers happy is the most important thing for a company to succeed. For companies that provide services like restaurants making customers happy is not about the food. It is also about how the employees treat the customers how well they communicate how they resolve problems and the atmosphere of the restaurant. The restaurant sector in India is one of the growing parts of the economy. This sector has well-known chains that follow standard rules for service make sure the food is good and have organized ways of managing employees. Adyar Ananda Bhavan or A2B is a brand in South Indian vegetarian food. It was started in the 1970s by K.S. Thirupathi Raja. A2B has over 145 restaurants in India. Is also in other countries like Singapore, Malaysia, Australia, Canada, the United States and the United Kingdom. A2B shows how traditional food can be combined with business practices. Not many studies have been done on customer satisfaction in -tier regional vegetarian restaurant chains in South India. Most studies look at customer satisfaction in a way and do not focus on how employees affect it. This study looks at how employee performance affects customer satisfaction at A2Bs restaurant in Ambattur Estate in Chennai.

This study uses ideas from Parasuraman, Zeithaml and Berrys SERVQUAL model Heskett et al.s Service-Profit Chain and Olivers Expectation-Confirmation Theory. The study uses statistical methods to get useful information for both academics and managers. The methods used are statistics, reliability testing, correlation analysis and regression analysis. The food service industry and customer satisfaction are topics. The food service industry is always. Customer satisfaction is key to success. Adyar Ananda Bhavan is an example of a company that has been successful in the food service industry. The study of customer satisfaction at A2Bs restaurant, in Ambattur Estate will provide insights into how employee performance affects customer satisfaction.

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## II. Review of the Literature:

**Karatepe and Olugbade (2020)** found that employee engagement significantly enhances service quality and customer satisfaction in hospitality settings. Engaged employees exhibit proactive behavior, better customer interaction, and higher productivity, ultimately improving customer loyalty and organizational performance in service-oriented businesses such as restaurants.

**Kim and Lee (2020)** reported that employee performance directly impacts customer satisfaction through consistent service quality. Their study in restaurant settings showed that well-trained and motivated employees improve customer perceptions, resulting in repeat visits and positive word-of-mouth, which are essential for business growth.

**Ahmed and Rafiq (2020)** emphasized that internal marketing practices enhance employee performance and service delivery. Organizations focusing on communication, training, and motivation achieve better customer satisfaction, particularly in high-contact industries like quick-service restaurants where employee interaction is frequent and critical.

**Prentice (2021)** highlighted that emotional intelligence among employees plays a crucial role in influencing customer satisfaction. Employees with higher emotional intelligence understand customer needs better and provide personalized service, resulting in improved customer experiences and stronger relationships in restaurant environments.

**Ibrahim and Al Falasi (2021)** found that employee empowerment significantly improves service quality and customer satisfaction. Empowered employees respond effectively to customer needs and resolve issues promptly, enhancing overall customer experience and increasing satisfaction levels in hospitality organizations.

**Wang and Tsai (2021)** revealed that employee training programs significantly impact service quality and customer satisfaction. Proper training enhances employee skills, efficiency, and confidence, enabling them to deliver consistent service, which positively influences customer perceptions and satisfaction levels.

**Nguyen and Nguyen (2021)** found that organizational culture strongly influences employee performance and customer satisfaction. A supportive and service-oriented culture promotes teamwork and employee commitment, which directly enhances service quality and improves customer experiences in hospitality organizations.

### 2.4 Research Gap

There is a lot of research on customer satisfaction and employee performance. There are a few areas that have not been studied much. First there is not research on Adyar Ananda Bhavan even though it is a well-known brand. Second there is not research on the restaurant business in Chennai especially when it comes to employee performance. Third most research is on multinational companies or fancy restaurants but there is not much on mid-sized regional vegetarian restaurants like Adyar Ananda Bhavan. This study tries to fill those gaps by looking at Adyar Ananda Bhavan and the restaurant business, in Chennai.

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## III. RESEARCH METHODOLOGY

### 3.1 Objectives of the Study

To assess the key factors influencing employee performance in the restaurant context.

To evaluate the degree of customer satisfaction across service dimensions at A2B.

To examine the impact of employee behavior and service quality on customer satisfaction.

To understand the role of training and motivation in shaping employee performance outcomes.

To provide evidence-based managerial recommendations for service quality improvement.

### 3.2 Research Design

This study is using an analytical research design. The descriptive research is used to describe the people who answered the questions and how well the employees are doing their jobs and how happy the customers are. The analytical techniques are used to see if there are any relationships between these things. This study is based on data from actual customers and employees of A2B.

### 3.3 Population and Sampling

The people we are studying are customers and employees of A2Bs Ambattur Estate outlet in Chennai. We used a convenience sampling technique because it was easy to get to these people and it was a way to start the study. We asked 100 people questions: 70 customers and 30 employees. This is not a number of people but it is okay for a first study and it is similar to other studies that have been done in Indian restaurants.

### 3.4 Data Collection Instruments

We collected data by asking people to fill out a questionnaire with two parts. The first part asked for information like age, gender, job and how often they visit A2B. The second part had 35 questions that asked people to rate things from strongly disagree to strongly agree. These questions were about things like Service Quality, Product Quality and how happy customers. We also got information from sources like academic journals and company publications.

### 3.5 Variables of the Study

Employee Performance is the thing we are looking at and it includes things like how well employees do their jobs how responsive they are and how well they handle complaints. Customer Satisfaction is the thing we are trying to measure and it includes things like how happy customers are, if their expectations are met and if they will come back.

### 3.6 Hypotheses

1. H<sub>1</sub>: We think that if employees do their jobs well customers will be happier, at A2B.
2. H<sub>2</sub>: We think that if the service is good the products are good and the service is fast customers will be happier.
3. H<sub>3</sub>: We think that if employees are responsive and professional customers will be more likely to come to A2B.

## IV. ANALYSIS

### 4.1 Demographic Profile of Respondents

The one hundred respondents are a mixed group. The customer group, which is seventy people includes people of ages, education levels and jobs like students, people who work for a salary, business owners and people who stay at home. Some customers come to the place occasionally some come every week. Some come almost every day. This means we get to see what people think about the service when they use it a lot and when they use it sometimes. The employee group, which is thirty people includes people who work with customers and people who supervise them so we get to see what they think about how the service works.

### 4.2 Descriptive Statistics

Table 1 shows some information about the answers people gave to questions about A2Bs service environment. We looked at one hundred answers. Found that people generally think A2Bs service environment is good. All of the questions got scores above the middle point on a scale of one to five which is a good sign, for A2Bs service environment.

**Table 4.2.1 Summary of Key Descriptive Statistics (N = 100) — Selected Items**

S.No	Construct	Statement	Mean	Std. Dev.
1	Service Quality	Staff provide prompt service	3.64	1.106
4	Service Quality	Orders are taken accurately	3.65	1.086
6	Product Quality	Food taste is good (highest-rated)	3.70	1.068
9	Product Quality	Food presentation is appealing	3.68	1.034
11	Pricing	Prices are reasonable (lowest-rated)	3.29	1.157
13	Pricing	Pricing is fair	3.31	1.042
16–20	Ambience & Cleanliness	Range: 3.42–3.58	3.53	1.075
21–25	Service Speed	Range: 3.47–3.52	3.49	1.058
26	Customer Satisfaction	I am satisfied with A2B services	3.60	1.110
33	Customer Loyalty	I prefer A2B over others (weakest loyalty)	3.35	1.140

The thing that people liked the most about A2B is that the Food taste is good. On a scale of something this got a score of 3.70. This shows that A2B should focus on making sure the Food taste is good. People also liked that the Food presentation is appealing and that Orders are taken accurately. This is good for A2B because it means they are doing a job with the food and taking orders. When it comes to the Pricing people did not like it as much. They said that Prices are reasonable and Pricing is fair. These got lower scores. This means that A2B needs to work on the Pricing. It also seems like people do not prefer A2B over places. This is something that A2B needs to work on. Overall, the Food taste and the way the food looks are more important to

people, than the Pricing. How fast the service is. A2B should focus on making the Food taste good. The Food presentation is appealing and also work on the Pricing.

#### 4.3 Results of Reliability Analysis

**Table 4.2.1: Reliability Analysis - Cronbach's Alpha Coefficients**

Scale	Cronbach's Alpha ( $\alpha$ )	No. of Items	Reliability Level
All Variables (35 raw + 35 Z-scores)	0.989	70	Excellent ( $\alpha \geq 0.90$ )
Benchmark: $\alpha \geq 0.90$ = Excellent   $\alpha \geq 0.80$ = Good   $\alpha \geq 0.70$ = Acceptable			

The Cronbachs Alpha coefficient for the 70-item instrument is alpha = 0.989. This is really good because it means the scale is very reliable.

#### 4.4 Pearson Correlation Analysis:

**Table 4.2.2: Pearson Correlation Matrix - Construct-Level Representatives (N = 100)**

Variable	SQ1	PQ1	PR1	AC1	SS1	CS1	CL1
SQ1 – Service Quality	1.000	0.694	0.611	0.596	0.593	0.585	0.577
<b>PQ1 – Product Quality</b>	0.694	1.000	0.488	0.684	0.518	0.396	0.475
<b>PR1 – Pricing</b>	0.611	0.488	1.000	0.455	0.530	0.465	0.560
<b>AC1 – Ambience &amp; Cleanliness</b>	0.596	0.684	0.455	1.000	0.437	0.459	0.520
<b>SS1 – Service Speed</b>	0.593	0.518	0.530	0.437	1.000	0.469	0.554
<b>CS1 – Customer Satisfaction</b>	0.585	0.396	0.465	0.459	0.469	1.000	0.511
<b>CL1 – Customer Loyalty</b>	0.577	0.475	0.560	0.520	0.554	0.511	1.000

The correlation analysis reveals that all variables are positively related to one another, indicating that improvements in service quality, product quality, pricing, ambience, and service speed can enhance customer satisfaction and customer loyalty. Among all factors, Service Quality and Product Quality show the strongest relationship (0.694), highlighting their importance in the restaurant industry. The study concludes that customer satisfaction and loyalty are strongly dependent on overall service experience and operational quality.

#### 4.5 Regression Analysis:

**Table 4.2.3: Multiple Regression - Model Summary and ANOVA**

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error
1 (All Predictors)	1.000	1.000	1.000	0.000

The study concludes that employee performance significantly influences customer satisfaction and loyalty in Adyar Ananda Bhavan. Factors such as service quality, product quality, pricing, cleanliness, and service speed positively affect customer experience. Improving employee efficiency and maintaining high service standards can help the organization achieve greater customer retention and business growth.

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## 5. Findings:

1. The study found that Product Quality received the highest customer rating, particularly for the statement "Food taste is good" (Mean = 3.70). This indicates that customers highly value the taste and quality of food offered by Adyar Ananda Bhavan.
2. Customers also appreciated "Food presentation is appealing" (Mean = 3.68) and "Orders are taken accurately" (Mean = 3.65), showing that presentation and order accuracy positively influence customer perception.
3. Service Quality was rated positively, especially regarding prompt service delivery (Mean = 3.64), reflecting effective employee performance in customer handling.
4. The lowest-rated factors were related to Pricing, such as "Prices are reasonable" (Mean = 3.29) and "Pricing is fair" (Mean = 3.31). This suggests that customers feel pricing could be improved to provide better value for money.
5. Customer Loyalty showed comparatively weaker responses, especially for "I prefer A2B over others" (Mean = 3.35), indicating moderate loyalty levels among customers.
6. Reliability analysis showed a very high Cronbach's Alpha value ( $\alpha = 0.989$ ), confirming that the questionnaire used in the study is highly reliable and internally consistent.
7. Pearson correlation analysis revealed positive relationships among all variables. The strongest relationship was observed between Service Quality and Product Quality ( $r = 0.694$ ), indicating that better service enhances perceptions of product quality.
8. Regression analysis indicated that employee performance factors such as service quality, product quality, pricing, ambience, cleanliness, and service speed significantly influence customer satisfaction and loyalty.

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## Suggestions:

1. Adyar Ananda Bhavan should continue maintaining high food quality and taste standards, as these are the strongest factors influencing customer satisfaction.
2. The organization should improve pricing strategies by introducing value meals, discounts, combo offers, or loyalty rewards to increase customer perception of fairness in pricing.
3. Employee training programs should be conducted regularly to improve communication skills, customer handling, and service efficiency.
4. Management should focus on enhancing customer loyalty through membership programs, personalized services, and promotional campaigns.
5. Continuous monitoring of cleanliness, ambience, and dining environment should be maintained to improve customer comfort and satisfaction.
6. Service speed can be further improved by adopting better operational systems and reducing waiting time during peak hours.
7. Customer feedback mechanisms should be strengthened so that complaints and suggestions can be addressed quickly and effectively.
8. Technology-based solutions such as digital ordering systems and automated billing can help improve operational efficiency and customer experience.

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## Conclusion:

The study concludes that employee performance plays a significant role in improving customer satisfaction and loyalty in Adyar Ananda Bhavan. Among all factors, food taste, product quality, and service quality emerged as the most influential determinants of customer satisfaction. Although customers appreciated the restaurant's food quality, service efficiency, and ambience, concerns related to pricing and customer loyalty require greater managerial attention. The strong positive relationships among service quality, product quality, pricing, ambience, service speed, customer satisfaction, and loyalty indicate that overall operational excellence directly contributes to business success. Therefore, by improving employee efficiency, maintaining consistent service standards, and implementing customer-focused strategies, A2B can strengthen customer retention, enhance brand loyalty, and achieve sustainable business growth.

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