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Research Article

Demographics and Client Satisfaction on the Establishment of Driver's License Renewal Office

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ABSTRACT

This research study is an effort to determine the relationship between demographics and client satisfaction on the establishment of Driver's License Renewal Offices. A Purposive Sampling survey method was utilized in collecting data using a revised Client Survey Questionnaire based on the Land Transportation Office Client Satisfaction Measurement Survey Form. The demographics of respondents were taken into account in terms of gender and age bracket. This research study utilized the Descriptive Statistics and Hypothesis Testing using the P-Value approach in deriving the conclusion that there is no significant difference on Demographics and Client Satisfaction and the Land Transportation office should support the program of establishing additional Driver's License Renewal Offices nationwide. Furthermore, this study has come to the conclusion that the majority of the clients at Driver's License Renewal Offices have a high level of client satisfaction and demographics do not have a high contributing factor on assessing the level of client satisfaction. Regardless of sex and age, an efficient service delivery can be recognized and acknowledged.

Keywords: *Client Satisfaction Survey, Demographics and Client Satisfaction, Driver's License Renewal Office, Land Transportation Office*

Introduction

As newly elected President Ferdinand "Bongbong" Marcos Jr. unveiled his 8-point economic agenda during his last State of the Nation Address, we were presented with his administration's near term and medium term socio economic programs. The agenda aims to "to decisively respond to this risk and steer the

economy back to its high growth trajectory," according to Finance Secretary Ben Diokno.

The near-term agenda would be focusing on the following:

- Protect purchasing power and mitigate socioeconomic scarring: Ensuring food security; reducing transport and logistic costs, energy cost to families;

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- Reduce vulnerability: Tackling health by ramping up vaccination and booster intake among vulnerable sectors, safety protocol compliance, among others; strengthening social protection; addressing learning losses;
- Ensure sound macroeconomic fundamentals: Enhancing bureaucratic efficiency and sound fiscal management; ensuring a resilient and innovative financial sector;

Meanwhile, the medium term agenda would be focusing on creation of jobs through the improvement of infrastructures, promotion of investments and trades, strengthening of public security, providing a level market competition and quality employment that is anchored on sustainable development. But as the inflation rate climbs to 8.1% by December 2022, the government is pressed for time to find subsidies on essential goods to mitigate the impact particularly on the vulnerable sectors of the society.

Nevertheless, as we ushered in the new year, the government is positive that inflation growth will slow down in the near future.

In this regard, reinforcing the quality and efficiency of government service delivery is a significant factor to attract investors and promote a better market economy. As the country invests for long-term economic growth, improvement in these areas is very much needed in attaining progress sustainability. The Land Transportation Office is geared to deliver excellent client satisfaction through a convenient and efficient public service and in bringing our service closer to the public.

The Land Transportation Office (LTO), is a sectoral agency of the Department of Transportation (DOTr) by virtue of Executive Order (E.O) No. 125 and 125A dated April 13, 1987 and E.O No. 226 dated July 25, 1987, that is responsible for the registration of motor vehicles, issuance of driver's/conductor's licenses and permit, enforcement of transportation of laws, rules and regulations and adjudication of traffic cases. The agency performs in line with Republic Act 11032 or the Ease of Doing Business Act of 2018 under the Duterte Administration. License transactions have been plagued with negative comments and reactions over the past

years due to shortage of supply of driver's license cards. After a year, the agency was able to resolve this predicament and since then has continuously improved the process of license issuance. In line with this, the LTO is steadily increasing the number of Driver's License Renewal Offices also known as DLROS or satellite offices to aid Licensing centers in license and permit issuance. Driver's License Renewal offices were established to meet the public's demand in having a fast, safe and more convenient transaction.

As we rapidly move towards economic progress after the effects of the global recession due to the global health crisis, local services should also align intensively in this mission. Thus, improving our local government services is highly needed to be at par with our socio-economic growth. We believe that efficiency impacts better productivity. The Land Transportation Office is doing its own contribution in making sure that what we offer to our clients is nothing but honest and efficient government service. The project of establishing Driver's License Renewal Offices that would serve as satellite agencies by the Land Transportation Office is one of the best programs of the agency. In relation to this, learning and evaluating client demographics and their satisfaction level play a significant role as one of the leading fundamentals of further establishing more satellite agencies.

Theoretical Framework

This research study was anchored on the theory of Woodrow Wilson, the Father of Public Administration. Woodrow's view of public administration as "*It is the object of administrative study to discover, first, what government can properly and successfully do, and, secondly, how it can do these proper things with the utmost efficiency and at the least possible cost either of money or of energy.*" Administrative efficiency is defined as the capacity of an organization to deliver the job or its mandate at the least amount of time, personnel, energy and resources. It serves as the indicator on whether the action or input made was able to achieve the desired target planned. For Woodrow, public administration is "the government in action..." This study was also based on the law of

Republic Act 11032 otherwise known as the act promoting Ease of doing business and efficient delivery of government services, an amendment of R.A 9485 also known as the Anti-Red Tape Act of 2007. This law enacted last July 24,

2017 declares the state to promote effective practices, efficient processing time and perform government service with integrity and accountability.

Conceptual Framework

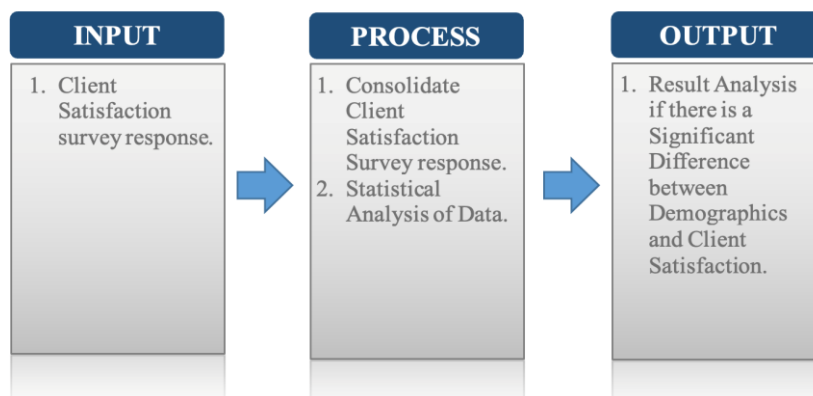


Figure 1. Conceptual Framework

In the Conceptual Framework, the conceptual paradigm of the study is presented indicating the Input/Process/Output. The Input frame contains the enumeration of the variables that will be analyzed.

The Process frame presented the steps on how the input variables will be treated. The Output frame indicated what would be derived after consolidation and analysis of variables.

Statement of the Problem

1. What is the demographics of the respondents in terms of Sex and Age Group.
2. What is the client satisfaction level on the establishment of Driver's License Renewal Offices?
3. Is there a significant difference in the satisfaction level of the client when grouped according to demographics?
4. What policy brief can be proposed based on the result of the study?

Methods

In this study, descriptive research design was utilized to provide demographic data as well as to analyze client satisfaction level of the sample population. Descriptive research is the type of research used to describe the characteristics of a population. According to Best Kahn

(2006), descriptive research uses quantitative methods to describe what is describing, recording, analyzing and interpreting conditions that exist. Hypothesis Testing using P-Value was applied by the researchers to validate the Null Hypothesis against the observed data in relation to demographics and client satisfaction level on the establishment of Driver's License Renewal Offices. In this study, descriptive research design was utilized to provide demographic data as well as to analyze client satisfaction level of the sample population. Descriptive research is the type of research used to describe the characteristics of a population. According to Best Kahn (2006), descriptive research uses quantitative methods to describe what is describing, recording, analyzing and interpreting conditions that exist. Hypothesis Testing using P-Value was applied by the researchers to validate the Null Hypothesis against the observed data in relation to demographics and client satisfaction level on the establishment of Driver's License Renewal Offices.

For this research study, at least 105 respondents were gathered based on the computed G-power. Purposive Sampling was utilized to establish the existence or nonexistence of a significant difference between demographics and client satisfaction. The

respondents of this study were license renewal applicants from LTO DLRO SM North. 105 license renewal applicants from DLRO SM North were selected as credible respondents of the Client Satisfaction Survey Form as they have first hand experience of the quality of service from Driver's License Renewal Office SM North.

This research study employed the use of a survey questionnaire to derive analysis among variables, which comprises of 2 parts as follows:

Part 1: Demographic characteristics: Includes respondents age and sex.

Part 2: Client Satisfaction Survey Form: This questionnaire is composed of 9 Service Quality related questions from 0-8 and 5-Likert scale ranging from Strongly Disagree (1) to Strongly Agree (5). The Client Satisfaction Survey Form was a revised format of the Client Survey Measurement Survey Questionnaire by the Civil Service Commission that is officially in use by the Land Transportation Office.

The Informed Consent Form together with the Client Satisfaction Survey Form were handed out to 105 respondents/clients of DLRO SM NORTH last January 26 and January 27, 2023. The researchers applied a **Purposive Sampling** method among 105 respondents/clients due to the limited cost and time at hand. After gathering the data survey, hypothesis testing was employed using the p-value approach to decide whether to accept or reject the Null Hypothesis.

For the Demographics, Frequency, Percentage, Mean and Standard Deviation were used. For the Client Satisfaction: Mean and Standard Deviation were utilized. For the Significant Difference: P-Value was employed.

Result

This section will present the analysis of data following the Statement of the Problem that was collected in the survey conducted on the respondents based on client satisfaction.

Statement of the Problem 1:

What is the demographics of the respondents in terms of Sex and Age Group.

Table 1. Frequency and Percentage Table on Sex

Sex	Frequency	Percentage (%)
Male	49	46.7
Female	56	53.3
Total	105	100.0

Table 1 shows that out of 105 respondents, there are 49 males covering 46.7 % of the total number of respondents, and 56 females

comprising 53.3%. Majority of the respondents that were selected during the survey period were females.

Table 2. Frequency and Percentage Table on Age Group

Age Group	Frequency	Percentage (%)
18-26	20	19.05
27-35	25	23.81
36-44	16	15.24
45-53	21	20.00
54-62	14	13.33
63-71	8	7.62
72-80	1	0.95
Total	105	100.0

Table 2 shows that the majority of the selected applicants or the 23.81% of the respondents belong to the 27-35 age group bracket. The

satisfaction level that was measured on this particular client satisfaction survey was obtained through the majority in this age group

sample in particular. Followed by 45-53 age group which comprises 20.00%, 18-26 age group which constitutes 19.05%, 36-44 age group which forms 15.24%, respondents belonging to 54-62 age group covers 13.33%, the

last two age groups represents the smallest percentage of respondents were from senior age groups, 7.62% of respondents are within 63-71 of age and the 72-80 age group covers 0.95%.

Statement of the Problem 2:

What is the client satisfaction level on the establishment of Driver's License Renewal Offices?

Table 3. Summary of Client Satisfaction Survey and Interpretation

Statement	Mean	SD	Interpretation
SQD0. I am content with the service delivery I experienced at DLRO SM NORTH.	4.70	.587	Strongly Agree
SQD1. The transaction process from start to finish was within a reasonable amount of time.	4.66	.633	Strongly Agree
SQD2. The documentary requirements were based on the requirements provided in the Citizen's Charter.	4.74	.538	Strongly Agree
SQD3. The payment process was simple and hassle free.	4.77	.486	Strongly Agree
SQD4. The office maintains a social media account/website where you can find all needed information on your transaction.	4.80	.488	Strongly Agree
SQD5. The amount that I paid for my license renewal is fair and reasonable.	4.76	.510	Strongly Agree
SQD6. The queuing procedure is clear and organized.	4.76	.528	Strongly Agree
SQD7. All assigned staff have displayed courtesy and professionalism.	4.76	.491	Strongly Agree
SQD8. I have conveniently completed my transaction; (or rejection of transaction was well explained by the staff.	4.90	.338	Strongly Agree
Satisfaction Average	4.76	.426	Strongly Agree

Note: 5- Strongly Disagree, 4- Disagree, 3- Neither Agree or Disagree, 2- Agree, 1- Strongly Agree

Table 3 shows the summary interpretation of the responses in the Client Satisfaction survey on the service experience of the responders/client based on the 5-point Likert scale with the range of 1.00-1.80 for Strongly Disagree, 1.90-2.60 for Disagree, 2.70-3.40 for Neither Agree or Disagree, 3.50-4.20 for Agree and 4.30-5.00 for Strongly Agree. The client satisfaction survey ratings in all 9 SQDs as well as the Satisfaction Average fall under the interval for "Strongly Agree". The result shows that the majority of all the respondents are highly satisfied or with a high level of client satisfaction regardless of demographics, relative to the service delivery that they experience at DLRO SM North Edsa.

Statement of the Problem 3:

Is there a significant difference in the satisfaction level of the client when grouped according to demographics?

Table 4 shows the summary of Mean and Standard Deviation on Client Satisfaction based on Demographics. The computed Mean and Standard Deviation of each age group and their level of client satisfaction all fall under the category of Strongly Agree, showing no significant difference among the two variables.

The data table also shows the variance of the male respondents on client satisfaction has no significant difference as compared to the variance of the female respondents on client satisfaction and is almost approximately equal, all falling under the same category of Strongly Agree.

Table 4. Summary of Mean and Standard Deviation on Client Satisfaction based on Demographics

Variable	Category	Mean	SD	Interpretation
Age Group	18-26	4.81	0.4155	Strongly Agree
	27-35	4.81	0.3594	Strongly Agree
	36-44	4.64	0.4927	Strongly Agree
	45-53	4.64	0.5476	Strongly Agree
	54-62	4.83	0.3425	Strongly Agree
	63-71	4.92	0.2357	Strongly Agree
	72-80	5	0.0000	Strongly Agree
Satisfaction Level		4.81	0.3419	Strongly Agree
Sex	Male	4.76	0.4277	Strongly Agree
	Female	4.76	0.4291	Strongly Agree
Satisfaction Level		4.76	0.0007	Strongly Agree

Table 5. Statistical Result of Mean and Standard Deviation on Client Satisfaction and Demographics

Results	
t-statistic	0.577
df	104
Significance level	P = 0.5650
95 % CI for mean	4.7016 to 4.8664

Table 5 shows computed statistical results of Mean and Standard Deviation on Client Satisfaction and demographics. Whereas, if $p > .05$, the variances are not significantly different from each other, on the opposite, if the p-value is less than .05 ($p < .05$), then the conclusion of a significant difference can be stated. Based on

the data on Table 5, given the $df = 104$, alpha level .05 and computed p-value of 0.5650, the computed p-value is greater than the level of significance. we can therefore accept the Null Hypothesis, there is no significant difference in the client satisfaction level when grouped by demographics.

Statement of the Problem 4:

What policy brief can be proposed based on the result of the study?

Table 6. Project Brief

Project Title/Program	Establishment of Driver's License Renewal Office
Project Support	<ul style="list-style-type: none"> Department of Transportation Land Transportation Office Proponents/Project Investors
Project Objectives	<ul style="list-style-type: none"> To provide a more efficient renewal process. To improve serviceability and client satisfaction Decongest the volume of applicants in Licensing Centers and District Offices.
Project Scope	The Land Transportation in partnership with investors/proponents continuous bid and support on establishing more Driver's License Renewal Office. Area of Coverage: Nationwide
Deliverables	<ul style="list-style-type: none"> Improvement of service engagement and accessibility in the license renewal process. Increase in Client Satisfaction.

Project Title/Program	Establishment of Driver's License Renewal Office
Assumptions	Active support of: <ul style="list-style-type: none"> • Department of Transportation • LTO Regional Accreditation Committee • Potential Investors • Transacting Public
Constraints and Risks	Constraints: <ul style="list-style-type: none"> • Project Sustainability • Project Staffing • Low interest of investors • Understaffed Risks: <ul style="list-style-type: none"> • Low generated income of DLROs due low turnout of applicants leading to ceased operation or closure.
Dependencies	Availability of: <ul style="list-style-type: none"> • Proponents and Investors • Good site location • LTO Staff • Financial Capacity
Stakeholders	<ul style="list-style-type: none"> • LTO Regional Offices • Proponents/Investors • Driver's License Holders • Assigned LTO Employees
Resources	Financial investment of interested investors in partnership with the Land Transportation Office guided under a Memorandum of Agreement between the two stakeholders.
Outline Estimate of Time and Cost	Timeline <ul style="list-style-type: none"> • 3 months Cost: <ul style="list-style-type: none"> • P5-7 million (depending on area and site location)

Project Time Estimation

Activity	Estimated Time
Submission of Proposal by the Proponent	1 day
Site Ocular Inspection by schedule	2 week
Meeting with the Regional Accreditation Committee	1 week
Deliberation of Regional Accreditation Committee	2 weeks
Signing of Memorandum of Agreement	
Site Construction/Procurement of Hardware and Others	1 month
Assignment of LTO Employees	3 days

Project Cost Estimation

Project Title: Establishment of Driver's License Renewal Office

Description	Quantity	Unit	Unit Cost	Total
Direct Expenses				
1. Project Management				
1.1 Project Management	1	1		

Description	Quantity	Unit	Unit Cost	Total
Direct Expenses				
1.2 Training Team	1	1	20,000	20,000
1.3 Maintenance & Support	1	1	10,000	10,000
1.4 Contractor	1	1	1,200,000	1,200,000
Sub-total:				1,230,000
2. Hardware				
2.1 License Engraver	1	1	3,700,000	3,700,000
2.2 Peripherals	8	8	100,000	800,000
2.3 LF10 Scanner	2		130,000	260,000
2.4 F1 Finger Scanner	1	1	16,000	16,000
2.5 Signature Pad	2	2	18,000	32,000
Sub-total:				4,808,000
3. Software				
3.1 Finger Identification	3	3	12,000	36,000
3.2 Face Recognition	3	3	16,000	48,000
3.3 LTMS Licensed Software	2	2	19,000	38,000
Sub-total:				122,000
Indirect Expenses				
4. Miscellaneous				
4.1 Rent Payment	5 mos.		100,000	500,000
Total:				6,660,000

Discussion

Majority of the respondents are female applicants which composed 53.3% of the total sample population.

Majority of the respondents were under the 27-35 year old age group, covering 23.81% out of the total 105 respondents.

Based on the Summary of Client Satisfaction Survey, the greater number of respondent's satisfaction level falls under the Strongly Agree category. Based on the computed Mean, Standard Deviation and p-value on Client Satisfaction and Demographics, Null Hypothesis accepted, There is no significant difference between the satisfaction level of the client when grouped according to demographics.

Based on the result of this research study, demographics and level of satisfaction has no significant difference on the establishment of Driver's License Renewal Office. In reference to the output which presented a high level of satisfaction among all survey respondents regardless of sex and age group, the Land Transportation Office can further support the establishment of more Driver's License Renewal Offices. The presented policy brief summarizes the entirety of the project, including its scope,

objectives and deliverables and other essential information such as project time and cost estimation.

This research study was conducted to contribute to the sea of available research materials connected to demographics and client satisfaction, similarly to establishments of LTO Driver's License Renewal Offices as well as satellite offices in general.

It is a conclusive presumption that demographics does not have a high contributing factor on assessing the level of client satisfaction. Regardless of sex and age, an efficient service delivery can be recognized and acknowledged.

Majority of the transacting clients at Driver's License Renewal Offices have a high level of satisfaction.

The result of this study seeks to support the program of establishing more Driver's License Renewal Offices in further improving service delivery and client satisfaction as a whole.

Based on the results of the conducted study, it can be concluded that the transacting clients of Driver's License Renewal Offices, regardless of sex and age group demographics have a high level of client satisfaction. With this

information, the Land Transportation Office could further support the establishment of more Driver's License Renewal Offices as this project enhances the agency's quality of service by producing a more systematic and efficient license renewal process.

- To continue the establishment of Driver's License Renewal Offices or satellite agencies in strategic areas to support other LTO District Offices;
- The Land Transportation Office should furthermore capitalize on implementation, adopting programs and process improvement in adherence to the agency's mission/vision;
- The Land Transportation Office to consider integration of Motor Vehicle Registration in DLROs to furthermore enhance the quality of service in other agency transactions.

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