
A STUDY ON THE IMPACT OF SERVICE INCLINATION AND COMPETENCE OF EMPLOYEES ON SERVICE QUALITY AND CUSTOMER SATISFACTION

Makhmora Hamid¹ and Dr. Anisa Jan²Research Scholar¹ and Assistant Professor², Islamic University of Science & Technology, Awantipora, J&K

ABSTRACT

In order to be competitive a firm must develop a strategy for providing quality service which can be achieved only when they understand how the customers perceive service quality and also need to identify ways in which service quality is influenced. Since essence of effectiveness in managing service quality lies in selecting right type of individuals, which is the major contributor for providing quality service. Employee performance plays major role in satisfying customers which depend upon hiring the quality manpower. Service Delivery depends upon the employee competence and their inclination towards that particular service. Service inclination refers to individual's interest in doing service related work and competence refers to the various skills and knowledge necessary to be effective. The purpose of this paper is to study how service inclination and competence of employees are important in providing the quality service. It also studies how well trained employees affect the customer satisfaction. Services being intangible, it is the encounter between the employees and the customers in real time which determine the quality of service. So employees play an important role and they need to be trained well so as to inculcate in them the critical competencies required for delivering quality services. The paper is descriptive in nature.

Keywords: Competence, Customer Satisfaction, Service Employees, Service Inclination, Service Quality.

PURPOSE OF THE STUDY

- The purpose of the paper is to study how service inclination and competence of employees are important in providing the quality service.
- It also studies how well a trained employee affects the customer satisfaction

THE SPECIFIC OBJECTIVES

- To assist in hiring the best employees who have competence as well as service inclination to provide quality service.
- To assist in identifying training areas important in providing quality service.

Methodology: The study is based on secondary data.

LITERATURE REVIEW

Kotler and Keller (2006) defined service as any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product. Due to the role of the employees in service organizations and the value customers place on service quality, the management would have to adopt a system or approach that can yield satisfactory results. Various studies in service management have shown that the perception of the quality of services through the eyes of the customer is formed by a judgment of many encounters, with an organization. According to Zeithaml, Bitner and Dwayne (2006:106), "customers perceive services in terms of quality of the service and how satisfied they are overall with their experiences." However, these encounters are mainly the joint effort of the employees who have contacts with the customers, and the customers themselves, who therefore may be in better position to understand them, and solve their service related problems. The issue of customer service has attracted more attention in recent years than ever before, with a big influence Harris (2000, p. 32) states, "Customer service is anything we do for the customer that enhances the customer experience". A similar perspective comes from Zemke & Woods (1998) which claims that customer service is a relationship with people who are essential to everything you do meeting the needs and expectations of the customer as defined by the customer and used to create a mutually beneficial relationship between itself and those it serves. Being the increasing sensitivity on the behalf of the customer (Gregory, 2000), businesses who closely track their customers' wants and needs typically enjoy greater success. Service quality is considered to be a successful method of differentiation in the service-oriented business (Parasuraman, Zeithaml, & Berry, 1988).

Quality service cannot be forced, but comes out of a shared passion in the value of working together to serve customers. The quality of an organization's service is based on how the customer perceives it. According to Lewis (1990), service quality is a measure of the degree to which customer expectations matches the experience

of the service delivered. This awareness leads to an emotional reaction that is obvious in the satisfaction or dissatisfaction of the products or services being purchased (Woodruff et al., 1983). Delivering quality service means yielding to customer expectations on a consistent basis. Customers will remain loyal to a service organization if the value of what they receive is determined to be relatively greater than their expectations (Zeithaml & Bitner, 1996). The amount of importance a company places on quality of service is directly related to their future. Service management literature has repeatedly emphasized the importance of the human element in the delivery of superior service (Crosby & Stephens, 1987; Gronroos, 1990; Parasuraman et. al., 1985; Solomon et. al., 1985). Service loyalty is a service organization's commitment to its customers that is undertaken by the organization for the development of a long-term relationship with the customer. Berry (1987) projected the idea that companies earn loyalty by first being loyal themselves. Service loyalty precedes customer loyalty, and therefore it is vital that service organizations convince their customers of their commitment to superior quality of service. Customer loyalty is time-specific, and as a result is unstable. Organizations must constantly strive to develop and maintain their customer's loyalty or, as is common in the majority of relationships, risk losing it to someone else (Kandampully, 1998). Understanding what the customers expect from an organization is a prerequisite for delivering superior service. Studies have defined customer service expectations in a variety of ways. One of the most popular ways for researchers to evaluate customer expectations is by using the rater method. This method categorizes customer service expectations into five overall dimensions: reliability, tangibles, responsiveness, assurance, and empathy (McColl-Kennedy & White, 1997). Reliability means that the employee should have the capabilities to carry out the service in a consistent manner. Furthermore, it involves considering the needs and perspectives of others (Dube, Renaghan, & Miller, 1994; Greenberg & Sidler, 1998). Tangibles consist of the aesthetic value of the facilities, equipment, and personnel (Booth, 1999; Parasuraman, Berry, & Zeithaml, 1991). Responsiveness refers to the employees' abilities to be assertive and ready to help customers and offer timely service (Gomez, 1999; Greenberg & Sidler, 1998). Assurance includes the ability of the employees to be polite and knowledgeable, as well as to convey a sense of trust and confidence (Cagle, 1998). Empathy deals with the caring and individualized attention received by customers. Empathy also means being able to emotionally identify with others (Dube, Renaghan, & Miller, 1994; Goodman, 2000). By focusing on these five areas organizations are able to pinpoint their customers concerns and expectations. An organization should consider these five topics while selecting and hiring their employees.

HIRING

Quality of customer service begins with the hiring process. Hiring the best possible people to perform the service is a key factor in services marketing. The best way to hire the right person is to develop ideal candidate profiles for each type of position based on customer service expectations, and use these profiles in recruiting candidates. The attraction, development, motivation, and retention of quality employees require a clear vision worth pursuing. Employees need more emotional motivation to serve customers as opposed to only monetary. The organization needs to observe how the quality of their employees affects the overall organization. On the other hand, the employees need to understand how the importance of their customer service competencies ties into the overall business (Kandampully, 1998).

TRAINING

Employee training programs are critical in improving the level of service provided by an organization, which improves customer satisfaction and loyalty. Many successful customer-service training programs begin by educating employees in human relations and teaching them technical skills (Watson, 1988). As organizations place more and more emphasis on training, it is necessary that there is a direct link between employee and customer opinions of service quality and that these programs are training employees in the areas that are important to customers.

TEAMWORK

An important dynamic in retaining service employees is the concept of teamwork. Research shows that teamwork is central to delivering excellent service (Pritchard, 2001, & Tjosvold, 1993). Many studies, conducted by different types of social scientists have documented the impact of cooperation, competition, and independence (Johnson & Johnson, 1989, Maruyama, et al. 1985). The findings consistently indicate that it is through cooperative teamwork, much more than through competition or independence. People who communicate directly, empathize, support each other emotionally, discuss different points of view constructively, solve problems successfully, achieve at higher levels, and feel confident and valued as a person more when there is a foundation of teamwork within the organization.

GOAL ORIENTATION

The organization as a whole needs to have the same goals and visions, starting with top management. One way to enhance the ability for customer service representatives to serve their customers is to have others within the organization come through for them. The way an organization treats and retains its employees is a critical component in the way the employees perform their jobs (Berry, 1994). Teams and departments throughout an organization must coordinate their goals and work together effectively to deliver value to their customers. Within this supportive environment, individuals and their teams are empowered to perform for and serve their customers (Tjosvold, 1993).

FLEXIBILITY AND EFFICIENCY OF EMPLOYEES

The way the customer service representative finds solutions to customer inquiries is a big part of how the customer is going to perceive their interaction with the business. The best customer service representatives solve problems with ease and speed. They are calm and clear headed, even under demanding situations, helpful and good-natured, and have the ability to solve problems. People who succeed in customer service are motivated to please their customers and be helpful at the same time (Greenberg & Sidler, 1998). The response time, how long it takes for a customer service representative to find a solution to a problem or find someone else who can is also important. Customers not only focus on the actual interaction taking place, but the quality of that interaction. If the interaction is negative, the customer is more likely to take note of this (Dauten, 2000). Serving customers well is a complex task that cannot be performed alone. Individuals need to pool their information, ideas, and assistance to solve customer problems.

INDIVIDUAL AND PERSONAL CHARACTERISTICS

Communication skills are critical in delivering quality customer service. Exceptional people skills and the ability to give out information in a way that is interesting to the customer are important abilities for customer service representatives to have (Booth, 1999, & Evenson, 1999). Outstanding customer service representatives enjoy interacting with other people. They typically like staying busy with a full workload and enjoy meeting challenges of their work. They are able to identify emotionally with their employers as well as their customers. These employees are able to get along with different people from diverse backgrounds. They have an ability to please most people and accept constructive criticism and feedback. They are generally pleased with their past work experiences and past employers, and tend to work at the same place for a significant period of time (Goodman 2000).

Widmier (2002) and Silvestro (2002) highlighted two basic approaches to managing people. First the staff can be supervised closely and corrective actions taken where they fail to perform to standard. Secondly, staff can be made responsible for controlling their own actions. Service quality without competent employees is a distant dream. It is thus imperative for any services provider to judge the incumbents for competency before selecting them and further giving them continuous dose of training. This will not only enhance their skill set but also keep their clients' happy and satisfied. Service Competence can be achieved by providing employees the necessary skills and knowledge to perform the service. There are several factors were a company needs to focus and provide necessary training to their employees in order to improve competence in their employees so that they provide quality service. Employee training programs are thought to be critical in improving the level of service provided by an organization, and to increase customer satisfaction and loyalty (McColl-Kennedy & White, 1997). Research has shown that training is the most important resource. A large amount of profitable companies compete by hiring, rewarding, training and retraining (Berry, 1994). A common mistake that companies make is to look at employee skill and knowledge development as an event rather than an ongoing process. If they receive training, it is either too little, too late, or not the type of training they need. Schneider et al. (1994) stresses the importance of managerial support of training. In order for organizations to expect their employees to provide quality customer service, management has to make a long-term commitment to training. Not only do they need to support the training program, but they also need to model the performance that they expect from their employees.

Successful customer-service training programs must begin by educating employees in human relations and technical skills. Organizations must place more and more emphasis on training, it is important that there is a link between employee and customer opinions of service quality and that these programs are training employees in the areas that are important to customers.

COMPETENCY DESCRIPTIONS (Coll & Zegward, 2006)

Teamwork & cooperation (fosters group facilitation and management, conflict resolution, motivation of others, creating a good workplace climate)
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Flexibility (adaptability, perceptual objectivity, staying objective, resilience, behaviour is contingent on the situation)
Relationship building (networking, establish rapport, use of contacts, concern for stakeholders e.g. clients)
Computer literacy (able to operate a number of packages and has information management awareness)
Conceptual thinking (pattern recognition, insight, critical thinking, problem definition, can generate hypotheses, linking)
Technical expertise (job related technical knowledge and skills, depth and breadth, acquires expertise, donates expertise, attention to detail)
Organisational awareness (understands organisation, knows constraints, power and political astuteness, cultural knowledge)
Concern for order, quality & accuracy (monitoring, concern for clarity, reduces uncertainty, keeping track of events and issues)
Impact & influence on others (strategic influence, impression management, showmanship, persuasion, collaborative influence)
Initiative (bias for action, decisiveness, strategic orientation, proactive, seizes opportunities, self motivation, persistence, enthusiasm)
Customer service orientation (helping and service orientation, focus on client needs, actively solves client problems)
Developing others (training, developing others, coaching, mentoring, providing support, positive regard)
Directiveness (assertiveness, decisiveness, use of power, taking charge, firmness of standards, group control and discipline)
Team leadership (being in charge, vision, concern for subordinates, builds a sense of group purpose)
Analytical thinking (thinking for self, reasoning, practical intelligence, planning skills, problem analysing, systematic)
Self control (stamina, resistance to stress, staying calm, high Emotional Quotient, resists temptation, not impulsive, can calm others)
Organisational commitment (align self and others to organisational needs, business-mindedness, self sacrifice)
Ability and willingness to learn (desire and aptitude for learning, learning as a basis for action)
Interpersonal understanding (empathy, listening, sensitivity to others, diagnostic understanding, awareness of others' feelings)
Self confidence (strong self concept, internal locus of control, independence, positive ego strength, decisive, accepts responsibility)
Personal planning and organisational skills
Written communication
Information seeking (problem definition, diagnostic focus, looking deeper, contextual sensitivity)
Achievement orientation (task accomplishment, seeks results, employs innovation, has competitiveness, seeks impact, aims for standards and efficiency)
Values, ethical and social sensitivity (knowledge of values, ethical issues and standards in the discipline)

Service Inclination Service inclination means employees possess empathy i.e. they are understanding, friendly and caring and are always willing to solve the problems of customers.

It has been identified in many researches those employees who have positive inclination toward a particular service show more interest in training and developmental programs, show more interest in job advancement , and are more active in personal need fulfilment(Authors:Miller, RobertW.Prichard, Frederick N).Thus they perform better than those who have no inclination towards that service. Inclination refer to behaviours and standards such as how you carry out your work and the way in which you handle certain situations

Being a customer service professional is a job that many people can do, but not many people can truly excel at. It takes a special type of person, one who exhibits high levels of competencies, as well as service inclination,

Companies that genuinely value creating a positive experience for their customers hire the employees with positive inclination and provide the proper training.

SUMMARY OF LITERATURE REVIEW

The reviewed literature states that customer service is an important, if not the most important aspect of doing business. While both the customer as well as the service organization value quality service, the ability to deliver it is not often matched up with what the customer expects. There are numerous aspects of customer service that are seen as being vital to the overall success of an organization's efforts. The method used to attract and retain employees is the first stage in reaching customer expectations. Hiring those who have positive inclination towards that particular service and training the employees in areas the customers deem important is a crucial step.

The way the customer service representative finds solutions to customer inquiries is a big part of how the customer is going to perceive their interaction with the business. The best customer service representatives solve problems with ease and speed. They are calm and clear headed, even under demanding situations, helpful and good-natured, and have the ability to solve problems. A person who succeeds in customer service is motivated to please their customers and be helpful at the same time (Greenberg & Sidler, 1998). The response time, how long it takes for a customer service representative to find a solution to a problem or find someone else who can is also important. Customers not only focus on the actual interaction taking place, but the quality of that interaction. If the interaction is negative, the customer is more likely to take note of this (Dauten, 2000). Serving customers well is a complex task that cannot be performed alone. Individuals need to pool their information, ideas, and assistance to solve customer problems. Only those employees succeed who have service inclination and competence to perform that particular job.

Academics and practitioners alike highlight the importance of employee commitment to quality in successful service organizations (Collier, 1994; Heskett et al., 1997; Larson and Sasser, 2000; Lovelock, 1994; Poisant, 2001). *Customer perceptions of quality, particularly in service industries, are shaped by the courtesy, empathy, and responsiveness of service employees (Zeithaml et al., 1990).* The success of some quality initiatives has been found to be mediated by employee motivation (Kini and Hobson, 2002) and the commitment or vision of the organization (Bou and Beltraín, 2005).

CONCLUSION

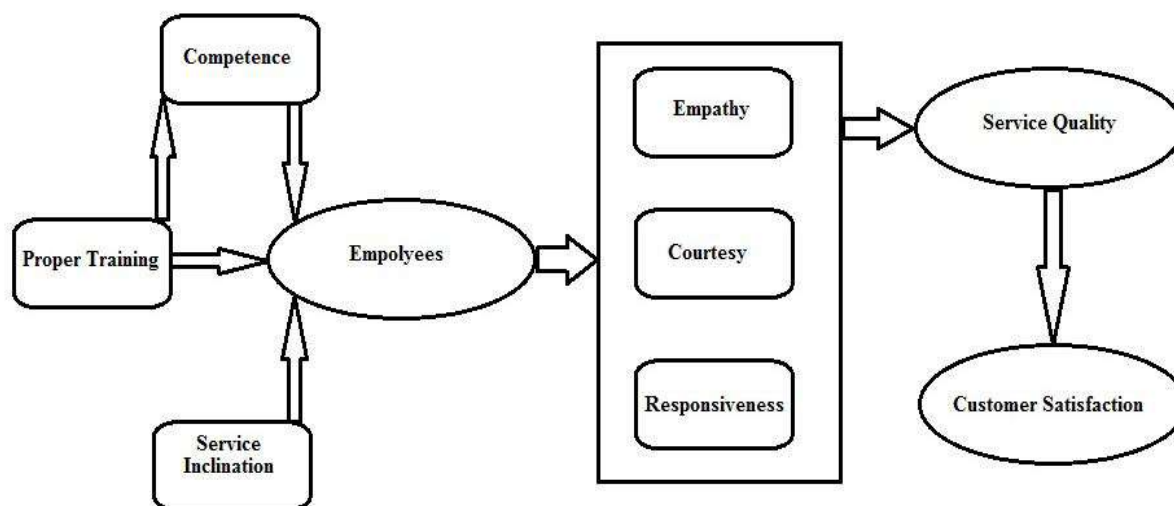


Figure: Showing the impact of Competence and Service Inclination of Employees on Customer Satisfaction

Service quality plays a prime role in the success of any business if an organization wanted to remain competitive it has to meet the customers' expectations. The whole process depends upon the employees, how well they perform. Services being intangible customers, it is the encounter between the employees and the customers in real time which determine the quality of service, so employees play an important role and they need to be trained well so as to inculcate in them the critical competencies required for delivering quality service, but training alone cannot help if we have to hire the best employees we need to select those who have service inclination. As discussed above it is quite clear that if individual have necessary competence but no

inclination he won't perform well even if the organization spend lot of money in training and development . So it is prime important that during hiring individual we need to choose those who have inclination towards particular service.

Competency can be enhanced by giving proper training but employee must have service inclination like customer focus for example if An employee who has an apathetic, or potentially even negative view towards customers would clearly be a poor fit for a customer service role. But someone with positive inclination will genuinely cares whether or not their customers are satisfied and truly wants to create the best possible experience for them is going to perform at much higher level.

An employee must have a high level commitment to not only doing job but doing it well. Someone who is ok with doing the bare minimum, or isn't concerned with being thorough, will only be able to give their customers a mediocre experience at best.

Because people are inherently unpredictable, there will be many times when you have to help a customer with an uncommon, or perhaps even unique, issue. Being able to think on your feet and problem solve on the fly is a skill critical to success. Someone who has positive inclination would think outside the box, develop alternative solutions, or handle those uncommon problems. No doubt he needs competence to handle such problems but he will perform only when he has service inclination which motivates him to perform extraordinary

It is clear from the above statement that service quality depends upon the competence, service inclination and proper training and development of the employees. As far as the employees are concerned we need to develop a new or improved reward system that gives them incentives for improving their customer service skills. This will provide them more motivation and encouragement to strive to do their best and be their best for themselves as well as for the customer's services. As performances are difficult to separate from the people and if the people do not meet customer expectations, then the organizations might fail.

Thus we conclude that if the service organization wants its employees to do a great job with its customers, it must be prepared to do a great job with its employees. Provide them proper training in tune with customer expectations and to hire those who have positive inclination and competence towards a particular service.

LIMITATION

As the research is based on secondary data so there is a scope to do the empirical analysis to study the effect of employee training on service quality and customer satisfaction. There are also other factors influencing employee performance, apart from the factors suggested in this study such as; empowerment, reward system, performance appraisal etc. It is recommended that future studies may focus on these aspects of Employees performance.

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