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Which management practices are contributory to service quality?

Part 2: Findings from in-depth interviews

Abstract

Purpose – Previously, a questionnaire survey was conducted and it was found that some management practices were more influential to service quality than others. The purpose of the interviews is to identify in more detail the reasons behind the survey findings.

Design/methodology/approach – 18 in-depth interviews into a range of management practices which support service quality were conducted.

Findings – It was found that there were difficulties in implementing some of the management practices due to the type of staff employed and to the nature of tasks undertaken.

Research limitations/implications – As the purpose of this research is to facilitate interpretation of the quantitative data, the investigation did not go in detail beyond mass and technological services. Hence, individual organisational characteristics, individual

circumstances, or details of the service offered to customers are not considered beyond the category of either mass or technological services.

Originality/value – This research has identified that the actual contribution from different management practices to service quality varied, and has explained the reasons behind the diverse contributions in each type of service business.

Keywords: Service quality, Management practices, Mass service, Technological services **Paper type**: Research paper

Introduction

This paper presents results from 18 in-depth interviews with managers responsible for the promotion of service quality. Previously, a questionnaire survey was conducted in order to investigate the association between service quality and *'the seven corresponding features'* – recruitment & selection, training, teamwork, empowerment, performance appraisals & reward (including measurement and recognition), communication (two-way internal) and culture (of the organisation). The survey data were selected into two distinctive types of service business: mass and technological services. A statistical technique known as canonical correlation analysis was used to measure the strength of association between service quality and each of *'the seven corresponding features'* in each type of services (shown in Table 1). The results were presented in more detail in an earlier issue of this journal (Ueno, 2008).

	Mass (sig.)		Tech (sig.)	
Rank	Service quality	'The seven corresponding features'	Service quality	Rank
5	.470 (.000)	Recruitment & selection	.542 (.000)	2
4	.549 (.000)	Training	.491 (.001)	4
3	.584 (.000)	Teamwork*	.424 (.017)	5
7	.451 (.000)	Empowerment	.290 (.300)	N/A#
6	.453 (.000)	Performance appraisals & reward	.370 (.114)	N/A#
2	.586 (.000)	Communication	.585 (.000)	1
1	.595 (.000)	Culture	.511 (.000)	3

Table 1: Summary of all canonical correlations

The size of the sample for mass services = 188, for technological services = 119 * Canonical correlation analysis was applied only to those companies which had some form of teamwork (76 per cent in mass services and 68 per cent in technological services).

'Corresponding features' which are non-significant are not ranked and reported as N/A.

Although the literature stresses that all of 'the seven corresponding features' are vital to service quality (e.g., Schneider, 1986; Zeithaml, Parasuraman and Berry, 1990; Berry and Parasuraman, 1992; Siehl, 1992; Ghobadian et al., 1994; Grinstead and Timoney, 1994a/b; Grönroos,1990; Shadur et al., 1994; Joseph,1996; Zeithaml and Bitner, 1996; 2000; Lin and Darling, 1997; Rafiq and Ahmed, 1998; Redman and Mathews, 1998; Ingram and Desombre, 1999; Tjosvold et al., 1999; Zerbe et al., 1998), analysis of the survey data identified that some of 'the seven corresponding features' were more influential for service quality that others.

As Table 1 shows, in mass services, culture was found to be the most strongly associated with service quality followed by communication. Teamwork was found to contribute to service quality at almost the same level as communication. Training was ranked in the middle, followed by recruitment & selection. Performance appraisals & reward made less contribution to service quality than the other features above. Empowerment was found to have made the least contribution to service quality in mass services. In technological

services, communication was identified as the strongest contributor to service quality. Recruitment & selection was found to have the second strongest association followed by culture. Training seems to have made less contribution followed by teamwork. The association between service quality and Performance appraisals & reward, and service quality and empowerment were found to be non-significant in technological services. Therefore, the purpose of the interviews is to identify the reasons for the differing degrees of influence among *'the seven corresponding features'* in each type of service.

Methodology

The sampling frame was drawn from the list of the questionnaire respondents in mass and technological services. In this way, background information concerning service quality and *'the seven corresponding features'* was known prior to the research, and it was feasible to select a range of companies with diverse levels of service quality. Stratified purposeful sampling was used to determine participants for the research. This sampling illustrates characteristics of particular subgroups of interest and therefore facilitates comparisons (Patton, 1990; Miles and Huberman, 1994) between mass and technological services. The method of data collection was through semi-structured interviews. In order to ensure questions were comprehensible to respondents, three pilot interviews were conducted. A total of 18 interviews (11 from mass services and 7 from technological services) were conducted with a middle manager (or equivalent) who was responsible for the promotion of service quality. Mass services comprise airports, distribution, transport, financial services, hospitality, retail, and wholesale. The various respondents will be referred to as M1 to M11. Technological services contain computer and related activity,

construction, maintenance and repair. The respondents will be referred to as T1 to T7. The objective was to investigate managers' perception of the importance of *'the seven corresponding features'* with regard to the promotion of service quality.

Results

Interview respondents claimed that all of *'the seven corresponding features'* were important with regard to service quality, but it was found that the actual contribution from each of the features to service quality varied. This might have resulted in the order of the strength found in the canonical correlations (see Table 1), and may help to explain some unexpected findings. Reasons for the various contributions identified through the 18 interviews will be discussed according to the strength of the association with service quality. Mass services will be dealt with first.

Mass services

Culture appeared to be making the largest contribution to service quality in mass services (Table 1 and Ueno, 2008). Interview respondents in mass services confirmed that culture of service-orientation including top management commitment to quality had permeated every part of the organisation (M2, M4, M5 and M11).

"...because the culture is service quality, all along that is the thing that the directors are focused on and then they train people, they stress it, they report back on it where people are not performing well on service quality, ...they get told to make it better..." (M2).

This was anticipated as the literature claimed that culture pervades the other six 'corresponding features' (Dale and Cooper, 1992; Cook, 1994; Lashley and McGoldrick,

1994; Bowen and Lawler, 1995; Macaulay and Cook, 1995; Zerbe et al., 1998; Lainas, 1999; Lievens et al., 1999; Bowen et al., 2000; Grönroos, 2000).

Communication appeared to be the second largest contributor to service quality in mass services and the strongest contributor in technological services. This result was unexpected since the literature on communication seems to suggest that it is only one of the important factors influencing quality (Zeithaml and Bitner, 1996; Allen and Brady, 1997; Savery et al., 1998), and hence, does not suggest that service quality and communication are so strongly associated. Here, the interview results from technological services are also included. This is partly because the strength of association between service quality and communication in technological service was almost identical of mass services (see Table 1), and partly because interview respondents in technological services raised the same issues as in mass services so that in order to avoid repetition both types of service will be discussed here.

From the interview respondents, interdependency between communication and the other 'corresponding features' was identified so that communication may encompass the other features: good communication is vital for effective teamwork (M1, M5 and T7); communication can be seen as an integral part of training such as educating staff about the company requirements, policies, procedures, and objectives (M5, M6, M10, T6 and T7); communication enables employees to understand empowerment and to respond to customer requirements (M5, M6 and T4); and performance appraisals are a way of cascading information down to the right department and hence comprise two-way

communication between management and employees (T6). The contribution from communication to service quality was quite broad as it appeared to be incorporated into every other features. "It (communication) is so much a part of literally every other practice (*'corresponding features'*)" (T7) so that communication appeared to be more strongly associated than other features with service quality in both service businesses.

Teamwork contributed to service quality at almost the same level as communication in mass service (Table 1). From the interview data, it appeared that teamwork was "our preferred method of working" (M5) and adopted to a large extent where provision of services involved many staff (M4, M5 and M11). When multiple services (e.g., hotels, airlines) were offered, teamworking practices were also useful for individual staff to know their contribution at team level (M11). Moreover, "you can't get the end result without it (teamwork), because the whole chain is too complicated to do without teamwork" (M11). High staff turnover has been seen to undermine the teambuilding process (Ingram and Desombre, 1999). Yet, this was not the case here. Although there was high staff turnover in mass services (an average of 24 per cent per annum), when teamwork was important, training for teamwork was provided for front-line staff so as to enhance their teamworking capacity (M9).

The association between service quality and training was placed in the middle position (among *'the seven corresponding features '*) in terms of its contribution to service quality. The interview data indicated that the necessity of training in mass services emerged due to high staff turnover, due to complex systems and situations with which front-line staff

were dealing (M2), as well as due to difficulty in recruitment of front-line staff with the necessary knowledge and skills (M11). High staff turnover is argued to discourage the provision of training (e.g., Keltner and Finegold, 1996). However, this was not always the case. This is partly because training was regarded as one of the strategies to maintain the level of service quality, and partly in order to reduce staff turnover (M7). Insufficient training was considered to cause staff to feel under-valued so that they left even more quickly (M7). In some situations, a large amount of training may not be required when front-line tasks are as relatively simple and the service is fairly standardised. Therefore, when tasks require "just a little bit of skills and techniques", basic training may not be the principal feature to achieve service quality, and hence, the other *'corresponding features*' become more important.

As can be assumed from the high level of staff turnover in mass services (an average of 24 per cent per annum), the contribution from recruitment & selection of front-line staff to service quality was not as large as for the other *'corresponding features'* discussed above. Interviewees in mass services claimed that despite high staff turnover, there has been sufficient investment in recruitment & selection of front-line staff. "We spend a lot of money on the recruitment & selection of front-line staff (staff turnover was 40%)" (M10). "There is quite a lot of investment on recruitment to get the right people (staff turnover was 40-50%)" (M9). In other words, focusing on and investing in recruitment & selection of front-line staff turnover. This is because interviewees argued that the causes of high staff turnover were considered as inevitable

due to the nature of the work (M9, M10 and M11) or of the occupation including irregular shift patterns (M7, M8 and M10), use of part time staff/female staff (M7), temporary staff (M1 and M9), low levels of pay as well as skills (M4, M7 and M11), and lack of loyalty and ambition (M4 and M11). The causes of high staff turnover were seen to be the nature of the industry and hence "outside our control" (M8), and therefore, focusing on and investing in recruitment & selection of front-line staff did not help to minimise high staff turnover. Thus, retaining the best service providers so as to achieve or maintain service quality was extremely problematic.

Despite the advantages of using well-designed performance appraisals and carefully structured reward systems¹ the association between service quality and performance appraisals & reward is not particularly powerful. The interview data revealed that this was partly because, in some companies in mass services, due to strong objections from trade unions and staff, these techniques were not used (M1). When performance appraisals were adopted, they were used to identify training needs (M5, M8 and M10).

"Training would be directly derived from performance appraisals. At the end of the appraisal, if they have to improve, we do that through training" (M8).

¹ For example, performance appraisals can be used to give direction to the workforce (Nevling, 1992) via communicating organisational goals and managerial expectations to employees (Elmuti et al., 1992), used to identify employees' training and development needs (Nevling, 1992); hence, it can be seen as a powerful means of managerial control through the setting of objectives in a hierarchical fashion and a way of reviewing success or failure in achieving these objectives (Edmonstone, 1996). Recognition and reward can also allow greater management control by identifying employees' desirable performance, and setting up a bonus system linked to customer satisfaction can be very powerful tool to guide employees' behaviour (Palmer, 2001). These techniques have a motivational impact on employees and gain their commitment as well as helping to retain quality staff (Snape et al., 1995).

Performance appraisals, therefore, may not be a factor which directly improves service quality, but can be seen to contribute to service quality indirectly through training. In some organisations in mass services, due to great difficulty in setting criteria, rewards were provided, but based on the level of profit or of sales performance (M6, M7 and M11) so that rewards were not directly linked to service quality. Moreover, the characteristics of services mean that it can be hard to measure service quality with sufficient precision to enable a link with rewards to be established (M1 and M5). Front-line staff are therefore rewarded "not directly for service (performance, but) based on sales performance, ...because it would be incredibly complex (otherwise)" (M7). "In comparison to the other things (other *'corresponding features'*), it's (performance appraisals & reward) not as important a factor" (M11). Hence, performance appraisal & reward did not seem to appear as a dominant feature to support service quality.

Empowerment of front-line staff was identified as having made the least contribution to service quality in mass services. From the interview data, empowerment was generally through to generate positive outcomes towards service quality (M5, M6 and M11).

"If you've got staff who are not empowered to deal with issues..., then, all they can do is act as a buffer between the customer and somebody else" (M5).

"we... have 400 people working in one department. ...we can't possibly employ that many supervisors or managers to supervise 400 people consistently. ...because management time is very expensive. ...So...they (front-line staff) have to make decisions..." (M6).

It was, however, frequently pointed out that empowerment was accompanied by some restrictions. When restrictions on empowerment were imposed by necessity (i.e., financial constraints, regulations, ability of staff), a limited degree of empowerment was one of the methods to support service quality (M1, M3, M4, M7, M9 and M11). In addition, when front-line staff were engaged in routine tasks with little chance of unanticipated events occurring, prescribed ways of dealing with customers (and hence a limited degree of empowerment was needed for front-line staff) were fully appropriate to standardise service quality (M2, M8 and M10). On the other hand, it was also revealed that empowerment of front-line staff did not contribute to service quality when top management, or middle management did not support it (M2), or front-line staff/union did not accept it (M6, M8 and M11).

"...in one of our surveys recently, we found that customers were being put through to different people... 2 or 1.8 times on average, and they say the optimum is once only... If a customer rang up a bit cross, because their parcel's gone astray, some companies would say 'well, I'll send you a £10 M&S voucher or something'. We wouldn't give that sort of empowerment... The directors don't seem to believe in it (empowerment). They would rather it went through to them that they made the decisions" (M2).

"It depends on how strong the union is in each unit. ...because some people take the view that they are not paid to organise and make decisions. So they won't take empowerment, 'that's a supervisor's job, that's not my job'. ...some people said it isn't their job, or some people want extra money for doing extra things, and they see it (empowerment) as extra things to their work. ...We are a very strongly unionised organisation..." (M6).

It, therefore, may not be entirely unexpected that empowerment was not a predominant feature in supporting service quality.

Despite the critical importance of each of 'the seven corresponding features' for service quality, in practice the contribution of each 'corresponding feature' on service quality in mass services varied due to the range of reasons discussed above. Technological service will be discussed next.

Technological services

Communication was identified as making the largest contribution to service quality in technological services (see Table 1). This is partly because of the linkages between communication and the other *'corresponding features'* (discussed above in the section on mass services), and partly because a culture of service-orientation in technological services appeared to be less developed than in mass services.

The contribution of culture to service quality was not as strong as was the case in mass services, and appeared to be in third position. This was because, given the hybrid nature of the businesses (e.g., construction, maintenance and repair), it was problematic for some organisations in technological services to recognise service elements in their dayto-day activities. It is "difficult to say we provide service..." (T3). When top management were mainly concerned with figures – such as sales or profit, it was not appropriate to develop a strong service-oriented culture within the organisation (T4 and T6). "If you look at our documentation, you'll often see that it's driven by numbers" (T6). Since transforming from the existing culture to a quality culture requires a lot of changes², and top management commitment is vital to support the changes (Bertram, 1991), top management commitment which is primarily based on figures could restrict the development of a service-oriented culture. In some cases, a service culture existed, but the impact on service quality from culture was considered not as significant as that of other '*corresponding features*'.

"...without any question, there is a commitment (from top management) to providing a quality service, it is our reason for being. ...the culture of the company has provided a contribution to the quality of service..., (but) although the management is committed, it still doesn't impact on the service as much as it does if we recruit someone who is not suitable in the front-line" (T1).

For some organisations in technological services, the culture of service-orientation may not have been as developed as among those in mass services, and hence, the impact of culture on service quality was a little less than in mass services (see Table 1). It is also the case that some organisations in technological services have considered that a culture of service-orientation was not as important as the other *'corresponding features'*.

Recruitment & selection were found to be the second most important factor in the promotion of service quality, and training and teamwork were found to be the fourth and the fifth contributors respectively. The importance of recruitment & selection over training with regard to service quality was emphasised.

"Because no matter how much training or effort you put into staff unless you've got the right staff to start with, you'll never get the quality you are looking at the end of the day" (T5).

² For example, organisational behaviour (Anjard, 1995), management style, employee relations (Brown, 1994), people's behaviour, attitudes and working practices (Dale and Cooper, 1992)

"...because that (recruitment & selection of front-line staff) is the most effective way for us to get the quality of service that we want to provide to our customer in the shortest possible time. It means that we don't have to go through any training processes if we recruit the properly qualified and experienced personnel" (T1).

Where recruitment & selection were satisfactory, new staff were already equipped with the necessary skills and knowledge to deliver high service quality, and when quality staff were retained (staff turnover was on average 12 per cent per annum), training was then less important. Yet, training was still provided to maintain the staff status quo and to further improve their skills and knowledge (T1 and T3). In addition, since front-line staff in the main job (i.e., engineers, mechanics) often worked independently, technological skills and knowledge of individual staff were more important for service quality (T1 and T7). This also helps to explain why recruitment & selection was the second largest contributory factor to service quality. It is seen that as long as front-line staff work independently to sort problems out on their own, there may be less need for them to work as a team in order to achieve service quality. Nevertheless, teamworking practices were adopted at cross-functional level and this did contribute to service quality (T1, T3 and T6).

"It's so very important in construction to have teams of people who can work together. ...because we work with other practices, architects, construction engineers, and so on... We like to have all those teams working together rather than confronting each other" (T3). Teamwork was seen to be less of a requirement for maintaining service quality in technological services and hence appeared less strongly associated with service quality than other *'corresponding features'*.

The association between service quality and performance appraisals & reward was found to be non-significant. The interview data identified that this was partly because where performance appraisals were utilised, the techniques focused on an individual assessment of technical skills (T3 and T7).

"Targets...., appraisal, individuals are set targets to achieve for their own personal improvement, and consequently company's improvements. This (an performance appraisal) is to ensure that individuals are capable and professionally trained and skilled..." (T3).

Performance appraisals, therefore, may not have been initially focused on service quality, but primarily concentrated on the technical skills of front-line staff in order for them to be "more proficient at their job" (T7). Moreover, where rewards were provided, they were typically not based on service quality, but often on sales (T7). Some technological service organisations, in fact, did not utilise either technique. This was partly because rewards to individuals were considered to be inappropriate due to the project-based nature of jobs (T3). Additional rewards were also thought to be unnecessary, because the salaries of front-line staff were generally high, and these relatively skilled jobs provided work fulfilment (T3). Furthermore, when no rewards were provided, performance appraisals did not generate the expected outcomes from front-line staff.

"...we have a history of performance appraisals which probably stopped about 10 years ago. The reason that they were ineffective is because they were not tied up to any salary increases or salary

reviews. It was felt by the staff that sitting down for half an hour, three quarters of an hour a year going through an appraisal form and setting individual targets was not conducive to improving the situation within the company. During an appraisal, management would say, 'well, I'd like to set these targets for you over the next 12 months'. If the employee reached those targets, there was nothing in it financially for the employees. No reward at all, apart from well done. ... There was no personal gain that would come from it unless there was a feeling of self-achievement'' (T1).

The non-significant association between service quality and performance appraisals & reward seems most likely to be the result of the characteristics of technological services, and therefore, companies did not employ one of, or either of, these practices relating to service quality. As has been discussed in culture, top management in technological services tended to focus on figures (i.e., sales or profit), some companies in technological services appeared to lack awareness of the service element of the businesses in which they were engaged, and this may also help to explain the absence of a close relationship between service quality and performance appraisals & reward.

The association between service quality and empowerment in technological services was also found to be non-significant. Yet, high customisation is one of the characteristics of technological services (Heskett et al., 1990; Lashley, 1997; 1998), and empowerment is vital for customisation of service delivery (Rafiq and Ahmed, 1998). Through empowerment, service providers are able to tailor solutions to each customer, which in turn improves service quality.

"...the engineers are, we call our front-line staff engineers,...dealing with the faults that have been reported, empowerment is very important to them, because their assessment of the situation and circumstances dictate how quickly the customer is back up and running. ...In addition they are

engineers, qualified, trained, ...are given a fault to attend, one at a time. Once they are given a fault, it's theirs to deal with until its resolution. ...they can decide, for instance, whether to order a part for a printer, or to order a complete printer as a replacement if that is the way to get the customer up and running in the shortest amount of time. ...So it (empowerment) makes a big contribution to the quality of service we provide" (Tech 1).

In some cases, however, such a high level of empowerment may not result in high service quality. The interview data indicated that it was because even highly empowered staff could not prevent customer dissatisfaction when the causes of dissatisfaction were outside the control of front-line staff. For instance, even though front-line staff were empowered, they could not meet customers' requirements (to have their equipment up and running in the shortest time possible with least disruption to their operation) when problems were beyond their capability, or when necessary parts were not available, they could not manage "to get the customers' equipment up and running within the contracted time" and this caused customer complaints (T1). This could in turn undermine the quality of service. Therefore, in terms of meeting customer requirements and contract requirements, whether staff were empowered or not may not be as important as their technical skills and knowledge (note that the association between service quality and recruitment & selection of front-line staff is the second strongest).

In addition, the restrictions (whether limited or large) on empowerment seemed to be due to either a contract (T3, T5 and T7) or limited technical skills and knowledge of front-line staff (T2). Front-line staff are working within a framework and are "empowered up to whatever the contract we have with the people stated" (T5).

"...if we got a very, very large project and had 60 people working on it, junior staff could not understand all of it. They wouldn't have all the necessary skills and knowledge to understand it" (T2).

Different degrees of empowerment seemed to be appropriately managed and implemented: a high level of empowerment may contribute to high service quality, and also a low level of empowerment can attain high service quality if correctly applied. Therefore service quality could be achievable with different degrees of empowerment, and this seemed to have caused non-significant result.

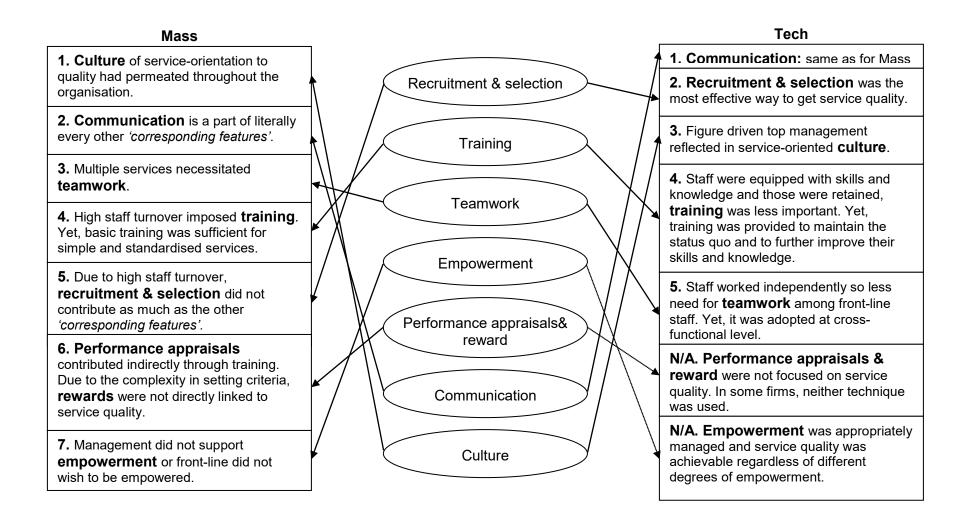
As for mass services, a range of reasons have been identified to explain the varying strength of associations between service quality and each of *'the seven corresponding features'* in technological services.

Discussion

This research has shown that there were clear differences between mass and technological services in terms of which features contributed most to the achievement of service quality. The interview data revealed a variety of reasons for the differences between mass and technological services. Figure 1 summarises the contribution of each *'corresponding feature'* on service quality.

A culture of service-orientation in technological services appeared to be less developed than in mass services. This was because, as hybrid businesses, it was problematic for some organisations in technological services to recognise service elements in their dayto-day activities. When top management were mainly concerned with figures – such as sales or profit, it was not appropriate to develop a strong service-oriented culture within the organisation. Moreover, the figure driven organisational focus led by top management might well have been reflected in the culture of customer focus. Some organisations in technological services seemed to have a service-oriented culture. Yet, the impact on service quality from culture was considered not as great as other features.

Figure 1. Summary of the contribution of each 'corresponding feature' on service quality



While the literature has extensively emphasised the importance of communication for effective teamwork (Shrednick and Stutt, 1992; Gilmore and Carson, 1995; Macaulay and Cook, 1995; Van Looy et al., 1998; Gunasekaran, 1999; Ingram and Desombre, 1999), the interview data expanded on the linkages between communication and other *'corresponding features'* so that the contribution from communication to service quality was broad as it was incorporated into the other features. Therefore, communication appeared to be the strongest contributor to service quality in technological services and the second strongest in mass services.

Teamwork appeared to be less important in technological services than in mass service. Front-line staff in the main job in technological services were relatively independent so that teamwork among front-line staff there was less of a requirement than in mass services. Since front-line staff were more or less working on their own, individual technical skills and knowledge were more importance than teamwork for service quality.

While training made more contribution to service quality than recruitment & selection in mass services, the opposite was the case in technological services. High staff turnover in mass services, and difficulty in recruiting staff with the necessary knowledge and skills as well as task complexity in some jobs in mass service highlighted the importance of training. However, in general, due to the nature of the job, the amount of skill required was not considerable. In technological services, even though the tasks are complex, due to low staff turnover and the quality of staff they employ, training was less important than recruitment & selection of the right staff. Nevertheless, in order to maintain and further

improve skills and knowledge, training was provided. In both services, therefore, training was placed in the middle position among *'the seven corresponding features'* in terms of its contribution to service quality.

Focusing on, and investing in, recruitment & selection was often not sufficient to overcome high staff turnover in mass services. The causes of high staff turnover could be regarded as inevitable, due to the nature of the industry or of the occupation. Hence, high staff turnover may create a real challenge for organisations in mass services in retaining the best service providers so as to achieve or maintain service quality.

One of the major objectives of gathering the interview data was to investigate the reasons for the non-significant association between service quality and empowerment in technological service while this was not the case in mass services. This is partly because a failure in service quality in mass services was caused by limited empowerment (or unempowerment) of front-line staff while in technological services it could emerge even by empowered staff. The decision on how much empowerment should be given to staff in technological services were relatively straightforward, and empowerment seemed to be appropriately implemented and managed accordingly. On the other hand, in mass services, different levels of empowerment could also contribute to service quality when correctly applied. Yet, strong restrictions may have negatively impacted on service quality. The non-significant association between service quality and performance appraisals & reward in technological service meant that these features were not one of the absolute necessities in improving service quality among front-line staff in the main service (i.e., mechanics, engineers). There was a strong tendency in this sector for performance appraisals to focus on the attainment of technical skills, while rewards and recognition tended to be in the form of the higher salaries and the work fulfilment provided by relatively skilled jobs. The absence of a link between service quality and performance appraisals & reward in technological services can also be partly explained by the hybrid nature of the businesses (e.g., construction, maintenance and repair) in that companies were rarely aware of the service elements in their day-to-day activities.

Mass services tended to focus on easily quantifiable targets as a basis for performance appraisals. Such measures are far from ideal, because staff tend to focus on areas unrelated to service quality. Nevertheless, this outcome was not entirely unexpected because of the difficulty in specifying service quality standards. Rewarding staff for output (e.g., sales, profit level) has not yet proved to be the best motivational method for service quality. Appropriateness is required not only in setting criteria but also in considering ability of each individual member of staff in order to prevent them being unenthusiastic or under pressure. The strength of association between service quality and performance appraisals & reward may partly suggest that there is room for improving practice in this area.

Conclusion

Although the critical importance of each of the areas covered in 'the seven corresponding features' in the promotion of service quality has been largely acknowledged in the literature, this research has identified that the actual contribution of each 'corresponding feature' to service quality differed. In a previous paper published in this journal, a detailed account of the quantitative analysis was presented (Ueno, 2008). The quantitative research confirmed the interdependence between service quality and 'the seven corresponding features'. However, there were some unresolved issues arising from the analysis. The purpose of this paper is to further investigate these topics and to facilitate the interpretation of quantitative data. In order to examine specific issues regarding service quality in mass and technological services, interviews were conducted. The questions which arose from the quantitative data focus on identifying the reasons for the differing degrees of influence among 'the seven corresponding features' in each type of services. The qualitative data has explained the reasons behind the diverse contributions. It is apparent from the interviews that there were difficulties in implementing some of 'the seven corresponding features' which is why they made less of a contribution to service quality. Hence, in order to further improve service quality, these difficulties need to be addressed.

Implications for managers

The research provides several important lessons for managers in service businesses. In this section, implications are drawn out from the analysis of the association between service quality and each *'corresponding feature'*, and therefore, some of the implications are applicable only to a particular type of service.

Due to the key role of culture³, and the association between service quality and culture (see Table 1), improvement and strengthening of culture must be continuous. However, a strong culture of service-orientation will be difficult to develop if the organisation and top management are driven by figures. Therefore, top management commitment to provide quality service as one of the characteristics of a service climate is the first requirement.

Communication plays a number of important roles as the interview data revealed linkages between communication and the other *'corresponding features'*. Hence, communication is vital not only to improve service quality, but also to support the other *'corresponding features'*.

Since low staff turnover tends to produce superior service quality (Schneider and Bowen, 1985), in mass services, recruitment & selection of front-line staff could be more of a contributory factor to service quality when staff turnover was kept to a minimum. Although the causes of high staff turnover were considered to be largely inevitable, the following proposals might help to reduce turnover.

³ Organisational culture seen to have a powerful impact on 'the other six features' (Dale and Cooper, 1992; Cook, 1994; Lashley and McGoldrick, 1994; Bowen and Lawler, 1995; Macaulay and Cook, 1995; Zerbe et al., 1998; Lainas, 1999; Lievens et al., 1999; Bowen et al., 2000; Grönroos, 2000).

When high staff turnover resulted from the nature of the work and since it is difficult to grasp the nature of the work before actual employment, it might be beneficial to include candidates' participation in the actual job during the selection process. When high staff turnover was caused by shift patterns, the introduction of a fixed shift pattern could be considered. If permanent fixed shift patterns are not feasible, a weekly or a monthly fixed shift pattern would stabilise staff time for a certain period.

Since reward and recognition are essential in order to retain the best people (Snape et al., 1995; Zeithaml and Bitner, 1996), organisations could provide allowances for people working unsociable hours, rewards for perfect attendance by full/part-time staff, and/or reward/recognition for long-term employment of full/part-time staff. The low level of pay was often due to the economy of the business and monetary incentives would certainly increase the cost of human resources. Therefore, provision of monetary incentive schemes would depend on the individual company and whether they consider it as a long-term investment or as just an extra cost. Moreover, providing career opportunities for front-line staff and even part-time staff may contribute towards reducing the number of staff leaving (suggestion from M7).

Provision of training and high staff turnover in mass services seem to be intertwined. On the one hand, high staff turnover certainly resulted in the need for training in order to achieve or maintain service quality. On the other hand, high staff turnover could discourage managers from training people. Provision of training would be the starting point so that staff may feel they are valued and it may contribute to staff retention. When staff turnover was at a stable minimum, the cost of training for new staff could be minimised.

Utilisation of teamwork might be beneficial. This is because teamwork in mass services had as much impact on service quality as communication (see Table 1), and the interview data confirmed its critical importance. In technological services, although teamwork was less of a requirement among front-line staff, teamwork at cross-functional level made a contribution to service quality. Therefore, use of teamwork could be reconsidered in companies which have not yet adopted teamwork either formally or informally.

Partly due to culture of the organisation in technological services, performance appraisals & reward did not seem to focus primarily on service quality. These techniques could be one of the supportive features for service quality when awareness of the service element in their activities was increased, and a culture of service-orientation was strengthened. Therefore, the criteria of performance appraisals & reward could be restructured to support service quality.

The use of performance appraisals & rewards in some organisations in mass services was identified as being very problematic due to difficulties in measurement of services, and in setting criteria for service performance of front-line staff, especially in the soft qualitative aspects. There are some methods to assess qualitative aspect of services (i.e., customer satisfaction, staff attitude towards customers), and also organisations could provide a wide range of flexible criteria for assessing staff performance and for rewarding them.

Reward systems which do not link to hard data may appear more subjective (Zeithaml and Bitner, 2000). On the contrary, reward systems which were based only on hard data could encourage employees to focus only on output measurement while neglecting the possible negative consequences on the quality of the service delivered (Van Looy et al., 1998). Therefore, it could be effective to adopt subjective measurement in conjunction with objective measurement.

In the case of objections from staff and trade unions for the utilisation of performance appraisals & reward, it might be necessary to communicate continuously, to negotiate carefully, and to educate them properly in the purposes of, and the advantages of, performance appraisals & reward so that the resistance would be more likely to be overcome. A wide range of flexible criteria for performance appraisals & reward including those which consist of hard and soft criteria may further support service quality in mass services.

In mass services, in general, empowerment of front-line staff was seen to be beneficial to service quality. Since a lack of belief from top management in employee empowerment could lead to customer dissatisfaction, education and training of top management (Gatchalian, 1997) is vital since top management support is essential to employee empowerment (Randolph, 1995a; Erstad, 1997). Where there is a lack of delegation of authority and responsibilities between management and front-line staf, elimination of hierarchy (Ashness and Lashley, 1995), and education and training of management (Ripley and Ripley, 1992) might help the delegation of authority. Resistance to empowerment from front-line staff and trade unions could partly be overcome by providing rewards for people who take on extra responsibility. Although rewards will add to labour costs initially, if rewards could be seen as a long-term investment, successful empowerment of front-line staff will compensate in the long-term. In addition, if it is feasible, it may be useful to reconsider the focus of recruitment & selection, and to provide proper training in order to ensure that employees have the required personality and ability to manage the extra responsibility caused by empowerment.

Limitations and areas for further research

As with all research, this project inevitably has some limitations. First of all, this research focused on *'the seven corresponding features'* which were argued to be particularly important in the management of service quality (for details, see Ueno, 2008), but other factors could also be relevant. This limitation restricts the ability to test empirically whether or not other supporting factors may have an impact on the promotion of service quality.

Secondly, this research did not focus on variations within mass services or within technological services: organisations were treated as representative of either mass or technological services. This is because the purpose of the interviews was to identify the reasons or the differing degrees of influence among *'the seven corresponding features'* in each type of services. Hence, individual organisational characteristics, individual circumstances, or details of the service offered to customers are not considered beyond the category of either mass or technological services. Yet, it is possible that individual

organisations might have different practices, and this may affect the promotion of service quality.

The limitations discussed above suggest an agenda for further research. In order to examine whether individual organisations within mass or technological services have a distinctive emphasis on *'the seven corresponding features'*, a case study could be conducted looking at a specific service company. Here, assessment of *'the seven corresponding features'* could be accomplished through interviews with managers who were responsible for the promotion of service quality. The interview might also extend to the identification of other supporting features beyond *'the seven corresponding features'*.

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