Ueno, A. (2009). Which management practices are contributory to service quality?. *The International Journal of Quality & Reliability Management*, 25(6), 585-603.

https://www.emerald.com/insight/content/doi/10.1108/02656710810881890/full/html?cas
a_token=rleFambSnEsAAAAA:OG3T1SB8Yj3T9oxdSlhvqoWwH78RM2g9o_6IbdzLM
RplFBSY_FiJXUWLi3qBZhc94mLe7TaCHjBb_ZdZXuPBPRvLYMJNqrnC4hnr1hwIsd
YIDKiTTJI

Which management practices are contributory to service quality?

Abstract

Purpose - There are many features which have been regarded as having a critical role in supporting service quality. The purpose of this research is to identify which management practices support service quality.

Design/methodology/approach – A questionnaire survey of medium and large sized mass and technological services in the UK was conducted.

Findings – It was found that service quality and the management practices were all significantly associated in mass services, but this was not the case in technological services.

Research limitations/implications – Further research should consider those management features which were found to be non-contributory to service quality in technological services.

Originality/value – This research has clarified the ranking of the management practices in terms of the contribution they have made to support service quality, and also found the differences between the two types of services.

2

Keywords: Service quality, Management practices, Mass services, Technological

services

Paper type: Research paper

Introduction

This article investigates which management practises support service quality. Three areas

of literature were considered: Total Quality Management, areas of service marketing,

including internal marketing, and the study of service quality gaps. Each area of literature

provides a variety of features which can support service quality, and overviews of

research typically focus on only one of these areas. Hence, it becomes extremely difficult,

both for academic researchers and for practitioners, to identify those features which are

crucial for underpinning service quality.

In this article, these disparate strands in the literature were pulled together to clarify those

features which have been identified as critical for the management of service quality.

Then, by means of a questionnaire survey, it will be shown which of these features are in

fact most contributory to service quality, and also how this varies according to the type of

service business under consideration.

Literature review

Issues concerning service quality appear in a variety of literature, in particular Total

Quality Management (TQM), areas of service marketing, including internal marketing

and the study of service quality gaps – the conceptualisation of service quality as the gap

between customer expectations and perceptions of performance. Within the TQM literature, the soft aspects of TQM have been seen as vital to the service sector (Wilkinson and Allen, 1991; Wilkinson, 1992; 1994; Rees, 1995; Thiagarajan and Zairi, 1997; Collinson et al., 1998), work on internal marketing has highlighted its role as a means to developing a service culture and to encouraging quality service delivery (Grönroos, 1990b; Rafiq and Ahmed, 1993; Varey, 1995b; Hogg et al., 1998; Zerbe et al., 1998), and from the service quality literature, the study of service quality gaps has also contributed to the debate on the improvement of service quality (Grönroos, 1990b; Zeithaml, Parasuraman and Berry, 1990; Zeithaml and Bitner, 1996; 2000).

Those three areas were chosen because it has been acknowledged that there are certain similarities between TQM and internal marketing (Rafiq and Ahmed, 1993), and because internal marketing is referred to as the 'strategies to close Gap 3 – the differences between customer driven service designs/standards and service delivery – as one of the service quality gaps (Zeithaml and Bitner, 1996; Grönross, 1990), and it is also argued that the issues of internal marketing have been seen as vital for closing Gap 3 (Grönroos, 1990).

A comparative study of these three areas was carried out which revealed those features which have been focused on by all three areas of literature and hence enables those features which are most crucial in supporting service quality to be identified: these are recruitment & selection; training, teamwork; empowerment; performance appraisals & reward (including measurement and recognition); communication (two-way internal), and

culture (of the organisation) (from TQM: Kanji, 1990; Kanji and Barker, 1990; Bertram, 1991; Bank, 1992; Brocka and Brocka, 1992; Dale and Cooper, 1992; Oakland, 1993; Ross, 1993; Beaumont et al., 1994; Brown, 1994; Anjard, 1995; Powell, 1995; Gatchalian, 1997; Goetsch and Davis, 1997; Laszlo, 1998; Gunasekaran, 1999; from internal marketing; Grönoroos, 1990b; Berry and Parasuraman, 1992; Joseph, 1996; Taylor and Consenza, 1997; Kasper et al., 1999; from strategies to close Gap 3: Grönoroos, 1990b; Zeithaml, Parasuraman and Berry, 1990; Zeithaml and Bitner, 1996).

Each of them is argued to be critical for the management of service quality, and all three areas of literature are concerned with the search for service excellence in a wide range of service industries. Hence, the seven practices (these will be referred to as 'the seven corresponding features') could be seen as the predominant attributes in the promotion of service quality.

Before proceeding to the quantitative analysis, it is necessary to review briefly what has been established in the literature about the direct relationships between each of 'the seven corresponding features' and service quality.

Recruitment & selection

Recruitment & selection of the best possible personnel have been seen as vital in order to deliver service quality (Zeithaml, Parasuraman and Berry, 1990; Zeithaml and Bitner, 1996; 2000) since a major cause of poor service quality is that the wrong people are recruited (Berry and Parasuraman, 1992). It is commonly acknowledged that staff

turnover in many service organisations is very high (e.g., Schneider, 1986; Keltner and Finegold, 1996; Campbell et al., 2000). Yet, staff retention should be maintained, because low staff turnover tends to produce superior service quality (Schneider and Bowen, 1985).

Training

Training is clamed to be one of the essential features for improving quality (Brown, 1994; Patel, 1994; Perry, 1995), and to deliver service quality competently and confidently (Berry and Parasuraman, 1992). Since poor training is one of the reasons for a lack of quality in human service (Joseph, 1996), and training will be able to minimise the risk of service failure.

Teamwork

Teamwork is often seen in the academic literature as a means of supporting willingness to deliver service quality (Berry and Parasuraman, 1992). Through support from team members, motivation for providing quality service is likely to continue (Zeithaml and Bitner, 1996), and effective teamwork tends to develop capabilities for delivering a high level of service quality (Tjosvold et al., 1999). Other studies have found that weak service performance is strongly associated with a lack of teamwork; hence, service failure can be minimised by teamworking (Redman and Mathews, 1998). When effective, a team tends to develop employee commitment towards customer service, and the capability of delivering a high level of service quality (Tjosvold et al., 1999).

Empowerment

Empowerment of front-line staff could be fundamental to achieving and improving the level of service quality (Berry and Parasuraman, 1992; Ghobadian et al., 1994; Zeithaml and Bitner, 1996; Lin and Darling, 1997; Rafiq and Ahmed, 1998). However, empowerment of front-line staff has both positive and negative outcomes. Moreover, since different degrees of empowerment are applicable to different services (Bowen and Lawler, 1992; Lashley, 1997; 1998; Rafiq and Ahmed, 1998), it is possible to achieve a high level of service quality from a medium degree of empowerment. Therefore, the association between service quality and empowerment may not be straightforward. It is not necessarily the case that the higher empowerment, the higher service quality.

Performance appraisals & reward (including measurement and recognition)

It has been argued that management does not have direct control over quality during the production of the service (Grönroos, 1990a) or over service employees' behaviour (Schneider and Bowen, 1995), and hence, performance appraisals & reward which give the right directions to the workforce become more critical in the service sector. Performance appraisals could give direction to the workforce (Nevling, 1992) via communicating managerial expectations to employees (Elmuti et al., 1992), and top management could guide employees' behaviour (Palmer, 2001) via rewarding and recognising outstanding employee behaviour (Parasuraman, 1986).

_

¹ For example, making rapid decisions, dealing with complaints promptly and hence quickening service delivery, customisation (Zeithaml, Parasuraman and Berry, 1990; Ripley and Ripley, 1992; Bowen and Lawler, 1995; Rafiq and Ahmed, 1998; Van Looy et al., 1998)

² For example, causing slower or inconsistent service delivery, declining total service productivity, breaking organisational rules, creating feelings of discomfort when empowering the wrong people (Bowen and Lawler, 1992; 1995; Ashness and Lashley, 1995; Lashley, 1997; 1998; Boshoff and Leong, 1998; Rafiq and Ahmed, 1998; Martine and Adams, 1999)

Although some authors address negative effect from appraisals and reward (Deming, 1986; Elmuti et al., 1992; Oakland, 1993; Palmer, 2001), when designed carefully and administered appropriately, these techniques will have a positive effect on quality (Shadur et al., 1994; Redman and Mathews, 1998) by identifying employee's desirable performance and setting up a reward system linked to customer satisfaction (Palmer, 2001). If not, these techniques can point in the wrong direction (Van Looy et al., 1998).

Communication (two-way internal)

Communication is regarded as critical in supporting service quality. Downward communication enables employees to deliver what customers expect from the company (Gilmore and Carson, 1995; Grönroos, 2000; Zeithaml and Bitner, 2000). Upward communication allows employees to provide management with information about customers (Grönroos, 2000). It also enables front-line staff to articulate what they need in order to meet customers' requirements (Grönroos, 2000). Therefore, a lack of communication will result in frustration when important information is not transferred and which in turn could cause customer dissatisfaction and poor service quality (Grinstead and Timoney, 1994a/b; Ingram and Desombre, 1999). Moreover, communication maintains employees' motivation and interest which in turn will lead to their commitment to the firm and to service quality (Zeithaml and Bitner, 1996).

Culture (of the organisation)

A strong culture which enhances customer/service orientation and an understanding of service quality is identified as crucial for the successful management of quality (Grönroos, 1990b). It has been argued that organisational culture or a service-oriented culture has a powerful impact on employees' behaviour/service delivery (Schneider, 1986; Siehl, 1992; Zerbe et al., 1998). Employees' behaviour is critical for delivering quality services (Parasuraman, 1986). This is because employees' behaviour/service delivery affects customer perceptions of the service quality which they receive (Schneider, 1980; Schneider and Bowen, 1985; 1993; 1995; Grönroos, 1990b; Schneider et al., 1992; 1998; Siehl, 1992; Clark, 1997; Zerbe et al., 1998; Bowen et al., 2000). Moreover, management in the service sector do not have direct control over quality (Grönroos, 1990a) nor over service employees' behaviour (Schneider and Bowen, 1995), so a strong service-oriented culture which truly inspires employee behaviour can give guidelines for right and proper behaviour toward customers (Siehl, 1992; Zerbe et al., 1998).

Summary of literature review

There are a range of managerial practices which support quality in the service sector, and three distinct areas of literature concerning service quality were examined, in particular TQM, internal marketing, and the strategies to close Gap 3. From a comparative study of the literature in these three areas, it was found that there are seven practices common to all three areas of literature. These are recruitment & selection, training, teamwork, empowerment, performance appraisals & reward, communication, and culture, and each of them is regarded as critical for the management of quality in the service sector. A

review of the literature on 'the seven corresponding features' reinforced the role of each 'corresponding feature' with regard to service quality.

Research issues

The association between service quality and 'the seven corresponding features' has been clearly established. However, the literature has not clarified which of 'the seven corresponding features' are more influential to service quality than others, and hence, the purpose of this article aims at ranking 'the seven corresponding features' in terms of the contribution they have made to support service quality. Since the association between service quality and 'the seven corresponding features' does not represent a specific service, a wide range of service business could be targeted in this research. Yet, mass and technological services are of greatest interest. This is because, 'the seven corresponding features' can be seen to match many practices within HRM, and from the perspective of managerial practices, there seems to be four types of service businesses: professional services, the service factory, technological services and mass services (Heskett et al., 1990). However, the approaches to the management of human resources in professional services and in the service factory are clearly distinctive as they lie at the extremes, but the management practices of mass service and of technological service are less clearly differentiated (Heskett et al., 1990). Hence, in this research, only mass and technological services are targeted as to how different management practices support service quality since 'the seven corresponding features' in these two services may vary considerably.

Methodology

The strategy for data collection was initially by a mailed questionnaire, and a variety of techniques were used to improve the response rate, e.g., paying return postage, personalisation, follow-ups and offer of a copy of the results. The FAME database (a computerised database containing company information as well as UK standard industrial classification of economic activities) was used to identify appropriate organisations. The content of the questionnaire was drawn from survey items used in previous research. Some of the items were derived from existing statements in the literature in order to address specific issues raised. It was designed for completion by middle managers or equivalent. This is because, due to the nature of the questions, the respondents must be aware of company policy and have contact with front-line staff. All questionnaire items are presented in Appendix A.

SERVQUAL is the best known instrument for service quality measurement (Ekinci and Riley, 1999), and it has been used to measure service quality in a wide range of service businesses (Ingram and Daskalakis, 1999; Palmer, 2001). Yet, service quality was measured by the performance only measurement using SERVPERF. This is because, unlike SERVQUAL, it does not seek to compare customer experience and perceptions, and measures post-consumption perception only (Palmer, 2001). Thus, SERVPERF avoided the problem of SERVQUAL with regard to assessment of customer expectations (Clow and Vorhies, 1993; Iacobucci et al., 1994; Buttle, 1996; Van Looy et al., 1998), is much easier to administer, and the data are easier to analyse, and arguably it is more suitable to assess service quality (Cronin and Taylor, 1994; Buttle, 1996).

Only four out of five dimensions of SERVPERF were used: items on 'tangibles' were excluded, because it did not seem to be affected by 'the seven corresponding features'. Moreover, it was measured from a managerial perspective rather than a customer perspective. This is because managers' perceptions most directly affect the design, development and delivery of the service (Tsang and Qu, 2000). According to the study of Nel and Pitt (1993), managers had a reasonably good understanding of customer expectations. Although management tend to perceive their service quality as more successful than customers perceive it (Tsang and Qu, 2000), the main objective of this research is to examine how management practices of 'the seven corresponding features' support service quality. Therefore, managers' perceptions of service quality were used.

Extensive pilot testing was undertaken to ensure that the questions were both comprehensible and easy to complete. The pilot sample was analysed using exploratory factor analysis and reliability testing. A total of 2,495 questionnaires were distributed to named managers who were responsible for the promotion of service quality in UK businesses with 100 or more employees, and 371 useable responses were returned which made the response rate a little under 15%. In order to assess the construct validity and refine items where necessary, the total sample was evaluated with confirmatory factor analysis using AMOS.

The total sample was divided into two sub-samples. The literature specifies that mass services include distribution, financial services, hospitality, transport, retail, and

wholesale (Schmenner, 1986; 1995; Oakland, 1993; Lashley, 1997; 1998; Silvestro, 2001), while technological services comprise construction, maintenance and repair companies including computer and network repair firms (Schmenner, 1986; 1995; Hesket et al., 1990; Rafiq and Ahmed, 1998; Silvestro, 2001). Therefore, in the analysis which follows, the size of the sample for mass services became 188, and for technological services, 119.

In order to establish whether the following results could be confounded by the influence of company or respondent demographics, all items on the questionnaire were tested by One-Way ANOVA (with Post Hoc Test). This showed that there were no differences in the results by size of organisation, whether or not an organisation had ISO accreditation, the existence of a documented quality system, the level of turnover, or the respondents' job titles.

Results and discussion

The association between service quality and 'the seven corresponding features'

T-tests indicated that the differences in mean values of each of 'the seven corresponding features', and of service quality between the mass and technological services sub-samples were not statistically significant (Appendices B and C). However, although the mean values of the two services were similar to each other, it may not necessarily mean that the relationships between variables are the same. Therefore, canonical correlation analysis was applied to the sub-samples in order to measure the strength of the relationship between service quality and 'the seven corresponding features'. In order to compare the

strength of associations between service quality and each of 'the seven corresponding features', all the canonical correlations are brought together in the following table.

Table 1: Summary of all canonical correlations

	Service quality		
'The seven corresponding features'	Mass (sig.)	Tech (sig.)	* Differ
Culture	.595 (.000)	.511 (.000)	.084
Communication	.586 (.000)	.585 (.000)	.001
Teamwork**	.584 (.000)	.424 (.017)	.160
Training	.549 (.000)	.491 (.001)	.058
Recruitment & selection	.470 (.000)	.542 (.000)	.072
Performance appraisals & reward	.453 (.000)	.370 (.114)	N/A
Empowerment	.451 (.000)	.290 (.300)	N/A

Order of the strength of Mass service sub-sample

Since 'the seven corresponding features' influence service quality directly as well as indirectly through employee attitudinal and behavioural factors³ (Schneider and Bowen, 1985; Maister, 1993; Bowen and Lawler, 1995; Zeithamland Bitner, 1996; Ingram and Desombre, 1999; Tjosvold et al., 1999), the statistical associations in Table 1 are highly satisfactory and demonstrate a clear linkage between service quality and 'the seven corresponding features'. Moreover, despite the relatively identical mean values of 'the seven corresponding features' (Appendix B) and of service quality (Appendix C) between mass and technological services, the analysis found differences in the strength of canonical correlations between the two services.

_

^{*} Difference between the mass and technological service sub-samples

^{**} 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).

³ These include turnover/retention, involvement, participation, commitment, satisfaction, and motivation of employees.

Some of 'the seven corresponding features' were found to be more influential to service quality than others. Since the literature states that all of them were found to support service quality, the level of service quality can depend on each of 'the seven corresponding features' to some extent. The association between service quality and each of 'the seven corresponding features' will be discussed in turn.

Culture

Culture appeared to be the most strongly associated with service quality in mass services. In technological services, it appeared to have less impact on service quality. This may be because hybrid businesses (e.g., construction, maintenance and repair) may not have fully regarded themselves as service businesses and hence failed to recognise service elements in their day-to-day activities, and this could contribute to the restricted development of a service-oriented culture. This hybrid nature may also imply that top management commitment in technological services may be placed elsewhere (e.g., sales, profit) rather than focusing on service quality. Such culture might have appeared to be less supportive to the promotion of service quality in technological services than in mass services.

Communication

The association between service quality and communication emerged as the second strongest in mass services, and the strongest in technological services. It is possible that, in comparison to mass service, culture did not contribute as much to service quality as communication in technological services. Nevertheless, the difference in the strength of canonical correlation between service quality and communication between the two

services was only .001 (Table 1). This suggests that communication was equally vital and contributed to service quality in both services. Although the literature on communication suggests that it is one of the features which improves corporate culture (Lievens et al., 1999), and also enriches quality via strengthening employee commitment to the firm and quality (Zeithaml and Bitner, 1996; Allen and Brady, 1997; Savery et al., 1998), it has not yet been suggested that communication and service quality are so strongly associated.

Teamwork

Teamwork was seen to be a more influential factor on service quality in mass services than in technological services. However, this does not necessarily indicate a lack of team performance in technological services. The mean values on teamwork were very similar between the two services (Appendix B). This suggests that the level of teamwork was more or less equivalent in both services, and eliminates the possibility that in technological services, there were more problems in teamwork which made teamwork contribute less to service quality. In addition to the very similar mean values, there was not a huge difference in the proportion of teamwork employed in mass (76%) and technological services (68%) that might have affected the strength of the canonical correlation. Therefore, it could be considered that, with regard to service quality, teamwork was less important and hence a less influential factor in technological services than in mass services.

Training

In mass services, training seemed to have contributed more to service quality than recruitment & selection. It is likely that training is important either when the wrong people are recruited or due to high staff turnover (24%) in order to maintain or achieve reasonable service quality. In technological services, on the contrary, recruitment & selection were found to have a more important role in the promotion of service quality than training. It could be seen that when the right people with the necessary skills and knowledge to deliver excellent service quality are recruited, training is then less important. In addition, due to low staff turnover (12%), training may not be required as much as in mass services. Despite the distinctive circumstances, the canonical correlations in both mass and technological services were comparatively small, and were, in fact, the fourth strongest in both services. Moreover, there was not much difference in the mean values on training between the two services. Hence, training has generated more or less the same contribution to service quality in both services regardless of their differing circumstances. Hence, training in both services seemed to have contributed more or less equally to service quality.

Recruitment & selection

In spite of the emphasis on recruitment & selection in the literature (Zeithaml, Parasuraman and Berry, 1990; Berry and Parasuraman, 1992; Zeithaml and Bitner, 1996; 2000), the association between service quality and recruitment & selection of front-line staff was only the fifth strongest in mass services while it was the second strongest in technological services. Therefore, recruitment & selection of front-line staff in technological services seemed to have a stronger impact on service quality than was the

case in mass services. Despite the differences in staff turnover between mass (24%) and technological services (12%), differences in the mean values on recruitment & selection between the two services were not noticeable (Appendix B). Since staff turnover can be very detrimental to overall service quality (Zithaml and Bitner, 2000), high staff turnover in mass services, focusing on recruitment & selection of front-line staff did not contribute to service quality as much as it did in technological services.

Performance appraisals & reward

The association between service quality and performance appraisals & reward in technological services appeared non-significant while it was moderate in mass services. The mean values of performance appraisals & reward in the two services were not statistically different (Appendix B). Therefore, some organisations in both services had not fully utilised performance appraisals & reward. Performance appraisals & reward could be seen to become more difficult to apply when services were more customised and more intangible. Therefore, both mass and technological service could face a problem in setting criteria for performance appraisals & reward, because of the highly intangible nature of mass services (Lashley, 1998), and the high customisation of technological services (Heskett et al., 1990; Schmenner, 1995; Lashley, 1997; 1998). Therefore, it is not surprising that not all service businesses may have adopted performance appraisals & reward for front-line staff.

The association between service quality and performance appraisals & reward in both services appeared positive although in technological services, it emerged as non-

significant so that their relationship is direct which indicates that performance appraisals & reward did not undermine service quality. The non-significant association in technological services may imply that performance appraisals & reward were not a contributory factor to supporting service quality. Service quality may not be affected by the level of performance appraisals & reward, therefore, service quality could be achievable regardless of the presence of performance appraisals & reward in technological services. On the other hand, in mass services, although performance appraisals & reward did not make the strongest contribution to service quality, these techniques did at least have some recognisable effect on the level of service quality. Hence, higher utilisation of performance appraisals & reward in mass services helped to achieve a higher level of service quality to some extent.

Empowerment

The literature on empowerment identifies that although empowerment is vital in pursuit of service excellence, different degrees of empowerment are applicable to different services (Bowen and Lawler, 1992; Lashley, 1997; 1998; Rafiq and Ahmed, 1998). Moreover, empowerment can be harmful sometimes (Bowen and Lawler, 1992; Lashley, 1997;1998; Boshoff and Leong, 1998; Rafiq and Ahmed, 1998; Martin and Adams, 1999). The association between service quality and empowerment is not straightforward. Nevertheless, the non-significant association between service quality and empowerment in technological services was totally unexpected while in mass services, there was a significant association between empowerment and service quality even though it was not particularly strong. These results suggest that empowerment of front-line staff in

technological services did not influence service quality at all or service quality was achievable regardless of the level to which staff were empowered in technological services. On the other hand, in mass services, although empowerment of front-line staff was not the strongest contributor to service quality, at least it did affect the level of service quality. Hence, a higher level of empowerment in mass services tended to achieve a higher level of service quality to some degree.

Conclusion and areas of further research

The purpose of this article is to clarify which management practices support service quality. By reviewing a wide range of literature, it was found that seven practices occur most frequently in the three areas of the literature and may be regarded as the predominant features in the promotion of service quality. In empirical analysis based on data from a questionnaire survey, the relative importance of 'the seven corresponding features' was ranked, and it was found that service quality and these management practices were all significantly associated in mass services but this was not the case in technological services.

Although the mean values on 'the seven corresponding features' and on service quality were very similar between mass and technological services, there were some distinctive associations between 'the seven corresponding features' and service quality between the two services. The questionnaire data confirmed that in mass services, all of 'the seven corresponding features' were associated with service quality. Yet, in technological services, the association between service quality and empowerment, and between service

quality and performance appraisals & reward were not statistically significant. These results were unexpected since 'the seven corresponding features' were drawn from TQM, internal marketing, and the strategies to close Gap 3 all of which are concerned with the search for service excellence in a wide range of service businesses. Moreover, the literature review on each of 'the seven corresponding features' was focused on the service industry as a whole: not specifically on one particular service business. Furthermore, the approaches to the management of human resources practices of mass and of technological services are not distinguished as clearly as these practices of professional services and of the service factory (Heskett et al., 1990), and this is also applicable to the degree of empowerment (Bowen and Lawler, 1992; 1995; Lashley, 1997; 1998; Rafiq and Ahmed, 1998). These areas could be investigated further via indepth interviews.

Appendix A Questionnaire items

Recruitment & selection

	The current hiring process in this company emphasises	Abraham et al. (1997)
	awareness of, and achievement of, quality.	
1	Our organisation views the costs of recruitment and selection	Developed from Bowen and
	as an essential investment for quality service performance.	Lawler (1992)
	A formal recruitment procedure and appropriate selection	Developed from Campbell et
	criteria are utilised in this organisation.	al. (2000) and Jameson
2	-	(2000)
	In our organisation, recruitment and selection are highly	Developed from Lashley
	focused.	(1997)

Training

	Training					
		In this organisation, employees are properly trained to perform their service roles.	Caruana and Calleya (1998) adopted from Money and			
	,	Our organisation views the development of knowledge and	Foreman (1996)			
	'	skills in employees as an investment rather than a cost.				
		We teach our employees 'why they should do things' and not just 'how they should do things'.				
		The company is committed to training.	Hogg et al. (1998)			
		Extensive use of scripts is made for service interaction.	Developed from Lashley			
			(1997)			
	2	Customer perceptions of service quality are always measured	Developed from McColl-			
		before the contents of training are decided and provided.	Kennedy and White (1997)			
ſ		Training skills are provided for managers who cascade	Developed from Palumbo et			
3		training down to lower levels in the organisation.	al. (1994); Cowling and			
	3	Training is cascaded down through the organisation and	Newman (1995)			
		therefore, reaches all employees.				

Teamwork

	Team-building activities have beneficial effects.	Howard and Foster (1999)
	Teamwork encourages team members to take on new	Developed from Cook (1994)
	responsibilities.	
	Teams are often a form of empowerment in this	Developed from Bowen and Lawler
1	organisation.	(1995)
	Team members help to train each other.	Developed from Macaulay and
	Encouraging suggestions and involvement helps to	Cook (1995)
	develop team spirit.	
	The team is constantly reminded of the importance of	Developed from Parker (1992)
	their work in achieving organisational goals.	
2	Co-operation between internal units is good.	Lewis and Gabrielsen (1998)
	Teams are given clear goals.	Developed from Berry and
	Individuals are given clear goals.	Parasuraman (1992); Macaulay and
		Cook (1995); Zeithaml and Bitner
3		(1996)
	Individual and team objectives are measured by teams	Developed from Shrednick and
	and/or members of a team.	Stutt (1992)

Empowerment

	The company encourages employees to make their own decisions.	Hogg et al (1998)
	The company encourages initiative in employees.	Hartline et al. (2000)
1	The company allows employees a high degree of initiative.	adopted from Cook et al
	The company trusts employees to exercise good judgement.	(1981)
2	The company allows employees complete freedom in their work.	
	The company lets employees do their work the way they think best.	

Performance appraisals & rewards

from
e (1996)
from Nevling
from Nevling
from Beach
d Calleya
ted from
Foreman
Sabrielsen
f

Communication

	In this organisation, there is regular communication between those who serve customers (e.g. service and maintenance personnel), and those who make promises to customers (e.g. salespeople).	Caruana and Pitt (1997)			
1	Communication is frequent, regular and effective in this organisation.	Developed from Beach (1996)			
	Communication is good between internal units.	Lewis and Gabrielsen (1998)			
	Information on customers' requirements and complaints are communicated to front-line staff.	Developed from Berry and Parasuraman (1992)			
2	Communication enables employees to respond to customers' requirements and complaints promptly.				

Culture

	Cultuic				
	In our company, management and employees work together towards a common goal.	Lewis & Gabrielsen (1998)			
	The internal working environment in the company is positive and				
	optimistic.				
1	In our company, we are all closely welded together.				
	The manager attempts to create a good social environment in our				
	company.				
	The internal working environment in the company is good.				
	Top executives actively champion our Quality programme.	Powell (1995)			
2	Executives actively communicate a Quality commitment to employees.	·			

		9 , 1 ,	Developed from Zeithaml and Bitner
	3	Employees know how this organisation operates.	(1996)
		In this organisation, every employee knows what is expected from	Developed from
		them.	Bowen et al. (2000)

Appendix B: Mean values of 'the seven corresponding features'

'The 7 corresponding	ng features'	Mass	Tech	Sig.
		Mean (SD)	Mean (SD)	
Recruitment & select	ction [1] Quality conscious	5.00 (1.30)	5.02 (1.15)	.871
	[2] Formality and structure	5.17 (1.51)	5.03 (1.40)	.412
Training	[1] Customer focus	5.16 (1.22)	5.24 (1.22)	.555
	[2] Standardised training	3.51 (1.36)	3.38 (1.42)	.420
	[3] Cascade training	4.38 (1.53)	4.44 (1.68)	.739
Teamwork*	[1] Team benefits	5.18 (.99)	5.06 (.97)	.378
	[2] Team support	4.91 (1.08)	5.11 (.97)	.181
	[3] Individual as well as teams	4.70 (1.28)	4.74 (1.30)	.802
Empowerment	[1] Delegation	4.80 (1.12)	4.88 (1.20)	.567
	[2] Freedom of action	3.57 (1.30)	3.82 (1.39)	.115
Performance apprai	isals & reward			
[1]	Performance appraisals for facilitation	4.98 (1.51)	4.92 (1.59)	.762
[2	2] Performance appraisals as feedback	4.68 (1.46)	4.52 (1.52)	.338
[3] Reward as an	encouragement for good performance	4.47 (1.45)	4.35 (1.54)	.474
[4] Reward for i	ndividual and teams to improve quality	4.11 (1.51)	4.03 (1.61)	.655
Communication	[1] Overall communication	4.52 (1.27)	4.52 (1.33)	.978
	[2] Customer centric communication	5.12 (1.28)	5.23 (1.14)	.456
Culture	[1] Esprit de corps	4.67 (1.20)	4.66 (1.20)	.867
	[2] Top management commitment	4.71 (1.66)	4.66 (1.71)	.804
	[3] Customer focus	4.70 (1.26)	4.75 (1.24)	.733

^{7 =} Agree Strongly 1 = Disagree Strongly

Appendix C: Mean values of service quality

Four dimensions of SERVPERF	Mass	Tech	Sig.
Reliability	6.96 (1.10)	7.10 (.91)	.261
Responsiveness	7.04 (1.22)	7.09 (1.09)	.753
Assurance	7.08 (1.10)	7.23 (.89)	.168
Empathy	6.99 (1.27)	7.13 (.92)	.314

^{9 =} High 1 = Low

The number in the square brackets correspond to question categories in Appendix A. (SD) means standard deviation.

Sig. means significance level.

^{*} The questions on teamwork were answered by only those companies which adopted some forms of teamwork. Hence, the total number of cases for analysis was 142 for mass services, and 79 for technological services.

References

- Abraham, M., Fisher, T. and Crawford, J. (1997), "Quality culture and the management of organisation change", *International Journal of Quality & Reliability Management*, Vol. 14, No. 6, pp616-636
- Allen, M.W. (1992), "Communication and organisational commitment: perceived organisational support as a mediating factor", *Communication Quarterly*, Vol. 40, No. 4, pp357-367
- Allen, M.W. and Brady, R.M. (1997), "Total quality management, organisational commitment, perceived organisational support, and intra-organisational communication", *Management Communication Quarterly*, Vol. 10, No. 3, pp316-341
- Anjard, R.P. (1995), "Keys to successful TQM training and implementation", *Training for Quality*, Vol. 3, No. 1, pp14-22
- Ashness, D. and Lashley, C. (1995), "Empowering service workers at Harvester Restaurants", *Personnel Review*, Vol. 24, No. 8, pp17-32
- Bank, J. (1992), "The Essence of Total Quality Management", Prentice Hall International Ltd
- Beach, A.J. (1996), "Empowerment to the people: creating an atmosphere for growth", *Empowerment in Organisations*, Vol. 4, No. 1, pp29-33
- Beaumont P.B., Hunter L.C. and Phayre R.M. (1994), "Human Resource and Total Quality Management: Some Case Study Evidence", *Training for Quality*, Vol. 2, No. 1, pp7-13
- Berry, L. L. and Parasuraman, A. (1992), "Service marketing starts from within", *Marketing management*, Vol. 1, No. 1, p25, 11p
- Bertram, D. (1991), "Getting started in total quality management", *Total Quality Management*, Vol. 2, No. 3, p279, 4p
- Boshoff, C. and Leong, J. (1998), "Empowerment, attribution and apologising as dimensions of service recovery: An experimental study", *International Journal of Service Industry Management*, Vol. 9, No. 1, pp24-47
- Bowen, D.E. and Lawler, E.E. (1992), "Total quality-oriented Human Resources Management", *Organisational dynamics*, Vol. 29, pp29-41
- Bowen, D.E., Schneider, B. and Kim, S.S. (2000), "Shaping Service Cultures Through Strategic Human Resource Management", *Handbook of Service Marketing & Management*, Swartz, T.A., and Iacobucci, D. (Eds), Sage Publications, pp439-471
- Bowen. D.E. and Lawler, E.E. (1995), "Organising for service: empowerment or production line?", *Understanding Service Management*, Glynn, W.J. and Barnes, J.G. (Ed), John Wiley & Sons Ltd, pp269-294
- Brocka, B. and Brocka, M.S. (1992), "Quality management implementing the best ideas of the masters", Business one IRWIN
- Brown, A. (1994), "TQM: Implications for training", *Training for Quality*, Vol. 2, NO. 3, pp4-10
- Buttle, F. (1996), "SERVQUAL: review, critique, research agenda", European Journal of Marketing, Vol. 30, No.1, pp8-32

- Campbell, E., Lockyer, C. and Scholarios, D. (2000), "Selecting for Quality in the Hotel Industry: Making Room for Context", Unpublished paper, Dept of Human Resources, University of Strathclyde
- Caruana, A. and Calleya, P. (1998), "The effect of internal marketing on organisational commitment among retail bank managers", *International Journal of Bank Marketing*, Vol. 16, No. 3, pp108-116
- Caruana, A. and Pitt, L. (1997), "INTQUAL an internal measure of service quality and the link between service quality and business performance", *European Journal of Marketing*, Vol. 31, No. 8, pp604-616
- Clark, M. (1997), "Modelling the impact of customer-employee relationships on customer retention rates in a major UK retail bank", *Management Decision*, Vol. 35, No. 4, pp293-301
- Clow, K.E. and Vorhies, D.E. (1993), "Building a competitive advantage for service firms", *Journal of Service Marketing*, Vol. 7, No. 1, pp22-23
- Collinson, M., Rees, C., Edwards, P. and Inness, L. (1998), "Involving employees in total quality management: employee attitudes and organisational contest in unionised environments", *Employment relations research series*, No. 1
- Cook, J.D., Sue, J.H., Toby, D.W. and Peter, B.W. (1981), "The Experience of Work", New York: Academic Press
- Cook, S. (1994), "The Cultural Implications of Empowerment", *Empowerment in Organisations*, Vol. 2, No. 1, pp9-13
- Cowling, A. and Newman, K. (1995), "Banking on people TQM, service quality and human resources", *Personnel Review*, Vol. 24, No. 7, pp25-40
- Cronin, Jr., Joseph, J. and Taylor, S.A. (1992), "Measuring service quality: a reexamination and extension", *Journal of Marketing*, Vol. 56, No. 3, p55, 14p
- Cronin, Jr., Joseph, J. and Taylor, S.A. (1994), "SERVPERF Versus SERVQUAL; Reconciling performance-based and perceptions-minus-expectations Measurement of service quality", *Journal of Marketing*, Vol. 58, pp125-131
- Dale, B. and Cooper, C. (1992), "Total Quality and Human Resources: An Executive Guide", Blackwell Publishers
- Deming, W.E. (1986), "Out of the Crisis", MIT Press, Cambridge, MA
- Edmonstone, J. (1996), "Appraising the state of performance appraisal", *Health Manpower Management*, Vol. 22, No. 6, pp9-13
- Ekinci, Y. and Riley, M. (1999), "Measuring hotel quality: back to basics", International Journal of Contemporary Hospitality Management, Vol. 11, No. 6, pp287-293
- Elmuti, D., Kathawala, Y. and Wayland, R. (1992), "Traditional performance appraisal systems", *Management Decision*, Vol. 30, No. 8, pp42-48
- Gatchalian, M.M. (1997), "People empowerment: the key to TQM success", *The TQM Magazine*, Vol. 9, No. 6, pp429-433
- Ghobadian, A., Speller, S. and Jones, M. (1994), "Service Quality: Concepts and Models", *International Journal of Quality & Management*, Vol. 11, No. 9, pp43-66
- Gilmore, A. and Carson, D. (1995), "Managing and marketing to internal customer", *Understanding Service Management*, Glynn, W.J. and Barnes, J.G. (Eds), John Wiley & Sons Ltd, pp295-321

- Goetsch, D.L. and Davis, S.B. (1997), "Introduction to total quality: quality management for production, processing, and services", Prentice Hall
- Grinstead, N. and Timoney, R. (1994a), "Seamless Service", *Health Manpower Management*, Vol. 20, No. 1, pp27-29
- Grinstead, N. and Timoney, R. (1994b), "Seamless Service: Maintaining Momentum", Health Manpower Management, Vol. 20, No. 3, pp14-15
- Grönroos, C. (1990a), "Service management: A management focus for service competition", *Internal Journal of Service Industry Management*, Vol. 1, No. 1, pp6-14
- Grönroos, C. (1990b), "Service management and marketing: managing the moment of truth in service competition", Maxwell Macmillan Internal Editions
- Grönroos, C. (2000), "Service Management and Marketing", Wiley
- Gunasekaran, A. (1999), "Enablers of total quality management implementation in manufacturing: a case study", *Total Quality Management*, Vol. 10, No. 7, pp987-996
- Harte, H.G. and Dale, B.G. (1995), "Improving quality in professional service organisations: a review of the key issues", *Managing Service Quality*, Vol. 5, No. 3, pp34-44
- Hartline, M.D., Maxham, III J. G. and McKee, D.O. (2000), "Corridors of influence in the dissemination of customer-oriented strategy to customer contact service employees", *Journal of Marketing*, Vol. 64, April, pp35-50
- Heskett, J.L., Sasser, W.E. Jr. and Hart, C.W.L. (1990), "Service Breakthroughs: Changing the Rules of the Game", The Free Press
- Hogg, G., Carter, S. and Dunne, A. (1998), "Investing in people: Internal marketing and corporate culture", *Journal of Marketing Management*, Vol. 14, No. 8, pp879-895
- Howard, L.W. and Foster, S.T. (1999), "The influence of human resource practices on empowerment and employee perceptions of management commitment to quality", *Journal of Quality Management*, Vol. 4, No. 1, p5, 18p
- Iacobucci, D., Grayson, K.A. and Omstrom, O.L. (1994), "The Calculus of Service Quality and Customer Satisfaction: Theoretical and Empirical Differentiation and Integration", In Swartz, T.A., Bowen, D.E. and Brown, S.W. (Eds), *Advances in Service Marketing and Management*, Vol. 3, JAI Press, Greenwich, CT, pp1-68
- Ingram, H. and Daskalakis, G. (1999), "Measuring quality gaps in hotels: the case of Crete", *International Journal of Contemporary Hospitality Management*, Vol. 11, No. 1, pp24-30
- Ingram, H. and Desombre, T. (1999), "Teamwork: comparing academic and practitioners' perceptions", *Team Performance Management*, Vol. 5, No. 1, pp16-22
- Jameson, S.M. (2000), "Recruitment and training in small firms", *Journal of European Industrial Training*, Vol. 24, No. 1, pp43-49
- Joseph, B.W. (1996), "Internal Marketing Builds Service Quality", *Marketing Review*, Vol. 16, No. 1, pp54-59
- Kanji, G.K. (1990), "Total quality management: the second industrial revolution", *Total Quality Management*, Vol. 1, No. 1, p3, 10p
- Kanji, G.K. and Barker, R.L. (1990), "Implementation of total quality management", *Total Quality Management*, Vol. 1, No. 3, p375, 15p

- Kasper, H., Van Helsdingen, P. and De Vries, W. Jr (1999), "Services Marketing Management: An International Perspective", John Wiley & Sons
- Keltner B. and Finegold D. (1996), "Adding value in Banking: human resource innovations for service firms", *Sloan Management Review*, Fall, pp57-68
- Lashley, C. (1997), "Empowering service excellence", Cassell
- Lashley, C. (1998), "Matching the management of human resources to service operations", *International Journal of Contemporary Hospitality Management*, Vol. 10, No. 1, pp24-33
- Laszlo, G.P. (1998), "Implementing a quality management program three Cs of success: commitment, culture, cost", *The TQM Magazine*, Vol. 10, No.4, pp281-287
- Lewis, B.R. and Gabrielsen, G.O.S. (1998), "Intra-organisational Aspects of Service Quality Management: The Employees' Perspective", *The Service Industries Journal*, Vol. 18, No. 2, pp64-89
- Lievens, A., Moenaert, R.K. and Jegers, R.S. (1999), "Linking communication to innovation success in the financial services industry: a case study analysis", *International Journal of Service Industry Management*, Vol. 10, No. 1, pp23-48
- Lin, B. and Darling, J. (1997), "A processual analysis of customer service training", *The Journal of Services Marketing*, Vol. 11, No. 3, pp193-205
- Macaulay, S. and Cook, S. (1995), "Practical teamwork for customer service", *Team Performance Management*, Vol. 1, No. 3, pp35-41
- Maister, D.H. (1993), "Managing the professional service firm", London Free press
- Martin, C.L. and Adams, S. (1999), "Behavioural biases in the service encounter: empowerment by default?", *Marketing Intelligence & Planning*, Vol.17, No. 4, pp192-201
- McColl-Kennedy, J.R. and White, T. (1997), "Service provider training programs at odds with customer requirements in five-star hotels", *Journal of Services Marketing*, Vol. 11, No. 4, pp249-264
- Money, A.H. and Foreman, S. (1996), "The measurement of internal marketing: a confirmatory case study", *Journal of Marketing Management*, Vol. 11, No. 8, pp755-766
- Nel, D. and Pitt, L. (1993), "Service Quality in a Retail Environment: Closing the Gaps", *Journal of General Management*, Vo. 18, No. 3, pp37-56
- Nevling, H.R. (1992), "Performance Appraisals: Never Mind The Boss, Please The Customer", *Health Manpower Management*, Vol. 18, No. 4, pp14-17
- Oakland, J.S. (1993), "Total Quality Management: To route to improving performance", Hope Services Ltd
- Palmer, A. (2001), "Principles of Service Marketing" (3rd ed), McGraw-Hill
- Palumbo, F., O'Hara, B.S. and Herbig, P.A. (1994), "Total Quality and the Human Resource Professional", *Training for Quality*, Vol. 2, No. 1, pp29-34
- Parasuraman, A. (1986), "Customer-Oriented Organisational Culture: A key To Successful Services Marketing", *Creativity in Services Marketing: What's New, What Works, What's Developing*, Venkatesan, M., Schmalensee, D.M. and Marshall, C. (Eds), American Marketing Association, pp72-77
- Parker, G. (1992), "Getting into shape", Managing Service Quality, Vol. 2, No5, pp251-254

- Patel, A. (1994), "Assessing Total Quality Training in Wales", *Training for Quality*, Vol. 2, No. 2, pp13-21
- Perry, L. (1995), "Effective facilitators a key element in successful continuous improvement", *Training for Quality*, Vol. 3, No. 4, pp9-14
- Powell, T.C. (1995), "Total quality management as competitive advantage: A review and Empirical Study", *Strategic Management Journal*, Vol. 16, No. 1, pp15-37
- Rafiq, M. and Ahmed, P.K. (1993), "The Scope of Internal Marketing: Defining the Boundary Between Marketing and Human Resource Management", *Journal of Marketing Management*, Vol. 9, No. 3, pp219-232
- Rafiq, M. and Ahmed, P.K. (1998), "A customer-oriented framework for empowering service employees", *The Journal of Services Marketing*, Vol. 12, No. 5, pp379-396
- Redman, T. and Mathews, B.P. (1998), "Service quality and human resource management: A review and research agenda", *Personnel Review*, Vol. 27, No. 1, pp57-77
- Rees, C. (1995), "Quality management and HRM in the service industry: some case study evidence", *Employee Relations*, Vol. 17, pp99-109
- Ripley, R.E. and Ripley, M.J. (1992), "Empowerment, the cornerstone of Quality: Empowering Management in Innovative Organisations in the 1990s", *Management Decision*, Vol. 30, No. 4, pp20-43
- Ross, E.J. (1993), "Total Quality Management: Text, cases and readings", St. Lucie Press
- Savery, L.K., Travaglione, A. and Firns, I.G.J. (1998), "The links between absenteeism and commitment during downsizing", *Personnel Review*, Vol. 27, No. 4, pp312-324
- Schmenner, R.W. (1986), "How can service businesses survive and prosper?", *Sloan management review*, Spring, pp21-32
- Schmenner, R.W. (1995), "Service Operations Management", Prentice Hall
- Schneider, B. (1980), "The service organisation: climate is crucial", Organisational Dynamics, pp52-65
- Schneider, B. (1986), "Notes On Climate And Culture", *Creativity in Services Marketing: What's New, What Works, What's Developing*, Venkatesan, M., Schmalensee, D.M. and Marshall, C. (Eds), American Marketing Association, pp63-67
- Schneider, B. and Bowen, D.E. (1985), "Employee and customer perceptions of service in Banks: replication and extension", *Journal of Applied Psychology*, Vol. 70, No. 3, pp432-433
- Schneider, B. and Bowen, D.E. (1993), "The service organisation: Human Resources Management is Crucial", *Organisational Dynamics*, Vol. 21, No. 4, pp39-52
- Schneider, B. and Bowen, D.E. (1995), "Winning the Service Game", Boston: Harvard Business School Press
- Schneider, B., Wheeler, J.K. and Cox, J.E. (1992), "A Passion for Service: Using Content Analysis to Explicate Service Climate Themes", *Journal of Applied Psychology*, Vol. 77, No. 5, pp705-716

- Schneider, B., White, S. and Paul, M.C. (1998), "Linking Service Climate and Customer Perceptions of Service Quality: Test of a Causal Model", *Journal of Applied Psychology*, Vol. 83, No., 2, pp150-163
- Shadur, M.A., Rodwell, J.J., Simmons, D.E. and Bamber, G.J. (1994), "International best practice, quality management and high pezformance: inferences from the Australian automotive0sector", *International Journal of Human Resource Mcnaggmen*, Vol. 5, No. 3, pp60=-631
- Shrednick, H.R. anv Stutt,0R.J. (1992), "Empowerment: key to is worll-class quality", MIS Quarterly, Vol. 16, No. 4, p491, 15p
- Siehl, C. ,1992), "Cultural Leadership in [ervice Organisations", *International Journal of Service Industry Management*, Vol. 3, No. 2, pp17-22
- Silvestro, R. (2001), "Towards a contingency theory of TQM in services How implementation varies on the basis of volume and variety", *International Journal of Quality & Reliability Management*, Vol. 18, No. 3, pp254-288
- Snape, E., Wikinson, A., Marchington, M. and Redman, T. (1995), "Managing human resources for TQM: possibilities and pitfalls", *Employee Relations*, Vol. 17, No. 3, pp42-51
- Taylor, S.L. and Cosenza, R.M. (1997), "Internal marketing can reduce employee turnover", *Supervision*, Vol. 58, No. 12, pp3-5
- Thiagarajan, T. and Zairi, Z. (1997), "A review of total quality management in practice: understanding the fundamentals through examples of best practice applications part III", *The TQM Magazine*, Vol. 9, No. 6, pp414-417
- Tjosvold, D., Moy, J. and Sasaki, S. (1999), "Co-operative teamwork for service quality in East Asia", *Managing Service Quality*, Vol. 9, No. 3, pp209-216
- Tsang, N. and Qu, H. (2000), "Service quality in China's hotel industry: a perspective from tourists and hotel managers", *International Journal of Contemporary Hospitality Management*, Vol. 12, No. 5, pp316-326
- Van Looy, B., Van Dierdonck, R. and Gemmel, P. (1998), "Services Management: an integrated approach", Pitman
- Varey, R.J. (1995b), "Internal marketing: a review and some interdisciplinary research challenges", *International Journal of Service Industry Management*, Vol. 6, No. 1, pp40-63
- Wilkinson, A. (1992), "The other side of quality: Soft issues and the human resource dimension", *Total Quality Management*, Vol. 3, No. 3, p323, 7p
- Wilkinson, A. (1994), "Managing human resources for quality", *Managing Quality*, in Dale, B.G. (Ed), Prentice-Hall, Hemel Hempstead, pp273-91
- Wilkinson, A. and Allen, P. (1991), "TQM and the management of labour", *Employee Relations*, Vol. 13, No. 1, pp24-31
- Zeithaml, V.A. and Bitner, M.J. (1996), "Service Marketing", McGraw-Hill
- Zeithaml, V.A. and Bitner, M.J. (2000), "Service Marketing: Integrating Customer Focus Across the Firm" (2nd ed), McGraw-Hill
- Zeithaml, V.A., Parasuraman, A. and Berry, L.L. (1990), "Delivering Quality Service", The Free Press

Zerbe, W.J., Dobni, D. and Harel, G.H. (1998), "Promoting Employee Service Behaviour: The Role of Perceptions of Human Resource Management Practices and Service Culture", *Canadian Journal of Administrative Sciences*, Vol. 15, No. 2, pp165-179