Keys to Improve Service Quality and Employee Performance In An Organization - A Survey

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Abstract:- A literature review provides a clear map for any research work, to take the necessary actions in the right directions to reach the possible solutions successfully. It lays foundation for the research work in either collecting important information relevant to the research or avoiding issues irrelevant to the research. It can represent which direction should be followed depending on previous researches and studies. This paper reveals one such survey focussing on the various techniques that would maximize client satisfaction in an organization. In any organization, the two key factors that determine client satisfaction are the service quality and employee performance. In this work, a detailed study and analysis are done on the various key methods followed in organizations to improve the service quality and employee performance. This survey would provide research directions for academicians and researchers in this domain and would also contribute to industries in choosing the best suitable technique for further improvement, based on their requirements.
Keywords:- Client Satisfaction, Service Quality, Employee Performance, Organization, Improvement.

I.   Introduction

In any organization, client satisfaction is what any work is spinning around, and want to achieve. Keeping this in mind, two specific domains are needed to be researched about and those two domains are intended to be as comprehensive as possible to accomplish the work's goal. Service quality and employee performance, each is discussed in this literature review, with their relation to the clients' satisfaction.

Survey Of Literature

This section would describe the various methods that focus in improving the service quality and employee performance in an organization.

A.   Service Quality

Quality is a survival key for any organization in the competitive business environment. Conforming to Wong, Lee and Tshai quality is a subjective concept that is determined by the clients' view [1]. Services are a continuous process of ongoing interaction between clients and services providers that include a number of intangible activities [2]. Naidoo et al mentioned in [3] that services are more complex to be evaluated since they are produced and consumed at the same time. While service quality is the achievement of client satisfaction by meeting or exceeding their expectations of the provided services. According to Roses, Hoppen and Henrique from the Federal University of Rio Grande Do Sul in Brazil [4], developing and maintaining hardware, software, and information system applications (IS) are part of the services provided by IT companies. Those products determine the client perception of the service quality. Holding a premium service quality might be a key to gain a competitive advantage against competitors in the market. Hence an effective analysis of the services provided should consider the client perception or evaluation of those services. Accordingly, once the organization understands how the client evaluates their performance in providing the service, it can help them to improve those services and target their client satisfaction [2], [4]. For that purpose, the organization needs to measure their services quality in order to improve them, which will be discussed in the following section.

A.1 Service Quality Measurement

This section targets three journal and conference papers that discussed different models to measure the impact of service quality on client satisfaction. Khan and Fasih from the University of Punjab in Pakistan applied four dimensions of SERVQUAL Model: Tangibles, Reliability, Assurance, and Empathy in order to determine the impact of service quality on the satisfaction level and loyalty of Pakistan banking clients [2]. Naidoo et al [3] applied the SERVQUAL model to examine and measure the gap between the client expectation of the service quality in Mauritius public sector department against the service delivered by their front-line employees (FLE). Roses, Hoppen and Henrique [4] discussed how the SERVPERF instrument of SERVQUAL

model can be used to analyze the quality of services provided by an IT division in a large Brazilian retail bank. While the conference paper of Meng and Zhang from Beijing University of Posts and Telecommunications in China combined a two measurement models which are the client Satisfaction Index (CSI) and the SERVQUAL model to improve a quantitative measurement for the quality of telecommunications services [5].

Parasuraman states that the expectation of service quality provided is what the client needs or which, while the perception of service quality is the executed service [6]. SERVQUAL model is one of the important models of measuring the service quality developed by Parasuraman [2]. The model evaluates the quality of a service from five dimensions which are reliability, responsiveness, assurance, empathy, and tangibles using two instruments SERVEXP and SERFPERF, each contains 22 statements that measure the performance across these five dimensions. SERVEXP access the client expectation of the service, while SERVPERF access the client perception [4], [5]. On the other hand, Customer Satisfaction Index (CSI) defined by Meng and Zhang from Beijing University of Posts and Telecommunications is a system that indicate the quality of products or service from customers' view and it is based on the micro-customer behavior theory to build mathematical model. CSI model analyzes the collected data using mathematical methods to quantify the following factors: Customer expectative, Customer perceived value, Customer satisfaction, Customer complaint and Customer loyalty. The first two factors are similar to what in SERVQUAL model, and the rest three factors support the deficiencies of SERVQUAL [5].

Khan and Fasih [2] indicate that high quality of service has a significant and positive effect on clients' satisfaction and loyalty, and assurance is the most important dimension for Pakistan banking costumer. The researchers of this journal reviewed popular journals, magazines and various textbooks to support their study and write a detailed and clear literature review about SERVQUAL model and the relation between each dimension with the clients' satisfaction. They analyzed the collected data using Central Tendency scales, One Sample T test, Pearson Correlation and ANOVA test in order to validate the results of their study. Khan and Fasih took only graduation or more qualifications managers and employees as a sample and this prevented the generalizability of the study findings on Pakistan banking sector [2]. The results from [3] point out that for an organization to improve their service quality, the gap between the client expectation and delivered services need to be measured along with where these gaps fall in order to improve those areas. The research support SERVQUAL model as a good measurement technique for a variety of services since it can be adjusted to fit specific needs. On the other hand, the model may not give an accurate score for the service quality as it considers client expectations, while SERVPERF which is the unweighted scale of SERVQUAL performs better since it measures the performance only and excludes any expectations. SERVPERF developed by Cronin and Taylor in 1992 consist of 22 statements that have the ability to give an accurate score for service quality as argued by Cronin and Taylor that the current performance is best to reflect the client's perception of service quality [3]. Roses, Hoppen and Henrique [4] demonstrated that SERVPERF scale is a valid measurement of IT services according to its emphasis on the functional process. Besides this, the they find that commitment is very important to the image that clients create about the service provider which affect the organization reputation. Furthermore, the research support SERVPERF instrument from the perspective of narrowing the area to observe the shortfall between the client perception and needs along with the provided IT services [4]. Meng and Zhang conducted a study and indicated that SERVQUAL model cannot evaluate the quality of service based on its cost, while CSI covers this shortage. The combination of these two measuring models improved the quality from different aspects since it obtained a mutual relationship between the five factors [5].

A.2 Service Quality Improvements:

After addressing the gap between client perception of a service and the quality of the provided service itself, the attention should turn to the operational perspective where the quality analysis results can be used as a driver for service quality improvement. Quality improvement required a continuous commitment from all organization members as stated in [1]. All the papers in this section discussed the improvements of service quality through applying Six Sigma approach methods.

Huey.D Chu from Takming University of Science & Technology discusses the topic of improving information system (IS) services quality in IT company present in Taiwan by implementing Six Sigma concept through DMAIC method (Define, Measure, Analyze, Improve, and Control) [7]. Besides Chu, Sitorus studied the framework of applying Lean Six Sigma approach to improve the services quality in an Indonesian telecommunication enterprise along with economic valuation by willingness to pay method [8]. In addition, Wong, Lee and Tshai from Mechanical, Manufacturing and Materials Engineering department in The University of Nottingham Semenyih, Malaysia studied the feasibility of implementing Six Sigma into IT businesses in South-East of Asia and created potential guidelines for the implementation process [1]. In the University of Sao

Paulo, Tonini, SpInola, and Laurindo studied and discussed the most applying methods of Six Sigma in order to improve DMAIC method to be more suitable for software organizations in Brazil [9].

Six Sigma is a quality concept was first launched by Motorola in the mid of 1980s. It has proved its powerful effects as a quality improvement approach for organizations to increase their productivity and profitability. In addition, Six Sigma concept provide continues improvements on manufacturing or service process, that focus on eliminating process variation, finding the root-causes and reducing the products/services delays, defects or failures to increase client satisfaction [7], [1], [9]. Six Sigma can be implemented through several methods such as DIMAC, Lean Six Sigma, and Roadmap. Huey D. Chu applied DIMAC cycle to improve IS services through the following five steps starting by clearly defining the business problem, client needs and requirements, and the timeline for the project. Second, measure step is the data collecting phase when the team translates numbers to a baseline to observe the improvement. Analyze is the third step where the team determines the root causes of the problem. Next is the improving step where the team generates, implements and tests the solutions. Finally, the control step to ensure that improvements are sustained over time. As a result, six sigma reduces the gap between client expectation and the services delivered by reducing services variation. Chu indicates that DMAIC cycle did not only reduce the variation, but also make the company understand what is the necessary involvement from IT for success [7].

Likewise, Wong, Lee and Tshai from University of Nottingham Semenyih in Malaysia studied the implementations of Six Sigma especially DMAIC method on IT business which is widely adopted and implemented. They proved based on many researches that DMAIC is the most suitable method to meet IT clients' expectations, because of its well-planned framework that used powerful statistical tools as a basic step before to focus on quality improvement process [1]. On the other hand, Tonini, SpInola, and Laurindo from the University of Sao Paulo proved based on multiple cases study that DMAIC method does not meet all software development requirements and there is a need to introduce an enhancement on this method or use another technique to standardize and validate quality improvement processes. After they studied all Six Sigma quality improvement methods by considering the software processes they suggested to use Roadmap method [9].

Roadmap method developed by John M. Gross in 2001 is an additional method that can be used beside Six Sigma to estimate efforts and costs on quality development projects. It has four main stages planning, proposition, execution, and institutionalization. In the planning stage, the problem should be defined and the relation between business and clients' expectation should be evaluated. The second stage has three processes: detailing the problem to be solved, measuring the current situation and analyzing alternative solutions. Testing these solutions and choosing the most effective one should be in the third stage. As a final stage, the documentation of the project must be finalized and include the integration between the problems and the improvements to improve quality in systematic and standard way [9]. Moving to Lean Six Sigma method, Sitorus wanted to know what the primary waste in process services to clients is, and how to improve those services. To start with, Lean is a systematic approach for improving performance by removing waste and eliminating non-vale added activities. Combining lean methodology with six sigma concept drives a dramatic improvement for the business by increasing service quality, client satisfaction and reducing cost and working capital [8]. After defining and eliminating the wastes in the Indonesian Telkom processes, Sitorus applied willingness to pay method to measure the customer willingness to pay for certain services. The findings from [8] indicate that the client is willing to pay more if all services are provided successfully.

The first domain for the work is the service quality which has been discussed above, and illustrating that the quality is the client perception of a service or product. Premium service quality can serve the company as a competitive advantage against its competitors. Hence, many of researches have been conducted to study the effect of service quality on the client satisfaction and how to reach the gap in between. All the collected researchers agreed that the first step to close the gap between the client expectation and the quality of provided services is to measure and evaluate these services. Many measurement techniques are available, but the most applicable and accurate measurement is the SERVPERF instrument especially for IT services. Which can give an accurate score for the current service quality perceived by the client since it is focusing on the functional process. Assessing the service and addressing the gaps will drive the service quality improvement through developing the essential areas. Accordingly, applying six sigma concept has been proved to be the most succeeded approach for improving the service quality. Six sigma provide continues improvements on service process, that focus on eliminating process variation, finding the root causes and reducing the services delays to increase client satisfaction.

B. Employee Performance

Service industries are considered as challenging field that serve variety of clients. These services are delivered by the companies' employees. Therefore, there is a direct relation and interaction when delivering services between employees and their clients, which makes employees have a powerful hand in satisfying these

clients. In fact, employees' performance is the greatest factor that can affect client satisfaction among other factors [10]. Performance of the employee is what each employee accomplishes by working in an organization, to presents the expected job outcomes for the organization's goal. Studying employees' performance is the key to achieve clients' satisfaction as the work aims to. To achieve this aim, understanding the elements that are influencing employee's performance is the key to accomplish client's satisfaction. This section will explain how employee's characteristic, satisfaction and behavior enhance and measure employees' performance.

B.1 Employee Characteristics:
        As mentioned by Abdus Sattar Abbasi and AbdulKhaliq Alvi [11], certain characteristics in the employees enhance the client to gain more survives and to deal more with the company. These characteristics include empathy, expertise and reliability. Abdus Sattar Abbasi and AbdulKhaliq Alvi [11] studied the mobile phone service provider of Pakistan offices by stating hypothesis about the employees' characteristics on client satisfaction, employees' performance and the relationship between them [11]. They aimed to determine which characteristic has significant impact on the employee performance. After that, they studied the relationship between employee performance and client satisfaction. Moreover, Xiujuan Zhang [12] distributed two surveys among a sample in six department's stores. The first survey was given before entering the store to measure the client pre-shopping emotion. The second survey was after shopping while the client is leaving, to measure his perception of the employees' performance. This method reflected the in between emotions of the clients that he aims to measure. The study focuses on three main dimensions of service employee performance, which are authentic empathy, service competency and self-confidence. The first study shows that empathy and reliability has significant impact on employee performance. Expertise and reliability has significant impact on client satisfaction. Finally, it was conducted that employee performance has positive impact on client satisfaction [11]. In the second study, it was found that empathy is the most powerful factor that enhance the client's satisfaction and emotional reward during service consumption [12]. To clarify this concept in more details, Abdus Sattar Abbasi and AbdulKhaliq Alvi [11] explained that empathy has significant impact on employee performance and in return, employee performance has positive impact on client satisfaction [11].

B.2 Employee Satisfaction, and Performance Appraisal:
        In a study of the impact of employee's satisfaction and how it affects the core of organization and its success, Afshan, Sadia and Prof. Khusro [13] used qualitative research methodology with two self-administrated questioners distributed in five to seven stars' hotel in different cities in Pakistan, the first one came from client experience, and the second from employees' satisfaction. The collected data was processed using SPSS software. In the same scope, several variables were observed after considering questionnaire data collection method and stepwise multiple linear regression by Wasfi Alrawabdeh in Jordanian banks [14]. Wasfi was aiming to study the impact and effect of employee's loyalty programs on companies' performance in the Jordan banks, and which factor affect employee performance in a positive way. The conducted questionnaire is scattered using different methods until the needed sample size reached. SPSS statistical software is used to test the research hypotheses. Then, stepwise multiple linear regression is conducted to find out the factors that affect the performance of the employees.
        Moreover, Liza Estino Daoanis [15] conducted a survey questioners distributed among sample of employees to measure the impact of performance appraisal and a focus group was created to discuss the outcomes. The collected data were then processed using the SPSS software. Performance appraisal was defined by Bellows as "Performance appraisal is defined as a systematic periodic evaluation of the worth of an individual of an organization, usually made by a superior or someone in position to observe his performance", Similarly William B. and Keith said that "Performance appraisal is the process by which organization evaluate individual job performance" [16].
        The first study concluded that organizations cannot achieve success without its employees' satisfaction. The main parameters that positively impact the satisfaction of employees within their workplace are monthly income, working conditions guidance, and training facilities. These parameters lead to loyalty of employees at their work and satisfy them. Also, continues training sessions for the employees enable them to stay in their jobs and prevent them from searching for other jobs. Although the journal got this results, it lacks a clearly data results of the SPSS. Additionally, the conducting surveys was only in four cities in Pakistan [13]. In the second study, six variables showed great impact on employees' performance. These six variables are financial rewards, employee satisfaction, motivation, performance appraisal, internal communication and employee training and development. These variables support the parameters concluded by Afshan, Sadia, and Prof. Khusro [13] in the previous study.
        In the third study, Liza proved that performance appraisal system can have positive and negative impact depending on its efficiency. Liza Estino illustrated that performance appraisal system strongly affects the employees' commitment, loyalty, efficiency, effectiveness, and the motivation to do the work. It also has strong

effect on the employee skills, such as technical skills, knowledge in their field, leadership skills, productivity and outcomes. It has moderate effect on the employees' expertise. The most useful approach that is suitable while applying performance appraisal is the "360 Degree Feedback" method, which was explained in MGMT-356 course [17]. In this approach, the feedback comes from several sources: the boss, subordinate, partners, co-workers and the employees themselves. This approach serves the concept of knowing one's strength and weakness without paying attention to who criticize on him.

B.3 Other factors:

Employee behavior refers to the response of the employee to a certain situation in the workplace [18]. The internal organization environment which are employees' outcomes, supervision and the organization itself are impacting the employees' behavior, which will influence the performance. This was discussed by DeSimone, Werner & Harris [19] in the (Human Resource Development) book. Outcomes are useful in detecting the strengths and weaknesses of the employee's productivity. The organization's view of these outcomes affects the employees' behavior. If they valued his work, his behavior will be improved and this will lead to improve his performance. The opposite situation is also true. High expectations from the supervisor about the employees will lead to increase their behavior to learn new skills and techniques. This will enhance the improvements of their performance. The organization reward system affects the employee's behavior. If an employee knew that he will be rewarded for his work this will influence him to improve his behavior and performance.

LU Kangyin and Bai Yanguo Wang Yujie [20] examined the emotional intelligence of a sample of employees and some aspects of emotional intelligence to see how they can affect the employee performance. These aspects are emotion: perception, management by oneself, management by others, and usage. A scaled structure questionnaire was spread out, and the quantitative analysis was developed using SPSS, Amos, excel, reliability analysis, Pearson correlation analysis and other analysis techniques. Indeed, Oguz Turkay [10] conducted a study on the five stars' hotel in Turkey using semi-structured interview and focus group interview methods. He was aiming to identify the behaviors that make the client happy/unhappy and reasons underlying these behaviors. The conducted study concluded that employees' emotional intelligence has a great positive affect on task and relation performance. Moreover, the four dimensions of emotional intelligence have significant positive effects on performance. In the next study, Orguz found that employees see it is important to be cheerful and to smile to the clients. Moreover, the polite expression and treating clients like the family are positively influencing the client satisfaction. On the other hand, the negative behavior is giving the client negative answers with strong reaction to clients. Unfortunately, this study was limited to a single hotel and the findings will be better if it was applied to several hotels.

DeSimone, Werner & Harris [19] book supports the previous mentioned studies in employee satisfaction section. It mentioned that the organization reward system affects the employee's behavior and indeed both Afshan [13] and Wasfi concluded from their studies that financial rewards affect employees' performance.

This section of the literature review discussed the second domain which is the employees' performance. How employees act and perform within the workplace can shape the organization's overall performance, which the clients see and choose if this service is worth to be bought or not. Meaning that it will affect the satisfaction of the clients. Services of organizations can vary from an organization to another, but after collecting these studies, there was a clear agreement that employees' performance strongly affect the satisfaction level of their clients by several characteristics and behaviours as they are human. Making the client feels that he is dealing with human being not with a machine can cause a positive and good relationship between the employee and his client, and this is related to the word "empathy". But to encourage the employee to put himself in the position of his client and provide a professional service, the employee must engage in his job and have full satisfaction about his work.

II. Results And Discussion

This work is following the path of particularly two domains, service quality and employees' performance, to accomplish the aim of satisfying clients. For this reason, the literature review focused specifically on researching for previous studies, journals, conferences and books to fully cover these two domains. In the domain of service quality, it was mentioned that for the organization to improve their service quality, the gaps between the client expectation and delivered services need to be measured to meet the client satisfaction. SERVPERF measurement was found to be the most accurate technique to assess IT services due to it is process orientation. Furthermore, six sigma approach will provide a framework to meet the client satisfaction by increasing service quality, service efficiency, and reducing service variations and delays. Employees' performance was the second centre of attention, as it was found many factors makes difference in the performance and lead to client satisfaction. Most of the collected studies agreed on the importance of employees' satisfaction by rewarding employees, motivation, and developing their skills. Moreover, having an

employee with cheerful spirit, empathy characteristic and positive behaviours, will directly lead to client satisfaction.

III. Conclusions

Client satisfaction is of utmost significance for the growth and development of any organization. It is based on two domains namely, service quality and employee performance. Hence, this survey focused specifically on researching the previous studies, journals, conferences and books to fully cover these two domains. In this work, a detailed study and analysis are done on the various key methods followed in organizations to improve the service quality and employee performance. This survey would provide research directions for academicians and researchers in this domain and would also contribute to industries in choosing the best suitable technique for further improvement, based on their requirements.

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