

Organisational Service Orientation Influencing Contact Employee and Customer Responses

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ABSTRACT

The study confirms direct and positive influence of several organisational service orientation-practices like Service Leadership Practices, Human Resources Management Practices, Service Encounter Practices and Service Systems Practices on customer service quality perception in a retail banking setting, where service quality perception is considered to be one of the most critical factors for performance. Using path analysis, a sample size of 190 frontline employees and 567 customers of four prestigious banks operating in northern most part of India was considered for analyzing and matching their perceptions to examine the causal relationships. The study also reports existence of indirect relationship between organisational service orientation-practices and customer service quality perception mediated through several intermediating variables. These intermediating variables are employee job attitudes like employee service effort, job satisfaction, and commitment. The intermediating variables apart from direct effect on customer evaluation are revealed to have measurable positive role in mediating the causal relationship between organisational service orientation practices and the customer evaluation.

Keyword: Organisational Service Orientation, Employee Responses, Service Quality Perception, Customer Responses

INTRODUCTION

Customers rely considerably on the attitude of contact employees working on the frontline, in forming their overall rating of the firm's service delivery. This is mainly due to the fact that to most customers, the employees they encounter are the firm (Berry 1995). In service organisations, there is no chance for trial as quality occurs during service encounter between contact employee and the customer. If a contact employee responds unpleasantly, it forms part of quality and consequently affects customer's evaluation. Consequently, the interaction which is supposed to create core value in service delivery will become means of dissatisfaction for customer. Therefore, contact employee's behaviour needs to be managed which is both crucial and challenging.

Organisation has to provide a setting which supports and enables contact employee's behaviour in a way desired by customer and improve the overall service delivery. There are number of ways to ensure that the contact employees behave in a way, desired by customers, possesses a sunny

disposition, willingness and above all ability to serve their customers better. Among the ways, the focus of the present study is Organisational Service Orientation (OSO henceforth in this article). The concept, though fairly new to the services marketing literature, yet has been widely acknowledged by service marketing scholars and business professionals in developed countries.

ORGANISATIONAL SERVICE ORIENTATION (OSO)

Service marketing scholars have long acknowledged the significance of developing service orientation. An OSO exists when the organisational climate for service crafts, nurtures, and rewards service practices and behaviours known to meet customer needs. There are two possible levels of establishing the service orientation concept: either at individual level or at organisational level (Homburg et al., 2002).

Service orientation from an individual level is referred to employee attitudes and behaviours affecting the quality of

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interaction between an organisation's employees and its customers (Hogan et al., 1984). It is an individual's basic, courteous and friendly disposition while providing the service, thereby, certain individuals in the organisation can be more service oriented than others. Hogan et al. (1984) were pioneers in measuring service orientation at individual level on a 92-item scale.

As far service orientation at the organisational level is concerned, two perspectives may be adopted: First, service organisation is considered in terms of agreed organisational parameters, which include internal design characteristics such as organisational structure, climate, and culture. *Second*, OSO can be applied to strategy and in this sense a more external approach would be adopted, to analyze how important service is to the company's marketing strategy. At organisational level and as marketing strategy, service orientation has been investigated by Homburg et al. (2002), who established three service orientation dimensions- the number of services offered, the range in terms of the number of customers these services are offered to and the level of emphasis with which these services are actively offered.

In the relevant literature of service marketing to date, 35-item SERV*OR scale originally developed by Lytle et al. (1998) is one of the most popular and widely used available scales of measuring service orientation at organisational level. The authors considering service orientation as a dimension of the overall climate of an organisation emphasize that there is OSO when the organisational climate creates, cultivates and rewards service practices and behaviours which are accepted as satisfying customer expectations. SERV*OR scale evaluates OSO as an organisational variable with the aim of identifying employees' perceptions and beliefs concerning the policies, practice and procedures in the organisation which are directed at supporting service delivery. Lytle et al. (1998) initially identified ten activities, which he later reduced to eight, grouped in following four dimensions:

1. Service leadership Practices (SLP);
2. Human Resource Management Practices (HRM);
3. Service Encounter Practices (SEP); and
4. Service Systems Practices (SSP)

OBJECTIVES OF THE STUDY

Though the subject of OSO continues to receive attention from both the research scholars for several years, yet noticeable empirical studies are only found since 1990s. Ironically the concept has drawn not so much attention of Asian in general and those of Indian scholars in particular. In view of the fact that services sector has assumed greater significance in world economy including Asia, all the concepts, theories those are expected to be useful to service managers need to be further explored both by the scholars and practitioners. One such concept is OSO that is assumed and empirically proved relevant to service performance in this study need wider propagation.

What is noteworthy, however, is that the marketing strategies usually adopted by Indian service industries like diversification, product promotion, innovation, increase in size, price cuts, introduction of better IT and communication facilities, though bearing fruits, yet at the same time, are proving short lived. This is because other competitors also have an equal access to these strategies and hence, imitate easily over a period of time. Therefore, it is only the behavioural dimension of the contact employee that cannot be easily copied and if taken care of, can become a competitive weapon for Indian service organisations. This justifies the need of exploring the concept of OSO vis-a-vis employee attitude in Indian context. This is in view of the fact that if OSO practices are embraced as part of the organisation's service culture, then the organisation stands better equipped to manage employees' behaviour and consequently create and deliver increased customer value (Lytle and Timmerman, 2006).

Ironically, very little or no such research has been focused on understanding the complex relationship between OSO and customer responses in a developing country like India. Though the author assumes the drivers of OSO and its outcomes that hold true for developed countries, should be equally applicable to Indian service market. Nevertheless, in view of the dynamics of the environment, culture that is different from that what prevails in developed countries, testing of the relationship in Indian context with samples from the service sector would be a useful attempt to plug the gap. This study is justified in as much as it attempts to highlight the mediating role of employee job attitudes between OSO and service performance.

Further ascertaining and matching responses of service employees and their customers adds to the distinction of the study.

This study is different from previous studies on OSO for two reasons. First, OSO in this study is examined in relation to employee service effort for the first time. Second, both direct as well as indirect impact of OSO on customer responses is analyzed simultaneously.

RELEVANCE OF OSO TO CUSTOMER RESPONSES

The four dimensions of OSO considered for the present study are discussed below and their linkage with customer response is outlined in the light of relevant literature.

Service Leadership Practices

It is referred to managements' commitment to the delivery of an excellent service through appropriate service leadership practices, behaviours and styles, thereby influencing rather than simply dictating service policy to their subordinates to attain the organisational objectives. Service leadership is a holistic approach to work that emphasizes service to others, including employees, customers, and community, thereby promoting a sense of belongingness and the sharing of power in decision making (Larry and Michele, 2004). Since the very philosophy behind service leadership practices is to improve the service delivery, it is quite convincing to assume relationship between service leadership practices and customer responses.

Human Resource Management Practices (HRM)

The emergence of a more strategic approach to human resource management (HRM) in service sector industries has been associated with the need to improve service quality mostly by training and reward practices (Bowen and Schneider 1985). Countless research works have established relationship between behaviour-based rewards and excellence in service delivery (Cone, 1989).

Service Encounter Practices (SEP)

Service performance takes place in what has been termed as the service encounter; the time frame during which

consumers directly interact with service providers (Czepiel et al., 1985). All those organisational practices that facilitate the service encounter quality known as service encounter practices are important elements of OSO. Lytle et al. (1998) find employee empowerment and customer treatment to be fundamental elements within the service encounter. Empowerment has been defined in numerous ways but most authors agree that the core element of empowerment involves giving employees the discretion (or latitude) over certain task related activities to do whatever it takes to satisfy customers (Bowen and Lawler, 1992). Customer treatment means contact employees must pay attention to customer needs, attitudes and preferences, giving an individualized response to each one, to make each customer feel special. Thus both the elements of service encounter practices as considered in this study are expected to prove relevant to customer responses.

Service Systems Practices (SSP)

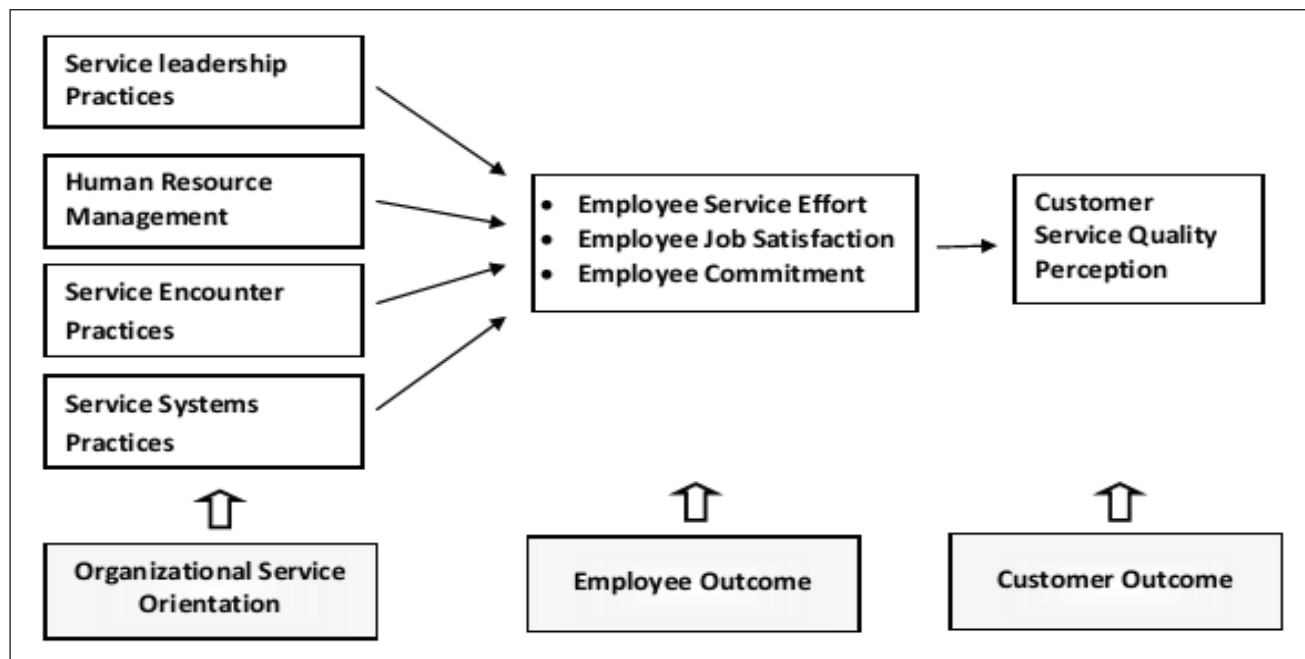
Practices involved in preventing service failures, service recovery, using technologies to provide greater value to customers and communicating service standards to employees are known as Service Systems Practices (SSP). Research to date supports that all these practices are critical to service delivery. For instance, latest technology is critical to creating a system for delivery of outstanding service quality (Michelle et al., 2003). There are numerous research evidences that effective communication about service standards between management and employees improve its service quality (e.g., Parasuramn et al., 1988).

In view of the above relevant literature on OSO, it is safe to assume that all the OSO practices like service leadership practices (SLP), human resource management practices (HRM), service encounters practices (SEP) and service systems practices (SSP) as discussed above, are assumed to influence customer Service Quality Perception. Therefore, following hypothesis is proposed.

H1: Organisational Service Orientation Positively Influences the Customer Responses

RELEVANCE OF OSO TO EMPLOYEE RESPONSES

In the following section, some of the OSO practices that are considered in the present study are discussed and their relevance to desired employee responses is outlined.

Figure 1: Impact of Organisational Service Orientation on Employee and Customer Outcome

*Source: Authors- self developed model for the study

Service leadership is referred to managements' commitment to the delivery of an excellent service through appropriate service leadership practices. The extent to which management put emphasis on service delivery is a critical ingredient for creating and maintaining a positive employee perception about the management. In turn there are numerous research evidences that contact employees' positive perception about leadership style is positively related to their job satisfaction and other job attitudinal responses (Netemeyer et al., 1997). There is ample research evidence that factors that control employee desired behaviours through HRM practices also influence employee job responses (Oliver and Anderson 1994). Further, the two elements of service encounter practices (empowerment and customer treatment) as considered in the present study have been proved as antecedents of employee job satisfaction and other job response (Menguc, 1996). Similarly, employee job satisfaction is reported to be dependent on all the Service System Practices, considered in the present study like service recovery (Boshoff and Allen 2000), technology (Murrell and Sprinkle 1993) and clarity of communication about service standards (Parasuramn et al., 1988). In brief, as supported by relevant literature on the subject, all the elements of OSO has relevance to employee responses. Therefore, following hypothesis is proposed:

H2: Organisational service orientation positively influences the employee responses like service effort, job satisfaction and commitment.

RELEVANCE OF EMPLOYEE RESPONSES TO CUSTOMER RESPONSES

In the following section, some of the employees' responses that are considered in the resent study are discussed and their relevance to customer response is outlined.

Employee job satisfaction is referred as a pleasurable or positive job feeling as a reason of employee's assessment of the job content and contextual factors. Following the rule of reciprocity, satisfied employees look for ways to reciprocate and offer advantage to their organisations. Delivering best possible services to their customers is the most appropriate way to reciprocate. Therefore, they feel equally motivated to exhibit caring, responsible, and considerate attitude vis-a -vis their customers.

Customer satisfaction and service quality perception would not be positive unless and until the service employee puts a reasonable level of effort during the service encounter. Therefore the effort level or the amount of energy put in by an employee while dealing with the

customer's requirements is considerably significant for customer assessment.

Employee commitment is an employees' positive feeling, belief, job attitude that guide their behaviour and actions (Eagly and Chaiken, 1993). It is a kind of linkage to their organisation that they exhibit greater level of tendency to work, acceptance as well as attachment to organisational values and goals (O'Reilly and Chatman, 1986). Considering commitment as positive job attitude, it seems to be logical to establish a link between commitment and desired service delivery. In fact several studies have confirmed the relevance of employee commitment to quality service delivery (Ashill et al., 2006).

On account of the discussions above, the following hypothesis is also proposed:

H3: Positive employee attitudes like employee service effort, job satisfaction, and commitment positively influence the customer responses.

In view of the internal marketing perspective that employee's dis/satisfaction about the firm's internal variable/s has a spillover effect on to the customer's dis/satisfaction about the firm's product, the employee job responses as considered in this study are, thus expected to connect the positive effects of OSO to customer service quality perception. Thus the following hypothesis is also proposed:

H4: Employee job attitudes like employee service effort, job satisfaction, and commitment mediate the causal relationship of OSO and customer responses.

METHODOLOGY

The examination of causal relationship as assumed in this study revolved mainly around three dimensions, i.e., OSO, employee responses and customer response. The details of the methods adopted are outlined as follows.

Data Collection and the Sample

The questionnaires were hand distributed among frontline employees of four prestigious Indian banks operative in northern most part of the country. The selected branches were from Delhi, Punjab, and J & K. These states were used as various strata of the proportionate sample. However, it was ensured to give proportionate representation to all

possible layers like public, private, and foreign banks of the area considered. Similarly, respondents included were from rural, urban, and metropolitan areas of the country.

Frontline employees were asked to react to one questionnaire to capture the notion of employee perception about OSO and their job attitudes. They were also requested to distribute another questionnaire meant for any four customers they like to capture the notion of customer responses like their satisfaction and service quality perception. The mean scores so ascertained from customers were then averaged out and later matched with the mean scores of employees. Of the sample 330, as many as 190 completed by employees were received (a response rate of 58 percent), whereas some 567 of 1300 customer questionnaires were received (44 percent).

The Questionnaire and Its Refinement

In order to measure various dimensions, using Likert's 5-point scale, the respondents were requested to state their agreement /disagreement level with items. The agreement level ranged from strongly disagree (1) to strongly agree (5). Item-scale correlations, exploratory factor analysis and factor loading (cut off 0.40) were used to delete various items. Cross loading items were excluded from the scales.

Consequently, it was ensured that the scales as used in the study exhibit unidimensionality on the basis of their model fit indices and face validity and are statistically significant. The factors loading (ranging from 0.47 to 0.740) of the final measurement items were also satisfactory.

OSO is measured using the SERV*OR scale originally developed by Lytle et al. (1998). The factor loadings of its components like Service Leadership Practices (SLP); Human Resource Management Practices (HRM); Service Encounter Practices (SEP); Service Systems Practices (SSP); were statistically significant and their standardized estimates were satisfactory (ranging from 0.46 to 0.79). A thorough and rigorous methodological process has proven SERV*OR to be an instrument that is both reliable and valid. The scale has proven to be robust and psychometrically sound through multiple rounds of pre-testing and testing using multiple employees, multiple organisations and multiple industries particularly banking within the USA (Lytle et al. 1998). Macdonald and Macintyre's (1997) scale for measuring employees job

satisfaction was used. Another job attitude of the employee i.e., employee service effort was investigated with the help of the six items scale of Mohr and Bitner (1995). After purification process, one item had to be deleted and remaining five items could represent unidimensional construct ($\chi^2 = 14.47$, $df = 5$, $p = 0.01$, $RMR = 0.01$, $GFI = 0.91$, $AGFI = 0.88$, $CFI = 0.92$

Six items of the nine item scale of Porter et al. (1977) measured the employee commitment. The three items were deleted on account of their lower factor loading. Finally, to capture the notion of service quality, Parasuramn et al.'s (1988) six items those measure only employees behavioural aspects were used. These items also provided for a unidimensional scale ($\chi^2 = 16.07$, $df = 5$, $p = 0.02$, $RMR = 0.02$, $GFI = 0.89$, $AGFI = 0.94$, $CFI = 0.93$).

ANALYSIS AND RESULTS

The present analysis attempts to measure the impact OSO on employee responses through ascertaining path coefficients. Similarly, the impact of employee responses on customer responses is again ascertained through path analysis. Additionally, both direct as well as indirect impact caused by several elements of OSO on the customer service quality are calculated and reflected in this section of the paper.

The measurement of decomposed direct as well as indirect effects on customer responses in this study was deliberately done to ascertain the mediation level by intermediating variables (employee responses). The statistics in Table 1 indicates the measurement model

that provides a reasonable fit to the data. The χ^2 value is statistically significant ($\chi^2 = 839.1$, $df = 349$, $p < .05$, $RMR = 0.043$, $GFI = 0.77$, $AGFI = 0.79$, $CFI = 0.91$). Both the goodness-of-fit index (GFI) as well as the adjusted goodness-of-fit index (AGFI) is satisfactory (0.77 and 0.79 respectively). Further, the CFI was also towards the higher end (0.91). Although some of the Cronbach alpha-estimates are just below the cut-off point (0.70), yet the factor loadings of the constituent items those range from 0.48 to 0.74 are well above the cut-off point of 0.40.

The Impact of OSO on Employee Responses

Almost all the OSO dimensions (service leadership practices, HRM practices, service encounter practices, and service system practices) are exerting their influence on almost all the employee responses (employee service effort, job satisfaction, and commitment) in a significant way. A variation of 15 to 41 percent in employee responses appears to be due to the elements of OSO (see R^2). The statistics clearly reflects that the more servant oriented managers are, the more likely employees will be servant oriented thereby positively influences their service effort ($b = 0.21$, $p < .01$), job satisfaction ($b = 0.13$, $p < .05$) and commitment ($b = 0.14$, $p < .05$). Additionally, greater the emphasis on HRM practices (performance-reward linkage and service training), greater the service efforts ($b = 0.12$, $p < .001$), job satisfaction ($b = 0.22$, $p < .05$) and commitment ($b = 0.37$, $p < .001$). The variation in employee commitment is also explained significantly ($b = 0.16$, $p < .01$) by the service system practices. Taking together the results, it is justified to accept the $H2$ that

Table 1: Inter-Item Correlations and their Alpha Values

Scale	Mean	SD	1	2	3	4	5	6	7
1. Service Quality Perception	3.41	0.73							
2. Employee Service Effort	3.23	0.66	0.26*						
3. Employee Job Sat.**	3.09	0.91	0.39*	0.27*					
4. Employee Commitment	3.19	0.73	0.29*	0.36*	0.32*				
5. Service Leadership Practices	2.97	0.57	0.49*	0.27*	0.28*	0.26*			
6. HRM	2.83	0.68	0.39*	0.21*	0.27*	0.39*	0.35*		
7. Service Encounter Practices	3.41	0.83	0.27*	0.24*	0.36*	0.12*	0.29*	0.26*	
8. Service System Practices	3.37	0.47	0.33*	0.14*	0.14*	0.14*	0.21*	0.28*	0.19*
Cronbatch alpha			0.69	0.64	0.63	0.51	0.71	0.66	0.69

Notes: Goodness-of-fit statistics $\chi^2 = 839.1$, $df = 349$, $p < .05$, $RMR = 0.043$, $GFI = 0.77$, $AGFI = 0.79$, $CFI = 0.91$; All correlations are significant at $< .05$.

*Source: Data collected by the author for this study

Table 2: Impact of Determinants of OSO on Employee Responses

Independent Variables	Dependent variables		
	Employee Service Effort	Employee Job Satisfaction	Employee Commitment
01. Service leadership Practices	0.21**	0.13***	0.14***
02. Human Resource Management Practices	0.12*	0.22***	0.37*
03. Service Encounter Practices.	0.28**	0.15ns	0.11***
04. Service Systems Practices	0.13***	0.17ns	0.16**
R^2	0.32	0.15	0.41

Note * <.001 ;**< .01;*** <.05; and ns not significant.

*Source: Data collected by the author for this study

organisational service orientation positively influences the employee responses like service effort, job satisfaction and commitment.

Table 3: Impact of Employee Responses on Customer Responses

Independent Variables	Dependent Variable
	Service quality perception
1.Employee Service Effort	0.18***
2.Employee Job Satisfaction	0.32*
3.Employee Commitment	0.19**
R^2	0.36

Note * <.001 ;**< .01;*** <.05; and ns not significant.

*Source: data collected by the author for this study

The Impact of Employee Responses on Customer Responses

The statistics in Table 3 clearly indicates that employee job attitudes like service effort, job satisfaction, and employee commitment are triggering factor for positive customers' service quality perception. The estimated R^2 confirm the influence of about 36 percent in customer service quality perception. Noticeably, employee job satisfaction is the most powerful driver ($b = 0.18$, $p < .001$) of customers' positive feeling about service quality. The employee commitment is the second most influential factor ($b = 0.19$, $p < .01$) well corroborated in past by countless scholars on commitment (e.g., Ashill et al., 2006). The causal relationship between service effort and service quality perception is statistically

positive as well as significant at <0.05 in the present analysis which is well consistent with the findings of Gardner et al. (1989). In view of the results, it can be safely concluded that employee well being and positive job attitudes are reflected in customer's positive feeling and the $H3$ that positive employee attitudes like employee service effort, job satisfaction and commitment positively influences the customer responses stands supported.

The Impact of OSO on Customer Responses

On assessing the causal relationship between employee OSO, employee job attitudes and customer out comes, both the direct as well as indirect effects are calculated and reflected in Table 4.

Direct Impact: The path coefficients as summarized in Table 4 indicate Service Encounter Practices as the most influential antecedent of OSO that directly influence customer's evaluation of service quality ($b = 0.191$, $p < .01$). Service Systems Practices appears to be the second most powerful driver ($b = 0.147$, $p < .05$). Noticeably, both Service leadership Practices and H R M Practices positively influence service quality perception, yet both are exerting not so substantially ($b = 0.062$, $p < .05$ and $b = 0.064$, $p < .05$ respectively).

Indirect Impact: As it has been mentioned earlier in this article that the elements of OSO does not only directly impact the customer evaluation but also does so via employee job attitudes called indirect effect in the present study. Analyzing the same through path coefficients, Service Encounter Practices appears to be the most indirect triggering factor of positive

Table 4: Decomposed Direct, Indirect and Total impact of Elements of OSO on Customer Responses

<i>Elements of OSO</i> <i>(Independent variable)</i>	<i>Service Quality Perception</i> <i>(Dependent variable)</i>		<i>Total effect</i>
	<i>Direct effect</i>	<i>Indirect effect</i>	
01. Service Leadership Practices	0.062**	0.121**	0.183**
02. H R M Practices	0.064**	0.181**	0.245**
03. Service Encounter Practices.	0.191*	0.183*	0.374*
04. Service Systems Practices	0.147**	0.139**	0.286**

Note: * significant at $p < .01$; ** significant at $p < .05$

*Source: data collected by the author for this study

customer service quality perception ($b = 0.183$, $p < .01$), being chased by H R M Practices ($b = 0.181$, $p < .05$) and Service Systems Practices ($b = 0.139$, $p < .05$). On comparing the coefficients and p values in Table 4, Service leadership Practices do not matter significantly in this indirect relationship. ($b = 0.121$, $p < .05$). However, analyzing the overall effects, Service Encounter Practices appear to be the most influential element of OSO on service quality followed by Service Systems Practices. Thus considering the overall direct as well as indirect effects of OSO on service quality perception, there is ample evidence in support of *H1* that organisational service orientation positively influences the customer responses.

Intermediating Impact: Considering the magnitude and significance level of both direct as well as indirect influence of Service Encounter Practices and Service Systems Practices on customer responses, it is clear that job attitudes play a partial mediation role in the causal relationship. This is in view of the fact that both direct and indirect impacts of these elements of OSO are considerable and significant on the customer response (around 50 percent). Conversely, Service Leadership Practices and HRM practices indicate more of indirect influence (ranging from 66 to 74 percent respectively) rather than the direct influence on customer response. This clearly helps to glean out that these elements of OSO are influencing prominently through intermediating variables thus confirms full mediation in the causal relationship. Taking together both the partial as well as full mediation of the intermediating variables or employee responses, it fully supports the last hypothesis that employee job attitudes like employee service effort, job satisfaction, and commitment mediate the causal relationship of OSO and customer responses.

DISCUSSION AND CONCLUSION

The present study has highlighted the significance of OSO for service performance by investigating into the causal relationship between several elements of OSO and customer evaluation of the services. The study clearly confirms the direct as well as indirect influence of these elements on customer evaluation. Its direct positive influence on employee job attitudes like service effort, job satisfaction, and commitment is indicative of its potential of bringing about positive behavioural changes among employees at the work place. This in turn gets reflected in customer evaluation and thus indicates the indirect potential of OSO to improve service performance. Apart from this indirect effect, OSO also influences customer evaluation directly, thereby improves organisational performance. These direct and indirect effects were the basis of hypotheses those were well justified by the relevant literature and the analysis in the present study.

The analysis of the causal relationships has drawn our attention towards a few issues those deserve some discussion here. On comparing the path coefficients and their corresponding p values of OSO dimensions and service effort, service system practices, though significant, yet proves to be weak while influencing on employee service effort ($b = 0.13$, $p < 0.05$). Further, service encounter practices and job satisfaction are not that significantly ($p < 0.10$) related to each other as normally expected in view of the relevant literature around these concepts in the past. The service encounter practices include 'empowerment' as its element which has been reported as one of the significant driver of job satisfaction in the past literature (Morrison et al., 1997). Further, empowerment is one of the essential antecedents of speedy decision making so

essential at the service encounter level that improves quality of service encounter (Carol yeh-yun Lin, 2002). Therefore improvement in service interaction is surely expected to improve the employee satisfaction. Therefore, the non-significant relationship of service encounter practices and job satisfaction in the present study need to be replicated in future research.

The results also indicate that a better communication practice to inform employees what exactly is expected in terms of customer service practices reduces role ambiguity and in turn results in higher employee commitment. Also employee perception of the extent to which their organisation seeks to prevent service failures has positive correlation with their commitment. Finally, using high level of technology also improves commitment.

The finding that job satisfaction is the most influential ($b = 0.18$, $p < .001$) factor on customers' evaluation of service quality stands collaborated by several authors in the past (Hartline and Ferrell, 1996; Heskett et al., 1997), thus supports strong relationship between job satisfaction and the customers' evaluation. The relationship between job satisfaction and customer contact employees' performance has also been supported by Babin and Boles (1996).

The results also suggest that improving employee commitment and involvement will contribute to improved service provision which in turn increases the customers' service evaluation.

Analyzing the direct and indirect effects of OSO, though, service leadership practices and HRM practices do not exert its considerable influence directly on customer response, yet, its positive effects are significant through employee job responses.

The important finding of this study that desired job attitudes of service employee result into desired customer assessment of the services is well within the internal marketing philosophy. The literature and basic philosophy of internal marketing is that internal customers' (service employees in the present study) satisfaction about organisational internal variables gets reflected in satisfaction of external customers. The same appears true here as employee satisfaction about OSO practices results into desired job attitudes and consequently spills over the customers' evaluation.

IMPLICATIONS OF THE STUDY (SUMMARY)

This study has established the importance of OSO in relationship to service employee job attitudes which in turn act as a triggering factor for positive customer evaluation of services. In order to maintain and improve these employee attitudes like service effort, job satisfaction and commitment and the consequent positive customer evaluation, service managers should be sensitive to decide and implement service orientation policies and practices included in SERV*OR's ten dimensions as highlighted in the present study. For instance, training needs, one of the significant components of HRM-dimension of OSO has to be need based that best fits the requirement of service employee while interacting with the customer. Considering the importance of the functional qualifications of frontline employee in the quality of interaction in between service provider and service recipients, management can establish linkage between incentives, performance appraisals, rewards, transfers, promotions, and the employee functional qualifications. Likewise, to improve the service encounter practices, service managers have to monitor and develop frontline service employees' cognitive skills enabling them to understand as to how a customer feels and expects during the service interaction. In this connection focusing on the service employees listening skills, flexibility or adaptive behaviour, and communication skills need to be focused for improving employee service orientation. The frequency, quality, and accuracy in downward communication can help frontline employees clearly understand the service standards and the roles expected of them. Adequate top managements' attention toward day-to-day customer complaints and their recovery is of paramount importance. Adequate latitude of decision making authority at the contact level is highly justified by this study in as much as it improves speedy reaction on the part of contact employees who otherwise have to refer the customer issues to higher ups for approval before responding to the customer. However, proper training and education at the contact level should go along with the empowerment so that additional decision making power at the contact employee level may not be misused. Finally, in order to boost service orientation culture in the organisation, management can make comparison of the levels of service orientation being maintained in different branches, business units and the very comparison can later become basis for executive rewards.

LIMITATIONS AND FUTURE DIRECTIONS

Like any other research attempt, this study had also some limitations.

First, instead of using customers' service quality perception as the only customer evaluation or performance measure; future works can include like customer loyalty, retention, company image and reputation, market share, ROI, productivity etc., as response measures. Second, empirical research in other contexts should be replicated to confirm the results. Third, although the OSO practices as considered in the present study are generally assumed to positively influence employee positive feeling and consequently get reflected in performance, yet inclusion of other organisational internal variables like, perceived organisational support, perceived supervisory support, organisational justice, feedback and counseling, and customers participation as antecedents to employee positive feeling could be a more worthwhile attempt. Similarly, the scholars in future can include more variables to reflect employee positive feeling like organisational citizenship behaviour, employee engagement, employee job crafting attitude, *esprit de corps* and innovative work behaviour in the causal relationship. Finally, in view of the main objective to ascertain relevance of OSO to performance, various elements of OSO were regrouped into only four dimensions before examining the causal relationship. Scholars in future can examine the relationship of all the dimensions of OSO separately to add to the existing literature.

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