

ASSESSING SERVICE QUALITY AND ITS DIMENSIONS- A PERSPECTIVE

Preeti Chhillar

Extension Lecturer (Commerce)

Govt College Gohana

preeti.dahiya02@gmail.com

"The quality of expectations determines the quality of our action"- Andre Godin

ABSTRACT- In manufacturing organizations, a defective product can be easily recognized at any stage in the manufacturing process and prevented from reaching the customer. In addition, the quality standards for a product remain the same and do not vary from person to person or from time to time. So, it is comparatively easier to ensure quality in the case of products. However, in the case of a service organization, the quality of service depends on the perspective of a person. What an employee believes, as quality service may not be perceived as such by the customer. For example, when a regular customer visits a bookstore, the employee there, may give him a new arrival on a topic that he thinks is of interest to the customer. However, the customer might prefer to take a trip to the store and see all the new titles for himself. He might in fact feel annoyed with the employee. So, offering a high quality service is an enormous challenge for any service organization. At the same time, service organizations cannot offer a complete standardized service as some customers prefer a customized service offering to suit their needs. In this paper, we shall define quality; discuss its importance, discuss the methods to measure quality and understand strategies to improve it.

KEYWORDS: Manufacturing, Quality Standards, Customers, Customized Services.

DEFINITIONS OF QUALITY AND ITS SIGNIFICANCE:

"Quality has no specific meaning unless related to specific function or object. Quality is a perceptual, conditional and somewhat subjective attribute". It becomes a choice for many institutes of learning more or less the whole world. "A quality is a comparison between expectation and performance, as per Crosby, quality is conformance to requirement. The degree

to which a set of inherent characteristics fulfils requirements". Various parameters of quality were categorized into three parts viz: design, conformance and performance. It has many dimensions that's why we call it as multi dimensional because every definition is suitable under different situations.

Service quality, from the organization's perspective, means establishing requirements and specifications. Afterwards, the standard goal relies totally on satisfying customers' desires. From the customers' perspective, service quality suggests that how well the products or services provided by the organization meet or exceed client expectations.

Some of the definitions given by experts in the field:

According to Philip B. Crosby, "Quality is conformance to requirements.

According to Parasuraman and Berry, "Quality is exceeding what customers expect from the service."

According to Garvin, quality can be defined from different perspectives -user-based, product-based, manufacturing-based, value-based and transcendent view.

User-based approach: This approach suggests that quality should be defined from the customer's perspective. A service offering that meets the customer's needs and wants to his complete satisfaction is quality service. This approach also recognizes that different customers have different needs, because of which it becomes difficult for the service provider to satisfy every customer's needs.

Product-based approach: This approach suggests that the service offered by an organization falls short of the quality standards only when a certain attribute or aspect of service is left out or distorted. For example, if a customer comments that the quality of service offered by a hotel is poor, the approach assumes that either the food was not tasty, the service personnel were not customer-oriented or that the ambience was not good. It assumes that service quality can be well defined and established, and does not vary from person to person.

Operations-based approach: This approach suggests that the quality of a service depends on the efficiency of the operations involved in service design and delivery. It emphasizes cost effectiveness and productivity rather than customer needs and preferences. For example, a fast food outlet needs to deliver food to the customer without any delay. If the outlet fails to meet the quality standards, this approach assumes it is due to a flaw in the operations involved.

Value-based approach: This approach seeks to define quality as the value offered in return for the price paid by the customer. In other words, it suggests that the higher the price charged from the customer, the more should be the benefits offered by the service provider. For example, the quality of service offered by a five-star hotel should be higher than that offered by an ordinary hotel, as the customer charges are comparatively higher.

Transcendent view of quality: This approach suggests that a person can assess the quality of a service accurately only when he is exposed to it repeatedly. For example, a customer may like the service offered by a particular hotel in a city better than that of any other hotel. According to this approach, he would have arrived at this decision only after repeated exposure to the service. This approach suggests that consistency in maintaining quality standards is important.

Though the definitions of 'Quality' vary greatly, everyone accepts that it is a key determinant of the success of an organization.

Following are some of the reasons why quality is, significant for the success of a service organization:

To win credibility and obtain repeat customers: If an organization offers quality service consistently, it enjoys repeat business, that is, customers visit it repeatedly. Because customers obtain the desired service and are happy with it, the chances of their moving to a different organization are minimized. They may even refer it to their friends and relatives and provide positive word-of-mouth publicity to the quality service offered by the organization. Thus, the organization succeeds in attracting new customers as well.

To charge premium price: When an organization offers superior quality service compared to its competitors, customers who value quality will always prefer this organization to other players in the market. Therefore, the organization will be in a position to charge a premium price from customers. However, organizations competing on the quality aspect need to continuously improve and offer better services so that they always set themselves above the competitors and win the loyalty of customers.

MEASURING SERVICE QUALITY:

The intangible and perishable nature of services makes it difficult for organizations to measure their quality, identify the loopholes and take necessary steps to improve the quality.

Service organizations therefore evaluate certain components of a service to determine its quality. According to Gronroos, any service has two important components - functional and technical.

Functional - This component involves interaction between the customer and the service personnel. For example, when a customer visits a hotel, the warmth at the reception, the promptness in check-in and the responsiveness of room service, all comprise the functional component of service.

Technical - This component refers to the output of the service operation. For example, if a flight reaches its destination exactly on time, the airlines is said to have delivered quality service with respect to the technical component. The technical component of service is easier to evaluate than the functional component.

According to Berry and Parasuramans, service quality is determined by customers using various criteria like credibility, security, access, communication, tangibles, responsiveness, competence, reliability, etc. The authors identify similarities among some of these criteria and therefore, consolidate them into five dimensions -Tangibles, Reliability, Responsiveness, Assurance and Empathy.

Tangibles: Service is intangible to customers. However, they assess the service by the equipment used to provide the service, the premises within which the service is offered and the employees who provide the service. Therefore, service providers need to ensure that they provide the right ambience and infrastructure to the customers and that their smart and pleasant employees offer high quality service. Managing tangibles like these enables organizations to make a positive impression on not only existing customers, but also on prospective and first-time customers.

Reliability: The service offered by an organization needs to meet the expectations of customers consistently. It is only then that a customer considers the service reliable and the organization dependable. Services should be tested for their consistency before they are launched. They should be monitored closely after their launch and the management should take immediate steps if any unexpected service failures are observed. In addition, the organization should provide suitable infrastructure for error-free services. For example, there should be proper communication systems in place and the employees should be trained in technical skills and service skills to provide high quality service.

Responsiveness: Service personnel should be prompt in attending to customers and serving their requirements. The customers should perceive them to be enthusiastic and responsive while serving them. The personnel should be especially attentive during problem situations where the customer has some complaints with the service. Employees should be empowered by the management to do all that they can to help a customer in trouble. Employees who work with commitment and customer orientation should be rewarded to encourage similar behavior among all the employees.

Assurance: Service personnel should have a thorough knowledge of the service they are providing to the customers. For example, a sales executive selling mutual funds should have complete knowledge of the expected returns and the tax implications of the investment. He should be able to provide strong and timely advice to his customers. His knowledge and his confidence should assure the customers that the company's service is dependable and trustworthy.

Empathy: The service personnel of an organization should be easily accessible and open to communication. They should empathize with customers who report problems and work quickly to resolve them. For example, when a customer calls up a bank complaining that he has a problem with the balance amount and needs to get it resolved immediately, the customer care executive on the phone should understand the problem, ask relevant questions and assure the customer of immediate action.

He/she should also ensure that the problem is resolved at the earliest. Service personnel should consider customer complaints as an opportunity to interact with the customers, understand their needs and improve the service offering.

SERVICE QUALITY GAP MODEL:

Some service providers believe that they offer the best possible service to their customers. However, quite often the service falls far short of customer expectations. There is gap between what the customer expects and what the organization offers them. This is called *customer gap*. There can be different reasons for this gap and these are called the *provider gaps* by Zeithaml, Parasuraman and Berry. These gaps need to be closed to close the customer gap and improve the service to match customer expectations. Some of the reasons for this gap can be –

- Failure to understand customer expectations

- Failure to design the right service
- Not setting and communicating the tight service standards to employees and intermediaries
- Failure to deliver the service standards to customers
- Failure to take customer feedback and review the service continuously

Failure to understand customer expectations: The quality of decisions made by the management in service organizations often depends on the quantity and quality of information they have about the customers. Any decisions that are taken without the needs and preferences of customers being understood prove to be ineffective. The management may fail to prioritize its projects, fail to provide supplementary services valued by customers and offer services that are not required by them. This would simply add to the costs of the organization without awarding any benefits.

Failure to design the right service: Organizations which do not have service designs that meet customer expectations, are bound to lose out to competitors. The service design of an organization should take into account not only the current requirements of customers, but also their changing buying patterns. This helps the organization be proactive in its approach and capture a good market share by adding to the customer base. For example, cellular service companies that added the SMS (Short Messaging System) facility early to their service package succeeded in attracting customers. A new service offer from Hutch helps the customer check his outlook express mail immediately on his cell phone. This can be very useful for corporate travelers and might soon attract some new customers.

Not setting and communicating the right service standards to employees and Intermediaries: If an organization does not have any set service standards, employees do not know whether they are doing their job right while serving the customer. Without any standardized procedure or goals, they will do whatever they think is right in delivering the service. Sometimes, however, even if an organization has established standards, it fails to satisfy the customers. Either the standards might not be good enough to satisfy and attract customers or the employees and the intermediaries are not aware of these standards. When the standards are not communicated properly to the service personnel or the intermediaries, they fall short of customers' expectations, leading to their dissatisfaction.

Failure in delivering the service standards to customers: Sometimes, in spite of designing a good service and setting service standards, a service provider might fail to deliver the promised quality service to customers. The reasons for such a failure can be many. One reason could be operational problems like technological or logistics problems. For example, a courier service provider promises that the consignment will reach its destination within 24 hours. However, due to bad weather, the flights are cancelled and the courier is delayed. This might annoy the consumer. Even sudden changes in the demand-supply balance might affect the quality of customer service.

Failure to take customer feedback and review the service continuously: A service company which enjoys a large dedicated customer base today, may lose out to competitors if it fails to continually upgrade itself. The marketer should keep track of the changes in the market environment, the customer buying patterns and his changing needs to redesign his service from time to time. When a marketer relaxes and becomes complacent, the competitors soon make new offerings and attract the customers. Therefore, it becomes imperative for a marketer to keep track of customers' changing needs and requirements and modify his service offering accordingly.

STRATEGIES FOR IMPROVING SERVICE QUALITY:

It is not too difficult for companies to improve service quality. What is required is the right strategy to do it and the commitment by all members of the organization. The following are some of the strategies that should be followed by service organizations to enhance the quality of service offered to customers:

- A service provider should aim at achieving zero-defects or error-free service. This can be achieved by having a management that believes in 100% perfection, providing the necessary infrastructure that facilitates error-free service, and by testing and re-testing service processes at various stages to eliminate any loopholes. This will also help them improve continuously to set and achieve new standards. For example, DHL set up a separate express terminal spread over 26,500 sq. feet, using state-of-the-art technology, at Indira Gandhi International Airport, Delhi. As the customs' staff work round-the-clock at this site, the process of clearance of customers' consignments have been speeded up, enabling DHL to deliver consignments faster to customers.
- Internal communication promotes better understanding among employees of each others' tasks and responsibilities, and the difficulties involved, and enhances co-operation and

coordination which eventually results in better service to customers. Also, organizations should be equipped with modern training equipment and techniques to simulate real work environment and train employees to deliver quality service UTI (Unit Trust of India), which saw its scale of operations and number of employees increase significantly, implemented an advanced communication system with the help of Wipro, to facilitate effective communication among its scattered branches and employees.

- Service providers should always test a service prior to launching it in the market place. If possible, a new service should be introduced in a few select places for test-marketing. This will allow some time for the management to obtain customer feedback. In case customers report problems, the management can take corrective action. Another approach to prevent problems is to develop a service blueprint to identify all the activities that lead to final service delivery, identify problem areas and train employees to handle the problems. Service providers should also test the service after launching it. Setting higher service quality goals and striving to achieve them should be an ongoing process as any complacency will render the service outdated in a competitive market.
- Sometimes, service providers fail to deliver the service despite all the precautions they take to prevent a failure. At such times, customers' perception of service quality depends on the service provider's ability to resolve the problem immediately. To enable effective service recovery and regain customers' confidence, service providers should train employees in recovery techniques and empower them to resolve the problem immediately. Also, they should reward employees who take the initiative and resolve the problem quickly.
- The management should extend support to employees by setting up the necessary information system and other infrastructure that enables employees to identify and rectify errors with ease. Further, organizations should encourage teamwork among employees. By having an effective service recovery system in place, service providers can assure customers that they care for them.
- Trained employees will be prepared to face problems and, therefore, can resolve them as soon as they occur and sometimes even before the customer can perceive the error. The benefits of empowerment, rewards, and information system have already been discussed in earlier chapters.

MONITORING SERVICE QUALITY:

Apart from using quality management techniques and adopting service quality improvement strategies, organizations should continually monitor their service quality. This will help the management ensure that customers receive the quality of service that their organization intends to deliver. The management can use the following methods to monitor service quality:

Conduct Customer Surveys: Service organizations should regularly conduct customer surveys to know whether the customers have any issues with the service offered or with the service personnel (Refer to Exhibit 22.3). Questionnaires should be given to customers to elicit their opinions and rate the quality of service offered by the organization. Also, efforts should be made to explore the factors leading to any dissatisfaction. Mystery shoppers, researchers who visit service outlets posing as customers, may also be used to identify problems with service quality. These researchers keenly observe how the service is being delivered and how the customers respond to the service. They identify the deficiencies, if any, in the service processes. The management can then take necessary action to eliminate the deficiencies.

Monitor Customer Feedback: Managers should give special attention to the feedback given by customers in the form of complaints or suggestions or even compliments. The management should try to find out the rootcauses of problems in case of complaints, and prevent them from recurring. If the customer makes some suggestions, the management should consider them, discuss them with employees for their feasibility and applicability, and implement the ones that are valuable and practicable. If customers give compliments to service personnel, then management should encourage the concerned employees to continue to offer quality service by rewarding them.

Review Service Blueprints, Problem-Tracking System: The management should constantly review the service blueprints and identify any problems that exist. If necessary, the management should change the monitoring procedures and problem tracking procedures. Service blueprinting is the process of representing the entire service process in the form of a picture/diagram so as to ensure that all the steps in a service process are covered.⁹ As the service blueprint provides information on each single event and activity involved in the service, a service manager can test its effectiveness on paper. He can modify the service process before applying the usual testing procedures (like test marketing, etc.)

CONCLUSION:

According to Philip B. Crosby, "Quality is conformance to requirements." However, service organizations should strive to enhance the quality of their service to exceed customers' expectations, so as to stay ahead of competitors. Quality is also defined from different perspectives like user-based approach, product-based approach operations-based approach, value-based approach and transcendent view. Improving service quality enables organizations to win credibility, enhance customer satisfaction, obtain repeat customers and even charge a premium price. To measure the quality of service offered, service organizations have to measure both the technical and functional components of the service. According to a research conducted by Zeithaml, Berry and Parasuraman, five important dimensions of service (as viewed by customers) that need to be evaluated are tangibles, reliability, responsiveness, assurance and empathy. There can be many reasons for the differences between the quality expected by the customer and the quality delivered by the organization. Organizations need to establish certain service standards so that all the employees, as a team, strive to achieve them, and offer superior quality service to customers. Service organizations can use techniques like TQM and benchmarking to improve their service quality. Striving to offer reliable service and implementing effective service recovery methods are some of the strategies used by service organizations to improve service quality. Apart from using quality management techniques and strategies, a service organization should continually monitor its service quality to ensure that customers consistently receive the level of quality service that they expect from the organization.

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