

Impact of Quality of Interaction on Subordinates Compliance With Leader's Bases of Power

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Abstract. Quality is the totality of features and characteristics of a product or service that bears on its ability to satisfy given needs. Services Marketing and management refers to a customer-satisfaction-engineering tool whereby various complex issues like design, delivery, encounters, quality, profitability and productivity are dealt with. This paper deals with the challenge of service quality in today's emerging global village. The study employed the modified version of the SERVQUAL instrument to ascertain the quality gaps. The education services have been facing stiff competition from abroad where variety of curriculum and standards are the order of the day.

Keywords: Leadership, Quality, Measurement, Management

1. Introduction

The American National Standards Institute (ANSI) defines Quality as “the totality of features and characteristics of a product or service that bears on its ability to satisfy given needs”. The eight principal Quality dimensions comprise Performance, Features, Reliability, Conformance, Durability, Serviceability, Aesthetics and Perceived Quality.

Service is “any act or performance that one party offers to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product” (Balaji, 2002). In services, the distinguishing features that determine quality differ from manufacturing. The most important dimensions of service quality include Time, Timeliness, Completeness, Courtesy, Consistency, Accessibility, Accuracy and Responsiveness.

2. Leader

Kenneth R. Thompson has researched on the paradoxes faced by companies practicing total quality management (TQM). The seven paradoxes identified by Kenneth are: (i) seeking diversity but building a shared vision, (ii) encouraging creativity but being consistent in everything, (iii) focusing on continuous process improvement but making breakthrough change an important part of the job, (iv) using autonomous work groups to enhance performance but ensuring careful and uniform control of product and service quality, (v) building a cohesive work team, but welcoming conflict when critically analyzing ideas, (vi) setting realistic yet challenging goals for maximum performance but using stretch targets to dramatically improve performance, and (vii) rewarding team effort but creating a high performance climate for individuals.

Arthur has researched about Total Quality Management (TQM) and Quality Control (QC) tools. He has proposed in his thesis that TQM does not work in all situations and that TQM has limits. A new tool – “the half-life concept” – is proposed with the idea of making complexity more manageable.

Barbara and Maling have researched on ISO 9000, Quality, Competitive advantage and International standards and found that the various dimensions of quality used by the firm to gain competitive advantage

were product performance, reliability, conformance, durability, serviceability and perceived quality. The study finally concluded with the view that the quality improves as a result of ISO 9000 certification.

Bart, Andrew and Theresa have researched on Total Quality Management (TQM), role conflict and organization. A fundamental cause for the failure of TQM efforts is the difficulty of implementation. Having as its basis the integration of doing and thinking, TQM significantly alters the ways jobs are designed, requiring new behaviours, roles, and responsibilities for organizational members. Effective implementation of TQM requires line employees to generate new ideas that lead to gains in quality, efficiency and speed. Switching is an unscheduled response to critical cues in the environment. Employees shift between performing work according to strictly specified rules (standardized production) and work that involves creatively rewriting these rules to generate gains in efficiency, speed, or quality (continuous improvement).

Ben, Sudarshan and Lawrence have researched on service quality, complaints management, consumer behaviour, customer service and after-sales service. A customer's complaint behaviour reflects his after-sales responses to his expectations, service quality perceptions, and behavioural intentions. The study models the process by which consumers form perceptions of the delivered service and overall service quality after a complaint is lodged and responded to by the service provider. The study investigates the effect of after-sales response on real-time updated expectations and thus on service quality evaluations. An experimental study was conducted in which the following constructs were manipulated: (a) Initial will and should expectations, (b) Special information offered by the hostess greeting in the beginning of the encounter, (c) delivered service, and (d) After-sales response.

Elizabeth and Chris have researched on electronic delivery and retail banking. Their thesis identifies the strategies being adopted by UK retail banks and the managements concerns and problems faced in implementing these services.

Forker, Mendez and Hershaver have researched on Total Quality Management (TQM) and the supply chain. Their thesis contains eight management practices that have been identified for implementation through the supply chain towards achieving the ultimate goal of consumer satisfaction: (a) management leadership and quality policy, (b) training, (c) product service design, (d) supplier quality management, (e) process management, (f) quality data and reporting, (g) employee relations and (h) role of the quality department.

Mary, Roger and Charles have researched on quality and consumer products. They have argued that substantive quality of consumer products has increased over time while variability has decreased. The move towards greater uniformity in substantive quality was driven by the combined effect of consumer movements, product standardization; government legislation, improved manufacturing processes, product testing organizations such as Consume Union and the advent of international competition.

Prahalad and Krishnan have researched on the information age and quality. The study offers a new framework – a new view of quality – one that synthesizes the conformance, service, and innovation approaches to assess an organization's IT infrastructure and software.

The seven-step quality process, as part of the TQM movement in Japan, comprises: (a) identification of the theme, (b) data collection and analysis, (c) causal analysis, (d) solution planning and implementation, (e) standardization, and (f) reflection and next problem. A new set of seven management tools have been developed for QC: Pareto diagram, cause and effect diagram, stratification, check sheet, histogram, scatter diagram, graphs and control charts. There are three types of processes. Type I processes are independent and static and are receptive to the QC circle initiatives. The Type II processes – moderately complex and having static interactions, are the current frontier of TQM and the seven management tools. The third type of processes – the complex interactive, dynamic ones that are often counter intuitive in their behaviour – are currently out of the TQM jurisdiction.

Managers are concerned with several strategic issues thrown up by electronic banking – Customer acceptance, Integration with other channels, Cost savings, Pricing strategies, Impact on intermediaries and Top management support.

Banks are vary of committing resources to develop or market on-line services wit the future uptake being uncertain. Electronic delivery will have to co-exist with face-to-face contact in certain aspects of banking. The lower transaction costs should not be negated by the set-up and marketing costs. Only if significant

benefits are provided through on-line banking can customers be charged. Alliances have to be forged with intermediate players in the on-line value chain. Lack of commitment and awareness at senior levels is the biggest handicap. Of course a lot of hurdles need to be cleared like increased competition due to access to rival services, increased dependence on intermediaries, security and quality control.

Asli and Enrica have studied the Banking crisis in developing and developed countries. In an attempt towards understanding the mechanism behind the surge in the recent banking crisis, the study examined the features of the economic environment that breeds banking sector fragility ultimately leading to systemic banking crisis.

Prajnan has researched on Banking sector, Service industry, Human resource strategy and Leadership. In his thesis he has acknowledged that information technology has come to the aid of the man behind the counter, in a bid to extend better service to the customers.

Mark and Stephen have researched on leadership and management education. In their thesis they have urged the community to understand that with the advent of developments in information and technology systems, the future poses great challenges. The business leaders will have to be flexible and adaptable in dealing with both technology and people and will have to be meaningfully connected in these changing conditions.

Vimal Sukumar has highlighted the importance of customer satisfaction as a contributor to the profitability of the firm, thereby facilitating reduction in the number of customer complaints and building up of loyalty. Drawing on the concept of “carrot and stick” approach, he would like to believe that the “customer for life” concept is a myth. Customers are no longer fiercely loyal, but are frighteningly fickle.

Barbara has researched on customization, product line and perceived variety. She emphasizes in her thesis that one way to compete effectively in the 21st century is to meet customer’s needs over time better than the competition by offering a high-variety product line. This strategy enables the marketer to gain customer loyalty, avoid price competition and protect himself from inaccurate forecasts of taste.

The Susans and David have tried to ascertain the status of relationship marketing. They argue that while companies, managers, and academics advocate relationship marketing claiming that it is on the rise, there is an increased realization that the relationship is quite one-sided. A closer look at the phenomenon reveals a forced participation of the customers instead of a desirable voluntary acceptance of the relationship by them.

Craig has researched on customer loyalty, competitors, customer retention and loyalty programmes. His thesis advocates that the fuzzy, overused, emotional concept of customer loyalty cries out for critical analysis.

Sandy and Ashok have researched about outsourcing, conflict resolution, service quality, labour contracting and mixed outstanding. Their thesis espouses that successful outsourcing requires a clearly defined and articulated expectations befitting the contractor’s missions and goals and in writing a contract that is specific enough to protect a company yet flexible enough to accommodate unplanned events.

Simon has researched on customer development, customer retention and loyalty management. His thesis highlights the point that in order to retain customers, companies need to get involved in the customer’s purchase decision-making process (customer development strategy) as well as providing better products and services (product development strategy). Customer differentiation allows for a more effective alignment of the organization’s resources and skills base to support and encourage existing customers to spend more so that profitable growth can be sustained.

Theodore, Patricia and Alexander have researched on logistics, operational effectiveness and customer closeness. According to the study, six of the top nine variables influencing purchasing decisions were related to logistics and customer service. World-class logistical competencies include: positioning, integration, ability and measurement. Customers, especially retailers, routinely measure vendor performance on a wide range of service elements: delivery on due date; damage-free receipt of goods; invoice accuracy; order cycle time; order completeness; speed of response to inquiries; frequency of deliveries; ease of returning products; courtesy; price charged and, last but not the least, willingness to customize service.

John, William and Joobin have researched about customer interaction, customer information system, data design and information management. They have highlighted in their thesis the fact that an organization

cannot be customer-oriented without an adequate information system. A customer information system (CIS) is defined as the acquisition, storage and distribution of customer information. In an one-to-one marketing paradigm the CIS has to be altered as extremely detailed information is required. The key elements of such a transformation are: Business process analysis, Integration and redesign of customer data, IT-enabled customer interaction and Accessibility / transmission of organizational information.

Bob and Terri have researched on small businesses, segmentation and profitability. Their thesis highlights the fact that many companies have increased their revenues and profits by finding ways to target, attract and retain small customers. Serving small businesses poses three hard-to-manage challenges: identifying profitable customers is tough since small businesses are so diverse, acquiring new customers cost effectively and reducing the service costs i.e. developing a pricing and delivery model that makes serving small businesses profitable.

The key question a company serving small businesses should ask itself is whether each customer gets the level of attention appropriate to its potential value and the type of attention best suited to its needs. The supplier has to understand the organizational structure of the small business, including the frequent lack of infrastructure.

Benjamin and David have researched on customer delight and customer needs. Their thesis has presented a perspective on customer satisfaction that addresses the emotions of delight and outrage. It is based on people's needs rather than the conventional model that focuses on customer expectations.

Their study explains customer delight and outrage in the context of three basic customer needs – security, justice and self-esteem. A company's first role for gratifying security needs is to protect stability. When financial issues are concerned, delighting a customer is usually an expensive proposition. When physical security is concerned, the only way of delighting a customer is by intervening in a negative state of potential physical harm.

3. Quality

There are at least ten reasons to believe in Quality: (a) Quality is profitable, (b) Poor Quality is penalised, (c) Quality distinguishes, (d) Quality is expected, (e) Quality renews, (f) Quality unites and inspires, (g) Quality delivers, (h) Generates pride, (I) Fosters self-interest, and (j) Accelerates improvement.

A good Quality process changes the way things are done, by: (a) Driving the business from customer needs, (b) Setting a clear vision which is deployed down into coordinated action, (c) Using the contribution of every person to the full, (d) Managing well beyond the institution's boundaries, (e) Managing processes to their optimal capability, (f) Partnering with customers and suppliers, both internal and external, (g) Developing workers to manage and managers to lead, (h) Breaking down hierarchy and functional divisions, (I) Becoming faster, leaner and more responsive to market opportunities and (j) Integrating all the above for competitive advantage.

4. Quality Gaps

Parasuraman et al described service quality as “the ability of the organization to meet or exceed expectations”. Customer expectations may be defined as the “desires and wants of customers” i.e. what they feel a service provider should offer rather than would offer.

The service quality gaps which generally exist in an organization are as follows:

Gap 1: Gap between customer expectation and management perception.

Gap 2: Gap between management's perception and service quality specification.

Gap 3: Gap between service quality specification and service delivery.

Gap 4: Gap between service delivery and external communication.

Gap 5: Gap between perceived service and delivered service.

5. Measurement Of Service Quality Gaps

SERVQUAL as defined by Parasuraman et al (1988) is a concise multiple-item scale with good reliability and validity that can be used to better understand the service expectations and perceptions of consumers. SERVQUAL provides important information on the gaps between predicted service and perceived service.

One of the key theoretical criticisms is that the $Q = (P - E)$ is based on disconfirmation rather than consumers' attitudes. A second conceptual criticism is that SERVQUAL is concerned with the delivery of the service rather than the final outcome. The third conceptual criticism is related to whether customer evaluate service in terms of gaps and what does a gap of (say) one mean?

Zeithamal et al (1988) defined the service performance gap as the discrepancy between the specifications of service and delivery. They conceptualized the service performance gap as having the antecedents described as follows:

(a) Team work: involves group cohesiveness, group commitment, participation in decisions and success sharing. Critical factors to this construct are cooperation versus competition, management care, personal involvement and commitment.

(b) Employee-job fit: involves employees' skills and abilities to perform the job.

(c) Technology-job fit: is the appropriateness of the tools or technologies the employees use to perform the job.

(d) Perceived control: relates to the relationship between individual reactions to stress and their possibilities to control these situations. Rules and procedures, company's culture, predictability of demand are critical to this antecedent.

(e) Supervisory control systems: is the measurement of employees' performance.

(f) Role conflict: is the discord between the expectation of other parties (managers, customers, etc.) and the employees' perceptions that they cannot satisfy these demands.

(g) Role ambiguity: occurs when employees do not have the necessary information to perform the job. Critical factors to these antecedents are downward communication and training in communication skills.

6. Current Instrument For Research

The researcher developed modified versions of the SERVQUAL instrument to suit the needs of the services under study. The modifications comprised:

(a) increasing the number of attributes specific to the service under study

(b) avoidance of separate perception (P) and expectation (E) scores

(c) using a clearly defined Likert scale

(d) The various attributes under six main categories, vis-à-vis, Tangibles, Reliability, Responsiveness, Assurance, Empathy and Outcome were compiled in random order

The Likert scale encompassed the following ratings: 1 - Very Poor Quality (Service falls far short of my expectations Or Service does not exist); 2 - Poor Quality (Service slightly falls short of my expectations); 3 - Satisfactory Quality (Service slightly just matches my expectations); 4 - Good Quality (Service slightly exceeds my expectations) and 5 - Excellent Quality (Service greatly exceeds my expectations). The major findings of the research are summarized in Exhibits 1 and 2 (self-explanatory).

7. Future Requirements

Firms' expectations for process improvements, competitive pressure, improving employee relations and communications and improving product quality are the need of the hour. The various dimensions of quality used by the firm to gain competitive advantage are product performance, reliability, conformance, durability, serviceability and perceived quality. The move towards greater uniformity in substantive quality is driven by the combined effect of consumer movements, product standardization; government legislation, improved manufacturing processes, product testing organizations such as Consume Union and the advent of international competition.

Exhibit 1 Management Studies Education – Factor Analysis ^s Education Attributes	Exhibit 2 <i>Critical Factors Influencing Service Quality</i>
Faculty’s sincerity in teaching you in the classroom (0.816), Faculty’s ability of clearing doubts (0.809), Teaching of concepts/problems correctly (0.809), Performance of faculty (0.761), Office staff’s sincerity in attending to your needs (0.744), Timely completion of syllabus/course content (0.729), Performance of office staff (0.699), Accuracy in evaluation of answer scripts (0.682), Appearance of faculty (0.656), Performance of non-teaching staff (0.627), Appearance of office staff (0.617), Proper conduct of test (0.592), Conduct of classes(0.563),Proper database management -marks, fee, attendance, profile (0.532)	Performance of staff (Faculty, office and non-teaching)
Special facilities - dining, counselling, special classes, physical education, social service (0.745), Extra-curricular activities (0.681), Adequacy of facilities - faculty, rooms, labs, etc. (0.653), Tools or equipments used to provide the service -boards, audio-visual aids, furniture, examination booklets (0.650), Recreational facilities (0.611), Management’s understanding of needs (0.601), Physical representation of service-reading materials, textbooks, lab manuals, handouts, notebooks, calendars, prospectus (0.592), Physical representation of service - reading materials, textbooks, lab manuals, handouts, notebooks, calendars, prospectus (0.591), Canteen facilities (0.587), placement cell(0.583), Sensitiveness to your needs(0.554), Condition of classroom(0.518)	Facilities

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