# MANAGEMENT'S PERCEPTION OF CUSTOMERS' SERVICE FEEDBACK IN AN ICT COMPANY: AN EXPLORATIVE STUDY

By

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## Abstract

The purpose of this research was to explore how management explains the difference between the overall service quality ratings of staff at Company X versus the overall service quality ratings of Company X. The organisation conducts customer service measurements on a regular basis to monitor their customers overall service experience regarding the staff and the organisation. The results of the research identified a discrepancy regarding customer perceptions of the service they receive from the staff versus the service Company X is providing. Management was the focus of the study due to management having a direct or indirect influence on service gaps in the organisation.

The SERVQUAL model, together with systems theory, was applied as a framework to explore management perceptions as to why a service quality gap exists. In-depth face-to-face interviews were conducted with management staff of Company X who are responsible for customer service. Thematic analysis was used to analyse the interviews and through content analysis six main themes were identified with various subthemes. The theoretical and empirical objectives were addressed and it was concluded that inconsistent practices within the organisation specifically the lack of consistent performance management can create an inconsistent service experience. The findings also revealed that Company X have various focus areas to improve the overall customer experience of the organisation.

Key Terms: SERVQUAL model; Systems theory; Stable equilibrium; Explosive instability; Bounded instability; Synergy.

## Declaration

Student Number: 35982136

I declare that **MANAGEMENT'S PERCEPTION OF CUSTOMERS' SERVICE FEEDBACK IN AN ICT COMPANY: AN EXPLORATIVE STUDY** is my own work and that all the sources that I have used or quoted have been indicated and acknowledged by means of complete references.

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SIGNATURE (Mrs Z Faasen) DATE

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# CHAPTER 1

## 1.1 INTRODUCTION

Picture an organisation as a vast garden and its customers the trees in this garden. The crown of the garden is its trees, representing the organisation's customers. If the trees are not taken care of, they will wither and die. The same principle applies to an organisation's customers. If the customers are not taken care of, the balance of an organisation can be disrupted, which could result in poor customer satisfaction and have a negative financial impact on an organisation's profit (Heskett, Jones, Loveman, Sasser, & Schlesinger, 2008).

According to Heskett (et al., 2008), companies are aware that their customers are a vital focus area which enables them to measure the success of their business. A customer centric approach should be embedded in an organisation's structure across its value chain (Heskett et al., 2008; The Ask Afrika Orange Index, 2012).

Organisations have started to integrate customer service as part of a performance measure. According to Parasuraman, Zeithaml, and Berry (1990), employee service standards should also be measured to ensure that employees are rewarded on the basis of their service performance towards customers. The performance measure has become more visible, especially in the telecommunications industry in Africa (Pearson, 2014). The telecommunications industry is faced with numerous service challenges, including the misalignment of customer service perceptions versus the actual performance of the telecommunications company's network performance (Pearson, 2014). Silos exist in telecommunications organisations, resulting in service gaps in the end-to-end service processes (Pearson, 2014).

The telecommunications industry in South Africa is described as a challenging and dynamic environment with increased levels of competition between the different players. Telecommunications organisations are vying aggressively for the favour of consumers. It is crucial for a telecommunications organisation to have a customer centric strategy and satisfied customers, especially in the current economic climate. A number of service quality approaches and models are used in an attempt to measure service quality and to understand customer service (Ghotbabadi, Baharun, & Feiz, 2012; Jones, 2005). These service models will be discussed in detail in Chapter 2. The remainder of this chapter provides a brief overview of the study, followed by the research problem, objective, and research methodology, and concludes with a brief overview of the chapters.

## 1.2 PROBLEM STATEMENT

The research focused on a South African telecommunications organisation; referred to as Company X for the remainder of the study. Company X conducts regular customer satisfaction research projects with its customers. The research focuses mainly on customers who have had recent interaction with Company X's staff through various channels. The results of the research indicate that approximately 60% to 75% of the customer base, rate their service experience with the staff as '*Very Good*' or '*Excellent*'. In contrast, only 40% to 55% of customers rate the overall service of Company X as '*Very Good*' or '*Excellent*'. A discrepancy was identified regarding customer perceptions of the service they receive from the staff versus the service Company X is providing.

Table 1.1 and 1.2 depict an example of Company X's research results, indicating the gap in customer perceptions of the staff versus the organisation's overall quality of service. The most recent ratings indicate that 76% of customers rated the staff's overall service as '*Very good*' or '*Excellent*' and 59% of the same customer base rated the company's overall service as '*Very good*' or '*Excellent*', hence a 17% difference.

**Table 1.1: Overall service rating of Company X's staff. Source: Company X Customer satisfaction tracking study, 2013**

| | R 1 12/13 (Apr - Sep) | | R 2 12/13 (Oct - Mar) | | R 1 - R 2 12/13 | R 1 13/14 (Apr - Sep) | | R 2 12/13 - R 1 13/14 |
|---|---|---|---|---|---|---|---|---|
| | Base n= | T2BS % | Base n= | T2BS % | Sig ↑ or ↓ | Base n= | T2BS % | Sig ↑ or ↓ |
| Total | 3252 | 71 | 2726 | 73 | | 2114 | 76 | ↑ |

**Table 1.2: Overall service rating of Company X. Source: Company X Customer satisfaction tracking study, 2013**

| | R 1 12/13 (Apr - Sep) | | R 2 12/13 (Oct - Mar) | | R 1 - R 2 12/13 | R 1 13/14 (Apr - Sep) | |
|---|---|---|---|---|---|---|---|
| | Base n= | T2BS % | Base n= | T2BS % | Sig ↑ or ↓ | Base n= | T2BS % |
| Total | 3233 | 52 | 2692 | 54 | | 2099 | 59 |

The gap in service perceptions cannot be explained by Company X's current studies, hence a research problem was identified to explore the gap by conducting qualitative research with Company X's executive staff.

The SERVQUAL model, together with systems theory, was applied as a framework to explore management perceptions as to why customers experience a service quality gap between the overall service that employees provide versus the overall service the organisation provides.

## 1.3 RESEARCH QUESTION

The research question was formulated as follows:

- How does management explain the difference between the overall ratings of staff at Company X versus the overall ratings of Company X?

The research objectives evolved from the research question and formed a framework to address the gap phenomenon. The study included two sets of objectives, namely theoretical objectives and empirical objectives.

In this study, the theoretical objectives were stated as follows:

- TO1: To describe the existing customer service models.
- TO2: To identify relevant concepts from systems theory that can provide deeper insight into management's perceptions regarding the customer service ratings gap.

The empirical objectives were stated as follows:

- EO1: To determine to what extent management is aware of the service rating gap.
- EO2: To explore management's perceptions as to why the organisation's service ratings are so much lower compared to the staff's service ratings.
- EO3: To explore management suggestions as to how the organisation and managing employees can address the gap.
- EO4: To explore management's perceptions regarding the impact of organisational policies and processes on current customer experiences.
- EO5: To determine if there are any current or future initiatives that might improve customer ratings of the organisation's service.

## 1.4 RESEARCH METHODOLOGY

A qualitative research approach was used to explore management perceptions of the service gap and consisted of four face-to-face semi-structured interviews with Company X's executive staff members who are directly or indirectly responsible for customer service. The data collection was done by means of a semi-structured discussion guide.

Purposive sampling, specifically expert sampling, was used as sampling method. Expert sampling assisted the researcher to assemble a sample of respondents with relevant knowledge of the organisation's service strategy.

The interviews were recorded and transcribed and thematic analysis was used to identify patterns and themes in the interviews. The SERVQUAL model, together with systems theory, was applied to gain in-depth insight into the organisation's current state, and to address the theoretical objectives. The empirical objectives were addressed through the extensive content analysis that was conducted.

## 1.5 OVERVIEW OF THE STUDY

Chapter 2 is a review of the existing literature on current global service trends, customer service and service models. The service models that have relevance to this study are discussed in detail. One of the service models, the SERVQUAL model, together with components of systems theory, was used as foundation to gain in-depth insight into the research question. The chapter is concluded with a brief discussion of customer service in a telecommunications industry.

In Chapter 3, components of the systems theory approach are presented as the framework for this study. The reason as to why systems theory was the most appropriate approach is discussed. The definition and characteristics of a system are explored. Specific elements of systems theory are discussed which include feedback loops in a system, dynamic state of a system, and synergy. The chapter is concluded with a discussion on how the SERVQUAL model is incorporated from a systems theory perspective.

The research process is described in Chapter 4. A conceptual research methodology design was presented to illustrate the interconnectedness and interdependency between systems theory and the qualitative approach of the study.

A seven-stage reporting structure was used as a research process to conduct the study. This will be discussed. The phases of thematic analysis used for the study are also explained.

The chapter is concluded with the credibility and trustworthiness of the research process, including the ethical considerations.

In Chapter 5, the results and discussion of the content analysis are presented. The themes and subthemes extracted from the analysis are discussed. The themes and subthemes are explained on the basis of selected quotes from respondents. The chapter is concluded by addressing and answering the theoretical and empirical objectives, together with reasons for the overall service gap between the ratings of the staff versus the organisation.

In Chapter 6, the final conclusions, recommendations and limitations are presented followed by a comprehensive list of references.

# CHAPTER 2 – LITERATURE REVIEW

The aim of this chapter is to provide an overview of the importance of customer service and the global service trends over a period of time. Customer service models will be discussed, followed by the application of these models in a telecommunications environment with the aim to improve customer experience.

## 2.1 INTRODUCTION

In today's society, customers have the opportunity to choose between a variety of products and services, thereby creating fierce competition amongst companies (Best, 2013; The Ask Afrika Orange Index, 2012). Customers have become less loyal to companies and are "more likely to try new stores or brands, and more likely to trade preferred brands for more affordable alternatives" (CEB Market Insights Leadership Council, 2012, p. 3).

It has become apparent that operational and transactional service excellence delivery became a hygiene factor and a different service approach is needed to satisfy customer needs (Jaipuria, 2006; The Ask Afrika Orange Index, 2012). Customer needs have changed and their expectations have become increasingly demanding (Best, 2013; The Ask Afrika Orange Index, 2012). In order for companies to survive in a competitive environment and to satisfy customer needs, it is vital to provide quality customer service (Zeithaml, Parasuraman, & Berry, 1990).

Research studies indicated that the quality of service has a significant influence on customer satisfaction and this could influence customer loyalty (Ghotbabadi, Baharun & Feiz, 2012; Rahman, Khan, & Haque, 2012; Turkyilmaz, Oztekin, Zaim, & Demirel, 2013).

According to Jacobsohn (2014), there are four global trends that drive customer loyalty, and that could assist companies to keep loyal customers:

i. The first trend highlights that customer expectations in the service industry are increasing, and companies should strive to excel when it comes to servicing their customer needs.

ii. Time is the new currency and customers expect to receive service quickly and efficiently. A company such as Amazon.com differentiates its customer service by implementing quick turnaround times when customers place orders online. They also deliver their service promise effectively by delivering their products within a certain promised timeframe.

iii. A good relationship between a company and its customers could help a company retain its customers should a decrease in service standards occur.

iv. Social media platforms have become extremely important for companies to monitor and manage their service standards. This is because customers use social media platforms to share their service satisfaction or frustration. Companies should understand the importance and impact social media can have on their reputation and should be proactive in dealing with customer feedback through social media.

All four of the above mentioned trends are relevant for all service industries (Jacobsohn, 2014).

## 2.2 CUSTOMER SERVICE

Customer service consists of various elements including customer satisfaction. Therefore, the perception, value and quality of a service or product do not have a broad definition. According to H. W. Kim and Y. G. Kim (2001), customer service can be viewed as “a process that consists of several steps to satisfy customer requirements” (p. 139).

### 2.2.1 The origin of customer service

The concept of service has always been part of our society, however, it was experienced only by wealthier households. According to Grossberg (2011, p. 19), "slightly more than a century ago a middle class household could not function without at least a brace of servants". Since the pre-industrial age, the concept of good service was known as "being immediately responsive and satisfying" (p. 19). The Industrial Revolution (1750 – 1850) changed the customer service model forever and made it easier to provide better service to customers by replacing human effort with technology (Grossberg, 2011). Customer experience was no longer for the selected few in society and most people had the opportunity to experience customer service. The concept evolved to form a critical element in the marketing strategies of companies (Jaipuria, 2006).

### 2.2.2 Description of customer service

Customer service can take place in the form of face-to-face, telephonic or self-service platform interaction. According to Berry and Parasuraman (1991, p. 5), "a strong service concept gives companies the opportunity to compete for customers; a strong performance of the service concept builds competitiveness by earning customers' confidence". Companies are aware that customers are a vital focus area which could enable them to measure the success of their business (Heskett et al., 2008).

## 2.3 QUALITY OF SERVICE

The quality of service concept has increased in popularity due to the importance for companies to attract and retain customers (Berry & Parasuraman, 1991; Heskett et al., 2008; Zeithaml et al., 1990). According to Powell (as cited in Rahaman, Abdullah, & Rahman, 2011), service quality is used as an approach to better manage business processes and to ensure customer satisfaction which will inevitably increase competition across industries.

Companies are strategically driven to be more customer-centric by attempting to embed customer focus across an organisation's value chain (Heskett et al., 2008; The Ask Afrika Orange Index, 2012). To enable companies to deliver quality service, they should know what customers expect, need and want, and how they perceive quality service (Ghotbabadi, et al., 2012; Zeithaml et al., 1990). It is therefore essential for companies to know what customers perceive as quality service in order for them to design the services to satisfy and meet these expectations (Brusa & Scheuing, 1993; Edvardsson, 1993; Godfrey & Kammerer, 1993; Grönroos, 1993; Jaipuria, 2006; Rust & Oliver, 1994; Zeithaml, et al., 1990). Services are subjectively experienced and customers judge the quality of the service they receive (Zeithaml & Bitner, 1996; Zeithaml, et al., 1990). Grönroos (1993, p. 20) indicated that the concept of "quality came to the service literature at the beginning of the 1980s".

Quality management was mainly focused on the manufacturing of products. Management soon realised that quality was not only part of a product approach, but that products also included a service component. This implied that human interaction was inevitable in any manufacturing or service industry. A shift took place from a purely product perspective to being more customer-focused, hence the development of service quality (Grönroos, 1993; Rahaman, et al., 2011; Goedegebuure & Xu, 2005). It is therefore important to distinguish between what is meant by products and services.

### 2.3.1 Products and services

A number of authors (Schneider & Chung, 1993; Zeithaml & Bitner, 1996) defined products as being tangible, physical objects. Services, however, are the opposite and refer to experiences and/or perceptions of service performance.

According to Berry and Parasuraman (1991, p. 7), “customers’ perception of risk tends to be high for services because services cannot be touched, smelled, tasted, or tried on before purchase”. Due to services not being tangible, customers evaluate their service experience through their interactions (Zeithaml & Bitner, 1996).

Schneider and Chung (1993) identified three dimensions to distinguish services from products, namely;

i. Tangibility-intangibility dimension: Products are tangible and can be physical in nature, while services include customer experience and perceptions.
ii. Simultaneity dimension: Services can be produced and consumed simultaneously, which results in creating customer experience.
iii. Customer participation dimension: Customers can participate actively to a certain degree in the creation of services they receive.

The authors are of the opinion that these three dimensions are important for any company to take into account when creating a service climate (Schneider & Chung, 1993).

### 2.3.2 Customer expectations

According to Folkes (1993), customer expectations play a crucial role in the evaluation of service quality. Customer expectations are formed through a variety of cognitive processes which include past service experiences that can predict future service performance (Folkes, 1993). A customer’s expectations of a service is a reference point to judge either the performance or quality of a service (Berry & Parasuraman, 1991; Folkes, 1993). Folkes (1993) indicated that if there is a negative gap between the service performed and the customer’s expectations, the quality of service will be perceived as poor.

The gaps between expectations and perceptions will be discussed in detail in Section 4 of this chapter, specifically referring to the SERVQUAL model. Folkes (1993, p. 111) also stated that "service failure is probably more distinctive than service success". Service failure can affect customers' confidence in the company's ability to render excellent service, and could lead to a negative perception of a company's service reputation (Berry & Parasuraman, 1991).

The American Express Annual Global Customer Service Barometer Report of 2012 indicated that customers are more likely to share their bad service experience than their good service experience (Noeth, 2013). Hellopeter.com is a South African-based website where customers can share their service experience from any supplier. The site provides a report indicating the number of complaints versus compliments that a company receives. Figure 2.1 below is based on customers' service experience during the past 12 months (2014 – 2015) within the South African telecommunications industry.

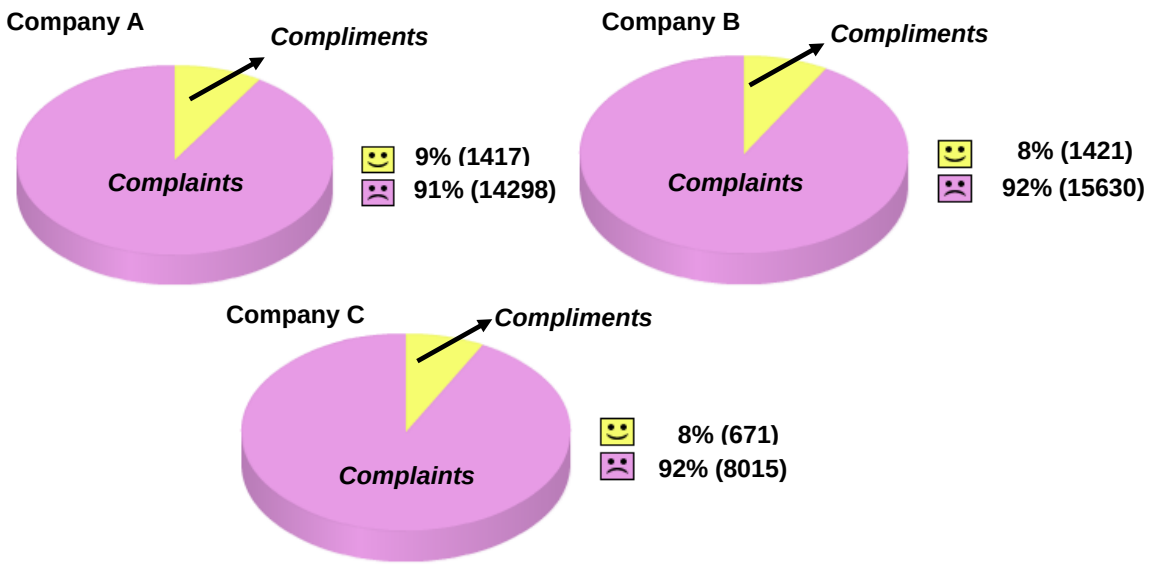


**Figure 2.1: Customers' service experience in the telecommunications industry.**

**Source: Hellopeter.com, 2015**

The percentages show that most customers who use telecommunication services are not satisfied with the South African telecommunication providers. The total number of complaints is a lot more compared to the compliments. This is because customers are more likely to share their bad service experiences compared to their good service experiences.

### 2.3.3 Customer experiences

The experience or perception of service quality may be different to the actual performance or service quality delivered, which poses a challenge for companies (Jones, 2005). Customers' judgement of service performance based on past experiences may also be biased (Folkes, 1993). As time goes by, it becomes more difficult to recall specific service experiences (Folkes, 1993). Service dealings that were more distinct in the customer's mind will be easier to recall. However, customers go beyond their own recalled experiences to understand and provide meaning to those service experiences (Folkes, 1993).

A service experience can therefore be influenced by other components or sub-systems, including the environment in which the customer is entrenched. According to Ackoff (1993, p. 16), "nothing can be understood independently of the environment". Customer experience is therefore complex in nature due to the various interactions within the environment (Friedman & Allen, 2011).

Companies need to delve deeper into their customers' psychological experiences to understand their interaction with a company (Noeth, 2013). Noeth (2013) identified ten examples of how psychological aspects influence customers' perceptions of an experience. Furthermore, he indicated that these aspects go beyond the rational, therefore it explains the subconscious and emotional components people use to perceive and judge companies.

Table 2.1 depicts the psychological aspect and gives examples of how people's expectations are formed and influenced either by their emotions, the environment or past experiences.

**Table 2.1: Psychological aspects and their implications. Source: Noeth, 2013**

| **Psychological aspects** | **Examples/Implications** |
|---|---|
| People make decisions based on their preconceived expectations of an experience. Therefore, they approach each situation with certain expectations. | A customer will be more opposed to paying R30 for snacks on a budget airline than paying R40 in a cinema. This is because the first scenario of paying more is unexpected. |
| People do not take into account all the elements of an experience, only those most noticeable. One specific moment can be representative of the whole experience due to it being most memorable. | In the human mind, decisions are made based on "decision weights" (key aspects of an experience that heavily influence how you decide) rather than all aspects in the experience. |
| People define a moral code in what they do, even if it is not directly relevant to the purchase of a product or service. Companies who are perceived by customers as being "moral leaders" have an ethical advantage. | People may trust one brand more than another. This is because they may perceive one brand as having a "giving culture" even though this does not have direct relevance to the product or service purchased. Companies should be aware that showing empathy towards the needs of others is important and impacts customer perceptions. |
| Sometimes people are not aware of all the elements that influence them, they just perceive these subconsciously. People are often manipulated by things they can hardly recall. | Research done in the UK showed that the type of music played in a liquor store (French, German or Italian) had a significant impact on the wine sales in the store (as cited in Noeth, 2013). |
| "In the moment" emotions can affect people's perceptions and subsequently their decision-making and behaviour. | People's moods can moderate their sense of the negative and increase their openness to the positive. A terrible day at the office compared to a message that a person just won the lotto will affect his/her evaluation of an experience, although the experience might be exactly the same. |
| People tend to be wary of anything that threatens their well-being. For example, they are more likely to try and avoid losses than to seek gains. Emotional people will notice the negative more often and treat the positive as bland or as expected if there is no "wow factor" or surprise. | Risk management is a key aspect of a business strategy, with implications for the amount of effort a company needs to put into service recovery in order to delight its customers. |

| **Psychological aspects** | **Example/Implication** |
|---|---|
| What people say they want is often not what they "really" want. Customer may say they want a cell phone, but what they really want is a status symbol. | By focusing on the "real demand" and not the transaction, companies can design a more appealing product or service experience. |
| People's recall of an event is not perfect but subject to manipulation. People only remember isolated instances of the experience. | Kahneman (as cited in Noeth, 2013) indicates that one should focus on managing the peaks of customer experience, as these are regarded most memorable. |
| People like to follow the herd and be seen as part of the group. Even if people do not like to admit it, being part of a group, gaining social status, being accepted, and following a respected leader, are important to them. | Richard Branson or Steve Jobs have a positive effect on the value of an experience. If customers like to be associated with a company, the company can use this principle to their advantage. |
| Innovation is important and not being innovative can be perceived as an inability to move with the times. | Customers want to see novelty and innovation. If a company never changes, customers might become unreceptive to the company. |

Company X conducted a qualitative study in 2014 that explored their customers' service experience journey. The main findings on why customers were disappointed were grouped in the categories indicated in Figure 2.2. These findings revealed that customers do not just experience a specific disappointment, but numerous disappointments. It illustrates that customers are complex and differ from one another in terms of what they want and need. As depicted in Table 2.1, there are numerous elements that can influence how customers perceive and experience an actual interaction with a company. Perceptions and experiences are formed through numerous psychological aspects and companies that attempt to provide a positive service experience should be aware of these aspects to better understand the customer's psyche.

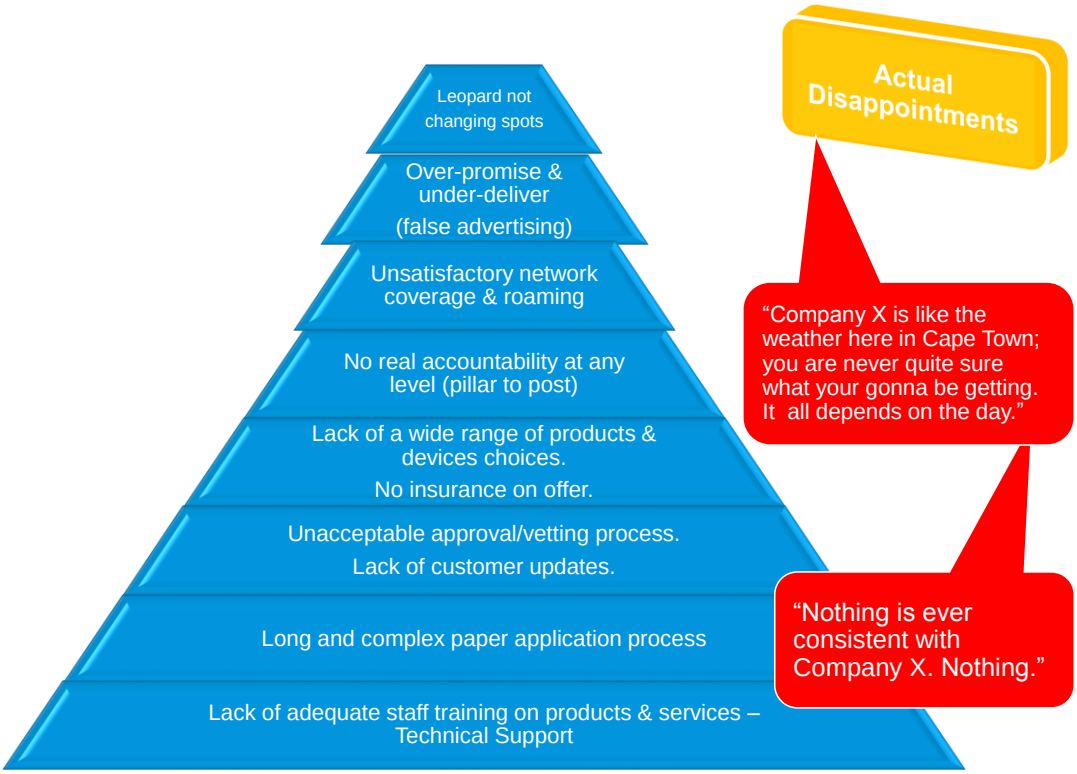


**Figure 2.2: Customer journey experience. Source: Company X research, August 2014**

### 2.3.4 Different levels of service

The service evaluation process becomes more complex than just a mere customer experience or expectation of a service encounter. It can include the outcome of a service as well as the process during which the service is delivered (Zeithaml, et al., 1990).

Customers have different types of expected service levels (Zeithaml & Bitner, 1996):

i. The first level is the customer's desired service, in other words the level of service that the customer wants to receive.

ii. The second level is a lower level of expectation and is referred to as adequate service. It is the level of service a customer will accept due to perceived service levels being met.

iii. Thirdly, customers have a "zone of tolerance". This zone represents the difference between the desired and the satisfactory service. It also refers to customers being dissatisfied or satisfied, and even surprised when they receive a service that is poor or excellent (p. 79).

For a company to earn a good service quality reputation, it needs to provide service levels that consistently meet or exceed customer expectations. It needs to constantly perform and provide good or excellent service quality (Berry & Parasuraman, 1991). To provide the desired service levels, companies need to understand how customers think about service quality. Rust and Oliver (1994) as well as Bitner and Hubbert (1994) identified three similar interrelated service concepts that companies can use effectively to understand how customers think about service quality.

### 2.3.5 Interrelated service concepts

According to Rust and Oliver (1994), service constructs include three elements, namely customer satisfaction, service quality, and customer value. Bitner and Hubbert (1994) proposed three similar service constructs: service encounter satisfaction, overall service satisfaction, and service quality.

**First service construct: Customer satisfaction**

Rust and Oliver (1994) defined customer satisfaction as being the actual service quality experience of a customer's encounter versus the expected service quality received. This is also referred to as a "customer's fulfilment response" to service (Rust & Oliver, 1994, p. 4). A customer's fulfilment response relates to reinforcement and arousal (Rust & Oliver, 1994). This specifically refers to service delivery where service can be tailored to exceed customer expectations in terms of a surprise and/or pleasure element. The opposite is also true; which is that "evaluations of expectations can represent a negative disconfirmation or confirmation that performance is as good as expected" (Turkyilmaz et al., 2013, p. 6). This is called the Expectancy Disconfirmation Theory, which is the best known and used customer satisfaction theory (Rahman et al., 2012; Rust & Oliver, 1994). The theory is based on two processes which involve meeting or exceeding customer expectations. The theory implies that a "satisfaction level is a result of the difference between expected and perceived performance" (Rahman et al., 2012, p. 203).

Rust and Oliver (1994, p. 4) also describe customer satisfaction as a "cognitive and affective reaction to a service incident". This implies that customer expectations are formed based on external and internal influences including expectations regarding a specific outcome. Grönroos (1993, p. 20) stated that "the customer's post-purchase perception of a product is a function of his pre-purchase expectations". The expectations of customers form part of the customer service system, thus influencing the service system as a whole (Ackoff, 1993).

Bitner and Hubbert (1994, pp. 73-74) defined the service encounter as a specific period when the customer has a service interaction with a company. This encounter is also called "the moment of truth." (Bitner & Hubbert, pp.73-74). Satisfied or dissatisfied feelings towards a company's service is formed during the customer's interactions with the company (Bitner & Hubbert, 1994).

Bitner and Hubbert (1994) distinguished between overall customer satisfaction and encounter satisfaction. The overall service satisfaction concept entails numerous service experiences and encounters between a customer and a company. The encounter satisfaction concept is based on a particular service encounter. There is an agreement among researchers that service quality and customer satisfaction are two different constructs, although there is a relationship between the two (Bitner & Hubbert, 1994; Fen & Lian, 2007).

Some researchers are of the opinion that, even though satisfaction and service quality influence one another, the term satisfaction is a broader concept whereas service quality focuses on specific service dimensions (Agbor, 2011). According to Ruyter and Bloemer (as cited in Rahaman, et al., 2011, p. 1), service quality "works as an antecedent of customer satisfaction", therefore "the quality of services offered will determine customer satisfaction and attitudinal loyalty".

Recent studies are also focusing on cumulative satisfaction. Cumulative satisfaction is a customer's overall experience with a product or service provider to date (Turkyilmaz et al., 2013). Cumulative satisfaction also refers to a customer's overall evaluation of his/her service experience, therefore from the first to the most recent encounter (Rahman et al., 2012). This can be portrayed as a customer journey within an organisation, starting from the customer's first awareness of the company's existence, the type of products or services the company provides, to deciding whether the customer wants to stay or leave the company. Turkyilmaz et al. (2013, pp. 2-3) stated that "this approach to satisfaction provides a more direct and comprehensive measure of a customer's consumption utility, subsequent behaviors and economic performance".

**Second service construct: Service quality**

According to Rust and Oliver (1994), a customer's perception of service quality does not require a service encounter, whereas it needs a service encounter to form a perception on satisfaction. As mentioned previously, service quality forms part of a customer's satisfaction judgement which means that customer satisfaction may strengthen perceptions of quality, although indirectly. The authors are also of the opinion that service quality can affect service satisfaction when there is an encounter with a company. The overall service quality that customers experience and receive from a company therefore impacts customer satisfaction (Rahman et al., 2012).

It is important to discern between perceived and actual quality. Perceived quality is more abstract and mirrors attitude because it represents a customer's general judgement of products and services (Bitner & Hubbert, 1994; Rust & Oliver, 1994). Actual quality could refer to a specific attribute of a product (Rust & Oliver, 1994). Mike Markkula, one of the first investors of the well-known Apple Inc. company, touches on what Rust and Oliver referred to when he wrote: "People do judge a book by its cover".

“We may have the best product, the highest quality, the most useful software, etc.; if we present them in a slipshod manner, they will be perceived as slipshod; if we present them in a creative, professional manner, we will impute the desired qualities” (Moorman, 2012, p. 1).

According to Heskett et al. (2008, p. 10), service quality could be the reason for the gap between “perceptions of the actual service experienced and what a customer expected before receiving that service”. In the long run, the quality of a company’s products and services can affect its performance and also distinguish it from its competitors (Zeithaml et al., 1990). Furthermore, Rust and Oliver (1994) indicated that perceived service quality is subjective.

The customer’s satisfaction of the service encounter is determined by the “perceived quality, value, performance on non-quality dimensions, relevant prior expectations, and the disconfirmation of those relevant expectations” (Rust & Oliver, 1994. p. 10).

Bitner and Hubbert (1994) as well as Rust and Oliver (1994) are in agreement that service quality can also be viewed as a construct that depicts the overall quality of a company’s image and the products and services it offers. According to Zeithaml and Bitner (1996, p. 115), “organizational image serves as a filter that influences customer perceptions of the service organization’s operations. A company’s positive image can serve as a buffer against incidents of poor service”. A positive company image is therefore connected to its quality of service, including its overall service delivery. For example, a customer may perceive one company’s service quality to be better than another company (Rahman et al., 2012).

**Third service construct: Value**

Value not only includes quality, but also price. However, this combination is not always understood, although still important to mention (Rust & Oliver, 1994; Heskett et al., 2008).

Holbrook (as cited in Rust & Oliver, 1994, p. 7) indicated that "value is a preference". Therefore, it can be defined as a customer's choice and will lead to customer retention. Value is a relative concept due to its dependence on customers' perceptions of service and their initial expectations (Heskett et al., 2008). Heskett et al. (2008, p. 4) stated that value for customers is "the results they receive in relation to the total costs (both the price and other costs to customers incurred in acquiring the service)".

### 2.3.6 Construct summary

Zeithaml and Bitner (1996) are of the opinion that service quality, customer satisfaction and value influence customers' perceptions of service. A company that improves its service will reap the benefits because it can positively influence customers' perception of its service quality (Zeithaml et al., 1990).

The positive perception of a company's service can lead to a profit strategy (Zeithaml et al., 1990). Outstanding customer service can provide long-term benefits for a company, hence creating an unforgettable service experience for customers (Zeithaml et al., 1990). Due to a memorable service experience, customers will be likely to use the company again and recommend it to others (Zeithaml et al., 1990). The next section explores the best known service quality models used.

## 2.4 SERVICE QUALITY MODELS

There are many suggested models that measure service quality (Ghotbabadi, et al., 2012; Jones, 2005). According to Brady and Cronin (2001), the "conceptualization and measurement of service quality perceptions have been the most debated and controversial topics in the services marketing literature to date" (p. 34). The main reason for the ongoing debate is the failed attempts to integrate service quality models due to the complexity of the construct (Brady & Cronin, 2001).

Grönroos's Nordic model, developed in 1984, was the first attempt to measure service quality (Ghotbabadi, et al., 2012; Jones, 2005). The Nordic model was used as a foundation for Berry, Parasuraman and Zeithaml to develop their service quality model in 1985, called the SERVQUAL model. This is the most well-known and widely used service quality model (Brady & Cronin, 2001). Because of no consensus regarding which model is the most accurate or suitable, customer perceptions of service quality is defined by using a combination of these two models (Brady & Cronin, 2001).

### 2.4.1 The Nordic model

Grönroos's model consists of three service quality dimensions compared to Parasuraman, Zeithaml and Berry's five service quality dimensions (Brady & Cronin, 2001). The Nordic model dimensions are image, technical- and functional quality. This model is depicted in Figure 2.3 (Jones, 2005, p. 5). According to Grönroos (as cited in Brady & Cronin, 2001, p. 40), technical quality is defined as "what the customer is left with when the production process is finished", therefore the outcome of the service. Functional quality refers to the service delivery process, in other words how the service was delivered to the customer (Kang & James, 2004).

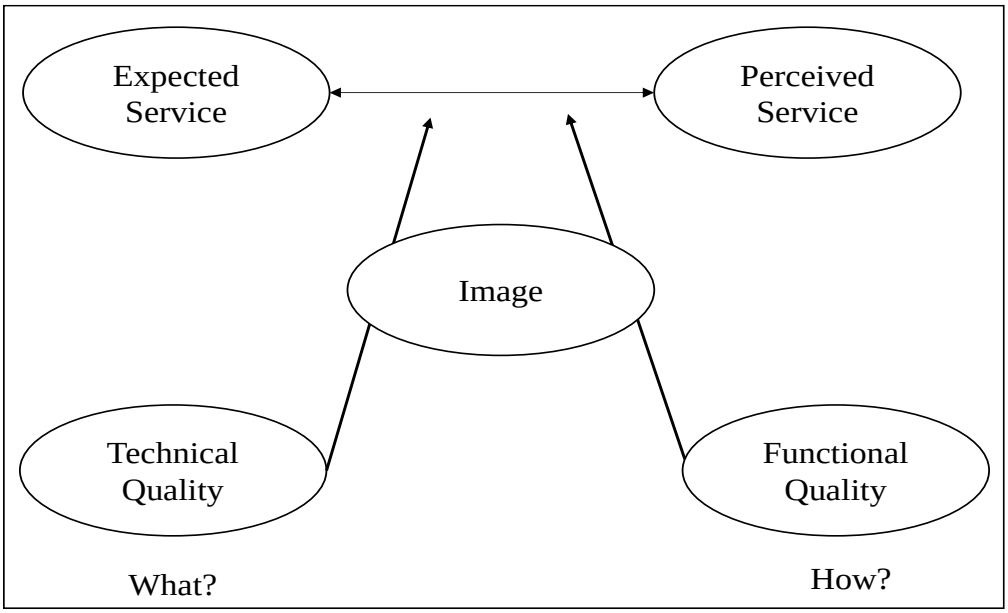


**Figure 2.3: The Nordic model. Source: Grönroos, 1993**

Service quality is defined as the service that the customer expected versus what he or she actually experienced. If the service experience exceeded the customer's expectations, the perceived quality will be positive, and if the customer's expectations were not met, a negative quality perception will be formed (Grönroos, 1993). According to Grönroos (1993, p. 22) a company's image is one of the components of perceived quality. He indicated that the image of a company can "play the role of a filter". If a company's image is perceived to be positive in the customer's mind, a poor service experience can be tolerated to some degree. However, if the service of a company remains poor, the image of the company will suffer and the quality problems may be perceived as worse than what they really are (Grönroos, 1993).

The Nordic model also received criticism due to its complexity in describing how service quality is perceived. It is a dynamic process that can be interpreted in numerous ways (Grönroos, 1993). Rust and Oliver (1994) expanded on Grönroos's model in 1994 by adding service environment as a new dimension. They called this revised model the Three-Component model, as depicted in Figure 2.4 (Jones, 2005, p. 6). This model focuses on "the relationships that exist between service quality, service value and satisfaction" (Jones, 2005, p. 5). The model proposes that service quality consists of three distinct parts, namely service product, service delivery and the service environment (Jones, 2005).

The first distinct part, service product, is similar to the technical quality in the Nordic model. It also relates to the customer's perception of a service received, therefore the customer evaluates the service after it has been delivered (Brady & Cronin, 2001; Jones, 2005). Service delivery is the process that occurs during the service interaction, therefore it is similar to the functional quality of the Nordic model (Jones, 2005). The service environment dimension refers to the physical environment where the service delivery takes place (Jones, 2005).

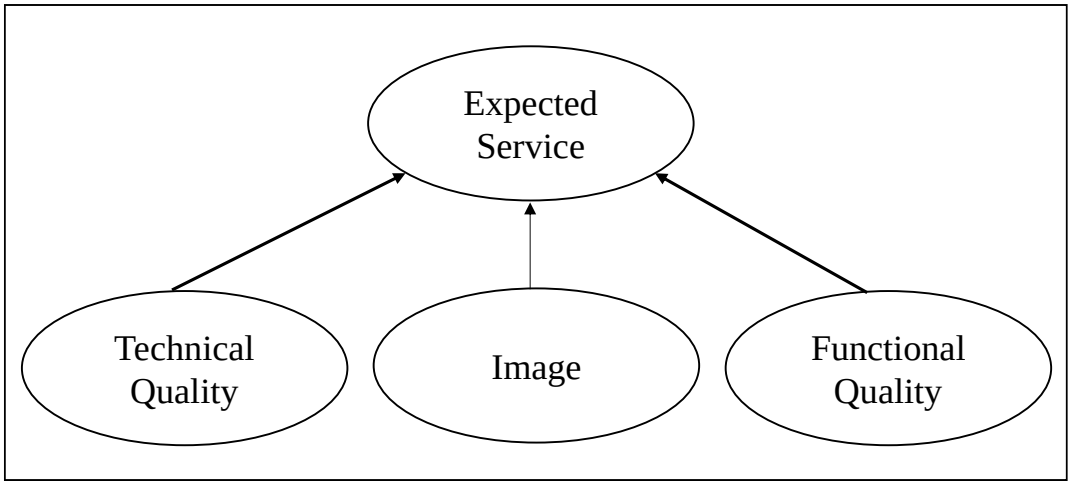


**Figure 2.4: The Three-Component model. Source: Rust & Oliver, 1994**

### 2.4.2 SERVQUAL model

The SERVQUAL model is also referred to as the "gaps model because it features discrepancies or gaps that need to be closed to offer excellent service" (Zeithaml et al., 1990, p. 12). The model was developed by Zeithaml, Parasuraman and Berry (1990), after conducting extensive research among customers, employees and executives from various service companies in America. The aim of their research was to show that service quality can be understood, measured and explained.

The SERVQUAL model was developed to help identify the gaps between the expectations and perceptions of customers. The model also assists in finding a balance between expectations and perceptions, to ensure excellent service delivery (Zeithaml et al., 1990). The service quality construct shown in Figure 2.5 was based on the Disconfirmation model, developed by Oliver (as cited in Rahman et al., 2012). The model in Figure 2.5 (Jones, 2005, p. 6) illustrates that "service quality is a function of the differences between expectation and performance along the quality dimensions" (Rahman et al., 2012, p. 201).

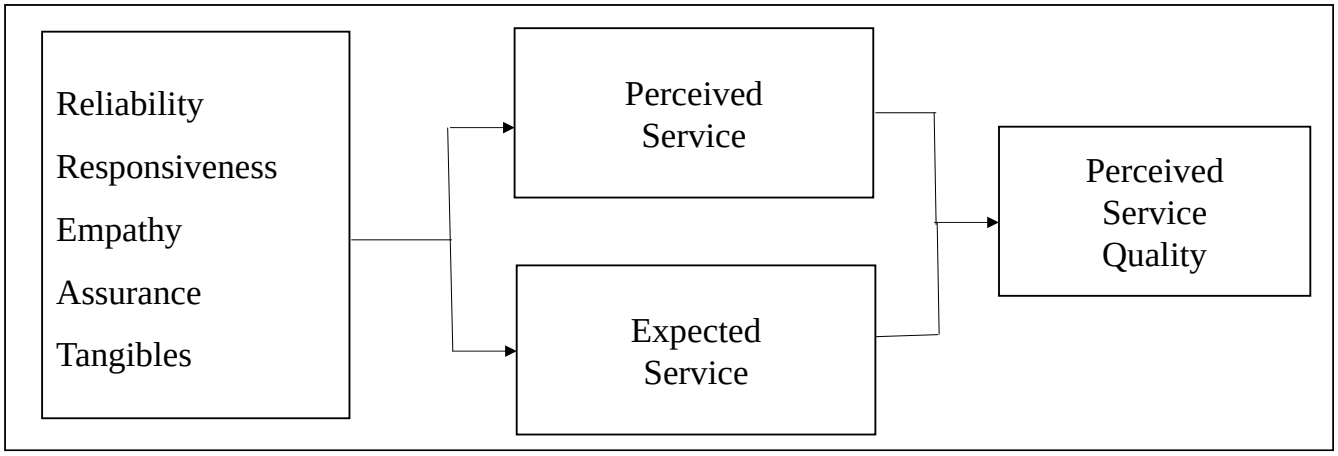


**Figure 2.5: The SERVQUAL model. Source: Zeithaml, Parasuraman, & Berry, 1990**

- **Development of the SERVQUAL model: Phase 1**

The first phase of the model's development was mainly based on qualitative research, although the relationships in the model can be tested quantitatively. According to Zeithaml et al. (1990, p. 20), service quality could be defined as "the discrepancy between customers' expectations and perceptions".

- **Development of the Simplified RATER model: Phase 2**

SERVQUAL originally included ten aspects or dimensions of service quality (Zeithaml et al., 1990). The ten dimensions included "tangibles; reliability; responsiveness; competence; courtesy; credibility; security; access; communication and understanding the customer" (Zeithaml et al., 1990, pp. 20-21). These aspects were used to develop a questionnaire to measure customers' perceptions of service quality. Through testing the instrument, Zeithaml et al. (1990) redefined the final questionnaire in the early 1990s. This consisted of 22 items across five dimensions of service quality instead of the original 10 dimensions. These aspects include "tangibles, reliability, responsiveness, assurance and empathy" and are also referred to as the simplified RATER model (Zeithaml et al., 1990, p. 25).

The five dimensions have distinctive definitions:

i. Tangibles are defined as the "appearance of physical equipment, personnel, and communication materials".
ii. Reliability refers to the "ability to perform the promised service dependably and accurately".
iii. Responsiveness includes the "willingness to help customers and provide prompt service".
iv. Assurance refers to the "knowledge and courtesy of employees and their ability to convey trust and confidence".
v. Empathy is defined as "caring, individualized attention the firm provides to its customers" (Zeithaml et al., 1990, p. 26).

Heskett et al. (2008) is of the opinion that the "differences between experiences and expectations can be measured in generic dimensions such as the reliability and timeliness of service, the empathy and authority with which the service was delivered, and the extent to which the customer is left with tangible evidence (like a calling card) that the service has been performed" (p. 10).

Zeithaml et al. (1990) indicated that these dimensions represent the "core criteria that customers employ in evaluating service quality" (p. 26). All of these dimensions are important and critical to customers, although reliability was identified as the most crucial. The reliability dimension illustrates that service companies should keep their promises to customers. Although important, tangibles were identified as the least important dimension compared to the other dimensions, although still important (Zeithaml et al., 1990).

#### 2.4.2.1 Identifying the gaps in service quality

The research of Zeithaml et al. (1990, p. 29) discovered the possibility of a "mismatch between the priorities expressed by customers and the level of quality delivered by the company".

This led Zeithaml, Parasuraman and Berry (1990) to identify five critical causes for unsuccessful service delivery to customers, which they referred to as the five service quality gaps. According to Zeithaml et al. (1990), Gaps 1 to 4 pinpoint the shortfalls within a service company while Gap 5 is the service-quality shortfall perceived by customers. The model proposes that customers expect a certain level of service performance within the service dimensions. Through observed performance, customers form perceived performance perceptions (Zeithaml et al., 1990). The expected and perceived service concepts are compared and scored using the five identified gaps.

The expected service construct describes a company that delivers the ideal service quality to customers (Zeithaml et al., 1990). The SERVQUAL model in Figure 2.6 (as cited in Shahin & Samea, 2010) depicts "the core of what service quality may mean, namely a comparison to excellence in service by the customer" (Zeithaml et al., 1990, pp. 5-6).

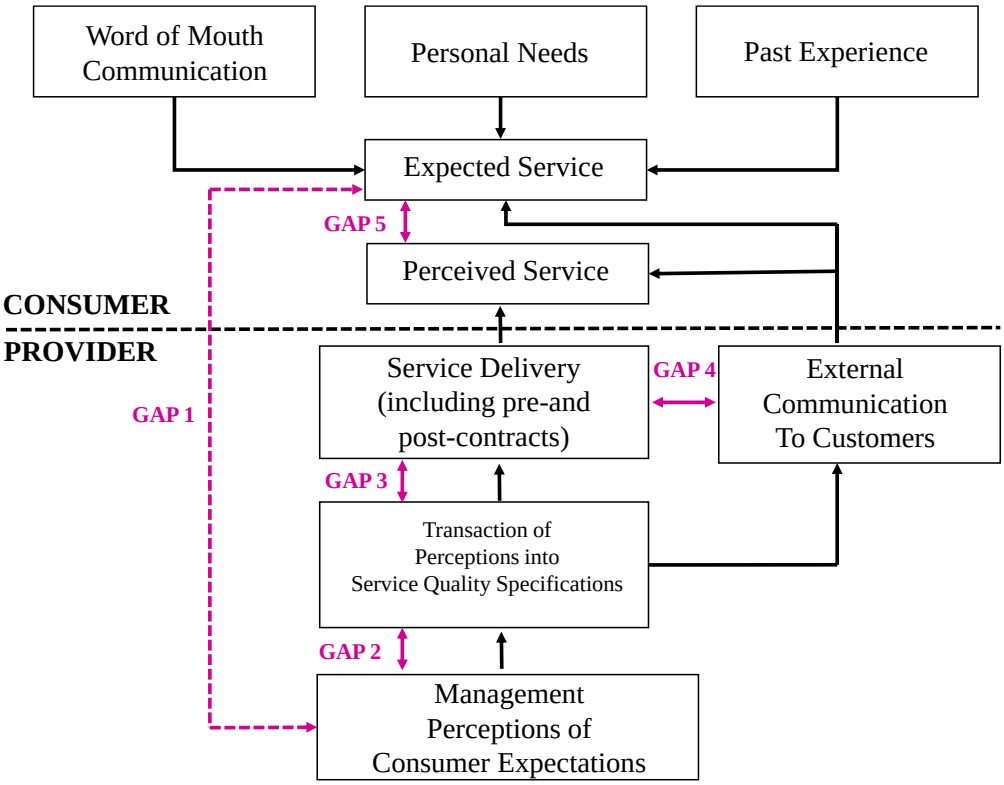


**Figure 2.6: The SERVQUAL model: Customer Experience Gaps model. Source: Shahin & Samea, 2010**

The five gaps illustrated in Figure 2.6 are discussed in more detail in the following section.

- **Gap 1: Customer expectations – Management gap:**

Gap 1 indicates the difference between customers' expectations and management's perceptions of these expectations. The gap develops when management does not correctly interpret what customers want. This inevitably leads to customers experiencing poor service quality (Zeithaml et al., 1990; Shahin & Samea, 2010).

According to Zeithaml et al. (1990, p. 39), "the necessary first step in improving quality of service is for management to acquire accurate information about customers' expectations". The authors identified three key factors that contribute to Gap 1, namely:

i. The lack of marketing research orientation, for example not using the research findings accurately in the business.
ii. The lack of communication between employees and management.
iii. Management being top-heavy.

Management committed to provide quality service in the organisation can create a competitive advantage and improve the service performance of staff members (Berry & Parasuraman, 1991; Wolkins, 1993). It is crucial for a company's management to be committed to service quality to create a culture of service excellence that filters down to all structures within the organisation. According to Zeithaml et al., (1990, p. 5), "service leaders have specific characteristics".

The characteristics are described as management having "service vision", meaning that they identify service quality as being the key to their company's success (Zeithaml, et al., 1990, p. 5). Service excellence is part of the company's future winning strategy so that it can be profitable (Zeithaml et al., 1990).

If a company's management perceives service quality to be good, but the perceptions of customers are the opposite, it poses a threat to a company's service quality performance (Berry & Parasuraman, 1991).

- **Gap 2: Management's perceptions - Quality specifications:**

Gap 2 addresses the difference between management's perceptions of the service quality the company is providing versus what the customer expects. Management needs to make sure that the company is delivering according to the standards customers expect (Zeithaml et al., 1990; Shahin & Samea, 2010).

By doing so, it will assist in closing Gap 2, which will positively impact on how the customer perceives the service quality of a company (Zeithaml et al., 1990). To prevent Gap 2, management in a company should have a committed attitude towards delivering high quality service. They should understand what customers expect and use the information to set high service quality standards in the company (Zeithaml et al., 1990).

Four conceptual factors contributing to Gap 2 were identified, namely:

i. Management not being committed to deliver high quality service to customers.
ii. Management's inability to meet customer expectations.
iii. Insufficient task standardisation, for example the degree to which technology can be used to standardise service tasks for employees.
iv. The lack of goal setting; that is the degree "to which service quality goals are based on customer standards and expectations rather than company standards" (Zeithaml et al., 1990, pp. 71-72).

To be successful in driving service in a company, management needs to invest in their employees, give them the necessary technology to support them in their working environment, as well as train and reward them for their performance (Berry & Parasuraman, 1991; Heskett et al., 2008).

The attitude of staff, together with their competence and behaviour towards customers, define the level of service a customer receives. This ultimately affects the service experience (Brady & Cronin, 2001). According to Grönroos and Bitner (as cited in Brady & Cronin, 2001), staff's attitudes, behaviour and skills influence customers' judgement of the service quality received.

- **Gap 3: Service quality - Delivery gap:**

The service quality delivery gap identifies the difference between service quality specifications and actual service delivered. This pertains to staff members who are not delivering the required service (Zeithaml et al., 1990; Shahin & Samea, 2010). Zeithaml et al., (1990) are of the opinion that employee service standards should be measured to ensure that they are rewarded on the basis of their service performance towards customers. Service standards will then be enforced within the company and employees will become more effective.

There are seven key factors that contribute to Gap 3, namely:

i. Employee role uncertainty.
ii. Conflict regarding the type of role an employee plays in the company.
iii. Employees who do not fit within their job specification.
iv. "Poor technology".
v. "Inappropriate supervisory control system".
vi. "Lack of perceived control".
vii. "Lack of teamwork" (Zeithaml et al., 1990, p. 91).

- **Gap 4: Service delivery - External communication gap:**

Gap 4 indicates the difference between what is communicated to customers versus their actual experience. A company's communication can create certain expectations and, if not met, could harm customer perceptions towards the company.

Companies therefore need to deliver the service they promise to customers (Zeithaml et al., 1990; Shahin & Samea, 2010). Zeithaml et al. (1990) recommend that companies should, in some cases, share their business processes with customers to be able to deliver high quality service.

Educating customers may have a positive influence on their perceptions towards the company and even assist them in becoming better users of the service (Zeithaml et al., 1990). Communication can thus influence customer expectations and perceptions of service delivery (Zeithaml et al., 1990). The inconsistency between actual service delivery and the service message that was communicated to customers can affect their judgement of the company's service quality (Zeithaml et al., 1990). The reason why customers may have low service quality perceptions of a company is because of service promises that were made but not delivered (Zeithaml et al., 1990).

Other factors that contribute to Gap 4 are:

i. Inadequate internal communication between business units in a company.
ii. Communicating service promises, over-promising but under-delivering.

According to Zeithaml et al. (1990), Gaps 1 to 4 are "the key ingredients in a recipe for gaining a good understanding of service quality and its determinants" (p. 45).

- **Gap 5: Perceived service quality gap:**

The perceived service quality gap identifies the difference between consumers' service expectations and their service perceptions. Customers' expectations are shaped by word of mouth, personal needs and past experiences. The challenge is to ensure that customers do not misinterpret a company's service quality. This is important in order to avoid negative company associations, for example a negative company image (Zeithaml et al., 1990; Shahin & Samea, 2010). If a company wants to close the fifth gap, Gaps 1 to 4 should first be closed and remain closed (Zeithaml et al., 1990). Another similar service quality model, called SERVPERF, was developed using the SERVQUAL model as basis.

### 2.4.3 SERVPERF model

The SERVPERF model is also known as a performance-only measure of service quality and was developed by Cronin and Taylor (Agbor, 2011). Cronin and Taylor (as cited in Agbor, 2011) are of the opinion that their model is an enhancement of the SERVQUAL model as it is more accurate in measuring service quality.

The model also uses fewer items to measure service quality (Rahman et al., 2012). Although Cronin and Taylor (as cited in Agbor, 2011) claim that their model is superior to the SERVQUAL model, other authors are not as convinced and claim that both are valid measurements of service quality (Agbor 2011; Rodrigues, Barkur, Varambally, & Motlagh, 2011). According to Cronin and Taylor (as cited in Mehta, Lalwani & Han, 2000), the SERVPERF model is more suited for use in the retail sector and outperforms the SERVQUAL model in predicting behavioural intentions within this industry.

The SERVPERF model was used in a study conducted in 2000, which examined the issue of service quality in different retail contexts in Singapore (Mehta et al., 2000). The study focused on the importance of service regarding the selling of goods. The model was successfully used as a measure to obtain insightful results (Mehta et al., 2000). The SERVPERF model consists of five dimensions namely; responsiveness; assurance; empathy; tangible and reliability (Mehta et al., 2000). The reliability test that was done on all 5 dimensions were comparable to the SERVPERF's range of 0.56 to 0.82. These ranges are also consistent with similar studies conducted using this model ((Mehta et al., 2000). “The overall ratings showed positive correlation (0.63) with overall service quality computed from the five SERVPERF dimensions” (Mehta et al., 2000, p. 66).

### 2.4.4 The Customer Satisfaction Index model (CSI)

The Customer Satisfaction Index (CSI) model was developed by using existing service models as basis (Turkyilmaz et al., 2013). According to Turkyilmaz et al. (2013), the CSI model is based on cumulative satisfaction that takes the customers' overall product and service experiences to date into account, as previously discussed in the chapter.

The CSI model consists of latent variables that are organised into the following categories:

- Cause of satisfaction, for example a company's image.
- Customer expectations.
- Perceived quality and value of a company's products and services, including customer loyalty (Turkyilmaz et al., 2013).

The CSI model explores the relationship between these categories (Turkyilmaz et al., 2013). The model was applied in a 2013 research study conducted in the Turkish telecommunications sector. The aim was to gain a better in-depth understanding of customer satisfaction within the industry. The findings revealed that Turk Telekom should focus on unsatisfied customers to increase customer loyalty, which will accumulate a better return-on-investment for the company.

### 2.4.5 Advantages and disadvantages of service quality models

The SERVQUAL model has been criticised and praised. Some promote the SERVQUAL school of thought while others support the Nordic perspective (Brady & Cronin, 2001). Various researchers are of the opinion that the SERVQUAL model has proven to be one of the best approaches to measure service quality, while others question the five service quality dimensions as these appear too vague (Brady & Cronin, 2001; Rahman et al., 2012).

Another group of researchers state that while both the Nordic and SERVQUAL perspectives emphasise the important components of service quality, neither fully capture the service quality construct (Brady & Cronin, 2001).

The service quality concept is too complex to measure, particularly because consensus has not yet been reached on which approach is more accurate or superior (Agbor, 2011; Brady & Cronin, 2001). Therefore, existing models have been used as groundwork for new modified service quality models (Brady & Cronin 2001; Jones, 2005; Kang & James, 2004).

Service models have been applied to measure service quality in numerous industries across the world. These industries include telecommunications, financial, tourism and health. Studies that have made use of the service quality models, specifically in a telecommunications environment, include the measurement of service quality at cellular retail outlets in South African (van der Wal, Pampallis, & Bond, 2002), and service quality and customer satisfaction among Malaysia's cellular users (Arokiasamy & Abdullah, 2013).

The South African study used the questionnaire that was based on the SERVQUAL model, and the results revealed that the questionnaire had a high reliability factor. The study concluded that SERVQUAL is a reliable instrument for the measurement of service quality in the telecommunications industry in South Africa (van der Wal, et al., 2002, p. 333). The results of the Malaysian cellular study revealed that all five of the service quality dimensions positively influenced customer satisfaction and loyalty. The gap analysis clearly indicated a significant gap between the customers' perceived satisfaction and expectations regarding all the service quality dimensions (Arokiasamy & Abdullah, 2013).

The service quality models discussed in the customer service models section are valid measurements that can be used to measure service quality within various industries; telecommunications being one of them. The model best suited to measure service quality will depend on the objective and strategy of the particular industry or company.

## 2.5 CUSTOMER SERVICE IN THE TELECOMMUNICATIONS INDUSTRY

Telecommunications companies provide telecommunication facilities to the public and various businesses. These include "the aggregate of equipment, such as telephones, teletypewriters, facsimile equipment, cables and switches, used for various modes of transmission, such as digital data, audio signals, images and video signals" (Newton, 2013, p. 1166). Service quality has become critical in the telecommunications industry in South Africa (van der Wal et al., 2002). The key to success in the South African telecommunications market, is to protect existing customers by providing quality service, including finding creative ways to meet new demands in technology (van der Wal et al., 2002). Pearson (2014, p. 4) stated that "the number of technologies required to deliver services has multiplied, specialised silos of expertise and management have been created" within telecommunications companies.

The telecommunications industry in South Africa currently faces numerous service challenges, including the misalignment of customer service perceptions versus the actual performance of the telecommunication company's network (Pearson, 2014). Main customer complaints in the African telecommunications industry revolve around poor service, more specifically dropped calls or slow internet access (Pearson, 2014). According to Pearson (2014, p. 4), the difference in perception is mainly "a result of the legacy of network performance and management".

The silos that could possibly exist in a telecommunications company result in service gaps within the end-to-end service processes. To break down these silos, customer service should be part of its performance measurement to enable telecommunications companies to actively change processes and behaviour, hence enhancing the overall customer experience (Pearson, 2014). Consequently, integrating customer service as part of performance measurement in companies, has become more visible in the telecommunications industry (Pearson, 2014).

According to a study conducted by GDS International between April 2013 and December 2014, senior telecoms executives from across the African continent indicated that their investment priorities include customer experience (GDS International, 2014). It has become imperative for companies to ensure that their customers do not switch to another telecommunications provider, but it remains a challenge due to the aggressive competition among the various companies. Eighty-five percent of the executives indicated that customer loyalty was a key priority for their company in 2014 (GDS International, 2014).

## 2.6 CONCLUDING REMARKS

This chapter illustrated the importance of customer service as a critical component of a company's strategic management plan. The age of the customer has dawned and a customer Renaissance movement is taking place in the service industry.

Companies need to build viable competitive advantage by being more customer-centric. To do so, it is important for companies to understand customer service and the various elements it consists of. The chapter also discussed a number of service quality models with their advantages and disadvantages. A company's strategic approach and understanding of customer service will determine which service quality model can best assist the business in providing quality service to customers, thus driving a meaningful and profitable company.

The SERVQUAL model was successful in measuring customer service in a South African and Malaysian telecommunications environment, as previously discussed. In this study, the SERVQUAL model will be applied as a framework for the analysis. Selected concepts of systems theory as a theoretical paradigm for the study will be discussed in the following chapter.

# CHAPTER 3 – SYSTEMS THEORY AS A THEORETICAL PARADIGM

*"Seeing worlds of meaning rather than a single world – a way rather than the way"*

*(Hanson, 1995, p. 85)*

## 3.1 INTRODUCTION

The aim of this chapter is to describe selected concepts from systems theory to provide a theoretical paradigm for the study. Systems theory is introduced and the relevance of the selected concepts, as they pertain to this study, is discussed. The chapter is presented from the perspective of the researcher as part of the observing system.

## 3.2 DEFINITION OF A SYSTEM

Systems theory is a multidisciplinary approach and can be applied to various scientific fields including psychology (von Bertalanffy, 1984). The theory enables researchers from various disciplines to approach and solve research questions in a different way. Systems theory also initiates a re-orientation in the way we think about society and science (Capra, 1996; von Bertalanffy, 1984).

Capra (as cited in Visser & Moleko, 2001, p. 59) defined a system as "an integrated whole whose essential properties arise from the relationships between its parts". Von Bertalanffy (as cited in Friedman & Allen, 2011, p. 7) described a system as "an organized whole made up of components that interact in a way distinct from their interaction with other entities and which endures over some period of time". In the field of psychology, humans were traditionally portrayed as being similar to a computer or an animal. This concept was based on a 'robot model', implying that human behaviour was explained due to patterns identified through animal experiments (von Bertalanffy, 1984). Von Bertalanffy (1984, p. 207) indicated that a man should not be seen as a "reactive automaton or robot but as an active personality system".

He also stated that every organism is a system that consists of "parts and processes standing in mutual interaction" (von Bertalanffy, 1984, p. 208). At that time, the systems concept was a profound shift in the way man's image was perceived. This led to a more realistic image of man compared to the robot model theories (von Bertalanffy, 1984).

In agreement with the above-mentioned authors, Kramer and de Smith (1977, p. 5) identified specific systems thinking objectives:

- "Reality is regarded in terms of wholes".
- "The environment is regarded as essential, systems as in interaction with the environment, as open systems".

In performing a systems analysis of a problem or situation, Laszlo and Krippner (1998) view a problem not from a preconceived model. The researcher aimed to answer the research question and meet the objectives from a systems theoretical paradigm. However, the researcher also forms part of the observing system and had prior knowledge of the research problem. Laszlo and Krippner (1998, p. 13) indicated that "observers in the context of systems science have a clear conception of their mission as an integral part of the social system with which they work".

The research problem was identified as the discrepancy in customer ratings of the staff's service quality ratings versus the organisation's service quality ratings. Laszlo and Krippner (1998, p. 13) is of the opinion that "once the manifestation of the problem has been identified and described, they can proceed inward to the sub-systems and outward to the environment". The researcher, as part of the observing system, explored the service gap by focusing on management's perceptions to see why the overall customer service ratings of the organisation are lower that the ratings for frontline staff.

The customer service literature, as discussed in Chapter 2, included various service models. The theory enabled the researcher to explore and understand the research questions in a different way by acknowledging that there exists more than one truth or answer to a research question (Hanson, 1995). Capra (1996) indicated that people cannot understand major problems in isolation and out of context. Problems are systematic, interconnected and interdependent, hence a systemic approach is needed to provide deeper and holistic insight. Von Bertalanffy (1984, p. 5) stated: "We are forced to deal with complexities, with wholes or systems, in all fields of knowledge".

A systems approach is a new way of thinking and may be referred to as a holistic and new science world view, therefore "seeing the world as an integrated whole rather than a dissociated collection of parts" (Capra, 1996, p. 6). System thinking starts with the shift from the parts to the whole, therefore "living systems are integrated wholes whose properties cannot be reduced to those of smaller parts" (Capra, 1996, p. 36). Systems and their nature cannot simply be understood by analysis (Capra, 1996; Ackoff, 1993). Systems are complex and the properties of their parts can only be understood within the context of the larger whole (Capra, 1996).

Ackoff (1993) referred to this new way of thinking as "synthesis" which is the opposite of "analysis". He also indicated that the synthesis way of thinking is to "try and understand the containing system, the large system, not the parts" (Ackoff, 1993, p. 11). According to Henning (2001, p. 9), "systems theory is geared towards the description and analysis of complex networks of interrelationships". This definition will be explored further in the next sections.

A system has numerous characteristics (Friedman & Allen, 2011; Henning, 2001; Chen, & Stroup, 1993):

- A system can be living or non-living, therefore physical, biological, social, or symbolic (Chen & Stroup, 1993).

- A system consists of two or more parts that form a whole, hence a patterned organised whole of interacting components (Ackoff, 1993; Henning, 2001). According to Capra (1996, p. 36), “systemic properties are destroyed when a system is dissected into isolated elements”. These parts interact and influence one another, therefore they do not function in isolation and are interconnected (Ackoff, 1993; Henning, 2014). The systemic properties of the parts do not have the same function in the system, they exist due to the ordered relationships of that specific system (Capra, 1996). Kramer and de Smith (1977) indicated that a system can have a relation, meaning that when two or more entities in a system are dependent on one another, there is a link in the behaviour of the entities. Kramer and de Smith (1977, p. 16) stated that “a relation exists if a change in a property of one entity results in a change in a property of another entity”. It is important to look at the relation between the entities and the whole, for example, if there are two entities in the system and the one entity is taken away, it will not change the position of the other entity. It will however influence the system as a whole, therefore changing the characteristics of a system.
- A system does not only consist of subsystems. The system itself is also a subsystem that forms part of a greater system, in other words: “a living system is part of a system is part of a system” (Henning, 2001, p. 12). Company X is a system, however, it forms part of a bigger system such as the economy of the country.
- A boundary distinguishes the system from the environment, including any subsystems (Chen & Stroup, 1993). According to Ackoff (as cited in Laszlo & Krippner, 1998, p. 23), the environment of every social system contains three levels of purpose: "the purpose of the system, of its parts, and of the system of which it is a part, the suprasystem". There are two types of environments, the first is everything not belonging to the system, while the second is the system’s relevant environment (Kramer & de Smith, 1977). This include entities outside the system that affect the system or the state of the system (Kramer & de Smith, 1977).

The environment of a system can be defined as all the components that can affect the system, including the parts of the system which influence the behaviour within a system (Laszlo & Krippner, 1998). For example, HelloPeter.com is a social media platform (as mentioned in Chapter 2) where customers share their service experiences of various organisations. Social media platforms form part of the service company environment. The platform can influence the behaviour or perceptions of other customers towards an organisation. An organisation can react to and/or adapt certain parts or subsystems within the organisation to accommodate the social media impact, for example by responding quickly to complaints posted on HelloPeter.com. According to Schneider and Chung (1993, pp. 124–133), "service organizations exist as a function of their customers" which means that all subsystems in an organisation should have the same focus and goal: to mediate change in a system's behaviour to create a service quality climate within the organisation.

- Feedback on a system assists with the goal to mediate change in a system's behaviour (Chen & Stroup, 1993).
- A system's identity is determined by its components and unique structure (Henning, 2001).
- A system can be an open or closed entity (Friedman & Allen, 2011).

## 3.3 OPEN AND CLOSED SYSTEMS

Von Bertalanffy (Friedman & Allen, 2011) distinguished between open and closed systems and indicated that living organisms are open systems. An open system, in contrast to a closed system, interacts with its environment, whereas a closed system is isolated from its environment (Friedman & Allen, 2011). Henning (2014) indicated that organisations can be viewed as open systems, implying that they have the capability to adapt to the environment and survive. An example of this is an organisation that changes its service strategy to address the current customer service needs.

Open systems are characterised by continual flow and change (Capra, 1996). Von Bertalanffy identified self-regulation as a key property of an open system (Capra, 1996). “An open system is also referred to as a complex adaptive system. It consists of a large number of parts which interact with each other and is able to adapt to environmental changes” (Henning, 2014, p. 2). Organisations as open systems interact with various parts of a bigger system which can include customers, suppliers, as well as economic, social and political environments (Henning, 2014). An organisation needs to adapt to changes and be open to new information that enters the system in order for it to survive. New information entering an organisation will create an off-balance state so that the organisation can adapt. According to Henning (2014, p. 2), an “ideal state for any system is to be off-balance, that is far-from-equilibrium, where it does not get stuck in habitual, passive repetition of the same strategies, policies and management structures”.

An organisation that is open to new information is self-organising, therefore it can create new structures to fit customer needs. For example, an organisation receives customer insight through monthly surveys, indicating that the majority of their customers are dissatisfied with the application process for additional services.

The organisation has to adapt and change the application process to meet the needs of customers. Without implementing change, the organisation risks losing existing customers and potential revenue. This can affect more than one part of the organisation and can have a negative impact on the organisation as a whole. The flow of information into a system depends on the boundaries of a system (Henning, 2014). Systems are separated from their environments through boundaries, but these are difficult to define, especially in social systems. Open systems are more flexible in terms of their environment compared to that of closed systems (Henning, 2014). An open system provides the opportunity for information from the environment to be integrated into the system, and thus change the system.

If there is no balance between the system information output and input, it can lead to disorder, also known as entropy (Friedman & Allen, 2011). For example, an organisation may be using the same marketing strategy every year, even though it is not aligned to customer needs. The system is therefore too closed to receive any new information, hence no innovation will come from such a system.

The opposite is also true: when an organisation has too many new marketing strategies that do not align with one another, it can confuse customers. The organisation's system is consequently too open. It can be in the form of various TV advertisements that portray different messages and images of the organisation and create confusion among existing and potential customers. Information that is exchanged between the system and its environment is controlled through feedback, and will be discussed in more detail in the following section (Friedman & Allen, 2011).

### 3.3.1 Positive and negative feedback loops

The concept of feedback loops originated in the field of cybernetics. It is based on the self-regulation of machines. It can also be applied to a social phenomenon, for example to identify positive or negative feedback loops between an organisation and its customers (Henning, 2014). Positive and negative feedback loops can both be constructive or destructive, depending on the direction in which the system is moving (Henning, 2014). The interplay between feedback loops determine how open or closed a particular system is.

#### 3.3.1.1 Negative feedback loops

Company X's staff service rating is stable year-on-year, therefore a service balance is evident in the system. According to Henning (2014, p. 4), "negative feedback loops operate to maintain the stability of a system". Staff can maintain the service levels they provide to customers. But over time, customer needs may change, and if the system remains unchanged and no new service initiatives are implemented, it can create negative feedback loops. The system will remain in a stable state and the staff will not adapt to the change in customer needs.

#### 3.3.1.2 Positive feedback loops

Positive feedback loops amplify the system's preferred state due to external fluctuations (Henning, 2014). For example, if staff is aiming to provide exceptional service to its customers and they also receive positive feedback from customers, they are even more encouraged to provide exceptional customer service. However, the opposite is also true of staff that is not interested in providing exceptional service. As a result, they will receive negative feedback from customers and will be even more discouraged to provide good customer service (Henning, 2014). Changing our values and the way we think, including our behaviour, can be referred to as a paradigm shift.

This is not easy to change and the ideal is to be consistent in terms of thinking, values and behaviour (Capra, 1996). Capra (1996) is of the opinion that the only way people can address major problems in a social system is through a radical shift in perceptions, therefore a change in the way we think, our values and behaviour. For example, a manager in an organisation might make all the decisions on behalf of his team, and does not allow them to make decisions themselves. The manager's behaviour and management style is seen as "excessive self-assertion" which can lead to an unhealthy work relationship between the manager and team members (Capra, 1996). The manager needs to be aware that it is not healthy for the team if he makes all the decisions, therefore he needs to align values, thought and behaviour.

There is a connection between these three aspects, which can be identified by the shift from self-assertion to integration. This shift, from self-assertion to integration, is essential for living systems to have a balanced value system (Capra, 1996).

In order for the working environment to be aligned, the manager and the team members need to alter or modify the inputs of the working environment, including their own actions, to create a change within the environment (Friedman & Allen, 2011). Change within the working environment can therefore occur due to the interactions that take place between the manager and the team members. If this change within the team does not take place, it will influence other parts of the business and will have a negative impact on the business as a whole. According to Schneider and Chung (1993, p. 124), "adaptation occurs best when all the parts of a system are integrated". This means that the team's survival is dependent on the integration of all subsystems within the team.

#### 3.3.1.3 Three states of a system

The interplay between open and closed boundaries creates three possible dynamic states of a system, namely Stable equilibrium (Se), Explosive instability (Ei), and Bounded instability (Bi) (Henning, 2014). Any system can be in any of these three states at any given time (Henning, 2014). Figure 3.1 illustrates the three states of a system.

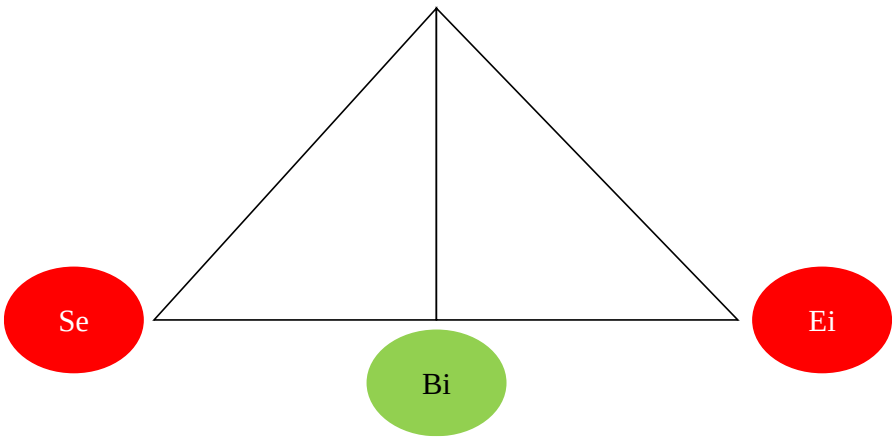


**Figure 3.1: The three-state triangle. Source: Henning, 2009**

These states will be discussed in detail in the following section.

#### 3.3.1.3.1 Stable equilibrium

The Stable equilibrium state is characterised by negative feedback loops when an organisation is resisting change (Henning, 2014). Von Bertalanffy (as cited in Friedman & Allen, 2011) mentioned that if a system is working properly, it would achieve a form of dynamic equilibrium with its environment which is called a steady state. Too much of a steady state is unhealthy for a system (Henning, 2014). A steady state can be achieved by means of order and growth, also called negative entropy, therefore a balance exists between the system and the larger environment (Friedman & Allen, 2011). If a system has the ability to adapt to its environment through change, this will lead to equilibrium. "Equilibrium is the sense of being in balance" (Friedman & Allen, 2011, p. 9).

Company X is a system with closed boundaries that receives similar service ratings year-on-year, so the service levels can be described as too stable. It might be difficult for the organisation to change its service strategy due to its habitual service strategy behaviour. According to Henning (2014), such an organisation can become a passive business and run the risk of becoming detached and isolated. It can result in a loss of innovation regarding service strategy, which can be dangerous for the growth of the organisation because customer needs change continuously.

#### 3.3.1.3.2 Explosive instability

"Explosive instability acts in the opposite way and is driven by positive feedback loops" (Henning, 2014, p. 4). Should an organisation find itself in such a state (also called a 'runaway' state), this means that there is too much freedom and no control within it (Henning, 2014). An organisation in this state has no structure but may have many strategic ideas. No implementation of these ideas is taking place, so there is no valuable impact on the business.

#### 3.3.1.3.3 Bounded instability

Bounded instability is the ideal state for any organisation because it is unstable (disequilibrium) within limits (Henning, 2014). An organisation in this state is constantly changing and improving, and will therefore remain competitive (Henning, 2014). A system must be unstable within its boundaries for it to receive feedback and to change accordingly. Once it has changed, it will achieve a state of stability. An organisation needs to operate as a system with both stable and unstable qualities to survive and grow. The system should sometimes be open, and other times closed, to allow the correct amount of new information, and to protect the organisation against unnecessary information. Henning (2014, p. 5) states that "an organisation in a state of Bounded instability can be described as a system always at work, never settling in a state of balance or equilibrium – one which is always relatively off balance".

A living system can operate in any three of these states, but it can be detrimental if a system operates too long in either the Stable equilibrium or Explosive instability state (Henning, 2014). Transformation in a system equals change and change can bring forth either growth or decay, which can alter the character of a system (Chen & Stroup, 1993; Henning, 2001).

Communication regulates stability and disruption, and may remove uncertainty within a system (Friedman & Allen, 2011; Kramer & de Smith, 1977). According to Bronimann (as cited in Kramer & de Smith, 1977, p. 54), "communication is the transmission of messages between entities or subsystems of a system, or between systems". During communication, a system transmits information or a message between the subsystems including its environment. Table 3.1 describes the characteristic of each stage. An organisation can operate at any point in time in these three states. However, to remain stuck in the Stable equilibrium or Explosive instability state for too long can have detrimental consequences for the organisation's survival.

**Table 3.1: The three-state description. Source: Henning, 2009**

| Se = Stable Equilibrium | Bi = Bounded Instability | Ei = Explosive instability |
|---|---|---|
| Negative feedback loops | Non-linear feedback loops | Positive feedback loops |
| Stability | Unstable within limits | Instability |
| Predictability | Far from equilibrium | Run-away' behaviour |
| Repetition | Chaos | Escalations |
| Rigidity | Randomness | Self-amplifiying |
| Invariant behaviour | Chance | Burn-out |
| Regularity | Rapid change | Self-reinforcing cycles |
| Steoreotype | Anomaly | No control |
| Limitation | Paradox | Activity |
| Stuckness | Combination of: Control and freedom versus virtuous and vicious cycles | Total freedom |
| Habits | Regularity and irregularity | Maladjustment |
| Bondage | Continuous creativity | **DEATH** |
| Strict control | Innovation | |
| Discipline | Both/and thinking | |
| Harmony | Endless variety | |
| Adaptation | Vitality | |
| Excess | Hopefulness | |
| Passivity | Fruitfulness | |
| Cohension | Wellness | |
| Atomised | **LIFE** | |
| Preservation | | |
| Monotony | | |
| Either/or/Black or White | | |
| Stability as a defence against anxiety | | |
| Maladjustment | | |
| **DEATH** | | |

Various interactions and activities take place within a system. As previously mentioned, the system cannot be controlled because of the multiple interactions between its various parts. For example, the customer that forms part of the system interacts with other parts that include family or friends who influence the customer, and consequently the system.

## 3.4 SYNERGY

The focus of the parts has been called "mechanistic, reductionist, or atomistic" whereas the focus on the whole has been called "holistic, organismic, or ecological" (Capra, 1996, p. 17). Von Bertalanffy (1984, p. 208) stated that "even without external stimuli, the organism is not a passive but an intrinsically active system".

Systems thinking is a contextual approach and a holistic perspective, therefore a phenomenon is understood and explained in terms of its context, including its environment (Capra, 1996).

### 3.4.1 Definition of synergy

The philosopher Immanuel Kant was of the opinion "that organisms, in contrast with machines, are self-reproducing, self-organizing wholes" (as cited in Capra, 1996, p. 22). He indicated that the parts in a machine only exist for the sake of one another, and therefore support one another within a functional whole. However, in an organism, the parts exist because of one another, therefore they generate one another (Capra, 1996).

The concept synergy can be defined as a system that is more than the sum of its parts (Laszlo & Krippner, 1998). Synergy implies that 1+1 is greater than 2 due to the various interactions of the parts within the system. For example, an organisation could provide training to its call centre agents and specifically focus on the agents' communication skills. Once the trained agents have been trained, they will be more sympathetic and polite while interacting with customers over the phone. This could result in an overall better customer experience and an improved customer satisfaction score. The communication training will influence the agent-customer relationship system as a whole. The synergistic effect on the total system could include unexpected positive outcomes such as better customer experience scores for the company because of the positive interaction between the customers and call centre agent. Multifinality also occurs as it forms part of synergy, and will be discussed in the following section.

The concepts equifmality and multifinality are two systems theory concepts explaining the outcome of a dynamic process in a system. The various parts within a system are dynamic, therefore the input within a system does not necessarily provide the planned outcome(s) (Hanson, 1995).

### 3.4.2 Equifinality

Equifinality can be described as obtaining the same result even though various stimuli were providing input into a system (Hanson, 1995). A group of call centre agents may receive training on communication, knowledge and listening skills with the idea to improve the overall customer satisfaction score. However, after the training the customer satisfaction score may remain the same.

### 3.4.3 Multifinality

Multifinality can be described as multiple outcomes within a system. For example, providing communication training to call centre agents could not only improve the communication score but also the overall satisfaction score.

## 3.5 THE SERVQUAL MODEL FROM A SYSTEMS THEORY PERSPECTIVE

The SERVQUAL model, as discussed in Chapter 2, illustrates numerous gaps between the provider and the consumer. The gaps within the organisation impacts customers however, customers may not know exactly why they are perceiving the organisation's service experience in a different way than the staff. The current condition of the organisation can impact on the service experience of customers. Figure 3.2 illustrates the consumer-provider system as a whole.

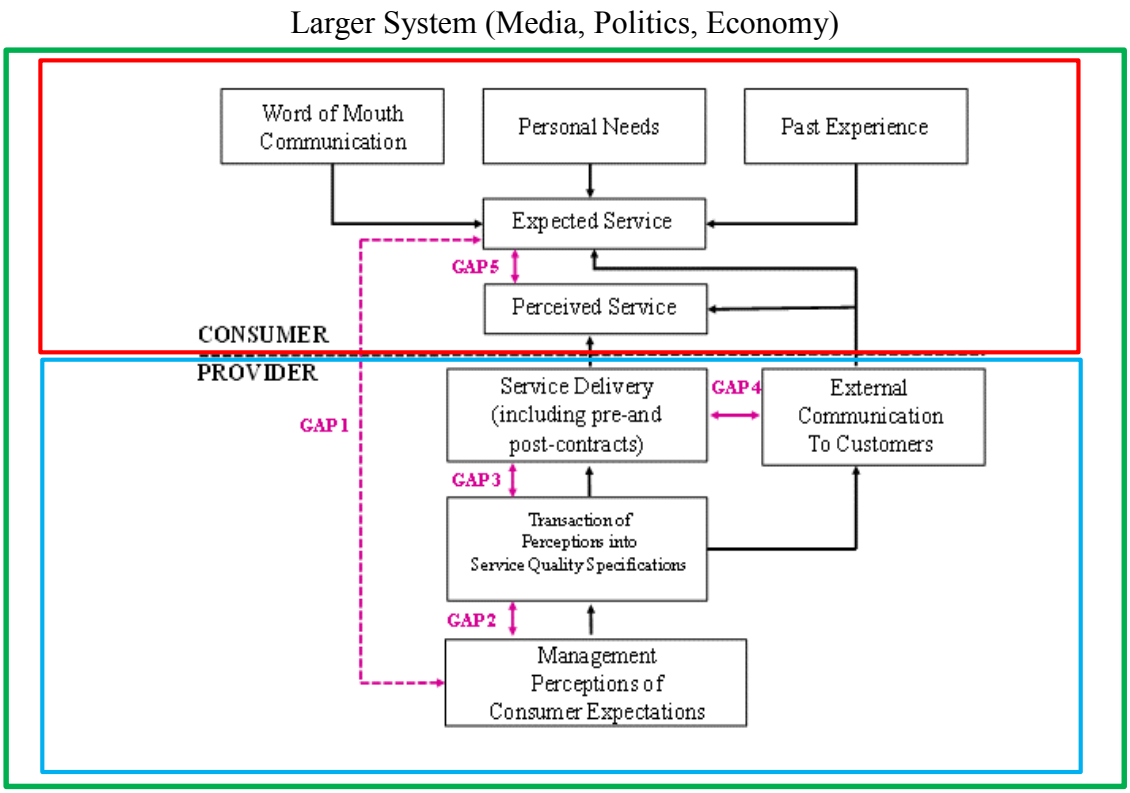


**Figure 3.2: The SERVQUAL model: Customer experience gaps model. Source: Shahin & Samea, 2010**

Figure 3.3 illustrates a systems perspective of the interaction between the Provider and Consumer subsystems, as depicted in the SERVQUAL model. Should any change take place within the Provider system, this will influence the Consumer system, which will ultimately affect the service experience and even the larger system. The SERVQUAL model formalised the possible gaps within a systems subsystems. The Provider and Consumer interaction creates the service experience and also forms part of the larger system, media, politics and economy. The system illustrates that there is no linear relation between the subsystems, instead there is a circular occurrence (Friedman & Allen, 2011). Figures 3.2 and 3.3 relate back to the synergy concept that the parts are more than the sum of the whole. There are numerous interactions among the provider and the consumer and these create the service experience for Company X. These interactions also include influences from the larger system, for example the economy of the country that also has an impact on the consumer-provider system as a whole.

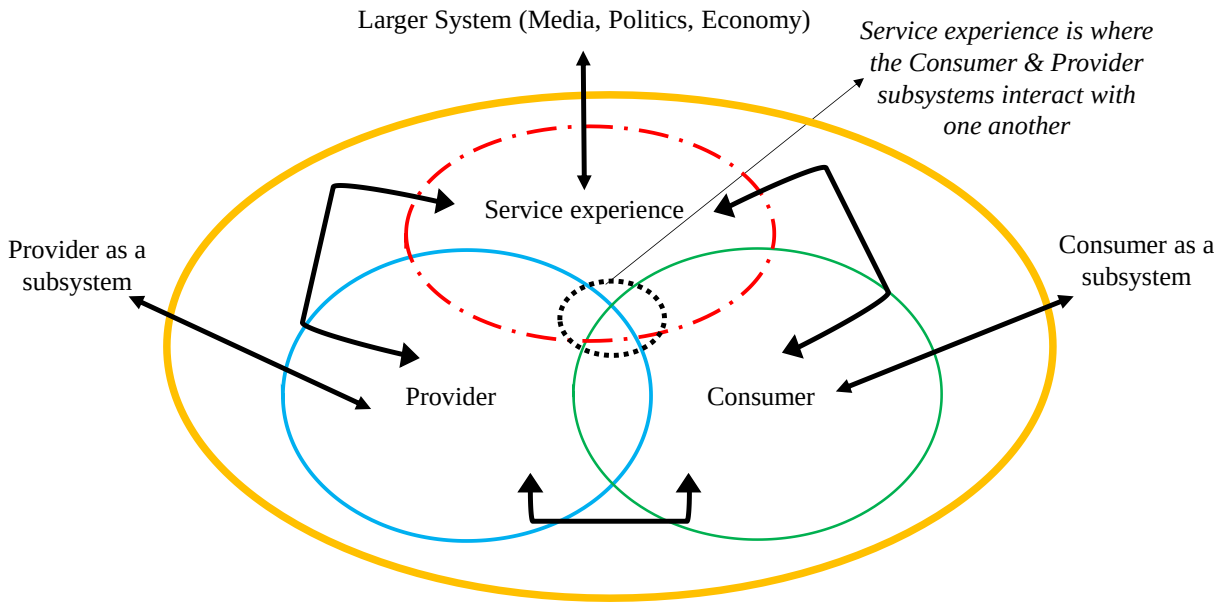


**Figure 3.3: The explorative system. Source: Jordaan, 2015**

According to Fiedeldey (as cited in Henning, 2001, p. 12), "the researcher has the choice of arbitrarily drawing the lines or boundaries by which he or she conceptualises the system". The researcher drew the boundaries of the system but was aware that imperfect and estimated descriptions of realities are possible (Capra, 1996).

## 3.6 CONCLUSION

The aim of this chapter was to conceptualise various concepts of systems theory and to discuss the reason why this approach is best suited for the study. The SERVQUAL model was selected for this study because it best demonstrated how a systems approach provides the foundation for analysis of this study. By using the theoretical perspective, the researcher established that there is no absolute truth or predictable outcome, which means that there is not only one variable that created the service gap. Chapter 5 will discuss the final research findings.

# CHAPTER 4 – RESEARCH METHODOLOGY

The aim of this chapter is to present the research methodology of this study. A qualitative research approach will be discussed, together with the population and sample framework as well as method of data analysis. Furthermore, the credibility and trustworthiness as well as the ethical considerations of the research process will be discussed.

## 4.1 INTRODUCTION

Customer service is crucial to an organisation's survival, and reveals an organisation's success, as emphasised in Chapter 2 (Heskett et al., 2008). Because of this, it is crucial for a telecommunications organisation to have a customer-centric strategy and to have satisfied customers, especially in the current competitive environment. In Chapter 1, it was revealed that there exists a service gap in Company X, hence the problem statement was identified. The gap in service perception cannot be explained by the current results of Company X.

The 2014 customer satisfaction tracking results of the organisation revealed that 76% of customers rated the employees' overall service as "*Very good*" or "*Excellent*", while only 59% of the same customer base rated the organisation's overall service as "*Very good*" or "*Excellent*", hence a 17% difference. The results revealed a yearly service gap pattern and no explanation could be provided as to why this phenomenon occurs. The initial problem statement, which is the gap between customer ratings of staff versus the organisation, started to evolve around these findings.

## 4.2 PROBLEM STATEMENT

According to the SERVQUAL model discussed in Chapter 2, the service shortfalls for Gaps 1 to 4 within an organisation are influenced directly or indirectly by management (Zeithaml, Parasuraman, & Berry, 1990).

The existence of a service gap might be influenced by management, especially when they do not accurately interpret what customers want and need. This inevitably leads to customers experiencing poor service quality (Zeithaml et al., 1990; Shahin & Samea, 2010). Management became the research focus due to them having a direct or indirect influence on customer service, hence the research question was identified. The research question entails exploring management's perceptions as to why the service ratings of the organisation is so much lower compared to the service ratings of the staff. Management of an organisation should take ownership of the whole value chain. This includes managing the stores, call centres, Information Technology (IT) and marketing teams; all should contribute to the value chain. The various business units influence the organisation's value chain, which in turn influence one another's input and output deliverables, including customer service perceptions and experiences.

## 4.3 RESEARCH QUESTION AND OBJECTIVES

The research objectives evolved from the research question and formed a framework to address the gap phenomenon. The study included two sets of objectives as mentioned in Chapter 1, namely theoretical objectives and empirical objectives.

In this study, the theoretical objective were stated as follows:

- TO1: To describe the existing customer service models.
- TO2: To identify relevant concepts from systems theory that can provide deeper insight into management's perceptions regarding the customer service ratings gap.

The empirical objectives were stated as follows:

- EO1: To determine to what extent management is aware of the service ratings gap.

- EO2: To explore management's perceptions as to why the organisation's service ratings are so much lower compared to the staff's service ratings.
- EO3: To explore management's suggestions as to how the organisation and employees can address the gap.
- EO4: To explore management's perceptions regarding the impact of organisational policies and processes on current customer experiences.
- EO5: To determine if there are any current or future initiatives that might improve customer ratings of the organisation's service.

It was important to select the most appropriate research method that would be compatible with the selected elements of the systems theory, including the qualitative approach. In a system, all the parts are interconnected and interdependent upon each other (Henning, 2009). There might be elements within the environment that the researcher is unaware of; these elements can influence or impact the system as a whole (Henning, 2009). Due to the system being complex in nature, selected elements from the system theory were identified and applied for this study, as discussed in Chapter 3. A qualitative approach enables the researcher to understand and describe the system elements that are relevant for this study by using an interpretive approach. Figure 4.1 depicts a conceptual research methodology design to illustrate that the researcher approached the research question and objectives through theoretical and qualitative lenses. The conceptual research methodology design represents the interconnectedness and interdependency between the system theory and qualitative approach for this study.

The approach assisted the researcher to explore, measure and analyse manager perceptions as to why a service gap exists in the mind of the customer, as measured in Company X's customer satisfaction tracking studies.

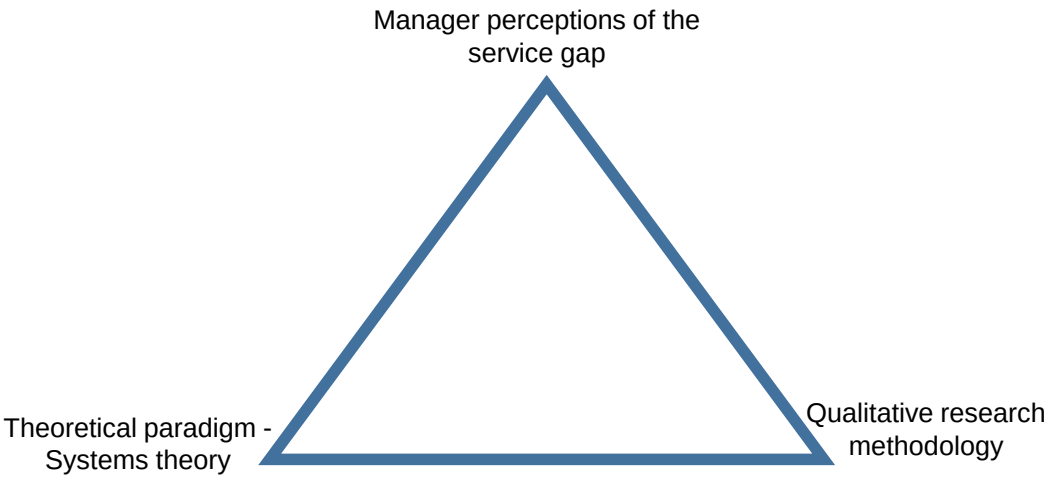


**Figure 4.1: Visual presentation of the research perspective. Source: Jordaan, 2015**

The motivation for the selection of a qualitative research approach will be explained in the following section.

## 4.4 QUALITATIVE RESEARCH METHODOLOGY

The qualitative approach is holistic in nature and aims to understand social life and the meaning people attach to everyday life, for example, people's experiences or perceptions of a specific phenomenon (de Vos, 2002). Fisher (2006, p. 2) indicated that qualitative research is "a reflective, interpretive and descriptive effort to describe and understand actual instances of human action and experience from the perspective of the participants who are living through a particular situation". According to Babbie (2007), qualitative research is defined as a non-numeric investigation of observations with the intent of exploring underlying content and relationship patterns.

*"We have a deep-seated desire to quantify the world around us so that we can understand and control it. But the world isn't behaving. We must consider the possibility that if we can't measure something, it might be the very most important aspect of the problem" (Martin, 2010).*

Zikmund and Babin (2010, p. 131) stated that "qualitative research is data that is not subject to quantification and focuses on addressing the research objectives through techniques which will enable the researcher to present detailed interpretations about certain phenomena". Qualitative research is most often associated with interpretivism while positivism is associated with quantitative methodology (Decrop, 1999; Goldkuhl, 2012). Interpretivism and postivism are both social sciences and have basic differences, namely the nature of its reality, the status of the knowledge gained and the way in which the knowledge is achieved (Decrop, 1999). Table 4.1 depicts the difference between the two sciences more clearly.

**Table 4.1: Difference between Positivist and Interpretivist paradigms. Source: Decrop, 1999**

| Assumptions | Positivism | Interpretivism |
|---|---|---|
| Nature of reality. | Objective, tangible, single. | Socially constructed, multiple. |
| Goal of research. | Explanation, strong prediction. | Understanding, weak prediction. |
| Focus of interest. | What is general, average and representative. | What is specific, unique and deviant. |
| Knowledge generated. | Laws. Absolute (time, context, and value free). | Meanings. Relative (time, context, culture, value bound). |
| Subject/Researcher relationship. | Rigid separation. | Interactive, cooperative, participative. |
| Desired information. | How many people think about and approach a specific problem. | What some people think and do, what kind of problems they are confronted with and how they deal with them. |

The main difference between the two sciences is that interpretivism use verbal and visual data, for example in-depth interviews or focus groups, whilst positivism aims to convert any input from the research into numbers (Decrop, 1999). A researcher who decides on a qualitative approach focuses on the understanding of a phenomenon or experience, and also constructs detailed descriptions of the respondents' social realities. A qualitative approach does not focus on discovering one universal truth or reality, but the subjective truths and realities of the respondents.

The approach can be better understood through the characteristics of its methods and not by a single definition (Lala, 2001). The characteristics include the following:

- An event can be understood sufficiently if it is seen in context, therefore the researcher can immerse him or herself in the setting.
- The context of exploration is not manipulated but natural, hence nothing is preordained or taken for granted.
- Qualitative researchers want respondents to share their own experiences and perspectives in their own words and actions. This enables an interactive process in which the respondents teach the researcher about their experiences.
- Qualitative research is flexible and evolves throughout the research process, therefore the whole is always more than the sum of its parts and the researcher can understand the respondents' perceptions and experiences as a unified whole (Lala, 2001).

Qualitative research is recognisable through the use of methods that can include in-depth interviews and/or group-moderation techniques, just to mention a few. A researcher who makes use of qualitative research methods will explain the procedure used to interpret the results, subsequent answering the 'why?' and 'how?' questions (Bailey, 2014).

The qualitative research interview is an ideal method to understand how the respondents construct their experiences in a specific context (Henning, 2001). In this study the focus is on the respondents' subjective experiences of the service gap that exists within their organisation. The seven stages of interviewing, developed by Kvale (1996), will be used to map the research process.

### 4.4.1 The qualitative research process

The seven stages are repetitive and do not always follow each other in sequence, hence after the transcribing stage, the researcher might need to refer back to the interviewing stage. Due to the researcher having pre-knowledge of the topic being investigated, the researcher already had a structured idea of the reporting stage in mind. The seven stages are:

1. Thematising;
2. Designing;
3. Interviewing;
4. Transcribing;
5. Analysing;
6. Verifying; and
7. Reporting.

The seven stages will be discussed in the following sections.

#### 4.4.1.1 Thematising

Prior to the commencement of this study, the researcher had access to Company X's quantitative customer service results. These showed service rating discrepancies in the perceptions of customers in terms of the service they receive from employees versus the service they receive from the organisation. The quantitative data was used as a secondary data source to identify the research problem. According to Henning (2001, p. 45) "preknowledge on the subject enables the researcher to give a hypothetical description of the research question".

The researcher was employed as a research specialist in Company X's customer satisfaction team for two years and was part of the observing system. Being part of the organisation's customer satisfaction unit, equipped me with the necessary knowledge to have specific organisation insight prior to the development of the semi-structured interview guide.

## 4.5 POPULATION AND SAMPLE FRAMEWORK

Purposeful sampling was used by the researcher, hence the respondents that were selected to take part in the study were selected with a specific purpose in mind. According to Patton (1990, p. 169) “the logic and power of purposeful sampling lies in selecting information-rich cases for study in depth". The researcher decided that the sample should include executive staff members who are directly responsible for customer service within the organisation. This provided some analogy in the sample design. Currently there are 111 executive staff members within the organisation. Four semi-structured, face-to-face interviews were conducted. The executive staff were selected due to their specific involvement in the organisation’s value chain and included retail (stores), operations (call centre), credit management (back office support) and technical (service fault resolution) roles within the organisation.

Kruger (1979) listed a few guideline for selecting respondents, and these guidelines were taken into account when selecting the respondents for this study:

- The respondents had either direct or indirect experience with the organisation’s service strategy.
- The respondents that were selected are top management who were able to verbalise and communicate their experiences and feelings.
- Respondents were willing to talk about their experiences and volunteered information that was necessary for the research study.

Qualitative research can be conducted using small samples of people who are studied in detail. According to Patton (1990, p. 184), "there are no rules for sample size in qualitative inquiry".

The author is also of the opinion that “small samples that are truly in-depth have provided many of the most important breakthroughs in our understanding of the phenomenon under study” (Patton, 2015, pp. 313-314). For example, Freud originally based his theory on less than 10 client cases (Patton, 2015).

The power to gain in-depth insight, validity and meaningfulness lies in the information richness and not the numbers, therefore this research approach is characterised by a small sample size (Patton, 2015). The sample size for the study was also determined by repetition, hence there were no other categories of experience that emerged after the fourth interview, and the researcher felt that a sufficient saturation point had been reached because the respondents repeated what the others have already said (Henning, 2001).

## 4.6 DATA COLLECTION

Fontana and Frey (1994) stated that interviewing is one of the most powerful techniques to use in understanding other people. Interviewing gives people the opportunity to share and explain their own reality to the researcher, hence from their own context of reality. Bateson (as cited in Henning, 2001, p. 25) indicated that "without context, words and actions have no meaning at all".

### 4.6.1 Face-to-face interviews

Because the study is being done from a qualitative approach, the researcher was the main instrument used to gather information from the respondents. Four personal, semi-structured face-to-face interviews were conducted by the researcher at the respondents’ workplace. The interviews enabled the researcher to place experiences and perceptions of respondents within a specific context, hence linking it back to a systems thinking approach.

The interviews took place from the 5th of August to the 15th of August 2013, and took approximately 45 minutes each to complete. The respondents were briefed before the interview was conducted. This included obtaining informed consent, guaranteeing confidentiality, and permission for using their actual wording. The interviews were recorded using a digital voice recorder and all the respondents were made aware and gave their permission for the interviews to be recorded.

The respondents had a very positive attitude during the interview and enjoyed sharing their personal perceptions and experiences regarding customer service within their organisation. The researcher followed a conversational tone when conducting the interviews (Kvale, 1996). Even though the interview had a conversational tone, the researcher managed the situation by introducing the specific topics discussed and by asking further questions that guided the interview (Kvale, 1996).

The approach made it easier for the respondents to share their perspective in their own words (Kvale, 1996). It is imperative for the researcher to understand exactly what the respondents meant during the interview and to attain validity. This was achieved by the researcher repeating what the respondents said and confirming if this is what they meant, therefore achieving an agreement of what has been shared. The researcher also debriefed the respondents after the interview was concluded by asking if they wanted to add any additional comments (Kvale, 1996). The researcher emphasised the purpose of the study again and assured them that their responses will only be used for analysis purposes.

### 4.6.2 Construction of the discussion guide design

Due to the researcher's preknowledge and being an employee at Company X, a structured framework for the design of the interview was formed before the initial design of the interview guide.

The researcher also used the SERVQUAL model (refer to Chapter 2), together with systems theory concepts (refer to Chapter 3), as a framework to develop the questions for the interview guide. Kvale (1996) indicated that the researcher should have a clearly defined structure; this is more important than the structure being used in actual questions. The design of a semi-structured interview guide seemed most suitable for this study. It would enable the researcher to listen attentively to the respondent without focusing on the next question in the interview guide (Henning, 2001). A semi-structured interview provides a better, more natural flow of conversation between the researcher and respondent, therefore creating more flexibility (Henning, 2001; Kvale, 1996).

Flexibility creates the possibility to identify issues that were not expected when the interview structure was created (Henning, 2001). The researcher also had the opportunity to probe or encourage the respondents to elaborate on the initial question asked. According to Henning (2001, p. 46) there is the possibility "that the type of questions that the interviewer asks, as well as the way in which it is asked, can mould the responses and eventually the final results attained".

The researcher was aware of this when conducting the interviews with the respondents. The semi-structured interview guide is attached as Annexure A. Table 4.2 represents the alignment of the empirical research objectives to the discussion guide questions, including topics discussed in Chapter 2.

**Table 4.2: Research process alignment matrix**

| Research question | Empirical research objectives | Author (Chapter 2) | Discussion guide |
|---|---|---|---|
| What is management's interpretation of the gap in service ratings where overall service quality with the organisation is generally rated lower than actual experiences of interaction with front line staff? | EO1: To determine the reasons for the service gap between the staff's service rating versus the organisation's service rating. | • Berry and Parasuraman, (1991)<br>• Zeithaml, et al., (1990) | Question 1.1.2 & 1.1.3 |
| | EO2: To determine if management is aware of the service gap. | • Pearson (2014)<br>• Shahin and Same, (2010)<br>• Berry and Parasuraman (1991)<br>• Zeithaml, et al., (1990) | Question 1 |
| | EO3: To explore management's suggestions as to how the organisation and managing employees can address the gap. | • Shahin and Samea, (2010)<br>• Berry and Parasuraman, (1991)<br>• Zeithaml et al., (1990) | Question 4 & 6.1.8-6.1.9 |
| | EO4: To explore management's perceptions regarding how organisational policies and processes impact on current customer experiences. | • Pearson, (2014)<br>• Berry and Parasuraman, (1991)<br>• Heskett, et al., (2008) | Question 5 |
| | EO5: To determine if there are any current or future initiatives that might improve customer ratings of the organisation's service. | • Wolkins, (1993)<br>• Berry and Parasuraman, (1991) | Question 6 |

All the elements in the table 4.2 link to one another to create a holistic view of the phenomenon that is being explored, measured and analysed.

## 4.7 DATA ANALYSIS

"To analyze is to find some way or ways to tease out what we consider to be essential meaning in the raw data; to reduce and reorganize and combine so that the readers share the researcher's findings in the most economical, interesting fashion" (Ely, Friedman, Garner, & Steinmetz, 1991, p. 141). "The product of analysis is a creation that speaks to the heart of what is learned." (Ely, et al., 1991, p. 141). The analysis stage provides knowledge to the reader, hence making sense from the enormous amount of text data.

The researcher's aim was not to generalise or quantify, nor to predict a certain outcome, but rather to provide insight into top management perceptions regarding the service gap between employee ratings versus the overall rating of the organisation.

### 4.7.1 Thematic analysis

According to Holloway and Todres (as cited in Braun & Clarke, 2006, p. 78), qualitative approaches are extremely different, difficult and diverse, however "thematic analysis should be seen as a foundational method for qualitative analysis". Furthermore, thematic analysis should be the first qualitative method to teach to researchers since it provides essential skills that will be useful for analysing other forms of qualitative analysis (Braun & Clarke, 2006). "Thematic analysis is a method for identifying, analysing and reporting patterns (themes) within data" (Braun & Clarke, 2006, p. 79).

The data analysis for this study mainly used thematic analysis. It assisted in identifying themes in the data, which included highlighting perceptions, feelings and experiences of the respondents. This method should be seen as a method in its own right and not necessarily just as a tool for analysis (Braun & Clarke, 2006). A major benefit of thematic analysis is its flexibility, which enables the researcher to identify and provide rich, detailed insight into the data (Braun & Clarke, 2006).

The analysis is not dependent on any theoretical framework, therefore it can be used within numerous theoretical frameworks. It assisted the researcher to report on the respondents' experiences, meanings and share their realities (Braun & Clarke, 2006). The researcher describes the respondents' perceptions and experiences of service within their organisation, their reality and their context. The explorative analysis was conducted by using Braun and Clarke's (2006) six-phase guide. The analysis process was recursive, hence the researcher moved back and forth among the six phases. Table 4.3 depicts the various phases of the analysis process. Each phase will be discussed separately.

**Table 4.3: Phases of thematic analysis. Source: Braun and Clarke, 2006**

| **Phase** | **Description of the process** |
|---|---|
| 1. Familiarise yourself with your data | Transcribing data, reading and re-reading the data, noting down initial ideas. |
| 2. Generating initial codes | Coding interesting features of the data in a systematic fashion across the entire data set, collating data relevant to each code. |
| 3. Searching for themes | Collating codes into potential themes, gathering all data relevant to each potential theme. |
| 4. Reviewing themes | Checking if the themes work in relation to the coded extracts and the entire data set, generating a thematic 'map' of the analysis. |
| 5. Defining and naming themes | Ongoing analysis to refine the specifics of each theme, and the overall story the analysis tells, generating clear definitions and names for each theme. |
| 6. Producing the report | The final opportunity for analysis. Selection of vivid, compelling extract examples; final analysis of selected extracts; connecting the analysis to the research question and literature; producing a scholarly report of the analysis. |

<u>Phase 1: Familiarise with the data</u>

The transcribed interviews were checked against the audio recordings for accuracy and were also read and reread to obtain thorough understanding of the data (Braun & Clarke, 2006; Ellis & Kitzinger, 2002; Kitzinger & Willmott, 2002).

While reading and rereading the transcribed interviews, the researcher also listened to the audio recordings to understand the true verbal meanings the respondents shared.

Phase 2: Exploring common experiences and generating a code frame

The researcher coded the data into meaningful groups and used the codes to list common experiences. This was done to give expression to the communality of voices across respondents (Anderson, 1997).

Most of the common experiences were created from the actual words of the respondents and were grouped into themes that directly reflect the text (Anderson, 1997; Ellis & Kitzinger, 2002; Kitzinger & Willmott, 2002). The sorting and naming of themes required some level of interpretation; however, it was kept to a minimum (Anderson, 1997).

Phase 3: Searching for themes

It was important for the researcher to identify themes; not because of the prevalence of a theme, but to capture the importance of what was discovered in relation to the research question and objectives. The researcher tried to be consistent with the approach while analysing and identifying themes in the data. According to Braun and Clarke (2006, p. 82), "a theme captures something important about the data in relation to the research question and represents some level of patterned response or meaning within the data set".

Phase 4: Reviewing themes

Potential themes were identified and refined by reviewing the coded collated data extracts to ensure that a coherent pattern was evident. A thematic map was created where the themes mirror the narrative of the data in general. This confirmed that these themes worked in relation to the thematic map.

Phase 5: Defining and naming themes

The final thematic map was created to conduct further analysis, and identified the core of each theme, including the overall story. The researcher considered each theme in relation to the other themes as part of refining the analysis. Detailed analysis of each theme was conducted.

Phase 6: Producing the report

After the analysis, 6 main themes with various subthemes were identified. The write-up of the findings provided sufficient evidence of the themes identified within the data. The themes related back to the theoretical paradigm, including Gaps 1 to 4 of the SERVQUAL model. The themes of analysis will be identified and discussed in detail in Chapter 5.

### 4.7.2 Transcription of interviews

The interviews were transcribed by two transcribers within a few days after the interviews were conducted. Kvale (1996) is of the opinion that transcribing an interview from a verbal to written mode makes the interview more accessible, which leads to closer examination of the text. Furthermore, it enabled the researcher to have an overview and a starting point for analysis. The audio interview recordings are available.

## 4.8 CREDIBILITY AND TRUSTWORTHINESS

Reliability and validity of a study demonstrates and communicates the accuracy of the research process followed and the trustworthiness of the findings (Roberts, Priest, & Traynor, 2006). Validity in qualitative research is accomplished through "continual checking on credibility and trustworthiness of the findings" (Henning, 2001, p. 54). It is however important to realise that there is not one absolute reality or truth in social research (Henning, 2001). The purpose of qualitative research is to provide "rich thorough descriptions and interpretations about the phenomena under study as they occur in their natural environment" (Sousa, 2014, p. 211).

The reliability and validity of qualitative research is therefore evaluated in terms of the findings being truthful or credible, applicable or transferable, consistent or dependable, and neutral or confirmable (Healy & Perry, 2000).

These four criteria were developed by Lincoln and Guba (as cited in Cope, 2014) to improve trustworthiness in qualitative research. In 1994, the authors added another criteria called authenticity. All five these criteria will be discussed.

- Credibility

Credibility refers to the truth of the data, therefore the respondents' perceptions and experiences of their reality, which includes how the researcher interprets it (Cope, 2014). Credibility was increased by verifying the responses during the interview phase, and by confirming the meaning of these responses. According to Sandelowski (as cited in Cope, 2014), a qualitative study is also credible when the explanations of the respondents' experience can immediately be identified by others that share the same experience. The researcher had the necessary background and knowledge of the organisation's environment which enhanced the respondents' trust in the researcher and enabled the researcher to conduct the interviews with ease and interpret the findings in a reliable fashion. Credibility of the researcher is therefore also important (Zohrabi, 2013).

- Dependability

Dependability can refer to the reliability of the themes that were identified in the data with the use of intra-coder reliability (Henning, 2001). The researcher identified 15 themes during phase 5 of the Braun and Clarke (2006) thematic guide. A week later, the themes were analysed again without referring to the initial themes that were identified during phase 5 of the analysis process. During the second analysis, 14 themes were identified which overlapped with the themes that formed part of the initial analysis.

- Confirmability

"Confirmability refers to the researcher's ability to demonstrate that the data represent the participants' responses and not the researcher's biases or viewpoints" (Cope, 2014, p. 89). The themes that were identified for the final analysis phase were based on the respondents' actual words.

- Transferability

The researcher provided sufficient information that will enable the reader to understand and in some instances associate the results and findings with their own experiences. The study's aim is however not to make generalisations about the phenomenon being investigated (Cope, 2014).

- Authenticity

Authenticity refers to the ability of the researcher to express the feelings and emotions of respondents' experiences in an accurate manner (Cope, 2014). The researcher used exact quotes from the data to describe the themes identified, therefore he kept the respondents' perceptions and experience true and authentic.

### 4.8.1 The self as an instrument

The primary data collection instrument for this study was the researcher. All the interviews were conducted by the researcher. The researcher formed part of the observing system, therefore she was fully aware of her epistemological position. She used her own epistemology to create meaning in the observing system (Henning, 2001). Epistemology can be defined as how a person understands the world, in other words, how he or she knows, thinks and decides what knowledge is (Henning, 2001). The researcher currently works within the customer satisfaction research unit of Company X, therefore she understands the environment and the various service measurements that were conducted.

It is also important to note that the researcher can only observe and describe the phenomenon partially however was knowledgeable and experienced regarding the organisation due to being an employee at the organisation (Henning, 2009).

### 4.8.2 Reporting

Reporting is the last stage of the interviewing process. The rationale of the research is to provide insight as to why there exists a gap between the service ratings customers provide to the employees versus the organisation. Change starts from the top down, therefore management should be aware of the gap that exists in the organisation. The research findings of this report aim to convey to readers an understanding of management's perceptions and experiences as to why there exists a service gap within the organisation. The results can be used as a starting point in top management meetings to identify ways in which the organisation can improve on all elements of service. Change within an organisation starts top-down, therefore management should firstly take initiative to close the gap that exists within the organisation before filtering it down to all employees. It is important for management to take note of how customer service has changed and to adapt to survive in a competitive fierce industry such as telecommunications.

## 4.9 ETHICAL CONSIDERATIONS

Ethical clearance was granted to the researcher from the Ethical Committee of the academic institution to proceed with the research study. The ethical consideration is important to ensure that no harm comes to any respondent as a result of the research.

### 4.9.1 Right to privacy and confidentiality

As per the Southern African Marketing Research Association (SAMRA) code of conduct and the Consumer Protection Act (CPA), all management staff information will be kept confidential, thus ensuring the anonymity of the management employees by the researcher. The anonymity and confidentiality of the respondents were the main ethical considerations in the study.

### 4.9.2 Informed consent

All the respondents were informed that their participation in the research is voluntary and that they can withdraw from the study at any time. Respondents were also informed that the interviews will be recorded and that the findings will only be used for analysis purposes. All the respondents agreed by signing a consent form stating that they are aware that the interview will be recorded and the information gained from the interview will only be used for analysis purposes.

## 4.10 CONCLUDING SUMMARY

The chapter presented a detailed description of the research process that was followed, including clarifying the approach followed for the study. The SERVQUAL model, as discussed in Chapter 2, together with elements of systems theory in Chapter 3, was applied as a framework to explore and analyse management perceptions as to why customers experience a service quality gap between the overall service provided versus the overall service that the organisation provides. The next chapter will present the research findings of the study.

# CHAPTER 5 – RESEARCH FINDINGS

The aim of this chapter is to present the results of the thematic analysis.

## 5.1 INTRODUCTION

The research problem was initially identified through Company X's customer satisfaction tracking studies. The studies revealed a year-on-year trend of a discrepancy in the overall service quality ratings of the staff as opposed to the organisation. Tables 5.1 and 5.2 were shared in Chapter 1 and represent an example of Company X's research results, indicating the gap in customer perceptions of the staff versus the organisation's overall service quality.

**Table 5.1: Overall service rating of Company X's staff. Source: Company X Customer satisfaction tracking study, 2013**

| | R 1 12/13 (Apr - Sep) | | R 2 12/13 (Oct - Mar) | | R 1- R 2 12/13 | R 1 13/14 (Apr - Sep) | | R 2 12/13 - R 1 13/14 |
|---|---|---|---|---|---|---|---|---|
| | Base n= | T2BS % | Base n= | T2BS % | Sig ↑ or ↓ | Base n= | T2BS % | Sig ↑ or ↓ |
| Total | 3252 | 71 | 2726 | 73 | | 2114 | 76 | ↑ |

**Table 5.2: Overall service rating of Company X. Source: Company X Customer satisfaction tracking study, 2013**

| | R 1 12/13 (Apr - Sep) | | R 2 12/13 (Oct - Mar) | | R 1- R 2 12/13 | R 1 13/14 (Apr - Sep) | |
|---|---|---|---|---|---|---|---|
| | Base n= | T2BS % | Base n= | T2BS % | Sig ↑ or ↓ | Base n= | T2BS % |
| Total | 3233 | 52 | 2692 | 54 | | 2099 | 59 |

Management within an organisation has an immense impact on its service culture and performance, according to the SERVQUAL model. Service gaps 1 to 4, as illustrated in Figure 5.1, are mainly influenced by management's perception of their customer service expectations.

If management's perceptions are different from that of their customers, it can cause possible gaps between the consumer and provider (Zeithaml, et al., 1990). The final research question was formed, exploring management's perceptions as to why the service ratings of the organisation are so much lower compared to the service ratings of the staff.

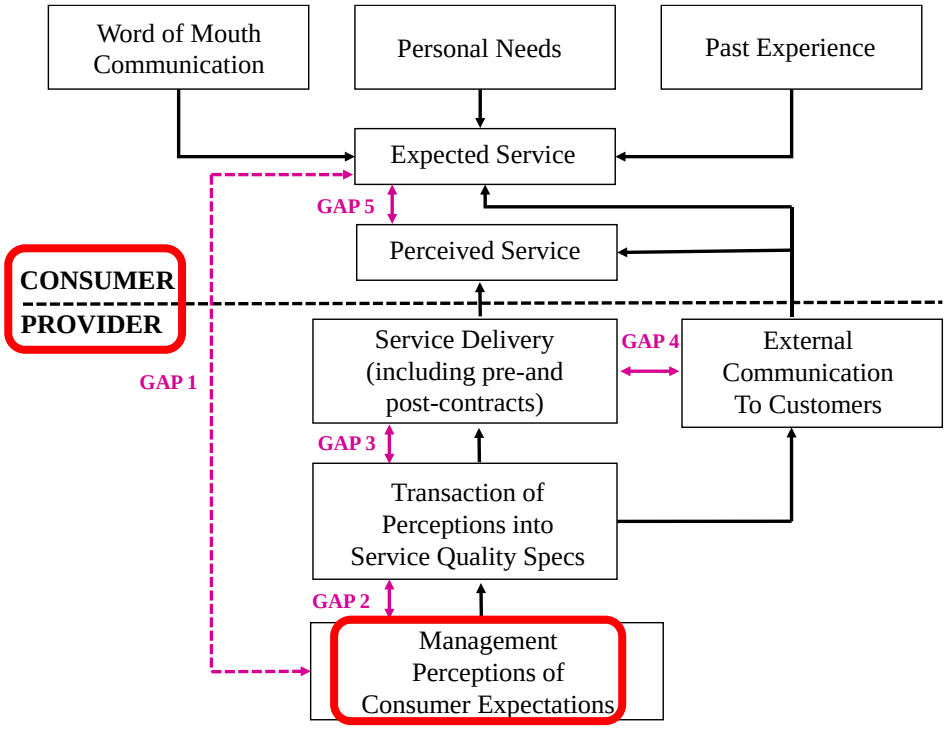


**Figure 5.1: The SERVQUAL model: Customer experience gaps model. Source: Shahin & Samea, 2010**

The research objectives evolved from the research question and include two sets of objectives, namely theoretical and empirical objectives.

The theoretical objectives were:

- TO1: To describe the existing customer service models.
- TO2: To identify relevant concepts from systems theory that can provide deeper insight into management's perceptions regarding the customer service ratings gap.

The empirical objectives included the following:

- EO1: To determine to what extent management is aware of the service rating gap.

- EO2: To explore management's perceptions as to why the organisation's service ratings are so much lower compared to the staff's service ratings.
- EO3: To explore management's suggestions as to how the organisation and employees can address the gap.
- EO4: To explore management's perceptions regarding how organisational policies and processes impact on current customer experiences.
- EO5: To determine if there are any current or future initiatives that might improve customer ratings of the organisation's service.

Both these sets of objectives are integrated in the identified themes below and will be addressed in the final section of the chapter.

### 5.1.1 Population and sample framework

Purposeful sampling was used. Therefore specific executive staff members, who are directly responsible for customer service in the organisation, were selected. Four semi-structured face-to-face interviews were conducted at the respondents' workplace. These took approximately 45 minutes each to complete. The interviews were recorded and transcribed to be used for content analysis.

## 5.2 CONTENT ANALYSIS

Several themes were extracted from the transcribed interviews, and each theme is described and discussed, followed by the implication of the theme in relation to the research objectives. During the interviews, the respondents were given the opportunity to share their perceptions, feelings and experiences regarding the gap in service ratings. Here, overall service quality of the organisation is generally rated lower than the actual experience of interaction with the staff.

These experiences brought to light similar and different views of the phenomenon and will be discussed in detail in the following sections. After completion of the content analysis, six main themes emerged, each with various subthemes. The discussion of each theme is described by using extracts from the interview transcripts. The order in which the themes are presented does not reflect the importance of these themes.

As discussed in Chapter 3, an organisation can be described as a living, open system that interacts with the environment (Friedman & Allen, 2011). An organisation can also exist in any of three dynamic states: Stable equilibrium (Se), Explosive instability (Ei), and Bounded instability (Bi) (Henning, 2014). The first three main themes addressed the three dynamic states of a system and identified in which state Company X is currently functioning.

### 5.2.1 THEME 1: ORGANISATIONAL CULTURE AS STABLE EQUILIBRIUM

The current state of the organisation is mostly in the Stable equilibrium state. The culture of the organisation reveals that it is comfortable with the current status quo and does not necessarily want to change. At present, the organisation's culture seems to present a challenge that brings forth passiveness and rigidness which can influence the business negatively. This is evident on all staff levels, with only a few staff members continuously driving change within the organisation. The respondents' perception of change is a mixture of hope and reluctance. Some might want to drive the change, yet they are aware that all parts in the organisation should cooperate to actively change the culture.

Respondent # 1: *"I think the danger is that many have tried it before and we battle to get past Company X culture, maybe this time around it is different".*

Respondent # 2: "*We have a wonderful CHART (Continuous performance improvement, Honesty, Accountability, Respect and Teamwork) revitalisation drive, but can we truly testify that we are CHART champions within the company? Back to my example of the apron: no we can't, because yes, we know that this is what we need to aspire to. Yes, it was a drive within the company that we need to complete forms and play little games to be CHART champions, but the proof of the pudding is in the eating. Do I see that there is continuous improvement based on the scores that you present?"*

Respondent # 1: "*But I think the culture is averse we don't want to".*

Respondent 1 indicated that the organisation culture is opposing change and that people in the organisation do not want to change. There are mixed perceptions regarding the respondents' comments; they want to believe change is possible, but it is a challenge to effect change in the organisation. A sense of bondage was also present regarding the organisation's legacy. Legacy in this context is not described as an improvement for the organisation, but rather a limitation to change.

The subtheme relates to the idea that the organisation still has legacy challenges which hamper change in the current organisational culture.

- **Subtheme: Parastatal legacy**

Respondent # 3: "*We still get a parastatal service perception from a consumer perspective. We have not been able to break through the mind of the consumer that we are a Telco player on the same footing as a listed entity in a private business that is trying their best to gain market share and delivering good work behind it. That is not the perception of the consumer".*

Respondent # 1: "*Unfortunately, due to legacy, it is not always that easy because certain things happened, because of the system design".*

Respondent # 3: "*I think the company has lost its humanistic flair, you can see there is still a lot of that heritage".*

The Stable equilibrium state can be characterised by negative feedback loops and change can be resisted in certain parts of the organisation (Henning, 2014). This is apparent in Company X, specifically regarding their culture. Some parts are not willing to change due to habit, therefore adapting to change is delayed.

The subtheme relates to comments made regarding the silo mentality within the different business units of the organisation.

- **Subtheme: Silo mentality**

According to Pearson (2014), a silo mentality within an organisation creates gaps in the value chain. There is a silo mentality in the various business units of Company X, and this creates closed subsystems within the organisation. Some business units are reluctant to change or to assist each other, which will form internal gaps in the organisation's value chain.

Respondent # 2: "*I don't think that as a unit, Company X is on that level yet. Most probably for various reasons, like I said earlier, we seem to be in pockets".*

Respondent # 1: "*Downstream some people would say: but we are not customer facing. We don't talk to customers, we are not really influencing this calling with little understanding that the customer is rating the service, whether he is happy or not. If there is one broken piece then obviously it hampers the rest of us".*

Respondent # 4: "*Exactly, so ek dink dis die probleem wat ons nou het, dis maar, laat Gods water oor Gods akker loop en hulle gaan maar net aan op hulle eie trant".*

The current Stable equilibrium state influences both ownership and accountability towards customers. One business unit can blame the other for a low customer score because no clear and definite roles have been assigned to the staff regarding customer ownership and accountability.

Respondent # 4: "*I agree that there is definitely a sort of silo mentality in terms of what our roles are, but again I think it goes back to the fact that there's no clear customer ownership. If that was there, the silos would have worked together because they would know they had accountability to the customer. So the one person's input becomes the next one's output, and if the input isn't good, I can't deliver and that would have resolved silos. So nobody has to take ownership because they know it's going to go back somewhere".*

It is clear that Company X is part of a bigger system and change in this instance is inevitable. Respondents agree that Company X should adapt to environmental inputs.

The subtheme relates to comments made regarding procedures and rules from the bigger environment that need to be adhered to, but at the same time customer needs should also be taken into consideration.

- **Subtheme: Policies and legislation: Foe or friend?**

Policies and legislation are examples of environmental influences that hamper change within the organisation. The organisation needs to obey certain policies and legislation that influence the decision-making regarding customer service. Sometimes the rules restrict the organisation to make the most beneficial decisions regarding their customers.

Only a few have the authority to make decisions regarding policies and legislation, and this delays the ability to act and execute decisions within the organisation.

Respondent # 1: *"If I just take, for example legislation, the Interception Act, there are specific legal obligations which form the way that we're doing our business and operation. It is not easy to marry the two, so you need to go and apply your mind and unfortunately ten years ago people were a lot more willing to make decisions in terms of difficult customer situations. But then at the same time people got beat up as well if they didn't do it correct. In recent years, they have fallen behind and hide in the policy framework or in the process framework. I think a process can at best cover 80% and we need the individual to apply his mind as well at certain instances and make decisions. I think it is just about creating the comfort to do it and nobody will raise an eyebrow afterwards or fight, let's move on".*

Respondent # 2: "*I think we've come a long way from red tape, which is fortunate or unfortunate, whichever way you want to see it. I started working for the company in the days when it was still the Department of Post and Telecommunication, the Department PT. If I look in the rear-view mirror and I look at the red tape that we had, we've made giant leaps to where we are now. But I do agree with you, sometimes you are hindered with processes that are too long and processes that are almost 110% perfect that can cover us in any court of law. On paper that is good but that doesn't match the experience of the customer. When you have any process, even if it is 60% compliant, if I can delight my customer, then I would go that extra mile to say let's do this. If we need to look at the paperwork later or follow an admin process, let's do it, but it's about service because without service, without delighting those customers, we put the stakeholder value in jeopardy. Without our customers we can't be here as employees and this company will most probably not be here".*

Respondent # 3: "*I think policies and procedures are good things, because they guide and support good behaviour. This means that there's something that still needs to happen, regardless of how many policies and procedures, as decision-making for a better world. Now our decision-making matrixes and support for good decision-making are sometimes wanting.*"

Respondent # 3: "*There seems not to be a consistent liberating path for a lot of talent in this organisation to have access to the policies and procedures. But now we need to be able to liberate people through that to continue and to be able to innovate and create and take us to a different level. That is why we want to attract and have talent in the organisation. I am going through two audits at the moment and it feels like a personal attack, and you know and I can see how it's making my staff uncomfortable as well".*

The respondents agree that policies and legislation are necessary and in some instances positive for business. However, the challenge arises when people do not apply logic to the current situation in order to make the most feasible decisions. This delays the flow of certain processes within the organisation and hinders change and progress.

### 5.2.2 THEME 2: ORGANISATIONAL CULTURE AS EXPLOSIVE INSTABILITY

Numerous initiatives are undertaken in the organisation, and many of these are aimed at improving the customer's experience. However not all initiatives are executed correctly and successfully. An organisation in an explosive instability state, has little or no structure regarding the implementation and successful execution of initiatives (Henning, 2014). These initiatives might be superb ideas, but they may create an information overload for staff. Staff might not be sure which initiative they should focus on at that specific point in time to enable them to improve the customer's experience. When initiatives are implemented, these do not necessarily improve the customer ratings. Initiatives that have little success frustrate staff and can have a negative impact on customer service.

It seems as if some initiatives are regarded as tick boxes, meaning such initiatives were part of business unit deliverables for that specific time period. The initiative was developed and launched, therefore the deliverable was met, even though with little success. The main focus of the business unit was to provide the deliverable and not necessarily a successful initiative.

The subtheme relates to comments made regarding various initiatives planned and to be launched in the organisation. Currently, some of these initiatives are not executed successfully.

- **Subtheme: Continuous change initiatives**

Respondent # 1: *"…what we tend not to do is to get alignment, so what am I saying? There might be a lot of focus and discussion on initiatives that we want to implement in terms of the rapid turnaround project. But we are seldom able to find the balance with operations. Operations seem to be this big machine that continues day to day to move in a certain way or behave in a certain way, and quite often the project and initiative intervention do not really get down to the level of understanding and sharing. So for me I think we need to be able to draw the line from the start to the end…"*

Respondent # 4: "*You know we have a problem where it says people are not listening, so we put on big bunny ears to make people aware that they must listen, and come next month you don't see a change in the numbers. I think there are a lot of things you do but you don't necessarily see the results immediately or in the surveys that are being done".*

Respondent # 2: "*So in terms of the utilisation of our labour, I think that is being done much more efficiently. But obviously there are still some opportunities for further improvement, not only within my division, I think across Company X".*

An initiative was launched that focused on a self-service portal. Customers can access the Internet and log on to the self-service platform to report their service problem instead of contacting the call centre. Even though this was a great idea, it is not as successful as hoped due to inaccurate or lack of feedback on service problems logged.

The customer would log a problem on the self-help portal and receive a notification that the problem was logged; however, he will not receive any feedback on the progress of the problem. Some customers would receive feedback that their problems were attended to and resolved, when in fact they were not.

Respondent # 4: "*So I think it is important that those initiatives are developed where we can explain to customers that through self-service we make it easier for them to help themselves; or to explain to customers that if we make a promise we are going to keep it. If we don't, you know, we'll give you something in return, if we break our promise. I think it's important that we start putting those things in place, to back our promises and back our service delivery experience that we want to guarantee".*

Respondent # 3: "*It is a top priority and I still don't believe we've got the right effort and capability behind that unfortunately".*

The initiative with the self-service portal was not stable and created even more problems for the organisation, for example backlog on service problems and dissatisfied customers.

### 5.2.3 THEME 3: TOWARDS BOUNDED INSTABILITY AS THE IDEAL DYNAMIC STATE

The ideal state of any system is to have equilibrium and Bounded instability within limits, as discussed in Chapter 3. Currently, Company X is not in this state, specifically in terms of customer service.

The respondents suggested similar ways on how to change the current state of Company X to improve customer service. They suggested that change within the organisation will occur if the behaviour of all parties involved change. Pearson (2014) suggested that customer service should become part of an organisation's performance measure to motivate a behavioural change within the organisation. This was one of the suggestions made by the respondents; to make customer service a bigger part of staff performance measurement.

The staff performance measurement should be tangible, therefore it should impact staff's accountability and ownership of customer service, not only within their business units but across the entire organisation. If a staff member does not perform according the specific guidelines regarding customer service, the whole organisation will underperform. The goal is therefore to create customer service accountability across the organisation's value chain.

The subtheme relates to the inputs given on how the organisation can move into the Bounded instability state.

- **Subtheme: Initiatives to improve customer service**

Management is aware that the organisation should change its current behaviour to remain relevant and be able to provide exceptional service to customers. There are still good service initiatives that can be implemented but it is crucial to execute these properly to avoid wasting effort, time and money.

Respondent #3: "*You know the business is good, so many good things are going on, but I don't know if we've captured it in a structured and focused approach, hence it feels like we are trying to answer the same questions too often in very different ways. We waste time and resources".*

Respondent #3: "*If we can focus our energy and the capability of the resources in this organisation, I believe there is magic that can happen very quickly. But I also believe there comes a time when it is too late, because we can't change strategy another four times".*

Respondent # 4: "*So I think what we are putting a lot of our hope on this customer experience blueprint that is supposedly being developed by Oliver Wynman. The blueprint, according to us, should across all channels make sure that the customer experience is standardised, so that you don't have different experiences from one channel to the next. So it's almost, almost coming up with a customer promise, the Company X promise, the Company X way of customer service, because we have the TDS (Company X stores) way of customer service. We have the call centre with Company X service, but what's the Company X way of customer service? I think that's absent, and hopefully the blueprint and the CX (Customer Experience) initiatives will help us develop some of that".*

Respondent # 1: "*I think we maybe need a fresh approach as well because generally we depend on the existing stuff and it is critical in this whole process to make sure that the staff understand it. That they are comfortable in explaining because ultimately that is what happens 80% of the time".*

Respondent # 4: "*So one of the initiatives is that we start a centralised quality team again, because we used to have that long ago. This team diluted and now the intention is that we restart it and with that being under my control together with my team. We can influence the standards that people apply out there in providing more meaningful service, and people can't just brush it off and say: well I don't report to you let's speak to whoever. I think this way we can maybe standardise and effect customer experience a little bit better. But we need to set that up, and make sure it's got appropriate teeth, you know, to affect some of the changes we need together".*

There are many good initiatives that can be implemented; however, the organisation is much more complex than meets the eye. The input does not necessarily produce the planned meaning that 1+1 is greater than 2, so the concept of synergy is in play, specifically multifinality which is visible within the organisation.

### 5.2.4 THEME 4: INCONSISTENT PRACTICES

Inconsistent practices entail two specific themes that are currently indisputable within the organisation. The inconsistent practices include the inconsistency in performance management across various business units. Inconsistent performance management influences customer accountability within the organisation, which inevitably leads to inconsistent service experiences of the organisation's customers.

The subtheme relates to comments made regarding the inconsistency in performance management across the organisation.

- **Subtheme: Performance management gap**

Respondent # 1: "*To me it boils down to how we manage performance and the way that we are contracted. If you have taken the very same process and you said 50% of it is end-to-end measures in terms of the operations, then obviously you'll get a different result. Currently, everybody is accountable for a piece of the value chain and that's the only piece and that is where it stops. I'm a firm believer, if you want to focus in terms of a certain deliverable or an objective, you need to be able to track it properly and then obviously take the necessary action to support that result.*"

Respondent # 4: "*I think how we position this as well, and the way we look at ourselves internally and at quality should maybe be 10% of a person's performance contract. Voice of the customer should really be 85% to 90%.*

*If we can get that balance right, where the portion what the customers say about your quality is 85% of your quality score, then I think we will see the mindset change. Right now, in a lot of functions, the internal perception is still that 60% to 70% of the contribution goes to PEP (Performance Enhancement Programme) as opposed to what the customers say".*

Respondent # 2: "*I am convinced that if we do this then obviously we will raise the bar. Whether we will have the same type of indicators and KPIs (Key Performance Indicators) within our performance contracts, that is another thing and most probably the second point to my proposal, that all of us need to have the customer in our contracts".*

The subtheme relates to impressions of inconsistent service delivery within the various customer interaction points, hence creating a negative overall customer service quality perception.

- **Subtheme: Inconsistent service delivery**

There are a few main global trends that drive customer loyalty, as discussed in Chapter 2. Two of these indicate that customer expectations are increasing within the service industry, especially regarding quick and efficient service delivery (Jacobsohn, 2014). According to Folkes (1993), service failure has more impact on a customer's perception than service success. Customers are therefore more likely to share their bad service experiences with others than their good service experiences (Noeth, 2013).

As previously mentioned, customers have become outspoken through social media regarding their bad service experiences. It is crucial for Company X to manage the negative service comments regarding the organisation due to negative customer comments that cannot be archived once published on the social platform. Inconsistent service delivery is a challenge within the organisation, whether it is products not being reliable or service requests not being attended to.

The respondents have similar views regarding the reasons for the inconsistent service, namely lack of taking ownership and accountability for customer service.

Respondent # 4: *"I think for me the single biggest inhibitor of customer experience is the fact that we don't have clear ownership of the customer through the value chain; let me elaborate a little bit. When you contact the call centre, we log your order, we log your fault or your dispute, but after it goes into the value chain, delivery has to start. As this order progresses through the value chain, there's no clear accountability as to who is accountable to keep the customers informed, in touch, and make sure they know exactly where their orders are at that time. I think ownership of the customer is a problem because the reality is everybody in the value chain knows that if anything goes wrong, the customer is going to call the call centre and the call centre will try to resolve it where they can. They will log an escalation to come down the value chain, and I think that for me is the biggest indicator, in terms of all our processes and all these things, that clear customer ownership is not there…"*

Respondent # 1: *"Once you have reached a certain level, there would be differentiators, but at this stage the broken elements in the process first need to be fixed. If we sort that out, then we can make sure we get a consistent experience".*

Respondent # 3: *"When you buy something, it needs to work, and it needs to be reliable. You work hard for your money, the average consumer works very hard for his money. Our product is not delivering on our promise.*

Respondent # 1: *"You end up calling back or making an effort, only to be disappointed at a later stage. Furthermore, I also need to say there's many customers that are fairly happy, but the reality is that the negative element is unfortunately prevalent in your experience at one stage or another".*

Respondent # 1: *"People cannot say that everything was perfect and you might have the call centres doing their job for a change, but then the technicians mess up or vice versa".*

Respondent # 3: "*You must remember, this business is about selling. No more and no less than that. Selling and service is what this business is all about. But our systems do not necessarily lead, guide and support those interactions with the customers or consumers. Hence, I think our service is terrible".*

### 5.2.5 THEME 5: SYNERGY: THE WHOLE IS MORE THAN THE SUM OF ITS PARTS

As discussed in Chapter 3, synergy is not based on a linear relationship between parts, therefore the outcome might not be based on the input due to various interactions that take place in the system (Laszlo & Krippner, 1998). The respondents are aware that the organisation is more than the sum of its parts and indicated that the organisation's dynamics are much more complex. It is a challenge to identify all the elements that are currently hampering the organisation to move into an ideal state.

The subtheme relates to comments of the organisation's overall quality of service. The organisation's overall service quality question evokes more service experiences than just one customer interaction.

- **Subtheme: Overall service quality is more than the sum of its parts**

The overall quality of service regarding the organisation consists of numerous elements and not only one single interaction. The question evokes elements that include the organisation's brand and reputation. When customers rate the organisation, they rate it according to numerous experiences of the organisation as a whole. Respondents have a mutual view regarding the organisation's brand, namely that the brand is faceless. This in itself is a challenge because customers cannot necessarily associate with a faceless brand, which includes rating it.

*Respondent # 4: "My opinion of that is, when you ask somebody to rate a person that they need to interact with, they can relate to the person. When I interact with you, I can explain the fact that I can't help you and I can be very nice in how I do this. When you rate me, you can be sympathetic in your rating. However, when you as a customer rates a company, you know you have no tolerance for a value chain that needs to deliver and you are probably going to be a lot harsher on the company as opposed to a person. I think that's one reason for the big difference, because for Company X to get a good rating, everything needs to fall in place and work. For the agent to get a good rating, he just had to do everything he possibly could. But as far as Company X is concerned overall, I think it's the whole value chain that impacts that rating".*

Respondent # 3: "*Unfortunately, I think our Company X brand has a lot of negative perceptions grown over the years, which, right or wrong, have not necessarily been addressed correctly to build brand love. This needs to change. It must be a focus for the organisation to create a love for our brand again. That has to come from what the people do, how the channels look and feel, how we behave, how we service and then the story we tell to the consumer".*

Respondent # 1: *"I think it is the connotation at least to many of our customers, Company X is faceless".*

The subtheme relates to the staff members who become the face of the organisation. The staff interactions with customers become the face of the organisation, therefore it is easier to rate that interaction experience of the staff and much more difficult to rate a faceless organisation.

**Subtheme: Staff interaction provides a face to the brand**

Respondent # 2: *"From that point onwards, I am the face of Company X. That technician is the face of Company X".*

Respondent # 2: *"So that interaction is very important and it is interesting to note that the same type of format is also displayed with the call centre agent. It is that personal touch, whether it is verbal or whether that is in person, you have that first point of contact…"*

Respondent # 4: "*There's no attachment with the company but with a person there's an attachment".*

The following subtheme relates to impressions regarding the organisation as a complex system. Hence, it is a challenge to fix the numerous processes to improve the customer service experience.

- **Subtheme: Complex system and processes to be fixed**

Respondent # 4: "*I think if it was that easy, everybody would've done it already and I think here's the difficult thing, closing the customer experience gap".*

Respondent # 2: "*Yet at the same time, it is the example of the jigsaw puzzle. When you look at the 2000 pieces on the outside of the box, it looks beautiful. But once you start compiling it, you really need to apply your mind. The one piece cannot say to the other piece: you are less important or more important. In the end it completes that picture and this is the completed jigsaw puzzle that I see. The challenge for us is how do we collectively own up to this and move on".*

Respondent # 1: "*No, it is not just band-aids or hygiene. I think it is a bit more complex. It is about quality and the tracking of that quality right through, so you need to get that right, otherwise you can get the people to greet in a nice and friendly manner every time. It's not really going to make a difference if something happens downstream in terms of the service not being delivered or the fault not being fixed, so it will obviously help".*

Respondent # 3: "*...so there is a lot of complexity to deal with and now there is this thing called convergence that nobody really knows what it stands for and to be able to advise a consumer correctly?"*

Respondent 3 is referring to a specific product solution which the organisation launched, called convergence however the staff is confused as to what exactly the product entails and cannot provide guidance to the customer whether the product fits their telecommunication needs.

The various business units within Company X are all dependent upon each other to provide an overall excellent service experience for customers. If one department does not contribute to improving customer service, it affects the rest of the business units. This inevitably impacts the organisation as a whole.

The subtheme relates to comments made regarding the processes within the organisation that hinder staff to provide a good customer experience.

- **Subtheme: Processes within the organisation are broken**

Overall visibility of the customer's profile is currently not available in the organisation. If a customer has a fixed-line service or product, the mobile service staff is unable to see both on the system. It makes it extremely difficult to service the customer properly and it affects the whole service experience. For example, the staff member cannot assist a customer who is experiencing a service problem on his fixed-line service and be able to simultaneously upgrade the customer's mobile contract.

Respondent # 1: "*To be honest, we sit with broken processes and we are not always in a position that we have end-to-end visibility. People are really inward focused, looking at their own operation and their own responsibilities, but nobody is taking that view from A to Z in terms of the customer's requirements. Then there's generally a lack of visibility and awareness. I've got no doubt there's so many broken elements in the process that we cannot really manage the customer's perception upfront".*

Respondent # 1: "*If you look at faults, for example, customers will get feedback that it should take on average two days, but if you're a business customer, you need it fixed the same day, because it is about money, you losing money".*

Respondent # 3: "*Those last few yards at this moment is a disaster because IT systems are not making smart choices, to put the right resources at the right time. For me the biggest place is to build a good alignment. Align the business better. Carry on in that fashion and make sure our billing is superb and customers are educated about our billing engine. That is still 40% of all the things that we do in this business with customer interaction, to talk to them about billing enquiries".*

Company X is also part of a bigger system, as discussed in Chapter 3. For example, the economy and politics of the country all have an influence on the organisation. The following subtheme includes the respondents' various comments regarding the bigger system of which the organisation is a part.

- **Subtheme: Organisation is part of a bigger system:**

Respondent # 1: *"I think we can make it a lot easier, but it is also not Company X factors alone. I think in general if you look at the greater South African economy, something like fraud is rife, crime is rife considering legislation and yes we need to toe the line as well. The point is there's other companies, retailers that have the same burden but is doing a lot better and I'm going to say it:"*

Respondent # 1: *"I think generally from our legal and regulatory references, we tend to take the lower risk route always which you can understand. If that's how you respond then I don't think that the rest of the organisation is going to change, because you get that feeling you will not be supported, if you challenge the status quo. So in a way people need to make it a little bit more visible that we can find ways to work around whatever obligation we have".*

Respondent 1 indicated that the organisation faces similar challenges as its competitors however Company X will not take the same risks in the market place. For example Company X will not launch a product if it has not gone through all the various approval processes therefore chooses a low risk approach. In the meantime a competitors will launch a similar product quicker into market without going through the various processes.

Respondent # 2*: "One of the things that most probably is bothering me is the support of our social partners and you cannot divorce that from the political situation within the company. So in terms of do we have what it takes to take the company to the next level, I think yes, but there are some influences, such as political, that I think sometimes hamper us to really move to the next level".*

Customer service expectations are changing and becoming more demanding. Resisting change in some parts of the organisation places it at risk and possibly increases the customer experience gap between the organisation and its customers.

The subtheme relates to comments made regarding how customer needs have changed due to new technologies being developed and customer demands continuously growing.

- **Subtheme: Constant changing needs of customers**

There are two different views that the respondents touched on regarding customer expectations. The first is that customers are changing, therefore their needs are changing and the organisation should adapt accordingly. The other view is that the organisation's customers have certain service expectations due to previous interactions with the organisation, therefore their service expectations are based on previous interactions. These interactions are not necessarily up to standard. For example, customers are used to wait for their service problems to be resolved, hence they expect no immediate solution for their service problems. Dealing with Company X is also cumbersome for customers and it creates the opportunity for them to cancel their service with Company X and move to competitors.

Respondent # 2: "*At this point in time I would like to say customer expectations have taken a giant leap in terms of technology growth. What was good last year or perhaps 6 months ago or even 3 months ago is not good anymore. So we grow at such a rapid pace, there will always be a gap. The challenge here is how fast can we catch up with the gap between customer demands and what we can really offer?"*

Respondent # 4: "*It has changed over time, it has become a lot more demanding, which is rightfully so as well. If I look at a mobile service that I apply for, I want instant gratification. When I walk out of the shop I expect it to work. I don't think our customers have that expectation of Company X, they don't call us now and expect to have it tomorrow. They are very lenient on us actually".*

The subtheme relates to comments made regarding the respondents' awareness of the overall service quality gap between the staff versus the organisation's ratings.

- **Subtheme: Service gap awareness**

All of the respondents were aware of the service gap between the staff's overall service rating versus the organisation's overall service rating.

Respondent # 1: *"Yes I am, there have been many sessions with your colleagues where they explained that the customer rates the individual higher, but looking at Company X overall, the gaps are always much smaller".*

Respondent # 2: "*Yes, of course. The overall rating, obviously there is a gap…".*

Respondent # 3: "*Well, the staff's overall ratings tend to be better than that of the Company X service ratings".*

Respondent # 4: "*Most definitely".*

### 5.2.6 THEME 6: POOR MANAGEMENT

As discussed in Chapter 2, Gap 1 of the SERVQUAL model occurs when management incorrectly interprets what customers want and need, which leads to poor customer experience (Zeithaml, et al., 1990; Shahin & Samea, 2010). Company X is experiencing a similar phenomenon where management does not manage the service processes within the various business units properly, for example, they do not understand the essence and importance of providing good quality service to customers.

Respondent # 4: "*I will get rid of some senior managers and managers. That will drive the single biggest impact, because I don't think agents and customer facing staff pitch up with the intention to provide bad service. I think it's how they are managed that causes that as an effect.*

*Well, nobody comes to work to do badly. You don't want to come here to do bad things and provide poor service, but what if your management allows you to do those types of things and can't tell you how to do it, and what's the right way of doing it. You won't succeed".*

Respondent # 3: "*I don't worry about those things because there are no skeletons if you operate in management with good values and systems, but there are things that can kill the spirit sometimes within the organisation. These are not the policies and procedures, but the mechanisms employed above them. Sometimes, we have to support and allow more creation within the organisation, always ensuring there is good balance in speedy decision-making".*

Respondent # 1: "…*but if the lead and the message is clear from the top and the success is celebrated or the consequences of non-delivery are also clear and visible, then I would think it will happen. But unfortunately I need to admit that sometimes top management does not happen when many of the decisions is pulled up and then guess what, the more you make the decisions, the more you get pushed in that direction".*

Respondent 1 shared his frustration regarding top management. He felt that even though he made decisions he is not always supported by the top management team. They expect him to make decisions even though they do not support it. It is crucial for an organisation's management to be committed to service quality to create a culture of service excellence that filters down to all structures within the organisation.

If management is not committed to a service quality culture, it will produce gaps in the value chain, as depicted in Figure 5.1. Management should have a cohesion 'service vision', identifying service quality as a key component in an organisation's success (Zeithaml, et al., 1990, p. 5).

To avoid creating gaps within the organisation, management should also make sure that it is delivering according to the standards customers expect (Zeithaml, et al., 1990; Shahin & Samea, 2010). The bottom line is that management should have a committed attitude towards delivering high quality service.

Respondent # 2: "*So all of us should be on the same page, for our management team to make the right investment decisions. We also have a painful past in terms of investment decisions that affected customer perceptions. Are you really focused or what is it? At one stage Company X Management was to blame. I believe we have good management, a top leadership team. I know that not all the appointments of the Chiefs had been finalised. But I'm convinced that we have the leadership capability to take this company to the next level".*

Respondent # 1: *"…talking about the call centres more specifically, I think there's a total lack of management, Company X management. Manage the quality aspect properly to make sure that quality features and people realise the importance. People generally the staff disappear in the volume and with all the incorrect behaviours that you can think of. It is not really easy to go back and identify, however, it can be done, but in some instances it is quite impossible. Because of the lack of management focus and effort from their side and sending a strong message, people generally receive an average to poor experience".*

Respondent 1 commented that there is definitely lack in management in the call centre environment. The organisation has huge volumes of staff and it is easy for some individuals to provide a bad service experience to customers. According to respondent 1 this is mainly due to lack of management therefore the customer ratings are low.

Management needs to provide the necessary technology and support for their staff to enable them to be successful in providing excellent service (Berry & Parasuraman, 1991; Heskett et al., 2008) Training is also required for staff to equip them to have a service-orientated attitude, established through the organisation's culture as derived by management.

Respondent # 3: "*But our systems do not necessarily lead, guide and support those interactions with the customers or consumers, therefore I think our service is terrible".*

Respondent # 1: *"Obviously if it's a training issue we will deal with that as well but unfortunately we battle to get beyond training, it's always a coaching story".*

Respondent # 3: "*You need quite a specialised agent and then they work with tools that are outdated, so the tools are designed to accommodate the customer processing, is not guiding, it is not supporting the sale process".*

Respondent 3 indicated that the systems the staff uses while dealing with customers are complex and it sometimes hinders staff to provide a good customer experience. The systems can sometimes be so cumbersome that the staff loses a sale due to the system that actually needs to support staff in doing their work properly.

Respondent # 2: *"…that is the challenge, with all these processes that we need to follow. I alluded to the value chain earlier. From the call centre, how long does it take to be dispatched, then for pre-testing to the FAMC (Business Optimisation Solution) and ultimately dispatching the technician. I think that is still too long and we need to reduce that time".*

## 5.3 DISCUSSION OF FINDINGS

The six main themes that emerged from the interviews, assisted the researcher to answer the research question and address both the theoretical and empirical objectives. As mentioned in Chapter 4, a conceptual research methodology design was used to illustrate that the researcher approached the research question and objectives through theoretical and qualitative lenses. The researcher was also part of the observing system and had prior knowledge of the organisation's challenges.

The conceptual research methodology design represents the interconnectedness and interdependency between the systems theory and qualitative approach, as illustrated in Figure 5.2. The approach assisted the researcher to explore, measure and analyse manager perceptions as to why a service gap exists. The research objectives, formulated in Chapter 1, are revisited below.

Theoretical objectives were stated as follows:

- TO1: To describe the existing customer service models.

The service models were discussed in detail in Chapter 2 to provide an in-depth understanding of the development of service quality models. The SERVQUAL model was the most appropriate model to use due to management's possible impact on the service gaps between the provider and consumer, as illustrated in Figure 5.1. Together with the SERVQUAL model and concepts from systems theory, the second theoretical objective was addressed.

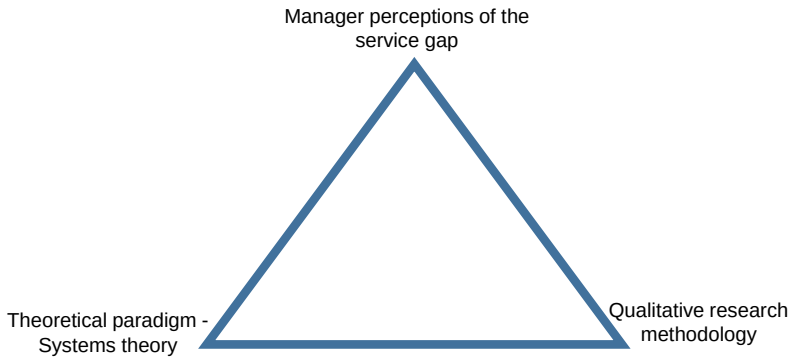


**Figure 5.2: Visual presentation of the research perspective. Source: Jordaan, 2015**

- TO2: To identify relevant concepts from systems theory that can provide deeper insight into management's perceptions regarding the customer service ratings gap.

The SERVQUAL model formalised the possible gaps within Company X, together with a systems perspective, as depicted in Figure 5.2. There are numerous interactions between the provider and the consumer, which also includes interactions from the larger system, for example the economy of the country. Figure 5.3 represents Company X and its interactions between the various subsystems, the provider and consumer. Through these interactions, a service experience is created, and in this instance a service experience gap was formed.

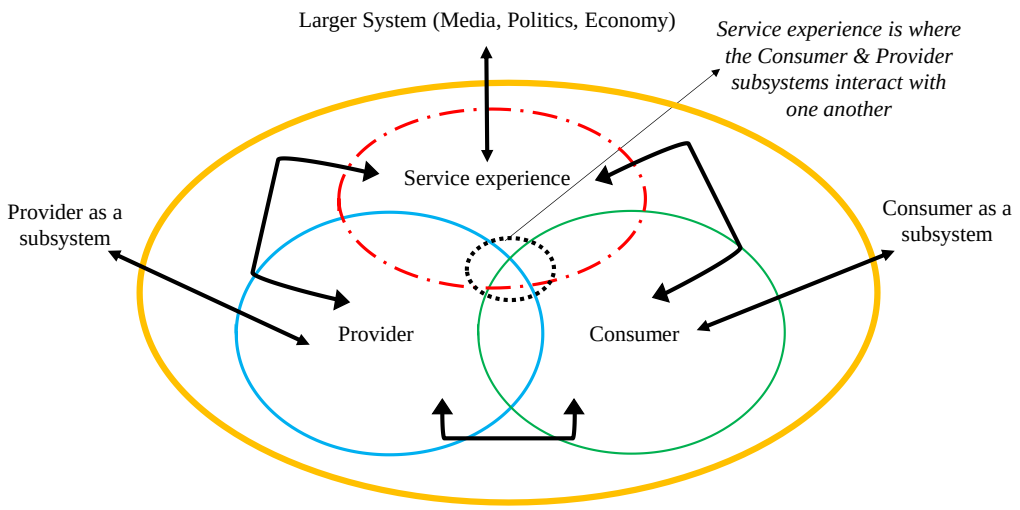


**Figure 5.3: The explorative system. Source: Jordaan, 2015**

The concept of systems theory assisted the researcher to gain deeper insight into Company X as an open system. Within the organisation, there are certain business units that are more inclined to be closed systems, which creates a silo mentality within the organisation. The organisation is currently functioning in the Stable equilibrium state, hence portrays characteristics of 'stuckness', 'passiveness' and bondage due to cultural habits.

Using both the SERVQUAL model and the exploratory explorative system, the researcher was able to establish that there are no linear interactions between the Provider and Consumer systems. Therefore, the parts are more than the sum of the whole. The input that is provided within the Consumer-Provider system does not necessarily give the planned outcome, but instead presents multiple outcomes. The essence drawn from the theoretical objectives is that there does not exist one real truth due to the numerous variables that influence the Consumer-Provider system.

The empirical objectives were stated as below and then addressed through the content analysis of the study.

- EO1: To determine to what extent management is aware of the service rating gap.

As discussed in theme five's subtheme, 'service gap awareness', all the respondents are aware of the overall service quality gap between the staff's ratings versus the organisation's ratings. They indicated that the organisation is stuck due to its current culture, therefore the organisation's culture is not prone to change.

- EO2: To explore management's perceptions as to why the service ratings of the organisation are so much lower compared to the staff's service ratings.

The main reason identified as to why the respondents believe the service ratings of the organisation are much lower compared to that of the staff, is due to inconsistent organisational practices.

One of the practices includes the gap in the performance management of the organisation. Not enough emphasis is placed on the importance of customer service within the staff's performance contracts. The percentage of a service score in the current performance contracts is not enough to drive adequate service behavioural change within the organisation's culture. Performance management is the other inconsistent organisational practice derived from the first inconsistent practice.

Inconsistent service delivery is visible because of inconsistent performance management. If excellent service culture is not detected in the organisation's performance, it influences the service delivery which in turn affects the customer service experience. For example, a customer can have a good service experience in the store, but afterwards he may experience a negative service interaction with an alternative customer facing channel. These inconsistent practices contribute to the service gap within the organisation.

- EO3: To explore management's suggestions as to how the organisation and employees can address the gap.

The organisation should function in the bounded instability state, in other words, it will function as an open system and sometimes as a closed system to avoid an overflow of inputs that can bring too much disruption. The respondents indicated that the ideal would be to provide consistent service delivery and have an improved performance management measure regarding customer service. This will assist the organisation to start functioning in the ideal state, hence to be open to change but within limits. Several good initiatives were mentioned by the respondents. These will be implemented into the organisation in due course. One such initiative is the customer service blueprint. This initiative will provide a standardised view of customer service practices that all business units can implement to improve the overall customer experience.

- EO4: To explore management's perceptions on how the organisational policies and processes impact on current customer experiences.

The current state of affairs regarding policies and legislation had some mixed perceptions from the respondents. Some were of the opinion that it hampers the growth and change of the organisation, while others felt that it is needed as guideline for best business practices. They all agreed that it should not influence the customer experience in such a way that it negatively impacts the customer's service experience. Unfortunately, this happens in some instances.

One of the respondents suggested that staff should also use their own logic when applying policies and processes. The outcome is that policies and processes should be used to benefit the organisation and customer and not to apply it just out of habit.

- EO5: To determine if there are any current or future initiatives that might improve customer ratings of the organisation's service.

There are definitely very good future initiatives which executive management would want to implement. These will assist in improving the customer service experience of the organisation. One of the respondents indicated that the organisation needs a fresh approach to customer service. As mentioned before, there is an initiative called the blueprint that will be rolled out to all business units in the organisation and will entail a standardised customer service plan across the business. Figure 5.4 illustrates the three reasons why there exists a service quality gap regarding staff's overall service quality ratings versus the organisation's overall service quality ratings.

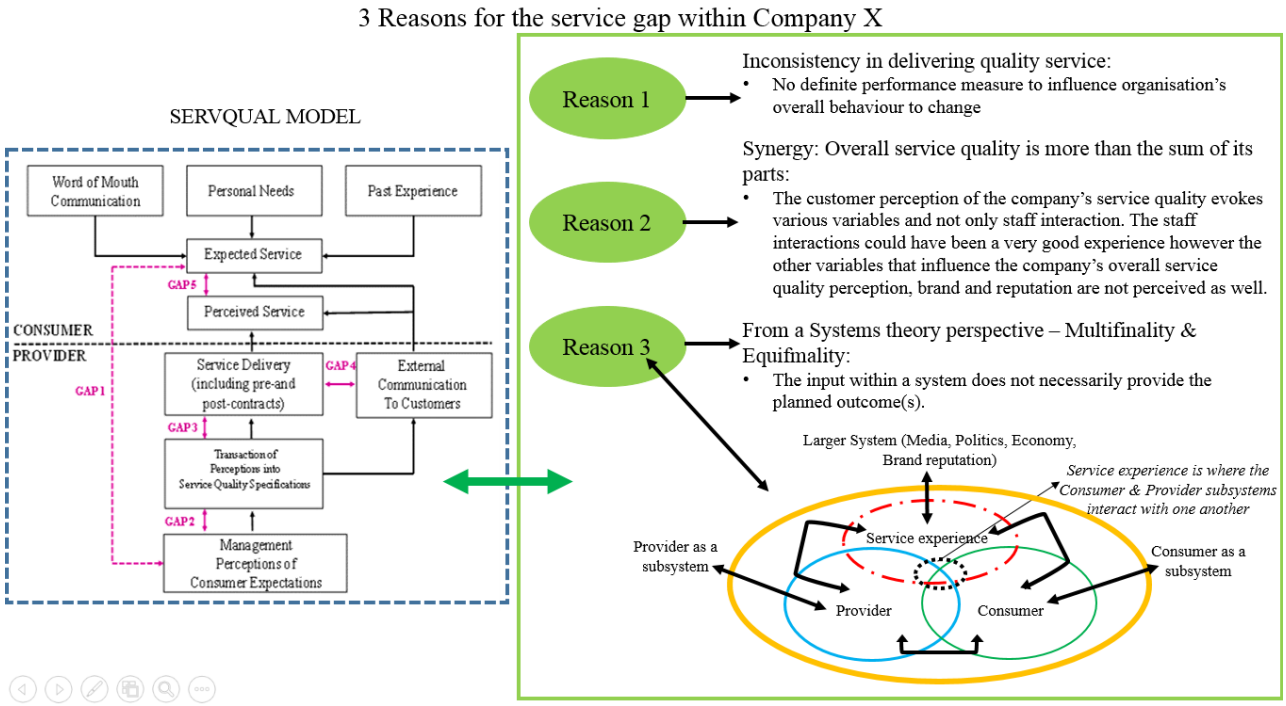


**Figure 5.4: Visual presentation of the reasons for the gap within Company X. Source: Shahin & Samea, 2010 & Jordaan, 2015**

Reason 1 for the gap is due to inconsistency in service experience, specifically regarding gaps within the organisation's value chain. For example, a customer receives a good service experience at the call centre but other interactions within the value chain give the opposite service experience. This can include receiving the incorrect bill and products that are unreliable. All these elements within the value chain can influence the outcome of the overall service measurement.

The inconsistent service experience mirrors the overall service quality gap experience between the organisation and staff. If there was consistent good service across the organisation, the gap between the staff's overall service quality rating and the organisation would possibly be smaller.

Reason 2 is about the actual question that was asked to the customers: the overall quality of the organisation's service. The question recalls more than one service perception, feeling or interaction the customer had with the organisation. It evokes the organisation's brand and reputation and is not based on just one interaction. The two overall quality of service questions, one about the staff and the other about the organisation, are therefore not the same and cannot be compared to one another. The rating of an organisation's brand and reputation versus an interactive service experience with staff will provide a different outcome, hence the question is more than the sum of its parts and is the third reason for the gap in ratings.

Reason 3 relates to the overall service quality question of the organisation which in actual fact is more than the sum of its parts. The initial idea was to provide input by asking customers the overall service quality question and then to obtain an outcome. However, the input of the question evoked various outcomes. These outcomes included customer perceptions of the organisation's brand and reputation. In retrospect, this provides more insight for the organisation that the brand and reputation are not perceived as positive as expected.

The respondents who form part of the executive hierarchy in the organisation are not of the opinion that the brand is faceless and they are unsure what the brand stands for. If this high level management team is unclear regarding what the brand represents, how will the consumer be able to rate the organisation on the overall service quality.

There are numerous reasons why a gap exists in the organisation. The three reasons are just the tip of the iceberg. In essence, there is no absolute truth why there is a service gap between the ratings of the staff and the organisation, because there is not just one variable that created the service gap.

## 5.4 CONCLUDING SUMMARY

A system is usually studied to find patterns that connect all the different parts. Service experience consists of numerous complex subsystems. For example, the consumer, provider, quality of service, service expectations, perceptions and satisfaction, only to mention a few. According to Hanson (as cited in Visser & Moleko, 2001, p. 60), "if parts form a system (are interconnected) there is no such thing as a single cause and effect relationship". Each subsystem influences the other and can result in change, for better or worse, depending on the current state of the system. The ideal scenario for a system is that all the different parts work together to form a unity.

In Chapter 5, the various themes were identified and shared. The main reasons for the existence of the service gap is because of inconsistent practices in the organisation, including lack of performance management measurements to drive service quality behaviour within the organisation.

The respondents mentioned various elements which assisted the researcher to identify in which state the organisation is currently functioning.

The organisation is mostly in the Stable equilibrium state, which results in the inability to actively change to accommodate customer and environmental demands. If Company X functions too long in the Stable equilibrium state, the survival of the organisation is at risk.

According to O'Grady and Malloch (2015, p. 55), "the most common problem in systems is that a unit and the people that make it up get co-opted by their work and their intentions. Because they leave their work and relationships within the context of the unit, they forget that whatever they do has a broader frame of reference that must be taken into account in assessing the viability of their work".

The next chapter will discuss the recommendations and limitations of the study.

# CHAPTER 6 – CONCLUSIONS, RECOMMENDATIONS AND LIMITATIONS

*"When it comes to customer management, as with any system, the whole is greater than the sum of its parts. Treating a business as a holistic system is the only way to ensure end-to-end integration of a customer-centric approach"* (Leather, 2013, p. 19)

In this chapter, the final conclusions, recommendations and limitations will be presented based on the data analysis. Suggestions for future research will also be made.

## 6.1 INTRODUCTION

The aim of the study was to explore management's perceptions regarding the gap between ratings of overall quality of service. The research findings were discussed in Chapter 5, and six main themes were identified through content analysis, together with various subthemes that related to the main themes.

## 6.2 SUMMARY OF FINDINGS

The findings revealed that the organisation is a complex system with various variables that influence the inputs and outcomes of the organisation.

### 6.2.1 Research question

As discussed in Chapter 5, three reasons were identified through the analysis as to why there exists a gap regarding service quality ratings between overall staff versus the overall rating of service of the organisation. These three reasons are summarised below and depicted in Figure 6.1.

- Reason 1: Inconsistency in service experience is due to inconsistent service delivery, therefore it creates gaps within the organisation's value chain.

- Reason 2: The overall quality of service question regarding the organisation evokes various variables, such as the organisation's brand and reputation perception. The perception of customers is therefore not only based on one interaction.

- Reason 3: The output of the overall service quality question is more than the sum of its parts, because it evokes various outcomes that include the perception of the organisation's brand and reputation.

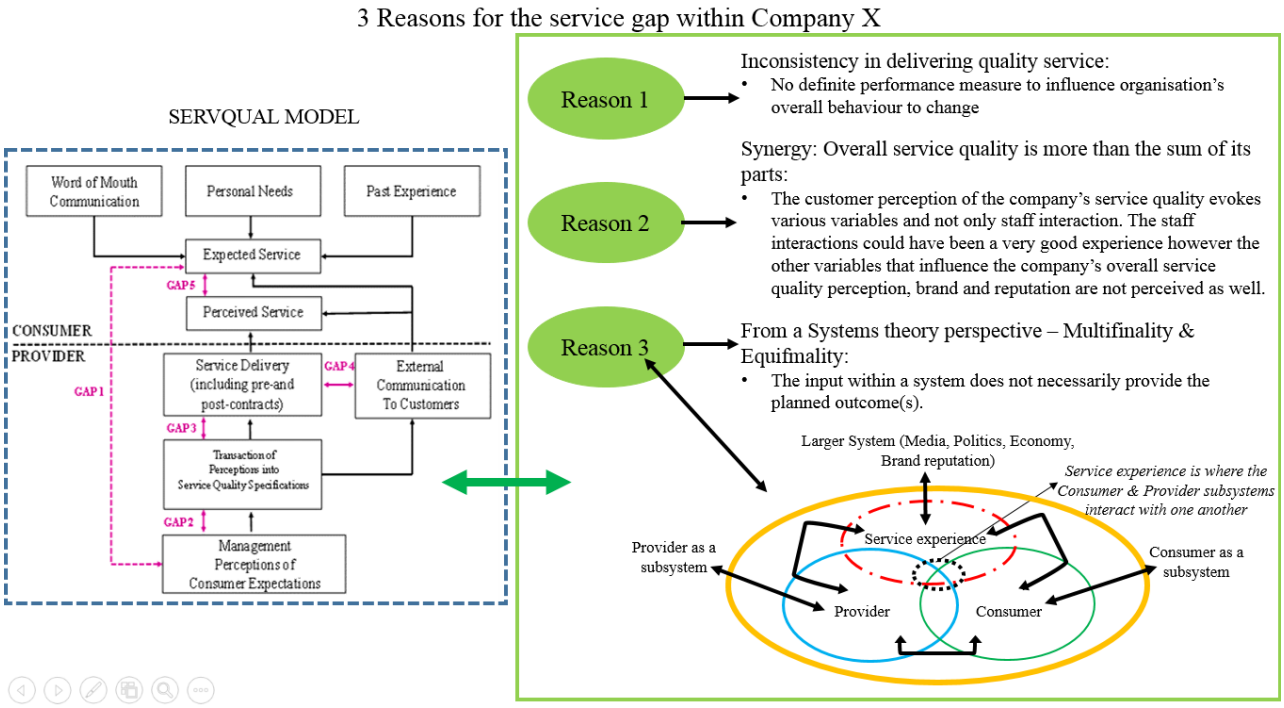


**Figure 6.1: Visual presentation of the reasons for the gap within Company X. Source: Shahin & Samea, 2010 & Jordaan, 2015**

The three reasons indicated that organisational culture is problematic due to the existence of silo mentalities and a parastatal legacy. The findings also indicated that the organisation's current state is not sustainable in the long term and the end result could be devastating. The organisation also portrays characteristic of the Explosive instability state.

For example, there are several initiatives in the organisation, but the staff do not always have a clear understanding of how the initiatives relate to the strategy. Management would want to operate in an ideal state called Bounded instability; however, there is a lot of challenges in the organisation to move into the ideal state. The challenges include the inconsistent practices within the organisation due to inconsistent performance management. Inconsistent performance management causes inconsistent service delivery across all customer facing channels. Poor management is also present in the organisation, such as poor staff management and lack of support when decisions are made to improve processes within the organisation.

### 6.2.2 Research objectives

The theoretical research objectives were answered through the theoretical approach which included the SERVQUAL model, together with systems theory components. The combining of the two provided insight into the initial research question. The theoretical objectives were addressed as follows:

- TO1: To describe the existing customer service models.

The SERVQUAL model was the most appropriate model to use because of management's impact on the existence of service gaps between the provider and consumer, as depicted in Figure 6.2. These gaps impact the customer service experience. Gap 1 occurs when management has an incorrect perception about what the customer needs. Theme 6: 'Poor management', discussed the fact that some managers in Company X do not manage the service processes properly, and do not understand the importance of providing good quality service to customers. These gaps can be seen in the Consumer-Provider system, and the SERVQUAL model formalised the possible gaps that exist within Company X.

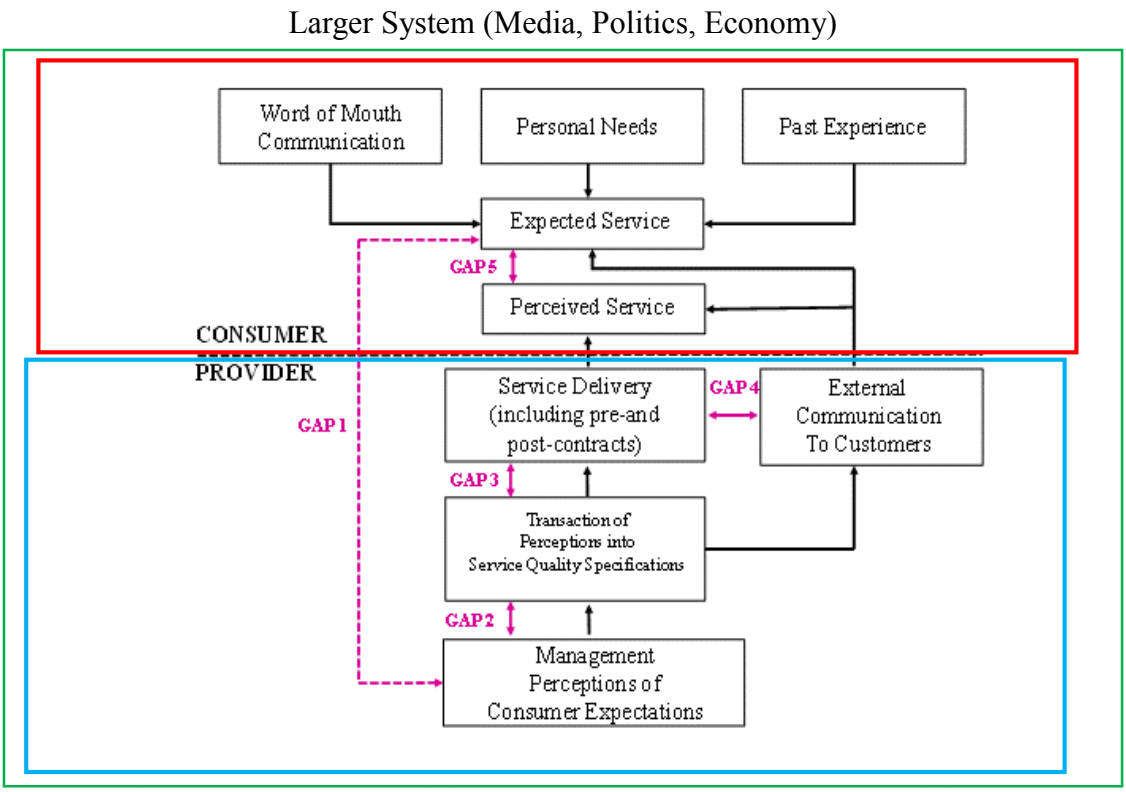


**Figure 6.2: The SERVQUAL model: Customer experience gaps model. Source: Shahin & Samea, 2010**

- TO2: To identify relevant concepts from systems theory that can provide deeper insight into management's perceptions regarding the customer service ratings gap.

There are numerous interactions between the provider and the consumer that create a service experience. Systems theory assisted the researcher to identify the organisation as being an open system with the parts more than the sum of the whole. The insight gained from the systems approached established that there are more than one truth and reason as to why there is a gap in the consumer-provider system.

The empirical objectives were answered through the content analysis of the study.

- EO1: To determine to what extent management is aware of the service rating gap.

Theme 5, 'Synergy: the whole is more than the sum of its parts', established that the respondents were all aware of the existence of the service gap.

- EO2: To explore management's perceptions as to why the organisation's service ratings are so much lower compared to the staff's service ratings.

Theme 4, 'Inconsistent practices', addressed objective EO2. The reasons identified as to why the respondents believe the organisation's service ratings are lower than the staff's is due to the gap in performance management. The gap in performance management led to inconsistent service delivery. The inconsistent practices contribute to the service gap within the organisation.

- EO3: To explore management's suggestions as to how the organisation and managing employees can address the gap.

Theme 3, 'Towards Bounded instability as the ideal dynamic state', addressed objective EO3. The respondents suggested that the organisation needs to provide consistent service delivery and have a clear and improved performance management measure regarding customer service. This will assist the organisation to start functioning in the Bounded instability state. This is the ideal state where the organisation is open to change but within limits. There are a lot of good initiatives to be implemented in the organisation in due course.

- EO4: To explore management's perceptions regarding the impact of organisational policies and processes on current customer experiences.

Theme 1, 'Organisational culture as stable equilibrium', explored the mixed feelings of the respondents on whether policies and legislation have a positive or negative impact on customer experience. In some instances, it unfortunately has a negative impact on customer service and staff should apply logic to a service situation together with policies and legislation as a guideline.

- EO5: To determine if there are any current or future initiatives that might improve customer ratings of the organisation's service.

Theme 2, 'Organisational culture as Explosive instability', indicated that there are very good initiatives that can improve the overall customer experience; however, the organisation needs a fresh approach to implement these initiatives.

The results revealed that there are critical focus areas that need to be addressed within the organisation to enable change. These focus areas refer to the three reasons for the gap in service and the recommendations to address these areas will be discussed in the following section.

## 6.3 RECOMMENDATIONS

Firstly, the organisation should embrace a systems-thinking approach regarding customer management. Management should acknowledge that the current culture of the organisation needs to change to adequately support the complexity and interconnectedness of the business units within the organisation. According to Leather (2013, p. 23), "no part is independent or without impact on the whole".

If the organisation does not adopt an end-to-end integration perspective and eliminate the silo thinking and behaviour in the organisation, a consistent service delivery experience will not be possible. "One way to forge those connections is to do away with traditional silos altogether and create new ones organized by customer segments or needs. Many companies, however, are understandably reluctant to let go of the economies of scale and depth of knowledge and expertise associated with non-customer-focused silos" (Leather, 2013, p. 22).

Secondly, the various business units can focus on their specific segment of customers and take ownership of the customer experience in collaboration with the other business units.

This means that the various business units still focus on their own customer segments and take ownership of the complete customer lifecycle. However, the organisation's customer strategy should be implemented consistently across the organisation.

Thirdly, the organisation should have a clear vision and customer blueprint strategy regarding customer management. One of the respondents mentioned that a customer blueprint is planned to be implemented in the organisation. This should be rolled out sooner rather than later.

Another recommendation would be to have proper staff performance contracts in place regarding customer service scores to support the organisation's customer strategy. The performance contract will drive the right behaviour in the business and possibly have a positive impact on consistent service delivery across the organisation. This suggestion was made by the respondents and they are convinced that it will drive customer ownership behaviour across the whole of the organisation.

By implementing a well-structured customer performance measurement, inconsistent service delivery may decline while the gap between the staff ratings and that of the organisation can decrease over time. According to Leather (2013, p. 22), "across every channel that interfaces with the customer, such as a call centre, a retail outlet, an intermediary partner, or web site, there needs to be a consistent and differentiated customer experience".

One of the respondents suggested that there needs to be a staff skills audit, specifically within the various business units of the organisation. It can assist in placing the right person in the right position in different areas with the intent to improve those areas in the business. For example, a good project manager from another division can be placed in another business unit for a specific period.

The goal would be to provide more structure, guidelines and drive to improve customer service initiatives. It might be beneficial for Company X to pilot this idea and use existing talent in the organisation.

Respondent # 2 *"I would most probably propose that we also do a skills audit to determine who needs to fit where. We haven't done that lately and my experience with working with people is that we have different skills and competencies that could have been used in a different environment".*

## 6.4 THE STUDY'S CONTRIBUTION TO THE ORGANISATION

This study was the first attempt to explore why there exists an overall service quality gap between staff's ratings and the organisation's ratings. Most of management is aware of the gap, yet it could not be explained.

The findings from the study provided insight into the current focus areas within the organisation. These focus areas were identified as the three main reasons why there exists an overall service quality gap between the ratings of the staff versus the organisation.

The main findings should be viewed as an opportunity for the organisation to understand the root cause of the existing overall service quality gap. The themes that were identified provide a guideline in understanding the complexity of the organisation. The silo mentality and in some instances lack of management contribute to inappropriate behaviour within the organisation that have an impact on the current service performance and sustainability of the organisation.

Implementing a service quality score in the organisation's performance contracts might be the first step to change the current culture. This will drive a customer focused approach with the aim to improve the overall experience of the organisation.

The research process incorporated a systems-thinking approach together with the SERVQUAL model to gain in-depth understanding of the consumer-provider system. The research approach was therefore based on a sound theory and model foundation that enabled the final outcome of the research findings.

The research further revealed that the organisation's brand is internally faceless. If management cannot associate with the brand, how will the customers be able to? The brand perception is also a focus area. The organisation's brand needs to be realigned with the organisation's customer strategy.

The research study had some limitations and these will be addressed in the following section.

## 6.5 LIMITATIONS

The researcher used purposeful sampling, therefore the findings cannot be generalised to all management staff within the organisation. However, the goal of the study was not to be representative, but to explore the perceptions of management staff regarding the overall service quality gap. The study is also limited due to research being conducted in only one telecommunications organisation.

Suggestions for future research are discussed below.

## 6.6 SUGGESTIONS FOR FUTURE RESEARCH

The results of this study identified valuable focus areas for the organisation. It can be viable for the organisation to conduct a similar study among the other levels of management to gain a comprehensive view on why they believe there exists a gap between the overall service quality ratings of staff versus the organisation.

The respondents indicated that there are good initiatives that still need to be implemented within the organisation. It would be interesting to explore whether those initiatives that have been implemented made a difference in the overall service quality scores regarding the organisation.

## 6.7 CONCLUSION

Einstein commented that "without changing our patterns of thought, we will not be able to solve the problems we created with our current patterns of thought" (as cited in Leather, 2013, p. 21). Customer service has become vital for all organisations to survive in a competitive environment (Zeithaml et al., 1990). Due to customer needs that change and become increasingly demanding, organisations also need to adapt to accommodate customers (Best, 2013; The Ask Afrika Orange Index, 2012). Leather stated that "new business model ideas come not by looking through the lens of the current business model, but by learning how to look through the lens of the customer" (2013, pp. 21-22). Organisations should retain their existing customer base by providing consistent and exceptional customer service through the whole customer lifecycle.

The findings revealed that Company X has numerous focus areas on which they can improve. However, the researcher acknowledges that there exists more than one truth or answer as to why there is an overall service quality gap between the ratings of the staff and the organisation. "The whole is not simply the sum of its parts; it is the representation of the interface and coordinated interaction and integration of all the parts in a synergy and fluidity of relationship, interdependence and collective support" (O'Grady & Malloch, 2015, p. 55).

## APPENDIX A – SEMI-STRUCTURED INTERVIEW GUIDE

1. Are you aware of the gap or difference between the overall service rating of Company X versus the overall rating of its staff's service for example the call centre agent?

1.1.2 Why do you think there is a gap or difference in the customer ratings?

1.1.3 What can Company X do to address the gap or difference in customer perceptions regarding Company X's overall service versus the staff's overall service experience?

2. In your opinion what would you say are Company X customers' current service expectations?

3. Do you think these expectations are realistic?

4. What do you think Company X should do to exceed customer expectations?

5. How does Company X policies and processes specifically in the consumer environment impact on customer experience?

6.1 Do you know of any customer initiatives specifically targeting the improvement of customer service expectations?

6.1.3 Are these initiatives communicated to customers?

6.1.4 How are these initiatives communicated to the customers?

6.1.6 Do you think the initiatives will improve customer overall perceptions of Company X?

6.1.8 What can you do to improve service quality to customers?

6.1.9 What interventions have you put in place if any?

6.2 What initiatives would you want to put in place to improve customer service?

6.2.1 Would you communicate these initiatives to customers?

6.2.2 How would you communicate the initiatives to the customers?

6.2.4 What can you do to improve service quality to customers?

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