Halal Organizational Service Quality Orientation from Employee's Perspective

Razali bin Idris

Arsyad Ayud Graduate Business School Universiti Teknologi MARA, Malaysia zalideris@gmail.com

Albert Feisal @ Muhd Feisal Ismail

Universiti Teknikal Malaysia Melaka feisal@utem.edu.my

Afizan Amer

Faculty of Business and Management, UiTM Kampus Rembau, Negeri Sembilan, Malaysia <u>afizanamer@uitm.edu.my</u>

Hasbullah Othman

INTI International University, Malaysia hasbullah.othman@newinti.edu.my

Irwan Ibrahim

Malaysia Institute of Transport (MITRANS), Universiti Teknologi Mara, Malaysia Faculty of Business and Management, Universiti Teknologi Mara Puncak Alam Campus, MALAYSIA <u>irwan623@uitm.edu.my</u>

Corresponding author: hasbullah.othman@newinti.edu.my

Abstract

Purpose: The purpose of this paper is to proposed a framework focusing on the elements of service quality on internal structural orientation from the employees' perception.

Design/Methodology/Approach: In this research, author gathering data from selected journal articles that mostly give comprehensive view to map variable and

indicator that influence organizational service quality orientation. Author is participating

in comparing several sources information to make a comprehensive framework. This research use content analysis. Author observe systematically symbolic content to analyze newspaper, website, advertisement, books and the like.

Findings – The findings gathers variables of employee perceptions of service quality performance are influenced by organizational knowledge, service concept, service competence and job satisfaction instead of training and customer service orientation.

Originality/Value: The results of this study provide an evidence to consider the internal organization quality service orientation as reliable predictors for employee service quality performance. According to the research, these factors interact with each other and have effects on employee perceptions of service quality performance.

Keywords: Organizational knowledge; service concept; service competence; training; customer service orientation; job satisfaction and employee perceptions of service quality performance.

1. INTRODUCTION

Early quality gurus has recognized that both product and service "quality" create

competitive advantages for organizations [1]. According to [2], currently, as rivalry rises and thorough modifications arise in the industry competiveness, there is the "quality" term essential to better understanding the concept of organization service quality orientation. Moreover, a study by Antony, [3] proves that from the business perception, it is important for firms to be more effective and increases productivity worldwide. More specifically, to achieve high performance levels in products and processes, top management should understand and apply quality philosophies to face the challenges of the new global competition [2].

According to Bloemer et al. [4] Ghobadian et al. [5]; Grönroos, [6], shows that service quality has many benefits, such as establishing customer satisfaction and customer loyalty, providing a competitive advantage to a business, and contributing to company's image. Hence, various factors are influential on service quality as a critical part in providing a competitive advantage to a company such as customer satisfaction [7], loyalty (Kim et al., 2013) [8], intentions [9, Srivastava and Sharma10] and value perceptions [11]. Moreover, to show how service quality as the comparison of a customer's specific expectations or requests, it will regard to service with the performance after use of that service [12]. Briggs et al. [13] develop a conceptual model based on the service-profit chain framework suggesting that employee satisfaction and customer relationship performance (i.e., customer satisfaction, customer loyalty, and store image building) function as intermediate steps linking service orientation to retailer profitability. Customer relationship performance fully mediated the influence of service orientation on retailer profitability [14].

A study by Ekinci and Dawes, [15]; [16] stated that employees may have a higher-quality perception of the services they deliver compared to customers' perceptions. The differences in perception may be due to various reasons. Barriers to achieving the desired level of service quality are presented by the differences in perceptions of service quality (Tavmergen, 2002). The core superiority of an operational situation adds mostly to worker happiness. To measure the spirits that workers have to their careers, coworkers and firms, core superiority has been used widely in study [17, 18, 19]. The studies

discussed highlight the importance of service quality perceptions of employees in the pursuit of service quality improvement. Customers will choose the business again and will promote the business within their immediate surroundings if they are pleased and satisfied with the quality of the services provided. Marquardt [20] stated another element should be taken into consideration is delivery process between expectations and service performance.

This research identifies the factors which could influence the employee perceptions of halal service quality performance in the organization. Thus, this study will benefit those who related to this subject of research such as another organization either it is big or small organization. Factors identified with this topic of studies have been recognized.

The purpose of this research is to explore the contacts between the internal organizational quality service orientation factors and employee's perceptions of halal service quality performance. In details, the paper examines the relationships between internal organizational quality service orientation factors, which are supposed significant to improve service quality performance.

2. LITERATURE REVIEW AND HYPOTHESIS

The significance of employees' orientation to service quality has been acknowledged by a lot of researchers through definite extensive of stress on many employee-related service sending causes. [21] stated that workers may not be customer service oriented and all of them may vary at the level and rate on how they will treat customers and achieve the quality services that need for customer. These variances in workers' opinion of service quality can be recognized to variables related with the service perspective in which the workers carry on their work duties.

2.1 Employee's Perspective of Service Quality Performance

Study focus on employees' personal perceptions of the service quality. So,

employee-perceived quality defined as an employee's personal evaluations of the service quality that employee delivers to customers. According to researchers [22], they have found that to improve employee's job performance be creative and cooperate with others satisfied employees must come first because satisfaction is the inner force that drives employee behaviour. Christen et al. [23] believe that employee satisfaction is highly related to employee loyalty. Moreover, [24]; Silvestro and Cross, 2000) also agreed that higher level of service quality can be achieve if loyal employees are more willing and capable to ensure their work is completely on high quality. Study by Schneider and Bowen [25] to ensure the struggles to encourage service excellence, it necessity manage employee behaviours and prepares them in social abilities and at the same time it will show a true customer focus. In services, worker manner will effect on the customers' opinions and observation of service excellence [26]. So, it is vital to recognize workers' desires and requests and of course, focusing is not on customers only [27].

2.2 Organizational Knowledge

According to (Mills and Moberg, 1990, p. 99) organizational knowledge is important and must be set into individuals because this concept liable for conveying the objectives of task and the significance of the rationalization for the procedures in employment. More experienced, educated workers are more possible to attain scheme methods and provide services that fit in to customer demand and satisfaction [28,29,30]. When individual's knowledge has been shared within the organization, it would affect service quality by reducing process variability, improving the organization's ability to adapt to new conditions and also lessening organizational uncertainty. Thus, the main hypothesis of the research is set as below:

H1. Organizational knowledge influences employee perceptions of service quality performance.

2.3 Service Concept

Service concept means "description of the customer's needs and how they are to be

satisfied in the form of the context of a service" (Edvardson et al., 1995). If marketing is successful and then, positioning of service concept will come after because it depend on collaborative efforts by different functional departments so that in terms of creativity and innovativeness, service delivery procedures can be improved [31]. Consistency of service quality delivery depends on the organization which means how service quality system designed. According to Partovi, [32], in order to wider organization efforts, the organization need to simplify the combination of service's practical and processes in an firm's service structure to convey roughly the preferred criteria of quality to serve customer. In addition, technological developments also important on service quality delivery. But directly. does affect technology not Individuals acquire the method of modern equipment and workout on serious decision to accomplish and arrange technology in order to advance inventive service distribution system. Lytle et al. [33] stated that significance elements to effectively provide excellence customer service are by the firm's acceptance technology of effectiveness used and implementation. Thus, the main hypothesis of the research is set as below:

H2. Service concept influences employee perceptions of service quality performance.

2.4 Service Competence

Essential element of well service quality and favourable customer discernments roughly service delivery is for development of appropriate employee skills and competencies [34,35]. Nevertheless, service alignment not continuously attains excellence criteria of service superiority if employees' competence and skills does not effectively deploy. So, according to Prahalad, C.K., Hamel, [36,37] they said excellence service superiority can be attained by the appropriate combination of workers' job competencies, setting up of resources and improving abilities in relative to sustaining customer desires in industry which is very competitive environment. Employees who lack the interpersonal skills will fail in providing satisfactory services and overcome customer complaints [38]. Top management should involve and provide some relevant training programs for employees in order to show their commitment to employee service quality performance [39]. According to Spencer and Spencer [40], stated that competence is an underlying personal characteristic of the individual that leads to superior performance in a given situation. Argument was reinforced by Rainsbury et al. [41], proposed that there are two key for competencies. First, hard skills associated with requirements in technical and administrative areas, which usually include the acquisition of knowledge. Second, soft skills related to human personal and interpersonal behaviours. Thus, the main hypothesis of the research is set as below:

H3. Service competence influences employee perceptions of service quality performance.

2.4 Training

A study by Tsui et al. [42] found that if organizations invest more in employee training and development (TD) employees become more loyal and more productive, compared with those organizations that do not". By delegate or empower employee, it is good initiatives by organization to provide variation of training platforms for employee will allows them carry out outstanding services. So, basically, progressive service-oriented solution module and interpersonal abilities exercise make employees allowed to serve customer with outstanding services. A study by Schlesinger, Heskett, Trypuc, & Heller, [43] stated service skills training have to strengthen so that the skill of workers to encounter the difficulties service strains. Thus, the main hypothesis of the research is set as below:

H4. Training influences employee perceptions of service quality performance.

2.5 Customer service Orientation

According to Thakor and Joshi, [44], they found that the degree to which employees perceive the prime value of the organization is workers feel inspired to work more than essential by a customer structural method, which is strictly related with a excellence services. Furthermore, employees need to be flexible and innovative on task required so that the excellence performance of their work can be achieved [45]. The way to spread their customer focus, organization should use empowerment in order to ensure employees enable to serve customers better [46] (Hayat and Khuram, 2011). Thus, the main hypothesis of the research is set as below:

H5. Customer service orientation influences employee perceptions of service quality performance.

2.6 Job Satisfaction

In service industry, the most interesting issue is the linkage of job satisfaction and job performance since service staffs who are satisfied with their job tend to generate better job performance in the process of delivering services [47]. Thus, [48] suggest to enhance customer satisfaction, job satisfaction should be maximized because of the positive effect of job satisfaction on actual job performance. However, another researcher also found that inconsistent research results on how much job satisfaction affects job performance. Thus, the main hypothesis of the research is set as below:

H6. Job satisfaction influences employee perceptions of service quality performance.

2.7. Halal Awareness

Awareness is the ability to perceive, to feel, and to be conscious of events and objects. Awareness has been hypothesized as an important role in determining the intention to choose. Consumers already pay attention to halal label. This is evidenced by the increase in sales after the existence of halal label. There is an issue of lard that caused a decrease in turnover sales of some food products significantly. According to [57], Religious is divided the two kinds of religious ways, they are intrinsic and extrinsic. Instrinsic means incorporating the religious values within, there is religious spiritual internalization and has low prejudice. Extrinsic means there is high in prejudice of the religion, the way of religion extrinsic encourages one to make use of his religion. Review results from [57] argue that extrinsic religiousness brings humans in the practical dimension religion. These worship behavior. dimensions include obedience, and the things that are done for show commitment to the religion he embraces.

The concept above indicates that people who have an intrinsic halal awareness will implements religious values in all aspects of his life according to belief religion that he embraces. They will really make sure the halal of what is consumed. While people with extrinsic halal awareness will follow the commitment from their religion through the information obtained, such as looking at halal information from the products consumed without really finding out more. [57] show that there is a significant influence between awareness and purchase behavior. The interesting thing is only the dimensions of attitudes that have a significant relationship with purchase intention, while subjective norms and behavior control (perceived behavioral control) did not show anv significant relationship. Furthermore, study

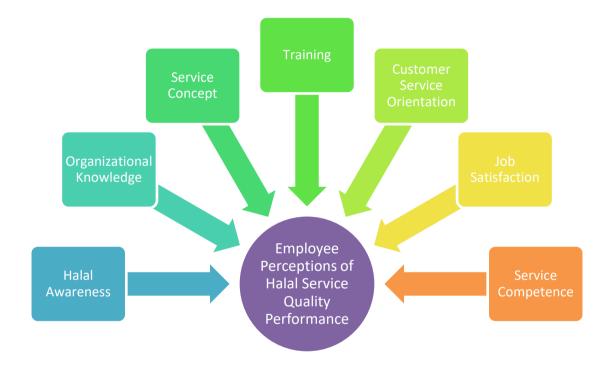
conducted by [57] shows that level of halal awareness to halal food is high enough, the influence of awareness of purchasing decisions also positive and significant with religiosity as a moderating variable. Based on the explanation, the following hypothesis is:

H7: Halal awareness influences employee perceptions of service quality performance.

3. RESEARCH METHODOLOGY

3.1 Research setting and sample

Internal Halal Organizational Quality Service Orientation Factors (IHSQFS)





This research involved eight variables, namely, between organizational knowledge, service concept, service competence, training, customer service orientation, job satisfaction, employee perceptions of service quality performance and halal awareness. The dependent variable in this study is the employee perceptions of service quality performance. Independent variables in this study are organizational knowledge, service concept, service competence, training, customer service orientation, job satisfaction amd halal awareness.

3.2 Questionnaire Design

To construct questionnaire for this study, the items and variables were used from previous research by Bhatti et al. [49], [50] and [51], based on Table I, this is the items and

variables were used. According to researchers, factor analysis was performed in order to check the construct validity of research variables. Then, the result for factor analysis achieves level of agreement. So, it can be concluded that all variables fulfils the construct validity criteria (for each indicator is more or equal 0.5).

Table 1. Construct item for each variable

Organizational Knowledge

Skills and competences should be taken into account during the recruitment process.

Knowledge sharing has been implemented in the organization.

Suggestion is among the tools to share work-related knowledge with other relevant colleagues and it is done for improvement.

Organization has a system in order to ensure the work-related knowledge is instilled among the staff and organization.

Service Concept

Organization has potential in maximizing profit for consultancy services.

Organization has a greater position against competitors in the same field.

Price competitiveness of company service.

Organization has a good potential to attract competitor's customer.

Organization ability to meet customer's requirement.

Service Competence

Management encourages attending training workshop/seminar.

Management share employee job performance data for motivation purpose/reward.

Specific training program based on job position is really helping individual's work.

<u>Training</u>

Top management resource commitment for promoting services.

Training and clear understanding of company services are really important for staff. Training given improves problem solving/ interpersonal skills.

Customer Service Orientation

Importance for individuals to know service flow/ standard of procedures for their job. Organization charging penalties to customers who are late settling payment. Organization provides technological facilities for better service.

Job Satisfaction

I am satisfied with my current job.

I am satisfied with my supervisors.

I am satisfied with my work in general.

I am satisfied with my salary.

I am satisfied with opportunities for promotion.

Employee Perceptions of Service Quality Performance

Your product knowledge about company's services.

Emphasize on team work.

Management empowers staff in making decision about their work.

<u>Halal Awareness</u> Knowledge of Halal Sources of Halal process Halal certification

4. DISCUSSION AND MANAGERIAL IMPLICATIONS

Management should be aware about power that internal service quality factors have on workers' competency and approaches on service quality performance. The organization will have a competitive advantage if workers are sustained excellently to fulfil customer requirements.

All employees have an important role in ensuring that the company provides the best service to all its customers. Therefore, this can indirectly increase the company's profitability. Management should also be aware that the selection of employees is not only dependent on academic qualifications but should also be seen in the skills of individuals when they are interacts to provide the best service to the customer. In order to develop necessary skills and abilities, management should more encourage employee to join many of seminars or tutorials given, and should take part in training workshops, so as to develop their understanding about the fundamental company services procedures.

Moreover, results of this research are valuable for the board of directors every company, those are interest in sustaining quality service performance. Management should more focus on training and customer service either training's module provided is good for employee or not and also degree of customer service effectiveness is in the right alignment or not. Management also need to emphasize more on interpersonal and problem solving skill development of workers which will make them to better understand how customer satisfaction will achieve their perception. Impact of training and customer service orientation enable workers to perform well and excellent on delivering company services. On their capability to deliver excellent services, management need to support as a motivation to ensure their worker able to provide excellent quality services to their customers.

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