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Measuring Service Orientation of Service Delivery Employees

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Structured Abstract:

Purpose

The purpose of this paper is to provide a broader conceptualisation and measurement of service orientation in service delivery, reflecting employees’ interactions with both internal and external customers.

Design/methodology/approach
An instrument was developed following a systematic scale development approach. Survey data were collected from 535 employees and 1,268 customers in the final study of the research.

Findings
Results from an exploratory factor analysis suggest that service orientation in delivery is underpinned by four major structures, namely internal cooperative attitudes and behaviours, service responsiveness, service competence and enhanced service.

Research limitations/implications
Findings cannot be generalised as the study was based on only the banking sector in one country. Future research may use the current conceptual framework in other service contexts such as hospitality, health, transportation and education where the service orientation of employees plays a vital role in service delivery.

Practical Implications
The 4 dimensions of service orientation in delivery which were identified especially, the aspect relating to internal cooperative attitudes and behaviours - can be considered as very crucial service attitudes and behaviours which managers must consider in the management of service employees.

Keywords: Service Orientation, Service Delivery, Service Performance/Quality, Scale Development.

Article Classification: Research Paper
INTRODUCTION
Service scholars have long acknowledged the vital role service orientation plays in the delivery of services (Schneider et al., 1980; Hogan et al., 1984; Dienhart et al., 1992; O’Connor and Shewchuk, 1995; O’Connor et al., 2000; Garg and Chan, 1997; Chung and Schneider, 2002). Further support for the importance of service orientation in service delivery can also be inferred from other service quality management scholars (Zeithaml, 1981; Gronroos, 1984; Solomon et al., 1985; Parasuraman et al., 1985; Bitner et al., 1990; Bitner et al., 1994), who emphasise the critical role of employee attitudes and behaviours in the creation of quality in service interactions.

While a great deal of attention has been given to service orientation as a personality trait (Hogan et al., 1984; Goldberg, 1990; Barrick and Mount, 1991, 1993; Saucier, 1992; Mount et al., 1994; Cran et al., 1994; McBride et al., 1997; Lytle et al. 2000; Chait et al., 2000), and as an organisational culture or strategy (Lytle et al., 1998; Homburg et al., 2002; Saura et al., 2005; Lytle and Timmerman, 2006; Chen, 2007; Urban, 2009; Gebauer et al., 2010), very little effort has been given to conceptualising and measuring the construct in terms of employees’ attitudes and behaviours exhibited during service delivery (Bettencourt et al., 2001; Wilson and Frimpong, 2003). Instructively, the few studies that have attempted to fill this gap tend to focus narrowly on what service employees do in their interactions with external customers (Dienhart et al., 1992; Johnson, 1996; Keillor, 1999; O’Connor et al., 2000; Chait et al., 2000; Liao and Chuang, 2004) or with only fellow workers (Bettencourt et al., 2001). This is an unfortunate omission in the services literature because service performances consist of multiple interfaces and roles between employees and customers (Langeard et al., 1981; Solomon et al., 1985; Gremler et al., 1994; Broderick, 1998).

The study is therefore designed to contribute to the service orientation literature by providing a broader conceptualisation and measurement of the construct, reflecting what employees’ attitudes and behaviours in their interactions with both internal and external customers during service delivery or value co-creation (Vargo and Lush, 2004, 2008). It is also expected that the broad instrument which emerges from this investigation, could be adapted by service managers for comprehensively evaluating the contributions which service employees make towards the delivery of quality services and the creation of an organisational wide service-oriented culture.

The paper is structured as follows: Section 1 provides a review of the relevant literature on service orientation, focusing mainly on concept definition, conceptualisation and gaps in the literature. Section 2 describes the research and scale development methods. Section 3 discusses the results from the empirical study. Finally, in the last section, managerial implications, limitations of the research and future research directions are presented.

LITERATURE REVIEW
The term ‘service orientation’ is generally perceived as a nebulous term: It has commonly been used to describe personality traits, attitudes, behaviours or a service culture which supports quality service performance.
Over the years, the literature on the subject has evolved into diverse strands of thought such as service orientation at the individual level and service orientation at the organisational level (see Homburg et al., 2002). At the individual level, the literature can be further categorised into two main schools of thought: Service orientation as a personality trait (Hogan et al., 1984; Cran et al., 1994), and Service orientation as what employees do in the service delivery (Dienhart et al., 1992; Johnson, 1996; Keillor et al., 1999, 2001; Wilson and Frimpong, 2003, 2004).

The Personality Trait Perspective
Personality trait has been generally described as the characteristics of people which determine their general pattern of behaviour (Engel et al., 1969). Personality traits have been generally classified into five key distinct dimensions, commonly termed as ‘The Big Five’. These are extraversion, agreeableness, conscientiousness, emotional stability versus neurotism, and culture (Goldberg, 1990; Barrick and Mount, 1991, 1993; Saucier, 1992; Mount et al., 1994). Of these five dimensions, the extraversion, agreeableness, and sociability traits have been identified as being very good predictors of actual service orientation or service orientation exhibited on the job.

Based on the trait perspective, Hogan et al (1984), define service orientation as “...the disposition to be helpful, thoughtful, and cooperative...an aspect of non-technical performance that is important in a variety of jobs”. Thus, the Personality Trait School of thought holds that service orientation is attributable to natural factors or inherent personal traits (Hogan et al., 1984; McBride, 1997; Chait et al., 2000; O’Connor et al., 2000). Unfortunately, the trait conceptualisation fails to take account of actual service-oriented performances enacted by service employees during service delivery.

Service Orientation in Delivery
Aside of the trait viewpoint, service orientation at the individual level has also been conceptualised as what employees do in the delivery of services (Schneider et al., 1980; Dienhart et al., 1992; Johnson, 1996; Keillor et al., 1999, 2000; Wilson and Frimpong, 2003, 2004; Liao and Chuang, 2004). Instructively, Hogan et al (1984, p. 167), also allude to service orientation in service delivery as in the following:

“... Such actions as treating co-workers with courtesy, consideration and tact, being perceptive about patient needs and able to communicate accurately and pleasantly, contribute significantly to the overall quality of patient care (emphasis added).

Other scholars also proffer conceptualisations for service orientation exhibited during service performances (Dienhart et al., 1992; Johnson, 1996). For example, Dienhart et al., (1992, p. 332) observe that “Service-oriented employees tend to be attentive, pleasant, courteous, and responsive to customers’ needs” (emphasis added). Similarly, Johnson (1996, p.838) defines service orientation in delivery as the: "extent to which branch employees go out of their way to solve customer problems, cooperate to solve customer problems, are committed to providing excellent service, and feel personal responsibility for their work."
Together, the above definitions suggest that service orientation is also about employees' attitudes and behaviours exhibited during the service production or creation. These definitions also indicate that service orientation in delivery potentially reflects some aspects of service quality, especially, those aspects relating to interactional or delivery quality and organisational citizenship behaviours (Bateman and Organ, 1983; Mackenzie et al., 1993; Netemeyer et al., 1997; Podsakoff et al., 1997; Bettencourt et al., 2001). These common conceptual dimensions include cooperation, helpfulness, respectfulness, consideration (Schneider et al., 1980; Hogan et al., 1984; Parasuraman et al., 1985; Dienhart et al., 1992) and going the extra mile to help customers (Keillor et al., 2000). Consequently, these aspects informed the development of themes for measuring service orientation in delivery in the current research.

Service Orientation - Organisational Level
At the organisational level, service orientation has been treated as a corporate culture, climate and strategy (Schneider et al., 1980; Garg and Chan, 1997; Wright et al., 1997; Lytle et al., 1998; Lynn et al., 2000; Homburg et al. 2002; Saura et al. 2005; Lytle and Timmerman, 2006; Chen, 2007; Urban, 2009; Gebauer et al., 2010). As a corporate culture, service orientation refers to the norms, beliefs, values and behaviours of an organisation that influence employee performance; while service orientation as a corporate strategy, is the extent to which an organisation competes on service (Homburg et al., 2002). However, the main focus of this paper is on service orientation in terms of the attitudes and behaviours exhibited by employees in the course of service delivery, or service orientation in delivery.

Service Orientation and Customer Orientations.
The distinction between service orientation and customer orientation/customer service orientation could be described as blurred. In general, customer orientation is perceived of as both an organisational and an individual construct. Firstly, from an organisational perspective, customer orientation may be described as a service culture (Parasuraman, 1987; Brady and Cronin, 2001), or a business philosophy (Wright et al., 1997) which motivates an organisation to be responsive to the needs of the market (Jaworski and Kohl, 1993).

Secondly, at the individual level, customer orientation can be described as a behavioural construct (Narver and Slater, 1990), or even as a surface personality trait (Kelly, 1992; Brown et al., 2002). As a behavioural construct, customer orientation can be explained as employee behaviours which help to satisfy the interests and needs of customers (Hoffman and Ingram, 1992). For example, Hoffman and Ingram (1992, p. 69) proffer that customer-oriented behaviours include: helping customers; helping customers to assess their needs; offering service that will satisfy those needs; describing services accurately; avoiding deceptive manipulations; and avoiding the use of high-pressure tactics.
From these perspectives, it can be observed that aspects of the construct relating to ‘helping customers’, and ‘providing accurate services’ are conceptually similar to service orientation and perceived service quality. In addition, the customer orientation dimension relating to ‘meeting customers’ needs is also related to customer satisfaction (Oliver, 1980). Since service orientation is conceptually linked to service quality and customer satisfaction (Hogan et al., 1984; Schneider et al., 1980; Keillor et al., 2000; Liao and Chuang, 2004), it seems reasonable to suggest that customer orientation and service orientation share common underlying factors.

There are, however, some differences between the constructs. For example, Keillor et al (1999, p.103) note that while customer orientation (in sales) is mainly concerned with meeting customer needs during a transaction, service orientation goes “beyond the limits of the dyadic sales encounter, to provide the customer with additional information and assistance even after the sales encounter.” In addition, service orientation in delivery, which is the focus of this paper, is broader as it covers both internal and external service interactions.

**Limitations with Existing Measures**

The thesis of this paper is that the existing measures of service orientation in delivery do not accurately capture the broad indicators of the construct that are exhibited during internal and external service encounters. Past attempts have mainly been based on very narrow dimensions (Dienhart et al., 1992; Johnson, 1996; Keillor, 1999; Chait et al., 2000; Liao and Chuang, 2004; Gebauer et al., 2010) relating to external service encounters (Schneider et al., 1980; Hogan et al., 1984; McBride et al., 1997). For example, Hogan et al. (1984), relied only on a global scale, on a 7-point Likert scale to assess the service orientation of nurses. Similarly, McBride et al. (1997), also used global evaluation to assess the service orientation of students in simulated conversations involving role-playing students with customers. These previous approaches at measuring the construct are considered inadequate since global measures (see Fisher 1980; Brown and Peterson 1993) are limited in their ability to tap the broad set of employees’ attitudes and behaviours that are exhibited during service delivery.

In addition, as far it can be established in the literature, most past measures focused only on what service employees do in their interaction with external customers (Hogan et al., 1984; Johnson et al., 1996; Keillor, 1999; O’Connor et al., 2000; Liao and Chuang, 2004; Gebauer et al., 2010) to the exclusion of service orientation exhibited during interactions with internal customers (Berry, 1981). Even though, a few scholars have made contributions towards this direction, their studies were based on related but different constructs such as customer orientation (Hennig-Thurau and Thurau, 2003), and organisational citizenship behaviours (Mackenzie et al., 1993; Podsakoff et al., 1997; Bettencourt et al., 2001).

Another important limitation with previous measures relates to the reliance on only third parties, like mystery shoppers, customers and supervisors to rate the service orientation of employees without including the view points of co-workers. This is an unfortunate omission since supervisors and customers may not always be fully aware of the broad range of the visible and invisible dimensions of all the service-oriented attitudes and behaviours exhibited by employees during service delivery. This is
because service performances and value creations take place on both front and back stages (Langeard et al., 1981; Solomon et al., 1985), and depend on the roles and behaviours of other internal customers (Broderick, 1998). Against this backdrop, the conceptual basis for the current study is presented.

CONCEPTUAL PERSPECTIVES AND FRAMEWORK
This research is based on the view that service performances consist of multiple interfaces between employees and customers (Langeard et al., 1981; Solomon et al., 1985; Gremler et al., 1994; Broderick, 1998). Thus, it can be contended that existing measures of service orientation in delivery have largely fallen short of capturing a broader domain of the construct (See Mackenzie et al., 1993; Podsakoff et al., 1997; Bettencourt et al., 2001; Wilson and Frimpong, 2003, 2004). The current paper, therefore seeks to address this gap by offering a broader conceptualisation framework, and developing a multidimensional instrument which covers both aspects of internal and external service delivery encounters. Consequently, based on insights from the literature and the purpose of this paper, service orientation in service delivery was conceptualised and operationalised as follows:

The job attitudes and behaviours of service employees which are perceived by both internal and external customers as positively impacting on the delivery of service quality.

The operational indicators of the above definition are as follows:

- Service Employees refer to employees who serve customers directly or indirectly. Thus, this includes employees who work at the front stage as well as those in the back stage.
- Customers refer to both internal customers/employees and external customers (Berry, 1981).
- Attitudes refer to the cognitive beliefs, values and general orientation of employees towards service delivery. While it is easy to evaluate the behaviours of service employees on the job, it is difficult to observe cognitive beliefs and values. Thus, employees' general attitudes to service delivery may be obtained by asking for their opinions on certain value-laden statements relating to service delivery (Dienhart et al., 1992).
- Behaviour—Though some scholars perceive ‘behaviour’ as a component of attitudes (Fishbein and Ajzen, 1975), the term as used here, is conceptually distinct from attitudes. In this context, it stands for the actual acts or roles enacted by service employees during service delivery.

As an attitudinal and a behavioural construct, it is very difficult to capture in a conceptual model, all the antecedents and consequences of service orientation in delivery. Thus, the conceptual model presented in this paper should be seen as only explaining the aspects of the phenomenon which are relevant to this research.
Determinants-Traits, Corporate Culture and Job Satisfaction

To date, the evidence from the varied research on the performance and behaviour literature show that no single theory can independently explain the determinants service orientation in employees (Wilson and Frimpong, 2003). There are, however, convincing conceptual and empirical research – as shown in the literature review above - that indicate that service-orientated behaviours may be explained by internal personality traits, corporate culture and job satisfaction (Berry 1981; Hoffman and Ingram, 1992; Boshoff and Tait, 1996; Schlesinger and Zornitsky, 1991; Liao and Chuang 2004).

Instructively, the current research only examined the hypothesised linkages among service orientation in delivery and job satisfaction. Corporate culture was treated as a control variable by selecting respondents from two organisations which were perceived to have distinct corporate cultures. The personality trait construct was, however, not measured as it was considered to have received adequate attention in prior research.

Consequences -Service Quality and Customer Satisfaction

Service quality and customer satisfaction are generally explained as being the extent to which services delivered meet customers’ needs (Oliver, 1980; Parasuraman et al., 1985). Broadly, the literature suggests that service-oriented behaviours and attitudes potentially reflect service quality measures (Schneider et al., 1980; Hogan et al., 1984; Keillor et al., 2000), and contribute to customer satisfaction (Schneider et al., 1980; Keillor et al., 1999; Liao and Chuang, 2004). In line with this view, these constructs were considered as outcomes of service orientation in delivery. Based on the foregoing perspectives, the conceptual model for this research is illustrated in Figure 1 below.

Fig. 1. Conceptual Model of Service Orientation in Delivery—this figure needs to be made clearer

The proposed model shows two main domains of service orientation in delivery – Service orientation directed at external customers and service orientation directed at internal customers or employees. In addition, it shows the hypothesised linkages with job satisfaction as a determinant or predictor and service quality and customer satisfaction as outcomes. The details of the research methods employed in this investigation are reported in the next section.
RESEARCH METHODS
Various procedures and processes have been recommended for developing valid instruments in the methodological literature (Churchill, 1979; Parasuraman et al., 1985; Bagozzi et al., 1991). The method used in developing the instrument in this research was in line with the general recommendations for scale development (See Churchill et al., 1979).

Phase 1- Literature Review and Depth Interview
The first phase of the method involved a review of the broad literature on service orientation and performance as well as qualitative interviews. The literature review provided insights which informed the operational definition, development of conceptual framework and generation of initial themes for the qualitative interviews.

Following on from the review, the qualitative research involved personal depth interviews with 24 subjects, comprising employees, managers and customers in the banking sector. The decision to interview respondents from three different constituencies was based on a need to obtain different and broader perspectives on the subject under investigation in order to enhance the validity of the final instrument (Schneider et al., 1980; Healy and Perry, 2000). In particular, since service orientation in delivery cuts across interactions with members within and outside a firm’s boundary, it was deemed useful to include perspectives from both external and internal stakeholders.

Phase 2 – Survey of Employees and Customers
The second phase involved a survey of employees and customers from 85 branches of two large commercial banks which were selected across all the 10 regions in Ghana.

Respondent Size and Questionnaire Administration
A total population of 1,268 retail employees, across 85 branches of two leading banks in Ghana were contacted via the companies’ internal postal system. In order to guarantee anonymity, the respondents were asked to complete the questionnaire without their names. In addition, the employee respondents were asked to seal the completed questionnaire in an attached envelope before dropping it into special collection boxes in the branches. A total of 544 (43%) responses were received from the employees’ survey, of which 535 were usable.

As the total customer population of the selected branches was very large, estimated at over 700,000, the customer data was obtained from a convenience sample of 1,970 customers via a branch-intercept method.

It was considered important to measure service orientation from different sources to enable the researchers identify any possible biases in the evaluations. Thus, it can be said that this paper addressed some failings in past measurements (Hogan et al., 1984; Dienhart et al., 1992; Cran et al., 1994; Chait et al., 2000; Keillor et al., 1999, 2000; Bettencourt et al., 2001; Liao and Chuang, 2004) which were based on single sources of evidence.
INSTRUMENT DEVELOPMENT
A 22-item instrument on a 5-point Likert scale was developed for the employee survey based on insights from the literature and qualitative research. A shorter version of the instrument, comprising 16 items was also administered on external customers in order to obtain a balanced perspective. A shorter instrument was used for the customer survey because it only covered aspects relating to front stage employee-customer interfaces during service delivery. A 5-point scale was also considered more appropriate as it reduced the number of characters per page and made the questionnaire look easier to read and complete.

To avoid the risk of social desirable responding (Fisher, 1993; Mick, 1996; King and Brunner, 2000), the employee respondents were asked to indicate their perception of their co-workers' service orientation, rather than their own.

Factor Analysis—Employee Perspectives
To identify the factor dimensions of the construct, a principal component factor analysis was performed. The principal component factor analysis technique is generally used for reducing a large number of variables into distinct smaller subset of factors which are relatively independent of one another (Hair et al., 1995; Tabachnick and Fidell, 2007; Pallant, 2007), or to identify latent or underlying factors (de Vaus, 2002) of a construct.

A principal component factor analysis may be used for exploratory or confirmatory research. Exploratory factor analysis is usually employed in the early stages of research, where little is known about the empirical dimensions of a construct. On the other hand, confirmatory factor analysis is used in the later stages of research to confirm specific hypotheses or theories concerning the structure underlying a set of factors.

An exploratory principal component factor analysis was used because of the limited number of empirical research on service orientation in service delivery. The analysis followed the five main procedures recommended in the literature - Assessing data suitability; computation of correlation matrix; factor extraction; factor rotation; and factor interpretation and labelling. These procedures are explained in the next section.

Suitability of Data
Conditions which must be satisfied before factor analysis can be considered appropriate include adequate sample size, strong relationship among variables and use of data based on interval-scale. All these conditions were adequately met. For example, regarding the sample size, the usable responses obtained from both the employees (535) and customers' survey (1,268), were far above the recommend minimum sample of 300 (Hair et al., 1995). Further support for data suitability was also provided by the results from a correlation analysis which is reported in Table 1 below.
Computation of Correlation Matrix
The general recommendation for factor analysis is that bivariate correlations among two items on an instrument should be, at least, .30: In this research, more than 2 items had a bivariate correlation exceeding .30 (see Table 1). In addition, the data exceeded the minimum 0.6 Sampling Adequacy/Kaiser-Meyer-Olkin (KMO=.911) criterion.

Table 1: Bivariate Correlations among Dimensions of Service Orientation in Delivery

<table>
<thead>
<tr>
<th></th>
<th>Internal Cooperative Attitudes and Behaviours</th>
<th>Service Competence</th>
<th>Service Responsiveness</th>
<th>Enhanced Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Cooperative Attitudes and Behaviours</td>
<td>1</td>
<td>.493(**)</td>
<td>.654(**)</td>
<td>.474(**)</td>
</tr>
<tr>
<td>Service Competence</td>
<td>1</td>
<td>.524(**)</td>
<td>1</td>
<td>.475(**)</td>
</tr>
<tr>
<td>Service Responsiveness</td>
<td></td>
<td>1</td>
<td>.453(**)</td>
<td>1</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed). Source: Based on statistical analysis from survey data.

Extraction Communalities
The researchers proceeded to examine the value of extraction communalities of all the items on the instrument. Extraction communalities represent the variance in a variable explained by the others in the set. Based on the recommended minimum benchmark of .35, one item with an extraction communality value below .35 was deleted, leaving 21 items. Following on from this, the entire process was repeated before the relevant factors in the data were extracted.

Factor Extraction
Factor extraction involves determining the most parsimonious or smallest number of factors which can be used to represent the groupings of items in the construct being explored. The general recommendation is that the smallest set of factors, which explain most of the variance in the construct, should be selected (Hair et al., 1995; Tabachnick and Fidell, 2007).

In our preliminary analysis, 5 factors (accounting for 55% of the total variance), had eigenvalues above 1. The final selection was, however, limited to only 4 factors, which explained 50.01% of the variance, because these factors were deemed to provide a clearer representation of the factors underlying the construct. Consequently, the extracted factors were rotated.

Factor Rotation
Factor rotation is used to maximise high and minimise low correlations among items in a data set, in order to facilitate their interpretation (Tabachnick and Fidell, 2007). Initially, the data was explored with both promax and varimax rotation techniques. The final selection was, however, based on varimax technique, as this offered the most interpretable solution. The results of the factor analysis performed on the data from employees’ data, are presented in Table 2 below.
<table>
<thead>
<tr>
<th>Derived Factors</th>
<th>(1) Internal attitudes and cooperative Behaviours</th>
<th>(2) Service Competence</th>
<th>(3) Service Responsiveness</th>
<th>(4) Enhanced Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>During peak hours, I receive a lot of help from colleagues who are not so busy.</td>
<td>.762</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Often my co-workers voluntarily offer assistance to their colleagues.</td>
<td>.761</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is much teamwork and cooperation this branch.</td>
<td>.703</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees in this branch are quick in serving customers.</td>
<td>.509</td>
<td>.353</td>
<td></td>
<td></td>
</tr>
<tr>
<td>It is difficult to get help from co-workers.</td>
<td>.470</td>
<td>.404</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Often my colleagues are slow in serving customers</td>
<td>.468</td>
<td>.461</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am convinced my colleagues give customers the attention they need.</td>
<td>.397</td>
<td>.395</td>
<td>.317</td>
<td></td>
</tr>
<tr>
<td>Most employees in this branch have very good knowledge of the services the bank provides.</td>
<td>.663</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My colleagues are able to communicate clearly to customers.</td>
<td>.629</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Most employees here are competent in what they do.</td>
<td>.616</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am confident about the accuracy and security of transactions provided by co-workers.</td>
<td>.610</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Most of the time customers' needs are met by branch employees.</td>
<td>.604</td>
<td>.348</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My co-workers are often able to provide the exact needs of customers.</td>
<td>.535</td>
<td>.372</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Most employees in this branch are usually too busy to attend to customers</td>
<td>.638</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interacting with customers is enjoyable to.</td>
<td>.593</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer service is not valued by most of my colleagues</td>
<td>.309</td>
<td>.484</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Most often my colleagues treat customers with respect.</td>
<td></td>
<td>.463</td>
<td>.348</td>
<td></td>
</tr>
<tr>
<td>My co-workers do not treat each other with respect</td>
<td>-.437</td>
<td>-.445</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees here often go beyond their duties in order to meet customer needs.</td>
<td></td>
<td></td>
<td>.762</td>
<td></td>
</tr>
<tr>
<td>My colleagues assist customers beyond what is officially expected of them.</td>
<td></td>
<td></td>
<td>.748</td>
<td></td>
</tr>
<tr>
<td>My colleagues are proactive (take initiative) in meeting customer needs</td>
<td>.407</td>
<td></td>
<td>.474</td>
<td></td>
</tr>
</tbody>
</table>

**Eigen values**

| 6.45 | 1.56 | 1.31 | 1.19 |

**Percentage of Variance Explained**

| 30.70 | 7.72 | 3.22 | 5.68 |

*aReversed Scored. bDeleted from final scale due to low factor loading and/or depressing impact on scale alpha. N=sample size.
Interpretation and Labelling
To facilitate the interpretation and labelling of extracted factors, it is recommended that the analyst focuses on the variables with the highest factor loadings (Hair et al., 1995) in order to obtain some clues regarding the underlying theme within a group of factors. In the current research, the labels or titles for the 4 extracted factors were chosen after a careful examination of the items within each factor. The labels, which were finally chosen, were deemed appropriate based on insights from the literature and theories underpinning the study.

The chosen labels were internal cooperative attitudes and behaviours; service competence; service responsiveness; and enhanced service. These dimensions are explained further below:

1. **Internal Attitudes and Cooperative Behaviours**: This dimension appeared as the most important to employees, accounting for 30.70% of the variance in the construct. The factor refers to service-oriented attitudes and behaviours directed at fellow employees, such as helping colleagues at work and providing voluntary assistance.

2. **Service Competence**: This accounted for 7.22% of the variance and captures issues relating to the ability of employees to deliver accurate services, and meeting customers' expectations.

3. **Enhanced Service**: This explained 5.68% of the variance and captures the extent to which employees go the extra mile, outside the call of duty, to meet customer needs.

4. **Service Responsiveness**: This factor explained 3.22% of the variance. It indicates the extent to which employees give attention and provide quick service to customers.

These dimensions consequently formed the basis for the construction of subscales of the service orientation in delivery instrument.

Reliability Analysis
Prior to the aggregation of individual item values into one score, the reliability of each dimension was assessed by calculating its alpha coefficient. The results showed that all the dimensions had reliability coefficients above the minimum acceptable value of .60 (Nunnally, 1978). Consequently, the items grouped in each factor, were summed up in equal weighting, to arrive at a single score to represent each of the 4 dimensions. The 4 subscales and their alpha coefficients are as illustrated in Figure 2 below.
Judging by the empirical dimensions in Figure 2 above, it seems appropriate to assert that service orientation in delivery is a broad construct consisting of, at least, 4 dimensions. These are internal attitudes and cooperative behaviours; service competence; service responsiveness; and enhance service duties.

**Factor Analysis-Customers' Perspectives**

In addition to the analysis performed on the employee data, further analysis was performed on the data obtained from the customer survey in order to assess the relevance of the 4 factors identified from the employees' survey. As explained earlier in the research methods section, the customer questionnaire was shorter, and consisted of 16 items, compared to the 22 items in the employee survey. The findings from the principal component factor analysis performed on the customer data are shown in Table 3 below.
Table 3: Principal Component Factor Analysis with Varimax Rotation on Service Orientation in Delivery (Customers’ Perspectives)*

<table>
<thead>
<tr>
<th>Derived Factors</th>
<th>(1) Service Competence</th>
<th>(2) Enhanced Service</th>
<th>(3) Service Responsiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>N=1,970</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employees in this branch have very good knowledge of the services the bank provides.</strong></td>
<td>.723</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employees in this branch seem to be competent in their jobs.</strong></td>
<td>.672</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>I am confident about the accuracy and security of transactions provided by the employees here.</strong></td>
<td>.637</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employees here often treat customers with respect.</strong></td>
<td>.596</td>
<td>.303</td>
<td></td>
</tr>
<tr>
<td><strong>Most of the time tellers are able to provide me with services as requested.</strong></td>
<td>.576</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employees in this branch are able to communicate clearly to me.</strong></td>
<td>.571</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Often employees here give me the attention I need.</strong></td>
<td>.494</td>
<td>.323</td>
<td>.356</td>
</tr>
<tr>
<td><strong>Tellers in this branch seem to enjoy serving customers.</strong></td>
<td>.470</td>
<td>.390</td>
<td>.319</td>
</tr>
<tr>
<td><strong>Employees here assist customers beyond what is expected of them.</strong></td>
<td></td>
<td>.745</td>
<td></td>
</tr>
<tr>
<td><strong>Employees here often go beyond their duties in order to meet customer needs.</strong></td>
<td></td>
<td>.711</td>
<td></td>
</tr>
<tr>
<td><strong>Employees in this branch are proactive (take initiative) in meeting customer needs.</strong></td>
<td></td>
<td>.685</td>
<td></td>
</tr>
<tr>
<td><strong>Employees in this branch are quick in serving customers.</strong></td>
<td></td>
<td>.582</td>
<td>.455</td>
</tr>
<tr>
<td><strong>Employees in this branch are usually too busy to attend to customers.</strong></td>
<td></td>
<td></td>
<td>.725</td>
</tr>
<tr>
<td><strong>Employees here are slow in serving customers.</strong></td>
<td></td>
<td></td>
<td>.368</td>
</tr>
<tr>
<td><strong>Often employees do not provide me with the exact services I need.</strong></td>
<td></td>
<td></td>
<td>.353</td>
</tr>
<tr>
<td><strong>It seems customer service is not valued by employees in this branch.</strong></td>
<td></td>
<td></td>
<td>.645</td>
</tr>
</tbody>
</table>

*Reversed Scored. *Based on customers’ perspectives—Excludes 6 items tapping internal cooperative attitudes and behaviours in the broader instrument, used in the employee survey. N = Sample size.
The results reported in Table 3 above, indicate that customers broadly share similar perspectives with employees regarding the empirical dimensions of service orientation in delivery. The degree of importance of the dimensions however varied slightly. The analysis suggests that there are 3 main factors underlying the construct with eigenvalues greater than 1, and accounting for 51% of the variance (See Figure 3 below).

**Figure 3: Empirical Dimensions of Service Orientation in Delivery (Customers’ Perspectives).**

- **Service Competence:** 7 items (37.02 variance) $\alpha=.78$
- **Service Responsiveness:** 5 items (7.71 variance) $\alpha=.76$
- **Enhanced Service:** 4 items (6.26 variance) $\alpha=.73$

**Content Validity**
Content validity may be explained as the extent to which items used to measure a construct adequately cover aspects of the construct which it is expected to capture (Diamantopoulos and Schlegelmilch, 1997; deVaus, 2001). In this research, content validity was primarily assessed by comparing the items on each of the instruments to the operational definition of the construct. In addition, the survey questionnaires were shown to the relevant managers in the two case organisations as well as to other colleagues of the researchers for their assessment. All the external judges were in agreement that the statements in the questionnaires captured the constructs being investigated.

**Construct Validity**
Construct validity of the instrument was assessed by including measurements of constructs which are known to be theoretically related to service orientation in delivery. For example, in establishing nomological validity, which is a variant of construct validity, the composite measure of service orientation in delivery was correlated with measures of overall service quality of the bank branches. As indicated in our literature review, service orientation and service quality are generally perceived to share a common conceptual domain (Hogan et al., 1984; Schneider et al., 1980; Keillor et al., 2000), thus it was expected that measures of service orientation will be strongly and positively correlated with measures of service quality. The outcome of the correlation analysis which produced a high correlation coefficient ($R=.71$), can be considered as providing support for the nomological validity of the instrument.
Additionally, the results of bivariate correlation analysis among the 4 factor dimensions were significant at 0.01 level (see Table 1 above). This outcome suggested convergent validity, and thus further affirmed the construct validity of the instrument.

**Predictive Validity**

Based on the view that employees who are satisfied with their work exhibit service oriented attitudes and behaviours, additional analysis was performed to test the theoretical linkage between the two constructs. The outcome of a regression analysis produced positive but mild regression coefficient ($R = .49$, $R^2 = .24$), thereby establishing some indication of predictive validity.

**Independent T-Test**

Additional analysis was also conducted to assess the extent of convergence between employees and customers' perceptions regarding the service orientation in delivery of the bank branch employees: Since the battery of statements tapping the construct in the employee survey was broader than that in the customer survey, it was important to limit the comparison to only the common items in the two questionnaires. Consequently, the employee and customer data were merged, and the composite scores on 16 common statements for the two samples were analysed for any potential significant difference.

The findings from an independent t-test suggest that customers (Mean=61.43, Std. Deviation=9.13) had a slightly higher rating of the bank branch staff's service orientation than employees’ ratings or their co-workers (Mean=60.64. Std. Deviation=7.30). However, the magnitude of the difference in the means was of very small effect (eta squared=0.002). This, therefore, indicates that the absolute difference in the means was of little theoretical and practical significance (Cohen, 1988). Thus, the convergence of customers and employees’ perspective indicates some support for the validity of the data obtained from the employee survey.

**DISCUSSION**

The main purpose of this paper was to investigate the broad underlying factor structure of service orientation in delivery. Based on an extensive review of the literature and qualitative research, this research proposed conceptual and operational definition of the construct that can be further tested by future researchers.

Although exploratory in nature, the findings from the empirical survey, which involved perspectives from both internal and external customers, suggest that service orientation in delivery has a complex and a multidimensional structure. The main findings are discussed in the next section.

Firstly, the findings from the employee data indicate that service orientation in delivery consists of, at least, 4 factors namely internal cooperative attitudes and behaviours, service responsiveness, service competence and enhanced service. Since these components of the construct accounted for over 50% of its variance, they can be considered vital components of service orientation in delivery, therefore, important for quality service performance.
An interesting outcome from the findings, however, relates to the emergence of internal cooperative attitudes and behaviours as the most important dimension of the construct. This may not be surprising given that the nature of work in retail bank outlets consists of interdependent activities, which call for teamwork and cooperation. In particular, the finding re-affirms insights from the internal marketing literature that quality service performance hinges on the satisfaction and behaviours of internal customers (Berry 1981; Schlesinger and Zornitsky, 1991; Gremler et al., 1994; Bettencourt and Brown 1997; Sergeant and Frenkel, 2000; Liao and Chuang 2004). It also reaffirms the critical role of employees in the co-creation of service value (Lusch et al., 2007; Maglio et al., 2009). In addition, it indicates further support for the varied literature on organisational citizenship behaviour (Bateman and Organ, 1983; Smith et al.,1983; Organ and Konovsky, 1989; Mackenzie et al., 1993; Netemeyer, et al., 1997), which suggests that the altruistic, helping and cooperative behaviours of employees are crucial to employees’ performance quality (Podsakoff et al., 1997) and organisational effectiveness.

Another remarkable result from the research is the fact that both the employees and customers’ data produced 3 common factors as important dimensions of the construct. These factors were service competence, service responsiveness and enhanced service. This convergence of perspectives is not surprising since internal and external customers usually share similar perspectives on organisational performance (Schneider et al., 1980; Schneider and Bowen, 1985; Gremler et al., 1994). This outcome also suggests further backing for the conceptual linkage between service orientation in delivery and service quality (Hogan et al., 1984, Keillor et al., 2000), as well as emphasizes the relevance of SERVQUAL dimensions. This is because 2 out of the 3 factors identified in this research have been previously identified as relevant dimensions in the measurement of perceived service quality (Parasuraman et al., 1985).

However, it is instructive to highlight that the current construct appears larger and more complex than service quality. First, service orientation in delivery captures employee attitudes and behaviours from both external and internal service encounters. Consequently, the dimension relating to internal cooperative attitudes and behaviours is unique to the service orientation in delivery instrument. Second, the enhanced service dimension which includes statements like: “Tellers in branch seem to enjoy serving customers”; “Employees here often go beyond their duties to meet customer needs”; and “Employees take the initiative to meet customer needs” are also not captured in SERVQUAL.

Interestingly, in the case of the customer data, service competence emerged as the most significant factor, followed by service responsiveness and enhanced service in that order. This contrasts with the employee data in which internal cooperative attitudes and behaviours emerged as the most important, followed by service competence, enhanced service and service responsiveness. It is, however, instructive to note that the data obtained from customers only concerned narrow aspects of the construct relating to employee-customer encounters in service delivery and, therefore, did not include items measuring the internal cooperative attitudes and behaviours dimension, which emerged as the most important factor from employees’ perspectives.
Yet still, it is important to note that service competence seems vital since it ranked second in the employee data. This may suggest the value placed on employees’ technical knowledge and ability in meeting customer needs within the banking sector in Ghana. Thus, even though interactional quality dimensions such as service responsiveness and enhanced service also appeared important, it may seem that these become salient when customers service needs are adequately met.

All in all, the findings from the research can be said to make important academic and managerial contributions. From an academic perspective, the distinctive contribution of this paper lies in the broad conceptualisation and measurement of the construct. This is because past studies mainly used global measures or focused on a limited aspect of the construct, relating to employee-external customer interactions, to the exclusion of intra-organisational relationships among employees. Moreover, the study extends the service orientation literature by linking it to the broad performance and organisational culture literature such as internal marketing, service co-creation, customer orientation and organisational citizenship behaviour.

Managerial Implications
From a managerial angle, the study is also very relevant. The 4 dimensions of service orientation in delivery which were identified can be considered as very crucial service attitudes and behaviours which managers must consider in the management of service employees. Particularly, the outcome suggesting internal cooperative attitudes and behaviours as the most important dimension to employees, has important implications: If internal cooperative attitudes and behaviours are so critical, then managers should place a higher premium on this facet in the recruitment, training and promotion of service staff. Thus, for services like commercial banking, in which branch employees depend on the roles of other employees as inputs for their own performance, it may be more appropriate to emphasise higher reward and recognition for team performance.

LIMITATIONS OF RESEARCH

A few important limitations of this investigation must, however, be highlighted so that future studies can address these. First of all, the research was limited to only one industry, the banking sector. Given the variety and complexities of service organisations, it is possible that other dimensions not identified in this study or which appeared unimportant, may be significant in other service settings. Secondly, since the data was collected from a sample from only one country, the results may not be generalised to all countries.

FUTURE RESEARCH DIRECTIONS

In conclusion, even though the findings from this research present a plausible factor structure of service orientation of employees in service delivery, there is certainly a need for further research to confirm the results identified here. Thus, the insights and limitations identified above present avenues for further investigation. Broadly, the areas for future research include the following:
First and foremost, research using the current conceptual framework within the same industry context but in different geographic or cultural contexts. Such research will be particularly useful to further examine the external validity of the instrument since the current study took place in one country in a developing country.

Finally, future research may use the current conceptual framework in other service contexts such as hospitality, health, transportation and education where service orientation is, particularly, important as employees play critical roles in the delivery of service quality. Such studies will be vital because the diversity of service delivery processes across different sectors, may make it difficult to generalise the dimensions identified within the banking sector to other service settings.
References


