

Study Based on Servqual Dimensions in Service Industry - A Literature Review

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Abstract

Information technology sector as we know is the fastest growing sectors in the world today. India is seeing a growth of nine percent. This emerging shift in Indian IT industry can be accounted to many factors such as the growth of Indian economy, the change in consumer's attitude, the increase in per capita income and overall household income, and the influence of western culture, being a few of them. In today's world organizations are improving the quality of services to maximize the profits by increasing the customer satisfaction through information technology. Organizations identify top service providers who can identify gaps in market and improve service provision and help them retain their customers. This paper is a review of few journals related to the use of SERVQUAL dimensions in information technology to improve service quality. Around 5 journal articles are closely reviewed related to service industry for the study. This study is to find out the methodology used in these journals related to IT. We are also interested to find out which dimensions of service quality have the greatest potential for improvement.

These journals are analyzed which are published during the years from 2009-2014. This is because of service quality improvements and the latest research methodology used for information technology. SERVQUAL dimensions used in the service industry are studied which involves customer expected service and their perceptions. The objective of this literature review would be to investigate the Service quality research by examining and listing various factors of SERVQUAL dimensions mentioned in various journals study conducted in various countries and published in various types of journals over the past decade. Another objective would be to analyze the variables of these articles by year and type of journals to determine the various trends and to help researchers identify future directions of research in service quality. The review would help scholars and other practitioners in bringing new idea and improve the service quality. The findings from literature would include deep analysis in service quality dimensions by categorizing the customer perceived service quality and information service quality. Measurement using SERVQUAL and its numerous studies are discussed in this paper.

Keywords: SERVQUAL; Customer satisfaction; Service quality; Measurement; Review of literature

Introduction

Organizations are seeking more efficient delivery from service providers than ever before. In this context, measuring service quality and getting the Excellence in Services have been the main strategies looked out by these companies to obtain the "challenging advantage". However, one of the most complex actions concerns how to evaluate service quality in an accurate way [1]. In general, managers and administrators of services companies need to identify some important issues, such as [2]: (i) what elements (or dimensions) of a particular service best define its quality; (ii) what elements (or dimensions) of a particular service with which the customers are most (or less) satisfied, and (iii) the implications (or effects) of service quality and customer satisfaction in the purchase intentions. Service quality in terms of reducing the gap between customer's expectations of excellent service and their perceptions of the service delivered. Thus service quality is the difference between user's expectations and perceptions of user's on performance.

SERVQUAL: SERVQUAL scale is identified as a major measurement tool to measure the customer perceptions. This was

derived by Parasuraman et al. [3] defined perceived quality as 'the consumers' judgment about an entity's overall excellence or superiority'. Service quality evaluation leads to better performances only if customer expressed. The SERVQUAL employs a questionnaire of 22 items related to fixed dimensions (tangibles, reliability, responsiveness, assurance and empathy), averaged to yield a Total Quality Management 1331 global quality measure [4]. According to the research literature, a requirement for addressing context-specific service quality measures does exist: indeed, the necessity to provide individualized, niche and innovative services to meet specific customer needs makes the design of new flexible tools for assessing service quality a priority for both academicians and practitioners. SERVQUAL is a result of a systematic on-going study of service quality that begun in 1983. The model defines quality as the difference between customers' expectations and perceptions with regard to the service delivered in the past. The respondents are asked to answer two sets of questions dealing with the same subject. One set of questions is general (e.g. quality of service in financial institutions), the other pertaining to a company in question (e.g. quality of service in bank X). Respondents choose from a seven-point modified Likert scale to indicate the degree of their agreement with each of the given statements. For each of the items (service attributes), a quality judgment can be computed according to the following formula:

Perception (Pi)-Expectation (Ei)=Quality (Qi)

The SERVQUAL score (perceived service quality) is obtained by the following equation:

The P-E gap scores can be subjected to an iterative sequence of item-to-item correlation analyses, followed by a series of factor analyses to examine the dimensionality of the scale. Using the oblique rotation that identifies the extent to which the extracted factors are correlated, Parasuraman et al. [4] discovered five quality dimensions:

DIMENSIONS	DEFINITION	Number of items
TANGIBLES	The appearance of physical facilities, equipment, personnel and communication material.	4
RELIABILITY	Ability to perform the promised service dependably and accurately.	5
RESPONSIBILITY	Willingness to help customers and provide prompt service	4
ASSURANCE	Knowledge and courtesy of employees and their ability to convey trust and confidence.	4
EMPATHY	The firm provides care and individualized attention to its customers.	5
TOTAL		22

Table 1: The five dimensions of service quality.

Literature Review

Past studies shows that service industry has fewer relationship with clients in the first few years and more later on. One of the most widely used service quality models; the five Gaps model Parasuraman et al. [5] defines Tangibles, Reliability, Responsiveness, Assurance and Empathy as the dimensions, which represent the main criteria which customer's employ in evaluating service quality. However, different researchers have questioned their applicability in different service domains. While some studies have extended the SERVQUAL dimensions, others have re-interpreted them. Inferring from the literature on quality management in IT sector and the variants of the SERVQUAL dimensions, the following determinants of service quality were identified:

Service Leadership is based on motivation and leadership theories. If IT managers set clear goals for employees in providing quality service to clients this would indeed help them in their work and service. Later studies found that a positive feedback improves the motivation and employee morale in IT organization, where employees devote more time and effort to service [6].

As per organization needs for personnel's encouraged to effectively deliver service and have good management of cross cultural issues between organizations resulting in successful relationship with the clients or customers points out that "service quality as perceived by the customer acts as a 'link' between service inputs used by the service provider and some financial performance measure that relate to service sales." Service Evaluation refers to the extent to which the evaluation of IT professionals is linked with service performance. If there is an emphasis on providing quality service to business clients,

then the evaluation and reward system must reflect such emphasis. Many IT managers see the need to establish a positive customer orientation and provide quality service [7]. Service Vision refers to the extent to which IT professionals view themselves as fundamentally having a service-oriented role and emphasize meeting client needs, demonstrating flexibility, and establishing communication. The notion of service vision has a broader scope than customer orientation as it allows a more proactive role for the IT professionals, i.e., going beyond meeting customers' current needs to become strategic partners and providers of value-added service. To the extent that an IT department sees its mission as serving business needs, it will align its objectives and priorities with those of the clients [8]. Particularly, employees' knowledge is exploited to collect the critical success factors (CSFs) of a company; subsequently, the measurement and management of a company service quality is performed by gathering customer expectations and perceptions, according to the collected Critical Service Factors. Total quality management (TQM) has, from long ago, established procedures for managing customer perceived quality but, in this study, an application for overcoming the lack of a systematically implementation of employee knowledge in TQM practices is proposed [9].

Objectives of the Study

The objective of this literature review is to investigate the Service quality research by examining and listing various factors of SERVQUAL dimensions mentioned in various journals study conducted in various countries and published in various types of journals over the past decade [10].

Another objective is to analyze the variables of these articles by year and type of journals to determine the various trends and to help researchers identify future directions of research in service quality.

Scope of the Study

A literature review of the service quality journals and articles published between 2009 and 2014 shows various methods of empirical methodology used during this period. One critical dimension which was popular in service industries is customer Loyalty. The results of the empirical research in IT service industries reveals how loyalty depends on the customer degree of satisfaction and trust. In turn satisfaction is influenced by service quality [11] and the use of SERVQUAL dimension.

However, with slow growth and strong competition in most markets, defensive strategies are becoming increasingly common. Customer loyalty gives companies a competitive advantage that is sustainable over time and is therefore the key to success. Few businesses can survive without establishing a loyal customer base. Numerous studies have tried to determinate which variables have the great influence on customer loyalty in different contexts. The Major increase in number of quality studies has provided positive results to business. Other dimension widely researched during these periods is satisfaction and service quality.

Research Methodology Used

The online database was used to identify the articles published relevant to the objectives of the paper. The service quality in information technology was concentrated widely.

Emerald database – the search in this database covered five quality management journals, three human resource journals, and four from information technology journals were used in the search.

Each journal in the database used various keywords listed below:

- SERVQUAL
- Service quality
- Best practices
- Service quality in information technology
- Continuous improvement

These yielded hundreds of articles. Some articles were related to service sectors consisting of retail and other airline industries providing a holistic approach which did not meet the objective of the paper. Finally all articles reviewed were from journals published in English. These articles were published in the following types of journals.

- Human resource management (HRM)
- Management and information Systems (MIS)
- Information system management
- Service industries journals
- Financial services marketing
- Total quality management
- Information system and business review
- Harvard business review
- Journal of management issues
- MIS quarterly
- International journal of service industry management

Analysis

The analysis involved identification of articles that focused on the critical dimension concentrating in IT service sector having SERVQUAL dimension. This was done to classify the extracted servqual dimensions. A total of ten of the 50 studies analyzed with the help of descriptive analysis.

The other 40 articles did not come up with a framework to examine the IT service quality management literature because they did not use a holistic approach. Some of the factors found during the review of past journals are listed below:

- Top Management commitment
- Customer focus and satisfaction
- Employee involvement
- Employee Satisfaction
- Communication
- Service leadership
- Service innovation
- Employee appraisals, rewards, recognition
- Flexibility

According to the analysis, issues related to customer focus and satisfaction, employee involvement and Customer satisfaction are the various factors discussed in these journals in detail. Further the important role of top management commitment is also critical in retaining the employees and rewarding them for their work.

The number of articles published in the past 4 years related to IT service quality is comparatively lesser than the previous years before. So these factors mostly categorized the various dimensions in improving the financial performance and customer satisfaction.

During the analysis of these articles it was been found that the relationship between ISO 9000 and TQM has increased. Many articles dealt with these issues relates to service quality in service sectors.

Findings and Conclusions

Some of the findings in this survey are based on the journals analyzed during the year 2009 to 2014.

It's been revealed that most of the factors covered are customer focus and satisfaction, employee training, employee involvement, top management commitment. Some of the journals did not cover service design, corporate social responsibility.

Some of the factors such as service innovation, service leadership and employee satisfaction, rewards can be covered more so this can contribute to the success of many companies.

Various studies conducted in this area have so far provided conflicting results and these can be compared with a different holistic approach study and this has not been found during these years in IT service sector.

Finally we were able to find categorize the 10 studies by identifying the critical factors to improve the firm performance.

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