

FUNDAÇÃO DOM CABRAL

FDC

DESENVOLVIMENTO DE EXECUTIVOS E EMPRESAS

DEVELOPING SERVICE EFFECTIVENESS

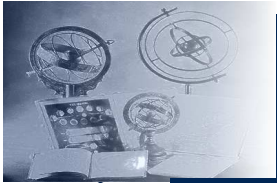
Léo F. C. Bruno, Ph.D.
2014



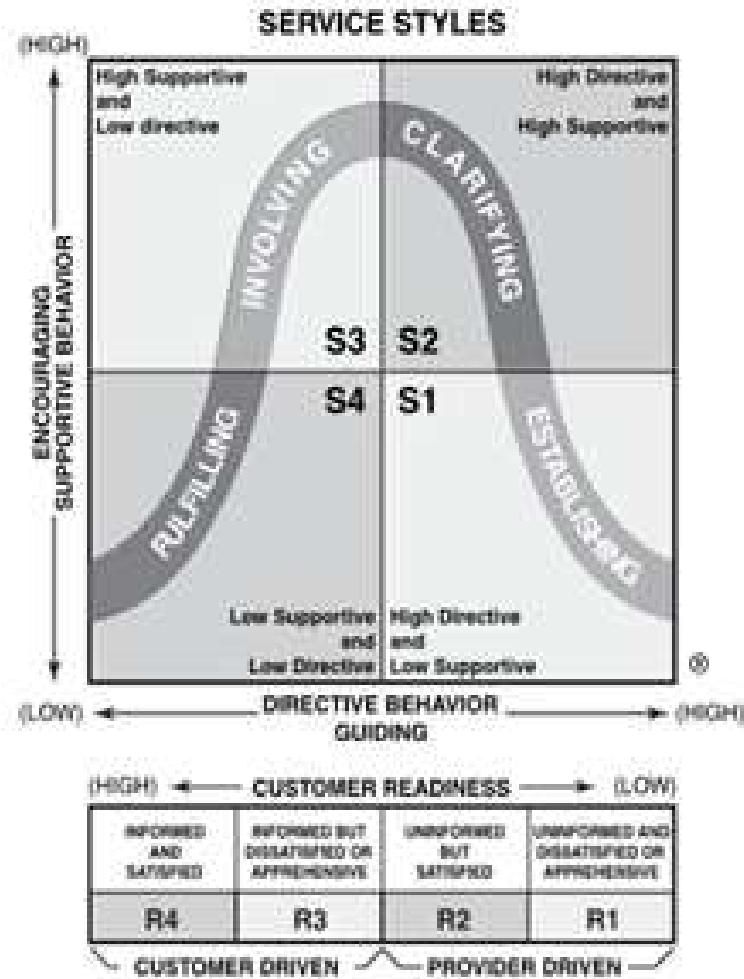
RESEARCH QUESTIONS

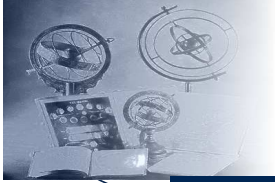
The study sought to answer the following research questions:

1. What is the service style flexibility of the servicepersons ?
2. What is the style effectiveness of the servicepersons?
3. Is there a relation between service style flexibility and service effectiveness with the customer satisfaction level?
4. Does the Service Training Program influence positively the customer satisfaction level?



SITUATIONAL SERVICE MODEL





METHOD - SAMPLING

It has been randomly selected 200 servicepersons involving 15 organizations operating in Brazil and South America, encompassing medium and low size ones. They were healthy organizations with ages varying from 6 to 36 years old, in the fields of transportation and logistics, departmental stores, car dealers, food, software house, cutting tools, machining, domestic utilities, men's wear, insurance, motorcycle dealers, vehicles battery, and fringe benefits cards. The majority of the executives were Brazilians (160) and some foreigners (40), being 60 females and 140 males with ages varying from 28 up to 55. The majority of the sample (70%) has shown university degree and 30% with technical degree.



METHOD – DATA GATHERING

To measure the serviceperson behavior the Situational Service Model has been taken into account and the SERVICE self instrument, developed at the Center for Leadership Studies (Hersey, 2000), has been used. The three aspects covered by the model are: a) style, b) style range, or flexibility, and c) style adaptability, or service effectiveness. The SERVICE self has been used and it yields four ipsactive style scores and one normative score, namely adaptability or effectiveness. This kind of instrument needs to be statistically validated in terms of items and reliability only once. The 12 item validities for variability score ranged from 0.11 to 0.52 and 10 of the 12 coefficients (83%) were 0.25 or higher. Eleven coefficients were significant beyond the 0.01 level and one was significant at the 0.05 level.



METHOD – DATA GATHERING (cont.)

To analyze a possible relation between the average servicepersons' style flexibility and average customer satisfaction level, per organization, originated from a survey involving a sample of clients, the linear correlation coefficient was calculated taken into consideration the set of paired data involving the before mentioned variables per organization, therefore the computation involved 15 pairs.



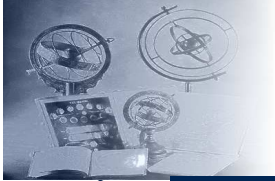
METHOD – DATA GATHERING (cont.)

To analyze a possible relation between the average servicepersons' style adaptability and average customer satisfaction level, per organization, originated from a survey involving a sample of clients, the linear correlation coefficient was calculated taken into consideration the set of paired data involving the before mentioned variables per organization, therefore the computation involved 15 pairs.



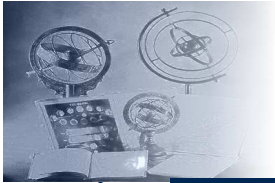
METHOD – DATA GATHERING (cont.)

To assess the influence of the Service Training Program on service performance a quasi-experimental design was defined consisting of a pretest-posttest nonequivalent control group involving the 200 salespersons of 15 organizations, being 30 persons in the experimental group and 170 in the control group. The selected criteria variables were the service style flexibility, service style adaptability or effectiveness, and customer satisfaction level. Considering that: (1) both groups, in spite of the fact of not being randomly selected, were similar (same educational and skill levels and seniority, and balanced in terms of sex and age); and (2) these three selected variables were normally distributed; the test of significance adopted in the statistical analysis was the same used for Design 4 Experimental Design (Campbell and Stanley, 1963). Therefore, the test consisted in computing for each group pretest-posttest gain scores and to calculate a two-tailed Student “t” between experimental and control groups on these gain scores, at a level of significance $p \leq .0001$.



SALES TRAINING PROGRAM

The program has been structured in order to integrate the three core competencies: diagnostic skills, adaptive skills, and communication skills, as well as the behaviors which define the total sales/service process and most importantly when to use these behaviors, providing the servicepersons with a practical way to create service and build the rapport necessary for strong and enduring customer relationship. The program was divided into two phases: a. service competencies development, and b. behavioral dimensions development related with the interaction between client and service provider.

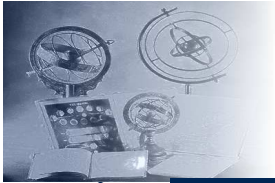


FINDINGS AND ANALYSES

Table 1. Profile of Servicing Styles of a Sample (200) of Salespersons

Style	Frequency Distribution (%)
S1 – Establishing	15.2
S2 – Clarifying	49.3
S3 – Involving	29.6
S4 – Fulfilling	5.9

Source: Research Data.

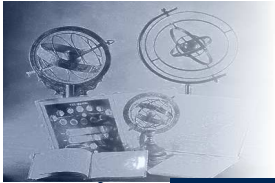


FINDINGS AND ANALYSES (cont.)

Table 2. Summary of Servicing Effectiveness of a Sample (200) of Service Persons

Score Interval (scale end points 0 and 36)			Servicing Effectiveness Level	Frequency	
				Absolute	Relative (%)
27	To	36	High	10	5
18	To	26	Moderate	80	40
9	To	17	Low	108	54
0	To	8	Very low	2	1

$\chi^2 = 874.78 > \chi^2 \text{ crit.} = 11.3; df = 3; p \leq .01.$



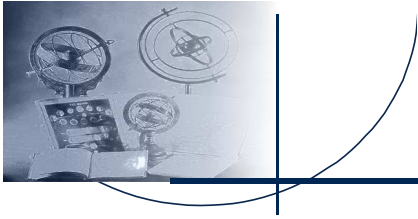
FINDINGS AND ANALYSES (cont.)

Table 3. Servicing Style Flexibility, Servicing Effectiveness, and Customer Satisfaction Level

Nb.	SECTOR		SF (%)	SE	CSL (%)
1	Transportation	O 1	25	20	65
		O 2	50	20	65
2	Car Dealers	O 3	25	21	65
		O 4	50	23	80
3	Food	O 5	50	21	65
4	Departmental Store	O 6	50	22	70
5	Software House	O 7	75	24	85
6	Cutting Tools	O8	50	23	60
7	Machining	O 9	25	21	50
8	Domestic Utilities	O10	25	24	70
9	Men`s Wear	O11	25	23	70
10	Insurance	O12	75	26	95
11	Motorcycle Dealer	O13	50	22	70
12	Vehicles Battery	O14	50	23	70
13	Fringe Benefits Cards	O15	75	24	75

Key: O = Organization, SF = Servicing Style Flexibility (average), SE = Servicing Style Adaptability (average), and CSL = Customer Satisfaction Level.

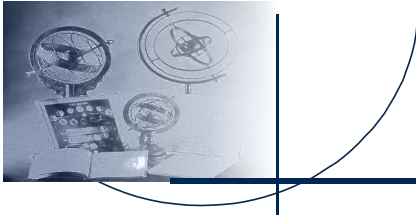
Source: Research Data.



CORRELATIONS

Considering the variables servicing style flexibility (SF) and customer satisfaction level (CSL) related to the 15 organizations, the result was a **linear correlation coefficient of +0.72**, showing a moderate to high degree of positive relation between the two variables (Schmidt, 1975).

On the other hand, considering the variables servicing style adaptability, or effectiveness (SE), and customer satisfaction level (CSL) related to the 15 organizations, the result was a **linear correlation coefficient of +0.76**, presenting a moderate to high degree of positive relation between the two variables (Schmidt, 1975).



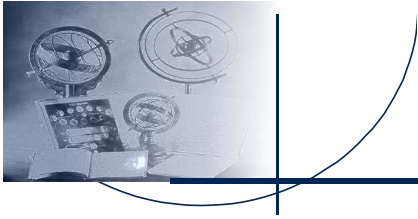
FINDINGS AND ANALYSES (cont.)

Table 4. Comparative Servicing Style Flexibility Results Between Experimental and Control Groups

Measurement	Experimental Group	Control Group
Pre-measurement Average (%)	50 (N = 30)	50 (N = 170)
Standard Deviation	4.5	4.6
Post-measurement Average (%)	75 (N = 28)	50 (N = 160)
Standard Deviation	4.3	4.6
Gain (%) ¹	25	0

¹ $t = 27.16 > t \text{ crit.} = 3.3; df = 192; p \leq 0.0001$

Source: Research Data



FINDINGS AND ANALYSES (cont.)

Table 5. Comparative Servicing Effectiveness Results Between Experimental and Control Groups

Measurement	Experimental Group	Control Group
Pre-measurement Average	22 (N = 30)	23 (N = 170)
Standard Deviation	2.5	2.6
Post-measurement Average	26 (N = 28)	23 (N = 160)
Standard Deviation	2.4	2.5
Gain ¹	4	0

¹ $t = 7.83 > t \text{ crit.} = 3.3; df = 192; p \leq 0.0001$

Source: Research Data



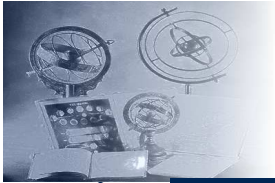
FINDINGS AND ANALYSES (cont.)

Table 6. Comparative Customer Satisfaction Level Between Experimental and Control Groups

Measurement	Experimental Group	Control Group
Pre-measurement Average (%)	70.5 (N = 30)	69.3 (N = 170)
Standard Deviation	3.6	3.7
Post-measurement Average (%)	79.6 (N = 28)	71.2 (N = 160)
Standard Deviation	3.5	3.6
Gain (%) ¹	9.1	1.9

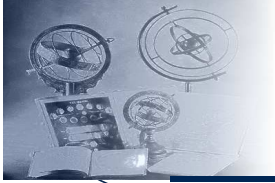
¹ $t = 11.43 > t \text{ crit.} = 3.3; df = 192; p \leq 0.0001$

Source: Research Data



CONCLUSIONS

1. The results of service style flexibility and service effectiveness lead us to the conclusion that this group of service persons needs to receive training in terms of service skills, once they need to have more flexibility of styles and to be able to use the appropriate style depending on the situation. Previous studies (HERSEY, 2000) suggested that by having this new profile this group of service persons will be able to deliver superior services and build the rapport necessary for strong and enduring customer relationships.
2. Once the study uncovered a moderate to high positive relation between service persons' servicing style flexibility and servicing effectiveness with the customer satisfaction level, this reinforces the need for training enhancing the improvement of the relationship between service persons and clients, which is beyond any service technique (Leboff, 2011).
3. The research has shown a positive influence of the Service Training Program, as delineated in the Appendix, on the day-to-day service variables either in terms of physical significance or of statistical validity of the results.
4. The Situational Service Model helped in providing the service persons with a practical way to deliver superior services and build the rapport necessary for strong and enduring customer relationships. Its diagnostic procedures and prescriptive actions prepare the service persons to match appropriate servicing behaviors with varying degrees of customer readiness. By understanding and applying the model the service persons can develop the competencies necessary to be a true professional in a world where the unique competitive advantage through which any organization defines itself is the service.

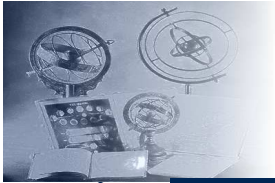


RECOMMENDATIONS - GENERAL

1.2.1 General

1. The use of the presented Service Training Program should be done cautiously due to the fact that the study was limited to 15 Brazilian organizations, using rather small samples.

The Service Training Program should not be seen as an isolated contribution in the process of improving sales performance. Rather, it must be inserted in the course of a company-wide and multidisciplinary effort to reach paramount performance results. This effort should involve people of all levels in the organization and should be congruent with the philosophy of the company.



RECOMMENDATIONS - SPECIFIC

1.2.1 Specific

1. The samples used in the study were rather small, therefore any extrapolation from the results of the research must be done with caution.
2. In future studies of the same nature a 360 degree appraisal, as far as service style, style flexibility and service effectiveness are concerned, would be highly recommended.
3. Additional researches of the same nature involving bigger sample sizes, other types of organizations and conducted in other cultures are highly recommended.