Chapter 80
Quality of Work/Life and Service Quality

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ABSTRACT

The chapter focuses on how service quality can be improved by helping the internal customers to improve/enhance the quality of their work/life. Employees play a very significant role in service delivery. To achieve any kind of success in service improvements/innovations the role of employees assumes great significance. It is increasingly being accepted that the nature of services makes them intangible, perishable, heterogeneous, and inseparable. This puts the responsibility of delivering value to the customers on the employees who are directly interacting with them. The competence and attitude of the employee who is the “internal customer” and delivers the services to the external customer is of paramount importance. Service delivery is increasingly becoming the anchor stone due to increase in intensity of competition in the services sector. Since it is the employee who alone can provide this differentiating competitive edge, it is important to understand those factors that operate in an internal customer’s work and life and can impact his delivery in the service sector. This chapter seeks to explore the relationship between the quality of work/life of the “internal customer” and the quality of services delivered to the “external customer.”

INTRODUCTION

Developed economies are today saturated and offer little scope for future growth, while the newly emerging economies of India, China, Brazil, Malaysia and Russia have a tremendous potential for investment with considerable returns. The consumer in the emerging economy is seeking novelty, quality and convenience and on the other hand, marketer is increasingly conscious about ‘purpose’ that helps in building the emotional connect between the brand and the consumer (Edelman Good purpose Consumer Survey, 2010). The consumer looks for value propositions that can lead to a more satisfying customer experience. Technology and social networking has made it possible to collaborate, communicate and engage customers and in this

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new technology savvy sales scenario, ‘many more employees become ‘touch points’ to the market place’ (Accenture, 2011, p. 3). Business needs to be aware that the profit based bottom line is tied up with their internal customer – the personnel or employees it employs. Hence, to respond effectively to the emerging business environment, organisations need to focus on attracting, nurturing and retaining quality manpower. However, this is easier said than done! The enormous opportunities provided by the expanding markets in the emerging economies, have made retaining talent the single most critical issue. Flexible timings with round the clock accessibility, intellectually stimulating work culture, empowerment, focus on work/life balance and addressing the quality of work/life of the individual are order of the day.

Organisations today are adopting an increasingly customer-centric approach leading to service quality, customer satisfaction and customer value addition taking a centre stage (Wang, Hing-Po, & Yang, 2004). Even the manufacturing industry has woken up to the fact that the difference between success and failure, in the current scenario, is more often ‘service quality’ rather than ‘product quality’ (Ghobadian, Speller, & Jones, 1994) as better service quality is instrumental in ensuring customer satisfaction and hence, improving profits (Stevenson, 2002). As such, this necessitates a critical analysis of the service delivery processes as well as an understanding of the internal customers’ role and responsibility as ultimately it is the employee on whom the onus of delivering service to the customer falls. The employee alone can provide the competitive edge in the current scenario as every tangible resource is easily replicable. Human resource and its humane touch is the only remaining resource which cannot be replicated by competitors (Francisco, 2006). While quality of work/life and service quality have been amply studied for the developed countries, the emerging economies have been under researched in terms of consumer requirements, drivers of customer satisfaction, performance variables and quality of work/life.

Therefore, it is important to understand those factors that operate in an ‘internal customer’s work and life that can impact one’s delivery in the service sector. However, in their zeal to grow rapidly the emerging economies are neglecting this particular aspect.

This chapter aims at reflecting on the meaning of service quality as given by various researchers and practitioners. The intent is to bring out the role of service quality in building loyalty and satisfaction and its influence on the intention to purchase.

Further, the chapter deals with quality of work-life (QWL), giving an overview of the concept and establishing the theoretical linkage between QWL and performance, productivity, job involvement, retention, etc.

Relationship between service quality and quality of work/life in emerging economies is next explored to establish the important relationship between these two issues and suggest a theoretical model for the same. It seeks to discuss how quality of work/life of an individual can affect her/his delivery of service quality. Innovative applications of service quality and quality of work/life are interwoven into the chapter.

The last section deals with the managerial implications of the proposed model and how this model can facilitate the customisation of the human resource policies of an organisation.

**SERVICE QUALITY**

Several studies have been done to understand and measure the service quality in various service settings (Parasuraman, Berry, & Zeithaml, 1985; Rust & Oliver, 1994; Arasli, Mehtap-Smadi, & Katircioglu, 2005; Wong & Sohal, 2003). Attempts have also been made to explore the relationship