

It is necessary to train, support and motivate employees so that they deliver high- quality service performances each time they meet a customer.

Employees contribute to internal market in which paid labour is exchanged for designated outputs.

Employees have the potential to considerably add value to manufactured goods however, they are vitally important in the delivery of services.

For example, a customer who doesn't tell the dentist where the pain is which restricts the quality of the performance the dentist is likely to give.

thus , employees need to be trained to **communicate** with customers in such a way that they provide sufficient information to **avoid service failure**.

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- And unlikely to return

In order to help organisations manage and provide a consistent level of service, various models have been introduced like Contemporary approaches include : Critical incident technique or service blueprinting but most reliable one is an approach called SERVQUAL has been developed by Parasuraman, Zeithaml and Berry 1988. It is a disconfirmation model based on the difference between the expected services and the actual perceived service. Inherently, this approach assumes that there is a gap between these variables and five particular types of GAP have been established across service industries. These are:

- Gap 1
 - The gap between what the customers actually expects and what the management thinks the customers expect.
 - By not understanding customer needs correctly, management direct resources into inappropriate areas. For example, train service operator would think that the customers want places to store bags, whereas they actually want a seat in a comfortable, safe environment.
- Gap 2-
 - The gap between what resources are provided and what is required to meet customer expectations.
 - Management perceive customer wants correctly but fail to clarify it and hence unachievable. For example, the train operator understands customer desire for a comfortable seat but fails to specify how many should be provided relative to the anticipated number of travellers on each route.
- Gap 3-
 - The gap between the service designed and the service that is delivered.
 - This gap may be due to human error or a failure in the technology necessary to deliver parts of service. For example, the trolley-buffet service on a train may be perceived as poor because the trolley operator was impolite because they had not received suitable training or because the supplier had not delivered the sandwiches on time.
- Gap 4-
 - The gap between service delivery and external communications
 - The service promise presented in advertisements, on the website, and in sales literature helps set customer expectations. If these promises are not fulfilled in service delivery practice, customers become dissatisfied. For example, if an advertisement shows the interior of a train with comfortable seats and plenty of space yet a customer boards on a train only to find out a lack of space and hard seating this means the external communications have misled customers and their expectations dissatisfied.
- Gap 5-
 - The gap between perceived service and expected service
 - This gap arises because customers misunderstand the service quality relative to what they expect. This may be due to one or more of the

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then the customer will feel that the company actually cared for him and offered him individual attention.

However what if a flight is cancelled and a customer misses a crucial work meeting or an important doctor's appointment? Will a free overnight stay in a nearby hotel and an additional free meal solve the problem and increase the customer's satisfaction? Probably not.

The question here is whether the service recovery paradox doesn't occur in situations like the missed flight because, the problem is in the core service. If the core service (product) fails then the core need that the customer wants to fulfil is not fulfilled. Hence, the customer is paying a company and although he receives some value, this value is irrelevant to his core needs. In simple words, the customer didn't pay for a hotel room and a meal. He paid for all sorts of reasons, but mostly in order to be at his destination at the time he wanted. And this never happened...

It can be argued that **service recovery** is not just about recovering a dissatisfied customer in order to regain their satisfaction, loyalty and future patronage (Johnston and Michel, 2008). The primary **purpose of service recovery** is to help drive improvement throughout an organisation (Johnston and Michel, 2008). It is also argued that successful service recovery is where customer satisfaction was maximised and negative word of mouth minimised, only occurred when the service recovery process was handled by employees who reacted quickly, courteously, and in a caring way (Hocutt, Bowers, and Donavan, 2006). It can also be argued that, most organisations focus on customer recovery and neglects other aspects important for improvement throughout an organisation like employee recovery and process outcomes which leads to a relatively low **impact on financial performance**. In terms of employee recovery, organisations with 'good' complaint procedures appear to generate positive employee attitude and high levels of retention, which lead to a positive **impact on financial performance**. From a process perspective, those organisations with the better recovery procedures experienced **process improvements**, which in turn led to highest **impact on financial performance**. Thus, organisations should **manage service recovery** by attending to customer, employee, and process outcomes.