DETERMINING THE FACTORS THAT INFLUENCE CUSTOMER SERVICE EXCELLENCE IN THE SOUTH AFRICAN RETAIL SECTOR

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Determining the factors that influence customer service excellence in the South African retail sector

By

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DECLARATION

I, *Yolisa Nomfundo Nzo, student number 204053900*, hereby declare that the treatise, "*Determining the factors that influence customer service excellence in the South African retail sector"* for *Masters in Business Administration* is my own work and that it has not previously been submitted for assessment or completion of any postgraduate qualification to another University or for another qualification.

Yolisa Nomfundo Nzo

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I would like to lift my eyes unto the Lord from whence my help cometh, for His mercy and grace I, thank the Lord, God, Almighty.

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ABSTRACT

Customer service excellence (CSE) is the common thread that binds all businesses; as without customers no trade can take place. The South African retail sector is one of the drivers of the economy and it is important that CSE is continuously monitored to ensure that standards of excellence are maintained. What remains unknown and unmeasured is the impact of the employees and the organisation on CSE.

The retail sector is dependent on its customer facing employees to be the face and character of the store. Investment in advertising and other media exposure must ultimately be tested when a consumer visits a store and experiences the CSE on the ground and in real time. The investment for the retailer becomes worthwhile if the real face of the company reflects the promises made in the media; and that is in the hands of the men and women who work in the stores.

This study sought to find out the impact of employees and organisations in the Centurion mall based retail stores on CSE. Literature was reviewed and quantitative and qualitative research methods was undertaken by means of questionnaires that were distributed to the staff and management of national branded stores in the malls around Centurion.

The results obtained were then discussed in terms of each variable tested. The study found that organisational commitment, employee education and employee training have a strong relationship to customer service excellence

TABLE OF CONTENTS

CHAPTER 1
SCOPE OF STUDY

CHAPTER 2

LITERATURE REVIEW ON CUSTOMER SERVICE

EXCELLENCE

CHAPTER 3
RESEARCH METHODOLOGY AND EMPIRICAL RESULTS

CHAPTER 4
DESCRIPTIVE STATISTICS - EMPIRICAL RESULTS

CHAPTER 5
FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

LIST OF FIGURES

LIST OF TABLES

CHAPTER 1

SCOPE OF THE STUDY

1.1 INTRODUCTION

It takes more than competence to win over customers, a bond of caring and connecting with the people one is serving is necessary. Eye contact, a warm friendly smile is one way of showing care towards the customer and not just giving an impersonal service (Henry and Donovan, 2000, p.76).

Ford, McNair and Perry (2001, p.19) observe that all business, industry, government, non-profit or other type of organisation live or die by their focus on customer service. Customer service excellence must be the main pillar of any organisation that hopes to survive in the long term.

For a business to be successful it needs a defined business mission, a qualified and unified team and determined leaders. If the mission is clear and strong then the business will weather the trials most businesses pass through, especially in the first ten years (Kiyosaki and Lechter, 2000).

Successful organisations worldwide realise that the path to satisfied customers is through satisfied employees (Grönroos 1985; Gummesson 1987; Greene et al. 1994; Varey, 1995 cited in Malhotra and Mukherjee, 2003, p.942). Internal marketing emerges as a solution to the problem of delivering consistently high service quality (Rafiq and Ahmed, 2000). The main idea behind the concept of internal marketing is attracting, developing, motivating and retaining qualified employees through job-products that satisfy their needs, at all levels in the organisation (Berry and Parasuraman, 1991, p.151). In fact, one of the important consequences of internal marketing is to increase the organisational commitment of employees (Caruana and Calleya, 1998).

Organisational commitment or perceived organisational support (POS) is in place where an organisation can convince its employees that the organisation provides more opportunities, challenges and rewards than their competitors; this can be done by supporting employees to develop their own careers and increase their career satisfaction (Barnett and Bradley, 2007, p.618). Organisational commitment or POS deals with the attitudes of the organisation towards its employees.

Employee training is a key area for the improvement of staff on-the-job skills; according to Danes (2011, p.12) having a knowledgeable employee base is the first step in the direction of quality customer service. Product knowledge helps in finding the right stock item for the customers' needs and gaining their confidence and trust (Danes, 2011, p.12).

Earlier research by Danes (2011, p.13) suggests that employee's education and experience levels translates to better customer service and a crew that is more invested in their work and employers who educate staff do it not only so they can meet the needs of customers, but also to show they are invested in their employees' success and advancement, they put into their employees exactly what they expect to get out in return.

On employee engagement it has been found that engaged workers produce more, make more money for the company, and create emotional engagement and loyal customers as stated by Lupfer (2011). They contribute to good working environments where people are productive, ethical and accountable. They stay with the organisation longer and are more committed to quality and growth states Lupfer (2011).

Employee personal values determine how the employee will interact with customers. According to Ferri-Reed (2011, p.31) sometimes the standards of your individual customer service employees may not line up with your organisation's standards. This is easy to understand because many times employees do not see "the big picture" when it comes to service (Ferri-Reed, 2011, p.31). Nonetheless it's critical to make sure that your customer service representatives reflect the same expectations as your organisation, this can be reinforced through on-going training and development as stated by Ferri-Reed (2011, p.31).

Research by Boshoff and Mels (1995 cited in Malhotra and Mukherjee, 2003, p.943) indicates that organisational commitment or POS exerts a strong positive influence not only on internal service quality but also on external service quality (Boshoff and Tait, 1996 cited in Malhotra and Mukherjee, 2003, p.943). An environment in which employees are satisfied and committed is one that is conducive to customer satisfaction (Sergeant and Frenkel, 2000 cited in Malhotra and Mukherjee, 2003, p.943).

Prioritizing employee recognition and demonstrating appreciation for employee contribution can improve employee engagement. Individuals whose positive behaviours are acknowledged by the organisation will continue those behaviours and feel motivated to performance. Employees who tend to leave are those not appreciated on a consistent basis asserts Laurano (2012).

1.2 PROBLEM STATEMENT

Friedman (2012) asserts that customer service is an integral part of our job and should not be seen as an extension of it. A company's most vital asset is its customers. Without them, we would not and could not exist in business. When you satisfy your customers, they not only help you grow by continuing to do business with you, but recommend you to friends and associates. The practice of customer service should be present on the shop floor as it is in any other sales environment. The concept of putting the customer in the centre of the business strategy is the key to good marketing states Blythe (2009, p.71).

Friedman (2012) further clarifies that effective listening and undivided attention is particularly important on the shop floor where there is a great danger of preoccupation – looking around to see whom else we could be selling to.

Milum (1990, p.21) succinctly states, what matters in the end to our customers is not only the completion of the job, but whether we meet the requirements precisely. If things are right customers will remain loyal and new business will be attracted. That should be the backbone of any customer service excellence approach.

According to Ask Africa Orange Index 2012 research (see Appendices A and B) from 2010 to 2012 service levels decreased with 5.24% - it is now the lowest level in the last decade and the second biggest drop ever, while service levels dropped consistently across industries with the exception of the automotive industry. Retail customer service excellence is on the decline and this study aims to establish the influence of factors that are known to impact customer service excellence. These factors are employee training, employee education, employee engagement, employee personal values, organisational commitment or perceived organisational support and organisational recognition.

1.3 RESEARCH OBJECTIVES

1.3.1 Primary objective

The primary objective of this study is to analyse the influence of the factors under observation on customer service excellence in the branded retail sector, by investigating the customer service excellence relationship to employee training, employee education, employee engagement, employee personal values, organisational commitment or perceived organisational support (POS) and organisational recognition.

1.3.2 Secondary research objectives

To achieve the primary objective, the secondary research objectives below were investigated:

- Commitment to and importance of excellent CSE to the selected retailers.
- Effects of employee training, employee education, employee engagement, employee personal values, organisational commitment or perceived organisational support (POS) and organisational recognition on CSE.

- To report on the results and findings of the study and make recommendations to the retailers.

1.3.3 Research design objectives

In pursuit of achieving the primary and secondary research objectives mentioned above, the research design objectives were as follows:

- A literature review was conducted in order to gain information on the identified variables;
- Two types of questionnaires were constructed for the collection of the primary data for the study;
- Sending out of structured questionnaires to 30 retail stores; request distribution of employee questionnaires to the retail floor staff via the retail store managers; in the Centurion area which is based in the City of Tshwane Municipality;
- Capturing raw data onto an Excel computer software program;
- Analysis of the data using the STATISTICA Version 11 and SPSS Version 21 computer software programs;
- Interpretation of findings and drawing of conclusions;
- Validation of findings by conducting t-tests, analysis of variance (ANOVA) and a correlation analysis to test the relationship between the variables and CSE and the extent to which they predict each other;
- Present recommendations to retailers.

1.4 METHODOLOGY

1.4.1 Research paradigm

Qualitative and quantitative research methodologies were implemented in this study. The qualitative method of research attempts to understand people's perceptions in

order to understand particular situations. This type of research method produces qualitative data. Qualitative research can be historical, sociological or political as well as educational (Leedy and Omrod, 2005, p.133)

The quantitative method is used to answer questions pertaining to relationships and to measure the correlation between variables, in order to explain, control and predict phenomena. It seeks to find the facts or the causes of phenomena and focuses on and produces quantitative data (Leedy and Omrod, 2005, p.94). In seeking to improve effectiveness, a quantitative analysis will provide insight into the relationships that exist between all the different variables. To understand the customer service levels in the retail customer service areas of the selected retailers and to interpret the impact of various activities a qualitative approach is used. The study uses both research methodologies, qualitative and quantitative.

1.4.2 The sample

Convenience sampling was used to select 30 retail outlets in the Tshwane Municipal District; the target was the store managers and shop floor employees of branded clothing retailers, branded supermarket retailers and branded pharmaceutical retail stores. These particular retailers were chosen because they are branded and should by right have procedures and processes in place that guide the running and management of each store. These processes and procedures place them on similar footing as opposed to using a sample where every store operates according to how present management sees fit, as is the case in individually owned retail stores. Anonymity and confidentiality was guaranteed. The sampling design and the final sample to be used in the study are discussed in detail in Chapter four.

1.4.3 The measuring instrument

Self-constructed measuring instruments; an employee questionnaire and a structured self-filled questionnaire for managers; based on secondary literature

sources were used to measure the variables listed below:

- Employee training (ETG);
- Employee education (EED);
- Employee engagement (EEG);
- Employee personal values (EPV);
- Organisational commitment (OCT) or perceived organisational support (POS); and
- Organisational recognition (ORT).

The instruments were anchored to a 5-point Likert scale; ranging from (1) strongly disagree to (5) strongly agree for the employees, while open ended questions were used in the managers' questionnaire. The instruments will be discussed in detail in Chapter four.

1.5 THE CONCEPTUAL FRAMEWORK

FIGURE 1.1: THE CONCEPTUAL FRAMEWORK OF THE STUDY
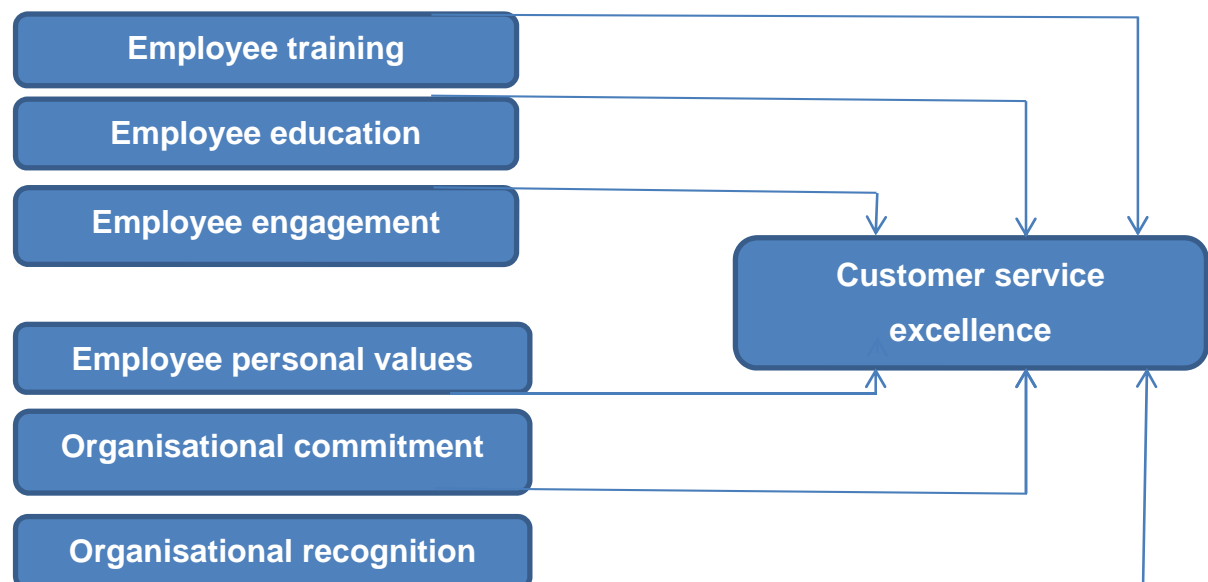
To test the strength of the relationships between independent variables on customer service excellence, two broad hypotheses were formulated, as follows:

Ho is that the population proportion is 0.5 or less

H_1 is that the population proportion is greater than 0.5

1.5.1 Statistical methods used

A correlation analysis was conducted between the six variables and CSE to establish if any positive correlation exists. The correlation analysis quantifies the dependence of the six variables to CSE and shows the strength and direction of the relationships, the strength of the relationship refers to the extent to which one variable predicts the other. The Cronbach alpha test was done for item and reliability analysis and use was made of the correlations found.

T-tests were done for all the six variables to compare the means of two groups within each variable.

An ANOVA test was done comparing the means of more than two groups and where significant ANOVA results were found Scheffe tests were done to see between which groups the significance was found. Findings of large practical significance were identified using Cohen's d.

The strength of relationships of variables was tested according to the broadly formulated hypotheses.

1.6 DEFINITIONS OF KEY CONCEPTS

1.6.1 Customer

Smith Two Way Radio (2009) on its website aptly defines a customer as follows:

"A customer is the most important component in any business. A customer is not dependent on the organisation. The organisation is dependent on the customer. A customer is not an interruption of the work. He is the purpose of it. A customer does the service staff a favour when he comes in. Service staff is not doing him a favour by waiting on him. A customer is part of the business not an outsider. A customer is not just money in the cash register. He is a human being with feelings and deserves to be treated with respect. A customer is a person who comes to the store with his needs and his wants. It is the salesperson's job to fill them. A customer deserves the most courteous attention that can be given to him. He is the lifeblood of every business. His purchases enable the payment of staff salaries. Without customers the store would have to close its doors. No salesperson should ever forget that."

1.6.2 Customer service

Customer service as a concept should be applicable to every industry and organisation as well as all their employees, (Freemantle, 1993, p.81). Here are some definitions of customer service in use today:

"Customer service is the ability to provide a service or product in the way that it has been promised. Customer service is about treating others as you would like to be treated yourself. Customer service is an organisation's ability to supply their customers' wants and needs.

Customer service is a phrase that is used to describe the process of taking care of customers in a positive manner. Customer service is any contact between a customer and a company that causes a negative or positive perception by a customer. Customer service is a process for providing competitive advantage and adding benefits in order to maximize the total value to the customer.

Customer service is the commitment to providing value added services to external and internal customers, including attitude knowledge, technical support and quality of service in a timely manner. Customer service is a proactive attitude that can be summed up as: I care and I can do" (Customer Service Manager.com, 2011).

1.6.3 Customer service excellence

The American Management Association (2012) asserts that customer service excellence will give you the competitive advantage you need to survive in a tough and increasingly uncertain business climate. In today's customer-oriented business environment, "people skills" are critical for personal and organisational success. How you handle your customers can directly affect your individual goals as well as your team's and company's performance.

1.6.4 Employee

For many organisations, customer contact employees also known as the front-line service personnel are the ones who deal with customers on a day-to-day basis. All members of staff within the organisation either serve customers or serve those who directly serve customers states Moreo (1996, p.79). Customers can develop a relationship with the salespeople, and this can lead to repeat purchases from the customer as they come to identify the salesperson with the store; this can have a positive effect on the work performance of the employee as it becomes easier to deal with content repeat customers observes Griffin (2002, p.13). Thus, all other things being equal, in situations where service is a fundamental component of the consumer experience, it is expected of organisations to prefer employees who are customer oriented (Farrell and Oczkowski, 2009, p.149).

1.6.5 Employee training

Training can and should be fun, interactive and full of challenges states Ford, McNair and Perry (2001, p.23). Companies that invest in employee training know that it is the quality of their workers and the appreciation of their customers that sustains continuous business growth (Ford, et al., 2001, p.22). Transforming a company to become a customer service oriented company requires good training that quickly enables service people to engage in and sustain the right kind of behaviour at work (Whiteley, 1991, p.104). Training should equip sales personnel to; among other skills; deal with difficult customers as well as deal with stressful situations at the workplace (Ford, et al., 2001, p.22). Continuous and on-going training should be incorporated into the company's way of doing business such that workers identify it as one of the key practises that enable them to improve their performance and interaction with customers.

1.6.6 Employee education

Ensuring that you have the best-qualified employees in your customer-facing job positions is vital to good customer service; the best way to assure a good fit is to assess each individual's personality, behaviours and skills says Ferri-Reed (2011, p.32). Educational levels of employees from prior learning are a guide of how capable they may be in their jobs but it is not the final measure. Having your own in-house measures of prior education level standards will enhance employee selection processes.

1.6.7 Employee engagement

Employee behaviour and effort towards their work is influenced by their emotional connection to the organisation employing them. Research in 2012 by Corporate Training Material.com (CTM) showed a positive correlation between the amount of

engagement and effort that an employee has towards their work. "Employee engagement also involves the nature of the job itself - if the employee feels mentally stimulated; the trust and communication between employees and management; ability of an employee to see how their own work contributes to the overall company performance; the opportunity of growth within the organisation; and the level of pride an employee has about working or being associated with the company" (CTM, 2012).

1.6.8 Employee personal values

Suttle (2013) notes that the personal values of employees are traits and characteristics that employers actively look for. Some personal values may be learned at an early age. Other personal values tend to be part of an individual's personality. Whatever the case, an employee's personal values or lack thereof may determine success or failure at a job.

From secondary literature research five characteristics were highlighted by a number of researchers as being key employee personal values; these include:

- *Integrity*

    This is one of the most widely admired employee traits; companies need employees that are honest. Employees become familiar with company policies and procedures. Workers also become privy to the financial details of companies, such as sales and profits. Employers need honest employees to keep confidential information out of the hands of competitors. In addition, companies must be able to trust some employees with money (Suttle, 2013).

- *Strong work ethic*

    Companies like their employees to have a strong work ethic. People with a strong work ethic work hard and complete assignments. Many employees with a strong work ethic are self-driven. They take general direction from their supervisors, and then use the appropriate resources necessary to complete a task or project. A strong work ethic becomes even more important as an employee develops more

12

skills and advances in an organisation. Employees will take on greater responsibilities as they move up in an organisation. A strong work ethic will better enable employees to successfully take on these greater responsibilities (Suttle, 2013).

- *Flexibility*

Another important employee personal value is flexibility (Moreo, 1996). Employees will be faced with many challenges on a job. Employees may face stressful situations on a job which they must face in a professional manner. Sometimes, a supervisor will need the employee to take on additional tasks, or move to another department. Whatever the case, flexible employees are highly valued in both small and large companies.

- *Reliability*

Companies must know they can count on employees to show up for work on time. For example, restaurants count on crew people to show up for their shifts, as customers will need to be served. Customers when assessing service put reliability topmost; it is seen as a companywide issue and involves investment of time and money by the company (Griffin, 2002, p.110.). Employees must be able to provide a service that is dependable and accurate in the workplace (Whiteley, 1991).

- *Professionalism*

Employees need to maintain a sense of decorum when performing their jobs. Even when customers are being difficult it is important to show respect and be courteous as frontline employees (Moreo, 1996). Similarly, an employee is able to take criticism from a boss, learn from their mistakes and continue to improve their performance. Another way to demonstrate professionalism is by not discussing personal issues at work or by not gossiping about other employees (Suttle, 2013).

1.6.9 Organisational commitment or perceived organisational support

It would seem that as Farrell and Oczkowski (2009, p.161) argue hiring customer-oriented employees is only the beginning. There needs to be thought given to ensuring the employee is able to fit into the job and the values of the organisation, and that the organisation offers support to its employees. The organisation must be committed to improving the skills of the employee through training and educational programs. It must have programs in place which look after the wellness of the employee. Employee well-being and betterment should be part of the fundamental objectives of the organisation as all functions of the organisation are carried out and overseen by employees.

1.6.10 Organisational recognition

In order to have a positive, productive and innovative organisational climate Heathfield (2013) recommends that employee recognition must be prioritised. To encourage more of the actions and thinking that will make the organisation successful, saying "thank you" when it is appropriate to an employee is an important form of employee recognition. Employees who feel appreciated tend to feel more positive within themselves and thus are confident of their contribution to their work place, these are potentially the best employees to have; most employers recognise the positive spin offs of employee recognition even though they might not practise it (Heathfield, 2013).

1.6.11 Retail

Selling directly to the consumer from a single point which could be a mall, a market, a department, a store or any selling point is the essence of what retail is all about. The consumer requires small quantities to use for personal use; in simple language

retailing is nothing more than the exchange of goods for money between the seller and the buyer so as to satisfy the individual needs of the direct consumer (Management Study Guide, 2013).

1.7 OUTLINE OF THE STUDY

1.7.1 Chapter 1: Scope of study

This chapter outlines the scope of the study, the problem statement, the research objectives, the hypotheses, the research methodology and the measuring instruments.

1.7.2 Chapter 2: Literature review on customer service excellence

A literature review was conducted on customer service excellence, employee training, employee education, employee engagement, employee personal values, organisational commitment or POS and employee recognition and outlining methods of how to establish the relationship of these factors to customer service excellence.

1.7.3 Chapter 3: Research methodology

An outline of the research methodology that is used for the investigation is provided in this chapter. This includes the research paradigm, sampling design or method and the measuring instruments. The results of the validity and reliability of the instruments that are used in the study are discussed.

1.7.4 Chapter 4: Descriptive statistics – empirical results

Interpretation as well as summary of the descriptive statistics and empirical results of the study and the implications thereof is discussed in this chapter.

1.7.5 Chapter 5: Findings, conclusions and recommendations

The findings, conclusions and recommendations of the researcher that are derived from the study are discussed.

CHAPTER 2

LITERATURE REVIEW ON CUSTOMER SERVICE EXCELLENCE

2.1 INTRODUCTION

"Everyone loses when service is poor. Customers lose. Employees lose. Senior managers lose. Shareholders lose. Communities lose. Suppliers lose. Poor service has no redeeming virtue nor does mediocre service for that matter. Service excellence is more profitable, more fun and conducive to a better future" states Berry (1995, p.3).

No matter what type of organisation an employee works for, it is extremely important for them to always remember to keep their focus on the customer and not on themselves, the service encounter is all about the customer. Assisting customers and ensuring that their wants and needs are met should be the employee's single-minded focus at all times. In all situations where the customer is involved front-line employees must show initiative and take charge. The employee has a vested interest to succeed since their success and that of the organisation depends on them delivering the right service, at the right time, at the right price, with the right attitude to the right customer (Lucas, 2012, p.9).

Delivering great service, one customer at a time, day after day, month in month out is not an easy task. No one can suggest that the excellent service journey is easy. It is by its very nature of being repetitive not easy. But it is immensely rewarding, not just financially, but spiritually. Excellence nourishes the soul. Why "great service"? What is wrong with "good service"? Good service is not good enough to ensure differentiation from competitors, to build solid customer relationships, to compete on value without competing on price; to give inspiration to employees to strive to be better at their work and at living their lives and to realise an unmistakable financial dividend for the business and indirectly for themselves (Berry, 1995, pp.3-4).

This chapter discusses the nature of customer service excellence, within the retail service industry it seeks to determine the factors that influence service excellence by examining the impact of employee training, employee education, employee engagement, employee personal values, organisational commitment otherwise referred to as perceived organisational support (POS) in research literature and organisational recognition on service excellence. Paradigm shifts in the retail service function and their impact are discussed. These shifts include the customer, internal marketing, service quality and the services marketing triangle.

2.2 RETAIL

Rhee and Bell (2002, p.228) state that in the retail sector it is a priority for retailers to position themselves as the preferred-store over the competition. Customers normally visit many stores, but they always have a "first choice" store that they buy most of their purchases from. However all that said the core of retail patronage is built on the foundation of understanding and satisfying customers' needs.

2.2.1 Definition of retail

Farfan (2013) defines retail as the selling of goods to the ultimate users, not for resale, but for use and consumption by the purchaser. The retail transaction is at the end of the supply chain. Manufacturers sell large quantities of products to retailers, and retailers break these into smaller units and sell the total sum of those quantities to many consumers. This defines the sector within which this research study is located.

2.2.2 Retailing and the customer

Within the retail sector customer perception is a wide concept to be assessed. Many authors believe that the core features of the company or the services offered by retailers play an essential role in building a good business image. Naylor and Frank (2000, p.315) believe that the employees' performance will affect the customers' perception. Other authors further propose features offered by the business (Shaw and Haynes, 2004, p.175); price of the merchandise (Sheinin and Wagner, 2003, p.214); quality of service presented are what affect customers' perception.

Another factor is customers have become more connected worldwide and knowledgeable technologically such that at a click of a button they can compare prices and non-price advantages, such as service quality which takes on even higher significance in enticing and retaining customers (Miranda, Konya, and Havrilla, 2005, p.312) explain that the concept of customer perception and satisfaction is strongly linked.

Miranda et al. (2005, p.317) suggest that it is essential for retailers to identify what makes their customers feel satisfied while shopping in their stores. Contented customers will engender an excellent perception towards the retailers. The roles of emotion are closely related in building up customer satisfaction in the retail business. Burns and Neisner (2006, p.50) found that the rational evaluation and emotional reaction of customers will influence their buying patterns. In fact, they further note that rational evaluation was found to be more important than emotional reaction in explaining customer satisfaction.

Paulin and Geisfield (2003, p.78) argue that customers' perception of a store are holistic, they consider a number of factors rather than a single factor. For instance they take into consideration store appearance, opening hours, attractiveness of advertising, quality of stock holding, when choosing where to shop. Even then customers still retain their own perception towards any retailer as to whether it is good or bad (Chatterjee, 2007, p. 63). Hu and Hasper (2006, p. 31) find customers enjoy shopping where there is a wide selection of service offerings under one roof.

2.2.3 The South African retail scenario

The face of the South African retail employee is mostly black and African. Kenny (2004, p.477) investigated the South African food retail sector workers' labour processes and market changes. Customer facing employees from around the 1940s were white females; management used routinisation and deskilling to keep control over them. From the 1970s black workers started to fill customer facing jobs as the conditions of the labour market changed; their entrance caused control to shift to an "apartheid workplace regime" (von Holt, 2003) to which independent unions responded with militancy in the early 1980s. Workers negotiated workplace rights to effect a rising 'hegemonic' order." Burawoy (1983, cited in Kenny, 2004, p.477) argues however, that from the late 1980s the introduction of casual work and subcontracted workers became a new strategy of controlling the retail workers and this splintered the worker movement.

Workers experienced stratified employment statuses through their relations with managers, customers and each other. As such, 'relations in production' constituted and reflected changing political beings. In the present study the demographics of the employees and managers will be investigated.

2.3 CUSTOMER SERVICE EXCELLENCE

Cardon (2008, p.232) describes customer facing employees as the face of businesses and other organisations. The art of communication displayed by these employees can significantly influence how customers perceive the image of companies and organisations and the products and services they provide. O'Sullivan (2010, p.1) states that people expect excellent customer service no matter where they live and no matter what their job status. Every country, nationality and business is affected by the 'universal language' of excellent service and it has no boundaries.

2.3.1 Customer service excellence defined

Jones (2010) asserts that customer service excellence (CSE) has many definitions, but first and foremost, it is about customer satisfaction. This applies to both internal and external customers as the two are connected in achieving business objectives. A simple definition provides that CSE is 'how well an organisation is able to constantly and consistently exceed the needs of the customer' *(*Customerservicepoint.com, 2010 cited in Jones, 2010*)*. CSE is the practice of placing your customer at the heart of your organisation.

2.3.2 Customer service excellence in the workplace

Elliot (2005, p.11) asserts that excellence requires that employees display their best effort. Individual skills, attitudes, and experience are the key determinants of team achievement. Excellence can only be achieved by a team of highly skilled and capable practitioners, individually making a high-value individual input. The total outcome, however, will be decided by the amount of teamwork, mutual support, and synchronisation of effort.

Engelbrecht (2007, p.1) brings up a reality that when selling a product or service, it is sometimes thought to be a good gimmick to mention excellent customer service. When in fact excellent customer service is being used as a ruse to get customers to do business with unscrupulous businesses whose only aim is to get money from customers while giving poor service in return. That unfortunately is the attitude of many who are in the business world, but the reality is that it does come back to bite them as customers will talk about their negative experiences to others and prospective business can be lost in that way.

Service excellence or failure predicts a firm's future sales and profitability. A single customer can over the lifetime of their spending generate significant value for a business. The unlocking of this value rests on how the front facing employees treat their customers; poor service or rudeness experienced by a customer can lead them

to terminate further exchange with that particular store (Blem, 1995, p.5). Profitability depends on maximizing the lifetime value of customers, and that value is fully assured only when the customer's loyalty is earned. Customer loyalty can be defined in terms of high return frequency, high likelihood to recommend, and high overall satisfaction (Cardon, 2008, p.233).

Excellence is reached only if at all levels of supervision there is shared commitment to victory and only if an organisation can harvest from each employee the very best they have to offer. The main driver of this shared commitment can be found in the values of the organisation and individual supervisors. If, within the understanding of each supervisor and leader, employee skills and knowledge are seen as the cornerstone to performance, excellence has a chance. The personal commitment of supervisors to the success of each employee enables excellence to thrive. In other words, excellence can only result from a value-driven ethos of respect and mutual dependence asserts Elliot (2005, p.12). In both the questionnaires used in this study the relationship of the employee and the supervisor is examined to test what the literature highlights in this regard.

2.4 CUSTOMER SERVICE

The idea and practise of customer service is ancient. Over the years, it has evolved from a meagre beginning into a multibillion, global phenomena. In the past owners and chief executive officers were part of the motivated frontline staff and worked face to face with their customers (Lucas, 2012, pp.8-9). They had a vested interest in providing good service and making it a success. With the advent of industry, manufacturing and large cities growing, the service industry started to gain ground, customer expectations were raised and service providers had to differentiate themselves from competition. They had to make their own service promises to their customers.

According to Performance Research Associates, Inc. (2012, p.14) the service promise can and should be managed. Once you know what your customers do and do not expect; the promise they want you to make; you are in a position to shape

your customer's expectations to match what you actually can and will do for them. When you do that well, customers judge you and your organisation to be reliable.

2.4.1 Customer service definition

Parasuraman, Zeithaml, and Berry (1985) found that when customers are served according to their expectations of how customer service personnel should serve them, they perceive customer service to be of a very high standard. In the retail industry the most basic level of expected customer service is the manner in which customer facing employees greet, offer service or help and say their thanks to the customer (Berman and Evans, 1995).

Customer service can be explained in the setting of the wider construct of service quality. Grönroos (1990) suggested that service quality consisted of technical and functional aspects. Technical aspects of service quality refer to tangible things delivered, whereas functional aspects concern the delivery of the service. Kelley, Donnelly, and Skinner (1990, p.316) made the point that functional service quality has to do with interpersonal interactions made by employees in the delivery of the service. The team performance of the employees and how it is perceived within the organisation is investigated in the present study through the questionnaires. It is important to establish what effect employee interpersonal or team relationships have on their perception of how they do their work.

2.5 SERVICE QUALITY

Landrum, Prybutok and Zhang (2007, p.496) suggest that service quality and its role in business are critical for business success. Customer lifetime value is in the main driven by service quality, which in turn ensures survival of the business, in order to attain differentiation globally a company must fully understand customer perceptions of service quality and meet them (Imrie, 2005, p.371).

2.5.1 Service quality definition

Parasuraman, Zeithaml and Berry (1988, p.13) argue that service quality results from a comparison of perceived and expected service performance. When expectations are not met, the perception becomes one of poor service quality. Parasuraman et al. (1988, p.14) further say that service quality is defined as the judgement about a service interaction's overall excellence or superiority.

2.5.2 Service quality in the organisation

From Wong and Sohal's (2002, p.429) point of view, only a sound relationship between the employer and employees can result in them providing the customer with excellent service quality. In a study conducted by Nickson, Warhurst and Dutton (2005, p.198) the importance of guiding employees' attitude and presentation was proven. Their findings were that in any business, especially in the service sector, good employee personality and attitude were of high importance.

According to Basso and Hines (2007), consumers' buying behaviours are influenced not only by the quality of goods and services offered but also the friendliness of service staff, the approachability of management in handling customer complaints and concerns as well as competent staff.

Positive or negative employee attitude towards customer service strongly influences retail image. Kupke (2004, pp.302-05) stresses that customers' initial perceptions of the retail images, their evaluation of the experience will affect their buying patterns.

Keiningham, Aksoy, Daly, Perrier and Solom (2006, p.55) concur and say that employee behaviours and satisfaction in the workplace influence both the quality of service delivered and the performance of the retail store.

Tsai and Tang (2008, p.1118) also agree and go further to assert that it is incumbent on the retailer to lead customer contact staff in how to offer excellent service. The retailer must invest in training their front-line staff to maintain and improve service

quality standards. Internal marketing can help employees improve their service commitment.

The above findings when simplified confirm that employee happiness or lack of it does influence customer service excellence.

2.5.3 Internal marketing and service quality interaction

According to the internal marketing viewpoint, if the service organisation wants its contact employees to do a great job with its customers, it must be prepared to do a great job with its employees (George, 1990 cited in Yoon, Seo and Yoon, 2004, p.395). The internal exchange between contact employees and the organisation must be operated effectively and satisfactorily before the organisation can be successful in achieving the goal of trading with external customers. Bateson (1985 cited in Yoon, Seo and Yoon, 2004, p.395) describes the customer, the front-line employee and the service firm as "a three-cornered fight" because each is fighting to be in control and depending on their performance, is the perceived quality of the service.

Yoon, Seo and Yoon (2004, p.395) see the front-line employee as pivotal in the retail interaction of retailer and customers, support and happiness for service agents from both parties directly influences service delivery. Thus by using internal marketing mechanisms to ensure employees are content, supervisors can drive employee service quality up.

Tsai and Tang (2008, p.1119) concur with this view; internal marketing may improve front-line employees' abilities and increase their motivation through providing service vision, service training programmes and performance incentives. They also believe that satisfying customer needs can be achieved better through provision of service training to front-line employees.

According to Zeithaml and Bitner (2002, p.37) organisations should use performance incentives such as bonuses, career advancement, rewards and praise to motivate

employees to strive to meet organisational goals of delivering high quality service; which can then ensure the objective of giving customers superior service is met.

Berry and Parasuraman (1991, p.123) believe that it is important for service employees to see and understand the importance of their contribution towards the attainment of organisational goals. Organisations must provide clear and attainable goals to employees if they want to attract, develop, motivate and retain good employees (Berry and Parasuraman, 1991, p.125). With regards to this study these findings on internal marketing are seen as an integral part of the constructs under study known as organisational commitment or perceived organisational support, organisational recognition as well as employee training.

2.5.4 The services marketing triangle

Adapting ideas from Zeithaml and Bitner (2002) conceptualised the services triangle (see figure 2.1) to show the linkages between the key players (the company, the frontline employees and the customers) who have to work together to develop, promote and deliver services. The same concept can be extended to relationship building with customers and retaining their loyalty such as:

- External marketing: strategising, promoting and communication – this link will refer to the retention strategy that the company chooses to use: and how it promotes and communicates this to customers.

- Interactive marketing: maintaining the relationship – this refers to how frontline employees and others deal with retained customers and their needs/ requirements (e.g. The interactions and overall experience customers have at Pick n Pay stores when redeeming smart shopper points to get groceries or cash).

- Internal marketing: enabling the relationship – this refers to all the internal processes and communication by which the company empowers, supports and enables the frontline employees with the materials and/ or information they need to build and maintain relationships with customers

FIGURE 2.1: THE SERVICES MARKETING TRIANGLE

Company

Internal marketing

Enabling promises

External marketing

Making promises

Frontline

employees

Interactive marketing
Delivering promises
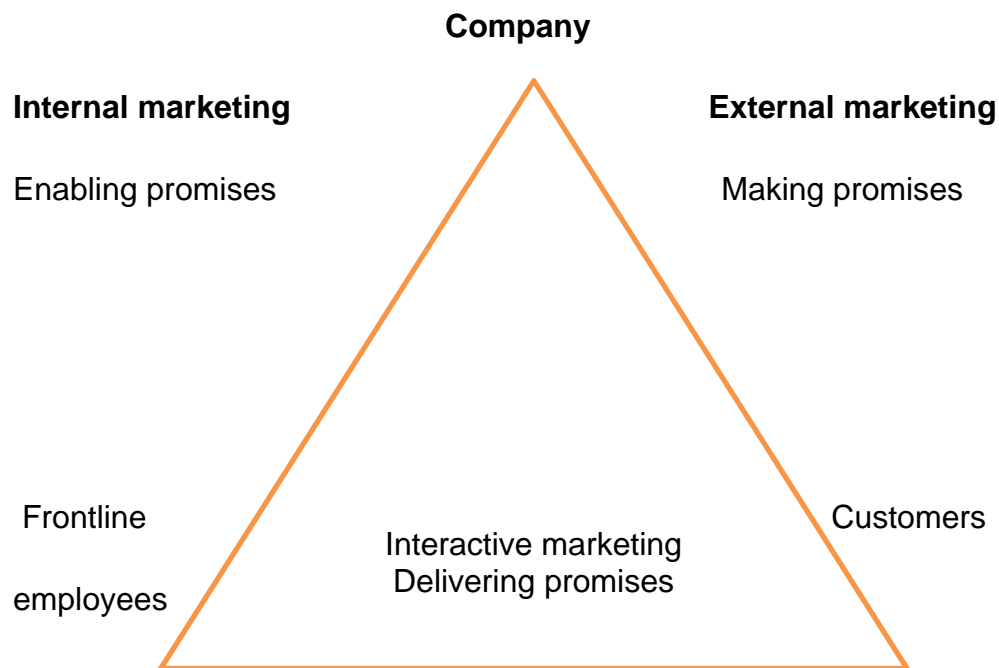
Customers

Source: Adopted from Zeithaml and Bitner (2002)

Service managers must become responsive to the frontline employees, so that the frontline employees can become responsible for satisfying customers. Thus, organisational processes, when seen as service to internal customers, can play a key role in the quality of the final relationship that the company enjoys with its (external) customers. Figure 2.1 above summarises how the constructs under study are interrelated and gives a pictorial view of this research study.

2.6 EMPLOYEE TRAINING AND EDUCATION

Berry (1995, p.187) states that delivering great service involves putting service skills and knowledge to work for customers. Service providers must possess the requisite

skills and knowledge. Preparing employees to carry out the service role contributes to both ends; it builds skills and knowledge and nurtures the desire to serve. Training helps employees build their skills, education helps them to build their knowledge. Training supports the 'how' of service delivery; education supports the 'why'.

Whiteley (1991, p.104) asserts that good training is essential in transforming a company so that it will serve the customer. Good training enables people to engage in and sustain the right kind of behaviour in the job – quickly. A person needs training most urgently when he or she is not delivering the behaviour that a customer-serving organisation needs.

2.6.1 Employee training in relation to customer service

Training Today (2013) on their website state that organisational success hinges on good and effective employee training in order to manifest. A trainer can expect both managers and employees to be resistant towards training programs despite its significance to them and the organisation. The perception of both groups is that training is time away from work. A trainer then has the task of convincing both managers and employees that training is a very important component of their work.

Buckingham and Coffman (1999, p.88) argue that although training is very important employee latent talent is also very important. For example most trained employees will perform acceptably well when faced with customer requests that stay within the guidelines covered by the training. Once they are confronted with requests they were not trained for or never heard of, those with the talent of empathy and /or persuasions perform better. Instinctively they will find the right words and right tone to calm the situation and help the customer. If they do not have these talents they may perform poorly and not handle the situation well agrees Performance Research Associates, Inc. (2012, p. xii).

Berry (1995, p.208) argues that while it is important to hire talented employees and give them training and educate them, it is equally important not to stifle their flexibility and creativity in serving customers. Rather empowering employees to serve is a

necessary condition for delivering great service, this does not mean eliminating hierarchy, direction or personal accountability; neither does it mean simply granting employees more freedom and discretion in doing their jobs. Empowerment is a state of mind, he says, an empowered employee experiences feelings of control.

Research (Batt, 1999; Johnson, 1996; Malhotra and Mukherjee, 2003; Performance Research Associates, Inc., 2012) has shown that training programmes improve employees' service knowledge and skills, which in turn improves service quality offered to retail customers. These findings provide a clear link of what previous studies have found between the constructs, employee training and customer service excellence which this study also seeks to examine.

2.7 EMPLOYEE ENGAGEMENT

Engagement is seen as "a positive, fulfilling, work-related state of mind that is characterized by vigour, dedication, and absorption" (Bakker, Hakanen, Demerouti and Xanthopoulou, 2007, p.274).

Recent research studies have highlighted the need to engage employees; their findings cite employee engagement as positively related to employee outcomes, financial performance and organisational success (Basbous, 2011). Engaged employees are more likely to remain with their current organisation and also stay committed to it (Bakker, Demerouti and Brummelhuis, 2012, p.557).

A survey by American Psychological Association (APA, 2012, p.20) found that employees who feel valued at work are more likely to report better physical and mental health, as well as higher levels of engagement, satisfaction and motivation, compared to those who do not feel valued by their employers. 88% of valued employees reported feeling engaged, versus 38% of those who do not feel valued.

Employees who fail to be engaged will affect service performance and exhibit higher absenteeism, higher turnover, lower productivity, resulting in increased recruitment and training costs. The recent global recession has seen management focus on tightening organisational efficiency and pushing down operating costs in order to

survive in the current marketplace (Basbous, 2011; Wheeler, Halbesleben and Harris, 2012).

FIGURE 2.2: EMPLOYEE ENGAGEMENT SERVICES DEPARTMENT FRAMEWORK.
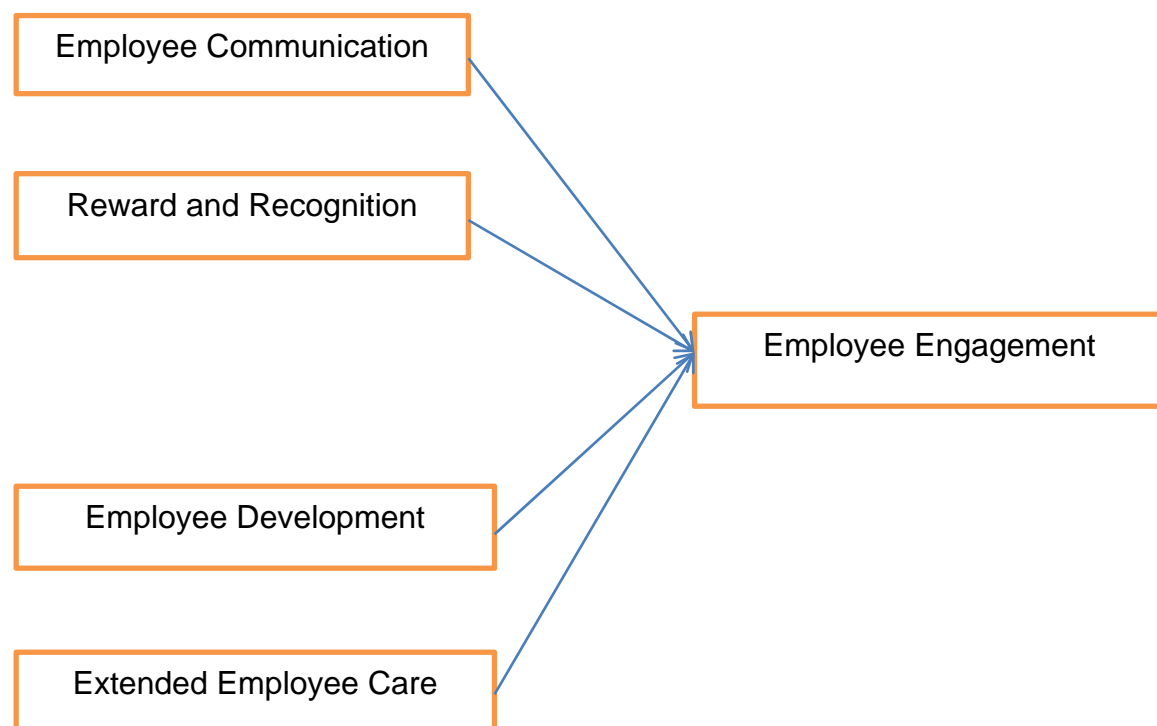
Source: Adopted from Basbous (2011).

The framework can be interpreted as follows:

Employee Communication

Effective employee communication gives rise to company success as it enables employees to better understand their role in the organisation (Freitag and Picherit-Duthler, 2004). The significance of employee communications within the organisation was confirmed by the Chartered Institute of Personnel and Development (CIPD) survey. The survey identified the two most crucial supporters of employee engagement as being the opportunity to provide upward feedback and being well-

informed about the organisation's systems (Basbous, 2011; Kang and Hyun, 2012; Ruck and Welch, 2012).

Gruman and Saks (2011) found that engaged employees were more likely to make good use of their time, budget properly and put company assets to good use as they were kept well informed about organisational goals and vision.

Reward and Recognition

Daily recognition, even if informal, is valued by employees in addition to any formal reward and recognition programmes that an organisation may offer (Hofmans, De Gieter and Pepermans, 2012).

Research (Pavlinac, 2009) shows that for employees to be engaged they must feel they matter to and are recognised by the organisation.

Employee Development

Employee skills development is perceived by employees as being the responsibility of the organisation, it empowers employees in their job performance (Garofano and Salas, 2005; Karatepe, 2013).

Extended Employee Care

High levels of employee engagement lead to employee performance improvement through extended employee care. Research (Edwards, Naik, Bachuwa, Lecea and Campe, 2012; Ineson and Berechet, 2011) on engagement or disengagement at work revealed that three factors were at play; safety, meaningfulness, and availability. Their presence or absence showed significant impact on employee engagement.

The research by (Granatino, Verkamp and Parker, 2013; Schneider, 2006) shows a direct relationship between employee engagement, job satisfaction, and increased customer service ratings. They cite high levels of engagement as enhancing customer service and increasing customer satisfaction. The level, quality, and frequency of training are also cited as driving factors in increased engagement; respondents indicated the manager as being responsible for employee engagement. The present study seeks to find the same.

2.7.1 Employee engagement through internal marketing

The concept of internal marketing hinges on the view that employees are internal customers, the organisation is a market that consists of both givers and takers of service and together they form an internal supply chain unit (Foreman and Money, 1995).

Organisations use front-line employees to send their value promises to customers. Their importance in influencing customer perceptions about an organisation's service quality is inestimable (Barnes and Morris, 2000, p.478).

Kotler (1991, p.45) states that employees are motivated to perform better in their service quality offering when they perceive themselves as being treated well and respected by the organisation; their improved performance in turn leads to higher customer satisfaction, Tsai and Tang (2008, p.118) concur.

The importance of effective internal marketing cannot be underestimated. That is because the relationships between individuals and departments within the organisation have far reaching effects on the organisation. Interdepartmental cooperation versus competition can be averted by strengthening employee communication and morale through sound internal customer practises. Through such internal cooperation external customer service is enhanced argues Lucas (2012, p.230).

Internal marketing can be seen as a tool for changing employees' attitude and behaviours toward organisational goals, and meeting customers' expectation (Grönroos, 1990; Zeithaml and Bitner, 2002). Employee engagement can be stimulated through useful application of internal marketing by management.

2.8 EMPLOYEE PERSONAL VALUES

Personal values have been explained as 'transituational goals, varying in importance, that serve as guiding principles in the life of a person or a group'

(Schwartz and Rubel, 2005, p.1010). Thus, people make use of these milestones to assess their circumstances and dealings with others to make up their minds about how they feel towards their work situation.

Personal values, however, have been shown to help account for individual differences in attitudes and behaviour (Munene, Schwartz, and Smith, 2000). Thus, understanding the role of individual values in the context of the self-efficacy of frontline service employees is particularly important as it might influence employees' behaviour in systematic and predictable ways.

Personal values are learned beliefs about preferred ways of acting that serve as guiding principles in people's lives (Schwartz and Bilsky, 1990). Schwartz's (1992, cited in Seppälä, Lipponen, Bardi and Pirttilä-Backman, 2012, p.138) theory of the universal content and structure of values is one of the most widely applied contemporary value frameworks. Schwartz defines values as broad goals that serve as guiding principles in people's lives. As a guiding principle, an important value is likely to guide behaviour across time and in different contexts, such as at work and at home. Thus, basic values can predict behaviour across contexts. People differ in their value hierarchies, so that any value can be important to one person and not important to another.

2.8.1 Employee appearance and behaviour

Wallis (2009, p.62) says in these image-conscious times, the private sector invests a lot of effort in ensuring staff present and conduct themselves in a way that reflects the ethos of their company in a positive way.

Expectations of staff appearance and behaviour that is acceptable is honest and open communication, the ability to listen to others, displaying self-control, exhibiting consistent behaviour, employees taking pride in their appearance (Hopson and Scally, 1991). The reverse being moodiness, harbouring a bad temper, watching the clock and selfish behaviour (Wallis, 2009, p63). The study does look at some of these behaviours.

2.8.2 Employee theft

Retail shrinkage is comprised first of customer theft being the major component and second employee theft being the second major component; this is due to the huge retail space in supermarkets according to the National Retail Security Survey (2003). A recent shrinkage survey, conducted globally revealed 42.4% of retail losses were due to customer theft, 35.3% due to employee theft, 16.9% due to internal error and 5.4% due to suppliers-vendors fraud. Total global losses in the 42 countries surveyed cost retailers U.S. $107.3 billion, equivalent to 1.36% of retail sales (The Global Retail Theft Barometer, 2010 by Centre for retail Research). Employee theft is the second major component of retail shrinkage due to the huge retail space in supermarkets, malls and big retail organisations. In the employee questionnaire this item is measured, but not in the manager questionnaire due to the sensitivity of such information.

2.9 ORGANISATIONAL RECOGNITION

All employees like to be praised; it is a basic human need; or get other types of recognition for a job well done. Worker appreciation may not necessarily mean additional financial costs. While it may require awareness, thought and time; the gain in employee performance and morale may be well worth the trouble states Bauer (2000, p.90).

2.9.1 Organisational recognition and rewards

Cook (1997, p.184) asserts that effective customer-oriented performance needs to be recognised and rewarded. The compensation and benefits an organisation provides its employees should reflect the importance given to customer-oriented behaviours.

Employee recognition is one of the most powerful forms of feedback, so be specific and timely when providing it. Put in place criteria for what makes an employee eligible for recognition and then recognize anyone who meets it. Be consistently fair, but make sure efforts do not become expected or viewed as entitlements. (Back page, 2008, p.56).

According to the MIT Human Resources research (n.d.) recognition is essentially positive feedback that lets employees know they are valued and appreciated by their co-workers and the organisation. To have the greatest impact in the workplace, recognition activities should also reinforce and encourage work that advances employee, departmental and/or institutional goals and values. While the company as a whole, as well as individual departments are responsible for providing resources and programs for recognition activities, employee recognition is fundamentally about relationships. Employees want their contributions and efforts to be acknowledged by those they work with on a day-to-day basis, including managers and peers. They further state that it would appear employees are most satisfied when recognition comes from a number of sources.

FIGURE 2.3: EMPLOYEE RECOGNITION BLEND OF SOURCES

Source: Adopted from Ventrice (2005, cited in MIT Human Resource, n.d.)

Employees also report that they want to be recognized by one of these sources in some way once every seven days!

Fortunately, recognition can take many forms as in thanks, praise, respect, training, inclusive decision making, career development, awards and others.

Heathfield (2013) states that if recognition goes to "real" accomplishments and goal achievement as negotiated in a set performance development planning meeting, you need to make sure the recognition meets the stated requirements. Supervisors must also apply the criteria consistently, so some organisational oversight may be necessary.

Whiteley (1991, p.102) acknowledges that a powerful opportunity lies in creating ways of recognizing good performance without necessarily paying a lot of money. The forms of recognition can be with plaques, company jackets, special dinners or publicity.

Heathfield (2013) suggests that when you consider employee recognition processes, you need to develop recognition that is equally powerful for both the organisation and the employee. You must address five important issues if you want the recognition you offer to be viewed as motivating and rewarding by your employees and important for the success of your organisation. Heathfield (2013) presents these five important issues as shown below:

The Five Most Important Tips for Effective Recognition

You need to establish criteria for what performance or contribution constitutes rewardable behaviour or actions:

- Every employee must be eligible for the recognition.

- The recognition code must supply the employer and employee with specific information about what behaviours or actions are being rewarded and recognized.

- Anyone who then performs according to the stated principles receives the reward.

- The recognition must take place soon after the correct behaviour is exhibited, so the recognition reinforces behaviour the employer wants to encourage.

- You do not want to design a process in which managers "select" the people to receive recognition. This type of process will be viewed forever as "favouritism" or talked about as "it's your turn to get recognized this month."

The old adage "what gets measured gets done" can also be interpreted as, "what gets rewarded gets attention". Whenever a reward scheme is being devised, care needs to be taken that other, non-targeted areas do not suffer and that competition between groups or employees does not become destructive (Cook, 1997, p.185).

2.10 ORGANISATIONAL COMMITMENT OR POS

Organisational commitment or POS refers to the extent to which employees perceive that the organisation recognizes their contribution and cares about their well-being (Eisenberger et al., 1986; 1990 cited in Yoon et al. 2004, p.396). Employees use their perception of being valued and cared about by the organisation to satisfy their social needs for approval, affiliation and esteem; and to determine the organisation's readiness to compensate increased effort with greater rewards.

Buckingham and Coffman (1999, p.21) quote from the book The Service Profit Chain (Heskett, Sasser and Schlesinger) that no matter your business, the only way to create lasting profits is to begin by building the kind of work environment that attracts, focuses and keeps talented employees.

2.10.1 Organisational commitment or POS and supervisor support

Supervisor support relates to the social and emotional support given by the supervisor to subordinates; it is the extent to which the supervisor is willing to create an enabling environment of psychological care, mutual dependence, friendliness and helpfulness (House, 1971). Work satisfaction relates to the pleasant feelings employees experience when their work input is appreciated or is seen or endorsed as satisfactory (Locke, 1969). The extent to which the supervisor is willing to support

the employees encourages them to perform better and experience satisfaction in their work (Babin and Boles, 1996). This relationship between employees and supervisors and CSE is of great interest within this study.

2.11 ORGANISATIONAL COMMITMENT OR POS AND CUSTOMER SERVICE

Yoon et al. (2004, p.407) research findings state that in order to improve front-line employee service quality it is critical that the immediate supervisor gives support and encouragement. Front-line employees are the point of connection to customers and also important internal customers to the organisation. From the internal marketing perspective, management must prioritise the needs of front-line employees in order to ensure that they in turn will prioritise customer satisfaction. Service managers must give effective and up to date support in order for employees to experience higher satisfaction at work; they also must put in place supervisory systems that ensure employee effort is recognised and rewarded appropriately.

Further Yoon et al. (2004, p.407) found that employee service quality when compared to other variables is affected more by employees' perceived organisational support than had been previously thought. Therefore management must give greater support to supervisors if they want to foster a service culture; amongst the employees; that encourages and creates harmony, a strong work ethic, cheerful employees who in turn will give good service to customers and in return the customers will also enjoy being served by them.

One of the aims of this study is to prove that perceived organisational support in the form of supportive supervisor behaviour does result in improved employee customer service.

2.12 EMPLOYEE ENGAGEMENT AND ORGANISATIONAL COMMITMENT OR POS

McBain (2007, p.18) argues that high levels of manager engagement can help to create "electricity around engagement." Therefore, line manager behaviours that are inconsistent with what the organisation is trying to achieve will almost certainly have an adverse impact on engagement. He further suggests that the key skills that managers require to develop employee engagement are communication skills and performance management.

Evans and Redfern (2010, p.267) say that according to recent research transformational leadership and authentic leadership styles are the two "engagement friendly" leadership styles. The "visioning" and "inspiring" competencies of transformational leadership are considerably important to engagement, while authentic leadership combines transformational and ethical leadership attributes. Authentic leader's interests are for the well-being of the employees and this leads them to recognize individual differences, identify complementary talents and help employees build upon their strengths. Research has found significant relationships between authentic leadership and employee engagement.

Both in philosophy and practise companies need to ensure that they acknowledge the importance of the manager in retaining employees especially in these highly competitive environments. A highly engaged workforce signals a robust organisation, whatever its size, geographical location and economic sector (Devi, 2009, p.4). This is an area of interest for the present study.

2.13 EMPLOYEE ENGAGEMENT AND ORGANISATIONAL RECOGNITION

In their research Choo, Mat and Al-Omari, (2013, p.8) found that one of the highest predictors for employee engagement is reward and recognition. Reward and recognition refers to the extent to which the company gives appropriate reward and recognition for the work that had been done in achieving organisational goals. This

finding is in line with Maslach and Leiter (2008 cited in Choo et al., 2013, p.8), who proposed that rewards and recognition is one of the areas in work life that have motivation potential to enhance employee engagement.

2.14 CHAPTER SUMMARY

This chapter provided a review of how customer service excellence is influenced by employee training and education, employee engagement, employee personal values, organisational commitment or POS and organisational recognition. All these factors have been discussed in relation to customer service and how they influence it. The literature studies conducted indicated that the factors under observation do have an influence on CSE.

In Chapter three the methodology implemented and the empirical results garnered from the sample statistics will be presented and discussed at length.

CHAPTER 3

RESEARCH METHODOLOGY AND EMPIRICAL RESULTS

3.1 INTRODUCTION

This chapter provides an overview of the general research methods and outlines the broad methodology that was followed in the empirical study. It constitutes an explanation of the applied research methodology, including the research paradigm, the type of sampling chosen and the location of the sample. The measuring instruments that were used, with respect to reliability and validity, are discussed. An explanation of the data collection, analysis of descriptive statistics and the empirical results of the study is provided.

3.2 RESEARCH PARADIGMS

According to Tronvoll, Brown, Gremler and Edvardsson (2011, p.1), paradigms are critical determinants and drivers of good research. Hussey & Hussey (1997, p.45), state that; the term paradigm refers to the progress of scientific practice based on people's philosophies and assumptions about the world and the nature of knowledge.

Paradigms are universally recognised scientific achievements that for a time provide model problems and solutions to a community of practitioners. They offer a framework comprising an accepted set of theories, methods and ways of defining data.

A definition of research can be seen as something that people undertake in order to find out things in a systematic way, (Saunders, Lewis and Thornhill, 2003, p.2). The two major paradigms adopted in research are positivist and phenomenological

approaches, both encompass a range of ontological and epistemological assumptions. There is also a need to discuss the fundamental beliefs and worldviews (ontological and epistemological positions) guiding service research, (Tronvoll et al., 2011, p.1).

Research paradigm is a framework that guides how the research should be conducted, based on people's philosophies and their assumptions about the world and the nature of knowledge, (Collis and Hussey, 2009, p.55). The discussion will focus on two main research paradigms, the positivistic paradigm and the phenomenological paradigm.

3.2.1 Positivistic

Positivism's underlying basis is recognising only positive facts and observable events, those things that can be seen, measured and be counted as facts. The system emulates very closely the traditional, scientific view of the world. A positivistic approach takes little account of beliefs or feelings, strangely though some of its more extreme believers seem drawn towards the field of mysticism (Research Observatory, 2007).

Hussey and Hussey (1997, p12) state that the quantitative research approach provides objective and unbiased results that have not been influenced by the researcher. Quantitative methods focus on numerical results and attempt to limit the influence of the human factor. In this study the employee questionnaire which is based on a five-point Likert anchoring scale follows the positivistic research method as all the data generated is numerical; some parts of the manager questionnaire responses have been coded and can be interpreted using the positivistic method.

3.2.2 Phenomenological

A phenomenon is 'an observed or apparent object, fact or occurrence, especially one

where the cause is uncertain' *(Oxford Compact Dictionary & Thesaurus, 1997)* quotes Collis and Hussey, (2009, p.55). The use of purely scientific methodology posed a problem for social scientists and an alternative was eventually sought that was loosely known as *interpretivism* otherwise known as the phenomenological paradigm and it is based on the principles of idealism, a philosophy associated with the likes of Kant (1724-1804) subsequently developed by Dilthey (1833-1911), Rickert (1863-1936) and Weber (1864-1920) summarises Grix (2010, pp.82-84).

This approach, Skott and Ward (2013, p.86) assert is underpinned by the belief that social reality is not objective but highly subjective because it is shaped by human perceptions. Qualitative research may be used in conjunction with a descriptive technique in order to portray an accurate profile of events or situations. Saunders, Fitton, Kerr, Norry and Kent (1997, p.79) describe descriptive research as a means to an end, i.e. to be able to draw conclusions. It evolved mainly due to criticism of the positivistic paradigm as Collis and Hussey (2009, p.56) sets them out as being:

• Impossible to separate people from the social context in which they exist.

• People cannot be understood without examining the perceptions they have of their own activities.

• Highly structured research may impose constraints on results and ignore other relevant findings.

• Researchers are participant observers, bringing into research their own values and interests.

• Capturing complex human phenomena is misleading (for example it is not possible to measure intelligence by assigning numerical values).

The manager questionnaire which has open-ended questions is in part analysed using the phenomenological research approach, as some findings are not derived from the statistical analysis of quantitative data; verbatim responses are analysed in this instance.

3.2.3 A comparison of the two paradigms

Positivists seek objectivity while interpretivists believe in subjectivity; positivists tend to model their research on the natural sciences while interpretivists believe there is a clear distinction to be made between the natural and the social world according to Grix (2010, p.83). The table below sets out to show in tabulated form the elements of the two paradigms as Easterby-Smith, Thorpe and Lowe (1991, p.27) summarised:

TABLE 3.1: RESEARCH PARADIGMS CONTRASTED

	Positivistic paradigm	Phenomenological paradigm
Basic beliefs:	• The World is external and objective • The observer is independent • Science is value free	• The World is socially constructed and subjective • The observer is part of what is observed • Science is driven by human interests
What researchers should do:	• Focus on facts. • Look for causality and fundamental laws. • Reduce phenomenon to simplest elements. • Formulate hypotheses and then test them.	• Focus on meanings. • Try to understand what is happening. • Look at the totality of each situation. • Develop ideas through induction from data.
Preferred methods:	• Operationalising concepts so that they can be measured. • Taking large samples	• Using multiple methods to establish different views of phenomena. • Small samples investigated in depth or over time.

Source: Adopted from Easterby-Smith et al., (1991, p.27).

3.2.4 Location of this study

This study was mainly based on the observed and measured social phenomena within the retail service industry, thus was a scientifically based study to measure how respondents (sales/service personnel and managers) see their situation. A positivistic study enabled the research to cover a modest sample of people on the retail floor thus to an extent predicting/proving the proposed hypotheses, better than a secondary study would have.

Validity and reliability in a well-structured research of a large sample is predictably better to that of a small sample. Under positivism, theories provide the basis of explanation, permits the anticipation of phenomena, predict their occurrence and therefore allows them to be controlled.

Explanation consists of establishing causal relationships between the variables by establishing causal laws and linking them to a deductive or integrated theory. Thus, social and natural worlds are both regarded as being bound by fixed laws in a sequence of cause and effect, (Collis and Hussey, 2009, p.56).

In this study the questionnaires were designed both for employees and managers, the employee questionnaire sought to find out what the employee's experiences and perceptions were of the constructs under study within the organisation while the manager questionnaire sought to check if the constructs under study were in place within the organisation.

3.3 METHODOLOGY OF THE STUDY

3.3.1 Sample and sampling design.

Zikmund (2009, p.70) states that sampling involves any procedure that uses a small

number of items or a portion of the population to make a conclusion regarding the whole population.

The population comprise the malls in Centurion, Irene, Southdowns, Mall @ Reds, Bylesbridge, Doornkloof and Lifestyle Centre which fall in the southern region of the City of Tshwane Municipal District. 30 branded national stores with a national footprint were conveniently sampled as they have established customer service policies and procedures to enable the comparison of similar stores. The sample consisted of convenience sampling of the malls within the author's reach as time and finances were of significant importance.

The malls were approached and each of the identified 30 branded national stores was approached, a number of the store managers declined to partake in the survey as they needed head office sanction to do so. All stores that partook of the survey did so at the discretion of the store's manager as well as the willingness of the employees to complete the questionnaires.

In probability sampling every element in the population has a known nonzero probability of selection. As the name implies, the sample was selected with a view to convenience, without incurring the cost or time required to select a random sample (Thomas, 2004, p.108).

3.3.2 Measuring instruments

A self-constructed measuring instrument was used to collect the primary data. A secondary literature review was conducted to develop measures of employee training (ETG), employee education (EED), employee engagement (EEG), employee personal values (EPV), organisational commitment (OCG) or perceived organisational support (POS) and organisational recognition (ORG) of the retail personnel. The secondary literature review therefore formed the basis for the structured questionnaire that was developed to get the information from the retail personnel working in the conveniently selected branded stores. This questionnaire

mainly consisted of a five–point Likert anchoring scale ranging from 1 (strongly disagree) to 5 (strongly agree).

The employee questionnaire consisted of three sections, a covering letter, demographics and the questions. The covering letter stated who the researcher was, the degree and institution where they are registered as well as the purpose of the study. It further explained how the questions are rated and how to answer the questions, the respondent was asked to answer all questions. Assurance about participation in the study being voluntary, confidential and anonymous was given, as well as the contact details of the researcher and the supervisor. It was stated that the questionnaire had been given ethical clearance by the institution's ethics committee.

Section A was demographic questions which required details such as gender, age group, length of service, population group, highest education level attained, employment status and unionisation.

Section B covered statements that were derived from the literature relating to training and education, supervisor support, ethics, engagement, etc. The independent variables under study were employee education, employee training, employee engagement, employee personal values, organisational commitment or perceived organisational support and organisational recognition.

The employee questionnaire consisted of 30 short statements that were answered by choosing from a five–point Likert anchored scale ranging from 1 (strongly disagree) to 5 (strongly agree). See annexure B for the employee questionnaire.

The conveniently selected stores' managers were approached for this survey and were appraised of the research and its aims, permission was sort and they were asked to distribute the questionnaire amongst the store's personnel. In addition to this the managers were given a questionnaire to fill in about the store's policies and staff training using a self-filling short structured open ended questionnaire.

The managers' questionnaire also comprised of three sections, the covering letter which was the same as the employee covering letter excepting for them being told that there is no correct or incorrect answer and they had to write in their answers as concisely as possible while also being encouraged to use the empty back of the

page should the need arise. Section A, the demographics section asked for exactly the same things as the employee questionnaire.

Section B was different as it was open ended questions like for example "Are supervisors/ managers actively encouraged to assist employees?". The managers' questionnaire consisted of 21 structured open ended questions that they had to self-fill and some of the answers were then coded to enable a comparison of the responses by statistical methods. The rest of the responses were used for the interpretivistic approach of the study. See annexure C for the manager questionnaire.

For this study it was important to field two questionnaires one for the employees the other for the organisation in order to find out from the managers; who are the custodians of the company; whether the organisations did offer training, supervisor support, employee recognition, etc. This was necessary to balance the study so that the environment within which the employees operate can be validated against their responses.

The study aims to establish the influence of the independent variables on customer service excellence from the perspective of both the employees and the organisation in the retail sector. Where most studies focus on the customer experience this study aims to understand the providers of the service and what influences their rendering of service to customers.

Ethical clearance

The institution has a policy that requires all research questionnaires that are to be fielded to the public to be cleared by the ethics committee. This is done to prevent any unintended harm that poorly worded questions or statements might inflict on the people being surveyed. This study's questionnaires were also submitted for ethical clearance and permission to use them was granted; please see Appendix D.

Data analysis

The results were captured, collated and calculated and afterwards the results viewed and analysed using the STATISTICA Version 11 and SPSS Version 21 program.The data analysis included the calculation of Cronbach alpha coefficients, descriptive

statistics (percentages, means and standard deviations), ANOVA test, Scheffe tests and use of Cohen's d, t-tests as well as the testing of the two broad hypotheses.

3.3.3 Demographic profile of respondents

The figures below provide the demographic composition of the participants of the study as captured in section A of the questionnaires.

FIGURE 3.1: EMPLOYEE RESPONSE RATE

Employee Response Rate

9
43
67

- No response
- Usable
- Spoilt
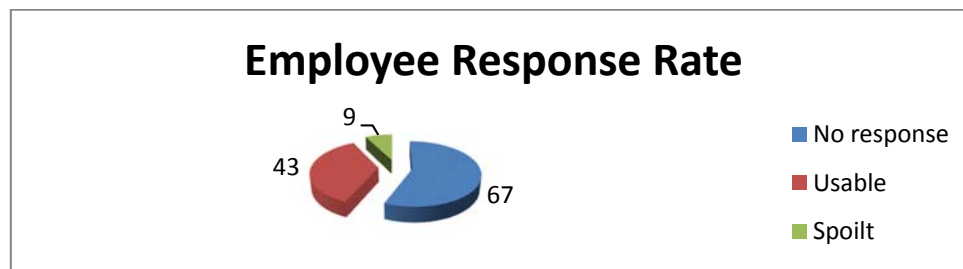
Figure 3.1 represents a sample size of 119. Only 43 of the 119 target population responded, this represents a 36.1% response rate. This is statistically a large response rate, as the size exceeds 30 percent as recommended by Wisniewski (1994).

FIGURE 3.2: EMPLOYEE RESPONSE RATE BY GENDER

Employee % Response by Gender

39,5
60,5
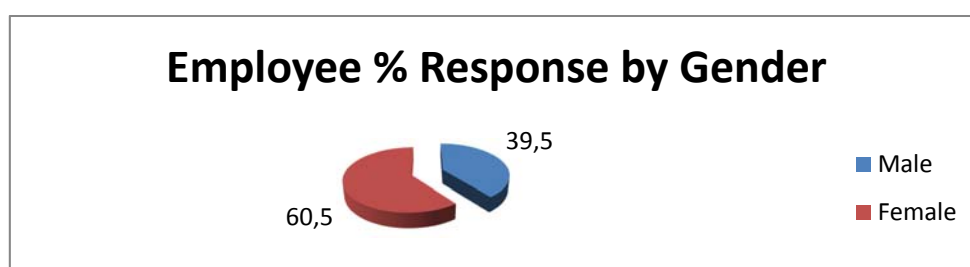
- Male
- Female

Out of the sample of 43 the female proportion was highest at 60.5% while the males comprised 39.5% of the sample.

FIGURE 3.3: EMPLOYEE RESPONSE RATE BY AGE CATEGORY

Employee % response by age category

Age category	Value
60+ years	2,3
40-49 years	14,0
30-39 years	20,9
20-29 years	60,5
16-19 years	2,3

Legend: ■ Employee % response by age category

(x-axis: 0,0 20,0 40,0 60,0 80,0)
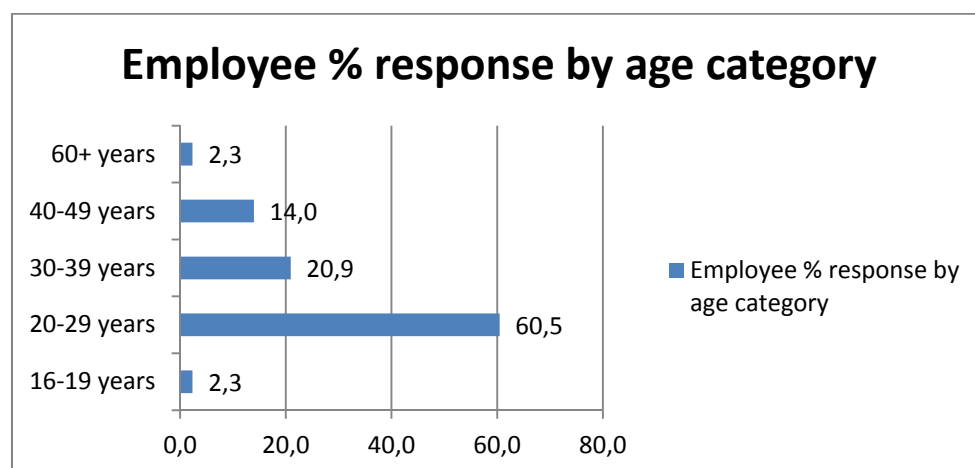
Figure 3.3 indicates 26 were aged between twenty to twenty-nine years old, nine were in the thirty to thirty-nine year age group, six were between forty to forty-nine years old, one was between sixteen and nineteen, one was in their sixties and none were in their fifties. This translates to 60.5%, 20.9%, 14.0%, 2.3%, 2.3% and 0% respectively. This age profile shows a mature and diverse group when the gender spread is factored in. Diversity in age presents an advantage for an organisation as the exchange of knowledge and expertise from old to young occurs as well as the transfer of new and innovative ideas from young to old occurs. All generations seem to be covered in the sample except for those in their fifties. Opportunity for shared learning between employees is well presented.

FIGURE 3.4: EMPLOYEE RESPONSE RATE BY TENURE AT PRESENT EMPLOYER

Employeee % response in tenure categories

23,3   37,2
39,5

- < 2 years
- 2 - 5 years
- 6+ years
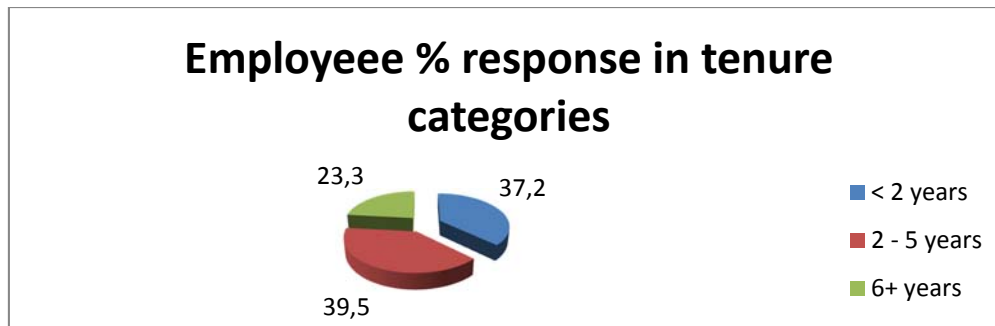
Tenure at present employer shown in Figure 3.4 is broken down to 39.5 % of respondents had worked for between two and five years, 37.2% had worked for less than two years and 23.3% had worked for six years and more. This translates to 62.8% of respondents having been with the same employer for more than two years.

FIGURE 3.5: EMPLOYEE RESPONSE RATE BY RACE

Employee % response according to race

2,3
97,7
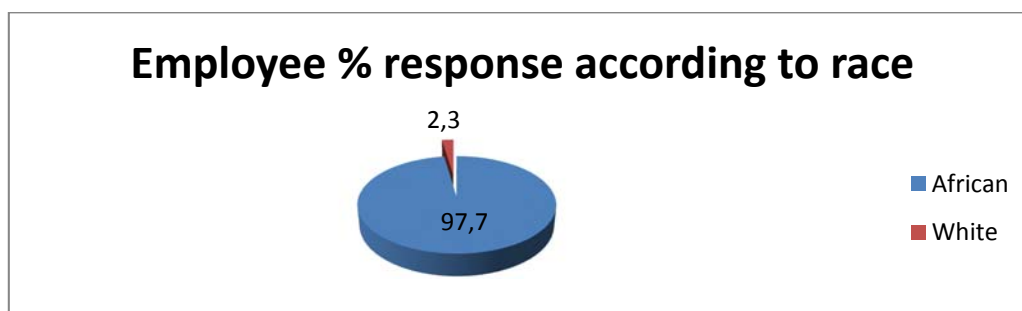
- African
- White

According to Kenny (2004, p.477) the face of the South African retail employee is mostly black and African when he explored the changing labour process and labour market of the South African food retail sector workers. Figure 3.5 supports this

assertion as represented in this sample. 97.7% of all respondents are black and African.

FIGURE 3.6: EMPLOYEE RESPONSE RATE BY EDUCATION LEVEL
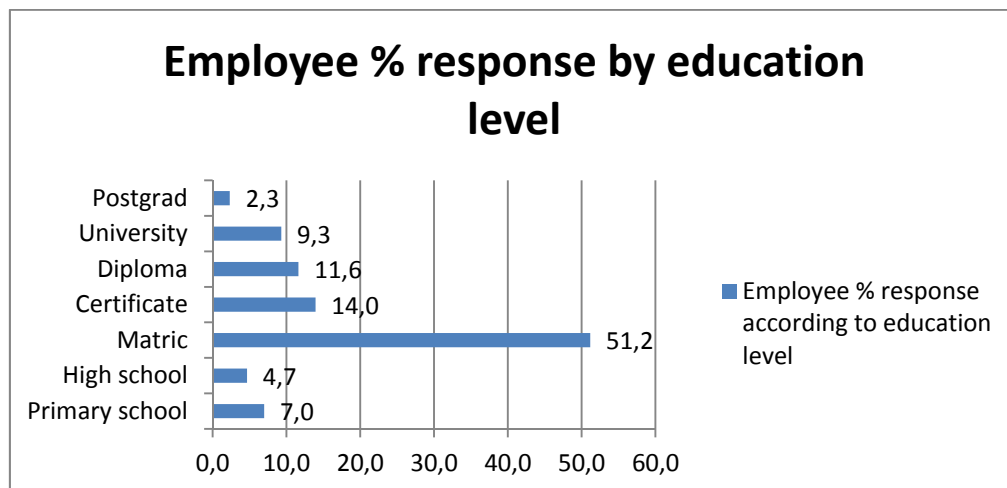
The majority of respondents in Figure 3.6 have obtained a matric qualification at 51.2%, 37.2% in total hold qualifications higher than a matric certificate and a total of 11.7% have an education level lower than matric, surprisingly 7% of these only have primary education exposure. The wide range of education levels within this sample speaks to the diversity of education levels in the retail sector as well as within the South African work force in general.

FIGURE 3.7: EMPLOYEE RESPONSE RATE BY TYPE OF EMPLOYMENT CONTRACT

Employee % response by employment contract
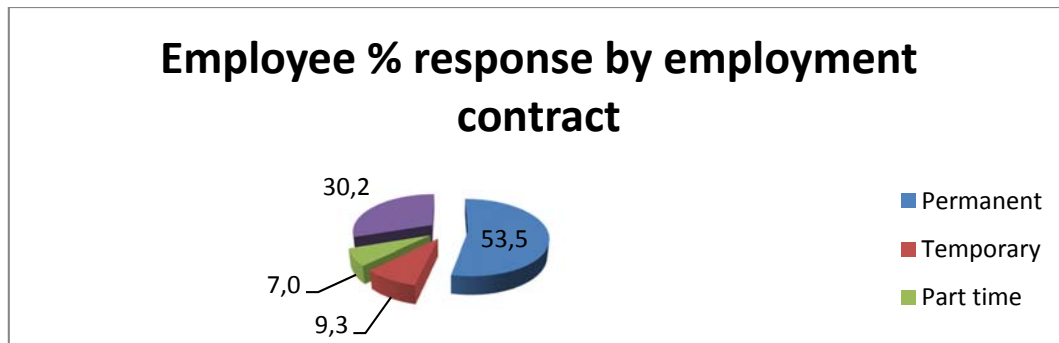
Surprisingly the sample shows 53.5% of respondents are permanently employed followed by 30.2% casual workers and temporary and part time workers making up 16.3% of the sample as depicted in Figure 3.7. Kenny (2004, p.477) alludes to the casualisation of the retail food workers in the late 1980s, but changes to the South African labour laws after the new democratic order of 1994 did move the sector towards formalisation of casual workers to permanent employees although the mid-2000s saw a shift towards increased use of labour brokers in the work place.

FIGURE 3.8: EMPLOYEE RESPONSE RATE BY UNIONISATION

Employee % response by unionisation
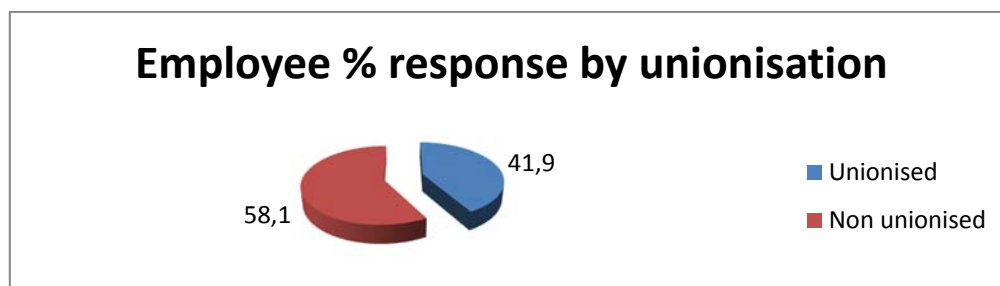
Although the questionnaire did not ask for specific union affiliation; 41.9% of respondents indicated that they belonged to a union while 58.1% are not unionised

as depicted in Figure 3.8. This trend could point to the fact that a significant portion of the permanently employed staff is not unionised, since in figure 3.7 permanently employed staff are at 53.5% and 46.5% are not permanent. This could mean that unionisation on the shop floor is on the decrease within this sample.

FIGURE 3.9: MANAGER RESPONSE RATE

Manager Response Rate

- No response
- Usable
- Spoilt
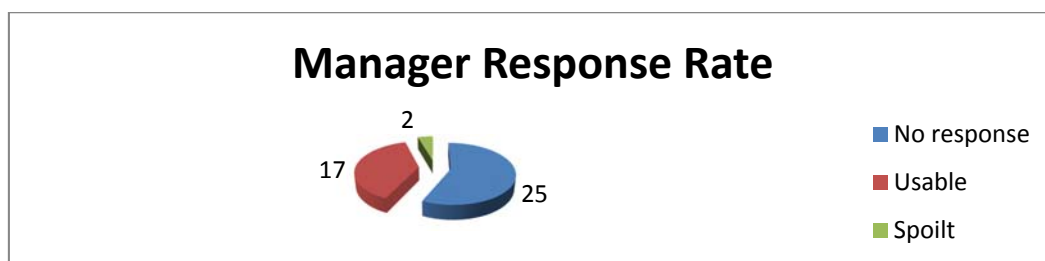
From Figure 3.9 onwards the responses are from the second questionnaire that was developed for management staff. Figure 3.9 depicts the response rate of the managers, who out of 44 questionnaires handed out only 17 responded with a majority of 25 not responding at all and 2 spoilt responses. The response rate was 38.6% which is regarded as fairly large since it is over the 30% response rate required from a sample.

FIGURE 3.10: MANAGER RESPONSE RATE BY GENDER

Manager % response by gender
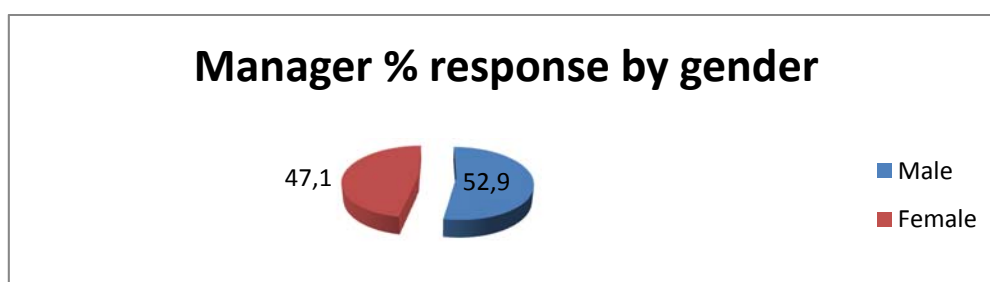
- Male
- Female

Interestingly Figure 3.10 shows 52.9% of the respondents were male while females were standing at 47.1%; males still dominate the management level even though at employee level females show higher representivity. There is an improvement in female representivity in management at 47.1%.

FIGURE 3.11: MANAGER RESPONSE RATE BY TENURE
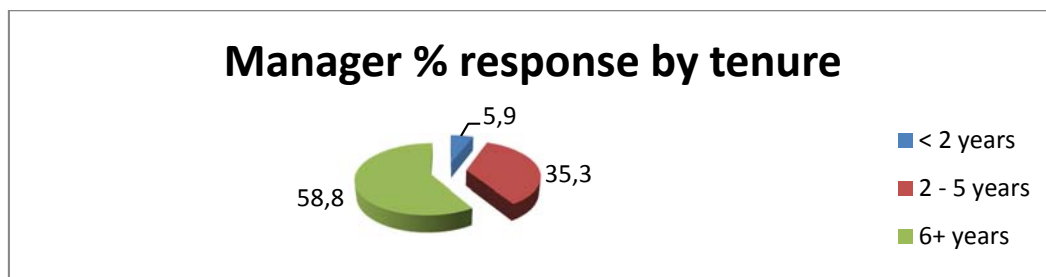
At 58.8% of managers having been with the same employer for more than six years, 35.3% between two and five years and 5.9% less than two years; Figure 3.11 shows that the majority of management respondents in this sample have longer tenure with the same employer.

FIGURE 3.12: MANAGER RESPONSE RATE BY RACE
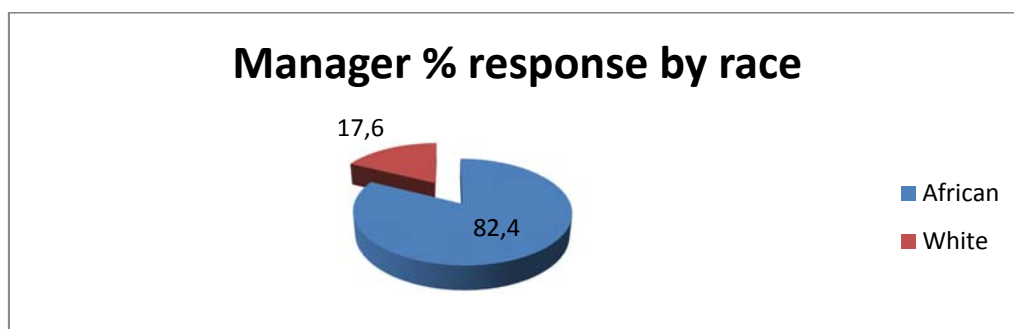
There were 3 white respondents and 14 black respondents out of the 17, representing 17.6% and 82.4% respectively. Interestingly there were no Asian or Coloured or Other race respondents from both the employee and manager samples. The known demographics of South Africa are somewhat skewed by the sample, but it should be borne in mind that not all areas depict the known and statistically determined racial demographics.

FIGURE 3.13: MANAGER RESPONSE RATE BY EDUCATION LEVEL
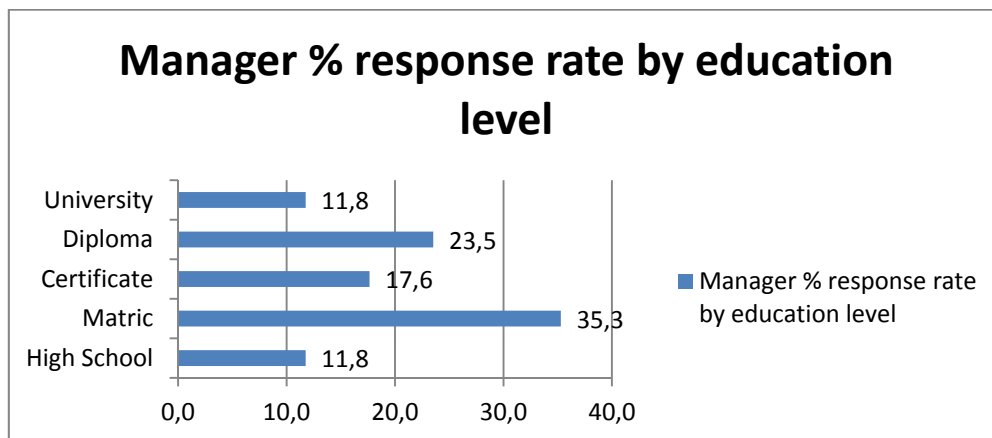
Matriculant level managers are in the majority at 35.3% followed by diploma holder managers at 23.5%, 17.6% holders of certificates higher than matric and both university degree holders and high school level managers at 11.8%.

FIGURE 3.14: MANAGER RESPONSE RATE BY UNIONISATION
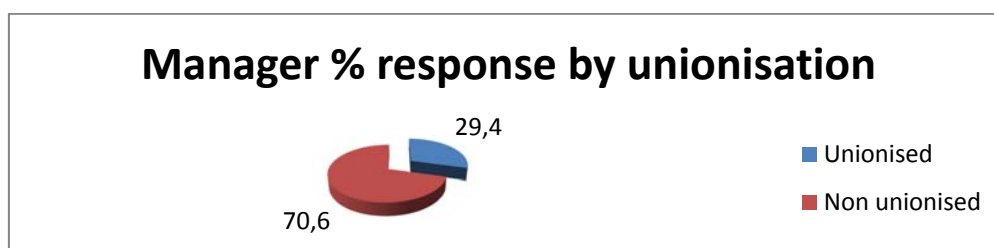
The majority of managers at 70.6% are not affiliated to any union, only 29.4% are affiliated to a union, as shown by Figure 3.14.

FIGURE 3.15: MANAGER RESPONSE RATE BY AGE CATEGORY
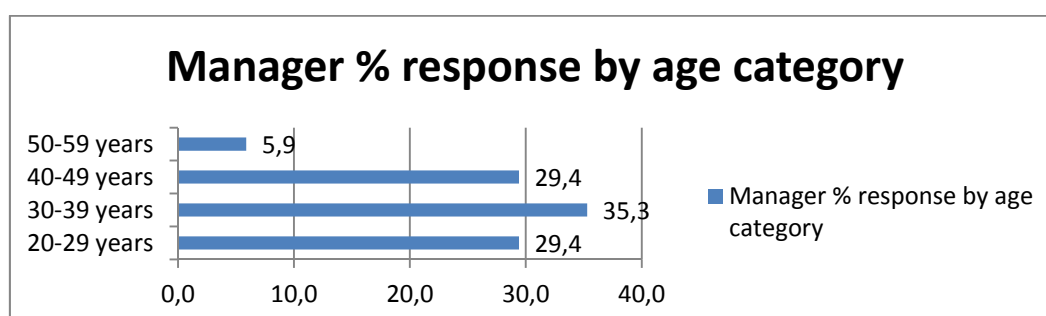
The bulk of managers are between 30-49 years old at 64.7% combined, 29.4% are between 20-29 years old and 5.9% are between 50-59 years old. The maturity of the management staff is an advantage for the stores when combined with the high levels of tenure 58.8% serving for over 6 years with the same employer. It could be seen as a stabilising factor for the work place.

3.4 THE EMPIRICAL RESULTS

This section reports on the empirical results that emanated from the various data analyses conducted in this study. First the assessment of the validity of the data is discussed. This is followed by the results of the assessment of the internal reliability of the data as measured by Cronbach's alpha. Further the two-sample t-test results are reported on, while the results of the descriptive statistics (percentages, means and standard deviations) and the findings of the two broad hypotheses are reported on in Chapter 4.

3.4.1 The reliability of the measuring instrument

Collis and Hussey (2009, p.64) state that one aspect of credibility of research findings is reliability while the other is validity. Research findings need to be able to stand up to scrutiny, for results to be said to be reliable they need to be repeatable and yield the same results as prior studies. One of the key characteristics of positivist studies is high reliability as opposed to interpretative paradigm which does not give the same importance to reliability.

Lancaster (2005, p.71) concurs and asserts that a key factor in conducting data collection relates to the integrity, the quality of the data and determining whether the data is effective relative to a specific research study. Under normal circumstances data tends to vary, thus it is important to understand the criteria for assessing data quality with respect to its reliability and validity. Lancaster (2005, p.72) refers to the reliability of a measuring instrument as the extent to which it yields consistent results on every different occasion it is tested and that there are no changes in the findings of what is being measured. According to Collis and Hussey (2009, p.64), reliability is concerned with the findings of the research and is one aspect of testing the credibility of the findings; if a research finding can be repeated, it is reliable.

Cook (2009, p.115) states that a reliability measurement is ideal when the sample size consists of at least 200 or more people. In cases where the sample size is small, such as with the current research study, reliability coefficients for the tests used should be given. He further states that Cronbach's coefficient alpha is an ideal measuring tool when questions being responded to are anchored on a Likert scale. Its calculation examines inter-correlations among test items and the closer a Cronbach's coefficient alpha is to 1.00 the higher the instrument's internal consistency and reliability. Arnolds and Boshoff (2001, p.40) suggest that a Cronbach alpha of 0.50 and above has been regarded in many research studies as acceptable for basic research and a scale that produces a reliability coefficient of above 0.70, is usually regarded as a reliable instrument.

Borgatti (2010) states that Cronbach's alpha is used to evaluate the unidimensionality of a set of scale items. It is a measure of the extent to which all the variables in the scale are positively related to each other. In fact, it is really just an adjustment to the average correlation between every variable and every other. Researchers want a guide as to what is an acceptable alpha; Nunnally (1978) offered a rule of thumb of 0.7. More recently, 0.8 has been cited as a minimum alpha. It must always be noted that alpha is heavily dependent on the number of items composing the scale. Even using items with poor internal consistency, one can get a reliable scale if one's scale is long enough (Borgatti, 2010).

In the research study, the Cronbach coefficient alpha was used to calculate the internal consistency regarding the reliability of the measuring scales. The first step in the data analysis procedure was to assess the internal reliability of the measuring instruments by means of Cronbach alpha coefficients. The results, reported in Table 3.1, show that four of the instruments returned alpha values of more than 0.50, which are acceptable for basic research (Tharenou, 1993; Pierce and Dunham, 1987), while the two which fall below 0.50 will be rejected.

TABLE 3.2: CRONBACH ALPHA VALUES OF MEASURING INSTRUMENTS

MEASURING INSTRUMENTS	ALPHA VALUES
Employee education	$\alpha = 0.32$
Employee training	$\alpha = 0.50$
Employee engagement	$\alpha = 0.54$
Employee personal values	$\alpha = 0.41$
Organisational commitment or POS	$\alpha = 0.75$
Organisational recognition	$\alpha = 0.92$

3.4.2 The validity of the measuring instrument

Validity is regarded as an important attribute of a measuring instrument with regard to its credibility and relates to the extent to which the research method describes or measures what it is supposed to describe or measure (Lancaster, 2005, p.70). Evans (2010, p.339) refers to validity as the extent to which a model represents reality. It can be judged by identifying and examining the assumptions made in a model to establish how they are in agreement.

Olivier (2007, p.62) asserts that validity takes many forms which include face validity, content validity, criterion validity and construct validity. Face validity measures the extent to which, on the surface, an instrument looks as though it is measuring a particular characteristic. Collis and Hussey (2009, p.65) also state that face validity ensures that the measures used to test or measure in research do actually measure or represent what they are supposed to test or measure. Content validity represents the extent to which a measuring instrument is a representative sample of the content area being measured, while criterion validity represents the extent to which the results of an assessment instrument correlate with one another (Olivier, 2007, p.62).

Construct validity is the extent to which an instrument measures characteristics, which are known as hypothetical constructs, which cannot be directly observed but must instead be inferred from patterns in people's behaviour (Collis & Hussey, 2009, p.65). In the present study, content validity was determined on the basis of the literature review by assessing the retail employees and managers on the questionnaire items. Discriminant validity could not be conducted for the present study due to the size of the sample.

3.5 CHAPTER SUMMARY

In this chapter a brief discussion of the methodology that was used to conduct the research study was provided. It explained the research paradigm, sampling and data collection and provided an explanation of the actual response rate. On analysis of

the Cronbach's alphas, four of the alphas are acceptable as reliable for basic research they are for employee engagement, employee training, organisational recognition or POS and organisational recognition. Two variables were found to be below 0.50 and were rejected; they are employee education and employee personal values.

The next chapter, Chapter Four, will provide a brief analysis of the descriptive statistics, some inferential statistics on the discussed variables and the results of the two broad hypotheses that test the strength of relationships between the dependent variables on customer excellence will be reported on.

CHAPTER 4

DESCRIPTIVE STATISTICS - EMPIRICAL RESULTS

4.1   INTRODUCTION

In this chapter the empirical results with regard to the descriptive statistics are reported. The descriptive statistics reveal to what extent the respondents agreed or disagreed with the questionnaire statements. These statistics often reveal weaknesses (the level of disagreement with statements) and strengths (the level of agreement with statements) in organisations. Valuable information is therefore often uncovered by descriptive statistics.

The data analysed consisted of the calculation of the means, standard deviations and percentage responses to the questionnaire statements. All strongly disagree and disagree responses were collapsed into one group, labelled Disagree (D A), while all the strongly agree and agree responses were combined into another group, labelled Agree (A) and Neutral (N). The Mean and Standard deviation (Std. Dev.) columns are also depicted.

4.2 EMPLOYEE DESRIPTIVE STATISTICS

TABLE 4.1: DESCRIPTIVE STATISTICS ON EMPLOYEE EDUCATION

Code	Statement	N	D A %	N %	A %	Mean	Std. Dev.
EED1	My formal education prepared me for the work place.	43	11.6	16.3	72.1	3.98	1.21
EED2	Studying further would help me improve my work performance	43	2.3	2.3	95.3	4.70	0.74
EED4	South African law makes education compulsory up to the age 15 and that is	43	46.5	20.9	32.6	2.56	1.50

Code	Statement	N	DA %	N %	A %	Mean	Std. Dev.
	enough preparation for the work place.						
EED5	A worker who has completed grade 9 is adequately prepared for the work place.	43	39.5	16.3	44.2	2.93	1.62
EED1 & EED2 average scores						**4.34**	**0.80**
EED4 & EED5 average scores						**2.74**	**1.30**

The results for employee education were aggregated into two factors (latent variables) of two statements each and the third or middle statement (EED3) was excluded as its correlation was very weak (Cronbach Alpha = 0.32). The first factor EED_F1 is characterised by over 70% of respondents agreeing that formal education and further education is required for them to perform better at the workplace. The standard deviation of EED2 is at .74 which is a relatively low score meaning that most of the responses were close to the mean of 4.7. This means the majority of respondents felt they needed further education to perform better in their work. EED_F2 is characterised by a mean of 2.74 and uncertainty due to a large standard deviation of 1.3. On examination of the actual responses to the two statements a majority of 46.6% disagreed with leaving school at 15 and a majority of 44.2% agreed that completing grade nine is sufficient preparation for the workplace.

TABLE 4.2: DESCRIPTIVE STATISTICS ON EMPLOYEE ENGAGEMENT

Code	Statement	N	DA %	N %	A %	Mean	Std. Dev.
EEG1	I enjoy serving customers.	43	4.7	9.3	86.1	4.42	0.93
EEG2	I feel I belong to my team at work.	43	4.7	9.2	86.1	4.30	0.83
EEG3	I share my work knowledge all the time with others in my team.	43	4.7	4.7	90.7	4.28	0.85
EEG4	Other workers share their work knowledge with me all the time.	43	11.6	25.6	62.8	3.84	1.15
EEG5	I help my workmates with	43	2.3	2.3	95.4	4.51	0.77

	their work.						
EEG average scores						**4.38**	**0.60**

Table 4.2 depicts high levels of agreement with employee engagement statements. The lowest level of agreement in this category, 62.8% was recorded for the statement "other workers share their knowledge with me all the time". This might mean that although the respondents feel they share their knowledge with others all the time they do not believe others reciprocate equally in return. The standard deviation of 1.15 for this statement as compared against all the others being lower than .95 may be read to confirm that most responses were scattered further from the mean of 3.84. On the reverse side the statement that "I help my workmates with their work" garnered 95.4% agree responses, indicating that respondents were willing to help others despite the fact that they did not see the same in return.

TABLE 4.3: DESCRIPTIVE STATISTICS ON EMPLOYEE PERSONAL VALUES

Code	Statement	N	D A %	N %	A %	Mean	Std. Dev.
EPV1	I believe it is important to keep time in doing all tasks.	43	2.3	7.0	90.7	4.60	0.82
EPV2	I am always at work on time.	43	0.0	18.6	81.4	4.33	0.78
EPV3	When dealing with an angry customer I am always able to keep my calm.	43	2.3	11.6	86.1	4.51	0.80
EPV4	I would never steal from my employer.	43	4.7	2.3	93.0	4.63	0.93
EPV5	I always find tasks to keep me occupied at work.	43	9.3	9.3	81.4	4.09	1.13
EPV average scores						**4.38**	**0.58**

Table 4.3 depicts very high scores for employee personal values; this could be because employees want to see themselves in a good light and thus chose to score themselves higher. The Cronbach alphas for this construct were among the lowest at 0.41which indicated that these items do not correlate with each other strongly and their reliability is low.

TABLE 4.4: DESCRIPTIVE STATISTICS ON EMPLOYEE TRAINING

Code	Statement	N	D A %	N %	A %	Mean	Std. Dev.
ETG1	I get the necessary training I need to do my job at work.	43	11.6	11.6	76.7	4.12	1.10
ETG2	I understand everything explained to me during training sessions.	43	2.3	14.0	83.7	4.28	0.80
ETG3	Our company training teaches me all I need to know to make my customers happy.	43	4.7	4.7	90.7	4.49	0.88
ETG4	I would like to get regular training.	43	2.3	2.3	95.4	4.63	0.76
ETG5	I need more training to do my work.	43	9.3	14.0	76.7	4.14	1.13
ETG average scores						**4.34**	**0.64**

Although more than 75% of respondents agree that they have sufficient training and understand the training a greater number at 95.4% feel that they need regular training. This can be read to mean that respondents feel they could perform even better if they were given more regular training. Regular training enables the customer facing personnel to be at the top of their game when carrying out their service to customers.

TABLE 4.5: DESCRIPTIVE STATISTICS ON ORGANISATIONAL COMMITMENT OR PERCEIVED ORGANISATIONAL SUPPORT

Code	Statement	N	D A %	N %	A %	Mean	Std. Dev.
OCG1	My supervisor tells me what to do and lets me do it on my own.	43	9.3	16.3	74.4	4.14	1.08
OCG2	My supervisor guides me every step of the way.	43	9.3	7.0	83.7	4.19	1.20
OCG3	When I have a personal problem the company accommodates my needs.	43	23.3	18.6	58.1	3.47	1.45
OCG4	All employees are treated in an equal and fair manner all the time.	43	16.3	9.3	74.4	3.84	1.41
OCG5	I believe the company cares about my well-being.	43	23.3	11.6	65.1	3.58	1.38
OCG/POS average scores						**3.84**	**0.93**

Organisational commitment or perceived organisational support is perceived by most respondents asked, to be practised within their organisation with agreeing responses ranging between 58.1% and 83.7% in Table 4.5. OCG2 which refers to the role of the supervisor scored the highest response rate at 83.7% this correlates well with the theory from the literature studies discussed in chapter 2.

TABLE 4.6: DESCRIPTIVE STATISTICS ON ORGANISATIONAL RECOGNITION

Code	Statement	N	D A %	N %	A %	Mean	Std. Dev.
ORG1	My superiors make me	43	14.0	20.9	65.1	3.81	1.28

	feel that I play an important part in the company I work for.						
ORG2	My supervisor makes me feel that I make a good contribution at work.	43	11.6	14.0	74.4	4.07	1.22
ORG3	My supervisor praises my good work most of the time.	43	18.6	14.0	67.4	3.70	1.47
ORG4	My supervisor generally praises my work.	43	14.0	14.0	72.1	3.95	1.40
ORG5	My supervisor assists and advises me in my work.	43	14.0	2.3	83.7	4.16	1.27
ORG average scores						**3.94**	**1.15**

On average Table 4.6 indicates that over 65% of employees agree that their supervisor has a positive influence in their work performance with 83.7% agreeing that their supervisor assists and advises them in their work. Recognition by immediate supervisor or manager in this study is to a large extent testified to by the majority of the respondents.

4.3 ANALYSIS OF VARIANCE (ANOVA)

TABLE 4.7 DESCRIPTIVE STATISTICS OF THE FACTORS FOR THE TENURE GROUPS AND THE ANOVA RESULTS

	Tenure groups						ANOVA	
	< 2 years (N=16)		2-5 year (N=17)		6+ years (N=10)			
FACTOR	Mean	SD	Mean	SD	Mean	SD	F	p
EED_F1	4.31	0.60	4.18	1.06	4.65	0.47	1.12	0.3355

EED_F2	2.50	1.30	2.68	1.04	3.25	1.65	1.06	0.3552
EEG	4.42	0.58	4.22	0.68	4.58	0.46	1.18	0.3169
EPV	4.34	0.66	4.25	0.59	4.68	0.31	1.80	1.1790
ETG	4.42	0.46	4.10	0.82	4.63	0.36	2.48	0.0967
OCG	3.79	0.97	3.49	0.90	4.52	0.50	4.57	0.0163
ORG	4.04	1.09	3.42	1.29	4.66	0.39	4.32	0.0200

Table 4.7 depicts the results of the ANOVA test which was done to compare the means of the three tenure groups for all the factors. The results show that the only differences (at $p < 0.05$) was in terms of the OCG and ORG variables. The ANOVA test is only able to show that there are significant differences among the groups but does not specifically show which group differs from which.

This led the researcher to do Scheffe tests which then showed between which groups significant differences exist. In this study the tenure groups were divided into three, "<2 years", "2-5 years" and "6+ years"; the Scheffe test was done for both OCG and ORG to find out which of these three groups differ significantly.

4.3.1 Scheffe tests

TABLE 4.8 RESULTS OF SCHEFFE TEST FOR FACTOR OCG

OCG	< 2 years	2-5 years	6+ years
< 2 years			
2-5 years	0.6201		1.32
6+ years	0.1185	0.0170	
Bottom diagonal contains p-values.			
Top diagonal contains Cohen's d values (only if p<0.05).			

The results of the Scheffe test in table 4.8 in terms of the OCG variable showed that of the three tenure groups, only the "2-5 years" and "6+ years" groups differ significantly (p=0.0170; Cohen's d= 1.32).This finding is of large practical significance (since Cohen's d>0.8).

TABLE 4.9 RESULTS OF SCHEFFE TEST FOR FACTOR ORG

OCG	< 2 years	2-5 years	6+ years
< 2 years			
2-5 years	0.2683		1.17
6+ years	0.3615	0.0219	
Bottom diagonal contains p-values.			
Top diagonal contains Cohen's d values (only if p<0.05).			

The results of the Scheffe test in table 4.9 in terms of the ORG variable showed that of the three tenure groups only the "2-5 years" and "6+ years" groups differ significantly (p=0.0219; Cohen's d= 1.17). This finding can also be seen as being of large practical significance (Cohen's d>0.8).

From table 4.7 above it can be observed that the means are higher for the "6+ years" group which means they are more positive than the "2-5 years" group for both OCG and ORG. For both variables the mean of the "<2 years" group falls between the means of the other two groups and did not differ significantly from either of the two. Further research can be made into why the "2-5 year" group is less positive for these two factors.

4.4 T-TESTS

Below are the results of the t-tests:

TABLE 4.10 DESCRIPTIVE STATISTICS OF THE FACTORS FOR THE GENDER GROUPS AND THE T-TEST RESULTS

| | Gender groups | | | | t-test | |
| | Males | | Females | | | |
	Mean	SD	Mean	SD	t-value	p
EED_F1	4.24	0.71	4.40	0.86	-0.67	0.5058
EED_F2	2.88	1.22	2.65	1.37	0.56	0.5798
EEG	4.37	0.52	4.38	0.66	-0.09	0.9289
EPV	4.34	0.71	4.41	0.49	-0.41	0.6844
ETG	4.35	0.52	4.34	0.71	0.08	0.9353
OCG	3.98	0.92	3.75	0.94	0.77	0.4477
ORG	3.96	1.11	3.92	1.19	0.11	0.9093

Table 4.10 shows the t-test results for comparing the means of the two gender groups; male and female; and shows that there are no significant gender differences as all p-values are greater than 0.05.

TABLE 4.11 DESCRIPTIVE STATISTICS OF THE FACTORS FOR THE AGE GROUPS AND THE T-TEST RESULTS

| | Age groups | | | | t-test | |
| | <30 years | | 30+ years | | | |
	Mean	SD	Mean	SD	t-value	p
EED_F1	4.30	0.62	4.41	1.05	-0.43	0.6683
EED_F2	2.61	1.27	2.97	1.36	-0.87	0.3904
EEG	4.37	0.57	4.39	0.66	-0.11	0.9161
EPV	4.35	0.58	4.44	0.61	-0.46	0.6473
ETG	4.30	0.44	4.42	0.89	-0.62	0.5380
OCG	3.71	0.95	4.06	0.86	-1.21	0.2336
ORG	3.90	1.13	4.00	1.22	-0.26	0.7943

(Age groups combined to form only two groups <30 years and 30+ years)

Table 4.11 shows the t-test results for comparing the means of the two age groups; "<30 years" and "30+ years"; and shows that there are no significant age differences as all p-values are greater than 0.05.

TABLE 4.12 DESCRIPTIVE STATISTICS OF THE FACTORS FOR THE EDUCATION GROUPS AND THE T-TEST RESULTS

| | Education groups | | | | t-test | |
| | Matric or less | | More than Matric | | | |
	Mean	SD	Mean	SD	t-value	p
EED_F1	4.41	0.54	4.22	1.13	0.74	.4613
EED_F2	3.04	1.38	2.25	1.02	1.98	0.0542
EEG	4.37	0.56	4.39	0.62	-0.11	0.9161
EPV	4.36	0.62	4.42	0.53	-0.33	0.7456
ETG	4.53	0.43	4.03	0.80	2.64	0.0116
OCG	3.90	0.87	3.75	1.04	0.50	0.6225
ORG	3.96	1.15	3.91	1.18	0.12	0.9072

(Education categories were combined to form only two groups Matric or less and More than Matric)

Figure 4.12 shows the t-test results for comparing the means of the two education groups; "matric or less" and "more than matric"; and shows that the two education groups differ significantly in terms of the ETG variable (p=0.0116; Cohen's d=0.83).

Both the means of the two groups are high (4.53 and 4.03) and this means both groups are positive with respect to ETG, but the significant difference says the "matric and less" group is significantly more positive than the "more than matric" group. The Cohen's d also shows that the finding is of large practical importance. This means the less educated group thinks to a great extent that they need training.

TABLE 4.13 DESCRIPTIVE STATISTICS OF THE FACTORS FOR THE EMPLOYMENT CONTRACT GROUPS AND THE T-TEST RESULTS

| | Employment contract | | | | t-test | |
| | Permanent | | Other | | | |
	Mean	SD	Mean	SD	t-value	p
EED_F1	4.26	0.99	4.43	0.52	-0.67	0.5086
EED_F2	2.65	1.35	2.85	1.27	-0.49	0.6250
EEG	4.35	0.65	4.41	0.55	-0.35	0.7284
EPV	4.51	0.52	4.24	0.63	1.56	0.1268
ETG	4.24	0.77	4.46	0.42	-1.15	0.2557
OCG	3.93	0.98	3.74	0.87	0.67	0.5079
ORG	4.11	1.02	3.74	1.28	1.06	0.2943

(Employment contract categories were combined to form only two groups, Permanent and Other)

Table 4.13 shows the t-test results for comparing the means of the two employment contract groups; permanent and other; and shows that there are no significant employment contract differences as all p-values are greater than 0.05.

4.5 MANAGER DESCRIPTIVE STATISTICS

TABLE 4.14: MANAGER DESCRIPTIVE STATISTICS

Descriptive Statistics			
CODE	STATEMENT	YES %	NO %
MEED1	Is G12 the minimum grade required for employment?	100	0

MEED2	Does your company recognise prior learning?	94.1	5.9
MEEG2	Are supervisors/managers actively encouraged to always assist employees?	41.2	58.8
MEEG3	Do you monitor them?	35.3	64.7
METG1	Is Customer Service Excellence training offered to staff?	100	0

All mangers who responded stated that the minimum grade that qualifies employees to enter the workplace is grade, 12. 94.1% said their organisations recognised prior learning. All managers responded that there was customer service excellence training taking place in their organisations.

TABLE 4.15: MANAGER RESPONSE TO FREQUENCY OF TRAINING

METG2: How often is CSE training for staff conducted?		Frequency	Percent
	Daily	2	11.8
	Weekly	1	5.9
	Monthly	4	23.5
	Quarterly	3	17.6
	2 a year	2	11.8
	1 a year	5	29.4
	Total	17	100.0

The training frequency ranges from daily, to weekly, to monthly, to quarterly, to twice a year and to once a year. "Once a year" training showing the highest response at 29.4%; followed by "monthly training" at 23.5%; "weekly training" showing the lowest response rate at 5.9%. The fact that training does take place is of significant value but it is the frequency of this training that impacts most on employee performance when serving customers.

TABLE 4.16: MANAGER RESPONSE TO RECOGNITION OR AWARD SYSTEM AND POS

CODE	STATEMENT	YES %	NO %
MORG1	Is a recognition or award system in place for employee performance?	94.1	5.9
MORG4	Do employees contribute in choosing the awardee?	64.7	35.3
MOCG1	Are supervisors/ managers actively encouraged to always assist employees?	100	0

Managers responded that 94.1% had a recognition or reward system in place for their employees' performance. 52.9% said the system was monitored. 100% responded yes to supervisors or managers being actively encouraged to always assist employees.

4.6 THE QUALITATIVE RESPONSES

The research study methodology included the use of phenomenological (qualitative) research methods, which in this study were in the form of open-ended questions that the managers had to self-fill (Skott and Ward, 2013). The questions posed to the

managers were used to derive qualitative data that would reveal how the constructs under study were being represented within the organisation and by those who represent the organisation, the managers. The manager responses are discussed below.

4.6.1 Employee training and education

As already indicated in the discussion under Table 4.4 in Section 4.2 respondents felt employee training was sufficient, a greater number wanted more regular training; almost all manager responses indicated that training was made available. Their response to the question "What kind of training is offered?" gave rise to answers such as training in customer service, retail management, administration, product knowledge, computer operation, point of service and merchandising. The delivery formats given were video, staff meetings, classroom, practical and theoretical. Clearly from the organisational perspective training is taking place what could be lacking is the frequency of this training.

4.6.2 Employee engagement

To establish if management engaged the employees in their recognition and reward systems the study asked the question "How do they (employees) make their contribution?"; out of the 17 respondents nine chose not to answer the question, five said employees vote for the winner, the others said they use a points system. From these results it can be said that more than half of the organisations sampled did not engage employees in their recognition and reward systems.

4.6.3 Employee personal values

Although employee personal values are inherent within them, organisations strive to reinforce positive values and change staff conduct to reflect the ethos of the organisation (Wallis, 2009) this is supported by the response by managers to say they all have employee value statements within their organisations. They gave examples of their values as being:

- we care with our hearts, we serve
- to be the best store
- trust and respect.
- honesty, accountability and integrity
- act in good faith
- treat customers like a king or queen
- be disciplined
- passionate about our customers and their rights

When asked how do they test the employees to ensure that they know these values many said they audited the employees, some said they use early morning meetings to train them on the values, yet some admitted to not testing them at all. Making the values visible to employees and hanging them up was also mentioned.

4.6.4 Organisational recognition

Timeous and specific employee recognition is a powerful form of feedback (Back page, 2008), most managers responded yes to there being a recognition or award system in place for employee performance in their organisations. When asked "How is the system monitored?" most gave a positive response to say there is a system of monitoring in place only two admitted to not having a recognition system in place.

When asked "How are the results communicated to the employees at large?" many said through staff meetings, some said in-store messages, letters, emails and

messages from head office. Certificates, photos posted in-store and vouchers were cited as tangible forms of recognition used.

4.6.5 Organisational commitment or perceived organisational support

In Section 4.2 discussion under Table 4.5 employees responded to say that there

was perceived organisational support within their stores and the role of the supervisor was seen as important; managers also responded and said that supervisor/manager assistance to employees was always encouraged. When managers were asked the question "How do you monitor them (supervisors)?" they all responded positively and gave examples of how they are monitored as checklists, on-the-job assessments, monthly audits and feedback sessions.

4.7 THE BROAD HYPOTHESES TEST

Table 4.17 on the following page depicts the strength of the relationship between the independent variables namely; employee education (EED), employee training (ETG), employee engagement (EEG), employee personal values (EPV) and organisational recognition (ORT) and customer service excellence.

TABLE 4.17: BROAD HYPOTHESES TEST RESULTS - TO TEST THE STRENGTH OF RELATIONSHIPS BETWEEN INDEPENDENT VARIABLES ON CUSTOMER SERVICE EXCELLENCE

Code	Statement	SD	2	3	4	SA	Ttl	Proportion in 4 & SA	P(Ho)	Z	Crit.Val.	Decision
EED1	My formal education prepared me for the work place.	31	21	17	12	19	43	0.721	0.5	2.90	1.645	Reject Ho
EED2	Studying further would help me improve my work performance.	1	0	1	7	34	43	0.953	0.5	5.95	1.645	Reject Ho
EED3	Employees who have higher qualifications perform better at work.	6	2	6	12	17	43	0.674	0.5	2.29	1.645	Reject Ho
EED4	South African law makes education compulsory up to the age 15 and that is enough preparation for the work place.	18	2	9	9	5	43	0.326	0.5	NA	NA	NA
EED5	A worker who has completed grade 9 is adequately prepared for the work place.	15	2	7	9	10	43	0.442	0.5	NA	NA	NA
EEG1	I enjoy serving customers.	1	1	4	10	27	43	0.860	0.5	4.73	1.645	Reject Ho
EPV3	When dealing with an angry customer I am always able to keep my calm.	0	1	5	8	29	43	0.860	0.5	4.73	1.645	Reject Ho
ETG1	I get the necessary training I need to do my job at work.	1	4	5	12	21	43	0.767	0.5	3.51	1.645	Reject Ho
ETG3	Our company training teaches me all I need to know to make my customers happy.	1	1	2	11	28	43	0.907	0.5	5.34	1.645	Reject Ho
ETG5	I need more training to do my work.	2	2	6	11	22	43	0.767	0.5	3.51	1.645	Reject Ho
ORG1	My superiors make me feel that I play an important part in the company I work for.	4	2	9	11	17	43	0.651	0.5	1.91	1.645	Reject Ho
ORG2	My supervisor makes me feel that I make a good contribution at work.	3	2	6	10	22	43	0.744	0.5	3.20	1.645	Reject Ho
ORG3	My supervisor praises my good work most of the time.	8	0	6	12	17	43	0.674	0.5	2.29	1.645	Reject Ho
ORG4	My supervisor generally praises my work.	6	0	6	9	22	43	0.721	0.5	2.90	1.645	Reject Ho
ORG5	My supervisor assists and advises me in my work.	4	2	1	12	24	43	0.837	0.5	4.42	1.645	Reject Ho

Two broad hypotheses were formulated for the study in order to test the strength of relationships, they are:

Ho is that the population proportion is 0.5 or less

H_1 is that the population proportion is greater than 0.5

Table 4.17 shows the results of the two broad hypotheses that test the strength of relationships between the independent variables on customer service excellence. Results indicate that of the 15 statements that were tested 13 had the null hypotheses rejected meaning that the population proportion was greater than 0.5 that responded to agree with the statements. For two of the statements EED4 and EED5 the proportion being tested was less than 0.5 so the two broad hypotheses could not be tested for them. From Table 4.17 it can be observed that those that showed the highest Z score are EED2 (0.953) and ETG3 (0.907), this indicates that these two statements have a high relationship to customer service excellence. Respondents felt very strongly that "Studying further would help me improve my work performance" and "Our company training teaches me all I need to know to make my customers happy".

Another observation is that there were three categories that a high amount of questions, ORG had the highest number at 5 followed by EED and ETG both at 3. This shows that most respondents agreed that organisational recognition is highly positively related to customer service excellence, this means that workers feel that are organisational recognition makes them perform better at work.

4.8 CHAPTER SUMMARY

The empirical results were analysed and reported in this chapter. More specifically, it analysed the data obtained from the questionnaires that were distributed to 43 branded retail store personnel and 17 managers within Centurion and surrounding suburb malls. Both the quantitative and qualitative responses to the individual questionnaire statements and questions were analysed to assess the respondents' perceptions about what factors influenced their customer service excellence

performance. The focus was on how EED, ETG, EPV, EEG, OCG or (POS) and ORG influenced CSE.

In the next chapter, Chapter Five, the managerial implications of the empirical findings are discussed. Chapter Five also presents the findings, conclusions and recommendations.

CHAPTER 5

FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter presents the major findings, conclusions and recommendations of the study. The main aim of the study was to determine the factors that influence customer service excellence (CSE) in the South African retail sector. The secondary research objectives to be investigated were; commitment to and importance of CSE to the retailers surveyed; effects of employee education, employee engagement, employee training, employee personal values, organisational commitment or perceived organisational support and organisational recognition on CSE.

In this chapter the findings and their implications are stated on the basis of the secondary objectives set for the study and recommendations are made based on the major findings of this study. The hypotheses testing for the variables will also be reported on in this chapter. Limitations of the study will be discussed and recommendations for future research made.

5.2 FINDINGS, CONCLUSIONS AND RECOMMENDATIONS BASED ON THE FINDINGS OF THE STUDY

This section presents the findings as observed from the results of the study. These findings and conclusions are based on the main findings presented in Chapter four. The recommendations are also discussed.

5.2.1 Employee education

From Section 4.2 descriptive statistics the percentage response of respondents stating that formal education and further education is required for them to perform better at the workplace was 72.1% and 95.3% respectively. From testing the broad hypothesis it was shown that the item EED2 (studying further would help me improve my work performance); with a high z-value of 5.95; has a strong relationship with customer service. This means that employees believe that by studying further they will get better at executing customer service excellence, in Section 2.6 Berry (1995) asserted that preparing people through education, builds skills and knowledge and nurtures the desire to serve, this finding supports the existing research.

All managers surveyed stated that the minimum requirement for employment is grade 12. The t-test findings for employees who had "matric or less" were that they to a greater extent felt that they needed training when compared to the "more than matric" group this can be simplified to mean that less educated employees feel that they require more training.

The implication is that retail employees are willing to engage in further education and training during their working career as they believe it will enable them to perform better in their work. In Section 2.6.1 it was found that research (Batt, 1999; Johnson, 1996; Malhotra and Mukherjee, 2003; Performance Research Associates, Inc., 2012) provides a clear link between the constructs, employee education and training to customer service excellence.

The recommendation is that employers need to create opportunities for workers to further their studies while working and that this will positively impact on their workers performance in serving customers. The broad hypothesis test in this study confirmed the strength of relationship between studying further and improving CSE.

5.2.2 Employee engagement

Respondents showed (90.7%) in Section 4.2 that they were willing to help others at work despite the fact that they responded to say they did not feel it was equally reciprocated by fellow workers (62.8%). Although literature studies in Section 2.7 showed that researchers (Granatino, Verkamp and Parker, 2013; Schneider, 2006) cite high levels of engagement as enhancing customer service, in this study the relationship between employee engagement and customer service could not be established based on the responses to the questionnaires used.

The implication of the descriptive statistics garnered from the questionnaire does show that retail employees would like to see more work information sharing from their colleagues.

The recommendation is that supervisors or managers encourage and reward peer assistance between retail employees so that it is seen as the right and positive thing to do.

5.2.3 Employee personal values

This being a subjective rating of respondent's own perception of self it was not surprising that the scores were all high.

The implication is that the questions may have been phrased incorrectly and thus allowed subjects to be subjective in their assessment of themselves.

The recommendation is that future questionnaires aiming to uncover personal values be posed in a manner that disables the subjectivity of respondents.

5.2.4 Employee training

The findings in Section 4.2 showed that over 75% of respondents agreed that they had enough training while 95.4% felt they needed regular training. Managers' responses confirmed that all the stores surveyed offered customer service training but in varying frequency patterns, the highest score recorded was "once a year" at 29.4% followed by "once a month" at 23.5%. Findings from testing the broad hypotheses showed that the item ETG3 (Our company teaches me all I need to make my customers happy) has a strong relationship; at high z-value of 5.34; to customer service. T-tests conducted on education groups "matric and less" and "more than matric" showed that both groups are positive with respect to the variable ETG, the Cohen's d=0.83 showed the finding is of large practical importance.

The implication of the above findings is that respondents feel that training is important for them to perform better at their workplace. This is supported by the literature review in Section 2.6.1 where research (Batt, 1999; Johnson, 1996; Malhotra and Mukherjee, 2003) shows providing increased service training leads to improved service quality from front line staff and that in turn leads to customer satisfaction which is the desired result of customer service excellence.

The recommendation is that retail employers must revisit the frequency of their training and ensure that they provide more regular training programmes for their customer facing employees.

5.2.5 Organisational commitment or perceived organisational support (POS)

Respondents showed that overall they agreed that there is organisational commitment or perceived organisational support provided. OCG2 (my supervisor guides me every step of the way) scored the highest response rate at 83.7% this correlates well with research (Yoon et al., 2004; Babin and Boles, 1996) as discussed in Sections 2.10.1 and 2.11 which found that supportive behaviour of

supervisors to contact employees is a critical factor in improving employee service quality.

ANOVA test results showed that for the three tenure groups there were significant differences with regards to the OCG variable, further Scheffe tests showed findings of large practical significance for the "2-5 years" and "6+ years" groups (Cohen's d=1.32). Management responses regarding supervisor support being provided were highly positive at 100%, as well as the monitoring of that support being said to be in place. These findings further confirm previous research as alluded to in the paragraph above.

The implication is that the longer employees have been working with a particular employer the better they are at identifying the presence of OCG or POS in the environment they work in. Research by Yoon et al. (2004) supports this finding as it found that employees' POS has greater indirect effect on employee service quality than other variables, as discussed in Section 2.11.

The recommendation is that the retail stores need to have employee support programs in place that allow for fair and equitable treatment of all employees irrespective of how long they have been with the employer.

5.2.6 Organisational recognition

Most managers responded to say that there were systems in place for the recognition and reward of employees; these were communicated to the employees at large using various formats as discussed in Section 4.6.4. 65% and more employees also agreed that their immediate supervisor or manager did recognise and encourage their work. ANOVA test results showed that for the three tenure groups there were significant differences with regards to the ORG variable, further Scheffe tests showed findings of large practical significance for the "2-5 years" and "6+ years" groups (Cohen's d=1.17).

The broad hypotheses test results from Section 4.7 showed that for all five items of the ORG variable the strength of their relationship to customer service excellence is

very high. This finding is very much in line with the discussions in Section 2.9 where research by Bauer (2000) also found that employees appreciate praise or other recognition for good work and that this led to improved performance in employees.

The implication can be that the longer employees are with the same employer the more they see recognition and reward in the work place while the reverse is also possible in that employees who have worked for less than 2 years do not feel recognised at the workplace.

The recommendation is that retail employers must continue to improve systems that recognise and reward front-line employees as this has a direct impact on CSE. That said they also need to put in place systems that recognise and reward all employees for good work done regardless of how long the employees have been employed by the organisation.

5.2.7 The conceptual framework revised according to the findings of the study

FIGURE 5.1 REVISED CONCEPTUAL FRAMEWORK ACCORDING TO THE STUDY FINDINGS
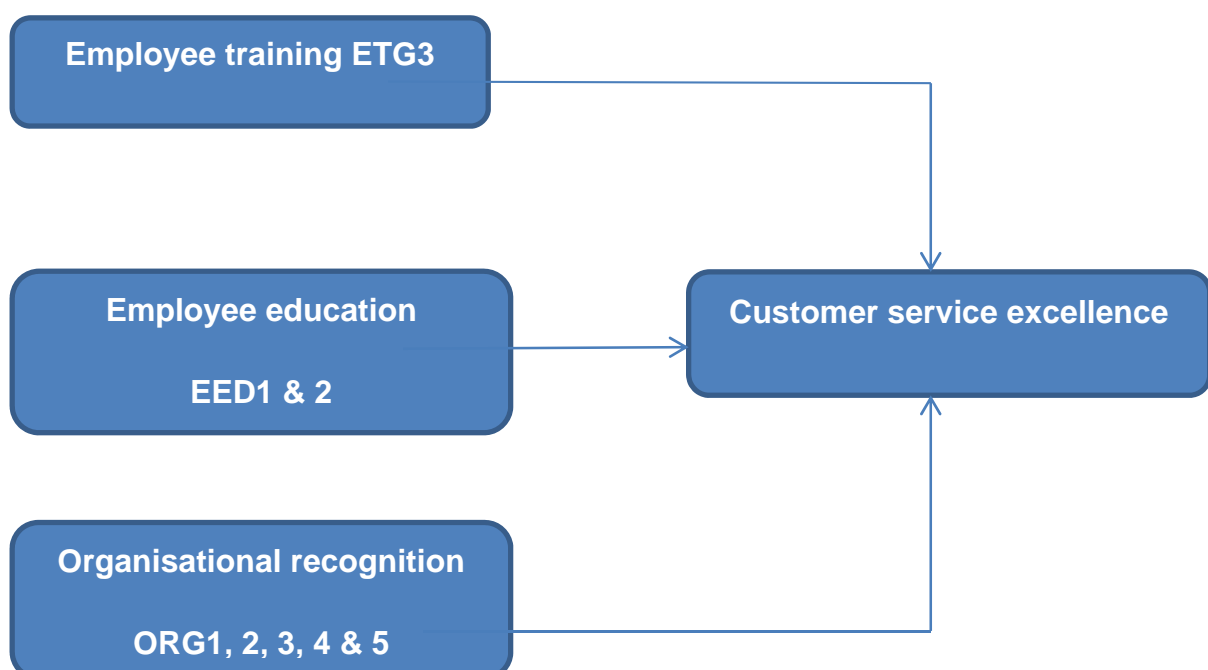
Figure 5.1 above is a pictorial depiction according to the findings of the present study. Organisational recognition (ORG) showed the strongest relationship to CSE with all five items tested; employee education (EED) showed a fairly strong relationship to CSE with two items while employee training (ETG) showed some relationship to CSE with one item. Cohen's d for tenure showed large practical significance for the ORG variable. Also the T-tests showed the two education groups as positive in respect to the variable ETG and the descriptive statistics for both employees and managers showed high degrees of positive responses for the said three variables.

5.3 LIMITATIONS OF THE STUDY

All research contains inbuilt limitations that influence the results of the study. Below the limitations of this study are discussed.

5.3.1 Limitations of literature review

The limitations identified were, lack of available literature on the link between the six variables and CSE. It would seem that most literature is from a customer centric perspective; there is very little literature from the perspective of the employees and the organisation on how their actions influence CSE. The researchers who had observed employee perception concentrated more on results that reflected customer retention or creation of customer loyalty. There was a very limited amount of literature available from the South African retail sector and nothing on employee and organisational perspective and their influence on CSE. This resulted in very limited information about the South African retail situation which is fairly unique because the demographics of the country are unique when compared with countries which are in a similar economic development status.

There were no studies found that are available to the public about the South African retail industry and its evolution.

5.3.2 Limitations of empirical research

The empirical research process yielded its own set of limitations; a convenience survey method was used thus the results of the study were not representative of the whole population. Many of the larger retail stores required permission from head office to allow the survey to be conducted; these are the stores that had larger staff complements which would have given more accuracy to the results of the survey. Of the stores where the survey was conducted a number did not return the questionnaires despite numerous revisits to collect them. Some of those who did respond did not complete all questions and thus their results could not be included.

The questionnaires could not be anchored on an existing and tested scale as there were no studies that could be identified to sufficiently reflect what the study aimed to uncover. Given sufficient time and expertise a better scale could be assembled which would be more sophisticated and better able to link the independent and dependent variables.

The questionnaires could not be made complex due to the fact that a significant part of the South African population use English as their second language and those who work in the retail sector do not have complete mastery of the English language.

The survey was only conducted in retail stores where the manager had relative autonomy and felt inclined to be of service. In one store the manager even went to the extent of filling all the employee and manager forms rendering those questionnaires unusable for the study.

5.4 RECOMMENDATIONS FOR FUTURE STUDIES

On completing the study it was found that there were recommendations to be made. In order to make the study more representative it would be better to seek permission from the retail headquarters of the large retail stores to conduct the studies in their stores. This might involve asking the University to intervene on behalf of the researcher as a request from them can carry legitimate power to persuade the large retailers that this is for the good of the industry.

A probability sampling method would better profit the research as it would give results that better reflect the representativity of the whole population in the sample. A study of the impact of the employees and the organisation on customer retention and loyalty in the South African context would enable comparison with international findings on same.

The questionnaire construction must be developed to enable the capturing and extraction of the main aims of the study while at the same time retaining enough simplicity to enable the average South African who has passed grade 12 to understand and respond correctly to the questions posed.

Studies in this sector will require that the use of English as a second language by most customer facing respondents be factored into the construction of a questionnaire that seeks to solicit the true responses to questions.

5.5 CONCLUSION

This chapter provided a conclusion of the study where specific findings, implications and recommendations were presented as regards to the survey results. The link between the secondary objectives set for the study, the questions posed in the questionnaires and the findings were presented. The limitations of the study were outlined and recommendations for future research made. The study found that organisational commitment, employee education and employee training have a

strong relationship to customer service excellence. Thus it is advisable for retailers to provide further education and training programs for employees as well as ensuring that organisational support is in place and perceived to be so by employees; to improve customer service excellence.

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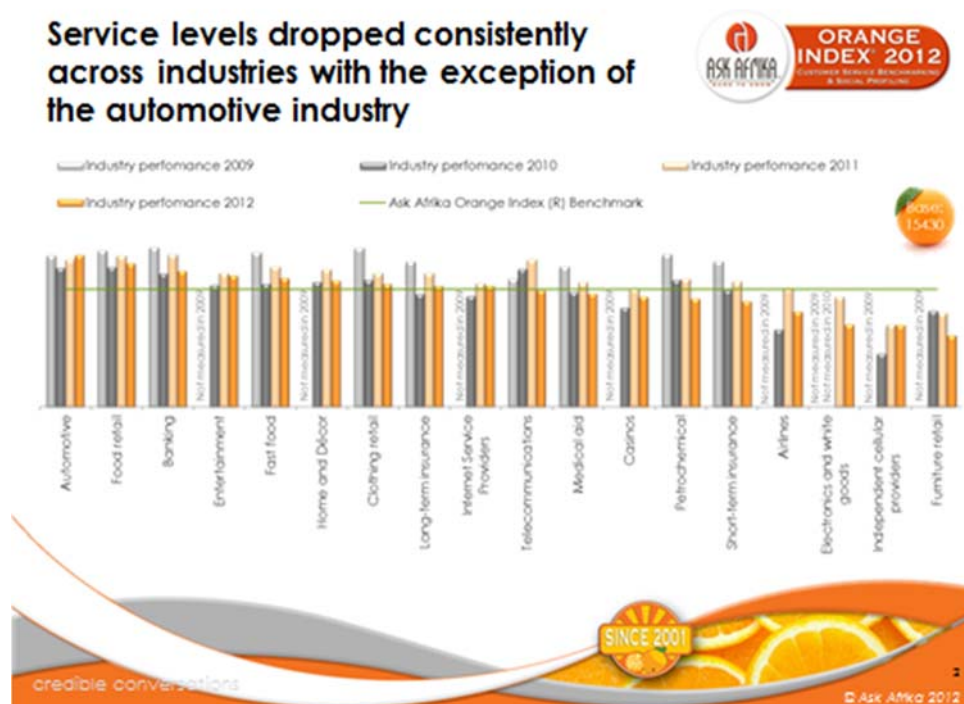
Zikmund, W.G., 2003. *Business research methods.* 7th ed. United States of America: Thomson, South-Western.

APPENDIX A: AFRICA ORANGE INDEX 2012

A: Africa Orange Index 2012 Service levels decrease
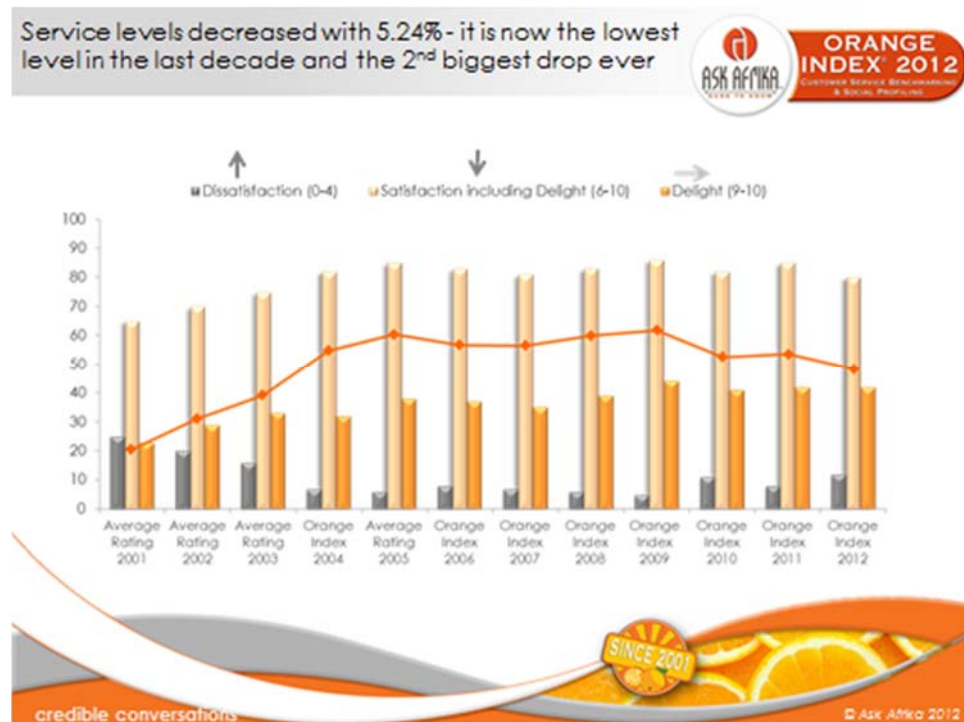
B: Africa Orange Index Service levels measure

APPENDIX B: EMPLOYEE QUESTIONNAIRE

Dear Respondent

I am studying towards my MBA (Masters in Business Administration) degree at the Nelson Mandela Metropolitan University Business School. I am conducting research on the influence of retail employees and the organisation on good customer service; I believe that my study will make an important contribution towards understanding the impact of retail employees and the organisation on customer service in the retail sector of South Africa.

You are part of the selected sample of respondents whose views are being sought on the above-mentioned matter. It would therefore be appreciated if you could answer a few questions below. It should not take more than fifteen minutes of your time and I want to thank you in advance for your co-operation.

There are no correct or incorrect answers. Please answer the questions as accurately as possible. For each statement, tick the number which best describes your experience or perception. For example, if you strongly agree with the statement, tick the number 5. If you strongly disagree with the statement, tick the number 1. **Tick only one answer for each statement and answer <u>all questions</u> please.**

<u>Please note also that your participation in this study is entirely voluntary and that you have the right to withdraw from the study at any stage. All information will be treated confidentially and all who take part do so anonymously</u>.

Thank you very much.

Contact details:

Ms. Y Nzo (nzobal@gmail.com)

To verify the authenticity of the study, please contact Prof P. Poisat at 041-504-3750 or Paul.Poisat@nmmu.ac.za.

This questionnaire has been ethically cleared by the Ethics Committee of the university.

SECTION A

The following questions aim to obtain information about you: Please make a cross (X) or enter the relevant information in the blocks provided.

GENDER: Male ☐ Female ☐

AGE GROUP:

17 -- 19	20 – 29	30 – 39	40 – 49	50 – 59	60+

LENGTH OF SERVICE IN:

YEARS		MONTHS	

To which population group do you belong?

African	1
Asian	2
Coloured	3
White	4
Other	5

Your highest level of education attained?

Primary school	1
High school	2
Matric	3
Certificate	4
Diploma	5
University	6
Post-graduate degree	7

Your employment status

Permanent	1
Temporary	2
Labour broker	3
Part-time	4
Casual	5

Are u unionised?   YES ☐   NO ☐

SECTION B

No.	Statement	Strongly Disagree				Strongly Agree
1	I enjoy serving customers.	1	2	3	4	5
2	I am always at work on time.	1	2	3	4	5
3	I would like to get regular training.	1	2	3	4	5
4	Studying further would help me improve my work performance.	1	2	3	4	5
5	My supervisor guides me every step of the way.	1	2	3	4	5
6	My supervisor generally praises my work.	1	2	3	4	5
7	I believe it is important to keep time in doing all tasks.	1	2	3	4	5
8	I help my workmates with their work.	1	2	3	4	5
9	My supervisor assists and advises me in my work.	1	2	3	4	5
10	All employees are treated in an equal and fair manner all the time.	1	2	3	4	5
11	A worker who has completed grade 9 is adequately prepared for the work place.	1	2	3	4	5
12	Our company training teaches me all I need to know to make my customers happy.	1	2	3	4	5
13	I always find tasks to keep me occupied at work.	1	2	3	4	5
14	I believe the company cares about my well-being.	1	2	3	4	5
15	I feel I belong to my team at work.	1	2	3	4	5
16	My superiors make me feel that I play an important part in the company I work for.	1	2	3	4	5
17	My formal education prepared me for the work place.	1	2	3	4	5
18	I get the necessary training I need to do my job at work.	1	2	3	4	5
19	I share my work knowledge all the time with others in my team.	1	2	3	4	5
20	When I have a personal problem the company accommodates my needs.	1	2	3	4	5
21	I understand everything explained to me during training sessions.	1	2	3	4	5
22	Employees who have higher qualifications perform better at work.	1	2	3	4	5
23	When dealing with an angry customer I am always able to keep my calm.	1	2	3	4	5
24	My supervisor praises my good work most of the time.	1	2	3	4	5
25	My supervisor tells me what to do and lets me do it on my own.	1	2	3	4	5
26	My supervisor makes me feel that I make a good contribution at work.	1	2	3	4	5
27	South African law makes education compulsory up to the age 15 and that is enough preparation for the work place.	1	2	3	4	5
28	Other workers share their work knowledge with me all the time.	1	2	3	4	5
29	I need more training to do my work.	1	2	3	4	5
30	I would never steal from my employer.	1	2	3	4	5

THANK YOU VERY MUCH FOR YOUR KIND CO-OPERATION!

APPENDIX C: MANAGER QUESTIONNAIRE

Dear Respondent

I am studying towards my MBA (Masters in Business Administration) degree at the Nelson Mandela Metropolitan University Business School. I am conducting research on the influence of retail employees and the organisation on good customer service; I believe that my study will make an important contribution towards understanding the impact of retail employees and the organisation on customer service in the retail sector of South Africa.

You are part of the selected sample of respondents whose views are being sought on the above-mentioned matter. It would therefore be appreciated if you could answer the few questions below. It should not take more than fifteen minutes of your time and I want to thank you in advance for your co-operation.

There are no correct or incorrect answers. Please answer the questions as accurately as possible. For each statement, please fill in as concisely as possible what your organisation actually does regarding that statement, should your organisation not provide the service for its employees please state that in your answer. Should you want to elaborate please feel free to write at the back of the page and please reference the question number correctly. **Answer all questions please.**

Please note also that your participation in this study is entirely voluntary and that you have the right to withdraw from the study at any stage. All information will be treated confidentially and all who take part do so anonymously.

Thank you very much.

Contact details:

Ms. Y Nzo (nzobal@gmail.com)

To verify the authenticity of the study, please contact Prof P. Poisat at 041-504-3750 or Paul.Poisat@nmmu.ac.za.

This questionnaire has been ethically cleared by the Ethics Committee of the university.

SECTION A

The following questions aim to obtain information about you:

Please make a cross (X) or enter the relevant information in the blocks provided.

GENDER: Male ☐   Female ☐

AGE GROUP:

17 -- 19	20 – 29	30 – 39	40 – 49	50 – 59	60+

LENGTH OF SERVICE IN:

YEARS		MONTHS	

To which population group do you belong?

African	1
Asian	2
Coloured	3
White	4
Other	5

Your highest level of education attained?

Primary school	1
High school	2
Matric	3
Certificate	4
Diploma	5
University	6
Post-graduate degree	7

Your employment status

Permanent	1
Temporary	2
Labour broker	3
Part-time	4
Casual	5

Are u unionised?   YES ☐   NO ☐

SECTION B

Your company's required minimum school grade for employment?

Does your company recognize prior learning in employees?

Do you have an employee value statement or a set of value statements?

Give examples.

Does your staff know these value statements?

How do you test them?

Do your service employees work in teams or as individuals?

Are supervisors/managers actively encouraged to always assist employees?

If yes, how do you monitor them?

Is Customer Service Excellence training offered to staff?

How often?

What kind of training is offered?

Is it a formal or informal training format?

Is there a recognition or award system in place for employee performance?

How is the system monitored?

How are the results communicated to the employees at large?

Do employees contribute in choosing the awardee?

How do they make their contribution?

Is each employee performance managed annually?

Does the company offer remedial training if necessary?

Are employees offered personal development training?

THANK YOU VERY MUCH FOR YOUR KIND CO-OPERATION!

APPENDIX D: ETHICAL CLEARANCE FORM

Nelson Mandela Metropolitan University

for tomorrow

FORM E

ETHICS CLEARANCE FOR TREATISES/DISSERTATIONS/THESES

Please type or complete in black ink

FACULTY: Business and Economic Sciences

SCHOOL/DEPARTMENT: MBA

I, Poisat, P., the supervisor for Nzo, Y.N., student number: 204053900

a candidate for the degree of **Masters in Business Administration.**

With a treatise/dissertation/thesis entitled: **Customer service excellence (CSE) in the South African retail sector is declining. Which factors influence CSE?**

Considered the following ethics criteria *(please tick the appropriate block):*

	YES	NO
1. Is there any risk of harm, embarrassment or offence, however slight or temporary, to the participant, third parties or to the communities at large?		X
2. Is the study based on a research population defined as 'vulnerable' in terms of age, physical characteristics and/or disease status?		X
2.1 Are subjects/participants/respondents of your study:		
(a) Children under the age of 18?		X
(b) NMMU staff?		X
(c) NMMU students?		X
(d) The elderly/persons over the age of 60?		X
(e) A sample from an institution (e.g. hospital/school)?		X
(f) Handicapped (e.g. mentally or physically)?		X
(g) Socially/economically disadvantaged?		X
3. Does the data that will be collected require consent of an institutional authority for this study? (An institutional authority refers to an organisation that is established by government to protect vulnerable people)		X
3.1 Are you intending to access participant data from an existing, stored repository (e.g. school, institutional or university records)?		X
4. Will the participant's privacy, anonymity and confidentiality be disclosed/revealed?		X

4.1 Are you administering a questionnaire/survey that:		
(a) Collects sensitive/identifiable data from participants?		X
(b) Does not guarantee the anonymity of the participant?		X
(c) Does not guarantee the confidentiality of the participant and the data?		X
(d) Will be distributed electronically (e.g. online via email/web link)?		X

Please note that if ANY of the questions above have been answered in the affirmative (YES) the student will need to complete the full ethics clearance form (REC-H application) and submit it with the relevant documentation to the Faculty Ethics Co-ordinator.

and hereby certify that the student has given his/her research ethical consideration and full ethics approval is not required.

_____   6 -08 - 2013

SUPERVISOR(S)   **DATE**

pp. HOD   8/8/2012

HEAD OF DEPARTMENT   **DATE**

_____   06 / 08 / 2013

STUDENT(S)   **DATE**

Please ensure that the research methodology section from the proposal is attached to this form.