Quality Management in Services



THE SURVEY OF THE SERVICE QUALITY. APPLICATION TO A HOTEL USING THE SERVQUAL MODEL

Olimpia State¹ și Nicolae Istudor² ^{1), 2)} The Bucharest Academy of Economic Studies, Romania E-mail: olimc@yahoo.com E-mail: nistudor@eam.ase.ro

Abstract

Quality is a subjective concept, which depends on the individual's perceptions and expectations. These perceptions and expectations may be different one from the other and they may evolve in time. Quality is important for clients, for the personnel, it may contribute to reducing costs and may provide a better service for the same budget.

The main results of the researches have taken shape into "conceptual models of the quality of the services" (Dotchin and Oakland, 1994; Juwaheer and Ross 2003; Eda Antilgan, et al., 2003). Some of these models can also be applied in tourism, but what is important for those working in this field is to know which these models are and how they can be used. I have chosen this field because lately people rely more and more, internationally, (49th UNWTO Commission for Europe) on the fact that tourism will be the surprise element which will help most countries to get out of the present crisis.

The low quality of the services provided in the Romanian tourism is invoked wherever its evolution is being analyzed. As a consequence the hotels' management should be permanently concerned by the quality of the services their hotels provide. This is why the present survey analyzes both the models to improve the quality of the tourist services, and what quality for the clients means, taking the example of a hotel in Bucharest and using the standard proceeding SERVQUAL. We found out from the survey that there are differences between the perceptions and the expectations of the clients, and that the most serious complaints of the clients of that hotel derive from responsiveness, seriousness and empathy. Knowing all this the managers can make future decisions, according to the requests of the clients.

Keywords: services, quality, management, models, tourism, hotel

Classification JEL: M10

Introduction

On a competitive market, a competitive advantage cannot be obtained without fulfilling the requests of the clients in what concerns the quality of the services. Therefore, it is necessary to apply appropriate means and acknowledged proceedings to improve the services in order to satisfy the special needs of the clients.

While carrying out researches on the quality of the services, the specialists have been trying to define the dimensions of the quality of the services, and to conceptualize the quality of

Vol XI • Nr. 26 • June 2009



the services. The quality of the services has been investigated through descriptive measurements and statistic tests which provide a graphic interpretation of the data processed by **SERVQUAL** or RATER (it is the tool for determining the quality of the services) in order to render the process of making decisions in the tourism industry easier. (Eda Antilgan, et al. 2003). In more details, Parasuraman et al. (1988) has defined the concept of ,quality of the services" through five important dimensions: reliability, responsiveness, assurance, tangibles, and empathy. These dimensions show the way in which consumers organize mentally the information concerning the quality of the services. From among these, "safety" has been considered to be the most important. (Zeithaml and Bitner, 2000). Juwaheer and Ross (2003) have used the SERVQUAL standard proceeding in order to measure the quality of the services in the hotel industry in Mauritius, by identifying nine dimensions, where "trust" and "safety" have been particularized as the main elements that determine the quality is not a one-dimensional concept; therefore the evaluation of the quality proposed by them includes perceptions of some multiple factors.

Considering the importance and the applicability of those types of surveys, models to improve the quality of the services that can be applied in the case of the Romanian tourism have been investigated, while in order to stress how the perception of the clients on the quality of the hotel services in Romania can be studied, the standard proceeding SERVQUAL has been used, on the example of a hotel, but this survey can be extended during further research.

1. Quality of the tourist services

Æ

In the 1980s in Europe the definition of quality has shifted from a professional approach based on presentation and processes, to an approach based on results, which is specific for business. This has been related later to the consumer-oriented approach under the aspect of the results for those who use the services.

Services are by their nature untouchable, variable and ephemeral, while the process of providing services cannot be separated from their result. According to these characteristics and the importance of the perception and the expectations of clients when evaluating the services, the development of the services in order to cope with or even surpass those expectations is a significant challenge. In fact some managers avoid this challenge and concentrate on infrastructure problems. For instance, hotels are included in star or diamond classifications, those being criteria provided by organizations such as the Michelin classification. These are based on precise evaluations of the physical facilities (touchable; for example rooms, restaurants, gyms, parking and others), but very little on the untouchable ones, by which hotels may differentiate one from the other and on whom they base their operational and marketing strategies. From a management perspective, this may lead to the ignorance of the untouchable elements of the services which are crucial, to the hiring of the unfit personnel, and the disagreement between the performances of the services and the expectations of the clients, which leads to negative effects on the image and the profitability of the organization.

Amfiteatru Economic



Quality is an important source for reducing costs:

- The quality improvement in a service may increase costs in another field, even if overall, expenses decrease and quality increases. For instance, providing improved services for people with special needs may raise the costs of the investments, but they may bring a better classification of the hotel, more clients and a better image among clients.
- Better quality services may reduce costs related to low quality services. The good quality may not always spare money, but low quality does always cost and it wastes money. For instance, marketing surveys show that it is much more expensive to attract a new client than to keep an already existing one.
- Many services costs add little value to clients and they may generate useless delays. For example, very complicated recovery proceedings in the spa tourism may attract supplementary costs and a longer waiting period for users. Redefining of the processes in order to eliminate the activities which do not add value lead both to reducing costs and to a superior quality.

In order to improve the quality of the provided services, the managers in the tourism field should know exactly – what quality means to the tourist services. D. Garvan [7] notices that there are many ways in which quality can be defined. The five approaches will be exemplified below in the case of tourism:

- The transcendent approach the excellence or superiority degree is often associated with a product or a service, but what do we provide in comparison with this? It is possible that the organizations concentrate only on some parts of the service, to provide for example quality housing and meals, but clients get bored or have difficulties in obtaining the information (what tourist sites they can visit in the area, what shows are in town), orientation, encouragements, etc.
- The product-oriented approach it may be linked to a single aspect of the service. Nevertheless, the quality is multi-dimensional.
- The production-oriented approach being in accordance to a specification gives the
 personnel clear indications about what people demand and quality may be better
 subjected to a statistic control. But does this define all that the client desires? For
 example, it defines quality without referring to the clients' experience and wishes.
- The consumer (or user)-oriented approach what matters is the client's conception about quality. Tom Peters, a well-known American 'guru' in management, says that satisfying the client is not enough. "We do not want to satisfy our client, we want to get his or her enthusiastic, to enchant him or her!" (Peters, T. and Waterman, R., 1982). He suggests that if quality is merely a matter of satisfaction of the demands and specifications, then it becomes static. If we consider quality as a matter of satisfying expectations, then we force management to make efforts for the continual improvement.
- The value-oriented approach "the accessible excellence" the degree of conformity of all the characteristics of the service from all the points of view of the client's need, limited at the price and the delivery form accepted by the client.

Brady and Cronin (2000, p.34) suggest that "although it is evident that the perceptions upon the quality of the services are based on multiple factors, there is not a general agreement on their nature and content". Here are some anecdotic examples encountered by managers who

Vol XI • Nr. 26 • June 2009

then tried to define and measure the quality of the services, and to accomplish the expectations related to the quality of the services, if not surpass them:

Negative aspects of the quality of the services:

-AE

- The receptionist seemed very arrogant/ the attitude of the receptionist has spoiled my visit.
- It has not been a pleasant experience, as everybody was a bit non hygienic on the beach.

Positive aspects of the quality of the services:

- The attitude and the personality of the personnel have influenced my opinion. They were very friendly and warm.
- The hall was decorated with open lights and many colors. This made me pay attention to it and evoked to me warm and comfortable feelings.

Those examples show that each client is unique and that getting each client to be satisfied is a challenge. Yet, the management services should make the difference between the systems of services which can be influenced and those that cannot be influenced. Nonetheless, while the cleanness of the rooms and the behavior of the personnel are some responsibilities of the management, the other clients' hygiene is not. Many companies have tackled this problem through contracts where the parameters of the services provided by them are being specified (generally, the tourism agency is not responsible for the delays of the air transporter). Other organizations such as banks and air companies try to draw up similar contracts regarding the departure time, or guarantees such as the money paid back to the client, but those have not had the expected success. For example, an air company in Indonesia which has given to its clients financial compensations for its not having performed the services on time has been forced to take back this offer because of the high costs.

The most surveys and researches carried out stress that the evaluation of the quality of the service is based on the individual experience of the client related to a particular service. As the satisfaction of the client is the result of the gap between his or her perception on the quality of the services, and his or her expectations, a hotel should provide services whose quality surpasses the expectations of its clients, in order for it to obtain a competitive advantage. In order to identify clients' satisfaction, its evolution in time and to make comparisons with similar companies, it is necessary to measure very clearly their perceptions and expectations regarding the quality of the services they consume.

2. Models for improving the quality of the services and their applicability in tourism

The Total Quality Management (TQM): The management began to develop at the beginning of the 20th century through the theories of the classical and organizational management and through the behaviorist schools, towards the system and contingency theories, towards "excellence" and the total quality management. The theory of the total quality management (TOM), proposed by W. Edwards Deming and implemented in Japan, the United States, and Europe and later in Australia and Asia as well, represents the correlation between the ideas of the traditional management and the modern ideas. W. Edwards Deming PhD has been the first American expert which has taught to the Japanese managers a methodical approach of quality and he strongly believed that both the continual improvement and the quality eliminate impurities. "*Higher quality is produced*

Amfiteatru Economic



with lower costs." (Pascale, R. and Athos, A., 1981). His method has led to making products of better quality, a greater production volume, to reducing losses and recycling the products. Deming is often recognized as the one to have developed the Total Quality Management (TQM) theory (Bank, J., 2000). The organizations which carry out services often use the TQM principles and techniques both in order to intensify the operations and to match them with the International Standards of the Organization (ISO). This way, hospitals, education institutions, hotels, air companies, universities, car repair agencies, all use the TQM practices in their operations, and many of them want to get the ISO certificate either for the global acknowledgement of the quality of their services, or their marketing system, or even for both.

The American of Romanian origin **Joseph Juran** is known as the first to have measured the cost of quality. He has published his main work *"The quality control manual"* in the '50s. He has established that the *"quality of the product of being used" "avoids failure"*. He also worked in Japan, where he spread Deming's works.

The European Foundation for the Quality Management Model (EFQM): The excellence model is an efficient diagnostic tool. The organizations evaluate themselves according to excellence quality criteria. The excellence model was launched in 1991 by the European Foundation for the Quality Management (EFQM), an organization set up in 1988 by 14 managers of some top European companies. The model has been conceived so that it allows organizations to evaluate themselves according to excellence criteria and use its evaluation in order to identify improvement zones and implement them. This model has been made both for the public and the private sector and addresses to all the organizations.

As EFQM puts it itself: "Excellent results in the fields of performance, clients, employees and society are got through leadership which attracts politics and strategy, employees, partnerships, resources and processes." (EFQM, 1999).

This model has nine elements, each of them being used to make the organization evolve towards excellence. The first five are the capacitating elements, which refer to *how* results are got, and the following are the results, which refer to *what* precisely has been done.

Using this model, the organization will start by analyzing the categories of results:

- Which are the key results that matter for the organization or the department?
- Which are the main results from the point of view of the personnel and of the clients?
- What precisely matters more for the direct users?

This model can be used by any organization in the tourism field in order to evaluate how well the organization behaves according to those performance criteria and to identify the improvement domains. The organizations usually have got measures for some aspects, but for some others those measures are missing, so that they will have to identify new relevant performance measures.

Once the results analyzed, the following step is to identify the strategy for improving performance according to the relevant criteria – here come the capacitating elements. This model tries to avoid simplistic solutions. For instance, if the personnel's reactions are not positive (a part of the results related to employees), one tends to blame the weak personnel management. Nevertheless, that reaction may be as well provoked by some faulty processes

Vol XI • Nr. 26 • June 2009

which oppress the personnel, the lack of support, inappropriate resources or unclear policies and strategies. This model provides a frame for the identification of the places where improvements have to be done.

Progressive Excellence Program (PEP): There are many approaches of the specialists as far as the implementation of some quality services is concerned. Many times it depends on the context, but on the occasions when the organizations do not know how to proceed in their steps, we provide them a six- step model (fig. 1), largely developed in the 13th edition of the Guide for the quality service implementing, elaborated in Canada by a group formed of more than 17 prestigious institutions from several countries and fields, and coordinated by the Treasury Board of Canada.

The National Quality Institute in Canada (NQI) provides a Progressive Excellence Program (PEP). This helps organizations to make plans based on trust and to measure how these criteria are developed for Canada Awards for Excellence (how the organizations can be eligible for these criteria). NQI has developed a specific PEP pack for excellence in tourism, called "Tourism Excellence". This pack contains tools which help the organizations to plan and evaluate their progress in the accomplishment of the criteria. (www.go2hr.ca/).

The SERVQUAL model: In order to exemplify the evaluation of the clients' satisfaction on a service, we can also use the tool proposed by Parasuraman and others (1988): *SERVQUAL*, which is built on an answer scale designed to comprise both the expectations and the perceptions of the clients related to a service. Even though over time it has also been criticized, this model allows estimating quality and in the same time it is a tool to improve and compare to other organizations in this field.

The model consists in questioning the clients through 22 sentences concerning their perception on the quality of the service, as well as through 22 sentences related to their expectations concerning quality. The respondents are also asked to valuate those sentences using a five step Likert scale. The sentences represent the dimensions of the quality of the services on basis of five groups of factors which determine the satisfaction of the clients: assurance, tangibility, responsiveness, reliability and empathy, and these refer to:

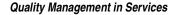
- assurance the skill to provide the promised service in a professional and correct manner;
- tangibility the visibility of the physical facilities, equipment, personnel and concrete means of communication;
- responsiveness the wish to help clients and provide them with prompt services;
- reliability the professionalism and kindness of the employees, as well as their skill to inspire trust;
- empathy providing individualized care to clients.

Certain questions correspond to each group of factors. The difference between the average perception of the clients and the average expectation of the clients (P - A) shows the level of the quality of the provided service.

Amfiteatru Economic

424

Æ





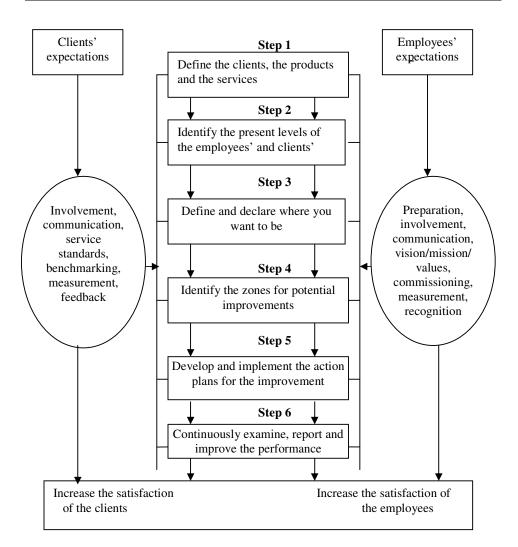


Fig. 1 A client-centered approach to achieving quality (adapted after www.tbs-sct.gc.ca)

3. Research on the quality of the tourist hotel services using the SERVQUAL model

The measurement of the quality of the hotel services can be fulfilled either by the models described above, or through methods such as: the mysterious client, the clients' complaints, surveys on the lost clients, focus-groups, client panels, market surveys, surveys on the employees, etc.

The carried out survey is an example of the way in which the quality of the services can be researched upon using the standard proceeding SERVQUAL. The research has been carried out by the four-star "H" hotel in Bucharest. The tool we have used to collect data was the

Vol XI • Nr. 26 • June 2009

fifty-question questionnaire. The research was carried out in October - November 2008 and 97 questionnaires have been distributed, out of which 85 have been filled in.

The research has started from the following hypotheses: the preferences of the tourists are influenced by the quality of the services, there are differences between the expectations and the perceptions of the clients as far as the quality of the services is concerned, the quality of the provided service depends on those differences. Starting from those hypotheses, this research aimed at: identifying the values of the clients' expectations and perceptions, identifying the importance that clients attach to the five dimensions in the SERVQUAL model, and verifying whether the hotel provides quality services.

Out of the 50 questions of the questionnaire, 22 of them aimed at identifying the expectations of the clients, 22 others were identifying their perceptions using a five-step (from 1 = ",without importance" to <math>5 = ",very important") Likert scale, while six questions aimed at identifying the client. We have calculated the scores for the perceptions and the expectations of the clients separately for each of the five dimensions of the SERVQUAL model, while their average findings are centralized and presented in chart 1.

	Ŧ	8 "	Chart 1
Dimensions	Clients' average expectations (A)	Clients' average perceptions (P)	Difference between clients' perceptions and expectations (P-A)
Assurance	3.98	2.8	-1.18
Tangibility	3.92	2.98	-0.94
Responsiveness	4.36	2.87	-1.49
Reliability	4.29	4.02	-0.27
Empathy	3.94	2.77	-1.17
Quality of the service	4.098	3.088	-1.01

Centralization of the scores of the clients' perceptions and expectations concerning the four-star "H" hotel

While analyzing the findings obtained in the research carried on at the four-star "H" hotel in Bucharest, for each of the five dimensions of the SERVQUAL model, we notice that the differences between the perceptions and the expectations of the clients all have negative values. This shows that in the case of the analyzed hotel, the clients are not satisfied in any of the five dimensions (that is, their perceptions are not as good as their expectations). Therefore, we can conclude that neither the quality of the services on the whole is as good as clients were expecting it to be, as the negative values show a low quality. One can notice while seeing the chart that the biggest complaints of the clients come from responsiveness (followed by seriousness and empathy) and the smallest ones are related to reliability.

The hotel management by identifying the complaints of the clients, their evolution in time (by repeating the research periodically) may act to improve the quality of the services they will provide in the future.

In order to see quality through the eyes of the client and surpass his or her expectations, an organization in the tourism field should first know what clients want. This way, it is stressed the role of those who are directly in touch with the clients, and of those who

Amfiteatru Economic

426

Æ



provide the service. But what can be said about those who operate far from their clients? For these ones there is the concept of client chain. In this chain, every person in the organization, no matter where they work, is considered a link, and the chain finally leads to an external client. In order for this concept to work in practice too, a system of good communication inside the organization is needed. Quality cannot be perceived in a 'them and us' type of atmosphere, the personnel of the hotel must have a real wish and involvement as far as the groups of tourists are concerned. There where the services are not well organized, it is difficult for the personnel to provide the required level of services, and they feel de-motivated and frustrated. A well thought quality improvement program will make the personnel be able to decide what has to be done and will back them up in their efforts to come out of this spiral. Among the benefits which the personnel will enjoy, there are better satisfaction at work, less frustration, better feedback from clients and more self-esteem when the services are being recognized and improved.

If the clients' demands are satisfied when they ask for a service, the following time when they get in touch with a service they will be confident that they will be well treated. Users are often afraid, they are stressed and vulnerable. Such feelings can be increased by a long wait, by lack of information, lack of empathy and low quality services. All that is being done in order to reduce those feelings and improve the quality of the services will be gladly received by the clients.

Conclusions

From the analyzed surveys we can conclude that the managers of the hotel companies should use a managerial set of tools which help them identify the difference between the personal perceptions on the expectations of the clients and their real expectations, in order to develop some strategies which help accomplish those expectations. Yet most of the research carried out in the field of the service quality shows that the basis for valuating the quality of the service by the client is his or her individual experience regarding a certain service. His or her perceptions will be based on these experiences.

To obtain an advantage over their competitors, the managers of the hotels should provide high quality services to their clients, and for this, their carrying out should surpass or at least meet their expectations. Only by periodically valuating their performances can hotels keep the direction in maintaining of the quality of the services.

Both theory and practice prove that the mere focus on the quality standards does not ensure quality services, and the development and the maintenance of quality services have to involve all the members of the organization.

Starting from the fact that the large tour operators (TUI, FTI, Neckermann) have given up promoting and including Romania in their catalogues during the latest three years, and the main reason they put forward was the low quality of the services (this also comes up from the above research), therefore it would be necessary for us to initiate a more extended research upon the clients of the hotels in Romania. The aim of the research would be to identify the complaints of the clients, in order to improve the quality of the services which will be provided in the future, and bring thus Romania back in the focus of the large tour operators.

What is important for those who work in this field is to know the conceptual models of the service quality which can be applied in tourism, as well as how they can be used. To

Vol XI • Nr. 26 • June 2009

promote the Romanian tourism, the complaints of the clients have to be identified in order to improve the quality of the services that will be provided in the future. Thus it becomes possible for Romania as well to have tourism as the surprise element which will help it to get out of the crisis.

References

- 1. Antilgan, Eda, Akinci, S., Aksoy, S., *Mapping service quality in the tourism industry*, "Managing Service Quality", Bedford: 2003, Vol. 13, Iss. 5, pp. 412.
- 2. Bank, J., *Total Quality Management (2nd Ed)*, Harlow: Prentice Hall, 2000.
- Cronin, J., Brady, M.K., Hult, G.T.M., Assessing the effects of quality, value and customer satisfaction on consumer behavioral intentions in service environments, Journal of Retailing, Vol. 76, No.2, 2000, pp.193-218.
- 4. Dotchin J., Oakland J., *Total Quality Management in Services: Part 3: Distinguishing Perceptions of Service Quality*, "International Journal of Quality & Reliability Management", 1994, Vol. 11, Iss. 4; pp. 6-28.
- Juwaheer, T.D. and Ross, D.L., A study of hotel guest perceptions in Mauritius, "International Journal of Contemporary Hospitality Management", 2003, Vol. 15 No. 2, pp. 105-15.
- 6. Nankervis, A., Mlyamoto, Y., Taylor, R., Milton, S., *Managing services*, Business & Economics, 2005.
- 7. Olaru, M. Managementul calității, București, Editura Economică, 1998.
- Parasuraman, A., Zeithaml, V. and Berry, L.L., SERVQUAL: a multiple item scale for measuring customer perceptions of service quality, Journal of Retailing, 1988, Vol. 64 No. 1, pp. 12-43.
- 9. Pascale, R., Athos, A., *The Art of Japanese Management*, London: Penguin Books, 1981.
- 10. Peters, T., Waterman, R., *In Search of Excellence*, New York, London: Harper & Row, 1982.
- Pizam A., State Olimpia and all *The Relationship between Risk-Taking, Sensation* Seeking, and the Tourist behavior of Young Adults: A Cross – Cultural Study, "Journal of Travel Research", Vol. 42, nr. 3, 2004, pg. 251-261.
- 12. Zeithaml, V.A., Bitner, M.J., Services Marketing: Integrating Customer Focus across the Firm, McGraw-Hill, New York, 2000.
- 13. Zeithaml, V.A., Parasuraman, A., Berry, L.L., *Delivering Quality Service; Balancing Customer Perceptions and Expectations*, Free Press, 1990.
- 14. ww1.efqm.org/en/ (last time accessed on March 24, 2009)
- 15. www.go2hr.ca/ (last time accessed on March 24, 2009)
- 16. www.tbs-sct.gc.ca (last time accessed on March 24, 2009)
- 17. www.unwto.org/ (last time accessed on March 31, 2009)

Amfiteatru Economic