

## CONTACT – THE CLIENT - ORGANIZATION SYNOPSIS

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### Abstract

*In a more and more diverse service related economical environment the client is ambushed by lots of information regarding that particular area. The customer's attitude towards either a certain type of service or the other comes mainly from inexact sources of information detained before having had a direct contact with the company at hand. Most of the time this information is absorbed via friends, commercials and it is subjective. Nevertheless, this initial type of information is not static at all. It has the tendency of working its way up towards modifying the company's attitude towards customers.*

*A great role in this molding process has the assistance personnel. Those people are the lesion between the company and the client, transforming the customer's needs into potential services. In certain cases these service people can help bend certain company's offers around certain customers.*

*This article aims at underlying the role of these particular service people, as an interface between the client and the company.*

*The main objective of these paper is finding the appropriate staff contact characteristics for different types of services. Their existence determines the relationship between client and organization, transforming the customer desires into services that can be offered and simultaneously modeling (where applicable) the company's offer according to the client.*

**Keywords:** contact personnel, attitude, client evaluation

**JEL classification:** M12, M31, M51

## 1. INTRODUCTION

Front-office has been identified as one of the key ingredients of service marketing. Every time clients interact with any delivery system component they have the possibility to evaluate the quality of the service being delivered. For example, a dentist can be evaluated just by screening a conversation with another patient of his or a poster advertising that doctor's practice. Regardless of the nature of that message being conveyed, any contact represents "the moment of truth" for the potential client. Formerly introduced by Normann, the concept of client contact was recently defined as a "bullfight metaphor" by Mattson only to strengthen "the uniqueness and importance of each and every client – service provider relationship".

Since services are intangible by themselves, both the employees who deliver them and the environment in which they are delivered play a very important role. Because the area of services is so heterogenic there can be traced differences among types of contacts and client perception avenues.

Due to the four types of interaction (client/employee – service related, client/client, client/technology, client/environment) the contact service theory is based on communication theory elements, sociology, interpersonal relationships, cognitive psychology, ergonomics and human – machine interface.

## 2. LITERATURE REVIEW: THE RELATIONSHIP BETWEEN CLIENT SATISFACTION AND PERSONNEL ON ONE HAND, AND PROFITABILITY, ON THE OTHER

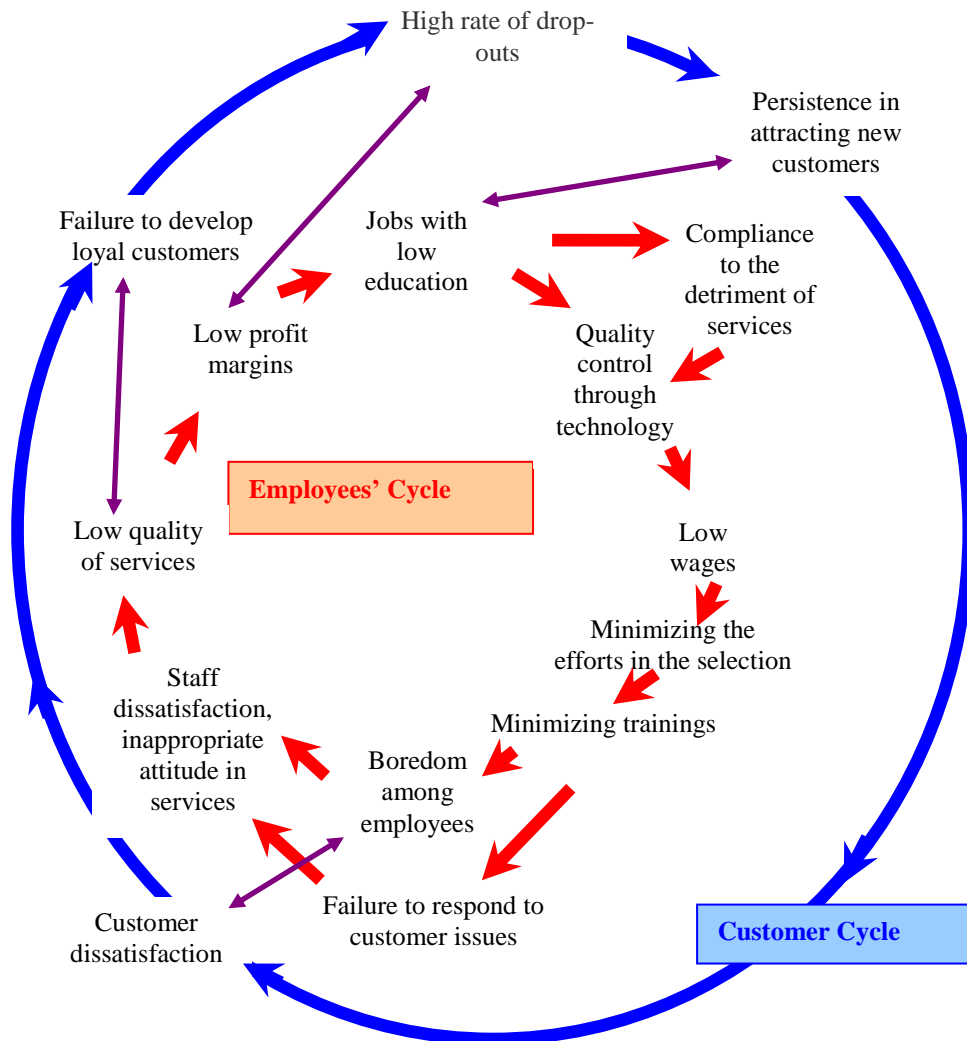
It can be said that service providers don't finally aim at satisfying the clients and the employees at the same time. It can be said that the synergy is ideal, but not essential for a given company. Analyzing things from this point of view, the works of Heskett, Sasser and Schlesinger [Heskett, Sasser and Schlesinger, 1997, 121-176], provide crucial clues. They enumerate employee contentment, client satisfaction and rentability as the key ingredients of rentability recipe. Providing a certain service is everybody's starting point: a certain service triggers a certain level of satisfaction in the employee's mind. In turn, that level of satisfaction will pay off in terms of employee loyalty. Being loyal and motivated, an employee will be productive. Clients will perceive him/her as quality provider. Quality will only lead to satisfied customers. Satisfied customers will only mean loyal customers and that loyalty will only lead to profitability.

Heskett, Sasser and Schlesinger clearly show this dynamic interference between "the in" and "the out" of a service providing company. This is the common ground between the employees (with their level of satisfaction and therefore their behavior) and the clients (with their perception on the quality of services provided and therefore their level of satisfaction). Both parties can refer to different cycles that may occur in service management. [Heskett, Sasser and Schlesinger, 1997, 121-176].

A prime example is the one of "failure cycle" as shown in Figure no. 1. Most of the times this cycle begins when a company seeks short term cost reduction.

While trying to cut back costs in the short run companies start by looking for potential employees willing to put up long hours for a wage pretty much close to the minimum level. The work load is often reduced to a series of simple boring tasks that require close to none training. Training means costs. Involving employees in the decision making process requires

both time and effort. Therefore training can be eliminated from the list of options. The use of technology makes sense for having quality control to a certain extent.



Source: [Adapted from Van Looy, Bart, Gemmel, Paul, Van Dierdonck, Roland, 2003, 185]

**Figure no. 1 Failure Cycle**

The one sure thing that can be said is that the cutback with personnel expenses can be accomplished, but in the long run the effects can be disastrous. Employee dynamics will only lead to ignorance towards customers. The customers will perceive services being provided as low quality and that, in turn, will stir employee in-satisfaction. That will lead to profit rate reduction and that will mean initiating a whole new cycle.

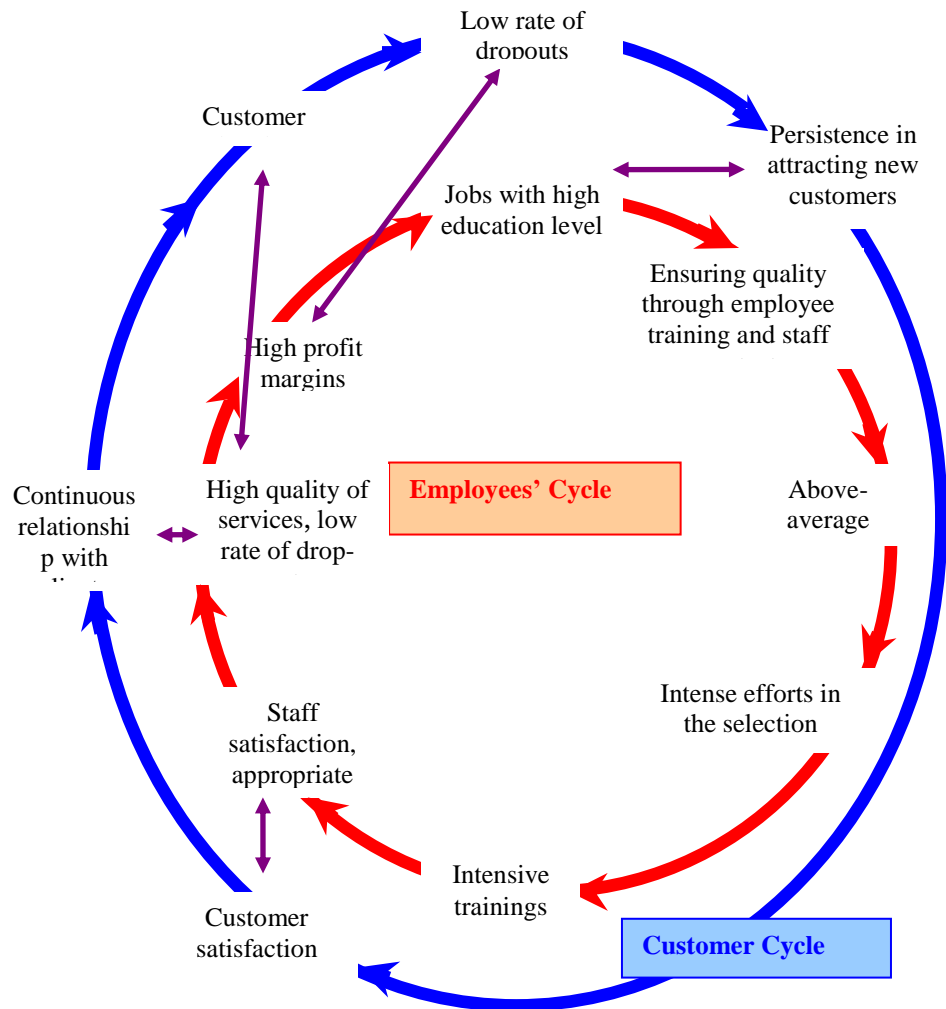
There are some factors that can come as explanations to why a company can be caught in such a cycle:

- It's assumed that the unpredictable human behavior can be mastered by investing in technology. Therefore investments in personnel falls behind. For many suppliers it's clear that it is going to be very difficult to replace the human factor with technology as the latter will constantly grow in the future for certain types of services.
- It's also proven that an unbalanced workforce, the errors in the educational system and the loss of traditional values (like work ethics) will force companies to approach certain topics differently. In situations like these there is a tendency to forget that companies play a key role in society and that the concepts they embrace related to the workforce become a self-vitalizing force

The pressure for short term performances and the lack of information related to them are probably the most important elements that push a company into a failure cycle. Too many companies still fail at making predictions, at making estimates regarding the impact an unfit employee will have on the clients or at the role of an unfavorable image cast upon a purchase decision. On the other hand, the personnel selection and training costs can be very accurately assessed. This way the savings in the short run are obvious while personnel recruiting, training, development, rewarding and recognition are considered as being important, but cost involving. The long term trends can be expected at some point but they are less obvious. They also tend to be at the end of the managers' priorities list. As long as it's difficult to put into numbers the impact the events that are going to take place in the long run upon the intermediate income the efforts to improve the workforce quality tends to a minimum. Moreover, as long as only what can be quantified can be controlled, the inner part of the failure circle is seldom unknown or it's not taken into account.

This dynamic relationship can also be positively looked at. Heskett, Sasser and Schlesinger [Heskett, Sasser and Schlesinger, 1997, 121-176] associate the failure cycle formerly presented with its reverse, which would be the "success cycle" (Figure no 2). In this case the dynamics that generate positive effects within the company have a definite impact on the outside environment and the other way round.

From this point of view it's fair to say that being a service provider and not paying specific attention to your employees it's like noticing that the car you're driving is running out of gas and you would still step on it. The more you work your engine, the worse things will go.



Source: [Adapted from Van Looy, Bart, Gemmel, Paul, Van Dierdonck, Roland, 2003, p. 186]

**Figure no. 2 The Success Cycle**

### 3. CONTACT CHARACTERISTICS

Service appointed personnel is characterized by several features: greeting templates, smile, voice tone, explanations, dress code, confidentiality, mimics, type of physical effort involved, diction, physical contact involved. These characteristics, depending on the nature of the service involved, can be structured on one or more types of levels as can be seen in Table 2. There are also types of services that have certain characteristics which cannot be placed on any level.

Therefore, the usual greeting may or may not be mandatory, the smile has to be retained, sober. Sometimes jokes and laughters are appropriate in order to break the tension among clients. The tone of voice can be either a parental or a childish one. Explanations have to be mandatory, optional or not required at all. The outfit worn depends on the type of the job: sport, business, uniform with a name tag, safety equipment. There can be certain restriction set regarding the outfit. They can include the length of the nail or hair wearing code in the case of restaurants and sanitary area.

Other characteristics of contact personnel are confidentiality (that can be eliminatory). Confidentiality can be also required or not by the client. Being polite can be mandatory or not. Effort can be either physical or intellectual or both. The intellectual effort is involved where it comes to theatres, sports events etc.

While making a comparative analyses diction is taken into account as well as physical contact (if necessary).

Power and involvement are key factors connecting the roles involved. The notion of power is defined as a measurement of the control the buyer has over the relationship with the service supplier. That's why a buyer – supplier relationship is called „low power” when the buyer considers that he/she has a smaller amount of control over it. Commitment is set on the assumption that the intention of maintaining a relationship will continue. By combining both power and commitment levels we obtain the following classification:

*Table no 1 Comparison of power and commitment levels by type of service*

	<b>High Commitment</b>	<b>Low Commitment</b>
<b>High Level of Power</b>	Hair – styling Health Clubs Boutiques Pharma Services	Aero Services Individual sellers of banking products Waiters Bus Drivers
<b>Low Level of Power</b>	Colleges Religions Counselling Services Lawyers involved in lawsuits	Police Services Consultant Lawyers

*Source: [Adapted from Mundil, Peter, Cottman, Angela, 1999, 115]*

These examples are not exempted from failure. Each supplier will assigned a certain service power and commitment matrix. Depending on the position each organization recognizes itself as functioning in there can be differentiated certain strategies to encourage client loyalty as well as complaint management.

Table no. 2 Comparison of characteristics of contact personnel by type of service

	Greetings	Smile	Tone of voice	Explanations	Clothing
<b>Banks</b>	+	-	☹	+	👔
<b>Tourism</b>	+	+	☹	+	👔👕👖👗
<b>Restaurants</b>	+	-	☹	+	👔👕👖👗
<b>Transportation</b>	-	-	☹	•	👔
<b>Salubrity</b>	*	-	*	-	👔👕👖👗
<b>Health</b>	-	+	☹☹	+	👔👕👖👗
<b>Education</b>	+	+	☹☹	+	👔
<b>Police</b>	-	-	☹☹	+	👔
<b>Beauty</b>	-	+	☹☹☹	+	👔
<b>Sports</b>	+	-	☹☹	+	👔👕👖👗
<b>Culture: theatres, opera, museums</b>	-	+	☹☹☹	•	**
<b>Banks</b>	+ mandatory - not necessarily required	- sober + are indicated even jokes for stress relief	☹ parental ☹ adult ☹ child	+ mandatory • optional - not necessary	👔 sport; 👔 business; • uniform 👔 badge; ☹ safety equipment; 🙅 restrictions

\* not the case, due to the non-communicative character of the contact personnel involved;

\*\* in the case of the actors in most cases it depends on the play/opera being played;

\*\*\* the intellectual efforts are derived from the educational character of the events involving sports (ex. Aerobics)

	Confidentiality	Politeness	Mimics	Efforts	Diction	Physical Contact
<b>Banks</b>	+	+	☹	👔	👔	-
<b>Tourism</b>	•	+	•	☹	👔	-
<b>Restaurants</b>	-	+	☹	☹	👔	-
<b>Transportation</b>	-	+	☹	☹	•	-
<b>Salubrity</b>	-	-		☹	•	-
<b>Health</b>	+	+		👔	☹	+
<b>Education</b>	+	+	☹☹☹	👔	👔	-
<b>Police</b>	+	+	☹☹☹	•	☹	-
<b>Beauty</b>	•	+	•	☹	•	+
<b>Sports</b>	-	-	☹	☹***	☹	+
<b>Culture: theatres, opera, museums</b>	-	+	☹☹☹	•	👔	-
<b>Legend</b>	• core condition • on customer's request - not necessary	+ mandatory - not necessary	☹ wide • moderate ☹re-tained	☹ mainly physical 👔 mainly intellectual • physical and intellectual	👔 very good ☹ good • not necessary	+ mandatory - absence

\* not the case, due to the non-communicative character of the contact personnel involved;

\*\* in the case of the actors in most cases it depends on the play/opera being played;

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#### 4. CONCLUSIONS

The success of a service supplier directly depend on the performances of its human resource department. The very nature of service area consists on a clear relationship between employees on one hand and the successful delivery of the service on the other.

Service providing companies offer a vast array of contact possibilities (not only the human contacts). Based on studies having been undertaken it has been demonstrated that contact personnel influences the clients most of the times, leading to feelings, believes, attitudes and long lasting images.

For contact personnel involved in service providing activities marketing strategies are very important. They have to be conceived in such a manner that they can shift clients' attitude in a desirable manner. The experience has shown that the shift is as difficult to obtain as the attitude is directly related to the fulfilling of a basic need. Related to this issue Smith said that „we have a certain attitude as long as it serves a certain function”.

Schneider and Browen [Schneider and Browen, 1985, 423-433] have extensively explained this relationship in a series of studies referring to the feelings employees experience during working hours and the clients' perception regarding service quality. It has been established a close relationship between the two. Content people deliver quality services. Clients can be treated as lead actors or as „part-time employees” in the delivery process. Their actual performances will depend on the way the participants obtain and apply the proper skills.

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