# Service quality of frontline employees: A profile deviation analysis ☆

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## ABSTRACT

Using a configuration theory approach, this paper conducts a comparative study between frontline employees in phone and face-to-face service encounters for a retail bank. The study compares the top performers in service quality in relation to three components of organizational commitment and their demographics by applying a profile deviation analysis. The results show that the profile deviation for face-to-face employees is significantly negative, while for call center employees nonsignificant. Although the study finds no significant differences in the three components of commitment, significant differences exist in the total experience and age of the best performers. Also, affective commitment dominates the profile of high performers, while poor service providers seem to exhibit a higher level of continuance commitment. This study demonstrates the utility of profile deviation approaches in designing internal marketing strategies.

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## 1. Introduction

Organizations operating in today's highly competitive business environment need to differentiate on service quality as a means of achieving a competitive advantage, and frontline employees are central in determining this quality (Gustaffson, 2009). The frontline is the touch point of the company; therefore, the service that frontline employees provide is critical in developing customer relationships, gathering customer information, and in creating customer satisfaction, loyalty, and brand commitment (Burmann & Konig, 2011; Fang, Palmatier, & Grewal, 2011). Previous research indicates that the organizational commitment of frontline employees exerts a strong, positive influence on their service quality (e.g., Malhotra & Mukherjee, 2004; Vandenberghe et al., 2007). However, the actual commitment-profile differences between high and low quality service performers have not been substantively researched.

Using a configuration theory approach, this study compares employees in the two most difficult and important types of frontline service situations; face-to-face and telephone encounters. First, this study identifies the profile of the top performers in each of the encounters. Second, this study makes comparisons between the ideal and non-ideal profiles to investigate whether deviations from the ideal result in a decrease in service quality in each context. Any difference this study finds among the profiles of ideal performers in the two contexts is useful to explore, especially for companies employing multi-channel delivery, in order to recruit and manage frontline employees effectively through appropriately designed internal marketing strategies (see Lings, 2004; Wieseke, Ahearne, Lam, & VanDick, 2009).

This study offers four contributions to the services marketing literature. First, this study applies a profile deviation analysis with a basis in configurational theory, which is a methodological innovation because profile deviation has rarely been used in marketing. Profile deviation approaches provide significant advantages over traditional approaches such as regression analysis, slope analysis, and subgroup analysis, particularly with individuals as the unit of analysis, in assessing fit in a way that is consistent with the multidimensional and holistic perspective of services marketing (Vorhies & Morgan, 2003). Previous research mainly applied the configuration theory and the profile deviation approach to organizations as units of analysis to assess organizational performance (Chen, Huang, Sung, & Huang, 2009; Kabadayi, Eyuboglu, & Thomas, 2007). But, this study uses these concepts to predict individual behavior.

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Second, this study conducts an empirical test to see if deviations from the ideal profile result in a decrease in service quality. In this respect, an important question is how different the top performers in call centers are from those in bank branches in face-to-face and telephone types of encounters.

Third, this study explores whether the form of commitment matters in the commitment-service quality relation. Previously, a majority of the studies in marketing adopted one-dimensional approach to organizational commitment while the implications of a three-component model of commitment that comprises affective, normative, and continuance commitment, (Allen & Meyer, 1990) have remained largely unexplored (Culpepper, Gamble, & Blubaugh, 2004; Malhotra, Budhwar, & Prowse, 2007). Affective commitment (AC) is the extent of an employee's emotional attachment to, identification with, and involvement in the organization; normative commitment (NC) denotes an employee's feelings of obligation to stay with the organization; and continuance commitment (CC) is the commitment based on the costs that the employee associates with leaving the organization. From the literature, AC seems to have more of a relation to service quality than NC and CC (Meyer, Stanley, Herscovitch, & Topolnytsky, 2002; Vandenberghe et al., 2007). Because not all forms of commitment necessarily have an association with high job performance, the profile of top service quality performers needs to be understood with respect to the three components of commitment.

Fourth, this study also investigates whether the form of service delivery matters for performance fit by comparing face-to-face and phone services.

This study integrates the service-quality literature with the profile-deviation analysis literature to provide valuable new insights into the theory and practice of service excellence, and is the first to attempt to understand the role of configuration theory in designing internal marketing strategies.

## 2. Configuration theory

Configuration theory has been used by management over the last two decades to assess complex, multidimensional phenomena implied in fit or congruence relations in ways that are more consistent with the holistic framing of strategic management and marketing strategy than traditional approaches like interactions or contingency theory. Traditional approaches lack correspondence between verbal and statistical approaches when testing the theory. This lack of correspondence means that a weak link exists between theory building and theory testing that leads to inconsistent research findings.

Configurational theories posit higher effectiveness for employees that resemble the ideal type that theory defines. The increased effectiveness comes from an internal consistency or fit among the relevant structural and strategic factors (Doty, Glick, & Huber, 1993). Researchers who treat configurations as categories rather than the ideal types fail to test the core thesis of the theory. Many researchers have developed categories of employees by using cluster analysis and then comparing the means of the categories across effectiveness measures (Smith, Guthrie, & Chen, 1989). The appropriateness of this approach is questionable. When treating configurations as categories, they predict that marginal members of the category are as effective as the central members. On the other hand, when treating configurations as ideal types, they predict employees that marginally resemble the ideal configuration as less effective than those that closely resemble the ideal (Doty et al., 1993).

Modeling the ideal-type employee should begin by recognizing that an ideal type is a theoretical construct, that is, a singular and discrete phenomenon rather than a nominal category. Hence, any empirical test should involve a rich multivariate approach to define the ideal type. Employees do not have to be classified into nominal groups because the crux of the matter is the deviation of the employee from the ideal type. The deviation measure (a Euclidian distance) can then be used to predict employee effectiveness in a way consistent with theory.

Management researchers have conceptualized the configuration model as an interaction, selection, or systems approach to fit (Drazin & Van de Ven, 1985). The interaction approach is the basis for many contingency theories that define fit as the statistical interaction of two variables (Schoonhoven, 1981), although population ecologists adopt the selection approach to develop taxonomies. Neither of these approaches is consistent with the complex fit assertions in configurational theories (Venkatraman & Prescott, 1990). Thus, this study conceptualizes fit through a systems approach, which is the most appropriate. Drazin and Van de Ven describe this approach as the most complex and promising approach for future research. The systems approach includes profile deviation and gestalt and defines fit in terms of consistency among multiple dimensions (see Kabadayi et al., 2007). Fit is high to the extent that an employee is similar to an ideal type along many dimensions, and effectiveness is highest in the ideal types because the fit among factors is at a maximum in those configurations. When applying fit to employees, an opportunity exists to provide a more holistic profile that leads to superior decisions in selecting and rewarding outstanding employees.

When considering fit among multiple elements simultaneously and examining the effects on outcomes, as this study does, configuration should be conceptualized and measured via profile deviation (PD) analysis (Doty et al., 1993; Venkatraman, 1990; Vorhies & Morgan, 2003). PD analysis views fit as the degree to which a particular case (a customer contact employee, in this study) matches an ideal profile (an optimal standing within a dataset) (Hult, Boyer, & Ketchen, 2007; Venkatraman, 1990; Zajac, Kraatz, & Bresser, 2000). The PD analysis in this study (Fig. 1) assesses the fit between the three components of commitment and service quality as the degree to which the commitment and demographic characteristics of a frontline employee differ from those of an ideal profile in achieving service quality (Vorhies & Morgan, 2003; Zajac et al., 2000).

Employees whose profiles the innermost circle (A) represents are the ideal type of employee who delivers the highest service quality to customers. Employees that inner circle (B) represents deliver lower quality than those in A but higher than those in C; and those in C, in turn, deliver better service quality than those in circle D (Fig. 2). The prediction of PD is that, as the Euclidian distance increases from the ideal, service quality deteriorates. Thus, the more a frontline employee is like the ideal profile (definition from AC, NC, and CC components and the total experience and age demographics), the more superior the service quality is that the employee delivers. Hence, the key proposition relating the profiles of service employees and the outcome of interest (i.e., service quality) is:

**Proposition 1.** The ideal type of employees will deliver significantly superior service quality than non-ideal employees.

With the growth in multi-channel strategies among services, the two types of encounters involving frontline employees, face-to-face and telephone are becoming increasingly crucial to manage. However, several differences exist in customer service delivery between face-to-face and telephone encounters that have a bearing on the type of frontline employees suited for these encounters.

In face-to-face encounters, both verbal and non-verbal behaviors (e.g., employee physical appearance and dress) are important determinants of service quality; the customer plays a role in creating quality service through his/her behavior during the interaction, and people can create quality perceptions relating to the environment where the service takes place (Burgers, Ruyter, Keen, & Streukens, 2000). On the other hand, in phone encounters, the customer has less influence on service quality. The service environment and tangibles are not part of the quality perceptions; their judgement of service and quality comes purely from intrinsic dimensions like reliability, responsiveness, assurance, and empathy (Boshoff & Tait, 1996; Burgers et al., 2000). Further, performance in branches involves less scripting and standardization as compared to call centers, which provides an opportunity to the more able employees