Enhancing Service Quality towards Customer Satisfactions through Action Research in Marketing and Operation Department of MICTDC, Myanmar

Yin Win Thu

A Dissertation Submitted in Partial Fulfillment of the Requirements for the Degree of Doctor of Philosophy in Organization Development
Faculty of Graduate School of Business
Assumption University
Academic Year 2016
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Abstract

The main problem of this research is how service quality performance and customer satisfaction can be improved at MICTDC using organizational development intervention (ODI). MICTDC is Myanmar’s state ICT development corporation, and is tasked with supporting IT development in the emerging economy’s SME sector.

The research was conducted as an action research study with the use of ODI. The ODI for MICTDC included human resource changes, and implementation of motivation techniques. The outcomes of the ODI were assessed using a variety of qualitative and quantitative assessments, including pre/post-intervention customer surveys, customer interviews, and employee-customer interaction observations.

Comparison of the pre-intervention and post-intervention service quality satisfaction and customer satisfaction showed that there were significant positive mean differences in the five service quality dimensions, with the best improvement shown in Tangible, Empathy, and Reliability. The result also indicated that there was a significant positive improvement in customer satisfaction. The post-interview customer surveys had a positive mean difference in customer satisfaction when compared to the pre-intervention period. Post-ODI employee observations and customer surveys did find some areas for improvement, particularly around employee responsiveness. However, comparison of pre-ODI and post-ODI interviews and observations did demonstrate some level of improvement in customer service. These qualitative findings did find evidence of continuing service gaps, particularly a design and standard gap related to meeting some customer needs. Furthermore, the results revealed that service quality and service performance showed a strong positive correlation, while both service quality and service performance had a weak negative correlation to customer satisfaction.
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Chapter 1:

Potential Challenge for Change

There has been little research conducted on Myanmar’s business practices and customer relationships. This means that there is little understanding of how well Western models of issues like customer satisfaction may apply in the area. This research addresses service quality and customer satisfaction using a case study of one of Myanmar’s leading companies, MICTDC. MICTDC which is Myanmar’s first computer sciences and Software Company.

The goal of the chapter is to establish the need for the research and introduce the background. First, it introduces the situation of the research, especially the existing knowledge about the relationship between service quality and customer satisfaction. It then introduces the company background of MICTDC. The third section of the chapter discusses the research problem and the need for research. Next, the research objectives and questions of the study are presented. The final sections introduce key terms and definitions, study significance, and the scope and limitations.

1.1 Global Perspectives on Service Quality

Service quality can be briefly defined as the perception of the customer about whether or not the service provided met their expectations (O'Neill, 2009; Zeithaml, et al., 2010). This definition is complicated in application by several factors, including the subjectivity of perceptions and the different mix of tangible, intangible, and personal quality characteristics. One useful way of understanding service quality is that it combines technical quality (the quality of the outcome) and functional quality (the way in which the service was provided) (O'Neill, 2009; Zeithaml, et al., 2010). However, service quality cannot be assessed independently or with no regard to the culture and situation in which it takes place. Thus,
simply using standard measurements like SERVQUAL without considering the organizational context would be inadequate.

Western service quality perspectives are often dominant in developing countries, since these perspectives are imported with multinational corporations (MNCs) engaged in outsourcing or off shoring activities designed to reduce their own costs (Manning & Silvia, 2008). Markets such as China and India (and potentially Myanmar in the future) are attractive because of their highly skilled technical workforce, but workplaces in these areas still must adapt to customer service standards established through SERVQUAL or similar models in order to provide effective customer service (Manning, Massini, & Lewin, 2008). However, this does not mean that service quality is not important in other cultures. A cross-cultural study that compared eight cultures found out that non-materially oriented cultures placed even more importance on the service experience than cultures that had a high material focus (Keillor, Lewison, Hult, & Hauser, 2007). Thus, service quality is important both globally and locally, especially for non-material cultures that value personal relationships. Myanmar, with a strong Buddhist culture and a preference for the 'middle path', is such a non-materialist culture, which tries to emphasize relationships over resource usage (Nardi, 2006).

Although there are similarities between Asian countries in terms of service quality preferences and approaches, it cannot be considered a homogenous region because there are also many differences (Ueltschy, Laroche, Zhang, Cho, & Ren, 2009). For example, Ueltschy, et al. (2009) found in their study of Chinese, Japanese and Korean consumers that Chinese consumers have a much higher response to service quality than consumers from other countries. However, it is known that Asian consumers may have different service preferences than other groups of consumers. For example, a study on tourism satisfaction with Singapore found that attractions were important for Asian and European cultures, but not for other groups (Hui, Wan, & Ho, 2007). Asian consumers may also be dissatisfied with
service quality that is deemed acceptable by European visitors, as shown by a study of Chinese visitors to British hotels (Wang, Vela, & Tyler, 2008). Thus, simply applying a standard model of service quality derived entirely from Western studies would be inaccurate for understanding Asian consumer responses to service quality. At the same time, there are intra-regional differences great enough that a single Asian model cannot be applied.

The relationship between service quality and customer satisfaction to be examined in this study is situated in a particular economic and social context of Myanmar specifically, which is currently increasing its connections with the outside world. Myanmar (Burma) has been closed off from trade with all but a few countries for decades under a strict military regime (Barta, 2012). This began to change in 2010, when the military regime began to open the country up, improving human rights records and reducing trade barriers. Much of Myanmar’s economy is still based on small-scale manufacturing, manual labor and agriculture (Head, 2013). Since its 2010 opening and re-engagement with global organizations, Myanmar’s economy has grown rapidly, with 7.3% GDP growth in 2012-2013 and anticipated 7.5% in 2013-2014 (World Bank, 2014). The country still has significant poverty levels and faces a number of developmental challenges, but the general outlook for economic development is strong as long as its political situation remains stable or improves (World Bank, 2014).

Political and economic changes resulted in a flood of Western companies into Myanmar, as well as rapid development of domestic companies going on at the same time (Barta, 2012). From a global competitive perspective, this movement makes sense, as many transnational firms tend to move their operations to areas where the lowest possible costs can be achieved (such as reduction in labor costs or regulatory costs) (Kristensen & Morgan, 2007). However, Myanmar may not have been ready for the influx of these companies even at a most basic level, which still requires a stock of human capital and infrastructure.
Myanmar had been isolated from many (though not all) modern business and marketing interventions, and its infrastructure was left under-developed. Thus, doing businesses in Myanmar was a notable challenge for Western companies, accustomed to established infrastructure and populations familiar with global brands and trends (Barta, 2012). Despite the challenges, global companies such as Coca Cola, Nissan, Suzuki, Ford, Sony, and LG entered the Myanmar market, seeking new customers for their products (Head, 2013). However, Myanmar’s local entrepreneurs also began to flourish in a newly broadened economy. For example, local convenience stores, cosmetics firms, and domestic mobile phone retailer Lu Gyi Min have begun to grow rapidly with increasing personal incomes (Head, 2013). With increased income and consumer sophistication, as well as outside competition, Myanmar’s customers are likely to demand improved service quality from its domestic firms.

At present, Myanmar’s customer service practices are developing, but local firms still face challenges. International firms, like Sony and LG, can draw on their global stocks of human capital and knowledge in order to transfer customer service skills (or any other skill required) to their Myanmar operations (Kristensen & Morgan, 2007). However, local firms like MICTDC need to develop customer service capabilities without these kinds of support and resources. The intention of this research is to integrate knowledge from the international business arena into business practices for MICTDC, enabling transfer of knowledge and techniques in the customer service area. This helps Myanmar’s domestic firms compete effectively with international firms, which has so far proven challenging (Head, 2013).

1.2 Focal System- Company Background, Assessment and Analysis

This research focuses on the Myanmar ICT Development Corporation (MICTDC). Although the organization is called a corporation, its structure and goals are more consistent with Western organization types such as non-profit organizations or social enterprises, in that
its main intent is social development through technology rather than commercial production. This company was established in 2000 by a group of entrepreneurs from the Information and Communication Technology Society in Yangon. It was originally established as a state company under the Myanmar Computer Science Development Law. The objectives of this law included development of computer science and technology knowledge, creating opportunities for students to study computer science, and to develop computer science for the state as well as to develop hardware and software for export.

In 2001, the company was transitioned from state to private ownership, and by 2003 it had expanded to 50 members. MICTDC was transitioned to the public market in 2003, becoming the first IT-related public company in Myanmar’s stock market. It now operates various cooperative initiatives, such as the ICT park and data center, as well as holding a variety of government contracts for e-procurement systems and other e-government systems.

The organization’s goal is to establish Myanmar as a major software developer and exporter. The main strategy they have chosen is to establish an ICT Park, which will help smaller companies establish themselves and compete using an incubator or cluster approach. The business incubator or cluster approach is intended to provide infrastructure and support for new businesses, reducing the cost of setup, while at the same time offering entrepreneurs the opportunity to share information and exchange knowledge with established companies (Studdard, 2006). This helps to accelerate development and technological implementation by small entrepreneurial businesses, as well as centralizing business activities (Studdard, 2006).

The ICT Park established by MICTDC is intended to both create a business cluster for ICT-related businesses and to create a centralized activity location for international business partners.

The MICTDC ICT Park offers businesses key facilities, including marketing and promotions as well as meetings and operational space. It also offers key infrastructure
supports, such as electricity and Internet connections, including large-scale generators. This is essential because Myanmar’s infrastructure is fragile and unreliable, and as a result IT-related businesses often need additional infrastructure support. The ICT Park is also designed to provide services to its resident businesses, including incubation services for new businesses, skill development for local professionals, cooperative technology development, and marketing and promotion services. The site also serves as a hub for international investors and technology partners, as it provides a central location for ICT-related businesses in Myanmar. Major customer groups of the firm include ICT park residents, some firms that rent facilities (such as communications and electricity infrastructure facilities) but do not have office space in the ICT park, and firms and members of the public who rent exhibition and events space from the ICT park facilities on a per-use basis.

A SWOT analysis was conducted in order to understand MICTDC’s opportunities and weaknesses in its current market. Some of the organization’s strengths include that it is the only publicly listed ICT Company in Myanmar, as well as the first to operate internationally, which gives it a high international profile. The company also has strong support from the government, including financial support, promotion, and technology and policy decisions. There are also no current competitors for government business, and it is entrenched as a participant in the industry by the ICT law. However, it also has a number of weaknesses. A large and diverse Board of Directors does not establish a clear leadership line or principle of organizational development, meaning that there is not much visionary leadership nor are there many structures in the organization. There has been no renewed vote for Chairperson for ten years, and the Vision and Mission have not been renewed. Business units are not focused and the organizational chart is confusing, impacting the goal direction and reducing effectiveness. Unsurprisingly, the company has not yet delivered a profit. There are also some potential problems with the organization’s government and international connections.
The company is vulnerable to changes in government, including recent changes that have reduced support for MICTDC and other state-supported organizations in favor of market operations. Furthermore, staff and leaders lack cross-cultural communication and management skills because of little international experience, which limits their ability to manage international partners. The lack of leadership in the organization and lack of clarity in the direction of the firm’s services and business could negatively affect customer service, since there is no clear statement of customer service goals and demands. Since there is no performance framework, measurement or assessment of performance is difficult to state how much of a problem customer service really is.

MICTDC has a number of opportunities. For example, mergers and acquisition can offer MICTDC the opportunity to expand, which has recently become a possibility under the open market policy. Furthermore, MICTDC’s land acquisition in Yangon City has been appreciated a lot since it was established, which increases its asset value and its potential to raise cash. It can continue to provide applications and portals to government offices, since it is the only company currently developing local services or working in the local language. There are also future opportunities related to the opening of the market and Myanmar’s continued development. MICTDC is guaranteed a position on the Myanmar Stock Exchange on opening, which will allow it to raise funds from investors soon. Other companies will use 3-4 years to become qualified. Finally, expanding ICT utilization and infrastructure could offer increased business. In order for these opportunities to be enacted, it will be necessary for the organization to implement strong customer service and generate customer satisfaction, in order to prevent loss of customers to competing organizations. These opportunities do need to be balanced against potential threats, however. For example, new entrants to the market may threaten MICTDC’s relationship with the Myanmar government or erode its market position for development of local apps. Openness also poses its own challenges. Foreign-
educated ICT professionals from Myanmar may return to practice with the increased government openness, which could be a threat because they may have increased competitive advantages like technology and foreign investor support. Finally, MICTDC’s internal problems like its leadership gap and lack of clear organizational vision and direction could cause the company to become increasingly non-competitive under free market policies, especially as new companies are established.

This SWOT analysis demonstrates that MICTDC faces some serious challenges in the coming years as Myanmar’s economy opens and changes. Although it does have some serious advantages in the current market, these advantages are not likely to withstand competition from external competitors and returning Myanmar entrepreneurs in the medium term. Thus, the firm needs to rapidly begin developing competencies and competitive advantages to help it sustain itself in a free market and beyond its currently protected position. One way it can begin to develop competencies is by focusing on service quality, which is a flexible competency that can be redirected to any activities the firm takes (including its internal activities) (Zeithaml, 2010). Becoming competitive in an open market requires that the company provide a positive experience for its customers, since these customers will not be required to use the firm’s services.

Table 1.1 summarizes a SWOT analysis of the company, based on information provided within internal reports and materials.
| Strengths | 1. Is the only publicly listed ICT company in Myanmar  
2. Is first ICT company to operate internationally  
3. Receives direct government financial support and promotion  
4. Is technical and policy-based support from the government  
5. No current competitors for government business including e-government application development  
6. Established in the ICT Law as a participant in the industry |
| Weaknesses | 1. Large and diverse Board of Directors does not establish a clear leadership line or principle of organizational development, leaving unclear vision leadership in the organization. There has been no renewed vote for Chairperson for ten years, and the Vision and Mission have not been renewed.  
2. To date there have been no profitable business activities associated with the company.  
3. Business units are not focused on and the organizational chart is confusing, impacting goal direction  
4. The company is vulnerable to changes in government, including recent changes that have reduced support for MICTDC and other state-supported organizations in favor of market operations  
5. Staff and leaders lack cross-cultural communication and management skills because of little international experience, which limits their ability to manage international partners. |
| Opportunities | 1. Mergers and acquisition can offer MICTDC the opportunity to expand, which has recently become a possibility under the open market policy.  
2. MICTDC’s land acquisition in Yangon City has been appreciated a lot since it was established, which increases its asset value and its potential to raise cash.  
3. It can continue to provide applications and portals to government offices, since it is the only company currently developing local services or working in the local language.  
4. MICTDC is guaranteed a position on the Myanmar Stock Exchange on opening, which will allow it to raise funds from investors soon. Other companies will use 3-4 years to become qualified.  
5. Expanding ICT utilization and infrastructure could offer increased business. |
| Threats | 1. New entrants to the market may threaten MICTDC’s relationship with the Myanmar government or erode its market position for development of local apps.  
2. Foreign-educated ICT professionals from Myanmar may return to practice with the increased government openness, which could be a threat because they may have increased competitive advantages like technology and foreign investor support.  
3. MICTDC’s internal problems could cause the company to become increasingly non-competitive under free market policies, especially as new companies are established. |
A preliminary SOAR analysis (Strengths, Opportunities, Aspirations, Results) has been prepared for MICTDC, focusing on customer service opportunities. This analysis is not comprehensive because MICTDC does not currently collect key performance indicators (KPIs) or other metrics that could help provide the kind of verifiable results the SOAR framework requires (ASQ, 2014). Strengths and opportunities are listed in Table 1.1. The key strength is the government support, both financial support and the technical and policy-based support. This support will be critical when the firm eventually faces challenges from competitors in the industry, which is likely to happen sooner rather than later. The key opportunities include the potential for merger and acquisition with foreign firms, which could bring in advanced technology and knowledge transfer. This could significantly improve the firm’s development and enhance its position in the market, as well as help it deal with competitors. While the value of the firm’s existing government contracts and land are important, this is a less important aspect of its future development as an IT firm. Early entry to the Yangon stock market could be helpful in attracting investors, but it could also push the firm into premature business development activities.

Table 1.2 summarizes the Aspirations and Results. The firm’s aspirations include establishing a leading position in Myanmar’s IT industry and becoming the first point of call for IT firms looking for services and tools. These aspirations require using its government supports and existing competencies to establish a dominant market position. Regarding to the firm’s opportunities, it is also possible that the firm has the opportunity for a merger or acquisition by a foreign firm, which could offer knowledge and technology to help it achieve these goals. However, the firm does need to begin working toward these goals on its own to begin attracting foreign firm attention. In order to do so, its third aspiration, creating a reputation for customer service and creating customer delight, is the first step. This step will help the firm begin to acquire new core competencies in customer service, which will help it
achieve its other aspirations. The company has a serious gap in its current measurement of customer service efficacy that needs to be remedied, which is the purpose of the Results. Measuring customer service satisfaction and outcome, and measuring and monitoring the company’s reputation will help establish how well the firm is achieving its desired goals.

Table 1. 2 SOAR Analysis

| Aspirations | 1. Establishing a leading position in information technology research and development in Myanmar.  
2. Becoming the first point of call for IT firms requiring services and tools in Myanmar.  
3. Creating a reputation for fabulous customer service approaches and creating customer delight. |
| Results | 1. Measuring customer service satisfaction (customer satisfaction surveys)  
2. Measuring customer service outcomes (recommendation, return business, etc.)  
3. Measuring company reputation |

1.3 Assessment of SWOT and SOAR

The theoretical and empirical findings on service quality and customer satisfaction suggest that this could be a significant source of competitive advantage for MICTDC, which could help to improve its long-term sustainability as new entrants begin to enter the market. For example, it is known that service quality leads to customer satisfaction and perceived value, which leads to positive post-purchase behaviors (like repurchase and recommendation) as well as improved corporate image (Hu, et al., 2009; Kuo, et al., 2009; O'Neill, 2009; Tam, 2004; Zeithaml, et al., 2009). Furthermore, customer service quality is a flexible competency,
which can be used for a variety of purposes (including expanded operations in its current field, internal customer service, and so on) (Zeithaml, 2010). These studies make it clear that customer services should be a priority for MICTDC, especially since the firm’s competitive advantages will be eroded by new market entrants (Porter, 2008). By beginning to develop a service quality competency, MICTDC will be well placed for competitive advantages in the emerging economy.

1.4 Need for Action Research

Although service quality is measured in several dimensions, some of these dimensions are more important than others for customer satisfaction. Service performance is one cluster of dimensions that has a strong effect on customer satisfaction. Service performance relates to two dimensions on the RATER scale, as proposed by Zeithaml (2009, 2010), including Responsiveness and Tangibles. These dimensions are most closely related to the customer’s immediate experience of service, including their physical and visual impression of the service and their interaction with the customer service person (Zeithaml, 2009). Studies do show that service performance is a significant factor of customer satisfaction and resulting customer loyalty in a variety of service situations (Homburg, Koschate, & Hoyer, 2005; Liao, 2007; Wu & Liang, 2009). In effect, the service performance aspects determine how the customer actually experiences the service and whether they are satisfied with what they see, what they receive, and how they interact with staff members (Zeithaml, 2009). Effective service performance can help in difficult situations, for example in rectifying previous service failures (Liao, 2007). It can also help to differentiate the service from other similar services, justifying a higher cost for premium services (Wu & Liang, 2009).

There are currently no existing studies on service quality and its relationship to customer satisfaction in Myanmar, and few (if any) studies that examine related areas of
interest. However, given Myanmar’s lack of consumer market development (largely owing to the nationalization programs of the 1960s and subsequent poor development and economic isolation), it is possible that standard models of consumer choice and service quality may not directly apply. This means that predictions about MICTDC’s service quality practices cannot be made on the basis of knowledge about Myanmar. However, there are models from other countries that have been successfully applied internationally. For example, SERVQUAL model has been applied successfully in a wide range of cultural contexts (Seth, et al., 2006; Zeithaml, et al., 2009). This offers a theoretical framework for understanding the relationship between service quality and customer satisfaction for MICTDC. By applying existing frameworks, it is possible to understand what MICTDC’s current service quality situation is and how it can be improved in order to gain competitive advantage.

Finally, there is a question of how organizational development (OD) may impact service performance and service quality. OD is a management strategy designed to help enact change in an organization’s culture (Cheung-Judge & Holbeche, 2015). OD is a systematic process for identifying issues in the organization and enacting changes that can help to improve the organization’s performance in one or more desired areas, such as productivity, efficiency, culture, or other norms (Cheung-Judge & Holbeche, 2015). OD is enacted through a variety of tools that help practitioners to identify specific goals.

The organizational development intervention (ODI) is a tool of OD that is used to enact the change by introducing and reinforcing the designed changed practices or attitudes (Cheung-Judge & Holbeche, 2015). The ODI is customized in order to meet the specific issues and needs of the organization, and thus can encompass a wide range of processes and techniques. Most of the studies relating to service performance, service quality and customer satisfaction are mainly concerned with measuring, rather than influencing, these relationships (Agus, et al., 2007; Bell, et al., 2005; Chow, et al., 2007; Prentice, 2013; Wall & Berry, 2007;
and others). ODI offers the opportunity to actually intervene in service performance to improve service quality and customer satisfaction, which is an approach that has only been used occasionally (Anderson, 2011; Cummings & Worley, 2014). There are a number of tools within the ODI framework that could be used to improve service quality, such as improvisation training, role-playing, workshops, and information sessions (Cummings & Worley, 2014). However, there are few, if any, studies using this technique. Thus, the third problem of this research is how service performance, service quality, and customer satisfaction can be improved using ODI.

The action research approach was selected for this research because it is expected that there would be gaps in the service quality of MICTDC, but it is not yet known whether the relationship between service quality and customer satisfaction is the same in Myanmar as it is elsewhere. Examining the similarities and differences and understanding the reasons for these differences yields interesting information that can be used to better understand the importance of service quality, as well as being of direct importance to MICTDC itself. The action research approach causes a change in the conditions and re-measurement of outcomes (Stringer, 2007). This helps to determine whether the expected relationship is in place. While action research is rarely used in service quality surveys, it is the foundation of OD and the associated organizational processes (Coghlan & Brannick, 2014). Action research is essential in this case to determine whether service quality will make a difference in MICTDC. It is also helpful because of the lack of clear information about customer service practices and expectations in Myanmar, as well as a lack of a service quality policy and organizational measurement approach to MICTDC. It would not be enough to merely measure service quality of MICTDC at this stage, since there is no organizational policy toward it and thus it is likely to be highly inconsistent. Instead, organizational change should be a focus of the research. This fills a number of gaps in the existing research. These gaps
include the relationship between service quality and customer satisfaction in Myanmar and the lack of information about the use of action research to improve service quality.

1.5 Research Problem

The research problem is how MICTDC can enhance service quality and customer satisfaction.

The aim of this research is to examine how MICTDC can develop an organizational competency in service quality in order to prepare itself for increasing customer demands and international competition during the transitional period in Myanmar’s economy.

1.6 Research Objectives

Based on the aim of the research, the following objectives are developed:

1. To evaluate the current service performance level of marketing and operation departments;
2. To evaluate the current level of customer satisfaction;
3. To investigate the service quality dimensions in terms of Responsiveness, Empathy, Tangibles, Assurance and Reliability;
4. To design and implement an appropriate ODI to impact the service quality gaps of (1) service performance and (2) customer satisfaction;
5. To measure the level of service quality, service performance and customer satisfaction after ODI; and
6. To determine differences in service quality, service performance and customer satisfaction between the pre-ODI and post-ODI periods.

1.7 Research Questions

To achieve the objectives above the researcher seeks to answer the following questions as follows:

1. What is the current level of customer satisfaction with service quality at MICTDC?
2. What is the current level of service performance at MICTDC?
3. What are the existing service quality gaps at MICTDC?
4. How could these service quality gaps be improved?
5. Did the ODI positively influence service performance and customer satisfaction at MICTDC?

1.8 Research Hypotheses

There are five hypotheses in this research which are:

- **H1**: There is a significant difference in the level of service performance before and after implementing ODI.
- **H2**: There is a significant difference in the level of customer satisfaction before and after implementing ODI.
- **H3**: There is a correlation between service performance and service quality.
- **H4**: There is a correlation between service performance and customer satisfaction.
- **H5**: There is a correlation between service quality and customer satisfaction.

1.9 Significance of Study

This study holds significance for three groups, including MICTDC, the government of Myanmar, and the academic body of knowledge.

As with other action research studies, this research will most directly benefit the organization it takes place in. As explained above, MICTDC currently enjoys a leadership position in Myanmar’s ICT market, but this lead could be rapidly eroded when foreign companies and domestic companies led by foreign-trained ICT professionals begin to open. Thus, the company needs to start developing a market leadership position and market orientation in order to survive. By assessing the company’s current customer service practices
and satisfaction and implementing an intervention to improve them, this study could help MICTDC to start developing their customer service skills. In the long run, this could lead to increased customer loyalty and help the firm maintain its market position in the face of increased competition. MICTDC’s partners in its business park could also benefit from the research, because the outcomes help them develop their own customer service plans.

This research is also of great significance to government policymakers in Myanmar. Myanmar has only recently opened to international business competition and its ICT sector is underdeveloped (despite MICTDC’s position). Thus, the government should have an interest in research that explores the current state of customer service provision. This research could also provide information for the government to help other firms develop customer service intervention programs to improve customer service. This helps with business development and incubation practices.

Finally, this research has of real significance to the academic literature and to global businesses entering Myanmar’s market. The research illuminates current customer service practices as well as Myanmar customer expectations of businesses. This is an area that is not at all examined in the existing academic literature, which has very little (if any) information available about business practices and customer relationships in Myanmar. There still need to be much more research in this area, but this study begins to develop a body of literature about business practices and customer relationships in Myanmar.

1.10 Scope and Limitations

This research was a case study. The case focuses on MICTDC. There are six main departments in the company which are; Project, Financial, Marketing, Administration, CE and Operations (Figure 1). The organization’s structure is a typical hierarchical one, with individual units directed at different production and support activities. The Board, Managing Director, COO and General Manager have a broad strategic responsibility for the firm’s
activities. This study focuses on Marketing Department (led by the Marketing Manager) and Operations Department (led by the Operations Manager). These departments are most directly involved in customer service and focus on service offering and provision, as well as working closely together to develop and market IT services. They generate 40% of the total revenue of MICTDC.

Figure 1.1: Marketing and Operations Departments (MICTDC, 2016)

This research examines the relationship between service quality and customer satisfaction in the firm’s customer base. The case study takes an action research approach. Action research is a real-world approach, in which an intervention is implemented in a working situation (in this case, customer service provision) and the results are measured (Stringer, 2007). This approach is intended to provide both pragmatic and research benefits. The intervention is designed with reference to the organization’s existing training procedures as well as best practices for service quality training (referring to frameworks such as SERVQUAL for guidance).

The research takes the form of mixed methods (quantitative and qualitative). The main target respondents for the study include MICTDC employees (the intervention target...
and the group that implemented the intervention tools designed for the study) and MICTDC customers (whose customer satisfaction is measured in pre and post intervention). Data have been collected from the customer group using a questionnaire (survey) approach, repeated two times. Also, interviews have been conducted with customers to find their levels of satisfaction and observations have been conducted with employees to see changing behavior toward service quality.

The research has a timeframe of one year (2015) for implementation of the intervention and analysis of the results. The use of a case study also limits the findings, since the results are only directly applied to a single organization. Although it may have implications for other firms in Myanmar, it only truly describes the relationships at MICTDC. Additional limitations are expected to emerge during the process of research, but without substantial information about Myanmar's business and customer service practices, it is difficult to predict these limitations. A further critique of the limitations is conducted as part of the research.

1.11 Definition of Terms

**Assurance** refers to knowledge, skills, courtesy, and confidence of employees (Zeithaml, 2009).

**Customer satisfaction** refers to the gap between customer expectations and what they received (Tam, 2004). A smaller gap results in higher customer satisfaction. The gap between customer expectations and perceptions is managed by ensuring high levels of service quality (Parasuraman, et al., 1988; Zeithaml, et al., 2009).

**Empathy** refers to caring attention paid to customers (Zeithaml, 2009). This includes the employee's ability to understand the customer's point of view and their willingness to resolve problems.
Reliability refers to dependability consistency of service delivery (Zeithaml, 2009). This includes the ability to receive the same service every time.

Service quality refers to the perception of the customer about whether or not the service provided met their expectations (O'Neill, 2009). Service quality is the basis for customer satisfaction (Zeithaml, et al., 2009). Customers with a smaller gap between their expected and received service quality experience higher customer satisfaction (Tam, 2004).

Service quality performance refers to the ability of company to provide service quality to meet customer expectations (O'Neill, 2009).

Service performance refers to a cluster of other dimensions, including Tangible and Responsiveness, that reflect the customer’s immediate experience and first impression of how the customer service is performed (Zeithaml, 2009). The combination of these two dimensions has the strongest impact on how the individual perceives the customer service and their satisfaction with the customer service. In other words, service performance is the cluster of service quality dimensions most critical to the immediate formation of customer satisfaction (Zeithaml, 2009).

Tangible refers to the physical aspects of the service, such as service outcomes, facilities, equipment, and physical appearance of the service site and service providers (Zeithaml, 2009). The Tangible dimension relates to what the customer sees, hears, and physical objects he or she receives during the process of service, as well as aspects such as customer safety.

Responsiveness refers to willingness and ability to help customers promptly and accurately (Zeithaml, 2009). It also reflects the employee’s willingness to help customers resolve problems and proactive behaviors such as making suggestions for additional services or adapting or changing existing services to better meet customer needs.
Chapter 2

Literature Review, Theoretical, Conceptual and Action Research Framework

One of the most important aspects of the research process is establishing the existing state of knowledge and theories about the research topic. This task is performed through the literature review. This helps the researcher to understand what kinds of relationships may be seen and how these relationships can be quantified (Jesson, Matheson, & Lacey, 2011). It also helps to make sure that the researcher is not repeating research or conducting research that is contrary to what is known about the situation (Jesson, et al., 2011). For this research, a traditional literature review technique was used. Key areas of interest were identified and the literature was searched for seminal papers, theoretical expansions, and empirical discussions of the research topic. The main sources include peer-reviewed academic journals and academic books. Topics include Definition of OD and ODI, service quality, SERVQUAL model, service quality gaps, service quality and customer satisfaction, and ODI approach.

2.1 Definitions of Organization, OD and ODI

The basis of this research is the organization. An organization can be considered as a human social system with generally shared goals, processes, and activities (Daft, 2010). A formal definition of the organization is that it is “(1) social entities that (2) are goal directed, (3) are designed as deliberately structured and coordinated activity systems, and (4) are linked to the external environment” (Daft, 2010, p. 11). The organization is defined in terms of its members and relationships, rather than its boundaries, processes, or rules. It may be formal (such as a firm) or informal (such as a social club) (Daft, 2010). Organizations develop their own cultures, including artifacts, beliefs and values, and underlying
assumptions, which influence how their members act and what kind of goals is accomplished (Schein, 2004).

Organizational development (OD) can be defined as the strategy and change process in organization culture which the aims of increasing organizational performance and effectiveness (Anderson, 2011). The process of OD is oriented toward enacting a change in organizational culture, and encompasses one or more changes (Anderson, 2011).

ODI is one of the tools of OD. ODI can be described as “the process of increasing organizational effectiveness and facilitating personal and organizational change through the use of interventions driven by social and behavioral science knowledge” (Anderson, 2011, p. 3). This definition emphasizes a number of characteristics of organizational development. First, it is an organization-wide process, rather than a technique that emphasizes individual learning. This means that ODI is often a complex process that is conducted at multiple levels (Anderson, 2011). Organizational development is also evidence based on the most recent research. This is an important distinction from other types of organizational training and developmental programs, which are focused on a single training event or process change. There are also other elements of organizational development that are important (Cummings & Worley, 2014). For example, organizational development is a planned process that is designed to make desirable changes within the organization (such as increasing the organization’s strategic capabilities or resources). The organization development intervention (ODI) is a specific, limited-time engagement with a specific organizational development purpose (Cummings & Worley, 2014). For example, this purpose could be improving a specific skill or capability on an organization-wide level, emphasizing a change in organizational culture, or making changes in organizational practice (Anderson, 2011). Typically, the ODI is designed based on research into organizational learning and individual learning in order to make sure the organization can effectively make the desired change. The
general approaches to ODI as well as ODI tools for improving service quality are discussed below.

2.1.1 Approaches to ODI

ODI may be conducted at various learning levels, including individual, team, and organization or multi-organization levels (Anderson, 2011). Typically, ODI become more specific as the level of learning is more particular to the individual; that is, specific skills may be taught at the individual level, while other changes (such as attitudinal changes) may be reinforced at the team or organizational culture level (Cummings & Worley, 2014). Authors routinely identify the use of outside specialists and consultants as an essential part of the ODI (Anderson, 2011; Cummings & Worley, 2014). While this may be the case, it is not necessarily required if the HR department or management team have sufficient knowledge and skill at the ODI process and knowledge of what is required (Anderson D. L., 2011). Thus, this should be considered as one possible part of the ODI, but it is not necessarily required.

Some types of large-scale interventions include mergers and acquisitions, long-term strategic planning changes, quality management interventions like Six Sigma or Total Quality Management (TQM), and organizational culture changes (Anderson, 2011). There are many different reasons for undertaking large-scale interventions. Some of these changes are undertaken as a deliberate effort to change the culture of an organization, while others come about as a result in the organization’s strategic alignment or goals (such as merger and acquisition). These changes require the organization to make substantial changes not just in its orientation, but also in its practices. In most cases ODI are a much smaller scale, and are directed toward changes in the organizational structure, team operations, short-term goals, and procedures (Anderson, 2011; Cummings & Worley, 2014). These interventions may be specific (for example, when observing a team with difficulties) or general (for example,
teaching new skills). Table 2.1 summarizes some specific ODI types and their uses, most of which are helpful in the smaller organization.

**Table 2.1: Summary of Some of the Most Common Types of OD Interventions**

*(Anderson, 2011; Cummings & Worley, 2014; Head & Sorenson, 2006)*

<table>
<thead>
<tr>
<th>Process Type</th>
<th>Intervention Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group orientation</td>
<td>T-groups</td>
<td>Unstructured team development activities</td>
</tr>
<tr>
<td>Process consultation</td>
<td>Consultant-led activities directed toward leadership training and organization</td>
<td></td>
</tr>
<tr>
<td>Third party</td>
<td>Consultant-led conflict management and conflict resolution</td>
<td></td>
</tr>
<tr>
<td>Team building</td>
<td>Structured team development and construction activities</td>
<td></td>
</tr>
<tr>
<td>Inter-group</td>
<td>Inter-team structured activities (including conflict management and relationship building)</td>
<td></td>
</tr>
<tr>
<td>Technostructural</td>
<td>Organizational design</td>
<td>Consultant-led redesign of the organizational structure and culture</td>
</tr>
<tr>
<td>Parallel structures</td>
<td>Redesign of organizational structure to allow for multiple needs (for example, internal entrepreneur units)</td>
<td></td>
</tr>
<tr>
<td>Total quality management, Six Sigma, lean</td>
<td>Implementation of formal quality management systems and structures as well as organizational approaches to controlling waste and earnings</td>
<td></td>
</tr>
<tr>
<td>Job design</td>
<td>Restructuring of individual jobs in order to increase motivational pressures and improve organizational contributions</td>
<td></td>
</tr>
<tr>
<td>Sociotechnical</td>
<td>Consultant-led interventions oriented toward mutual contributions of human and technical systems within the workplace</td>
<td></td>
</tr>
<tr>
<td>Total organization</td>
<td>Management by objectives</td>
<td>Establishment of a management system that emphasizes metrication and performance and establishing goals for performance</td>
</tr>
<tr>
<td>Visioning</td>
<td>Exploring and selecting visions for the organization’s future as well as paths to approach this future</td>
<td></td>
</tr>
<tr>
<td>-------------------------------</td>
<td>--------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Survey feedback</td>
<td>Surveying employees, customers and others and implementing survey feedback into change systems</td>
<td></td>
</tr>
<tr>
<td>Large group</td>
<td>Stakeholder-oriented examination of organizational challenges and issues and identification of appropriate futures</td>
<td></td>
</tr>
<tr>
<td>Search conference</td>
<td>Large-group intervention focusing on bringing stakeholders into the visioning process</td>
<td></td>
</tr>
<tr>
<td>Organizational culture change</td>
<td>Modification of the organizational culture of the firm</td>
<td></td>
</tr>
<tr>
<td>Multi-organization</td>
<td>Merger and acquisition Purchase of one firm by another and combination of the firm’s resources and cultures, as well as processes and markets</td>
<td></td>
</tr>
</tbody>
</table>

The processes listed in Table 2.1 are not the only type of ODI in use, and more are being developed every day (Anderson, 2011). However, it is difficult to identify all types of ODI comprehensively because of their number. Table 2.1 shows that there are different kinds or groups of interventions that could be used at various levels in the organization, making it important to choose the right approach to the desired organizational change. These different types of interventions take place at different levels and involve different types of changes, as well as being designed to tackle different types of challenges. The technostructural processes, including organizational design, parallel structures, total quality management, job design, and sociotechnical interventions, are most consistent with the current research’s goal. These processes are the processes that focus on the organization as a whole, and are intended to the change key aspects of the organization’s functions and operations. As for this organization, a combination of total organization intervention (an organizational culture intervention) and team-based interventions (directed at customer-facing teams) are considered the most appropriate to manage the issues faced by the company. While technostructural interventions
such as job design may also have been appropriate, this would require significant buy-in from MICTDC’s top management, which was not forthcoming.

2.2 Service Quality

Service quality can generally be defined as meeting or exceeding customer expectations based on a number of different dimensions (O’Neal, 2009; Zeithaml, 2010). This is not a specific measurement, but is instead dependent on the characteristics of the service and the expectations of the customer. As a result, service quality is somewhat subjective, but it can also be measured based on established measurements. Some of the dimensions that customers may consider when assessing service quality include tangibles, competence, reliability, empathy, courtesy, credibility, assurance, and responsiveness (Zeithaml, 2010). Service quality perceptions are related both to the process of service provision and the outcomes of the service (Dabholkar & Overby, 2005). For example, a restaurant patron may judge service quality both by the politeness and skill of the waiting staff (the service process) and the taste and presentation of the meal (service outcomes). The importance of these dimensions varies depending on the nature of the service (Dabholkar & Overby, 2005).

Service quality is important for service-oriented businesses because it is one of the sources of competitive advantage. Competitive advantage can be defined as resources or competencies that a firm possesses that can be used to generate increased market shares or prominence over other firms in the market (Porter, 2008). Service quality provides competitive advantage because it increases customer satisfaction with the mix of services provided by the firm, as well as increasing perceived value (Tam, 2004). Customer satisfaction can be defined as the gap between customer expectations and what they received (Tam, 2004). If this gap is small or non-existent, then there is a high level of customer satisfaction, while if it is large there will be a low level of customer satisfaction (Tam, 2004). Perceived value refers to the customer’s perception of what they received compared to what
they paid (Tam, 2004). If customers believe they received a lot compared to what they paid, then there will be strong customer satisfaction, while if they believe they did not receive as much then customer satisfaction will be lower. Service quality helps to differentiate the firm from its competitors because customers have higher expectations for the service process and the service outcomes (Zeithaml, 2010). This increases the customer’s perceptions of value as well (Zeithaml, 2010). Thus, service quality is highly valuable especially for a company that is operating in a competitive market. In order to understand service quality as it is measured in the organization, SERVQUAL model has been selected as the basis for comparison. SERVQUAL model is a generally effective model of service quality in the service factory environment (Zeithaml, et al., 2009). Thus, it is particularly useful for this research.

2.3 SERVQUAL Model

There are a number of different models of service quality, which place different levels of emphasis on technical quality, customer expectations and perception, and other factors (Seth, Deshmukh, & Vrat, 2006). However, most of these models emphasize the relationship between customer expectations (including expected utility, aesthetics, and other factors) and service process and outcomes (Seth, et al., 2006). SERVQUAL model is one of the earliest and best integrated of these models.

Service quality can be measured using a variety of types of instruments, as well (Seth, et al., 2006). One of the most common measurement instruments is SERVQUAL model, which uses a set sequence of items to measure perceived quality in five dimensions (Reliability, Assurance, Tangibles, Empathy, and Responsiveness) (Zeithaml et al., 2009). This model, which has been in development and use since the 1980s, is particularly helpful because it has been applied to a number of different service situations and can be used to specifically target customer service needs (Zeithaml, et al., 2009). In addition to being a generalized model of service quality, SERVQUAL also has a standardized instrument that
can be adapted for the service context (Parasuraman, et al., 1988). The standard instrument includes 22 items that relate to the five dimensions. The items are scored in two sections, including Performance and Expectation, and measurement is performed using a seven-point Likert scale (Parasuraman, et al., 1988).

Table 2.2 summarizes the dimensions of SERVQUAL model and instrument and their characteristics, including what customers are looking for in this area.

Table 2. 2 Dimensions of SERVQUAL Model (Parasuraman, et al., 1988; Zeithaml, et al., 2009; Zeithaml, 2010)

<table>
<thead>
<tr>
<th>SERVQUAL Dimension</th>
<th>Description</th>
<th>Sample Items</th>
</tr>
</thead>
</table>
| Reliability         | How accurately and reliably the firm performs the service it offers. | • [Company] keeps its records accurately.  
• [Company] keeps its records accurately. |
| Assurance           | The ability of the customer-facing employees to inspire confidence and trust in their capabilities. | • You can trust employees of [Company].  
• You feel safe in your transactions with [Company’s] employees.  |
| Tangibles           | The tangible aspects of the service, including the physical surroundings (such as décor and cleanliness) and any physical outcomes (such as a completed project). | • Employees at [company] are well-dressed and appear neat.  
• [Company] has up-to-date equipment. |
| Empathy             | The warmth and care offered to the customer by employees and by processes. | • Employees of [Company] give you personal attention.  
• Employees of [company] know what your needs are. |
Responsiveness

<table>
<thead>
<tr>
<th>The ability of employees to respond to customer needs and address issues.</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Employees of [company] tell the customer what service will be performed.</td>
</tr>
<tr>
<td>• Employees of [company] are always willing to help customers.</td>
</tr>
</tbody>
</table>

The five dimensions above are encapsulated in standard items that can be modified in order to account for the specific service situation (Zeithaml, 2010). This makes the SERVQUAL model and instrument highly flexible for a number of situations. It should be noted that the five items currently in the scale were reduced from ten dimensions proposed for the original model (Parasuraman et al., 1988). The original dimensions included courtesy, credibility, security, access, communication, knowing the customer, tangibles, reliability, and responsiveness (Parasuraman, et al., 1988). The initial scale included 97 items, which the authors assessed using a factor analysis approach and several rounds of item deletion. The outcome of this process showed that five of the original dimensions proposed (communication, credibility, courtesy, competency, and security) collapsed into two dimensions. This left five dimensions, including tangibles, reliability, responsiveness, and two clusters (one including communication, credibility, security, competence, and courtesy and the other including understanding/knowing customers and access). The second round of item removal and factor analysis resulted in a five-factor model, with a collapse of the final two dimensions into assurance (cluster 1) and empathy (cluster 2) (Parasuraman, et al., 1988). This stage also resulted in the final form of the 22-item scale.

The SERVQUAL instrument measures customer perceptions in two stages. The first stage measures the customer expectations (E items), while the second stage measures the firm’s actual performance (P items) (Parasuraman, et al., 1988). By comparing the outcomes on these two scales, the SERVQUAL instrument serves as a diagnostic test as well as a measure of current service quality. Specifically, it enables the identification of gaps, or areas
where the service performance does not meet customer expectations (Parasuraman, et al., 1988; Zeithaml, et al., 2009; Zeithaml, 2010). Service quality gaps are an important concept for this research, and are discussed in detail below.

There have been a number of studies that have assessed SERVQUAL’s reliability in different areas. Parasuraman, et al. (1988) found the model had high construct validity and internal consistency in their initial analysis. However, they did find that this varied depending on the service application, as well. A large-scale meta-analysis of SERVQUAL and a derivative model, SERVPERF, found that SERVQUAL did need more adaptation to the service context than SERVPERF (Carrillat, Jaramillo, & Mulki, 2007). This research surveyed 177 different studies that used one of these models, examining different industries and cultural contexts. This study found that the strength of the relationship between the SERVQUAL measures and overall service quality (OSQ) \((r = 0.58)\) could be classified as strong, though it was slightly weaker than the relationship with SERVPERF \((r = 0.64)\). However, the authors found that the difference between these two relationships was not statistically significant. They also found that the predictive validity of the SERVQUAL model increased significantly when the instrument was modified to the research situation. They also found that less individualist countries had stronger effect sizes (Carrillat, et al., 2007). Thus, the SERVQUAL model is appropriate for this study because it has been generally shown to be reliable in a similar research situation.

Although the SERVQUAL model identifies standard dimensions, this does not necessarily mean that all dimensions will be as important in all service situations (Zeithaml, 2010). The service process matrix (shown in Figure 2.1) explains why there may be differences in the importance of various dimensions. The service process matrix was proposed by Schmenner (1995) as a way of understanding differences in the nature of services. This model classifies services by the degree of interaction with service personnel.
and customization of products and degree of labor intensity (Schmenner, 1995). The different types of service that result from this determine the characteristics and customer demands of the service. The ICT park and conference services provided by MICTDC are the most similar to a mass service, where there is relatively low labor intensity but high personal interaction and customization (Schmenner, 1995). However, those who only contact infrastructure services from MICTDC may have expectations more consistent with a service factory (low interaction and customization and low labor intensity) (Schmenner, 1995). This is relevant because the SERVQUAL model is not equally effective in all service process situations (Carrillat, et al., 2007). Professional services and service shops typically have stronger relationships between SERVQUAL and OSQ, according to Carrillat, et al. (2007). This is consistent with the importance of personal interaction and customization in these services compared to others. Thus, there may be a split in the importance of SERVQUAL for different customers of MICTDC, though this does not negate the choice of instrument for this study.

Figure 2.1: Service Process Matrix (Adapted from Schmenner, 1995, p. 11)
The SERVQUAL instrument can identify specific issues with the service process, as discussed above. These service process issues have been generalized into service quality gaps, or ways in which service quality can fail (Zeithaml, et al., 2009). These service quality gaps also offer the organization the chance to improve service quality and customer satisfaction.

2.4 Service Quality Gaps (SQGs)

The SERVQUAL model is based on the difference between customer expectations for service quality and the actual performance of the company (Parasuraman, et al., 1988; Zeithaml, et al., 2009; Zeithaml, 2010). When there are negative differences between the expected and actual performance, this can be referred to as a service quality gap (as shown in Figure 2.2). These gaps are important because they influence the perceived quality and performance of the firm.

The SERVQUAL model identifies five potential service quality gaps and their causes, which are summarized in Table 2.3. For example, a basic gap occurs in the listening gap, which is between customer expectations and management perceptions of what customers want or need (Zeithaml, 2010). These service quality gaps represent differences in where the service expectations are and where they should be, based on differences in understanding between different players in the service experience. The SERVQUAL model and instrument is potentially useful as an interaction instrument because of these identified gaps, which are diagnostic for customer service processes and can help improve the performance of the firm, rather than simply measure the outcomes of their existing processes. There are also other gaps identified by researchers. For example, one group of authors identifies a total of 14 potential gaps that can occur in various service situations (Candido & Morris, 2000). This expanded model is highly complex and likely to be difficult to test in its entirety, but it does provide a more comprehensive understanding of where gaps in service quality may occur.
Thus, it may be more helpful from a management perspective as a way to diagnose problems, rather than as a means of assessing them from an outsider viewpoint. For example, the final gap in this model is the gap between service expectations and service perceptions, which is where the SERVQUAL model begins and which can be considered to be the basic gap (Zeithaml, 2010). Thus, the extended gap model is both complicated and inconsistent with a customer-focused service analysis.

Figure 2.2: Service Quality Gap

Table 2.3 summarizes definitions of various service gaps that can be derived within the SERVQUAL model (Bitner, et al., 2010; Parasuraman, et al., 1988; Zeithaml, et al., 2009; Zeithaml, 2010). The first gap is the listening gap, or the situation where customers expect something different from what management is offering them. This can result from problems like poor market research, misidentification of the target market, inadequate customer orientation, or failure to take into account customer feedback (Zeithaml, et al., 2009). The second gap is the design and standards gap, where the service quality standards held by customers are inconsistent with what the managers expect (Bitner, et al., 2010). This can result from poor design of the process itself, lack of strategic direction, or poor planning. It can also follow from the listening gap. The third gap is the service performance gap (Zeithaml, et al., 2009). This gap results when processes are not meeting established service
quality levels. It may stem from poor HR practices like inadequate hiring and training procedures or poor monitoring and control of service processes (Bitner, et al., 2010). The fourth gap is the communication gap, which is where the marketing of a given service describes something different from what is actually offered (Zeithaml, et al., 2009). This gap is particularly problematic because it establishes customer expectations that cannot be met. It may result from poor design advertising or simply over-promising for the service. Finally, the fifth gap is the experience gap, which is where customers expect something different from what they receive (Zeithaml, et al., 2009). This may result from poor communication or inadequate expectations management. As these descriptions show, these service gaps do overlap; for example, both the fourth and fifth gaps can result from poor or inaccurate communication to the consumer (Zeithaml, 2010).

Table 2.3: Summary of Five Service Quality Gaps and Their Causes (Bitner, et al., 2010; Parasuraman, et al., 1988; Zeithaml, et al., 2009)

<table>
<thead>
<tr>
<th>Service Quality Gap</th>
<th>Description</th>
<th>Causes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Listening gap)</td>
<td>Consumer expectations are different from management perceptions.</td>
<td>• Inadequate customer orientation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Inadequate market research</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Misinterpretation of market research</td>
</tr>
<tr>
<td>2 (Design and standards gap)</td>
<td>Service quality standards do not reflect management expectations of performance.</td>
<td>• Lack of planning procedures</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Lack of strategic direction</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Poor design processes</td>
</tr>
<tr>
<td>3 (Service performance gap)</td>
<td>Service performance does not meet service quality standards.</td>
<td>• Poor HR policies (such as inadequate hiring standards)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Poor training for customer service quality</td>
</tr>
</tbody>
</table>
4 (Communication gap) | External communications (such as marketing) create expectations that are not met by the services delivered. |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------|
|                       | • Poorly designed advertising  
|                       | • Over-promising or setting unrealistic customer expectations  

5 (Experience gap) | The service received is different from the one expected.  
|-------------------|---------------------------------------------------------------------------------------------------|
|                    | • Inadequate expectation management  
|                    | • Poor communication between provider and customer  

This research focuses on three gaps, which address customer perceptions that are not being met. From a consumer perspective, the most important of the five service quality gaps include Gap 1 (which means that customer expectations will not be met by the service offered), Gap 4 (which means customers will perceive they have been promised something that will not be delivered), and Gap 5 (which means there is a difference in understanding between the customer and service provider about intent) (Zeithaml, 2010). The other two original gaps in the model are related to internal processes and procedures, and may not be as directly visible to customers (Zeithaml, 2010). Thus, it may be difficult to assess these service gaps from the customer perspective. Since this research study focuses on the customer perspective, it may not be useful to address these gaps.

Service quality gaps are important because they identify problems with the customer experience that can negatively influence customer satisfaction. This includes business customers, as a study of customers in the shipping industries shows (Chen, Chang, & Lai, 2009). Since service quality gaps represent the difference between the customer’s expectation and the service they actually received, gaps reduce the perception of customer satisfaction. However, this study also shows that service gaps are contextual and cannot necessarily be generically described using the SERVQUAL model (Chen, et al., 2009). This may be because of the SERVQUAL model’s origins as a model for explaining individual customer service,
compared to different expectations of business customers (Chen, et al., 2009). The finding regarding the importance of context also emphasizes the need to modify the SERVQUAL model (potentially including the perceived gaps) in order to reflect the expected service outcomes, as demonstrated by Carrillat, et al. (2007). However, it is not necessary for firms to close all gaps in order to be effective. The norm-based zone of tolerance describes the level of service that customers consider to be sufficient, even though it does not meet all their expectations or requirements (Johnston, 1995; Parasuraman, Zeithaml, & Berry, 1994; Teas & DeCarlo, 2004; Zeithaml, Berry, & Parasuraman, 1993). However, as these authors show, there is still a need to meet most of the expectations of the customers in order to be effective.

The reason that service quality gaps are examined in this study is that they can have a serious impact on the firm’s competitiveness. Reduction of service quality gaps is one of the ways that firms can increase their competitive advantage, since they will then be perceived as having better customer service than their competitors (Ueno, 2010). Approaches to closing customer service gaps, such as improving recruiting and HR practices and training, also improve the firm’s efficiency and performance. Improvement in training, processes, and standards can also more improve firm performance on other metrics than customer quality and customer satisfaction (Ueno, 2010). However, as will be explained below, service quality is directly related to customer satisfaction. As a result, there is a need for firms to ensure service quality in order to retain customer satisfaction. What is not clear is that all dimensions of service quality contribute in the same way to customer satisfaction. The concept of service performance helps identify the aspects of customer service that are the most important.

2.5 Service Performance

Service performance mainly relates to two dimensions of the RATER framework, although the additional dimensions do also make a difference (Zeithaml, 2009). The first dimension of service performance is the Tangible dimension. The Tangible dimension is the
aspect of the service that the customer can see, hear, and touch in the service environment. For example, it includes the personal presentation of the service provider (such as their uniform and grooming); the cleanliness and décor of the physical service location; the condition of the service location and its equipment; and the presentation of any tangible elements of the service, such as branded items, invoices, and so on (Zeithaml, et al., 2009).

The second critical service performance dimension is Responsiveness. Responsiveness is related to the perceived actions of the service personnel. Specifically, it is related to their perceived willingness and ability to help customers promptly and effectively (Zeithaml, et al., 2009). Responsiveness can include responding to stated needs, and can also include proactive identification of potential needs. Service performance has been shown to be important in customer service in several situations. For example, this has included generating customer loyalty after a service failure and justifying a high price for the experience of a premium service (Liao, 2007; Wu & Liang, 2009). As with other aspects of service, consumers have expectations for service performance, and if these are not met, they can experience dissatisfaction (Oliver, 2010). Not all aspects of service performance are equally important, and some customers may overlook minor gaps if they are otherwise satisfied (Anderson, Pearo, & Widener, 2008).

Additional contributions of service performance do come from the final RATER dimensions, including Empathy, Assurance, and Reliability (Zeithaml, 2009). These dimensions relate to the customer’s perception of how the work is done, rather than specifically what is being done, which means their contribution is different from Responsiveness and Tangibles. For example, Empathy may play a role in a subjective assessment of how the service is performed. Similarly, Assurance may play a role by demonstrating commitment to a specific risk reduction aspect such as quality control. (For example, if service providers use a specific quality indicator such as ISO 9000, then this
could contribute to service performance (Zeithaml, 2009). Although the present study focuses on Tangibility and Responsiveness, the other dimensions do also need to be taken into account. There is evidence that service performance is the biggest contributor to service quality.

2.6 Service Performance and Service Quality Performance

Table 2.4 summarizes studies that address the relationship between service quality and service performance. These studies surveyed a number of different service quality and service performance situations. These situations included service quality in Malaysian public services (Agus, et al., 2007); Chinese restaurants (Chow, et al., 2007); Slovenian retail banking (Culiberg & Roisek, 2010); hospitals (Kazemi, et al., 2013); and UK financial services (Maddern, et al., 2007).

There are some clear similarities between the studies. The first similarity is that most of the studies, except for two (Maddern, et al., 2007; Prentice, 2013) were quantitative studies, with all except Wall and Berry (2007) being surveys rather than experiments. Another similarity of the studies is that many, though not all, used a conceptual framework of customer service derived from the work of Parasuraman, et al. (1988) and the following, including the RATER, SERVQUAL, and SERVPERF instruments (Agus, et al., 2007; Culiberg & Roisek, 2010; Kazemi, et al., 2013; Siddiqi, 2011). Other studies included some elements of the SERVQUAL or RATER models, but were modified for the service situation (Bell, et al., 2007; Lee & Lin, 2005; Maddern, et al., 2007; Prentice, 2013; Wall & Berry, 2007). Thus, a quantitative survey using RATER, SERVQUAL, or SERVPERF models or a variant is a common approach to studying service performance and service quality.
<table>
<thead>
<tr>
<th>Topic</th>
<th>Method Population</th>
<th>Findings and Implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service quality in Malaysian public service sector (Agus et al., 2007)</td>
<td>Quantitative survey using RATER Managers and customers of 86 branches of Malaysian public sector departments</td>
<td>Service quality dimensions were strongly related to customer satisfaction. Responsiveness was one of the most important factors.</td>
</tr>
<tr>
<td>Technical and functional service quality in banking industry (Bell et al., 2005)</td>
<td>Quantitative survey Customers of financial services (n = 517)</td>
<td>Responsiveness and expertise (Service performance dimensions) were related to customer loyalty.</td>
</tr>
<tr>
<td>Service quality in restaurants in China (Chow, et al., 2007)</td>
<td>Quantitative survey Customers of restaurants (n = 284)</td>
<td>Environmental attributes (interaction, physical, and outcome quality) used for service performance measures. They were significantly related to service quality perceptions.</td>
</tr>
<tr>
<td>Service quality and customer satisfaction in retail banking in Slovenia (Culiberg &amp; Roisek, 2010)</td>
<td>Quantitative survey based on SERVPERF Bank customers (n = 150)</td>
<td>Reliability and responsiveness and tangibles were all significant factors in customer satisfaction.</td>
</tr>
<tr>
<td>Service quality and satisfaction in hospitals (Kazemi et al., 2013)</td>
<td>Quantitative survey based on SERVQUAL Hospital patients (n = 190)</td>
<td>Tangibles and Responsiveness both contributed to service quality perceptions. Service quality perceptions contributed to customer satisfaction.</td>
</tr>
<tr>
<td>Service quality in online shopping (Lee &amp; Lin, 2005)</td>
<td>Quantitative survey Online shoppers (n = 297)</td>
<td>Responsiveness was one of the factors contributing to customer satisfaction, along with website Design, Reliability, and Trust.</td>
</tr>
<tr>
<td>Service quality in UK financial services (Maddern et al., 2007)</td>
<td>Case study Bank customers</td>
<td>Technical service quality (including Tangibles) played a role in perceived service quality and satisfaction.</td>
</tr>
<tr>
<td>Service quality in Asian casinos (Prentice, 2013)</td>
<td>Focus group interviews Casino visitors and gamblers</td>
<td>Tangibles were ranked as most important by several visitor groups. Responsiveness was typically second most important.</td>
</tr>
</tbody>
</table>
Service quality and customer satisfaction in Bangladesh (Siddiqi, 2011) | Quantitative survey based on SERVQUAL Bank customers (n = 100) | Tangibles and Responsiveness are both related to customer satisfaction, but tangibles had the smallest contribution.  
Study of employee behavior and physical environment in restaurants (Wall & Berry, 2007) | Experiment Customers (n = 191) | The study found that higher levels of Tangibles and Physical Environment and Better Employee Behavior set higher expectations for service quality.

The findings of these studies did vary, depending on the service situation and environment, but as with the methods there were also some shared outcomes. One common outcome was that Responsiveness or an equivalent construct was strongly related to customer satisfaction, either directly or indirectly through service quality perceptions (Agus, et al., 2007; Bell, et al., 2005; Culiberg & Roisek, 2010; Kazemi, et al., 2013; Lee & Lin, 2005; Prentice, 2013; Siddiqi, et al., 2011). In general, Responsiveness was one of the more important factors in service quality perceptions and satisfaction, even when there were other factors. Another common outcome was that Tangibles, including Physical Environment, had a significant impact on service quality perceptions and customer satisfaction (either directly or indirectly) (Chow, et al., 2007; Culiberg, et al., 2010; Kazemi, et al., 2013; Maddern, et al., 2007; Prentice, 2013; Siddiqi, et al., 2011; Wall & Berry, 2007). There were a number of other factors that were found to be significant in customer satisfaction, including Expertise (Bell, et al., 2005); Interaction Quality (Chow, et al., 2007); Reliability (Culiberg & Roisek, 2010; Lee & Lin, 2005); Website Design (Lee & Lin, 2005); and Employee Behavior (Wall & Berry, 2007). However, these variables tend to be more situational than Responsiveness and Tangibles, and are not as commonly shared between studies. These findings show that at least Responsiveness and Tangibles, and possibly other dimensions, will influence service quality perceptions and customer satisfaction. Understanding the relationship between service performance and customer satisfaction is the goal of the next section.
Following this review of the literature, the following hypotheses are proposed:

H3: There is a correlation between service performance and service quality.

H4: There is a correlation between service performance and customer satisfaction.

2.7 Service Quality and Customer Satisfaction

A final concern in the conceptual framework is the relationship between service quality and customer satisfaction. A number of studies that have already been discussed have identified a relationship between service quality and customer satisfaction, as well as post-purchase intentions and corporate image (Hu, Kandampully, & Juwaheer, 2009; Kuo, Wu, & Deng, 2009). These studies are indicative of the types of relationships that may be found, but it was also desirable to have a deeper understanding of this relationship. A number of other studies were reviewed to provide a more nuanced view of this relationship (Table 2.4). These studies are distributed across a range of industries, like telecoms (Akbar & Parvez, 2009); banking (Amin & Isa, 2008); and air travel (Chen, 2008). However, like the studies summarized in Table 2.5, most of the studies (except for Yang and Feng (2004)) used quantitative methods. Additionally, most of the studies also used a RATER, SERVQUAL, or SERVPERF framework for measuring service quality, except for Chen (2008), Eboli and Mazzula (2007), and Reinemann, et al., (2008) Thus, a quantitative, RATER-derived method is associated with this topic area.

Although there were few studies that applied to the specific industry of MICTDC, an attempt was made to select studies that were culturally consistent (though none had as yet been performed in Myanmar). These studies have shown that Reliability is a consistent dimension that is related to customer satisfaction, along with other dimensions (Akbar & Parvez, 2009; Amin & Isa, 2008; Eboli & Mazzula, 2007; Lee & Lin, Customer perceptions of e-service quality in online shopping, 2005). However, not all studies supported the importance of service quality for customer satisfaction (Kouthouris & Alexandris, 2005). The
diversity of these findings suggests it is important to test the relationship contextually, since the relationships do vary.

In general, these studies show a consistent relationship between service quality and customer satisfaction. However, not all studies supported it; for example, one study did not find such a relationship, which the authors suggested could be because the setting (outdoor sports tourism activities) was too far from the traditional retail setting in which SERVQUAL was developed (Kouthouris & Alexandris, 2005). Thus, while it is likely that this relationship will hold in the proposed study, it is not definite. Furthermore, several studies showed that only one or a few dimensions were related to customer satisfaction (Akbar & Parvez, 2009; Ravichandran, Mani, Kumar, & Prabhakaran, 2010). This could be the case in the proposed research. Another issue these studies point out is that the results may vary, depending on cultural dimensions and factors (Reimann, Lünenmann, & Chase, 2008; Siddiqi, 2011). This is difficult for the proposed study to manage because of the lack of formal specification of the Myanmar culture (owing to its isolation during periods of model development). However, this issue needs to be considered.

Extending the model into future actions (customer loyalty) produced more complex relationships. The extent to which the studies supported a relationship between service quality, customer satisfaction, and customer loyalty varied widely. For example, one study found that only Reliability affected customer satisfaction in the telecom industry (Akbar & Parvez, 2009), while another study found that only Responsiveness influenced customer satisfaction in retail banking (Ravichandran, et al., 2010). In contrast, in the Malaysian banking industry all the five dimensions of SERVQUAL, along with additional dimensions, affected customer satisfaction (Amin & Isa, 2008). This is similar to the findings of Olurunniwo and Hsu (2006), who found a strong impact of all five dimensions in retail banking. Kouthouris and Alexandris, who studied the sports tourism industry, did not find
any support for a relationship between service quality and customer satisfaction, though it did
find a strong link between customer satisfaction and future behavioral intentions (a proxy for
behavioral loyalty). The complexity and variety of these findings make it difficult to
determine which, if any, of the service quality dimensions in the RATER model will
influence customer satisfaction. Many of the studies also included contextual factors, such as
cultural dimensions in a cross-cultural study (Reinemann, et al., 2008), which further confuse
expected results. Thus, these studies do not clarify which, if any, service quality dimensions
influence customer satisfaction.

The literature allows the statement of the following hypothesis:

H5: There is a correlation between service quality and customer satisfaction.

Table 2.5 Summary of Studies Related to Service Quality and Customer Satisfaction

<table>
<thead>
<tr>
<th>Topic</th>
<th>Method and Population</th>
<th>Findings and Implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service quality, customer satisfaction and customer loyalty in telecom services (Akbar &amp; Parvez, 2009)</td>
<td>Bangladeshi customers of a private telecom company (n = 304) Quantitative methods (modified SERVQUAL scale as well as additional scales measuring trust, customer satisfaction, and customer loyalty; analysis conducted using confirmatory factor analysis and structural equation modeling)</td>
<td>The analysis showed that Reliability was the only RATER dimension associated with customer satisfaction in this context. The authors noted that cultural factors may have played a role in this, although it was difficult to tell because similar studies had not been conducted in Bangladesh previously.</td>
</tr>
<tr>
<td>Service quality and customer satisfaction in the Malaysian banking industry (Amin &amp; Isa, 2008)</td>
<td>Malaysian customers of four Islamic banks (n = 440) Quantitative methods (questionnaire with modified SERVQUAL model and structural equation modeling)</td>
<td>Service quality dimensions (including five standard dimensions and a specific dimension related to Islamic banking services) were a strong factor in customer satisfaction. The most important dimension was Reliability. However, customer satisfaction did not guarantee continued customer loyalty.</td>
</tr>
<tr>
<td>Service quality, satisfaction and behavioral intentions in air passengers (Chen, 2008)</td>
<td>The authors tested four dimensions of service quality specific to airlines, including Employees/Facilities, Product, Transaction and Reliability. These dimensions were similar to the SERVQUAL dimensions but not directly related. They found that the perceived performance did influence customer satisfaction, which in turn influenced future behavioral intentions. This study supports the general relationship between service quality and customer satisfaction, even though it does not use the specific SERQUAL model.</td>
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<tr>
<td>Air passengers from an airline in Taiwan (n = 245) Quantitative methods (self-constructed questionnaire identifying four context-specific factors and structural equation modeling)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service quality and customer satisfaction in public transportation services (Eboli &amp; Mazzula, 2007)</td>
<td>The authors found specific dimensions of service quality (including Service Planning and Reliability, Comfort and other factors, and network design) played a role in customer satisfaction and use of the bus network. This is a highly customized model of customer satisfaction and service quality that is specific to a certain industry, but it supports the general assertion that service quality is at least one of the significant factors contributing to customer satisfaction.</td>
<td></td>
</tr>
<tr>
<td>Students at the University of Calabria using public bus services to nearby towns (n = 763) Quantitative methods (self-designed service quality instrument including 16 specific attributes, analyzed using structural equation modeling)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service quality and customer satisfaction in the sports tourism industry (Kouthouris &amp; Alexandris, 2005)</td>
<td>The authors did not find support for the hypothesis that service quality influenced customer satisfaction or behavioral intentions. They did find that customer satisfaction influenced behavioral intentions with a much stronger effect (36% of variance compared to 2% of variance). This is one of the few studies that do not support the proposed relationship in the SERVQUAL model, which the authors suggested could be because of the setting, which was different from the traditional service setting.</td>
<td></td>
</tr>
<tr>
<td>Participants in an outdoor sporting program (n = 287) Quantitative measures (SERVQUAL model and regression analysis)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topic</td>
<td>Method and Population</td>
<td>Findings and Implications</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Service quality perceptions in online shopping (Lee &amp; Lin, 2005)</td>
<td>Online shopping consumers (n = 297) Quantitative methods (modified SERVQUAL questionnaire including Website Design, Trust, and Personalization Dimensions and Structural Equation Modeling)</td>
<td>The authors found that Reliability, Responsiveness, Trust, and Website Design were all positively related to service quality perceptions and customer satisfaction. However, Personalization was not related to either of these outcomes. Service quality had a strong effect on customer satisfaction, and both service quality and customer satisfaction affected repurchase intentions.</td>
</tr>
<tr>
<td>Service quality and satisfaction in a service factory (retail banking) (Olurunniwo &amp; Hsu, 2006)</td>
<td>Customers of retail banks (n = 337) Quantitative methods (modified SERVQUAL questionnaire and confirmatory factor analysis (CFA))</td>
<td>The authors found that the five RATER dimensions were strongly and positively related to the actual service quality, and that service quality had a positive relationship to customer satisfaction. They also found that customer satisfaction was a moderating variable between service quality and behavioral intentions.</td>
</tr>
<tr>
<td>Service quality and customer satisfaction in retail banks (Ravichandran, Mani et al., 2010)</td>
<td>Customers of retail banks in India (n = 300) Quantitative methods (SERVQUAL questionnaire and multiple regression)</td>
<td>The authors found that Responsiveness was the main dimension of service quality that was related to customer satisfaction. The other four dimensions (Reliability, Assurance, Tangibles and Empathy) were not significant in a multiple regression on customer satisfaction. The authors used a reduced SERVQUAL scale with a small proportion of the original items, which may have influenced the outcomes.</td>
</tr>
<tr>
<td>Studying the effects of cultural factors (uncertainty avoidance) on the relationship between service quality and customer satisfaction (Reinemann et al., 2008)</td>
<td>Business to business customers from Germany, Sweden and Spain (n = 303)</td>
<td>Participants from high UAV cultures showed a stronger relationship between service quality and customer satisfaction, especially when service quality expectations were not met (i.e. when service quality gaps persisted). The authors posited that low-UAV cultures have a larger zone of tolerance and are more likely to accept variance in service quality than those from high-UAV cultures. This study reinforces the basic relationship of the present study, while pointing out the importance of culture.</td>
</tr>
<tr>
<td>Service quality, customer</td>
<td>Retail bank customers from different banks in Bangladesh</td>
<td>The moderate positive correlations were found between customer satisfaction and</td>
</tr>
</tbody>
</table>
Service quality and customer satisfaction in online financial services brokerages (Yang & Fang, 2004) | Consumer reviews of financial services (n = 740) Qualitative methods (content analysis approach utilizing coding book based on extended SERVQUAL dimensions) | The authors found 16 distinct service quality dimensions that related to customer satisfaction. These dimensions included the 10 expanded dimensions of the SERVQUAL model, along with dimensions that were specific to the online environment and the industry. This study does not provide hypothetical proof because of the methodology selected, but it does support the relationship between service quality and customer satisfaction as well as the need to customize the service quality model used for the specific situation of the research.

| Service, and customer loyalty in the retail banking industry (Siddiqi, 2011) | (n = 100) Quantitative methods (SERVQUAL model and correlation) | all RATER dimensions as well as between RATER dimension and customer loyalty. This is one of the weaker studies because of its reliance on correlation, which only showed moderate results (r = 0.488 to r = 0.545) relationships. However, it does provide and support for the relationship between these two variables. |

The literature on service quality has identified specific dimensions of service performance and ways in which service quality can fail (service quality gaps). It has also identified the importance of service quality for customer satisfaction. This literature provides a justification for implementing service quality standards and practices at MICTDC. However, it does not explain how these should be implemented. The organizational development intervention (ODI) is an appropriate technique for implementation.

2.8 Organizational Development Intervention (ODI) for Enhancing Service Quality Performance

Improvement of service quality is an issue of both organizational process and organizational culture (Zeithaml, 2010). This means that there needs to be interventions for service quality at two levels. First, there needs to be an organizational culture intervention to introduce the idea of service quality and demonstrate its importance (Anderson, 2011). The
organizational culture intervention is an organization-wide reframing of core values, practices, and other elements of the organization’s culture in order to accommodate the new goal (Anderson, 2011). At this stage, the entire organization will be exposed to information about service quality and why it is important.

Second, there needs to be individual and team-level interventions to provide training for employees that will contribute to service quality (Cummings & Worley, 2014). Individual and team-level interventions are typically more targeted interventions that teach specific skills and encourage specific habits and attitudes (Anderson, 2011). In this case, there is a need to teach customer service skills and explain how customers assess service quality. This will help entrench the importance of service quality in organizational culture, particularly if supported by higher management communication and formal initiatives. This will need to be supported through organizational change at the upper levels, for example designing service quality policies and incentives in order to make sure employees are prepared for and have a reason to strive for service quality (Anderson, 2011). A small number of tools have been identified as being potentially helpful for MICTDC’s needs and their benefits and disadvantages have been identified. They are summarized in Table 2.6. The summaries show that there are several tools that could be used, such as improvisation training, role playing, training, workshops, and information sessions. Each of these tools acts at a different level and promotes a different combination of awareness, knowledge, skills, and practice in order to encourage the adoption of service quality standards.

Table 2.6 summarizes a number of ODI approaches that are the most appropriate for service quality interventions.
Table 2.6: Summary of ODI Approaches for Service Quality Intervention

<table>
<thead>
<tr>
<th>Approach</th>
<th>Description</th>
<th>Advantages and Disadvantages</th>
<th>Authors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvisation training</td>
<td>Training that emphasizes service quality values and teaches employees to move away from a service script</td>
<td>This approach can potentially increase service quality by enhancing the personal (empathy) component of the service. It also increases the confidence of the service staff and ability to adapt to situations, increasing service quality potential. However, it can also be difficult to implement and measure.</td>
<td>Daly, Grove, Dorsch and Fisk (2009)</td>
</tr>
<tr>
<td>Role playing</td>
<td>Practical training that recreates service situations (such as service failures) and allows participants to try out different types of responses.</td>
<td>Role playing allows participants to change attitudes and behaviors by demonstrating the reasons for implementation of a new behavior. It also allows them to practice and gain confidence. However, it does have some disadvantages, including difficulty in implementation and the amount of time required to implement it.</td>
<td>Cummings and Worley (2014), Kimani, Kagira, Kendi and Wawire (2012), Luk and Layton (2005)</td>
</tr>
<tr>
<td>Training and workshops</td>
<td>Small-scale training sessions conducted at the team or multi-team level that emphasize a specific element of the training process</td>
<td>Workshops allow for informal training and enforcement of specific ideas, as well as training and enforcement of specific techniques and practices. For example, it can be used to teach employees about specific service quality standards, measurement practices, and how these should be implemented. However, workshops are time-consuming and do require considerable resources, and must have follow-up activities in order to make sure the lessons remain in place.</td>
<td>Cummings and Worley (2014), Luk and Layton (2005)</td>
</tr>
</tbody>
</table>
These ODI tools can be used in combination. For example, an information session provides the basic information about the change to a large group, offering an introduction and establishing goals as well as introducing further activities (Anderson, 2011; Cummings & Worley, 2014). Training sessions and workshops are then used in smaller groups, in order to transmit knowledge and information and provide members of the organization to learn and understand new principles and practices (Cummings & Worley, 2014; Luk & Layton, 2005). Role playing and improvisation training are particularly useful for customer situations, because they provide an opportunity to practice the theoretical skills that employees learned during the formal training sessions (Cummings & Worley, 2014; Daly, et al., 2009; Kimani, et al., 2012; Luk & Layton, 2005). Since customer service interactions are to some extent unpredictable, improvisation and role playing offer customer service representatives an opportunity to improve their confidence and ability to adapt to unexpected situations. Trainers can also observe and correct behaviors, allowing employees to be aware of potential issues during their training and to learn positive habits before deploying them in practice.

It should be noted that while there is a lot of information about measuring service quality in the academic literature, there is very little information about organizational
approaches to improving service quality. For example, it is presumed that role playing workshops are one way to improve customer service in small shops (Kimani, et al., 2012), but this is not directly tested, but is instead offered as a suggestion. There is some evidence that training techniques such as those identified above can change attitudes to customer service as well as customer service practices. For example, one group of authors found that using formal training as well as role playing techniques was a viable way to improve service recovery practices (Luk & Layton, 2005). This suggests that it is possible to train employees to improve customer service, which is certainly an assumption of the practical literature surrounding ODI (Anderson D. L., 2011; Cummings & Worley, 2014; Head & Sorenson, 2006). However, this is an area that is not well examined in the literature and as a result, does offer the opportunity for improvement in the academic research. One of the main problems this research needs to overcome is the reliance on consultants and outside specialists as keepers of proprietary knowledge, which is commonplace in ODI processes (Head & Sorenson, 2006). The present research needs to implement an intervention internally, which could be a challenge given the orientation of the literature toward consultancy. The primary purpose of the research is to implement the ODI (as an action research project), but being able to report on the ODI’s efficacy is also a benefit to the academic literature.

2.9 Theoretical Framework

The theoretical framework (Figure 2.3) establishes a connection between the organization, service quality, service performance, service gaps, and customer satisfaction. The theoretical framework defines customer satisfaction as the outcome of service quality, particularly service performance aspects, and elimination of service quality gaps. Its goal is to explain the relationship between the organization and its customers in terms of service quality.
This framework explains the intention of the ODI process to change organizational culture, process and employee behavior toward service quality, which in turn will enhance customer satisfaction. In this framework, it defines service quality as a subjective (though somewhat shared) perception of how well the offered service met the customer's expectations (Parasuraman, et al., 1988; Zeithaml, et al., 2009). The five dimensions of service quality under this model, including Reliability, Assurance, Tangibles, Empathy, and Responsiveness, reflect different aspects of the service experience. However, not all services have the same expectations; as the Service Process Matrix (Schmenner, 1995) demonstrates, the type of service will influence the customer's expectations.

The theoretical framework focuses on two dimensions of service quality that have been shown to be particularly important – Tangibles and Responsiveness (Zeithaml, et al., 2009). These dimensions are part of the service quality framework which reflect the direct experience of the customer in the service situation. These dimensions relate to the immediate experience of the customer in the service situation, including the physical evidence of the service experience and the attention and eagerness of service personnel to assist in meeting the customer's needs.

The basic relationship examined in the theoretical framework is the relationship between service quality perceptions and customer satisfaction. It is expected based on previous research that there will be a positive relationship between service quality and customer satisfaction (Akbar & Parvez, 2009; Amin & Isa, 2008; Chen, 2008; Eboli & Mazzula, 2007; Kouthouris & Alexandris, 2005; Lee & Lin, 2005; Olurrunniwo & Hsu, 2006; Ravichandran, et al., 2010; Reinemann, et al., 2008; Siddiqi, 2011; Yang & Fang, 2004). However, not all dimensions of service quality will be viewed in the same way. The authors that have studied this relationship previously have often found that only one or a few dimensions played a role in customer satisfaction, rather than all five dimensions being
statistically significant. The service performance dimensions of Responsiveness and Tangibles are commonly identified as being the most important aspects of the immediate experience of customers (Zeithaml, et al., 2009). Thus, these dimensions are the focus of development for the customer service program at MICTDC.

The final component of customer satisfaction is the service gap. Customer satisfaction with service quality is determined by the extent of the service gaps; the smaller the gaps, the better the customer satisfaction (Bitner, et al., 2010; Parasuraman, et al., 1988; Zeithaml, et al., 2009). Thus, these gaps are taken into account as potential causes of customer dissatisfaction, as well as opportunities to improve performance.
2.10 Research Conceptual Framework

The research conceptual framework (Figure 2.4) is drawn from the theoretical framework and the literature review. There is one relationship in the conceptual framework, between service quality performance and customer satisfaction.

Service quality performance used in this study (Reliability, Assurance, Tangibles, Empathy, and Responsiveness) are operationalized based on the SERVQUAL framework and instrument (Parasuraman, et al., 1988; Zeithaml, et al., 2009). It is operationalized as primarily including the Responsiveness and Tangible dimensions, as these dimensions reflect how the service is usually delivered (Zeithaml, et al., 2009). Customer satisfaction is operationalized through the SERVQUAL instrument (Parasuraman, et al., 1988; Zeithaml, et al., 2009) in order to be consistent with other researchers. Many studies have found a positive relationship between the two concepts (Akbar & Parvez, 2009; Amin & Isa, 2008; Chen, 2008; Eboli & Mazzula, 2007; Kouthouris & Alexandris, 2005; Lee & Lin, 2005; Olurrunniwo & Hsu, 2006; Ravichandran, et al., 2010; Reinemann, et al., 2008; Siddiqi, 2011; Yang & Fang, 2004).

Responsiveness and Tangibles (Service Performance) have been selected as the most important elements because they are the dimensions of service quality that customers experience immediately, and which inform their immediate impressions of the service quality. For example, if the service representative does not immediately respond to the customer, or if the service environment is poor (messy, dirty or poorly designed), the customer may already have a bad impression of the service quality by the time the service begins. Of the two dimensions, Responsiveness is the only dimension within the full control of the employee. The employee cannot determine how MICTDC’s offices are decorated or maintained, or its branding evidence or most tangible aspects. Thus, the decision was made to focus within the ODI on responsiveness. Employees were encouraged to respond to
customers immediately and to be creative when solving problems, which would help create an immediate impression of helpfulness and being welcoming.

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Quality Performance</strong></td>
<td><strong>Customer Satisfaction</strong></td>
</tr>
<tr>
<td>- Responsiveness</td>
<td></td>
</tr>
<tr>
<td>- Reliability</td>
<td></td>
</tr>
<tr>
<td>- Tangible</td>
<td></td>
</tr>
<tr>
<td>- Empathy</td>
<td></td>
</tr>
<tr>
<td>- Assurance</td>
<td></td>
</tr>
</tbody>
</table>

2.11 Action Research Model

In this research, action research was applied. There are three processes of action research. The first process is pre ODI. It intends to investigate service quality performance as well as customer satisfaction with MICTDC. The second process is ODI. The ODI consists of two main components, the change process itself (including human resource management) and motivation and reward.

The process of organizational change is a systematic and comprehensive approach to introducing a change into the organization, such as a new process or a change in requirements or demands (Cummings & Worley, 2014). There are a number of different models of organizational change, of which the simplest is the unfreeze-change-refreeze model (Paton & McCulman, 2008). More complex change models, such as the seven-stage model of organizational change, are also more prescriptive about what kinds of activities need to take place during the change process. In this ODI, the organizational change focuses on two areas.
Activities in human resource management include goal setting, coaching and workshop (Figure 2.5). These activities are designed to overcome resistance to change and reduce barriers such as lack of training or lack of support for customer service improvement, since they are organizational aspects that can reduce the impact of organizational change or even cause it to fail (Paton & McCalman, 2008).

The second stage of the ODI is motivation and reward. Motivation and reward provide a reason for individuals to adopt the changes presented in the ODI, and then rewards them for doing so effectively (Cummings & Worley, 2014). Reward programs to encourage ODI adoption should be a short-term structure, for example a short-term incentive program to reinforce adoption of new customer service standards. The period of reward helps to ensure that the members of the organization are motivated to work toward implementation of their new training.

Meetings, training sessions, and mentorship and reward programs are the mechanisms for the ODI to work. Post-intervention assessment is the final stage. The detail of each stage in ODI is explained in Section 3.2.

<table>
<thead>
<tr>
<th>Service quality performance</th>
<th>Customer satisfaction</th>
</tr>
</thead>
</table>

**OD Intervention**
1. Process of changes (Human Resource Management)
   - Goal setting
   - Coaching and mentoring
   - Workshop diversity interventions
2. Motivation
   - Recognition scheme

**Figure 2.5: Action Research Model of This Study**
Chapter 3: Research Methodology

This chapter presents the research methodology that has been used in the primary research portion of the study. The primary research designed is based on the action research model. The action research involves an organizational development intervention (ODI) focused on customer service, as well as measurements of customer satisfaction before and after the intervention. The chapter discusses the action research model and then examines other concerns, including the research tools and the population and sample. The intent of this chapter is to explain how the research has been conducted.

3.1 Research Design

The action research model is one in which changes are implemented within an organization and the effects are observed (Stringer, 2007). The action research process is distinct from other types of research because it actively recruits the participants and takes their feedback into account when designing the interventions, implementing them, and understanding what the effects are. Thus, it can be considered to be a constructivist research approach, in which the researcher and participants work together to co-construct the outcomes (Stringer, 2007).

Figure 3 shows the basic structure of the action research process, which follows a Plan-Act-Observe-Reflect cycle (Wadsworth, 2011). This cycle of inquiry is designed to draw the researcher beyond simple observation and analysis, where many research projects get stuck, but also to avoid the problem of continuing to use the same approach in business (Wadsworth, 2011). This makes it ideal for the action research process, where the intent is both to implement changes and to act on their outcomes. The specific steps of each of these stages are shown in Figure 3.1.
The action research project has been chosen because of the situation of MICTDC, which does not currently have a policy or training program in place for customer service quality. While it would be possible to simply observe and measure the relationship between service quality and customer satisfaction, this will not yield any significant changes in the organization or reduce the number of problems associated with service quality. Since the purpose of this research is to help MICTDC in moving forward and gaining competitive advantages, the action research approach is more consistent with the research goals. It is also more consistent with the ODI approach, which is an intervention-based approach (Yaeger, Head, & Sorensen, 2006).

Figure 3.1: Action Research Model

3.2 Research Methodology

The research methodology uses a combination of qualitative and quantitative methods for data collection and analysis. Qualitative methods use non-standardized instruments and techniques, such as interviews, and analysis techniques that draw out explanations of how
and why situations occur (Creswell, 2014). In contrast, quantitative methods use standardized instruments and analysis techniques, such as questionnaire surveys and statistical analysis. The main goal of quantitative analysis is to explain frequency and relationships (Creswell, 2014). Mixed methods approaches combine the two in order to provide a more powerful analysis approach. A mixed methodology was required for this study to provide a complex and detailed picture of the organization and to rigorously test the outcomes of the intervention. The mixed methodology incorporated multiple quantitative and qualitative approaches. While qualitative methods (action research interventions, observations and interviews) have led the study, quantitative methods (pre- and post-ODI surveys) have provided valuable demonstration of effectiveness.

Qualitative approaches include observation and interviews. Employee behavior has been observed during the planning, action, and observation stages in order to isolate organizational problems and observe the outcomes of the intervention in the organization. These observations included a range of formal and informal observations, and include discussions and interactions with employees in some cases. During the observation stage, semi-structured interviews have been conducted with customers pre- and post-intervention. These interviews have been designed to elicit information about the effect of the intervention on customer service and experience.

A quantitative questionnaire has been used during the action and observation stage as well. The questionnaire has been directed to customers, and was conducted pre- and post-interventions have been conducted. The questionnaires are used to determine whether the intervention has made a statistically significant improvement in the customer service quality perception. The questionnaire used is shown in Appendix A.
3.3 Subjects to Study

There are two groups of participants in this study. The first group of participants is MICTDC’s customers. The second group of participants is employees in the MICTDC Marketing Operations department (who have the most direct contact with customers). The customer group take part in the pre- and post-ODI surveys and interview, while the employees take part in the training section and observation.

The customer stage of this research is conducted at the company level, since most customers of MICTDC are companies. The target respondents of this research are existing customers of MICTDC. This can be defined as customers who have used MICTDC’s services over the past six months and are likely to do so again in the next three to six months. These customers (companies) can be divided into 6 groups; 1) in house (that has office inside MICTDC), ICT companies, 3) educational companies, 4) government agencies, 5) foreign companies, and 6) film shooting companies. These companies were established between 1991 and 2014 and currently have about 200 employees.

Although MICTDC does not only deal with repeat customers, a limitation to repeat customers is needed to ensure that the participants have further contact with the firm’s customer-facing employees following the training intervention. This helps to ensure that the pre/post ODI comparison can include the same customers. The customer group includes firms that currently use the MICTDC Park as well as outside groups that use MICTDC’s event services (including events/conference hall, seminar rooms, and catering services) or utilities. This group was most appropriate for the research because they are in contact with the customer-facing staff at MICTDC and would be best positioned to identify performance changes in the group. The questionnaire is directed to up to two persons for each company selected. In some cases, the same person that filled out the pre- and post- questionnaires,
while in others it is a different person. This depends on who interacted with MICTDC most commonly.

The company currently has approximately 500 customers, including those in its business parks, those that use external utilities, and those that have rented its conference or other facilities (according to an internal list of customers). Using a 95% confidence level and 5% confidence interval, indicates that the required sample size is $n = 217$ (Creative Research Systems, 2014). The sample has been selected using a sample random sampling (SRS) approach, with every other participant company on an ordered list provided by the firm being included. This approach has been chosen to make sure the sample was randomly selected from the population (Hayes, 2008). The initial sample size is larger than the target sample size $(n = 400)$ to allow for non-completion of the original survey or drop-out from the second stage (Hayes, 2008). This helps to ensure that the sample is large enough for a reliable statistical analysis at the end of the study. Selected participants were contacted using contact person information available for the study and asked via email, phone or in-person if they would be willing to complete the pre- and post-test questionnaires. The type of request depended on preferred contact information on file from the participants. Contact information from those that reply they will participate is added to a shared document file and a single mailing list has been constructed for the questionnaires to distribute questionnaires and participation information. Moreover, 5 customers have been also selected for interviews (face to face). These customers have been selected using convenience sampling technique.

Selection of staff for the ODI is done purposely, with the main groups that come into contact with consumers being targeted. The marketing department of the company has about twenty employees, including a department manager. All employees ($n=20$) are requested to join the training sessions for the ODI, and participate in the kick-off sessions, small group training, and roleplaying workshops. Employees are assigned at random to training and
workshop sessions (divided into 2 groups- 10 people for each group). The training and workshop are conducted into 2 classes with the same content (10 people for each class, for a total of 4 sessions). Moreover, 5 employees are selected for behavior observation during the pre-intervention and post-intervention stages of the research process.

To summarize, Table 3.1 below shows the method used for each target group.

### Table 3.1 Method Used for Each Target Group

<table>
<thead>
<tr>
<th>Methods</th>
<th>Customers</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>ODI</td>
<td>-</td>
<td>N=20</td>
</tr>
<tr>
<td>Quantitative</td>
<td>Pre- and post-ODI surveys</td>
<td>N=400</td>
</tr>
<tr>
<td>Qualitative</td>
<td>Pre- and post-ODI interview</td>
<td>N=5</td>
</tr>
<tr>
<td></td>
<td>Pre- and post-ODI observation</td>
<td>-</td>
</tr>
</tbody>
</table>

### 3.4 Research Instruments

The customer perspective in this research has been measured using a pre and post test design. In the pre-test/post-test design, the same instrument is administered before and after a planned occurrence (Langbein & Belbinger, 2006). Pretest/post-test designs are helpful for understanding the changes that take place in a particular phenomenon (Langbein & Belbinger, 2006). In this case, the customer research can help to determine if there is an increase in customer service quality and satisfaction following the ODI. The design is a single-group design, meaning the same sample group has been used for the pre-test and post-test (Langbein & Belbinger, 2006). The instrument was administered before and after the ODI, as discussed below.
The instruments that are used for this study are a self-administered questionnaire with customers designed by the researcher, observations (to observe employee behavior), and interviews (with customers). Self-administered questionnaires have a number of advantages, including being familiar to participants and standardizing data collection and reducing the amount of time needed for researchers (Fowler, 2009). Questionnaires can be constructed in a number of ways, including adaptation from existing instruments, use of entire existing instruments, and construction of new instruments (Fowler, 2009).

For this research, there are two different questionnaires used for pre and post-test. In pre-test, the questionnaire consists of three parts, two of which have been adapted from previous studies and one of which is consumer behavior and background. The first part of the questionnaire (22 items), addressing service quality, is adapted from the SERVQUAL model (Parasuraman, Zeithaml & Berry, 1988). This part includes both customer expectation and satisfaction of service quality (22 items). The second part (5 items), addressing customer satisfaction, is adapted from Thuy and Hau (2010). The final part (3 items) measures customer behavior and collected background information. These items are specific to the MICTDC situation and have not been adapted from previous studies as the SERVQUAL instruments and the customer satisfaction items from Thuy and Hau (2010) were. The majority of items have been measured using a five-point Likert scale, which is intuitively familiar to participants and flexible for analysis and interpretation (Fowler, 2009). As for the post-test, a similar questionnaire was used. There are two different issues from the pre-test. The post-test does not include customer expectation toward service quality performance and consumer background.

Semi-structured interviews have also been used to evaluate customer satisfaction. Semi-structured interviews are interviews that have an established question guide, but which allow participants and researchers to go off the script and explore areas of interest (King &
Semi-structured interviews have been conducted in the pre-intervention and post-intervention stages, with respondents being drawn from the same respondent pool like when conducting the questionnaire (described above). The semi-structured interviews provide more detailed information and explanation of the customer experience and provide specific information about issues such as service quality problems and perceived service gaps. These interviews help to contextualize and understand the questionnaire, as well as provide more detailed information about changes in perceived service quality. The interview guide includes eight questions focusing on MICTDC customer service, their expectations and their experience. Questions have been formulated as open-ended, to allow for more explanations of the responses.

The third data collection technique used is observation. Observation is useful as a qualitative data collection technique because it does not interfere with interactions, and because the researcher can assess the actual actions taken rather than participants' recollection of these actions (Hennink, Hutter, & Bailey, 2011). Observation can also be standardized to some extent, which reduces the complexity of analysis. Finally, observation is useful in organizations because it allows the researcher to determine what individuals are actually doing in organizational processes (Hennink, et al., 2011). The researcher has observed employee behavior in a number of different situations during the pre-intervention and post-intervention stages of the research process. Observations focus on employee behavior, including how they treat customers during a normal service transaction and how they react when facing problems. These observations attempt to identify gaps in service performance compared to service procedures and requirements. The observation sheet is included in the Appendix C.
3.5 Instrumentation

Concerns for the quantitative questionnaire are internal consistency reliability and convergent and discriminant validity. Internal consistency reliability relates to the extent to which multiple items in a single scale measure the same construct (Mitchell & Jolley, 2009). Internal consistency is assessed using Cronbach’s alpha, which is a coefficient with a typical minimum requirement of \( \alpha = 0.7 \) for scales of three or more items. However, scales with \( \alpha \geq 0.95 \) or higher are likely to have redundant items (Mitchell & Jolley, 2009). The questionnaire is assessed using the first 30 copies collected, using a standard of \( 0.95 >\alpha > 0.7 \). Any scales that do not pass this threshold will be adjusted appropriately.

Convergent and discriminant validity is related to concepts that assess the full model. Convergent validity measures the extent to which factors that should be related are related, while discriminant validity measures the extent to which theoretically unrelated factors are unrelated (Mitchell & Jolley, 2009). Convergent validity and discriminant validity are assessed using factor analysis, including CR (Composite Reliability), AVE (Average Variance Extracted), and square correlation (Brown, 2015). Requirements include \( CR > 0.7 \) and \( AVE > 0.5 \) (for convergent validity) and the square root of AVE > square correlation (for divergent validity) (Brown, 2015). Any factors that fail one or both of these tests may be eliminated.

Reliability and validity of qualitative instruments cannot be assessed using standardized techniques (Hennink, et al., 2011). Instead, an expert review was used to assess the reliability and validity of the interview guide and observation sheet. An expert review relies on the knowledge and experience of established researchers in the area of interest to ensure that the instrument is credible, topical, and applicable to the area of interest (Hennink, et al., 2011). The researcher’s supervisor and other senior academics have examined the instruments and ensured that they are consistent with the goals of the study.
3.6 Design and Development of ODI Interventions

The OD process begins with identification of organizational needs and assessment of issues to be treated. Following this assessment, an ODI has been developed in order to effect the desired change in the organizational culture. ODI is a holistic process implemented within the organization, where participants are introduced to new concepts and trained in order to implement them in their work, cultural changes are made in the organization, and where necessary processes and approaches are changed (Yaeger, et al., 2006).

The ODI is custom-designed for the organization and the challenge it is meant to overcome. This intervention can be classified as a human process intervention, focused on process consultation and large group interventions (Cummings & Worley, 2014). This approach is appropriate because MICTDC does not currently have a training program in place to promote service quality (although their internal documentation does make statements about its importance). The ODI approach helps make sure the entire organization understands the basic needs of service quality and why it is important. It is also designed to disrupt the established practice and encourage participants to think about service quality and why it may be important, and to generate internal change (Cummings & Worley, 2014). The ODI approach, operating at the individual and team level, was considered the best approach to this type of broad change.

The OD process has been designed in four stages, each of which uses between one day and one month (Table 3.2) Distinct interventions are used under each stage in order to enact the desired change.

The organizational culture intervention is conducted first, using a one-day organization meeting. This stage is held organization-wide, and the purpose of the stage is to create
awareness about the purpose of service quality and customer satisfaction. This stage entails a general discussion of the concepts and how customers view service quality.

The next stage is the individual intervention stage. A five-day training session is offered to customer-facing representatives of the firm. This course is designed to focus on the details of customer service quality and satisfaction. This is an individual intervention designed to teach specific skills to the individuals involved (Cummings & Worley, 2014). This is important because previously there has been no explicit training in this area for customer-facing representatives or their supervisors.

The third stage is the team and individual intervention, which uses a role-playing workshop. This is designed to give newly trained employees the opportunity to practice their new skills (Cummings & Worley, 2014). They are provided with different scenarios, which they are able to use to work through the skills learned in training. This is an essential step for reinforcing new skills and creating confidence in participants (Cummings & Worley, 2014).

The final stage is a further team and individual intervention, designed to reinforce the service quality norm in organizational culture. This stage uses coaching and motivation as the main intervention approaches. Supervisors are recruited and specially trained for coaching employees in the workplace over a period of one month. During this period, supervisors have worked with employees to resolve any problems they have had during customer service and to provide tips on improving customer service. Coaching activities were organic and varied by supervisor-employee dyad. However, the general process involves an initial assessment of customer service skills, followed by a discussion about customer service goals and skills and what areas the employee feel they needed to improve. Over the course of the month, the supervisors and employees have met informally several times to assess performance and progress and for the supervisor to share tips and information. Supervisors also periodically observe customer service interactions, identifying issues and providing both positive and
negative feedback. Some supervisors include multiple employees in coaching sessions, offering group feedback and using group experiences to demonstrate customer service issues that they might encounter.

The motivation intervention has run for one month, in parallel with the coaching intervention. Rewards and recognition are used during this period to encourage employees to provide positive customer service. Rewards include both monetary rewards (bonuses and financial incentives for meeting customer service goals) and recognitions (such as employee of the week and other periodic recognition programs). The purpose of the reward and recognition program is to reinforce the training and coaching information provided to employees and to create an incentive for employees to use their new skills and knowledge. Employee performance is monitored by supervisors during the coaching period, which is used as the basis for assigning awards. Many of the awards are for meeting specific targets. Some, such as employee of the week, are assigned for out-performing other staff members or for exceptional customer service efforts.

The ODI is bracketed by the customer pre-test and post-test surveys. Post-tests are conducted one month after the closure of the coaching and motivation period.

Table 3. 2: ODI Process and Purposes

<table>
<thead>
<tr>
<th>OD Stage</th>
<th>Interventions</th>
<th>Purpose</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization level intervention</td>
<td>Kick-off meeting</td>
<td>Build employee awareness and get employees to buy in the project</td>
<td>1 days</td>
</tr>
<tr>
<td>Individual intervention</td>
<td>Training session</td>
<td>Train customer-facing employees above basic service quality and customer satisfaction</td>
<td>5 days (2 classes with the same content)</td>
</tr>
</tbody>
</table>
Team and individual interventions

<table>
<thead>
<tr>
<th>Workshop</th>
<th>Provide an opportunity to practice customer service skill using role-play</th>
<th>2 days (2 classes with the same content)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coaching</td>
<td>Guide employees in the real situation</td>
<td>1 month</td>
</tr>
<tr>
<td>Motivating</td>
<td>Encourage employees to participate in this project</td>
<td>1 month (in parallel with coaching)</td>
</tr>
</tbody>
</table>

Table 3.3: Content of training course

<table>
<thead>
<tr>
<th>Course</th>
<th>Purpose</th>
<th>Content</th>
</tr>
</thead>
</table>
| Service quality, customer satisfaction and service performance | To make employees understand how to offer better service quality and satisfy customer | • How to understand what customers want  
• Basic skills for serving customers  
• How to deliver good service quality to customers  
• How to look professional and neat  
• How to deal with customer complaints  
• How to communicate with different customers (cross-cultural communication)  
• How to resolve problems  
• How and when to defer responses |

3.7 Documentation of Change Processes

Documentation of the change processes is undertaken in several ways. All data collected using the formal data collection procedures (interviews, questionnaires, and observation sheets and checklists) are retained in their full formats. Additionally, digest
forms of this information, such as collated and analyzed statistics and completed qualitative analyses, are retained for use during the change process. However, personally identifying information is not released individually, to avoid harms to participants. Other forms of documentation, including training manuals and guidelines, are also retained. One of the challenges of this research is recording social evidence of the effectiveness of the change process. Additional evidence includes emails and other communications regarding the change between the researcher in coaching and rewarding customer service staff members. This electronic information, which is logged in a database, provides insight into the speed and outcomes of the change, as well as difficulties that were encountered. However, this information is mainly for researcher use and has not been incorporated directly into the findings. A final form of documentation is the surveys and interviews that have been conducted following the change process, which identify the success of the intervention and its continuing effects.

3.8 Data Analysis Tools

Data collected during the customer surveys are analyzed using SPSS. SPSS is chosen because it is a robust and reliable statistical program (Carver & Nash, 2011). SPSS also produces standardized tables and figures, making it easy to understand and interpret the results. The analysis is made in two stages, including descriptive statistics and inferential statistics.

Descriptive statistics are statistics of one variable (Carver & Nash, 2011). They do not explain relationships between variables or say anything about the population, but they can be used to understand the sample’s characteristics as well as identify general trends in the individual variables (Hayes, 2008). Descriptive statistics are used in this research for two purposes. The first is to describe the sample (including characteristics and behaviors). The second is to describe general trends in responses, such as the general state of service quality.
perceptions and satisfaction. Depending on the type of variable, mean and standard deviation (Likert variables) or frequency and percentage (categorical variables) are prepared for each variable. For some variables, charts and/or graphs that represent the distribution of responses are also prepared.

The second stage of analysis is inferential analysis. An inferential analysis is an inter-variable analysis that is used to identify the strength and direction of relationships, differences in means depending on categories, changes in outcomes, or other relationships (Carver & Nash, 2011). An inferential analysis is required to perform tasks including testing hypotheses and understanding the characteristics of the population. There are two inferential tests used in this research. Hypotheses 1 and 2 are tested using paired t-tests. The paired t-test technique allows the researcher to compare the means in the same group between two different times in order to determine if there has been a statistically significant change in means. This approach is the most appropriate for the present research because it allows the researcher to determine what effect (if any) the ODI has on customer perceptions of customer service performance and customer satisfaction. Next, Pearson correlation is used to test the relationship among service quality, service performance and customer satisfaction, satisfying the tests for Hypotheses 3, 4, and 5.

Qualitative data, including observations and customer interviews, are analyzed using content analysis. A qualitative content analysis is a technique that assesses and interprets the content of qualitative information such as texts (Schreier, 2012). This technique is distinct from a quantitative content analysis, which typically assesses the importance of a specific word or phrase sets based on the number of times they occur in the text. In contrast, the emphasis in the qualitative content analysis is on uncovering the significance and meanings of the content of the texts, as well as shared meanings (Schreier, 2012). In order to complete the content analysis, first all interviews are transcribed, including spoken words and
interviewer notes. Interviews and observation transcripts are then arranged for analysis and initial notes were made based on the research goals. The second stage of analysis involves identifying significant units of meaning (such as words, phrases, or ideas) and tracing them across the different transcripts and observations. The goal is not to identify areas of agreement, but rather identify different views regarding central topics and areas of discussion. These units of meaning are coded and then categorized in order to identify general trends or areas of discussion. The researcher then connects these ideas in order to understand what the significance of the content is and what kind of meaning it holds. The final stage of the process is to write up the results. The focus here is on tracing different content and information from the pre-intervention to the post-intervention period and demonstrating how ideas and viewpoints have changed over time.

3.9 Preliminary Analysis

The preliminary analysis for the study findings includes questionnaire reliability results and customer experience with MICTDC.

3.9.1 Instrument Reliability and Validity

In order to validate the customer satisfaction questionnaire, internal consistency reliability and convergent and discriminant validity are tested using statistical methods. Qualitative instruments, including observation guides and interview guides, are assessed using expert review. This section reviews the outcomes of these preliminary tests. It shows that the qualitative and quantitative study instruments have achieved certain appropriate levels of reliability, validity, and credibility for the research.

3.9.1.1 Reliability of Questionnaires

Internal consistency reliability is assessed using Cronbach’s alpha. The acceptable range for consistent, but non-redundant, multi-item Likert scales was established at, based on recommendations by Mitchell and Jolley (2009). A random sub-sample of 30 questionnaires
is used for the Cronbach’s alpha test. They are further tested with a factor analysis for reliability, using the threshold of CR > 0.7 (Brown, 2015).

Table 3.4 summarizes the alphas for all six Likert scales (the five service quality scales of Reliability, Responsiveness, Tangible, Assurance, and Empathy, along with Overall Customer Satisfaction). As these results show, all six of the scales have fallen within the acceptable range. The lowest scoring item is Responsiveness (0.753). The highest scoring item is Assurance (0.914). As a result, there are no changes required to the structure of the survey or the scales. All scales retain all three items they were originally assigned with. Table 3.4 demonstrates that all scales reach above CR > 0.7, with the lowest scoring item being Reliability (CR = 0.744). Thus, all scales also pass this test for reliability.

Table 3.4: Cronbach’s Alpha

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach’s Alpha</th>
<th>Number of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliability</td>
<td>0.771</td>
<td>3</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>0.753</td>
<td>3</td>
</tr>
<tr>
<td>Tangible</td>
<td>0.839</td>
<td>3</td>
</tr>
<tr>
<td>Empathy</td>
<td>0.892</td>
<td>3</td>
</tr>
<tr>
<td>Assurance</td>
<td>0.914</td>
<td>3</td>
</tr>
<tr>
<td>Overall customer satisfaction</td>
<td>0.834</td>
<td>5</td>
</tr>
</tbody>
</table>

3.9.1.2 Convergent Validity and Discriminant Validity of Questionnaires

Convergent and discriminant validity is assessed using a factor analysis, following Brown (2015). CR, AVE and square correlation are the relevant factors for this test. Convergent validity requires a minimum of CR > 0.7 and AVE > 0.5 (Brown, 2015). Divergent validity requires that MSV < AVE and ASV < AVE (Brown, 2015). Table 3.5
summarizes key outcomes of the factor analysis. Additional data are available in Appendix Y.

Examining CR and AVE for all items shows that all six of the multi-item scales pass the established threshold for these factors. The lowest scoring scale for both items is Reliability (CR = 0.744, AVE = 0.501). This item is just barely above the threshold, particularly for AVE, but it does pass. Thus, all of the items do pass the established requirements for convergent validity. This means that the items that are proposed to be related do in fact have a relationship (Brown, 2015).

There are two requirements for discriminant validity. The first requirement is MSV < AVE. There are two scales that do not meet this requirement, including Tangible (MSV = 1.077, AVE = 0.626) and Empathy (MSV = 1.077, SD = 0.696). Both items also have relatively high correlations with each other. This suggests that the questionnaire is imperfectly discriminating against Tangible and Empathy. The second requirement is ASV < AVE. All six scales, including Tangible and Empathy, pass this test. Thus, most of the scales (Reliability, Responsiveness, Assurance, and Satisfaction) exhibit some appropriate levels of discriminant validity, indicating that they are reflecting different items as planned (Brown, 2015).

The mixed results for Tangible and Empathy have raised the question of how to deal with the scales. Whether or not to adjust instruments based on validity tests depends on the purpose of the instrument and the extent of validity issues (Brown, 2015). With mixed results and an essentially descriptive purpose for the questionnaire, the researcher has chosen to leave instruments as they were designed rather than adjust them.
Table 3.5: Factor Analysis

<table>
<thead>
<tr>
<th>CR</th>
<th>AVE</th>
<th>MSV</th>
<th>ASV</th>
<th>Reliability</th>
<th>Responsiveness</th>
<th>Tangible</th>
<th>Empathy</th>
<th>Assurance</th>
<th>Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.74</td>
<td>0.50</td>
<td>0.32</td>
<td>0.11</td>
<td>0.708</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>1</td>
<td>6</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.75</td>
<td>0.52</td>
<td>0.20</td>
<td>0.04</td>
<td>-0.086</td>
<td>0.725</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>5</td>
<td>3</td>
<td>9</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.83</td>
<td>0.62</td>
<td>1.07</td>
<td>0.25</td>
<td>-0.260</td>
<td>-0.163</td>
<td>0.791</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>6</td>
<td>7</td>
<td>9</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.87</td>
<td>0.69</td>
<td>1.07</td>
<td>0.28</td>
<td>-0.350</td>
<td>-0.026</td>
<td>1.038</td>
<td>0.834</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>6</td>
<td>7</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.91</td>
<td>0.77</td>
<td>0.12</td>
<td>0.05</td>
<td>-0.219</td>
<td>0.093</td>
<td>0.262</td>
<td>0.353</td>
<td>0.880</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>5</td>
<td>5</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.81</td>
<td>0.50</td>
<td>0.32</td>
<td>0.13</td>
<td>0.571</td>
<td>0.450</td>
<td>-0.231</td>
<td>-0.271</td>
<td>-0.120</td>
<td>0.709</td>
</tr>
<tr>
<td>6</td>
<td>3</td>
<td>6</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.9.1.3 Verification of Qualitative Instruments

Qualitative instruments cannot be assessed using statistical techniques (Hennink, 2011). Instead, an expert review is used to assess observation guides and interview guides for the qualitative portions of the research. This review process involves several rounds of drafts and revisions based on reviews from the researcher’s supervisor and other senior academics, who have provided suggestions for improvement and identified inconsistent or inappropriate items. This results in the final instruments, which are attached in Appendix D.
Chapter 4: Presentation and Analysis of Findings

This chapter presents the findings of the primary research into the effectiveness of the ODI. The first analysis presented is what has been done and found out in the process of ODI. The second section presents the result from the customer satisfaction surveys. This discussion begins with customer information, and then addresses specific questions of customer service quality perceptions and satisfaction. This is followed by a discussion on the outcomes of the ODI, using information from the customer satisfaction survey t-tests as well as the qualitative data. This discussion also integrates the information from the literature review, to provide a broader perspective on the outcomes of the ODI.

4.1 Pre-ODI Situation – Customer Characteristics and Pre-Survey

The final sample size of the customer questionnaire is n = 258. This is somewhat larger than the estimated minimum sample size of n = 217, which is achieved through oversampling for the minimum sample size and a higher than expected response rate from questionnaires.

The customer questionnaires have collected information not just about service quality and satisfaction, but about the customers' interaction with MICTDC and their previous and current engagement with the firm. Items include the customers' industry segment, type of services customers purchase, and the frequency of service purchase. In summary, the majority of MICTDC customers come from only a small number of industry segments, including Retail and Industrial businesses. Most customers are renting event and conference space, rather than purchase IT services or Internet access. About three quarters of customers are regular customers, buying services at least once a quarter.

Table 4.1 summarizes the customers' industry segment. This response is a closed-ended question, with a range of different responses. The two largest customer segments include Retail (29.1% of respondents) and Industrial (23.6% of respondents). These segments
account for 52.7% of respondents, or 137 firms in total. There are a smaller number of segments that are represented by 10 or more firms, including IT/Software (11.2% of respondents), Education (8.9% of respondents), Financial and Accountancy (6.6% of respondents), Automobiles (5.4% of respondents), and Law and Legal Services (3.9% of respondents).

Table 4.1: Industry Sectors of MICTDC Customers

<table>
<thead>
<tr>
<th>Types of industry</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>23</td>
<td>8.9</td>
</tr>
<tr>
<td>Retail</td>
<td>75</td>
<td>29.1</td>
</tr>
<tr>
<td>Industrial</td>
<td>61</td>
<td>23.6</td>
</tr>
<tr>
<td>IT/Software</td>
<td>29</td>
<td>11.2</td>
</tr>
<tr>
<td>Consultancy</td>
<td>9</td>
<td>3.5</td>
</tr>
<tr>
<td>Oil and Gas</td>
<td>4</td>
<td>1.6</td>
</tr>
<tr>
<td>Financial and Accountant</td>
<td>17</td>
<td>6.6</td>
</tr>
<tr>
<td>Automobile</td>
<td>14</td>
<td>5.4</td>
</tr>
<tr>
<td>Law and Legal</td>
<td>10</td>
<td>3.9</td>
</tr>
<tr>
<td>Engineering and Construction</td>
<td>5</td>
<td>1.9</td>
</tr>
<tr>
<td>Logistics</td>
<td>3</td>
<td>1.2</td>
</tr>
<tr>
<td>Others</td>
<td>8</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>258</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The smallest sectors represented are Logistics (three firms, or 1.2%) and Oil and Gas (four firms, or 1.6%). This suggests that most of MICTDC’s customers are retail service or industrial and manufacturing firms. Professional services, education and heavy industry are much less likely to be represented. However, this is not inconsistent with Myanmar’s industrial base.

Respondents are asked which services they are purchasing out of the service offerings of MICTDC at the time they have completed the survey (Table 4.2). The most common
response is that they are renting a seminar or conference hall (53.5%), followed by renting the event hall (33.3%). The least common response is that they are using other services, like shared databases, Internet connections or other IT facilities (13.2%). This suggests that the majority of the firm’s customers are actually renting event and conference space from MICTDC, rather than use the company’s shared IT facilities and resources. While this does suggest that the space segment is more important for the company, this is not necessarily the case. MICTDC’s conference and event space can be used by more customers than the fixed IT facilities, because space is likely to be rented on an as-needed basis rather than continually. In contrast, the firm’s IT resources have a more finite capacity and are used regularly. (For example, firms contract for Internet services for a period of time, in which they are assigned the resources and others cannot use them.) Thus, while MICTDC mainly provides customers with IT services, it could find a larger target market for its space rentals.

This problem was unanticipated during the design of the study, and as a result respondents are not asked how frequently they are engaged with MICTDC or how much their services cost. Thus, it is not possible to determine from these findings whether the respondent group is representative of the firm’s customers. It is also not possible to determine whether the firm is actually deriving most of its revenues from one-time space rentals rather than from IT services provisions. This is a problem for the research, but more importantly it may be a problem for the company if in fact the firm’s main business activity is event and meeting space rental rather than IT services. This is something the firm needs to consider carefully.
Table 4.2: Types of Service Purchased at MICTDC by Customers

<table>
<thead>
<tr>
<th>Types of Service</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renting event hall</td>
<td>86</td>
<td>33.3</td>
</tr>
<tr>
<td>Renting seminar/conference hall</td>
<td>138</td>
<td>53.5</td>
</tr>
<tr>
<td>Others (such as using databases, Internet connection and other IT facilities)</td>
<td>34</td>
<td>13.2</td>
</tr>
<tr>
<td>Total</td>
<td>258</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The final question that is asked about customer engagement with the firm is how frequently customers purchase services with MICTDC (Table 4.3). The responses to this question demonstrates that MICTDC customers are actually relatively loyal. Only 12.8% of respondents are first-time customers of the firm. Almost three quarters of the respondents (73.3%) have contracted with MICDTC for services once every three months or more frequently. In contrast, only 14% of customers are occasional customers of MICTDC, contracting for services every six months to a year. This suggests that many MICTDC customers have a continuing need for the firm’s services and facilities. It is not yet known whether the first-time customers will return to the firm, but given that the firm offers some services and facilities that are not commonly available from other firms in the market it is likely that if they have a continuing need for these services.
Table 4.3: Frequency of Service Purchased at MICTDC by Customers

<table>
<thead>
<tr>
<th>Regularity of service purchased</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>First time</td>
<td>33</td>
<td>12.8</td>
</tr>
<tr>
<td>More than once a month</td>
<td>50</td>
<td>19.4</td>
</tr>
<tr>
<td>Once a month</td>
<td>67</td>
<td>26.0</td>
</tr>
<tr>
<td>Once every three months</td>
<td>72</td>
<td>27.9</td>
</tr>
<tr>
<td>Once every six months</td>
<td>21</td>
<td>8.1</td>
</tr>
<tr>
<td>Once a year</td>
<td>15</td>
<td>5.8</td>
</tr>
<tr>
<td>Total</td>
<td>258</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The results of each of the scales of service quality are reported using mean and standard deviation. These means and standard deviations do not demonstrate statistical significance, but do give an idea of the opinions of the sample of customers. In order to understand these opinions, the responses for the Satisfaction Likert scales are redistributed along the range. Since the maximum total range for each of the scales is four points, the range of responses is 0.8 points (see the detail of formulation below).

The width of each level = \( \frac{\text{Highest score} - \text{Lowest score}}{\text{The number of levels}} = \frac{5 - 1}{5} = 0.80 \)

Table 4.4 summarizes the range of responses and the interpretations assigned to each response. These interpretations are not diagnostic; instead, they are intended to give the reader a general understanding of how results can be understood.
Table 4.4: Interpretation Schedule for Findings

<table>
<thead>
<tr>
<th>Mean</th>
<th>Interpretation for Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.00-1.79</td>
<td>Highly Dissatisfied</td>
</tr>
<tr>
<td>1.80-2.59</td>
<td>Somewhat Dissatisfied</td>
</tr>
<tr>
<td>2.60-3.39</td>
<td>Neutral</td>
</tr>
<tr>
<td>3.40-4.19</td>
<td>Somewhat Satisfied</td>
</tr>
<tr>
<td>4.20-5.00</td>
<td>Highly Satisfied</td>
</tr>
</tbody>
</table>

Table 4.5 summarizes the pre-ODI survey outcomes using descriptive statistics. They are based on a 5-point Likert scale, using the interpretation schedule. As this shows, most dimensions of service quality are moderately good, but not very high.

Table 4.5: Summary of Survey Outcomes

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Item</th>
<th>Importance</th>
<th>Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliability</td>
<td>Once MICTDC promises to provide something at a certain time, the company always does so.</td>
<td>4.06</td>
<td>3.65</td>
</tr>
<tr>
<td></td>
<td>When I have a problem, an employee at MICTDC is willing to assist me.</td>
<td>4.50</td>
<td>4.27</td>
</tr>
<tr>
<td></td>
<td>MICTDC keeps its records accurately.</td>
<td>4.24</td>
<td>3.84</td>
</tr>
<tr>
<td>Assurance</td>
<td>I can trust the</td>
<td>3.74</td>
<td>3.88</td>
</tr>
<tr>
<td>Category</td>
<td>Description</td>
<td>Mean</td>
<td>SE</td>
</tr>
<tr>
<td>------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>------</td>
<td>-----</td>
</tr>
<tr>
<td>Tangible</td>
<td>MICTDC has up-to-date equipment (such as slide projector, Internet and the IT application etc.)</td>
<td>4.40</td>
<td>.649</td>
</tr>
<tr>
<td></td>
<td>MICTDC's physical facilities (meeting rooms and buildings etc.) are visually appealing.</td>
<td>4.42</td>
<td>.702</td>
</tr>
<tr>
<td>Tangible</td>
<td>MICTDC’s employees are well dressed and appear neat.</td>
<td>4.03</td>
<td>.778</td>
</tr>
<tr>
<td>Empathy</td>
<td>Service at MICTDC is individualized to my needs.</td>
<td>3.58</td>
<td>.638</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>Operating hours at MICTDC is convenient to all of the customers.</td>
<td>3.83</td>
<td>.635</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>MICTDC informs customers exactly when services will be performed</td>
<td>4.47</td>
<td>.684</td>
</tr>
</tbody>
</table>
and delivered.

| I receive prompt services from MICTDC’s employees. | 4.46 | .642 | 4.14 | .802 |
| MICTDC’s employees promptly respond to customer requests. | 4.57 | .634 | 4.10 | .731 |

| Customer Satisfaction | Overall, MICTDC’s service matches my expectation. | 4.0814 | .69822 |
| | MICTDC service is better than others’ | 4.2752 | .74714 |
| | Buying MICTDC’s service is a satisfying experience. | 3.4690 | .80912 |
| | I would be happy with MICTDC service in the future. | 4.1240 | .77918 |
| | I would recommend MICTDC to my friends and colleagues. | 4.3760 | .61287 |

4.2: Conducting ODI

The ODI was conducted in five stages, including the kick-off meeting, training sessions, workshops, coaching, and motivation. Before starting ODI, an email was sent to all employees. This email introduced the aim of the project, the project schedule as we all ask for corporation from employees. The kick-off meeting included personnel from the HR department as well as company managers. It introduced the basic concepts of customer service and service quality, along with a speech from one of the company managers about
why the concept of service quality is important. The training plan was then introduced, along with the employee incentive plan and evaluation system. The employees attending the kick-off meeting were given an opportunity to ask questions about service quality and the training plan at the meeting. However, there were a few direct questions. The researcher and company managers agreed that this could be because of cultural reluctance to ask questions, so a follow-up email was sent reiterating issues and soliciting questions via email. A second email was then sent out with the responses to the emails.

The second stage of the intervention was a training session. The customer-facing employees were split into two groups, so that customer service could be retained during training. Each group received about five half-work days of training on customer service, including topics like: theories of customer service, why customer service is important, how to engage with customers via email, over the phone, and in person, and what kinds of expectations customers may have. New systems for customer and employee feedback about service systems were also introduced. The training sessions incorporated a combination of classroom learning, independent reading, and brainstorming and discussion. Email follow-up was again used to solicit questions and answer them, as it worked well following the kick-off meeting.

Following the completion of the training sessions, a one-day workshop is held. Employees are split into different groups. The workshops consist of role-playing various customer service scenarios drawn from the company’s records, and brief interviews with customers and employees. Each employee is encouraged to role-play both customers and service personnel in the activities. Activities are followed by a discussion session where employees identify customer service situations and how they can respond effectively. A further follow-up email is sent. Following the closure of the workshop, the evaluation system is introduced. Data from a quick survey measuring customer satisfaction (1 = least satisfied, 5
most satisfied) are collected after each customer interaction. At the end of each month, the service employee with the highest score is named as Service Person of the Month at the department meeting as a way to recognize their hard work.

The fourth and fifth (final) stages of the ODI are coaching and motivating. The coaching and motivation stages are conducted with the assistance of line managers and other managers. The stages, which run concurrently, last for one month formally. Informal support and coaching from managers was also available following the closure of this period, to keep reinforcing the service quality goals and lessons, especially for those that have more trouble with the concepts. In the coaching stage, employees and managers undertook a one-on-one communication about difficult customer service cases. These cases could be selected by the employee when they identify a problem with their service quality, point out to managers by co-workers, or undertaken by managers based on their own observations. During the coaching session, the manager will guide the employee through the real-life case selected, helping them to find the right answer without answering the question or stepping in and completing the interaction. Following each coaching instance, the manager and employee discuss the outcome and consolidate the lessons learned. When employees feel comfortable, they shared the interaction and lessons learned with their team, to keep information flowing about potential customer service situations and strategies to resolve them. The motivational stage is undertaken to encourage employees to participate in the project. There are a variety of motivational strategies used, including public recognition and small financial incentives, in order to encourage customer service quality improvement. Service quality of each employee is tracked using a brief customer survey, and completed at least once a day. Employees who show high levels of improvement were publicly recognized and given a small bonus. Managers can also identify exceptional customer service and reward the employees involved
in the same way. Ideally, this program should be continued in the long term to help employees continue to feel motivated about customer service.

Figure 4.1: Training at MICDTC

Figure 4.2: Workshop at MICDTC

4.3: Post-ODI – Measuring Outcomes

The first way in which ODI success is assessed is based on the key outcome of customer satisfaction. In order to understand customer views of MICDTC’s service quality before and after the service quality ODI, a customer survey is used. The survey consists of five customer satisfaction dimensions (Reliability, Assurance, Tangible, Empathy, and Responsiveness), which are measured using a five-point Likert scale. Each of the items in the scale is measured based on its Satisfaction during each time period. Overall Customer Satisfaction was also measured using the same scale.

4.3.1: Satisfaction of SERVQUAL Dimensions by MICDTC Customers

Satisfaction of the five SERVQUAL dimensions is measured using three items for each of the dimensions in the pre-intervention and post-intervention period. Results are summarized in Tables 4.7 through 4.11, with each table representing one of the dimensions (Reliability, Assurance, Tangible, Empathy and Responsiveness) and are discussed below.
4.3.1.1: Reliability Perceptions

Three questions are asked about the Reliability importance and performance of MICTDC. The first question is about whether MICTDC has met their promises to provide things at a certain time. Satisfaction during the pre-intervention period is much lower than in the post-satisfaction period (M = 3.65 pre, M = 3.91 post). The second item is about whether MICTDC is willing to assist the customer. This is relatively high scored during the pre-intervention period, it improved in the post-intervention period, moving from M = 4.27 pre to M = 4.52 post. The final item in this question is about record keeping accuracy. Satisfaction improved significantly during the post-satisfaction period, moving from M = 3.84 pre to M = 4.32 post. Thus, it can be stated that there is a moderate improvement in Satisfaction in the post-intervention period compared to the pre-intervention period.

Table 4.6: Reliability Dimension

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Once MICTDC promises to provide something at a certain time, the company always does so.</td>
<td>3.65</td>
<td>1.098</td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>3.65</td>
<td>1.098</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>3.91</td>
<td>0.866</td>
</tr>
<tr>
<td>When I have a problem, the employee at MICTDC is willing to assist me.</td>
<td>4.27</td>
<td>0.697</td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>4.27</td>
<td>0.697</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.52</td>
<td>0.618</td>
</tr>
<tr>
<td>MICTDC keeps its records accurately.</td>
<td>3.84</td>
<td>0.934</td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>3.84</td>
<td>0.934</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.32</td>
<td>0.776</td>
</tr>
</tbody>
</table>

4.3.1.2: Assurance Perceptions

Assurance perception are also measured using three items. The first item is about employee trust. Satisfaction has actually dropped slightly after the intervention, falling from
M = 3.88 pre to M = 3.85 post, but this is basically consistent. The second item is about whether customers feel safe. Satisfaction has improved slightly, going from M = 3.89 pre to M = 3.98 post. The final item is about politeness of employees. Satisfaction with politeness performance has also improved, going from M = 3.82 pre to M = 3.93 post. Overall, the items do show some changes; there are relatively modest changes and they may not be statistically significant.

**Table 4.7: Assurance Dimension**

<table>
<thead>
<tr>
<th>I can trust the employees of MICTDC.</th>
<th>Mean</th>
<th>SD.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction (pre)</td>
<td>3.88</td>
<td>.696</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>3.85</td>
<td>.653</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>I feel safe in my transactions with the MICTDC’s employees.</th>
<th>Mean</th>
<th>SD.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction (pre)</td>
<td>3.89</td>
<td>.675</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>3.98</td>
<td>.674</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MICTDC’s employees are polite.</th>
<th>Mean</th>
<th>SD.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction (pre)</td>
<td>3.82</td>
<td>.710</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>3.93</td>
<td>.727</td>
</tr>
</tbody>
</table>

**4.3.1.3: Tangible Perceptions**

The three items measuring the Tangible dimension (Table 4.8) include questions about up-to-date facilities and visually appealing facilities and neatness of staff presentation. Customer satisfaction with up-to-date equipment increases substantially for this period (M = 4.10 pre, M = 4.61 post). The situation is similar for the visual appeal of MICTDC facilities. Satisfaction also climbs significantly following the intervention (M = 3.82 pre, M = 4.44 post). Satisfaction towards the dress and appearance of MICTDC employees climbs following the intervention, although this aspect does not increase as much as others (M = 3.98 pre, M = 4.39 post). All being taken together, these items suggest that Satisfaction with
Tangible aspects has increased substantially, reaching well into the “Highly satisfied” portion of the range. This is one of the largest increases in the SERVQUAL dimensions that appear in the study.

**Table 4.8: Tangible Dimension**

<table>
<thead>
<tr>
<th>MICTDC has up-to-date equipment (such as slide projector, the Internet and IT applications etc.)</th>
<th>Mean</th>
<th>SD.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction (pre)</td>
<td>4.10</td>
<td>.740</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.61</td>
<td>.555</td>
</tr>
<tr>
<td>MICTDC’s physical facilities (meeting rooms and buildings etc.) are visually appealing.</td>
<td>Mean</td>
<td>SD.</td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>3.82</td>
<td>.877</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.44</td>
<td>.682</td>
</tr>
<tr>
<td>MICTDC’s employees are well dressed and appear neat.</td>
<td>Mean</td>
<td>SD.</td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>3.98</td>
<td>.901</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.39</td>
<td>.629</td>
</tr>
</tbody>
</table>

**4.3.1.4: Empathy Perceptions**

Empathy items (Table 4.9) include individualized service, personal attention, and convenient operating hours. The satisfaction of individualized service with these items has also increases slightly, though not very much (M = 3.88 pre, M = 4.04 post). The satisfaction with personal attention increases moderately between the tests (M = 3.82 pre, M = 4.15 post). Finally, Satisfaction with opening hours has increased substantially (M = 3.56 pre, M = 4.22 post). Overall, the importance of Empathy dimensions remains somewhat lower during the post-intervention stage, and improvement in performance is uneven.
Table 4.9: Empathy Dimension

<table>
<thead>
<tr>
<th>Description</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>The service at MICTDC is individualized to my needs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>3.88</td>
<td>.721</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.04</td>
<td>.628</td>
</tr>
<tr>
<td>I receive an MICTDC employee’s personal attention.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>3.82</td>
<td>.723</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.15</td>
<td>.714</td>
</tr>
<tr>
<td>The operating hours at MICTDC is convenient to all their customers.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>3.56</td>
<td>.704</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.22</td>
<td>.731</td>
</tr>
</tbody>
</table>

4.3.1.5: Responsiveness Perceptions

The final dimension was Responsiveness (Table 4.10). The items included in this scale are information about service performance times, prompt customer service, and prompt response to customer requests. Satisfaction with precise information increased moderately (M = 4.18 pre, M = 4.39 post). Satisfaction with prompt service also increases moderately during this period (M = 4.14, SD = 4.40). Satisfaction with prompt response to customer requests increases moderately, however (M = 4.10 pre, M = 4.36 post). Overall, customers moved from moderately to highly satisfied.

Table 4.10: Responsiveness Dimension

<table>
<thead>
<tr>
<th>Description</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>MICTDC informs customers exactly when services will be performed and delivered.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>4.18</td>
<td>.804</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.39</td>
<td>.720</td>
</tr>
<tr>
<td>I receive prompt services from MICTDC’s employees.</td>
<td>Mean</td>
<td>SD.</td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>------</td>
<td>-----</td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>4.14</td>
<td>.802</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.40</td>
<td>.636</td>
</tr>
<tr>
<td>MICTDC’s employees promptly respond to customer requests.</td>
<td>Mean</td>
<td>SD.</td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>4.10</td>
<td>.731</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.36</td>
<td>.681</td>
</tr>
</tbody>
</table>

### 4.3.2: Customer Satisfaction

The final item is customer satisfaction (Table 4.11). Customer satisfaction with MICTDC services is measured using five items related to customer satisfaction, future purchase intentions and willingness to recommend to others. In all cases, the item means increase. Service expectations are met moderately more effectively (M = 4.08 pre, M = 4.26 post). Participants are also more likely to agree that MICTDC service is better than others (M= 4.28 pre, M = 4.47 post). Overall satisfaction with the MICTDC experience saw one of the biggest increases in the study, goes with a mean difference of 0.75 points (M = 3.47 pre, M = 4.22 post). Future satisfaction with the MICTDC service increases as well (M = 4.12 pre, M = 4.45 post). Finally, willingness to recommend MICTDC increases, though only moderately, when compared to other items (M = 4.38 pre, M = 4.50 post). Overall, it is reasonable to state that customer satisfaction has increased.

**Table 4.11: Overall Satisfaction**

<table>
<thead>
<tr>
<th>Overall, MICTDC’s service matches my expectation.</th>
<th>Mean</th>
<th>SD.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction (pre)</td>
<td>4.0814</td>
<td>.69822</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.2597</td>
<td>.65304</td>
</tr>
<tr>
<td>MICTDC service is better than others?</td>
<td>Mean</td>
<td>SD.</td>
</tr>
<tr>
<td></td>
<td>Mean</td>
<td>SD</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>------</td>
<td>-----</td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>4.2752</td>
<td>.74714</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.4729</td>
<td>.55901</td>
</tr>
<tr>
<td>Buying MICTDC’s service is a satisfying experience.</td>
<td>Mean</td>
<td>SD.</td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>3.4690</td>
<td>.80912</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.2171</td>
<td>.65377</td>
</tr>
<tr>
<td>I would be happy with MICTDC service in the future.</td>
<td>Mean</td>
<td>SD.</td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>4.1240</td>
<td>.77918</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.4496</td>
<td>.61069</td>
</tr>
<tr>
<td>I would recommend MICTDC to my friends and colleagues.</td>
<td>Mean</td>
<td>SD.</td>
</tr>
<tr>
<td>Satisfaction (pre)</td>
<td>4.3760</td>
<td>.61287</td>
</tr>
<tr>
<td>Satisfaction (post)</td>
<td>4.4961</td>
<td>.63765</td>
</tr>
</tbody>
</table>

### 4.3.3: Relationships of Service Quality, Service Performance and Customer Satisfaction

There are three hypotheses proposed on the relationships of the core constructs of the study. They include:

- **H3**: There is a correlation between service performance and service quality.
- **H4**: There is a correlation between service performance and customer satisfaction.
- **H5**: There is a correlation between service quality and customer satisfaction.

A Pearson correlation is used to test each of these relationships. The correlations are summarized in Table 4.12. As shown, there are significant correlations of all the three constructs in the assessment. As expected, Service Performance and Service Quality have a relatively strong positive correlation ($r = 0.759$). There are weaker negative correlations between Service Performance and Customer Satisfaction ($r = -0.159$) and Service Quality and Customer Satisfaction ($r = -0.196$). This finding is surprising, because it indicates that higher
customer service is negatively related to customer satisfaction. This may be because of differing expectations about or priorities of customer service, although the reasons are not clear. When the observations being made, one possibility is that customer service staff trying to provide good services and encountering difficulties could actually lead to lower immediate customer satisfaction, even if they have already provided a better solution for the customer in the end. For example, previously customer service staff were very likely to defer difficult problems to managers instead of trying to solve it themselves, which could create an impression of better responses. Another possibility is that increased customer service performance also results in increased expectations of customer service, since customers will experience the improved responsiveness. There are also other possible explanations about this relationship. The interviews (Section 4.4) suggest that existing relationships between specific staff member and customers are a significant factor effecting the perception of customer service; those customers with long term working relationships with specific staff members are more satisfied with the experience, while newer customers without these experiences are more critical of the employee’ customer service skills. Since correlation does not directly prove causation, it is possible that employee-customer relationships are a confounding variable that has produced some confusing results in this test. It is also possible that there are department-level variations in customer service that could have produced an overall negative effect, even if some department have improved their customer service skills. The design of the study does not allow the findings to capture all possible relationships or explanatory factors. As a result, this is something that needs to remain under examination in the firm. Since this result is not expected, there is no opportunity to review the findings with customers during the interviews and examine the reasons why it may have emerged. However, it is recommended in the project closure that routine customer service satisfaction surveys should monitor this situation and determine if it changes over time.
Since there is no direction stated, Hypotheses 3, 4, and 5 may still be accepted. However, the only really important correlation is between Service Performance and Service Quality. Since they are the two aspects of the same constructs, this relationship is not surprising.

Table 4.12: Correlations Service Performance, Service Quality, and Customer Satisfaction

<table>
<thead>
<tr>
<th></th>
<th>(1) Service Performance</th>
<th>(2) Service Quality</th>
<th>(3) Customer Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Service Performance</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Service Quality</td>
<td>0.759**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>(3) Customer Satisfaction</td>
<td>-0.159**</td>
<td>-0.196**</td>
<td>1</td>
</tr>
</tbody>
</table>

4.3.4: Changes in Satisfaction (Surveys)

Paired t-tests are used to examine whether the changes in service performance perceptions and customer satisfaction over the course of the intervention are statistically significant. These tests are based on the two hypotheses of the study. They are assessed at $p < 0.05$, which is a standard level for statistical significance. In order to test the relationships, unweighted index variables including all three individual items are created. It is these unweighted index variables, rather than the individual variables, that are assessed.

The first hypothesis is stated:

**Hypothesis 1:** There is significantly different service performance (Reliability, Tangible, Responsiveness, Empathy, and Assurance) before and after implementing ODI.

Examination of Table 4.13 shows that this hypothesis can be accepted based on the outcomes of the t-tests. All of the dimensions' paired t-tests are $p < 0.05$, with all dimensions
except Assurance having p = 0.000. (Assurance had p < 0.049, which is still significant though higher than the others). Furthermore, the mean satisfaction for each dimension has increased, although some scales have showed relatively low increases. Mean differences for each index variable in order of increase are the following:

- **Tangible** (Mean difference = 0.51 points)
- **Empathy** (Mean difference = 0.38 points)
- **Reliability** (Mean difference = 0.34 points)
- **Responsiveness** (Mean difference = 0.25 points), and
- **Assurance** (Mean difference = 0.06 points)

The highest increases are seen in **Tangible**, **Empathy**, and **Reliability**, while lower increases are seen in **Responsiveness** and **Assurance**. However, all dimensions show significant differences. Thus, H1 can be accepted from the quantitative research.

**Table 4.13: Paired T-test Result of Service Performance**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>S.D.</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre</td>
<td>3.92</td>
<td>.66130</td>
<td>-8.721</td>
<td>257</td>
<td>.000**</td>
</tr>
<tr>
<td>Post</td>
<td>4.26</td>
<td>.51440</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responsiveness</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre</td>
<td>4.14</td>
<td>.50508</td>
<td>-8.732</td>
<td>257</td>
<td>.000**</td>
</tr>
<tr>
<td>Post</td>
<td>4.39</td>
<td>.47497</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre</td>
<td>3.97</td>
<td>.58477</td>
<td>-14.026</td>
<td>257</td>
<td>.000**</td>
</tr>
<tr>
<td>Post</td>
<td>4.48</td>
<td>.43909</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Empathy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre</td>
<td>3.76</td>
<td>.59117</td>
<td>-15.655</td>
<td>257</td>
<td>.000**</td>
</tr>
<tr>
<td>Post</td>
<td>4.14</td>
<td>.58630</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre</td>
<td>3.87</td>
<td>.42596</td>
<td>-1.979</td>
<td>257</td>
<td>.049*</td>
</tr>
<tr>
<td>Post</td>
<td>3.92</td>
<td>.48596</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: * = Significant at a 0.05 level; ** Significant at a 0.01 level
The second hypothesis is stated:

*Hypothesis 2: There is significantly different customer satisfaction before and after implementing ODI.*

This hypothesis is also tested using paired t-tests (Table 4.14). The result of the t-test is significant \((p = 0.000)\). The pre-intervention overall customer satisfaction \((M = 4.07)\) was lower than the post-intervention customer satisfaction \((M = 4.38)\), with a mean difference of 0.31 points. Thus, Hypothesis 2 can be accepted, as customer satisfaction has significantly improved over the course of the intervention.

Table 4.14: Paired T-test Result of Overall Customer Satisfaction

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>S.D.</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall customer satisfaction</td>
<td>Pre</td>
<td>4.07</td>
<td>.39818</td>
<td>-13.189</td>
<td>257</td>
</tr>
<tr>
<td></td>
<td>Post</td>
<td>4.38</td>
<td>.42567</td>
<td></td>
<td>.000**</td>
</tr>
</tbody>
</table>

Notes: ** = Significant at a \(p < 0.05\) level

4.3.5: Summary of Quantitative Outcome Findings

The quantitative findings show consistent increases in satisfaction across all items from the pre-intervention period to the post-intervention period, although some of these increases are larger than others. For some items, the satisfaction of items changed, although there are generally for smaller changes and only in a few cases is there a significant increase or decrease. The Tangible dimension, one of the service performance dimensions under study, has a significant increase in all items between the pre and post periods, although Responsiveness (the other service performance dimension) only increase moderately. Customer satisfaction items increase too. Correlation tests show a weak negative relationship
among Service Performance and Service Quality and Customer Satisfaction (as discussed in Section 4.2.4).

4.4: Assessment of ODI Outcomes from Performance Perspective

During the research and ODI process, a range of evidence is collected that reflects the process’s effectiveness and outcomes from a performance perspective. The data include employee observations, and customer interviews. The data supplement the outcome-based information as discussed in the surveys above. In this section, these data sources are briefly analyzed. The results are then integrated and discussed along with the literature reviews to gain a critical and holistic perspective on the ODI outcomes.

4.4.1: Employee Customer Service Process Outcomes (Observations)

Pre-intervention observations are made in order to assess the current customer service practice. 5 observations have been made with the same employees as in the post-intervention observations. There are a variety of customer service situations to be observed in these sessions, including the questions about equipment use, difficulties in accessing the databases or device connection, and requests for information. These observations fall into two categories. In three cases (Observations B, C, and D-1), the customer has a technical problem. For example, in Observation B, an American customer asks about how to use some equipment. The staff member could not speak English, so she first tried to explain and then called another staff member to assist her. Although the customer does not complain, he did not appear happy about this situation. In another two cases, there are technical problems that cannot be fixed easily by the customer-facing staff. In other situations however, there are failures of the customer facing staff to meet customer needs that they could not meet. For example, in interaction D-2, a customer asks for the information about rental services. The staff member, who appears to be busy, just give him a brochure and does not offer any further information, which appears to confuse the customer. In another interaction (E), the customer
is forced to wait for the receptionist while she is talking on the phone. Instead of acknowledging the customer, the receptionist avoids eye contacts until she finishes her conversation. These instances demonstrate low quality of customer service, though this is not always the direct fault of the customer service person. These observations support the need for the intervention.

In order to assess the ODI’s impacts on the customer service process at MICTDC, five post-intervention observations of customer-employee interactions have been made. These observations cover a range of common and less common service interactions that occur in the company’s day-to-day activities similar to the activities in the pre-intervention stage. The observation sheets are included in the Appendices of the paper, but a brief summary of the outcomes is offered here below:

The situations observed include the following:-

- A foreign customer asks for directions to go downtown from MICTDC’s office (A)
- A customer would like to book the event hall (B)
- A customer cannot access the IT database (C)
- A customer would like to use the Wi-Fi but cannot connect his phone (D)
- A customer would like the temperature in the event hall lowered (E)

In most cases, the customer’s problem was resolved quickly and competently. For example, in Observation E, the employee immediately apologizes for the high temperature and makes a call to the appropriate technician to ask him to lower the temperature. The problem is resolved in about two minutes, and the customer responded positively. Similarly, in observation D, the employee helps the customer to connect his phone quickly. In observation C, the customer service representative immediately calls a member of the IT staff, and the customer waits about five minutes for the appropriate staff member to come and help them with the databases. These cases all result in satisfactory and competent resolutions for the customer.
Two of the cases are more difficult. In Observation A, there is a language barrier between the customer service representative and the customer, as the customer speaks English and the employee’s English is limited, which leads to some misunderstandings. However, she tries very hard to communicate accurate directions by supplementing her verbal directions with a map. Even though this is a more difficult interaction than others, as there was no easy solution to the language barrier, the customer and the employee both appeared relaxed and positive about the engagement. The customer thanks the employee and appears satisfied. However, the other difficult interaction (Observation B) is not resolved so effectively. The situation is that a customer comes into the office to book the event hall in January (about two months ahead). This should have been straightforward, but the employee cannot find the schedule book. The employee who is responsible for the book is not available. The employee explains the situation and asks the customer to wait. In total, the customer has to wait about 17 minutes to do what should be an easy booking process. The customer is not happy about wait and shows signs of dissatisfaction when leaving.

In the post-intervention period, the performance of customer service staff in the observations is positive and seems to result in a satisfactory resolution for the customers. In most cases, customer needs are met quickly, efficiently and in a friendly way. Even when there are difficulties happening, as in Observation A, the employee’s positive manner and willingness to try to meet the customer’s needs appear to make a positive impression. However, Observation B shows that there are still some difficulties to be worked out. Observation B shows evidence of a design and standards gap (Gap 2), which results when the design of the service is not consistent with the customer’s expectations (Parasuraman, et al., 1988; Zeithaml, et al., 2009). In this case, the adjustment can be very straightforward. For example, event and conference room bookings can be done using a shared spreadsheet or calendar application, rather than a physical book, or the book can assign a specific spot on the
reception desk, which will prevent a recurrence of this problem. However, given that one out of five interactions shows this level of dissatisfaction, it is possible that there can be more gaps that have not been observed.

Comparing the pre-intervention and post-intervention observations shows a change in customer service quality and in attitudes toward customer service on the part of the staff members. In the pre-intervention period, the staff members neither know how to help or nor want to help. They will de-prioritize customer service needs, and do not seem to consider whether customers are in a hurry or might need more information. In the post-intervention period, this changed substantially. Customer service staff are more likely to try to help and are faster to summon help if they cannot fix the customer’s problem or provide the correct service. They are also more likely to smile, make eye contacts and greet the customer. Not all problems are resolved immediately, since there are still difficult technical problems, but the post-intervention period show a marked improvement.

The evidence of employee observations shows that following the ODI, employees do have positive customer service interactions and are friendly and helpful to customers. The main problem remaining is with the design of some services, which is an issue to be worked out further in the organization.

4.4.2 Customer Satisfaction Outcomes (Interviews)

In order to assess the starting conditions, semi-structured interviews are conducted with customers prior to the ODI (n = 5). Interview transcripts are attached in the Appendices, along with post-intervention interviews. Pre-intervention interview respondents have worked with the company between 4 months and 5 years, but most have a relatively short experience. The pointing view on the experience of doing businesses with MICTDC are lukewarm. While participants feel it is not a bad service, some express disappointment with the level of service being offered. Some of the participants have specific complaints about the service level, such
as service being too slow or staff members not knowing what they are doing. Interviewee D gives a specific example of having to ring three times to change a booking date because staff members could neither do it nor know how to.

The overall service quality perceptions range from 2.5 to 4, as does satisfaction with the service as a whole. In general, participants are likely to have the same rating for customer service and satisfaction. The strengths of the MICTDC include location, IT infrastructure and the internet, and facilities. However, customer satisfaction is often cited as a weakness. Staff shortages, lack of knowledge about service and offerings, slow service or difficulties in service delivery even for simple tasks (such as answering email) are cited as being problems. It is not surprising; therefore, many suggestions for improvement also focus on customer service improvement. These suggestions include training employees to provide faster and better services, increasing staffing levels, and improving staff knowledge about services being offered. In summary, most interviewees have a neutral or even negative view point about the customer service being offered by MICTDC, although they continue to use the company for other reasons.

Semi-structured interviews with five customers are conducted as part of the assessment of customer service perceptions following the ODI. The five customers are relatively long-standing customers of MICTDC, with business relationships ranging from one year up to about five years. In general, the participants have positive perceptions of service quality and satisfaction, rating the firm 4 or 5 out of 5 in both of these areas. Their comments offer some insight into how the firm is doing and how it can improve.

Most of the participants feel that the experience of doing businesses with MICTDC is a positive one. For example, participant H said, “The staff [members] who take care of my case have been working with me for a while. They understand me and know what I want. I am quite happy to be dealing with them.” However, some respondents are less enthusiastic.
Participant F said, "Kind of a mix between good and bad experiences. Because they are the government, they are sometimes too slow to respond."

The level of service quality is also perceived to be good. Participant J states, "I have received what I want. They provide an accurate and fast service." Participant G, who has one of the longer experiences with the company, notes that he has personal relationships with the staff members he deals with. He says, "When I walk in, most of them greet me properly."

While Participant F is more neutral about the level of service provided, he stated, "Lately I have noticed some improvement in their service. I mean the staff seems to pay more attention to the customer and be more helpful." This comment from a recent and relatively new customer who has had recent dealings with the firm suggests that the ODI did have an effect on the customer service staff. This may be more evident for a relatively new repeat customer than for a customer like Participant H, who has formed personal relationships with the staff members he deals with.

Key strengths of MICTDC service that were mentioned include IT services and facilities. Participant J stated, "Their IT system is stable and advanced compared to the other centers in Myanmar," while participant F stated "They have most of the facilities that SMEs need for setting up their businesses." Participant G was positive about the event and business space, stating "If you have to organize a big event... I personally think this is one of the best choices." However, it is noticeable that customer service and employees are not identified as the strengths of the business. In fact, staffing is one of the main weaknesses identified. Limited staffing (particularly around events), staff responsiveness to customer needs, and the level of knowledge and ability to respond to customers are stated to be weaknesses. Participant J expressed frustration with the amount of specialization of staff, saying "... When I ask about different services I need to talk to a different unit." Thus, while the
company’s services and facilities are viewed positively, its staffing is a weak point, and needs to be improved in terms of staffing levels and skills.

There are a number of improvements suggested for the firm, many of which were focused on improving customer service quality. For example, participant F suggested that extended opening hours past 17:00 would be helpful. Participants G and J stated that increasing staff levels and improving staff knowledge would be an important improvement. These suggestions are directly addressed as the needs to improve customer service.

In summary, the interviews show a relatively high level of satisfaction with customer service quality at MICTDC. One participant with a recent contact with the firm also noted an improvement in customer satisfaction. The firm’s IT services and facilities are highly regarded. However, there are some remaining customer service issues, including insufficient staffing and cross-training. Participants feel that increased staffing levels and extended hours could be a significant improvement.

Comparing the pre-ODI and post-ODI interviews shows that there has been some improvement, although customer service is still not an outstanding feature as viewed by the customer base. Participants stated that the service was faster and there were some identified improvements in the customer service, such as employees speaking more and being more helpful. The company’s main strengths are still perceived as their facilities and equipment, while staffing numbers and staff knowledge are still identified as a problem for the company. Thus, while the ODI make some differences in perceptions, it has not fully changed perceptions of customer service at the company. This is not surprising, as the ODI is not intended to be an immediate fix, and it will take some time for customer service to become a strong service feature.
4.5 Integration and Assessment

The final task of this chapter is to integrate the qualitative and quantitative assessment of the ODI with the literature to understand the impacts and outcomes of the ODI on the organization. Key points of discussions include service performance outcomes, service quality gaps, evidence for service quality and customer satisfaction, and an overall assessment of the outcomes.

4.5.1 Service Performance Outcomes

Evidence from the questionnaires and customer interviews suggests that the service performance dimensions (Tangible and Responsiveness) can be observed at different rates. Both dimensions are ranked as very important in the customer survey. Both dimensions also show an increase in satisfaction in the post-intervention period, but Tangibles has a much stronger improvement than Responsiveness. While the post-intervention meant for these items are similar (M = 4.39 Responsiveness, M = 4.48 Tangibles), but the lack of improvement is a concern. Responsiveness is also identified as a concern in the interviews, and can be identified in the observations. This is particularly true in observation B, where a customer is forced to wait for almost 20 minutes for what should be a simple task. Thus, while Tangibles has gained an appropriate level of customer satisfaction, Responsiveness is still perceived as a problem for the respondents.

The continued weakness of Responsiveness is a concern because Responsiveness has a particularly high level of association with service quality perceptions and satisfaction, when compared to other service quality dimensions (Agus, et al., 2007; Bell, et al., 2005; Culiberg & Roisek, 2010; Kazemi, et al., 2013; Lee & Lin, 2005; Prentice, 2013; Siddiqi, et al., 2011). Thus, the weakness in this area could reduce customer service quality perceptions even if the firm is providing a high level of service quality perceptions in other areas. The main recommendation from the service performance perspective is that MICTDC needs to improve
its responsiveness approach. Observation A shows that employees are willing to respond as best as they are able to even in the presence of problems like language barriers. Thus, the service process needs to be refined to allow them to do so, as discussed below.

4.5.2 Service Quality Gaps

There is some evidence of continuing service quality gaps between customer expectations and experience. Most of these gaps can be classified as Gap 2 (a Design and Standards gap), or in other words a gap between the customer's expectations of the service and the design of the service offering (Parasuraman, et al., 1988; Zeithaml, et al., 2009). These gaps include:

- A long wait for a missing event hall planning book (Observation B)
- Shorter opening hours than desired (Interviewee A), and
- Too small a number of staff (Interviewees B and C)

The cause of the design and standards gap is straightforward: it is simply that the service is planned with more different standards than what customers expect (Bitner, et al., 2010). This can result from poor planning or strategic problems, but can also result from an underlying listening gap (Bitner, et al., 2010). This is inconsistent with the expectations set out by the literature, which suggests that listening, experience, and communication gaps (Gaps 1, 4 and 5) would be more likely to occur. However, understanding the observed process gap as being connected with an underlying listening gap does make sense. In order to overcome this gap, it is important for the firm to listen to customers and identify their service needs (such as longer hours or more staff) (Bitner, et al., 2010). The generally positive response to the service quality and satisfaction suggests that MICTDC's post ODI service quality is within the zone of tolerance (Johnston, 1995; Parasuraman, Zeithaml, & Berry, 1994; Teas & DeCarlo, 2004; Zeithaml, Berry, & Parasuraman, 1993). This means that customers will be willing to accept the level of service being offered, although continued improvements would increase their satisfaction. However, it is important to resolve these
gaps, since they can affect customer satisfaction and competitiveness (Chen, et al., 2009; Ueno, 2010). As MICTDC faces more competition, it will become more important than ever to ensure that service quality gaps are resolved and reduced as soon as possible in order to improve service quality perceptions and satisfaction.

4.5.3 Evidence for Service Performance and Customer Satisfaction

The quantitative surveys provide statistical evidence that customer perceptions of service performance and satisfaction have improved in all dimensions of the SERVQUAL model, although improvements are stronger in some areas than others. The biggest improvements are seen in Tangibles, Empathy, and Reliability. In contrast, Responsiveness and Assurance show relatively small improvements. Evidence from the Observations shows that customers are generally satisfied in four cases, even in Observation A, where there is a language barrier that prevented the most efficient service. The evidence from the interviews also supports a positive perception of service quality and satisfaction from the company, with evidence of good relationships and efficient service, although there are also a few issues identified. Although the service quality at MICTDC is not perfect, there is evidence that customers do positively regard the service quality of the firm and that there are improvements following the ODI. They also show higher levels of customer satisfaction. These findings are consistent with previous studies, which have supported a positive relationship between service quality perceptions and customer satisfaction (Akbar & Parvez, 2009; Amin & Isa, 2008; Chen, 2008; Eboli & Mazzula, 2007; Kouthouris & Alexandris, 2005; Lee & Lin, 2005; Olurrunniwo & Hsu, 2006; Ravichandran, et al., 2010; Reinemann, et al., 2008; Siddiqi, 2011; Yang & Fang, 2004).

4.5.4 Overall Assessment of Effectiveness of ODI

Evidence from the qualitative and quantitative assessments of employee processes and customer perceptions of service quality and outcomes shows that MICTDC’s service
quality and customer satisfaction have improved in the post-intervention period, when compared to the pre-intervention period. Observations of interactions between employees and customers show that even when employees cannot easily respond to customer needs, they really try to give the customers the best service. The customer interviews also show a positive trend in service quality, although this is muted. Such evidence indicates that from the customer perspective, the ODI has succeeded in improving service quality and satisfaction, although there are still some service quality gaps and a need to improve the perception of Responsiveness. Thus, while service quality needs continuing development, the ODI has been successful at meeting the original goals of the study. The effectiveness of ODI as a tool for improving service quality has been studied relatively rarely in the academic literature (Daly, et al., 2009; Kimani, et al., 2012; Luk & Layton, 2005).

The outcomes of this study have shown that ODI can be a successful tool for this type of organizational need, as predicted by the general literature on ODI (Anderson, 2011; Cummings & Worley, 2014). However, some of the aspects of the tool, such as the workshops, are more meaningful than the broader, more general interventions like the organizational culture intervention (the kick-off meeting). It is in these activities where it really becomes important to people to develop customer service skills and provide good customer service to customers. The use of ODI is highly satisfactory for meeting the need to improve the service quality at MICTDC. In the next chapter of the study, a conclusion and recommendation based on these findings are offered.
Chapter 5: Summary, Conclusion and Recommendation

5.1 Summary of Study

The problem of this research is how service quality performance and customer satisfaction could be improved at MICTDC. MICTDC is Myanmar’s state ICT development corporation, and is tasked with supporting IT development in the emerging economy’s SME sector. The firm offers a range of services for businesses in Yangon, including IT services like databases and Internet connectivity and conference and event space. The firm has a number of advantages, including a prime location and strong government support. However, it does need to develop its competencies and customer orientation in order to continue to be competitive in an increasingly contested market. In order to achieve its aspiration of being a leading IT service provider in the Myanmar market and even internationally, it needs to improve customer service quality and customer satisfaction to improve its reputation and increase customer retention.

5.1.1 Findings

The research is conducted as an action research study. The literature review provides a theoretical framework for understanding service quality performance dimensions (Tangibles and Responsiveness) and service quality gaps, and their connection to customer satisfaction and other positive outcomes. The chosen approach to organizational change was an organizational development intervention (ODI). The ODI is a systematic tool for creating organizational change in the targeted areas by addressing the issue of concern at multiple levels. The ODI for MICTDC includes human resource changes, strategic changes, and implementation of motivation techniques.

The outcomes of the ODI are assessed using a variety of qualitative and quantitative assessments, including pre/post-intervention customer surveys, customer interviews, and
employee-customer interaction observations. There are two hypotheses proposed for testing with the customer surveys. These hypotheses included:

- **H1:** There is significantly different service performance (Reliability, Tangible, Responsiveness, Empathy and Assurance) before and after implementing ODI.

- **H2:** There is significantly different customer's satisfaction before and after implementing ODI.

- **H3:** There is a correlation between service performance and service quality.

- **H4:** There is a correlation between service performance and customer satisfaction, and

- **H5:** There is a correlation between service quality and customer satisfaction.

Comparison of the pre-intervention and post-intervention service quality satisfaction and customer satisfaction shows that there are significant positive mean differences in the five service quality dimensions, with the best improvements shown in Tangible, Empathy, and Reliability. Assurance continues to lag behind the other dimensions ($M = 3.93$), but other dimensions have scored above 4 on a 5-point Likert scale. Thus, Hypothesis 1 could be accepted on the basis of the service quality score improvements in the customer survey.

Hypothesis 2 could also be accepted, as there is a significant positive improvement in customer satisfaction. The post-interview customer surveys have a positive mean difference in customer satisfaction of 0.31 points compared to the pre-intervention period. Post-ODI employee observations and customer surveys can find some areas for improvement, particularly around employee responsiveness (which is also weak in the customer perception improvements). However, comparison of pre-ODI and post-ODI interviews and observations demonstrate some level of improvement in the customer service. These qualitative findings can find evidence of continuing service gaps, particularly a design and standards gap related
to meeting some customer needs. This could be related to a listening gap, particularly with areas like employee staffing levels and operating hours. However, they also support the generally positive perception of MICTDC’s service quality and customer satisfaction.

Furthermore, the improvement shown in surveys, interviews and observations between the pre-ODI and post-ODI period reinforce the idea that the ODI is effective at improving customer service quality, even though these improvements may not be at their peak yet. Although the ODI is effective in terms of skill improvement, it was relatively short, and as a result customer-facing employees are still developing their skills in real-world situations at the end of the formal recognition period. In order to observe the full effect of the ODI, a longer-term view into whether MICTDC implemented training practices, continued recognition, and continued to grow their employee’s customer service skills will be needed.

There are also hypotheses that concern the relationship between customer service quality, service performance, and satisfaction. Hypotheses 3, 4, and 5 are tested using Pearson correlation. Service quality and service performance show a strong positive correlation, while both service quality and service performance have a weak negative correlation to customer satisfaction. The reasons for this are unclear, but may be related to Myanmar’s specific preferences for customer service quality, which have not yet been determined. While technically all of these hypotheses could be accepted, the amount of information gained from the test is minimal, other than identification of a potential knowledge gap.

5.2 Conclusion

There are some important conclusions that can be drawn from the findings of the primary research. The conceptual framework and theoretical framework provide a way to
understand the relationship between service quality, service performance, and customer satisfaction.

First, service quality is important to overall customer satisfaction. The specific importance of Tangibles and Responsiveness dimensions of the SERVQUAL model (the service performance dimensions) can also be supported. The evidence suggests that the performance of both dimensions improves, but Tangibles improves more than Responsiveness. Responsiveness, while assessed as moderately high, does not improve as much. Correlation results are inconsistent, with weak negative correlations reported for Service Quality and Customer Satisfaction. The reason for this inconsistency is uncertain, but can indicate different cultural perceptions of Myanmar customers.

Specific critical incidents identified in the observations and interviews can be attributed to lack of Responsiveness, such as long waits and customers passing around through departments. These issues how resulted in service quality gaps, which appear to influence customer satisfaction outcomes. The relationships identified in the research do support the relationships as expressed in the theoretical framework of the study. Thus, the theoretical framework provided by the literature can appropriately explain the relationship between service quality, service performance, service gaps, and customer satisfaction.

A further conclusion of this study is about the efficacy of ODI as a tool for organizational change in MICTDC. The purpose of ODI is not to fully effect a change in an organization at a narrow level, but to be part of a continual process of change that is integrated throughout the organization (Cummings & Worley, 2014). This study really shows that there are some continuing problems with service quality throughout the organization, which could affect customer satisfaction. Responsiveness is identified as a particular concern, as expressed in the situations like customers needing to be referred between departments, waiting for a long time for information or having to wait for specific people for relatively
simple tasks. However, these remaining process and listening gaps do not mean that the implementation was not effective. In fact, the ODI did result in improved service quality and satisfaction outcomes, as shown by the survey and interviews. Observations of staff members in the post-intervention period showed that even when they had barriers to assisting the customer, they usually tried their best to overcome these barriers. It is likely that if observations continued over time, and if MICDTC’s management retained commitment to training and implementation of coaching and recognition practices, these problems would be reduced and service quality would improve further. Thus, the ODI has resulted in a change in attitudes about customer service and its importance. This is, in our opinion, the most important foundational change for further service quality and customer satisfaction improvements.

The ODI can be stated to be a success, even though it is not the end of the story for MICDTC. Since ultimately it is the nature of ODI that it is a process that is never finished, but only the start of change, this is a positive outcome for the firm. Furthermore, this research focuses on only a small sub-system of MICDTC, mainly including its customer-facing personnel. Thus, there are possibilities for change within the whole of MICDTC that should continue to be managed.

5.3 Recommendations

5.3.1 Post ODI Recommendations

The ODI is not a one-time training session or other organizational programs (Anderson, 2011; Cummings & Worley, 2014). Instead, it is part of a process of change in the organization that introduces new ideas, norms or models for the organization’s members. This means that even with ideal ODI outcomes, there is further organizational development to be performed. This is certainly true at MICDTC, where there are observed service gaps and continuing service quality issues (particularly with Responsiveness and Assurance...
dimensions). The SERVQUAL model and the underlying theory of service quality as proposed by previous authors (Bitner, et al., 2010; Parasuraman, et al., 1988; Zeithaml, et al., 2009) have proved to be effective in modeling customer expectations and assessments of service quality, and thus there is no need to construct a new model of service quality. Instead, what needs to be done is that service processes and other procedures need to be refined in order to improve the performance of the organization.

Some of the continuing problems can be attributed to a listening gap. The modification of listening gaps is often straightforward: organizations can communicate to their customers about what customers expect from them, and then work to provide it (Bitner, et al., 2010). Some of the specific issues that were identified and that could result from a listening gap in this study include potentially inconvenient opening hours and lack of staffing. However, MICTDC should not stop at assuming these are the only gaps. The first recommendation for the post-ODI action is that MICTDC should undertake a customer survey, using focus groups to understand what customers want and need from the firm and how they could improve their customer service. This type of study is a common form of market research that can be used effectively to improve customer orientation of the firm. By undertaking a more extensive survey of customer needs, MICTDC may be able to resolve the listening gap and improve Responsiveness perceptions. Process and standards gaps could be addressed, by examining what customers are actually experiencing compared to what they need.

The second recommendation is that service quality should be implemented as part of the standard training practice for MICTDC employees in customer-facing positions. Continuing training and development of the ODI’s focal activities helps to reinforce and build on the lessons learned during the ODI and cement the changes in organizational culture and practice (Cummings & Worley, 2014). By implementing customer service training,
MICTDC can improve the customer experience by communicating clearly to employees about what they are expected to provide. This will also help improve employee understanding of service quality and customer needs.

Perhaps, the most important recommendation is that MICTDC should keep training, coaching, and rewarding its staff for customer service quality and exceptional customer service. From my observation, employees respond highly positively to the ODI once they understand what its purpose is, and once they understand how service quality could affect their everyday jobs and relationships with others as well as the firm’s performance. Coaching and recognition make a big difference to participants, since they do not feel they have been trained and then left to try to put that training into practice. This type of coaching and recognition can help employees feel supported and listened to. It also reduces the stress of dealing with difficult customer situations, since they can at any time access a manager to help guide them through tricky procedures or difficult customer interactions. Encouraging service quality means not just encouraging technical excellence, but also encouraging employees to feel comfortable in and proud of their jobs. This is one of the biggest wins of the intervention and should be continued, and expanded into larger sub-systems of the organization.

5.3.2 Recommendations for Future Research

In the course of this study, a number of potentially interesting research questions have arisen. However, these questions are outside the scope of the research and cannot be addressed in detail. These questions could be interesting for future research development.

One interesting aspect of the research that cannot be examined in detail is the adaptation of organizational culture and individual employees to new expectations of customer service following radical societal change. It is already clear from this research that this is an issue, for example with language barriers in customer relationships as explained in the interviews. The long closure of Myanmarese society, as well as the state-owned nature of
MICTDC, means that it is possible that organizational members do not have internalized preconceptions or assumptions about what customer service quality is supposed to be like in a Westernized environment. Having studied changes in service assumptions and service roles in Myanmar over the last few years can be an interesting topic, particularly for anthropological or sociological studies. Previous research has been conducted on similar questions, such as a study of implementation of capitalist production and manufacturing norms in a previously state-owned factory following Poland’s privatization initiative (Dunn, 2004). A similar study could offer more insight into the underlying social norms of service quality in Myanmar, which could improve future research. Another opportunity for future research is in the use of ODI in order to improve service quality in the organization. Relatively few studies actually reported the success of ODI for this purpose previously, although it is clear from the professional literature on ODI that it was a potentially valuable use of the technique. By reporting more case studies and their outcomes, future research could provide better information about how to implement ODI for service quality and customer satisfaction initiatives. This will help to demystify the ODI process for service quality initiatives and provide more information about its efficacy.

Another opportunity for research is consumer research to establish service quality preferences and responses of Burmese consumers. Service quality preferences are not static even within relatively small regions like Asia (Ueltschy, Laroche, Zhang, Cho, & Ren, 2009), and Burmese people are known to be highly unmaterialistic and thus potentially more interested in relationships (Nardi, 2006). This could change service quality preference and importance. However, this has not been studied yet. Consumer research could help examine current preferences, while longitudinal research could help track attitudes of change.
5.4 Epilogue

During and after the completion of the research process, I engaged in periodic critical reflection about my experience. This has included my experience of being an OD learner and OD researcher, and the potential impact of these experiences on my future as an OD practitioner and my role in change management within the organization. During my time as an OD learner, I found the material challenging at times because OD takes such a broad perspective on the organization. It was difficult to understand how OD played a role in the organization and what uses it could have in remaking and changing the organization. I persevered through the formal process of learning and read whatever additional information I could in order to understand the process and practice of OD more fully.

During the transition to being an OD researcher at MICTDC, I began to incorporate the theoretical models of OD into my practical choices. During this phase, I faced different challenges, including effectively planning an ODI and encouraging others within the organization that it was the right tool for the task. In order to convince MICTDC managers and staff members to accept the ODI’s principles and learning, the information I provided needed to be credible, grounded in empirical evidence, and trustworthy, and needed to show a clear benefit to the organization. At the same time, I needed to collect data to show that the ODI was conducted appropriately and that it made a real difference at MICTDC. I did have some missteps, for example failing to anticipate the importance of space rentals compared to IT services. I should have conducted more in-depth analyses of the company’s customer base in order to avoid this error.

The lessons I learned during these two stages are the lessons I expect will be useful in my career as an OD practitioner and agent of change within the organization. With a good grounding in the theoretical basis of OD and a better understanding of the tools and techniques, along with practice at planning, implementing, monitoring and evaluating ODI
outcomes, I am ready to assess organizations and implement ODI where necessary to best meet their needs. I am not done learning about OD, and I will need to continually revise my knowledge and understanding of the organization and its context. However, on the basis of this experience I feel confident of moving forward along the OD career path.

Ultimately, I never imagined myself as an academic OD researcher, and was not confident at the beginning of this process that I could successfully produce a completed dissertation. Despite the challenges and difficulty involved in the process, to have completed this research has been one of the greatest experiences and greatest achievements in my life. Although I still plan a career as a professional OD consultant, I will carry this experience with me, along with greater confidence, problem-solving skills and belief in my own capabilities that it has developed.
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Appendix A: Questionnaire (Pre-test)

Service Quality at MICTDC

This questionnaire is a part of dissertation which aims to examine MICTDC’s provision of international standard service quality and improve customer satisfaction. It would be very much appreciated if you could help by completing this questionnaire.

This questionnaire is divided into three sections. Please follow the instructions provided and answer the questions that apply to you. All information will be treated as confidential and will only be used for the purpose of this study.

Instruction: Please select a response for each item indicating your level of expectation about the statement and perception of MICTDC’s delivery on this statement.

### Part 1: Service Quality

<table>
<thead>
<tr>
<th>Statement</th>
<th>Level of expectation</th>
<th>Level of Perception</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>How important is this item to you</td>
<td>Level of satisfaction with this item</td>
</tr>
<tr>
<td><strong>Reliability</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1. When MICTDC promises to provides something at a certain time, the company always does so.</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.2. When I have a problem, the employee at MICTDC is willing to assist me.</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.3 MICTDC keeps its records accurately.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Responsiveness</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.4 MICTDC informs customers exactly when services will be performed and delivered.</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.5 I receive prompt service from MICTDC’s employees.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>---</td>
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<td>---</td>
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<tr>
<td>1.6 MICTDC’s employees promptly respond to customer requests.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Tangible</strong></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1.7 MICTDC has up-to-date equipment (such as slide projector, the Internet and IT applications etc.)</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1.8 MICTDC’s physical facilities (meeting rooms and buildings etc.) are visually appealing.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1.9 MICTDC’s employees are well dressed and appear neat.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Empathy</strong></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1.10 Service at MICTDC is individualized to my needs.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1.11 I receive an MICTDC employee’s personal attention.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1.12 Operating hours at MICTDC is convenient to all their customers.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Assurance</strong></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1.13 I can trust the employees of MICTDC</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1.14 I feel safe in my transactions with MICTDC’s employees.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1.15 MICTDC’s employees are polite.</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>
Part 2: Overall Customer Satisfaction

<table>
<thead>
<tr>
<th>Statement</th>
<th>Level of satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Overall, MICTDC’s service matches my expectation.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2.2 MICTDC service is better than others.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2.3 Buying MICTDC’s service is a satisfying experience.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2.4 I would be happy with MICTDC service in the future.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2.5 I would recommend MICTDC to my friends and colleagues.</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>

Part 3: Consumer Behavior and Background

3.1 What service did you take/purchase at MICTDC?
[ ] Renting events hall  [ ] Renting seminar/conference hall
[ ] Others (please identify) _______________________________________

3.2 How often do you purchase services at MICTDC?
[ ] First time  [ ] more than once a month  [ ] once a month
[ ] once every three months  [ ] once every six months  [ ] once a year

3.3 What business are you in?
[ ] Educational  [ ] Retail  [ ] Industrial
[ ] IT/software  [ ] Consultant  [ ] Oil and Gas
[ ] Financial and account  [ ] Automobile  [ ] Law and legal
[ ] Engineer and construction  [ ] Logistics
[ ] Others (please identify) __________________________
Appendix B: Questionnaire (Post-test)

Service Quality at MICTDC

This questionnaire is a part of dissertation which aims to examine MICTDC’s provision of international standard service quality and improve customer satisfaction. It would be very much appreciated if you could help by completing this questionnaire.

This questionnaire is divided into three sections. Please follow the instructions provided and answer the questions that apply to you. All information will be treated as confidential and will only be used for the purpose of this study.

Instruction: Please select a response for each item indicating your level of expectation about the statement and perception of MICTDC’s delivery on this statement.

Part 1: Service Quality

<table>
<thead>
<tr>
<th>Statement</th>
<th>Level of Perception</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Level of satisfaction with this item</td>
</tr>
<tr>
<td></td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.1. When MICTDC promises to provides something at a certain time, the company always does so.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.2. When I have a problem, the employee at MICTDC is willing to assist me.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.3 MICTDC keeps its records accurately.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.4 MICTDC informs customers exactly when services will be performed and delivered.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.5 I receive prompt service from MICTDC’s employees.</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>
1.6 MICTDC’s employees promptly respond to customer requests.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Level of satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.7 MICTDC has up-to-date equipment (such as slide projector, the Internet and IT applications etc.)</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.8 MICTDC’s physical facilities (meeting rooms and buildings etc.) are visually appealing.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.9 MICTDC’s employees are well dressed and appear neat.</td>
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</tr>
<tr>
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</tr>
<tr>
<td>1.11 I receive an MICTDC employee’s personal attention.</td>
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</tr>
<tr>
<td>1.12 Operating hours at MICTDC is convenient to all their customers.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.13 I can trust employees of MICTDC</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.14 I feel safe in my transactions with MICTDC’s employees.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.15 MICTDC’s employees are polite.</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>

**Part 2: Overall Customer Satisfaction**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Level of satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Overall, MICTDC’s service matches my expectation.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2.2 MICTDC service is better than others?</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2.3 Buying MICTDC’s service is a satisfying experience.</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>
2.4 I would be happy with MICTDC service in the future. | 1 | 2 | 3 | 4 | 5
---|---|---|---|---|---
2.5 I would recommend MICTDC to my friends and colleagues. | 1 | 2 | 3 | 4 | 5

**Appendix B: Employee Observation Sheet**

<table>
<thead>
<tr>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Detail of Situation:</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Main Problems:</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Customer Reaction/ Satisfaction:</strong></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
Employee Reaction and Manner

Appendix C: Customer Interview Questions

1. How long have you been doing a business with MICTDC?

2. Please describe your experience of doing a business with MICTDC?

3. Please explain the level of service quality that you perceived at MICTDC?

4. In your opinion, what are the strengths of MICTDC service?

5. In your opinion, what are the weaknesses of MICTDC service?

6. Please rate 1 to 5 of service quality perceived at MICTDC (1 means very bad, and 5 means excellence)?

7. Please rate 1 to 5 of your satisfaction (1 means very bad, and 5 means excellence)?

8. What do you expect from MICTDC to improve their service?
**Appendix D: Employee (A) Observation (Pre-ODI)**

<table>
<thead>
<tr>
<th>Date: 10-09-15</th>
</tr>
</thead>
</table>

**Detail of Situation:** The customer complained about the service. She said that she had been waiting for the staff to connect her device to the server for some time and do not know whether the staff could fix it or how long she had to wait.

**Main problems:** The staff did not inform the customer if he could fix the problem nor told the customer has how long to wait.

**Customer reaction/satisfaction:** Complaints and dissatisfied looks.

**Employee Reaction and Manner:** Staff looked a bit panicky when a customer started to complain.
Appendix E: Employee (B) Observation (Pre-ODI)

<table>
<thead>
<tr>
<th>Date: 7-09-15</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Detail of Situation:</strong> An American customer asked staff how to use some equipment.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Main problems:</strong> Staff could not speak English. So, she called another staff to assist her. About 10 minutes, another staff came and solved the problem.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Customer Reaction/ Satisfaction:</strong> Customer did not say anything. But he did not look very happy.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Employee Reaction and Manner:</strong> Staff tried to explain to customer but he did not understand.</th>
</tr>
</thead>
</table>
Appendix F: Employee (C) Observation (Pre-ODI)

<table>
<thead>
<tr>
<th>Date: 9-9-15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Detail of Situation:</strong> A Customer could not access to IT database. He asked staff to solve this problem.</td>
</tr>
<tr>
<td><strong>Main problems:</strong> There was an internet connection error.</td>
</tr>
<tr>
<td><strong>Customer Reaction/ Satisfaction:</strong> Customer seemed to be in a hurry and distressed.</td>
</tr>
<tr>
<td><strong>Employee Reaction and Manner:</strong> Staff told the customer to take a seat and she made a phone call to IT department. An IT guy came and said that there was some problem about connection and it would take about 10-20 minutes to solve the problem.</td>
</tr>
</tbody>
</table>
**Appendix G: Employee (D) Observation (Pre-ODI)**

<table>
<thead>
<tr>
<th>Date:</th>
<th>8-09-15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Detail of Situation:</strong></td>
<td>A customer would like the information about rental service.</td>
</tr>
<tr>
<td><strong>Main Problems:</strong></td>
<td>Customer asked about service information but the staff seemed to be busy with something. So, the staff just gave the customer a brochure without any explanation.</td>
</tr>
<tr>
<td><strong>Customer Reaction/ Satisfaction:</strong></td>
<td>The customer seemed confused and was not really happy with the service provided by the staff.</td>
</tr>
<tr>
<td><strong>Employee Reaction and Manner:</strong></td>
<td>Staff gave the customer a brochure, but did not explain anything. Then, staff turned around and served another customer.</td>
</tr>
</tbody>
</table>
Appendix H: Employee (E) Observation (Pre-ODI)

<table>
<thead>
<tr>
<th>Date: 7-9-15</th>
</tr>
</thead>
</table>

**Detail of Situation:** A customer was waiting for the receptionist while she was talking on the phone.

**Main Problems:** The reception was talking on the phone and a customer waiting for service for a long time.

**Customer Reaction/ Satisfaction:** A customer just stood in front of the receptionist waiting for the receptionist to finish her talking on the phone.

**Employee Reaction and Manner:** The reception continued to talk on the phone and pretended that she did not see the customer, having no eye-contact, no smile and nothing.
Appendix I: Employee (F) Observation (Post-ODI)

<table>
<thead>
<tr>
<th>Date: 15-11-15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Detail of Situation:</strong> A foreign customer asked staff how to go downtown from MICTDC.</td>
</tr>
<tr>
<td><strong>Main Problems:</strong> Language barrier - Although staff could speak English, there is some misunderstanding.</td>
</tr>
<tr>
<td><strong>Customer Reaction/ Satisfaction:</strong> A customer said thanks and was quite happy with the answer.</td>
</tr>
<tr>
<td><strong>Employee Reaction and Manner:</strong> The staff tried to explain using both verbal and drawing. Her voice was clam and polite.</td>
</tr>
</tbody>
</table>
Appendix J: Employee (B) Observation (Post-ODI)

<table>
<thead>
<tr>
<th>Date: 15-11-15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Detail of Situation:</strong> A customer came in and would like to book an event hall in January.</td>
</tr>
<tr>
<td><strong>Main Problems:</strong> The staff spent some time finding the schedule plan as she did not know where it was. She is not responsible for this task. However, the one responsible was not available (she is not around).</td>
</tr>
<tr>
<td><strong>Customer Reaction/ Satisfaction:</strong> The customer did not say anything, but did not look happy.</td>
</tr>
<tr>
<td><strong>Employee Reaction and Manner:</strong> The staff told the customer to wait as she explained that her colleague (the one responsible for this) was not available. Totally, the customer had been waited for about 17 minutes.</td>
</tr>
</tbody>
</table>
**Appendix K: Employee (C) Observation (Post-ODI)**

<table>
<thead>
<tr>
<th>Date: 20-11-15</th>
</tr>
</thead>
</table>

**Detail of Situation:** A customer could not access to IT database. He asked the staff to solve this problem.

**Main Problems:** There was a connection error.

**Customer Reaction/ Satisfaction:** Calm and relaxed. After the problem was solved, he seemed very satisfied.

**Employee Reaction and Manner:** The staff told the customer to take a seat and she made a phone call to IT department. An IT guy came (about 5 minutes after the call).
Appendix L: Employee (D) Observation (Post-ODI)

Date: 20-11-15

**Detail of Situation:** A customer would like to use wifi but had some problem connecting to it. An employee helped the customer connect wifi to his mobile phone.

**Main problems:** Customer could not connect wifi.

**Customer Reaction/ Satisfaction:** The customer said thank you and laughed.

**Employee Reaction and Manner:** The employee helped the customer to connect wifi and when the customer said ‘thank you’, he said ‘you’re welcome’.
<table>
<thead>
<tr>
<th>Date: 23-11-15</th>
</tr>
</thead>
</table>

**Detail of Situation:** A customer asked employee to cool down the room temperature in the event hall since it was a little bit hot and she could not find any staff in the event hall area.

**Main problems:** The room temperature was a little bit hot.

**Customer Reaction/ Satisfaction:** At first the customer looked unaffordable and complained about the room temperature. But after the employee made a phone call to the technician to lower the room temperature, customers seemed satisfied.

**Employee Reaction and Manner:** The employee apologized and told the technician to lower the temperature. This problem was solved in 2 minutes.
Appendix N: Interview Transcript A (Pre-ODI)

1. How long have you been doing a business with MICTDC?

About 2-3 years

2. Please describe your experience of doing a business with MICTDC?

It is ok. It is not a great service, but it is not a bad one.

3. Please explain the level of service quality that you perceived at MICTDC?

Answer: As I said, it is just OK.

4. In your opinion, what are the strengths of MICTDC service?

Their internet and IT infrastructure is great. I would say it is the best in the country.

5. In your opinion, what are the weaknesses of MICTDC service?

The service is sometimes slow.

6. Please rate 1 to 5 of service quality perceived from MICTDC (1 means very bad, and 5 means excellence)?

I would say 3.

7. Please rate 1 to 5 of your satisfaction (1 means very bad, and 5 means excellence)?

It is also 3.

8. What do you expect from MICTDC to improve their service?

They should tell their employees how to provide faster and better service.
Appendix O: Interview transcript B (Pre-ODI)

1. How long have you been doing a business with MICTDC?
2 years and 4 months

2. Please describe your experience of doing a business with MICTDC?
I think doing a business with MICTD is okay. They provide me what I want and I pay them the money, that’s it.

3. Please explain the level of service quality that you perceived at MICTDC?
I think the services that I have received from MICTDC have been okay so far. Not worst but not excellent, it is just so and so.

4. In your opinion what are the strengths of MICTDC service?
MICTDC strength is its location.

5. In your opinion, what are the weaknesses of MICTDC service?
MICTDC weakness is staff knowledge. Some staff members do not know about the services and provide wrong information to customers.

6. Please rate 1 to 5 of service quality perceived at MICTDC (1 means very bad, and 5 means excellence)?
About 3.

7. Please rate 1 to 5 of your satisfaction (1 means very bad, and 5 means excellence)?
3, as well.

8. What do you expect from MICTDC to improve their service?
MICTDC should train staff more on services offered by the company.
Appendix P: Interview Transcript C (Pre-ODI)

1. How long have you been doing a business with MICTDC?

Almost 5 years

2. Please describe your experience of doing a business with MICTDC?

My experience with MICTDC is good. I have been using the company services for a long time. Although there are many times that the staff has make mistake, I do not take it seriously.

3. Please explain the level of service quality that you perceived at MICTDC?

It is good.

4. In your opinion what are the strengths of MICTDC service?

The strength is its facilities.

5. In your opinion, what are the weaknesses of MICTDC service?

I have experienced many times that the company has staff shortage during business period.

6. Please rate 1 to 5 of service quality perceived at MICTDC (1 means very bad, and 5 means excellence)?

About 3-4 scores.

7. Please rate 1 to 5 of your satisfaction (1 means very bad, and 5 means excellence)?

I give 4.

8. What do you expect from MICTDC to improve their service?

MICTDC should provide customer with more staff during busy periods.
Appendix Q: Interview Transcript D (Pre-ODI)

1. How long have you been doing a business with MICTDC?

Just 6 months.

2. Please describe your experience of doing a business with MICTDC?

Not that good as I have expected.

3. Please explain the level of service quality that you perceived at MICTDC?

The level of service quality that I have perceived at MICTDC is not that good. I mean some staff does not know what are they doing and it takes time for them to manage what I have requested. For example, I have to ring three persons for changing the booking date because they said they do not have power to change it and I need to ask another unit to do it.

4. In your opinion what are the strengths of MICTDC service?

A variety of room types.

5. In your opinion, what are the weaknesses of MICTDC service?

Staff management.

6. Please rate 1 to 5 of service quality perceived at MICTDC (1 means very bad, and 5 means excellence)?

2.5

7. Please rate 1 to 5 of your satisfaction (1 means very bad, and 5 means excellence)?

2.5

8. What do you expect from MICTDC to improve their service?

Staff knowledge and services
Appendix R: Interview Transcript E (Pre-ODI)

1. How long have you been doing a business with MICTDC?
My company have been doing businesses with MICTDC for more than 4 years but I just started to contact the company 4 months ago.

2. Please describe your experience of doing business with MICTDC?
So far, it has been okay.

3. Please explain the level of service quality that you perceived at MICTDC?
Their services are good but sometimes they are a little bit slow.

4. In your opinion, what are the strengths of MICTDC service?
Their location and cleanliness.

5. In your opinion, what are the weaknesses of MICTDC service?
Delivery time, it takes too long for some service such as answering emails.

6. Please rate 1 to 5 of service quality perceived at MICTDC (1 means very bad, and 5 means excellence)?
3.5

7. Please rate 1 to 5 of your satisfaction (1 means very bad, and 5 means excellence)?
3.5

8. What do you expect from MICTDC to improve their service?
They should improve their speed.
Appendix S: Interview Transcript F (Post-ODI)

1. How long have you been doing a business with MICTDC?
I am not really sure how long my company has been dealing with MICTDC but I have been dealing with MICTDC for a year roughly.

2. Please describe your experience of doing a business with MICTDC?
Kind of mixture between good and bad experience. Because they acted like government, they are sometime too slow to response: for example, I used to wait for them to confirm the price for the conference rooms and its available date. Its took two weeks to get the answer.

3. Please explain the level of service quality that you perceived at MICTDC?
Answer: As I mentioned earlier the service quality here is not too good or not too bad. However, lately I have noticed some kind of improvement in their service. I mean their staff seems to pay more attention to customers and be more helpful.

4. In your opinion what are the strengths of MICTDC service?
They have most of the facilities that SMEs need for setting up their businesses. If you think about technology facilities and IT center in Myanmar, you have to think about MICTDC.

5. In your opinion, what are the weaknesses of MICTDC service?
The main weakness is responsiveness.

6. Please rate 1 to 5 of service quality perceived at MICTDC (1 means very bad and 5 means excellence)?
I would say 4.
7. Please rate 1 to 5 of your satisfaction (1 means very bad, and 5 means excellence)?

It is also 4.

8. What do you expect from MICTDC to improve their service?

I would say operating hours. At the moment MICTDC is open until 17.00. Personally, it would be great if they were open until 6.00pm or 7.00pm.
Appendix T: Interview Transcript G (Post-ODI)

1. How long have you been doing a business with MICTDC?

About 5 years. We basically rent a seminar hall at MICTDC every quarter. We do a yearly contact with MICTDC.

2. Please describe your experience of doing a business with MICTDC?

I have a good experience with MICTDC. Maybe because we have been working together for some time. They know what we want.

3. Please explain the level of service quality that you perceived at MICTDC?

As I said, we have been working together for many years. I could say we are friends. I know their marketing manager and most of their marketing staff. When I walk in, most of them greet me properly.

4. In your opinion, what are the strengths of MICTDC service?

Their facilities. As MICTDC is an IT center, their IT facilities such as the Internet and Wi-Fi are the best in town. I would say! They also have proper event halls. If you have to organize a big event in the country, I personally think this is one of the best choices.

5. In your opinion, what are the weaknesses of MICTDC service?

Sometimes their staff is not enough.

6. Please rate 1 to 5 of service quality perceived at MICTDC (1 means very bad, and 5 means excellence)?

I would say 5.
7. Please rate 1 to 5 of your satisfaction (1 means very bad, and 5 means excellence)?

Also 5.

8. What do you expect from MICTDC to improve their service?

I think they should add more staff, particularly when on the event/ seminar day.
Appendix U: Interview Transcript H (Post-ODI)

1. How long have you been doing a business with MICTDC?
I have been doing business as with MICTDC for more than 4 years.

2. Please describe your experience of doing a business with MICTDC?
Dealing with MICTDC is easy and quite convenient for me. The staff who is taking care of my case has been working with me for a while. They understand and know want I want. I am quite happy to dealing with them.

3. Please explain the level of service quality that you perceived at MICTDC?
So far, I have received good services from MICTDC.

4. In your opinion what are the strengths of MICTDC service?
Um, I think their strengths are service and location. The center is located near the airport and not too far from downtown.

5. In your opinion what are the weaknesses of MICTDC service?
The number of staff is limited sometimes.

6. Please rate 1 to 5 of service quality perceived from MICTDC (1 means very bad, and 5 means excellence)?
I probably give 4 for MICTDC.

7. Please rate 1 to 5 of your satisfaction (1 means very bad, and 5 means excellence)?
Also, 4
8. What do you expect from MICTDC to improve their service?

I do not expect much from MICTDC to improve. I think of just maintaining what they have done; it is enough for now.
Appendix V: Interview transcript I (Post-ODI)

1. How long have you been doing a business with MICTDC?

About one and a half years.

2. Please describe your experience of doing a business with MICTDC?

My experience with MICTDC is good.

3. Please explain the level of service quality that you perceived at MICTDC?

I think the service quality that MICTD provided is high.

4. In your opinion, what are the strengths of MICTDC service?

Their IT system is stable and advance when compared to those of the other centers in Myanmar.

5. In your opinion, what are the weaknesses of MICTDC service?

Staffs knowledge can be seen as a weakness to me. I mean when I ask about the other services, I need to talk to a different unit. I think they should train their staff for all the services, not just the one they are responsible for.

6. Please rate 1 to 5 of service quality perceived at MICTDC (1 means very bad and 5 means excellence)?

4

7. Please rate 1 to 5 of your satisfaction (1 means very bad, and 5 means excellence)?

4

8. What do you expect from MICTDC to improve their service?

Improved staff knowledge in other units.
Appendix W: Interview transcript J (Post-ODI)

1. How long have you been doing a business with MICTDC?
3 years

2. Please describe your experience of doing a business with MICTDC?
Doing businesses with MICTDC is okay.

3. Please explain the level of service quality that you perceived at MICTDC?
I have received what I want. They provide accurate and fast services.

4. In your opinion, what are the strengths of MICTDC service?
Data center and Internet in the compound.

5. In your opinion, what are the weaknesses of MICTDC service?
The service provided by MICTDC might be too advanced for low-tech or old people.

6. Please rate 1 to 5 of service quality perceived at MICTDC (1 means very bad, and 5 means excellence)?
4

7. Please rate 1 to 5 of your satisfaction (1 means very bad, and 5 means excellence)?
4

8. What do you expect from MICTDC to improve their service?
I think MICTDC should focus more on acknowledging customers and the public about their services.
### Appendix X: Supplementary Reliability Analysis

#### Table D.1: Standardized Regression Weights: (Group number 1 - Default model)

<p>| Estimate |
|----------|---|
| RP 1 (\leftarrow) Responsiveness | .441 |
| RP 2 (\leftarrow) Responsiveness | .722 |
| RP 3 (\leftarrow) Responsiveness | .927 |
| T1 (\leftarrow) Tangible | .807 |
| T2 (\leftarrow) Tangible | .738 |
| T3 (\leftarrow) Tangible | .825 |
| E1 (\leftarrow) Empathy | .836 |
| E2 (\leftarrow) Empathy | .718 |
| E3 (\leftarrow) Empathy | .935 |
| A1 (\leftarrow) Assurance | .838 |
| A2 (\leftarrow) Assurance | .981 |
| A3 (\leftarrow) Assurance | .812 |
| S3 (\leftarrow) Satisfaction | .386 |
| S4 (\leftarrow) Satisfaction | .528 |
| S5 (\leftarrow) Satisfaction | .470 |
| S2 (\leftarrow) Satisfaction | .938 |</p>
<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>S1 ← Satisfaction</td>
<td>.994</td>
</tr>
<tr>
<td>RL 3 ← Reliability</td>
<td>.597</td>
</tr>
<tr>
<td>RL 2 ← Reliability</td>
<td>.608</td>
</tr>
<tr>
<td>RL 1 ← Reliability</td>
<td>.881</td>
</tr>
</tbody>
</table>

Table D:2 Correlations: (Group number 1 - Default model)

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Responsiveness ← Tangible</td>
<td>-.163</td>
</tr>
<tr>
<td>Responsiveness ← Empathy</td>
<td>-.026</td>
</tr>
<tr>
<td>Responsiveness ← Assurance</td>
<td>.093</td>
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<tr>
<td>Responsiveness ← Satisfaction</td>
<td>.450</td>
</tr>
<tr>
<td>Tangible ← Empathy</td>
<td>1.038</td>
</tr>
<tr>
<td>Tangible ← Assurance</td>
<td>.262</td>
</tr>
<tr>
<td>Tangible ← Satisfaction</td>
<td>-.231</td>
</tr>
<tr>
<td>Empathy ← Assurance</td>
<td>.353</td>
</tr>
<tr>
<td>Empathy ← Satisfaction</td>
<td>-.271</td>
</tr>
<tr>
<td>Assurance ← Satisfaction</td>
<td>-.120</td>
</tr>
<tr>
<td>Reliability ← Responsiveness</td>
<td>-.086</td>
</tr>
<tr>
<td></td>
<td>Estimate</td>
</tr>
<tr>
<td>-------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Reliability &lt;-- Satisfaction</td>
<td>0.571</td>
</tr>
<tr>
<td>Reliability &lt;-- Assurance</td>
<td>-0.219</td>
</tr>
<tr>
<td>Reliability &lt;-- Tangible</td>
<td>-0.260</td>
</tr>
<tr>
<td>Reliability &lt;-- Empathy</td>
<td>-0.350</td>
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</tbody>
</table>