FLEXIBLE STAFFING SOLUTIONS AND ITS IMPACT ON CUSTOMER SATISFACTION

Richard Francis Brett

Mini-dissertation submitted in partial fulfilment of the requirements for the degree Master in Business Administration at the North-West University, Potchefstroom Campus

Supervisor: Dr C. Botha

Potchefstroom

November 2007

NOTE

The reader should keep the following in mind:

- The editorial style as well as the references referred to in this mini-dissertation follow the format prescribed by the Publication Manual (5th edition) of the **American Psychological Association (APA).** This practice is compliant with the policy of the Programme in Industrial Psychology at the North-West University (Potchefstroom Campus).

- Chapter 2 is submitted in the form of a research article.

PREFACE

I would like to express my sincere gratitude to the following people, without whom this research would not have been possible:

- Dr. C. Botha, for his personal commitment and effort, consistent interest and professional guidance.
- Mrs Antoinette Bisschoff for the language editing.
- My family and friends who supported me in many practical ways and never stopped believing in me.
- My Creator and Lord, for giving me the opportunity, as well as strength to complete this study.

ABSTRACT

Subject: Flexible staffing solutions and its impact on customer satisfaction

Key terms: Flexible staff, temporary, non-standard, contingent, customer satisfaction, financial benefits.

The face of the workplace has changed dramatically over the past decade and most organisations have to survive in a fiercely competitive global economy. The impact of the competitive changes, especially in the service environment has become critical and quality service is considered an essential strategy for success and survival in today's competitive environment. Organisations are continuously searching for ways to improve their performance and create a sustainable competitive advantage. Consumers are also continuously being made more aware of their rights and in today's fast paced world, with time constraints and increased stress, tolerance levels have been considerably eroded. In view of this, customer satisfaction has become a focus area, in particular, to investigate ways that it can be enhanced to gain a competitive edge. A better understanding of how organisations can apply resources to achieve these goals will be a useful instrument towards gaining sustainable competitive advantage.

One way of doing this is for service firms to manage their capacity to achieve maximum and/or optimum utilisation at all times, if possible. But having trained staff on hand at the right times is no easy task. Overstaffing can lead to budget blow-out, while understaffing adds to staff stress levels, and can contribute to both customer and staff dissatisfaction. As a possible solution many employers tackle this problem by employing casual staff who are more flexible in their working hours and can be deployed to meet peak demands in service.

The objective of this study was to investigate the importance of customer satisfaction and whether the utilisation of temporary staffing solutions could positively contribute in improving service levels. A survey research design was used with a questionnaire as data-gathering instrument. The study population consisted of customers (N=507) that

visited Absa branches in the Vaal Triangle and were serviced by either permanent or flexi tellers. Contingency tables were used to record and analyse the relationship between the different variables, and statistical significance tests were used to show that the results are significant. Chi-square and Cramer's phi or V test were used as the basis of the analysis.

The research confirmed that customer satisfaction has definite financial benefits for an organisation and that the effective application of temporary staffing solutions could further enhance these benefits. The results of the statistical analysis of the survey further confirmed that there was no significant difference in the perceived level of service received from either permanent or flexi tellers.

Limitations in the research are identified and recommendations for future research are made.

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LIST OF ABBREVIATIONS

Abbreviation	Description
CEFA	Comprehensive Exploratory Factor Analysis-program
PIMS	Profit Impact of Market Strategy
THA	Temporary Help Agencies
THS	Temporary Help Services
WOM	Word-of-Mouth

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CHAPTER 1

INTRODUCTION

This mini-dissertation focuses on an investigation into the utilisation of flexible staffing solutions and its impact on customer satisfaction.

1.1 PROBLEM STATEMENT

Competing retailers frequently offer the same merchandise (Payne, Christopher, Clark, & Peck, 1995) acquired from the same vendors. They typically mimic each other's price promotions. Stores often look more alike than different - a row of storefronts in a mall. The potential for sameness in retailing is ever present. Accordingly, retail companies can benefit by achieving distinctiveness in ways important to their target markets. For service-intensive retailers, a key opportunity for differentiation lies in how they treat their customers. The foundation of relationship retailing is quality of service. No customer wants a relationship with a retail company that is unreliable, unresponsive, incompetent or otherwise inefficient on quality-of-service dimensions.

Traditional banking systems are losing monopolies and some of their historic competitive advantages. Commercial banks, influenced by the pressures of globalisation, competition from non-banking financial institutions, and volatile market dynamics are constantly seeking new ways to add value to their services. In fact, banks are losing their predominant role as deposit takers and lenders to companies. Value creation by any financial organisation, e.g. banks largely depends on how much its customers are satisfied with the workings and services provided by that financial organisation. In today's competitive world any product function is the combination of both product and service (Anon., 2007).

A study conducted by Gruca and Rego (2005) shows that customer satisfaction increases future cash flows and reduces their variability. The positive effect of customer satisfaction on future cash flows is both statistically significant and managerially relevant. For the average firm, in their sample, a one-point increase in customer satisfaction translates into a $55 million increase in net operating cash flow in the following year. That same one-point increase in customer satisfaction results in a reduction in the variance of future cash flows of more than 4%. Such outcomes boost the value of a firm to its shareholders.

Research further confirms that customer satisfaction has a measurable impact on purchase intentions, on customer retention (Mittal & Kamakura, 2001), and on firms' financial performance (Anderson & Mittal, 2000). Likewise, customer satisfaction has been found to impact share of wallet (SOW) positively (Keiningham, Perkins-Munn, & Evans, 2003), and the volume of business conducted with a firm.

Providing reliable service has many benefits for the service firm. Firms which provide reliable service have higher levels of customer retention, benefit from positive word-of-mouth advertising (Berry & Parasuraman, 1991), and can charge higher prices for their services than poor service providers. Today, a competitive market position and a good reputation of a company can quickly translate into market share and profit, but that distinction is often earned only through a philosophical commitment to service backed by diligent attention to what customers want and need (Zineldin & Bredenlöw, 2001)

Delivering customer service is an important strategy of any organisation in South Africa to survive and grow (Brink & Berndt, 2004). It is seen as a method that can be used to differentiate an organisation from the competition, as well as being perceived as an important tool to improve customer retention and increase brand loyalty. Although these advantages are well recognised, current experience in South Africa indicates that superior customer service is the exception to the rule, while indifferent customer service is prevalent.

Excellent service is a profit strategy (Berry, 1995) because it results in more new customers, more business with existing customers, fewer lost customers, more insulation from price competition, fewer mistakes requiring the re-performance of services, and lower marketing costs, because extra marketing monies do not have to be spent convincing customers to buy despite the firm's poor performance record.

Customer loyalty is a prime determinant of long-term financial performance of firms (Jones & Sasser, 1995). This is particularly true for service firms where increased loyalty can substantially increase profits (Reicheld, 1996; Reicheld & Sasser, 1990). Service firms focus on achieving customer satisfaction and loyalty by delivering superior value, an underlying source of competitive advantage (Woodruff, 1997). For service firms the challenge is identifying the critical factors that determine customer satisfaction and loyalty.
In today's fast paced world, time constraints and increased stress have considerably eroded tolerance levels (Kampllikar, 2005). Firms cannot afford to make their customers wait.

Several studies reveal that waits have a negative impact on customer satisfaction and thereby on the firm's profitability. Waiting time is a crucial factor in a customer's evaluation process and high waiting time has a negative impact on service evaluation (Katz, Larson, & Larson, 1991). The concept is of prime importance to most services industries as it is losing customers on account of dissatisfaction due to high waiting times. With customer retention being a priority, firms must take steps to reduce customer waiting time (perceived and actual).

The Money Report compiled by Illuminology (Fild, 1997), an independent research consultancy, states that lengthy queues are associated with banking and seen as unnecessary. While making a fuss about poor service is not a South African characteristic, the normally accepting customer will increasingly select a bank on the basis of the quality of customer service.

It is a never ending battle. Service queues are an inherent source of tension between a bank and its customers. The costs and complexities of ensuring that customers never wait are not feasible for most banks (Bettencourt, 1997), particularly in high traffic branches. On the other hand, customers simply do not like to wait. Research confirms intuition that the service quality of a bank that forces customers to wait in long queues will be rated as poor.

Consider the consequences of customer waiting (Gurney, 1990). Overwhelming evidence indicates that long waits for service negatively affect a customer's perception of the overall quality of service. These service quality perceptions are closely linked to a customer's degree of satisfaction with the service. Satisfied customers are loyal and spread positive word-of-mouth. Dissatisfied customers complain to friends and relatives and, at some point, switch service providers. So the management of service queues (for example, teller lines) has obvious, but important ramifications for retail banking.

The costs of not delivering quality service are, however, also high. If a service firm fails to perform at the level expected by a customer, the cost of that failure may go well beyond the loss of a single transaction. It also includes the impact of any negative word-of-mouth on the part of the customer, and any further transactions that they may have initiated. The effects of these can be significant. Customers who have received poor service will seldom tell the offending firm of their experience, but instead will spread the news to a host of friends and relatives. Dissatisfied customers will, on average, tell more than nine other people of their

experience (Zemke & Bell, 1990). Given that word-of-mouth is the strongest form of persuasion, and one over which the firm has very little control, service providers can ill afford to have this type of story circulating about them. People place more trust in the opinions of those close to them, and are more likely to act on the advice of friends and relatives, than on any other form of advertising in which the firm may engage (Solomon, 1992). It is, therefore, imperative that firms provide consistently good service to their customers. Failure to do so will seriously limit their ability to retain their customers.

Customers today are more constrained by time than ever before (Sheu, McHaney, & Babbar, 2003). In an intensely competitive world the pressure, expectation and need to accomplish more in less time is unlikely to diminish. Service providers understand the premium that consumers place on time they view as wasted while waiting for the delivery of services. A customer waiting in line for service is potentially a lost customer. As such, managers of service operations constantly strive to shorten customer waiting time during service delivery (Durrande-Moreau, 1999; Jones & Peppiat, 1996).

In a recent article by Whitfield (2007) new research into branch service levels at South African banks revealed that the country's major financial institutions face serious challenges when it comes to staff training, morale and customer service. None of the banks substantially stood out from their peer group in terms of service – nor did any of the banks score particularly high on issues such as solving customers' problems, waiting times or productivity. Waiting times were found to be long and unproductive. On average, South African bank clients spend 71% of their time in a branch waiting to be served. Researchers estimate that only 5% of a client's time at a bank branch is spent articulating their needs. One of the primary causes of the service shortfall may be as a result of the rapid expansion of SA's retail banking market. While client numbers have surged, there hasn't been a commensurate increase in branch numbers. Rapid staff turnover is also commonly cited as a reason for poor service.

When speaking of capacity management, the aim is to minimise customer waiting time and to avoid idle capacity, with the goal of attending to demand in time and in the most efficient way possible (Adenso-Dias & González-Torre, 2002).

Lovelock (1992) defines the capacity of a service as the highest possible amount of output that may be obtained in a specific period of time with a predetermined level of staff,

installations and equipment.

When demand is highly fluctuated and peak demand regularly exceeds capacity, managers must consider altering either demand patterns or supply capacity so that service can be delivered without incurring long customer waiting time. In case demand patterns cannot be altered, managers could consider operations-oriented strategies to control the level of service supply, such as scheduling part-time workers and cross-training service personnel (Fitzsimmons & Fitzsimmons, 2000).
The way in which the service process is designed determines, to a large extent, the waiting times that customers experience. Any reductions in customer waiting time by better management of process design can certainly help lower both customer dissatisfaction and defection (Davis & Heineke, 1998; Taylor, 1994).

Given the challenge of demand and capacity management, service firms find it difficult to satisfy their customers (Kampllikar, 2005). There are steep peaks and troughs in demand and it becomes difficult for service marketers to manage them. These fluctuations in demand lead to high waiting times when demand is at its peak and wasted resources during periods of low demand.

Having trained staff on hand at the right times is no easy task. Overstaffing can lead to budget blow-out, while understaffing adds to staff stress levels, and can contribute to both customer and staff dissatisfaction. Many employers tackle this problem by employing casual staff who is more flexible in their working hours.

Non-standard work arrangements (Kalleberg, 2000) such as part-time work, temporary employment and contract work have become an important topic in research and writing on work and employment relations. Non-standard employment relations have also been referred to as alternative work arrangements, market-mediated arrangements, non-traditional employment relations, flexible staffing arrangements, flexible working practices, atypical employment, vagrant or peripheral employment, vulnerable work, precarious employment, disposable work, new forms of employment and contingent work.

Flexible working (Pettinger, 1998) is the term used to describe the creation of work patterns and arrangements based on the need to maximise and optimise organisational output, customer satisfaction and staff expertise and effectiveness. It has come about as the result of

the expansion of globalisation of competition and choice, increased pressures on all resources, enhanced customer demands and expectations, and changes in patterns of consumption. Flexible workforces are created to maximise and optimise the use of capital, premises, technology and equipment, to produce high quality products and services that are available to customers where and when required.

In a study done by Abraham (1988) there are at least two sorts of fluctuations that may lead employers to use flexible staffing arrangements. First, if demand varies from period to period, it may make sense to cover some part of peak demand with flexible staffers. Second, it may be appropriate to rely in part on flexible staffing arrangements to deal with labour supply fluctuations due to absences, vacations, leaves, and so on.

For many employers, varying regular employees' hours of work, particularly through scheduling of overtime, is an important instrument for absorbing demand fluctuations and for handling absences, vacations, leaves, and so on. The ability to vary regular employees' hours is not, however, a perfect substitute for the use of flexible staffing arrangements. Standard arguments imply that marginal productivity of hours worked by the regular workforce during a given time period will eventually decline. For a firm with a given regular workforce, beyond a certain point it will be cheaper to accommodate higher-than-usual demand or higher-than-usual absenteeism by using supplemental staff rather than by increasing regular workers' hours.

Adjusting the size of the regular workforce is another approach to accommodating changing circumstances. If there is a change in demand or in employees' labour supply behaviour (for example, an increase in absenteeism) that is expected to persist for an extended period of time, one would expect an employer to make changes in the size of the regular workforce. But one would not expect an employer to hire additional regular staff to meet short-term needs; any wage savings associated with using additional regular staff rather than flexible staffers would be more than offset by the fixed costs of increasing and then decreasing the size of the regular workforce.

Similar to fluctuations in a firm's demand for labour, the supply of its permanent staff could vary in both planned and unplanned ways. For instance, permanent workers may go on vacation, become ill, or have to care for an elderly parent or other family member. Firms may choose to cover these changes in labour supply with contingent workers.

According to Matusik and Hill (1998), the contingent workforce consists of independent contractors, individuals brought in through employment agencies, on-call or day labour, and workers on site whose services are provided by contract firms.

A brief explanation of the principle of temporary help service (hereinafter referred to as THS) is necessary. Moore (1965) defines THS as companies which hire temporary workers and send them out to do temporary work on the premises of, and under the supervision of customers solicited from the business world. A THS resumes all responsibility for the workers' wages, payroll deductions, and unemployment and workmen's compensation claims. The customer is billed in an amount covering wages, overhead, and profit, on an hourly basis, usually with a four-hour minimum. Although the customer has control of the work, he avoids any employer-employee relationship with the worker. With regard to its responsibilities to the employee, a THS is legally and technically the employer. The only authority which the customer exercises over the worker is that of issuing instructions within the worker's job classification. If he is dissatisfied with the worker for any reason, he notifies the THS. By the same token, if the workers are unhappy with the assignment, they turn to the THS, not to the customer.

Temporary Help Agencies (THA) provide temporary workers to client companies on a contract basis (Amuedo-Dorantes, Malo, & Munoz-Bullon, 2006). Their key feature is that workers remain on the THA's payroll while working for the client company: i.e., workers engaged by THA and placed at the disposal of client companies become a part of the triadic relationship between the worker, the THA and the firm where the work is performed. This means that temporary workers are under the client company's direct supervision but receive a pay-check from the temporary help agency. The agency bills the client company for the workers' wages, along with a fee for providing the placement services.

For some "temps", agency work may make it easier to shape their careers if they are able to gain expertise. Workers interested in advancing their career goals might accept short-term assignments as a way to learn a variety of skills. Additionally, the mobility associated with short-term assignments enhances workers' networking possibilities and provides them with valuable leads and recommendations in getting a permanent job in the near future. In the aforementioned instances, agency work can serve as a stepping stone into a new career.

Matusik and Hill (1998) also noted that there is a potential cost benefit associated with contingent work. The use of contingent work can reduce benefit, training, and recruitment costs, enable the firm to manage its capacity more efficiently (which lowers costs), and lower the fixed costs of exiting from an activity (which implies greater flexibility). It may also result in enhanced productivity. These costs and flexibility arguments are reinforced by research suggesting that the behaviours and attitudes of contingent workers compared with those of full-time employees are substantially the same (Pearce, 1993). In other words, the behaviour and attitudes of contingent workers are unlikely to have a negative impact upon the cost structure of a firm. As long as cost benefits outweigh the wage differential paid for contingent work, these economies lower the long-run average costs of the firm, enabling it to create more value and enhance its competitive position.

Another potential source of cost saving is in the firm's ability to manage its capacity more efficiently (Matusik & Hill, 1998). A firm can use contingent work in activities where there are pronounced fluctuations in the demands for the services provided by those activities. If a firm bases its staffing levels on projections of demand at peak periods, excess capacity during periods of low demand results. It is efficient to use contingent workers for periods of high demand, employing only enough permanent staff to cover periods of low demand.

This study attempts to explore the utilisation of flexible staffing solutions as an alternative to meeting fluctuations in demand and subsequently improving the levels of customer satisfaction.

The teller area of Absa Bank branches in the Vaal Triangle has been the focus of this study. The staffing models of financial institutions generally determine complements based on the average numbers of transactions per month, adding a percentage for annual leave cycles and training. What this does not account for are peaks in demand for service that occur during month-ends and Fridays, as well as any unplanned absenteeism. During these periods customers are normally faced with excessive queues and extended waiting times.

The question arises, given the importance of customer satisfaction, whether flexible staffing solutions could offer a viable alternative that will not only improve customer satisfaction but also lead to increased financial performance.

1.2 RESEARCH OBJECTIVES

The research objectives are divided into general objectives and specific objectives.

1.2.1 General objectives

The objective of this study is to determine the impact of flexible staffing solutions on customer satisfaction.

1.2.2 Specific objectives

The specific objectives of this study are:

- To establish the importance of service quality and customer satisfaction, and its impact on business performance.
- To discuss flexible staffing solutions as an alternative to solving the problem of meeting increased demands in service capacity.
- To establish whether there is any difference in the perceived levels of service experienced by customers from either permanent or flexi tellers.

1.3 RESEARCH METHOD

The research method consists of a literature review and an empirical study.

1.3.1 Literature review

The literature review focused on customer satisfaction, flexible staffing solutions and their impact on business performance.

1.3.2 Research design

One of the most popular and effective measurement tools to determine the level of customer satisfaction is a research survey. Therefore, a questionnaire was designed to obtain information regarding the perceptions of the customers' service experiences at five different Absa branches. An interviewer-led process was followed, making use of closed statements followed by structured responses. Participants were informed that the purpose of the

questionnaire (research instrument) was to gather voluntary responses on how they perceived the various aspects of their interaction at the branches' teller environment.

1.3.3 Participants

The participants were all customers who frequented Absa branches within the Vaal Triangle. Participation was voluntary and 507 (N=507) completed questionnaires were collected. Customers from different areas, gender, age, academic levels and income groups participated. There was an even spread of male (50.6%) and female (49.4%) respondents. The majority of respondents were in the age group 17-50 (79.5%) with the minority (0.2%) of respondents younger than 17 years. Educational levels revealed that the majority (75.6%) of participants have a Grade 12 and/or higher qualification. Only 36.5% of the respondents earned less than R48 000.

1.3.4 Measuring instrument

Items used in the questionnaire were based upon the 5-point agreement-disagreement Likert format varying from strongly agree to strongly disagree. However, in this case the scaling was adapted to a four-point scale; this is a forced choice method since the middle option of "Neither agree nor disagree" was not available. Likert scaling is a bipolar scaling method, and excluding the middle option ensured that the researcher only received either positive or negative responses to a statement.

The questionnaire comprised two sections. The first part consisting of ten statements directly related to the customers perceptions regarding the service they received and one general request asking for feedback on what could be done to improve the service levels.

The second section has questions that were specifically included to gather demographic characteristics of the participants such as: gender, age group, residential area, academic background and annual income levels.

1.3.5 Data analysis

The statistical analysis was carried out with the help of the Comprehensive Exploratory Factor Analysis-program (CEFA) of Browne, Cudeck, Tateneni, and Mels (1998). For

structural equivalence, item bias and the reliability, the Statistica Version 7.1 programme was used (Statsoft, 2005).

1.4 RESEARCH PROCEDURE

Responses were gathered from participants on all the items in the questionnaire. Participants consisted of customers that frequented branches of Absa Bank in the Vaal Triangle and conducted transactions at the teller counters. All responses were used for data and statistical analysis. Hypotheses were tested and conclusions were drawn.

1.5 DIVISION OF CHAPTERS

Chapter 1: Introduction, problem statement and objectives.
Chapter 2: Research Article
Chapter 3: Conclusions, limitations and recommendations.

1.6 CHAPTER SUMMARY

This chapter discussed the problem statement and research objectives. The measuring instruments and research method used when doing the research were explained. A brief overview of the chapters followed.

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CHAPTER 2

FLEXIBLE STAFFING SOLUTIONS AND ITS IMPACT ON CUSTOMER SATISFACTION

ABSTRACT

The objective of this study was to investigate the importance of customer satisfaction and whether the utilisation of temporary staffing solutions could positively contribute in improving service levels. A survey research design was used with a questionnaire as data-gathering instrument. Contingency tables were used to record and analyse the relationship between the different variables and statistical significance tests were done to show that the results are significant. Chi-square and Cramer's phi or V test were employed as the basis of the analysis.

The research confirmed that customer satisfaction has definite financial benefits for an organisation and that the effective application of temporary staffing solutions could further enhance these benefits. The results of the statistical analysis of the survey further confirmed that there was no significant difference in the perceived level of service received from either permanent or flexi tellers.

2.1 LITERATURE REVIEW

2.1.1 Customer satisfaction

Delivering customer service is an important strategy of any organisation in South Africa to survive and grow (Brink & Berndt, 2004). It is seen as a method that can be used to differentiate your organisation from the competition, as well as being perceived as an important tool to improve customer retention and increase brand loyalty. Although these advantages are well recognised, current experience in South Africa indicates that superior customer service is the exception to the rule, while indifferent customer service is prevalent.

The Money Report compiled by Illuminology (Fild, 1997), an independent research consultancy, states that lengthy queues are associated with banking and seen as unnecessary. While making a fuss about poor service is not a South African characteristic, the normally accepting customer will increasingly select a bank on the basis of the quality of customer service.

It is a never ending battle. Service queues are an inherent source of tension between a bank and its customers. The costs and complexities of ensuring that customers never wait are not feasible for most banks (Bettencourt, 1997), particularly in high traffic branches. On the other hand, customers simply do not like to wait. Research confirms intuition that the service quality of a bank that forces customers to wait in long queues will be rated as poor.

Consider the consequences of customer waiting (Gurney, 1990). Overwhelming evidence indicates that long waits for service negatively affect a customer's perception of the overall quality of service. These service quality perceptions are closely linked to a customer's degree of satisfaction with the service. Satisfied customers are loyal and spread positive word-of-mouth. Dissatisfied customers complain to friends and relatives and, at some point, switch service providers. So the management of service queues (for example, teller lines) has obvious, but important ramifications for retail banking.

Bankers also attempt to compensate for the queue wait with pleasant tellers. Research conducted by Bitner, Booms, and Tetreault (1990), points to the important influence of the actual face-to-face encounter with the service employee (an efficient transaction accompanied by a sincere apology) on customers' perceptions of service quality. Therefore, bankers reason that acceptable levels of customer satisfaction will be maintained as long as queue lengths are not "too long" (defined in terms of the number of customers in line or average wait duration), as long as productive or entertaining distractions are provided, and as tellers provide both efficient service and empathetic apologies for the wait.

Bielen and Demoulin (2007) suggest that when customers are not satisfied with waiting times, the service satisfaction should be higher to ensure customer loyalty. Customers are prepared to wait longer when the service satisfaction is high than when it is low. They may consider the waiting time as a sacrifice required to obtain a high level of service quality. If customer satisfaction with the service is low, they may not accept to put up with a long wait. Therefore, they may be disloyal with the service provider on the next purchase decision.

In a major study (Keaveney, 1995) of the factors behind consumers' decisions to switch service providers, researchers found that inconvenience, including waiting time, was a major factor in more than 20 percent of the decisions to switch. According to Bettencourt (1997), waiting costs incurred by customers had the largest impact of any factor on evaluations of the acceptability of the wait. As a customer's waiting costs increase, the wait becomes less acceptable.

Bettencourt (1997) also states that the psychological tensions created by personal waiting costs are strong and often result in customer behaviours that have negative consequences for the service provider. The customer may simply be angry, but will continue with the transaction, or they may leave the queue and return at a later time. However, studies done by Zeithaml, Berry, and Parasuraman (1996) show that customers will also have reduced loyalty to the bank, will often switch to another service provider, and will actively spread negative word-of-mouth to all who will listen.

In today's fast paced world, time constraints and increased stress have considerably eroded tolerance levels (Kampllikar, 2005). Firms cannot afford to make their customers wait. Several studies reveal that waits have a negative impact on customer satisfaction and thereby on the firm's profitability. Waiting time is a crucial factor in a customer's evaluation process and high waiting time has a negative impact on service evaluation (Katz, Larson & Larson, 1991). The concept is of prime importance to most services industries as it is losing customers on account of dissatisfaction due to high waiting times. With customer retention becoming priority, firms must take steps to reduce customer waiting time (perceived and actual).

According to Hoffman and Bateson (2001), although some may argue that customers are unreasonable at times, little evidence can be found of extravagant customer expectations. Consequently, satisfying customers is not an impossible task. In fact, meeting and exceeding customer expectations may reap several benefits for the firm. Positive word-of-mouth generated from existing customers often translates into more new customers. Satisfied, current customers often purchase more products more frequently and are less likely to be lost to competitors than are dissatisfied customers. Companies who command high customer satisfaction ratings also seem to have the ability to insulate themselves from competitive pressures, particularly price competition. Customers are often willing to pay more and stay with a firm that meets their needs than to take the risk associated with moving to a lower

priced service offering. Finally, firms that pride themselves on their customer satisfaction efforts generally provide better environments in which to work.

Timm (2005) stated that to get new customers can be tough. An oft-quoted statistic says that it costs five or six times as much to get a new customer as it does to keep an existing one. So logically, it makes sense to focus on satisfying customers you already have, thus encouraging repeat business. Without customer retention, you'll spend a lot of time and effort refilling a leaky bucket as you chase an ever-replenishing supply of new customers. This is the dilemma faced by companies that offer shoddy products or poor service. People may buy from them once, but will not come back.

On the other hand, customers who are satisfied with the relationship become the firm's best sales force, thanks to their referrals. Not only are they cheaper, but they generate a trust that means customers who come to the firm through referral are usually more loyal than those who come for other reasons (Roig et al., 2006). Wangenheim and Bayón (2004) elaborate on the importance of word-of-mouth (WOM) in the formation of attitudes, in a purchase decision-making context and in the reduction of risk associated with buying decisions. WOM is especially critical for the success of service providers.

Advertising increases awareness of products and services, but personal referrals and recommendations by people who have had a good customer experience lead to actual decisions to purchase those products and services. Over 4,000 empirical studies document the predominant role of social networks, that is word-of-mouth in diffusion or the spread of products and services (Rogers, E.M., 1995).

To sustain repeat business, generate positive word-of-mouth "advertising" by providing exemplary service. People talk to others about a service experience when it is exceptional, out of the ordinary. You can offer the best products available, but if you fail to supplement them with a positive service experience, few customers will notice the difference between you and your competition. Service success is a matter of setting yourself apart from others through unexpected excellence.

Service quality is now considered a critical success factor that affects an organisation's competitiveness. Furthermore, service quality is considered an essential determinant that allows an organisation to differentiate itself from the competition and therefore gain a

sustainable competitive advantage (Gounaris et al., 2003).

Delivering quality service is considered an essential strategy for success and survival in the competitive service environment (Dawkins & Reicheld, 1990; Parasuraman, Zeithaml, & Berry, 1985; Reicheld & Sasser, 1990; Zeithaml, Parasuraman, & Berry, 1990).

Research further confirms that customer satisfaction has a measurable impact on purchase intentions, on customer retention (Mittal & Kamakura, 2001), and on firms' financial performance (Anderson & Mittal, 2000). Likewise, customer satisfaction has been found to impact share of wallet (SOW) positively (Keiningham et al., 2003) and the volume of business conducted with a firm.

Studies done by Homburg, Koschate, and Hoyer (2005) support the managerial belief that satisfied customers - those receiving higher quality service or who feel better about the product are, in fact, willing to pay more for it and that this relationship is nonlinear. These findings have important implications for setting prices and for investing in customer satisfaction. The findings further suggest that the customer's satisfaction level could influence a company's pricing strategy. Specifically, companies could potentially charge a premium price for their product or service if they have a high level of customer satisfaction.

Ron Zemke had similar findings (Zemke & Schaaf, 1990). His research found that companies who focused their efforts on high-end customer service enjoyed the following benefits:

- Improvements in morale (reducing staff costs)
- Lower staff turnover (reducing recruitment costs)
- Longer-term customer retention (often as much as 50 percent longer)
- More repeat business (creating 20-40 percent lower selling costs)
- More referrals (creating 20-40 percent lower promotional costs)
- Higher prices (often a 7-12 percent premium)
- Increased margins (usually 7-17 percent more profit)
- A business to be proud of (affecting all stakeholders).

As Fornell (2002) notes, satisfied customers can be viewed as economic assets that yield future cash flows. By satisfying a customer, a firm generates benefits for itself beyond the present transaction and the current moment.

In terms of having customers, research shows that service quality (Bitner, 1990; Boulding, Kalra, Staelin, & Zeithaml, 1993), relationship quality (Crosby, Evans, & Cowles, 1990; Crosby & Stephens, 1987), and overall service satisfaction (Cronin & Taylor, 1992) can improve customers' intentions to stay with a firm (Keaveney, 1995).

Providing reliable service has many benefits for the service firm. Firms which provide reliable service have higher levels of customer retention, benefit from positive word-of-mouth advertising (Berry & Parasuraman, 1991), and can charge higher prices for their services than poor service providers. The importance of quality to business is now well established in the academic literature. It has been demonstrated that higher quality results in higher stock prices, higher corporate performance (Easton & Jarrell, 1998) and higher market value of the firm. In the customer satisfaction/service quality arena, aggregate market studies have shown that higher customer satisfaction leads to better financial returns (Hallowell, 1996). Zemke and Schaaf (1990) state that, in addition, service leaders gain an average of 6% market share per year, while their low-quality service counterparts lose market share by as much as 2% (two percent).

The appeal of customer satisfaction is its inherent logic and simplicity: meeting and possibly exceeding customers' expectations make sound commercial sense if customers' positive evaluations of a purchase or consumption experience affect their likelihood of repurchasing, and hence improves the long term financial viability of the organisation. However, for some commentators, this emphasis on "customer satisfaction" is really nothing more than good marketing, and something all companies should be striving for anyway (Lacobucci, Grayson & Ostrom, 1994).

Reliable service also leads to lower costs (through having to re-perform the service less often), and increased productivity (resulting from higher employee morale and lower employee turnover). Moreover, employees who work in high-calibre service firms tend to be happier in their jobs and less likely to leave the firm than those whose service is poor and customer satisfaction is lower (Schleslinger & Heskett, 1991).

Excellent service is a profit strategy (Berry, 1995), because it results in more new customers, more business with existing customers, fewer lost customers, more insulation from price competition, fewer mistakes requiring the re-performance of services, and lower marketing costs (because extra marketing monies do not have to be spent convincing customers to buy

despite the firm's poor performance record).
Furthermore, satisfaction is one of the essential factors to predict consumer behavior and, more specifically, purchase repetition. The more consumers fulfill their expectations during the purchase or service use, the higher the probability that consumers will repeat purchase establishment (Wong & Sohal, 2003). So, customer satisfaction is an essential factor in order to acquire loyal customers who would also recommend their regular establishment to other customers.

Excellent service is also more fun, because it requires an "achievement culture" in which people are challenged to perform to their potential and recognized and rewarded when they do so. And achieving is fun. Service is a key component of value, and it is value that drives a company's success.

To the customer, value is: what I get for what I have to give up. It is benefits received for the burdens endured. Burdens include both monetary costs and non-monetary costs (for example, an inconvenient location, unsafe and insecure facilities, unfriendly employees, an unattractive service facility).

The most successful companies maximise benefits to customers and minimise the burdens. Service quality is instrumental in maximising benefits and minimising burdens.

Blem (1995) argues that keeping customers happy is good for business. The marketing concept has proven that companies do not have to sacrifice profitability to keep customers happy. In fact, firms which consistently rank high in profitability, have more loyal customers. The happier their customers are with a product or service, the more likely they are to buy it again, and the less likely they are to switch to competitors' products.

By providing superior customer satisfaction a firm can gain several competitive advantages, including:

- Less wasted effort

The firm is likely to know its customers better, to know their wants and needs. Less time is wasted trying to work out what they want. What better way of finding out than to go straight to the source? Of course not all customers know what they want. But by knowing its customers well, the firm can get down to basics more quickly, reducing money spent on market research

surveys. Japanese car manufacturers made their reputation by talking to their customers personally, finding out what they liked or did not like about their products.

- Customer loyalty

Experience has shown that satisfied customers are more loyal. They are more likely to keep coming back and to buy the company's other products. A higher repeat rate leads to greater revenue and more profits.

- Price advantage

We have found that satisfied customers are willing to pay more for the satisfaction they derive from better service. Unfortunately, it is not easy to estimate how much extra they are prepared to pay. It depends upon many factors, such as whether customers are highly price sensitive, whether the market is competitive, the type of purchase and the way the company positions its product in the market. Nevertheless, whether the premium the firm gets is large or small, an extra margin is usually obtainable.

- Selling costs

Anyone in business will probably agree that it is easier to make a repeat sale than to conclude a first-time sale with a new customer. Greater customer loyalty translates into lower sales expenses. Much less time is spent in persuading the customer to buy. In most cases, the salesperson merely has to take the order and answer the customers' questions. In addition, credit approval, order processing, shipping and other costs are lower because the preliminary paperwork has been done and pertinent information about the customer has been ratified and recorded. These savings add up to a further cost advantage.

Satisfied customers act as an unpaid sales force. They tell their friends, and since they have no vested interest in the product or service they are recommending, their friends believe them. This introduces an element of objectivity and creates greater credibility for the firm. Communications become less expensive. Word-of-mouth promotion, known as referral, can be most effective in helping companies establish new business.

- Brand switching

Satisfied customers are less likely to change to a competitor's product, or to abandon the traditional supplier for a new one whose products are cheaper. This gives the firm time to make adjustments should the need arise to protect itself against the competition.

All of these factors ultimately lead to the better financial performance of reliable service providers (Terblanche, 1998). Service quality is a major competitive strategy in service-based industries and as such, it should be viewed as an investment rather than a cost.

The costs of not delivering quality service are, however, also high. If a service firm fails to perform at the level expected by a customer, the cost of that failure may go well beyond the loss of a single transaction. It also includes the impact of any negative word-of-mouth on the part of the customer, and any further transactions that he/she may have initiated. The effects of these can be significant. Customers who have received poor service will seldom tell the offending firm of their experience, but instead will spread the news to a host of friends and relatives. Unsatisfied customers will, on average, tell more than nine other people of their experience (Zemke & Bell, 1990). Given that word-of-mouth is the strongest form of persuasion, and one over which the firm has very little control, service providers can ill afford to have this type of story circulating about them. People place more trust in the opinions of those close to them, and are more likely to act on the advice of friends and relatives, than on any other form of advertising in which the firm may engage (Solomon, 1992). It is therefore imperative that firms provide consistently good service to their customers. Failure to do so will seriously limit their ability to retain their customers.

To fully understand service quality, the intangible, heterogeneous, and inseparable nature of services must be acknowledged (Zeithaml, Bitner, & Gremler, 2006). Because services are performances or actions rather than objects, they cannot be seen, felt, tasted, or touched in the same way that you can sense tangible goods. So quality may be difficult for consumers to assess. This difficulty is compounded by the fact that services, especially those with a high labour content, are heterogeneous: the employees delivering the service frequently are the service in the customer's eyes, and people may differ in their performance from day to day or even hour to hour. As a result, uniform quality is difficult to ensure. The inseparability of production and consumption of services implies that the quality of the service and customer satisfaction will be highly dependant on what happens in "real time". Perishability refers to the fact that services cannot be saved, stored, resold or returned. Demand forecasting and creative planning for capacity utilisation are therefore important and challenging decision areas.

Given the variety of choices available in the marketplace (Kandampully, 2004), customers are unwilling to compromise on the quality of products and services. Thus, from the firm's

operational and marketing perspective, a focus on quality is imperative to satisfy its customers by convincing them of its ability to consistently offer what was promised. Several studies have shown that quality of service creates the all-important trust and relationship between the customer and the firm, and it can also act as a buffer to support unforeseen shortfalls in the firm's product quality. This, however, does not work in reverse, meaning that product quality can never compensate for poor service.

The way in which service quality is defined suggests that so-called 'objective' service does not exist. Because of its intangibility it is believed that service quality cannot be described objectively. As a result, quality in service industries should be described in customer terms, that is, what customers perceive as quality should be the standard of quality. In other words, perceived quality is an attitude which represents a general overall appraisal of the quality of a service and the concept 'perceived service quality' is used instead (Bitner & Hubbert, 1994).

Brookes' opinion (1995) is that customer satisfaction is a "hot topic". Since marketing as a business philosophy relies upon the notion of the firm being responsive to the needs of its market, increasing attention is being given by researchers and marketers to defining, measuring and managing the process underlying customers satisfaction with the firm's product or service. It also makes strategic sense when firms find it increasingly difficult to gain a competitive advantage through other elements of their marketing mix.
The primary task of managers is to position the company so that it is successful at recruiting and retaining customers. In this sense, we are all working for customers. Customers provide the oxygen which companies breathe. Without customers, there is no oxygen supply. Without this supply, companies will eventually perish (Quinn & Byron, 1999).

Customers do not evaluate service quality solely on the outcome of a service, but also on the process of service delivery. Some research on customer service satisfaction found that time was more important than quality in determining customer satisfaction in service experiences. Consumers are increasingly willing to use waiting lines as an indicator of poor service because they value time more than ever (McDonnell, 2007).

The ultimate aim of an organisation is to ensure that the customer that buys its product or service is satisfied (Brink & Berndt, 2004). Customer satisfaction can be described as the degree to which an organisation's product or service performance matches up to the expectations of the customer. If the performance matches or exceeds the expectations, then

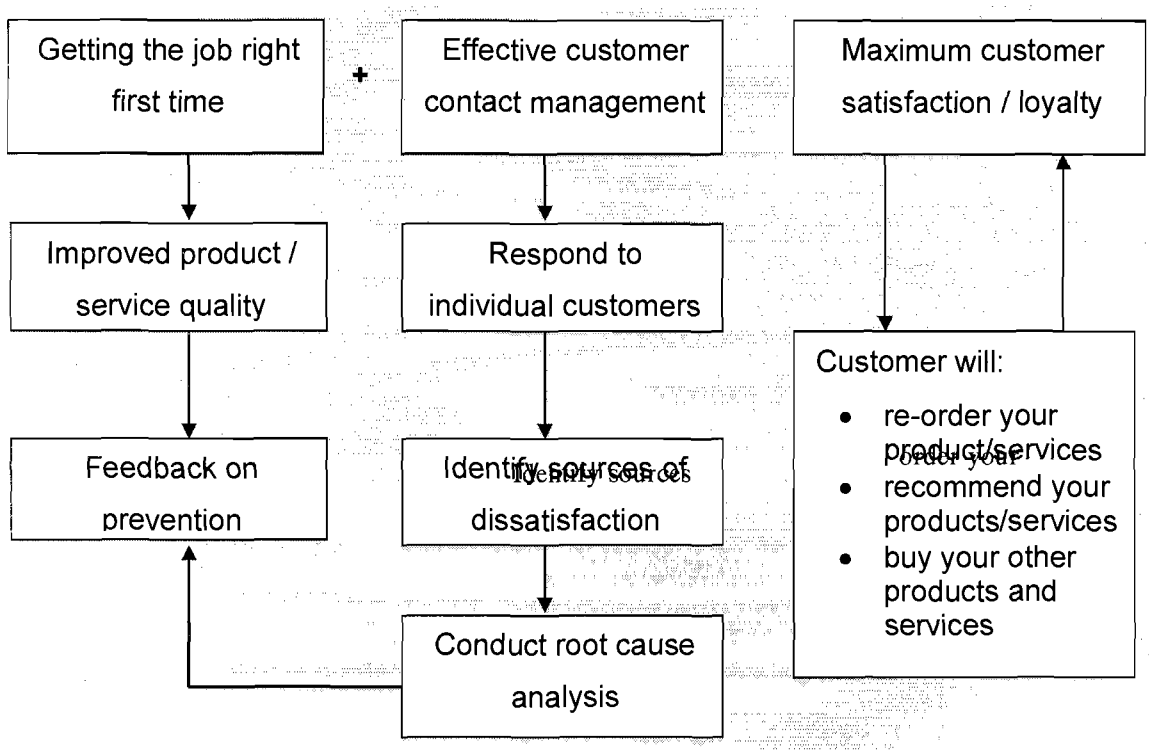
the customer is satisfied; if the performance is below par, then the customer is dissatisfied.

Payne et al. (1995) argue that because the quality and strength of customer relationships are so critical to the survival and profitability of any business, it is essential that the processes that deliver satisfaction, as well as the customers' perceptions of performance, are regularly monitored. In the same way that it is now widely accepted that the quality of physical products is dependant upon the control of the process that manufactures them, so too the quality of customer service is determined by the extent to which the delivery process is under control. Service process monitoring should be continuous and, in particular, all potential 'fail points' should be identified and if they cannot be made fail-safe, should be carefully controlled. Managing the 'moments of truth' make the difference between customer satisfaction and customer disappointment in any service process.

The relationship between a seller and a buyer seldom ends when a sale is made. Increasingly, the relationship intensifies after the sale and helps determine the buyer's choice the next time round. Such dynamics are found particularly with services and products dealt in a stream of transactions between seller and buyer – financial services, consulting, general contracting, military and space equipment, and capital goods.

There is consensus in the world that when customers are satisfied, they have a higher propensity to be loyal. It is therefore, very important for the organisation to ensure that everything possible is done to provide customer satisfaction. This fact ties in with the concept of relationship marketing, where the aim of the organisation is to build long-term relationships with customers and enhance customer loyalty. The objective here is to increase the bottom line of the organisation. The figure on the next page indicates how customer satisfaction and brand loyalty may be realised (Brink & Berndt, 2004).

Figure 2:1: Maximising customer satisfaction and brand loyalty

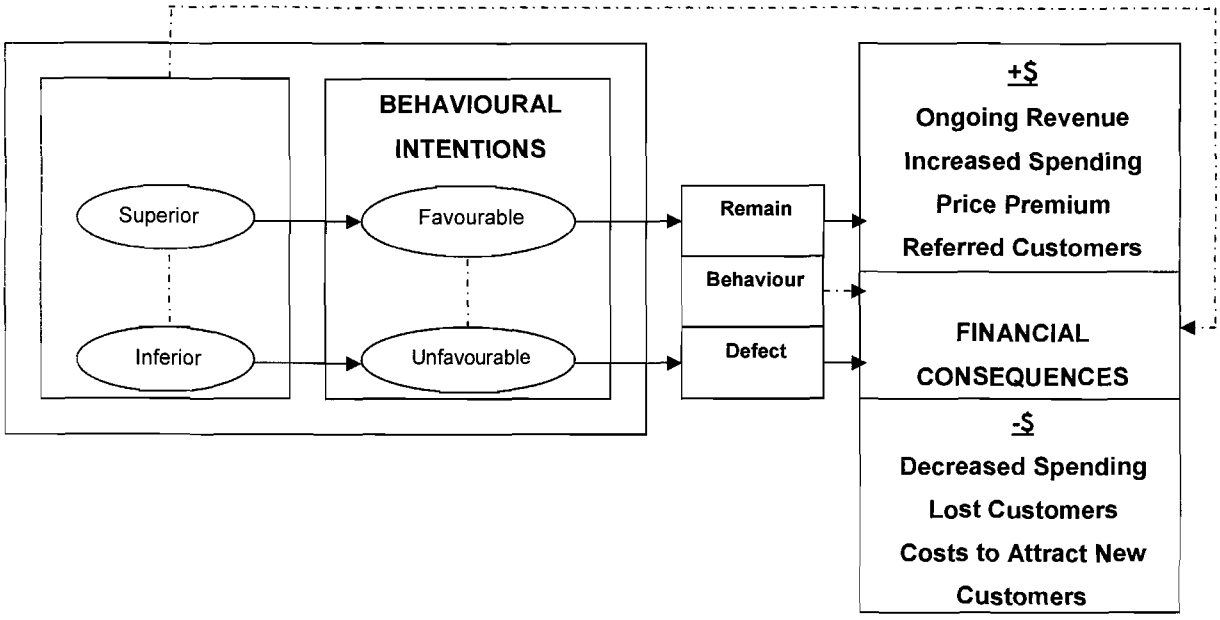


Source: Brink & Berndt (2004, p.49)

The point of departure in this figure is that the organisation must ensure that the product or service used by the customer is up to the required standard and that there is a continued quest to improve quality. If this is combined with effective customer contact management – where everything is done to ensure that the customer is satisfied whenever there is contact – then hopefully, the customer will have maximum customer satisfaction. This will then ensure that the customer will re-order the product or service, use word-of-mouth to recommend the organisation's product/service, and buy some of the other products being sold by the organisation. All of these will have a positive effect on the profitability of the organisation.

Figure 2.2 is a conceptual model that depicts the behavioural consequences of service quality as intervening variables between service quality and the financial gains or losses from retention or defection. The left portion of the model is at the level of the individual customers and proposes that service quality and behavioural intentions are related and, thus, that service quality is a determinant of whether a customer ultimately remains with or defects from a company (Zeithaml, Berry & Parasuraman, 1996).

Figure 2.2: The behavioural and financial consequences of service quality



Source: Zeithaml, Berry, & Parasuraman (1996, p.33)

2.1.2 Flexible staffing

Flexible working (Pettinger, 1998) is the term used to describe the creation of work patterns and arrangements based on the need to maximise and optimise organisational output, customer satisfaction and staff expertise and effectiveness. It has come about as the result of the expansion of globalisation of competition and choice, increased pressures on all resources, enhanced customer demands and expectations, and changes in patterns of consumption. Flexible workforces are created to maximise and optimise the use of capital, premises, technology and equipment, to produce high quality products and services that are available to customers where and when required.

Non-standard work arrangements (Kalleberg, 2000) such as part-time work, temporary employment and contract work have become an important topic in research and writing on work and employment relations. Non-standard employment relations have also been referred to as alternative work arrangements, market-mediated arrangements, non-traditional employment relations, flexible staffing arrangements, flexible working practises, atypical employment, vagrant or peripheral employment, vulnerable work, precarious employment, disposable work, new forms of employment and contingent work. These labels have in common their identification of employment relations that depart from standard work arrangements in which it was generally expected that work was done full-time, that it would

continue indefinitely, and was performed at the employer's place of business under the employer's direction.

The term "non-standard work" refers to employment relations other than standard, full time jobs, including part-time employment in an otherwise standard work arrangement, day labour and on-call work, temporary-help agency and contract-company employment, independent contracting, and other self employment (refer to Kalleberg et al., 1997 for definitions of these arrangements).

According to Kalleberg, Reskin, and Hudson (2000), non-standard work arrangements alter the power dynamics between employers and employees. For example, temporary work and contract work arrangements in which the legal (*de jure*) employer differs from the actual (*de facto*) employer to whom workers provide services, expose workers to fundamentally different power dynamics than do standard, bilateral employment relations. The separation of the "legal employer" from the "supervising employer" subjects workers to two masters, thereby creating triangular employment relations. Contract and temporary employees are subject to the demands of their *de facto* employers, but without the hope of security and advancement with these employers that "real" employees can entertain. Thus, the pay and benefits of non-standard workers are not subject to the incentive structures that their *de facto* employer provides to its "real" employees. At the same time, the *de jure* employer is ill-situated to evaluate their employees' performance and has minimal stake in doing so; these workers (particularly temporary-help agency employees) have little hope of improving their position with their *de jure* employer by working hard or performing well. The triangular character of some non-standard employment arrangements in which the *de jure* and *de facto* employers differ, also limit these workers' ability to reduce the power imbalance with either employer through collective bargaining.

According to Van der Wagen (1994), important managerial considerations are the number of full-time and part-time staff to be employed in the organisation. The service industry is notorious for the large number of part-time and casual staff it employs and for its high labour turnover. This is at a high cost: simply recruiting, selecting and training new staff is an expensive exercise. Even where the cost of recruiting and training casual staff is fairly low, the cost that is not calculated is the irreparable damage done to customer relations by poor service delivered by staff that is unsuitable or untrained.

Having trained staff on hand at the right times is no easy task. Overstaffing can lead to budget blow-out, while understaffing adds to staff stress levels, and can contribute to both customer and staff dissatisfaction. Many employers tackle this problem by employing casual staff who is more flexible in their working hours. Unfortunately, casual employees tend to lack commitment, which is mirrored by their employers' lack of commitment to their job security and career development. A high dependence on casual staff, coupled with high labour turnover is a guarantee of low standards of quality. Investment in developing highly committed, well-trained and motivated staff pays dividends in the end by raising service standards, and ensuring consistency.

According to Standing (1999), for firms, the advantages of casual and temporary labour usually include lower wages, lower and fewer benefits, lack of entitlements and rights in the firm and, most fundamentally, lack of employment security, making them easily removed without cost. There may also be a behavioural advantage, in that temporaries might be motivated by a desire to shift to a regular contract and so provide a higher effort bargain.

The disadvantages have been that the use of temporary labour may be divisive and be resented by regular workers and unions, which successfully fought for decasualisation in the early part of the twentieth century. Temporaries also do not justify firm-specific training. And presuming that individual productivity rises with familiarity on the job, and that there are costs of recruitment as well as retrenchment, additional costs of using temporaries may be considerable. The behavioural disadvantage of casual labour is that the workers will lack a reason for loyalty to the firm, leading to lower effort, lower output and neglect of materials and equipment.

Some contend that the growth of temporary employment actually reflects inflexible labour markets, because protective regulations force firms to turn to temporary workers. However, the extent of temporary or casual employment is usually regarded as an indicator of employment flexibility, since it implies that firms can change employment quickly and relatively cheaply, usually because they do not have to pay compensation for terminating contracts. In any case, temporary employment has grown in many guises in most countries.

One particular kind of flexibility that seems to have been especially important in the recent growth of temporary services is the flexibility of being able to screen potential permanent employees while they function as temporaries (Segal & Sullivan, 1997). Many managers

claim that it has become more difficult in recent years to dismiss poor performers, as an increasingly litigious society has combined with the erosion of the legal doctrine of employment-at-will (Krueger, 1991) and the provisions of various equal employment opportunity laws. Even when legal obstacles are not the primary concern, termination of regular employees may injure the morale of those who remain. At the same time it has become more costly to hire poor performers, as employers have become reluctant to offer negative appraisals of former workers.
One way managers can reduce their need to terminate permanent employees is to hire and to monitor temporary workers, and then to offer permanent positions only to those that perform well.

Another potential source of cost saving (Matusik & Hill, 1998) is in the firm's ability to manage its capacity more efficiently. A firm can use contingent work in activities where there are pronounced fluctuations in the demands for the services provided by those activities. If a firm bases its staffing levels on projections of demand at peak periods, excess capacity during periods of low demand results. It is efficient to use contingent work for periods of high demand, employing only enough permanent staff to cover periods of low demand. However, contingent work is not a cost-saving alternative for all firms. Contingent work may exact an hourly premium over that paid to traditional employees. Potential production, management efficiency, and flexibility cost savings must be weighed against the higher hourly rate paid for contingent work. Each firm's evaluation of the precise cost equation must include an assessment of the hourly rate paid for contingent versus traditional employment (including base wages, as well as benefit, training, and recruitment costs), the value of the more efficient capacity management, and the value of flexibility against the premium paid for contingent work.

Matusik and Hill (1998) also noted that there is potential cost benefits associated with contingent work. The use of contingent work can reduce benefit, training, and recruitment costs, enable the firm to manage its capacity more efficiently (which lowers costs) and lower the fixed costs of exiting from an activity (which implies greater flexibility). It may also result in enhanced productivity. These costs and flexibility arguments are reinforced by research suggesting that the behaviours and attitudes of contingent workers compared with those of full-time employees are substantially the same (Pearce, 1993). In other words, the behaviour and attitudes of contingent workers are unlikely to have a negative impact upon the cost structure of a firm. As long as these cost benefits outweigh the wage differential paid for

contingent work, these economies lower the long-run average costs of the firm, enabling it to create more value and enhance its competitive position.

The term "contingent work" (Polivka & Stewart, 1996) was first coined by Audrey Freedman at a 1985 conference on employment security to describe a management technique of employing workers only when there was an immediate and direct demand for their services. Within a few years of its initial usage, however, the term came to be applied to a wide range of employment practices, including part-time work, temporary help service employment, employee leasing, self-employment, contracting out, employment in the business services sector, and home based work. In fact, to some, virtually any work arrangement that might differ from the commonly perceived norm of a full-time wage and salary job would fall under the rubric of contingent work. In 1989, the Bureau of Labour Statistics developed the following conceptual definition of contingent work: "Contingent work is any job in which an individual does not have an explicit or implicit contract for long-term employment". In essence, a contingent worker was defined as anyone who was in a job currently structured to be of limited duration.

Polivka (1996) stated that, although some contingent workers were found in every industry, contingent workers were much more likely to be concentrated in the services industry than were non-contingent workers (based on a profile of contingent workers as measured by the February 1995 supplement to the Current Population Survey). Within the services industry, sectors that accounted for a large proportion of the contingent workforce were business services and educational services. However, it is important to recognise that, although those in the services industry in general, and business and educational services in particular, constitute a large proportion of contingent workers, the majority of workers in these services industries were not contingent.

Temporary employment is seen by "temps" as a screening process (Smith, 1998); a place where temporaries could prove that they would be reliable employees. It is a difficult position for temporaries because, although many do work for long periods of time, they share the belief that "temps" are rarely "given a second chance". Thus, if they behaved badly, did sloppy work, worked slowly, or sparred with a co-worker, supervisors and managers would request their non-return. These factors, the pressure for mistake-free performance, coupled with the belief that such performance increased their chances of obtaining a permanent job, acted as a powerful tool of control over temporary workers and served to cement their

acceptance of marginalised labour market status. Their desire for a "real" job led them to engage in deep self-discipline that well served the production system based on individual initiative, decision-making, and responsibility.

In a study done by Abraham (1988) there are at least two sorts of fluctuations that may lead employers to use flexible staffing arrangements. First, if demand varies from period to period, it may make sense to cover some part of peak demand with flexible staffers. Second, it may be appropriate to rely in part on flexible staffing arrangements to deal with labour supply fluctuations due to absences, vacations, strikes, leaves, and so on.

For many employers, varying regular employees' hours of work, particularly through scheduling of overtime, is an important instrument for absorbing demand fluctuations and for handling absences, vacations, leaves, and so on. The ability to vary regular employees' hours is not, however, a perfect substitute for the use of flexible staffing arrangements. Standard arguments imply that marginal productivity of hours worked by the regular workforce during a given time period will eventually decline. For a firm with a given regular workforce, beyond a certain point it will be cheaper to accommodate higher-than-usual demand or higher-than-usual absenteeism by using supplemental staff rather than by increasing regular workers' hours.

Adjusting the size of the regular workforce is another approach to accommodating changing circumstances. If there is a change in demand or in employees' labour supply behaviour (for example, an increase in absenteeism) that is expected to persist for an extended period of time, one would expect an employer to make changes in the size of the regular workforce. But one would not expect an employer to hire additional regular staff to meet short-term needs; any wage savings associated with using additional regular staff rather than flexible staffers would be more than offset by the fixed costs of increasing and then decreasing the size of the regular workforce.

In addition to decreasing the number of hours that workers are idle (Polivka & Nardone, 1989), contingent arrangements can help firms contain costs by reducing worker compensation and administrative costs. Evidence suggests that firms offer lower pay and few or no benefits to workers filling contingent positions. Additionally, arrangements can reduce personnel and training costs by eliminating many of the expenses which would be incurred when recruiting a "regular" employee. Any combination of these cost savings – a decline in

the number of paid idle hours, lower wages, and decreased liability for benefits, or reduced personnel and training costs could encourage firms to use contingent arrangements.

A key advantage in using temporary workers is the reduction of recruitment costs. This is especially noticeable with agency workers actively recruited by employment agencies, rather than by their eventual employers. Another advantage of using temporary workers is the ease of their dismissal, due to the lack of costs associated with the laying off of temporary workers. This was especially noted within organisations that operated in a fluctuating market of workload. This gives organisations an advantage in terms of numerical flexibility employing "just in time" workers to cope with increased demand without resorting to making permanent employees redundant (Allan, 2002).

Adjusting to fluctuations in demand through contingent arrangements can also help firms insulate a core of permanent employees from layoffs. There are several reasons why a firm may wish to protect the employment of its permanent staff. By increasing job security, firms can safeguard the human capital investment in their current workers and hire more talented new workers. In addition, firms may also obtain wage and work rule concessions from their permanent staff by offering them employment security.

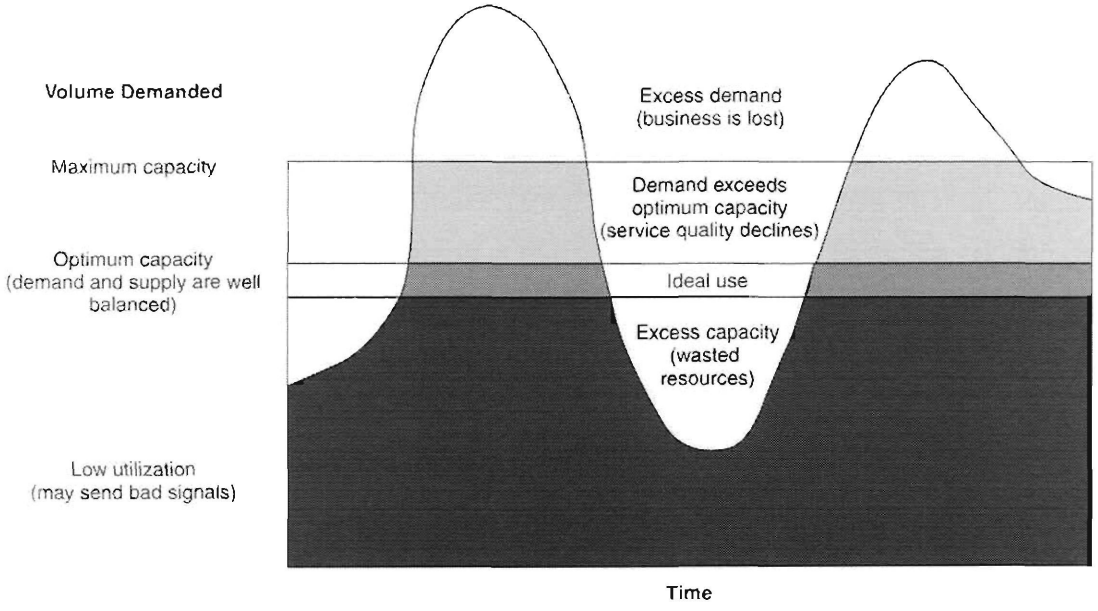
Similar to fluctuations in a firm's demand for labour, the supply of its permanent staff could vary in both planned and unplanned ways. For instance, permanent workers may go on vacation, become ill, or have to care for an elderly parent or other family member. Firms may choose to cover these changes in labour supply with contingent workers.

Many companies use temporary agency workers to fill vacancies until permanent hires are made, in some cases, recruiting permanent workers from the ranks of the agency temporaries. The empirical importance of using agency temporaries to fill vacancies and to screen workers for permanent positions has been well established in recent surveys (Kalleberg, Reynolds, & Marsden, 2003). Additionally, managers often find it difficult to dismiss a worker who displays poor or mediocre performance. Arguably, managers are less likely to offer permanent employment to a poor or mediocre temporary agency worker than they are to fire a similar direct-hire employee. The benefit of using temporary agencies to screen workers for permanent positions, then, is a more productive workforce (Houseman, Kalleberg, & Erickcek, 2003).

In addition to providing a mechanism to screen job candidates and reduce personnel costs of clients, the temporary help industry may actually help stimulate the demand for contingent workers. By assuring firms a steady supply of screened and trained workers, employers may be encouraged to use ""temps" when they otherwise would forego hiring. If firms had to recruit, train, and hire temporary replacements for permanent staff, the only cost effective alternative may be to delay projects or reassign work. Access to the temporary help industry may enable firms to easily create contingent positions.

Given the challenge of demand and capacity management, service firms find it difficult to satisfy their customers (Kampllikar, 2005). There are steep peaks and troughs in demand and it becomes difficult for service marketers to manage them. These fluctuations in demand lead to high waiting time when demand is at its peak and wasted resources during periods of low demand (see Figure 2.3).

Figure 2.3: Variations in demand relative to capacity



Source: Zeithaml, Bitner, & Gremler (2006, p. 450)

At any given moment, a fixed capacity service may face any of the following four conditions - excess demand, demand exceeding optimum capacity, balanced demand and supply, and excess capacity.

According to Matusik and Hill (1998), the contingent workforce consists of independent contractors, individuals brought in through employment agencies, on-call or day labour, and workers on site whose services are provided by contract firms.
A brief explanation of the principle of temporary help service (hereinafter referred to as THS) is necessary. Moore (1965) defines THS as companies which hire temporary workers and send them out to do temporary work on the premises of, and under the supervision of, customers solicited from the business world. A THS resumes all responsibility for the workers' wages, payroll deductions, and unemployment and workmen's compensation claims. The customer is billed in an amount covering wages, overhead, and profit, on an hourly basis, usually with a four-hour minimum. Although the customer has control of the work, he avoids any employer-employee relationship with the worker. With regard to its responsibilities to the employee, a THS is legally and technically the employer. The only authority which the customer exercises over the worker is that of issuing instructions within the worker's job classification. If the worker is dissatisfied with the contract company for any reason, they notify the THS. By the same token, if the workers are unhappy with the assignment, they turns to the THS, not to the customer.

Temporary Help Agencies (THA) provide temporary workers to client companies on a contract basis (Amuedo-Dorantes, Malo, & Munoz-Bullon, 2006). Their key feature is that workers remain on the THA payroll while working for the client company: i.e., workers engaged by THA and placed at the disposal of client companies become a part of the triadic relationship between the worker, the THA and the firm in which the work is performed. This means that temporary workers are under the client company's direct supervision but receive a pay-check from the temporary help agency. The agency bills the client company for the workers wages, along with a fee for providing the placement services.

For some "temps", agency work may make it easier to shape their careers if they are able to gain expertise. Workers interested in advancing their career goals might accept short-term assignments as a way to learn a variety of skills. Additionally, the mobility associated with short-term assignments enhances workers' networking possibilities and provides them with valuable leads and recommendations in getting a permanent job in the near future. In the

aforementioned instances, agency work can serve as a stepping stone into a new career. Understanding why employers use flexible staffing arrangements can provide useful insights into whether these jobs are less stable (Houseman & Polivka, 1998). If employers are using these arrangements primarily in response to a temporary need for additional workers, then the jobs are intrinsically less stable than regular positions. If, however, employers are using workers in flexible staffing arrangements to accommodate predictable and stable fluctuations in their workload over the day and week to accommodate employee desires for more flexible schedules or shorter hours, there is little reason to believe these arrangements would result in less job stability.

The implications for job stability are ambiguous if firms are using these arrangements as a way to screen workers for regular jobs. On the one hand, using flexible arrangements to screen workers for permanent jobs should facilitate better job matches and may even increase job stability. This outcome is particularly likely if flexible workers are hired through third parties, like temporary help agencies, and if these organisations have a comparative advantage in screening workers and can make better initial matches than firms would make hiring on their own. On the other hand, screening workers for permanent positions by trying them out in flexible arrangements arguably lowers the costs of dismissing workers who demonstrate low productivity and may result in lower stability. For instance, if the workers are hired through a third party, employers need not maintain records on workers they decide not to hire and the chance that workers will take legal action in the event of dismissal is probably less. The dismissal of low productivity workers also would not increase a firm's unemployment insurance rating, if they were hired through a third party intermediary. Given these potential cost savings, employers may try out more workers for any given position than they would if hiring on their own, resulting in a decline in job stability. Still, the consequences for job stability are likely to be less adverse if employers are using flexible staffing arrangements to screen workers for permanent positions than if they are using them to fill temporary slots.

2.1.3 Measurement

Why do customer satisfaction measurements at all? According to Fernāndez-Gonzālez and Prado Prado (2007) customer satisfaction is certainly the key to success for any organisation. There are numerous contributions in the literature that relate customer satisfaction with concepts such as customer loyalty, repetition of orders, the word-of-mouth effect and the increase in profitability (Wirtz, 2003).

The need to understand and measure consumer expectations and satisfactions in the service sector is highlighted by an appreciation of the concept of Service Encounters, also referred to as Moments of Truth or Critical Incidents (Albrecht & Zemke, 1985; Czepiel, Solomon, & Suprenant, 1985). A service encounter is any direct interaction between a service provider and customers. Service encounters have high 'impact' on consumers and the quality of an encounter is an essential element in the overall impression and evaluation of the quality of service experienced by customers. Service encounters also have an impact on employees in relation to their motivation, performance and job satisfaction and rewards. So, all organisations need to manage their service encounters effectively for the benefit of customers and employees (Lewis & Entwistle, 1990).

Definitions of service quality focus on meeting customers' needs and requirements and how well the service delivered matches customers' expectations. The term 'expectations', as used in the service quality context, differs from the generally accepted meaning in the consumer behaviour (satisfaction) literature, where expectations are accepted to be an individual's feeling of the likelihood of a certain event based on a variety of cues and past experiences, i.e., they are seen as "predictors" (probabilities) made by a consumer about what is likely to happen during an impending transaction (Oliver, 1981).

In the service quality literature expectations are viewed as desires or wants of consumers, i.e. what they feel a service provider should offer, rather than would offer and, again, are formed on the basis of previous experience of a company and its marketing mix, competitors and word-of-mouth communication (Lewis, 1995).

Definitions of consumer "satisfaction" relate to a specific transaction (the difference between predicted service and the perceived service) as contrasted with "attitudes which are more enduring and less situationally orientated. Consistent with this distinction is the distinction between satisfaction and service quality. Satisfactions will decay with time into an overall attitude (Oliver, 1981), and perceived service quality may be defined as a global consumer judgement or attitude, relating to service and resulting from companies by consumers of expectations of service with their perceptions of actual service performance (Berry et al, 1985; 1988). If there is a shortfall, then a service quality gap exists, which providers would, of course, endeavour to close.

Lewis (1995) also points out that one needs to realise that:

- consumers are increasingly aware of the alternatives on offer and rising standards of service, and so their expectations of service and quality are elevated and they are increasingly critical of the quality of service they experience.
- higher levels of service lead to higher expectations.
- finding expectations greater than performance, implies that perceived quality is less than satisfactory, but that is not to say that service is of low quality; quality is relative to initial expectations – one of the issues to take into account when measuring service quality.

Consumer expectations are usually reasonable, but they vary depending on circumstances and experience, and experience with one service provider may influence expectations of others. In addition, consumers have what Parasuraman et al. (1991) refer to as zones of tolerance - the difference between desired and adequate expectations. The desired level of service expectation is what they hope to receive; it is a blend of what 'can' and 'should' be, which also is a function of past experience. The adequate level is what is acceptable, based on an assessment of what the service 'will be' - the 'predicted service - and depends on the alternatives which are available.

The extent to which customers recognise and are willing to except this variation is called the zone of tolerance. Customers' tolerance zones vary for different service attributes or dimensions. The more important the factor, the narrower the zone of tolerance is likely to be. In general, customers are likely to be less tolerant about unreliable service than other service deficiencies, which mean that they have higher expectations for this factor. In addition to higher expectations for the most important service dimensions and attributes, customers are likely to be less willing to relax these expectations than those for less important factors, making the zone of tolerance for the most important service dimension smaller and the desired and adequate service levels higher (Zeithaml et al., 2006).

2.1.4 Hypotheses

The latter part of this study is based on a customer satisfaction measurement survey to test whether there is any significant difference between the levels of service provided by flexible staff compared to that of permanent employees.

The hypotheses of this study are as follows:

The null hypothesis, H_0 – There is no significant difference between the levels of service received by customers from either permanently employed or flexi tellers.
The alternative hypothesis, H_1– There is a significant difference between the levels of service received by customers from either permanently employed or flexi tellers.

Hypothesis-testing methodology is designed so that the rejection of the null hypothesis is based on evidence from the sample that the alternative hypothesis is far more likely to be true. However, failure to reject the null hypothesis is not proof that it is true. One can never prove that the null hypothesis is correct because the decision is based only on the sample information, not on the entire population. Therefore, if you fail to reject the null hypothesis, you can only conclude that there is insufficient evidence to warrant its rejection (Levine et al., 2005).

2.2 METHOD

2.2.1 Research design

Determining how satisfied a customer was with the goods and services that a business provided is far more than just speculation. One of the most popular and effective measurement tools to determine the level of customer satisfaction is a research survey. Therefore, a questionnaire was designed to obtain information regarding the perceptions of the customers' service experiences at five different Absa branches. An interviewer-led process was followed making use of closed statements followed by structured responses. Participants were informed that the purpose of the questionnaire (research instrument) was to gather voluntary responses on how they perceived the various aspects of their interaction at the branches' teller environment.

2.2.2 Participants

The participants were all customers who frequented Absa branches within the Vaal Triangle. For the purpose of the study the following branches were included in the survey:

- Meyerton
- Vereeniging

- Vanderbijlpark
- Vaal Mall
- Sasolburg

Interviews were conducted with customers by in-branch hosts as soon as their transactions were finalised. This ensured that immediate feedback could be obtained and that a fair spread of customers utilising permanent and flexible tellers formed part of the population. There was no way for customers visiting the branches to distinguish between permanent and flexible tellers and on completing the questionnaire they were only asked for responses in terms of their customer experience based on the service of the teller. Participation was voluntary and 507 (N=507) completed questionnaires were collected. Customers from different areas, gender, age, academic levels and income groups participated. There was an even spread of male (50.6%) and female (49.4%) respondents. The majority of respondents were in the age group 17-50 (79.5%) with the minority (0.2%) of respondents younger than 17 years. Educational level revealed that the majority (75.6%) of participants have a Grade 12 and/or further qualification. Only 36.5% of the respondents earned less than R48 000.

The characteristics of the respondents are reported in Table 2.1:

Table 2.1: Characteristics of participants (N =507)

Item	Category	Frequency	Percentage
Gender	Male	245	50.6
	Female	239	49.4
Age	0-16 years	1	0.2
	17-35 years	177	36.3
	36-50 Years	211	43.2
	Older than 50 years	99	20.3
Area	Vereeniging	83	18
	Vanderbijlpark	118	25.7
	Sasolburg	146	31.7
	Meyerton	87	18.9
	Sebokeng	26	5.7
Academic qualifications	No Grade 12	75	18.5
	Grade 12	213	52.6

	Post Grade 12	93	23
	Post Graduate	24	5.9
Income per year	R0-R20 000	57	15.8
	R20 001-R48 000	75	20.7
	R48 001-R120 000	130	35.9
	Above R120 000	100	27.6

2.2.3 Measuring instrument

The measurement of attitudes has a long history in social psychology (Cross, 2004), dating back to 1928 when Thurston published a paper titled 'Attitudes can be measured'. Attitudes also imply evaluation and are concerned with how people feel about an issue (Simmons, 2001). Subsequently, a number of methods for measuring attitudes have been devised. Two of these methods, most commonly used at the present time, are the Likert Scale and Semantic Differential. The Likert Scale, developed by Rensis Likert, is a technique for measuring attitudes. The key feature of this method is that respondents are asked to rate the extent of their agreement or disagreement with a set of statements about the attitude object. A set of statements or items are usually collected about a chosen area, then a set of respondents are asked to express the extent of their agreement or disagreement with each of the items.

In their most common forms, the Likert and Semantic scales are five-point, seven-point, and ten-point scales, respectively. Several studies have explored the issues of number of categories, odd or even number of scale categories, and forced versus non forced scales. The evidence shows no strong reasons why the number of categories cannot be varied, or why even categories and forced choice options cannot be used. The choice seems to be dictated by the needs of the study provided that the number does not become too large or too small to represent distinctions that are meaningful to respondents (Menezes & Elbert, 1979).

Based on the above, items used in the questionnaire were based upon the 5-point agreement-disagreement Likert format varying from strongly agree to strongly disagree. However, in this case the scaling was adapted to a four-point scale; this is a forced choice method since the middle option of "Neither agree nor disagree" was not available. Likert scaling is a bipolar scaling method, and excluding the middle option it ensured that the researcher only received either positive or negative responses to a statement.

The questionnaire was made up of two sections. The first part consisting of ten statements directly related to the customers' perceptions regarding the service they received and one general request asking for feedback on what could be done to improve the service levels. The results of these questions will form the basis on which the findings of the literature study will be based to either accept or reject the null hypothesis.

Specific questions were also included to gather demographic characteristics of the participants such as: gender, age group, residential area, academic background and annual income levels; the results of which will be used to determine if there is any significant relationship between any of these demographic behaviours and the customers' responses.

2.2.4 Statistical analysis

The statistical analysis was carried out with the help of the Comprehensive Exploratory Factor Analysis-program (CEFA) of Brown, Cudeck, Tateneni, and Mels (1998). For structural equivalence, item bias and the reliability, the Statistica Version 7.1 programme was used (Statsoft, 2005). The statistical department of the North-West University (Potchefstroom campus) prepared the statistical analysis.

Contingency tables were used to record and analyse the relationship between the different variables. Statistical significance tests were used to show that the results (e.g. difference between two means) are significant. The *p*-value is a criterion of this, giving the probability that the obtained value (or more extreme) could be obtained under the assumption that the null hypothesis (e.g. no difference between the population means) is true. A small *p*-value (e.g. smaller than 0.05) is considered as significant evidence that the result is statistically significant. Statistical significance does not necessarily imply that the result is important in practice as these tests have a tendency to yield small *p*-values (indicating significance) as the sizes of the data set increases.

In many cases it is important to know whether a relationship between two variables is practically significant, e.g. between gender and preference for or against a new medical scheme for workers. For random samples, the statistical significance of such relationships are determined with Chi-square tests, but actually one wants to know whether the relationship is large enough to be important.

In inferential statistics, an effect size helps to determine whether a statistically significant difference is a difference of practical concern. In other words, given a sufficiently large sample size, it is always possible to show that there is a difference between two means being compared out to some decimal position. The effects size helps us to know whether the difference observed is a difference that matters. Effect size, along with N and critical alpha, and power in statistical hypothesis testing are related, and any one of these values can be determined given the others. In meta-analysis, effect sizes are used as a common measure that can be calculated for different studies and then combined into overall analyses (Anon, 2007).

In this case the effect size is given by $w = \sqrt{\frac{\chi^2}{n}}$ where X^2 is the usual Chi-square statistic for the contingency table and n is the sample size, see Steyn (1999) and Steyn (2002). In the special case of a 2 x 2 table, the effect size (w) is given by the phi (φ) coefficient. Note that the effect size is again independent of sample size. Cohen (1988) gives the following guidelines for the interpretation thereof in the current case:

(a) small effect: $w = 0.1$, (b) medium effect: $w = 0.3$, (c) large effect: $w = 0.5$.
A relationship with $w \geq 0.5$ is considered as practically significant.

The best measure of association for the chi-square test is phi (or Cramer's phi or V). Phi is related to the point-biserial correlation coefficient and Cohens's d and estimates the extent of the relationship between two variables (2 x 2) (Cohen, 1988). For the purpose of this study I will use Cramer's Phi as it is more reliable when used with variables having more than two levels. Phi can be computed by finding the square root of the chi-square statistic divided by the sample size. Similarly, Cramer's phi can be found through a slightly more complex formula that takes the number of rows or columns into account.

$$\text{Cramer's phi } (\varphi) = \sqrt{\frac{\chi^2}{N\,(k-1)}}$$

2.3 Results

Table 2.2 below gives a breakdown of the number of questionnaires that were completed in terms of the distribution amongst flexi and permanent staff. From the sample of 507, 35.70% were completed in respect to the service experience of flexi staff, which is a fair representation of the total population of tellers utilised.

Table 2.2: Breakdown of flexi and permanent tellers

Position	Frequency	Percent	Cumulative Frequency	Cumulative Percent
Flexi	181	35.70	181	35.70
Permanent	326	64.30	507	100

Tables 2.3 - 2.12 reflect the results of the ten different statements directly related to the customers perceptions regarding the service they received from the tellers. The data on the left hand side of the table reflects the results of the flexi tellers and the right hand side that of the permanent tellers.

Below is an explanation of the different headings used in the tables.

1 = Strongly Agree 2 = Agree 3 = Disagree 4 = Strongly Disagree

Frequency = *number of completed questionnaires per teller type.*

Percentage = the number of completed questionnaires as a percentage of the total questionnaires completed.

Row% = the percentage of responses received per variable.

Column% = the number of completed questionnaires per column as a percentage of the totals of flexi and permanent tellers per variable.

Each statement is preceded by the words "The teller...'

Table 2.3: Is well groomed and has a professional appearance

Flexi	1	2	3	4	Total	Total	4	3	2	1	**Permanent**
Frequency	120	57	2		179	322		7	109	206	Frequency
Percentage	23.95	11.38	0.4		35.73	64.27		1.4	21.76	41.12	Percentage
Row%	**67.04**	**31.84**	**1.12**					**2.17**	**33.85**	**63.98**	**Row%**
Column%	36.81	34.34	22.22					77.78	65.66	63.19	Column%

Chi-square = 0.6002 (P-value)

Cramer's V = 0.0451

Table 2.4: Has a warm and approachable manner

Flexi	1	2	3	4	Total	Total	4	3	2	1	Permanent
Frequency	123	50	6	1	180	320	1	7	109	203	Frequency
Percentage	24.60	10.00	1.20	0.20	36.00	64.00	0.20	1.4	21.80	40.60	Percentage
Row%	**68.33**	**27.78**	**3.33**	**0.56**			**0.31**	**2.19**	**34.06**	**63.44**	**Row%**
Column%	37.73	31.45	46.15	50.00			50.00	53.85	68.55	62.27	Column%

Chi-square = 0.4564 (P-value)

Cramer's V = 0.0722

Table 2.5: Is respectful and friendly

Flexi	1	2	3	4	Total	Total	4	3	2	1	Permanent
Frequency	126	47	5	1	179	320	1	3	104	213	Frequency
Percentage	25.20	9.40	1.00	0.20	35.80	64.20	0.20	0.60	20.80	42.60	Percentage
Row%	**70.39**	**26.26**	**2.79**	**0.56**			**0.31**	**0.93**	**32.40**	**66.36**	**Row%**
Column%	37.17	31.13	62.50	50.00			50.00	53.85	68.55	62.27	Column%

Chi-square = 0.2243 (P-value)

Cramer's V = 0.0935

Table 2.6: Demonstrates skill and knowledge in completing your transaction

Flexi	1	2	3	4	Total	Total	4	3	2	1	Permanent
Frequency	116	59	3	0	178	321	1	2	115	203	Frequency
Percentage	23.25	11.82	0.60	0.00	35.67	64.20	0.20	0.40	23.05	40.68	Percentage
Row%	**65.17**	**33.15**	**1.69**	**0.00**			**0.31**	**0.62**	**35.83**	**63.24**	**Row%**
Column%	36.36	33.91	60.00	0.00			100	40.00	66.09	63.64	Column%

Chi-square = 0.5425 (P-value)

Cramer's V = 0.0656

Table 2.7: Completed your transaction accurately, that is, right the first time

Flexi	1	2	3	4	Total	Total	4	3	2	1	Permanent
Frequency	121	54	3	0	178	321	1	4	109	207	Frequency
Percentage	24.25	10.82	0.60	0.00	35.67	64.33	0.20	0.80	21.84	41.48	Percentage
Row%	**67.98**	**30.34**	**1.69**	**0.00**			**0.31**	**1.25**	**33.96**	**64.49**	**Row%**
Column%	36.89	33.13	42.86	0.00			100	57.14	66.87	63.11	Column%

Chi-square = 0.7094 (P-value)

Cramer's V = 0.0527

Table 2.8: Completed your transaction quickly, that is, without delay

Flexi	1	2	3	4	Total	Total	4	3	2	1	Permanent
Frequency	118	55	4	2	179	318	1	11	101	205	Frequency
Percentage	23.74	11.07	0.80	0.40	36.02	63.98	0.20	2.21	20.32	41.25	Percentage
Row%	**65.92**	**30.73**	**2.23**	**1.12**			**0.31**	**3.46**	**31.76**	**64.47**	**Row%**
Column%	36.53	35.26	26.67	66.67			33.33	73.33	64.74	63.47	Column%

Chi-square = 0.6002 (P-value)

Cramer's V = 0.0613

Table 2.9: Provided beneficial advice or information relating to your transaction or services provided

Flexi	1	2	3	4	Total	Total	4	3	2	1	Permanent
Frequency	88	76	5	1	170	303	1	9	128	165	Frequency
Percentage	18.60	16.07	1.06	0.21	35.94	64.06	0.21	1.90	27.06	34.88	Percentage
Row%	**51.76**	**44.71**	**2.94**	**0.59**			**0.33**	**2.97**	**42.24**	**54.46**	**Row%**
Column%	34.78	37.25	35.71	50.00			50.00	64.29	62.75	65.22	Column%

Chi-square = 0.9249 (P-value)

Cramer's V = 0.0316

Table 2.10: Went the extra mile to assist you/did more than was expected to assist you

Flexi	1	2	3	4	Total	Total	4	3	2	1	Permanent
Frequency	63	100	4	1	168	303	3	9	137	157	Frequency
Percentage	13.29	21.10	0.84	0.21	35.44	64.56	0.63	1.90	28.90	33.12	Percentage
Row%	**37.50**	**59.52**	**2.38**	**0.60**			**0.98**	**2.94**	**44.77**	**51.31**	**Row%**
Column%	28.64	42.19	30.77	25.00			75	69.23	57.81	71.36	Column%

Chi-square = 0.0234 (P-value)

Cramer's V = 0.1415

Table 2.11: Treated you in a personal manner which made you feel like a unique individual

Flexi	1	2	3	4	Total	Total	4	3	2	1	Permanent
Frequency	112	59	4	1	176	318	3	10	124	181	Frequency
Percentage	22.67	11.94	0.81	0.20	35.63	64.37	0.61	2.02	25.10	36.64	Percentage
Row%	**63.64**	**33.52**	**2.27**	**0.57**			**0.94**	**3.14**	**38.99**	**56.92**	**Row%**
Column%	38.23	32.24	28.57	25.00			61.77	67.76	71.43	75.00	Column%

Chi-square = 0.5167 (P-value)

Cramer's V = 0.0679

Table 2.12: In general terms please rate the satisfaction level with the overall service provided by the teller.

Flexi	1	2	3	4	Total	Total	4	3	2	1	Permanent
Frequency	98	58	10	2	168	299	4	24	142	129	Frequency
Percentage	20.99	12.42	2.14	0.43	35.97	64.03	0.86	5.14	30.41	27.62	Percentage
Row%	**58.33**	**34.52**	**5.95**	**1.19**			**1.34**	**8.03**	**47.49**	**43.14**	**Row%**
Column%	43.17	29.00	29.41	33.33			66.67	70.59	71.00	56.83	Column%

Chi-square = 0.0187 (P-value)

Cramer's V = 0.1462

Table 2.13: Summary of survey results

	Chi-Square (P-Value)		Cramers V		
Table 3	0.6002	No statistical difference	0.0451	Small effect	Accept Null hypothesis
Table 4	0.4564	No statistical difference	0.0722	Small effect	Accept Null hypothesis
Table 5	0.2243	No statistical difference	0.0935	Small effect	Accept Null hypothesis
Table 6	0.5425	No statistical difference	0.0656	Small effect	Accept Null hypothesis
Table 7	0.7094	No statistical difference	0.0527	Small effect	Accept Null hypothesis
Table 8	0.6002	No statistical difference	0.0613	Small effect	Accept Null hypothesis
Table 9	0.9249	No statistical difference	0.0316	Small effect	Accept Null hypothesis
Table 10	0.0234	Significant statistical differences	0.1415	Small effect	Reject Null Hypothesis
Table 11	0.5167	No statistical difference	0.0679	Small effect	Accept Null hypothesis
Table 12	0.0187	Significant statistical differences	0.1462	Small effect	Reject Null Hypothesis

Other than Table 2.10 (Went the extra mile to assist you/did more than was expected to assist you) and Table 2.12 (In general terms please rate the satisfaction with the overall service provided by the teller) all the other statements have *p*-values higher than 0.05 and therefore we can accept the Null hypothesis. The effect sizes (Cramer's V) are all smaller than Cohen's guidelines of 0.3 for a medium effect and therefore the significant difference is small enough to not be of practical concern.

From the results it can be derived that there is no significant difference between the levels of service received by customers from either permanently employed or flexi tellers.

Although the demographic information obtained was not part of the specific objectives of the research it may be of value for future further investigation. Based on the above it would be interesting to determine whether there is any relationship between the demographic factors of gender, age, residential area, academic qualifications, levels of income and the perception of service delivery.

2.4 DISCUSSION

The objective of the research was to investigate whether there was a meaningful difference between the service levels offered to customers by flexi staff compared to that of permanent tellers. The results confirmed that there was no significant difference between the levels of service received by customers from either permanently employed or flexi tellers.

Although statistically confirmed, it can also be observed from the data that the percentages of customers were spread evenly amongst the different variables (strongly agree, agree, disagree and strongly disagree) of the flexi and permanent tellers. In most instances +-95% of respondents either strongly agreed or agreed, with only +-5% being the latter two variables. It would appear from this that customers are satisfied with the general level of service that was measured based on the statements used in the survey, irrespective of whether this was delivered by a flexi or permanent teller.

The two statements that however had *p*-values lower than 0.05 were:

1. Went the extra mile to assist you/did more than was expected to assist you.
2. In general terms, please rate the satisfaction with the overall service provided by the teller.

In terms of the first statement (Table 2.10) a much higher proportion of customers selected "strongly agree" based on the service received from permanent tellers. This could be indicative of the fact that whilst flexi staff will do their utmost to deliver excellent customer service they lack the skills to be able to offer the customer more than was expected. However, if the totals are added to the first two variables - "strongly agree" and "agree" - the flexi tellers had 97.02% of their responses in these positive areas compared to 96.08% for the permanent tellers. Although the general levels of service can be described as being acceptable there is a definite need from customers for staff to be able to exceed their expectations and go the extra mile.

This links to the article of Bitner et al. (1990) that service industries are continuing to grow in importance to the economy while at the same time service quality is generally perceived to be declining. For the customer, the observable symptom is decreasing quality in what has been termed as the "service encounter" or the moment of interaction between the customer and the firm (Lovelock, 1983; Solomon et al., 1985; Suprenant & Solomon, 1987). Many times that interaction is the service from the customers' point of view, yet front-line employees are not trained to understand customers and do not have the freedom and discretion to relate to customers in ways that ensure effective service. The fact that customer contact employees often are underpaid and under trained result in low levels of motivation, job dissatisfaction, high turnover, and ultimately, dissatisfied customers.

Some service firms have avoided this downward spiral through practices that reflect their understanding of the service encounter and recognition of the marketing role of front-line personnel (Albrecht & Zemke, 1985). These exemplary firms understand that managing the service encounter involves more than training employees to say "have a nice day" or to answer the phone on or before the third ring. Effective management of the service encounter involves understanding the often complex behaviours of employees that can distinguish a highly satisfactory service encounter from a dissatisfactory one, and then training, motivating, and rewarding employees to exhibit these behaviours.

Although the second statement (Table 2.12) had a *p*-value lower than 0.05 the significant difference that resulted was due to higher positive response rates for the flexi tellers in terms of the variable "strongly agree" and also the totals of the first two variables for flexi tellers were higher than that of the permanent tellers. Based on the results of this one statement it is evident that the customers' "overall" perception of service delivery is higher for flexi tellers compared to that of permanent tellers. Flexi staff is mainly used to assist in accommodating the peaks and valleys in the business that occurs during month-ends and Fridays. This is managed on an hourly basis based on the availability of staff and changes in customers' patterns. Having only a limited opportunity to prove themselves it is crucial that every moment must be optimised.

This confirms Smith's (1998) statement that temporary employment is seen by "temps" as a screening process – a place where temporaries could prove that they would be reliable employees. It is a difficult position for temporaries because, although many do work for long periods of time, they share the belief that "temps" are rarely "given a second chance". Thus, if they behaved badly, did sloppy work, worked slowly, or sparred with a co-worker, supervisors and managers would request their non-return. These factors, the pressure for mistake-free performance, coupled with the belief that such performance increased their chances of obtaining a permanent job, acted as a powerful tool of control over temporary workers and served to cement their acceptance of marginalised labour market status. Their desire for a "real" job led them to engage in deep self-discipline that well served the production system based on individual initiative, decision-making, and responsibility.

2.5 LIMITATIONS

This study had possible limitations. Firstly, hosts of the various branches were used to conduct the interview with the customers and obtain their responses on the various

statements. Due to time constraints and the need to reflect overall high levels of service delivery, the responses may have been manipulated. Second, details of the specific tellers that assisted the customers were not recorded, which could mean that in effect only a small sample of flexi and permanent tellers may have been evaluated.

2.6 RECOMMENDATIONS

Despite the limitations of the study, the present findings indicate that there are definite financial benefits for organisations that can embrace and offer superior levels of customer satisfaction. In the services industry there are various benefits that can be derived from optimising the effective utilisation of flexible staffing solutions. This not only has a direct financial impact through cost savings but also offers additional sources of income through increased business due to improved customer satisfaction.

The findings of the study have important implications for managers and organisations. The evidence provided indicates that customer satisfaction has an impact on the financial performance of an organisation, which given the increasing competitive environment within which service industries operate can be improved through the effective utilisation of temporary workers. Managers need to understand the impact on their business and adapt policies that will assist them in achieving these objectives.

Wheeler and Buckley (2001) comments that using "temps" as a human resource strategy allows the manager to reduce overhead costs and increase flexibility without compromising productivity (Rogers, J.K., 1995). Managers can maintain productivity by using "temps" for situations such as vacation, long-term disability leave, maternity leave, or any other periods where permanent employees leave their position (Paul & Townshend, 1998). During cyclical peak periods of work, organisations meet the high demand of production by staffing with "temps". Many organisations also rely on temporary staffing as a recruiting tool, whereby the use of temporary employment acts as a screening process for hiring permanent employees - referred to as "temp-to-hire" (Paul & Townshend, 1998).

Several suggestions for future research are derived from the present findings to increase our understanding as well as the usefulness of the concept. Specific focus areas are recommended that need to be concentrated on to confirm and substantiate the overall financial benefit of utilising temporary staff:

1. The costs (hourly rates) of temporary staff compared to that of permanent staff and the subsequent improvement in financial performance from increased levels of business that are derived from utilising temporary staff.
2. The level of training of temporary staff and its impact on the:
    - service levels provided;
    - effectiveness and efficiency of "temps" (i.e. number of transactions, re-work, etc.); and the
    - direct financial implications (shortages and surpluses) of their actions.

Critical to the success of alternative staffing arrangements, are to create an understanding amongst managers of the various benefits and advantages that could be derived from the utilisation of temporary staff. This needs to be supported by training and processes that will assist managers in optimising the concept to ensure that maximum benefit is derived.

In terms of the limitations it would be recommended that the questionnaires rather be completed by the customers themselves to remove any bias that may exist. This may take longer to obtain a suitable sample size, but will enhance the reliability of the information. By having the details of the specific teller completed on the questionnaire, the population being measured can be tracked and adjustments made to ensure more or all tellers as part of the survey.

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CHAPTER 3

CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

3.1 CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

This chapter comprises conclusions regarding the literature review and the empirical study according to the specific objectives that were identified. The limitations of the research are discussed, followed by recommendations for the research problem in the organisation.

3.2 CONCLUSIONS

The first specific objective of the study was to establish the importance of service quality, customer satisfaction and its impact on the business. Retailers, and specifically financial institutions have very little differentiation in the products they offer and retail outlets tend to have the same look and feel whilst pricing is typically mimicked. One way of differentiating and achieving a competitive advantage lies in how they treat their customers. This is substantiated by Brink and Berndt (2004), stating that delivering customer service is an important strategy of any organisation in South Africa to survive and grow. It is seen as a method that can be used to differentiate your organisation from the competition, as well as being perceived as an important tool to improve customer retention and increase brand loyalty.

Experience has shown that satisfied customers are more loyal (Blem, 1995). They are more likely to keep coming back and to buy the company's other products. A higher repeat rate leads to greater revenue and more profits.

Customer loyalty in turn is a prime determinant of long-term financial performance of firms (Jones & Sasser, 1995). This is particularly true for service firms where increased loyalty can substantially increase profits (Reicheld, 1996; Reicheld & Sasser, 1990). Service firms focus on achieving customer satisfaction and loyalty by delivering superior value, an underlying source of competitive advantage (Woodruff, 1997).

Seminal studies using the PIMS (Profit Impact of Market Strategy) data set have uncovered significant associations among service quality, marketing variables and profitability. Findings from these studies show that companies offering superior service achieve higher-than-normal market share growth (Buzzell & Gale, 1987), and that the mechanisms by which service quality influences profits include increased market share and premium prices (Phillips, Chang, & Buzzell, 1983), and that businesses in the top quintile of relative service quality on average realize an 8% higher price than their competitors (Gale, 1992).

A variety of studies have also found that higher levels of customer satisfaction lead to greater customer loyalty (Anderson & Sullivan, 1993; Fornell, 1992). Through increasing loyalty, it is argued, customer satisfaction helps to secure future revenues (Fornell, 1992; Rust, 1995), reduce the costs of future transactions (Reicheld & Sasser, 1990), decrease price elasticities (Anderson, 1996), and minimise the likelihood that customers will defect if quality falters (Anderson & Sullivan, 1993). Improving quality and customer satisfaction reduce costs associated with defective goods and services, such as warranty costs, field service, re-working/replacing defective goods, and handling/managing complaints (Fornell & Wernerfelt, 1988). Word-of-mouth from satisfied customers lowers the cost of attracting new customers and enhances the firm's overall reputation. Finally, empirical work suggests that firms providing superior quality enjoy higher economic returns (Aaker & Jacobson, 1994).

Overall, there is significant evidence in the marketing literature that customer satisfaction is an important driver of a firm's profitability. For example, Anderson, Fornell, and Lehmann (1994) and Rust, Moorman, and Dickson (2002) report a positive impact of customer satisfaction on financial performance measures such as return on investment and return on assets. More recently, scholars have found that satisfaction boosts shareholder value by increasing cash flow growth and reducing its volatility (Fornell et al., 2006; Gruca & Rego, 2005).

The second specific objective discusses flexible staffing solutions as an alternative to solving the problem of meeting increased demands in service quality. Given the impact that customer satisfaction has on the financial performance of an organisation it is crucial to ensure that customers' expectations are met. In today's fast paced world, time constraints and increased stress have considerably eroded tolerance levels (Kampllikar, 2005). Firms cannot afford to make their customers wait. Several studies reveal that waits have a negative impact on customer satisfaction and thereby on the firm's profitability. Waiting time is a crucial factor in

a customer's evaluation process and high waiting time has a negative impact on service evaluation (Katz, Larson & Larson, 1991).The concept is of prime importance to most services industries as it is losing customers on account of dissatisfaction due to high waiting times.

One way to overcome this is through flexible working (Pettinger, 1998), which is the term used to describe the creation of work patterns and arrangements based on the need to maximise and optimize organisational output, customer satisfaction and staff expertise and effectiveness. It has come about as the result of the expansion of globalisation of competition and choice, increased pressures on all resources, enhanced customer demands and expectations, and changes in patterns of consumption.

Flexible workforces are created to maximise and optimise the use of capital, premises, technology and equipment, to produce high quality products and services that are available to customers where and when required.

According to Clinton (1997), much research has been done to explain the shift from direct hires of permanent workers to contingent workers. Flexible work arrangements have been used as a means to meet fluctuations in demand for the firm's product, to supplement staff due to absences from work, and to reduce labour costs. Some studies indicate that firms purchase services to avoid unionism. Other studies cite increased competition and profit maximisation as factors that lead to increased use of flexible staffing arrangements. Still others show that more companies are taking advantage of greater economies of scale achieved by service firms or the specialised skills that they offer.

Evidence suggests that firms are increasing their use of temporary help and other staffing arrangements in order to increase their workforce flexibility. Arguably, firms have come under greater competitive pressure to reduce labour costs and, in response, have increasingly adopted a "just-in-time" workforce staffing strategy. Instead of overstaffing to accommodate employee absences or fluctuations in product demand, firms make use of temporary staffing solutions to meet the changes in their day-to-day staffing needs (Houseman, 1999).

Whilst providing an alternative to meeting increased levels in demand, Matusik and Hill (1998) also noted that there is potential cost benefits associated with contingent work. The use of contingent work can reduce benefit, training, and recruitment costs, enable the firm to

manage its capacity more efficiently (which lowers costs), and lower the fixed costs of exiting from an activity (which implies greater flexibility). It may also result in enhanced productivity. These costs and flexibility arguments are reinforced by research suggesting that the behaviours and attitudes of contingent workers compared with those of full-time employees are substantially the same (Pearce, 1993). In other words, the behaviour and attitudes of contingent workers are unlikely to have a negative impact upon the cost structure of a firm. As long as these cost benefits outweigh the wage differential paid for contingent work, these economies lower the long-run average costs of the firm, enabling it to create more value and enhance its competitive position.

The third specific objective is based on the empirical study. Having highlighted the importance of customer satisfaction, and recommending flexible staffing as a solution to overcoming customer waiting times, one needs to establish whether there is any difference in the perceived levels of service experienced by customers from either permanent, or flexi tellers.

3.3 LIMITATIONS

The following limitations have been identified:

Firstly, hosts of the various branches were used to conduct the interview with the customers and obtain their responses on the various statements. This is a very effective way of ensuring that a high response rate is received as well as that information recoded in the returns is complete. Having to conduct the interviews in addition to their normal daily tasks increased their workloads. Due to time constraints and the need to reflect overall high levels of service delivery, the responses may have been manipulated to obtain a higher level of service measurement than what may have been the case. Although this could have led to higher averages in terms of the different statements it would not have impacted the outcomes of the hypothesis regarding the level of service delivery of permanent teller versus flexi tellers to the same degree.

Secondly, details of the specific tellers that assisted the customers were not recorded, which could mean that in effect only a small sample of flexi and permanent tellers may have been evaluated. As a result of the limited number of flexi staff that are available and the limited amount of time that they are utilised to support the increased demand in service over peak

times, it could be possible that the same teller is measured several times during the period of the research. This will still give an accurate reflection of the customer's perception of the service, but may not be a true measure of the entire population of flexible tellers that are utilised.

3.4 RECOMMENDATIONS

The study explored whether there was any meaningful difference between the service levels offered to customers by flexi staff compared to that of permanent tellers, and the subsequent impact that this can have on customer satisfaction and the financial performance of the organisation. The results of the survey confirmed that there was no significant difference between the levels of service received by customers from either permanently employed or flexi tellers.

Despite the limitations of the study, the present findings further indicated that there are definite financial benefits for organisations that can embrace and offer superior levels of customer satisfaction. In the services industry there are various benefits that can be derived from optimising the effective utilisation of flexible staffing solutions. This not only has a direct financial impact through cost savings but also offers additional sources of income through increased business due to improved customer satisfaction.

The findings of the study have important implications for managers and organisations. The evidence provided indicates that customer satisfaction has an impact on the financial performance of an organisation, which given the increasing competitive environment within which service industries operate can be improved through the effective utilisation of temporary workers. Managers need to understand the impact on their business and adapt policies that will assist them in achieving these objectives.

Wheeler and Buckley (2001) comment that using "temps" as a human resource strategy allows the manager to reduce overhead costs and increase flexibility without compromising productivity (Rogers, 1995). Managers can maintain productivity by using "temps" for situations such as vacation, long-term disability leave, maternity leave, or any other periods where permanent employees leave their position (Paul & Townshend, 1998). During cyclical peak periods of work, organisations meet the high demand of production by staffing with "temps". Many organisations also rely on temporary staffing as a recruiting tool, whereby the

use of temporary employment acts as a screening process for hiring permanent employees - referred to as "temp-to-hire" (Paul & Townshend, 1998).

Several suggestions for future research are derived from the present findings to increase understanding as well as the usefulness of the concept. Specific focus areas are recommended that need to be concentrated on to confirm and substantiate the overall financial benefit of utilising temporary staff:

1. The costs (hourly rates) of temporary staff compared to that of permanent staff and the subsequent improvement in financial performance from increased levels of business that is derived from utilising temporary staff.
2. The level of training of temporary staff and its impact on:
    - the service levels provided;
    - the effectiveness and efficiency of "temps" (i.e., number of transactions, re-work, etc.); and
    - the direct financial implications (shortages and surpluses) of their actions.

Critical to the success of alternative staffing arrangements is to create an understanding amongst managers of the various benefits and advantages that could be derived from the utilisation of temporary staff. This needs to be supported by training and processes that will assist managers in optimising the concept to ensure that maximum benefit is derived.

In terms of the limitations it would be recommended that the questionnaires should rather be completed by the customers themselves to remove any bias that may exist. This may take longer to obtain a suitable sample size, but will enhance the reliability of the information. By having the details of the specific teller completed on the questionnaire the population being measured can be tracked and adjustments made to ensure more or all tellers form part of the survey.

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Teller Name:		Date:		Time:	
Permanent/Flex:		Interview done by:			

Your response will help us to see what we need to do to improve the service we provide. Thank You.

A. Please answer the following questions based on the service you received from **the Teller.**

Is well groomed and has a proffesional appearance

Strongly Agree	Agree	Disagree	Strongly Disagree

Has a warm and approachable manner

Strongly Agree	Agree	Disagree	Strongly Disagree

Is respectfull and friendly

Strongly Agree	Agree	Disagree	Strongly Disagree

Demonstrates skill and knowledge in completing your transaction.

Strongly Agree	Agree	Disagree	Strongly Disagree

Completed your transaction accurately,that is, right the first time.

Strongly Agree	Agree	Disagree	Strongly Disagree

Completed your transaction quickly, that is, without delay.

Strongly Agree	Agree	Disagree	Strongly Disagree

Provided beneficial advice or information relating to your transaction or services provided.

Strongly Agree	Agree	Disagree	Strongly Disagree

Went the extra mile to assist you/Did more than was expected to assist you.

Strongly Agree	Agree	Disagree	Strongly Disagree

Treated you in a personal manner which made you feel like a unique individual.

Strongly Agree	Agree	Disagree	Strongly Disagree

In general terms please rate the satisfaction with the overall service provided by the Teller.

Exceeded Expectations	Met Expectations	Met Expectations to a limited extent	Did not meet expectations at all

Please tell us what **the teller** can/could have done do to **improve** the level of service provided:

B. We would appreciate if you could also **tell us a bit about yourself.**

Gender

Male	Female

Age Group

0-16	17-35	36-50	above 50

Residential area where you stay

Vereeniging	Vanderbijlpark	Sasolburg	Meyerton	Sebokeng

Which of the comments describe your academic background the best

Did not complete Matric/Grade 12	Completed Matric/Grade 12	Post Matric Qualifications(Diploma/Certificate /Degree, etc.)	Post Graduate Qualifications (Doctorate, etc)

Level of income per year:

R0-R20 000	R20 001 - R48 000	R48 001 - R120 000	above R120 000

The FREQ Procedure

Table of POSITION by TAK

POSITION	TAK					
Frequency, Percent, Row Pct, Col Pct	M	S	V	VB	VM	Total
F	35	27	40	74	5	181
	6.90	5.33	7.89	14.60	0.99	35.70
	19.34	14.92	22.10	40.88	2.76	
	36.84	19.29	38.10	51.03	22.73	
P	60	113	65	71	17	326
	11.83	22.29	12.82	14.00	3.35	64.30
	18.40	34.66	19.94	21.78	5.21	
	63.16	80.71	61.90	48.97	77.27	
Total	95	140	105	145	22	507
	18.74	27.61	20.71	28.60	4.34	100.00

Statistics for Table of POSITION by TAK

Statistic	DF	Value	Prob
Chi-Square	4	33.2148	<.0001
Likelihood Ratio Chi-Square	4	34.3774	<.0001
Mantel-Haenszel Chi-Square	1	8.4914	0.0036
Phi Coefficient		0.2560	
Contingency Coefficient		0.2480	
Cramer's V		0.2560	

Sample Size = 507

The FREQ Procedure

Table of POSITION by GROOM

POSITION	GROOM			
Frequency, Percent, Row Pct, Col Pct	1	2	3	Total
F	120	57	2	179
	23.95	11.38	0.40	35.73
	67.04	31.84	1.12	
	36.81	34.34	22.22	
P	206	109	7	322
	41.12	21.76	1.40	64.27
	63.98	33.85	2.17	
	63.19	65.66	77.78	

Total	326	166	9	501
	65.07	33.13	1.80	100.00

Frequency Missing = 6

Statistics for Table of POSITION by GROOM

Statistic	DF	Value	Prob
Chi-Square	2	1.0209	0.6002
Likelihood Ratio Chi-Square	2	1.0769	0.5836
Mantel-Haenszel Chi-Square	1	0.7266	0.3940
Phi Coefficient		0.0451	
Contingency Coefficient		0.0451	
Cramer's V		0.0451	

Effective Sample Size = 501
Frequency Missing = 6

Beskrywende statistiek per posisie

11:00 Monday, August 27, 2007

The FREQ Procedure

Table of POSITION by WARM

POSITION WARM

Frequency, Percent, Row Pct, Col Pct	1	2	3	4	Total
F	123	50	6	1	180
	24.60	10.00	1.20	0.20	36.00
	68.33	27.78	3.33	0.56	
	37.73	31.45	46.15	50.00	
P	203	109	7	1	320
	40.60	21.80	1.40	0.20	64.00
	63.44	34.06	2.19	0.31	
	62.27	68.55	53.85	50.00	
Total	326	159	13	2	500
	65.20	31.80	2.60	0.40	100.00

Frequency Missing = 7

Statistics for Table of POSITION by WARM

Statistic	DF	Value	Prob
Chi-Square	3	2.6062	0.4564
Likelihood Ratio Chi-Square	3	2.6073	0.4562
Mantel-Haenszel Chi-Square	1	0.3925	0.5310
Phi Coefficient		0.0722	
Contingency Coefficient		0.0720	
Cramer's V		0.0722	

WARNING: 38% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

Effective Sample Size = 500
Frequency Missing = 7

The FREQ Procedure

Table of POSITION by RESPECT

POSITION	RESPECT				
Frequency, Percent, Row Pct, Col Pct	1	2	3	4	Total
F	126	47	5	1	179
	25.20	9.40	1.00	0.20	35.80
	70.39	26.26	2.79	0.56	
	37.17	31.13	62.50	50.00	
P	213	104	3	1	321
	42.60	20.80	0.60	0.20	64.20
	66.36	32.40	0.93	0.31	
	62.83	68.87	37.50	50.00	
Total	339	151	8	2	500
	67.80	30.20	1.60	0.40	100.00

Frequency Missing = 7

Statistics for Table of POSITION by RESPECT

Statistic	DF	Value	Prob
Chi-Square	3	4.3683	0.2243
Likelihood Ratio Chi-Square	3	4.2553	0.2352
Mantel-Haenszel Chi-Square	1	0.1151	0.7344
Phi Coefficient		0.0935	
Contingency Coefficient		0.0931	
Cramer's V		0.0935	

WARNING: 38% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

Effective Sample Size = 500
Frequency Missing = 7

The FREQ Procedure

Table of POSITION by KNOW

POSITION	KNOW				
Frequency, Percent, Row Pct, Col Pct	1	2	3	4	Total
F	116	59	3	0	178

,	23.25 ,	11.82 ,	0.60 ,	0.00 ,	35.67
,	65.17 ,	33.15 ,	1.69 ,	0.00 ,	
,	36.36 ,	33.91 ,	60.00 ,	0.00 ,	
P ,	203 ,	115 ,	2 ,	1 ,	321
,	40.68 ,	23.05 ,	0.40 ,	0.20 ,	64.33
,	63.24 ,	35.83 ,	0.62 ,	0.31 ,	
,	63.64 ,	66.09 ,	40.00 ,	100.00 ,	
Total	319	174	5	1	499
	63.93	34.87	1.00	0.20	100.00

Frequency Missing = 8

Statistics for Table of POSITION by KNOW

Statistic	DF	Value	Prob
Chi-Square	3	2.1466	0.5425
Likelihood Ratio Chi-Square	3	2.4058	0.4926
Mantel-Haenszel Chi-Square	1	0.0952	0.7577
Phi Coefficient		0.0656	
Contingency Coefficient		0.0654	
Cramer's V		0.0656	

WARNING: 50% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

Effective Sample Size = 499
Frequency Missing = 8

Beskrywende statistiek per posisie

11:00 Monday, August 27, 2007

The FREQ Procedure

Table of POSITION by ACCURATE

POSITION ACCURATE

Frequency, Percent , Row Pct , Col Pct ,	1,	2,	3,	4,	Total
F ,	121 ,	54 ,	3 ,	0 ,	178
,	24.25 ,	10.82 ,	0.60 ,	0.00 ,	35.67
,	67.98 ,	30.34 ,	1.69 ,	0.00 ,	
,	36.89 ,	33.13 ,	42.86 ,	0.00 ,	
P ,	207 ,	109 ,	4 ,	1 ,	321
,	41.48 ,	21.84 ,	0.80 ,	0.20 ,	64.33
,	64.49 ,	33.96 ,	1.25 ,	0.31 ,	
,	63.11 ,	66.87 ,	57.14 ,	100.00 ,	
Total	328	163	7	1	499
	65.73	32.67	1.40	0.20	100.00

Frequency Missing = 8

Statistics for Table of POSITION by ACCURATE

Statistic	DF	Value	Prob
Chi-Square	3	1.3836	0.7094

Likelihood Ratio Chi-Square	3	1.7115	0.6344
Mantel-Haenszel Chi-Square	1	0.5703	0.4502
Phi Coefficient		0.0527	
Contingency Coefficient		0.0526	
Cramer's V		0.0527	

WARNING: 50% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

Effective Sample Size = 499
Frequency Missing = 8

The FREQ Procedure

Table of POSITION by QUICK

POSITION	QUICK				
Frequency, Percent, Row Pct, Col Pct	1	2	3	4	Total
F	118	55	4	2	179
	23.74	11.07	0.80	0.40	36.02
	65.92	30.73	2.23	1.12	
	36.53	35.26	26.67	66.67	
P	205	101	11	1	318
	41.25	20.32	2.21	0.20	63.98
	64.47	31.76	3.46	0.31	
	63.47	64.74	73.33	33.33	
Total	323	156	15	3	497
	64.99	31.39	3.02	0.60	100.00

Frequency Missing = 10

Statistics for Table of POSITION by QUICK

Statistic	DF	Value	Prob
Chi-Square	3	1.8684	0.6002
Likelihood Ratio Chi-Square	3	1.8313	0.6081
Mantel-Haenszel Chi-Square	1	0.0394	0.8426
Phi Coefficient		0.0613	
Contingency Coefficient		0.0612	
Cramer's V		0.0613	

WARNING: 25% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

Effective Sample Size = 497
Frequency Missing = 10

The FREQ Procedure

Table of POSITION by ADVICE

POSITION ADVICE

Frequency, Percent, Row Pct, Col Pct	1	2	3	4	Total
F	88	76	5	1	170
	18.60	16.07	1.06	0.21	35.94
	51.76	44.71	2.94	0.59	
	34.78	37.25	35.71	50.00	
P	165	128	9	1	303
	34.88	27.06	1.90	0.21	64.06
	54.46	42.24	2.97	0.33	
	65.22	62.75	64.29	50.00	
Total	253	204	14	2	473
	53.49	43.13	2.96	0.42	100.00

Frequency Missing = 34

Statistics for Table of POSITION by ADVICE

Statistic	DF	Value	Prob
Chi-Square	3	0.4724	0.9249
Likelihood Ratio Chi-Square	3	0.4654	0.9264
Mantel-Haenszel Chi-Square	1	0.3281	0.5668
Phi Coefficient		0.0316	
Contingency Coefficient		0.0316	
Cramer's V		0.0316	

WARNING: 25% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

Effective Sample Size = 473
Frequency Missing = 34

Beskrywende statistiek per posisie

11:00 Monday, August 27, 2007

The FREQ Procedure

Table of POSITION by ASSIST

POSITION ASSIST

Frequency, Percent, Row Pct, Col Pct	1	2	3	4	Total
F	63	100	4	1	168
	13.29	21.10	0.84	0.21	35.44
	37.50	59.52	2.38	0.60	
	28.64	42.19	30.77	25.00	
P	157	137	9	3	306
	33.12	28.90	1.90	0.63	64.56
	51.31	44.77	2.94	0.98	
	71.36	57.81	69.23	75.00	

Total	220	237	13	4	474
	46.41	50.00	2.74	0.84	100.00

Frequency Missing = 33

Statistics for Table of POSITION by ASSIST

Statistic	DF	Value	Prob
Chi-Square	3	9.4903	0.0234
Likelihood Ratio Chi-Square	3	9.5399	0.0229
Mantel-Haenszel Chi-Square	1	4.8265	0.0280
Phi Coefficient		0.1415	
Contingency Coefficient		0.1401	
Cramer's V		0.1415	

WARNING: 38% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

Effective Sample Size = 474
Frequency Missing = 33

Beskrywende statistiek per posisie

824

11:00 Monday, August 27, 2007

The FREQ Procedure

Table of POSITION by TREAT

POSITION TREAT

Frequency, Percent, Row Pct, Col Pct	1	2	3	4	Total
F	112	59	4	1	176
	22.67	11.94	0.81	0.20	35.63
	63.64	33.52	2.27	0.57	
	38.23	32.24	28.57	25.00	
P	181	124	10	3	318
	36.64	25.10	2.02	0.61	64.37
	56.92	38.99	3.14	0.94	
	61.77	67.76	71.43	75.00	
Total	293	183	14	4	494
	59.31	37.04	2.83	0.81	100.00

Frequency Missing = 13

Statistics for Table of POSITION by TREAT

Statistic	DF	Value	Prob
Chi-Square	3	2.2785	0.5167
Likelihood Ratio Chi-Square	3	2.3057	0.5114
Mantel-Haenszel Chi-Square	1	2.2287	0.1355
Phi Coefficient		0.0679	
Contingency Coefficient		0.0678	
Cramer's V		0.0679	

WARNING: 38% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

Effective Sample Size = 494
Frequency Missing = 13

Beskrywende statistiek per posisie

825

11:00 Monday, August 27, 2007

The FREQ Procedure

Table of POSITION by OVERALL

POSITION	OVERALL				
Frequency, Percent, Row Pct, Col Pct	1	2	3	4	Total
F	98	58	10	2	168
	20.99	12.42	2.14	0.43	35.97
	58.33	34.52	5.95	1.19	
	43.17	29.00	29.41	33.33	
P	129	142	24	4	299
	27.62	30.41	5.14	0.86	64.03
	43.14	47.49	8.03	1.34	
	56.83	71.00	70.59	66.67	
Total	227	200	34	6	467
	48.61	42.83	7.28	1.28	100.00

Frequency Missing = 40

Statistics for Table of POSITION by OVERALL

Statistic	DF	Value	Prob
Chi-Square	3	9.9831	0.0187
Likelihood Ratio Chi-Square	3	10.0192	0.0184
Mantel-Haenszel Chi-Square	1	7.1927	0.0073
Phi Coefficient		0.1462	
Contingency Coefficient		0.1447	
Cramer's V		0.1462	

WARNING: 25% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

Effective Sample Size = 467
Frequency Missing = 40

Beskrywende statistiek per posisie

826

11:00 Monday, August 27, 2007

The FREQ Procedure

Table of POSITION by GENDER

POSITION	GENDER		
Frequency, Percent, Row Pct, Col Pct	1	2	Total

F	84	91	175
	17.36	18.80	36.16
	48.00	52.00	
	34.29	38.08	
P	161	148	309
	33.26	30.58	63.84
	52.10	47.90	
	65.71	61.92	
Total	245	239	484
	50.62	49.38	100.00

Frequency Missing = 23

Beskrywende statistiek per posisie

The FREQ Procedure

Statistics for Table of POSITION by GENDER

Statistic	DF	Value	Prob
Chi-Square	1	0.7527	0.3856
Likelihood Ratio Chi-Square	1	0.7528	0.3856
Continuity Adj. Chi-Square	1	0.5974	0.4396
Mantel-Haenszel Chi-Square	1	0.7511	0.3861
Phi Coefficient		-0.0394	
Contingency Coefficient		0.0394	
Cramer's V		-0.0394	

Fisher's Exact Test

Cell (1,1) Frequency (F)	84
Left-sided Pr <= F	0.2198
Right-sided Pr >= F	0.8320
Table Probability (P)	0.0518
Two-sided Pr <= P	0.3960

Effective Sample Size = 484
Frequency Missing = 23

Table of POSITION by AGE

POSITION AGE

Frequency, Percent, Row Pct, Col Pct	1	2	3	4	Total
F	1	76	69	30	176
	0.20	15.57	14.14	6.15	36.07
	0.57	43.18	39.20	17.05	
	100.00	42.94	32.70	30.30	
P	0	101	142	69	312
	0.00	20.70	29.10	14.14	63.93
	0.00	32.37	45.51	22.12	
	0.00	57.06	67.30	69.70	
Total	1	177	211	99	488
	0.20	36.27	43.24	20.29	100.00

Frequency Missing = 19

Beskrywende statistiek per posisie

The FREQ Procedure

Statistics for Table of POSITION by AGE

Statistic	DF	Value	Prob
Chi-Square	3	7.8594	0.0490
Likelihood Ratio Chi-Square	3	8.0945	0.0441
Mantel-Haenszel Chi-Square	1	5.9454	0.0148
Phi Coefficient		0.1269	
Contingency Coefficient		0.1259	
Cramer's V		0.1269	

WARNING: 25% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

Effective Sample Size = 488
Frequency Missing = 19

Table of POSITION by AREA

POSITION AREA

Frequency, Percent, Row Pct, Col Pct	1	2	3	4	5	Total
F	35 7.61 22.44 42.17	44 9.57 28.21 37.29	34 7.39 21.79 23.29	34 7.39 21.79 39.08	9 1.96 5.77 34.62	156 33.91
P	48 10.43 15.79 57.83	74 16.09 24.34 62.71	112 24.35 36.84 76.71	53 11.52 17.43 60.92	17 3.70 5.59 65.38	304 66.09
Total	83 18.04	118 25.65	146 31.74	87 18.91	26 5.65	460 100.00

Frequency Missing = 47

Beskrywende statistiek per posisie

The FREQ Procedure

Statistics for Table of POSITION by AREA

Statistic	DF	Value	Prob
Chi-Square	4	11.5206	0.0213
Likelihood Ratio Chi-Square	4	11.8882	0.0182
Mantel-Haenszel Chi-Square	1	1.2304	0.2673
Phi Coefficient		0.1583	
Contingency Coefficient		0.1563	
Cramer's V		0.1583	

Effective Sample Size = 460
Frequency Missing = 47

Table of POSITION by ACEDEMIC

POSITION ACEDEMIC

Frequency, Percent , Row Pct , Col Pct	1	2	3	4	Total
F	20	61	36	5	122
	4.94	15.06	8.89	1.23	30.12
	16.39	50.00	29.51	4.10	
	26.67	28.64	38.71	20.83	
P	55	152	57	19	283
	13.58	37.53	14.07	4.69	69.88
	19.43	53.71	20.14	6.71	
	73.33	71.36	61.29	79.17	
Total	75	213	93	24	405
	18.52	52.59	22.96	5.93	100.00

Frequency Missing = 102

Beskrywende statistiek per posisie

11:00 Monday, August 27, 2007

The FREQ Procedure

Statistics for Table of POSITION by ACEDEMIC

Statistic	DF	Value	Prob
Chi-Square	3	4.8902	0.1800
Likelihood Ratio Chi-Square	3	4.8272	0.1849
Mantel-Haenszel Chi-Square	1	0.7006	0.4026
Phi Coefficient		0.1099	
Contingency Coefficient		0.1092	
Cramer's V		0.1099	

Effective Sample Size = 405
Frequency Missing = 102

WARNING: 20% of the data are missing.

Table of POSITION by INCOME

POSITION INCOME

Frequency, Percent , Row Pct , Col Pct	1	2	3	4	Total
F	27	19	34	23	103
	7.46	5.25	9.39	6.35	28.45
	26.21	18.45	33.01	22.33	
	47.37	25.33	26.15	23.00	
P	30	56	96	77	259
	8.29	15.47	26.52	21.27	71.55
	11.58	21.62	37.07	29.73	
	52.63	74.67	73.85	77.00	
Total	57	75	130	100	362
	15.75	20.72	35.91	27.62	100.00

Frequency Missing = 145

Beskrywende statistiek per posisie

The FREQ Procedure

Statistics for Table of POSITION by INCOME

Statistic	DF	Value	Prob
Chi-Square	3	12.1749	0.0068
Likelihood Ratio Chi-Square	3	11.3365	0.0100
Mantel-Haenszel Chi-Square	1	7.8270	0.0051
Phi Coefficient		0.1834	
Contingency Coefficient		0.1804	
Cramer's V		0.1834	

Effective Sample Size = 362
Frequency Missing = 145

WARNING: 29% of the data are missing.