IMPROVING ORGANIZATIONAL EFFICIENCY THROUGH QUALITY SERVICE DELIVERY STRATEGIES

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Abstract
The paper centers on improving organizational efficiency through quality service delivery strategies. We provide conceptual insights elucidating how organizational efficiency is influenced by quality service delivery. Exploratory approach and secondary source of data were used and Total quality management was employed as theoretical framework. Our analysis suggests that service organizations can enhance their performance by putting in place strategies and practices that strengthen the service-oriented behaviors of their employees and reduce their intentions to leave the organization. Improved performance is accomplished through the delivery of high quality services. Specifically, service-oriented business strategies in the form of organizational-level service orientation and practices in the form of training directly influence the manifest service-oriented behaviors of staff. It increases job satisfaction, which, in turn has an impact on affective commitment.

Keyword: Organization; efficiency; service delivery; strategies; performance

INTRODUCTION
The successful management of staff is important for service organizations. Employees link the organization with its customers and customers make evaluative judgments of the service quality delivered by these staff. Consequently, the behaviors and attitudes of staff that provide services are crucial for the positive evaluation of services by customers. Organizational strategies and practices affect these staff attitudes and behaviors and it is important to understand the specific organizational factors that influence those staff attitudes which subsequently influence behavior towards customers and the firm. The focus of this study is on this issue precisely; we investigate the relationship between organizational strategies and practices directed at customers and staff (captured in organizational-level service orientation and staff training) and front-line service staff attitude towards their job and service delivery (such as individual-level service orientation, job satisfaction, affective and instrumental commitment, and intentions to leave the organization).

The reasons for examining the effects of organizational strategies and practices on staff attitudes are numerous. The most crucial can be linked back to an organization’s performance. Strongly-held attitudes are thought to predict behaviors associated with those attitudes. Consequently, service-orientated attitudes of staff predict service-oriented behaviors of front-line service staff; and these service behaviors positively impact customers’ evaluations of the service that they receive; hence enhancing the organization’s efficiency and effectiveness. Additionally, low front-line service staff turnover reduces hiring and training related investments, increasing the efficiency and performance of the organization. It is within the context of this logic that this paper provides additional insights into the impact of organizational practices towards their front-line service staff. Thus, strategies and practices that can both enhance the attitudes of staff towards
service delivery and reduce the turnover of staff are likely to enhance the performance of service organizations. This is likely to lead to more satisfactory service encounters at the employee–customer interface.

The analysis here suggests that service organizations can enhance their performance by putting in place strategies and practices that strengthen the service-oriented behaviors of their employees and reduce their intentions to leave the organization. Improved performance is accomplished through both the delivery of high quality services (enhancing organizational effectiveness) and the maintenance of front-line staff (increasing organizational efficiency). Specifically, service-oriented business strategies in the form of organizational-level service orientation and practices in the form of training directly influence the manifest service-oriented behaviors of staff.

Training also indirectly affects the intention of front-line staff to leave the organization; it increases job satisfaction, which, in turn has an impact on affective commitment. Both affective and instrumental commitments were hypothesized to reduce the intentions of front-line staff to leave the organization, however only affective commitment had a significant effect.

THEORETICAL FRAMEWORK- TOTAL QUALITY MANAGEMENT (TQM) APPROACH

Total Quality Management (TQM) refers to management methods used to enhance quality, efficiency and productivity in organizations, particularly businesses. TQM is a comprehensive system approach that works horizontally across an organization, involving all departments and employees and extending backward and forward to include both suppliers and clients/customers. TQM is only one of many acronyms used to label management systems that focus on quality. Other acronyms that have been used to describe similar quality management philosophies and programs include CQI (continuous quality improvement), SQC (statistical quality control), QFD (quality function deployment), QIDW (quality in daily work), TQC (total quality control), etc. Like many of these other systems, TQM provides a framework for implementing effective and efficient quality and productivity initiatives that can increase the profitability and competitiveness of organizations.

Since the late 1980s, firms around the world have launched Total Quality Management (TQM) programs in an attempt to retain or regain competitiveness in order to achieve customer satisfaction in the face of increasing competition from around the world in this era of globalization. TQM is an integrative philosophy of management for continuously improving the quality of products and processes. TQM functions on the premise that the quality of the products and processes is the responsibility of everyone who is involved with the creation or consumption of the products or services offered by the organization. In other words, TQM capitalizes on the involvement of management, workforce, suppliers, and even customers, in order to meet or exceed customer expectations. In other word TQM centers on;

- Customer Focus and Quality Focus
- Process Improvement and Total Involvement

A policy that strives to ensure the involvement of everyone to assure the quality of products produced. The TQM’s principles are as follows:

1. Ensure that customers drive quality.
2. Treat everything as a process (or part of one).
3. Improve continuously.
4. Build in quality from the start.
5. Solve problems using facts and data.

A TQM driven company is contrary to the classical way companies have operated. Profits are merely an indicator of past performance, and should not drive the company. Quality and long-term vision should drive the company. Defects are a result of faulty systems and not faulty employees. The quality process is never ending, improvements can always be made.

TQM is a commitment to excellence by everyone in an organization that emphasizes excellence achieved by teamwork and a process of continuous improvement. The objective is to focus on the Survival and continues Improvement of the organization by emphasizing on quality as a management tool.
At its core, Total Quality Management (TQM) is a management approach to long-term success through customer satisfaction. In a TQM effort, all members of an organization participate in improving processes, products, services and the culture in which they work. The methods for implementing this approach come from the teachings of such quality leaders as Philip B. Crosby, W. Edwards Deming, Armand V. Feigenbaum, Kaoru Ishikawa and Joseph M. Juran. A core concept in implementing TQM is Deming’s 14 points, a set of management practices to help companies increase their quality, efficiency and productivity:

1. Create constancy of purpose for improving products and services.
2. Adopt the new philosophy or reject mistake and negativism.
3. Cease dependence on mass inspection to achieve quality.
4. End the practice of awarding business or rewarding on price alone; instead, minimize total cost by working with a single supplier.
5. Improve constantly and forever every process of planning, production and service.
6. Institute training on the job.
7. Adopt and institute leadership.
8. Drive out fear.
9. Break down barriers between staff areas or units.
10. Eliminate slogans, exhortations and targets for the workforce.
11. Eliminate numerical quotas for the workforce and numerical goals for management.
12. Remove barriers that rob people of pride of workmanship, and eliminate the annual rating or merit system.
13. Institute a vigorous program of education, self-improvement and retraining for everyone.
14. Put everybody in the company to work or take action towards accomplishing the transformation.

Schroeder identified the nine common TQM practices as cross-functional product design, process management, supplier quality management, customer involvement, information and feedback, committed leadership, strategic planning, cross-functional training and employee involvement.

The term “Total Quality Management” has lost favor in the United States in recent years: “Quality management” is commonly substituted. “Total Quality Management,” however, is still used extensively in Europe.


ORGANISATIONAL EFFICIENCY
The basic aim of any organization is to attain its goals, which is the higher-level of productivity and efficiency at least cost. Organizations have objectives among which are either to produce goods and services, make profit, distribute services, impact and sustain positively their clients, target groups and their environments. The achievement of the objectives of the organization is dependent on the employees, the infrastructures and the work environment. The results achieved are the collective contributions of the employees in the organization. Where the workers’ efforts, contributions and achievements are poor, that of the entire organization would also be poor.

Performance refers to how well a worker, manufacturer, or organization is doing in relation to intended purposes, objectives, targets and intended accomplishments. It relates to whether intended services have been delivered, intended outcomes or other desired and stated goals are achieved, or whether the target problem has been resolved, whether the desired needs have been satisfied and whether services have been satisfactorily provided, in term of quality, quantity and frequency.

The concepts of effectiveness and efficiency are central to performance or productivity. Effectiveness refers to the level of attainment or realization of policy, programme, or organizational goals and objectives. In other words, effectiveness measures how much of goals and objectives are achieved. It answers the question of whether stated intentions planned or projected output and objectives are realized or not. An effective programme or organisation therefore, is one that realizes its objectives.
Efficiency, on the other hand, as related to performance is defined in terms of output produced in relation to the input expended. It relates to the resources invested (input) to the results obtained (output). An efficient programme or organization therefore is one that achieves high output with minimum input. This could be in form of crime reduction rate per number of policemen on pay roll, fuel consumed per kilometer by motor vehicle and profit produced per capital and other input invested in company etc. Efficiency is measured in ratios. Usually, this is output per input. More recently, efficiency measurements have related input to programme/organizational activities performed and also, to objectives attained. However, the determination, quantification, and measurement of input and output are difficult tasks. Efficiency in general describes the extent to which time or effort is well used for the intended task or purpose. It is often used with the specific purpose of relaying the capability of a specific application of effort to produce a specific outcome effectively with a minimum amount or quantity of waste, expense, or unnecessary effort. "Efficiency" has widely varying meanings in different disciplines.

Concisely, the term "efficient" is very much confused and misused with the term "effective". In general, efficiency is a measurable concept, quantitatively determined by the ratio of output to input. "Effectiveness", is a relatively vague, non-quantitative concept, mainly concerned with achieving objectives. In several of these cases, efficiency can be expressed as a result as percentage of what ideally could be expected, hence with 100% as ideal case. This does not always apply, not even in all cases where efficiency can be assigned a numerical value, e.g. not for specific impulse.

Therefore, productive organizations get more goods and services out of a given amount of labour, capital and equipment than less productive organizations. The success or failure of organization depends on its level of productivity which may be high or low depending on other several variables like motivation etc, and often a time, some organizations anxious to improve their productivity enter into agreement with their employees to increase their wages/salaries subject to a corresponding increase in the productivity. (Munsterberg, H. 1993)

**SERVICE DELIVERY**

During a research the eight new features of service D-E-L-I-V-E-R-Y was discovered. "D" is for Dedicated. The moment a customer needs help, the dedicated employee swings into action. The customer should be made to feel that he is priority number one, not that he's on the bottom of a list and will have to wait his turn.

"E" is for Empowered. The empowered employee is given what he needs to be able to provide outstanding service. Empowerment begins with training, the provision of tools, and the recognition of individual potential. Empowerment is nurtured by showing trust and support, listening to representatives and helping them resolve problems, and removing any obstacles or conditions that make their work harder.

"L" is for Linked. The company team must work together and share information. Greater service cannot be achieved by individuals working in isolation. Linking should also extend beyond the team to include all other employees of the company in mutual support. A company with employees who work together for the mutual benefit of the company and its customers will quickly rise to the top.

"I" is for Informed. In the past the customer service department was often neglected by management. Employees, seen as workers at the bottom of the totem pole, went untrained and uninformed. Today more and more companies have realized the importance of these front-line staff and are treating them like royalty. After all, they are representing the company not only to established customers, but to new and potential customers as well. How customers are treated is how business goes. Customers deal first with customer service representatives. These representatives should receive thorough training on the company's products, systems, policies, and procedures. They should know how to solve problems, what to do when a customer has a crisis, where to find needed information, when to ask for outside assistance, who to contact in specific situations, and how to build customer satisfaction and trust. They should be informed in all aspects of the company and its products and services.

"V" is for Valued. Before employees can value their work and your customers, you must show them that you value them. If they feel like valuable employees doing work that is valued, they will produce far greater results than if they feel insignificant in an insignificant job. You can emphasize that you value them by
providing training, asking for their opinions and feedback, responding to their needs and questions, acknowledging their contribution, praising them, and offering financial incentives to the degree possible and other rewards. Rewards might include gift certificates or small gifts on appropriate occasions.

"E" is for Experienced. An experienced staff learns to be knowledgeable but not overly technical with customers. He or she shows confidence but not arrogance, friendliness but not familiarity, helpfulness but not insistence, and attentiveness but not intrusiveness. The employees may be smartly dressed but never overpowering. It takes experience to automatically strike the right balance and quickly shift to a new balance for the next customer.

"R" is for Representative. All employees should always act in the best interests of the company. From personal appearance to speech and action, they should project a strong, positive image of the company and a sincere interest in helping the customer. At the conclusion of a contact, the customer should feel happy about doing business with a company whose employees are warm and friendly as well as efficient and knowledgeable.

"Y" is for "Your" Responsibility. All employees must accept responsibility for their role. All employees of a company are responsible for delivering good customer service, and delivery means being a dedicated, empowered, linked, informed, valued, and experienced representative who accepts responsibility.

In government, public services are those services provided by governments (local, municipal, or larger-scale) to the public. The need for services that no individual can or will pay for, but that benefit all by their presence, is one of the justifications for taxation. Examples of such services are sewage, trash disposal, street cleaning. On a larger scale, public education and public health services (in countries that have them) are also public services. Public service delivery is the implementation of those services and making sure they reach those people and places they're intended to.


ORGANIZATIONAL EFFICIENCY AND QUALITY SERVICE DELIVERY STRATEGIES

Based on our reading of the literature, we define seven major strategy areas potentially useful for improving efficiency and performance in the organizations:

1) standards and guidelines,
2) organizational design,
3) education and training,
4) process improvement and technology and tool development,
5) incentives,
6) organizational culture, and
7) leadership and management.

These provide illustrations of facility-level interventions within each of the strategy areas and highlight the conditions under which certain strategies may be more effective than others. The choice of strategy targeted at organizational level to improve performance should be informed by the identified root causes of the problem, the implementation capabilities of the organization, and the environmental conditions faced by the organization.

Measuring and improving organizational efficiency and performance is complex because organizations are diverse and dynamic. Participants should take away a toolkit of concepts and methods that can help them identify which questions to ask and how to answer them in the context of defining, measuring, and improving efficiency and performance of service delivery organizations. Having this broad set of tools with which to understand and enhance organizational efficiency and performance can contribute to improving quality service delivery and ultimately efficient outcomes.

Within the course of your study you will frequently come across the terms organisational efficiency and effectiveness. Because in everyday language the terms efficiency and effectiveness are often used
interchangeably but have quite specifically different meaning within the context of organizational management, some explanation needs to briefly made here.

As earlier posited, organizational efficiency is a measure of the relationship between organizational inputs (resources) and outputs (goods and services provided) and in simple terms the more output we can achieve with a given amount of inputs or resources, the more efficient we are. For example, if we can make 100 cars with X value of resources we are more efficient than someone else who only makes 80 identical cars with the same value of resources. Efficiency relates to the term productivity and a major focus of all managers is to maintain or improve the level of productivity of their work unit and organization.

Relatively, an individual, group or an organization, that achieves their goals are said to be effective, and have used their resources to achieve an effective outcome. But does this also mean they have used their resources efficiently? Perhaps a couple of examples will easily clarify the difference between the two concepts. Consider a manager who develops and implements a training course and then trains the maximum number of employees, in the shortest period of time and at the cheapest possible cost. This person would be considered highly efficient because no-one could have done it better, their output for inputs expended is the maximum possible. What though, if this training course had nothing to do with the organization’s objectives and was a complete waste of time for everyone who attended? We would then qualify our evaluation and state that whilst the manager was highly efficient he/she was not effective.

Likewise if the same person developed a training program that was critically important to the ability of the organization to achieve its objectives, we would define this person as effective. However, if the program used five times the amount of resources that it could have used it would be considered effective but not efficient.

The achievement of organizational efficiency has always been a prime interest of organizational managers. However over more recent times, with the realization that efficiency and effectiveness do not necessarily equate (ie, our previous example highlights organizational activity may be efficient but not effective or effective but not efficient) there has been a strong emphasis on the attainment of both these concepts. The aim is to be both efficient and effective; ie, to use our available resources in the most productive way in the achieving of organizational objectives.

Within strategic management, organizational success if often expressed in terms of efficiency and effectiveness, though in reality such measures are more complex than often expected. For example, in many production oriented businesses that manufacture or produce tangible goods, the measure of efficiency may be a direct almost mathematical relationship between inputs and outputs as discussed above and therefore easily measured. In many service industries, this relationship is not so clear cut and consequently our ability to accurately measure efficiency in a simple relationship between inputs and outputs is difficult or the result meaningless.

Take, for example, the case of a mechanic servicing cars. At the end of one week he is asked why he has been so inefficient that week given that his average cost of resources used per client was 30% higher than the average of all other workshop mechanics doing the same job. On the surface it appears the mechanic is highly inefficient until he explains that he had to service three cars that hadn't had a service in over two years, one that had major mechanical repair requirements, two cars that had been returned for re-service after a former mechanic had failed to undertake various critical adjustments and eight cars where the diagnostic equipment failed and provided incorrect readings requiring the entire number of services to be redone at no cost to the customers. In fact, the mechanic believed he had never worked so efficiently before in his life. In this example, it can be seen there can be many issues that can influence and distort a straight measure of efficiency. Consideration of many other service functions (eg, a doctor treating patients) will readily support this.

Similarly, effectiveness can require significant qualification. Issues such as attainment of short term versus long term goals, whose goals, whether the goals were valid in the first place (eg, too easy or unrealistically hard to achieve, etc) can distort this concept. (Greenhalgh, T., G. Robert, F. Macfarlane, P. Bate, and O. Kyriakidou 2004; Pindyck, R. and D. Rubinfeld 2000, Katz, D. and R. Kahn 1966, Kast, F. and J. Rosenzweig. 1972)
Taxonomy of quality service delivery and efficiency domains

Quality
According to Ishikawa (1990) Quality service refers to whether the organizations conform to best practice for those who use the services of the organization. Ensuring quality service delivery remains a major objective of service delivery organizations in both high- and low-income countries. Managerial quality refers to the degree to which administrative systems such as procurement, human resources, and data management support the delivery of high-quality service. Administrative systems also influence other organizational intermediate outcomes like efficiency, access, and learning; the contribution of a given managerial process to organizational performance must therefore be assessed according to multiple intermediate outcome criteria.

Efficiency
Efficiency in this context is a relative measure that compares inputs used (e.g., human, technological, financial) to outputs attained (number and level of services). Efficiency has received substantial research attention in services delivery as service costs have increased in high-income countries due to shifts in technology, market structure, and demographic profiles. From the perspective of service delivery systems research, there is broad consensus around quality, efficiency, and utilization as we include efficiency (cost-per-output) rather than total cost because efficiency allows for greater comparability across countries and communities with diverse economic profiles. It captures an organization’s ability to produce a given quality of service for a lesser price or a greater quality of service for the same price.

Utilization
Utilization is the volume of services delivered or of clients served. While straightforward to measure as an intermediate outcome, setting standards for the „right” level of utilization can be difficult due to the influence of diverse and variable client demand patterns. In our taxonomy, we consider utilization as an organizational performance intermediate outcome relative to organizational capacity. From this perspective, an organization with chronically underutilized capacity would be considered a lower performing organization. Some excess capacity may be desirable, as such slack can facilitate organizational learning and long-run sustainability. However, too much excess capacity can constitute a cost to the organization without adequate compensatory benefits. Similarly, utilization significantly below or above what would be expected given the service delivery characteristics could also be a signal of poorly performing organizations. Benchmarking utilization across organizations serving similar populations is therefore an important method for assessing this intermediate outcome.

Access
Access refers to the potential ability of an organization’s potential clients to obtain its services. When this potential ability is realized, it results in observable utilization, which is why studies often use utilization as a proxy variable for access; conversely, lack of utilization can signal the existence of barriers to access. However, access and utilization are conceptually distinct intermediate outcomes, as an individual may have access to an organization but choose not to utilize services there. Consistent with the literature, we use access to refer to the availability, accessibility, accommodation, affordability, and acceptability of services.

Learning
Learning refers to the process by which an organization acquires new knowledge and translates this knowledge into organizational practices. This performance intermediate outcome is not only learning by individuals within the organization but “the assimilation of individual knowledge into new work structures, routines, and norms” that can outlast any individual staff member. Thus, organizational learning generates both changes in knowledge as well as changes in observable processes and organizational culture. Given the knowledge-centric nature of services Delivery and the importance of learning from adverse events, organizational learning in services delivery systems has received increasing attention from academic researchers and endorsement.

Sustainability
Sustainability is the organization’s ability to continue delivering needed and valued services. Dimensions of sustainability include sustained political support from government officials, sustained community and predictable access to needed inputs (e.g. financing, trained human resources). As an organizational
performance intermediate outcome, sustainability is measured in terms of both the organization’s existing support and its strategies and efforts to secure future support. (Samson, D., Daft, R. 2005, Yukl, G. 1989)

CONCLUSION

The Board, together with the CEO, negotiates contractual and funding agreements containing particular and specific terms and conditions to be complied with and outcomes to be achieved. The Board is accountable to the membership base to adopt the ‘best possible practices’ of governance, management and operation in order to ensure and provide the ‘best possible experience’ for service-users. The major stages in service delivery strategy which service providers should know are needs assessment or research, service design – to ensure that the service design is based on the research stage, and service delivery – to ensure that the services delivered are consistent with the service design.

Continuous Quality Improvement in service delivery for improved organizational efficiency is to increase ‘our’ knowledge and understanding of service-user expectations and requirements, to improve the design, so that the mix of features afforded by programs and services more closely match service-user expectations and requirements, and to improve the ability to provide programs and services which consistently conform more closely to the design.

The 3 steps for the Board, together with senior management to enhance organizational efficiency should be:

Step 1 – Quality Framework: introduction of quality systems and procedures for research, design and conformance in service provision (ie the service model).

Step 2 – Quality Assurance: policies, procedures and work practices to ensure that quality systems and procedures are followed without exception: an inherent component here is staff training and development to ensure confidence and competence in the quality systems, and in procedures and work practices.

Step 3 – Continuous Quality Improvement: regular evaluation and review of Steps 1 and 2 to ensure improvement in the Quality Framework, and in the Quality Assurance policies, procedures and work practices.

Each Service-provider’s Staff person employed in either direct-service provision or support functions should be responsible for the quality of their own work – and for continuous improvement in the quality of their work. Therefore each person needs to know:

- the needs, aspirations and interests of individual service-users,
- the standard of quality in service planning and delivery necessary to achieve agreed and measurable service-user outcomes and benefits,
- how to consistently plan and deliver services or functions to the desired level of quality,
- how to measure the quality of their own performance, and
- how to ensure evidence of necessary or desired improvements in both the quality of their performance and the quality of service planning and delivery.
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