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HOW DOES THE EFFICIENCY IN SERVICE BUSINESS? INFLUENCE SERVICE QUALITY? AN ANALYSIS

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ABSTRACT

Customer service is an important element of a business industry. In order for an organization to provide its customers with the best services, the management and managers of all departments must ensure that they are efficient and that the services they provide are of the highest quality. In addition, customers will always prefer those organizations that offer the best services with good quality and efficiency. Thus, this paper presents an investigation on the connection and influence between efficiency in the service business and the service quality. This work was done base on quantitative method. The sample population of this work was random respondents chosen from Code Burger restaurant in Jeddah, Saudi Arabia. The sample size for this study was 108 respondents. Data collection was carried out using survey questionnaire. The data was analyzed using SPSS software. The key findings of this work have shown that there is a positive relationship between service business and service quality.

INTRODUCTION

Efficiency in any business department necessitates management to implement customer-focused policies that require all organizational activities to be customer-focused [1]. Furthermore, leadership is an important element, too. It helps to provide direction, purpose and also to set the conditions to be followed for the achievement of corporate objectives. There is a need for people to be involved in building and delivering values in the various departments of the organization. A process approach that improves understanding of the interrelated process is also an important factor for consideration, as well as an improvement that guides different organizations to maintain their current level of performance [2]. On the other hand, evidence-

based decision-making requires decisions to be made on the basis of analyzed and evaluated information or data. Finally, the relationship management that requires an organization to sustain its operation by having a good relationship with some of the stakeholders should be among the priorities for any organization that aspires to be successful in a competitive environment. Quality management principles are used to provide a good foundation for an organization to achieve better or better performance [3].

Customer emphasis needs to focus more on customer loyalty by making more effort to fulfill their needs and even surpass their standards. In general, all facets of the business should be able to give priority to customer satisfaction in all their operations [3]. By concentrating a great deal on consumer needs or interest, the company is likely to have a high chance of achieving success, as it will be able to gain and maintain the confidence of the consumer and of every other interested party [4]. Through frequent interactions with customers, the organization learns more about the customer's preferences and opinions on certain goods or products, giving them an opportunity to add more values depending on the consumer's choice [4].

Customer focus also helps the company to grow continuously due to its ability to understand the current and future needs of the customer [5]. The customer focus principle has several advantages that benefit the company. Some of these benefits include the ability of the company to understand both the current and future needs of its customers. In addition, the company can meet the requirements of its customers and also have the opportunity to exceed the expectations of its customers. By focusing on the customer, the company can set or analyze its objectives and align them with customer needs and expectations [6]. The company can have a better relationship with its customers and can also measure their level of satisfaction. The company will increase its revenue and market share due to increased customer satisfaction and loyalty [7].

Service efficiency is the ability of companies to deliver efficient and quality services to customers in a cost-effective manner [8]. In order to improve efficiency, the services provided must ensure that they are provided at a low price and of the right quality. On the other hand, the quality of the service is defined as the cognitive stage, which is more of a hypothetical form and is affected by the experience of customers from previous contacts, the level of quality of the service itself and the perceptions of customers [8]. Efficiency in the provision of services is one of the elements that enable customers to be loyal to certain goods and services. It is commonly achieved by streamlining the company's core processes in order to be more effective in responding to market forces in a cost-effective manner. In addition, reducing costs and reducing them uncompromisingly can improve the efficiency of the services provided to them [9]. In return, these elements can improve the quality of service in the organization. In addition, studies have shown that, if the quality of services improves, there is a possibility that customer satisfaction will also improve [10].

Efficiency and quality of services are essential for an organization whose main business is the provision of services. An organization is able to increase its returns by ensuring that it meets the needs of its customers [11]. Management needs to ensure that the process through which its services are delivered ensures that the company is successful. The management must work with the staff to ensure that the best quality of services is delivered to the customers [12]. Efficiency of services includes services that are delivered in time and when the customer needs them. On the other hand, the quality of the service depends on the time at which the service can last. Best quality services serve customers for the longest period of time, and customers do not complain about them [13].

Efficiency and quality of services are necessary for all service providers and they need to know how to improve their services. It is to solve this problem that this research has been found to be necessary. Most companies need to know how to improve the quality and efficiency of their services. This research was therefore used to provide the necessary information on service efficiency and quality for service delivery organizations. Thus, this paper has investigated the connection and influence between efficiency in the service business and the service quality.

METHODOLOGY

This study has used a quantitative method of data collection and obtained the needed information. In addition, a correlation research design was also adopted in this work. The target population in this study involved 108 respondents who were chosen through a random sampling technique. The sample population was from Code Burger restaurant in Jeddah, Saudi Arabia. Data was collected using survey questionnaire. The data was analyzed using statistical packages for social sciences (SPSS) software. In this research, the following hypothesis was proposed: H1: There is a positive relationship between service business and service quality.

RESULT AND DISCUSSION

Correlation Analysis

Table 1 shows the results for reliability statistics. Based on Table 1, for service quality, it is observed that the Cronbach alpha was 0.803, which was above standard scale of 0.6. This implies that the variables for service quality are reliable and will give the information needed. Next, for the service efficiency, it is observed that the Cronbach alpha was 0.676, which was above standard scale of 0.6. This implies that the variables for service efficiency are reliable and will give the information needed

Table 1. Reliability statistics

Variable	Cronbach's Alpha	N of Items
Service quality	0.803	4
Service efficiency	0.676	3

Table 2 shows the results for the correlation analysis. Based on Table 2, can be observed that the value of Pearson correlation was 0.819 with a p- value of 0.000, which is less than 0,05 significant level. This means that there is high correlation between service quality ASQ and service efficiency ASB.

Table 2. Correlation analysis

Variable	Items	A(SQ)	A(SB)
A(SQ)	Pearson Correlation	1	0.819**
	Sig. (2-tailed)		0.000
	N	30	30
A(SB)	Pearson Correlation	0.819**	1
	Sig. (2-tailed)	0.000	
	N	30	30

** Correlation is significant at the 0.01 level (2- tailed).

Table 3 shows the regression analysis result. Based on Table 3, it is observed that the coefficient of determination was 0.67 which implies that he models account for 67% of variability between the service quality due to service efficiency.

Table 3. Regression Analysis

Model	R	R Square	Adjusted R Square	Std Error of the Estimate
1	0.819 ^a	0.670	0.658	0.44584

Table 4 shows the Anova analysis result. Based on Table 4, the Anova table for regression indicates that he p- value is equal to 0.0000, which is less than 0.05 significant level. This means that the regression model is significant can that the service efficiency has a significant relationship with the service quality.

Table 4. ANOVA Analysis

Model		Sum of Squares	df	Mean Square	F	Sig
1	Regression	11.309	1	11.309	56.897	0.000
	Residual	5.566	28	0.199		
	Total	16.875	29			

Based on Table 5, the results indicate that the p-value is 0.000, which is less than 0.05 significant level. This means that service quality can be used to predict the service efficiency.

Table 5. Coefficient

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.330	0.461		0.717	0.480
A(SB)	0.887	0.118	0.819	7.543	0.000

Questionnaire Analysis

The respondents were asked “Are organizational approaches effective in training the employees of the organization to achieve the quality management objectives?”. Based on Figure 1, 46 % of the respondents strongly agree, 23% agree, 14% were neutral, 9% disagree and 8% strongly disagree.

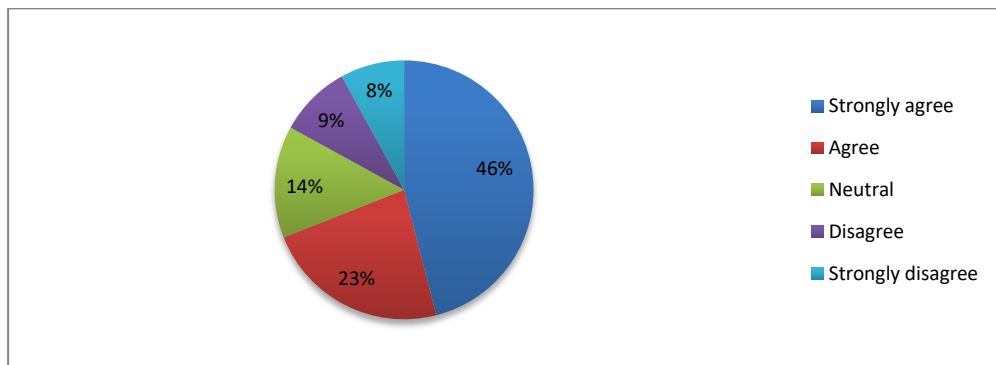


Figure 1. Effect of organizational approaches in service quality

Next, the respondents were asked “Do the procedures of the organization enhance performance and improve the quality of the product? Based on Figure 2, 60 % of the respondents strongly agree, 23% agree, 9% were neutral, 4% disagree and 4% strongly disagree.

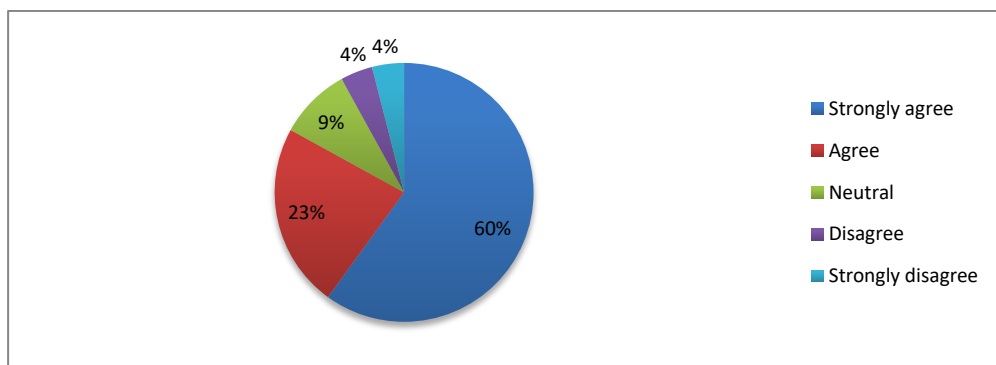


Figure 2. Effect of organizational procedures in service quality

Next, the respondents were asked “Is the leadership effective in improving the services and quality of products?”. Based on Figure 3, 83 % of the respondents strongly agree, 11% agree, 5% were neutral, 1% disagree and 0% strongly disagree.

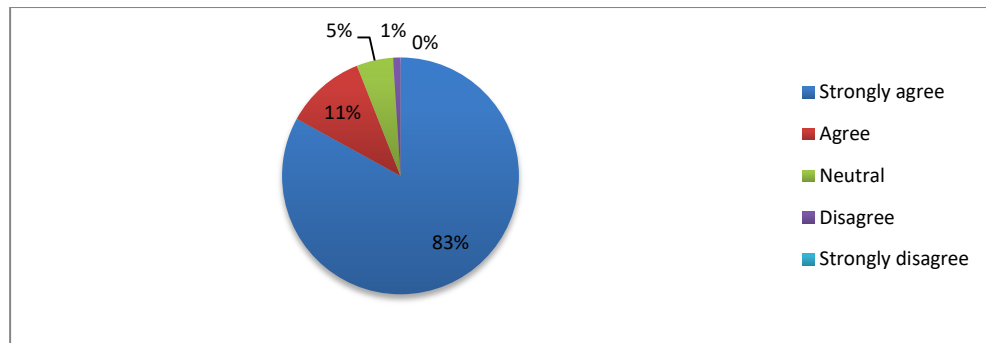


Figure 3. Effect of leadership approaches in the service quality

Next, the respondents were asked “Do the quality management procedures promote organizational excellence?”. Based on Figure 4, 85 % of the respondents strongly agree, 7% agree, 4% were neutral, 3% disagree and 1% strongly disagree.

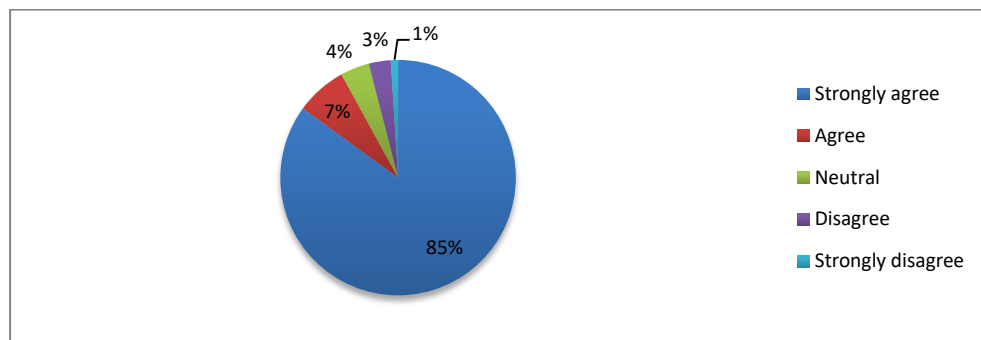


Figure 4. Effect of quality management procedures in the service quality

Next, the respondents were asked “Do the organizational services enhance the quality of products that are offered by the firm?”. Based on Figure 5, 69 % of the respondents strongly agree, 14% agree, 5% were neutral, 8% disagree and 4% strongly disagree.

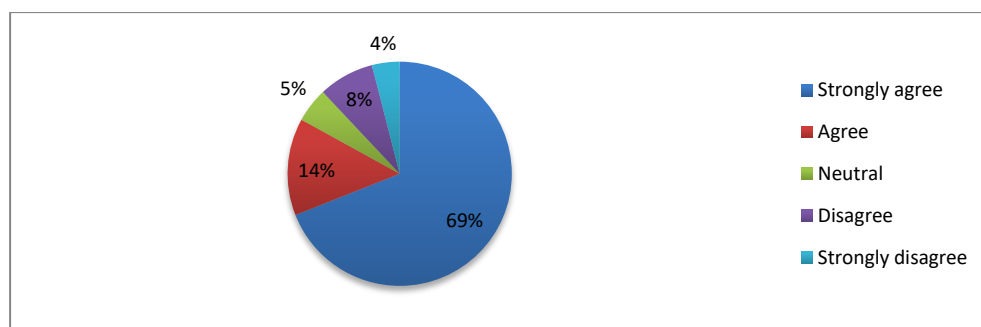


Figure 5. Organizational services and quality of products

Next, the respondents were asked “Do the actions of the firm improve the organization’s performance?”. Based on Figure 6, 60 % of the respondents strongly agree, 14% agree, 18% were neutral, 8% disagree and 0% strongly disagree.

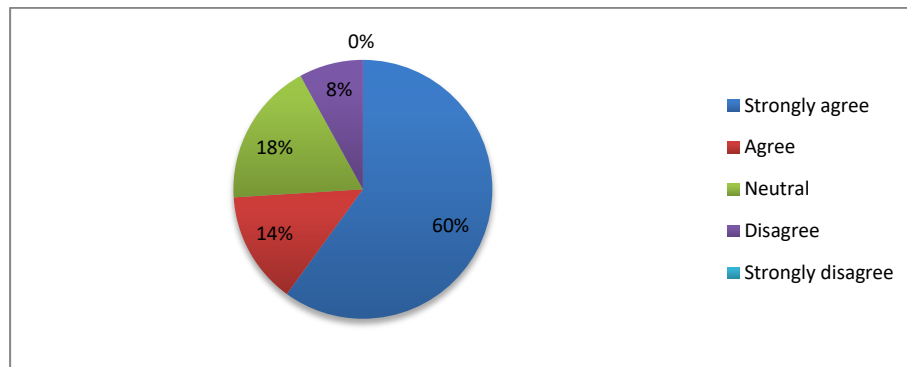


Figure 6. Actions of the firm and quality of products

Next, the respondents were asked “Do the improved services promote organizational performance?”. Based on Figure 7, 83 % of the respondents strongly agree, 9% agree, 4% were neutral, 3% disagree and 1% strongly disagree.

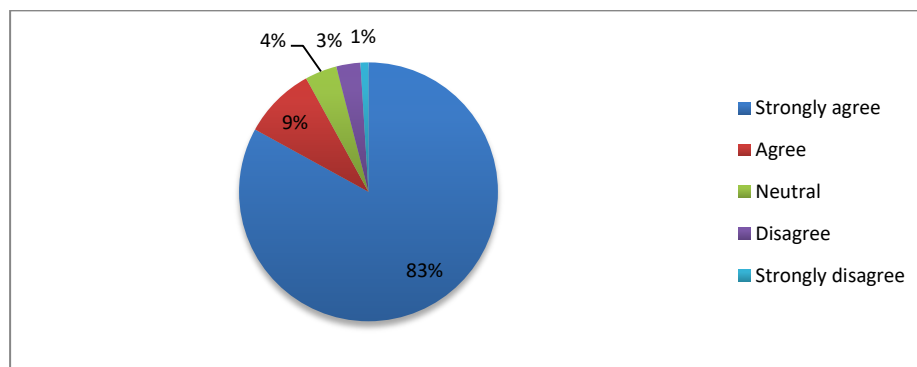


Figure 7. Improved services and quality of products

Overall Discussion

Thus overall, based on the correlation analysis, the key results have shown that there is a positive relationship between service business and service quality. Furthermore, the findings of the survey also support and is in agreement with the research finding and hypothesis.

Based on the questions put to the respondents who participated in the survey, the following conclusion can be derived from the analysis. Service quality in the department requires management to implement policies that include; customer focus, which requires all organizational activities to be focused on the customer. Second, leadership, which helps to provide direction, purpose and also to set the conditions to be followed in order to achieve corporate objectives. The third is the involvement of people who ensure the ability to create and deliver values. Fourth, a process approach that enhances understanding of the interrelated process. Fifthly, the improvement provided by various organizations to maintain their current level of performance. Sixth is evidence-based decision-making that requires decisions to be made on the basis of analyzed and evaluated information or data. Finally, there is the

relationship management that requires an organization to maintain its operation by having a good relationship with some of the stakeholders. Quality management principles are used to provide a good foundation for an organization to achieve better or improved performance.

Furthermore, the findings have also indicated the type of services that are offered by the organization enhance the quality of the products that are offered by the companies. Most respondents also seem to agree that the actions taken by the organization have an impact on the performance of the company. Finally, improved services contribute to the overall performance of the organization. The services of the organization are tailored to meet the needs of the customer. Customer focus needs to focus more on customer satisfaction by making more effort to meet their needs and even exceed their expectations [14]. In general, all aspects of the company should be able to give priority to customer satisfaction in all their operations. By focusing a great deal on customer needs or interest, the organization is likely to have a high chance of achieving success, as it will be able to attract and retain the trust of the customer and of any other interested party. Through frequent interactions with customers, the organization learns more about the customer's preferences and opinions on certain goods or products, giving them the opportunity to add more values depending on the consumer's choice [15]. Customer focus also helps the company to grow continuously due to its ability to understand the current and future needs of the customer.

CONCLUSION

This study has investigated the connection and influence between efficiency in the service business and the service quality. The key findings of this study have shown that is a positive relationship between service business and service quality. Efficiency affects the quality of the service. At present, quality is a critical factor for success and it is crucial for management to focus on improving quality and service. This will allow the organization to keep its customers happy and to further develop to higher levels and to meet their business aim and goals.

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