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Staff performance in call service recovery in Thailand's insurance industry

Desempeño del personal en la recuperación del servicio de llamadas en la industria de seguros de Tailandia

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ABSTRACT:

This study investigates the mediating effect of surface traits, Individual Customer Orientation (ICO), towards the relationship between Internal Service Quality (ISQ) and Service Recovery Performance (SRP) in the call center. Using Service Profit Chain (SPC), the integral part of internal service quality was proposed through organizational factors, work environment, and personal factors (modeled as backgrounds). Self-administered questionnaires were distributed to 858 call center employees who worked in insurance companies. The results revealed that frontline employees' individual customer orientation mediates the relationship between internal service quality and service recovery performance.

KEYWORDS: Individual Customer Orientation, Internal Service Quality, Service Profit Chain, Service Recovery Performance, Surface Traits.

RESUMEN:

Este estudio investiga el efecto mediador de los rasgos superficiales, la Orientación Individual al Cliente (ICO) hacia la relación entre la Calidad del Servicio Interno (ISQ) y el Desempeño de Recuperación del Servicio (SRP) en el centro de llamadas. Utilizando Service Profit Chain (SPC), se propuso la parte integral de la calidad del servicio interno a través de factores organizacionales, del entorno laboral y factores personales (modelados como antecedentes). Se distribuyeron cuestionarios autoadministrados a 858 empleados del centro de llamadas que trabajaban en compañías de seguros. Los resultados revelaron que la orientación individual al cliente de los empleados de primera línea media la relación entre la calidad del servicio interno y el desempeño de recuperación del servicio.

PALABRAS CLAVE: Orientación individual al cliente, calidad del servicio interno, cadena de beneficios del servicio, rendimiento de recuperación del servicio, rasgos de la superficie.

INTRODUCTION

To generate growth and profit, service companies have to create the value of service and deliver satisfaction to their customers (Jermstiparsert: 2019, pp. 52-58). For a few decades, the service sector has received great attention in the notion of quality compared to the manufacturing sector. Therefore strategy formation becomes more important. Unlike physical product delivery, delivering customer satisfaction requires huge human involvement. Previous studies have shown that the interaction with frontline employees of the organization has determined the customer's perception (Blignaut & Ungerer: 2014, pp. 16-28; Jermstiparsert: 2019, pp. 52-58). This is true especially with the service industry, where frontline employees are considered as one of the most direct channels between customers and the company (Chicu et al.: 2016, pp. 25-45). Among many customers, frontline employees themselves represent the organizations. Hence,

organizations have to take into consideration giving special attention to the service employees to maintain not only customer satisfaction but also customer loyalty (Gazzoli et al.: 2013, pp. 9-21). To maintain the quality of the service in a competitive environment, the company should not focus on the service delivery the first time only, but it should consider the recovery of the service failure. In the insurance industry, service recovery has been identified as a competitive advantage for the success of the firms, while the problems related to customer services are normally handled by call center employees (Zakaria et al.: 2020, pp. 1518-1525)

Even though the SPC model has been examined in a wide range of industries in different cultural contexts, most of the models have been applied for traditional services, which involve face-to-face interaction, and there was limited research done on call centers. Additionally, there is a lack of empirical support that confirmed the integrated model of organizational factors, human resource practice or work environment factors, and personal factors, which are considered as “internal service quality.” Therefore, the first objective of this study is to examine the impact of the integral part of organizational, human resource practices, and personal factors, a proxy of internal service quality, modeled as ‘antecedents’ to ‘service recovery performance’ by applying the SPC model in non-face-to-face service (Haskett et al.: 1997, pp. 308-315).

Previous literature studied the mediating effect of personality traits using the Five-Factor Model (FFM), referred to as the Big Five (Lado & Alonso: 2017, pp. 175-182). Despite the fact that the FFM has been commonly applied in personality research, previous literature argued that the FFM might not allow the researcher to predict the business performance (Blignaut & Ungerer: 2014, pp. 16-28). Therefore, the second objective of the present study is to explore the mediating effect of surface traits, an individual customer orientation, on the relationship between internal service quality and service recovery performance. As a result, the present study provides important insights to SPC literature that not only managerial support in the organizational level, work environment level, and personal level but surface traits in the 3M Model should also be considered in the SPC model in order to enhance service recovery performance. Moreover, the result from Structural Equation Modeling (SEM) provides important insight to understand that in addition to specific aspects of individual service employees, their related situations, environment, and holistic nature of interactions should be included (Saengchai & Jermsittiparsert: 2020, pp. 188-203).

LITERATURE REVIEW

The Service Profit Chain (SPC) model was developed by Heskett, Jones, Loveman, Sasser & Schlesinger (1994), and the framework has been used to drive a strategic vision in the service industry. The delivery of service quality is the center of the SPC model. The logic within the SPC model reveals that the better the internal service quality, the higher the employee satisfaction, and subsequently improves the service quality delivery and business performance (Haskett et al.: 1997, pp. 308-315). The definition of internal service quality in this study refers to a supportive working environment characterized by employee attitudes and feelings toward their jobs, colleagues, companies, and the way each employee serves each other within the organization (Heskett et al., 1997). In order to align with recent literature on the frontline employee, the three main variables within internal service quality studied are organizational factors, human resource practices or work environment factors, and personal factors (Boshoff & Allen: 2000, pp. 35-49).

Service recovery performance

The dependent variable of the research framework is perceived service recovery performance (SRP), a representation of service quality, which leads to employee outcomes. SRP is referred to as “a means of satisfying aggrieved and dissatisfied customers after a service or product has failed to live up to expectations.”

For decades, this variable has been studied in several sectors, public healthcare, banking, and retail, for example (García-Buades et al.: 2020, p. 69). Most of these studies are done in western countries, and the results have been inconsistent and failed to provide generalizations across countries. This is particularly true in the Thai context, where the number of researches is limited. According to (Heskett et al.: 1994, pp. 164-

174), the strength of the link within the SPC framework may yield different outcomes from one organization to another.

Organizational factor

Boshoff and Allen (2000) have defined organizational factors as the perception and attitudes frontline employees have towards the organization. These are “customer service orientation,” “management commitment to service excellence,” and “rewarding customer service excellence.” First, customer service orientation is the practice within the organization where its central strategy is to focus on customer service. Previous studies revealed that organizational customer orientation and organizational performance are significantly associated (Javed & Zakaria: 2018, pp. 90-411). The second variable under organizational factors is management commitment to service excellence. Researchers indicated that the challenge for management is to create value for all parties, customers, employees, and vendors in the value chain. As a result, it is suggested that the stronger the commitment from management to service quality, the better the service recovery performance. The third variable under organizational factors is rewarding customer service excellence. The design of rewarding systems within service organizations should be linked to customer service excellence. Rewarding does not only affect the organizational level, but it also impacts the individual level. The items used in this study are adopted from Boshoff & Allen (2000). Thus, the first hypothesis is derived and explained as:

H1: Organisational factor is positively related to service recovery performance

Work environment factors

Work environment factors or human resource practice is defined as a multidimensional variable comprising teamwork, training, and empowerment. The work environment impacts service recovery performance because it influences employee's feelings and behavior. This relationship is even stronger among frontline employees as their feelings can be reflected in their direct interactions with customers. Hence, this study incorporates the three variables, which have a significant impact on service performance; these are training, teamwork, and empowerment. First, training; both technical and functional training should be given to frontline employees so that they can serve customers better (Boshoff & Allen: 2000, pp. 35-49), especially in service recovery, which requires different skills to manage customer's problems quickly. Second, a teamwork environment within the department or organization will make employees experience more co-operation and encouragement within their team to deliver service quality to customers. Previous literature revealed that teamwork has a positive influence on SRP in public health, banking, and life insurance industries. Third, empowerment is one of the crucial variables that management should not overlook in order to deliver better service recovery to customers at the right time. As a result, they will be able to return unsatisfied customers to happy customers. Among all three variables, it is valid to say that the more positive employees feel about their work environment, the better the service quality delivered to customers or better the service recovery performance. Thus, this leads to the derivation of hypothesis 2.

H2: Work environment factor is positively related to service recovery performance

Personal factors

Personal factor is an assessment that employees evaluated service quality they delivered to customers. It is related to their personality that influences customer satisfaction. This set of variables affect the employee's behavior and the way an individual employee reacts towards service recovery. Analyzing these personal factors does not only help the organization to understand employees in a specific environment but also to identify those who are likely to persist in a specific environment. This is particularly required in a call center environment, where it is more difficult and stressful as employees are required to manage dissatisfied customers (Chicu et al.: 2016, pp. 25-45). Personal factors comprise role ambiguity, role conflict, and emotional exhaustion. Role ambiguity exists when the employees are unsure about the job they are expected to deliver. An example of role conflict in a call center environment is when priority set management is to focus on two different outcomes, productivity and service quality. The studies found that if the role conflict occurs

in the service organization, the employee would give priority to productivity and put service quality second. Due to the specific environment within call center work, it increases the level of emotional exhaustion. The studies revealed that workforces with emotional exhaustion are unlikely to deliver service recovery. Therefore, hypothesis 3 is derived:

H3: Personal factors customer service excellences is negatively related to service recovery performance

Social Cognitive Theory (SCT)

Learning has a significant influence on work behavior. SCT provides a framework to explain the links of variables within SPC. According to Bandura (1977), human behavior is influenced by three factors: personal, behavioral, and environmental, and the process has been placed as an integral part of behavior change. In order to explain employee behavior within the organization, Bandura (1977) also emphasizes the role of observational learning and social experience in one's personality development. That is to say that the service climate within the organization plays a significant role in changing or shaping employee's behavior. Nevertheless, the cognitive process plays a vital role in encoding and performing behavior. A three-way interaction between personal, behavior and environment, explains not only behavior that influences the person and environment, but also the environment or the person himself abetted behavior (Bandura: 1977, pp. 191- 215). Thus, employees and their behavior in the organization can create change in the environment. Vice versa, the change in the environment, which is affected by the implementation of processes or procedures, can also influence employee's behavior. Based on these ideas, this study will extend to investigate the mediating effect of individual person's attitudes or perceptions on customer orientation. Taken together SPC and SCT, the study explores how the organization can promote firm customer orientation through the learning among frontline employees through individual customer orientation. The conceptual framework in this study is derived in order to ensure that service organizations consider individual customer orientation of employees whether they can perform the work effectively within call center context, where there is a more stressful environment (Chicu et al.: 2016, pp. 25-45).

Employee Customer Orientation as Mediator

Scholars have suggested two different perspectives in giving the definition of customer orientation. One is organizational level or firm customer orientation, and the other is individual employee level (Gazzoli et al.: 2013, pp. 9-21). Employee customer orientation is a critical personal resource for a frontline service position, and that contributes to service firm performance (Gazzoli et al.: 2013, pp. 9-21). Gazzoli et al., 2013 have defined "employee-customer orientation" in-service setting as "an individual's disposition or tendency to meet customer needs in an on-the-job context." Marketing literature has defined customer orientation as a comparative to the psychological variable, as it is related to different outcomes at the individual level such as frontline employee performance, service employee job attitudes (Gazzoli et al.: 2013, pp. 9-21). In an unusual circumstance like service recovery, employee-customer orientation plays a more important role, as it influences frontline employees to perform their best to satisfy their customers, regardless of formal procedures or standard practices within the organization. Hence, frontline employees who have a better customerorientation tend to be more engaged in customer-satisfying behavior. The measurement of the "employee- customer orientation" within the selling concept has been developed by kharouf et al. (2019), so-called 'individual customer orientation.' The objective of customer orientation aims to create and deliver value to customers and make customers satisfied, these are assumed to facilitate employees to understand customers' needs, so this concept should be applied to call center employee, as frontline employees also create and deliver service quality which has an impact of customer satisfaction and their perception towards service organization (kharouf et al.: 2019, pp. 240-262).

Williams and Wiener (1990) stated that "customer orientation" is the employee's behavior that can be learned and can be influenced by environmental factors. This can be adapted over time. In line with Grizzle et al. (2009), where researchers have stated that with the improvement of customer orientation climate, customer-oriented behavior of employee would improve, and in turn, promote the performance of the

employees in satisfying customer needs. Hence it could be stated that “individual customer orientation” will have a stronger influence on organizations that have a better customer orientation environment. An employee with high customer orientation will avoid any behavior that may cause dissatisfaction. As a result, it will improve the perceived service quality.

In the service quality area, even though empirical evidence exists to support that attitudes of employees to customer orientation is important, there is a need for research that incorporated both organizational factors and employee attitudes and personal factors in delivering service quality in the same model (Dean & Rainnie: 2009, pp. 120-140). Selecting call center employees with the right appropriate attitudes to work in a call center environment does not only contribute to the basis of “customer orientation,” but it also facilitates the service quality that they delivered to customers. However, this finding is yet to confirm whether the variable plays the role of an independent variable or mediator. Therefore, recent studies do not only show greater support in employee-customer orientation than organizational customer orientation; both moderating and mediating effects of employee-customer orientation have also been revealed (Grizzle et al.: 2009, p.1227). Thus, employee-customer orientation can be best conceptualized as a personality-related attitude (Zablah et al., 2012). Based on previous literature, the hypotheses are derived as below:

H4: Organisational factor is correlated with individual customer orientation H5: Work environment factor is correlated with individual customer orientation H6: Personal factor is correlated with individual customer orientation H7: Individual customer orientation is positively correlated with SRP

Employee customer orientation at the individual level or individual customer orientation is the mediator in this research framework and is proposed as a positive relationship. In this context, employees with customer orientation are ones who tend to be more willing to interact and understand customers, deliver service and solutions with customer’s interest at first. Hence, the frontline employee with higher customer orientation tends to be more engaged in satisfying customers and deliver service quality. Thus, in this study, it is proposed that the employee-customer orientation mediates the relationship between the antecedents and dependent variable. Therefore, the three hypotheses are listed below.

H8: Individual customer orientation mediates the relationship between organizational factors and service recovery performance H9: Individual customer orientation mediates the relationship between work environment factors and service recovery performance H10: Individual customer orientation mediates the relationship between personal factors and service recovery performance.

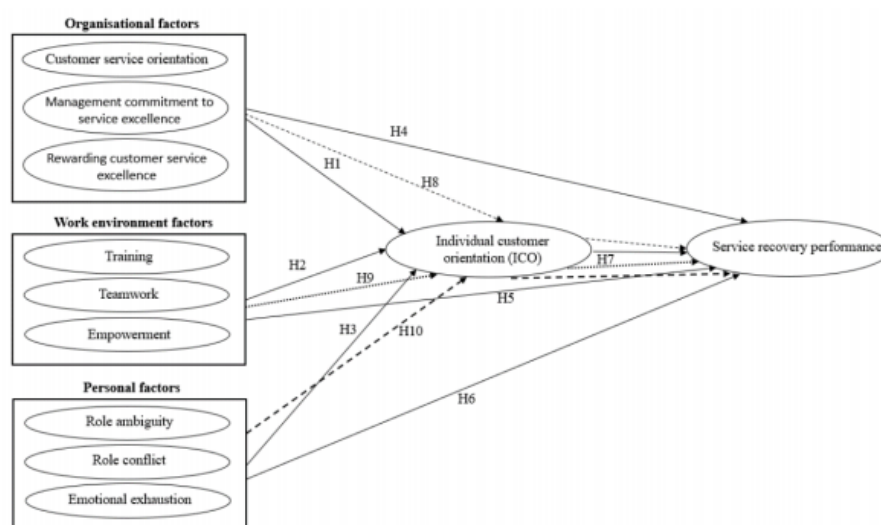


Figure 1. Conceptual Model And Hypotheses Of The Study

METHODOLOGY

The research employed correlational research design using Structural Equation Modelling (SEM). The sample comprises of 858 participants. Respondents are asked to indicate their level of agreement towards each statement, where one represents “strongly disagree,” and five represents “strongly agree.” 9 out of 60 items in the questionnaire were reversed to reduce the common method bias. To reduce the impact of cultural differences and increase the validity and internal reliability, a back-translation by a professional translator has been adopted in this questionnaire together with the review from academic professors and call center experts. To ensure the reliability, readability, and time required to complete the survey, a pre-test was conducted using a sample of 57 call center employees prior to the actual study. The reliability was analyzed to assess the internal consistency of the entire scale of measurement. The Cronbach’s Alpha coefficients are all above 0.8, except emotional exhaustion and role conflict, where Cronbach’s Alpha coefficient is 0.649 and 0.560, respectively.

Sample

In the actual study, 12 insurance companies were selected on a convenience basis to participate in the survey. Eight hundred fifty-eight responses were completed and returned. Among a total of 858, 27% of respondents are male with an average during 25-35, 72% are female with the average age of 25-35 but slightly older than male. The average service year is between 1-3 years. The distribution is consistent with the data reported by the Office of Insurance Commission, where 35% are male, and 65% are female.

Instrument validity and reliability Measurement Model:

Total samples of 858 are randomly split into two datasets, the first dataset with 250 samples as measurement sample, a second dataset with 608 samples for analysis sample. The initial sample of 250 or measurement samples was used for testing the psychometric properties of the measurement tools.

The remaining 608 analysis samples were used for testing the path model. In the measurement model, the Cronbach’s Alpha coefficient of all constructs is greater than 0.7, which is considered satisfactory internal consistency. One construct that is slightly lower than 0.7 is Teamwork, with 0.685. However, the researchers decided to keep this variable for further analysis.

Exploratory Factor Analysis (EFA):

Following the reliability analysis, total items of 60 are subject to exploratory analysis. Sixty items loaded well on the 11 factors (described in figure 1) were nine factors modeled as antecedents (3 latent factors each under organizational factor, work environment factors, and personal factors), one latent factor for service recovery performance as the dependent variable, and one latent factor for individual customer orientation. To reduce the number of items to be estimated, 60 items are combined into composites using the parceling technique (Mekhum & Jermstiparsen: 2019, pp. 176-187). After parceling, the number of items measuring latent constructs reduced from 60 items to 27 parcels. These 27 parcels are used in further analysis.

Confirmatory Factor Analysis (CFA):

Using 250 samples, CFA first-order model has employed 27 indicator parcels linked by 11 latent variables, was chosen by the researcher based on theoretical understanding and appropriateness for the proposed research. The structural models were applied by analysing covariances of the individual items using Amos Version 6.0. The model fit indices showed a good fit with Chi-square = 277.65; df = 269; p-value >0.05; GFI = 0.926; CFI = 0.998; TLI = 0.998; PNFI = 0.722; RMSEA = 0.011). These indicated a model derived from 27 parcels fits the sample data (Mekhum, 2012). The second-order model grouping 9 latent construct into 3 variables as antecedents. All second-order factors show adequate convergent and discriminant validity with Chi-square = 309.465; df = 305; p-value >0.05; GFI = 0.918; CFI = 0.999; TLI = 0.999; PNFI = 0.813; RMSEA = 0.008). These indicated a model using 3 independent variables as antecedents fits the sample data (Mekhum & Jermstiparsen: 2019, pp. 176-187). The chi-square difference between first-order and

second-order model is -0.017 with p -value > 0.05 , which is considered not statistically significant. Based on conceptual framework and align with research objective, second-order model is chosen for further analysis.

Structural Equation Modeling (SEM)

SEM was used to test the path model. Based on the measurement model (model 1) of 250 samples and analysis model (model 2) of 608 samples, three independent variables are modeled as antecedents directly associated with dependent variables. The fit of the path model suggested representing the structural relationships between the three independent variables, and one dependent variable was evaluated via SEM. The overall chi-square goodness-of-fit value were insignificant for model 1 and model 2, χ^2 (df = 305, 305) = 309.465 and 328.592 respectively, $p > .001$ for both models, and the incremental fit indices (GFI, TLI, CFI) of two models are above .90. This indicates the model of measurement and analysis data is a good fit when compared to the independence model in that the posited model represented over a 90% improvement in fit over the null or independence model; therefore, supporting the structure of the posited direct path model. The RMSEA value of 0.011 is also with the acceptable range; thus, indicating that the model fits the data well. In addition, the PNFI value was 0.813 and 0.844 which is used for comparing the goodness-of-fit for competing values. The researcher assumed that the dimensions in the measurement model were correct. In order to examine whether the dimensions identified in the analysis model are not different from the measurement model, the comparison of the loadings and model fit indices between the CFA measurement model and CFA analysis model are compared. Table 1 reports the results of CFAs of models 1 and 2. The measurement scales show strong convergent validity. Discriminant validity is achieved when the variance-extracted estimates exceed the squared correlation estimates.

Table (1). Results of the CFA Model

Factor	Indicators	Latent Factor	Average Variance Extracted		Composite Reliability	
			Measurement model 1	Analysis model 2	Measurement model 1	Analysis model 2
1	CSO	ORG	0.643	0.627	0.844	0.834
2	MCSE	ORG				
3	RCSE	ORG				
4	TRG	WRE	0.671	0.620	0.859	0.829
5	TWK	WRE				
6	EMP	WRE				
7	ROA	PSR	0.527	0.518	0.769	0.763
8	ROC	PSR				
9	EMEX	PSR				

1 Measurement model was performed using 250 responses

2 Analysis model was performed using 608 responses

Moreover, in order to examine whether the dimensions identified in the analysis model are not different from the measurement model, the two CFA models of measurement and analysis samples are compared for all parameters, namely: Measurement weights (loadings), Structural weights (loadings), Structural covariances (correlation between latent factors), Structural residuals (error terms), Measure residuals (error terms). This was done first by freeing all parameters to take any value (Unconstrained) and step by step constraining the above parameters one at a time. When unconstrained and constrained models are computed with different chi-square values, none of the constrained are different from the unconstrained model; as seen by p values, this suggests that the CFA models of measurement and analysis sample are identical. The degree of freedom, CMIN, and p -value of the comparison of CFA models of measurement (N=205) and analysis (N=608) samples are shown in the table in the appendix.

RESULTS

Latent constructs to the dependent variables (service recovery performance, SRPF) are not significant, whereas paths (1, 3 & 5) connecting the three latent constructs to mediator variables (individual customer orientation, ICOF) are significant. In other words, there is no relationship between organizational factors (ORG), work environment factors (WRE), personal factors (PRS), and service recovery performance (SRPF). In a similar vein, there is a significant relationship between organizational factors, work environment factors, personal factors, and mediating variable, individual customer orientation (ICOF). Path 7 connecting the mediator variable (ICOF) to the dependent variable (SRPF) is also significant, which indicated the relationship between individual customer orientation and service recovery performance. The results from SEM indicate a possible mediation effect of individual customer orientation (ICOF) on the relationships between the latent constructs (ORG, WRE, and PRS) modeled as antecedents and dependent variable, service recovery performance (SRP). The model fit indices showed a good fit with Chi-square = 297.282; $df = 305$; $p\text{-value} > 0.05$; GFI = 0.965; CFI = 1.000; TLI = 1.001; PNFI = 0.845; RMSEA = 0.000). These indicated that a model fits the sample data (Mekhum & Jermsittiparsen: 2019, pp. 176-187).

Table (2). Structural Path coefficients

Path No.	Latent Factors			UnStd. Coefficients (Loadings)	Std.Error	Critical Ratio	Sig.	Std. Coefficients (Loadings)
1	ICOF	<---	ORG	1.240	0.102	12.195	***	0.510
2	SRPF	<---	ORG	-0.223	0.265	-0.840	0.401	-0.161
3	ICOF	<---	WRE	1.069	0.076	14.153	***	0.579
4	SRPF	<---	WRE	-0.052	0.219	-0.238	0.812	-0.050
5	ICOF	<---	PRS	-0.793	0.088	-8.970	***	-0.377
6	SRPF	<---	PRS	0.151	0.178	0.851	0.395	0.126
7	SRPF	<---	ICOF	0.445	0.196	2.274	0.023	0.781

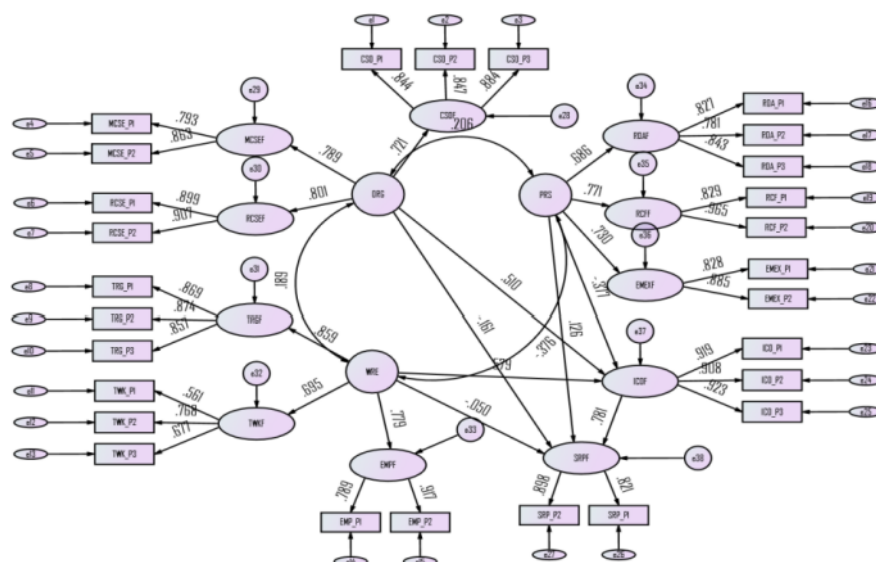


Figure 2. Structural Path Diagram Of Second-Order Analysis Model

Dealing with the non-normality of the sampling distribution, the bias-corrected bootstrap was consistently the most powerful (Chen: 2018, pp. 123-140). Some analysts believe that the bias-corrected bootstrap is the first choice among the currently available mediation tests (LUU: 2020, pp. 89-104). The

Amos output provides the upper and lower bounds for a confidence interval of any level specified by the analyst (e.g., 95%), as well as an exact p-value to test the indirect effect against zero. Due to the main interest of this study is on mediation effects, the hypotheses tested will be based on mediation effects wherever the relationship coefficients are available.

Table (3). Results of Indirect Effect

Effects	Independent variables	B	SE(B)	95% Confidence interval for B		β	t	sig
				Lower	Upper			
Before Mediation (Total Effect)	Dependent variable: Service Recover Performance (SRPF)							
	Organizational Factors	0.329	0.146	0.043	0.615	0.237	2.257	0.012
	Work Environment Factor	0.424	0.182	0.067	0.781	0.403	2.326	0.010
	Personal Factor	-0.202	0.088	-0.375	-0.029	-0.168	2.290	0.011
Mediation effect (Indirect Effect)	Dependent variable: Service Recover Performance (SRPF); Mediator: Individual customer Orientation (ICOF)							
	Organizational Factors	0.552	0.269	0.025	1.079	0.398	2.054	0.045
	Work Environment Factor	0.476	0.263	-0.039	0.991	0.452	1.812	0.060
	Personal Factor	-0.353	0.172	-0.690	-0.016	-0.294	2.054	0.045
After Mediation (Direct Effect)	Dependent variable: Service Recovery Performance (SRPF)							
	Organizational Factors	-0.223	0.283	-0.777	0.331	-0.161	0.789	0.240
	Work Environment Factor	-0.052	0.054	-0.158	0.054	-0.050	0.962	0.857
	Personal Factor	0.151	0.305	-0.446	0.748	0.126	0.496	0.335

Hypotheses testing

As results from structural path coefficients in table 2 are based on 858 samples, while table 3 explained the mediating role of individual customer orientation where the “bootstrapping analysis” is illustrated. Among ten hypotheses set in this study, H1-H3 are explained by using results of mediation effects. The result of total effect (direct model) in table 3 shows a p-value less than 0.01 for all three independent variables, organizational factors, work environment factors, and personal factors. As a result, there is a relationship between antecedents or three independent variables and service recovery performance as the dependent variable to be mediated ($|| = 0.237$, $|| = 0.403$, $|| = -0.168$ for organizational factors, work environment factors, and personal factors, respectively). Hence, hypotheses 1, 2, and 3 are supported by the results. In other words, H1 is suggesting that the better organizational factors (customer service orientation, management commitment to service excellence, and rewarding customer service excellence), the better the service recovery performance. It's also concluded in H2 that the better work environment factors (training, teamwork, empowerment), the better service recovery performance. Lastly, the H3 suggested that the higher the personal factors towards their job (role ambiguity, role conflict, and emotional exhaustion), the lower the service recovery performance. These findings resonate with prior research linking various internal service quality variables with service recovery performance (Boshoff & Allen: 2000, pp. 35-49; Ashill, Carruthers, and Krisjanous, 2005).

Later, the relationship between antecedents and mediating variables has been examined using the structural path. H4 predicted that organizational factor is correlated with individual customer orientation, H5 predicted that work environment factor is correlated with individual customer orientation, and H6 was hypothesized as a personal factor is correlated to the individual customer orientation. Due to the unavailability of the coefficients under mediation effect, the result of the path model from table 2 path no. 1, 3, and 5 is referred. Results indicated a significant relationship between three independent variables and mediating variables. Therefore, H4, H5, and H6 are supported by the results. The standard coefficients of the relationship are 0.510, 0.579, -0.377 for organizational factors, work environment factors, and personal factors, respectively, with p-value < 0.01 (refers to table 2 structural path coefficients). That is to say, the better the organizational factors and work environment factors, the higher the individual customer

orientation, whereas the higher personal factors will lead to lower individual customer orientation. As a result, the mediation test is carried out (Baron & Kenny: 1986, pp. 1173-1189).

Moreover, the relationship between mediating variable (ICO) and the dependent variable (SRP) is investigated when organizational factors, work environment factors, and personal factors are controlled. Path7 in table 2 indicated a significantly positive relationship between individual customer orientation and service recovery performance, with a standard coefficient at 0.781, p -value < 0.05 . This result provided support for H7, suggesting that individual customer orientation is positively related to service recovery performance. Lastly, the relationship between the antecedents and the SRP is analyzed. If the significant relationship is posited, but correlation coefficients become less than the result indicated in the first step, it can be concluded that partial mediation exists. If the relationship becomes insignificant, it's concluded that a full mediation is shown when mediating is introduced. Table 3 shows the results of mediation effects.

One important objective of this research is to explore the mediation of individual customer orientation between internal service quality modeled as antecedents and service recovery performance. The mediation effects (indirect paths) are significant beyond the 10% level (assuming 0.10 asset level of permissible type I error), suggesting that individual customer orientation mediates the relationship between the antecedents, which are organizational factors (ORG) and service recovery performance (SRP), work environment factors (WRE) and service recovery performance, personal factors (PSR) and service recovery performance. The results support H8, H9, and H10. The nature of mediation can be determined by comparing the change in the path coefficients before and after mediation. Before introducing the mediator variable (the total effect - including both direct and mediation effects), all path coefficients are significant. When the mediator variable was introduced, the total effect is partitioned into direct and mediation effects. In this process, the mediation effects emerge significantly, and direct effects become non-significant. This suggests a full mediation of individual customer orientation on the impact of three independent latent factors on service recovery performance.

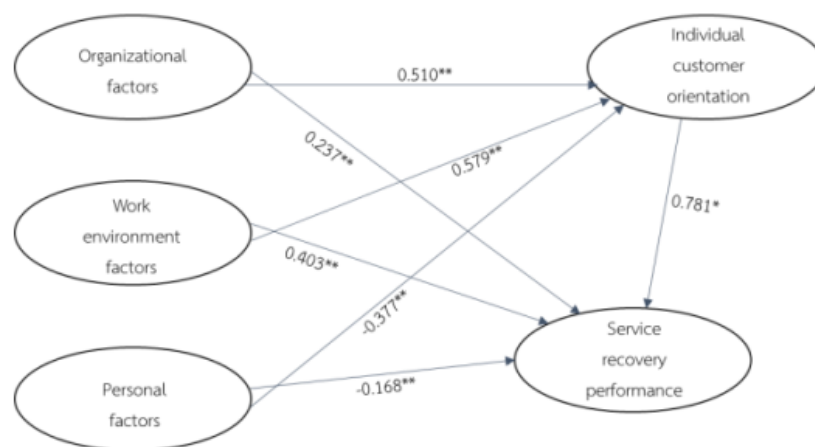


Figure 3. Path diagram explained the relationship between ISQ and SRP through ICO

DISCUSSION

The study examines the impact of the integral part of organizational, human resource practices, and personal factors as a proxy of internal service quality to service recovery performance and explore the mediating effect of surface traits, individual customer orientation in the relationship between internal service quality and service recovery performance. The result explains that the internal service quality, namely organizational factors, work environment factors, and personal factors modeled as antecedents, are significantly correlated with service recovery performance. These findings resonate with prior research linking various internal

service quality variables with service recovery performance. Specifically, it's found in this research that surface traits, individual customer orientation, which is derived from a combination of situational pressures and basic personality traits, mediates the relationship between the antecedents and service recovery performance. Described in Bandura's Social Cognitive Theory, three ways of interaction to create human behavior are environmental, personal, and behaviors, which are three determinants that interact with each other and its production contributes to behavior (Bandura: 1986, pp. 23-28). This research is unique as it combines the two theories, the SPC model and SCT, together. The findings revealed from this study answer previous literature in calling for more studies of SPC in call center services (Chicu et al., 2016). The findings also showed that applying Bandura's social cognitive theory into the field of SPC is the area that could be explored; as a result from this study has found a significant role of surface traits of employees who work in call center environments. Based on our study findings, we offer three practical implications. First, a broad spectrum of internal service quality should be considered in service firms in order to enhance service quality. It is not only the organizational level but also departmental or work environment level and job or personal level. The facets of the environments set around the individual person that contributes to his or her ability to perform behavior correctly. These will also influence how frontline employees deliver service quality to customers. Second, service firms should consider recruiting call center employees with higher customer orientation as they are interacting directly with customers so that they can manage the interactions with the customer more properly to avoid service failure. For those new recruits who may have lower customer orientation, the firm can put them into support roles to minimize their interactions with customers, so it may help them learn and increase the level of customer orientation. Third, the firm should allow employees with high customer orientation to represent in each function to allow other employees (with lower customer orientation) to learn by observing others (ones with higher individual customer orientation) so that vicarious learning can be imitated (Colquitt & Wesson: 2009, pp. 54- 71).

CONCLUSION

The current findings revealed the importance of surface traits in the SPC model and its mediating effect between backgrounds and SRP. However, there are some limitations and future considerations that should be addressed. Firstly, the finding only reveals the mediation effect of individual customer orientation on the relationship between organizational factors, work environment factors, and personal factors, whereas an appropriate level of individual customer orientation can be further studied. That will help human resource management to identify the minimum criteria in recruitment. Secondly, future research should include the large scale of call centers, as the correlation can be varied, and the importance of internal service quality can be different. Thirdly, a two-dimensional construct of customer orientation on the employee level could be applied in future research. Finally, given that this study only asked call centers using a supervisor or customer evaluation to evaluate the call center employee's performance may enhance the result of this study and reduce the common method bias.

BIODATA

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