

# **A Relational Study on Service Climate, Supportive Management, Work Effort, Job Satisfaction and Employee Service Quality in the Context of Real Estate Sector of Bangladesh**

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*This research investigates the relationship of service climate, supportive management, work effort and job satisfaction with employee service quality in the context of real estate sector of Bangladesh. It is a co relational study which measures the relationships among the studied variables such as service climate, supportive management, work effort and job satisfaction with employee service quality. There were two different types of samples for this study. One of these samples was the employees of real estate firms and the other was the customers of this sector. A total of 200 questionnaires were distributed among the respondents. The co relational matrix employed in this study for data analysis showed that there is a positive and significant relationship among service climate, supportive management, work effort and job satisfaction with employee service quality in the real estate firms of Bangladesh.*

**Field of Research:** Management, Business Environment, Organizational Development

## **1. Introduction**

Real estate is a flourishing industry in Bangladesh. Within a very short span of time real estate has become one of the most lucrative businesses of the country. With the growing economy, the demand for residential along with commercial constructions have radically augmented. Over the last decade this sector has become extremely competitive. Today, numerous registered real estate builders are continuously working towards changing the urban landscape of Bangladesh.

A number of real estate companies are working under one umbrella association named 'Real Estate and Housing Association of Bangladesh' (REHAB). About a 1000 companies are at present affiliated with this association, while several other companies are working independently.

One of the prime objectives of real estate firms is to keep their customers satisfied, for which it is essential that they maintain a consistent service performance by their workforce. Therefore, in this study the researcher intends to investigate service climate, supportive management, work effort, job satisfaction and their relationships with employee service quality in the context of real estate sector of Bangladesh.

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## 1.1 Problem Statement

In an earlier study conducted by Yoon, Beatty, and Suh (2001) have identified that work climate has significant importance in employee service quality. The authors also stated that work climate of internal customers is the antecedent of employee service quality. The firm can serve the outside customers effectively by practicing internal marketing among the employees. The current study extended the previous study and investigated whether there is any relationship between service climate, supportive management, work effort, job satisfaction, and employee service quality.

According to the internal marketing perspective, if the service organization wants its contact employees to do a great job with its customers, it must be prepared to do a great job with its employees (George, 1990). The internal exchange between contact employees and the organization must be operated effectively and efficiently before the organization can be successful in achieving the goal of external exchange. In this paper, the researcher examined four internal marketing components that are critical to the successful implementation of excellent service performance. These components are service climate, work effort, job satisfaction and level of supportive management in the organization. The employees' perceptions and valuations of these major work climate variables should impact positively on the implementation of customer service programs by those same employees (George, 1990; Bowen & Schneider, 1988).

Therefore, this study investigates if significant relationships exist among service climate, supportive management, work effort, job satisfaction, and employee service quality in real estate sector.

## 1.2 Purpose of the Study

The purpose of the study is to present and test a model which identifies the relationships of service climate, supportive management, work effort and job satisfaction with employee service quality.

Service climate, supportive management, work effort and job satisfaction, four factors of work climate are the key components of employee service quality. Employees generally self-select into service occupations because they want to use their skills and aptitudes in delivering a high quality service to customers. When they are able, rewarded and supported in doing so, this realization will be associated with the belief that they are in fact providing a high quality service to their customers. In addition employee satisfaction will also directly translate into higher levels of customer satisfaction with the service experience. Employees will be more enthusiastic and positive during the service encounter. The positive climate of the organization will be exposed to the customer through higher levels of employee satisfaction (Uhlrich, 1991).

In previous marketing studies, and especially in a sales force context, employee performance seems to be limited to sales performance and related aspects, but did not include interactive behaviors or performance with regard to customers in a service

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context. It has been viewed as a subcomponent of service quality and defines it as employee behaviors enacted to address customers' needs and wants during service encounters. Thus employee service performance has been attempted to address in this paper. Despite the significance, the service literature lacks systematic studies on the role of these four work climate variables within service organizations and especially seems to ignore the direct or indirect impact of these climate variables in both organization-employee interface and employee-customer interface. In Bangladesh no similar type of study was conducted where the researcher identified that work climate has significant importance in employee service quality. The present study aims to identify the relationships between service climate, supportive management, work effort, job satisfaction, and employee service quality.

### 1.3 Significance of the Study

This study is significant for the following reasons:

1) The findings of this research effort might have practical implications for organizations that strive to design their service offerings in order to accomplish their corporate objectives.

2) The study will facilitate or assist real estate sector to enhance their understanding of the actual employee service quality in response to their work climate, so it would be easy for the company to make decision regarding internal marketing.

3) This research might encourage further study and provide useful guidelines for these types of researches.

## 2. Literature Review

### 2.1 Service Climate

Service climate refers to the shared perception of employees concerning the practices, procedures, and kinds of behavior that get rewarded and supported in a particular setting (Schneider, 1998). The service climate is the message employees get about how important service is in their organization. Employees get this message from the experiences they have during their workday (Schneider & Bowen, 1995). It has been claimed by Schneider and Snyder (1975) that the molar or holistic nature of climate perceptions is such that perceptions function as a frame of reference for the attainment of some congruity between behavior and the system's practices and procedures. Further, because satisfaction is a personal evaluation of a system's practices and procedures, people in the system will tend to agree less on their satisfaction than on their description of the system climate. Moran and Volkwein (1992) defined climate as: a relatively enduring characteristic of an organization, which distinguishes it from other organizations and (a) embodies members' collective perceptions about their organization with respect to such dimensions as autonomy, trust, cohesiveness, support, recognition, innovation and fairness; (b) produced by member interaction; (c)

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serves as a basis for interpreting the situation; (d) reflects the prevalent norms and attitudes of the organization's culture; and (e) acts as a source of influence for shaping behavior.

### 2.2 Supportive Management

Supportive management refers to managers' concerns and support for subordinates' work and represents the degree to which they create a facilitative climate of support, trust, and helpfulness. Brown and Leigh (1996) also view supportive management as a major dimension of employees' psychological safety in the workplace. Management styles are different in the ways in which managers convey organizational demands and supervise subordinates' behaviors. Supportive management exists when managers allow subordinates to fail without fear of reprisal. It also involves giving them greater control over their work efforts and how they achieve their job goals (Brown & Leigh, 1996). Also, according to the reciprocity rule, the recipient of benefit is morally obliged to recompense the donor (Gouldner, 1960). Thus, as employees perceive greater support and authority from management, their sense of obligation to reciprocate with greater effort will increase. In service organization settings, Singh (2000) contended, based on social support literature (Thoits, 1995) that a supportive environment such as boss support would build commitment, reduce turnover intentions, and enhance performance. Specifically, Singh (2000) found that with boss support (House, 1981; Thoits, 1995), frontline employees perceived their roles to be less stressful and their burnout tendencies to be less likely, and thus their performance and perceived commitment levels were enhanced.

If contact employees perceive that their manager is concerned about them and provides appropriate control and authority over their work, they will feel more positively towards their jobs (Babin & Boles, 1996; Kopelman, 1990; Michaels, 1987), and will exert more effort in the workplace (Brown & Peterson, 1994). Supportive management may signal that managers trust their employees and have confidence in employees' abilities to carry out their jobs, and should potentially impact on job satisfaction, which is defined as the pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job values (Locke, 1969).

### 2.3 Work Effort

Effort is one of most important constructs in motivation theory (Mohr & Bitner, 1995). Locke *et al.* (1981) define effort as the amount or expenditure of energy put into a behavior or series of behaviors. Employees' work effort is likely to positively influence their job satisfaction. Brown and Peterson (1994) document that expenditure of effort tends to increase people's evaluations of objects, outcomes, and feeling states by means of their exertions. The perceived exertion of effort in the work itself allows people to fulfill their intrinsic needs to be competent, effective, and self-determining, and hence contributes to job satisfaction. Also based on the terminal value perspective of work, effortful engagement in work is more likely to have affective consequences, because it produces a feeling of dignity, self-respect, and satisfaction (Cherrington, 1980).

Brown and Peterson (1994) and Walker *et al.* (1977) consider effort as a mediator between motivation and performance or as a mechanism of translating motivation into accomplished work. Brown and Peterson (1994) found a strong, positive impact of work effort on job satisfaction in a direct-selling context.

### **2.4 Job Satisfaction**

Job satisfaction refers to the persistent feelings a person has toward his or her work (Hackman & Oldham, 1980). Job satisfaction is one criterion for establishing the health of an organization; rendering effective services largely depends on the human source (Fitzgerald, 1994) and job satisfaction experienced by employees will affect the quality of service they render. Job satisfaction has been defined as a positive emotional state resulting from the pleasure a worker derives from the job (Locke, 1976; Spector, 1997) and as the affective and cognitive attitudes held by an employee about various aspects of their work (Kalleberg, 1977; Mercer, 1997; Wright & Cropanzano, 1997; Wong *et al.*, 1998); the later implying that satisfaction is related to the component facets rather than the whole job, which is consistent with Spector's (1997) view. Again, Job satisfaction is related to productivity, motivation and retention; when job satisfaction is high, commitment by employees to the organizational goals is also high (Luthans, 1985). According to Churchill *et al.* (1974), job satisfaction has a broad conceptual domain, because it includes all characteristics of the job itself or the work environment that an employee finds rewarding, fulfilling, satisfying, frustrating, and unsatisfying.

### **2.5 Employee Service Quality**

In the service encounter, employees are performers rather than simply workers, and their behavioral performance is the service quality that customers perceive (Bitner, 1990). Thus, employee service quality, as perceived by customers, is one of most the important variables to examine in regards to service encounter experiences.

Employee service quality, as a behavioral performance, is likely to reflect the amount of employee effort expended in the service encounter situation. Brown and Peterson (1994) and Walker *et al.* (1977) consider effort as a mediator between motivation and performance or as a mechanism of translating motivation into accomplished work. A number of previous empirical studies in organizational behavior have found a positive relationship between effort and performance (Blau, 1993; Gardner *et al.*, 1989). Also in the marketing area, Brown and Leigh (1996) and Brown and Peterson (1994) presented evidence that salespeople's work-related efforts have a strong impact on their sales performance. Extending these previous findings within a service encounter and viewing them from the customer perspective, the effort that employees put into their work should be reflected in their service performance, as seen through the eyes of their customers.

Employee job satisfaction is also likely to relate to their job performance in regard to their level of service performance. In fact, the relationship between job satisfaction and performance has been extensively examined in the organizational behavior and

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marketing literatures. In the services marketing area, the relationship between job satisfaction and performance has been addressed in regard to the role of customer contact employees during service encounters (Babin & Boles, 1996; Weatherly & Tansik, 1993). Hartline and Ferrell (1996) and Schneider and his colleagues (Bowen & Schneider, 1985; Parkington & Schneider, 1979; Schneider, 1980; Schneider & Bowen, 1985) have demonstrated the relationship between employee job satisfaction and customer perceptions of service quality. Results from several studies indicate that satisfied employees are more likely to engage in behaviors that assist customers (Locke & Latham, 1990; Weatherly & Tansik, 1993). Schneider (1980) found evidence that job satisfaction is a primary reason that employees deliver quality service. ). According to Parasuraman et al. (1988), service quality has become a significant differentiator and the most powerful competitive weapon, which many leading service organizations possess. Leading service organizations strive to maintain a superior quality of service in an effort to gain customer satisfaction. Therefore, a service organization's long-term success in a market is essentially determined by its ability to expand and maintain a large and loyal customer base (Zeithaml, 1998). According to Wal et al. (2002), responsiveness – refers to the willingness of the firm's staff to help customers and to provide the requested service promptly. "Responsiveness" dimension is first in order of importance to the customer, thus responsiveness in customers' perception is an important indicator to the company to improve the dimensions of service quality. The results concur with those of Parasuraman et al. (1988) with the exception of the responsiveness dimension, which appears inseparable from service quality.

### **2.6 Relationship between Service Climate & Employee Service Quality**

Schneider and his colleagues (Schneider & Bowen, 1985, Schneider *et al.*, 1980, 1998) examined the direct relationships between employees' perceptions of service climate and customers' perceptions of service quality. They found that the way contact employees perceive their organization's service climate is directly related to the customer perceptions of service quality at the organizational level of analysis.

### **2.7 Relationship between Supportive Management & Employee Service Quality**

Supportive management is also likely to lead to positive attitudinal and behavioral responses by employees. If contact employees perceive that their manager is concerned about them and provides appropriate control and authority over their work, they will feel more positively towards their jobs (Babin & Boles, 1996; Kopelman *et al.*, 1990; Michaels *et al.*, 1987), and will exert more effort in the workplace (Brown & Peterson, 1994).

In terms of a social exchange framework, we expect that supportive management has a direct impact on contact employees' service efforts defined as the amount of energy put into service works (Mohr & Bitner, 1995). According to the reciprocity rule, the recipient of benefits is morally obliged to recompense the donor (Gouldner, 1960). Thus, as employees perceive greater organizational support, their sense of obligation to reciprocate with helpful behaviors towards the organization increases (Bettencourt &

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Brown, 1997; Shore & Wayne, 1993). Also a social exchange perspective implies that the more organizational support perceived by contact employees, the more their effort-outcome expectancy will be enhanced (Eisenberger *et al.*, 1990). Supportive management is more likely to increase the employees' expectancies that greater efforts toward meeting organizational goals will be rewarded, and consequently, these expectancies may increase their efforts in service works to meet the organizational goals, especially, providing superior service to customers at each encounter.

### **2.8 Relationship between Work Effort & Employee Service Quality**

Brown and Peterson (1994) document that expenditure of effort tends to increase people's evaluations of objects, outcomes, and feeling states by means of their exertions. The perceived exertion of effort in the work itself allows people to fulfill their intrinsic needs to be competent, effective, and self-determining, and hence contributes to job satisfaction. Also based on the terminal value perspective of work, effortful engagement in work is more likely to have affective consequences, because it produces a feeling of dignity, self-respect, and satisfaction (Cherrington, 1980).

Brown and Peterson (1994) found a strong, positive impact of work effort on job satisfaction in a direct-selling context. Also they assessed the generalizability of the result with meta-analysis and found that the direct impact of effort on job satisfaction was significant in both sales force and non-sales forces studies.

Employee service quality, as a behavioral performance, is likely to reflect the amount of employee effort expended in the service encounter situation. Brown and Peterson (1994) and Walker *et al.* (1977) consider effort as a mediator between motivation and performance or as a mechanism of translating motivation into accomplished work. A number of previous empirical studies in organizational behavior have found a positive relationship between effort and performance (Blau, 1993; Gardner *et al.*, 1989). Also in the marketing area, Brown and Leigh (1996) and Brown and Peterson (1994) presented evidence that salespeople's work-related efforts have a strong impact on their sales performance. Extending these previous findings within a service encounter and viewing them from the customer perspective, the effort that employees put into their work should be reflected in their service performance, as seen through the eyes of their customers.

### **2.9 Relationship between Job Satisfaction & Employee Service Quality**

Employee job satisfaction is also likely to relate to their job performance in regard to their level of service performance. In fact, the relationship between job satisfaction and performance has been extensively examined in the organizational behavior and marketing literatures. In the services marketing area, the relationship between job satisfaction and performance has been addressed in regard to the role of customer contact employees during service encounters (Babin & Boles, 1996; Weatherly & Tansik, 1993). Hartline and Ferrell (1996) and Schneider and his colleagues (Bowen & Schneider, 1985; Parkington & Schneider, 1979; Schneider, 1980; Schneider & Bowen, 1985) have demonstrated the relationship between employee job satisfaction and

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customer perceptions of service quality. Results from several studies indicate that satisfied employees are more likely to engage in behaviors that assist customers (Locke & Latham, 1990; Weatherly & Tansik, 1993). Schneider (1980) found evidence that job satisfaction is a primary reason that employees deliver quality service. Again as indicated in Hartline and Ferrell (1996), job satisfaction is naturally displayed during service delivery and subsequently reflected in customers' cognitive evaluations of employees' service performance.

Employees generally self-select into service occupations because they want to use their skills and aptitudes in delivering a high quality service to customers. When they are able, rewarded and supported in doing so, this realization will be associated with the belief that they are in fact providing a high quality service to their customers. In addition employee satisfaction will also directly translate into higher levels of customer satisfaction with the service experience. Employees will be more enthusiastic and positive during the service encounter. The positive climate of the organization will be exposed to the customer through higher levels of employee satisfaction (Uhlrich *et al.*, 1991). For many customers, the employees are the organization (Barlow & Mail, 2000). There is concrete evidence that satisfied employees make for satisfied customers" (Zeithaml & Bitner, 2000). In service-based industries, human resource issues such as job satisfaction have been found to be antecedents of customer-oriented behaviour (Hoffman & Ingram, 1992). People who are in a positive frame of mind are more likely to be altruistic, helpful and considerate (Motowidlo, 1984). It is very difficult for unhappy and dissatisfied customer-contact employees to deliver exceptional service that satisfies the customer (Rogers *et al.*, 1994). The degree of internal customer satisfaction largely determines the profits of the company through external customer satisfaction and customer retention (Reichheld & Sasser, 1990).

### 3. Research Questions

This study proposes to investigate the following questions:

- 1) Is there any significant relationship between Service Climate and Employee Service Quality?
- 2) Is there any significant relationship between Supportive Management and Employee Service Quality?
- 3) Is there any significant relationship between Work Effort and Employee Service Quality?
- 4) Is there any significant relationship between Job Satisfaction and Employee Service Quality?

#### 3.1 Research Hypotheses

The hypotheses derived from research questions are as follows:

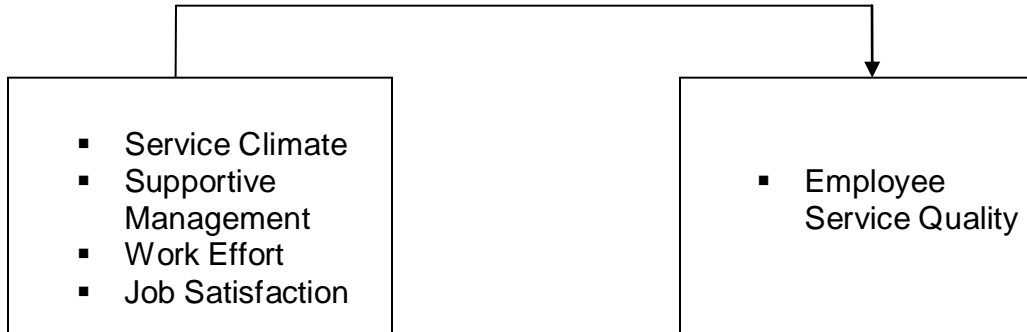
- 1) There is a significant relationship between Service Climate and Employee Service Quality.



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- 2) There is a significant relationship between Supportive Management and Employee Service Quality.
- 3) There is a significant relationship between Work Effort and Employee Service Quality.
- 4) There is a significant relationship between Job Satisfaction and Employee Service Quality.

## 3.2 Conceptual Framework



## 3.3 Operational Definition

**Table 1: Operational Definition of Measured Variables**

| Measured Variables       | Operational Definitions  |
|--------------------------|--|
| Service Climate          | Operationally defined by the Kelley (1992) and Kelly et al. (1992) |
| Supportive Management    | Operationally defined by the Brown and Leigh (1996)                |
| Work Effort              | Operationally defined by the Brown and Leigh (1996)                |
| Job Satisfaction         | Operationally defined by the Scarpello and Campbell (1983)         |
| Employee Service Quality | Operationally defined by Parasuraman et al. (1988)                 |

## 4. Research Methodology

### 4.1 Research Design

The conceptual framework illustrates the name of research variables and relationships within them. In this study, the researcher investigated the relationships between service

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climate, supportive management, work effort, job satisfaction, and employee service quality, especially in the context of real estate sector.

Research that studies the relationship between two or more variables is also referred to as a co relational study (Cooper & Schindler, 2003). That is why a co relational research design has been selected in order to find out the appropriate answers of the research questions and to test the hypotheses. The model also suggests this type of design. Here, employee service quality is considered as the dependent variable, whereas service climate, supportive management, work effort, and job satisfaction are considered as independent variables.

To gather data on the research questions, the researcher used questionnaire. The rationale behind using questionnaire to collect data is:

- 1) It takes less time to fill up a questionnaire. Therefore, the customers will not be reluctant in providing accurate data.
- 2) Personal interview is both time and cost consuming.
- 3) The data gathered through questionnaire is easy to put in quantitative analysis.

Therefore, questionnaire is the most effective method to collect data for this study.

### 4.2 Sampling Method

There were two different types of population for this study. For this proposed study the first population was the employees of the customer relation department of real estate firms. Another population was the customer of real estate sector.

The sampling frame for the employees was the official register of the employees. The researcher used random sampling to collect the sample for this study. In most of the previous researches conducted on employees the researcher had used this type of sampling (Piercy, 1995; Calleya, & Caruana, 1998). The sample size was 100 as in the previous research which was conducted on the work climate perceived by employees the researcher has chosen a sample size of 100 and found effective match (Yoon et al., 2001). Again, in this research the researcher used sample size of 100 because of time constraint.

The researcher used convenient sampling to collect the second sample. A sample consisting of 100 individual customers of real estate sector was selected. The reason behind choosing non-probability sampling is that:

- 1) If the researcher would have gone for probability sampling for the customers, then a sample frame would have been needed to collect and from the list, a sample would have been drawn, which might have been larger enough to meet reasonable time and given cost. According to Cooper and Schindler (2003), "Cost considerations

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influence decisions about the size and type of sample and also the data collection methods.

2) The current researcher has extended the study of Yoon et al. (2001) in which the previous researchers used the sample size of 100 and found appropriate results as predicted. Therefore, the current researcher felt that the sample size of 100 would be safe to implicate in this research.

### 4.3 Survey Instrument

To gather data the researcher used questionnaires. The questionnaire survey was the most effective method for this study to collect data for the following reasons:

1. Respondents' anonymity could be maintained.
2. The researcher conducted the survey on a total of 200 respondents. It would not have been possible to conduct personal interview because of time constraint. Therefore, questionnaire survey was the most appropriate one for this study.
3. In most of the current studies conducted on these variables, the researchers used questionnaire survey (Yoon et al., 2001).

Structured questionnaires were used in this research to collect data from both the employees and customers. The researcher has used two different questionnaires for employees and customers.

In the questionnaire which was developed for employees, there were four sections such as, service climate, supportive management, work effort and job satisfaction. Service climate was measured by using a 6 item Likert scale developed by Kelley (1992) and Kelly et al. (1992). However, 3 items were excluded in the final measurement as the reported reliabilities of those items were less than 0.40.

Supportive Management was measured by using a 5 item Likert scale developed by Brown and Leigh (1996). However, 1 item was excluded in the final measurement as the reported reliability of that item was less than 0.42.

Work effort was measured by using a 5 item Likert scale developed by Brown and Leigh (1996).

Job satisfaction was measured by using a 1 item Likert scale developed by Scarpello and Campbell (1983).

Employee Service Quality was measured by the SERVQUAL scale developed by Parasuraman et al. (1988). However 6 items were drawn from several dimensions as the objective was not to measure service quality per se but instead to measure a critical sub component of service quality-employee service performance. Thus, the items drawn

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from this scale represented employee behavioral attributes that might be involved in a service encounter.

### 4.4 Data Collection Procedure

The present research is a unique one for real estate sector of Bangladesh. As a result, secondary sources of data were not available for the present study. Therefore, the researcher required primary data to investigate the research questions. To collect data from the primary sources, the researcher used questionnaire survey method.

### 4.5 Data Analysis

Pearson's Co relational analysis was used to find out whether any relationship exists between the independent and dependent variables. Correlation analysis is the statistical tool that can be used to describe the degree to which one variable is linearly related to another (Levin & Rubin, 1998).

After collecting the data, correlation matrix for the variables was prepared and the researcher looked for significant correlations. The Statistical Package for Social Science (SPSS) software was employed to analyze the data collected from the actual survey.

## 5. Results

### *Reliability Coefficient and Descriptive Statistics*

The reliability coefficients, means and standard deviations of all the constructs in the current study are displayed in Table 2. The coefficient alphas for the different constructs were computed using the reliability procedure in SPSS (version 12.0). Nunnally (1978) suggested that for early stages of any research the reliability of .50-.60 is sufficient. The reliabilities of all the constructs in this study found to be above the standard set by Nunnally (1978).

**Table 2: Reliability Coefficient and Descriptive Statistics of Service Climate, Supportive Management, Work Effort, Job Satisfaction and Employee Service Quality**

| Scale                    | Number of Items | Alpha | M      | SD     |
|--------------------------|-----------------|-------|--------|--------|
| Service Climate          | 3               | 0.760 | 3.6033 | .71961 |
| Supportive Management    | 4               | 0.630 | 3.4725 | .60813 |
| Work Effort              | 5               | 0.745 | 3.4240 | .58760 |
| Job Satisfaction         | 1               | 1     | 3.3700 | .94980 |
| Employee Service Quality | 6               | 0.533 | 3.4900 | .48014 |

Note: n = 100

Mean scores have been computed by equally weighting the mean scores of all the items. On a five-point scale, the mean score for Service Climate is 3.60 (sd = 0.71). The mean score for Supportive Management is 3.47 (sd = 0.60). The mean score for Work Effort is 3.42 (sd = 0.58). The mean score for Job Satisfaction is 3.37 (sd = 0.94).

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The mean scores of Employee Service Quality of real estate firms range from 3.49 (sd = 0.48) indicating that consumers' perception about the employee service quality of real estate sector is high.

### **Correlation Analysis**

A correlation analysis was conducted on all variables to explore the relationship between variables. The bivariate correlation procedure was subject to a two tailed of statistical significance at two different levels highly significant ( $p < .01$ ) and significant ( $p < .05$ ).

**Table 3: Correlation Matrix for Service Climate, Supportive Management, Work Effort, Job Satisfaction and Employee Service Quality**

|                          | Service Climate | Supportive Mgt | Work Effort | Job Satisfaction | Employee Service Quality |
|--------------------------|-----------------|----------------|-------------|------------------|--------------------------|
| Service Climate          | 1               | .708(**)       | .564(**)    | .296(**)         | .615(**)                 |
| Supportive Management    |                 | 1              | .618(**)    | .346(**)         | .639(**)                 |
| Work Effort              |                 |                | 1           | .382(**)         | .660(**)                 |
| Job Satisfaction         |                 |                |             | 1                | .525(**)                 |
| Employee Service Quality |                 |                |             |                  | 1                        |

Note: \* $p < .05$ , \*\* $p < .01$ .

The result of correlation analysis for all the variables is shown in Table 3. It examines the correlations among Service Climate, Supportive Management, Work Effort, Job Satisfaction and Employee Service Quality of Real Estate Firms. The variables, having positive significant correlation with Service Climate were Supportive Management ( $r = 0.708$ ,  $p < .01$ ), Work Effort ( $r = 0.564$ ,  $p < .01$ ), Job Satisfaction ( $r = 0.296$ ,  $p < .01$ ), and Employee Service Quality ( $r = 0.615$ ,  $p < .01$ ). Supportive Management was found to be significantly and positively correlated with Work Effort ( $r = 0.618$ ,  $p < .01$ ), Job Satisfaction ( $r = 0.346$ ,  $p < .01$ ), and employee Service Quality ( $r = 0.639$ ,  $p < .01$ ). The variables, significantly correlated with Work Effort were Job Satisfaction ( $r = 0.382$ ,  $p < .01$ ), and Employee Service Quality ( $r = 0.660$ ,  $p < .01$ ). Job Satisfaction was significantly and positively correlated with Employee Service Quality ( $r = 0.525$ ,  $p < .01$ ).

## 5.1 Assessment of the Research Hypothesis

### ***Hypothesis 1:***

“There is a significant relationship between Service Climate and Employee Service Quality in the context of Real Estate Sector.”

The result of the co relational analysis states that the Service Climate in Real Estate Sector was positively and significantly correlated with their Employee Service Quality ( $r = 0.615, p < .01$ ).

### ***Hypothesis 2:***

“There is a significant relationship between Supportive Management and Employee Service Quality in the context of Real Estate Sector.”

The result of the co relational analysis states that the Supportive Management in Real Estate Sector was positively and significantly correlated with their Employee Service Quality ( $r = 0.639, p < .01$ ).

### ***Hypothesis 3:***

“There is a significant relationship between Work Effort and Employee Service Quality in the context of Real Estate Sector.”

The result of the co relational analysis states that the Work Effort in Real Estate Sector was positively and significantly correlated with their Employee Service Quality ( $r = 0.660, p < .01$ ).

### ***Hypothesis 4:***

“There is a significant relationship between Job Satisfaction and Employee Service Quality in the context of Real Estate Sector”

The result of the co relational analysis states that the Job Satisfaction in Real Estate Sector was positively and significantly correlated with their Employee Service Quality ( $r = 0.525, p < .01$ ).

## 6. Recommendation

The empirical findings suggest several important managerial implications. First, the employee perception of work climate not only influences organizational variables such as work effort and job satisfaction, but also affects service evaluation by customers. Therefore, it would be necessary to explicitly design and establish various organizational policies such as employee empowerment, detailed service codes, service

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performance reward/award, and employee education/training, in order to develop a system that will facilitate service oriented environment and supportive management.

In addition, managers should develop a more detailed system that will enhance internal marketing programs, of which the main starting focus is employees in terms of their job satisfaction, commitment, and performance. In this light, the findings are somewhat consistent with the service-profit chain model (Heskett *et al.*, 1997), which suggests that the firm's financial performance (e.g. profit) is derived from employee performance. This provides evidence of importance of the two work climates (service climate and supportive management).

With respect to supportive management, all managers and the firm as a whole should attempt to develop and maintain good relationships with employees based on trust and commitment to increase employee commitment to the firm and/or manager, which, in turn, should produce higher profits in the long run.

Overall, the findings support the hypotheses for the research and portray a strong relationship among Service Climate, Supportive Management, Work Effort, Job Satisfaction and Employee Service Quality. Thus, it can be recommended that real estate sector of Bangladesh should continue focusing on the variables such as Service Climate, Supportive Management, Work Effort, Job Satisfaction to have a consistent and healthy Employee Service Quality. In doing so it will ensure the organizational goals to be achieved in a much more efficient and effective manner.

## 7. Conclusion

In view of the findings, the provision of high standards in service climate, healthy supportive management, effective work effort and consistent job satisfaction will lead to improved employee service performance in the context of the real estate sector. While this research found that all the studied variables had a significantly strong importance, other internal marketing factors should also be considered which in turn may boost the service performance of the real estate sector of Bangladesh. This paper presents an initial phase of a sustainable research program and as such has limited itself in terms of research design. The researcher had limited access to the related literature review due to lack of journals available on the measured variables which is why the researcher had limited resources to deal with. Again, non-probability sampling method was adopted for the research, meaning that statistical inferences regarding the population might not be made accurately. Nonetheless, this paper will encourage further study and will work as a useful guideline in future for these types of researches.

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## Appendix 1 Research Questionnaire for Employees

### Scale items

#### Question items concerning service climate

Following are some items that ask your opinions about your work place. Circle one number per statement using the following scale

| 1                 | 2        | 3                             | 4     | 5              |
|-------------------|----------|-------------------------------|-------|----------------|
| Strongly Disagree | Disagree | Neither Agree<br>Nor Disagree | Agree | Strongly Agree |

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| 1. Consistency of service performance is emphasized in my work place.   | 1 | 2 | 3 | 4 | 5 |
| 2. A reputation for good service is stressed in my work place.          | 1 | 2 | 3 | 4 | 5 |
| 3. In my work place, prompt service is emphasized to contact employees. | 1 | 2 | 3 | 4 | 5 |

#### Question items concerning supportive management

Please indicate the degree to which you agree / disagree with each one of the statements below:

|  |   |   |   |   |   |
|--|---|---|---|---|---|
| 1. My supervisor is flexible about how I accomplish my job objectives.       | 1 | 2 | 3 | 4 | 5 |
| 2. My supervisor is supportive of my ideas and ways of getting things done.  | 1 | 2 | 3 | 4 | 5 |
| 3. My supervisor gives me the authority to do my job as I see fit.           | 1 | 2 | 3 | 4 | 5 |
| 4. I can trust my supervisor to back me up on decisions I make on the field. | 1 | 2 | 3 | 4 | 5 |

#### Question items concerning work effort

Please indicate the degree to which you agree / disagree with each one of the statements below:

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| 1. When there is a job to be done, I devote all my energy to getting it done. | 1 | 2 | 3 | 4 | 5 |
| 2. When I work, I do so with intensity  | 1 | 2 | 3 | 4 | 5 |
| 3. I work at my full capacity in all of my job duties.                        | 1 | 2 | 3 | 4 | 5 |
| 4. I strive as hard as I can to be successful in my work                      | 1 | 2 | 3 | 4 | 5 |
| 5. When I work, I really exert myself to the fullest.                         | 1 | 2 | 3 | 4 | 5 |



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## Appendix 2 Research Questionnaire for Customers

### Scale items

#### Question items concerning employee service quality

Following are some items that ask your opinions about the employee service quality of the real estate firms. Circle one number per statement using the following scale

1    2    3    4    5  
Much less than    Much more than  
expected    expected

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| 1. Providing prompt service.                      | 1 | 2 | 3 | 4 | 5 |
| 2. Never being too busy to respond to my request. | 1 | 2 | 3 | 4 | 5 |
| 3. Instilling confidence in me.                   | 1 | 2 | 3 | 4 | 5 |
| 4. Courteousness of employee.                     | 1 | 2 | 3 | 4 | 5 |
| 5. Adequate knowledge to answer my questions.     | 1 | 2 | 3 | 4 | 5 |
| 6. Understanding my specific needs                | 1 | 2 | 3 | 4 | 5 |