



The Landscape of Service Orientation in Banking Industry

Hamed Gheysari^{*1}, Parastoo Roghanian², Seyed Saadat Kamali³, Seyed Bahaedin Mousavi⁴

¹Training Department of Mellat Bank, Tehran, Iran

²Faculty of Management and HRD, University Technology Malaysia (UTM), 81310 Skudai, Johor, Malaysia

³Faculty of Management, Islamic Azad University, Naragh Branch, Naragh, Iran

⁴Faculty of Management, Islamic Azad University, Abhar Branch, Abhar, Iran

Email: hamedgheysari@yahoo.com

(Received Nov 2013; Published Dec 2013)

ABSTRACT

In the current service environment in which banks are under increasing pressure not only increase revenue but also respond quickly to changing market conditions, banks will be successful only if they transform themselves and become on demand businesses. Numerous academic reports on service orientation studies resulted in hardship of its real antecedents and outcome identification of among managers and academics. In this study the service orientation literature will be reviewed and furnished, theoretically, followed by posing discussions on different aspects of service orientation. A review on the service definitions and characteristics commences in advance, and then, an overview of different approaches in implications of the service orientation literature as well as dimensions of service orientation will be provided. The paper finds that the literature offers a comprehensive, yet fragmented, picture of service orientation meaning and its improvement ways.

Keywords: Service Orientation, Employee Service Orientation, Organizational Service Orientation, Banking Industry

DOI:10.14331/ijfpss.2013.330035

INTRODUCTION

Recent studies have recognized the role of service orientation in each company in getting to sustaining competitive advantage. Service orientation is described as the relationship between a company and its customers, crucial to understand in order to fulfill customer needs and for businesses to thrive in the recent, highly competitive market grounds (Lytle & Timmerman, 2006; Marinova, Ye, & Singh, 2008). Some organizations perceive service orientation as an obstacle to get around, to minimize any negative customer interaction outcomes. For this reason, the major focus is aimed at how service orientation affects business performance (Di Mascio, 2010; Homburg, Hoyer, & Fassnacht, 2002; Lytle, Hom, & Mokwa, 1998; Tian, Li, & Yang, 2012), while only minimal academic research has examined what role and impact service orientation has on employee and job satisfaction.

There are many references in the literature of service marketing to suggest how crucial service orientation development is. Homburg et al. (2002) indicate two ways of

establishing the service orientation concept: at the individual, or micro organizational level, and at the organizational level. Service orientation has been studied as an individual personality variable by Hogan et al. (1984) and McBride et al. (1993), among others. Hogan et al. presented the most noteworthy individual aspect description by saying that service oriented individuals are predisposed to being helpful, thoughtful, considerate, and cooperative. Thus, service orientation is the result of individual worker attitudes manifested through their behavior. On the other hand, assessing service orientation from an organizational perspective helps bring to light particular organizational practices which contribute to superior organizational service orientation and performance (Homburg et al., 2002; Lytle et al., 1998). This study utilizes the organizational aspect for market orientation and service orientation, therefore organizational level only is assessed. Again, service orientation is the fundamental set of comparatively enduring organizational practices leading to service excellence development and delivery as a strategic marketing reaction to

market data (Lytle et al., 1998). Based on Lytle's framework (1998), this research develops on the 4 attribute of service orientation, namely service leaderships, service encounter, service system and human resource management.

The way frontline workers relate to customers directly affects how successful service orientation is, with the result of customer satisfaction being the topic of vast research (Homburg & Stock, 2005). The reason that frontline employees are very important groups in each organization is that the customer can form an opinion based on a single interaction with an employee, and thus affect a firm's success, even though it may have numerous divisions, employees, and ultimately billion-dollar revenues. Organizations therefore aim to motivate and increase job satisfaction among their employees to gain more customers (Kelley, 1992).

SERVICE DEFINITION AND CHARACTERISTICS

Service is another area with many different definitions. From an economic point of view, according to Murdick (1990) service means "economic activities that produce time, place, form, or psychological utilities." From a marketing perspective, Kotler et al. (1991) says the service is "any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything." Intangibility makes the service so much harder to assess than product quality measurements. Zeithaml et al. (1985) communicated that marketing service and marketing goods are distinct in four unique features: intangibility, inseparability of production and consumption, heterogeneity, and perishability. First, since service includes performance and it cannot be distinguished by the senses like goods can, it is called intangible. Second, this intangibility is the hardest service element to measure, and is the point of critical goods-services distinction from which all other differences derive. Other than difficulty measuring service performance, some potential disadvantages are that service cannot be stored, protected by patents, easily showcased or demonstrated, and setting prices is hard to set (Zeithaml et al., 1985). "Perishability" means the inability to save or store a service such as vacant hotel rooms or flight seats not purchased, and it hinders businesses in the service industry in synchronizing supply and demand, such as if banks have many customers one day but very few the next. Also, "Heterogeneity" regarding services has to do with inconsistency and non-even service execution. This service variability is a result of human elements like employees, and customers with their perceptions. Standardizing services by swapping hard and soft technology or customizing a service (L. L. Berry, 1981) are some ideas to be implemented by a firm to improve the heterogeneity issue.

In brief, service differs from goods in that goods are produced, sold, and then consumed, whereas services are first sold, then produced and consumed. Some problems associated with this aspect of service are that consumers are part of production and centralized service mass production is challenging. Some strategies to overcome these problems are the special selection and training of customer contact staff, managing consumers, and spreading to multiple locations (Zeithaml et al., 1985).

SERVICE ORIENTATION CONCEPT

The current global trend is a shift from industrial production to service orientation, prompting research and theory development aiming to help better comprehend the contributing factors to better quality of service. Consumers judge and assess, then return to the service or not, and because a service is produced while being consumed it is not possible to recall that product and make it better for next time. Therefore, receiving the service is the exact point at which customers evaluate, assess if they will come back or not (Carraher, Parnell, & Spillan, 2009). Service orientation research was first conducted in the fields of library services and later expanded into manufacturing, banking (Beatty & Gup, 1989; Finch & Helms, 1996), retailing (Dotson & Patton, 1992), restaurants (Dienhart, Gregoire, Downey, & Knight, 1992) and small businesses (Garg & Chan, 1997; O'Connor, Trinh, & Shewchuk, 2000).

Personnel in the service industries are expected to display care for customers (all practices and policies should be customer-oriented), as well as attention to employees (the way administration supports and treats employees); in other words, if employees are happy and their needs are met, they are then able to better serve consumers. If an organization is not really focused on the customer, the result is usually that both employees and customers encounter less positive experiences (Bendapudi & Bendapudi, 2005). On the other hand, if the business puts priority on excellent service, then a positive climate is encountered by all (Dietz, Pugh, & Wiley, 2004). In this case, service climate entails "employee perceptions of practices, procedures and behaviors that get rewarded, supported and expected with regard to customer service and service quality" (Schneider, White, & Paul, 1998, p.83).

Businesses in the service field usually attend to customer needs, share, help, assist, and give; through these actions, it is clear to see that the company's strategy is to achieve excellence, develop excellent value, satisfy customers, gain competitive advantage, grow, and profit. Therefore, as presented by Berry et al. (1994), businesses in the service industry that follow service oriented approaches will bring in more new customers, keep the existing ones coming back, lose fewer customers, stay safe from price competition, and receive fewer consumer complaints (Kim, Leong, & Lee, 2005). Lytle et al. (1998) point out that the members of an organization are those who can most accurately evaluate service orientation based on perceptual interpretations, or simply put, a firm's service orientation is what its employees identify it to be. Since service achievement is in direct relation to quality, a factor more and more often considered is the study of staff perceptions and inferences (Schneider & Bowen, 1995). Therefore, as per experimental results, when employees believe their organization to have a robust service orientation, customers also report more positive service encounters (Heskett, Sasser, & Schlesinger, 1997). Even though competition is always growing, small businesses are also realizing that to gain an advantage and even survive, it is necessary to embrace service orientation. Only because a business is small has nothing to do with how successfully it implements a service-oriented attitude, but the manner of dealing with customers is the key to success (Carraher et al.,

2009). Evidently, many organizations are beginning to emphasize on the hiring process, the aim being to hire people with strong sense of service orientation, a skill used as strategy to set companies apart from the others (Homburg et al., 2002). So important is customer interaction to service employees on the personal level, that it determines the overall end customer satisfaction; so, these workers are thought to be directly involved in enabling the marketing concept. Liao and Chuang (2004) found evidence of the positive relationship between service orientation (e.g., service environment) and front line employee service performance. Furthermore, Alge et al. (2002) also agree that workers directly involved in service are the main contributors to customer service, and that firms that stress the importance of service or service orientation can directly improve the employees' service attitude and performance (Liang, Tseng, & Lee, 2010).

DIMENSIONS OF SERVICE ORIENTATION

In the service marketing world, service orientation establishment is crucial. As per Homburg et al. (2002), the two possible levels in achieving service orientation are the individual or micro level, and the organizational level. One of the ways service orientation is studied and investigated is as an individual personality variable (Hogan et al., 1984; Sanchez & Fraser, 1993), because service orientation is source of the behavior communicated through attitude by individual staff members. Normally, in the service industry this behavior should entail courteous and friendly disposition. The most prominent definition by Hogan et al. (1984) is that service oriented people are naturally predisposed to being helpful, thoughtful, considerate, and cooperative. The other way service orientation can be examined from the organizational level to pinpoint which organizational practices account for better service orientation and achievement (Homburg et al., 2002).

Employee Service Orientation: From a micro organizational perspective, selecting employees who are likely to provide a quality service orientation is of paramount importance in generating and delivering service excellence to customers. Employee service orientation has been explored on the belief that certain personality traits affect later service-quality behaviors. However, to fully take into account employee service orientation, not only the personality trait approach but also more comprehensive approaches are needed (Sanchez & Fraser, 1993). Therefore, the following section deals with employee service orientation, including the definition, antecedents, consequences and measures.

Employee Service Orientation Defined: Hogan et al. (1984, p.69) first came up with the phrase employee service orientation. According to them, service orientation means "a disposition to be helpful, thoughtful, considerate, and cooperative while dealing with customers and fellow employees". Furthermore, service orientation is an integral part of many different kinds of work because of its non-technical nature. The Selling Orientation-Customer Orientation (SOCO) is a scheme similar to service orientation, established by Saxe and Weitz (1982). SOCO has a scale which measures the extent a salesperson follows the marketing concept achievable in the sales field by helping

customers, acting in ways that guarantee long-term customer satisfaction, and steering clear of acting in ways that result in dissatisfaction. These three goals relate to service orientation disposition. Not only does SOCO measure workers' achieved behaviors, but also impacts the worker's attitude like job satisfaction, motivation, and organizational commitment (Jaramillo, Ladik, Marshall, & Mulki, 2007; Pettijohn, Pettijohn, & Taylor, 2002). Employee service orientation can also be defined as a "set of basic individual predispositions and an inclination to be courteous and helpful in dealing with customers and associates" (Cran, 1994, p.34). Furthermore, since service orientation is a direct quality of service interaction factor, the priorities should be skills, abilities, or knowledge in choosing staff, promotion and placement decisions.

Antecedents and Consequences of Employee Service Orientation: Prior to employee service orientation talks were based on the theory of personality traits classified as: Extroverted-inclined to be sociable, fun-loving, friendly, gregarious, talkative, and active; Stable-related to being insecure, self conscious, and generally negative tendency; Agreeable-being cooperative, trusting, and generally agreeable towards others; Conscientious-hardworking, ambitious, energetic, dependable, responsible and persevering; and Open to experience-includes being experienced, accomplished, inquisitive, creative, artistic, and intelligent (Goldberg, 1993).

These personality traits are also seen as a scale of service orientation, and not just a measure of personality traits as presented by Hogan et al. (1984). Thus, both customer and employee behaviors relate to personality traits. Even though the service orientation can be predicted by personality traits, service orientation is still an idea visualized as a mediating variable between the personality traits and behaviors responsible for predicting service and organizational performance (Donovan, Bransford, & Pellegrino, 1999; Kohli & Jaworski, 1990). Some important employee service orientation dependent or outcome variables are service quality, customer satisfaction, customer loyalty, and organizational governing and commitment.

Measures of Employee Service Orientation: After Hogan et al. (1984), many other methods for measuring service orientation were created and validated in different service environments. One instrument for measuring service orientation is presented by Parkington and Schneider (1979) who came up with six items for bureaucratic orientation and ten for enthusiastic orientation to test the relationship between service orientation discrepancy and bank employee's actual job stress. The results brought to light that employees saw themselves in a most enthusiastic manner than managers saw them, and this inconsistency was responsible for higher employee role uncertainty and conflict. Hogan et al. (1984, p.167) defined service orientation as "disposition to be helpful, thoughtful, considerate, and cooperative" and believed that it could be assessed using measures of personality. The Service Orientation Index (SOI) was drawn from the Hogan Personality Inventory (HPI), and it showed differences between more service oriented employees (well-adjusted, likable, socially competent, and willing to follow rules) and employees less service oriented (rude, tactless, and

socially inept). Hogan's service orientation factors of adjustment, likeability, and good judgment were in agreement with Australian data by Cran (1994). It was also found that ambition is possibly another element in predicting service orientation. Mill (1986) contends that customer-interaction oriented employees are flexible in their behavior, show empathy, and have strong interpersonal skills, among others. The purpose of the Customer Service Assessment Scale (CSAS) by Martin (1986) was to find out to what extent a restaurant is meeting customers' needs. The scale includes 40 factors, half of which represent service procedures and the rest, friendliness. By implementing the scale, plotting the responses was made to fall in 4 service areas: freezer, factory, friendly zoo, and full balance service. The Service Attitude Questionnaire (SAQ) by Larsen and Bastiansen (1992) is an instrument for measuring 3 service attitude levels, namely, cognitive, emotional/ affective, and behavioral. The SAQ can be employed for measuring service orientation.

Another study by Dienhart et al. (1992) measured employee service orientation in the restaurant industry and found that 3 parts constitute it: organizational support (includes how efficiently management encourages service, trains employees, designs the internal service system, and organizes protocols to make service more efficient), customer focus (includes customer service interaction, enjoyment, and overall satisfaction), and service under pressure (how well customer expectations are met and service delivered during busy hours). Following Dienhart et al. (Dienhart et al., 1992), Groves (1992) developed a strong service orientation scale according to which three components exist: organizational support, customer focus, and service under pressure. The Customer Service Skills Inventory (CSSI) used to evaluate employee service orientation, was developed by Sanchez and Fraser (1993) to overcome the problems with traditional personality tests for employment, and to recognize the people that have what it takes in terms of skills and personality to be successful in the service world. Another scale, the Service Orientation Scale (SOS) developed by Donovan et al. (1999) also attempts to include both conflicting views, namely, personality and environmental variables to predict service behavior. Donovan's view of service orientation is also a correlation between personality features and service conditions, and the service orientation scale includes five measures: Satisfy the customer, assess the customer, delivery ability, keeping the customer informed, and rapport with the customer.

Organizational Service Orientation: The organizational service orientation concept is not yet very popular among the variety of concepts designed to assess a firm's ability to achieve excellence. It outlines the employee attitudes and behaviors which have direct impact on a firm's service delivery quality and keeps track of interactions between an organization and customers. Even though Bowen et al. (1989) were the first to talk about organizational service orientation, worthy of credit is also the article "A Passion for Service" is the first attempt to really explore organizational service orientation. The article argues that companies can promote a service environment by setting up practices that facilitate service delivery and by expecting and rewarding service excellence. Simply put, customers receive superior service if

employees are treated well and are provided with appropriate resources by the respective organization.

Looking from an organizational culture perspective, Lytle (1994) defined service orientation as a set of organizational practices that have pretty much lasted, and which create and deliver services in a superior manner as a strategic response to market information. Later, Lytle et al. (1998) describes an organizational service orientation as a basic set of enduring organizational policies of an entire organization, and supporting and rewarding service behaviors resulting in the delivery of "service excellence".

As noted in recent literature, service orientation majorly affects organizational performance (Homburg et al., 2002; Kohli & Jaworski, 1990; Lytle et al., 1998; Narver & Slater, 1990). Service orientation can also be effectively summarized as an organization's inclination and its strategy towards achieving superior service. The strategic steps taken by service-oriented firms to ensure excellent value, satisfied customers, employee satisfaction, loyalty, staying ahead of the competition, growth and profit, usually include planning, pro-actively engaging, as well as rewarding deserving employees (Heskett et al., 1997; Lytle & Timmerman, 2006; Schneider & Bowen, 1995). It is also believed that organizational service orientation is vital to the success of enterprises (Homburg et al., 2002; Walker, 2007). Service orientation is positively related to the core service delivery characteristics and business performance. Empirical investigations in a banking setting present the influence of service orientation on variables like service quality image, organizational commitment, and profitability (Lytle & Timmerman, 2006). In the medical service industry, for instance, the relationship between service orientation and business performance features was reflected in the form of re-patronage intention, positive word of mouth, the importance of staff satisfaction, service value, and the customers (Urban, 2009; Yoon, Choi, & Park, 2007). Even in the educational field, client satisfaction is the result of service orientation identified as a "common denominator" (Walker, 2007). According to González and Garazo (2006) organizational service orientation generally influences employees in a positive way, and also the organizational community behavior. Since organizational service orientation is present in the public services, Åkesson et al. (2008) have proposed its implementation in public e-government services to some extent, where it would likely make useful contributions.

Organizational Service Orientation Measurement: To measure and identify the state of organizational service orientation in many service industries, researchers use several different tools.

Service Climate Themes: To explain underlying themes for an organization's service environment, Schneider et al. (1998) carried out 97 panel interviews with 350 financial company employees, in which the participants were asked about their company's service climate. The results were analyzed and six service environment dimensions were identified: The environment, Coordination, Interpersonal relationships, Service, Human resources, and Other sources. Content analysis does not provide a completely psychometrically accurate view of organizational service

orientation, but some main themes in the organizational service environment can be seen.

Marketing Culture Scale: Webster (1993) to refine the service firm marketing scale in 1990, carried out interviews with 30 service employees from top managers to operational level staff. The questions posed were regarding the quality of the proposed dimensions along with the items used to measure each dimension. Based on the input, Webster (1993) created a reliable and valid marketing culture scale, composed of 6 dimensions: Service quality, Interpersonal relationships, Interpersonal communications, Innovation, Organization, and Selling task.

SERV*OR Scale: SERV*OR, a service orientation measurement developed by Lytle et al. (1998), turned out to be very useful. It consists of 35 questions describing four organizational service orientation attributes, in turn comprising 10 dimensions, all presented later. The measurement was tested and confirmed in American banking and retailing building suppliers sectors. The interesting thing about SERV*OR, according to the makers, is that it can be used among different industries and work environments, making it a universal instrument for assessing service orientation. SERV*OR was successfully implemented in the hospitality industry (González & Garazo, 2006), medical services (Yoon et al., 2007) banking sector (Lynn, Lytle, & Bobek, 2000; Lytle et al., 1998; Saura, Contrí, Taulet, & Velázquez, 2005) and retail building suppliers (Lytle et al., 1998), just to name a few. One of SERV*OR's advantages could be that it does not measure values and beliefs, but only practices within an organization, making it universal. Another advantage of SERV*OR is that the items purport to measure ten elements, so the analysis can be facilitated by evaluating different aspects of a service climate instead of a global service climate scale. As previously mentioned, Lytle et al. (1998) described an organizational service orientation made up of ten basic elements resulting from the best-in-class service practices and procedures. As shown in (Table 1) these ten elements (dimensions) are further grouped into four service orientation attributes:

Service Leadership	Service Encounter
1- Servant Leadership	1- Customer Treatment
2- Service Vision	2- Employee Empowerment
HRM	Service System
1- Service training	1- Service Failure Prevention
2- Service Rewards	2- Service Failure Recovery
	3- Service Technology
	4- Service Stds. Comm

Table 1. Service orientation: components and dimensions Lytle et al. (1998).

Service Leadership Practices: With dimensions comprised of servant leadership (Models inspire, motivate, and enable the attainment of superior service delivery), and a service vision (The organization's policy has clearly laid-out service goals and objectives) infiltrating the whole organization. Leadership has an important impact on the overall effectiveness of companies. Leadership can guide the development of human resources and their performance in a

variety of organizational contexts comprising service organizations (Dvir, Eden, Avolio, & Shamir, 2002). Leadership is one of the most important ingredients for making and keeping an effective service orientation. The attitudes and behaviors of leaders design the service orientation of companies (L. L. Berry et al., 1994). Based on Siehl (1992), it is essential to repeat the significance of service leadership. To be viewed as a service leader, service employees should be perceived by customers as being caring, courteous, supportive, flexible, and understanding. He found that companies evaluated as service leaders were able to charge 9% to 10% more for their services. These organizations improved market share by 6% per year and average return on sales was 12% compared with 1% for firms evaluated as poor service providers.

Service Encounter Practices: Referring to employee/customer interaction, including customer treatment (The way customers are treated and the effects of their perceptions of service performance and customer satisfaction) and employee empowerment (Employee dependability and ability to meet customer needs as quickly and effectively as possible) for better decision making on job-related duties. Lytle and Timmerman (2006) defined service encounters as any organization interactions with customers. Service encounters are described as "moments of truth" because frontline employees serve as the point of contact and make a picture of, or represent the organization in the mind of the customer (Johnson, 2011). Many thousands of 'moments of truth' take place each day.

As mentioned by Lytle and Timmerman (2006), customer treatment, at its most fundamental level, is service quality. Customer treatment means that service employees should pay attention to satisfying the customers' needs and preferences and offer individualized attention and response to make each customer feel special (González & Garazo, 2006). It is also important for employees to put the needs of customers before their own and to restrict the occasions when customers are disappointed. Empowerment is the act of vesting substantial responsibility to employees. In other words, empowerment enables the employee to have a degree of autonomy or control over significant aspects of their work life that will enhance service expectations of customers (Lashley, 1999). Employee performance in the service encounter is difficult to standardize given the dynamic nature of the industry hence, the importance of allowing employees some amount of autonomy. An empowered employee is said to respond more quickly to customers' requests and complaints and is more engaged in service encounters. When employees are empowered there is greater potential to transform service delivery encounters (Lashley, 1999).

Service System Practices: Referring to creating systems of service and providing elements like service failure prevention and recovery (Practices that pro-actively prevent and respond to service failures, as well as react effectively to customer complaints), the use of service technologies (Using cutting-edge technology vital for the creation of a service system that delivers outstanding service quality) to provide greater value to customers, and the communication of service standards (Relates to how effectively all members understand their organization's service standards) necessary for an

efficient service system. Each of these service-related practices is necessary to make and deliver excellent service quality and is connected to service performance. Service systems may be delineated as the systems utilized to deliver consistent service quality to customers (Lytle et al., 1998). Designing customer-friendly service systems contribute to the firm's ability to deliver quality service. The delivery of consistent service quality depends on how effective the service creation and service delivery system is designed and how well it functions (Lytle et al., 1998).

Human Resources Management (HRM) Practices: including service orientation training (Advanced training of the team on problem-solving and interpersonal skills in order for members to deliver outstanding customer service) and reward systems (Employee compensation/reward based on service performance). The employees in an organization are the most important asset serving as a source of competitive advantage. There are certain human resource management activities that organizations should adopt to maximize on the potential of employees. Human resource management practices include job analysis, performance appraisal, development initiatives, compensation, and labor relations (Werner, 2000). Human resource management activities have been found to be positively related to organizational performance (Boselie, Dietz, & Boon, 2006; Harel & Tzafrir, 1999). Lytle and Timmerman (2006) pointed out that "the organization's ability to produce external service quality is directly related to issues of internal service quality" (p. 565). Also, customers reflect on their experiences more positively when employees rate the human resource management practices of their organization favorably (Schneider et al., 1998). Lytle and Timmerman (2006) further noted that an organization that is service oriented will have a better focus on sound human resource management practices.

CONCLUSIONS

The most important contribution made by the present paper is the literature review on service orientation in the field of banking industry. Internationalization has largely led the banking industry to undergo very fast transformations as well

as partaking in a more competitive environment. Moreover, as a result of global deregulation, numerous new banks are being established, which brings about clients with higher demands due to the availability of more choices and options. This is why bank management has adopted marketing strategies like service orientation by changing from passive conservatism to active business orientation (Opoku, Atuobi-Yiadom, Chong, & Abratt, 2009). With these changes and increasing competition, it is now a matter of survival for banks. A possible solution to this challenge is to develop service orientation. The role of organization's service orientation in obtaining a sustainable competitive advantage in modern marketing literature has been recognized. Therefore, investigating service orientation with regards to the relationship and strategy between the organization and the customer it has become very important for organizations to understand fundamentally and fulfill needs of consumers in order to prosper in a highly competitive market environment (Liang et al., 2010). The development of organized and profitable services in banking industry is not immediate. Literature propose that increasing the service orientation starts with the consolidation of the existing service offerings, continues with the entry in the installed base service market, the expansion to relationship and process-oriented services, and ends up with the taking-over of customer processes. Implementing of services orientation strategy should keep in step with deliberate organizational arrangements. Only the banks understanding the challenges or risks and take appropriate means to solve them can triumph over the service strategy. Giving a number of useful insights and contributions to theory through the study, the limitations of the research design provides two potentially fruitful lanes for future research in particular. First, a combination of the exploratory, qualitative approach with a more descriptive, broader survey design would be a good choice to mix orientation emphases and performance metrics. Second, future work might assess the generalizability of the gained conclusions here, which could be significantly boosted by considering focuses and environmental factors in vaster business and national contexts. It is hoped that the study act as a catapult towards such future developments.

REFERENCES

- Åkesson, M., Skålén, P., & Edvardsson, B. (2008). E-government and service orientation: gaps between theory and practice. *International Journal of Public Sector Management*, 21(1), 74-92.
- Alge, B. J., Gresham, M. T., Heneman, R. L., Fox, J., & McMasters, R. (2002). Measuring customer service orientation using a measure of interpersonal skills: a preliminary test in a public service organization. *Journal of Business and Psychology*, 16(3), 467-476.
- Beatty, S. E., & Gup, B. (1989). A guide to building a customer service orientation. *Journal of Retail Banking* 11 (2), 15-22.
- Bendapudi, N., & Bendapudi, V. (2005). Creating the living brand. *Harvard Business Review*, 83(5), 124-132.
- Berry, J. Bjorkman O (1980) Photosynthetic response and adaptation to temperature in higher plants. *Annu Rev Plant Physiol*, 31, 491-543.
- Berry, L. L. (1981). The employee as customer. *Journal of Retail Banking*, 3(1), 33-40.
- Berry, L. L., Parasuraman, A., Zeithaml, V. A., Adsit, D., Hater, J., Vanetti, E. J., & Veale, D. J. (1994). Improving Service Quality in America: Lessons Learned [and Executive Commentary]. *The Academy of Management Executive* (1993-2005), 32-52.
- Boselie, P., Dietz, G., & Boon, C. (2006). Commonalities and contradictions in HRM and performance research. *Human Resource Management Journal*, 15(3), 67-94.
- Bowen, D., Hughes, S., Sykes, G., & Miller, G. (1989). Land-sea correlations in the Pleistocene based on isoleucine epimerization in non-marine molluscs.

- Carraher, S., Parnell, J. A., & Spillan, J. E. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4(3), 251-268.
- Cran, D. J. (1994). Towards validation of the service orientation construct. *The Service Industries Journal*, 14(1), 34-44.
- Di Mascio, R. (2010). The Service Models of Frontline Employees. *Journal of Marketing*, 74(4), 63-80.
- Dienhart, J. R., Gregoire, M. B., Downey, R. G., & Knight, P. K. (1992). Service orientation of restaurant employees. *International Journal of Hospitality Management*, 11(4), 331-346.
- Dietz, J., Pugh, S. D., & Wiley, J. W. (2004). Service climate effects on customer attitudes: An examination of boundary conditions. *The Academy of Management Journal*, 81-92.
- Donovan, M. S., Bransford, J. D., & Pellegrino, J. W. (1999). *How People Learn: Bridging Research and Practice*: National Academy Press.
- Dotson, M., & Patton, W. (1992). Consumer perceptions of department store service: a lesson for retailers. *Journal of Services Marketing*, 6(2), 15-28.
- Dvir, T., Eden, D., Avolio, B. J., & Shamir, B. (2002). Impact of transformational leadership on follower development and performance: A field experiment. *Academy of Management Journal*, 45(4), 735-744.
- Finch, J., & Helms, M. (1996). The changing face of retail banking. *Bank Marketing*, 28(6), 49-52.
- Garg, R. K., & Chan, K. K. (1997). Service orientation and small business marketing. *Journal of Professional Services Marketing*, 15(2), 131-143.
- Goldberg, D. T. (1993). *Racist culture: Philosophy and the politics of meaning*: Wiley-Blackwell.
- González, J. V., & Garazo, T. G. (2006). Structural relationships between organizational service orientation, contact employee job satisfaction and citizenship behavior. *International Journal of Service Industry Management*, 17(1), 23-50.
- Groves, J. L. (1992). *Perceived service orientation of restaurant employees*. Kansas State University.
- Harel, G. H., & Tzafrir, S. S. (1999). The effect of human resource management practices on the perceptions of organizational and market performance of the firm. *Human Resource Management*, 38(3), 185-199.
- Heskett, J. L., Sasser, W. E., & Schlesinger, L. A. (1997). *The service profit chain: How leading companies link profit and growth to loyalty, satisfaction, and value*: Free Pr.
- Hogan, J., Hogan, R., & Busch, C. M. (1984). How to measure service orientation. *Journal of Applied Psychology*, 69(1), 167.
- Homburg, C., Hoyer, W. D., & Fassnacht, M. (2002). Service orientation of a retailer's business strategy: Dimensions, antecedents, and performance outcomes. *Journal of Marketing*, 66(4), 86-101.
- Homburg, C., & Stock, R. M. (2005). Exploring the conditions under which salesperson work satisfaction can lead to customer satisfaction. *Psychology and Marketing*, 22(5), 393-420.
- Jaramillo, F., Ladik, D. M., Marshall, G. W., & Mulki, J. P. (2007). A meta-analysis of the relationship between sales orientation-customer orientation (SOCO) and salesperson job performance. *Journal of Business & Industrial Marketing*, 22(5), 302-310.
- Johnson, K. R. (2011). *The Relationships among Organizational Service Orientation, Customer Service Training, and Employee Engagement*. University of Minnesota.
- Kelley, S. W. (1992). Developing customer orientation among service employees. *Journal of the Academy of Marketing Science*, 20(1), 27-36.
- Kim, W. G., Leong, J. K., & Lee, Y. K. (2005). Effect of service orientation on job satisfaction, organizational commitment, and intention of leaving in a casual dining chain restaurant. *International Journal of Hospitality Management*, 24(2), 171-193.
- Kohli, A. K., & Jaworski, B. J. (1990). Market orientation: the construct, research propositions, and managerial implications. *The Journal of Marketing*, 1-18.
- Kotler, P., Saliba, S., & Wrenn, B. (1991). *Marketing Management: Analysis, Planning, and Control: Instructor's Manual*: Prentice-Hall.
- Larsen, S., & Bastiansen, T. (1992). Service attitudes in hotel and restaurant staff and nurses. *International Journal of Contemporary Hospitality Management*, 4(2).
- Lashley, C. (1999). Employee empowerment in services: a framework for analysis. *Personnel Review*, 28(3), 169-191.
- Liang, R. D., Tseng, H. C., & Lee, Y. C. (2010). Impact of Service Orientation on Frontline Employee Service Performance and Consumer Response. *International Journal of Marketing Studies*, 2(2), p67.
- Liao, H., & Chuang, A. (2004). A multilevel investigation of factors influencing employee service performance and customer outcomes. *The Academy of Management Journal*, 41-58.
- Lynn, M. L., Lytle, R. S., & Bobek, S. (2000). Service orientation in transitional markets: does it matter? *European Journal of Marketing*, 34(3/4), 279-298.
- Lytle, R. S. (1994). Service orientation, market orientation, and performance: an organizational culture perspective. Unpublished Doctoral Dissertation, Arizona State University, Arizona.
- Lytle, R. S., Hom, P. W., & Mokwa, M. P. (1998). SERV* OR: a managerial measure of organizational service-orientation. *Journal of Retailing*, 74(4), 455-489.
- Lytle, R. S., & Timmerman, J. E. (2006). Service orientation and performance: an organizational perspective. *Journal of Services Marketing*, 20(2), 136-147.
- Marinova, D., Ye, J., & Singh, J. (2008). Do frontline mechanisms matter? Impact of quality and productivity orientations on unit revenue, efficiency, and customer satisfaction. *Journal of Marketing*, 72(2), 28-45.
- Martin, W. B. (1986). Measuring and improving your service quality. *Cornell Hotel and Restaurant Administration Quarterly*, 27(1), 80-87.
- McBride, S. L., Brotherson, M. J., Joanning, H., Whiddon, D., & DEMMITT, A. (1993). Implementation of Family-Centered Services. *Journal of Early Intervention*, 17(4), 414.
- Mill, S. J. (1986). A system of logic.

- Murdick, R. G. (1990). *Murdick, Render and Russell (1990) Service operations management*: Allyn and Bacon (Boston).
- Narver, J. C., & Slater, S. F. (1990). The effect of a market orientation on business profitability. *The Journal of Marketing*, 20-35.
- O'Connor, S. J., Trinh, H. Q., & Shewchuk, R. M. (2000). Determinants of service orientation among medical students.
- Opoku, R. A., Atuobi-Yiadom, N., Chong, C. S., & Abratt, R. (2009). The impact of internal marketing on the perception of service quality in retail banking: A Ghanaian case. *Journal of Financial Services Marketing*, 13(4), 317-329.
- Parkington, J. J., & Schneider, B. (1979). Some correlates of experienced job stress: a boundary role study. *Academy of Management Journal*, 270-281.
- Pettijohn, C. E., Pettijohn, L. S., & Taylor, A. J. (2002). The influence of salesperson skill, motivation, and training on the practice of customer oriented selling. *Psychology and Marketing*, 19(9), 743-757.
- Sanchez, J. I., & Fraser, S. L. (1993). Development and validation of the Corporate Social Style Inventory: A measure of customer service skills. *Report-Marketing Science Institute Cambridge Massachusetts*.
- Saura, I. G., Contrí, G. B., Taulet, A. C., & Velázquez, B. M. (2005). Relationships among customer orientation, service orientation and job satisfaction in financial services. *International Journal of Service Industry Management*, 16(5), 497-525.
- Saxe, R., & Weitz, B. A. (1982). The SOCO scale: a measure of the customer orientation of salespeople. *Journal of Marketing Research*, 343-351.
- Schneider, B., & Bowen, D. (1995). *Winning the Service Game* (Boston, MA, Harvard Business School Press).
- Schneider, B., White, S. S., & Paul, M. C. (1998). Linking service climate and customer perceptions of service quality: Tests of a causal model. *Journal of Applied Psychology*, 83(2), 150.
- Siehl, C. (1992). Cultural leadership in service organizations. *International Journal of Service Industry Management*, 3(2), 17-22.
- Tian, Y., Li, H., & Yang, Y. (2012). *How could service-orientation contribute to business performance: The mediation effect of service practice*. Paper presented at the Management Science and Engineering (ICMSE), 2012 International Conference on.
- Urban, W. (2009). Organizational service orientation and its role in service performance formation: evidence from Polish service industry. *Measuring Business Excellence*, 13(1), 72-81.
- Walker, J. (2007). Service climate in New Zealand English language centres. *Journal of Educational Administration*, 45(3), 315-338.
- Webster, C. (1993). Refinement of the marketing culture scale and the relationship between marketing culture and profitability of a service firm. *Journal of Business Research*, 26(2), 111-131.
- Werner, J. M. (2000). Implications of OCB and contextual performance for human resource management. *Human Resource Management Review*, 10(1), 3-24.
- Yoon, S. J., Choi, D. C., & Park, J. W. (2007). Service orientation: its impact on business performance in the medical service industry. *The Service Industries Journal*, 27(4), 371-388.
- Zeithaml, V. A., Parasuraman, A., & Berry, L. L. (1985). Problems and strategies in services marketing. *The Journal of Marketing*, 33-46.