Employees’ Perceptions of Customer Service at Telephone Communications (Telkom) Call Centres in South Africa

Maxwell Agabu Phiri and Sifiso Mkhize

University of KwaZulu-Natal, School of Management, Pietermaritzburg, Private Bag X01, Scottsville 3209, South Africa

Telephone: +27 33-2605843, Fax: +27 33-2606150, E-mail: phirim@ukzn.ac.za


ABSTRACT This paper aimed to discuss the perceptions held by employees towards the objectives of the system employed in their organization to assess their service interactions with customers, their perceptions of fairness of the system, and how such fairness relates to their satisfaction with the assessment outcomes. The study’s population, consisting of employees working within service assurance call centres situated in Bloemfontein, Cape Town and Gauteng comprised of 117 respondents. To achieve the paper’s objective the researchers used a self-administered questionnaire and the data collected was managed and analysed using the Statistical Package for the Social Sciences (SPSS). The findings of the study indicated that employees perceive the uses of assessing their service interactions with customers as both developmental and administrative, perceive fair outcomes and procedures used in determining the outcomes, they are satisfied with assessment outcomes, view the system used to assess their interactions as effective and trustworthy.

INTRODUCTION

The call centre industry has developed significantly over the last decade, primarily because of the advanced technology available and the decline in costs of communications and data transmission (Muswera et al. 2014). This has made it easier for the companies in the various industries to offer better customer service. According to Robbins and Coutler (2005: 345), a call centre is a physical or virtual operation within an organisation in which a managed group of people spend most of their time rendering business services by telephone, usually in a computer-automated environment (Muswera et al. 2014). The centre also allows a company to build, maintain and manage customer relationships by solving problems and resolving complaints quickly, having information, answering questions and being available. Call centres are forming the heart of successful customer relationship strategies and they provide firms with valuable information about the performance of their services (Muswera et al. 2014).

Service industries, including call centres, have frontline staff commonly known as agents, customer service representatives or service consultants. These frontline staff interacts with customers to provide a service. Their function is critical to the success of service organizations, particularly given the high competition many organizations face in the marketplace (Browning 2006). Customers view service consultants as service providers who carry the responsibility of projecting their organization’s image and creating a satisfying experience for the customer, thus customers’ service experiences rest in the hands of service consultants (Browning 2006; Bettencourt and Brown 1997; Bowen and Lawler 1992; Redman and Mathews 1998; Schneider and Bowen 1995). Besides enhancing service organizations’ productivity, the service consultants are expected to deliver excellent customer service and thus satisfy customers. For organizations within the service industry (for instance call centres) to ensure that resources employed to deliver expected service outcomes will meet the required performance standards, they must make reliable judgments on the quality of employee-customer service interactions.

Assessing or evaluating performance is common practice the world over. This practice is often referred to as a performance appraisal. Organizations use performance appraisal for several purposes, chiefly as both an administrative and developmental tool (Youngcourt et al. 2007).

Within organizations an employment-employee relationship exists. The employers have their objectives and the individuals who are in the employ of the organizations have their own objectives as well. The role players in perfor-
formance appraisals have goals or objectives that must be met and there will be cases where performance and performance goals will not tally (Beer 1981). Researchers have found that the fairness of organizational practices predicts important organizational outcomes, including employee loyalty (Schraubroeck et al. 1994) and commitment (Konovsky and Folger 1991). There is also a significant relationship between unjust practices and negative organizational outcomes, such as employees engaging in retaliatory behavior (Skarlicki and Folger 1997) and theft (Greenberg 1990).

According to Nowakowski and Conlon (2005), fairness affects many actions and reactions that occur in organizations for, when a decision, procedure or social interaction is seen to be inappropriate, employees will experience fairness violation. Employees develop attitudes about the appraisal based on its uses and the fairness of outcomes of the assessment process. Bowen et al. (1999) note that treating employees fairly has a positive spillover effect on customers.

Research Problem Statement

This study seeks to investigate the perceived uses or purposes of assessing employee-customer service interactions, including the perceived fairness of the assessment process, and how perceptions of fairness relate to employee satisfaction with assessment outcomes. Before employees can develop an opinion on the fairness or unfairness of the assessment tool utilized by the organization, they must first understand the objectives of the system. These objectives could be: the improvement of the organizational/customer relationship, rating employees' effectiveness or generating an input into remuneration or promotion decisions.

The study attempted to gain insight into the perceptions of the people who interact with customers and who are the recipients of the outcomes of the appraisal or assessment process, in terms of their views on the uses or functions associated with this tool. In addition, it is necessary to understand whether employees perceive that the outcomes from the tool used to assess their performance are fair as well as their satisfaction with the assessment outcomes. Testing the relationship between employees' perception of fairness and their satisfaction with the assessment outcomes, encompassing the impact of fairness on satisfaction with assessment outcomes, can then be carried out.

The Research Questions

The research questions that this study sought to answer were:

- What do employees perceive the uses or purposes of assessing customer service interactions to be?
- Do employees perceive that fair outcomes are generated from the assessment of customer service interactions?
- Do employees perceive the procedures used in determining assessment outcomes as being fair?
- Are the employees satisfied with the assessment outcomes?
- Do employees perceive the system used to assess their service interactions with customers as effective and trustworthy?
- Is there a relationship between perceived fairness and the satisfaction with assessment outcomes?
- What is the impact of perceived fairness on the level of satisfaction with assessment outcomes?

Literature Review

Performance Appraisal Theory

Performance appraisal is one of the most widely researched tools in human resource management (Fay 2006) and has been a major focus of industrial organizations and management scholars for decades, with rater accuracy being a major focus (Balzer and Sulsky 1990; Fletcher 2001; Whiting and Kline 2007). According to Sanyal and Biswas (2014), performance is the outcome of work. However, the performance itself has various dimensions based on different bases (Beats and Holton 1995). To measure and control the individual performance and thus integrating it to the organizational objective to achieve expected results (Boxall and Purcell 2003) is undoubtedly performance appraisal. The strategic goal of the organization depends on individual performance through the interaction between three interlinked levels: (i) Organizational, (ii) Process, and (iii) Job (Rummler and Brache 1995; Sanyal and Biswas 2014).
Additionally, goal-setting theory suggests that the level of goal achievement is closely linked to employee satisfaction. Often, corporations link goal achievement to remuneration systems such as performance-related pay. Earlier studies have revealed that performance-related pay is associated with higher levels of overall (job) satisfaction (Kampkotter 2014; Heywood and Wei 2006; Green and Heywood 2008). In a recent paper Bryson et al. (2012) analytically examined the relationship between piece-rate, team-incentive, or profit-sharing schemes and job satisfaction and show that workers under PRP schemes are more satisfied with their job, controlling for wage levels as well as individual, business unit, and country fixed effects (Kampkotter 2014).

In performance appraisal, organizations seek to assess employees and develop their competence, with key activities being goal setting and feedback (Fletcher 2001). The research community’s driving concern has traditionally been the issue of rating accuracy during the appraisal process; that is to say, the subordinate’s appraisal outcomes should indeed be an accurate testimony to the subordinate’s actual performance during a particular period of time (Longenecker and Ludwig 1990). Nowadays, it has widened as a concept and set of human resource practices. Given the issue of accuracy, the bulk of research efforts were thus directed at developing a rating instrument that would produce accurate ratings. Researchers’ efforts were focused on producing a rating instrument to produce accurate ratings with the assumption that raters would be satisfied with the rating instrument used because it would be unlikely to produce inaccurate outcomes or be contaminated with rating errors (Longenecker and Ludwig 1990; Bernadin and Beatty 1984; Landy and Farr 1983). As a result, research on the subject has moved from the limited confines of measurements and accuracy of performance ratings and has begun to focus more on social and motivational aspects of appraisal (Fletcher 2001; Longenecker and Ludwig 1990).

The performance appraisal tool plays an influential role in affecting decisions that include compensation, promotions, demotions, transfers and dismissals; hence, its accuracy in terms of rating outcomes is very critical (Fay 2006). Within an organizational environment, there is an employment relationship between the employer and employee. The existence of an employment relationship creates expectations for both the employer and employee. From the employer’s perspective, expectations pertain to whether the employee performs within set standards, whilst on the employee side, the expectations pertain to being recognized by the employer for meeting or exceeding the set performance standards; thus, this indicates the existence of contractual obligations between the two parties involved in the relationship (Fay 2006). In the employment relationship, the employer administers performance appraisal or evaluation of the tasks performed by the employee. Within the appraisal process, two fundamental parties are involved, namely the employee and the employer, who can be referred to as the appraiser and appraisee or rater and ratee. The process involves one person judging another person who may be prone to errors or using a subjective process (Ludwig and Longenecker 1990).

For the organizations, appraisal has become a general heading for various activities where the employer seeks to assess employees’ performance against stated objectives, develop their competence and distribute the rewards (Fletcher 2001; Western and Wilson 2000; Becton et al. 2007). According to Wilson and Western (2000), performance appraisal is part of a larger process of performance management. The term performance appraisal is essentially described as being a process of judgment and evaluation of employees’ performance in the workplace by a supervisor or team tasked with administering the process (Rademan and Vos 2001; Sabeen and Mehbob 2008). It is amongst the most important human resource practices (Boswell and Boudreau 2002; Kuvaas 2006) and has been one of the most researched and hotly debated topics in work psychology as well as personnel circles (Fletcher 2002; Kuvaas 2006; Gabris and Ihrke 2001).

**Performance Appraisal Uses/ Purposes, How It Relates to Employee Satisfaction**

Performance appraisal has been a subject of interest to researchers, yielding numerous mixed results and conclusions (Boswell and Bourdeau 2002). Various philosophies may help to comprehend the relation between performance appraisals and job satisfaction. Based on (Kampkotter’s 2014) research, studies in cognitive psy-
chology show that measurable and challenging goals help to align individuals’ and companies’ goals leading to higher levels of motivation and, hence, employees’ work effort (Kampkotter 2014).

Organizations use it for multiple purposes. It is used as a tool to reward, discipline, coach and counsel employees, negotiate improvements in performance, improve the work environment, raise morale, clarify expectations and duties, improve upward and downward communication, reinforce management control, help validate selection decisions, provide information to support HR activities, identify development opportunities, improve perception of organizational goals, and to select people for promotion and redundancy (Longenecker and Goff 1992; Wilson and Western 2000; Chu and Chen 2007).

Organizations have multiple uses for performance appraisals. Despite the multiple or numerous uses, there are common elements to almost all performance appraisal systems:

- The individuals’ performance, behaviors or traits are judged or rated by someone else, such as a supervisor or designated employee charged with administering the appraisal.
- The appraisals are scheduled, usually annually or quarterly as opposed to being tied to the completion of a particular task.
- The ratings or judgments are systematically undertaken with all employees of a particular department as opposed to being applied to selected individuals.

The process is mandatory and linked to some form of pay rise increase, promotion, and demotion or dismissal decision or to develop individuals in order to be able to perform according to the established performance standards. Such information is recorded and kept on file by the employer (Law 2007; Coens and Jenkins 2002: 13-14).

Organizations go to considerable lengths and effort in undertaking performance appraisals because they see them as a vehicle bringing about increases in productivity and profitability. It can also be argued that employers may use their power or authority to withhold compensation, in the form of pay rises, promotions or rewards, where the performance of the employee being appraised is below expected standards. This is the case where performance appraisal uses a top-down approach rather than multiple sources. In the multi-rater approach, not only the supervisor administers the assessment process however information about the incumbents performance is collected from more than one source including oneself, peers, supervisor and customers (Flint 1999).

According to Youngcourt (2007), performance appraisal is traditionally a top-down process directed at individuals and serves both administrative and developmental purposes. The conventional perception of the performance appraisal is that it is a process intended to provide a rational basis for managerial decision-making about people’s performance and the findings are used to determine how effectively employees have performed in their jobs, as well as if there is a need for training or developmental action to help close the gap between actual performance and what is expected of the employees, and whether they qualify for a raise in pay or promotion, based on their actual performance (Nurse 2005).

In a study conducted by Boswell and Boudeau (2002), two uses of performance appraisals were examined: (1) the evaluative purpose, chiefly concerned with salary administration, promotion decisions, retention/termination decisions, recognition of individual performance, layoffs and the identification of poor performance; and (2) the developmental purpose, chiefly concerned with identifying individuals’ training needs, providing performance feedback in terms of whether expected standards of performance are being met or not, and distinguishing the individual employee’s strengths and weaknesses. Perceived evaluative uses were found to not be significantly related to satisfaction with the appraisal process, including the person administering the process, in this case the rater or appraiser; however, perceived development uses were found to be positively associated with performance appraisal satisfaction. This is an indication that where performance appraisal uses developmental, employees seem to be satisfied with the appraisal tool as well as the person administering it. This was further confirmed by the findings of Youngcourt (2007) in that, although there is a positive relationship between the perceived administrative and development aspects and the appraisal process and the appraisee, their uses were empirically found to be distinct.

Various studies point out that the objectives for conducting performance appraisals include
promotions, salary decisions, training or developmental needs. Their findings are not contradictory to that of other researchers who have been studying performance appraisal uses in the past decades.

The empirical study conducted by Chu and Chen (2007) within firms in the manufacturing and service industries in Taiwan reveals the existence of noticeable differences in the purposes of performance appraisals and the criteria used in such firms. The service industry pays more attention to administrative purposes whilst the manufacturing industry emphasizes developmental purposes. The service industry tends to use outcomes derived from the appraisal process in the administration of salaries and lay-off decisions whilst the manufacturing industry uses the outcomes for goal identification. The other difference is that the service industry has adopted quantitative outcomes as a means to assess goal accomplishment rates whilst the manufacturing industry focus is on qualitative process criteria to assess employees’ ability to make correct judgments.

Milliman et al. (2002) empirically examined the current purposes or uses of performance appraisal as is currently practiced and how employees believe they should ideally be practiced in 10 different countries and regions in Asia, North America and Latin America. The current practices examined include documentation, development, administration (such as pay and promotions), and subordinate expression. Their empirical results revealed that only four areas tended to have moderate emphasis on development, namely Australia, Canada, Latin America and Taiwan, whilst the rest of the areas tended to have moderate emphasis on development, except Korea, which had the lowest emphasis. The study revealed that employees in Taiwan, Latin America and Anglo-based countries felt that high emphasis should be placed on the development aspect of performance appraisal, whereas the remaining Asian countries indicated a preference for moderately high emphasis. Regarding the administrative uses or purposes, there was low to moderate emphasis in most countries. Regarding salaries, Australia, Mexico and Korea had low emphasis, whilst promotions had moderate emphasis in Canada, Indonesia, Mexico, the People’s Republic of China and the USA. Results indicated that employees felt that the ideal practices in terms of the administrative aspect of performance appraisal should receive moderate to moderately high emphasis, except in the Latin bloc; Taiwan showed a very high emphasis on what should be practiced. In terms of current practices related to subordinate expression, almost all countries placed low emphasis on this item. Only Australia and Latin America placed moderate emphasis on the subordinate voice being heard. Korea placed very low emphasis on this aspect. Results in terms of what should be practiced in this aspect of performance appraisal indicate that employees felt that very high emphasis must be placed on the subordinate voice in the Latin bloc and Anglo-Saxon countries, whereas in the remaining Asian countries, emphasis was only moderate to moderately high.

The results appear to paint a mixed picture on whether performance appraisals fulfill their intended uses or purposes. There seems to be a gap between current practices and what the process should ideally accomplish. It is interesting to note that in first world democracies like the USA, which the researchers assume most of literature on appraisal is based on, seem not to be practicing two-way communication during the evaluation process and employees do not have the opportunity to voice concerns on matters affecting them. This seems to reinforce some critics’ arguments in that they contend that the process creates more problems than it resolves. Also worth noting is the cultural differences in the 10 countries where studies were conducted. On the issue of the subordinate voice, it seems that Korean practices are extreme in that a challenge by an employee on the outcomes of an evaluation or assessment is viewed as a challenge to the status and power of supervisors (Milliman et al. 2002).

**Attitudes and Reactions toward Performance Appraisal Feedback**

Attitudes are not fixed and can be changed and influenced by a manager. One of the influential tools for starting the change in attitude of employees is Performance Appraisal. Employee participation and perceived clarity of goals (Roberts and Reed 1996) enhance performance appraisal satisfaction which leads to positive attitude of employees; it may also be positively related to affective commitment. According to Levy and Williams (2004), developmental performance
The dimensions of performance appraisal attitudes include satisfaction, utility or uses of the appraisal, and fairness (Whiting and Kline 2007). According to Levy and Williams (1998), it is likely that employees will be more satisfied with their performance appraisal system when they understand the components and uses of the system. One of the uses of performance appraisal is to let employees know where they stand. This is achieved through a process known as performance feedback, where the outcomes of the process, in the form of ratings, known to the employee. When employees are given feedback about their performance, they will either react positively or negatively. The recipients' level of satisfaction with the appraisal feedback is one of the consequences of the reactions to appraisal feedback (Jawahar 2006; Giles and Mossholder 1990; Keeping and Levy 2000). Jawahar (2006) conducted a study to investigate the correlation between satisfaction and performance appraisal feedback. The results of the study indicate that satisfaction with performance feedback was positively related to job satisfaction and organizational commitment and negatively related to turnover intentions. In addition, the results indicate that satisfaction with the rater and previous performance ratings influence an employee's satisfaction with appraisal feedback.

Kuvaas (2006) conducted a study to explore alternative relationships between performance appraisal satisfaction and employee outcomes in terms of work performance, effective organizational commitment and turnover intention. The findings suggest a direct relationship exists between performance appraisal satisfaction and effective commitment and turnover intentions. The relationship between performance appraisal satisfaction and work performance was mediated by intrinsic motivation. Fay (2006), in her study on employees’ reactions to performance appraisal, found that job satisfaction has the largest direct and overall effect on satisfaction with the performance appraisal process, confirming that employees’ attitudes about their jobs outweigh the social context. Pettijohn et al. (2001), in their study examining the relationship between performance appraisal characteristics and salespersons' job satisfaction, indicated that when appraisals provide clear criteria, and met with the salesperson’s approval, the appraisals are perceived as fair and are used in determining rewards, and therefore the salesperson’s job satisfaction increases.

Whiting and Kline (2007) conducted a study to assess whether attitudes relevant to organizations can be predicted by the congruence (that is, person and environment fit model describing the congruence between values, goals and expectations of employees and those of the organization) of what employees hope for in a performance appraisal system and what they are currently being appraised on. The findings suggest that performance appraisal congruence positively predicts performance appraisal attitude, which then predicts effective organizational commitment and turnover intentions.

Despite the widespread uses or purposes of performance appraisal and the proclamations made by researchers of the critical role the tool plays in effectively managing human resources, critics to the process contend that it can create more problems than it solves (Milliman et al. 2002; Lawler 1991). Its criticism involves issues that it is opinion-based (not factual), generally one-sided and rarely based on metrics (Heathfield 2007). Furthermore, according to (Heathfield 2007), managers hate conducting performance appraisals, they are uncomfortable in the role of being a judge and they will try avoiding the process at all costs, fearing that this will lead to provoking a defensive response from employees, and therefore managers avoid giving honest feedback to employees, thus defeating the purpose of the performance appraisal. If these conditions cited by Heathfield exist in organizations where managers find themselves lacking the courage to confront employees with negative feedback because they fear workplace dis-harmony, then employees will be denied the opportunity of learning and growing from the process, which is an undesirable outcome of the performance appraisal. This will mean that managers are either architects of continuous poor work performance or major contributors to it, which ultimately will have a negative impact on the organization attaining its goals or strategic objectives.

According to Law (2007), the appraisal process undermines teamwork because individuals are torn between actions that will benefit the team and its goals, and actions that might place...
the employee in a good light for the appraiser. In other words, Law means that the appraisal process does not contribute to the creation of conditions in the workplace where teamwork will thrive and be sustained, as the employee’s focus is on himself/herself, and not to the benefit of the team. Law (2007) appears to have a valid argument in his conclusion that the performance appraisal process does not contribute to teamwork in the workplace and rather makes the individual strive to look good in the eyes of the appraiser, because it does not consider what the individual has contributed to the knowledge of his/her colleagues in terms of knowledge transfer in carrying out a work-related task. Certain employees in the workplace have become skillful in executing work-related tasks evaluated in the performance appraisal system employed by the organization and receive favorable ratings, not through the efforts of the supervisor. In other words, Law (2007) points out that the performance appraisal process is limited in terms of assessing the contribution of individuals towards the effectiveness of the team.

Nickols (2007) suggests that executives in organizations should scrap the performance appraisal system rather than continually redesign it. His belief is that the negatives associated with performance appraisal systems far outweigh the benefits. Cited benefits include goal setting, receiving feedback, career management, objective assessment, and legal protection. The negatives include reduced productivity, eroded performance, damaged morale and motivation, fostering a short-term view among employees, and institutionalizing values and bias.

**Similarities and their Effect on the Appraisal Process, including Employees’ Satisfaction with the Process and Outcomes**

There are different types of nuances and complexities associated with performance appraisal (Schraeder and Simpson 2006) and the relationship between the rater and ratee (the supervisor who administers the performance assessment to the employee). Various aspects, such as age, race, tenure etc., can affect the relationship between the supervisor and employee. The existence of some form of relationship between the supervisor and employee will have an effect on the outcomes or ratings from the appraisal process. This has been confirmed by numerous studies that focus on the dynamics associated with the relationship between the supervisor and employee (Schraeder and Simpson 2006).

Demographic similarity between the rater and ratee is positively related to performance ratings (Schraeder and Simpson 2006; Turban and Jones 1988; Wayne and Liden 1995) and has also been shown to influence whether the supervisor likes the employee (Wayne and Liden 1995). Judge and Ferris (1993) also found that a supervisor liking an employee significantly affected performance ratings. Schraeder and Simpson (2006) and Turban and Jones (1995) note that a supervisor who perceived a subordinate as similar to him or her in character or attitude may treat this subordinate more favourably. This may manifest itself in the subordinate receiving favourable performance ratings.

Contrary to the findings of Turban and Jones (1995) and Wayne and Liden (1995), in the study conducted by Fay (2006) on how demographics affect the appraisal process and its outcomes, shared gender emerged as a powerful, positive predictor of overall satisfaction with the process. Race appears to have no relationship to subordinates’ satisfaction with the process. If the employee and supervisor are of the same gender, there is a significant increase in satisfaction with the appraisal process whereas race seemed to have negative, though not significant, effect on the overall satisfaction with the process (Fay 2006). Fay’s finding seems to contradict earlier findings by Turban and Jones (1995) and Wayne and Linden (1995), where demographic similarity between the employee and supervisor appears to have a significant effect on how employees perceive the process and that if the supervisor is the same as the employee (demographically), he or she seems to treat the subordinate favourably. This may be in terms of high rating scores awarded to an employee during performance evaluation. Fay appears to have distinctly examined the effects of each demographic element and how they relate to perceived overall satisfaction with the appraisal process. Comparing the findings of these researchers, Turban and Jones (1995) and Wayne and Linden (1995) seem to have generalized theirs, but Fay was more specific.
Fairness in Appraisal Outcomes and How It Relates To Satisfaction with the System or Process

With the evolving nature of work life and employment contracts, fairness has become increasingly important to employees and to employers charged with administering human resource practices that directly or indirectly affect individuals in their employ (Viswesvaran and Ones 2002; Elovaainio et al. 2002). One of the HRM practices in which fairness plays a major role is in performance appraisals.

Organizational justice academics use the terms fairness and justice interchangeably (Getnet et al. 2014). For these scholars, fairness is a significant gauge that employees use to evaluate outcomes employees’ perceptions about the fairness of managerial decisions relative to the distribution of outcomes such as pay, promotions, etc. (Folger and Konovsky 1989). In contrast, procedural justice focuses on the fairness of the manner in which the decision-making process is conducted (Folger and Konovsky 1989; Getnet et al. 2014).

During the performance evaluation/appraisal process, employees receive outcomes in the form of ratings for the effort they have put in to the accomplishment of work-related tasks being assessed, if they are associated with set standards of performance. Then employees will tend to judge or assess the overall fairness of those outcomes and the processes followed in producing those outcomes. These outcomes originate from the sources of procedures within organizations. These sources are supervisors and the employing organization (McFarlin and Sweeney 1992).

Employees evaluate the organizational processes and procedures used by the companies to make decisions affecting them as well as the authorities charged with administering such procedures. In this process of assessment, employees will judge whether they have received fair outcomes, or justice has been served, as well as whether correct procedures were followed in producing those outcomes. Thus, the importance of justice being an imperative for the effective functioning of appraisal systems and processes within organizations, and the satisfaction of individuals they employ, has long been recognized by social scientist researchers (Greenberg 1990; Moore 1978; Okun 1975).

Traditionally, the earliest organizational justice research scholars focused on equity theory, that is, distributive justice theories (Greenberg 1990). According to Nowakowski and Conlon (2005), this has now evolved from a single construct to one represented by four constructs (distributive, procedural, interpersonal and informational justice). Within organizations, performance appraisal outcomes are used to make decisions that affect employees. The concept of fairness continues to be associated with many actions or reactions that occur in organizations (Nowakowski and Conlon 2005). Cropanzano et al. (2007) noted in their paper about the management of organizational justice that justice has the potential to create powerful benefits for organizations and employees alike, including greater trust and commitment, improved job performance, more helpful behaviour, improved customer satisfaction and diminished conflict. They see justice as the glue that enables people to work together; an injustice, on the other hand, is like a corrosive solvent that dissolves the bonds or creates conflicts within employment relationships.

Recipients of injustice may retaliate against the organization and this reaction has the potential to harm the employer-employee relationship and, ultimately, the organization as a whole. Organizational justice scholars and researchers have identified three core dimensions of justice: distributive, procedural and interactional. Fair outcomes from an appraisal process will continue to be a topic of interest and concern to researchers given that critical decisions are made using performance rating scores and these affect employees’ packages, career advancement, termination and demotion.

Research Methodology

Population Size and Sampling Procedure

The population for the study came from the call centre operations within Telkom. The call centre operations within Telkom comprise different functions, which include inbound service activation, billing enquiries, operator services, inbound service assurance or the service complaints centre. The focus of the study was the inbound service assurance or service complaints centre. The sample for the study was drawn from frontline employees handling inbound service complaints and who were located in Gauteng,
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Bloemfontein and Cape Town call centres. The population size for the sample was 410 employees within the service complaints centre. The inbound service complaints call centres were chosen because these employees are subjected to the appraisal process under consideration. The questionnaire was distributed to the respondents through e-mail as this was deemed to be cost effective. The aim was at least to receive a response rate of not below 25 percent.

Data Collection Strategies

The methodology used to collect data entailed a self-administered questionnaire; the advantage of this approach was that the participants’ responses were free from any undue influence from peers and their superiors. The disadvantage was that, given that it was a self-administered questionnaire, the response rate was lower than the researcher anticipated. This could have been due to employees not trusting the confidentiality guarantees and not being brave enough to express their independent views if they were contrary to management’s thinking. In order to overcome these disadvantages, an email was resent to the participants via their human resource department appealing to them to respond, highlighting the importance of doing so and again reiterating the guarantee of the individual’s confidentiality as well as non-disclosure of their identity in the final report.

As stated earlier a total of 410 questionnaires were distributed to the call centres situated in Gauteng, Bloemfontein and Cape Town. The reason why all employees were targeted for the survey was to try to achieve a response rate of 25 percent and above which will be sufficient to write a report.

Data Analysis

In order to address research question number one that is, the perceived uses or purposes of assessing or evaluating employee-customer service interactions, the appropriate statistics were used in the analysis, which are known as frequencies. This provides an indication of how many respondents selected each of the items listed. Given that this type of question comprises multiple-response type questions, the percentages obtained did not add up to 100 percent because the respondents may have selected more than one of the listed uses or functions served by the assessment of employee-customer service interactions. This statistic type was chosen because the researchers wanted to see results per item, in terms of quantity as well as in percentage form, on how many respondents selected each of the listed uses or purposes. It was also chosen because items measuring this variable are non-continuous that is, a categorical variable, and it would have served no purpose to use continuous variables.

To address research question numbers two and three that is whether employees perceive fairness in the assessment of their service interactions with customers and whether employees derive satisfaction from the assessment outcomes, the statistic type that was used in the analysis was descriptive. Given that items used in measuring these variables are continuous, the statistic used provided us with summary statistics such as the means, media and standard deviations. The means specifically provided information where respondents’ perceptions indicated fairness as well as satisfaction with assessment outcomes. For missing data that is where the respondents may have opted not to complete all of the items in a questionnaire, an option known as exclude cases list wise” that is available in the SPSS tool was used to exclude those cases where all of the items in the questionnaire were not completed.

In order to address the research question about exploring the existence of a relationship between perceived fairness and satisfaction with assessment outcomes, the appropriate statistic type used to calculate the correlation coefficients was the Pearson product-moment correlation coefficient or Spearman’s rho, as it is normally called by statisticians. The two variables that were used to explore the relationship are continuous, making this statistic appropriate for the exercise. This therefore provided information about their relationship in terms of both strength and direction. For missing values, an option known as exclude cases pairwise” that is available in SPSS was used.

Lastly, to explore the impact of perceived fairness on the satisfaction with assessment outcomes, two continuous independent variables and a continuous dependent variable were used to explore the impact of the two independent variables on the dependent variable. A standard multiple regression analysis was performed to
explore the impact. Prior to conducting the analysis, certain assumptions about the presence of multicollinearity, singularity and outliers were assessed by making use of the two continuous independent variables in order to comply with the multiple regression statistical technique. In other words, preliminary analyses were first conducted in order to check for compliance with the above assumptions before the multiple regression analyses could be conducted. The output from the multiple regression technique provided information on the impact of fairness variables (fairness of outcomes and procedural fairness) on the satisfaction with the assessment outcomes variable, as well as which one was the best predictor of the dependent variable.

**OBSERVATIONS AND DISCUSSION**

Employees do perceive the purposes of assessing their service interactions with customers to revolve around the administrative and developmental aspects, which have been cited widely in the performance appraisal literature. Whilst the perceptions revolve around administrative and developmental purposes, it is however important to note that 27.7 percent of employees perceive the functions served by the assessment system as being to only show their weaknesses during their service interactions with customers.

Employees perceive outcomes from the assessment of their service interactions with customers as being fair in terms of outcomes and procedures used in determining such outcomes, they are satisfied with assessment outcomes, and perceive the system being used as effective and trustworthy. The normality of the distribution of scores was assessed using statistical techniques and the distributions were found to be reasonably normal. A statistical technique known as the 5 percent trimmed mean showed that the new trimmed mean value for all of the variables was not dissimilar to the original mean value. It was also discovered that females’ perceptions of the fairness, satisfaction with outcomes, effectiveness of the system used and its trustworthiness were higher than those of males in the entire tenure group, except in the 16-20 years age group, where it was impossible to make gender-based comparisons because of an absence of males. There is also a strong, positive relationship between fairness variables and the satisfaction with the assessment outcomes. A standard multiple regression analysis performed on two independent variables and the dependent variable showed the predictive behaviour of the fairness variables on satisfaction with assessment outcomes.

It is important to note that the functions or uses employees had to respond to are closely related to appraisal functions widely researched in performance appraisal literature and employed in modern organizations. The most frequently cited reasons for doing appraisals include salary increase decisions, and improving employees’ performance in line with an organization’s stated goals. The results from the study are aligned with the most frequently cited uses or purposes perceived by employees. Based on their perceptions of the functions served by the assessment of their service interactions, employees indicated that appraisals:

- Let them know where they stand in terms of performance during service interactions;
- Provide them with information pertaining to their strengths and weaknesses when servicing customers;
- Provide management with information about employees who are performing well and those who are not;
- Generate outcomes that provide employees with information about what they are expected to accomplish;
- Generate outcomes that are used by the organization to make decisions about salary adjustments, that is, they are linked to pay rises.

While employees have the right knowledge about why the organization evaluates their service interactions, it is worrying to learn from the results that about 27.7 percent of the respondents perceive that the appraisal system is only used to highlight their weaknesses. These respondents may see the system as being punitive since it only exposes their areas where they are weak, not showing where they are doing well. Because their experiences are negative due to what they have experienced as recipients of the outcomes of the same tool, they perceive that they are not being assisted to turn their weaknesses into strengths.

Despite the results suggesting that the assessment process can be extremely beneficial to employees given that the organization has multiple uses or purposes for conducting appraisals, it is uncertain whether these appraisals will
assist the organization to achieve its goals effectively.

Table 1: Descriptive statistics

<table>
<thead>
<tr>
<th>Employees’ perception of the system</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair outcomes</td>
<td>12.87</td>
</tr>
<tr>
<td>Procedures are used in determining outcomes</td>
<td>18.31</td>
</tr>
<tr>
<td>Satisfied with assessment outcomes</td>
<td>22.46</td>
</tr>
<tr>
<td>System used is effective in delivering the</td>
<td>5.83</td>
</tr>
<tr>
<td>desired service outcomes</td>
<td></td>
</tr>
<tr>
<td>System is trustworthy</td>
<td>2.65</td>
</tr>
</tbody>
</table>

Source: Primary Data

Results from the descriptive statistics show that employees perceive fair outcomes (with a mean value of 12.87), that fair procedures are used in determining outcomes (with a mean value of 18.31), are satisfied with assessment outcomes (with a mean value of 22.46), perceive the system used as effective in delivering the desired service outcomes (with a mean value of 5.83), and perceive the system as trustworthy (with a mean value of 2.65). Each of these mean values is above the midpoint, thus showing positive responses by employees surveyed on the above variables (Table 1).

The study was also aimed at determining the relationship between perceived fairness (fairness of outcomes and fairness of procedures used in determining those outcomes) and satisfaction with assessment outcomes. This relationship was investigated using the Pearson product-moment correlation coefficient. The results showed a strong positive correlation between the fairness of outcomes and satisfaction with assessment outcomes variables, \( r = 0.840, n = 107, p < .0005 \), with high levels of perceived fairness of outcomes associated with high levels of satisfaction with assessment outcomes. These results also show a strong positive correlation between the procedural fairness and satisfaction with assessment outcomes variables, \( r = 0.758, n = 107, p < .0005 \), with high levels of perceived procedural fairness associated with high levels of satisfaction with assessment outcomes. The relationship between the fairness of outcomes and satisfaction with assessment outcomes variables appears to be stronger than with the procedural fairness variable. The findings of this study are consistent with previous studies involving organizational justice and performance appraisals, whose findings were that employees’ perceptions of fairness are associated with satisfaction with performance ratings or outcomes received by employees, their satisfaction with the appraisal system as well as their job satisfaction (Jawahar 2007; McFarlin and Sweeney 1992; Clay-Warner et al. 2005; Getnet et al. 2014).

The standard multiple regression analysis performed on two independent variables and one dependent variable showed that both the fairness of outcomes and procedural fairness variables are important predictors of satisfaction with assessment outcomes. It was also found that the fairness of outcomes makes the strongest unique contribution to the satisfaction with assessment outcomes (Beta = 0.644) and procedural fairness contributed less (Beta = 0.247). This means that an increase in perceived fairness results in an increase in satisfaction with assessment outcomes. These findings are consistent with the findings by Jawahar (2007) and McFarlin and Sweeney (1992).

The data obtained from the survey, including that from the analyses, supported the objectives of the study. Through analyzing the data, the study was able to show that employees’ perceptions of the uses or purposes of assessing their service interactions with customers, the outcomes from the assessment or evaluation of their service interactions and the procedures followed to determine those outcomes were viewed in a positive light. They also viewed the system as being an effective vehicle to deliver the desired outcomes (that is satisfied customers) and viewed the system as being trustworthy.

Further analysis showed that where decisions about outcomes are arrived at fairly, namely fair procedures are followed to make decisions about employees’ performance; it results in employees feeling satisfied with assessment outcomes. Lastly, the study has demonstrated the impact of fairness perceptions on satisfaction with assessment outcomes. Both fairness variables are important in predicting satisfaction with assessment outcomes. Taking into account that frontline employees in the service organization create good or bad impressions for customers they service, which may leave a long and lasting impression about the organization’s stated values, employees’ satisfaction with these fair results will positively rub off on the customers they serve. It is then logical to assume that fairness will bring about satisfaction; once employ-
ees are satisfied with what they receive, they will trust the system that issued to make critical decisions about their future in the employment relationship and will regard it as an effective means to deliver desired outcomes to the organization. Employees who are being subjected to the assessment process tend to trust the system being used and view it as an effective vehicle to deliver outcomes that the service organization strives for (that is satisfied customers) if the entire process is based on fair principles. This in turn spills over to customers with whom the employees interact with on a daily basis. Anything short of achieving fair assessment practices will likely have a detrimental effect on the organization’s mission and objectives related to customer satisfaction as employees will be dissatisfied, and their negative feelings will cause them to not give of their best when servicing customers.

CONCLUSION

This paper sought to discuss and examine perceptions held by employees on the uses or functions served by the assessment of their service interactions with customers, including their perceptions of fairness and how these relate to their satisfaction with assessment outcomes. From the data collected and analyzed, it is evident that employees’ perceptions of the uses of assessing their service interactions are widely identified elements of administrative and developmental aspects highlighted in the performance appraisal literature, namely: they perceive fairness in their assessments; they are satisfied with assessment outcomes and feel that the system used is effective and trustworthy. Female employees had a higher perception of fairness (fairness of outcomes and procedures used in determining outcomes), were more satisfied with assessment outcomes, and perceived the system used in the assessment of their service interactions with customers as being more effective and trustworthy than male employees did.

Even though fairness of outcomes appeared to be a better predictor of satisfaction than procedural fairness, it does not imply that employees only care about the scores they achieve in the assessment process. The procedures used in determining the scores are also very important to them. This study has also demonstrated the impact of fairness on satisfaction with assessment outcomes, as with previous studies conducted on organizational justice and performance appraisal. The predictive behaviours of the fairness of outcomes and procedural fairness variables on the satisfaction with assessment outcomes indicate that an increase in fairness results in an increase in satisfaction. In other words, greater application of fairness in the decision-making process will result in greater satisfaction with the outcomes of such decisions.

RECOMMENDATIONS

This study contributes to human resource practices in a number of ways. The intended organizational uses or purposes behind performance assessments may conflict with the perceptions of employees who are subjected to such practices. An important issue in the employer-employee relationship is the expectations held by each party when it comes to the functions served by performance assessments practices, which include the judgments made by the employer about an employee’s performance. This leads employees who are the recipients of such judgments to make their own judgments about the tools or practices employed by their organization in the evaluation of the service they provide to customers.

Attitudes held by the employees on the use of assessment practices within the service organization and their reactions towards them are an important issue in ensuring a healthy employer-employee relationship. In other words, the research focused on employee perceptions of the uses or purposes of assessing their service interactions with customers and their perceptions of fairness, which included satisfaction with assessment outcomes. It also tested the relationship between fairness perceptions and satisfaction with outcomes from assessments, including how such fairness perceptions impact on one’s satisfaction with the assessment outcomes. The results support the idea of how important it is important for employees to perceive that the assessment aims to serve both administrative and developmental purposes. Further, the results of analyses on fairness perceptions held by employees and their satisfaction with assessment outcomes lends support to the importance of fairness in the assessment systems employed by the organization.
Staff Perceptions of Customer Service

Organizations need to strive to incorporate fairness in decision-making and those tasked with administering performance assessments must choose to use values based on fairness, live by them and believe in their positive impact on organizational performance. Organizations must choose to be guided by fairness values because they enhance the chances of the good long-term performance of the company, whereas unfairness will contribute to employees disengaging emotionally, thus impacting negatively on the objectives of the human resource practices.

It is also important for the organization to realize the negative impact of employees perceiving assessments as solely being intended to highlight their weaknesses. This is counterproductive to the improved performance the organization wants to achieve through conducting assessments.

REFERENCES


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