Service quality and turnover intentions as perceived by employees

Antecedents and consequences

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Abstract

**Purpose** – The objective of this paper is to test a selection of hypothesized relationships between: employees’ perceived service quality; employees’ turnover intentions; role clarity; and empowerment and coaching.

**Design/methodology/approach** – Drawing from theory, this paper develops a set of hypothesized relationships. The data collection is based on a survey with a sample of 1,076 frontline employees in service organizations.

**Findings** – There are indications that employees’ perceived service quality has a direct negative effect on employees’ turnover intentions. The effect of empowerment, coaching, and role clarity on turnover intention appears to be mediated through employees’ perceived service quality.

**Research limitations/implications** – This study is limited to a selection of variables related to employees’ turnover intentions. Future research may focus on testing other variables that may be related to employees’ turnover intentions.

**Practical implications** – This study stresses the importance for managers in service organizations to measure employees’ perceived service quality. The results show that there are both direct and indirect relationships to employees’ turnover intentions. The conclusion is that employees’ perceived service quality is an important consideration with respect to employee-turnover management.

**Originality/value** – This study has developed and tested a set of hypothesized relationships in the field of service management.

**Keywords** Service industries, Customer services quality, Employee turnover, Management roles, Perception, Norway

**Paper type** Research paper

Introduction

Employees in service organizations are crucial in the building of service excellence. Ultimately, the success of service organizations often depends upon the performance of its frontline employees (Chung and Schneider, 2002; Chebat *et al.*, 2003; Hartline and Ferrell, 1996; Singh, 2000; Wirtz *et al.*, 2008). Frontline employees are an important source of competitive advantage in many service organizations (Pfeffer, 2005).

A critical issue in service organizations may be to retain service employees in general, and specifically those employees who are talented in working with customers and delivering excellent service quality. Retaining employees is related to the field of employee-turnover management (Lto and Brotherridge, 2005). Previous research has
focused on the importance of employee-turnover management because it is related to several negative outcomes. Maertz et al. (2007) emphasize that employee turnover can be costly. According to one estimate, employee-turnover cost in American companies reaches around $5 trillion annually (Frank et al., 2004). Such costs could include additional staffing or overtime payments to alleviate shortages, and the replacement of an experienced employee with an inexperienced new one (Alexandrov et al., 2007, p. 357).

Research has indicated that there are several variables related to employees’ turnover intentions. For example, Bergiel et al. (2009) find that variables such as compensation, supervisory support, employee training, and employees’ perceived growth opportunities are all negatively related to employees’ turnover intentions. Alexandrov et al. (2007) have found that variables such as organizational commitment and job satisfaction are both negatively related to employees’ turnover intentions. Similarly, Luna-Acocas and Camps (2008) have demonstrated that employee commitment was negatively related to turnover intentions and that the relationship between job satisfaction and turnover intentions was mediated by employee commitment. There are also several other studies that have uncovered variables relating to employee turnover (e.g. Zimmerman and Darnold, 2009; Griffeth et al., 2000; Siebert and Zubanov, 2009).

Research dedicated to service employees has often focused on the “service climate” (Chung and Schneider, 2002) by often using intermediate variables such as job satisfaction and organizational commitment when studying employee turnover. However, such job-related attitudes play only a relatively small role in employee retention and loss (Griffeth et al., 2000). Maertz and Campion (1998) review more than 25 years of voluntary turnover research and find that variables other than job satisfaction and organizational commitment (which is most often used when studying employee turnover) are important for understanding employee turnover. In addition, Chiu et al. (2005, p. 481) write that employees’ turnover intentions are an important topic much overlooked in service-based organizational research. Consequently, there is need for both more and complementary approaches related to employees’ turnover intentions in service organizations.

Interestingly, it appears that research in services organizations has predominantly considered service quality and turnover intention (i.e. switching to another service provider) from a customer perspective. Consequently, there is a need for complementary research that links service quality and turnover intention from an employee perspective. Considering that previous research has indicated that employee turnover intentions predict organizations’ customer-turnover intentions (i.e. switching intentions), these authors contend that an employee perspective of the relationship between service quality and turnover intention would be a valuable contribution. Taking an employee perspective on the relationship between service quality and turnover intentions would, in addition to a theoretical contribution, provide service organizations with an important practical tool for managing employee turnover.

One approach to studying employees’ turnover intentions would be to focus on how employee performance is related to their turnover intentions. Employee performances refer to the employee’s own attitudes towards their level of service quality delivered to customers. Previous research has focused on this topic (e.g. Lee et al., 2005; Griffeth et al., 2000; Zimmerman and Darnold, 2009). However, as indicated previously, there
has been a call for more research on this important topic in service-based research (Chiu et al., 2005). Based on this, the objective of our study is to contribute to the call for more research on employee’s turnover intention. Specifically, this study tests the relationships between:

- employees’ perceived service quality;
- employees’ turnover intentions;
- role clarity; and
- empowerment and coaching.

**Research background and hypotheses**

*Employees’ perceived service quality*

Previous research has suggested that managerial practices and other job-related antecedents are critical determinants of employees’ frontline behaviors in creating service excellence (e.g. Hartline and Ferrell, 1996; Seligren et al., 2007; Yousef, 2000; Wirtz et al., 2008). Schlesinger and Heskett (1991) conclude that there is a link between employees’ satisfaction and customer-perceived service quality. These findings support the definition of service quality by Grönroos (1984) as a perceived judgement. In this regard, the present study concentrates on employees’ personal perceptions of the service quality they provide. Accordingly, we define “employees’ perceived service quality” as an employee’s personal evaluation of the service quality that he or she delivers to customers. Previously, the concept of perceived judgement has been used when studying service quality from an employee perspective (e.g. Dabholkar et al., 2000). Current research also suggests that employees’ perception of service quality is closely related to other performance indicators (e.g. Bitner et al., 1994; Tax and Brown, 1998). For example, Schneider et al. (1980) and Schneider and Bowen (1985) find strong relationships between the employees’ thoughts about customers’ perceived service quality and the customers’ actual perceived service quality. Chung and Schneider (2002, p. 73) characterize this feature as a “psychological closeness” between service employees’ perception of service quality and customers’ perception of service quality. Consequently, the focus on employees’ perceived judgement of their own abilities and actions in providing customers with excellent service quality is applicable.

*Consequences of employees’ perceived service quality*

*Employees’ perceived service quality and turnover intention.* This study defines “employees’ turnover intentions” as the psychological response to specific job and organizational conditions (Kraut, 1975). It is assumed that employees’ perceived service quality is related to such psychological responses. Frontline employees in service organizations are required to interact with customers and are expected to deal with a number of requests (Karatepe and Uludag, 2008). When a frontline employee interacts with a customer, the employee will capture signals that indicate the extent to which the service to the customer has been successful. This feedback can be either direct (e.g. as when customers voice their appreciation or complain about the service) or indirect (e.g. gaining a reputation for giving customers excellent service). Some service organizations collect feedback from customers by asking them to rate the level of service quality they have received from a given employee directly after their experience.
with that employee. Many service organizations use direct-feedback systems to evaluate the employee service quality to customers.

According to Chung and Schneider (2002), there is a “psychological closeness” between service employees’ perceptions of service quality and customers’ perception of experienced service quality. This “closeness” may give the employee an indication of whether he or she is suitable for this kind of job. Based on this reasoning, an employee is able to judge whether the service quality delivered to customers are within the zone of tolerance that customers generally perceive as acceptable. Consequently, the employee may be able to evaluate if he or she provides low, medium or high service quality. The perceived judgement of their own service quality tells the employees how well they have met the valued goals of the service organization. It indicates the potential for meeting these stipulated goals in the future (e.g. “... having the best customer service in this business...”).

It is reasonable to assume that employees’ perceived judgement of their own service quality might be used in making turnover decisions. Just as customers desire good service quality and may intend to take their business elsewhere if they detect negative attitudes about their service quality they receive from an employee, in similar manner, employees desire to deliver good service quality and may intend to quit (i.e. switch jobs) when they judge or perceive their service quality as being insufficient. These employees may conclude that they would be “better off” somewhere else (e.g. move to another job within the same or another organization).

Furthermore, it is reasonable to assume that the opposite judgement could also be true. Employees who judge or perceive their own service quality as excellent would not intend to quit their jobs. It is likely that the employees’ perceptions of their own service quality are related to employees’ turnover intentions. This study suggests that employees’ perceived service quality might foreshadow their turnover intentions. As a result of the above discussion on how employees judge their own service quality performance, this study proposes its first hypothesis:

\[ H1. \] Employees’ perceived service quality is negatively related to employees’ turnover intentions.

Antecedents of employees’ perceived service quality

There are three proposed antecedents to employees’ perceived service quality on turnover intention. These antecedents are related to both the aspect of the job and the organizational conditions. Specifically, this study focuses on employees’ perceptions of two types of managerial practices and on employees’ perceptions related to specific characteristics of the job. This study assumes that using these two different levels of conditions will contribute, first, to a more holistic view of the antecedents to employees’ perceived service quality, second, to further insight about how these different types of conditions are related to employees’ turnover intentions. Each of these three antecedents is discussed below and their linkages with employees’ perceived service quality are outlined.

Managerial practices and employees’ perceived service quality. This study supposes a direct link between employees’ perception of managerial empowerment, coaching practices, and employees’ perceived service quality. All are important constructs related to best managerial practices.
Managerial empowering practices. As mentioned, empowerment is an important factor related to service excellence (Babakus et al., 2003; Pfeffer, 1994). This study defines an empowering practice as one whereby an employee perceives his or her manager as both granting the freedom and fostering the ability to make independent decisions and commitments (Forrester, 2000). Chebat et al. (2003) have claimed that empowered employees are likely to be more cognitively active and more likely to modify their own behaviors and attitudes towards customers. They internalize customer feedback into their personal conduct and analyse the effects of different behaviors in regard to their outcomes. These cognitive activities triggered by empowerment are likely to improve the employee’s adaptability and level of service quality delivered to customers. According to Bowen and Lawler (1992), empowered employees are more enthusiastic about serving customers, a tendency that results in quicker responses to customers’ needs and increased customer satisfaction. Consequently, it is reasonable to assume that empowering practices are related to employees’ perceived service quality. Specifically, this study expects that employees’ perception of empowerment is positively related to the degree of employees’ perceived service quality.

Based on the above discussion, this study proposes the second hypothesis:

H2. Empowerment is positively related to employees’ perceived service quality.

Managerial coaching practices. The term “coaching” is often used interchangeably with terms as counseling and mentoring. These terms differ, however. “Counseling” refers to the emotional state and involves short-term interventions designed to remedy problems that interfere with the employee’s job performance (Burdett, 1998). Moreover, the term “mentoring” typically describes a longer-term process that is developmental and career-focused and covers all life structures (Burdett, 1998). The term “coaching”, in contrast to counseling and mentoring (which mostly focus on the past), coaching is most often defined as a process for improving present and future performance. More specifically, we may define coaching as a day-to-day enterprise or label it as a hands-on process of helping employee’s recognize the opportunities to improve their performance and job skills (Popper and Lipshitz, 1992). Consequently, the coaching practices feature a relatively close partnership between the coach and employee, and, through this collaboration, a successful coach will enable the employee to improve or exceed prior levels of performance. To these authors’ knowledge, no previous study in service research has studied the effect of managerial coaching practices on employees’ perceived service quality. However, the authors believe that it is reasonable to assume that these two construct are related. Others have suggested that coaching is positively associated with job-related performance (e.g. Goleman, 2000; Grand and Cavanagh, 2004; Hanna, 2004).

Based on the above discussion, this study proposes the third hypothesis:

H3. Coaching is positively related to employees’ perceived service quality.

Job characteristics and employees’ perceived service quality. This study supposes a direct link between both employee’s perception of role clarity and employees’ perceived service quality. The literature as related how employees perceive different aspects of their role to job-related performance (cf. Churchill et al., 1985; Singh, 2000). Consequently, it is important to understand how role clarity, as job characteristics, is related to employees’ perceived service quality.
Role clarity and employees’ perceived service quality. Role clarity in this study refers to the degree to which employee’s receives and understands the information required to do the job (Kelly and Hise, 1980). Katz and Kahn (1978) state that roles are sets of behaviors that are expected of a person in a certain position. The same authors (Katz and Kahn, 1978, p. 188) have observed that: “Key to effective role behavior is the process of learning the expectations of others, accepting them, and fulfilling them”. According to this view, expectations from others (both internal and external organization) constitute one fundamental aspect how one should perform one’s role. If expectations are not clearly understood, one is not able really to accept and fulfil the role in a proper manner. Based on this observation, it is reasonable to assume that personnel with customer-contact who do not have accurate information about the expectations from others (i.e. a lack of role clarity) will experience negative outcomes. Examples of such negative outcomes could be the misleading of customers, or the providing of incorrect information about what they can expect, which leads to poor service-quality experiences for the customers. Consequently, employees have a strong need for clarity of how they are expected to perform in their jobs (Bush and Busch, 1981). According to the role theory, role clarity is especially important for employees in service organizations or more specifically those who are in “boundary-spanning roles” in the principal interface between customers and service providers.

Although there has been previous research focusing on the linkage between role clarity and performance, it seems that much of this research has been limited in two areas. First, it seems that previous research has mostly focused on role clarity in call centres (cf. Bush and Busch, 1981). Second, most studies when measuring performance appears to use “hard-data” indicators (e.g. agent sales) and “soft data” from a customer perspective. Based on this, there is a need for further research on the linkage between employees’ perception of role clarity in service jobs generally, and, moreover, how role clarity perception is related to service quality (using “soft data”) from an employee perspective. In this study, it is expected that the results are in accordance with previous research that has studied the linkage between role clarity and job performance. Specifically, there is the expectation that a lack of role clarity has a negative impact on job performance (Churchill et al., 1985). On the other hand, it is also expected that when an employee receives and understands clearly the information required to do the job (that is, there is a high degree of role clarity), there will be a positive effect on employees’ perceived service quality.

Based on the above discussion, this study proposes the fourth hypothesis:

**H4.** Role clarity is positively related to employees’ perceived service quality.

Control variables
There are several variables in the literature that are related to employees’ turnover intentions.

Previous research has found different variables are related to employees’ turnover intentions (Chiu et al., 2005; Chiu and Francesco, 2003), such as:

- age;
- tenure;
- gender;
- education;
• family size;
• personality traits; and
• dispositional traits.

This study is limited to include only tenure and gender as control variables.

Methodology
This study used a structured questionnaire that included questions derived from previous studies. Two experts evaluated the questionnaire, which was pre-tested with 53 respondents for content validity. Some questions were re-worded in order to improve validity. The data collected from the test questionnaire were not used for subsequent analysis.

The data were limited to include only frontline employees in service organizations in Norway. In total, data was collected from 1,076 frontline employees through personal interviews. The sample was 52 percent male, and the mean age was relatively young (32 years). Their work arrangements were predominantly permanent and full-time (61.3 percent) and 74.6 percent of the sample had been with their respective organizations for at least/up to six years. Half of the sample (49.7 percent) had attained higher education. The majority of respondents were working in the private sector (71.3 percent). The average size of the service firms (counted as the number of employees) was 33.8.

Measures
All items used in this study were based on seven-point Likert-scales:

• Items for measuring “employees’ turnover intentions” were based upon Boshoff and Allen (2000). An example of the item used is: “I intend to stay in this job”.

• Items for measuring “employees’ perceived service quality” were based upon Dabhollkar et al. (2000). Employees were asked to indicate their perceptions of the service that they provide themselves. The following is an example of the item used: “Generally, my overall service is excellent”.

• Items used to measure “managerial empowerment” were based upon Babakus et al. (2003), for example: “I am allowed to do anything to solve problems”.

• Items used to measure “coaching behavior” were based on Ellinger et al. (2005). An example of item used is: “My supervisor provides me with constructive feedback”.

• Items used to measure “role clarity” were based upon Rizzo et al. (1970). The following is an example of item used: “I know exactly what is expected of me”.

Results and analysis
Before performing a regression analysis to test the proposed hypotheses, all items were checked for normality. Furthermore, the convergent properties of formative variables were tested by principal component extraction and varimax rotation. The results showed satisfactory convergent properties for all the variables used in the study. Table I shows the descriptive statistics, means, standard deviations, and correlations of all constructs.
Regression analyses
In the first regression analysis, the dependent variable of employees’ turnover intentions was tested against the independent variable of employees’ perceived service quality. In the second regression analysis, the dependent variable of employees’ perceived service quality was tested against the variables of empowerment, coaching, and role clarity. Table II shows the results.

As can be seen in the Table II, the results show that employees’ perceived service quality is negatively related to employees’ turnover intentions, and this supports H1. Specifically, with respect to the objective of this study, the direct effect of employees’ perceived service quality explains about 42 (41.9) percent of the variance in employees’ turnover intentions. Moreover Table II shows the results from the test of the antecedents to employees’ perceived service quality. The β-coefficients for the three independent variables are ranging from 0.192 to 0.328, supporting H2, H3, and H4. The results in Table II show that managerial coaching is the most important variable influencing employees’ perceived service quality, followed by role clarity and managerial empowerment. In summary, this study has found support for all four tested hypotheses.

The tested hypothesized relationships suggest that one variable related to employees’ turnover intentions could be labelled as a mediating variable. Specifically, this study examined the mediating effects of employees’ perceived service quality. In order to examine the mediating effects of employees’ perceived service quality, this study applied the procedures recommended by Baron and Kenny (1986). First,

### Table I.
Descriptive statistics, means, standard deviations, and inter-correlations for all variables

<table>
<thead>
<tr>
<th>Construct</th>
<th>Min</th>
<th>Max</th>
<th>Mean</th>
<th>SD</th>
<th>α</th>
<th>TI</th>
<th>EPSQ</th>
<th>EMP</th>
<th>C</th>
<th>RC</th>
</tr>
</thead>
<tbody>
<tr>
<td>TI</td>
<td>1</td>
<td>7</td>
<td>0.327</td>
<td>1.42</td>
<td>0.759</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EPSQ</td>
<td>1</td>
<td>7</td>
<td>5.00</td>
<td>1.20</td>
<td>0.715</td>
<td>-0.648*</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EMP</td>
<td>1</td>
<td>7</td>
<td>4.90</td>
<td>1.37</td>
<td>0.747</td>
<td>-0.556*</td>
<td>0.495*</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>1</td>
<td>7</td>
<td>4.49</td>
<td>1.42</td>
<td>0.780</td>
<td>-0.524*</td>
<td>0.460*</td>
<td>0.538*</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>RC</td>
<td>1</td>
<td>7</td>
<td>4.86</td>
<td>1.34</td>
<td>0.831</td>
<td>-0.597*</td>
<td>0.516*</td>
<td>0.619*</td>
<td>0.754*</td>
<td>1.00</td>
</tr>
</tbody>
</table>

**Notes:** TI = Employees’ turnover intentions; EPSQ = Employees’ perceived service quality; EMP = Empowerment; C = Coaching; RC = Role clarity; Correlation is significant at the 0.01 level (two-tailed)

### Table II.
Regression results of testing the consequences of employees’ perceived service quality on employees’ turnover intentions and of testing managerial empowerment, managerial coaching, and employee perception of role clarity as antecedents to employees’ perceived service quality

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Employee perceived service quality</th>
<th>Turnover intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPSQ</td>
<td>-0.556*</td>
<td></td>
</tr>
<tr>
<td>EMP</td>
<td>0.192*</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>0.328*</td>
<td></td>
</tr>
<tr>
<td>RC</td>
<td>0.322*</td>
<td></td>
</tr>
<tr>
<td>Overall F</td>
<td>150.00*</td>
<td>704.01*</td>
</tr>
<tr>
<td>R Square</td>
<td>0.332</td>
<td>0.419</td>
</tr>
<tr>
<td>Adj. R Square</td>
<td>0.330</td>
<td>0.419</td>
</tr>
</tbody>
</table>

**Notes:** EPSQ = Employees’ perceived service quality; EMP = Empowerment; C = Coaching; RC = Role clarity; Significant at p < 0.001
according to Baron and Kenny (1986) in order for mediation to be established, one should relate the antecedents to the mediating variables. Second, the mediating variables should relate to the outcome variables. As can be seen in Table II these two criteria are fulfilled for employees’ perceived service quality. Third, according to Baron and Kenny (1986) recommendation, the mediating variable should diminish the effect of the antecedents on the outcome variable. Following this recommendation, the results in Table III (which compares models 1 and 2) show that in the presence of employees’ perceived service quality, the influence of employees’ perception of managerial empowering practices, coaching behavior, and role clarity are diminished.

Based on the different tests, the findings reveal that the conditions for mediation are met. In summary, the results show that employees’ perceived service quality appears to be a mediating variable in the relationship between the three antecedent variables (empowerment, coaching, and role clarity) and employees’ turnover intentions.

**Theoretical implications**
This study makes a contribution to the service literature that calls for more research on employees’ turnover intentions (e.g. Chiu et al., 2005). It has focused on:

- managerial empowerment;
- managerial coaching behavior;
- role clarity; and
- the relationship between these three job factors and employees’ perceived service quality and, most importantly, employees’ turnover intentions.

Specifically, all the independent variables (i.e. empowerment, coaching, and role clarity) had a direct effect on employees’ perceived service quality, which in turn affected employees’ turnover intentions. Consequently, it seems that an employee’s intention to quit is related to various aspects of awareness concerning his or her work situation.

The findings with respect to employees’ perceived service quality have shown that this construct has a significant direct effect on employees’ turnover intentions. To these authors’ knowledge, this is the first study that links employees’ self-evaluation of job performance to their turnover intention. It seems that previous research has to a large extent neglected the importance of these factors.

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMP</td>
<td>−0.310 *</td>
<td>−0.194 **</td>
</tr>
<tr>
<td>C</td>
<td>−0.121 *</td>
<td>−0.055 *</td>
</tr>
<tr>
<td>RC</td>
<td>−0.350 *</td>
<td>−0.243 *</td>
</tr>
<tr>
<td>EPSQ</td>
<td></td>
<td>−0.350 *</td>
</tr>
<tr>
<td>Overall $F$</td>
<td>239.82 *</td>
<td>257.83 *</td>
</tr>
<tr>
<td>$R$ Square</td>
<td>0.424</td>
<td>0.534</td>
</tr>
<tr>
<td>Adj. $R$ Square</td>
<td>0.422</td>
<td>0.532</td>
</tr>
</tbody>
</table>

**Notes:** EPSQ – Employees’ perceived service quality; EMP – Empowerment; C – Coaching; RC – Role clarity; Significant at $p < 0.001$; ** Significant at $p < 0.05$
extent used factors such as job satisfaction and organizational commitment as the intermediate variable when studying turnover intention (e.g., Alexandrov et al., 2007). Such variables, among other things, seem to be related to employees’ turnover intentions. This study reveals that employees’ perceived service quality could be used as a supplement to factors related to employees’ turnover intentions. Steers and Porter (1991) support this view. According to them, it is a person’s perceptions that drive his or her behavior. Following this reasoning, we may reasonably assume that the use of self-evaluations focusing on employees’ perceived service quality are apposite for discerning employees’ turnover intentions. Interestingly, extant research has indicated that self-evaluations are appropriate for boundary spanning personnel (e.g., Singh, 2000). Consequently, employees who perceive their performance to be within the goals of the standard set of service organizations are relatively less disposed to switch jobs. Subsequently, the findings from this study support the idea that the way customers evaluate firms’ service quality performance (whether it is good or bad, followed by an evaluation of whether one should stay with the same service provider or switch to another) has much in common with how employees consider their own service quality performance and consequently their intentions to change jobs.

Of the two managerial practices, the findings from this study clearly indicate that managerial coaching is the most significant construct in employees’ perceived service quality. Moreover, when comparing the strength of three antecedents to employee-perceived service quality, the findings reveal managerial coaching is the construct that has most impact on employee-perceived service quality. This finding illustrates the importance of managerial practices for employee performance in service organizations. The findings support previous research emphasizing the role of managerial practices in influencing employee behaviors and responses in ways that improve service quality (e.g., Sellgren et al., 2007; Yousef, 2000; Wirtz et al., 2008). However, addressing the research gap, this study has found that coaching behavior is not only limited to a strategy for performance improvement, but is, at the same time, although indirectly, related to retaining service employees. Consequently, coaching should be considered as a part of a strategy related to turnover management. To these authors’ knowledge, this study is the only one to have focused on the role of managerial coaching for employees’ turnover intentions for service firms. All the same, the findings support previous research that links coaching and job performance (e.g., Goleman, 2000; Grant and Cavanagh, 2004; Hanna, 2004). Further, this study gives support to the claim of Redshaw (2000) that coaching “has enormous benefits” for firms and for the individuals they employ. More specifically, this study has found that service firms that focus on managerial coaching, tend to have employees who are more loyal to the service firm and consequently have lower employee turnover rate.

The literature has pointed out empowerment as an essential factor related to service excellence (Babakus et al., 2003; Pfeffer, 1994). This study supports the notion that empowerment is an important construct for job-related performance, although it is less important than managerial coaching. The findings support previous research focusing on the role of empowerment for job performance (e.g., Bowen and Lawler, 1992). However, this study helps to demonstrate that employees who perceive their having the freedom and ability to make independent decisions and commitments show better job performance, which in turn leads to a lower tendency among employees to apply for (or even to consider applying for) a job in another organization.
Role clarity was referred to as the degree to which employees receive and understand the information required to do the job (Kelly and Hise, 1980). Consequently, role clarity is about employees’ perception related specifically to their job conditions. Previous literature has found or suggested a weak or no direct relationship between role clarity and job-related performance (e.g. Wetzels et al., 2000). Moreover, some research has suggested that a limited amount of role ambiguity (or lack of role clarity) may have a positive impact on job performance and such can be advantageous (Lyons, 1971). The findings, which focus on role clarity, point towards two diverging directions in previous research. One is that the results show that role clarity has a significant impact on employees’ perceived service quality. With comparisons of the effects of the three antecedents to employees’ perceived service quality, the findings show that role clarity was the second most influential factor on employee’s perception of his or her job performance. The other is that a limited amount of role ambiguity (or lack of role clarity) in service firms may be advantageous. Based on these contrasting findings, there is a strong need for clarity on how employees are expected to perform their jobs in service organizations. Moreover, the results point out that role clarity is a crucial variable because it directly affects the relationship to employees’ perceived service quality and indirectly it affects employees’ turnover intentions. Consequently, there are good reasons for emphasizing role clarity as being particularly important for employees in “boundary-spanning roles or for employees who work in the principal interface between customers and service providers.

Managerial implications
The service employees are a key source of many firms’ success and competitive advantage (e.g. Chebat et al., 2003; Singh, 2000; Pfeffer, 2005; Wirtz et al., 2008). Owing to the negative effects of employee turnover, it is critical for managers in service firms to comprehend how to retain service employees. This study has some essential practical implications related to employee-turnover management. One such implication is the importance of taking employees’ perceived service quality into consideration when measuring how employees perceive different aspects of their job, organization, and managerial practices. As this study has indicated, the use of self-evaluations or self-appraisal of service performance is closely related to employees’ considerations about switching jobs. Managers who regularly measure employees’ perceived service quality in service firms are better able to discern employees’ turnover intentions in their organizations. Consequently, by measuring employees’ perceived service quality, managers can have an important tool in turnover management.

The findings from this study reveal that managerial coaching is closely related to employees’ perception of their job performance. One implication that can be derived from this finding is the importance for managers to establish what we can label as a “positive coaching-style”. This notion relates to how employees who have experiences with the coach should describe managerial coaching practices. More specifically, it points to a relationship between the coach and the employees that is based on such ingredients as mutual trust, openness, and respect. Managers who manage to establish that kind of coaching style are able to help employees recognize opportunities. Consequently, the coaching practices become catalysts for continuous learning processes about how to enhance performance. Managers in service firms who establish a positive coaching-style, and combine this with freedom that is
inherent in managerial empowering practices, will have employees who evaluate their job performance positively, and that in turn contributes to retaining the employees.

Although this study emphasizes the implications related to managerial coaching practices, the findings related to role clarity also point to important lessons for managers in service firms. It is noteworthy that role clarity and coaching have about the same impact on employees’ perceived service quality. Consequently, in addition to focusing on having a positive coaching-style, managers must consider their employees’ perception of role clarity. This means that managers should ensure that employees clearly understand what is expected of them in their jobs. Moreover, it is also important that managers ensure that employees understand what is expected of their managers, and at the same time ensure that employees actually accept those expectations. Managers who focus on these two criteria will enhance the probability of having employees who fulfil their roles in a positive manner. One way of achieving this goal is by involving the employees in the actual framing of their role descriptions for their jobs. Moreover, it can be useful to arrange workshops where employees can discuss and communicate issues related to role clarity, both from an internal perspective (e.g. employee versus other employees) and from an external perspective (e.g. employees versus the firm’s customers). These techniques, among others managerial initiatives, positively contribute to employees’ perception of role clarity, job performance, and, most importantly, retaining employees.

Research limitations and suggestions for the future
One may raise a number of research limitations of this study, of which all offer opportunities for further research.

First, one of the main limitations is that this study measured service quality by using self-report measures. Some scholars have criticized self-evaluations because they can lead to the possibility of shared-response bias with regard to the relations among variables and common method variance (Armstrong and Overton, 1977; Thornton, 1980). Yet, several past studies have used employee’s perceptions of service delivery (cf. Boshoff and Mels, 1995; Jaworksi and Kohli, 1991; Schneider et al., 1980; Sergeant and Frenkel, 2000; Singh, 2000; Ulrich et al., 1991). Although this study captured employees’ perceptions under conditions of respondent anonymity in order to minimize self-report bias (Singh, 2000), future research should undertake studies that include customers’ perceptions of service quality, and this approach would consequently reveal the level of correlation between customers’ and employees’ perceptions of service quality.

Second, one limitation of the study is that the data came from a cross-sectional field study. Although the hypotheses are argued to be of causal nature, the design is not optimal for testing the direction of influence in the model. With respect to causality, we cannot be sure that the antecedents cause employees’ perceived service quality or that employees’ perceived service quality causes turnover intention. However, the design of this study does meet two of the three criteria for testing causality (i.e. isolation and covariation). Future research should use longitudinal or experimental studies, or both, to provide more definitive conclusions about the causality.

Third, this study is based upon a sample consisting of a broad range of frontline employees across different service organizations. Future research may replicate and
enlarge on the present findings in order to explore whether there are differences depending on:

- the level of interaction;
- the type of contact;
- the level of customisation; and
- other specific characteristics of the service industry.

This direction could lead to a contingency framework that would show if the hypothesized linkages change according to service characteristics. For example, research may compare frontline employees working in different service industries, say, health care and retail, to explore the effect of managerial practices, role clarity, and employees' perceived service quality and to see whether these constructs are related differently to employees' turnover intentions in these two particular service industries. Addressing these issues would contribute to an enhanced theoretical understanding while also demonstrating important practical implications for best turnover managerial practices in different service industries.

Fourth, addressing the research gap in focus, this study has found that employees' perceived service quality is strongly correlated with employees' turnover intentions. Based on the significant role of employees' perceived service quality, it is important that future research explores other antecedents of employees' perceived service quality. This study was limited to testing the effect of two managerial practices (i.e., empowerment and coaching) and one aspect of the job (i.e., role clarity). Future research could focus on other aspects of both managerial practices and job-related aspects, and explore how these aspects are related to employees' perceived service quality and employees' turnover intentions. From the perspective of aspects of the job, it would be valuable for future research to test how different aspects of the well-known "job-characteristics" model (Hackman and Oldham, 1976), such as: job-design; employee participation; team support; and autonomy, are related to employees' perceived service quality and employees' turnover intentions.

Fifth, this study has concentrated on the employees' perceived service quality as the focal (or intermediate) construct in relation to employees' turnover intentions. Although employees' perceived service quality contributes to the understanding of factors related to employee turnover, there are other constructs that future research may consider. One such construct could be termed "job embeddedness", as developed by Mitchell et al. (2001). Job embeddedness represents a combination of factors that influence employees' decision either to remain in or to leave the organization. Specifically, job embeddedness comprises three dimensions:

1. links to other people, teams, and groups;
2. self-perceptions of compatibility with the job, organizations, and community; and
3. perceived sacrifices associated with changing jobs.

There has been some research focusing on job embeddedness on employees' turnover intentions (e.g., Bergiel et al., 2009). It is reasonable to assume that job embeddedness is relevant to the understanding of employees' turnover intentions. Future research may use job embeddedness and explore the antecedents and consequences of this construct.
on employees’ turnover intentions. Consequently, using this construct, among others, may contribute to an improved understanding of employees’ turnover intentions and to the field of employee-turnover management.

References


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