

SOCIAL EFFICIENCY OF SERVICES AND CONSUMERS' DEMANDS

Rusu Corina

„Dimitrie Cantemir” Christian University of Bucharest Faculty of Economic Sciences of Cluj Napoca 56 Teodor Mihali Street, Cluj Napoca 400591 Email: corina.rusu@cantemircluj.ro, crucdc@yahoo.com Telephone: 0264-414822, int.608 Mobile: 0741257995

Pocol Adrian

„Dimitrie Cantemir” Christian University of Bucharest Faculty of Economic Sciences of Cluj Napoca 56 Teodor Mihali Street, Cluj Napoca 400591 Email: adrian.pocol@cantemircluj.ro, pocoladrian@yahoo.com Telephone: 0264-414822, int.605 Mobile: 0744221863

Although scarcely approached in specialty literature, the social aspect of efficiency is much more obvious in commerce than in other fields, due to the direct public relationships of the commercial staff. As it is considered by other authors, we assume that social efficiency of commerce can be contemplated as the consumer's efficiency, which can be understood as the quality of its serving. That is why, especially within retail commerce, all final results must also be interpreted in terms of their clients' interests, which implies a system of specific indicators. Throughout this scientific paper, we have tried to show the customers' satisfaction level as an expression of social efficiency of services.

Keywords: consumers' satisfaction, social efficiency, quality of services, reliable services.

Code JEL: M11, M12, L81

In our opinion, social efficiency, especially within the framework of commercial services, depends on multiple factors, such as: aspects that aim at the modernization degree of the service providing commercial unit – essential requirement (especially within the trade of nonalimentary products) of creating a modern, civilised commerce, which directly and decisively determines the quality of the service, the assortment variety – which must fully comply to their consumer's needs, their accessibility degree - not just to company - related information, but also to the unit itself, the professionalism of the members of staff involved in providing services and many other factors. The quality of the service will be finally granted by the quality of each influencing factor, separately.

Improving the efficiency of services in compliance with consumer's demands, must take into consideration the service quality improvement and reliable service providing. It is obvious that, non-quality inevitably leads to losing current and potential customers. Providing reliable services by systematic pursuit and control of the process of carrying out services, can contribute to the accomplishment of improving the level of social efficiency of services, being at the same time, an important source of competitive benefits for companies who adopt this strategy. The implementation of an adequate quality for full customer satisfaction becomes essential for the survival and development of any service providing company, which performs its activity in a competitive environment.

Since social efficiency can not be expressed using quantitative indicators, most examples that exist nowadays in specialty literature, refer to measuring service quality, consumer's degree of satisfaction, namely the service level perceived (as the difference between the level of the provided service and the one desired by the consumer).

In the actual context, where the competition is harsh, and the market is controlled by demand rather than the offer, the client demands to be recognised, understood and served impeccably, otherwise he will give up the services of that service providing company, reorienting towards competition.

Although all managers within a company are preoccupied with and involved in ensuring quality, lately, the role of top managers has become more obvious in ensuring quality, client satisfaction. Once with the processual approach of organizations, the idea the no one must give up his/her own identity was launched, on the contrary, that they must develop it, but they must admit the fact that the provided service is a collective result. This resulted in the role of managers of creating an alliance of different compartments and a strong relationship between individual abilities. This can be achievable if a new mentality is born, where, although everyone's autonomy and individuality are respected, individual abilities are mutually extended and are supporting the innovation downstream and upstream their own jobs.

It is known that, among all policies expressed during this decade, in order to ensure quality, the most appreciated was the one that lays in the foreground the client's satisfaction. In order to increase the quality and social efficiency of services, the managers of service providing companies must set as a main objective the permanent evaluation of client satisfaction and the awareness of the consumer's response to services provided by the enterprise.

It is obvious that, from the consumers' perspective, the decisive factor of satisfaction after service consumption is represented by its faultless performance. A service providing company, which offers an incomplete service, which does not keep its tempting promises, initially made in order to attract clients, makes mistakes that could have been avoided and which will persuade clients to loose their trust in their service offer (thus, diminishing their chances of gaining the reputation for high quality).

For service enterprises, the achievement of an impeccable performance and of a reliable service, leads to emphasizing the attachment of clients towards the company, due to the increase of their satisfaction degree, the

improvement of the service providing company's image and, at the same time, the amplification of their employees' degree of satisfaction and motivation²²¹.

Taking into consideration the fact that, the confidence in a particular service represents the prevailing standard used by the clients in assessing service quality, a strategy of social services can't trigger the desired effects if the service received by the consumer is not perceived as a trustworthy one.

The permanent preoccupation for creating a perfect service – a characteristic of excellence in service providing process – represents a difficult action, but not impossible to achieve by the service providing companies.

An efficient way of ensuring social efficiency of services implies the simultaneous satisfaction of the following conditions²²²:

- the complete awareness of consumers' expectations;
- providing the quality expected by consumers, by elaborating and respecting standards related to the quality of services;
- the efficient managing of resources involved in the process of service providing, among which, human resources are vital.
- the efficient communication with clients in order to ensure their loyalty and to develop a favourable image of the service providing company within the competitive environment.

Knowing the consumers' expectations

The process of creating reliable services places the beneficiary of these services in the middle of all enterprise decisions, aiming at orienting the activity depending on the needs and expectations that they are manifesting. All these information, together with the triggers which must be released in the consumer's behaviour, in order to ensure maximum satisfaction – an optimum level of social efficiency, respectively – can be established via marketing research. The constant and continuous elaboration of market studies and the intensive guidance upon the results of these studies, together with an efficient communication between the members of staff, that are connecting with clients, and management, will determine that the real expectations of service consumers to be correctly perceived by the management of the service providing enterprise.

Providing the expected quality by the consumers

Having correct representations upon the level of consumers' demands – upon the importance of service characteristics, in order to ensure the assessment of the its quality by clients, respectively – and upon the desired level of quality, the management of the enterprise has the ability of transposing the real expectations of the consumers in concrete quality specifications of services.

Defining clear objectives in the field of service quality – the decisive attitude of management towards improving the quality of the provided services, respectively – the adequate use of instruments, in order to ensure the standardization of the provided services, the elaboration of regulations as clear as possible, referring to the physical aspects of the service, but also to the immaterial ones, and the providing of the service in order to meet the level of expectations of the company's management (in compliance with the established quality standards), all these will contribute to respecting the company's commitment regarding the service providing with respect to expected conditions by the consumers.

Efficient management of resources

Among the resources that contribute to the service accomplishment, the human ones have an essential role. As the provider represents the enterprise of services before the consumer, being impossible to separate it from the provided service, it is obvious that, providing a quality service implies the involvement of the staff in the service providing process, and their adequate professional training. The service provider must possess the ability and also the desire of carrying out the service expected by the consumers, and this performance can be achieved by those service providing companies who pay careful attention to human resources management. The efficient management of human resources implies the elaboration of an adequate policy regarding the selection and employment of personnel, continuous professional vocational training of employees, an attractive system of motivation of human resources, team-work encouragement, ensuring a favourable framework of internal and external communication, and last but not least, the creation and development of a strong organizational culture. By recruiting, training and maintaining the staff of the enterprise in job positions which will ensure the exploitation to the highest degree of their working competences and ability, and, at the same time, their adequate motivation – which will provide them a professional and financial satisfaction – the management of the service providing company will benefit from a quality personnel, which will carry out exactly the expected service by the consumers.

In this context, we consider that the motivation of the staff represents a vital element for ensuring the providing of services to the highest quality degree: therefore, the members of the working staff must be recruited in order to fit the job description as more as possible; the working conditions must stimulate the excellent professional activity of the employees; personal achievement must be facilitated; supporting the members of the staff in their actions which

221 Bruhn, M., *Orientatin Towards Clients – the foundation of a successful business*, Economic Publishing House, Bucharest, 2001, p.159.

222 Ionciã M., *Service Economy*, Uranus Publishing House, Bucharest, 2000, p.237.

will contribute to quality improvement becomes essential; the progress of the service providing personnel in terms of professional career must be defined.

The triggered conclusion becomes obvious: an adequate personnel policy – the efficient management of human resources, respectively – represents the key of complying with the promises made by the company regarding the quality of rendered services.

Regarding the role of *material resources*, we must mention that, in order to achieve performing services, it is necessary:

- to provide quality equipments and their efficient management within the process of service accomplishment;
- to use new techniques and high technologies in order to have the equipments improved and the services automated, but only if they are accepted and agreed upon by the consumers (thus, contributing to the increase of clients' satisfaction). For this purpose, we must specify that, in certain fields of services, the interaction provider – consumer becomes decisive, and, in consequence, the implementation of new technologies is not efficient. Or, in some cases, the technical solutions proposed by the service providing company can be rejected by their consumers or even by their own employees.

Efficient communication with clients

It is obvious that, in order to meet the consumers' desires and expectations, the main condition is to communicate with them. Via an adequate, constant communication, many problems can be solved or avoided, thus, increasing the level of consumers' satisfaction.

An efficient communication with clients is meant to:

- *inform, educate, facilitate comprehension* by clients of *services* provided by the company – where and when they can purchase these services, at what price, whom they can contact in case they need it and, especially, about the benefits arising from their purchasing (thus, contributing to creating a favourable image of the service providing company among consumers);

- *persuade* the client segment set as target, that the best solution for satisfying their needs is that specific offer of the respective company, and not the one provided by the competition;

- *mention* to their actual and future consumers the entire offer provided, thus, persuading them to buy; as the consumers' expectations are also influenced by the advertised promises made by the company, we must specify that, they shouldn't overrate the quality degree of the company's offer, on the contrary, they must render its real profile;

- *keeps permanent contact* with actual clients, by providing them with useful data and information in order for them to benefit to the highest extent, from the offered products and services, in compliance with the buying needs and behaviour of every single client;

- *ensure the loyalty and win the client's trust*, establish long-term preferential relationships, by providing services at a superior level of expectations of the made promises, thus, satisfying the consumers.

We think that, an efficient communication with consumers, by developing an adequate inter-relationship system, leads to the fulfilment of consumers' expectations, but also of the long-term interests of the company. By respecting these requirements, the service providing company manages to remove those 5 recognized insufficiencies as reasons for consumers' dissatisfactions and which can influence in a negative manner, their perceptions upon the quality of the provided service (the discrepancy between clients' real expectations and their expectations as they were perceived by the enterprise's management, the discrepancy between the clients' expectations perceived by the management and their implementation in quality specifications of services, the discrepancy between the quality norms and the effective quality of services provided to clients and the company's communication to clients upon the provided services, the difference between clients' expectations upon services and the actual perception regarding the provided services²²³).

The triggered conclusion becomes obvious: *the increase of service efficiency in relation to the consumers' demands implies, on behalf of the service providing company, the acknowledgement of potential reasons which might cause the occurrence of potential problems and the adoption of managerial decisions which will determine their avoidance.*

The complexity degree of the reliable service represents a real challenge – but not an impossible one – for service providing companies who aim at reaching the faultless objective and implies the service providing process without errors, in due time, and also being aware and understanding the subjective standards of the consumers and entirely conforming to them.

What Romanian managers must do nowadays, and unfortunately very few manage do it, is to start looking at their own employees as the company's most important „assets”, to pay careful attention to relationship and loyalty-oriented programmes, interactive marketing and client data bases, customer relationship management.

223 Parasuraman A., Zeithaml V.A., Berry, L.L. – A Conceptual Model of Service Quality and Its Implications for Future Research, in Journal of Marketing, vol. 49, no.1, 1985, p.41 – 50.

We reckon that, at present time, the most important strategic assets of commercial companies are represented by their clients (in specialty literature, the acronym MCSA is used for the concept of Managing Customers as Strategic Assets), from at least the following reasons:

- actual customers represent an extremely important resource in future sales increase, a stable and predictable resource to a certain extent;
- customers can be efficiently managed, as we already possess a data base referring to their buying and consumption behaviour, which makes them vulnerable to advertising actions;
- however, customers are subject to depreciation, because companies with new products permanently occur on the market, sometimes more performing, not to mention the demographic changes which influence the customer data bases (age growing, regional or local demographic changes, affecting the volume of sales);
- the clients' portfolio represents an asset which can be exploited when selling or merging companies.

In our opinion, nowadays, the greatest challenge for companies who perform their activity in the field of commerce and provide sales support services, consists in conforming to the laws of the market – the increase of efficiency, respectively, simultaneous with maintaining or even improving the quality degree.

Bibliography:

1. Bruhn, M., *Orientatin Towards Clients – the foundation of a successful business*, Economic Publishing House, Bucharest, 2001.
2. Ionică M., *Economy of Services*, Uranus Publishing House, Bucharest, 2000
3. Juran, J.,M., *Quality Planning*, Teora Publishing House, Bucharest, 2000.
4. Olteanu V., *Services Marketing. Theory and Practice*, Uranus Publishing House, Bucharest, 1999.
5. Parasuraman A., Zeithaml ,V.A., Berry, L.L. – A Conceptual Model of Service Quality and Its Implications for Future Research, in *Journal of Marketing*, vol. 49, no.1, 1985.
6. Plumb, I., Zamfir, A., Ionescu, M., Ionescu, S., *Reengineering Services*, ASE Publishing House, Bucharest, 2004.
7. Vorzsak A. (coord.), *Services Marketing*, “Presa Universitară Clujeană” Publishing House, Cluj-Napoca, 2004.