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## THE SERVICE QUALITY ASSURANCE IN A TRANSPORT COMPANY

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### Annotation

The article discusses the system of the service quality assurance in a transport company and analyses the system of the service quality assurance, which is based on interaction of the service provider and a consumer. Under conditions of strong competition, transport companies must set high requirements not only for the quality and quantity of the service, but first of all to focus on immediate participants of the work process – the service providers and consumers – and their interaction. The service quality assurance depends on frequency of interaction between the service provider and a consumer, since an interaction on a regular basis between two participants in the market strengthens their mutual relationships. Service companies and consumers interact by collaborating with each other; this process strengthens their relationships and ensures that proper decisions are made in terms of the service quality assurance. In doing so, attraction of new consumers as well as building good relationships between consumers and the company may be enhanced while striving to achieve the goals of both the consumers and the service company. The obtained findings of the research are intended to show how to assure high quality of the services provided by a transport company, their effective management and safety of the service consumers. The conducted qualitative research (51 respondents) in the analysed transport company showed that according to the respondents' opinion, there is a 23,1% share of persistently repeated mistakes during provision of the services in the company. The major reasons for repeated mistakes are lack of training (33%), insufficient motivation of the staff (33%) and lack of information (22%) on the quality of the provided service. While a guarantee of the service quality (43%) is one of the key dimensions ensuring the quality of the services. It is recommended that every transport company should implement its own individual system of the service quality assurance, which would reflect the specific aspects of the provided services. When developing the above mentioned system, particular focus should be made on training and motivation of the staff as well as publicising information on the quality of the provided service.

KEY WORDS: service quality; transport company.

### Introduction

Public transport is of critical social importance since it is essential service to the citizens of the country providing a possibility to travel to a workplace, to educational, medical and cultural institutions as well as to other destinations for daily needs. The aim of every company that provides transport services is competitiveness that allows ensuring quality service for a consumer through various methods and means. To this effect, the key characteristics and indicators of the service quality have to be identified that would allow comparing the quality with the quality level of other similar services available in the market. Therefore, the main aim of service providers in the transport company is to continuously ensure the quality of service.

However, service providers not always adequately assess consumers' preferences. Often they simply lack knowledge of what consumers really prefer and what they need or will need. Service providers often are not aware (or are little aware) of weaknesses and strengths of the quality of the organization's services. As Roland T. Rust & Huang Ming-Hui (2012) argue, many CEO of companies mistakenly suppose that increase in productivity and efficiency of services is achieved by reducing labour costs, but higher level of automation not always results in higher quality of services. According to L. Bagdonienė and R. Hopenienė (2009), the main concern is the service quality assurance. The problems of the service quality assurance stem from different combinations of services, forms of service delivery, deadlines, benefits to the provider and consumer and differences in prices. However, the dominant cause of heterogeneity of services lies in interpersonal relationships. Any failure or deviation from the

set requirements (standards) may be unnoticed by the provider at once but is instantly seen by a consumer.

Despite relevance of the issue of the quality of transport services, very little attention has been paid to this problem by researchers. Various authors (Torfing, 2014; Osborne, 2006) agree that in view of growing complexity of problems in the service companies, deeper analysis of the interaction between the service provider and a consumer is needed. Certain issues related with furthering of involvement of more subjects into the process of interaction between the service provider and consumers require further research. Therefore, it is evident that the topic of the transport service quality assurance requires more in-depth research and scientific justification.

The **research and practical problem** addressed by the article is formulated by the question: how to ensure the quality of the provided services in the transport companies?

**The subject of the article** – the system of the service quality assurance in a transport company.

**Methodology of the research.** To achieve the objective of the article, analysis and synthesis of scholarly literature were made with the aim to identify the theoretical interrelations of the service quality assurance between service providers and customers.

A quantitative research was conducted in the company that provides transport services. 51 respondents who work in the transport company

participated in the research. On the basis of analysed scholarly literature, a questionnaire was developed and used in the research, the statements of which help to identify shortcomings in the system of the service quality assurance. Data of the research was processed using the methods of quantitative research.

**The theoretical framework**

According to B. Vengrienė (2006), there is a wide array of concepts of services; they purport different meanings, which encompass the constituent components of service not only as a product but as activity as well. Ch. Grönroos (2001) approach represents the most relevant one to the topic of this article. A service – an action or a series of actions, which being intangible in nature, is manifested as an interaction between a consumer and an employee of the service company, where the latter offers the physical resources, goods or systems to solve consumer’s problems (Grönroos, 2001). Referring to the above, the main object of assurance of quality service is relationship between the provider and a consumer and their mutual interaction. E. Vitkienė (2004) defines quality of service as an integral concept that encompasses the dimensions of service delivery and marketing as well as the technical, technological, functional, process quality and consumer satisfaction dimensions. J. Mikulis (2007) defines quality of service as a difference between the quality expected by a customer and actually experienced one. Most importantly, the service quality is determined by its benefits to consumer (Rosen, 2007). Therefore, it may be maintained that complexity of the concept of service quality stems from the complicated nature of services – their intangibility, concurrency of delivery and consumption moments and an interaction between the provider and a consumer.

It has to be admitted that assurance of provision of quality service is quite a complex phenomenon based on the

synthesis of acknowledged, accepted and individual expectations of a person. Johannsen & Pors (2005) maintain that the quality of service comprises of what services an organization should provide in view of consumers’ expectations and how, in the organization’s opinion, such consumers’ expectations can be met. According to V. Vengrauskas et al. (2010), every company strives for productivity, while buyers – for high quality of service. IT may be maintained that the quality of services for their providers is the key factor for meeting consumer needs that determine satisfaction of consumers with the provided service. The service quality assurance is the entirety of systematic actions, whereby trust in compliance of the service with the quality requirements is to be imparted to consumer. It is important to emphasise that when a consumer uses the same service for a long time, a true perception of the service quality is developed. Acknowledgement of the service quality is not momentous, as objective quality of services may be acknowledged when the same service is used many times.

When paying for the received services, consumers want to receive a service of desired quality; however these expectations are not always justified. Striving for meeting consumers’ desires and needs, such companies extend the packages of services, implement modern technologies. When expectations are not met, consumers perceive unsatisfactory quality, when met – satisfactory or average quality, when expectations are over-met – ideal quality (Bitinas et al. 2010). Therefore, the service quality assurance needs a complex approach which is presented in Table 1.

**Table1.** Constituent elements of the system of the service quality assurance

FRAME OF THE PROVIDER’S SERVICE QUALITY ASSURANCE REQUIREMENTS	COMMON (OVERLAPPING) FRAME OF THE SERVICE QUALITY ASSURANCE REQUIREMENTS (INTERACTION)	FRAME OF THE CONSUMER’S SERVICE QUALITY ASSURANCE REQUIREMENTS (EXPECTATIONS)
<ul style="list-style-type: none"> <li>• To hire only suitable staff and to give them proper training.</li> <li>• To standardize the process of provision of services.</li> <li>• To monitor customers’ satisfaction, to conduct customers’ opinion surveys and a comparative buying.</li> <li>• To employ human capital (of the service staff) and high technologies.</li> </ul>	<p>The dimensions of the service quality assurance:</p> <ul style="list-style-type: none"> <li>• reliability;</li> <li>• guarantee;</li> <li>• aesthetics of the service environment;</li> <li>• attentiveness;</li> <li>• response to customer’s preferences.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Basic quality</i> – these are the implied requirements that are not stated and considered by a customer as obligatory. Failure to satisfy them will result in customer’s dissatisfaction.</li> <li>• <i>Expected quality</i> – the requirements stated by a customer on the basis of which he makes choice of one or another product. This is the area where the main competition takes place. The more the product meets the customer’s requirements, the higher the level of satisfaction.</li> <li>• <i>Unexpected quality</i> – the requirements that a customer does not state, but these additional qualities of the product determine customer’s trust in the service.</li> </ul>

Source: Vanagas (2009, 2008); P. Kolter & K. L. Keller (2007), J. Mikulis (2007)

The system of the service quality assurance (Table 1) comprises of three components: a frame of the provider’s quality requirements assurance; an overlapping frame of the requirements for the service quality assurance (interaction); a frame of the consumer’s quality requirements assurance (expectations). In principle, the service quality assurance, in any company is equalled to

enhancement (strengthening) of interaction between the provider and a consumer, i.e. it is a common result of the interaction between the provider and a consumer. It is difficult for the service providers to ensure the service quality and to satisfy the increased demand at the same time. The target quality of services is ensured by applying effective management methods and technologies in

accordance with consumer's needs. Having failed to ensure the service quality, a consumer of the service can at any time choose other transport company and such a decision may be to a large extent determined by the established mutual relationships and interaction.

By providing their services, transport companies aim at meeting consumer needs and ensuring high quality of service. The main component of the transport services is equipment (busses). A consumer of the services is an individual, a household or other entity. Services satisfy the needs of individual consumers and their groups. Transportation services are provided in the consumer's location or in the place agreed between the service provider and the consumer. Provision of the services is impossible without continuous participation of the consumer. The service is standardized (a travel by bus) because it is the same for all consumers. Only individual actions of reproduced service and the conditions of the service provision and use may be measured. A service consumer evaluates both the service itself and the entire process of its delivery, i.e. how it was provided. Assessment of the service quality is comparison of its characteristics with the expressed preferences and expectations of the consumer. When expectations of consumers are not met, they show dissatisfaction with the quality. Consumer expresses his opinion and this information is useful for the provider as thereby he can learn what should be changed or improved in future. Measurement results are integrated into indicators of the system of organizational performance. The service provider should communicate with a consumer in an appropriate manner, should be able „to come to an understanding“. These factors are of crucial importance for the transportation service quality assurance.

According to the authors (Grönroos, Voima, 2013), an interaction between the provider and a consumer is self-evident in the process of service provision. However, perishable one since most often a service is provided and consumed at the same time. Such a concept of the interaction between the provider and a consumer requires developing a model for the service quality assurance (Fig. 1), where the interaction is maintained and enhanced. The provider's service has to be delivered according to the consumer's requirements, in line with the service provider's standards and considering the existing situation in the market.

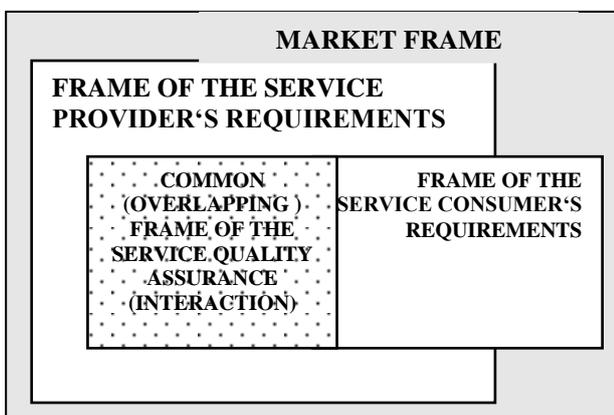


Fig.1. Model of the system of the service quality assurance (interaction)

The model (Fig.1.) shows that functional assurance of the service quality is within the common frame and represents an outcome of the interaction between the service provider and a consumer considering the existing situation in the market. Service is being delivered by means of mutual interaction between the provider and a consumer. The service quality assurance is manifested in a company through the staff knowledge and courtesy, ability to impart trust to consumer. The model encompasses the key principles: *the doctrine of meeting consumer needs; continuous improvement of the service provider in the market.* The quality of services encompasses both individual and organizational level and they are directly related with the service quality assurance. Assurance of the service quality requires synchronisation of the quality requirements of all elements (business subjects). This model ensures continuous improvement of organization's performance in terms of quality management. The concept of the company's service assurance should emphasise implementation of the means for quality improvement, as well as improvement and promotion of quality management methods, building and development of the service quality infrastructure for transportation services.

**Methods of the research**

To process the data of statistical research, the data processing programme Microsoft Office 365 Excel was used; analysis of the questionnaire results and graphic representation and interpretation of the data were performed.

The obtained research data was processed by SPSS 12.0 (*Statistical Package for Social Sciences*). Reliability of the questionnaire is validated by calculating Cronbach's alpha coefficient. When comparing the groups of variables, the scale is sufficiently reliable when Cronbach's alpha > 0,7; very reliable – when Cronbach's alpha > 0,8. (Vaitkevičius, Saudargienė, 2006).

Cronbach's alpha: all questions – 0,918; in the second group – 0,799; in the third group - 0,834; in the fourth group - 0,885; in the fifth group - 0,870. Therefore it may be maintained that the questionnaire is reliable.

**Table 2.** Demographics of the respondents

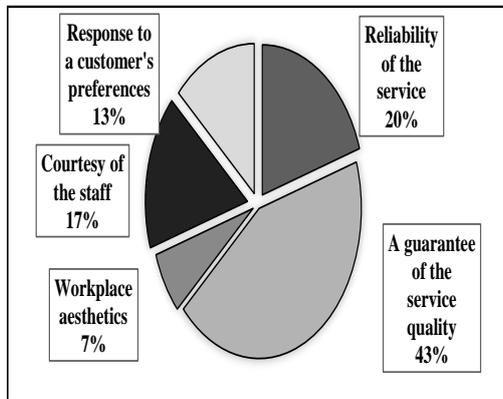
Demographical characteristics of the respondents		Number of respondents (N=51)	Number of respondents (%)
Position	MANAGERS	5	9,80
	SUBORDINATES	46	90,20
Age	< 30	1	1,98
	30-40	11	21,56
	40-50	34	66,66
	>50	5	9,80
Work experience in years	<5	1	1,97
	5 - 10	9	17,65
	10-15	21	41,17
	>15	20	39,21

Having analysed demographics of the respondents, it may be maintained that the research participants included managers who account for almost 10% of the total respondents and most of the respondents fall into the

middle age group (40-50 years old), the major part of which (80,38%) has a very big work experience (10 and > years).

**Findings of the research in the service quality assurance in a transport company**

The second group of statements is designated to assess the dimensions of the service quality assurance (Fig.2).



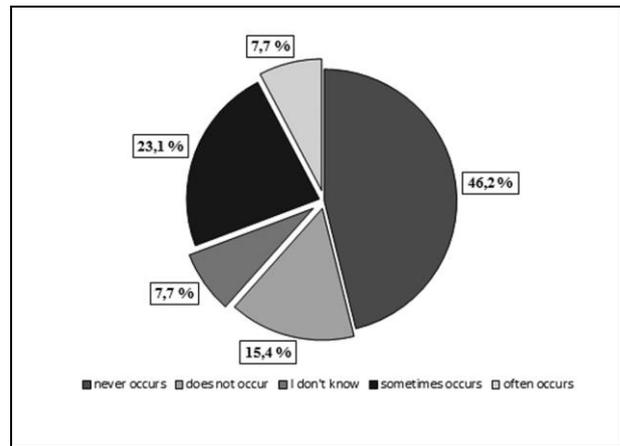
**Fig. 2.** Dimensions of the service quality assurance (N=51)

Guarantee of the service quality (43%) evaluated by the respondents is one of the most important dimensions of the service quality assurance. In this case a consumer has a reason to believe that such a guarantee is based on the policy, procedures, certification and rules developed within the framework of clearly regulated system. It means that the provided services are given a quality guarantee. Value of the service is created through the process of interaction between the service provider and consumers. In order to be productive, the interaction of participants must be based on mutual trust.

Reliability of the service (20%) evaluated by the respondents shows the provider's ability to provide the service, which was promised to consumer, in a proper manner. It means that the service provider will deliver the service to the consumer without mistakes, at agreed time and of required quality.

Workplace aesthetics (7%) does not represent a determinant of the service quality assurance because of the specific nature of activities of the employees.

In the third group of statements, an attempt has been made to gather information about frequency of occurrence of the service quality mistakes (Fig.3).

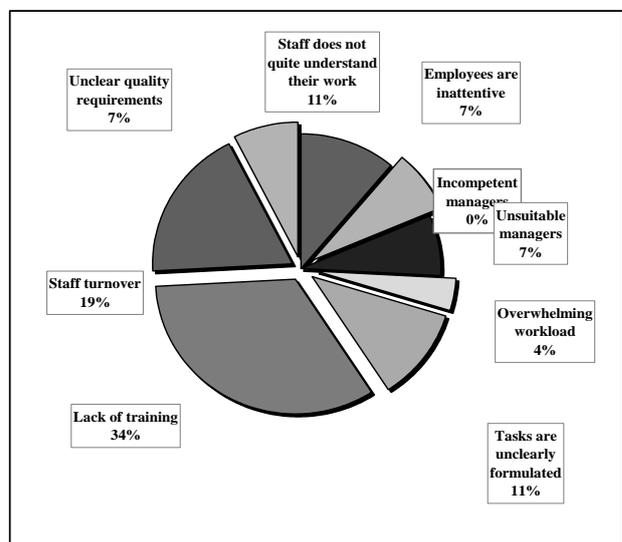


**Fig. 3.** Frequency of occurrence of the service quality mistakes (N=51)

Rather large number of the respondents (23,1%) state that there is persistent recurrence of mistakes during delivery of the services, although the major part of the respondents (46,2%) maintain that there are no mistakes at all. Referring to these evaluated criteria, it may be argued that the company is not strongly committed to continuous improvement of the service quality.

In order to reduce frequency of occurrence of the service quality mistakes, the company's employees are recommended to give a feedback form to consumers. This would help to get a feedback with the aim to ensure the quality of services.

The fourth group of statements is designated to identify the causes of substandard quality of services (Fig.4).



**Fig.4.** Causes of substandard quality of services (N=51)

Lack of training (33%) was indicated by the respondents as one, the main problem of substandard quality of service. Training process is based on understanding desires, intentions and expectations. In the course of the training process, the way of thinking, behaviour, actions, attitudes, beliefs of the company members are changing, their and the company's knowledge is extended. It is important that the training process should include not only development of skills, but qualitative changes in the individual's mindset as well. Shifts in consumers' needs and changes in the market are considered to be the main stimulus for necessity of training in the company. Training of the staff can help to respond in a fast, creative and effective manner to consumers' needs and to changes in the environment.

As regards the staff turnover (19%), it is an issue in every company and the main focus has to be made on adaptation of employees.

The respondents also state that work load (4%), unclear quality requirements (7%) and managers (7%) do not make much impact on the service quality assurance.

The fifth group of statements aimed at obtaining information on the means of the service quality assurance (Fig. 5.).

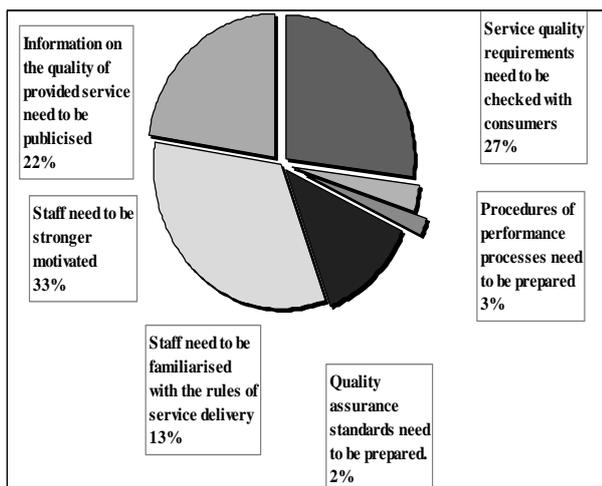


Fig. 5. Means of the service quality assurance (N=51)

More than one third of the respondents (Fig. 5) indicated insufficient motivation of the staff (33%) as the main reason why the service quality assurance is needed. Motivation of the staff is the underlying factor in order employees can work as efficiently as possible and ensure the quality of the service. Having properly motivated an employee, he/she develops personal interest in effective results of work. It is extremely important to identify real objectives for motivation of the staff, to be able to evaluate the employees' needs and to develop (and maintain) appropriate motivation system.

The respondents also note that while using the services provided by the companies, consumers lack information (22%) on performance of the company and the aims of the service quality assurance (and improvement). Consumer expectations are also to a large extent determined by available (positive or negative) information about the company. Proper information ensures prevention of mistakes and facilitates ensuring

safer transportation of customers. By providing information on negative events, analysing them and actively learning from mistakes, the risk for customers may be reduced.

The transport company is to the least extent focused on preparation, implementation and improvement of the procedures (3%) and standards (2%) of performance processes. These documents are thought to be too complicated for the employees, understood only by a few ones and ineffective.

Summarising the research findings, it may be maintained that 23,1% of the respondents state that there are persistently repeated mistakes during provision of the services. The main reasons for repeated mistakes are lack of training (33%), insufficient motivation of the staff (33%) and lack of information (22%) on the quality of the provided service. A guarantee of the service quality (43%) is one of the key dimensions ensuring the quality of the services. Other dimensions, such as workplace aesthetics (7%), workload (4%), quality requirements in a written form (7%), managers (7%), prepared procedures (3%) and standards (2%) of the performance processes do not significantly affect the service quality assurance. Therefore, it may be thought that the transport company functions as a closed system – there is a lack of internal collaboration in the company, external relations are maintained just at minimum level and there is little interaction with consumers. To ensure the quality of transportation service, it is necessary to train and to motivate the staff to work effectively, to have the methods for prompt dissemination of the required basic and expert information, to constantly emphasise the importance of coordination of the transport management structure, to improve the system of service quality control, to develop the common system of monitoring and measuring tools for safety and its assurance actions.

## Conclusions

Under conditions of strong competition, transport companies must set high requirements not only for the quality and quantity of the service, but first of all to focus on immediate participants of the work process – the service providers and consumers – and their interaction. The service quality assurance depends on frequency of interaction between the service provider and a consumer, since an interaction on a regular basis between two participants in the market strengthens their mutual relationships. Service companies and consumers interact by collaborating with each other; this process strengthens their relationships and ensures that proper decisions are made in terms of the service quality assurance. In doing so, attraction of new consumers as well as building good relationships between consumers and the company may be enhanced while striving to achieve the goals of both the consumers and the service company.

The conducted qualitative research (51 respondents) in the analysed transport company showed that according to the respondents' opinion, there is a 23,1% share of persistently repeated mistakes during provision of the services in the company. The major reasons for repeated mistakes are lack of training (33%), insufficient motivation of the staff (33%) and lack of information

(22%) on the quality of the provided service. While a guarantee of the service quality (43%) is one of the key dimensions ensuring the quality of the services.

The findings of this research should show how to ensure high quality of services provided by a transport company, effective management of the services and safety of the service consumers. It is recommended that every transport company should implement its own individual system of the service quality assurance, which would reflect the specific aspects of the provided services. When developing the above mentioned system, particular focus should be made on training and motivation of the staff as well as publicising information on the quality of the provided service.

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