LINKING SERVICE CLIMATE TO ORGANISATIONAL PERFORMANCE: EVIDENCE FROM SARAWAK

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ABSTRACT

The main objective of the exploratory study reported in this paper was to examine the relationships among service climate, employee satisfaction, employee loyalty, and organisational performance of service organisations. The service-driven market orientation model of Voon (2006) was adapted to gauge the service climate from the employee's perspective. Structured questionnaires were given to senior employees of three selected service organisations. A total of 120 usable questionnaires were analysed and the findings indicate that service climate positively influence employee satisfaction, employee loyalty, and employee-perceived organisational performance. There were also positive relationships among employee satisfaction, employee loyalty and organizational performance. Implications and directions for future research are also discussed.

Keywords: Service climate, employee satisfaction, employee loyalty and organizational performance.