

Services lie at the hub of economic activity in the United States. As of 2008, service jobs accounted for over 80 percent of total U.S. employment, and current trends indicate that this figure will remain steady or increase into the twenty-first century. As such, we say that the United States has a service economy. Within this service economy, the term service has several meanings when paired with other words. For example, a service firm is defined as one that derives more than 50 percent of its sales from providing services. RCA's service revenues now exceed its revenues from electronic manufacturing. A service package is a bundle of explicit and implicit benefits performed with a supporting facility and using facilitated goods. When you eat at a fast food restaurant (supporting facility), you may purchase a hamburger (facilitating good) that someone else cooked for you (service). The service concept is the perception and expectations of the service itself in the minds of the customers, employers, shareholders, and lenders. The service system is the equipment, layout, and procedures used to provide the service and maintain quality and delivery standards. The service revolution relates to the shift in the United States to a service economy and the proliferation of service automation.

A service operation is an open transformation process of converting inputs (consumers) to desired outputs (satisfied consumers) through the appropriate application of resources (family, material, labor, information, and the consumer as well). More simply, services are economic activities that produce time, place, form, or psychological utility. A meal in a fast food restaurant saves time. A meal with a date in an elegant restaurant with superior service provides a psychological boost. Wal-Mart attracts millions of customers because they can find department store merchandise, groceries, gasoline, auto service, dry cleaning, movie rental, hair styling, eyeglasses and optical services, and nursery items all in one place.

The U.S. economy consists of sectors producing goods and services. The goods-producing sector consists of manufacturing, construction, and extractive industries such as agriculture, mining, forestry, and fishing. Different types of services include business services such as consulting, banking, and financial services; trade services such as retailing, maintenance, and repair; social/personal services such as restaurants and healthcare; public services such as government and education; and infrastructure services such as transportation and communication.

Factors affecting service operation

Customer service performance is a key business objective that boils down to making customers happy. But what makes customers happy? In this article, we will present the scientific research on the factors that influence customer service performance. This will help both HR and managers make better decisions that are proven to increase revenue. We also present a list of key customer service performance metrics at the end of this article.

The scientific literature (Borucki & Burke, 1999; Bowen, Siehl, & Schneider, 1989) shows that when employees (and businesses) deliver high-quality service, their customers are:

1. Happier
2. More likely to give higher ratings
3. Report higher satisfaction
4. Visit a store more often

5. And buy more products!

Simply put, a business makes more profit when its customers are happy. So how do we make customers happy? In this article, we will focus on the restaurant service sector to answer this question using some very practical examples.

The factors that influence customer service performance can be categorized into two groups. There are individual-level factors, which are the factors that are influenced by individual employees, and organization-level factors, which have more to do with the organizational climate.

Individual factors that influence customer service performance

Let's first look at the factors that help an individual employee provide better customer service.

Research indicates that restaurant-goers who pay more for their food, perceive it as being tastier.

This proves that perception is everything.