



**THE IMPACT OF EMPLOYEES SMILING AND POSITIVE
BEHAVIOR ON CUSTOMERS' SATISFACTION WITH REFERENCE
TO SELECTED BANKS IN BARAMATI REGION**

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ABSTRACT: *An increasing range of competition is now held among hospitality organizations and the only way to maintain a stable or increasing market demand is through delivering quality services that exceeds or at least meets customers' expectations. The present study is an attempt to investigate the relationship between employees' positive and negative behaviors, customers' perception of service quality and overall customer satisfaction. This study investigates the role of the Positive Organizational Behavior (POB) concept of emotional competence for the effective management and customers' assessments about its impact on customer satisfaction in public sector banks. Here researcher tested employees' emotional competence is related to both service employees' and customers' state positive affect. Results of the current study revealed that all employees' behaviors, either negative or positive, are significantly affected to the customers' overall satisfaction. A total of 100 service encounters involving all are customers of a bank were assessed.*

Keywords: smiling impact, customers' perception, emotional competence, positive affect.

I. INTRODUCTION

The purpose of this research is to explore the literature on verbal and nonverbal communication involving emotions conveyed through facial expressions such as smile (e.g., Guenzi and Pelloni 2004; Sundaram and Webster 2000). Nonverbal components of communication tend to be viewed as important as verbal components in shaping the outcome of employee-customer interactions (e.g., Barnum and Wolniansky 1989; Burgoon et al. 1990; Gabbott and Hogg 2000). Due to their



interactive nature, service deliveries involve emotions to a greater extent than many other jobs (Bailey et al. 2001; Liljander and Strandvik 1997) and, arguably, the display of nonverbal emotions, especially smile, is the most important cue in emotional contagion (Howard and Gengler 2001). Positive Organizational Behavior (POB) has been defined as “positively oriented human resource strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement in today's workplace” (Luthans, 2002, p. 59). Emotional competence is an integrative term for skills that are concerned with the processing, regulation, and utilization of emotions at the workplace (Cherniss, 2000; Zeidner, Matthews, & Roberts, 2004). As such, emotional competence may qualify as a POB concept because it ultimately focuses on employees' capability to make use of the positive functions of affect. Anecdotal accounts claim, for example, that individuals high on emotional competence are more successful employees because in social interactions they are able to create a positive affective climate, which leads to more favorable individual and organizational outcomes (e.g., Goleman, 1998). However, empirical evidence supporting this claim is still scarce. Service encounters are a particularly suitable setting for testing the contribution of emotional competence because affective processes are central for how an encounter proceeds and how it is evaluated (e.g., Pugh 2001). In customer service settings, “service with a smile” is a job requirement found to enhance tipping (Tidd&Lockard, 1978), intentions to return to the store (Tsai, 2001), and customer satisfaction (Brown &Sulzer-Azaroff, 1994). Previously, service researchers proposed that service with a smile impacts customer attitudes and behaviors through the effect on cognitive appraisals of the behaviors, such as perceived service quality or met expectations (Oliver, 1997; Parasuraman, Zeithaml, & Berry, 1985). More recently, primitive emotional contagion, a non-conscious process by which moods are transferred through mimicry of the displays (Hatfield, Cacioppo, &Rapson, 1994), has been implicated as the primary mechanism. Indeed, research has shown that positive displays predict customer attitudes and



intentions through their effect on customers' post-encounter mood (Pugh, 2001; Tsai & Huang, 2002).

THE EFFECTS OF A SMILE ON CUSTOMER SERVICE

The idea of smiling at customers did not take root in Indian culture until the early 1900s. Around that time, the ideal solemn, serious and efficient customer service worker went out of fashion, according to article published in the "Journal of Transportation Industry." Since then, the slogan "service with a smile" has become popular in many businesses due to its positive effects on customer behavior. Constantly smiling at customers, however, can have negative effects on customer service employees.

II. HYPOTHESIS OF THE STUDY

Based on the review of literature and objectives of the study hypotheses were formulated.

1. The positive behavior and sincere emotions displayed by service employees have a significant and positive effect on the overall customers' satisfaction

III. OBJECTIVES OF THE STUDY

1. To study the sincere emotions displayed by service employees and its impact on customer satisfaction.
2. To study the impact of employees positive behaviors and negative behaviors on customer satisfaction.

IV. METHODOLOGY

A. STUDY SAMPLE

The data of the study were collected from selected banks in public sector customers in Baramati region. From a total number of 5 banks selected by convenience sampling techniques, a random sample of 100 customers was selected on basis of first come first serve (FCFS) on randomly. Twenty questionnaires were distributed by using proportionate stratified random sampling among customers in each bank counting for



a total number of 100 distributed questionnaires. Data were analyzed by using statistical techniques, and the results supports to the researcher's assumption.

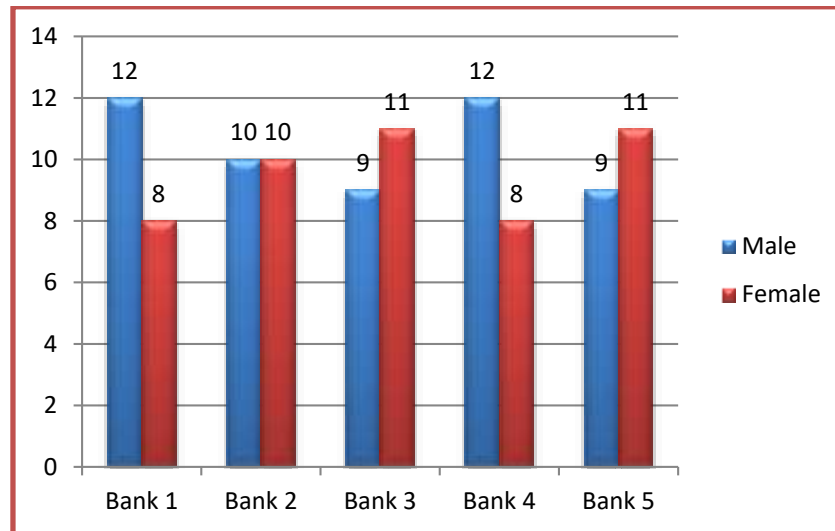
B. STATISTICAL TOOLS AND TECHNIQUES TO BE USED

Chi-Square Test has been used for testing the relationship positive behavior of employees and its impact on customer satisfaction. For data analysis purpose researcher used statistical software IBM-SPSS 23.0 version (Statistical Software for Social Science) and MS- Excel. By using statistical software researcher computed frequency statistics. By Using MS- Excel researcher are drawn the graphical representation of the study to better know the trend of the data and chi-square test of independence.

V. DATA ANALYSIS AND INTERPRETATION

Table No.1 Demographic gender analysis

No of Banks	Male	Female	Total
Bank 1	12	8	20
Bank 2	10	10	20
Bank 3	9	11	20
Bank 4	12	8	20
Bank 5	9	11	20
Total	52	48	100



**Figure No. 1 Gender wise distribution of given sample
Observations**

In the above figure researcher select the sample of 100 customers in selected five banks of public sector. Each bank there is 20 customers are selected. The bank 1 has selected the 12 male and 8 female, Bank 2 has selected the 10 male and 10 female, the bank 3 has selected the 09 male and 11 female, the bank 4 has selected the 12 male and 8 female and the bank 5 has selected the 09 male and 11 female customers.

**STATISTICAL HYPOTHESIS FOR CHECKING THE RELATIONSHIP BETWEEN POSITIVE
BEHAVIOR OF EMPLOYEES AND ITS IMPACT ON CUSTOMER SATISFACTION**

H₀: The positive behavior and sincere emotions displayed by service employees have not statistically significant and positive effect on the overall customers' satisfaction

Against

H₁: The positive behavior and sincere emotions displayed by service employees have statistically significant and positive effect on the overall customers' satisfaction

**Note:1= Strongly affected, 2= Moderately affected, 3= Neutral, 4= Moderately
not affected, 5= Strongly not affected**

Table No.2 Observed frequency table of responses of customers



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Sr. No.	Type of Factors	1	2	3	4	5	Total
1	Treats all customers in a consistent way.	13	35	5	34	13	100
2	Let's you waiting longer than necessary for a demand.	26	32	10	12	20	100
3	Responds to your phones in a helpful tone of voice.	44	32	4	12	8	100
4	Meet the special needs of handicapped customers.	46	38	2	6	8	100
5	Makes every possible effort to resolve your complaints	12	66	6	7	9	100
6	Replies to your complaints in a rude and bad way.	48	30	5	10	7	100
7	Displays bad moods in the job.	8	12	10	35	35	100
8	Doesn't handle special requests saying not my responsibility	41	21	8	21	9	100
9	Greets you with a friendly welcome and big smile.	46	44	3	4	3	100
10	Talks politely with you.	14	64	6	7	9	100
11	Makes a good eye contact with customers.	23	32	6	30	9	100
12	Listens to you with empathy and responds in a good manner.	14	64	6	7	9	100
13	Allows you to feel special as you enter the bank.	41	37	3	9	8	98
	Total	376	507	74	194	147	1298

Table No.3 Expected frequency table of responses of customers



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Sr. No.	Type of Factors	1	2	3	4	5	Total
1	Treats all customers in a consistent way.	29	39	6	15	11	100
2	Let's you waiting longer than necessary for a demand.	29	39	6	15	11	100
3	Responds to your phones in a helpful tone of voice.	29	39	6	15	11	100
4	Meet the special needs of handicapped customers.	29	39	6	15	11	100
5	Makes every possible effort to resolve your complaints	29	39	6	15	11	100
6	Replies to your complaints in a rude and bad way.	29	39	6	15	11	100
7	Displays bad moods in the job.	29	39	6	15	11	100
8	Doesn't handle special requests saying not my responsibility	29	39	6	15	11	100
9	Greets you with a friendly welcome and big smile.	29	39	6	15	11	100
10	Talks politely with you.	29	39	6	15	11	100
11	Makes a good eye contact with customers.	29	39	6	15	11	100
12	Listens to you with empathy and responds in a good manner.	29	39	6	15	11	100
13	Allows you to feel special as you enter the bank.	28	38	6	15	11	98
	Total	376	507	74	194	147	1298

Table No.4 P-Value table of responses of customers



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Sr. No.	Type of Factors	P-Value
1	Treats all customers in a consistent way.	0.0000008004504
2	Let's you waiting longer than necessary for a demand.	0.0170029281888
3	Responds to your phones in a helpful tone of voice.	0.0250190555536
4	Meet the special needs of handicapped customers.	0.0008692647858
5	Makes every possible effort to resolve your complaints	0.0000010682695
6	Replies to your complaints in a rude and bad way.	0.0012447139419
7	Displays bad moods in the job.	0.0000000000000
8	Doesn't handle special requests saying not my responsibility	0.0017635919480
9	Greets you with a friendly welcome and big smile.	0.0000308390651
10	Talks politely with you.	0.0000104671041
11	Makes a good eye contact with customers.	0.0011477582076
12	Listens to you with empathy and responds in a good manner.	0.0000104671041
13	Allows you to feel special as you enter the bank.	0.0423953645736

DECISION CRITERIA

The chi-square test was for testing the null hypothesis, which states that there was no significant difference between the expected and observed result. If p- value was less than or equal to the level of significance i.e. alpha was less than or equal to 0.05 then researcher may reject the null hypothesis i.e. H_0 . Otherwise researcher may accept the alternative hypothesis H_1 .

INTERPRETATION:



In above table of p-value researcher noticed that the all of the p-value was less than smallest level of significance i.e. 0.05 so that researcher may reject the null hypothesis H_0 and may accept the alternative hypothesis H_1 means that The positive behavior and sincere emotions displayed by service employees have statistically significant and positive effect on the overall customers' satisfaction.

VI. FINDINGS OF THE STUDY

- In the customer's eyes, customer service employees represent the bank. Smiling, making eye contact and paying attention to customer demands build relationships between customers and the bank employees. Positive customer service experiences foster customer loyalty, which are one of the most important economic objectives for many banks.
- Smiling of employees while serving customers is a way of showing that the bank also as ethical values of customers, in addition to economic aims. A smile can reflect values of respect of customers, compassion and hospitality, which are the foundations of excellent customer service. A smile, as well as patience and courtesy, often inspires customers to smile back at customer service employees.
- Customer services employees often must display emotions that they do not feel, such as happiness and satisfaction. The necessity of excessive smiling can have long-term consequences, such as emotional exhaustion, and can have a negative impact on job satisfaction and customer satisfaction. The more autonomy a customer service employee is given to interact naturally with customers.

VII. CONCLUSION

The study traced the impact of behaviors on customers' perceptions, sincere emotions displayed by service employees and overall satisfaction of customers who visited in the selected public banks through studying the relevant literature and by analyzing



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opinion on the impact of employees' positive and negative behaviors on customers' perceptions of quality and overall satisfaction. This study concludes that the positive behavior and sincere emotions displayed by service employees have statistically significant and positive effect on the overall customers' satisfaction. The employees smiling, paying attention to customers, employees sincere emotions displayed to customers, listens with empathy, talks politely to customers, taking responsibility to deliver healthy service has been significantly affected on the overall satisfaction of the customers who visited in the selected public sector banks. It will help the increase customer base and performance of public sector bank.

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