

***Running on Goodwill? Relationship Quality and Service Outcomes in University Professional Services (0177)***

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Interdependency is an unavoidable feature of the complexity of universities in the UK as colleagues rely on colleagues to achieve their goals in teaching, research or strategy development (Dobson and Conway 2003). Structures and processes are implemented to formalise these collaborative relationships, and support services designed to place resources where they are most effective (Shattock 2003). Yet when it comes to accessing support services, competing priorities and resource constraints can place pressure on these relationships (Small 2008). This research examines how variations in relationship quality influence service outcomes, and the tangible consequences for the individual and the institution in terms of the benefits of positive relationships and the costs of negative ones.

**Theoretical contribution**

Service research in an HE context predominantly focuses on the student as customer, with limited attention to the role of internal service provision and the experiences of staff (Sharif and Kassim 2012). Relationship quality research typically explores external buyer-seller relationships or work-group relationships (Morgan and Hunt 1994, Sias 2005). This study combines these fields and extends their application through an empirical examination of the influence of relationship quality on an internal customer's attitudes, behaviours and outcomes. The dynamics of internal service provision are analysed alongside the development of effective cooperative relationships, enabling a more holistic understanding of the role of professional services staff within universities and their contribution to institutional performance.

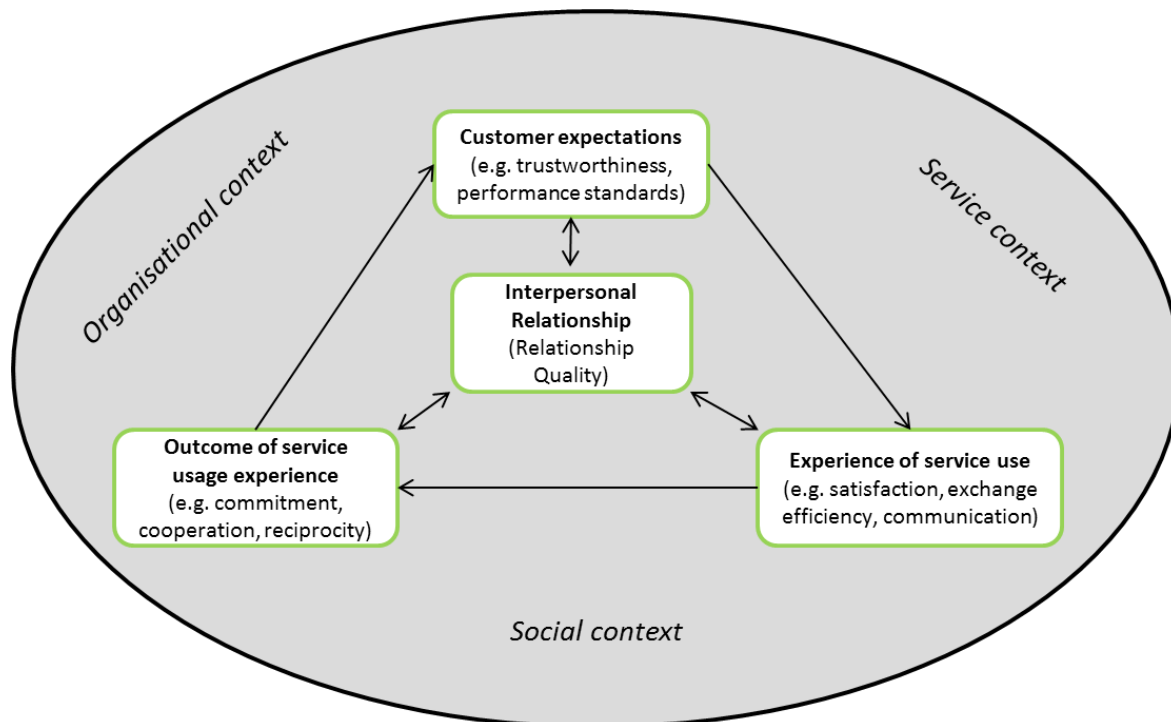
**Research context**

Whilst the effective use of organisational resources is a common concern for organisations, the specific characteristics of the HE context, which combines high levels of interdependence with a significant degree of staff autonomy, creates a particular challenge for co-operation between colleagues (Sporn 1996). Support staff provide the enabling infrastructure (Whitchurch 2006) but are virtually invisible in the literature and risk not being recognised as a key resource in tackling institutional challenges (Szekeres 2011).

The service perspective which centres on intangible resources, value co-creation and the interactive nature of services (Vargo and Lusch 2004, 2011) provides a theoretical framework for this study. The systems view contained in the service ecosystem concept recognises the interdependency of customer and supplier in creating value (Ostrom *et al.* 2015) and the significance of social context (Edvardsson *et al.* 2012). However, internal service provision as a 'behind-the-scenes' function receives limited attention despite being empirically shown to have a strong bearing on overall service quality and external customer satisfaction (Bowen and Schneider 2014).

A relationship quality perspective grounded in trust and social exchange theory aids understanding of the interpersonal elements of service provision, particularly the dimensions of trust, commitment and satisfaction (Palmatier *et al.* 2006). Figure 1 shows the conceptual framework for this study which draws these theoretical perspectives together.

Figure 1: Conceptual Framework - A service user's perspective on the internal service exchange relationship



## Methodology

This qualitative study used semi-structured interviews with 50 participants across three UK institutions. Half the participants were academic staff and half were professional services staff, who shared their expectations and experiences of service provision from a customer perspective. Inductive coding and thematic analysis were used to generate findings from the qualitative data.

## Findings

Five key themes are identified which influence relationship quality: the application of rules and regulations and the use of discretion in their interpretation; bureaucratic and administrative burdens in accessing support; a culture of ownership, accountability and problem-solving; mutual understanding of needs and priorities; competence and resource constraints of service providers.

The outcomes of service experiences are both practical and psychological, with short and long term effects at individual and institutional level. Strong working relationships contribute to an individual's job performance and efficacy, and instances of value co-creation are evident in the data, such as in joint problem-solving approaches. Evidence supports reciprocity theory (Molm 2010) in that positive relationships are reinforced through demonstrations of goodwill, reciprocal favours and use of discretion. Positive psychological effects include an increased sense of belonging and community, and significant boosts to an individual's motivation, job satisfaction and well-being, all of which contribute to performance. Trust, honesty and respect of colleagues and services are identified as outcomes which sustain ongoing co-operative relationships.

Poor relationships also generate self-perpetuating consequences, as negative outcomes influence customers' subsequent behaviours. Lack of confidence in the reliability of services produces counter-productive behaviours designed to protect against risk and service deficiencies, such as avoidance of services or individuals, increased scepticism, assertiveness and escalation. Such outcomes imply poor value for money for those services from an institutional perspective. More tangibly, participants recounted instances of incurring costs as a result of deficiencies, and loss of funding opportunities or lower student numbers, both of which have financial implications. The psychological costs of more difficult relationships are evidenced in the negative emotions described by participants, such as anger, frustration and demoralisation, and increased stress levels. Academic participants emphasised detrimental effects on innovation, in that regularly encountering difficult relationships had a dampening effect on creativity. In a university setting which demands innovation in research, scholarship and student experience, a sense of being compromised in these areas was especially worrying to these participants.

This study extends relationship quality theory into the internal service setting, demonstrating its applicability to intra-organisational exchange relations. The service eco-system concept is empirically supported, with contextual conditions such as degrees of co-location and service delivery models influencing service interactions. It is noteworthy that many participants cited examples of positive relationships in which individuals overcame structural barriers to deliver high service quality, underscoring the importance of interpersonal relationships in service provision.

### **Implications**

This study of the positive and negative outcomes of internal service relationships evidences the link between relationship quality and service quality, and identifies the individual and institutional consequences of relationship strength for service delivery and productivity. Addressing the absence of an outcomes-focused perspective in value co-creation research, this study draws attention to the significance of interpersonal dynamics in internal exchange relationships. If institutions can harness the benefits of effective co-operative relationships and avoid the costs of poor service relationships, they will be maximising the value of their investment in professional support services.

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