

1-1-2009

Customer orientation in an Australian public service agency and its effect on public service motives: developing a research study

Christa Wood

University of Wollongong, cwood@uow.edu.au

Follow this and additional works at: <https://ro.uow.edu.au/commpapers>



Part of the [Business Commons](#), and the [Social and Behavioral Sciences Commons](#)

Recommended Citation

Wood, Christa: Customer orientation in an Australian public service agency and its effect on public service motives: developing a research study 2009, 1-15.
<https://ro.uow.edu.au/commpapers/1886>

Customer orientation in an Australian public service agency and its effect on public service motives: developing a research study

Abstract

The Australian public service has experienced dramatic changes during the last few decades. One of the changes is the push for public servants to behave in accordance with private sector principles, such as customer service orientation. This paper is developing a research study that aims to analyse the motivational forces that enable (or disable) the behavioural changes of public servants and what impact (if any) those changes have on traditional public service motives. The study intends to use an extended expectancy-valence model together with a public service motive measurement scale to identify if there are relationships between motivational forces, customer service oriented behaviour and public service motives.

Keywords

Customer, orientation, Australian, public, service, agency, its, effect, public, service, motives, developing, research, study

Disciplines

Business | Social and Behavioral Sciences

Publication Details

Wood, C. (2009). Customer orientation in an Australian public service agency and its effect on public service motives: developing a research study. Proceedings of the Australian and New Zealand Academy of Management Conference (pp. 1-15). Adelaide, Australia: Australian and New Zealand Academy of Management.

**Customer orientation in an Australian public service agency and its effect on
public service motives: Developing a research study**

Associate Lecturer Christa Wood

School of Management and Marketing, University of Wollongong, Australia

Email: cwood@uow.edu.au

Customer orientation in an Australian public service agency and its effect on public service motives: Developing a research study

ABSTRACT

The Australian public service has experienced dramatic changes during the last few decades. One of the changes is the push for public servants to behave in accordance with private sector principles, such as customer service orientation. This paper is developing a research study that aims to analyse the motivational forces that enable (or disable) the behavioural changes of public servants and what impact (if any) those changes have on traditional public service motives. The study intends to use an extended expectancy-valence model together with a public service motive measurement scale to identify if there are relationships between motivational forces, customer service oriented behaviour and public service motives.

Keywords: public sector reform, new public management, motivation

CHANGE IN THE AUSTRALIAN PUBLIC SERVICE

The Australian public service has experienced dramatic changes during the last few decades. The increase in globalisation, technological advancements and the discontent of the public with government services have contributed to a public service reform movement in most OECD countries including Australia (Claver, Llopis, Gasco, Molina and Conca, 1999; Valle, 1999; Armbruster, 2005). The rationale behind this reform is a 'new public management aligning public procedures to seemingly more successful private enterprise business practices to create a public service that is focussed on quality, that is flexible and responsive to customers and that provides choices of non-standardised services' (Osborne and Gaebler, 1993:15). The Australian government has introduced wide-sweeping changes to the public service by privatising, contracting out and establishing agencies that have to compete to provide services with other government departments and in some instances with private business. In many departments new management structures and procedures have been put in place to help with the transformation to a customer oriented model including a performance management system emphasising team work, high quality customer service, providing tangible results, innovation and flexibility (Mascarenhas, 1993; Brown, Ryan and Parker,

2000; Grant, O'Donnell and Shields, 2003; Kernaghan, 2003). As Grant et al. write, 'a declared purpose of this new paradigm has been to transform the image of the Australian Public Service (APS) line employee from...public servant to...strategic contributor' (2003:247) If Grant et al. (2003) are correct in their claim then a number of important questions need to be answered: What motivates a public servant to become a strategic contributor? That is, what motivates public servants to behave according to the new paradigm of customer service orientation (CSO)? And then, what effect does acting according to the new paradigm have on more traditional public service motives?

Thus, the aim of this paper is to describe the development of a research study that will attempt to answer those questions. The results will be important in several ways. First, it will provide insights for the public service on the motivational forces at play in a particular agency now. Second, it will throw light on how these forces may vary from agency branch to agency branch. Finally, it will indicate whether and how traditional public sector motives are affected by the new model of public sector behaviour.

MOTIVATION

To answer the first question it is necessary to identify the motivational tools in force to shift the public servant's behaviour to that of a strategic contributor. One of the procedures to help with the transformation to the new business paradigm in the APS has been the implementation of a performance management system based on private sector principles, such as performance-based pay. This system includes an individual performance appraisal process aimed at helping to shift the focus of the public servant from simply following procedures to embracing customer service, flexibility, innovation, accountability and individual responsibility (Public Service Agency Development Agreement, 2003-2005). A stated aim of this performance appraisal system is to provide opportunities for bi-annual feedback and a link to remuneration and training and development. Remuneration in the APS under the new

system is based on pay-bands with several increments within the bands and work availability barriers between the bands. Training and development is to be provided according to 'business needs' as determined by the team-leader/manager and the employee. The performance appraisal system is thus based on private sector models that emphasise extrinsic motivators such as pay and career progression (Jurkiewicz, Massey and Brown, 1998). So the first question becomes: 'to what extent do these and other elements of an APS employee's employment situation help them to act in ways consistent with CSO?

The second question requires a closer look at specific traditional motives that appear to be prevalent in the public service. According to public service motives literature (Perry and Wise, 1990; Perry, 1996; Brewer and Selden, 1998; Wright, 2001; Le Grand, 2003; Lee, 2007; Taylor, 2007) public servants have different reward values from those of private sector employees. Public servants typically have strong feelings about the norms and moral values in the public service and are guided by a public service ethic or public service motives (PSM) emphasising internal motivators such as a desire to serve the public interest, to pursue a common good and a willingness to help others (Wright, 2001; Taylor, 2007). This willingness to place the public interest above personal gain has been the object of several research studies indicating a positive relationship between public service motives and work and social outcomes (Brewer and Selden, 1998; Taylor, 2007).

Vroom's expectancy theory of motivation

To tackle the first question, the link between APS line employee' motivation and their CSO behaviours, it makes sense to use a well-established framework for understanding motivation: Vroom's expectancy theory. Vroom's expectancy theory has been successfully used by researchers over many years and in diverse contexts to analyse the relationship between desired work outcomes and demonstrated behaviour (Van Eerde and Thierry, 1995; Ambrose and Kulik, 1999). The traditional expectancy-valence theory (Vroom, 1964) proposes that

employees' behaviour is based on rational and goal-directed decisions. It suggests that employees will select behaviour they perceive to be beneficial for the achievement of certain valued rewards. Vroom (1964) developed an equation that expresses this proposition as follows:

$$\text{Force to perform act} = \text{Expectancy that appropriate performance will be followed by rewards} \times \text{Valence of rewards (F=EV)}.$$

Vroom's basic model shows the dependency of motivation on a person's expectancy of attaining rewards, the ability to perform and the rewards to be gained. Thus, motivation to behave in a certain way is influenced by the elements in the expectancy/valence model meaning that if either of the E or V elements has a negative or zero value, the employee will not be motivated to expend any force towards the performance outcome (behaviour) or reward outcome. The basic theory has had some criticism (Kopelman and Thompson, 1976; Van Eerde and Thierry, 1995; Steers, Mowday and Shapiro, 2004; Kominis and Emmanuel, 2007). As Kopelman and Thompson (1976) state, the 'validity of the expectancy theory ultimately depends on the manner in which the theory is tested' (1976:255) and 'only when those factors which complicate the prediction of work motivation and job performance are taken into account will researchers be able to determine the validity of expectancy theory' (1976:256).

The extended expectancy-valence model

The extended expectancy-valence model proposed by Kominis and Emmanuel (2007) in their study of 200 plus middle managers in a large, successful company in the financial services sector, adds just such a new variable to the effort-reward relationship in Vroom's basic model. Kominis and Emmanuel believe the perceived accuracy of performance measures could affect employees' expectancy of attaining rewards. Their extended expectancy-valence model is summarised in Fig 1 (see page 13).

The E and V elements of the extended model can be explained as follows.

Expectancy: The expectancy (E) of achieving appropriate performance depends on three factors, some of which are outside the employee's control (Vroom, 1964). The first is an employee's capacity to attain required performance standards, thus $E \rightarrow P$. For instance, the satisfactory completion of a customer enquiry may depend on the availability of a computer system, the amount of training or technical skills the employee was given prior to the enquiry, or other factors. The strength of the expectancy is thus indicated by the perceived likelihood of the performance outcome eventuating (Vroom, 1964). The second dimension of E – the new variable introduced by Kominis and Emmanuel – is the perceived accuracy of the measures used, thus $P \rightarrow EP$. For instance, an employee's performance may not be measured accurately because his or her supervisor is not familiar enough with what he or she does, or is subject to various forms of error, such as halo error, recency error and so on. The third dimension of E is the perceived dependency of rewards on performance, thus $EP \rightarrow ER$. For instance, an employee may be promised a reward if he or she achieves the appropriate performance, but the person who promised it may not have the power to grant the reward, or budget cuts or other circumstances may mean to promise is not kept. The $EP \rightarrow ER$ relationship is sometimes referred to as instrumentality. All three factors will influence the behaviour decision an employee will make amongst a number of alternatives. Over time the expectancies will either strengthen or weaken as 'actual events provide information which influences the individual's perceptions' (Nadler and Lawler III, 1989:7).

Valence: The valence (V) element in the extended model distinguishes between extrinsic valence (EV) and intrinsic valence (IV). EV refers to extrinsic rewards that are recognised as rewards administered by the agency such as pay and promotion as a consequence of performing an activity, whereas IV is referring to those rewards that relate to feelings 'produced inherently from the activity itself' (Kominis and Emmanuel, 2007:54).

Intrinsic rewards thus include feelings of achievement, self-actualisation and competence; and in relation to the public service feelings associated with having the opportunity to serve the public interest, a sense of 'civic duty' and having 'compassion' to help others.

RESEARCH QUESTIONS

Question 1: Motivating factor → tendency to act in a CSO way

To investigate the first research question, I plan to adopt Kominis' and Emmanuel's extended expectancy-valence model to determine the factors that influence the tendency of public servants to behave in a CSO way (see Fig 2, red circle).

A survey of a public service agency at different locations within Australia will provide insights why some public servants have a greater tendency to act in a CSO way and why others do not behave in that way. Qualitative work already done suggests that there is greater capacity in some locations than others to offer the kinds of extrinsic rewards the new paradigm relies on. The model adopted from Kominis and Emmanuel (2007) will be used to devise survey questions for each of the three E elements of the extended expectancy-valence model. The first element of the model refers to the relationship between the perceived attainability of standards and the tendency to act in a CSO way and will elicit insights into how public servants feel about their ability to reach the performance standards of their agency if they put in a great deal of effort, and whether they feel they have the opportunity, the necessary knowledge and training to behave in a CSO way. The next dimension of the E element will deal with the relationship of the perceived accuracy of measures and the tendency to act in a CSO way. This will capture issues about performance evaluation, its frequency, the perceived accuracy of the measures and any equity issues that may arise in regard to performance management. The third dimension of E will probe the relationship between the perceived dependency of rewards and the tendency to act in a CSO way, that is, whether public servants feel that the reward they receive actually depends on the evaluated performance as assessed by the agency.

The two reward dimensions will identify the relationship between the perceived value of extrinsic and intrinsic rewards and the tendency to act in a CSO way. Kominis and Emmanuel (2007) had an innovative approach to considering the rewards dimension in their study. They asked their respondents to identify as many as possible of the different rewards associated with their job and then to rate each of those rewards according to the importance they placed on them. This has the advantage that rewards that may not have been anticipated in standard lists could be generated by the participants themselves. I could pursue a similar approach. Alternatively, the survey for my research study could provide a list of possible rewards, both extrinsic and intrinsic asking respondents to add any additional ones they believed were not included and then to rate the importance of each of all of them.

Another measurement scale will be developed to capture the desired behaviours that enable a public servant to act in a CSO way. Kominis and Emmanuel (2007), whose study focused on managerial behaviours, used a list of job functions such as planning, investigating, supervising to rate their middle manager respondents on a 7-point scale. As with the options for probing rewards, there are various ways I could set about measuring 'tendency to act in a CSO way'. One would be to follow Kominis and Emmanuel's approach, but instead of using a basic list of managerial job functions, use a basic list of CSO behaviours from the documents used by the agency in question. These might appear, for example, as 'providing customer service, displaying qualities of flexibility, displaying qualities of innovation, being accountable and taking responsibility'. Another would be to use a modified measurement scale such as the selling orientation-customer orientation scale (SOCO) developed by Saxe and Weitz (1982).

Question 2: Tendency to act in a CSO way → public service motives

The second question will identify if there is a relationship between the tendency to act in a CSO way and traditional public service motives (PSM) as stated by Perry and Wise (1990) (see Fig 2, blue circle). Perry and Wise (1990) identified three PSM; rational, norm-based and affective. The rational PSM is based on participation in the process of policy formation, commitment to a public program due to personal identification with it and the advocacy for a special or private interest (Perry and Wise, 1990). Norm-based motives include a desire to serve the public interest, loyalty to duty and social equity whereas the affective motives are a commitment to a program because of personal beliefs about its social importance and general benevolence. Based on those PSM Perry (1996) used confirmatory factor analysis to develop a measurement scale with four (4) dimensions. The dimensions are based on the three motives identified in his earlier work and refer to public policy making, public interest and compassion with the addition of self sacrifice as the fourth dimension on the grounds that it 'has had a historical connection to how we think about public service' (Perry, 1996 p 20).

The theoretical and empirical foundations for PSM as developed by Perry and Wise (1990) and tested by Perry (1996) have been used extensively by academics researching PSM (Brewer, Selden, 1998; Brewer et al., 2000; Steijn, 2004; 2008; Taylor 2007; 2008; Grant, 2008; Vandenabeele, 2008). Taylor (2007) uses Perry's PSM construct to test the relationship between PSM and three work outcomes; organisational commitment, job satisfaction and job motivation in the Australian public service. Her study investigates what effect each PSM dimension has on the three work outcomes in the Australian public service and also to identify if some dimensions play a more dominant role than others. Her findings show that PSM in the Australian government has a positive relationship to the three work outcomes and that a positive work environment contributes to a rise in PSM whereas perceptions of bureaucratic red tape indicate a decline in PSM (Taylor, 2007). She further concludes that some motives are vulnerable to influence by external factors and that altruistic motives are in need of encouragement and support.

Taylor's (2007) measurement subscales consists of questions developed by Perry (1996) with some revised statements to fit the Australian public service context. As such her PSM construct will be used to identify to what extent PSM exist in the chosen agency and whether there is a relationship between the tendency to act in a CSO way and PSM (see Fig 2, blue circle). Taylor's (2007) self-sacrifice subscale consists of eight (8) questions, with examples such as 'I believe in putting the needs of my community before self' and 'I feel people should give back to society more than they get from it'. Measuring normative motives (commitment to public interest) identifies five (5) questions and asks about such things as 'I consider public service a civic duty' and a reversed question 'it is hard to get me genuinely interested in what is going on in my community'. In regards to affective motives (compassion) the eight (8) questions include: 'to me, being Australian includes seeing to the welfare of others' and another reversed question 'I am not particularly moved by the plight of the underprivileged'. The last sub-set of questions is about rational motives (attraction to policy making) and has three (3) questions, one of which is 'the give and take of public policy making appeals to me'.

The next step is to devise a survey that measures the three identified constructs of motivation, tendency to act in a CSO way and public service motives and then test for relationships between those constructs as indicated in Fig 2 by using regression analysis.

CONCLUSION

The study promises to be of value in both empirical and theoretical terms. At a theoretical level, we will know more about whether a blanket approach to motivation according to a single new paradigm of CSO is equally effective for all public sector employees of a particular agency. Further, we will know more about the specific factors such as agency location that may influence any variations in the system's effectiveness. Finally, we will also know more about whether the new paradigm has hidden costs, no effect, or actually enhances traditional PSM. At a theoretical level, we will understand more about the capacity of

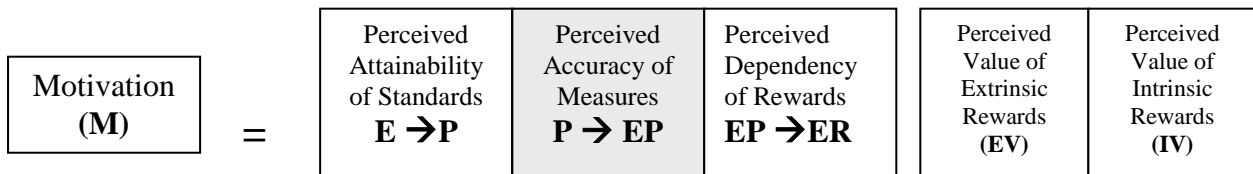
expectancy theory to explain motivation by testing it in a new way and in a new context as Kopelman and Thompson (1976) recommend.

REFERENCES

- Ambrose, M. L. and Kulik, C. T. (1999). Old friends, new faces: Motivation research in the 1990s. *Journal of Management* 25(3): 231-292.
- Armbruster, T. (2005). Bureaucracy and the controversy between liberal interventionism and non-interventionism. *The values of bureaucracy*. P. Du Gay. New York, Oxford University Press.
- Brewer, G. A. and Selden, S. C. (1998). Whistle blowers in the federal civil service: New evidence of the public service ethic. *Journal of Public Administration Research and Theory* 8(3): p413-27.
- Brown, K., Ryan, N. and Parker, R. (2000). New modes of service delivery in the public sector: Commercialising government services. *The International Journal of Public Sector Management* 13(2/3): 206-221.
- Claver, E., Llopis, J., Gasco, J. L., Molina, H. and Conca, F. J. (1999). Public administration: From bureaucratic culture to citizen-oriented culture. *The International Journal of Public Sector Management* 12(5): 455-462.
- Grant, D., O'Donnell, M. and Shields, J. (2003). *The new performance paradigm in the Australian public service: A discursive analysis*. Paris, Harmattan Publishers.
- Jurkiewicz, C. L., Massey, T. K. and Brown, R. G. (1998). Motivation in public and private organizations: A comparative study. *Public Productivity and Management Review* 21(3): 230-251.
- Kernaghan, K. (2003). Integrating values into public service: The values statement as centerpiece. *Public Administration Review* 63(6): 711-719.
- Kominis, G. and Emmanuel, C. R. (2007). The expectancy-valence theory revisited: Developing and extended model of managerial motivation. *Management Accounting Research* 18: 49-75.
- Kopelman, R. E. and Thompson, P. H. (1976). Boundary conditions for expectancy theory predictions of work motivation and job performance. *Academy of Management Journal* 19(2): 237-258.
- Le Grand, J. (2003). *Motivation, agency, and public policy: Of knights and knaves, pawns and queens*. Oxford, Oxford University Press.
- Lee, S. (2007). Vroom's expectancy theory and the public library customer motivation model. *Library Review* 56(9): 788-796.
- Mascarenhas, R. C. (1993). Building an enterprise culture in the public sector: Reform of the public sector in Australia, Britain, and New Zealand. *Public Administration Review* 53(4): 319-328.
- Nadler, D. A. and Lawler III, E. E. (1989). Motivation: A diagnostic approach. *Readings in managerial psychology*. H. J. Leavitt, Pondy, L.R., Boje, D.M., Chicago, The University of Chicago Press.
- Osborne, D. and Gaebler, T. (1993). *Reinventing government: How the entrepreneurial spirit is transforming the public sector*. New York, Penguin Books.
- Perry, J. L. (1996). Measuring public service motivation: An assessment of construct reliability and validity. *J Public Adm Res Theory* 6(1): 5-22.
- Perry, J. L. and Wise, L. R. (1990). The motivational bases of public service. *Public Administration Review* 50(3): 367-373.
- Public Service Agency Development Agreement (2003-2005). Part f: Managing for better performance. P. S. Agency, Public Service Agency: 38-51.
- Saxe, R. and Weitz, B. A. (1982). The SOCO scale: A measure of the customer orientation of salespeople. *Journal of Marketing Research* 10(3): 343-351.

- Steers, R. M., Mowday, R. T. and Shapiro, D. L. (2004). The future of work motivation theory. *Academy of Management Review* 29(3): 379-387.
- Taylor, J. (2007). The impact of public service motives on work outcomes in australia: A comparative multi-dimensional analysis. *Public Administration* 85(4): 931-959.
- Valle, M. (1999). Crisis, culture and charisma: The new leader's work in public organizations. *Public Personnel Management* 28(2): 245-257.
- Van Eerde, W. and Thierry, H. (1995). Vroom's expectancy models and work-related criteria: A meta-analysis. *Journal of Applied Psychology* 81(5): 575-586.
- Vroom, V. H. (1964). *Work and motivation*. New York, John Wiley & Sons, Inc.
- Wright, B. E. (2001). Public-sector work motivation: A review of the current literature and a revised conceptual model. *J Public Adm Res Theory* 11(4): 559-586.

FIGURES

Figure 1: Extended Expectancy-Valence Model

Adapted from Kominis & Emmanuel, 2007, p54 (shading added by author)

E – Effort, **P** – Performance, **EP** – Expected Performance, **ER** – Expected Reward,
EV – Extrinsic rewards, **IV** – Intrinsic rewards

Figure 2: Expectancy-Valence/CSO Behaviour/Public Service Motives Model