A STUDY ON THE RELATIONSHIP BETWEEN ORGANIZATIONAL CULTURE AND SERVICE QUALITY AT GREAT EASTERN LIFE ASSURANCE (M) BERHAD

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FELLY DALILINA BT NURULHUDA

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Othman Yeop Abdullah
Graduate School of Business

Universiti Utara Malaysia

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ABSTRACT

Much attention has been focused on how to enhance service quality in order to meet customer expectations and demand. However, relatively limited studies focus on the relationship between organizational culture and service quality in insurance industry in Malaysia. The purpose of this study is to examine the relationship between organizational culture and service quality. Data were collected from 120 Customer Service employees in Great Eastern Life Assurance (M) Bhd and gathered through questionnaire. The result was being analyzed by using Statistical Package for Social Science (SPSS) version 19. Based on the data analysis, independent variables such as involvement, adaptability, strategic direction, and empowerment have positive correlations with service assurance, service reliability, and service equipment. Recommendations and implications for future research and practices were also discussed.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

Organizational culture has been debated extensively by academics for the last twenty years (Schein, 2004) and there are many approaches adopted in defining and studying cultures. This includes a shared belief system within an organization (Spender, 1983) widely shared core values (Peters and Waterman, 1982) collective understandings (Van Maanen and Barley, 1984) and the pattern of shared assumptions, values, and beliefs considered to be the correct way of thinking about and acting on problems and opportunities facing the organization. (Schein 1985).Organizational culture finds expression through the thoughts, intentions, actions and interpretations of members of the organization (Hallett, 2003). In summary it can be considered as the organization's DNA or deoxyribonucleic acid, which is a compulsory material in humans and almost all other organisms. Nearly every cell in a person's body has the same DNA. Same goes to organizational culture, whereby it is compulsory element in an organization. Organizational culture is invisible to the naked eye, yet powerful items that shapes what happens in the organization. Culture is comprised of the assumptions, values, norms and tangible signs of the organization, its members and their behaviors (Daft, 1998). According to Daft (1998), the researched

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