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The Effect of HR Practices on Employee and Customer Satisfaction

A Study of an Airport Infrastructure Manager

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Problem Statement

The aim of this study is to identify how the use of Human Resource (HR) practices are able to affect organizational performance measured as customer satisfaction in the service industry. Variables of employee attitudes and behaviours have been included as an intermediary in order to understand this connection. A conceptual model constituting the HR practices, employee attitudes and behaviours, and customer satisfaction has been developed and tested at eight medium and large sized airports in Norway, managed by Avinor, from 2013 to 2016.

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Preface

This diploma work is the concluding part of the authors' Master of Science degree in Industrial Economics and Technology Management at the Norwegian University of Science and Technology (NTNU), graduating June 2017. One of the authors has a technical background from Mechanical Engineering, while the other has a technical background from Computer Science. Both of the authors specialize in Strategic Change Management.

We would like to thank several people for what has been an exciting and interesting semester. First, we would like to thank Avinor for the cooperation with this master thesis and for all their availability, support and hospitality. Especially, we want to thank Birgitte Hauge for spending so much of her valuable time to feed us with insight and information about Avinor. We also want to thank all the interviewees and the workshop participants from Avinor, for taking the time to provide us with valuable information. Further, we would like to thank our academic supervisors Hanne O. Finnestrand and Andreas Landmark, for guidance and inspiring discussion. We are grateful for the casual meetings filled with laughter and constructive feedback, making the work even better. Lastly, we want to thank friends and fellow students for making the semester enjoyable and unforgettable.

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Abstract

Problem statement: The aim of this study is to identify how the use of Human Resource (HR) practices are able to affect employee attitudes and behaviours, and how these in turn affect organizational performance measured as customer satisfaction.

Motivation: Caused by the increased competitive market, many airports have turned to service quality as a strategy for achieving competitive advantage. For service companies, the key to make profits is by satisfying their customers. As the interaction with the customers is mainly through the employees, it is crucial that they have the right skills and attitudes. Thus, the focus shifts towards how HR, and the use of High-Performance Work Systems (HPWS) can impact organizational performance. The limited research on customer satisfaction as an indicator of organizational performance, has provided an opportunity to carry out this study.

Approach: The theoretical foundation of this thesis has emerged from a literature review concerning theory on HPWS and organizational performance. The first part of the analysis is based on a qualitative approach, while the last part is quantitative. The empirical foundation is a longitudinal case study on a Norwegian airport infrastructure manager. Based on the literature, we have identified and included three HR practices and three employee attitudes and behaviours in our model. Additionally, a fourth employee variable was included as a result of the empirical data.

Results: An overall significance was found between three out of four employee variables (job satisfaction, empowerment, customer orientation) and customer satisfaction. While, organizational commitment did not have a significant connection. Further analysis on the individual airports, resulted in three groups; positive correlation, negative correlation and no correlation between employee attitudes and behaviours, and overall customer satisfaction.

Conclusion: Based on the literature and empirical findings of the case study, the HR practices are seen as important in influencing employee attitudes and behaviours, by forming the organizational climate where the employees work. The significant connection found between employee attitudes and behaviours, and customer satisfaction, implies that there are much to gain by investing in ones employees, e.g. through HR practices. However, HR practices alone are not sufficient to gain fully satisfied customers, thus the effect of external factors must be kept in mind as well.

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Sammendrag

Formål: Formålet med denne oppgaven er å identifisere hvordan bruken av HR-tiltak kan påvirke ansattes holdninger og adferd, og hvordan disse videre påvirker organisasjonsprestasjon målt i kundetilfredshet.

Bakgrunn: Mange flyplasser har valgt å fokusere på servicekvalitet som en strategi for å oppnå et konkurransefortrinn på grunn av den økende konkurransen i markedet. Nøkkelen for å oppnå profitt for servicebedrifter, er å gjøre kunden fornøyd. Ettersom kundekontakten hovedsakelig skjer gjennom de ansatte, så er det viktig at de har de rette ferdighetene og holdningene. Som en følge av dette har fokuset skiftet mot menneskelige ressurser (HR), og hvordan bruken av High Performance Work Systems (HPWS) kan påvirke organisasjonsprestasjonen. Den begrensede forskningen på kundetilfredshet som en indikator på organisasjonsprestasjon har gitt oss mulighet til å forske videre på dette området.

Metode: Det teoretiske grunnlaget for denne avhandlingen er basert på teori om HPWS og organisasjonsprestasjon. Den første delen av analysen er basert på en kvalitativ tilnærming, mens den siste delen er kvantitativ. Det empiriske grunnlaget er en longitudinell case-studie på et norsk selskap ansvarlig for flere flyplasser. Basert på teori så ble tre HR-tiltak, og tre variabler for ansattes holdninger og adferd, identifisert og inkludert i vår modell. I tilleg ble en fjerde ansatt-variabel inkludert som et resultat av empirisk data.

Funn: En overordnet signifikans ble funnet mellom tre av de fire ansatte-variablene (jobbtilfredshet, autonomi, kundeorientering) og kundetilfredshet. Organisasjonstilhørighet hadde en ikke-signifikant effekt sammenheng. Videre analyse på de enkelte flyplassene resulterte i tre grupperinger; positiv korrelasjon, negativ korrelasjon og ingen korrelasjon mellom ansattes holdninger og adferd, og kundetilfredshet.

Konklusjon: Basert på litteratur og empiriske funn, så har HR-tiltak vist seg å ha en viktig innflytelse på ansattes holdninger og atferd, gjennom å forme organisasjonsklimaet. Den signifikante sammenhengen mellom ansattes holdninger og adferd, og kundetilfredshet, indikerer at det er en gevinst i å investere i sine ansatte, for eksempel gjennom HR-tiltak. Ettersom HR-tiltak i seg selv ikke er tilstrekkelig for å gjøre kundene 100 % fornøyd, så er det viktig å ta hensyn til påvirkninger fra eksterne faktorer.

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Abbreviations

ASA	**A**ttraction **S**election **A**ttrition
ASQ	**A**irport **S**ervice **Q**uality
DRA	**D**ivison of **R**egional **A**irports
HPWS	**H**igh **P**erformance **W**ork **S**ystems
HR	**H**uman **R**esource
OCBs	**O**ragnizational **C**itizenship **B**ehaviours
LA-#	**L**arge **A**irport-#
MA-#	**M**edium **A**irport-#
RQ-#	**R**esearch **Q**uestion-#

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1 | Introduction

1.1 Background

The airport industry has changed during the last decades. Prior to the 1980s, airports were commonly viewed as a free public service or utility provided by governmental or quasi-governmental entities. Later on, marketing started to play a more significant role in managing the airports due to deregulation of the airlines and other sectors in the air transport industry. Thus, in an effort to survive in an increasingly competitive market, many airports provided greater attention and investment on marketing activities and turned to service quality as a strategy to achieve competitive advantage. It is argued that, for service companies, the key to make profits is by satisfying their customers (Anderson, Fornell, & Lehmann, 1994; Rust & Zahorik, 1993). Thus, the increasing importance of customer orientation, have resulted in an increasing urgency among airport marketers to differentiate themselves by meeting the needs of the customers better than the competitors (Donavan, Brown, & Mowen, 2004).

In line with this, researchers have argued that the traditional support functions in companies, such as Human Resource (HR) should be more closely linked to the core business of the company, and thereby contribute more to strategic development (Ulrich, 1987). HR was originally functioning on the periphery of organizational and strategic decision-making, with relatively low operational status (Bratton & Gold, 2012). Now, HR has increased the attempts to position itself within value-adding activities. Further, it has become a more central part of the management agenda and undergone a switch from operational to strategic focus (Wilton, 2014). Ulrich, Brockbank, Yeung, and Lake (1995) have for instance demonstrated how HR plays a critical role in carrying out management of change in organizations, thus creating an overall organizational capacity for change as a key source to competitive advantage. Thus, HR has become a fundamental part of sophisticated organizations, and we proceed with the definition by Bratton and Gold (2012):

> A strategic approach to managing employment relations which emphasizes that leveraging people's capabilities and commitment is critical to achieving sustainable competitive advantage or superior public services.

> This is accomplished through a distinctive set of integrated employment policies, programs and practices, embedded in organizational and societal context (p.6).

Along with the intensity of global market competition, the consumers demanded a broader range of high quality products, which required work practices that were able to make the most of the skills inside the company's walls (Ashton & Sung, 2002; Konzelmann, Forrant, & Wilkinson, 2004; White, Hill, & Mills, 2004). Thus, the focus has now shifted towards how HR can impact organizational performance. It is a need for integration of business and employee relation strategies, and a cooperation between employee and management for the achievement of organizational goals. This lead to the increasing interest in the potential benefits of using High-Performance Work Systems (HPWS) as a method to maximize the competitive advantage of firms (Huselid, 1995; Messersmith, Patel, Lepak, & Gould-Williams, 2011; Takeuchi, Chen, & Lepak, 2009). One of the most acknowledged academics within the field, Huselid (1995), describes HPWS as:

> A group of separate but interconnected HR management practices, including comprehensive recruitment and selection procedures, incentive compensation and performance management systems, and extensive employee involvement and training, which are designed to enhance employee and firm performance outcomes through improving workforce competence, attitudes, and motivation (Takeuchi et al., 2009, p.1).

Avinor as an airport infrastructure manager, is also affected by the competitive market. Realizing the importance of customers, they implemented a new strategy and added "Customer Orientation" as a new value, in 2013. As part of the new strategy, Avinor executed comprehensive structural changes within the company, such as the Modernization Program. This change especially affected the HR department in Avinor. As a result, HR has a better strategic position, and aims at keeping the HR work at a more overall level, and away from the individual cases.

1.2 Objective and Research Questions

This study explores how the use of HR practices on employees are able to affect organizational performance measured as customer satisfaction in the service industry. Further, variables of employee attitudes and behaviours have been included as an intermediary in order to understand this connection. Thus, we try to identify the affect of HR practices on employee satisfaction, and in turn on customer satisfaction. In order to explain the existence of such a connection, we have relied on theory of HPWS within the field of HR. The proposed research questions are presented below:

RQ-1: In what what way do HR Practices influence Employee Attitudes and Behaviours?

RQ-2: Do Employee Attitudes and Behaviours influence Customer Satisfaction?

The study is carried out as a longitudinal case at eight medium and large sized airports in Norway, managed by Avinor, from 2013 to 2016. Since its founding in 2002, Avinor has experienced several changes both in ownership and organizational structure. In 2013 Avinor implemented a new strategy for the company included a new value, *Customer Orientation*. This study will therefore examine the time period from 2013 to 2016.

RQ-1 is answered through the use of theory in combination with the qualitative research. The variables of employee attitudes and behaviours are based on the HPWS literature. These are further linked to the empirical findings of HR practices in Avinor, in order to answer the question. The motivation behind RQ-1 emerge from the lack of literature on the intermediary between HR practices and organizational performance by academics so far. For companies to increase customer satisfaction, they need to implement HR practices that facilitate the satisfaction, empowerment, organizational commitment and customer orientation of employees.

RQ-2 will be addressed using a quantitative approach with data based on the Employee Survey and the Airport Service Quality (ASQ) survey provided by Avinor. Statistical analysis are used to answer whether there exist a link between employee attitudes and behaviours, and customer satisfaction. Realizing the importance of customer satisfaction in the service industry, and the limited research on this area, our research provide an opportunity to explore customer satisfaction as an indicator of organizational performance.

1.3   Structure of the Study

The master thesis start with a literature review analyzing current studies within the field of HPWS, HR practices, employee attitudes and behaviours, and customer satisfaction. The literature review in Chapter 2 is then used as a foundation for developing the model presented in Figure 2.5. Chapter 3 presents the research design and method for this study, and evaluate the limitations of the chosen design. In Chapter 4, the case company is presented and described, including the different airports. The results from the statistical analysis are presented in Chapter 5. Then in Chapter 6 the results are discussed up against the model presented in Chapter 2. Finally the research questions are answered and concluded in Chapter 7, suggesting scientific and managerial implications, and limitations and future research.

2 | Theoretical Background

Before investigating the link between HR practices and customer satisfaction through statistical and empirical analysis, it is interesting to examine what other academics within the field have explored so far. Thus, we start with a literature review where we first present HPWS in Section 2.1, the starting point of our research. Further, we look at specific HR practices in Section 2.2, employee attitudes and behaviour in Section 2.4, and lastly in Section 2.6, the affect on customer satisfaction. Between each of these three parts, theory on organization climate (Section 2.3) and organizational citizenship behaviours (OCBs in Section 2.5), are suggested as possible connections.

2.1 High Performance Work Systems

It is believed that by introducing and implementing HR practices, this will influence the employee attitudes and behaviours in such a way that lead to desired performance of the organization (Nishii, Lepak, & Schneider, 2008). HPWS appears to be the newest lead within the study of HR practices, which has shown to successfully accomplish these goals, and led to desired outcomes (Huselid, Jackson, & Schuler, 1997; Huselid et al., 1997). Thus, in our research, HPWS appeared to be a starting point to answer whether HR practices have the desired effect on customer satisfaction. However, to be able to explore the effects of HPWS, it is important to understand the thoughts behind the term. Therefore, we start with the description of HPWS as a bundle of practices (MacDuffie, 1995), before explaining the different concepts constituting HPWS (Boxall & Macky, 2009).

It is implicit in the term "a bundle", that practices are interrelated and internally consistent and that "more is better" when it comes to performance. This is due to the overlapping and mutually reinforcing effects of multiple practices. MacDuffie (1995) tests the relationship between HR practices and economic performance, by using an international data set from 62 automotive assembly plants. He proves that both productivity and quality are better at assembly plants using flexible production systems,

where practices are bundled into a system integrated with the production business strategy. Thus, he see the importance of the close connection to the overall strategy of the company. Those realizing and utilizing such bundles of practices in line with the overall production strategy, outperform plants using more traditional mass production systems.

Boxall and Macky (2009) claim that in the notation of HPWS there exist a system of work practices that lead to superior organizational performance. They suggest three specific concepts: systemic effects, performance, and work practices. Firstly, *systemic effects* suggest that firms adopting systems of complementary practices will gain greater productivity (Appelbaum, Bailey, Berg, & Kalleberg, 2000; Ichniowski, Shaw, & Prennushi, 1997), in alignment with bundles of practices explained above (MacDuffie, 1995). Secondly, within HPWS the *organizational performance* depends on both the company and employee outcome (Boxall & Macky, 2009), and can be conceived in a variety of operationalizations. The employee outcome is a function of interactions between employee ability, discretionary effort and performance opportunities, which further influence team and workplace performance.

The last concept is *managerial practices*, which we refer to as HR practices. There exist several different practices which affects performance. Based on the literature, there is not one specific bundle of practices that must be implemented in order to achieve better organizational performance. This is exemplified by Becker and Gerhart (1996), who find no common practices when comparing five leading HPWS studies in the US. This makes it challenging for firms, in deciding which practices to allocate resources to in order to yield the best possible performance.

Even though the terminology is not always consistent, the literature has linked various operationalizations of HPWS to factors such as *customer service* (M. Chen, Lyu, Li, Zhou, & Li, 2016; Nishii et al., 2008; Rogg, Schmidt, Shull, & Schmitt, 2001), *effectivity* (Huselid et al., 1997), *financial performance* (Huselid, 1995; MacDuffie, 1995), *firm-level performance metrics* (Messersmith et al., 2011), *growth* (Batt, 2002; Terpstra & Rozell, 1993), *productivity* (Cappelli & Neumark, 2001; Huselid, 1995; MacDuffie, 1995), *profitability* (Delaney & Huselid, 1996; Terpstra & Rozell, 1993), and *turnover* (Batt, 2002; Huselid, 1995), throughout the past decades.

2.2 HR Practices in line with HPWS

The benefit of HPWS have long been a topic of interest within HR. It is argued that the link, between HR practices and organizational performance, may be a source to identify the often discussed causes for why management adopts the practices that they

do. A thorough literature search has resulted in Table 2.1, which shows an overview of different HR practices that have an effect on performance, in line with HPWS. Here, the 'X' indicates that the article includes the given practice, on the given row. Based on this, the number of 'Xs' illustrate the frequency of practices in the table.

Table 2.1 is intentionally color-coded to organize the HR practices into different categories based on their similarities. This means that practices such as labour management, recruitment, selection, hiring, and job description are categorized as *staffing*. Practices such as compensations, benefits, pay, performance review, and internal promotion are categorized as *compensations systems*. Eventually, *planning, training, decision making, information sharing, attitude assessment, grievance procedures, policy*, and *legal* are individual practices and not grouped into any specific category.

The HR practices presented in Table 2.1, has led us to the most occurring and discussed practices, according to the literature. In addition, it is desirable to chose practices reaching employees in different stages during their employment in a firm. This in order to achieve variation of the practices and their effect on performance. Therefore, we proceed with the categories: staffing, training, and compensations systems. *Staffing* focuses on finding and recruiting suitable people for the company at the right time. Here we proceed with the recruitment and selection processes. Next, *training* focuses on developing the employees in the company. Lastly, within *compensations systems* we concentrate on compensations and appraisals, that might be used as intrinsic and extrinsic motivation of employees.

As seen from Table 2.1, Huselid (1995) is an important and much quoted academic within the field of HPWS and has commented on several of the HR practices presented. Based on principal component analysis, Huselid (1995) suggests 13 practices that he organize into two categories: 'employee skills and organizational structures that facilitated those skills' and 'motivation of employees'. In addition, Delaney and Huselid (1996) published a study on the impact of selection, training, compensation, grievance procedures, decision making and internal promotional practices, which are a continuation of some of the practices from 1995. In this research they measure the perception of organizational performance by looking at the perceived quality of products and services, customer satisfaction, and the ability to attract and retain quality employees. These authors and their findings are presented in more detail within each subsection.

TABLE 2.1: HR Practices in line with HPWS

	Practices	Gerhart & Milkovich (1992)	Terpstra & Rozell (1993)	Huselid (1995)	Delaney & Huselid (1996)	Rogg et al. (2000)
Staffing	Hiring					X
	Job design			X		X
	Labour management			X		
	Recruitment		X	X		
	Selection		X	X	X	
	Training			X	X	X
Compensation systems	Benefit	X				
	Compensation	X		X	X	
	Internal promotion			X	X	
	Pay	X				
	Performance apprasial			X		X
	Attitude assessment			X		
	Decision making				X	
	Grievance procedures			X	X	
	Information sharing			X		
	Legal					X
	Policy					X

2.2.1 Staffing

The first meeting between employee and employer is usually through the recruitment and selection processes. This is the main focus area of Terpstra and Rozell (1993). Their research provide data on the relationship of five staffing practices and organizational level performance. The recruitment and selection process consists of (1) follow-up studies of recruiting sources to determine which sources yield greater proportions of high performing employees, (2) validation studies for the predictors used in selection, (3) structured, standardized interviews for selection, (4) cognitive aptitude and ability tests for selection, and (5) biographical information blanks or weighted application

blanks for selection (Terpstra & Rozell, 1993).

The results show that organizations employing more of these practices have higher levels of annual profit, profit growth, and *overall performance*, as substantiated by MacDuffie (1995). In addition, Terpstra and Rozell (1993) discover that the strongest relationship between the use of the five staffing practices and organizational outcomes are in the service industry. They argue that the primary input in service organizations are the human resources, and therefore their success seem to be more directly dependent upon the nature and quality of their employees than in less labor intensive industries. Hence, good staffing practices will contribute to secure the best human resources available.

Huselid (1995) confirms the five staffing practices by Terpstra and Rozell (1993), and states that use of such a reliable and valid selection regimen, will have a substantial influence on the quality and type of skills new employees possess. Indeed, "research indicates that selectivity in staffing is positively related to firm performance" (Delaney & Huselid, 1996, p.951). Even though most firms should benefit from the use of the selection practices, this might also be used to pick out a specific type of people depending on the competitive strategy of the company (Huselid, 1995).

2.2.2 Training

After the recruitment and selection phase, new employees usually get introduced to the firm and prepared for their work tasks by attending different types of training. Even though several authors (Delaney & Huselid, 1996; Huselid, 1995; Rogg et al., 2001), mention training as one of the HR practices, they do not explicitly explain it. Instead they all refer to Russell, Terborg, and Powers (1985), who were among the first to relate personnel and human resource programs to organizational measures of performance.

Russell et al. (1985) starts by pointing to evidence from the training literature, suggesting that training should lead to improved individual performance. Further, they stress that a systematic link is needed between individual level and organizational level results. By studying archival data from 62 stores within the same international merchandise firm, Russell et al. (1985) conclude that both training and organizational support are significantly correlated with measures of store performance. However, training has the strongest relationship with organizational performance among these two.

The skills of the employees may be influenced through the acquisition and development of the human capital of a firm, and achieve significant positive effect on productivity (Huselid, 1995). Formal and informal training experience such as basic skills training, on-the-job experience, coaching, mentoring and management development can further

influence the development of the employees (Delaney & Huselid, 1996; Huselid, 1995; Russell et al., 1985). Thus, their work provides an impetus for other organizational level research focusing on personnel and HR practices such as selection and compensation.

2.2.3   Compensation Systems

In addition to training, the employees also need continuous motivation in order to develop and perform their best, which may be facilitated by compensation systems. *Intrinsic motivation* is an individual's natural interest in an activity, that motivates them to engage eagerly and willingly in that activity. *Extrinsic motivation*, on the other hand, involves external motivating factors, such as financial gain or some form of recognition (Levesque, 2011). Gerhart, Milkovich, and Murray (1992) are one of the first academics discussing the effect of compensations and appraisals as HR practices. Their work have later been referred to by the other authors agreeing on the same practices (Delaney & Huselid, 1996; Huselid, 1995).

Gerhart et al. (1992) argue that the use of performance appraisals together with compensations are linked to increased firm profitability. Considering these practices as means to maximize the impact on human resources to accomplish organizational objectives, compensation systems are among the most important organizational decisions. From a managerial perspective, there are several paths to reach organizational goals, and these can be viewed as contingency factors that either constrain or enhance the effectiveness. Among such factors, they mention pay decision, training programs, job design, external and internal staffing, and development. Consequently, these may directly influence key outcomes such as *job satisfaction*, attraction, performance, cooperation, skill acquisition and so forth (Gerhart et al., 1992).

Even though, appraisals and performance review has not been elaborated in great detail, Rogg et al. (2001) link this to compensations systems and identify the use of performance review to communicate the importance of customer satisfaction. This is particularly interesting for our research, which focuses on the service industry, and therefore measure performance as customer satisfaction. In addition, firms might use performance appraisals to assess individual or group work performance, both directing and motivating their employees (Huselid, 1995). Based on this, appraisals may be seen as a possibility to reach employees and in turn the customers.

According to Huselid (1995), linking the incentive compensation systems tightly with appraisals, may align the interests of employees with those of shareholders. This can be achieved by, e.g. internal promotion systems that focuses on employee merit. These systems may further help to reduce the turnover and make employees continue to work

towards the overall strategy. This might magnify the returns of investment in the development of employees (Huselid, 1995). At the same time, others have pointed out that HR practices are obtained at the expense of employees through intensification of the work process and management by stress (Gill, 2009; Turnbull, 1988). Such a culture make their jobs more complex and demanding (Gill, 2009; Godard & Delaney, 2001; Rinehart, Huxley, & Robertson, 1997). Consequently, the performance in long-term can be worse.

2.2.4 Summary of HR Practices

Although several HR practices are mentioned, the literature search has led us to the most occurring and essential ones for our research. By getting an overview of these HR practices in Table 2.1, we see that they all contribute to enhance organizational performance in different areas of the firm. This is achieved by *recruiting and selecting* the right employees, making sure they are updated within their disciplines by offering *training*, and creating *compensation systems* to keep them motivated. Thus, these three HR practices constitute the first part of the conceptual model, Figure 2.1. Further, it is interesting to see how the HR practices affect both the surroundings of the employees and influence them at the individual level.
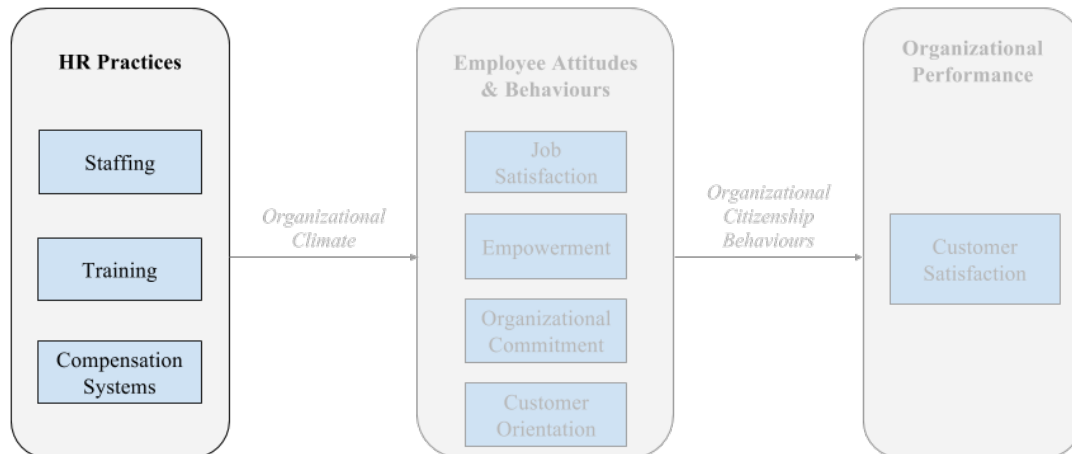
FIGURE 2.1: First part of the conceptual model: HR Practices

2.3 Organizational Climate

In order to understand the link between HR practices and employee attitudes and behaviours, Schneider (1987) and his Attraction-Selection-Attrition (ASA) model, is an essential contributions to the field of *organizational climate*. Organizational climate is defined as "...shared perceptions of employee concerning the practices, procedures, and

kinds of behaviours that get rewarded and supported in a particular setting" (Schneider, White, & Paul, 1998, p.150). The work by Schneider (1987), and a later review by Schneider, Goldstein, and Smith (1995), propose that the distinct personalities of employees are an outcome of the three factors constituting the ASA-model; attraction, selection, and attrition.

The *attraction* process explains that preferences for particular organizations are based upon a match between the people's own personal characteristics and the attributes of potential work organizations. Next, the formal and informal *selection* procedures used during recruitment and hiring, seeks the attributes among employees that the organization desires. Eventually, the *attrition* process explains the idea that people will leave an organization they do not fit (Schneider et al., 1995). These are then responsible for "the unique structures, processes, and cultures that characterize organizations" (Schneider et al., 1995, p.751).

Almost a decade later, Ferris et al. (1998) present a theoretical model which assert an addition to the findings by Schneider (1987). According to Ferris et al. (1998) the cultural values influence the types of HR systems developed or adopted by an organization. Further, these systems determine the organizational climate. In turn, climate affects employee attitudes and behavior, and ultimately, organizational effectiveness. Based on the above mentioned, Nishii et al. (2008) argue that employees' attributions have important consequences for their commitment and satisfaction. The attributions are defined as causal explanation that employees make regarding management's motivations for using particular practices. They also conclude that attitudes becomes shared within units and in turn relates to the unit-level OCBs and customer satisfaction.

Among the newest research within the field we find Takeuchi et al. (2009). Their result indicate that establishment-level concern for employees' climate acts as an important mediator of the cross-level relationship between HR practices and individual-level *employee attitudes*. They suggest that concern for employees' climate provides the lens of which HPWS promote employees' job satisfaction and commitment. In total, we lean on organizational climate as an important factor affecting and making the links between HR practices and employee attitudes and behaviours possible. Thus, this creates the first arrow in our conceptual model, Figure 2.2.
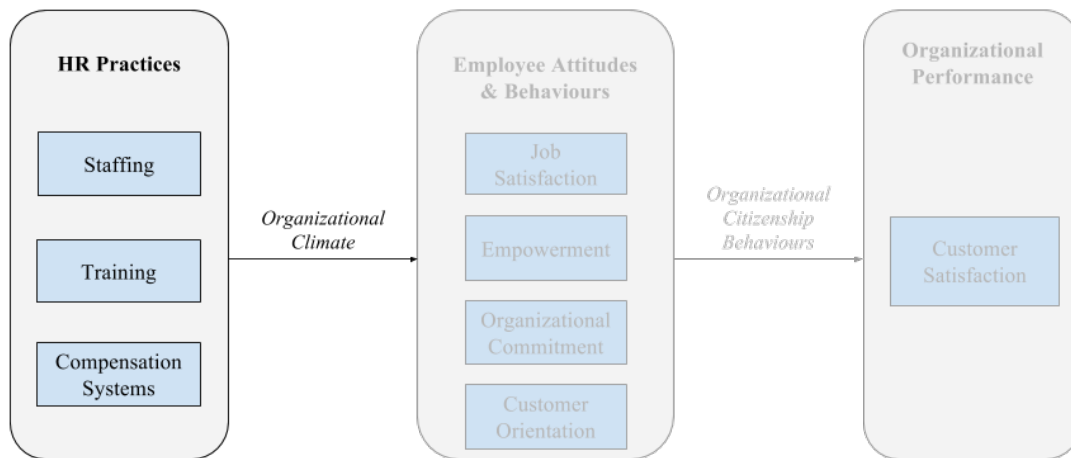
FIGURE 2.2: First link in the conceptual model: Organizational Climate

2.4 Employee Attitudes and Behaviours

As described in the previous section, the effects of HR practices on employees provide a potential connection to organizational performance. Therefore, it is essential to understand the underlying mechanisms making this possible. As mentioned above, several academics (Messersmith et al., 2011; Takeuchi et al., 2009), have suggested that this connection is mediated by *organizational climate*. In turn this affect *employee attitudes and behaviours*. It is stated that "any person with even a little experience in retailing understands intuitively that there is a chain of cause and effect running from employee behavior to customer behavior to profits, and it's not hard to see that behavior depends primarily on attitude" (Rucci, Kirn, & Quinn, 1998, p.84). Considering retailing as a service industry, this section will seek to understand how employee attitudes and behaviours, mediate the relationship between HR practices and organizational performance.

The employee attitudes and behaviours included by Messersmith et al. (2011) are inspired by several academics (Guthrie, 2001; Pfeffer, 1994; Takeuchi et al., 2009). Based on these academics, mainly three attitudes have shown to be related to the use of HR practices; job satisfaction, empowerment, and commitment. These have a theoretical importance in influencing employee performance, and particularly the discretionary behaviours of employees (e.g. Delery & Shaw, 2001; Green, Wu, Whitten, & Medlin, 2006; Huselid, 1995; Way, 2002). In addition to these three, we also see the need of including a fourth attitude, namely *customer orientation*. Firms that focus on their customers' needs are better positioned to achieve long-term success, compared to companies that do not (Deshpandé, Farley, & Webster Jr, 1993; Kotler, 2000). As we see it, in order to

meet the customers' needs, it is necessary for a company to be customer oriented. We present each of these four employee attitudes and behaviours in greater detail below.

2.4.1 Job Satisfaction

First, we proceed with job satisfaction defined as "... a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences" (Locke, 1976, p.1304). Employees who perceive that departments implement HR practices for them, will have a higher level of *job satisfaction*. Through elements such as selective staffing and training initiatives, the organizational units are more likely to find better fitted employees to the jobs. Better match may in turn increase satisfaction since employees perceive they are a good fit and qualified to perform the working tasks in a more efficient manner. In addition HPWS allows for higher level of job security, tighter linkages between performance and compensation, and greater information sharing (Messersmith et al., 2011). This is further supported by M. Chen et al. (2016), who add the employee's need for autonomy, and a supportive work environment, in order to increase job satisfaction.

2.4.2 Empowerment

Secondly, *empowerment* has been defined as "having a sense of voice in helping to mold and influence organizational activities" (Messersmith et al., 2011, p.1109). His research has shown that sharing information with employees is an antecedent condition of empowerment, and a participative organizational climate can enhance the feeling of empowerment. Since HPWS are designed to share important information about strategic, financial, and marketing focal points of the business unit with employees, it gives them opportunity to contribute and generate greater feelings of empowerment.

Further, Bowen and Lawler (1995) point to evidence indicating that empowerment can have positive returns for employees, customers and the bottom line, in the right situations. As more firms continue to adopt empowerment, the returns of it continue to prove both beneficial and manageable. For this to be possible, Bowen and Lawler III (2006) argue that managers need to make sure that there is a good fit between the organizational needs and their approach to the employees.

2.4.3   Organizational Commitment

Thirdly, *organizational commitment* is a "reflection of an employee's identification with and loyalty to the employing organization" (Messersmith et al., 2011, p.1108). Messersmith et al. (2011) refer to existing research that demonstrate that HR practices are positively associated with commitment of an organization's workforce (Macky & Boxall, 2007; Wright, Gardner, & Moynihan, 2003). By establishing practices and routines, departments are likely to see more committed employees within their ranks. This may be achieved by eliciting greater participation from employees, sharing greater levels of information, and offering better job security prospects (Messersmith et al., 2011).

Nishii et al. (2008) has not treated satisfaction and commitment separately, instead their hypothesis combin these together into *employee attitudes*. Consistent with past research, Nishii et al. (2008) propose that although satisfaction and commitment are attitudes that originate at the individual level of analysis, they become shared among unit members through a number of social processes. However, when employees perceive that the intended goals of HR practices imply lower levels of concern for employees and a more cost-driven control-focus, this may lead to lower levels of satisfaction and commitment. This is supported by Appelbaum et al. (2000) who argue that the potential lies in the managements' emphasis on worker participation, skill development, and high job satisfaction, rather than driving the employees harder through the practice of direct supervisory control or production techniques.

2.4.4   Customer Orientation

We lean on the definition by Brown, Mowen, Donavan, and Licata (2002) of *customer orientation*: "employee's tendency or predisposition to meet customer needs in an on-the-job context" (p.100). In order to understand the link it is important to remember that any particular customer oriented behaviour will result from the combination of both person (e.g., personality, goals, functional motives) and the environment (e.g., nature of the job, short-term situational effects). Donavan et al. (2004) use a theory similar to the ASA model, to further explain the connection between customer orientation and customer satisfaction. They define it as "... the degree of match between the personality, skills, and ability of the worker and the requirements of specific jobs or job tasks" (p.129), and call it person-job fit. In addition, when the demands of the job tasks match the characteristics of the employee, performance is enhanced (Nadler & Tushman, 1980).

Empirical research have proven positive outcomes of customer orientation, such as enhanced profitability and increased organizational performance (Narver and Slater 1990),

and employee commitment (Jaworski & Kohli, 1993). Jaworski and Kohli (1993) found that employees believing that the company focusing on customer orientation, experience greater commitment to the organization. As the service employees experience deeper levels of customer orientation, they will become more committed to the organization (Donavan et al., 2004). Similarly, Kelley (1992) and Pettijohn, Pettijohn, and Taylor (2002) argue that organizational commitment is an antecedent of *customer orientation* rather than an outcome of it. Thus, there is argued to exist an interconnection between the different employee attitudes and behaviours.

Based on the person-job fit, Donavan et al. (2004) prove that service employees who have higher degrees of *customer orientation* will express higher levels of job satisfaction. On the other side, Hoffman and Ingram (1991, 1992) and Pettijohn et al. (2002) conclude that increasing levels of satisfaction produce higher levels of *customer orientation*. Donavan et al. (2004) argue that "If CO [Customer Orientation] is a consequence of job satisfaction, less emphasis can be placed on identifying customer-oriented job prospects. Conversely, if satisfaction results from CO, managers should devote effort to hiring employees who possess a customer-oriented personality." (Donavan et al., 2004)

2.4.5   Summary of Employee Attitudes and Behaviours

Overall, this section has presented a possible connection to organizational performance through linking organizational climate with employee attitudes and behaviours. Based on the academics within our literature review, mainly three attitudes and behaviours have shown to be related to the HR practice, namely job satisfaction, empowerment, and organizational commitment. In addition, customer orientation has shown to be essential in the service industry. Therefore, we proceed with these four employee attitudes and behaviours as the second main element in the conceptual model, as seen in Figure 2.3.

The employee attitudes and behaviours presented by Messersmith et al. (2011), are found to be positively linked to enhanced OCBs. These are further related to a second-order construct measuring departmental performance. Thus, it is interesting to explore the function of OCBs, in order to understand the connection to organizational performance.
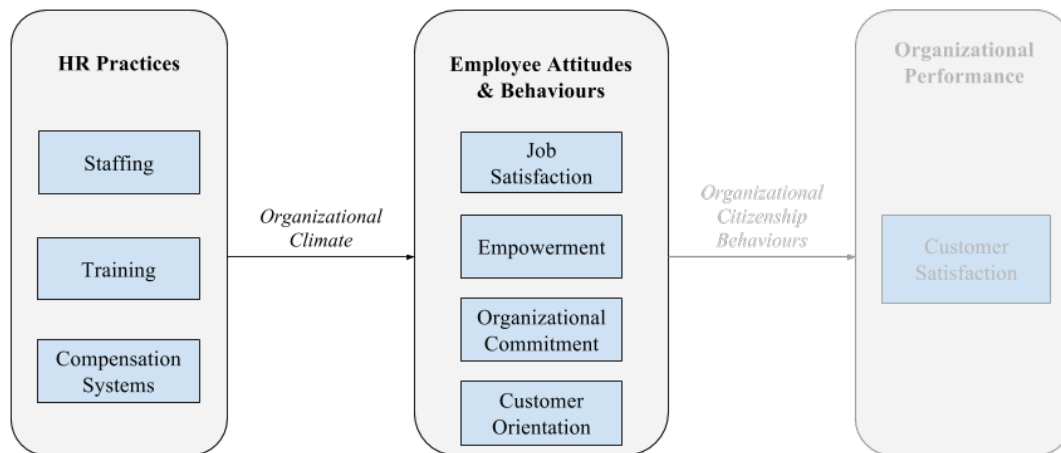
FIGURE 2.3: Second part of the conceptual model: Employee Behaviours and Attitudes

2.5   Organizational Citizenship Behaviours

Both Messersmith et al. (2011) and Nishii et al. (2008) argue that OCBs are positively linked to employee attitudes and behaviours. Here, OCBs are defined as the non-compulsive, helpful, and constructive behaviors that are directed to the organization or to its members (Bateman & Organ, 1983; Podsakoff & MacKenzie, 1994). It is revealed that both job satisfaction and organizational commitment are among the strongest attitudinal predictors of OCBs . Whether employees give their efforts wholeheartedly to the organization and produce up to their potential, depends largely on the way they feel about their jobs and work environment (Messersmith et al., 2011; Organ, Podsakoff, & MacKenzie, 2006; Whitman, Van Rooy, & Viswesvaran, 2010).

Messersmith et al. (2011) add that OCBs are extra-role behaviors that support the more defined and codified work roles within the organization. Logically, if employees go beyond their required tasks to help their co-workers and support their organization, the level of organizational performance should increase. Indeed, researchers have demonstrated that discretionary behaviors by employees, such as OCBs, are related to important organizational outcomes. This is supported by Nishii et al. (2008) who pinpoint the positive relation to *customer satisfaction* as an outcome, which shows a great amount of relevance in this study. Further Donavan et al. (2004) posit that customer-oriented employees are motivated to help fellow employees as a means of ultimately satisfying customers. As service employees become more satisfied with their jobs, helpful behaviors will increase.

Overall, OCBs get affected by both job satisfaction and organizational commitment, and create the possibility for employees to work in a way that increase customer orientation. This can be achieved both through their own work and by helping their

co-workers. In turn, this might increase the customer satisfaction. Thus, OCBs are included in the conceptual model, Figure 2.4, as an important mediator strengthening the link between employee attitudes and behaviours, and customer satisfaction.
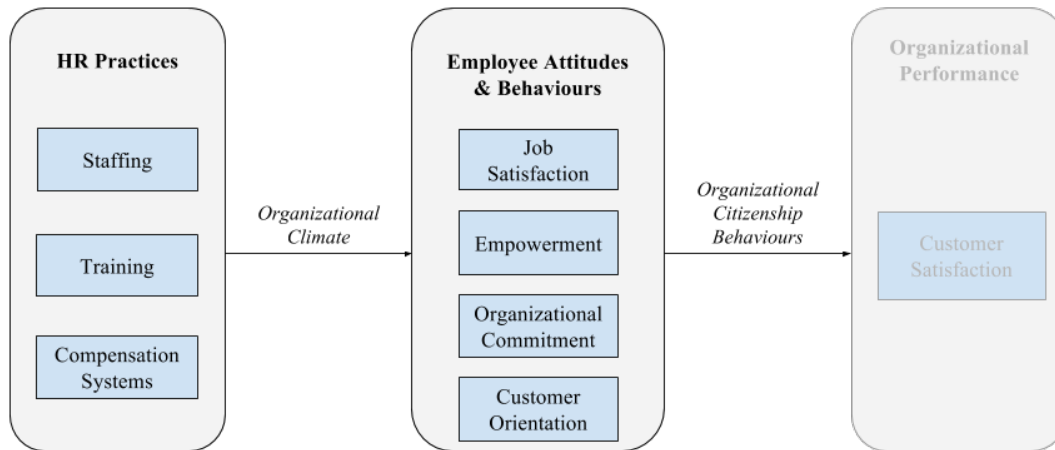
FIGURE 2.4: Second link in the conceptual model: Organizational Citizenship Behaviours

2.6 Customer Satisfaction as Organizational Performance

As presented initially, there has been a limited focus on customer satisfaction as an operationalization of HR practices and the organizational performance caused by this system. However, to proceed with customer satisfaction as an indicator, it is important to understand the research conducted within the field in general.

So far researchers have focused on the relationship between *service climate*, as perceived by employees, and the quality of service that the customers receive. Bowen and Schneider (1988) state that every action put in place to shape service climate in an organization, e.g. selection, training, reward systems and leader styles, must be invoked to guide employee behaviour and ensure quality. The service climate will be stronger if there is more focus on forming a situation that connote a need for service excellence. Consequently, the customers are more likely to experience the desired service and quality (Bowen & Schneider, 1988), and feel a higher satisfaction.

Later on, Schmit and Allscheid (1995) discover that the climate for customer support among the employees are related to a measure of job satisfaction. This is confirmed by Ryan, Schmit, and Johnson (1996) who focus on aggregated employee attitudes, such as satisfaction, in addition to teamwork, quality emphases, and customer focus. These attitudes show a clear correlation to customer satisfaction, employee turnover and measures of branch financial performance. Further, Johnson (1996) investigates the direct

relation between the overall service climate and customer satisfaction. Among his nine measures, seeking and sharing information about the needs and expectations of customers, training in delivering quality service, and rewarding and recognizing excellent service are the practices mostly related to satisfaction. Lastly, also Schneider et al. (1998) report a significant relationship between a service climate among the employees and customer perceptions of service.

Rogg et al. (2001) base their theoretical background on much of the work by the above mentioned researchers. Considering the importance of organizational climate, they proceed with items that measure climate for *customer orientation*. These items explain "... the degree to which employees value customers and are concerned about their needs and desires" (Rogg et al., 2001, p.436). They also include three more general climate dimension: employee commitment, cooperation and coordination, and managerial competence and consistency. These are reported in other studies of organizational climate, and relate to employee behaviour that would positively be perceived by customers (Rogg et al., 2001). In total, Rogg et al. (2001) discovere that the indirect effects of HR practices on customer satisfaction were significant and relatively large, while the direct effects was non significant and near zero.

2.6.1 Customer Satisfaction at Airports

Among articles on customer satisfaction, Fodness and Murray (2007) specifically focused at *customer satisfaction for airport service quality*. As our study concerns the airport infrastructure manager, this is of great importance to us. They argue that the airport industry is changing rapidly. Since the customers today have several airports to choose among, the airport marketers need to differentiate themselves to meet customer needs better than their competitors. There are several variables that contribute to the customer satisfaction e.g. routes, scheduling, location, prices, and passengers' perception of airport service quality. The latter one is an important variable, because of the increasing importance of *customer orientation* to gain competitive advantage in this industry (Fodness & Murray, 2007).

Customers at an airport may include passengers, airlines, employees, concessionaires, tenants and others. Fodness and Murray (2007) define the passengers as the customers. They are the end user of airport facilities and encounter a bundle of tangible and intangible services. Depending of the type of traveler, purpose of the trip and his or her circumstances, the expectations of the airport experience will vary among passengers. By performing a qualitative and quantitative research on nearly 1000 airport users, Fodness and Murray (2007) suggest that passengers' expectations of airport service quality is a multidimensional, hierarchical construct that includes three key dimension:

function, interaction, and diversion. Thus, in addition to interaction (attitudes, behaviours of employees, etc.), also external factor such as function (e.g. layout, signs and symbols, etc.) and diversion (e.g. maintenance, leisure, etc.) have an effect on customer satisfaction.

Other academics, like Yeh and Kuo (2003) identify six airport service categories by consulting Taiwanese airport managers, government officials, academics and travel agents. The categories were: comfort, processing time, convenience, *courtesy of staff*, information visibility and security. By analyzing quantitative data collected by airline companies, scholars and passengers, H.-L. Chen (2002) finds that "convenience of transport facilities connecting to the outside", "interior design and layout" and "*information service of the airport*" are critical service quality attributes. Also these researchers point to other factors affecting customers' perception of airport service quality, and we may not solely lean on customer orientation among employees as the only factor. Still, customer orientation is considered important.

2.6.2 Summary of Customer Satisfaction

Based on the literature presented above, it is found a significant relationship between employee attitudes and behaviours affecting the customer satisfaction, especially job satisfaction and customer orientation. On the other side, it is also argued that customer satisfaction may affect the employee attitudes and behaviours. In addition, the findings by Donavan et al. (2004), has made us aware that employee attitudes and behaviours is not the only variables affection the satisfaction of customers. The passengers' perception of airport service quality also get influenced by other external factors. Airports as service companies, are dependent on their customers. Thus, we proceed with customer satisfaction as a measure of organizational performance in our conceptual model.

2.7 The Conceptual Model

Acknowledged theories from the literature review are merged together to substantiate each other, and by this create a strong base for the conceptual model, seen in Figure 2.5. The model seek to provide actionable knowledge that may benefit practitioners in the service industry. First, the model suggest three HR practices that may contribute to form employee attitudes and behaviours. This link is mediated by the organizational climate in the firm. Second, four variables of employee attitudes and behaviours have been included in order to enhance performance measured as customer satisfaction. This last link is made possible by the OCBs.
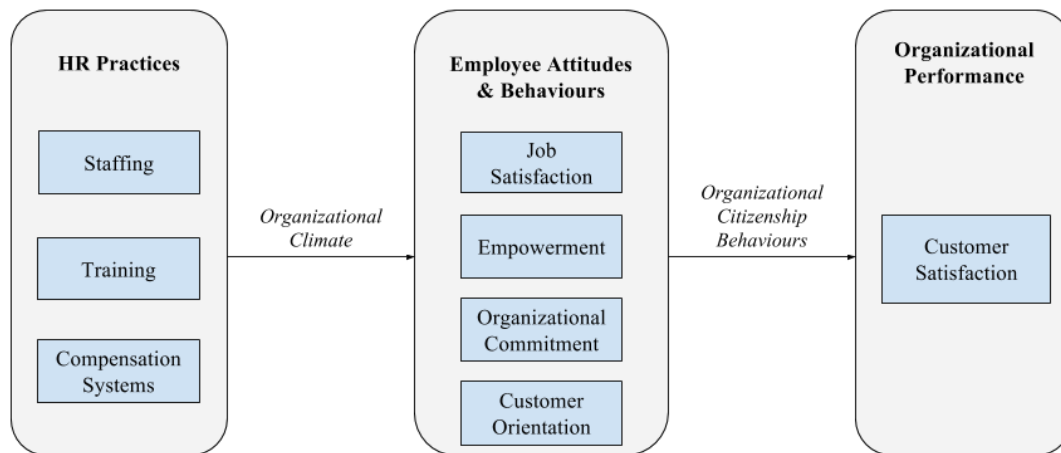
FIGURE 2.5: The conceptual model

Some studies draw a direct link between HR practices and organizational performance. However, to fully understand the potential of this link, it must be taken into account *how* the practices affect and motivates employee attitudes and behaviours at the individual level. Organizations are dependent on their employees in order to implement and achieve their strategies and goals. Thus, by studying job satisfaction, empowerment, organizational commitment and customer orientation, we seek to understand the intermediary between HR practices and performance. However, there are several multilevel pathways to benefit the organization through HPWS (Messersmith et al., 2011; Takeuchi et al., 2009), in addition to our choice.

In this case considering service companies, where customers are the main source of profit, it is appropriate to use customer satisfaction as an indicator. Though, it is worth noticing, that our model only provides one potential outcome of HR practices. From Section 2.1, different authors imply that there are several other operationalizations that are possible (M. Chen et al., 2016; Delaney & Huselid, 1996; Huselid et al., 1997; MacDuffie, 1995; Messersmith et al., 2011; Nishii et al., 2008; Rogg et al., 2001; Terpstra & Rozell, 1993).

3 | Material and Methods

This chapter will describe the material and methodology used to answer the research questions in this study. The chapter begins with an overview of the chosen research design in Section 3.1. Then, in Section 3.2, the research methods are presented. Lastly, the methodology is discussed in Section 3.3.

3.1 Research Design

A research design is, according to Bryman (2012), a framework for the collection and analysis of data. The most important purpose of the research design is to ensure that the empirical findings address the research questions (Bryman, 2012). This study uses a *longitudinal case* research design, over four years, in order to answer the two research questions. According to Bryman (2012), a case may be chosen because it affords the opportunity of investigating two or more junctures, which is the situation of our study. As there have been missing quantitative data in order to explain RQ-1, a qualitative approach has been used in this case, through the empirical findings. While for RQ-2, there have been provided statistical data, which has given the opportunity to use a quantitative approach. The latter one has been the main focus of this study. This also explains the use of both and inductive and deductive approach.

Deductive theory represents the most common view when looking at the nature of relationship between theory and social research. The researchers draw on what is known about a particular domain and on relevant theoretical ideas in order to deduce hypothesis, which will then be subjected to empirical studies. The deductive approach is usually associated with quantitative research, while qualitative research is traditionally done in an *inductive* way and works the other way around (Bryman, 2012). As the purpose of this study is to explain RQ-1 and validate RQ-2, we have mainly performed a deductive study. But, as we have adapted an extra variable (customer orientation) to our model as a result of the empirical findings, this shows signs of an inductive approach.

3.2   Research Methods

Research methods are techniques for collecting data (Bryman, 2012). This study is utilizing a longitudinal case study research design, where we have taken the advantage of using both a quantitative and a qualitative approach. In order to collect the needed data for both approaches, statistical analysis, interviews, a workshop and documentation have been used. These methods will be further described below.

3.2.1   Quantitative Methods

Within the quantitative methods we take a look at the participants of this case study. This constitute the employees and the travelling passengers at eight Norwegian airports, located in different parts of Norway.

Participants

Airports

Data were provided for eight medium and large sized airports in Norway, managed by Avinor, from 2013 to 2016. The airports and time period were chosen based on the available and comparable data from both the Employee Survey and the ASQ survey. Smaller airports were excluded from this study as there were no data available from these airports in regards to customer satisfaction. Both surveys have initially been handled by Avinor, while further computations and the selection of the specific airports were performed by us.

Employees and Customers

The study sample comprised 3145 employees in total from 2013 to 2016, with a total response rate at 83 %. To be included as a valid response in the Employee Survey, Avinor has a minimum requirement of five responding employees in the belonging departments. During this time period there have been several changes in the organizational structure, and the amount of employees have therefore been varying. In 2013 there was a total response rate at 85 % of 1070 employees. In 2014 the response rate was 79 % of 1199 employees. In 2015 the response rate was 81 % of 1086 employees, and finally in 2016 a 82 % response rate of a total of 1053 employees. The number of respondents and the response rates for each year, can be found in Table 3.1, for each airport.

In addition, the available number of respondents on the ASQ survey is given in Table 3.1. As there have been missing data from Avinor, the amount of responds from customers have not been available to us. Still, it has been informed that there is an overall

restriction of at least 350 (+ / - 10) respondents per year for each airport. Thus, the amount of respondents have mainly been between 340 and 360, seen in Table 3.1.

TABLE 3.1: Response rates of Employee Survey and ASQ Survey

| Airport | Year | Employee Survey | | | ASQ Survey |
		Number of Employees	Number of Responses	Response Rate	Number of Passengers
LA-1	2013	89	82	92 %	-
	2014	116	101	87 %	-
	2015	110	105	95 %	-
	2016	108	85	79 %	347
LA-2	2013	120	99	83 %	-
	2014	153	137	90 %	-
	2015	131	116	89 %	-
	2016	132	125	95 %	344
LA-3	2013	67	59	88 %	-
	2014	108	98	91 %	-
	2015	100	91	91 %	-
	2016	94	89	95 %	350
LA-4	2013	627	542	86 %	712
	2014	636	452	71 %	709
	2015	573	440	77 %	715
	2016	565	433	77 %	707
MA-1	2013	29	26	90 %	-
	2014	32	31	97 %	-
	2015	31	29	94 %	-
	2016	31	27	87 %	358
MA-2	2013	42	34	81 %	-
	2014	37	32	86 %	-
	2015	38	27	71 %	-
	2016	31	25	81 %	342
MA-3	2013	68	48	71 %	-
	2014	80	71	89 %	-
	2015	68	51	75 %	-
	2016	55	49	89 %	354
MA-4	2013	28	18	64 %	-
	2014	37	30	81 %	-
	2015	35	23	66 %	-
	2016	37	32	86 %	349

Measurements

We relied on answers from the Employee Survey and ASQ survey as the data base in regards to RQ-2. These surveys are performed by Avinor and Rambøll on the selected airports, and include therefore responses from a large group of employees and customers. Access to the survey data is restricted and achieved only through cooperation with both Avinor and Rambøll. All data were already anonymised, in a way that employees or customers could not be directly or indirectly identified.

Employee Attitudes and Behaviours
Data on employee attitudes and behaviours were obtained from the Employee Survey. The survey was developed by Rambøll Management Consulting, who has previous experiences and knowledge on how to create employee surveys for large companies. Thus, they know which questions are relevant to include and how to structure a survey.

The survey data from 2013 to 2016 that were collected electronically in October and November of each year. The Corporate Management is responsible centrally, while the HR managers and the airport managers are responsible of following up that employees conduct the survey. All eight airports in the sample responded to the survey, and include employee responses from managers, cleaning staff, fire and rescue staff, etc.

Respondents were asked questions within a variety of categories, e.g. work situation, the values of Avinor, and attractiveness of the work place. For each questions the employee were presented with the following options: 0) don't know / not relevant, 1) totally disagree, 2) disagree, 3) neither or, 4) agree, or 5) totally agree. I this case, a high score indicates that the employee is satisfied with the situation, whereas a low score indicates the opposite.

There have been some variation in the questions from the employee surveys over the years. In order to compare the questions we required them to be repeated at least in three out of the four years. This reduced the number of questions down to 48 out of approximately 70 questions, depending on the year. These 48 questions can be seen in Appendix A. From these we selected 25 relevant questions suitable for the variables under Employees Attitudes and Behaviours in our conceptual model. This resulted in thirteen questions under Job Satisfaction, and four questions under each of the variables Empowerment, Organizational Commitment and Customer Orientation. Table 3.2 gives an overview of the variables and the appurtenant questions. The second column indicates the question number in the Employee Survey.

TABLE 3.2: Overview of the categories created from the Employee Survey

Category	Number	Question
Job Satisfaction	Q_1	I am all in all satisfied with my job.
	Q_2	I feel motivated for my work tasks.
	Q_3	I find the job that I am performing meaningful.
	Q_4	I am comfortable with my colleges.
	Q_5	My colleagues gives me help and support when I need it.
	Q_13	I usually have a good work-life balance.
	Q_14	In my unit, no one has been subjected to bullying or harassment in the last 12 months.
	Q_15	I have not been subjected to bullying or harassment in the last 12 months.
	Q_16	My work rarely demands so much of me that it affects my health negatively.
	Q_17	I experience Avinor as a business that takes social and personal considerations.
	Q_20	In my unit, problems and conflicts that might arise will be addressed.
	Q_60	I get to use my knowledge and skills in my work.
	Q_61	I have the opportunity to develop.
Empowerment	Q_3	I find the job that I am performing meaningful.
	Q_6	I can influence my own working situation.
	Q_19	In my unit we can promote our views without fear of negative consequences.
	Q_38	My closest manager facilitates for real participation.
Organizational Commitment	Q_17	I experience Avinor as a business that takes social and personal considerations.
	Q_66	I am proud to work in Avinor.
	Q_67	I can recommend others to work in Avinor.
	Q_68	I expect that I will still work in Avinor in one year.
Customer Orientation	Q_27	In my unit, we have a clear understanding of who our internal and / or external customers are.
	Q_28	In my unit, our activities are aimed at providing our customers with the best possible service, delivery and experience.
	Q_29	In my unit, we have a good understanding of the needs of our customers.
	Q_30	Avinor is today a more customer oriented organization, compared to a year ago.

Scores for each of the four variables were calculated separately for each of the eight airports. Data were aggregated at the airport level rather than the unit level, because the registry-based employee statistics only made it possible to connect organizational data to individual employee data at the airport level. All the responses for each year were used to find an average score. This made it possible to see the average development at each airport for each of the variables over the four years.

Customer Satisfaction

Data regarding customer satisfaction, are relied on answers from the ASQ survey. This survey is developed and implemented by Airports Council International (ACI), and is the airport industry's standard for measuring passenger satisfaction (ACI, 2017b). ASQ surveys are currently covering more than half of the world's 7.6 billion annual passengers at more than 330 airports worldwide. It aims to help the airport operator understand their performance and change over time, as well as allowing benchmarking and comparison of performance against other airports (ACI, 2017a).

First, the questionnaires are distributed by on-site fieldwork agents at the departure gates. The questionnaires are completed by passengers selected according to a sample plan which ensures statistical accuracy. Then, the completed questionnaires are collected by the fieldwork agents. Lastly, the results are analyzed and reports are distributed to all participating airports (ACI, 2017b). The survey has mainly been performed the first and third quarter of each year. We have decided to use survey data from the first quarter in the years 2013 to 2016, as this is the beginning of the year.

All participating airports use the same survey questions, which covers eight major categories, such as access, check-in, security, airport facilities, food and beverage providers and more (ACI, 2017b). In our case we decided to focus on the question asking the passengers about their *overall satisfaction* of the airport. The passengers were presented with the following options: 0) not seen/used, 1) bad, 2) ok, 3) good, 4) very good, and 5) extremely good. A high score will in this case indicates that the passengers are satisfied with the situation, whereas a low score indicates the opposite. Finally, we used the survey data to find the average overall customer satisfaction for each of the eight airports in our sample. This made it possible to see the average development of the overall customer satisfaction over the four years.

Statistical Analysis

In the statistical analysis we have performed both regression and correlation analysis in order to answer RQ-2. First, as the chosen four variables; Job Satisfaction, Empowerment, Organizational Commitment, and Customer Orientation, all consist of questions belonging to the same Employee Survey, it is assumable that the variables are dependent on each other. Thus, Microsoft Excel and SPSS were used to perform

linear regression with robust standard errors to determine the significance of the inter-connection submitted by the correlation analysis. The regression analysis were based on combined data from all airports for all four years.

Further, we analyzed the same connections at each airport using correlation analysis, which is an efficient and well suited method for analyzing nested data (e.g. longitudinal) and to find the equality in development (Bernstrøm & Kjekshus, 2015). Lastly, we tested the links between the variables of employee attitudes and behaviours against customer satisfaction, by performing both a regression and correlation analysis. All figures are presented in Chapter 5, and are based on data from all eight airports.

From the regression analysis the *p-value*, and the values of *y* and *r-square* were found. In line with classical statistics a distinction was made; all variables with a p-value above 0.05 were not significant, while all variables with a p-value lower than 0.05 were significant.

3.2.2   Qualitative Methods

In addition to the quantitative methods, we have also taken the advantage of using some qualitative methods. The main purpose of the qualitative approach, was to gather information in order to answer RQ-1, and substantiate our statistical findings in RQ-2.

Interviews

This study uses *semi-structured interviews* as a method to collect data. The benefit of such interviews are, among other, the latitude to ask further questions in response to what are seen as significant replies (Bryman, 2012). To ensure that no critical information were lost, all the interviews were recorded and transcribed subsequently. The interviews were performed and transcribed in Norwegian, as Avinor uses Norwegian in their daily work. Later, important information were translated to English for use in this thesis. An interview guide was created to use when conducting the interviews. This guide can be found in Appendix B. The same interview guide was used for all interviews to increase the comparability of the findings from the case (Bryman, 2012).

In total four interviews were executed, three were carried out over the phone and lasted approximately one hour. The fourth interview was in person and lasted about one and a half hour. The interviewees were two HR managers and two HR employees working under the Corporate Management. Combined, these interviews provided knowledge about specific events at the eight selected airports, and the development of HR in Avinor from 2013 to 2016. An overview of the interviewees can be found in Table 3.3.

TABLE 3.3: Overview of interviewees and their roles

Method	Role of Interviewee	Interview Style
Interview	HR Manager 1	Phone
	HR Manager 2	In person
	HR Employee 1	Phone
	HR Employee 2	Phone

The transcribed material were analyzed by color coding the findings into key categories that were repeatedly mentioned by the interviewees. E.g. HR practices (staffing, training, and compensation systems), Avinor Leadership Platform, the Modernization Program, and customer orientation. The color coding eased the search for information when creating the case description. Specific answers about the chosen HR practices, were used to get a better understanding of the use within Avinor. Then, information from the interviews were used in combination with the quantitative results, in order to explain and justify discoveries against the conceptual model presented in Section 2.7.

Workshop

On the 15th of May 2017 we organized a workshop for HR personnel at Avinor's headquarter in Oslo. Here the conceptual model and preliminary findings were presented. The aim of the workshop was to get comments on results, from HR employees having first hand experience from working with HR in Avinor. In total there were approximately 13 employees attending, mainly representatives from HR Strategic, e.g. the HR managers, Strategy Manager, and Senior Adviser of skills development and learning technology. As part of this program, the HR employees were given three tasks in a booklet, that were carried out after the presentation. The workshop lasted for one and half hour.

In the first task they where asked to tick of the HR practices used in Avinor, based on suggestions from the literature review, and explain *how* they were used. This task were thought to help when evaluating the use of different HR practices in Avinor, in line with the conceptual model. Next, in order to understand the development at each airport, the participants were asked to draw a timeline for each airport. These included events they thought affected either employees, customers or both, during the time period from 2013 to 2016. The timelines presented in Chapter 4.4 are based on this exercise. Lastly, the results in Section 5.3 gave us three specific groupings of the airports. The participant were asked to comment the similarities and differences within each group. The two last tasks were thought to help in distinguishing between the changes caused by HR practices and those by external factors. The guide for the workshop and tasks can be found in Appendix C.

Documentation

Several documents have been used in order to understand the case and the context of the company. This can be very important for researchers conducting a case study of organizations using methods such as interviews (Bryman, 2012). The collected information are mainly based on annual reports by Avinor, which are available on their homepage. Additionally, we have received relevant documents and PowerPoint presentations on e-mail from HR Employee 1, explaining the recruitment process and Avinor Leadership Platform. According to Bryman (2012), documents derived from companies are more likely to be authentic and comprehensible to the researcher. However, it is important to be aware of the issues of credibility and representativeness, when performing the analysis. Further, we gained a lot of documentation from the workshop. Lastly, there has been e-mail correspondence with among other HR Employee 1 and one employee working within marketing.

3.3 Discussion of Methodology

According to Bryman (2012), there are three prominent criteria to evaluate social research are *reliability*, *replication*, and *validity*. We will therefore use these criteria to evaluate our social research.

3.3.1 Reliability, Validity, and Replicability

Reliability is "concerned with the question of whether the results of a study are repeatable" (Bryman, 2012, p.46). Bryman (2012) further distinguishes between three meanings of the term; stability, internal reliability, and inter-rater reliability. *Stability* questions the variation over time in the results obtained (Bryman, 2012). As the standard deviation was quite low for all chosen questions, we assume stability in our data. *Internal reliability* issues whether respondents' scores on any one indicator tend to be related to scores of other indicators (Bryman, 2012). By performing a correlation analysis on the variables within the Employee Survey, strong relations were found, these are further discussed in Section 6.2. Lastly, *inter-rater reliability* addresses the possibility of lack of consistency in decisions caused by subjectivity (Bryman, 2012). As we have carried out some interviews, it is a possibility that the specific information included in this study is affected by our subjective preferences. Still, since there are two authors discussing, the reliability is increased to some extent.

Validity is "concerned with the integrity of the conclusion that are generated from a piece of research" (Bryman, 2012, p.47). This is in many ways the most important criterion of a research (Bryman, 2012). Validity may further be divided into face validity, concurrent validity, construct validity and convergent validity. *Face validity* questions whether the measure reflects the content of the concept in question. *Concurrent validity* is a criterion on that cases are known to differ, and that is relevant to the concept in question. In *construct validity*, the researcher is encouraged to deduce hypothesis from a theory that is relevant to the concept, and is exactly the case of our study. As mentioned previously both the Employee Survey and the ASQ survey are well utilized surveys that have been used for several years. The Employee Survey is quite standard in Norway and is used within several companies, likewise the ASQ survey is being carried out at airports all around the world. Leaning on the knowledge and experience of professional who created the surveys, we argue that the survey is already proven to be valid. Thus, it measures the employee attitudes and behaviours, and customer satisfaction.

Replicability is "the degree to which the results of a study can be reproduced" (Bryman, 2012, p.715). Since this is mainly a quantitative study utilizing existing data collected by Avinor and Rambøll, there is a high degree of replicability. While, the qualitative part might be some more difficult to replicate. This because the interviewees may be influenced by organizational changes that can affect their answers. In addition, the qualitative part of this study is more subjective and affected by our preferences when including information, compared to a quantitative approach.

3.3.2 Methodological Limitations

First, by using a quantitative approach, researchers are usually concerned with the generalization of the findings beyond the confines of the particular context in which the research is conducted (Bryman, 2012). This is a challenge that we have to address, as this study is mainly a quantitative research with a longitudinal case approach. The findings are based on a single case study within a particular service industry. Still, we see similarities between an airport infrastructure manager and other infrastructure managers, making it possible to generalize to some extent.

Second, this case study have been conducted with both limitations in time and resources. The consequence of having limited time have made us select literature carefully, and unnecessary literature have been left out. When gathering empirical data, the number of interviews were kept to a minimum, and most of the interviews were conducted over the phone to save cost and time of travelling. Not being able to see the interviewees in person, could have contributed to the possibility of information being

lost or misinterpreted by us. In addition, we only had the opportunity to interview a few selected managers and employees. Therefore, it would have been desirable to conduct interviews with employees from a variety of levels and positions, in order to get a more holistic picture of the case company.

4 | Case Description

This chapter presents the case description of our study. It starts with general information about Avinor in Section 4.1. In Section 4.2, the structure and role of HR in the company are described. Then, Section 4.3 presents the HR practices used. Lastly, general information about the eight airports in our sample is given in Section 4.4.

4.1 Avinor AS

Avinor was founded in January 2003, as a privatization of the Norwegian Civil Aviation Administration known as Luftfartsverket. This was the transition from being a management company to becoming a business enterprise. Today Avinor is a wholly state-owned limited company under the Norwegian Ministry of Transport and Communications, with their headquarter located in Oslo. They are responsible for 46 state owned airports in Norway, as seen on Figure 4.1. Among these, 12 are operated in cooperation with the Norwegian Armed Forces. In addition, they operate control towers, control centres, and other technical infrastructure for safe navigation, and is considered as a security organization (Avinor, 2017a).

FIGURE 4.1: The 46 state owned airports managed by Avinor

Avinor is self-financed, and manage all airport operations as a single unit. This means that financially profitable airports contribute to finance the unprofitable airports. Avinor gets their primary income from fees collected from airline passengers, in addition to commercial revenue from rental of space to tax-free shops, cafés and restaurants, and other services for passengers. They also generate some income from airport hotels and parking facilities (Avinor, 2017a).

4.1.1 Vision, Mission and Core Values

The *vision* of the company is to create valuable relationships, by connecting people and places in a way that creates long lasting bonds. Their *mission* is to develop a secure, efficient and sustainable aviation system for the entire country (Avinor, 2016). In addition, Avinor has four *values*, to be open, responsible, dynamic, and customer-oriented (Avinor, 2017b). As a result of the increased attention on the end customer and the need to satisfy them, the latter value was included in the strategy of Avinor in 2013 in order to create competitive advantage. This is the reason for including customer orientation as an own variable of Employee Attitudes and Behaviour in our conceptual model. According to Avinor, customer orientation is about responding quickly to needs and changes, help those who help customers, and look for safe and effective solutions[1].

4.1.2 Stakeholders

The work by Avinor affect the entire country and population. Considering the corporate social responsibility, Avinor needs to be responsible and sustainable and make appropriate priorities. In line with this, Avinor emphasis on having good and extensive contact with those who are dependent on their services, or who are affected by their operations, namely the stakeholders.

Among Avinor's stakeholders, the passenger and airports are the ones considered as their customers. Due to the research questions in our master thesis, passengers are of most interest to us. In Avinor, the dialogue with passenger mainly happens through the worldwide ASQ survey conducted regularly. Other important stakeholders to keep in mind are the politicians at central, regional and local level, business, military, as well as regulatory agencies in aviation and environment. Important topics for all stakeholders are safety, economy, capacity, reliability, service at airports, accessibility and universal design, and the challenges of climate and environment.

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[1]Recruitment document from HR

4.1.3 Organizational Structure

Avinor has a hierarchical organization structure, with Avinor's Top Management, CEO and Corporate Management on the top. The next level contains among other the four largest airports in Norway and the division of regional airports (DRA). Belonging to the DRA, are the national, regional and local airports, which consists of 42 airports in total. Eight airports out of the 46 have been chosen for the sample of this study. This is due to accessible data both on employee and customer satisfaction, in the time period from 2013 to 2016. The selected airports have been marked with green boxes in Figure 4.2. The figure also shows how the HR Managers are distributed among the airports.

The organizational structure in Avinor is also affected by the financial aspect. As mentioned earlier, financially profitable airports contribute to finance the unprofitable airports. AS HR Employee 2 exemplifies it, the smallest airports transport the passengers to the larger airports. If the smaller airports do not transport passengers to the larger airports, the larger airports will in turn not be able to profit and financially support the smaller airports. Thus, a cooperation is necessary in order to keep the business running at all airports belonging to Avinor.

Today Avinor consist of a total of 3074 employees. This amount has changed mush during the four years we are looking at, Table 4.1. Still, Avinor has kept the turnover quite low, and within the limit almost every year. Some variation can be seen in the table as a result of the Modernization Program. In addition, Avinor is a company with a quite high average age of employees compared to other Norwegian companies, and the percentage of woman is around 20 %.

TABLE 4.1: Key Figures in Avinor from 2013 - 2016 (Avinor, 2014, 2016)

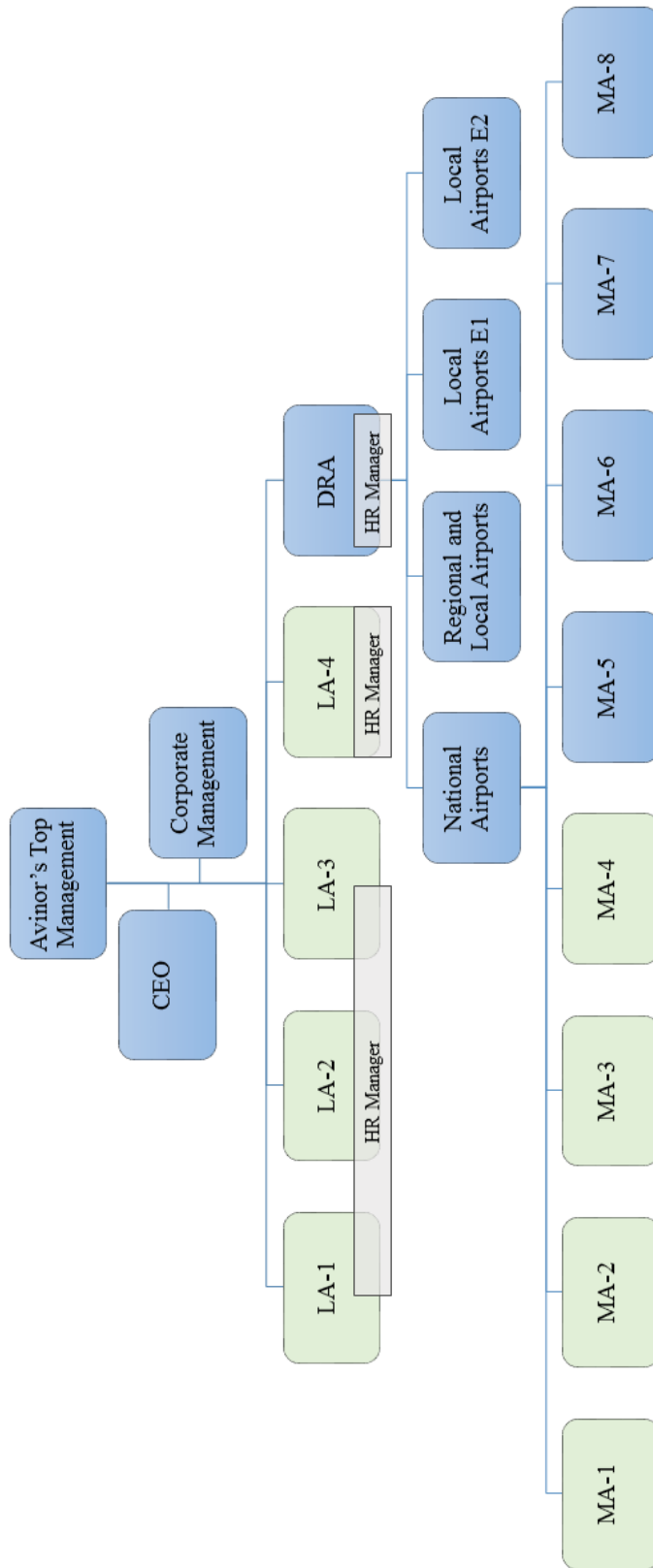|	2013	2014	2015	2016
No. Of permanent employees as of 31 Dec.	3123	3214	3157	3074
Total turnover	3.4 %	2.8 %	2.2 %	4.9 %
Average age of permanent employees	44.4	45.5	44.4	46.0
Percentage of women	23.7 %	23.6 %	24.1 %	22.1 %

FIGURE 4.2: Organizational structure in Avinor. The selected airports in our sample are marked green.

4.1.4   The Modernization Program

Avinor is a major actor within the means of transport, and has a great responsibility that affects the entire country. Therefore, they must continuously assess whether their resources are used sensibly. When the circumstances changes, adjustments must be made in order to keep up with the competition in the market. During the past years, Avinor has conducted an assessment on how to reduce their costs, and in 2014 they started adopting a plan to modernize and make Avinor more effective (Avinor, 2014). To be able to meet the challenges of the future and reach their goals, Avinor implemented the Modernization Program as of 01.05.2016 (Avinor, 2016).

The first challenge is that the competitors in neighboring countries are reducing their fees. At the same time, airlines are undergoing major structural and demanding changes. Thus, with their unique position within the Norwegian aviation, it is vital that Avinor takes its share of responsibility for reducing costs and enhancing the industry's competitiveness. Therefore, Avinor has to work smarter and more efficient, when it comes to staff and occupational support, airport operations, air navigation, and in their use and management of infrastructure. The target is a total cost reduction of NOK 1.5 billion in relation to current plans for the period 2015 - 2018. From 2018, the changes will provide NOK 600 million in reduced annual operating costs (Avinor, 2014).

4.1.5   The Historical Development of Avinor AS from 2013 to 2016

Figure 4.3 describes the timeline of the main events affecting the HR work in Avinor during the period of 2013 to 2016. These events are added to create a better understanding of the situation and role of HR in the company, and is focused on the overall decisions made by the Top Management. The timeline starts in 2013 when Avinor introduced the new strategy, and got a new brand, logo and value. After this the Avinor Leadership Platform, and Modernization Program (the boxes with dark blue edges) got implemented. The timeline is a result of the Workshop held at the headquarter of Avinor in Oslo, see Section 3.2.2 for further details.
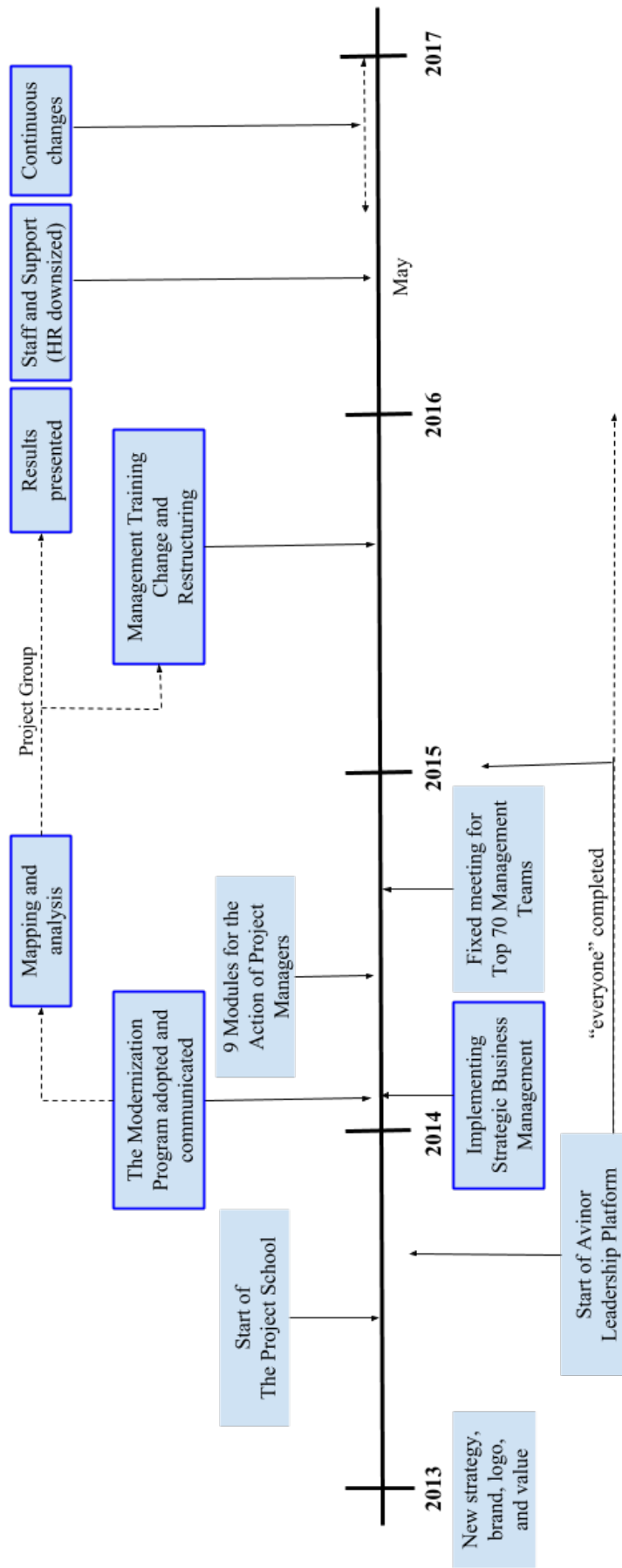
FIGURE 4.3: Timeline of main events affecting the HR work in Avinor, 2013 - 2016

4.2   HR in Avinor

As a result of the Modernization Program, the position of HR in Avinor has changed during the past years. Until May 2016, there were 53 employees working within HR. As of today, there are only 38. Earlier, there existed HR managers at the four largest airports and in DRA. After the Modernization Program, most of the HR work has become centralized to the headquarter in Oslo. As a result, there is today one HR Manager at Large Airport 4, one for the three other large sized airports, and one HR manager for all airport within DRA. In addition, both Oslo and DRA had own HR departments, which is now closed down, and the employees are reassigned to the headquarter in Oslo.

One reason of the structural changes, was the need of HR to achieve a more strategic position in order to work more closely with the Corporate Management. One measure to achieve a closer cooperation, was to align the Strategy Chart of HR to the Strategy Chart of the Corporate Management. Further, HR is now aiming to keep the HR work at an overall strategic level, and away from the individual cases. In order to accomplish this, HR will act as a supporting function for the airport managers in their daily work. According to HR Employee 2, this support is especially needed at the smaller airports where the airport managers do not have their own administration. These managers only have themselves and Central HR to advise and assist them. A new challenge following the structural changes, is the distance created between the HR managers, airport managers and Operative HR.

4.2.1   Business Support and Strategic HR

Following the structural changes, two new departments were created, namely Business Support and HR Strategic. They are both located below Central HR, and is a pool of knowledge in order to support and advise the HR managers and airport employees. The HR managers will find support in Operational HR, while the overall employee development is part of the work tasks of Strategic HR. An overview of the HR Structure can be seen in Figure 4.4, where the relevant HR departments are marked green.

Within Business Support, there exist several support functions, such as financing, in addition to Operative HR. Here, the job of HR is to support the HR managers in their daily work, e.g. by answer questions in regards to pension, sick leave, if you experience problems with your co-workers, or other administrative tasks. They mainly serve the different divisions and underlying departments, and are contacted in regards to
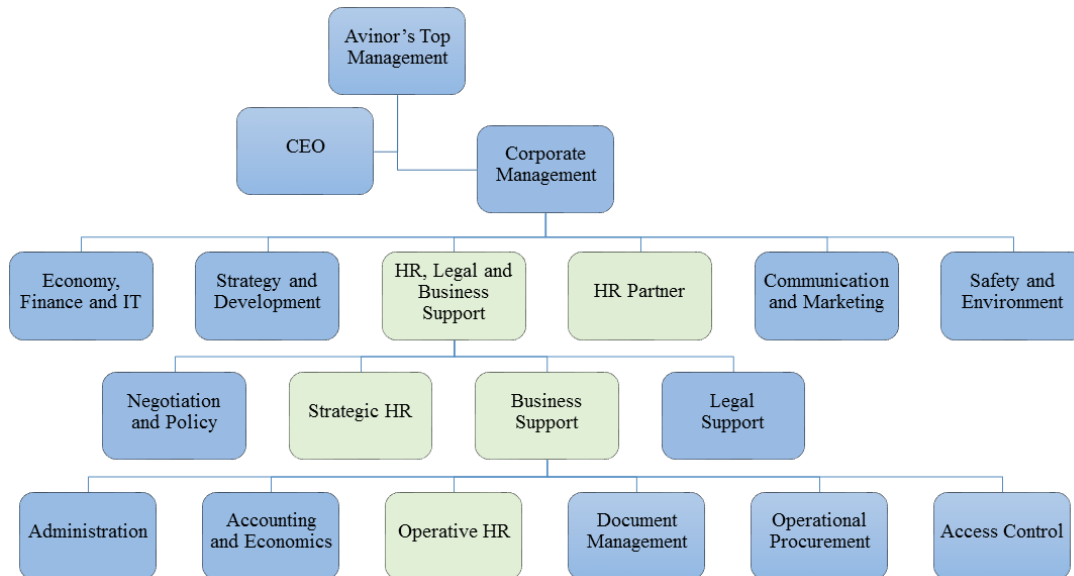
FIGURE 4.4: HR structur in Avinor. Relevant HR departments are marked green.

operative inquiries, mostly through the HR managers responsible for the representative airport.

In cooperation with the Corporate Management, Strategic HR design the guidelines forming the basis for how Avinor should act. They work with the overall development, e.g. Avinor Leadership Platform, continuous improvement, strategic knowledge management, the Employee Survey, change management and more. In addition, if someone requires high level clarification which Business Support cannot answer, they can ask HR Strategy.

4.2.2   HR and Customer Orientation

It has been widely discussed how to define the customers of Avinor by all the HR managers interviewed. HR employees mainly provide services internally to other employees in Avinor, and therefore consider them as their customers. For example, HR Employee 2 serve the airport managers, while HR Employee 1 consider the Corporate Management and the divisions as the customers. Both points out the fact they are rarely or never in contact with the end customer, i.e. the passengers.

Even though there exist a split perception of the customer definition, the importance of the end customers is still valued. As HR employee 1 describes it, by supporting, developing, and motivating the employees, they may in turn provide better services to the customers. This is in line with Avinor's value *customer orientation*, help those who help customers. To find areas of improvement and in order to continue the good HR

work, the Employee Survey is used as a source to extract information. This way, HR may provide relevant training for the individual airports, based on what they need.

In an attempt to increase the customer orientation among the HR employees, the HR department started a pilot project. The project encourage HR managers to come up with ideas that would increase the customer satisfaction. However, lack of response and engagement led the project to be stopped before it even got a chance to develop. This might be seen in connection to a comment from HR Manager 1, that they have not become particularly more customer oriented.

4.3   HR Practices at Avinor

Like other companies in Norway, Avinor have some specific HR practices that they perform. Through the interviews and the workshop, information about their staffing and training practices, Avinor Leadership Platform, compensations systems, and other HR practices have been introduced. These will be presented in more detail in the following sections.

4.3.1   Staffing

Being a public company, Avinor needs to follow standard rules and regulations in regards to staffing. The HR department has therefore developed a staffing process described in a document available to all employees on Avinor's internal website. The document describes the purpose, step-by-step approach, allocation of tasks to different employee roles, and responsibilities in regards to the staffing process. In Avinor, the purpose of recruiting is to secure employees who actively contributes to reach the companies goals, and develop and operate a safe, efficient, and sustainable air transport system in the entire country.

The recruiting process contains of 24 steps all together. From considering the needs of the unit, creating the job advertisement, considering internal employment, interviews, selection, creating contracts, and ends with planning how to welcome the new employee. The employees involved in the recruitment process are the unit leaders, operative HR, and union representatives. The recruiting politics in Avinor contain concrete guidelines to secure objective measurements of qualifications in an interview situation (Avinor, 2016). Still, three of the interviewees seemed unaware of the existence of this document.

Avinor represents a broad range of employees due to their varied areas of responsibilities. All from those who are plowing snow in the winter, having background from farming, to people with high education. Thus, the requirement for employees will vary from position to position. It is therefore important to define expectations of education and experience for each position. Further, it is equally important to employ candidates with the right attitudes and personal qualities.

During the workshop (Section 3.2.2), three specific practices within the staffing process were brought up. First, Avinor has not personally performed follow-up studies of recruiting sources. However, they base their choices on experiences and advice from their recruiting agencies. Second, Avinor does to some extent use structured, standardized interviews for selection, e.g. the recruitment document. In addition HR have made some standard interview questions, encouraging employees to follow certain steps. Still, in practice the use of structured interviews depends on the type of position and the employee responsible for the employment.

Third, Avinor does to some extent use cognitive aptitude and ability tests for selection. Cognitive aptitude test are usually used in recruitment processes where they use external recruitment agencies. This is mostly used in situations where a management positions or other positions at a higher level should be filled. In order to strengthen the use of tests, Avinor uses cut-e, and is planning to certify more HR employees to be qualified to use this tool. On the other side, more physical test are used in regards to positions within the department of place, fire and rescue.

4.3.2 Training

Initially, the work regarding competence development were partially distributed at the various airports and the associated HR managers. As a result of the reorganization and the Modernization Program, today it is Strategic HR who has the overall responsibility for competence development. According to HR Employee 1, the most important part of the training activities is the compulsory competence required at each airport. This is connected to the strict statutory requirements of being a security organization, were employees need various certifications in order to work at the airports. Many of the requirements are government-imposed, since Avinor is a wholly state-owned limited company.

Once a year every employee has an appraisal conversation, called MUST, with the manager in charge. Based on these meetings the managers get an overview of the current situation. This conversation gives among other room to discuss if the employee feel they have the necessary competence to perform their job, and if they are satisfied. Further,

the managers are responsible for ensuring that all statuary requirements are met and followed up. To keep track of the requirements and competences of all employees at every airports in Avinor, there exists a *Competence Portal*. This is an aid in the follow-up system on expertise, which Avinor is dependent on. The portal may provide information whether the employees have a driving license, or medical and physical approval in health, etc. It is conveniently located on the intranet, available for all employees.

Avinor has extensive training for all employees, and uses different types of practices. *Skill training* is, according to Senior Adviser of Skills Development and Learning Technology, most used on the operative groups. Following the requirements by the authority, much of the training are introductory or refreshing programs. E.g. the Contingency Groups rarely get to perform their job on real situations. Still, they need continuous practice in order to be prepared in case there is an emergency. Today, some of the training can be performed through e-learning, providing employees the possibility to both read and take the test themselves. In addition, *On-the-job experience* is much used in practical positions, according to HR Manager 1. Further, he ads that Avinor uses experienced *coaches* to help guiding new or struggling managers. Similarly *mentoring* are used in some cases, were experienced senior employees work as mentors. Lastly, *management development* has been a main focus on the strategic level the last three to four years, called Avinor Leadership Platform.

4.3.3 Avinor Leadership Platform

For Avinor good leadership is fundamental for their work and employee relationships. They have therefore created a Cultural and Leadership Development Program, which forms the foundation for good leadership in the company. 450 leaders, key personnel, safety delegates, and union representatives have completed the program during the period 2013 to 2016. This work is also strengthened and complemented by the development of effective management teams (Avinor, 2016).

The main topics in the program are 1) The leader role in Avinor, 2) Change management, 3) Communication, 4) Team-building and interaction, and 5) Personal action plan. In 2016 Avinor change the name from Cultural and Leadership Development Program to Avinor Leadership Platform. In this process two new main topics was added, namely "customer and business orientation" and "continuous improvements". However, according to HR Employee 1 only three of 20 managers have completed the new program so far. It is therefore to early to see any effect of the program. Even though customer orientation was recently added, it has always been part of the Leadership Platform as a underlying theme.

The role model, created during this program by the managers, is defined as "... a person others can look up to and identify with". In Avinor, this means living the behavioral values and acting with high ethical standards through being interacting, developing, and result creating. Further, managers can have a great impact on employee behavior by being a good example, and similarly all employees can help to strengthen the culture in Avinor by being a good examples. As a result of the Leadership Platform and the Role Model, HR Employee 1 points out that, in the long term, they have noted that the awareness about the leader role has changed among the managers. Back in 2013 they were more reclined and waiting for signal from the corporate leaders. Now, HR Employee 1 perceive that the managers are taking more initiative in their role.

4.3.4 Compensation Systems

Lastly, according to the HR managers interviewed in this study, Avinor does not have a specific system that motivate employees by the use of appraisals and compensations. However, even without a system to handle it, they still have practices encouraging employees motivation, both intrinsic and extrinsic. From an extrinsic view, they have welfare funds to support the work environment, such as fruit during work hours, possibility to borrow cabins, and corporate health services. Managers may also bring their employees out for dinner or something of that kind, and honer them.

In addition, the interviewees believe that, employees in Avinor have a strong intrinsic motivation. HR Manager 1 highlights that Avinor provides a safe workplace that offers interesting work tasks and development opportunities. They have established a system of positions, to describe different carrier paths, both within management and profession-oriented careers. Avinor also offers the opportunity for employees, both to maintain and gain new knowledge, through participating in seminars and courses.

The staffing possibilities may also affect the motivation of employees. Earlier when a management position opened up, it was more common that the employee working for the manager automatically would get the position. Now, positions are usually first advertised within the company, to give all Avinor employees the opportunity to make their own career path. All interested candidates has to apply with a CV and cover letter. According to HR Manager 2, this makes the process fair, and opens up to discover hidden expertise among the applicants. As a result of all above mentioned, all interviewees have brought up that employees in Avinor take pride in their work and have a motivating professional environment. Employees experience high degree of intrinsic motivation, as they feel their work is important and benefit the society as a whole.

Lastly, Avinor has a number of agreements in order to take care of its employees if something should happen, among other good pension plans, special age limits for retirement, and medical disability agreements. In addition, the employees have strong unions and wage negotiations, which gives wages that are mostly standardized, with some exceptions in the Corporate Management. This is quite normal in Norwegian companies, and are not considered as motivational factors.

4.4 The Individual Airports

As presented initially, Avinor is responsible for 46 airports in Norway. In order to handle the increasing traffic, several of the airports have conducted and are still conducting capacity expansions by building new terminals, arrival areas, etc. This has happened simultaneously with the reorganizations and cut in HR employees, following the Modernization Program. According to HR Manager 2, this has resulted in that remaining employees feel an increased workload. This section will take a closer look at the eight individual airports to create a better understanding of the environment and events that are part of affecting the HR practices, employees and customers.

The airports are geographically distributed all over the country, from Svalbard up in the north to Kristiansand in the south. E.g. in Finnmark the people in general use much tougher words compared to the South. This creates cultural variations among the employees in Avinor, and are also affected by the way people behave against each other. Thus, according to HR Manager 2, it is important to understand the culture at each airport in order to adjust the way of handling challenges both by the airport managers, and HR employees. Further, we will first describe the four largest airports, and then the four medium sized airports belonging to DRA.

Large Airport 1
Large Airport 1 (LA-1) has been expanding in order to handle the increasing airport traffic, and is also considered one of the largest airports in Norway. The construction has been conducted in the same building as the passengers on a daily basis for several years. This has been demanding since the everyday business had to be performed parallel to the constructions. They have tried to spare the customers from noise and other disturbance, e.g. through putting up walls, work during the night, etc. According to HR Manager 2, this makes it extra challenging for employees as it gives them more responsibility during this time period. In May 2016 they opened a brand new and expanded international terminal, which is one of Norway's most modern and updated international terminals today. In connection with the construction of the new terminal,

a brand new business lounge has also been opened[2]. A timeline showing the main events on this airport can be seen in Figure 4.5.

This airport is located in an area of Norway with a culture for higher wages. This has given the airport both benefits and disadvantages. The disadvantages has been present when the airport had to hire new employees, and needed to compete with the rest of the job marked. This have lead to differences in salaries among employees in Avinor performing the same job, which is not good for the internal environment. At the current state the marked has decreased, which has evened it out.
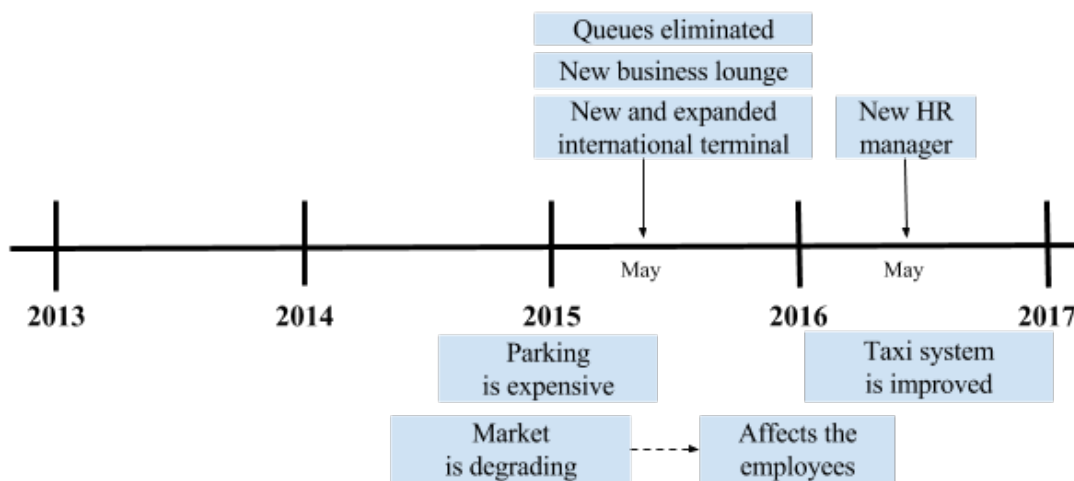

FIGURE 4.5: Timeline of LA-1

Large Airport 2

Large Airport 2 (LA-2) is also one of Norway's largest airports. It was originally built for 2.8 million passengers, but today it serves more than 6 million passengers a year. The queues have at times stretched far beyond the terminal in the morning rush[3]. To be able to handle the large volume of passengers, the airport is currently building a new terminal to increase its capacity. The evaluation on how to solve the capacity challenges started already in 2008 and the official opening of the new terminal will be in 2017. The new airport will be able to handle 7.5 million passengers. In addition to the new terminal, the public transport service will be improved. While they are working on the new terminal, some improvements was made to the old one during the spring of 2016. According to the marketing employee this resulted in shorter queues in the security, more comfortable waiting areas, and increased service employees to help customers. Figure 4.6 shows a timeline showing the main events on this airport.

LA-2 has a more complex organizational structure than the other airports of same size. HR Manager 2 believes this is due to the large number of people with responsibility,

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[2]Press release from Avinor for LA-1
[3]Press release from Avinor for LA-2

which makes it perceived as incomprehensible. Since it is too many people to deal with on a higher level, it contributes to make the airport even more complex for the employees and in turn makes it a stressed organization. On the other side, there is also a lot of excitement connected to the opening of the new terminal. The terminal requires more resources and new knowledge. It is therefore important for the employees to get settled before the management starts demanding more from the employees.
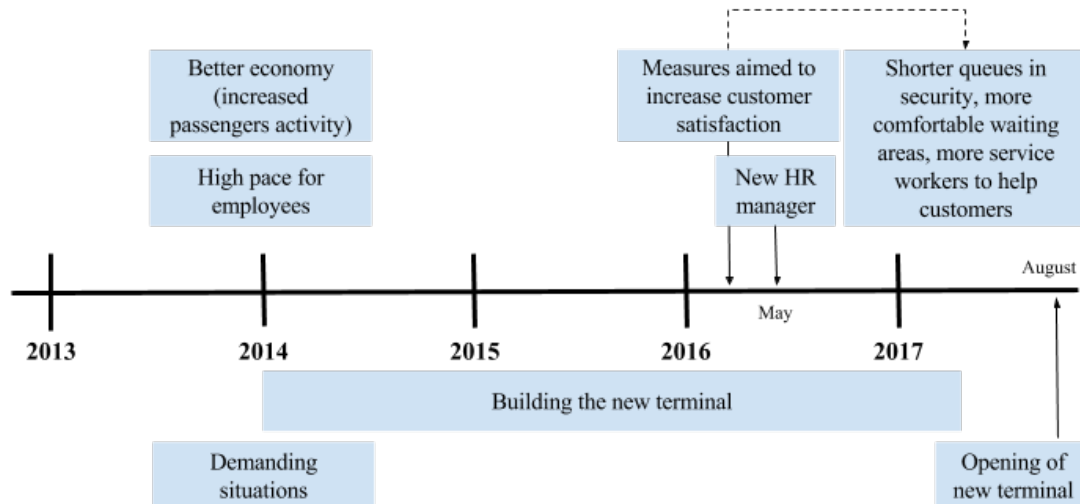

FIGURE 4.6: Timeline of LA-2

Large Airport 3

Large Airport 3 (LA-3) is among the largest airports in Norway. Also LA-3 has been affected by the increasing growth in passenger. As a result, they have invested in new security gates, expanded the arrival area, increased the number of gates in the international terminal, and a better integrated train station next to the airport that were finalized in 2014[4]. In addition they also got several new restaurants and services for customers in 2016. A timeline showing the main events on this airport can be seen in Figure 4.7.

On the other side, in the autumn 2016 when the environment had started to calm down after the Modernization Program, a social event for the employees took place. The seminar focused on cooperation, collaboration and social activities. All employees were invited to a social gathering at a climbing park. Here, the management did also share information about the changes in Avinor and opened up for questions from the employees. HR Manager 2 describes LA-3 as an airport with a lot of competent people that wants to contribute. They seem engaged in their airport, and has among the lowest turnover rates in Avinor.

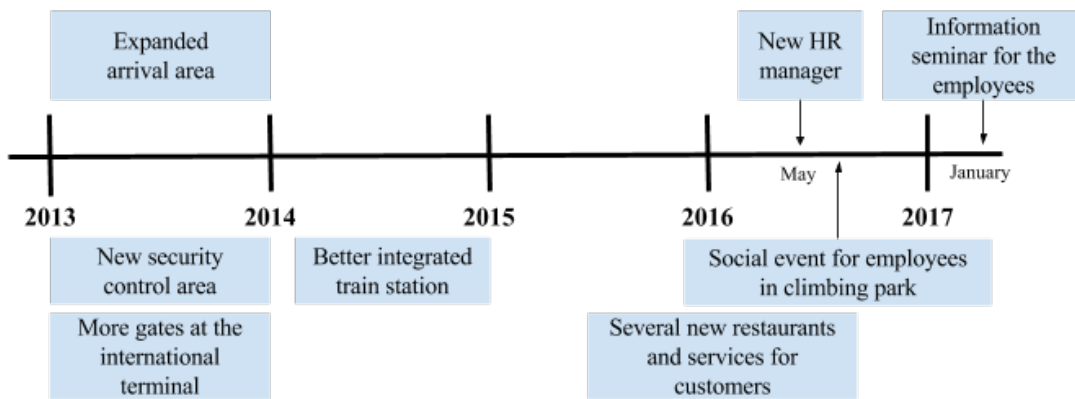[4]Local news from Norwegian Broadcasting Cooperation (NRK)

FIGURE 4.7: Timeline of LA-3

Large Airport 4

LA-4 is the last of the large airports in Norway in our sample. As a reaction to the significant growth in passengers during the past years, the airport has built a new terminal in order to increase the capacity. The main development of the new terminal started in spring 2011, and the official opening of the new airport was executed in spring 2017, as planned[5]. In addition to the external extension and reconstructions, LA-4 has also gone through structural reorganization. In 2015, there was a reorganization without downsizing, while in 2016 there was a significant cut in staff as a result of the Modernization Program. A timeline of this airport can be seen in Figure 4.8.
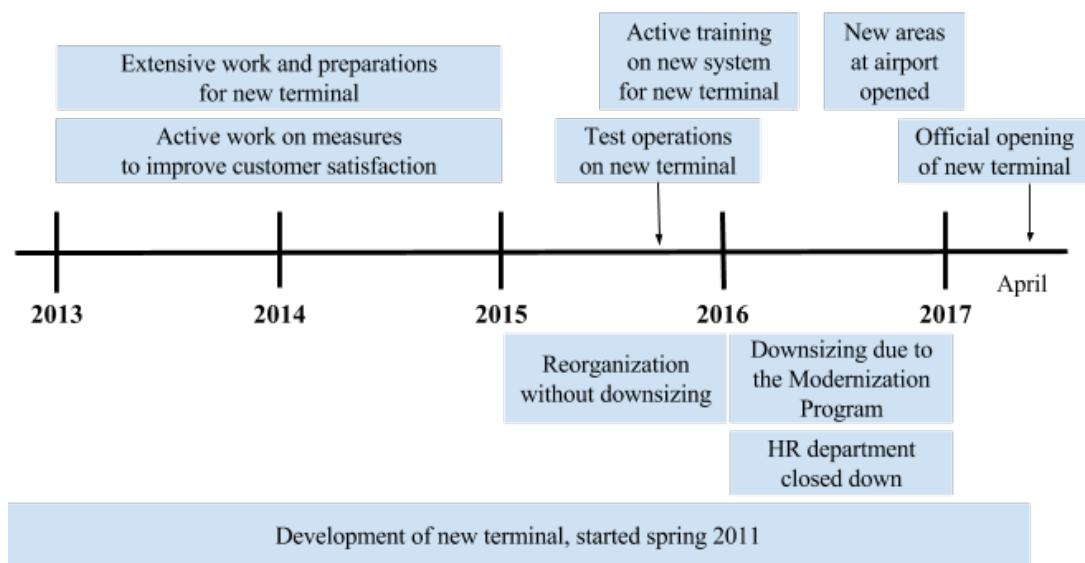

FIGURE 4.8: Timeline of LA-4

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[5] Press release from Avinor for LA-4

In LA-4, they have worked actively with the ASQ survey, in finding scopes and measures. The gradual opening of the new terminal was a part of this. As a result of presenting new and better looking areas, it is expected a further improvement of scores of the overall customer satisfaction. The work following the reconstruction has been performed in a way that it would affect the customers' experience of the airport to a minor extent.

Medium Airport 1

Medium Airport 1 (MA-1) is one of the eight medium sized airports. In March 2015 the airport opened the new domestic departure hall on 2.200 square meters[6], giving the passengers access to a new and modern area. In April the same year, new and renovated toilets had been constructed in the international terminal, increasing the standard[7]. A timeline showing the main events on this airport can be seen in Figure 4.9.

During 2016 the airport has improved and renovated several areas in the airport. They have among other created a playing area for kids, opened a new fast track in the security, upgraded parts of the parking area, opened a cafe lounge in the departure area, and renovated the international departure hall which now matches the new domestic terminal. They have also organized a course for passengers that have a fear of flying, in order to master the anxiety[8]. According to HR Employee 2, MA-1 airport is good at new technology and suggesting new improvement points.
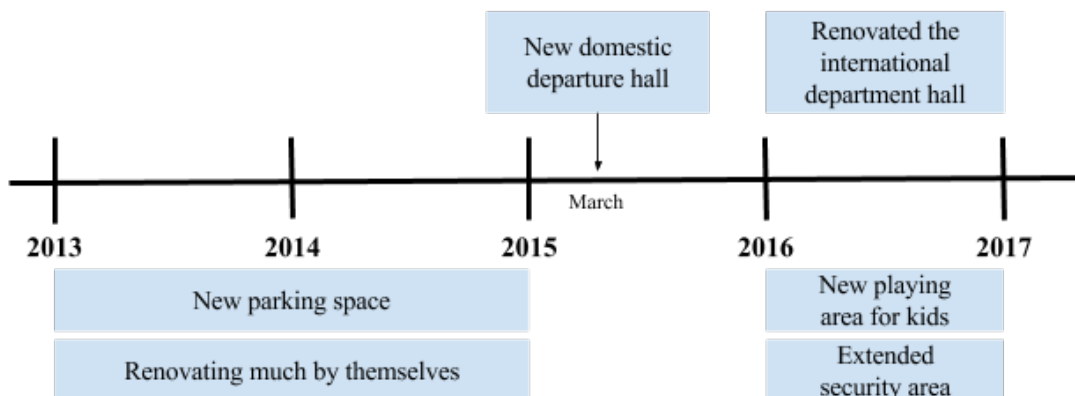
FIGURE 4.9: Timeline of MA-1

Medium Airport 2

Medium Airport (MA-2) is also one of the eight medium sized airports. Since this airport is part of DRA, it is sharing the same HR manager as the 42 other airports in its group. In addition the airport has half position that works with personnel matters. In January 2016 MA-2 got a more efficient fast track in the security control. They wish

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[6]Local news regarding MA-1
[7]Facebook page belonging to MA-1
[8]Facebook page belonging to MA-1

to maintain and improve their good customer satisfaction, and organized in December 2016 an inspiring lecture on service and motivation for all the employees at the airport[9]. A timeline showing the main events on this airport can be seen in Figure 4.10.

Avinor officially received the operating responsibility for MA-2 airport from the Norwegian Army in August 2016. They have chosen an operating model that involves external deliveries in the areas of fire and rescue services, space services and airline electronics services, from February 2016[10]. This model shall ensure safe, stable and scalable operation[11]. Since MA-2 is not responsible for the place, fire and rescue service, they do not have the same challenges as the other airports according to HR Employee 2. In addition, the measure is one step further in Avinor's ongoing work to reduce their own operating costs, and strengthen the companies competitiveness. It is the first time in Avinor's history that they have outsourced this service to a different company.
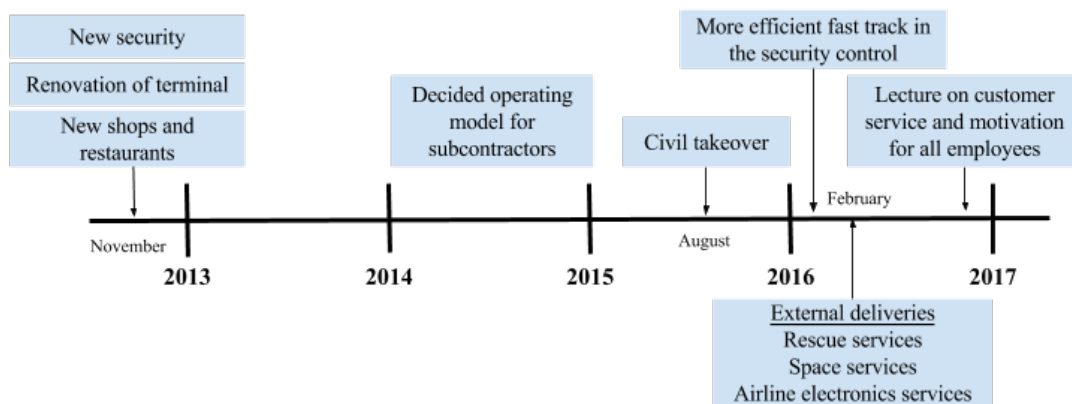
FIGURE 4.10: Timeline of MA-2

Medium Airport 3

Medium Airport 3 (MA-3) is one of the eight medium sized airports. MA-3 is an airport where there has been much change in the management, during the past five to six year. Lastly, in 2016 there was hired a new airport manager. There has been implemented a program aiming to safeguard and improve the results. According to HR Employee 2, MA-3 have had a major organizational change, compared to the other airports in our sample. They have performed a downsizing, closed down the service center and the cleaning service has been outsourced [12]. A timeline showing the main events on this airport can be seen in Figure 4.11.

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[9]Facebook page belonging to MA-2
[10]Press release from Avinor for MA-2
[11]Press release from Avinor for MA-2
[12]Local newspaper for MA-3
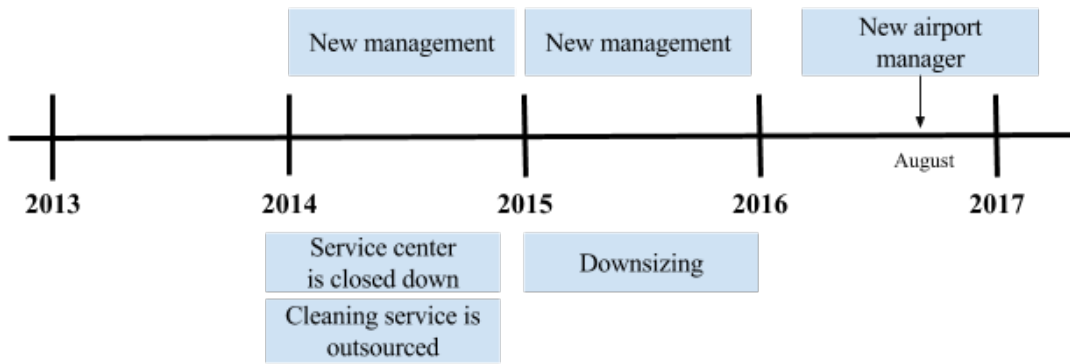
FIGURE 4.11: Timeline of MA-3

Medium Airport 4

Medium Airport 4 (MA-4) is the last among the medium sized airports. As a result of the Modernization Program there has been a remarkable downsizing at this airport. There has become much less employees with time, and the amount of employees is still going to decrease. Regarding the management, the former airport manager deceased in 2015, and there was therefore a change i management. According to HR Employee 2 it is difficult to tell how this has have impacted the employees. A timeline showing the main events on this airport can be seen in Figure 4.12.

FIGURE 4.12: Timeline of MA-4

5 | Results

This chapter will present the quantitative results in light of the theory and model presented in the literature review in Chapter 2. Section 5.1 starts by analyzing the significance of the links between the main categories of employee attitudes and behaviours. Further, we continue by testing the link between these variables and customer satisfaction. Section 5.2 presents the development of each variable and the correlations calculated, for the eight airports. Finally, in Section 5.3, the airports are categorized into three different groups based on the correlation found in Section 5.2.

The four variables, *Job Satisfaction*, *Empowerment*, *Organizational Commitment*, and *Customer Orientation* from the Employee Survey and the *Overall Customer Satisfaction* from the ASQ have been compared against each other. Figure 5.1 presents the overall development of each of these variables at the eight airports in the period from 2013 to 2016.

In LA-2, MA-1 and MA-4, all five variables have evolved in the same direction. This is almost the case for MA-2, only there is a smaller reduction in Organizational Commitment. On the other hand, in LA-1, LA-3, LA-4 and MA-1 Overall Customer Satisfaction has evolved in the opposite direction compared to the variables in the Employee Survey.
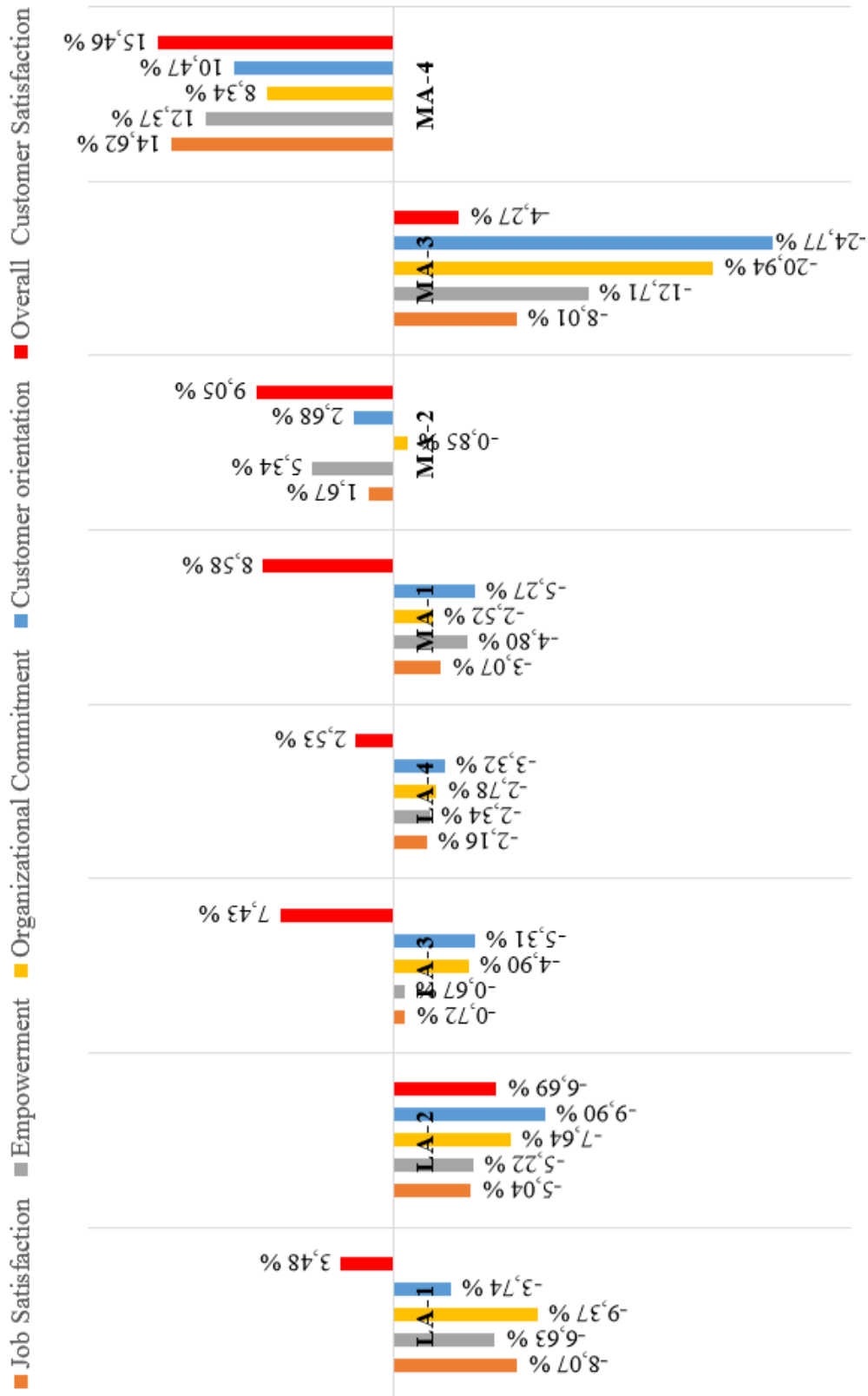
FIGURE 5.1: Overall development in Avinor, 2013 - 2016

5.1 Significance of the Links Between the Variables

In order to determine the significance of both the interconnections between the employee variables and the connection to customer satisfaction, a linear and multiple regression analysis were performed. Here, it should be kept in mind that the regression analysis are based on combined data from all airports over all four years. First, the result in Table 5.1 indicates that the variables Job Satisfaction, Empowerment, Organizational Commitment and Customer Orientation all have significant links to each other. As the p-values are below 0.05, this implies that the possibility of these connections being random is unlikely. This means that there exist a dependency between all the variables within the Employee Survey, and they all affect each other.

TABLE 5.1: Regression analysis; Job Satisfaction, Empowerment, Organizational Commitment against Customer Orientation

X\Y	Job Satisfaction	Empowerment	Organizational Commitment	Customer Orientation
Job Satisfaction				
Empowerment	y = 0.8914x + 0.5361 r^2 = 0.9486 p-value = 6.8025E-21			
Organizational Commitment	y = 0.7860x + 0.8352 r^2 = 0.8456 p-value = 1.0501E-13	y = 0.8384x + 0.5152 r^2 = 0.8060 p-value = 3.3084E-12		
Customer Orientation	y = 0.6963x + 1.2360 r^2 = 0.6812 p-value = 6.1553E-09	y = 0.7384x + 0.9607 R^2 = 0.6417 P-value = 3.6507E-08	y = 0.8623x + 0.6067 r^2 = 0.7633 p-value = 6.7329E-11	

Second, Figure 5.2 presents the regression analysis conducted between the employee variables and Overall Customer Satisfaction. Here, all the above mentioned variables, except Organizational Commitment, have p-values lower than 0.05, and therefore have a significant link to Customer Satisfaction. Meaning that, there exist a possible connection between the employee attitudes and behaviours, and customer satisfaction. On the other side, Organizational Commitment have a p-value higher than 0.05, and we may neither confirm nor deny the connection to Customer Satisfaction.

Further, the significant connections are presented with a solid line between the variables in the figures in Section 5.2. While the link between Organizational Commitment and Customer Satisfaction is presented with a dotted line, to indicate the non significant connection between the variables.
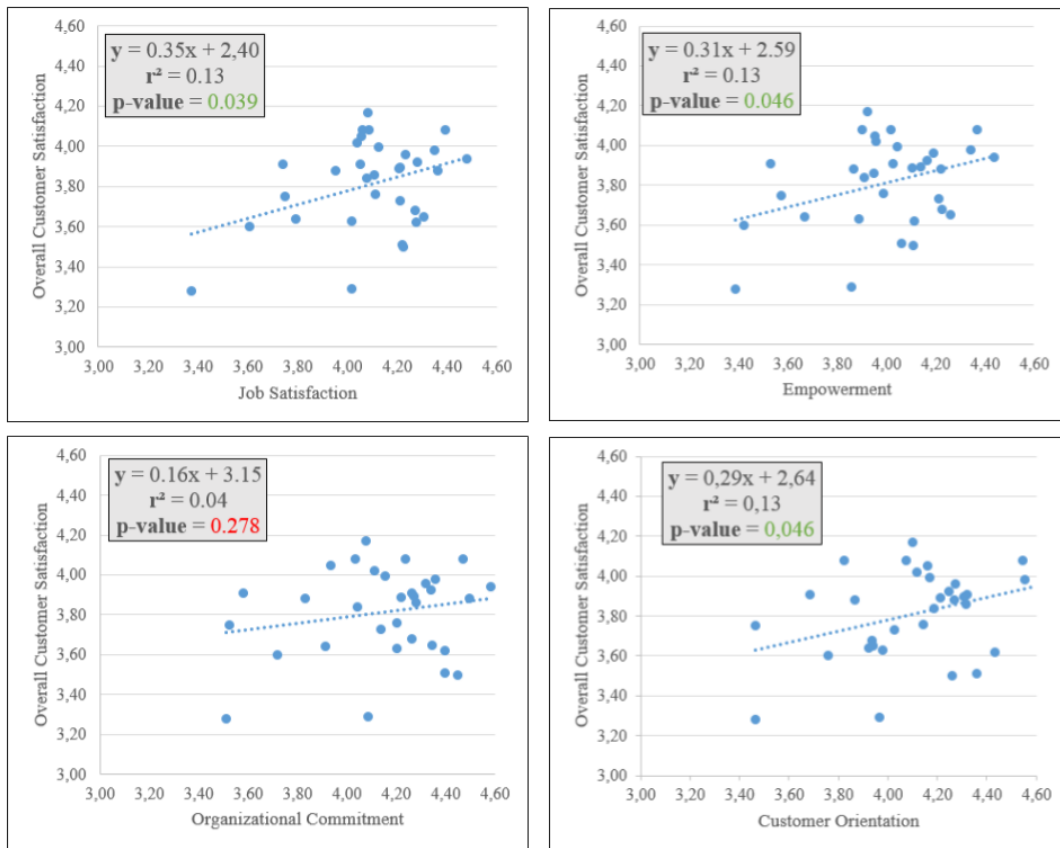
FIGURE 5.2: Regression analysis of Employee Variables vs. Customer Satisfaction

As all employee variables have the same scale, the equation for all four regression analysis have been placed together in one graph, Figure 5.3. From this figure we are able to see how a maximum score on each of the variables may affect the Overall Customer Satisfaction. Caused by the lack of significance, Organizational Commitment has been excluded from this figure. For the remaining three variables, Job Satisfaction, Empowerment and Customer Orientation, a score of 5, will result in 4.15, 4.14, and 4.09 respectively on Overall Customer Satisfaction.

Based on the graph for Job Satisfaction, even with a full score on this variable, Overall Customer Satisfaction will not score more than 4.15. This imply that minimum 17 % of the customer satisfaction might be explained as a result of other factors than job satisfaction. For Empowerment and Customer Orientation, these are 17.2 % and 18.2 % respectively.
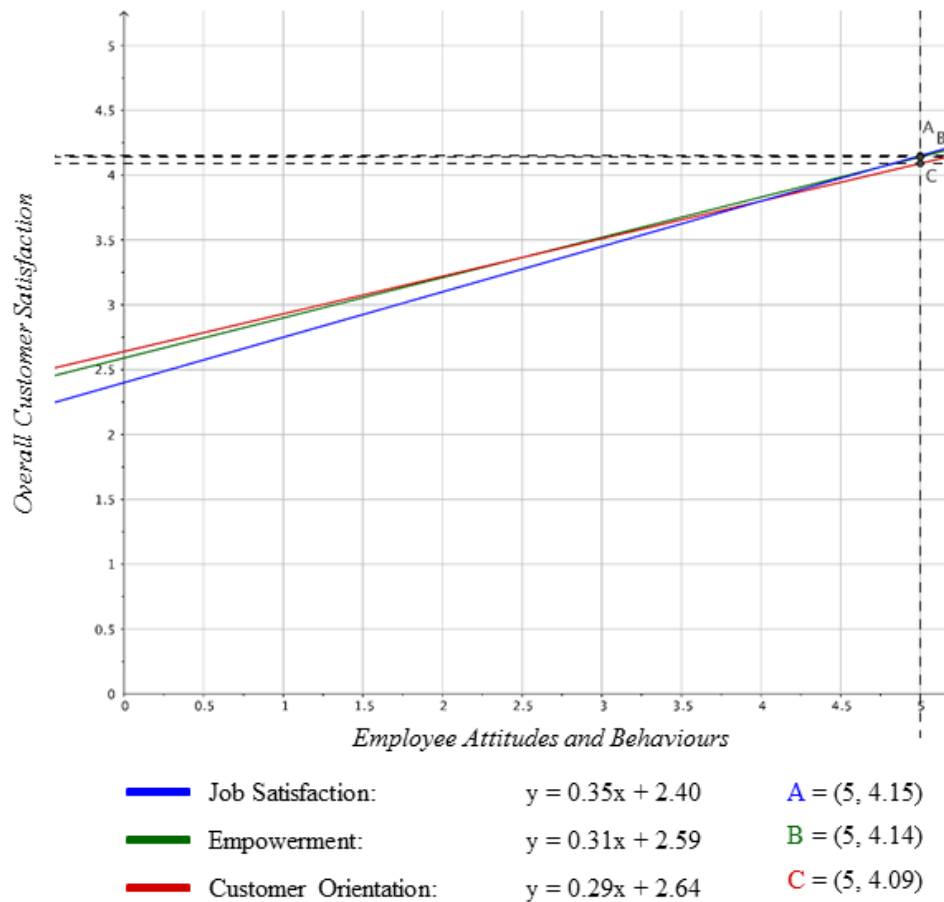
FIGURE 5.3: Effect of Job Satisfaction, Empowerment, and Customer Orientation on Overall Customer Satisfaction

The next step was to perform a multiple regression analysis with the variables Job Satisfaction, Empowerment and Customer Orientation. This in order to check if the variables combined would yield a better result. Three findings were discovered from the result in Table 5.2. First, the Intercept is significant, which can be interpreted as the line will not cross the origin. This implies that, even with a minimum score (0) at either of the employee variables, Overall Customer Satisfaction will not be zero, but 2.37. Thus, this substantiates the above mentioned, that there are other factors affecting customer satisfaction. Second, the three variables are not statistically independent of each other, making the non significance of these variable unimportant. Lastly, the Adjusted R Square value is quite low, 0.0533. This indicate that there are not the same factors at these three variables which explain the variation of customer satisfaction among the different airports. Therefore it is most likely differences between the airports, as will be seen in the following section.

	Coefficients	P-value		Regression Statistics	
Intercept	2,3706	0,0026	Multiple R		0,3807
Job Satisfaction	0,2432	0,7542	R Square		0,1449
Empowerment	-0,0326	0,9612	Adjusted R Square		0,0533
Customer orientation	0,1400	0,5734	Standard Error		0,2173
			Observations		32

TABLE 5.2: Multiple regression of Job Satisfaction, Empowerment and Customer Orientation, against Customer Satisfaction

5.2 Individual Airports

This section presents the results calculated for the eight individual airports. Two figures are presented for each airport in Section 5.2. The first figure show the development of each variable, based on average scores for each year. The second figure show the correlations between Job Satisfaction, Empowerment, and Organizational Commitment, Customer Orientation and Overall Customer Satisfaction for all four years, 2013 to 2016. All values higher than 0.5 indicates positive correlation between the variables and are marked with green arrows. While all values lower than -0.5 represent negative correlation, marked with red arrows. Lastly, all values between -0.5 and 0.5, implies no correlation between the variables and are marked with a black arrows.

As a result of Section 5.1, the dotted line connecting Organizational Commitment and Overall Customer Satisfaction indicates that the relation is unspecified. The three other relations Job Satisfaction, Empowerment, and Customer Orientation has a solid line, indicating a significance.

Large Airport 1
In LA-1 all variables have declined during the period of 2013 to 2016, except from *Overall Customer Satisfaction* which has shown an increase of 3.48 %, as seen in Figure 5.1 and Figure 5.4. The variable with the largest decline is *Organizational Commitment* with -9.37 %. There is a decline from 2014 to 2015 in all the variables. Furthermore, Overall Customer Satisfaction has its highest increases in 2015 to 2016, which gives it a score on the same level as the other variables, for the first time.
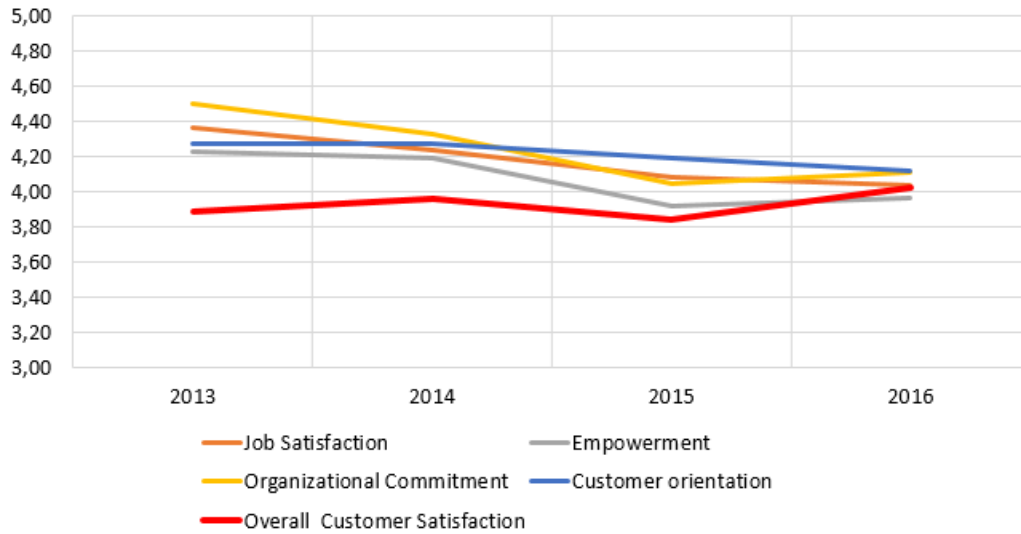
FIGURE 5.4: Development in LA-1, 2013 - 2016

In Figure 5.5, we notice that the highest correlation can be found between the variables Job Satisfaction, Empowerment, Organizational Commitment with a score above 0.9. These variables have a correlation score above 0.8 to Customer Orientation, which is quite high. On the right side, both Job Satisfaction and *Customer Orientation* has a slightly negative correlation to Overall Customer Satisfaction, while the remaining two variables shows no correlation.

FIGURE 5.5: Correlations between Employee Attitudes and Behaviours against Customer Satisfaction, LA-1

Large Airport 2

Figure 5.6 shows that LA-2 has experienced an overall decrease in all variables from 2013 to 2016. Among these, Organizational Commitment had the largest decline with -9.90 %, and Job Satisfaction the lowest decline with -5.04 %. Based on Figure 5.6, Overall Customer Satisfaction has a contrasting development compared to the other variables in 2014 to 2016. Overall Customer Satisfaction increase from 2014 to 2015,

but have a larger drop from 2015 to 2016. Compared to the other variables, Overall Customer Satisfaction also have an overall lower score, indicating that the employees are more satisfied than the customers.
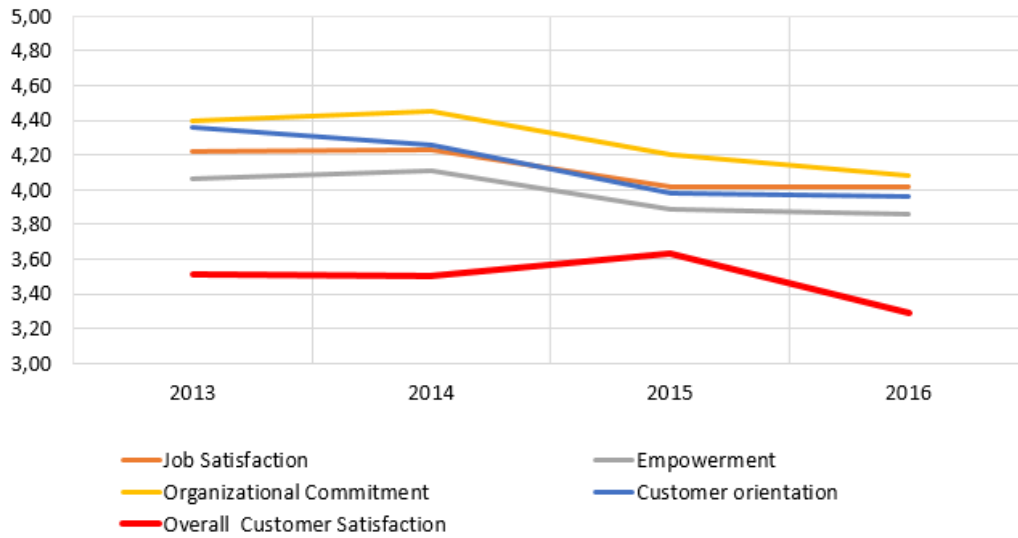
FIGURE 5.6: Development in LA-2, 2013 - 2016

All variables within the Employee Survey, show a parallel development, and is further emphasized by the correlation analysis suggesting a strong connection in Figure 5.7. The variables Job Satisfaction, Empowerment, and Organizational Commitment have all correlations higher than 0.9 between each other. The highest correlation is between Empowerment and Job Satisfaction. However, they have a low correlation to Overall Customer Satisfaction, scores between 0 and 0,45. Organizational Commitment has the highest correlation with 0.449, however this correlation is not significant, while all other variables have no correlation.
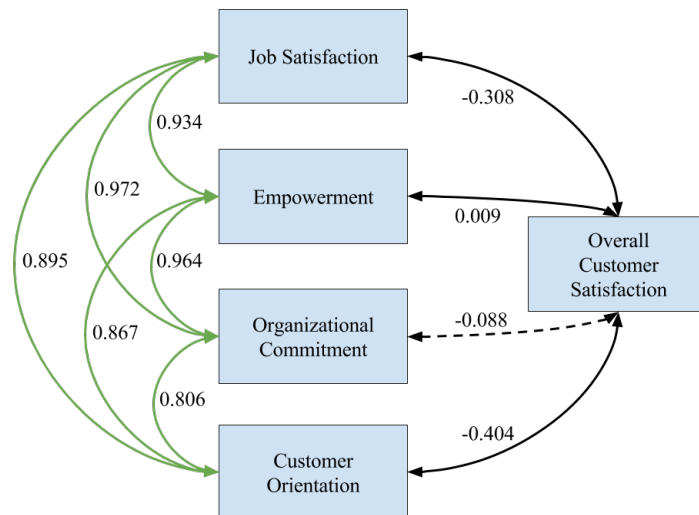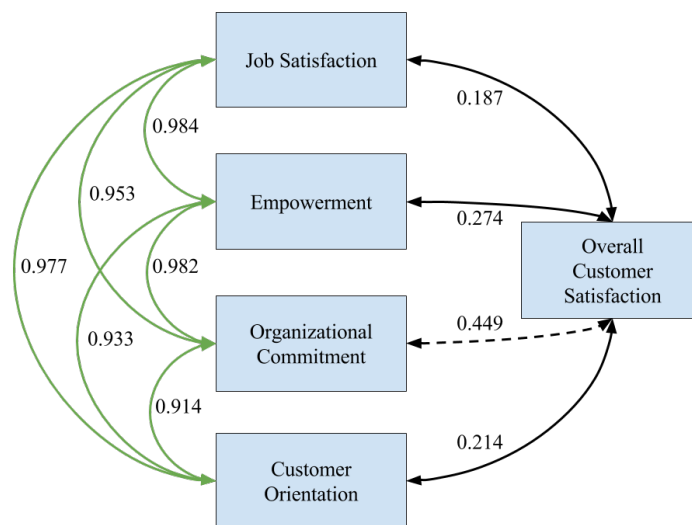

FIGURE 5.7: Correlations between Employee Attitudes and Behaviours
against Customer Satisfaction, LA-2

Large Airport 3

LA-3 has a quite inconsistent development in the different variables over the years as seen in Figure 5.8. Based on Figure 5.1, Overall Customer Satisfaction has increased by 7.43 % from 2013 to 2016, while all four variables within the Employee Survey have decreased. The drop in Job Satisfaction and Empowerment were minor, while the other two variables, Organizational Commitment and Customer Orientation, had a larger drop. Further, we see that the random development during the four years, is reflected in the varying result in the correlation analysis.
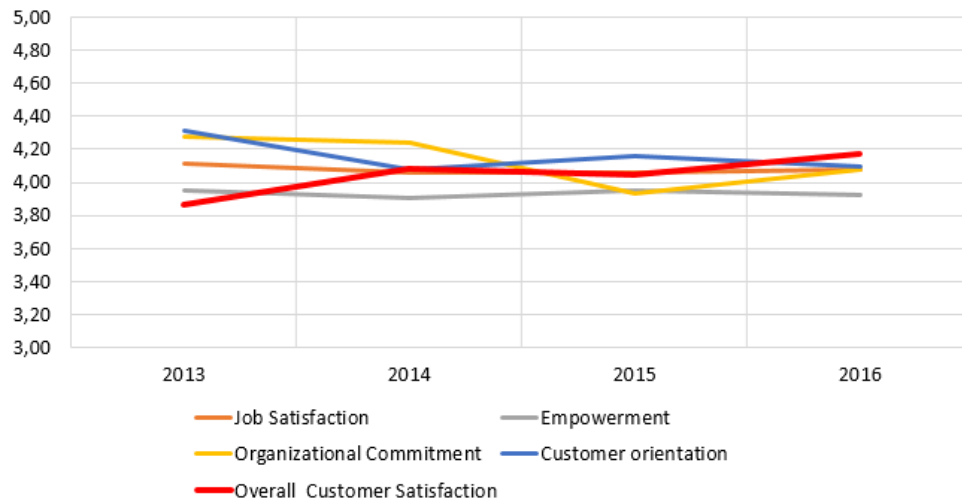
FIGURE 5.8: Development in LA-3, 2013 - 2016

On the left side of Figure 5.9, Job Satisfaction and Customer Orientation have the overall highest correlation to the other employee variables. On the right side of the figure, all the variables have a negative correlation with Overall Customer Satisfaction. Especially, between Customer Orientation and Overall Customer Satisfaction, which is as high as -0.930.
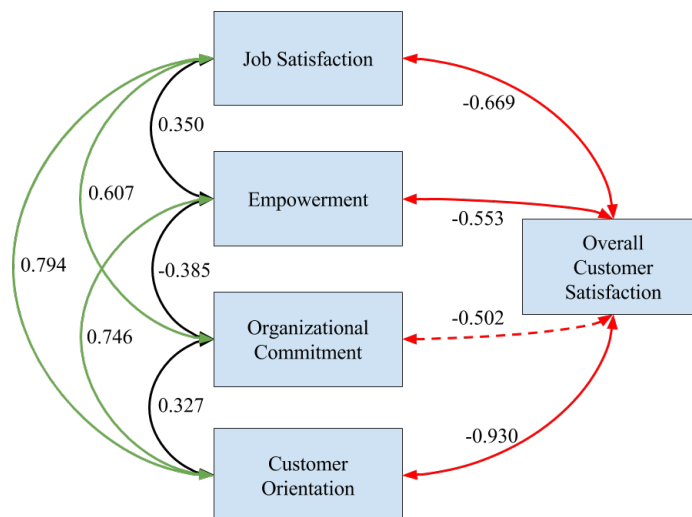
FIGURE 5.9: Correlations between Employee Attitudes and Behaviours against Customer Satisfaction, LA-3

Large Airport 4

Overall LA-4 is an airport with minor variations in the score from 2013 to 2016. Still, all variables have declined in total over the four years, except from Overall Customer Satisfaction which has increased by 2.53 %, as seen in Figure 5.1 and Figure 5.10. Customer Orientation has decreased the most, -3.32 %. For this airport, Overall Customer Satisfaction develop in the opposite direction of the variables representing employee satisfaction, and has an overall lower score than them.
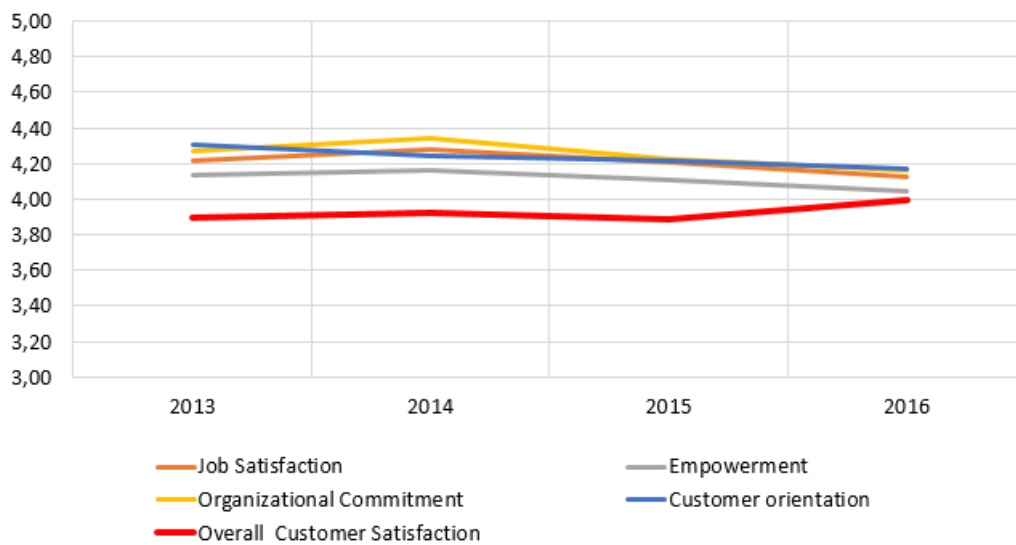
FIGURE 5.10: Development in LA-4, 2013 - 2016

There are strong positive correlations between the variables Job Satisfaction, Empowerment and Organizational Commitment with a score above 0.9. On the other hand, they have a negative correlation with Overall Customer Satisfaction, between -0.5 and -0.7, Figure 5.11. The highest negative correlation is found between Customer Orientation and *Overall Customer Satisfaction*.

FIGURE 5.11: Correlations between Employee Attitudes and Behaviours against Customer Satisfaction, LA-4

Medium Airport 1

In MA-1, all variables have declined over the past four years, except from Overall Customer Satisfaction, which has increased by 8.58 %, as seen in Figure 5.1. The variables with the largest decline is Customer Orientation with -5.27 %. Overall Customer Satisfaction had lower scores than the other variables in the period from 2013 to 2015, then had a significant increase from 2015 to 2016. The variables within the Employee Survey have all declined from 2015 to 2016, Figure 5.12.
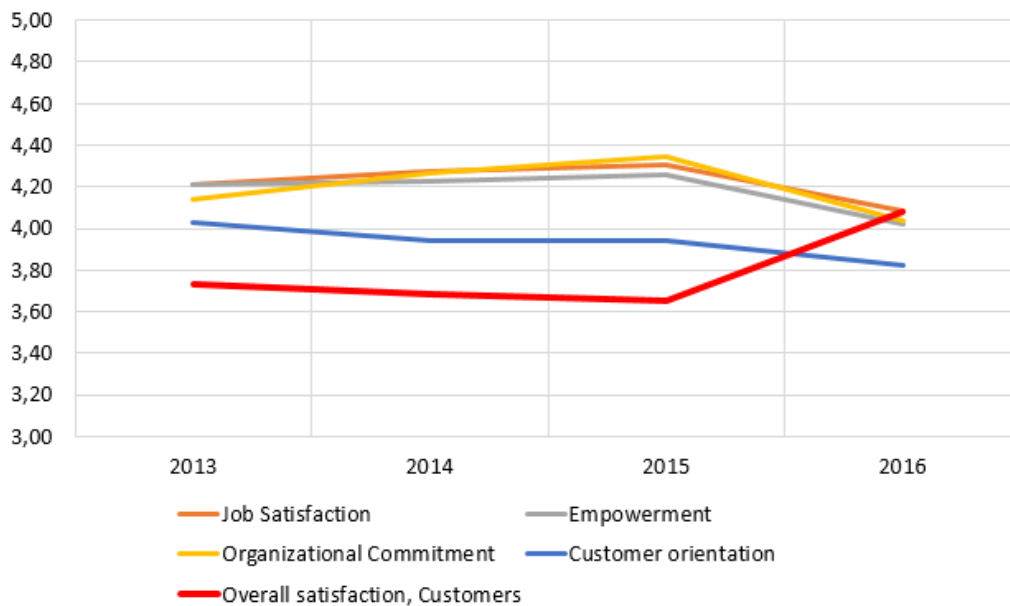
FIGURE 5.12: Development in MA-1, 2013 - 2016

On the left side of Figure 5.13, Job Satisfaction has the strongest correlation to all variables within the Employee Survey, while Customer Orientation has the weakest link. Still, all values are above 0.6, except between Organization Commitment and Customer Orientation. However, the correlation between the mentioned variables and Overall Customer Satisfaction are all lower than -0.78. Empowerment and Overall Customer Satisfaction show the most negative correlation with the score -0.998, which is close to perfect negative correlation.

FIGURE 5.13: Correlations between Employee Attitudes and Behaviours
against Customer Satisfaction, MA-1

Medium Airport 2

In MA-2, all variables have been quite stable, except Organizational Commitment which
has decreased by -0.85 %, as seen in Figure 5.1. The variable with the largest increase
is Overall Customer Satisfaction with 9.05 %. Overall Customer Satisfaction has a
significant increase from year 2013 to 2014, and then a drop in the period 2014 to 2015.
The remaining variables from the Employee Survey also increase from 2013 to 2014, but
continue to increase 2014 to 2015. Even though Figure 5.14 shows some variation in the
development between the variables from the Employee Survey and Overall Customer
Satisfaction, all had a slight increase in the same period, and may explain the overall
correlation between the variables.
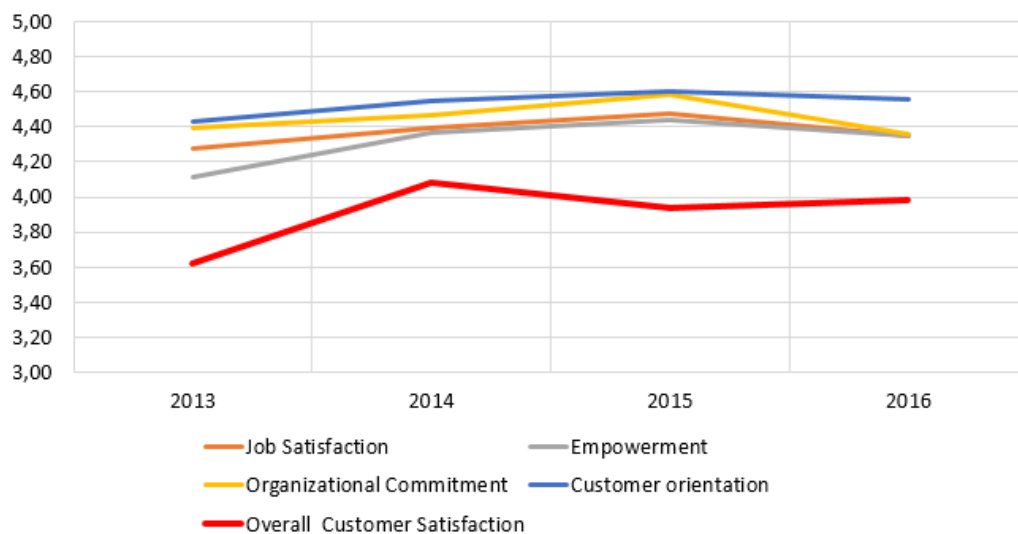
FIGURE 5.14: Development in MA-2, 2013 - 2016

Among the correlations between the employee variables, all have correlation above 0.8 between each other, except Organizational Commitment, as seen in Figure 5.15. Organizational Commitment has the lowest score, still it is above 0.6. Customer Orientation has quite strong correlations to Empowerment, a score of 0.991, which shows an almost perfect correlation between the variables. For MA-2, both Empowerment and Customer Orientation have positive correlations with Overall Customer Satisfaction.
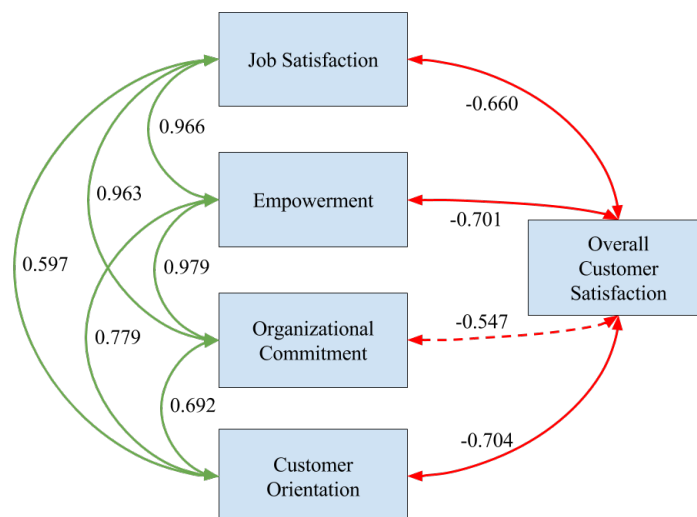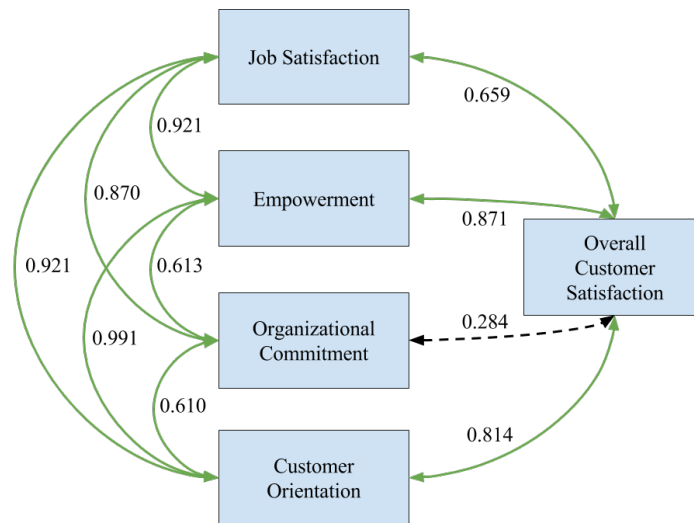

FIGURE 5.15: Correlations between Employee Attitudes and Behaviours against Customer Satisfaction, MA-2

Medium Airport 3

For MA-3 all variables have declined over the four years. Overall Customer Satisfaction has decreased by 4.27 %, as seen in Figure 5.1. The employee variable with the largest decline is Customer Orientation with -24.77 %. Figure 5.16 shows a trend for Overall Customer Satisfaction, where the line moves up and down continuously from 2013 to 2016. In the same period the remaining variables shows an opposite development, with a significant decrease 2014 to 2015 while Overall Customer Satisfaction increases.
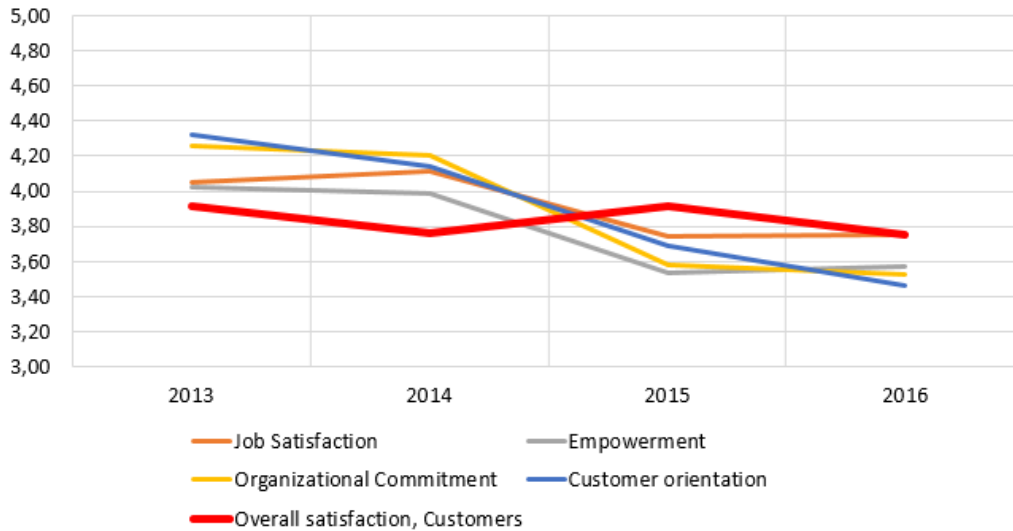
FIGURE 5.16: Development in MA-3, 2013 - 2016

The variables Job Satisfaction, Empowerment, Organizational Commitment, and Customer Orientation have all correlations higher than 0.9 between each other, and may therefore be closely connected to each other. However, there is no correlation among the mentioned variables and Overall Customer Satisfaction as they all are between 0 and 0.35 as seen in Figure 5.17.
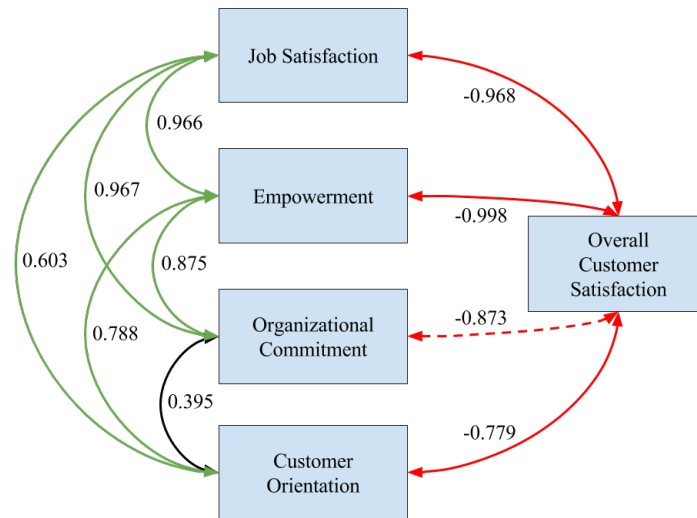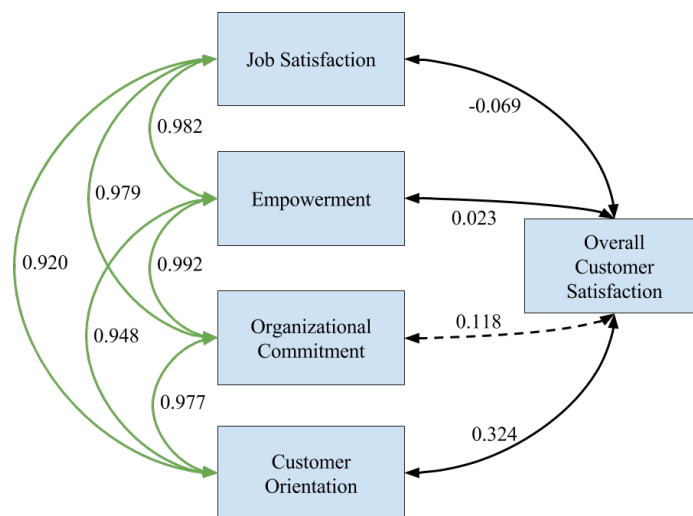

FIGURE 5.17: Correlations between Employee Attitudes and Behaviours against Customer Satisfaction, MA-3

Medium Airport 4

MA-4 is the only airport within this sample where all variables have increased in score from 2013 to 2016, both for employees and customers. The variable with the largest growth is Overall Customer Satisfaction with 15.46 % increase, even though the growth stabilizes in 2014 to 2015. On the other hand Job Satisfaction has the largest growth within the Employee Survey with 14.62 % as seen from Figure 5.1 and 5.18. While Organizational Commitment and Customer Orientation decrease from 2015 to 2016.
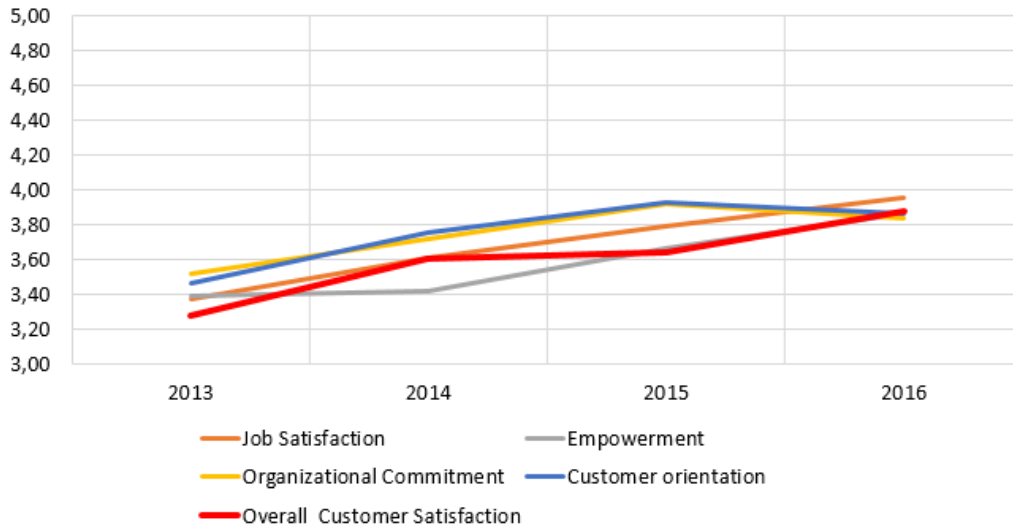
FIGURE 5.18: Development in MA-4, 2013 - 2016

On the left hand side of Figure Figure 5.19, there is an overall positive correlation between all variables. Job Satisfaction is the variable with highest value to the others. On the right side, Job Satisfaction and Overall Customer Satisfaction shows the highest correlation with the score 0.971, which is close to perfect correlation. Otherwise all correlations to Overall Customer Satisfaction has a score above 0.8.
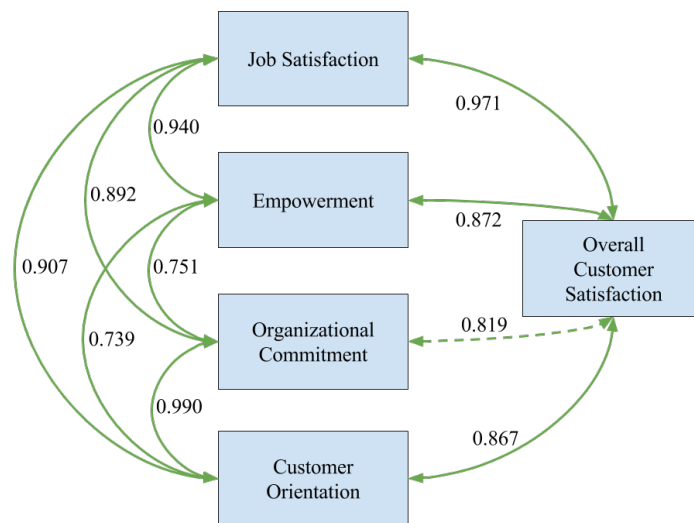
FIGURE 5.19: Correlations between Employee Attitudes and Behaviours against Customer Satisfaction, MA-4

Additional Information

In order to explain the effect of the HR practices on employee attitudes and behaviours, we have seen it necessary to present the scores of four chosen questions and categories from the Employee Survey. These scores are an average of all airports over the four years, seen in Figure 5.20. Among these, *Q_1* and *Q_5*, are questions belonging to the

variable Job Satisfaction. Next, as the possibility of development is an important part of the training process, the category *Development* is also included. Lastly, the theory has mentioned information as an important factor affecting the influence of several HR practices. Therefore, the category *Information* has been included in this figure.
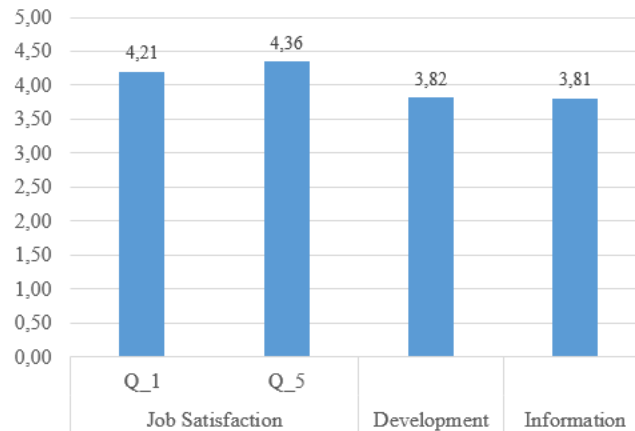
FIGURE 5.20: Average Score of chosen question and categories, 2013 - 2016

5.3 Summary

It is possible to recognize some similarities between the airports, based on the analysis and the results presented above. We have chosen to categorize the eight airports into three groups, based on the correlations between the four variables within the Employee Survey against Overall Customer Satisfaction. The three groups are as follows:

1. **Positive Correlation**: MA-2 and MA-4

2. **Negative Correlation**: LA-2, LA-4, and MA-1

3. **No Correlation**: LA-1, LA-2, and MA-3

The first group include the airports with a positive correlation between Employee Attitudes and Behaviours, and Overall Customer Satisfaction. This implies that if employee satisfaction increases, then customer satisfaction will increase, and vice versa. *Second group*, consisting of airports with negative correlations, implies that if the score of Employee Attitudes and Behaviours increases, then the score of Overall Customer Satisfaction will decrease, and vice versa. Thus, this connection shows an opposite development of the variables, over the four years. *The last group*, shows no correlation between the employee variables and overall customer satisfaction, implying no connection in the development of the variables.

6 | Discussion

This chapter will present the discussion of RQ-1 and RQ-2. Section 6.1 starts by discussing whether the qualitative findings from Chapter 4 in combination with theory, may explain the first arrow in the conceptual model. Here we explore the connection between the HR practices and the attitudes and behaviours of the employees, and thus answer RQ-1. Next, in Section 6.2, RQ-2 is assessed based on the statistical findings from Chapter 5, in combination with both theory and empirical finding. Here, the three groups showing positive, negative and no correlation are discussed. Thereafter, we consider the four variables from the Employee Survey and their connection to customer satisfaction.

In order to understand the setting of our analysis it is important to be aware of the operating area of the company in our case. As presented in Section 2.6.1, the airport industry has been forced to concentrate greater attention on the customers need. Avinor as an airport infrastructure manager, is a part of this challenge, and has therefore turned to service quality as a strategy for achieving competitive advantage (Lee-Mortimer, 1993). To be able to implement such a strategy, Avinor is dependent on their employees which constitute the company. Thus, the discussion is based on Avinor as a service industry, and validated based on a service point of view. Further, we will look how they are able to encourage their employees through the use of HR practices in order to increase customer satisfaction.

6.1 Linking HR Practices to Employee Attitudes and Behaviours

As stated in Chapter 2.1, it is argued that by applying more of the HR practices in line with the overall strategy of the company, this will yield higher levels of annual profit, profit growth, and sales growth (Boxall & Macky, 2009; MacDuffie, 1995). As we believe that increased profit may be achieved through satisfied and loyal customers, we proceed with the thought of bundles of practices as an effective solution to increase

customer satisfaction. Since the theory argue that HR practices first affect and form the employee attitudes (Messersmith et al., 2011; Takeuchi et al., 2009), we look at the first link in the conceptual model in the case of Avinor, Figure 6.1.

Avinor has recently been trough a large structural change following the Modernization Program, that has affected the position of HR and their daily work. The new structure is aimed at giving HR the possibility to work closer with the Corporate Management and contribute to the overall strategy of Avinor. This gives the opportunity to use HR in a beneficial way in order to achieve better employee performance, by e.g. bundles of practices. It is therefore of great interest to discuss how Avinor thinks and work with HR today in line with RQ-1. This section will therefore discuss *"In what what way do HR Practices influence Employee Attitudes and Behaviours"* in Avinor.
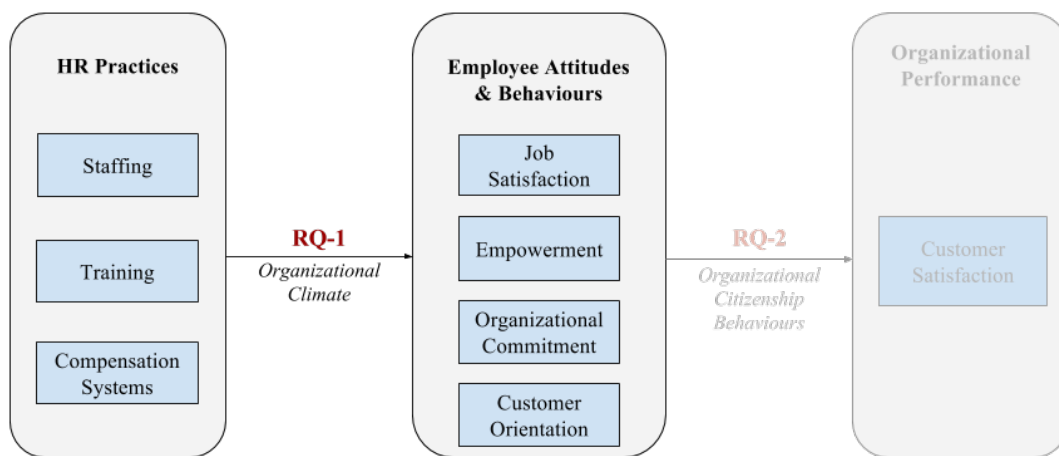
FIGURE 6.1: Research Question 1 presented in the conceptual model

As seen from Figure 6.1, we proceed with the HR practices Staffing, Training and Compensation Systems, and discuss how Avinor performs these based on theory presented in Section 2.2.

6.1.1 Staffing

The human resources are the primary input in service organizations, and they are therefore more depended upon good staffing practices to secure the most qualified people (Terpstra & Rozell, 1993). As initially discussed we defined Avinor as a service organization, and may therefore assume that they will receive high utilization of these practices, if used properly. Avinor is seeking people with the right competence, but also the right attitude and values. This is of importance, as Avinor has a great amount of responsibility in regards to security at the airports. The use of the five staffing

practices, presented in Section 2.2.1, are therefore of great benefit during the selection and recruitment process. However, Avinor only practice a few of these.

First, Avinor does not personally focus on recruiting studies, but rather trust the experience of the recruitment agencies in the choice of recruitment channel. Even though they have not performed a follow-up study, the choice of recruitment channels are not random. Thus, leaning on the advises by recruitment agencies in the choice of recruitment channels, might still contribute positively to find good candidates that again will contribute to the overall performance. Next, Avinor is slowly taking more advantage of cognitive aptitude and ability tests, which mostly are used in cooperation with the recruitment agencies. It is assumed they experience benefits of these, as they are currently planning to certify more of their own HR employees within the testing tool cut-e. By certifying own employees, Avinor will be more independent from the recruitment agencies, and might make their own recruitment process more professional. In addition, they can use tests more frequently when recruiting new employees, which may contribute to hire more qualified candidates. Thus, the combination of these two staffing practices points in the right direction according to theory (Terpstra & Rozell, 1993).

Furthermore, Avinor uses structured interviews to some extent, but the overall performance of interviews is usually dependent on the person responsible for the execution. Thus, there is no consistency in the use of structured interviews. They are performed differently by external agencies and even internally. As the recruited candidates might have experienced a variety of interview styles, they probably get measured differently. This may in turn make it more challenging to sort out the right people with the right skills and values (Huselid, 1995). Thus, the positive effects of structured interviews on organizational performance, are not fully exploited in Avinor, which gives room for improvement.

However, the amount of staffing practices used in Avinor seems to depend on which position is advertised and who is responsible for the interviews. This can lead to candidates getting a difference experience and impression of the staffing process and of Avinor as a company. As presented in Section 4.3.1 HR has made a recruitment document describing how the staffing process should be performed, to avoid this from happening. However, it is difficult to know how many of the employees who actually use the recruitment document. This may affect the quality of people being recruited. It is also reasonable to believe that the recruitment process is affected by the culture at the airport. Consequently, it is difficult to know how much the staffing practices actually affect the overall performance in Avinor.

By following the five staffing practices in combination with the ASA-model, Avinor

may restrict the variations among employees through recruiting employees with specific competencies and skills (Schneider, 1987). Hence, Avinor may create a specific climate consisting of employees with distinct attitudes and behaviours that they are seeking (Huselid, 1995), which additionally may relate positively to firm performance (Delaney & Huselid, 1996). Further, this may contribute to keep the employees within the company and reduce the turnover as new employees fit in the current climate, which might be the case for Avinor today. They have experienced a low turnover over several years, and have majority of male employees with a high average age, as seen in Section 4.1.3. This might create the risk of having a too homogeneous group of employees, possibly reducing creativity. Realizing this challenge, staffing is considered an important part of HR practices, which influence employee attitudes and behaviours in great deal.

6.1.2 Training

Next, we take a closer look at training practices. These have shown to be connected to individual performance, and further to finical performance (Huselid, 1995; Russell et al., 1985). Both job-related knowledge and customer skills has shown to be necessary for employees to perform their work effectively (Nadler & Tushman, 1980), which might be achieved by comprehensive training practices. Thus, the training practices may give the employees of Avinor the right knowledge in order to reach the preferred customer service. In Section 2.2.2, five formal and informal training experiences were presented; skills training, on-the-job experience, coaching, mentoring and management development (Delaney & Huselid, 1996; Huselid, 1995; Russell et al., 1985). As a result from the workshop (Section 3.2.2), it was clear that Avinor use all these practices, but to a varying extent.

As Avinor is considered a security organization and affects the entire country, there are strict requirements to the employees. Since they follow the five practices mentioned above, we may assume that Avinor realize the importance the availability of training. Among the five practices, they have the last years had a great focus on management development. This has been distinguished through remarkable attention in the 'Annual and Corporate Social Responsibility' report, and especially through the Avinor Leadership Platform, presented in Section 4.3.3. In addition, as Avinor is a wholly state-owned company, much of the other training practices are consider compulsory and required by the authorities. Therefore, much of the skills training is part of the required training for several employees in Avinor.

Still, Avinor has created a *Competence Portal* and conduct MUST, which shows an extra effort in addition to the requirements by the Government. Despite this effort for their employees, Avinor has on average a low score in regards to *Development* in the

Employee Survey, at all airports (Figure 5.20). There are several possible explanations for this, that is not mainly caused by the lack of opportunity of development within Avinor. First, this result may be caused by the focus being mainly directed towards managers, as mentioned above, and not too much at the employees at the lower levels. Second, the employees might feel they already have the necessary knowledge needed for their work tasks, and therefore do not see the need to further develop. Thus, the employee might not utilize the opportunity of development, even though it is present. Lastly, and a challenge Avinor should consider carefully, is that the employees might not be aware of the possibility of the training opportunity. This points out that there might be missing information and communication from the managers, which again limits the utilization of the opportunity.

Even though Avinor practices all the suggested training experiences, their benefits will be limited. In order to get the full potential of these practices, it is important to combine these together with proper information and communication. Especially as training systems may be used as an arena to form the attributions of the employees (Nishii et al., 2008). By communicating the vision, mission, values, etc. during the training, Avinor might be able to shape the employees' attitudes and behaviours. The training program should therefore aim to follow the preferred strategy of the company, in order to form the hired employees with a certain competence and skills.

Having qualified workers that receive the proper training may also be important in regards to the customer satisfaction. If the employees of Avinor do not get the proper training, e.g. on how to take care of equipment and safety at the airport, this might be discovered during a revision. This could make it seem as Avinor was lacking expertise, which in turn might affect the feeling of safety for the travelers. Thus, lack of training and guidance may result in less satisfied passengers. Avinor is therefore responsible to ensure competent people working with advanced security systems and services to ensure good quality. This might be fulfilled by utilizing the training systems in a proper way in combination with the right communication.

6.1.3 Compensation Systems

The last category among the chosen practices, are *compensations systems*. The company has to make many decisions on how to motivate their employees, which can be both intrinsic and extrinsic. As mentioned in Section 2.2.3, compensations may directly influence key outcomes such as job satisfaction (Gerhart et al., 1992), considering motivated employees are more satisfied. For Avinor, this provides a further connection to customer satisfaction, as substantiated by the results in Chapter 5. In Section 2.2.3,

pay decision, training programs, job design, external and internal staffing, and development were mentioned as influencing factors (Gerhart et al., 1992). Among these it seems like Avinor take advantage of some of them, but not in a systematic way.

In general, extrinsic motivational factors, e.g. by using money, is not used in Avinor. The pay decisions are affected by the strong unions, and are decided in cooperation with managers and HR. Most salaries are therefore standardized and competitive relatively to the market, thus might not give employees more motivation. As we see it, this shows similarities to the mentality of Norwegian companies. Norway is a country known for flat organizational structures, especially within state-owned companies. Thus, we do not find any major distinction between the lower and higher levels, which seems like the case in Avinor. Expect from the Corporate Management, which have a slightly different wages.

Still, the lack of monetary motivational factors are not necessarily a disadvantage for Avinor. In Section 2.2.3 it was pointed out that such compensations systems might lead to more stress for the employees. E.g. the focus on money may create a competitive environment in the company, resulting in increased pressure on the employee. They might feel the need to work harder to compete with co-workers, which in turn might cause unnecessary stress for the employees. Thus, by not following such systems, Avinor may avoid the risk of employees leaving their jobs as a result of overload.

On the other side, it seems like Avinor rather put their trust in intrinsic motivational factors. According to the HR managers interviewed, by offering training programs, the opportunity for an internal career path and development possibilities, they believe that the employees in Avinor have a strong intrinsic motivation. However, as mentioned above not all employees are aware of their possibilities. In order to benefit more from these practices, a more systematic offering by Avinor would be preferable. In combination with more information during trainings, this would make the employees more aware of their opportunities within academic development. Both the opportunity of development and the intrinsic motivation achieved through this, may lead to better performing employees and are necessary to increase their effectiveness (Huselid, 1995).

As Avinor is considered to be a service industry, the focus on customer satisfaction is of great importance, as already discussed. According to the literature on appraisals and compensation systems, it has been pointed out that performance reviews might be used to communicate the important of customer satisfaction to employees (Rogg et al., 2001). Especially, since Avinor has included an own value, *Customer Orientation*, the compensation systems could be used to inform the importance of it in order to achieve higher customer orientation among employees. The findings from Chapter 5, showing a significant relation between Customer Orientation and Customer Satisfaction, substantiates this. Still, Avinor should avoid intensification of the work process, and find

a balance between motivating and creating stress for the employees.

6.1.4   Organizational Climate in Avinor

The organizational climate is an important mediator which affects and forms the employee attitudes and behaviours (Schneider, 1987). The discussion above indicates that the HR practices conducted by Avinor do have an effect on the employees. It is reasonable to assume that Avinor's organizational climate is affected by the Norwegian working culture, as mentioned in the discussion about compensation systems. As a result of this, the choice of HR practices and the execution of these get shaped by the business sector the company belongs to. Further, even though Avinor focus on having general standards which applies for all airports, it is important to remember that the airports are spread all over the country. The culture and climate will therefore vary among them. Thus, the perceptions of the HR practices might be different from airport to airport, and in turn create different employee attitudes and behaviours. This might explain the results found in Chapter 5, where the airports show three different groupings as a result of the same HR practices.

In addition, the attributions of the different HR practices might also affect the perception of the *concern for employee climate*, as (Takeuchi et al., 2009). Based on the 'Annual and Corporate Social Responsibility' report (Avinor, 2014), the Modernization Program is portrayed as an action to reduce costs, without focus on making the workday of the employees better. The employees might therefore have a negative perception of this major structural change, resulting in less satisfied employees (Nishii et al., 2008). According to our model, it is then expected that the customers should be dissatisfied. Though, in Figure 5.1, the Overall Customer Satisfaction have had an positive development, which might be explained by other external factors affecting the customers. This is in align with the findings of Fodness and Murray (2007), that the passengers' expectations of airport service are also affected by function and diversion, and not only the interaction with service personnel.

6.1.5   Summary of Research Question 1

In order to explain the possible influence of HR practices on employee attitudes and behaviours, we have looked at the use of staffing, training and compensation systems within Avinor. Even though they do not follow all staffing practices mentioned in the theory, they still have a system for selection of employees. Thus, Avinor does form the attitudes and behaviours of their employees to some extent by picking employees with the preferred values, and not randomly. Further, even though they as a state-owned

company are bound to perform mandatory training, the use of Competence Portal and MUST, shows an effort towards training all employees. Lastly, compensation systems are not a structured part of Avinor. However, they offer compensations and appraisals in form of internal recruitment and development opportunities, in line with the Norwegian mindset. It might also be relevant to keep in mind, that the direct effect from HR practices have shown to be non significant and near zero, while the indirect efforts were found to be significant according to the literature (Rogg et al., 2001).

Overall, the mentioned practices are part of influencing the working environment of the employees, and thus the attitudes and behaviours (Section 2.3). By picking out the right people for the right job, giving them the proper training, and motivating them through the chosen compensation systems, the importance of "helping those who help customers" might be stated. Thus, by implementing the overall strategy of Avinor through the HR practices, they may affect the employee attitudes and behaviours in a way that increase the job satisfaction, empowerment, organizational commitment, and not least the focus on customer orientation. This will in turn affect customer satisfaction, as validated in the results in Chapter 5.

6.2 Linking Employee Attitudes and Behaviours to Customer Satisfaction

There has been an impressive research stream showing that customers' service quality are influenced by employees' experiences, specifically by their attitudes and behaviours (e.g. Bowen & Schneider, 1995; Nishii et al., 2008). As stated in Section 2.4, there exist a chain of cause and effect from employee behavior to customer behavior, which eventually leads to increased profits (Rucci et al., 1998). Thus, we will proceed with discussing the second link in the conceptual model as seen in Figure 6.2, in the case of Avinor.

As summarized in Chapter 5, the statistical analysis of the satisfaction of Avinor's employees and customers, resulted in a categorizing where the eight airport were organized into three groups. These groups has shown positive, negative and no connection to the second link in the conceptual model. In addition, from Section 2.6.1, it has been argued that there are other factors than employees attitudes and behaviours that affect the satisfaction of customer at an airport. Therefore, it is interesting to explore the selected airports in line with RQ-2, if *"Employee attitudes and behaviours influence Customer Satisfaction"*, or if the links are caused by other external factors.
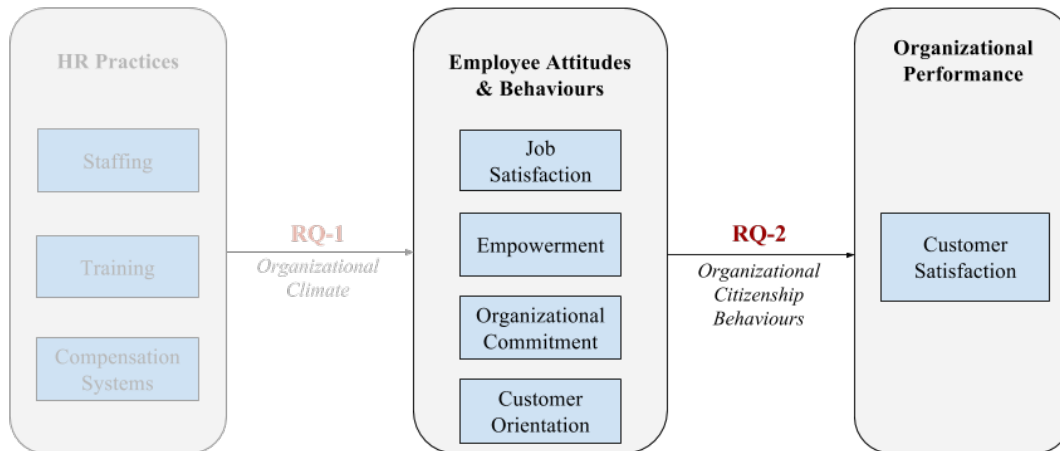
FIGURE 6.2: Research Question 2 presented in the conceptual model

As seen from Figure 6.2, we proceed with the Employee Attitudes and Behaviours; Job Satisfaction, Empowerment, Organizational Commitment, and Customer Orientation. These further constitute the links creating the three groups found in Section 5.2. First, we will discuss whether the statistically found links, may be explained by the empirical findings from the Case Description, in Section 4.4. Thereafter, each variable is analyzed in greater detail. Here the connection to Customer Satisfaction and the interconnection between the variables within the Employee Survey is discussed. The theory of OCBs will be discussed where relevant to explain the links to customer satisfaction.

6.2.1   The Three Airports Groups Based on their Correlation

In order to understand the correlations found in the results, we first take a closer look at the regression analysis performed in Section 5.1. First, there was found an overall significance among three out of the four variables of employee attitudes and behaviour, against customer satisfaction. Then, further calculations looked into how a maximum score on each of the employee variables would affect the customer satisfaction. It was discovered that even though Avinor puts maximum effort on increasing either one of the variables in the Employee Survey, they will never achieve maximum score on Overall Customer Satisfaction. Approximately 20 % of the connection between each employee variable and customer satisfaction, might be explained as a result of other factors, as seen in Section 5.1.

Likewise, the results show that even with a zero effort on any of the employee variables, the customer satisfaction will not be zero. Thus, both the regression and multiple regression analysis show that customer satisfaction is dependent on other factors than those mention in our conceptual model. As presented in Section 6.1.4, external factors

such as the layout of the airport, signs and symbols, etc. (Fodness & Murray, 2007), are also important factors affecting the satisfaction of a passenger. Thus, we may conclude that other external factors are necessary in order to achieve top score among the customers of Avinor.

Positive Correlation Between Employee and Customer Satisfaction

At the airports of MA-2 and MA-4, the results show a clear correlation between the variables of Employee Attitudes and Behaviours and Organizational Performance. This implies that, job Satisfaction, empowerment, and customer orientation do have a positive influence on Customer Satisfaction. Hence, this connection substantiates the conceptual model, seen in Figure 6.2.

Even though the statistical results of this group show a connection, this is not necessarily caused by the effect of HR practices on employee attitude and behaviours. As mentioned initially, Avinor should also consider the possibility of other factors affecting the employee and customer satisfaction. The timelines and development graphs for MA-2 and MA-4 are presented in Figure 4.10, 4.12, 5.14 and 5.18. By comparing the figures, both airports seems affected by external factors, such as expansions and restructuring. E.g. the opening of new terminal in MA-2 may be an explanation of the increase in both employee and customer satisfaction from 2013 to 2014. Likewise, the opening of new international terminal in MA-4 in 2015, may have resulted in both increased employee and customer satisfaction.

Still, based on the findings from Section 6.1, we may conclude that these changes are a positive effect of HR practices. Further, based on the statistical significance and correlations found, they will in turn affect the customer satisfaction. A reasonable explanation may be that the airports are of similar size and share a common HR manager, resulting in HR practices having a similar effect on both airports.

Negative Correlation Between Employee and Customer Satisfaction

At the airports of LA-3, LA-4, and MA-1, the results show a clear negative correlation between the variables of Employee Attitudes and Behaviours, and Organizational Performance. Thus, job satisfaction, empowerment, and customer orientation do have a negative influence on customer satisfaction. Hence, for these airports the representative correlations *contradict* the conceptual model, seen in Figure 6.2.

Some of the opposite development found in this group might be explained by external factors. As mention in Section 4.4, LA-3 had a quite random development during the period of 2013 to 2016, as seen from Figure 5.8. Still, we may see an overall increase

in customer satisfaction from 2013, which may be a result from the reconstruction performed the same year. LA-4 has also been in a process of building a new terminal, and restructuring the airport. As seen from figure 4.8 and 5.10, the customer satisfaction seem to increase in line with the opening of the new airport areas from 2015 to 2016. Lastly, in MA-1, the investments of a new departure hall built in march 2016, may be the reason of the increased Overall Customer Satisfaction from 2015 to 2016, seen in Figures 4.9 and 5.12. On the other hand, the Modernization Program have resulted in a reduced work force, while the restructuring has created more work for the employees, on the airports. Thus, the increased work load on the remaining employees, may explain the reduced satisfaction among them.

As the regression analysis from Chapter 5 show, there is an overall significance between the variables of the Employee Survey and Overall Customer Satisfaction. But, the contradicting results from the correlation analysis, might be explained by the lack of understanding the differences in airports. As mentioned in Section 6.1.5, the climate an culture do affect the receptions of the HR practices. Thus, a lack in customization of the practices in line with the changes executed at the different airports, might be a possible explanation of why employees are affected differently than customers.

No Correlation Between Employee and Customer Satisfaction

At the airports LA-1, LA-2, and MA-3, the results show no correlation between the variables of Employee Attitudes and Behaviours, and Organizational Performance. Thus, job satisfaction, empowerment, and customer orientation have no influence on customer satisfaction, and no connection to the conceptual model, seen in Figure 6.2.

Considering that these airports are part of the same organization with the same standards for HR practices, it is difficult to know why the results show no connection between the employee variables and customer satisfaction. Still, the results for these three airports are interesting, especially as all other airports in our sample either show a positive or negative connection to the conceptual model. Though, by taking into account the external impacts and cultural variations, similar to the groups above, there might be some possible explanations.

All three airports have been affected by the changes executed at each airport. Among these LA-2 have been in a special situation considering the passenger traffic. In Figure 5.6, *Overall Customer Satisfaction* shows much lower score than the others. This is possibly affected by the increased traffic at the airport and the construction of a new terminal as seen in Figure 4.6. From the case study it is clear that LA-2 has not had the capacity to handle all the passengers. At the same time, the organizational structure of the airport stands out from the three other medium sized airports (Section 4.4).

Thus, a more complex structure could affect the workers, without having any further connection to the customers.

Overall, for all three airports the development graphs, Figure 5.4, 5.6, and 5.16, show both similar and contradicting fluctuations between the variables of employees attitudes and behaviours, and customer satisfaction. Thus, the results might equalize each other, giving the statistical outcome of no correlation. This might be an explanation of why these airports do not fit our conceptual model.

6.2.2 Employee Attitudes and Behaviours

Before continuing the discussion it is important to keep in mind that the relationship between the variables within Employee Attitudes and Behaviours, and Customer Satisfaction are based on correlation analysis. Thus, this may only give an indication if the variables move in the same direction, but not their *causality*. Therefore there is a possibility that the arrow in model 6.2 might point in the opposite direction. Meaning that customers satisfaction may influence the attitudes and behaviours of the employees. This possibility is already suggested in Section 2.4.4, for *Job Satisfaction*, *Organizational Commitment*, and *Customer Orientation* (Anderson et al., 1994; Donavan et al., 2004; Jaworski & Kohli, 1993; Pettijohn et al., 2002). The mutual relationship represented by the correlation analysis, therefore substantiates the earlier findings and reinforces these dependencies.

In comparison, it is less reasonable to believe that there is a mutual relationship between empowerment and customer satisfaction. The literature in Section 2.4.2, has already presented a possible effect from empowerment to organizational performance. As customer satisfaction is argued to be a measure of organizational performance, we may suggest that empowerment in turn affect customer satisfaction. On the other side, the affect from customer satisfaction to empowerment, has not been elaborated by the literature. Logically, even though customers are satisfied, this will not necessarily increase the autonomy of the employees.

Job Satisfaction
As presented in Section 2.6, the climate for customer support among employees are related to a measure of job satisfaction (Schmit & Allscheid, 1995). Thus, it is interesting to observe that Avinor, from 2013 to 2016, scores 4.21 out of 5 on average for question 1 in the Employee Survey, *"I am all in all satisfied with my job"*, see Figure 5.20. This strongly implies that the employees are satisfied with their jobs in Avinor. In turn this create an opportunity to satisfy the customers, according to the conceptual model.

The reason for this high job satisfaction among the employees, might be explained by various measures.

First, as explained in Section 2.4.4, better fit between employee skills and work tasks may lead to increased satisfaction (Messersmith et al., 2011). The use of selective staffing and opportunities of training and development discussed in Section 6.1, may facilitate the desired fit between person and job (Donavan et al., 2004). As Avinor practices several of the staffing and training practices mentioned by the theory, this may contribute to increase the job satisfaction of the employees. In addition, the use of internal staffing, is also emphasized as a factor that contributes to the high level of job satisfaction in Avinor, as already discussed in Section 6.1.3.

Second, according to the discussion in Section 2.3, the perception of the intention behind the HR practices will affect the employees' job satisfaction (Messersmith et al., 2011; Nishii et al., 2008; Takeuchi et al., 2009). Thus, in the case of the Modernization program (4.1.4), it is expected that the job satisfaction should decrease due to the focus on cost reduction. This is partially supported by the slight decrease in Job Satisfaction from 2014 to 2015, shown in some of the development graphs, in Section 5.2. However, the score have in general stayed quite high during the four year period for all eight airports as presented initially, contradicting the theory. It is therefore a possible explanation that the managers have taken good care of their employees during the structural changes.

Third, the graphs in Section 5.2, show some fluctuations which are not simultaneous with the bigger HR changes performed by Strategic HR in Avinor. Thus, the high job satisfaction might as well be caused by other factors, e.g. how well employees get along with their co-workers, the culture created, and so forth. Nevertheless, these are factors that can be achieved through elements of HR practices executed by Avinor, such as selective staffing, training initiatives, and compensation systems that will better fit employees to their jobs (Messersmith et al., 2011). In total this may contribute to create a comfortable organizational climate that the employees enjoy and find motivating. In total, the above mentioned are all measures affecting job satisfaction, which further may affect customer satisfaction.

Empowerment

The theory presents that increased job satisfaction might be a result of increased autonomy of employees (M. Chen et al., 2016). This brings us to the empowerment as the next employee attitude and behaviour affected by the HR practices. As Avinor has such a high level of job satisfaction, it is thus interesting to explore whether empowerment is present and recognized in Avinor.

In order for the feeling of empowerment to strongly affect the customers, it is necessary

that the employees receive the right information and also have a participative organizational climate (Messersmith et al., 2011). Based on the 'Annual and Corporate Social Responsibility' report (Avinor, 2016), there are some clear standards on how to communicate and inform. Still, the question is whether the information reach the employees at the lowest level in the organizational structure. As already discussed in both in Section 6.1.2 and 6.1.3, if training systems and compensation systems are used in a proper way, it may increase the information flow in Avinor.

Further, according to findings within the theory of OCBs, the feeling of empowerment might also affect employees to perform beyond expectations (Messersmith et al., 2011). This is closely linked to the access of a participative organizational climate. Hence, by sharing the right amount of information with their employees, Avinor are able to increase motivation for performing extra-role behaviour. This might be used as an aid to motivate employees to help each other, and increase the focus around customer orientation (Nishii et al., 2008). In the case of Avinor, the results from the Employee Survey show that the category of Information has an average score of 3.81 out of 5, see Figure 5.20. In addition question 5 from the same figure, *"My colleagues gives me help and support when I need it"*, scores 4.36 out of 5. As both scores are quite high, this may indicate a preferable climate, which promote empowerment and extra-role behaviours of employees in order to increase customer satisfaction.

Lastly, the connection between job satisfaction and empowerment mentioned initially, has been substantiated to some extent by the findings presented in Chapter 5. For all eight airports there have been a significant and strong correlation between these two variables. Thus, it is assumable that when either job satisfaction or empowerment increase or decrease, the other variable will develop in the same direction. Further, this makes it hard to distinguish whether the Customer Satisfaction is a direct or indirect result of the variables (Rogg et al., 2001).

Organizational Commitment

According to the theory employee commitment is a behaviour positively perceived by customers (Rogg et al., 2001). However, the findings from Section 5, present that organizational commitment has a insignificant connection to customer satisfaction. Even though employees in Avinor feel high amount of commitment to their company, as seen in the figures in Section 5.2, this do not in turn have a significant effect on customers in either way. This do not mean that the link is non-existent, only that the connection between the variables cannot be confirmed or denied by the statistical findings.

As with the above mentioned variables, organizational commitment is also highly dependent on greater participation of employees, sharing higher levels of information, and in addition offering better job security prospects (Messersmith et al., 2011). Looking more closely at the individual airports, organizational commitment has shown to have

either a positive or negative correlation at half of the airports (LA-3, LA-3, MA-1, and MA-4). But, for the remaining four airports, which show no correlation, a possible explanation might be missing information sharing or lack of participative organizational climate (Messersmith et al., 2011). Again, as these correlations are not significant, the discussion remains an assumption.

During the interviews with the HR managers and employees, several mentioned that employees feel a pride for their work and Avinor as a company. We consider pride as a factor that contribute positively to the loyalty and commitment of the employees. This might be reflected by the low turnover during the past years. In addition, commitment in combination with job satisfaction has shown to be among the strongest attitudinal predictors of OCBs (Messersmith et al., 2011). Therefore, Avinor has a good starting point for both keeping the employees in the company, and form the work more intensively towards customer orientation and satisfaction.

Customer Orientation

As presented in Chapter 2.4.4, the customer oriented behaviour is a result of both person and environment (Donavan et al., 2004). Considering Avinor as a service industry, this variable is of great importance to them, and might explain the reason for including customer orientation as a new value in their strategy in 2013. As a result of this, it is justifiable that the overall customer orientation would have increased the following years. But, from the graphs from Section 5.2, this variable experience an overall reduction at six airports from 2013 to 2016. There are several potential explanations of these findings, which will be further discussed.

It is reasonable to assume that after the implementation of the new value, the employees have become more aware of the definition of the word. Thus, they might have been more strict when answering the Employee Survey. In addition, Avinor distinguish between internal and external customers. This makes it difficult to know whether the employees think of the passengers or the employees they serve, as their customers when answering the survey. Both these arguments might contribute to explain why the customer orientation has decreased over the four years.

Further, both the regression analysis and correlation analysis from Chapter 5, have shown a significant link between Customer Orientation and Customer Satisfaction. Airports with a positive correlation, might therefore be more focused on customers' needs (Deshpandé et al., 1993; Kotler, 2000). On the other hand, airports with a negative correlation, are to some extent contradicting the theory. In this case, the affect of external factors might have been higher than the effect from the employee attitudes and behaviours, as discussed in Section 6.2. As Avinor is the only company in the industry of airport infrastructure in Norway, it is possible to assume that the customers will continue using their service. Still, it is important to remember the

increased competition within the area (Fodness & Murray, 2007). Thus, in order to keep the passengers, Avinor has to realize the importance of customer orientation. Otherwise, the passengers may consider other means of transport.

As presented previously in Section 2.4.4, customer orientation is a variable that mutually affect both job satisfaction and organizational commitment (Donavan et al., 2004; Jaworski & Kohli, 1993). This is substantiated both by the regression analysis and correlations found in Chapter 5. Therefore, the inclusion of the new variable, gives Avinor the opportunity to both affect the satisfaction of the employees and make them work more towards the customers. In addition, there are evidence indicating that empowerment can have a positive returns on both employees and customers (Bowen & Lawler, 1995). Further, our statistical findings indicates that there is a significant connection between empowerment and customer orientation. Still, the correlation analysis does not reveal the causality, as mentioned initially. We may therefore not conclude the direction of the affection between empowerment and customer orientation. Overall, there exist an interconnection between all employee variables within Avinor.

6.2.3   Summary of Research Question 2

In this section we try to answer whether the four variables of the employee attitudes and behaviours influence the customer satisfaction. Overall, the findings from Chapter 5, present that three out of four employee variables have a significant link to customer satisfaction, namely job satisfaction, empowerment, and customer orientation. Organizational commitment did not have a significant link to customer satisfaction. Though, the discussion suggests an overall interconnection between all employee variables, in line with the theory (Donavan et al., 2004; Jaworski & Kohli, 1993; Messersmith et al., 2011; Pettijohn et al., 2002). Thus, in addition to the direct effect from each variable, there might also exist an indirect effect on customer satisfaction, through the interconnection.

Based on the found significance, further correlation analysis resulted in three groupings of the airports. The first group in our findings has shown a positive correlation between these factors and thus substantiates the conceptual model. The other two groups have shown either negative correlation or no correlation, thus either contradict or show no connection to the model. Seen from the discussion above, there is not only the HR practices that affect the satisfaction of customers. The external factors should also be considered, which has shown a possible affect on both employee attitudes and behaviours, and customer satisfaction. In the case of Avinor it is the Modernization Program which has mainly affected the employees, while the reconstruction at the different airports have affected both the employees and customers.

Finally, the extra-role behaviour from the theory of OCBs, has shown a strong connection to both empowerment and commitment (Meyer, Allen, & Allen, 1997). Thus, in the case of Avinor, by connecting the importance of customer focus to both empowerment and commitment, it has been discussed that employees will feel a greater motivation to take on extra-role behaviours and find better solutions. Such actions are beneficial to the overall strategy (Meyer et al., 1997), and make employees go beyond their required tasks to help other co-workers and support their organizations(Lado & Wilson, 1994). This will in turn increase the overall customer satisfaction, and thus confirms the positive affect from employee attitudes and behaviours.

7 | Conclusion

In the HPWS literature, there is proposed a possible link between HR practices and organizational performance measured as customer satisfaction. Based on this, a conceptual model has been developed. Variables of employee attitudes and behaviours have been included as an intermediary in order to understand the connection between HR practices and customer satisfaction. This has further been tested as a longitudinal case study at eight medium and large sized airports in Norway, managed by Avinor, from 2013 to 2016. As a result, the two research questions have been answered:

RQ-1: *In what what way do HR Practices influence Employee Attitudes and Behaviours?*
Based on both the literature and the qualitative empirical findings of Avinor, the HR practices are an important part forming the organizational climate where the employees work. The affect on climate and culture, may in turn influence employee attitudes and behaviours, such as job satisfaction, empowerment, organizational commitment and customer orientation. This is caused by the use of different HR practices within staffing, training, and compensation systems, which do have a synergistic effect on each other. Thus, by having a bundle of practices which are interrelated, companies are able to affect the attitudes and behaviours of their employees.

RQ-2: *Do Employee Attitudes and Behaviours influence Customer Satisfaction?*
By performing statistical analysis on combined data for the eight airports over the four years, significant connections were found between three out of four employee variables (job satisfaction, empowerment, and customer orientation) and customer satisfaction. While, organizational commitment did not have a significant connection, possibly caused by the lack of proper information sharing and involvement of employees by the management. Further, by analyzing the airports at the individual level, three different scenarios were found in this study:

1. Employee Attitudes and Behaviours have a positive influence on Overall Customer Satisfaction

2. Employee Attitudes and Behaviours have a negative influence on Overall Customer Satisfaction

3. Employee Attitudes and Behaviours have no influence on Overall Customer Satisfaction

Here, the first group substantiates our conceptual model. While the second group contradicts it, and the last group shows no connection to the model. From a combination of both the statistical and empirical findings, the results detected that the affect of HR practices on employee attitudes and behaviour alone, is not enough to make the customers 100 % satisfied. Thus, the result is partially explained by the effect of external factors, which influence the satisfaction of both employees and customers. It it therefore difficult to know how much of the customer satisfaction is directly and indirectly affected solely by the employees.

In conclusion, several academics have stated that human resources are the main input in service organizations. Based on this, we believe that our findings can be of interest for service companies within different fields. Especially for infrastructure managers of airports, railways, or other means of transport. The significant connection found between employee attitudes and behaviours, and customer satisfaction, implies that there are much to gain by investing in ones employees. Based on literature and empirical findings, HR practices are one possible investment. However, HR practices alone are not sufficient to gain fully satisfied customers, thus the effect of external factors must be kept in mind as well.

7.1   Managerial Implications

On a general level, this study has identified a positive link between the use of HR practices and organizational performance measured as customer satisfaction. Our finding indicates that by practising different bundles of practices, an organization is able to affect the attitudes and behaviours of employees, and in turn affect customer satisfaction. However, there is not a specific bundle of practices that are more correct than others. Thus, it might be challenging for firms in deciding which practices to allocate resources to in order to yield the best possible performance.

Firstly, this study has presented five practices respectively within the staffing and training process, and several within compensation systems. Avinor currently practice, at most three out of five staffing practices and all training practices, to a varying extent. This gives room for improvement in order to securing the best human resources available, and to develop them with the desired skills. Considering the compensation systems, it is argued that the wrong use of extrinsic motivation might create stress

for the employees. As long as Avinor is aware of this challenge, the compensation systems might still be used to motivate the employees to act in more desired way. It is possible to combine both the intrinsic and extrinsic thinking, e.g. by creating an event celebrating goal achievements of increased customer satisfaction. This is both extrinsic as a reward, but also intrinsic in making goodwill and increase the pride of working there.

Secondly, information sharing and communication are seen as important mediators in order for the HR practices to have the desired effect on the employee attitudes and behaviours. By proper communication of the necessary and relevant information to the employees, Avinor might create the right climate for increased focus on the end customers. In general, customer orientation should be present both in the training process and through the compensation systems. In the least when Avinor recruit new employees, customer orientation should be an important value of the applicants selected. Thus, by combining the right HR practices with clear communication explaining the importance of customers, Avinor might strive to reach their overall strategy.

Lastly, it is pointed out that for service companies, the main key to making profits is by satisfying their customers. Further, we have chosen customer satisfaction as a suitable measure of organizational performance in the case of Avinor, as it is considered a service firm. Still, it is important to be aware that customer satisfaction alone is not enough to understand the performance of an organization. A firm can e.g. have overall satisfied customer by selling their products or services very cheap, but this is not sustainable for the company itself in the long run. Thus, Avinor should also consider other factors such as economical performance.

7.2 Scientific Implications

The majority of previous research presented several theories on the effect of HR practices on organizational performance, on the manufacturing industry. During the past decades, the service industry has become more prominent in the society, and the theory has therefore changed focus to companies providing more commercial businesses. When reviewing the literature, we found that organizational performance had been mainly measured based on economic performance criteria. Realizing that customers are one of the main factors creating profit, especially in service industries, customer satisfaction turned out to be a better indication of organizational performance. With the limited research on this area, this study has therefore sought to contribute to the theory by further exploring customer satisfaction as a measure.

The literature so far, has mainly focused on the overall link between the HR practices and organizational performance, but few researchers have tried to highlight the mediators which constitute the unknown black-box in between. Thus, by including the employee attitudes and behaviours in our study, we present a possible explanation of how the organizational performance is affected. Using empirical and statistical findings, the link was substantiated for almost all HR practices, while three out of four employee attitudes and behaviours were proven significant. Thus, HR practices that support job satisfaction, empowerment, organizational commitment, and customer orientation, will in turn have a positive effect on customer satisfaction to some extent. However, external factors (e.g. expansion, interior and design, etc.) also had a great impact on customer satisfaction in the case of an airport infrastructure manager (Donavan et al., 2004).

Overall, all variables of HR practices and employee attitudes and behaviours have been built on an extensive literature review within the field of HR practices and HPWS. We therefore consider these as a useful framework for future research on employee attitudes and behaviours and organizational performance.

7.3   Limitations and Directions for Future Research

The results of this study should be considered in light of its limitations and opportunities for future research. Based on the literature review, results and discussion presented above, we wish to point out five limitations that may affect both the model and the research within the field. We also propose some suggestions for future research seeking to reduce these limitations.

The main limitation of this study is that the empirical and statistical findings are based on a single case study. An advantage of working with a single company is that it facilitates the collection of detailed information. We had access to a comprehensive company history, and the opportunity to visit the headquarter of Avinor to conduct a workshop with the main HR personnel. These conditions would be difficult to match in a multiple-case study. However, one case study is not sufficient to generalize the results to all service industries as the sample is too small. A stronger generalizability could be claimed if more and various cases were included in the study. Future research should therefore use the same set of variables and conduct similar research, where the data and cases from several companies within the service industry are evaluated. This in order to strengthen the findings and the conceptual model used in this study.

The second limitation is that we only investigated the overall customer satisfaction. A single study of passenger expectations is not sufficient to inform a fully-developed

conceptualization of airport service quality. Further research should therefore determine whether the employee attitudes and behaviours, as a result of HR practices, have the same impact across various dimensions of customer satisfaction.

A third limitation is that all the interviewees conducted in this study were with HR managers and HR employees at the higher levels of the company. They are therefore more likely to have a specific view of the HR strategy and implementation of practices. Even though the statistical data included employees on lower levels, meeting and interviewing them would give a more holistic picture of the affect of HR practices on their attitudes and behaviours. By including employees at the lower level HR, different perception might be discovered. Future research is therefore encouraged to investigate the effects of HR practices in companies from the employees' point of view, or conduct a similar case study including employees at all levels in the company.

Fourth, most of the literature review is based on research conducted in the USA. The main difference is that some practices recommended in America, are simply legal requirements in other nations, e.g. grievance procedures, and does not differentiate superior performance. Thus, the real challenge lies in the cultural and socio-cultural differences, and it is important to distinguish the difference between the organizational cultures in different nations. An example is performance evaluation, which is more common and formal in the USA than in Norway (Døving, Gooderham, & Øhrn, 2015), and was not used in our case company. It is therefore important that future research looks into how different cultural aspects affect the conceptual model developed, and test it in different nations, especially Scandinavian countries.

Lastly, as mentioned in this study, the competition in the global market is continuously increasing. Thus, the companies are dependent on adapting in line with the changes in order to stay in the market. This has been the situation of our case company. As we see it, there is a lack of suitable models focusing on the effect of HR practices on customer satisfaction, when taking continuous change into account. By accepting that there are continuous changes in all companies, the current models end up considering these factors separately. Thus, the combination of devices such as the Employee Survey and the ASQ survey is not good enough, as they do not see the larger picture. On the other side, models focusing on the overall picture of the company, are not able to catch smaller changes, e.g. results of HR practices. We therefore encourage future research to consider continuous change in the market when developing HR models to increase knowledge on this area.

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A | Questions from the Employee Survey

Min arbeidssituasjon

s_1: Jeg er alt i alt tilfreds med jobben min.

s_2: Jeg kjenner meg motivert for mine arbeidsoppgaver.

s_3: Jeg opplever at jobben jeg gjør er meningsfull

s_4: Jeg trives godt sammen med mine kolleger

s_5: Mine kolleger gir meg hjelp og støtte når jeg trenger det

s_6: Jeg har innflytelse på min egen arbeidssituasjon

s_7: Jeg vet hva som forventes av meg i mitt arbeid

s_8: Jeg vet når jeg har gjort en god jobb

Helsefremmende arbeidsmiljø

s_13: Jeg har vanligvis en god balanse mellom arbeidsliv og privatliv

s_14: I min enhet har ingen blitt utsatt for mobbing eller trakassering de siste 12 mnd.

s_15: Jeg har ikke blitt utsatt for mobbing eller trakassering de siste 12 mnd.

s_16: Arbeidet mitt belaster meg sjelden så mye at det påvirker helsen min negativt

s_17: Jeg opplever Avinor som en virksomhet som tar sosiale og personlige hensyn

Verdier: Åpen, ansvarlig og handlekraftig

s_19: I min enhet kan vi fremme våre synspunkter uten å frykte negative konsekvenser

s_20: I min enhet blir eventuelle problemer og konflikter tatt hånd om

s_21: I min enhet følger vi opp de beslutninger som treffes

Verdier: Kundeorientering

s_27: I min enhet har vi en klar forståelse av hvem våre interne og/eller eksterne kunder er

s_28: I min enhet er våre aktiviteterrettet mot å gi våre kunder den beste mulige service, leveranse og opplevelse*

s_29: I min enhet har vi en god forståelse for hvilke behov våre kunder har

s_30: Avinor er i dag en mer kundeorientert organisasjon, sammenlignet med for ett år siden

Samhandling

s_31: I min enhet har vi et godt samarbeid med andre enheter

s_32: I min enhet deler vi kunnskap og erfaring med hverandre

s_33: Min leder sørger for at vi har gode relasjoner med våre eksterne kunder og/eller samarbeidspartnere

Ledelse

s_34: Jeg opplever at min nærmeste leder stiller tydelige krav til meg

s_35: Min nærmeste leder foretar nødvendige grep når noe ikke fungerer

s_36: Min nærmeste leder gir meg ros/anerkjennelse når jeg gjør en god jobb

s_37: Min nærmeste leder gir meg konstruktiv kritikk/nyttige tilbakemeldinger på mitt arbeid

s_38: Min nærmeste leder legger til rette for reell medvirkning

Mål og endringsledelse

s_39: I Avinor gjennomføres endringer på en profesjonell og redelig måte

s_40: Min nærmeste leder setter klare mål for enheten

s_41: Min nærmeste leder følger opp at vi når enhetens mål

s_43: Min nærmeste leder er dyktig til å gjennomføre beslutninger

s_44: Min nærmeste leder sørger for at vi utvikler oss i tråd med markedet og kundens behov

Kontinuerlig forbedring og nytenkning

s_55: I min enhet jobber vi med å utvikle og forbedre våre arbeidsprosesser

s_56: I min enhet er vi flinke til å prioritere og gjøre det viktigste først

s_57: Mine kollegaer er åpne for nye forslag og ideer

s_58: I min enhet er det fulgt opp på forbedringstiltakene fra forrige medarbeiderundersøkelse

s_59: I min enhet er vi opptatt av å lære av det som går bra og mindre bra i vårt arbeid

Utvikling

s_60: Jeg får utnyttet mine kunnskaper og ferdigheter i mitt arbeid

s_61: Jeg har mulighet til å utvikle meg

s_78: Har du innenfor de siste 12 måneder gjennomført Mål-og utviklingssamtale

(MUST)?

s_62: Jeg opplever at avtalene som ble gjort i MUST, er fulgt opp

Informasjon

s_63: Jeg har tilgang til den informasjonen jeg trenger for å gjøre mitt arbeid

s_64: Min nærmeste leder holder meg tilstrekkelig informert om det som skjer i konsernet

s_65: Avinors konsernledelse formidler tydelig hvilke mål konsernet skal arbeide etter

Attraktiv arbeidsplass

s_66: Jeg er stolt av å jobbe i Avinor

s_67: Jeg kan anbefale andre å jobbe i Avinor

s_68: Jeg forventer at jeg fortsatt jobber i Avinor om 1 år

B | Interview Guide for Avinor

Takk for at du stiller til intervju! Vi er to masterstudenter ved Industriell økonomi og teknologiledelse ved NTNU, og skriver denne våren en masteroppgave innen Strategisk endringsledelse i samarbeid med Avinor. Vedlagt er generell informasjon om oppgaven, intervjuet og noen av spørsmålene som vil stilles.

Masteroppgaven
Oppgaven handler i grove trekk om å vurdere effekten av HR-tiltak på ansatte, og om effekten på ansatte i gjengjeld påvirker kundetilfredsheten i positiv eller negativ retning. Arbeidet startet som en del av Internshipet til Shaleen hos Avinor sommeren 2016, og har blitt jobbet videre med i prosjekt- og masteroppgaven.

Masteroppgaven blir basert på data vi har fått fra Avinor gjennom medarbeiderundersøkelse (MU) og Airport Service Quality (ASQ) fra 2013 - 2016, og intervjuer av ansatte.

Intervjuets formål
Dette intervjuet har som formål å skaffe en oversikt over HR-tiltak som er utført på gjeldende lufthavn, og hvordan HR-funksjonen utføres i Avinor. I tillegg vil det stilles spesifikke spørsmål for å vurdere mulige forklaring på resultater oppdaget gjennom den kvantitative analysen. Dette er for å finne en sammenheng i endring i tilfredshet blant ansatte og kunder før og etter at HR-tiltak er satt i gang.

Generell informasjon om intervjuet

- Intervjuets varighet: 40 minutt - 1 time.

- Det vil bli tatt lydopptak av intervjuet, som vil bli transkribert i ettertid.

- Resultatene vil bli brukt til å underbygge oppdagelsene i den kvantitative analysen.

- Alle svar vil bli anonymisert.

- Intervjuet er inndelt i to ulike deler.

    - Del 1: Omhandler dine arbeidsoppgaver som HR-sjef i Avinor, og hvilke HR-tiltak de gjeldende lufthavnene har utført de siste fire årene. Videre stilles spørsmål knyttet til ansettelsesprosess, kompetanseutvikling og belønningssystem dere bruker, i forbindelse med en teoretisk-modell utarbeidet i prosjektoppgaven høsten 2016.

    - Del 2: Omhandler spesifikke spørsmål om lufthavnen fra resultatene oppdaget i den kvantitative analysen. Disse spørsmålene vil være avhengig av deres svar fra del 1, og er derfor ikke vedlagt.

- Vi er i utgangspunktet interessert i tidsperioden 2013 - 2016.

Dersom du har noen spørsmål eller ønsker mer informasjon om oppgaven, så er det bare å ta kontakt.

Mvh,
Shaleen Sebastiampillai og Victoria U. Holm

Del 1 - Generelle spørsmål om HR

Din rolle og arbeidsoppgaver

1. Hvordan vil du beskrive din HR-rolle i Avinor?

    (a) Hvilke arbeidsoppgaver og ansvarsområder har du?

    (b) Er det variasjon i hva som kreves av HR-rollen ved de ulike lufthavnene?

HR-tiltak

2. Hvilke HR-tiltak har dere utført de siste fire årene?

    (a) Bruker dere resultatet fra MU og ASQ på noen måte i deres arbeid med HR-tiltak?

    (b) Hvor mye av arbeidet som HR-avdelingen utfører er rettet mot passasjerene, og hvor mye mot de ansatte?

3. Hva er formålet med HR-tiltakene som dere utfører?

4. Er det gjort noen nevneverdige endringer på lufthavnen, som du tenker kan ha påvirket HR-tiltakene dere har utført?

5. Bruker dere resultatet fra MU og ASQ på noen måte i deres arbeid med HR-tiltak?

6. Hvor mye av arbeidet som HR-avdelingen utfører er rettet mot passasjerene, og hvor mye mot de ansatte?

7. Hvilken posisjon innad i bedriften har HR?

8. Hva har vært den største utfordringen i Avinor når det kommer til HR?

Spørsmål knyttet til den teoretisk-modellen

9. Ansettelsesprosess (Staffing)

    (a) Hvilke krav stilles til ansettelse (alder, erfaring, kjønn, utdanning, etc.)?

10. Kompetanseutvikling (Training)

    (a) Hvordan fungerer dette ved [Navn lufthavn] lufthavn? Hva er formålet?

    (b) I hvilken grad er dette rettet inn mot kundeorientering?

11. Belønningssystem (Compensation systems)

    (a) Har Avinor noe spesifikt belønningssystem, intrinsic/extrinsic? Hvilke?

    (b) Hvordan blir dette brukt? F.eks. opp mot kundeorientering?

12. Hvordan arbeider dere for å oppnå høy kundetilfredshet?

    (a) Hvilke krav stilles til ansatte i arbeidet rundt kundeorientering, og har dette forandret seg i løpet av de siste fire årene?

Spesifikke spørsmål for Birgitte

- Hvordan er HR knyttet opp mot strategien til Avinor?

- Hvordan har HR-avdelingen utviklet seg de siste årene?

- Hvordan videreformidles avgjørelser tatt i HR-avdelingen til de ulike lufthavnene?

- Er det noe samarbeid på tvers av lufthavnenes HR-avdelinger?

C | Workshop for Avinor

Presentasjon av Masteroppgave for Avinor
NTNU

"The effect of HR Practices on Employee and Customer Satisfaction
- A study of an airport infrastructure manager"
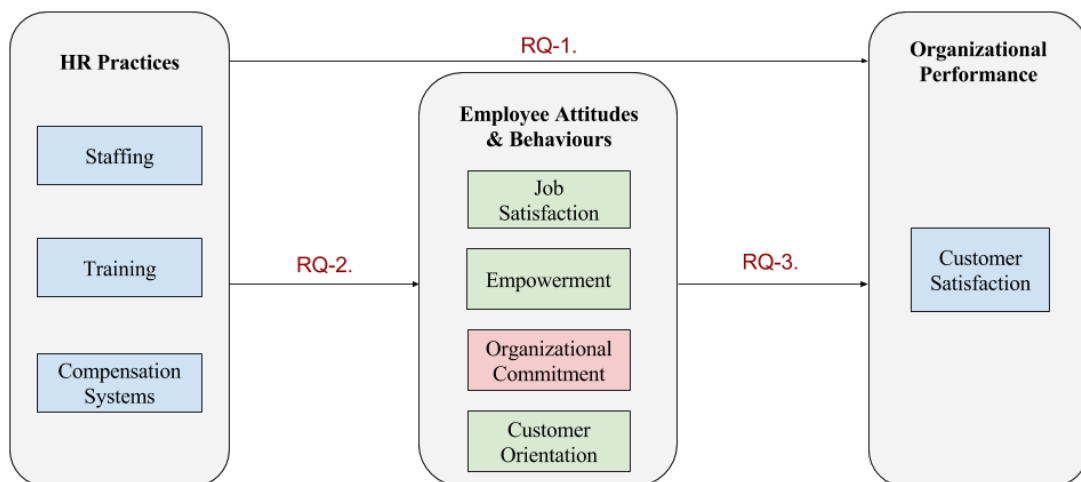
Av:

Shaleen Sebastiampillai og Victoria Urdshals Holm

Instituttet for Industriell Økonomi og Teknologiledelse

Explanations and Definitions

Staffing (Ansettelsesprosessen)
Staffing is concerned with the placement, growth and development of all those members of the organization whose function is to get the things done through the efforts of other individuals. (Theo Heimann)

Training (Opplæring/kompetanseutvikling)
Organized activity aimed at imparting information and/or instructions to improve the recipient's performance or to help him or her attain a required level of knowledge or skill.

Compensation Systems (Belønningssystemer)
In addition to training, the employees also need continuous motivation in order to develop and perform their best, which may be facilitated by compensation systems. This could be through pay decision, training programs, job design, external and internal staffing, and development

Organizational climate
"... shared perceptions of employee concerning the practices, procedures, and kinds of behaviours that get rewarded and supported in a particular setting" (Schneider, White, and Paul, 1998, p.150).

Job Satisfaction (Arbeidstilfredshet)
overall satisfaction with one's job (Takeuchi et al., 2009).

Empowerment (Myndighet)
"having a sense of voice in helping to mold and influence organizational activities" (Messersmith et al., 2011, p.1109).

Organizational Commitment (Organisatorisk tilhørighet/forpliktelse)
reflection of an employee's identification with and loyalty to the employing organization" (Messersmith et al., 2011, p.1108)

Organizational Citizenship Behaviour
The non-compulsive, helpful, and constructive behaviors that are directed to the organization or to its members (Bateman and Organ 1983; Podsakoff and MacKenzie 1994).

Customer Orientation (Kundeorientering)
"employee's tendency or predisposition to meet customer needs in an on-the-job context." (Brown et al., 2002, p. 111).

Oppgave 1 - Påvirkning av HR-tiltak på ansattes holdninger
Gjerne beskriv hvordan disse punktene utføres på lufthavnen(e) du er ansvarlig for.

Ansettelsesprosessen (Basert på Terpstra og Rozell, 1993.)

Tiltak	Kommentar (Hvis ja, hva gjør dere?)
The use of follow-up studies of recruiting sources to determine which sources yield greater proportions of high-performing employees.	Ja [ ] eller Nei [ ]
The use of validation studies for the predictors used in selection.	Ja [ ] eller Nei [ ]
The use of structured, standardized interviews for selection.	Ja [ ] eller Nei [ ]
The use of cognitive aptitude and ability tests for selection.	Ja [ ] eller Nei [ ]
The use of biographical information blanks (BIBs) or weighted application blanks (WABs) for selection.	Ja [ ] eller Nei [ ]

* BIBs: A pre-selection questionnaire that asks applicants to provide job-related information on their personal background and life experience.

* WABs: A method for quantitatively combining information from application blank items by assigning weights that reflect each item's value in predicting job success.

Kompetanseutvikling

(Basert på Huselid, 1995; Russell et al., 1985.)

Tiltak	Kommentar (Hvis ja, hva gjør dere?)
Skills training	Ja [ ] eller Nei [ ]
On-the-job experience	Ja [ ] eller Nei [ ]
Coaching	Ja [ ] eller Nei [ ]
Mentoring	Ja [ ] eller Nei [ ]
Management Development	Ja [ ] eller Nei [ ]
Annet?	

Belønningssystemer

(Basert på Gerhart et al., 1992.)

Tiltak	Kommentar (Hvis ja, hva gjør dere?)
Pay decisions	Ja [ ] eller Nei [ ]
Training Programs	Ja [ ] eller Nei [ ]
Hvem er ansvarlig for å lage/utvikle Job Design	Ja [ ] eller Nei [ ]
External and internal staffing	Ja [ ] eller Nei [ ]
Development	Ja [ ] eller Nei [ ]
Måler dere performance på ansatte?	Ja [ ] eller Nei [ ]
Annet	

Oppgave 2 - Lag tidslinjer (eget ark)

Gjerne plasser HR-tiltak som er utført, eksterne påvirkninger, strukturelle endringer etc. langs en tidslinje for de ulike lufthavnene.

Oppgave 3 - Likheter og Ulikheter

Hva er/gjøres likt og ulikt ved de ulike lufthavnene som kan forårsake de matematiske sammenhengene vi finner? Fyll inn likheter og forskjeller for de tre ulike gruppene.

Positiv korrelasjon: MA-2 og MA-4

Negativ korrelasjon: LA-2, LA-4 og MA-1

Ingen korrelasjon: LA-1, LA-2 og MA-3