



Practicing management by walking around and its impact on the service quality

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Abstract

Purpose: This paper aims to identify the importance of practicing management by walking around (MBWA) in the Omani banking sector and determine the impact of its dimensions (discovering facts, communication, motivating, creativity, and feedback) on the service quality.

Design/methodology/approach: Data were collected from a purposive sample of 390 of administrative staff working in four Omani banks, namely (Muscat Bank, Dhofar Bank, National Bank of Oman, and Oman Arab Bank). The data were analyzed AMOS program.

Findings: The results reveal that the two dimensions of MBWA, namely discovering facts and feedback have a positive and significant impact on the service quality, whereas the other three dimensions of MBWA, namely communication, motivating, and creativity, were found to have no significant effect.

Research limitations: The current study has used a purposive sample of administrative staff (i.e. Managers, Branch Managers, and Department Heads) to explore the effect of MBWA dimensions on service quality in the banking sector.

Practical implications: Suggests that policymakers and decision-makers should play a vital and important role in the process of managing banks and motivating administrative staff and encouraging them to innovate and develop to provide the best services to customers. A number of suggestions on how this can be achieved are presented.

Originality/value: Research on relationship between MBWA and service quality in the banking sector is scarce and the study reflects the importance of MBWA and provides the required support for the practice and development of it, especially in Arab countries.

Keywords: management by walking around (MBWA); service quality; banking sector; sultanate of Oman

1. Introduction

The banking industry is considered one of the rapidly growing industries due to the rapid technological advancements, computer and information technology and globalization. These overwhelming factors constitute pressures on banking institutions and make them continuously seeking new effective managerial practices and techniques that enable them to withstand the severe competition and the changes of turbulent environment.

As service quality has become identified as the main element in building competitive advantage (Ennew, Geoffery, and Binks, 1993) ^[15], finding an answer for the question of how to provide high quality service becomes the greatest challenge that faces managers (Parasuraman, Zeithaml, and Berry, 1994) ^[48]. A substantial number of researches have been conducted to identify, discover and develop managerial practices that can enhance and improve service quality in the banking sector and other fields of service industry, such as HRM practices (Tzafrir and Gur, 2007) ^[66] employee satisfaction, employee empowerment (Timothy and Abubakar, 2013) ^[62], total quality management (Talib, Rahman, and Qureshi, 2011) ^[60], in addition to management by walking around.

Among the modern management techniques management by

walking around (MWBA) has emerged, which represents an integrated administrative system based on the presence of managerial leaders in the frontline sites, using their personal abilities to conduct interviews and not rely entirely on electronic means of communication, talk to employees to discover any shortcomings, address them, identify their individual abilities and achievements, discuss the employees' ideas and problems, try to know what is going on in the field workplaces. As Peters and Waterman (1982) ^[51] have described it "Getting management out of the office" in their book "In Search of Excellence"

MBWA is the management technique that concentrates on human relations, open assessment, and knowledge, which are important for developing work and high performance. It is well known that the command and control in the modern organizations is not efficient nor practical (Serrat, 2009) ^[57]. Management by walking around was practiced in 1973 at Hewlett Packard, by Bill Hewlett and Dave Packard, after that it was popularized by Peters and Waterman in the early 1980s because, at that time, managers were isolated from employees they need to move physically to work places to know what was actually happening, but the features of today's organizations are based on electronic techniques facilitate the

communication between managers in their offices and employees in workplaces through e-mail, videoconferencing and internet, the question is why should they walk around if they can follow everything from their offices? (Serrat, 2009)^[57]. Also, the same question "Is the MBWA method of management from the '80s still relevant today?" was raised by Buckner (2008) in an article titled "is managing by wandering around still relevant?" in Exchange magazine.

Many researches in the recent time show the positive impact of MBWA on organizational outcomes, in his article "Time for a Walk", Babcock (2003)^[2] indicated that MBWA today has the same validity as it was when introduced in the 1980s. He stated that the advanced technologies used in today's organizations will make it, maybe, more necessary for leaders than ever before (Boardman, 2004)^[5].

Banking services in Oman witnessed a vast expansion, and according to the annual report of central bank of Oman 2008, banks in Oman have adopted high technology advances and replaced the old style of banking operations with the new technology in operating bank such as ATM, CDM, Online banking - e- banking, mobile banking, credit card facilities and many more (Sawant, 2016)^[56]. As mentioned above, these advancements in addition to changing preferences of customers will increase the competition between banks, then managers will face the challenges of applying more effective managerial practices to maintain a high level of service quality.

In this research, the researchers aim to identify the extent to which practicing management by walking around has an impact on service quality in the Omani banking sector, and to check whether MBWA dimensions (discovering facts, communication, motivating, creativity, feedback) have a significant role in improving the service quality of the banking sector. Thus, the following study question has been stated: What is the impact of MBWA dimensions in the quality of banking services in Oman?

2. Literature review

2.1 Management by walking around (MWBA)

Management by walking around (MWBA), according to Christensen (2014)^[9] is "an effective way to discover employment problems no one would normally tell you about". It was practiced in 1973 at Hewlett Packard, by Bill Hewlett and Dave Packard, after that it was popularized by Peters and Waterman in the early 1980s (Serrat, 2009)^[57]. The philosophy of MBWA states that managers become more effective when they are acquainted with what is taking place in their organizations, when they are in direct contact with their subordinates, customers, and the workplace. (Tucker and singer, 2015)^[65].

Boardman (2004)^[5], regarding the question "Does MBWA Still Work?" mentioned that the same strategies will still be applied effectively in today's organization. Such as openness and responsiveness to queries and concerns; listening, observing, and allow every employee see you do so; give them a chance to talk about their passions, families, and other interests; and recognize right things done by them publicly, in addition to spending equal time in the different areas of the organizations.

Despite the increasing popularity of MBWA it is outright hard

to draw back logical evidence of its effectiveness. In practice, it may have inverse unintended effects, for example, employees may suspect it is an excuse for the manager to overhear on them or interfere in some way. This doubt will vanish if the 'walk rounds occur regularly and if everyone can see the advantages (Martin *et al.*, 2014; Thomas *et al.*, 2005)^[41, 61]. Also, the walk rounds may turn into a public relations practice that overcasts other functions. As a result, some front line staff has described walk rounds as detrimental "seagull management," in which managers "fly in, make a lot of noise, dump on everyone, then fly out." (Blanchard, Zigarmi, Zigarmi, 1985; Martin *et al.*, 2014)^[4, 41]. Many researchers have conducted many researches to find out the impact of MBWA on the organizational outcomes through different dimensions, such as discovering facts, communication improvement, motivation, creating, and feedback.

2.1.1 Discovering facts

Streshly and colleagues (2012)^[59] mentioned that the discovering facts is organized steps aim to find the information about a problem, this information helps the managers to determine the actual reality of the problem to be resolved. Managers are having difficulty finding out the problems facing the organization's employees, so MBWA is one of the most effective methods of identifying and finding solutions to these problems (Lorenzen, 1997)^[39]. According to Obadi (2010)^[45] discovering facts refers to the ability of the manager through walkround to identify the problems of organization and judging the quality of implementation and seeing cases of employees and get comprehensive information about the organization. Peter and Austin (1994)^[50] pointed out that managers have to stay away from their offices and talk to employees in their organizations to know about their concerns and problems. Hamister (2007)^[27] confirmed that the managers should spend most of their time in the work field between the staff to discuss their problems. Buckner (2008) emphasizes the importance of roaming and following the work sites constantly because if the manager stays in his office, he sees the imagination does not see the facts that get at work.

2.1.2 Communication improvement

Communication is the core of management, and managers cannot perform the basic management functions without it. Managerial success depends on the ability of managers to develop empathy and reach at mutual understandings with colleagues, subordinates and even clients by creating good connections with them. Shra'ah and colleagues (2013)^[58] considered MBWA as a communication strategy between managers and subordinates, depending on informal contacts which build trust and promote teamwork. While Beil-Hildebrand (2006)^[3] defined it as informal communication technology leads to raise employees' awareness of tasks, and improve the confidence level which in turn encourage employees to share new ideas. Along the same line Linowes (2004)^[38] stated that managers can use MBWA as daily informal meetings to communicate organizational values and policies at individual level which enhance relationships and trust. Gomez (2015)^[23] said that adopting MBWA can help to resolve the problem that employees sometimes face to trace their busy managers, and makes managers more relaxed and

ready to discuss any issues or challenges. It also increases the engagement of individuals with teams. MBWA provides a chance for spontaneous communication which is more effective than planned communication, but managers should try to avoid hard criticism to employees, during walk rounds, which result in negative effects. (Parnell and Crandall, 2010)^[49].

2.1.3 Motivating

Motivating is an important dimension of MBWA, and the impact of motivation on high quality performance has been identified by many researchers. Practicing MBWA promotes the positive attitudes of employees towards the work and motivates managers to face work challenges of direct communication with employees (Shra'ah *et al.*, 2013)^[58]. Also, Buckner (2008) presented that practicing MBWA increases the leadership effectiveness because it encourages top managers to leave their desks and roaming in the workplace, connecting directly to the activities, building relationships, increasing personal involvement, and expressing recognition that employees need to contribute to organizational success. Tzafrir and Gur (2007)^[66] concluded that if the employees perceived the exchange relationships with managers positively, this will enhance trust and motivate employees to conform with organizational norms and policies which assures service quality. MBWA also motivates individuals towards productive work, and team working, it also clarifies organizational objectives. (Rawashdeh, 2012)^[55]. According to Martin and colleagues (2014)^[41], unintended negative effects of MBWA may arise due to oversight - oriented walk rounds, which were based on a suspicion relationship that put managers in the role of inspecting on front line staff-and consequently, compelled front line staff to conceal their actual assurances. Quite the contrary, the walk rounds based on conversations foster the relationship of trust. A study of Miles (1965)^[43] found that failure of improvement programs, such as MBWA, was associated with the managers' belief of the symbolic value of employee participation, while success was associated with the managers' belief that interactions with front line staff were valuable because their ideas were useful. (Martin *et al.*, 2014)^[41].

2.1.4 Creativity

The main goal of development is to upgrade the organizational capability to process its functions and cope with problems and challenges, through developing communication, interpersonal relations, trust, motivation, decision-making processes, leadership styles and cooperation. Many researchers argue that practicing MBWA leads to continuous developments and innovation, the organizational performance positively affected by implementing employees' ideas that are solicited by quality improvement programs such as MBWA (Dow, Samson and Ford, 1999; Tucker and Singer, 2015)^[13, 65]. Moreover, MBWA enables managers to understand the different aspects of the problem, and its probable impacts, when dealing with front line workers, consequently, improves managers' skills in problem solving (Mann, 2009; Toussaint, Gerard and Adams, 2010; Tucker and Singer, 2015; Von Hippel, 1994; Womack, 2011)^[40, 63, 65, 67, 68]. Furthermore, the iterative cycles of MBWA of identifying and solving problems lead to creative

thinking and future developments (Fine, 1986; Fine and Porteus, 1989; Ittner *et al.*, 2001; Tucker and Singer, 2015)^[16, 17, 29, 65]. In the same context McFadden and colleagues (2009)^[42] suggested that the presence of managers in the frontlines reflects the seriousness of top management in problem solving, and the value it gives to improvements, which in turn increases the engagement of employees in improvement processes (Tucker and Singer 2015)^[65]. Shra'ah and colleagues (2013)^[58] noted that modern techniques, provided by managers, improve employees' abilities in attaining goals and solving problems. Researches also emphasize the necessity of appreciating creative ideas and suggestions provided by employees. Despite its positive aspects, Tucker and Singer (2015)^[65] identified the negative effects of managers walk rounds in front lines, which may arise when managers successfully solicit employees' ideas but fail to address their interests, or when employees feel that their ideas were disregarded (Tucker, 2007)^[64].

2.1.5 Feedback

The main objective of feedback is to improve performance where the managers should know how to give it and how to receive it from subordinates, in order to be more constructive when discussing performance, when it is done correctly it will increase the employee engagement. Employees' perceptions of feedback and service quality perceptions are related through trust in managers. Managers should use MBWA to provide constructive feedback by acknowledging good performance immediately and publicly, but they should make criticism privately and not on the spot. (Tzafrir and Gur, 2007)^[66].

2.2 Service quality

The importance of studying service quality can be attributed to the massive growth in the service industry, which in turn increases the importance of understanding the factors of success and failure of service organizations.

Service quality has been defined from different perspectives, Kotler and Keller (2006)^[35] defined service as "any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything" (Timothy and Abubakar, 2013)^[62], it has also been defined as "a global judgment or attitude relating to a particular service" (Fogli, 2006)^[18]. Furthermore (Munusamy, Chellial and Mun, 2010)^[44] have defined it as: "the customer's overall impression and cognitive judgment of the relative inferiority or superiority of the organization and its services". Researchers view service quality using two main different approaches, the first one focuses on the perceptual characteristics of quality (perceived quality) which based on customers perceptions, and the second approach concentrates on the objective characteristics of service quality, which involves the evaluation of objective things related to service, such as (waiting time), although service literature highly concentrate on the first approach but its concept is still complicated (Brady and Cronin 2001; Cronin and Taylor 1992; Parasuraman, Zeithaml, and Berry, 1985; Parasuraman, Zeithamel, and Berry, 1994; Kang 2006)^[6, 9, 46, 10, 32].

Different models had been developed, as standardized frameworks, to help understanding the complexity of service quality concepts, such as the Perceived Service Quality Model

which was developed by Gronroos in 1982^[24], and SERVQUAL Model, the widely used model (Kang 2006)^[32], which was developed by Parasuraman, Zeithaml, and Berry in 1988^[47], SERVQUAL Model identified five determinants of service quality labeled as reliability, assurance, tangibles, empathy and responsiveness (Parasuraman, Zeithaml, and Berry, 1988)^[47]. According to Kang (2006)^[32] two dimensions of service quality were determined by Gronroos (1982)^[24], functional quality and technical quality. Functional quality (process) refers to the way by which service is provided to customers, while the technical quality (outcomes) refers to what customers actually receive from a service. Researches showed that the assessment of technical quality is more difficult than of functional quality for some services such as health care services (Kang, 2006)^[32], but in banking services it is easier for customers to identify and assess the service outcome (Emari, Iranzadeh and Bakhshayesh, 2011)^[14].

Two different perspectives, the American perspective which focuses on functional quality and the European perspective which suggests two more components of service quality, technical quality and corporate quality (image) have been mentioned by Kang and James (2004)^[33]. The evaluation of quality of services is more complicated than for products due to the nature of heterogeneity, simultaneous production and consumption, perishability and intangibility (Frochot and Hughes, 2000; Zeithaml, Bitner and Gremler, 2006)^[19, 71].

This research will try to evaluate service quality of banking in Oman as perceived by bank managers and employees.

Many researches were conducted to identify the importance of service quality in general. They found that good service quality generally results in many benefits such as customer retention, referrals, avoidance of price competition, retention of good, cost reduction, corporate image enhancement, improvement of profitability and customer satisfaction. (Kang and James, 2004; Kotler, Bowen, and Makens, 1996)^[33, 36], Glaveli and colleagues (2006)^[22] noted that service quality dimensions are emphasized by bank managers who consider service quality an important factor for success. (Emari, Iranzadeh and Bakhshayesh, 2011)^[14].

2.3 The relationship between MBWA and service quality

The bulk of the studies discussed the relationship between MBWA and service quality, were conducted in health care organizations, and some in educational institutions, but the researchers in this paper did not find any study covered, directly, the relation between MBWA and banking service quality. However, there are many studies have dealt with the impact of, or the relationship between. MBWA and various managerial concepts related to service quality such as the effectiveness of the decision-making process, organizational commitment, employee performance, organizational excellence, level of achievement motivation, and quality improvement. On the other hand, there are many researches discussed the impact of various managerial practices, related to MBWA, on service quality such as human resource management practices, employee empowerment, total quality management, employee satisfaction, the role of first line supervisors, working environment, training, leadership and supervision, feedback and communication. The implications

of these previous studies will be discussed as follows:

The study of Beil-Hildebrand (2006)^[3] examined the impact of practicing "management by walking around" on healthcare employees in a German hospital. The study concluded that there were positive impact of practicing MBWA by the managers on the confidence of employees and enhanced the work group. It also revealed that applying MBWA increases the level of commitment and motivation of employees.

Tucker and Singer (2015)^[65] have undertaken a study about the efficacy of an MBWA-based program in a sample of 92 U.S. hospitals selected randomly, and proved that participating in this specific program decreased performance on average. They explained the negative effects by what they suggested as a psychological cost of asking employees for ideas that are subsequently disregarded, which makes employees feel that the MBWA program is symbolic. Results also found that effectiveness of the stimulated managerial involvement varied among the different work areas.

Martin and colleagues (2014)^[41] administered a qualitative study in the English National Health Service (NHS) to explore how MBWA is used in practice and to identify its impact on culture and behavior relating to quality and safety in the English National Health Services, using variations in implementation as mediating factors. The study concluded that walk rounds provide opportunity for executives to hear about the challenges that Frontline staff faced in providing safe, high-quality care, and to indicate senior leaders' commitments. They also found to enable insights and awareness that may lose their meaning or importance when passed through the managerial hierarchy. In this study, participants explained how the information collected through walk rounds could accelerate action for important issues, risen knowledge of risks quickly.

Share and colleagues (2013) found that there is a direct impact of practicing MBWA on the organizational commitment of medical staff in the hospitals of Jordan. The study of Qeed (2015)^[53] in which he examined the effect of practicing MBWA on learning organizations, concluded that there is a significant impact of all the dimensions of MBWA on learning organization, of relatively high importance. A study administered by Gadomi and Alkhawaldah (2014)^[20] explored the degree of practicing MBWA among vocational schools' principals in Palestine and its relationship with the level of job performance of teachers. The researchers surveyed a sample of 335 teachers and revealed a statistically significant positive relationship between MBWA practices and job performance of teachers.

Rawashdeh (2012)^[55] revealed that MBWA dimensions (discovering facts, improving communication, creativity, motivation, and feedback) have a significant impact on leadership excellence. Jamal and Soomro (2011)^[30] in their study explored the effect of MBWA style and the effect of an autocratic style of management over employees' performance, in Pakistan, using the organizational culture as a mediating factor. The paper found that there is a significant effect of an autocratic style of management over employees' performance, but MBWA has no significant effect on employees' performance. The results of Obadi (2010)^[45] showed there were significant differences of practicing MBWA among Jordanian public universities. With its dimensions on the

efficiency of the decision – making process. Timothy and Abubakar (2013) [62] conducted an empirical analysis study to examine the impact of empowerment of employees on service quality of the Nigerian banking sector. They found a significant and positive impact of empowerment on quality of services.

A research undertaken by Talib and colleagues (2012) [60] found that service quality is an important construct in the banking sector. Another finding is that successful implementation of TQM in banks required addressing the following dimensions: management commitment and support towards TQM, employee training and motivation, and monitoring of customers’ requirement through feedback. Pinar and colleagues (2010) [52] discussed in their study the implications of employee’s perception of banking services on quality of service in Turkish banks. They focused on the significant role of front line personnel in creating a good image of service which influences positively the customer's perception of an organization. The results showed that "personnel at all banks collectively perceive that presentation, greeting customers as they enter the bank, and determining customer needs are the most important factors in providing quality banking services".

Yee and colleagues (2008) concluded that employee satisfaction results in higher service quality which in turn has positive impact on customer satisfaction in high-contact service industries. In the study conducted by Tzafrir and Gur (2007) [66] that HRM practices have relationship with service quality as perceived by employees, also the trust, feedback, and compensation are directly related to perceived service quality. Yayla and colleagues (2005) revealed that the creation and retention of satisfied customers are the only measurement of success of any service quality program implemented by a bank, and concluded that customer-contact personnel play the most important role in the achievement of the goals. Den Hartog and Verburg (2002) [12] revealed that the supportive behaviors of first line supervisors, including information, feedback, performance evaluations and their direct encouragement of service related behaviors were all positively related to service excellence.

2.4 Hypotheses development

On the basis of the above mentioned review, the following hypotheses are proposed:

- H1:** Discovering facts has a significant impact on the service quality in the banking sector.
- H2:** Communication has a significant impact on the service quality in the banking sector.

- H3:** Motivating has a significant impact on the service quality in the banking sector.
- H4:** Creativity has a significant impact on the service quality in the banking sector.
- H5:** Feedback has a significant impact on the service quality in the banking sector.

3. Methodology

3.1 Data collection and sample size

The main objective of this study is to identify the impact of practicing management by walking around on the service quality in the banking sector. The current study was based on the survey of four banks in sultanate of Oman (i.e., Muscat Bank, Dhofar Bank, National Bank of Oman, and Oman Arab Bank). These banks were selected because they are the largest in terms of the number of employees, and have branches throughout the country. Data were collected from a purposive sample of administrative staff (i.e., Managers, Branch Managers, and Department Heads). From the 450 questionnaires distributed to the study sample, only 390 of them responded to the questionnaire by a rate of 85.66%. The sample constituted of 75% males and 25% females, most of the respondents were having a bachelor’s degree and have experience above 10 years, 80% of respondents work as department heads, and 41% of staff belonged to the age group of 35 to 45 years.

3.2 Measures

The measurements of the current study are based on a five point Likert-type scale using strongly disagree (1), disagree (2), neutral (3), agree (4), and strongly agree (5). Management by walking around (MWBA) was measured using a scale by Bill-Hildebrand (2006) [3]. This scale had applied in many studies (Kadomy and Khawalda, 2014; Obadi, 2010) [45]. It contained five dimensions (i.e., Discovering Facts, Communication, Motivating, Creativity, and Feedback) broken down into 19 items. Service quality was measured by a scale developed by (Ramseook-Munhurrun, *et al.*, 2000) [54]. This scale had been applied in many studies (Awuor, 2014; Lau, *et al.*, 2013) [1,37]. The scale consisted of 4 items.

4. Data analysis and findings

This section is divided into three parts. The first part shows the basic description of the survey conducted in a tabular format. The second part shows the exploratory factor analysis (EFA), and confirmatory factor analysis (CFA) and the third part shows structural equation model (SEM).

The findings of the current study are described below:

Table 1: Mean, Standard Deviation, Skewness, Kurtosis, and Correlations

S	Variables	Me.	SD	Sk.	Ku.	1	2	3	4	5	6
1	Discovering Facts	3.83	.697	-.457	-.431	1					
2	Communication	2.11	.905	.826	-.215	.172	1				
3	Motivating	3.41	.812	-.189	-.697	.043	.232**	1			
4	Creativity	2.78	1.18	.228	-1.15	.019	-.023	-.117	1		
5	Feedback	3.90	1.06	-.790	-.399	.230**	.057	.044	.058	1	
6	Service Quality	3.65	.861	-.850	.997	.321**	.244**	.177*	-.085	.380**	1

Notes: *p <.05, ** p <.01, ME. = Mean, SK. = Skewness, KU. = Kurtosis, n = 390

Table 1 shows that the mean of all the dimensions of management by walking around ranging between (2.11 and 3.90), where feedback dimension was the highest mean (3.90), followed by discovering facts (3.83), then motivating (3.41), then creativity (2.78), while dimension of communication was the lowest (2.11). Also, mean of service quality was (3.65). In addition, all values of standard deviations were low, this means that there is no dispersion in respondents' answers.

As shown in Table 1, the data have a normal distribution, where the skewness and kurtosis values exist in the acceptable

range (-3 to +3) according to Ghasemi and Zahediasl (2012)^[21]. And the coefficient of correlation between all the variables less than 0.80, which means there is no merging between items according to Hair, *et al.*, (2006)^[25]. Where Table 1 illustrates that the service quality has a positive and significant relationship with discovering facts ($r = .321$, $p < .01$), communication ($r = .244$, $p < .01$), motivating ($r = .177$, $p < .05$) and feedback ($r = .380$, $p < .01$). Whereas, service quality has no significant relationship with creativity ($r = -.085$, $p > .05$).

Table 2: Exploratory Factor Analysis of Study Model (EFA)

Factors	Items	Loadings > 0.50	Variance > 0.05	Reliability > 0.60	Tolerance > 0.05	VIF < 10
Discovering Facts	Di1	.722	8.93	.650	.922	1.085
	Di2	.729				
	Di3	.669				
	Di4	.609				
Communication	Co5	.740	11.48	.806	.920	1.087
	Co6	.779				
	Co7	.851				
	Co8	.761				
Motivating	Mo9	.650	9.36	.701	.932	1.073
	Mo10	.739				
	Mo11	.761				
	Mo12	.709				
Creativity	Cr13	.835	12.78	.866	.982	1.018
	Cr14	.884				
	Cr15	.856				
	Cr16	.787				
Feedback	Fe17	.783	10.12	.829	.943	1.061
	Fe18	.855				
	Fe19	.856				
Service Quality	Sq20	.843	13.38	.891		
	Sq21	.881				
	Sq22	.782				
	Sq23	.832				
Cumulative Variance > 0.60				66.07		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy. (KMO)				0.748		
Bartlett's Test of Sphericity				1234.14		
Sig.				.000		

Table 2 shows that there are six factors in the model are: Discovering Facts, Communication, Motivating, Creativity, Feedback, and Service Quality. All conditions of (EFA) had achieved, where cumulative variance greater than .60, KMO value was found to be .748, which is greater than 0.6, and significance of Bartlett's Test was .000, which is less than 0.05. These values indicate that factor analysis is significant. In addition, Table 2 indicates that all values of tolerance were greater than 0.05 and all of values Variance Inflation Factor (VIF) less than 10 according to Hair, *et al.*, (2006)^[25] had achieved multicollinearity condition of independent variables. Also Table 2 reveals the values of Cronbach's Alpha for all the study variables are within the acceptable

range, which is above (0.60).

4.1 Confirmatory factor analysis (CFA)

Confirmatory factor analysis (CFA) is a multivariate statistical procedure that is used to test how well the measured variables represent the number of constructs. The measurement model included 23 items. Exploratory factor analysis revealed six variables. After that confirmatory factor analysis (CFA) was conducted using AMOS 24. CFA was used to confirm the exploratory factor model by determining the goodness of fit between hypothesized model and sample data as shown in figure 1.

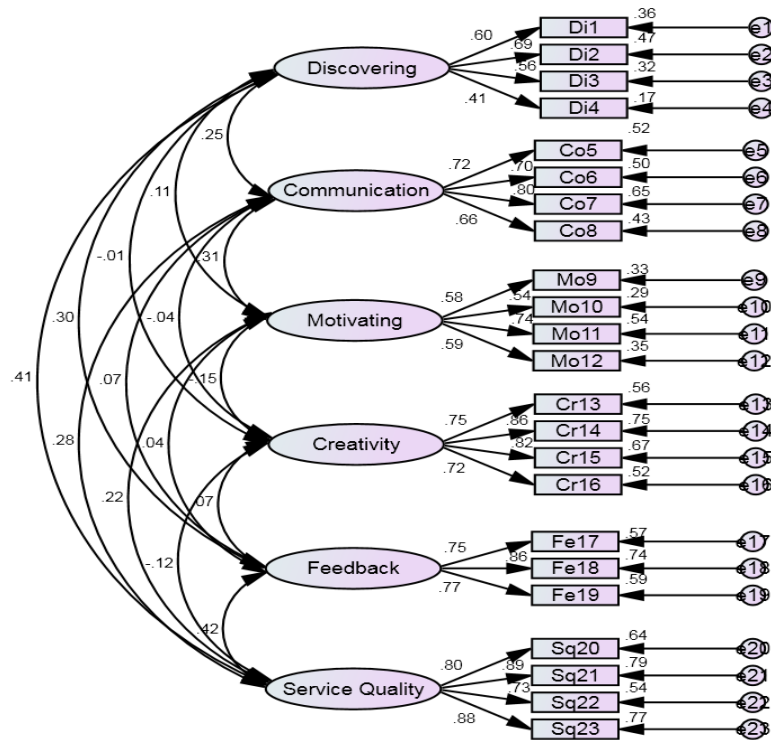


Fig 1: CFA Measurement Model

4.2 Structural equation model

Structural equation modelling (SEM) is a methodology for representing, estimating, and testing a number of relationships between variables. The SEM approach was used to validate the research model. SEM is a largely confirmatory, rather than

exploratory, technique (Byrne, 2001). For testing the hypothesized relationships between the variables in this study, structural equation modelling (SEM) was applied on the data as shown in figure 2.

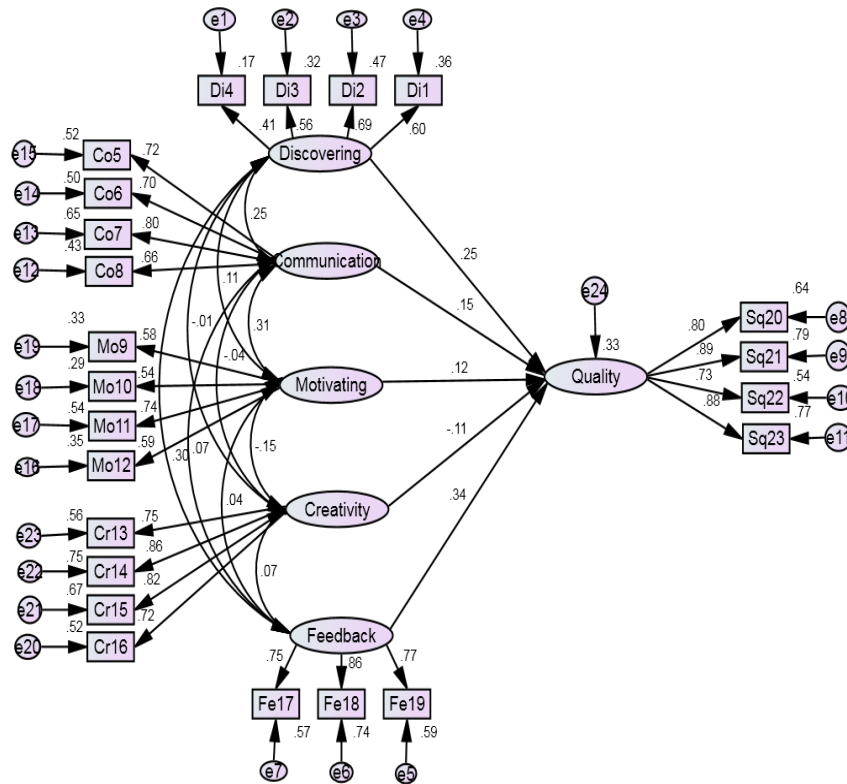


Fig 2: Structural Equation Model

Table 3: Model fit indices

Indices	Symbol	Value of Indices in Model	Criteria
Chi-Square (P=0.219)	($X^2= 230.8$)	(DF= 215)	Insignificant
Chi-Square/Degree of Freedom	CMIN/DF	1.07	< 5
Root Mean Square of Approximation	RMSEA	0.024	< .08
Root Mean Square Residual	RMR	0.076	< 0.1
Comparative Fit Index	CFI	0.985	> 0.9
Tucker Lewis Index	TLI	0.983	> 0.9
Incremental Fit Index	IFI	0.986	> 0.9
Normed Fit Index	NFI	0.925	> 0.9
Parsimony Normed Fit Index	PNFI	0.701	> 0.5
Goodness-of-Fit Index	GFI	0.871	> 0.9
Parsimony Goodness-of-Fit Index	PGFI	0.679	> 0.5

The results mentioned in table 3 indicate a good fit of the model that was tested according to Kline (1998). Thus we can

say that the results of confirmatory factor analysis were positive.

Table 4: Hypothesis Testing

H.	Structural Path	Estimate	S.E.	C.R.	P	Results
H ₁	Discovering Facts - Service Quality	0.480	0.237	2.022	0.043	Supported
H ₂	Communication - Service Quality	0.155	0.104	1.492	0.136	Not Supported
H ₃	Motivating - Service Quality	0.138	0.121	1.139	0.255	Not Supported
H ₄	Creativity - Service Quality	-0.100	0.077	-1.298	0.194	Not Supported
H ₅	Feedback - Service Quality	0.328	0.098	3.353	***	Supported

Notes: *** = significance smaller than 0.001 Critical ratio (CR) is >1.96, then the path is significant at 0.05

Table 4 shows that two hypotheses were accepted (H₁ and H₅), while the rest of the hypotheses were rejected (H₂, H₃, and H₄).

5. Discussion

The main goal of the current study is exploring the extent of practicing management by walking around in the banking sector by managers and their assistants, and knowing the impact of MBWA on the service quality. The findings showed that the degree of practicing management by walking around in the Omani banking sector was about the average, and the most practiced dimension was feedback followed by discovering facts, motivating, creativity, and communication, respectively. This result varies with studies (Dalain, 2016; Hawamdeh and Obadi, 2013; Shra'ah *et al.*, 2013) ^[11, 28, 58] from where the arranging dimensions of MBWA. These results are due to the importance of managers' tours in obtaining feedback about the actual performance of employees, and finding solutions to the problems they face, where these tours may help motivate and encouraging the employees to create and develop business methods. These tours also facilitate the communication process and push the employees to put forward their views and suggestions and talk about their needs and desires. In addition, it may save time and effort. The findings revealed that the level of service quality provided by these banks was good. This result is consistent with studies (Awuor, 2014; Lau, *et al.*, 2013) ^[1, 37]. The reason is that the banks are distributed and spread in all regions, and they use fast and advanced technology, charge competitive prices and offer a variety of services.

The findings revealed that the two dimensions of MBWA (i.e. discovering facts and feedback) had a positive and significant impact on the service quality. These results are attributed to the importance of management by walking around in

identifying the prevailing atmosphere in the work and determining the problems facing employees and to take appropriate decisions thereon. Also, MBWA contributes to improving feedback between management and employees, developing the relationship and mutual trust between them, instilling enthusiasm among employees and raising their morale. Whereas the rest of dimensions of MBWA (i.e. Communication, Motivating, and creativity) did not have any effect on service quality.

6. Implications, limitations and direction for future research

The point strength of this study is that it is among the pioneer studies doing the in depth analysis of the effect of MBWA dimensions and services quality. The current study findings are encouraging for the service sector organizations in sultanate of Oman that are interested in improving its services. This study is equally important for the public and private sector as both the sectors can identify and develop suitable MBWA for their unique environment to increase service quality. Practicing MBWA dimensions helps banks in improving the service quality, so, managers and administrative staff need to learn and practice these dimensions to provide sufficient time to discover the facts, identify problems, improve communication, motivate employees, and achieve development and creativity in their business to choose the most appropriate decisions in order to make the best use of them in the provision of services. The current study successfully revealed the hypothesized impact of MBWA on the quality of services, however, there were a few limitations. Firstly, the study has used a purposive sample of managers, branch managers and heads of departments. The future researches should use random sample from different administrative levels. Secondly, the study has explored the

service quality as one-dimensional. The future researches should explore the impacts of multi-dimensions of service quality. Thirdly, the study had been done in the banking sector in Oman. Future researchers should replicate this study across different sectors.

7. Conclusion

The study has emphasized the importance of practicing management by walking around in the Omani banking sector and its impact on the service quality. The findings showed that all dimensions of the management by walking around are practiced to a medium degree. The findings also showed that there was a significant impact at ($\alpha \leq .05$) of practicing MBWA, namely discovering facts and feedback) on the service quality in the Omani banking sector. Whereas, the rest of the dimensions of MBWA, namely communication, motivating, and creativity did not have any impact on service quality.

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