More customer orientation is not always better for frontline employees

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In the academic and practitioner community, the emphasis has been placed on how being more customer oriented promotes job satisfaction and improves sales outcome (Brown et al. 2002; Donavan, Brown, and Mowen 2004). Although this absolute level approach (i.e., the more the better) has been the dominant paradigm in customer orientation (CO) research, this neglects the social context in which CO operates. That is, although it would be ideal for every frontline employee to have a high level of customer orientation, such expectations are far from practical reality.

Within a group of frontline employees, like in any other group environment, it is not uncommon to observe frontline employees with different CO levels. For example, some will be more customer-oriented than others and vice versa and much is unknown on the consequences of an employee's customer orientation when surrounded by coworkers who have varying levels of CO. While the literature on the subject has chiefly focused on the *absolute level* of customer orientation (i.e., high vs. low without regard for relativity) (e.g., Brown et al. 2002; Donavan, Brown, and Mowen 2004; Homburg, Müller, and Klarmann 2011; Stock and Hoyer 2005), in practice it is not only the CO *level* that matters but also the CO *(mis)fit,* or how a given frontline employee's customer orientation measures up against that of coworkers.

We define CO (mis)fit as the difference between a frontline employee's customer orientation and that of coworkers. That is, (mis)fit involves directionality by capturing the extent to which one person is more or less customer oriented than coworkers. After a careful review, we identified two gaps in the literature, which motivated us to pursue this research. First, research has primarily paid attention to employees' absolute level of customer orientation. Less consideration has been given to understanding the relative CO level — how one front line employee's CO compares to that of coworkers. The notion of relativity raises the issue of CO (mis)fit between an employee and coworkers and the impact of such (mis)fit on that person's work attitude (e.g., coworker relationship quality and job satisfaction) and work performance (e.g., service performance). The *social context* in which an individual frontline employee operates

should thus be considered in investigations of CO and its attitudinal and behavioral outcomes (Chiaburu and Harrison 2008). To this end, this study makes the following contributions.

First, we map out the underlying process through which CO (mis)fit impacts job satisfaction and service performance. Second, we research how three workgroup characteristics change the effect of CO (mis)fit on coworker relationship quality. The three relevant group characteristics we identify for this study are: **group size** (the number of frontline employees in a workgroup setting); **service climate strength** (the variability of employees' agreement with service climate attributes); and LMX differentiation (degree of variation in the relationship quality formed between a leader and individual employees). In short, this study takes initial steps to address a critical gap: customer orientation thus far has been studied from an absolute perspective without consideration of the social context (i.e., relative view) in which employees interact with coworkers (Chiaburu and Harrison 2008).

We use data from auto dealerships from South Korea in the Seoul metropolitan area. We reached out to frontline employees (sales associates and service personnel) and their immediate supervisors using a longitudinal survey that was separated by three months. The final sample consisted of 484 employee—supervisor matched pairs from 65 dealerships. Our findings truly suggest that customer orientation (mis)fit matters and that it does so more or less depending on certain workplace environments. We now report the empirical results and shed light on practical implications.

Our findings support that CO (mis)fit influences job satisfaction and service performance because CO fit improves coworker relationship quality while CO misfit impairs it. To obtain a more nuanced picture of the relationship between CO (mis)fit and coworker relationship quality, we tested how this relationship may change under dealerships that have different (a) size, (b) service climate strength, and (c) LMX (leader-member exchange) differentiation. Results suggest that the positive effect of customer orientation fit on coworker relationship quality is weakened when groups are larger, have more agreement that customer service is important, and have more variability in relationship quality between a manager and her frontline employees. Interestingly, we also found that the negative impact of CO misfit on coworker relationship quality is weakened under similar situations (refer to Figures 1 (a) and (b) which show the results under small and large group size. The pattern was identical for service climate strength and LMX differentiation).

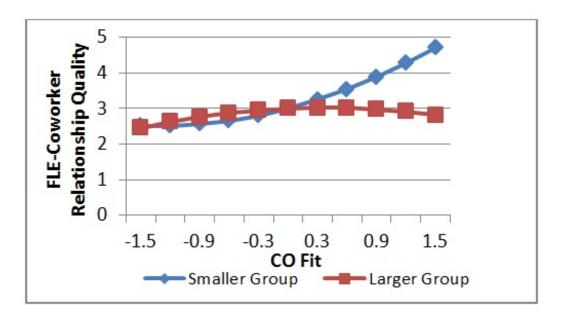


Figure 1 (a): How Size Changes the Impact of CO fit on Frontline Employee (FLE) Coworker Relationship Quality

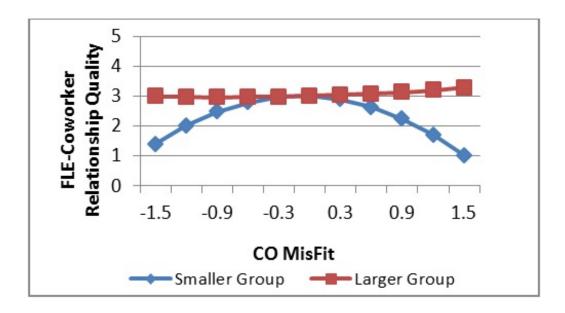


Figure 1 (b): How Size Changes the Impact of CO misfit on Frontline Employee (FLE) Coworker Relationship Quality

In summary, we offer the following three insights to managers. First, smaller groups (compared to larger groups) will be rewarded for customer orientation fit and penalized for misfit. Second, attaining CO fit and avoiding misfit is more critical when the employees within a group have less agreement on the significance of excellent customer service delivery. Third, seek CO fit and prevent misfit when managers form equal relationships with frontline employees. We conclude by advising that the influence of CO fit and misfit will be more readily pronounced in dealerships that are smaller, have less consensus on the importance of customer service excellence, and have less variation in relationship quality formed between managers and frontline employees.

Notes:

- This article is based on the authors' paper When Does (Mis)Fit in Customer Orientation Matter for Frontline Employees' Job Satisfaction and Performance?, in AMA's Journal of Marketing, Volume 80, Issue 1 (January 2016)
- This post gives the views of its authors, not the position of LSE Business Review or the London School of Economics.
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