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Service employees' willingness to report complaints scale: Cross-country application and replication



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ABSTRACT

Although effective customer complaint management can be a key success factor for international service firms, relatively little is known about employees' proclivity to report complaints. The present study examines the meaningfulness and cross-national validity of the Israel-developed willingness to report complaints (WRC) scale. Recognized validation procedures, with samples of service employees from Germany and the U.S., demonstrate the reliability, validity and cross-national invariance of the WRC scale. This article offers implications for both research and service managers.

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1. Introduction

Customer retention is a strategic imperative for service firms and service managers (Hart, Heskett, & Sasser, 1990). Therefore, high levels of service quality, a proper understanding of customer complaint behavior, and effective service recovery processes are critical to success (Liao & Chuang, 2004; Tax, Brown, & Chandrashekaran, 1998). Inappropriate responses to customers' complaints and mismanaged service failure recoveries can foster customer dissatisfaction and result in the double deviation effect that ultimately drives customers away from the firm (Bitner, Booms, & Tetreault, 1990; Maxham & Netemeyer, 2002). Instead, complaint handling processes that reflect a comprehensive understanding of customer complaint behavior might bolster customers' perceptions of service quality, even after a service failure, and serve as important influences on customer satisfaction and loyalty (Homburg & Fürst, 2005; Liao & Chuang, 2004).

As service companies increasingly market their services internationally and enter global markets (La, Patterson, & Styles, 2005; Zhang, Beatty, & Walsh, 2008), service managers and scholars experience a greater need for sensitivity toward cultural differences and their effects on customers' and employees' behaviors and expectations toward complaining and service recovery (Lowe & Corkindale, 1998). Given that customers from different countries voice complaints and respond to firms' recovery activities in different ways (e.g., Chelminski & Coulter, 2007; Mattila & Patterson, 2004a), it is vitally important for international service firms to understand how service employees from

varying countries or cultures deal with customer complaints, which is a key aspect of services (e.g., Orsingher, Valentini, & De Angelis, 2010).

Complaining behavior represents a specific type of customer behavior that is of interest to international marketers. In line with the demand for theoretical insights, a growing body of research investigates cultural differences in customer complaint behavior (e.g., Chan & Wan, 2008; Chelminski & Coulter, 2007; Hernandez, Strahle, Garcia, & Sorensen, 1991; Liu, Watkins, & Yi, 1997; Sharma, Marshall, Reday, & Woonbong, 2010; Wan, 2013). Cross-cultural studies also aim to detect effective service recovery and complaint handling designs that respect cultural differences (Hui & Au, 2001; Mattila & Patterson, 2004a,b; Patterson, Cowley, & Prasongsukarn, 2006; Wong, 2004).

Because effective complaint handling can affect a service organization's bottom-line performance (Tax et al., 1998), firms seek out processes to effectively deal with complaints (e.g., Hart et al., 1990). An effective complaint handling process relies mainly on those closest to the customer—the service employees who receive and file complaints. Consequently, research reveals a growing interest in service employees' behavior in relation to customer complaints (Harris & Ogbonna, 2009). This focus is not particularly surprising, however, as service employees serve as gatekeepers in the complaint handling process (Liao, 2007; Liao & Chuang, 2004; Schneider & Bowen, 1985) and are usually the first contact for dissatisfied customers. For example, 45% of customers complain informally to service employees, but only 1-5% go directly to management (Goodman, 1999). Because most complaints are informal and submitted to service employees, service employees must report complaints to management for the complaint management process to begin (Schneider & Bowen, 1985; Zeithaml, Berry, & Parasuraman, 1988). However, empirical evidence suggests that service employees actually thwart organizational complaint management goals by distorting or failing to forward customer complaints (Homburg & Fürst, 2007).

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To address this employee phenomenon, Luria, Gal, and Yagil (2009) introduce a new construct: service employees' willingness to report service complaints (WRC). WRC is defined as service employees' "discretion in terms of reporting or sharing information about clients" informal complaints" (Luria et al., 2009: 156). Despite garnering interest among researchers and practitioners in services marketing, the WRC construct suffers from slow uptake. This slow diffusion might occur because the original scale development took place in an Israeli services context, which differs from most western services contexts with regard to how service employees and customers interact with each other (Rafaeli & Robert, 1987). Gallois and Callan (1997: 86) suggest that customer-employee interactions differ across cultures by stating that all interactions between people are "governed by culture-specific social rules". Thus, scholars might be reluctant to adopt the scale to measure WRC in other countries. The field needs a thorough reexamination of the scale and its measurement properties in another cultural context. Therefore, the present study assesses the robustness and validity of the WRC scale in the largest service economy in the world and the largest in the European Union; the U.S. and Germany. Hofstede (2001) advances a typology of principal cross-cultural values—power distance, individualism, masculinity, and uncertainty avoidance. Hofstede (2001) ranks Israel, Germany and the U.S. differently across these cultural dimensions. In addition, these three countries are geographically diverse and therefore, offer interesting comparisons.

By assessing the WRC scale in new cultural contexts, the present study responds to calls for more replication and extension studies in marketing and management research. For example, Albers (2012) asserts that articles in the marketing field often lack reproducible results and Evanschitzky, Baumgarth, Hubbard, and Armstrong (2007) advise academics to reserve judgment about published results in marketing and management journals and treat the findings with caution unless other studies replicate them. For measurement scales in particular, replication studies can assess psychometric properties and validity across different countries (Hassan, Shiu, & Walsh, 2011). Bruner (2003) even calls for action against the proliferation of scales that arises when replication studies do not confirm published scales.

Furthermore, this research is important from conceptual and practical perspectives. Conceptually, demonstrating the applicability of the WRC scale to different countries should prompt further research into the WRC construct and its correlates. Insight into the WRC scale's cross-cultural robustness is valuable because research shows that culture, the unstated standard operating procedures or ways of doing things (Triandis, 1994), is associated with work outcomes such as job satisfaction and organizational commitment (Diener, Oishi, & Lucas, 2003; Wasti, 2003). Therefore, a scale measuring organizational behavior does not necessarily work equally well across cultures. Practically, a valid WRC scale is useful for survey practitioners and enables service marketing researchers to use employee surveys as sources for empirical investigations of employees' WRC.

2. Background

2.1. The WRC scale

Luria et al. (2009) conducted three exploratory studies to examine the nature of WRC and identify organizational correlates. The first two studies relied on qualitative explorations and showed that employees can choose to report customer complaints to management or not. With a critical incidents technique, these authors asked service employees about customer complaints and expressions of dissatisfaction, as well as their own reporting behavior. More detailed interviews with 30 service employees and three service managers provided precise information about the key factors affecting service employees' WRC. Both studies showed that service employees consider several interacting factors when deciding whether and how to report customer complaints to management. Building on the results of their qualitative studies, Luria et al.

(2009) developed a four-item WRC scale and examined the quantitative relationship of WRC with service employees' organizational citizenship behavior (OCB), perceptions of the service climate (SC), and perceived empowerment (EP). The results showed that the differences in service employees' willingness to report complains related to their OCB, SC, and EP.

The WRC scale achieved a Cronbach's alpha of .73, indicating adequate internal consistency. In a principle components factor analysis with Varimax rotation on the four WRC items, Luria et al. (2009) extracted a single factor. The factor loadings for the WRC items ranged from .33 to .85. To establish discriminant validity, Luria et al. (2009) also performed another principle component factor analysis with Varimax rotation including items from both the WRC and OCB scales. Two discrete factors emerged: one with all the OCB items and another with all the WRC items. These results strongly indicated that the WRC scale measured a one-dimensional, internally consistent construct.

2.2. Validation procedures

Luria et al.'s (2009) results only include samples of Israeli employees, which may limit the generalizability of the WRC scale. A measurement instrument may have good psychometric properties in one cultural context but not in another. For example, in Israel, inpersonal interactions differ form those in other countries based on Hofstede's (2001) dimensions. Frankness, for instance, is a unique characteristic of Israeli behavior such that Israelis generally are open and direct and freely disclose opinions and emotions (e.g., Mayseless & Solomon, 2003; Shamir & Melnik, 2002).

However, no studies confirm the cross-cultural validity of the WRC scale with Luria et al. (2009) calling for further research along these lines. To address this gap, the present study investigates whether the validity of the WRC scale, originally tested in Israel, applies to a German and U.S. context. For the cross-cultural validation, this study follows the procedure and criteria (internal, external, and judgmental) suggested by Nenkov, Morrin, Ward, Schwartz, and Hulland (2008). Internal criteria refer to the internal consistency and dimensionality of WRC. External criteria are construct validity measures such as predictive and nomological validity. Judgmental validity relates to readability (Nenkov et al., 2008).

To address nomological validity, this study uses a structural model with WRC as the dependent variable and supervisor knowledge and role ambiguity as independent variables. Supervisors' knowledge indicates awareness of employees' behavior and outputs (Ramaswami, 1996). Role ambiguity describes a state without clear information or certainty about job responsibilities and expectations (Peterson et al., 1995; Zeithaml et al., 1988). The assessment of predictive validity involves considering a key employee outcome, job satisfaction, regressed on WRC. Spector (1985: 695) defines job satisfaction as an "emotional affective response to a job or specific aspects of a job," such as gratification. All characteristics of the job and work environment can be relevant for creating this emotion in an employee (Brown & Peterson, 1993). If the WRC measure has predictive and nomological validity, the correlation between the measure and other related constructs should behave as expected in theory (Churchill, 1995).

3. Method

3.1. Samples and questionnaire

Among the Israeli respondents, the median age was 26 years, ranging from 19 to 61, and 56% of the respondents were women. The median job tenure was 1.9 years (see Table 1). Respondents completed a printed questionnaire. The WRC scale used a seven-point Likert agreement scale, from 1 ("strongly disagree") to 7 ("strongly agree").

An English version of the WRC scale was available from Luria et al.'s (2009) original article. The development of the German version of the

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