To be engaged or not to be engaged: The antecedents and consequences of service employee engagement

Bulent Menguc [a,*], Seigyoung Auh [b,1], Michelle Fisher [a], Abeer Haddad [a]

[a] Brock University, Faculty of Business, Department of Marketing, Int'l Business, and Strategy, St. Catharines, Ontario, Canada L2S3A1
[b] Thunderbird School of Global Management, 1 Global Place, Glendale, AZ 85306, USA

ARTICLE INFO

ABSTRACT

Drawing on the Job Demand-Resource (JD-R) model, this study explores the antecedents and consequences of service employee engagement. The model examines the main effect of resources (autonomy, feedback, and support) on engagement and how the interaction among resources impacts engagement. Further, the model also examines the mediating role of engagement in linking resources to customers' perceived level of service employee performance. The study uses multi-level modeling on data from 482 service employees and customers in 66 retail stores. Results suggest that supervisory feedback is positively related to engagement while supervisory support is not. More engagement is related to more positive service employee performance. Regarding the interactions, supervisory support had a positive effect while supervisory feedback had a negative effect on engagement at high levels of perceived autonomy. Also, engagement was a full mediator between supervisory feedback and service employee performance. Implications for retail service management are discussed.

© 2012 Elsevier Inc. All rights reserved.

1. Introduction

Harter, Schmidt, and Hayes's meta-analysis (2002) reports that employee engagement is positively associated with customer satisfaction, customer loyalty, productivity, and profitability, and negatively associated with employee turnover. Also, according to a global workforce study conducted by Towers Perrin (2008), firms that employed highly engaged employees enjoyed a spread of more than 5% in operating margin and 3% in net margin compared to companies that employed highly disengaged workers. Despite its theoretical and managerial ramifications, however, service employee engagement has received limited empirical examination in the services marketing literature.

Against this backdrop, we draw on the Job Demand-Resources (JD-R) model (Ashill & Rod, 2011; Babakus, Yavas, & Ashill, 2009; Bakker & Demerouti, 2007; Demerouti, Bakker, Nachreiner, & Schaufeli, 2001) to develop and test a conceptual model that explicates how employees who receive resources from management can provide superior service performance (e.g., providing prompt service, identifying products that fit customers' needs), as assessed by customers, via employee engagement. We also suggest that perceived autonomy moderates the relationship between such resources as supervisory support and supervisory feedback and engagement.

Upon careful review of the relevant literature, we identify four significant gaps. First, the challenging job demands of satisfying customers' requests while fulfilling management's expectations, coupled with scarce job resources (e.g., autonomy, supervisory feedback, and supervisor support), make engagement seem very difficult to come by in the services context (Ashill & Rod, 2011). When employees are disengaged, their negative mindset can be contagious and affect how they treat and serve customers. Consequently, it is vital that we understand what types of organizational, task, and social resources need to be in place to encourage service employee engagement.

Second, most studies that have examined the consequences of engagement have focused on engagement from an internal perspective by studying how engagement affects employee attitude and performance (e.g., Rich, LePine, & Crawford, 2010). In contrast, we explore employee engagement from an external perspective to understand how employee engagement affects customers' views of the service performance they receive.

Third, drawing on the previous two points, resources may be too far removed (i.e., distal) to predict employee performance and we posit that engagement, as a mediator, is a more proximal construct to employee performance that can link resources to customers' evaluation of service employee performance.

Fourth, while it is important to understand which resources positively affect engagement, in practice, managers typically tend to employ multiple resources simultaneously. As a result, moving from an "additive" model to an "interaction" model can shed light on how different resources work together or against each other in affecting engagement.

* Corresponding author. Tel.: +1 905 688 5550x5074; fax: +1 905 984 4188.
E-mail addresses: bmenguc@brocku.ca (B. Menguc), seigyoung.auh@thunderbird.edu (S. Auh).
[1] Tel.: +1 602 978 7296.

No research to date has examined how the simultaneous deployment of multiple resources affects engagement.

In the sections to follow, we begin with an explanation of our conceptual model (Fig. 1) and develop our hypotheses, followed by hypotheses testing, which we perform based on matched data collected from two sources (customer service employees and customers) from a national chain of specialty retailers. We conclude with implications, limitations, and directions for future research.

2. Conceptual background and hypotheses

Drawing on the JD-R model, we argue that service employees' engagement will be affected by the resources they receive from management. The JD-R model is a conceptual framework used to explain employee engagement in the workplace (Bakker & Demerouti, 2007; Demerouti et al., 2001). The model asserts that resources are what the organization provides to its employees; those resources can include autonomy, supervisory support, or supervisory feedback. Such resources are expected to (a) lessen the strain of the job's demands and the psychological and physiological costs that accompany these arduous demands, (b) be instrumental in the achievement of employee work objectives, and (c) motivate and stimulate personal growth, development, and learning (Demerouti et al., 2001). Our model attempts to explain how resources can be used to enhance engagement and how the interplay between various resources affects engagement.

The resources that we examine in this study are supervisory support, supervisory feedback, and perceived autonomy. Our model also asserts that engaged employees will deliver customer-oriented behaviors and that such behaviors will be reflected in customers' assessment of service employee performance (Yoon & Suh, 2003; Young, Meterko, Mohr, Shwartz, & Lin, 2009). Further, we position engagement as a mediator that links resources and employee performance. Finally, we investigate how perceived autonomy interacts with supervisory support and supervisory feedback in affecting engagement.

2.1. Engagement

A service employee who is engaged can be characterized as enthusiastic, energetic, motivated, and passionate about his or her work, whereas a disengaged worker is one who is apathetic, robotic, depersonalized, estranged, and withdrawn from her or his job (Salanova, Agut, & Peiró, 2005). Engagement has been defined as "a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption" (Schaufeli, Salanova, Gonzalez-Roma, & Bakker, 2002, p. 74). Vigor refers to a willingness and determination to exert energy and effort in one's work and to be resilient and persistent when confronted with obstacles. Dedication is analogous to an emotional component of engagement in that dedication refers to finding meaning and

purpose in one's work and being enthusiastic, inspired, and proud of one's work. Absorption parallels the cognitive component of engagement. Absorption refers to being totally immersed and content with one's work such that time passes quickly and to finding it difficult to detach oneself from work (Salanova et al., 2005). Consequently, engagement can be characterized as a "persistent, positive affective-motivational state of fulfillment" (Maslach, Schaufeli, & Leiter, 2001, p. 417). The literature has differentiated this notion of engagement from job involvement and job satisfaction. In fact, Rich et al. (2010) show that engagement affects task performance positively even after controlling for job involvement, job satisfaction, and intrinsic motivation.

2.1.2. The influence of supervisory support and supervisory feedback on work engagement

Babin and Boles (1996, p. 60) define supervisory support as "the degree to which employees perceive that supervisors offer employees support, encouragement and concern." As employees perceive more supervisory support, they feel more secure and sense that the firm takes care of their welfare (DeConinck, 2010). According to the JD-R model, supervisory support is a key resource that motivates employees to be engaged in their workplace. Having a supervisor to fall back on under adverse circumstances and who is willing to listen can be a significant motivational boost for employees (DeConinck, 2010). Further, supervisory support can alleviate some of the stress and strain imposed by the high demands associated with the job (Babin & Boles, 1996). Consequently, when employees feel that they are furnished with adequate resources such as supervisory support, high job demands feel less daunting and employees remain engaged in their work (Sand & Miyazaki, 2000). Conversely, when supervisory support is lacking, employees question their value and contribution to the organization and feel detached, frustrated, and helpless.

H1. *Supervisory support is positively related to engagement.*

Drawing on Jaworski and Kohli (1991), we define supervisory feedback as employees' perception that they are receiving clear information about their performance outcome and suggestions for improvement. When employees perceive sufficient developmental feedback, they have accurate guidance on how to become more effective (Jaworski & Kohli, 1991). This, in essence, fosters more communication between the two parties and helps the firm [or supervisor] map out ways to improve performance (Ashford & Cummings, 1983). When employees perceive that they are receiving more candid and accurate developmental feedback, they sense that supervisors are interested in their growth, development, and learning (Ashford & Cummings, 1983). Providing corrective measures to get employees back on track or reinforcing their effectiveness motivates employees to be more engaged. In contrast, a lack of feedback can create ambiguity, conflict, and confusion about what is expected (Jaworski & Kohli, 1991). The absence of developmental feedback can create a lack of stimulation and fewer
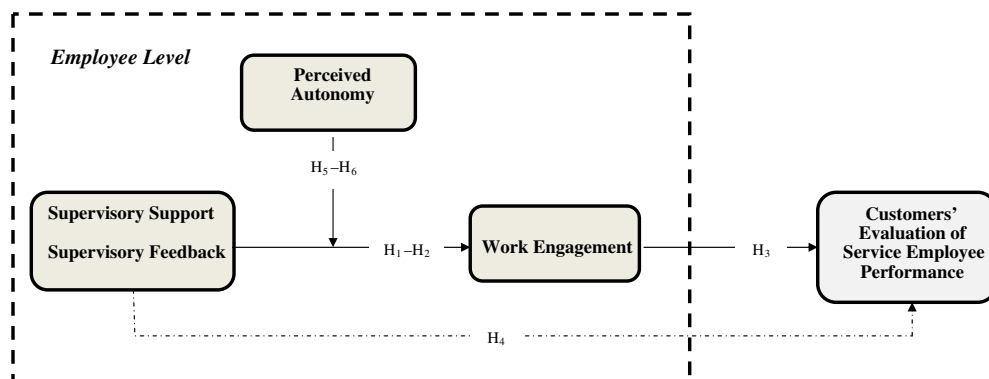

Fig. 1. Conceptual model.