The effect of customer-initiated justice on customer-oriented behaviors

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ABSTRACT

Researchers have been thorough in their examination of the influence of organizational factors (e.g., supervisors, climate) on employees' perceptions of justice in the workplace. However, much less effort has been directed toward understanding how factors external to the organization – namely, customers – influence perceived justice. This represents an important omission because frontline employees are often held accountable for customer satisfaction which, ultimately, may depend on customers' initial treatment of frontline employees. The research reported herein explores this possibility by proposing that (1) customer interpersonal justice enhances employee-customer fit, (2) customer informational justice increases both employee-customer fit and self-efficacy, and (3) employee-customer fit and self-efficacy interact in prediction of frontline employee customer-oriented behaviors. The results affirm the proposed relationships and thus provide initial evidence that employee-customer fit and self-efficacy mediate the effects of perceived customer-justice on customer-oriented behaviors; the implications of these findings for theory and practice are discussed.

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1. Introduction

Through their interactions with customers, frontline employees (FLEs) play a pivotal role in the value delivery process (Grizzle, Zablah, Brown, Mowen, & Lee, 2009). Consequently, FLE customer-oriented behaviors are a critical determinant of customer satisfaction and, ultimately, of organizational profitability (Celuch, Robinson, & Walsh, 2015; Stock & Bednarek, 2014; Zablah, Franke, Brown, & Bartholomew, 2012). Customer-oriented behaviors refer to "worker behaviors that are focused on engendering customer satisfaction" (Grizzle et al., 2009, p. 1228). Customer-oriented behaviors involve actively listening to customers during frontline interactions and directing the effort necessary to ensure that customers' needs are satisfied. Insight into potential factors that foster FLE customer-oriented behaviors are thus vitally important for improving the performance of both sales-based and service-based organizations (Stock & Bednarek, 2014).

In sales and services contexts, customers themselves can be considered a potential factor that influences the extent to which FLEs perform behaviors that engender customer satisfaction (e.g., Yi, Nataraajan, & Gong, 2011) because customers' behaviors frequently influence FLE emotional states and work-related motivations (Harris, 2013). For example, studies indicate that irrational or unreasonable customer behaviors are strongly linked to salespeople's feelings of anger or resentment

toward customers, which often inflate salespeople's distress and emotional labor (Rupp, McCance, Spencer, & Sonntag, 2008).

In contrast, when customers are generally cooperative and respectful, salespeople are likely to respond by expending effort on customer-oriented behaviors that promote customer need satisfaction (Yoon, Seo, & Yoon, 2004). While there is some evidence of the impact of customer-initiated justice on FLE attitudes toward customers (Spencer & Rupp, 2009), extant research has largely failed to examine the role of customer-initiated justice as a motivator of FLE behaviors toward customers. To address this gap, this research investigates the influence of customer-initiated justice on FLE customer-oriented behaviors, with a specific focus on improving understanding of the mechanisms that explain why customer-initiated justice affects FLE customer-oriented behaviors. Toward that end, this study posits that customer-initiated justice impacts FLE customer-oriented behaviors through its effect on employee-customer fit and self-efficacy, two variables that exert an interactive effect on FLE customer-oriented behaviors.

This study contributes to the existing literature in three ways. First, the study examines how interpersonal justice (i.e., the degree to which FLEs are treated fairly by customers in terms of politeness and dignity; Colquitt, 2001) and informational justice (i.e., the degree to which customers provide adequate explanations of their requests to FLEs; Colquitt, 2001) influence FLE customer-oriented behaviors. While previous studies suggest customer-initiated justice can influence FLE behaviors (e.g., Wang, Liao, Zhan, & Shi, 2011), understanding of the mechanisms through which this influence occurs is still highly limited. Thus, the current study proposes that employee-customer fit (i.e., the

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degree to which FLE interests match with those of customers; Yoo, 2011) and self-efficacy (i.e., an employee's belief that he or she possesses the capabilities necessary to help customers; Stajkovic, 2006) are important mediators of the relationship between customer-initiated justice and FLE customer-oriented behaviors.

Second, in contrast to the existing literature, which typically focuses on employees' emotional labor as the important outcome variable (Spencer & Rupp, 2009), the present research examines how customer-initiated justice influences customer-oriented behaviors, thus providing evidence as to how FLE effort on behalf of customers changes in response to justice perceptions.

Finally, this study proposes that two important mediating variables, employee-customer fit and self-efficacy interact in prediction of customer-oriented behaviors. This aspect of our study is noteworthy in that it provides much needed insight regarding the conditions under which FLE customer-oriented behaviors are more or less likely to occur.

The remainder of this paper is organized as follows. First, existing research on justice and customer-oriented behaviors is reviewed in the theory section. Then, the research hypotheses are developed and presented. Following hypothesis development, a detailed description of the research methods is provided. Finally, results of the empirical tests are presented, along with a general discussion of major implications for theory and practice.

2. Theory

2.1. Multifoci justice

Justice theory has its origins in Adams' equity theory (1963). Adams (1963) argues that perceived inequity regarding distribution of tangible outcomes (i.e., distributive justice) induces negative emotional reactions among employees, including dissatisfaction. He also suggests that employees' justice perceptions extend to other factors beyond distributive fairness. Thus, prior research identifies four types of justice: distributive justice, procedural justice, interpersonal justice, and informational justice (Colquitt, 2001). Recently, the literature has adopted a multifoci approach to the study of justice. In addition to considering different forms of justice, scholars are increasingly considering the role of distinct justice agents (Liao & Rupp, 2005). The agent refers to the individual or entity that is the source of justice (Rupp, Shao, Jones, & Liao, 2014). Indeed, employees potentially have multiple foci or sources of justice in the workplace. Employees could have different perceptions of justice originating from the organization, supervisors, coworkers, and so on (Rupp et al., 2014).

Rupp and Spencer (2006) elaborate the multifoci justice model, suggesting that justice also comes from individuals outside the institution, like customers. They argue that "just as supervisor-initiated justice predicts supervisor-directed outcomes, so too will customer-initiated justice predict customer-directed outcomes" (Rupp & Spencer, 2006, pp. 971–972). The manner in which the customer treats the FLE will affect the working relationship between the FLE and customer (Rupp & Spencer, 2006). Likewise, the adequacy of the information offered by the customer to the FLE can ultimately affect the service provided to the customer (Rupp et al., 2008).

In using the terminology *customer interactional justice*, Spencer and Rupp (2009) describe both interpersonal and informational forms of interactional justice. In frontline contexts, *customer interpersonal injustice* may include discourteous communication and impolite behavior (Spencer & Rupp, 2009). For instance, Gelbrich (2010) argues that in service failure contexts customers engage in confrontative coping, an aggressive, interpersonal customer behavior that has important (negative) implications for FLE customer justice perceptions. In contrast, *customer informational injustice* may include the withholding of important information from FLEs, making it difficult for them to satisfy customer needs (Spencer & Rupp, 2009). Research has generally focused on these types of *negative* behaviors and the way in which they can affect

FLE attitudes and behaviors including sabotage (Wang et al., 2011) and employee negative word-of-mouth (Harris, 2013). However, research to date has not examined the mechanisms through which customer interpersonal and informational justice influence FLE *positive* behaviors toward customers.

In this regard, this study suggests that employee-customer fit and self-efficacy are critical mediators of the effects of customer interactional justice on FLE customer-oriented behaviors. In their relationships with customers, FLEs expect to be treated fairly. Therefore, customer interpersonal and informational justice should increase employee-customer fit because perceived justice on the part of customers makes FLEs more engaged with customers. Likewise, customer informational justice results in enhanced FLE self-efficacy because it allows FLEs to develop a clearer understanding of customer needs. In support of this line of reasoning, Chebat and Kollias (2000) argue that FLEs can build their efficacy beliefs in the course of interacting with customers and that such effects occur above and beyond those exerted by organizational factors like empowerment, role stress, and organizational support (Bell & Menguc, 2002). Thus, adequacy of information provision from customers can enhance FLE self-efficacy, ultimately affecting customer-oriented behaviors.

2.2. Customer-oriented behaviors

Customer-oriented behaviors have increasingly been the object of attention in the marketing literature (e.g., Stock & Bednarek, 2014). Research by Grizzle et al. (2009) clearly demonstrates that customer orientation can lead to customer-oriented behaviors and that organizations with higher levels of aggregate customer-oriented behaviors have higher sales revenues and are more profitable. Liao and Chuang (2004) further indicate that customer-oriented behaviors directly influence customer satisfaction. Consequently, investigating potential drivers of customer-oriented behaviors is an important endeavor.

Several critical determinants of customer-oriented behaviors have been identified in prior research, including customer-oriented attitude (Stock & Bednarek, 2014), situational environment (Peccei & Rosenthal, 2000), process and outcome control (Guenzi, Baldauf, & Panagopoulos, 2014), servant leadership (Chen, Zhu, & Zhou, 2015), and, as noted, customer orientation (Grizzle et al., 2009). As of yet, however, no research has examined how customer behaviors toward FLEs – in this case, customer interpersonal and informational justice – influence customer-oriented behaviors. This is an important omission because customers are a potentially important source of justice, and customer behaviors impact the amount of effort required to satisfy customer needs. Thus, this study suggests that two forms of customer-initiated justice boost employee-customer fit and/or self-efficacy, which in turn, interactively influence customer-oriented behaviors. We further develop these ideas in the following section and provide a graphical summary of the espoused relationships in Fig. 1.

3. Hypotheses

3.1. Customer interpersonal justice enhances FLE perceptions of employee-customer fit

Interpersonal justice is enhanced when third parties (e.g., customers) treat individuals with politeness, respect, and dignity (Liu, Chugh, & Gould, 2016). If customers treat FLEs fairly, they should be motivated to interact with those customers in a respectful and polite manner (Rupp & Spencer, 2006), thus providing the foundation for mutually satisfactory exchange. More importantly, customer interpersonal justice leads FLEs to perceive customers as being a good fit with them because it encourages FLEs to engage more deeply with them and to develop a genuine interest in serving their needs (Rupp et al., 2008). This deeper and genuine engagement with customers leads FLEs to empathize