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Spatially dispersed employee recovery: An airline case study

Kristian A. Hvass^{a,*}, Embla Torfadóttir^{b,1}

^a Department of International Economics and Management, Copenhagen Business School, Porcelaenshaven 24B, 3rd Floor, 2000 Frederiksberg, Denmark ^b Copenhagen Business School, Edlingerstrasse 26, 81543 Munich, Germany

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ABSTRACT

Employee recovery addresses either employee well-being or management's practices in aiding employees in recovering themselves following a service failure. This paper surveys the cabin crew at a small, European, low-cost carrier and investigates employees' perceptions of management practices to aid personnel achieve service recovery. Employee recovery within service research often focuses on frontline employees that work in a fixed location, however a contribution to the field is made by investigating the recovery of spatially dispersed personnel, such as operational personnel in the transport sector, who have a work place away from a fixed or central location and have minimal management contact. Results suggest that the support employees receive from management, such as recognition, information sharing, training, and strategic awareness are all important for spatially dispersed front-line employees' satisfaction with management's actions and overall employee recovery.

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1. Introduction

In the aftermath of a service failure a firm's service recovery efforts are an important means to retain customers and mitigate financial impact. A service delivery that does not meet customer expectations is regarded as a service failure, while service recovery is defined as the attempt to replace a customer's dissatisfaction with satisfaction. Successful service recovery can have several positive effects, such as increased future customer lovalty (Abrams and Pease, 1993) and decreased likelihood of negative word-ofmouth (Brown et al., 2005). Service recovery is a well-established subject within service research and has three foundational disciplines: marketing, management, and operations, which respectively address customers, employees, and processes (Johnston and Michel, 2008). Service recovery literature is concentrated on investigating the marketing perspective with its focus on the customer experience due to its financial impact (Johnston, 2001), however there is room for deeper analysis of the management perspective due to its importance in overall service recovery and the close connection between employees and recovery of customers.

Research within the management perspective has focused primarily on employee behavior and performance (e.g. Maxham and Netemeyer, 2002; Yoo et al., 2006). However, there is a contribution to be made by studying spatially dispersed employees' perceptions of management support of employee recovery. Spatially dispersed employees are those that have a work place this is not fixed or centrally located with minimal regular contact with management. Examples of such personnel include front-line employees (FLEs) involved with transportation, such as airline cabin or cockpit crew, bus drivers, on-board ship personnel, etc. These employees may have work routines or locations that do not involve direct management interaction or supervision. Therefore, spatial dispersion may require alternative management methods for aiding employee recovery. Employee recovery is a branch of service recovery that has two main focus areas: focus on the employee's own state of well-being both in and out of the work place setting (Sonnentag and Zijlstra, 2006) and management practices that help employees effectively handle and recover themselves following a service failure (Bowen and Johnston, 1999). This paper focuses on the latter and addresses FLE cabin crew satisfaction of management's actions towards employee recovery at a small, Europeanbased, low-cost carrier. Operational cabin crew spend the majority of their time away from a central or fixed environment and management may be challenged to support employee recovery using the same methods suggested for non-spatially dispersed employees. Through the application of a cross-sectional survey of cabin crew the analysis suggests that FLEs at the case study company are best able to recover from a service failure when adequately recognized for their work, information is shared across departments, employees are properly trained and are familiar with the firm's strategic goals.

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^{*} Corresponding author. Tel.: +45 38 15 34 54; fax: +45 38 15 25 00.

E-mail addresses: Kah.int@cbs.dk, hvassk@gmail.com (K.A. Hvass), emblato@gmail.com (E. Torfadóttir).

¹ Tel.: +49 173 230 1801, +49 893 795 5219.

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2. Hypothesis development

Marketing theories and their external view of the firm dominate the field of service quality due to the influence of customer satisfaction on firm performance (Johnston, 2001), however there is a stream of literature that emphasizes the importance of internal support and processes (e.g. Bowen and Johnston, 1999; Paravantis et al., 2009; Schneider and Bowen, 1993). Customer-oriented internal support and processes, termed management commitment to service quality (MCSQ), provide supportive conditions for delivering service quality (Hartline and Ferrell, 1996). Internal service recovery refers to management practices that help employees succeed in recovering both customers and themselves from service failures. The benefits of MCSQ are tied to the understanding that successful employee recovery is related to employee job satisfaction (Bamford and Xystouri, 2005; De Menezes, 2012; Hart et al., 1990), which in turn, is linked to customer satisfaction (Anderson, 2006; Schmit and Allscheid, 1995). While research in this field has included front-line employees in the food (Yoo et al., 2006) and health service industries (Ashill et al., 2008) there are no studies investigating employee recovery of spatially dispersed employees. This context is researched through seven established variables identified by previous studies (e.g. Ashill et al., 2008; Babakus et al., 2003; Chiang and Birtch, 2011; Peccei and Rosenthal, 2001; Sun et al., 2012a): recognition, training, empowerment, complaint importance, information sharing, technology, and strategic awareness, and investigates their relationship with front-line employees' satisfaction with management's support of employee recovery.

Research has shown that appropriate reward policies, hereafter termed recognition, are important with regard to FLE's work motivation and overall job satisfaction (Ashill et al., 2008; Babakus et al., 2003). Chiang and Birtch (2011) show that a firm's recognition climate has a positive impact on service quality as employees reciprocate a positive recognition climate with a stronger desire to provide high quality service. It is the authors' belief that spatially dispersed employees may place a strong emphasis on management's recognition as it indicates an awareness of employees' contribution to the firm. Therefore, it is hypothesized that:

H1: Management recognition is positively related with FLE perception of management support.

Training supports employee commitment to service quality and allows employees to deal effectively with dissatisfied customers, which in turn, allows the employee to maintain a positive association with the firm (Sun et al., 2012). FLEs who do not possess the necessary job and behavioral skills fail in providing a high level of service and in dealing with customers' complaints. Training programs are therefore considered to send strong signals to FLEs regarding management commitment to service performance. Spatially dispersed FLEs must be well prepared to deal with service failures and customer complaints, and as such it is hypothesized that:

H2: Service recovery training has a positive relationship with FLE perception of management support.

Empowerment is regarded as one of the most effective tools for service recovery as it allows employees to feel higher self-efficacy, which has a positive effect on service recovery (Lorenzoni and Lewis, 2004). Empowerment suggests that employees have the ability to be able to quickly adapt to customer requests. This is achieved by management allowing employees to become responsible for customers through investments in employee support and systems. These forms of creative discretion (Kelley, 1993) are important among spatially dispersed personnel as they can seldom confer with management when attempting to solve service failures.

H3: FLE empowerment has a positive relationship with perception of management support.

Technology support can provide employees with integrated tools to free them from routine tasks, improve efficiency, and reduce the risk of human error, which together allows employees to devote more time to customers (Ashill et al., 2008). While research suggests that technology plays an important role in service recovery (e.g. Bitner et al., 2000) its role in employee recovery has not been uncovered. It is suggested that management's support of technology usage among spatially dispersed FLEs is of high importance as employees have an easier time to stay connected with management and colleagues through the use of technology.

H4: FLE technology usage has a positive relationship with FLE perception of management support.

Johnston (2001) shows that there is a positive relationship between complaint management and firm performance, while Homburg and Fürst (2005) and Michel et al. (2009) identify the significance of complaint importance in service recovery, linking the relevance of management's positive attitude towards receiving complaints to the likelihood of it leading to corresponding positive employee behavior. It is necessary that management see the value in receiving complaints and learning from customer experiences rather than regarding complaints as an indication of failure. In connection with receiving complaints, Michel et al. (2009) emphasize that managers must ensure that complaint information is disseminated throughout all departments as a lack of information can affect employees' interest in handling customer complaints. Information sharing among departments is important among spatially dispersed employees as they are less likely to interact with other personnel groups on a regular basis. This leads to:

H5: Complaint importance has a positive relationship with FLE perception of management support.

H6: Information sharing has a positive relationship with FLE perception of management support.

The final construct critical to service recovery is recovery culture, which is created and fostered by management and supports FLEs through taxing service recovery experiences. Johnston and Michel (2008) claim that a successful recovery culture can be reached through, for example, shared values and strategies and the integration or coordination of service recovery across the firm that can be reached by a shared strategic direction. As cabin crew have minimal contact with management it is hypothesized that their understanding of the firm's strategic direction is important for recovery.

H7: FLE understanding of strategic direction has a positive relationship with perception of management support.

In turn, relationships between the seven constructs are tested with FLEs' satisfaction of management's actions related to employee recovery. Service recovery literature has claimed that employee recovery is closely related to employee job satisfaction as a result of management commitment and focus (Bamford and Xystouri, 2005; De Menezes, 2012; Hart et al., 1990). Subsequently, there is a positive relationship between employee and customer satisfaction

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