Impact of a high-involvement approach to customer satisfaction on employees and organizational performance

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IMPACT OF A HIGH-IN INVOLVEMENT APPROACH TO CUSTOMER SATISFACTION ON EMPLOYEES AND ORGANIZATIONAL PERFORMANCE

A Research Project
Presented to the Faculty of The George L. Graziadio School of Business and Management Pepperdine University

In Partial Fulfillment of the Requirements for the Degree Master of Science in Organization Development

by
Andrew G. Matthews
August 2012

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This research project, completed by

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under the guidance of the Faculty Committee and approved by its members, has been submitted to and accepted by the faculty of The George L. Graziadio School of Business and Management in partial fulfillment of the requirements for the degree of

MASTER OF SCIENCE
IN ORGANIZATION DEVELOPMENT

Date: August 2012

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Abstract

This study examined the impacts of high-involvement approaches to enhancing customer satisfaction within a professional services firm. The study identified supportive organizational factors and employee attitudes and behaviors. Employee, customer, and organizational impacts associated with the initiative also were identified. Ten employees were surveyed and six were interviewed. Survey data were neutral, meaning that the respondents neither agreed nor disagreed with the items. Empowerment measures however, were significantly and positively correlated to organizational commitment, job satisfaction, and engagement. Organizational supports include direction, vision, allowance and recognition for these customer-focused behaviors, and having a return on investment from customer orientation. Supportive employee attitudes include valuing strong customer relationships and active involvement. Supportive behaviors include team-wide customer orientation, immersion with customers, follow through, and consistency. Employee outcomes include self-efficacy, ownership, and a sense of reward and contribution. Customer outcomes include superior value and connection. Organizational outcomes include business health and return customers.
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Chapter 1

Introduction

Reaching for high potential and peak performance is a desire at both individual and organizational levels (Cummings & Worley, 2009). Many companies have responded to increasing market pressure by seeking to create competitive advantage through employee engagement or customer satisfaction initiatives.

Significant investment by a wide variety of organizations goes into collection of customer satisfaction and employee engagement scores. Frequently this is done with either a corporate approach or third party surveys of the firm’s customers. Management then solicits suggestions from staff for improvement and ultimately sets targets. This study examined the impacts of involving employees in the collection of customer satisfaction data. Employee involvement has been shown to improve the quality and timeliness of customer decisions, employee commitment to the decisions, and subsequently, customer satisfaction (Bowen & Lawler, 1992; Lawler, 1995).

Research Purpose

This study examined the impacts of a high-involvement approach to enhancing customer satisfaction within a professional services firm. Four research questions were defined:

1. What organizational factors support a results-focused and customer-focused high-involvement initiative?

2. What employee attitudes and behaviors support a results-focused and customer-focused high-involvement initiative?

3. What is the impact of a results-focused and customer-focused high-involvement initiative on employees?
4. What are organizational impacts of a results-focused and customer-focused high-involvement initiative?

**Study Setting**

This study was conducted on a 12-member team of a large, multinational professional services firm located in Melbourne, Australia. All team members were consultants from a professional consulting advisory business focused on financial services customers. The members have varying amounts of industry experience and seniority in the firm.

The team’s annual revenue is approximately $3 million. Its purpose is to provide actuarial advice to insurance companies. The clients range from large to small insurers, including listed and private companies in the general insurance market in Australia. The nature of consulting services includes business advisory services, such as expert advice, management consulting for performance improvement, and financial and capital management strategies. The team has external clients and internal customers (other parts of the firm that use services to deliver to clients).

**Significance of Study**

This study generated important insights about employees’ reactions to practicing customer-orientated behaviors and helped clarify the inputs (organizational factors and employee attitudes and behaviors) and outputs (impact on employees, customers, and organizations) of such behaviors. These insights help illuminate how a customer intimacy focus may be established in a professional services team. As a result, the findings enhance the body of knowledge and employee involvement and customer satisfaction through its focus on professional services.
Organization of the Study

Chapter 1 provided an introduction to the study. The chapter reviewed the background of the problem, which focused on the company’s strategic need for enhanced employee involvement and improved customer satisfaction. The chapter also presented the research purpose, described the study setting, and outlined the study significance.

Chapter 2 examines the relevant literature that provided the foundation for the study. Engagement literature and studies are reviewed first to provide a definition of the construct, identify the facilitators of engagement, and reveal the outcomes of engagement. Literature on high involvement is covered next, including a definition and characteristics of these approaches, along with their outcomes, impacts, and associations with engagement. Finally, literature and theories on customer orientation are discussed, including a review of how customer orientation is fostered, what it affects, and how it is influenced by employee engagement and high-involvement approaches.

The third chapter describes the methods used in this study. The research design is discussed first, followed by a review of the procedures related to participant selection, the high-involvement intervention, data collection, and data analysis.

Chapter 4 presents the study results. Findings from the survey are presented first. The interview results are provided next. Areas of similarity and difference are highlighted and summarized.

Chapter 5, the final chapter, provides a summary of the findings. This is followed by comments regarding research discussed in the literature review which leads to the drawing of conclusions for each of the research questions. Implications and recommendations for managers and OD practitioners are discussed. Finally, the chapter identifies the study limitations and provides suggestions for future research.
Chapter 2

Literature Review

This study examined the impacts of a high-involvement approach to enhancing customer satisfaction within a professional services firm. Engagement literature and studies are reviewed first to provide a definition of the construct, identify the facilitators of engagement, and reveal the outcomes of engagement. Literature on high involvement is covered next, including a definition and characteristics of these approaches, along with their outcomes, impacts, and associations with engagement. Finally, literature and theories on customer orientation are discussed, including a review of how customer orientation is fostered, what it affects, and how it is influenced by employee engagement and high-involvement approaches.

Engagement

Work engagement reflects workers’ experience of their work (Tuckey, Bakker, & Dollard, 2012). Importantly, employee engagement (energy toward one’s job) is different from employee satisfaction (satiation resulting from one’s job) (Schneider, Macey, Barbera, & Martin, 2009). Tuckey et al. specified that the basic components of work engagement are vigor, dedication, and absorption. Vigor reflects whether the work is stimulating and energetic—something to which the employee really wants to devote time and effort. Dedication refers to whether the work is personally significant and meaningful. Absorption refers to whether the work is engrossing and interesting.

Macey and Schneider (2008) similarly defined engagement as being enthusiastic about one’s work, very absorbed in one’s job, and dedicating high energy levels to work. When workers are engaged, they feel a persistent, positive, and fulfilled emotional state related to work that is motivating (Shorbaji, Messarra, & Karkoulian, 2011; Sonnentag,
These definitions are consistent with Kahn (1990), who was the first to mention employee engagement in literature. He described work engagement as the “behaviors by which people [cognitively, emotionally, or physically] bring in or leave out their personal selves during work role performances” (p. 692). Kahn formally defined engagement as “the simultaneous employment and expression of a person’s ‘preferred self’ in task behaviors that promote connections to work and to others, personal presence (physical, cognitive)” (p. 695). More simply, engagement has been described as emotional and cognitive commitment to one’s organization (Baumruk, 2004; Richman, 2006).

Engagement is related to several other constructs. For example, Shorbaji et al. (2011) conducted a correlational study of 102 individuals employed by medium-sized Lebanese private sector companies to examine the relationships between engagement and a construct called core-self evaluation. Core-self evaluation “is a stable personality trait [that] refers to a subconscious belief that affects the way a person regards him/herself and the environment.” This evaluation influences employees’ appraisals of themselves and the world around them and these appraisals, in turn, affect the employees’ behaviors. Core-self evaluation is comprised of locus of control (extent to which one believes one is in control of one’s fate), self-esteem (one’s general sense of worth), generalized self-efficacy (one’s competence and efficiency in dealing with stressful situations), and emotional stability (one’s ability to resist stress and tendency toward cheerfulness, calmness, and even-temperedness). These traits have been linked to job performance and satisfaction. Shorbaji et al. (2011) found a significant, positive relationship between core-self evaluation and engagement. They concluded that core-self evaluation was a predictor
of engagement. The next section provides a more detailed examination of what facilitates and what obstructs engagement.

**Facilitators of engagement.** Examination of the literature revealed several factors that influence and promote engagement. These include value congruence, organizational support and care for employees, empowerment and involvement in decisions and major activities, leisure time, appraisals, and rewards.

Rich, Lepine, and Crawford (2010) examined engagement and its correlates based on a survey of 245 firefighters and their supervisors. They concluded that value congruence (meaning the degree of shared values between the employee and the organization) is associated with engagement. That is, when values are shared to a greater degree, engagement tends to be higher. They advised organizations to hire people who share the organization’s values and then reinforce the congruence through mentoring, socialization opportunities, and people management practices that communicate a consistent set of organizational values. They emphasized that managers’ use of such practices can promote employee engagement directly and enhance employee performance indirectly.

Organizational support and care for employees are expressed when leaders show themselves to be trustworthy, when they transparently communicate with and listen to employees, and express care for employees’ health and well-being. Simon (2011) emphasized that it is imperative for complete transparency to exist between employees and management. When employees can relax and not worry about what management will do next, they are better able to dedicate themselves to their work. He added that this is possible only when employers exercise honesty and integrity in all their dealings. Tuckey et al. (2012) added that leaders need to be an example to employees in everything they do
so that employees may place their trust in them. Finally, employee engagement is fostered when leaders educate employees’ talents and hidden potential and strongly believe that employees have the ambition to achieve maximum output in organization. These leaders also tend to try to provide a working environment that improve employees’ quality of work life through participation and other means (Simon, 2011; Tuckey et al., 2012).

Empowerment and involvement in decisions and major activities is also a strong contributor to engagement (Tuckey et al., 2012). Psychological empowerment is not simply delegating responsibility and authority. Instead, it has been conceptualized as motivating employees to achieve and enabling them to do so (Conger & Kanungo, 1988). Empowerment includes behaviors such as encouraging and helping employees assume responsibilities and work independently, coordinating efforts with other members of the team, thinking about problems as learning opportunities or challenges, seeking out opportunities to learn and grow, and acknowledging and self-rewarding their efforts (Tuckey et al., 2012).

Based on his survey of 250 employees in private banks in Pakistan, Rashid, Asad, and Ashraf (2011) found that involving employees in major activities and decisions also tends to foster empowerment. Simon (2011) elaborated, based on his literature review, that involvement refers to the extent to which employees feel able to voice their ideas and have managers listen to these views and value employees’ contributions.

Sonnenstag (2003) examined the impacts of leisure time on work and concluded that the mental and physical recovery that occurs as a result of leisure time has a positive effect on the experience of vigor (a component of engagement). He elaborated that recovered individuals (compared to those who have not recovered) were able and willing
to invest effort and to be more resilient when confronted with stressful situations. Similarly, past studies have suggested that periods of rest from work are of particular importance for maintaining well-being at work and for avoiding burnout (Eden, 2001; Quick & Quick, 1984).

Appraisals also play a role in engagement in that employees need to feel cherished—and this can occur in the form of appropriate and timely feedback. Research suggests that such feedback should give credit to the employee’s contribution (Simon, 2011). Simon added based on his review of engagement literature that employees who have a personal development plan and who have received a formal performance appraisal within the past year have significantly higher engagement levels than those who have not.

The final contributor to engagement described in the literature and discussed in this section is the organization’s reward systems (Rashid et al., 2011). Rewards consist not only of pay (which Rashid et al. argued was insufficient by itself for instilling engagement). Rather, employees value a market-competitive combination of pay, bonuses, and other financial rewards as well as non-financial rewards such as extra holiday and voucher schemes.

Understanding these levers for engagement is important, as organizations can adjust and utilize these to enhance employees’ vigor, dedication, and absorption in their jobs. The value of doing so is evident in the next section, which describes the outcomes of engagement.

**Outcomes of engagement.** Individually, engaged employees tend to report having positive experiences at their workplaces and having enhanced well-being, even despite experiencing stress at work (Sonnentag, 2003). These positive experiences occur for several reasons. First, engagement is a positive experience in itself (Schaufeli,
Salanova, Gonzalez-Roma, and Bakker, 2002). Second, several researchers have found a significant positive correlation between positive work affect and good health (Demerouti, Bakker, de Jonge, Janssen, & Schaufeli, 2001). Third employee engagement has been identified as a predictor of job satisfaction (Shorbaji et al., 2011). Fourth, research by the ISR (2005) suggested that employees’ full potential can only be reached through emotionally engaged employees. These varied reasons indicate that employees stand to benefit a great deal from being engaged at work.

Given that engaged employees tend to be more dedicated, energetic, and committed (Tuckey et al., 2012), certain organizational benefits also result from engagement. For example, engagement and positive affect have been associated with organizational commitment (thus reducing turnover costs) and performance (thus increasing revenue) (Demerouti et al., 2001; Kahn, 1990). Research by the Gallup Organization also found that higher earnings per share are predicted by higher engagement levels at the workplace (as cited by Ott, 2007). Rich et al. (2010) offered that these improvements in job performance are likely to come in the form of enhanced productivity, task performance, and greater intensity of work.

Rich et al. (2011) pointed out that engagement leads to yet another outcome: a rise in organizational citizenship behaviors, which include helpfulness, sportsmanship, conscientiousness, and civic virtue. Although these do not contribute directly to an organization’s technical core, they contribute to the organization by fostering a social and psychological environment conducive to the accomplishment of work involved in the organization’s technical core.

It is understandable that these many outcomes result in positive impacts on customer satisfaction (Rashid et al., 2011). Rashid et al. added that the increased
customer satisfaction ultimately directs an organization toward enhanced profitability or business outcomes.

Collectively, these individual and organizational outcomes translate into improved quality of the work (Rich et al., 2010). Rich et al. elaborated that because engaged individuals invest their physical, cognitive, and emotional energies into their work roles, they should exhibit enhanced performance because they work with greater intensity on their tasks for longer periods of time, they pay more attention to and are more focused on their responsibilities, and they are more emotionally connected to the tasks that constitute their role. Thus, employees who are highly engaged in their work roles not only focus their physical effort on the pursuit of role-related goals, but they are also cognitively vigilant and emotionally connected to the endeavor (Ashforth & Humphrey, 1995; Kahn, 1990). It follows that engagement has been associated with enhanced competitive advantage, productivity, and profitability.

In contrast, employees who are highly disengaged in their work roles withhold their physical, cognitive, and emotional energies, and this is reflected in task activity that is, at best, robotic, passive, and detached (Hochschild, 1983; Kahn, 1990).

In summary, engagement is a multifaceted construct comprised of physical, cognitive, and emotional vigor, dedication, and absorption in one’s work (Kahn, 1990; Shorbaji et al., 2011; Sonnentag, 2003; Tuckey et al., 2012). It is affected by several levers, including value congruence, organizational support and care for employees, empowerment and involvement in decisions and major activities, leisure time, appraisals, and rewards (Rashid et al., 2011; Rich et al., 2010; Simon, 2011; Sonnentag, 2003; Tuckey et al., 2012). Engagement also has been associated with several important outcomes for employees themselves, their employers, and their customers (Demerouti et
Given these characteristics, conditions, and outcomes, it is important to support and enhance employee engagement. The next section examines high involvement and considers how these types of approaches can be used to support engagement.

**High-Involvement Approaches**

Increased competition has prompted organizations to consider how they can deliver services and products better. In response, some organizations have introduced high-performance and high-involvement approaches to enhance organizational performance (Boxall & Macky, 2009). Ledford and Morhman (1993) argued that high-involvement approaches are particularly appropriate for large-scale change, where it is not possible to know all the contingencies and relationships in advance and where organizations and their employees must acquire new behavior patterns to sustain the change.

Boxall and Macky (2009) discovered based on their examination of high-performance and high-involvement work systems that there is a system of work practices that leads to superior organizational performance. A primary tenet of these practices is viewing employees as organizational resources in which to invest, rather than costs to be controlled (Konrad, 2006). Another focus in high-involvement approaches is designing meaningful, interrelated patterns of work practices that lead to optimal organizational performance (Van Buren & Werner, 1996). The following sections review the levers for creating high involvement, the outcomes of high involvement, and models of high involvement available in literature.
High-involvement levers. High-involvement levers named in the literature include discretion and autonomy, communication, development, rewards, and system redesign (Edwards & Wright, 2001; Lawler, 1995, 1999; Mendelson, Turner, & Barling, 2011; Vandenberg, Richardson, & Eastman, 1999).

The lever of granting employees discretion and autonomy over their work (Edwards & Wright, 2001) has been described using several terms, including flexibility (Vandenberg et al., 1999), power (Lawler, 1995, 1999), and self-design (Ledford & Mohrman, 1993). Regardless of the terminology, research suggests that it is important that the organization utilize various techniques to promote employee discretion and autonomy over their work. Specific strategies include formally designated team-working, quality circles, or problem-solving groups (Edwards & Wright, 2001). For example, a self-design change strategy requires managers to develop a vision of the new organization and state it in broad terms, "leaving the more specific designing to be done by the members of the units that have to make the design work locally. Change then proceeds in a decentralized manner, with different business units creating changes at their own pace. This approach ignites healthy competition and cooperation, where slower-moving units must catch up with their partner units as the entire organization evolves from a traditional to a high-involvement system.

Additionally, systems of communication must be in place that allow for two-way communication as employees give suggestions and management provides direction and feedback (Edwards & Wright, 2001; Lawler, 1995, 1999; Mendelson et al., 2011; Vandenberg et al., 1999).

Serious attention should also be given in high-involvement approaches to developing employee skills (Edwards & Wright, 2001; Harmon et al., 2003) through
training (Vandenberg et al., 1999) and ensuring that employees are building their knowledge (Lawler, 1995, 1999). Mendelson et al. (2011) concluded based on their test of five high-involvement work system models that learn-as-you-go approaches and doing pilot projects were effective ways of developing employee knowledge and skill and were common in high-involvement approaches. Learn-as-you-go techniques are particularly prevalent in self-design models, because this model requires managers and front-line employees alike to participate in the process of investigating and developing system changes. Changes are then developed and implemented iteratively as business units identify an appropriate starting point for change, design and pilot the new system, and make adjustments. Over time, participants in the process develop their ability to absorb and learn from the information and also build their change management and system design skills. Small pilot projects can be launched almost anywhere in the organization. Mendelson et al. explained that handing responsibility for a piece of an interdependent system over to employees can naturally build employee involvement throughout the organization.

High-involvement work systems also may involve merit- or performance-based pay and other features of human resource management (Edwards & Wright, 2001; Harmon et al., 2003; Lawler, 1995, 1999; Vandenberg et al., 1999). It is important to be aware, however, that detailed evidence has been published following case studies of merit pay and appraisals that suggest that few motivational impacts—and even negative impacts—follow the use of this technique (Kessler & Purcell, 1992; Richardson & Marsden, 1991). Nevertheless, these approaches continue to be used.

A final lever of high-involvement systems discussed in the literature is having a link to the environment and, as needed, redesigning the larger system to support high
Involvement (Edwards & Wright, 2001; Vandenberg et al., 1999). For example, converting to a high-involvement work system requires that managers and employees work together to virtually remake the entire organization through the process of self-design.

**Outcomes of high involvement.** Several outcomes have been associated with high-involvement approaches, including better utilization of human resources, employee satisfaction, service-orientated behavior and customer satisfaction, reduced costs, and ultimately enhanced organizational performance (Harmon et al., 2003; Kizilos & Cummings, 1994; Konrad, 2006; Mendelson et al., 2011; Vandenberg et al., 1999).

High-involvement work systems have been shown to play an essential role in unleashing and leveraging the human potential that resides with all organizations. In particular, high-involvement approaches focus on helping employees become highly engaged (Konrad, 2006) and, in doing so, tend to enhance employee satisfaction (Harmon et al., 2003). Greater satisfaction, in turn, is associated with a host of cost-sparing consequences such as reduced stress and turnover, fewer leaves of absence, and lower work-related disability and violence claims, as indicated by Vandenberg et al.’s (1999) study of 3,570 participants across 49 organizations and Harmon et al.’s (2003) study of 146 Veterans Health Administration centers. Mendelson et al. (2011) added based on their examination of five models of high involvement work systems that perceiving one’s organization to have high-involvement work systems and seeing that these practices are effective predicts higher levels of both job satisfaction and affective commitment, and lower levels of continuance commitment. Mendelson et al. (2011) elaborated that the more employees perceive their organizations to use high-involvement work practices
(such as employment security and training), the more likely they will feel emotionally attached and satisfied with their jobs and organizations.

Employee involvement also is believed to motivate service-orientated behavior among employees which, in turn, influences customer satisfaction levels (Kizilos & Cummings, 1994). These effects largely occur as a result of the improved productivity and quality that result from high involvement (Harmon et al., 2003).

It is understandable, given the benefits of better leveraged human resources, enhanced employee satisfaction and commitment, and improved customer satisfaction, that high-involvement approaches also have been associated with reduced service costs. These benefits emerge as an indirect effect of other benefits, such as more satisfied employees, less organizational turmoil, and lower service delivery costs (Harmon et al., 2003).

It also follows that organization effectiveness and performance tend to increase in these systems. One reason is that the entire intention behind high-involvement work systems is to increase organizational performance (Mendelson et al., 2011). Further, the return on equity, reduced turnover, and enhanced customer and employee satisfaction tend to give rise to improved market and financial performance (Harmon et al., 2003; Vandenberg et al., 1999). Ultimately, these effects help organizations gain strategic advantage over competitors (Konrad, 2006).

**A conceptual model of high involvement.** Vandenberg et al. (1999) constructed a conceptual model of high-involvement work processes based on their study of 3,570 participants across 49 organizations. Their model incorporates the findings discussed in previous sections regarding the levers and outcomes of high-involvement systems.
According to Vandenberg et al.’s (1999) model, business practices include work design, incentives, flexibility (autonomy), training opportunities, and direction setting, which collectively create the organizational conditions for high involvement. At an individual level, employees also need to operate within what Vandenberg et al. call a high involvement work process, which means having power, information, reward, and knowledge related to their work. Given these organization- and job-level supportive conditions, employee outcomes such as organizational commitment, job satisfaction, and reduced turnover intentions result (Vandenberg et al., 1999). Cumulative organization-level outcomes of overall reduced turnover and return on equity then follow.

In summary, organizations have sought to incorporate high-involvement approaches as a response to increased competition (Boxall & Macky, 2009). These approaches require organizations to view employees as investments rather than costs and to design meaningful, interrelated patterns of work practices that lead to optimal organizational performance (Boxall & Macky, 2009; Van Buren & Werner, 1996).

Typical levers for creating high-involvement workplaces include incorporating discretion and autonomy (Edwards & Wright, 2001; Lawler, 1995, 1999; Ledford & Mohrman, 1993; Vandenberg et al., 1999), communication, development, and rewards into employees’ work. Often, this requires total system redesign. The effort involved in creating high-involvement workplaces appear to be worthwhile, as these models are associated with better utilization of human resources, employee satisfaction, service-orientated behavior and customer satisfaction, reduced costs, and ultimately enhanced organizational performance (Harmon et al., 2003; Kizilos & Cummings, 1994; Konrad, 2006; Mendelson et al., 2011; Vandenberg et al., 1999).
The focus on this study was to examine the impacts of a high-involvement approach to enhancing customer satisfaction within a professional services firm. Therefore, the next section in this literature reviews studies and theory on customer orientation.

**Customer Orientation**

Two terms are helpful for understanding the concept of customer orientation. *Customer orientation* refers to the extent to which customer focus is emphasized at the organization level (Cai, 2009). *Customer relationship practices* are the extent to which specific tools and rules are developed and utilized by employees to interact with customers. Cai concluded based on his investigation of the relationships among organizational customer orientation, customer relationship practices, and organizational outcomes across 143,000 Chinese companies across 29 Chinese provinces that organizational customer orientation is a necessary precondition for customer relationship practices. Cai advised that companies need to promote customer orientation in their organization if they are to successfully implement customer relationship practices.

Åkesson and Skålén (2011) concluded based on their case study of a large Swedish public sector organization that customer focus is characterized by four activities:

1. Interaction, consisting of empathy and friendliness with customers, combined with an ability to accurately interpret what they want.
2. Customer orientation, which means accurately understanding who the customer is and encouraging customers to have ownership over their business problems.
3. Co-creation with customers, which means being available to customers, involving customers in joint diagnosis and solution design, and coaching customers in these endeavors.
4. Empowerment of employees, which focused on developing employees’ knowledge and skills for the purpose of having greater adaptability and ability to deal with challenges that arise.

Åkesson and Skålén’s (2011) findings were similar to Jamrog and Overholt (2008) findings based on a survey of 1,369 respondents regarding how to achieve results. Their study indicated that successful organizations strive to understand their customers to a high degree, identify what customers need, and focus on meeting those needs. They concluded that high performance customer-oriented firms exhibit three key characteristics. First, they are externally focused, meaning they are more willing than other organizations to hear what is best for the customer rather than what is best for the organization. Second, they intend to be the best in the world in providing value and exceeding customer expectations. Third, they create and maintain flexible internal processes that focus on meeting customers’ short- and long-term needs.

**Fostering customer orientation within a workforce.** Four primary strategies were revealed in the literature for fostering customer orientation within a company’s workforce. The first technique is to be customer orientated with employees and internal customers (Chang & Lin, 2008). The more that employees perceive support from their organizations, the more they are committed to their organizations. The norm of reciprocity enhances employees’ organizational affiliation, commitment, and involvement. They also become more likely to make greater efforts to serve customers, even if it is beyond job requirements. There is a similar relationship between employee engagement and customer orientation. Jamrog and Overholt (2008) found in their study that employees who are engaged are more likely to go above and beyond for their customers. The authors elaborated that these employees strive to be world-class in
providing customer value, think hard about customers’ future and long-term needs, and exceed customer expectations. They are more likely to see customer information as the most important factor for developing new products and services. Schneider et al. (2009) similarly found in their study of engagement among casino workers that when employees see their company as working with them and for them, the employees in exchange work to meet the company’s requirements for customer satisfaction.

Second, employees need to develop their customer relationship practices for firm-level customer orientation to follow (Åkesson & Skålén’s, 2011). Åkesson and Skålén discussed five specific socialization strategies for doing so. The authors defined socialization as “the process by which persons acquire the knowledge, skills, and dispositions that make them more or less able members of their society” (p. 36). The socialization processes include collective socialization (team-based learning); random socialization (training through unplanned on-the-job exposure); serial socialization (incremental learning that results through piloting new approaches); and investiture and divestiture socialization (learning new ways and unlearning old, unproductive ways).

Third, firms need clear processes and supportive infrastructure for obtaining new customers, treating current customers, and retaining customers (Jamrog and Overholt, 2008). Finally, it is critical to monitor the effects of these measures through regular self-evaluations and customer evaluations of the firm’s customer orientation. This helps provide an indication of the firm’s process and dispel any self-delusions by employees or the firm about their actual customer orientation. Ultimately, based on Deshpandé, Farley, and Webster’s (1993) examination of the corporate cultures of customer orientation, there is no quick fix for achieve high performance and customer orientation. Instead, it takes consistent effort and monitoring by employees and organization leaders.
Outcomes of customer orientation. Cai conducted an extensive study of the relationships among organizational customer orientation, customer relationship practices, and organizational outcomes across 143,000 Chinese companies across 29 Chinese provinces and constructed a model of the levers and outcomes of customer orientation (see Figure 1).

![Figure 1: Relationships among Customer Orientation, Customer Relationship Practices, and Organizational Outcomes](image)


Cai (2009) concluded that organizational customer orientation affects employee-level customer relationship practices, which subsequently influence production performance and customer satisfaction. Importantly, both production performance and customer satisfaction together are needed to yield financial outcomes. Cai elaborated that beneficial customer, organizational, and financial outcomes result from customer orientation only when the firm effectively utilizes the knowledge collected to improve production performance. This appears to be somewhat consistent with Deshpandé et al.
(1993), who found that the best performing organizations had a market culture that was both highly customer orientated and innovative. Innovativeness is one way of effectively utilizing knowledge to improve production performance.

These results are worth emphasizing. Although customers could be satisfied by the presence of a well-established customer management system and by the fact that the company is actively seeking their feedback, they are more concerned with the company’s production performance. That is, if customer relationship practices do not achieve improved production performance, customer satisfaction will only be marginally enhanced, if at all. Further, based on Cai’s (2009) findings, production performance is not directly related to financial outcomes. Instead, production performance affects financial outcomes by enhancing customer satisfaction. The implication for organizations is that firms need to align their production performance with customer needs. Cai emphasized that customer satisfaction, then, is the ultimate determinant of a company’s financial performance.

In summary, firm-level customer orientation and employee-level customer relationship practices are characterized by customer-centric attitudes and behaviors that promote customer needs, focus on improving production performance, and encourage customers to be involved in their own solutions (Åkesson & Skålén, 2011; Cai, 2009). Four primary strategies were revealed in the literature for fostering customer orientation: being customer orientated with employees and internal customers (Chang & Lin, 2008) and encouraging employee engagement (Jamrog and Overholt, 2008; Schneider et al., 2009), developing employees’ customer relationship practices (Åkesson & Skålén, 2011), instituting processes and infrastructure for customer management (Jamrog and Overholt, 2008), and monitoring the firm’s success in exhibiting customer orientation (Deshpandé
et al., 1993). These practices have been associated with several beneficial organizational, employee, and customer outcomes (Åkesson & Skålén, 2011; Cai, 2009; Jamrog and Overholt, 2008). However, it is critical to emphasize that both production performance and customer satisfaction together are needed to yield improved financial outcomes.

**Summary**

This chapter reviewed literature on engagement, high-involvement work approaches, and customer orientation to define these constructs and identify how employees’ involvement in a results-focused customer-orientated initiative might affect their engagement. The literature revealed that engagement is a multifaceted construct comprised of physical, cognitive, and emotional vigor, dedication, and absorption in one’s work (Kahn, 1990; Shorbaji et al., 2011; Sonnentag, 2003; Tuckey et al., 2012). Factors such as employee-organizational fit, organizational support and care for employees, involvement, and rewards are believed to affect engagement (Rashid et al., 2011; Rich et al., 2010; Simon, 2011; Sonnentag, 2003; Tuckey et al., 2012).

High-involvement workplaces focus on increasing employees’ discretion and autonomy (Edwards & Wright, 2001; Lawler, 1995, 1999; Ledford & Mohrman, 1993; Vandenberg et al., 1999), communication, development, and rewards into employees’ work. These findings point to several synergies with the levers for increasing engagement. It would be reasonable to conclude, based on these findings, that high-involvement approaches would enhance employee engagement. Increasing employee engagement also has been associated with increasing employees’ customer relationship practices (Jamrog and Overholt, 2008; Schneider et al., 2009). It is important to note that the reverse (i.e., the impact of involvement in customer relationship practices on engagement) has not been investigated. This study provides insights about this direction.
of influence and, as a result, represents a valuable contribution to the literature. The next chapter describes the methods used in this study.
Chapter 3

Methods

This study examined the impacts of a high-involvement approach to enhancing customer satisfaction within a professional services firm. Four research questions were defined:

1. What organizational factors support a results-focused and customer-focused high-involvement initiative?
2. What employee attitudes and behaviors support a results-focused and customer-focused high-involvement initiative?
3. What is the impact of a results-focused and customer-focused high-involvement initiative on employees?
4. What are organizational impacts of a results-focused and customer-focused high-involvement initiative?

This chapter describes the methods used in this study. The following sections outline the research design, measurement, and the data collection and analysis procedures.

Research Design

This study used a simultaneous mixed-methods design to examine the impacts of a high-involvement approach. In mixed method designs, the researcher gathers both quantitative and qualitative data to assess the phenomena. Simultaneous means that the two types of data are gathered at roughly the same time. This is in contrast to sequential designs, where collection and analysis of one type of data is used to inform the collection and analysis of the other type (Creswell, 2009).
Quantitative research generally involves collecting data from a large sample regarding a small number of tightly defined variables (Creswell, 2009). In contrast, qualitative research generally involves collecting data from a small sample regarding a wide number of loosely defined or even undefined and unanticipated variables). Whereas quantitative research is pre-planned and highly structured, qualitative research often is loosely structured and emergent to allow for the discovery of unanticipated variables and insights. In this study, quantitative data were gathered using an online survey and qualitative data were gathered using an in-person semi-structured interview.

The key benefit of mixed-methods approaches is that they allow the researcher to generate a breadth and depth of insights about the phenomena being studied (Creswell, 2009). Additionally, each type of data can generate insights that help explain the other form of data. For example, if a low score is reported for a particular variable in the quantitative data, the qualitative data can help reveal the reasons for the low score.

Participants

Quantitative studies usually draw large samples and qualitative studies draw small samples (Creswell, 2009). An additional consideration in determining the sample size for this study was that it was conducted on a relatively small unit with a professional services firm in Melbourne, Australia. The sample size for this study was 10 participants for the survey and 6 participants for the one-on-one interviews, both small samples.

The sampling strategy used for this study was convenience, meaning that the researcher recruited local members of his own team for inclusion in the study (Miles & Huberman, 1994). As all the employees were members of the professional services firm who had experienced the high-involvement approach, they had sufficient experience from which to speak to the research questions.
The researcher announced the study in a team meeting and invited all team members to participate in the survey and interview. The researcher is a partner at the firm and the participants ranged in levels from senior consultant to senior manager, although only one of the individuals directly reported to him.

After the meeting, the survey and consent information were emailed to the team members. Following the survey completion time frame of 2 weeks, the researcher began calling team members to invite them to be interviewed. When a participant agreed to an interview, the researcher and participant scheduled the day, time, and location for the interview. The researcher stopped inviting people to participate in an interview once six interviews had been scheduled.

The study followed the guidelines set forth by the Pepperdine University Institutional Review Board. The researcher additionally completed the National Institutes of Health training course on Human Participants Protection in 2011. Consent information was provided to the participants as part of the initial invitation (see Appendix A). Participants provided written consent to take part in the study using the form presented in Appendix B. Participant confidentiality was maintained by not gathering any identifying information from the participants and by keeping hard copy versions of the consent forms and the data in separate locked cabinets accessible only by the researcher.

**Intervention**

The team members were asked to practice customer-orientated behaviors in the form of asking their customers questions that the firm typically asks through other means. The questions were:

1. Questions about past state (Where have we been?): What work have you done with EY actuarial in the past? What has your experience been working with MAS in the
past? (How well did we work with your team? How satisfied were you with our deliverable to the client? Anything you would like to point out?)

2. Questions about present state (What is the crossroads now?): Please rate from 1 – 10 how likely you are to recommend our team and services both internally and externally (1 being never, 10 being always). What are the first things that came to your mind when you came up with the score? What is one thing we can do or change that would increase your score? Why is this important to you?

3. Questions about future state (Where do we want to be?): What offerings do you perceive us as providing? Of these, which are relevant to you and your clients? «Give blurb on what we offer: We use deep technical knowledge and specialist skills to identify and analyze information that matters to evaluate choices that optimize business decisions. This includes working in areas such as governance, private investment, and capital.»

4. Questions about actions and priorities (What actions would make a difference?): Given the overview I just gave you, do you think there are any areas in there that could add value to your clients?

5. Questions about what success looks like (How would we know we had arrived?): What should actuarial be doing if we want to optimize your experience with us? (Should we make ourselves more accessible to their team? Can we do a presentation of our offerings to their team?)

The team members were asked to pose these questions between February, March, and early April. Some team members voluntarily continued to pose these questions to their customers beyond the requested period.
Data Collection

Quantitative and qualitative data were collected from the study participants. The following sections describe the survey and interview procedures.

Survey. Quantitative data were gathered using a 27-item online survey (see Appendix C). Each item was answered using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The items were organized into three scales:

1. Empowerment. Empowerment was measured using 14 items that measured the constructs of power (three items), information (four items), reward (four items), and knowledge scales (three items). Power referred to the employee’s felt authority, input, and autonomy (e.g., “I have enough freedom over how I do my job”). Communication referred to the employee’s perception of the two-way communication in the firm surrounding the company goals, plans, and procedures (e.g., “Most of the time I receive sufficient notice of changes affecting my work group”). Reward assessed the importance of reward and recognition to the employee and the employee’s satisfaction with the rewards and recognition received (e.g., “There is a strong link between how well I perform my job and the likelihood of my receiving a raise in pay/salary”). Knowledge assessed the employee’s perceptions of the role, adequacy, and availability of training (e.g., “If I felt that I needed more job-related training, the firm would provide it.”). These survey items were based on Riordan, Vandenberg, and Richardson’s (2005) study of the relationship between a climate of employee involvement and organizational effectiveness.

2. Organizational commitment, job satisfaction, and engagement were measured using a five-item scale. Three items measured organizational commitment (e.g., “If I had to do it all over again, I would still go to work for this firm”). One item each was used to
assess satisfaction and engagement (e.g., “I have a high level of satisfaction with my job”). These items were inspired by adapted from Vandenberg et al.’s (1999) research on high-involvement work processes.

3. Customer-orientated behavior was measured using a six-item scale. These items assessed the energy and effort employees dedicate to satisfying customers (e.g., “No matter how I feel I always put myself out for every customer I serve”). These items were based on Peccei and Rosenthal’s (2001) research on customer-orientated behavior.

All participants completed the survey data online. The survey was administered both as a pre-test and a post-test to determine any changes in employees’ responses that occurred as a result of engaging in customer-orientated behaviors. The pre-test was administered in November 2011, before the team members starting posing the customer-orientated questions in February 2012. The post-test was administered in mid-April, after the end of the questioning.

**Interview.** The interview script (see Appendix D) consisted of seven items. The first question was appreciative and asked participants to describe what inspires them about exercising customer-oriented behaviors. The second question asked participants to identify any dilemmas that need to be currently resolved regarding the goal of client intimacy. The next two questions were designed to ignite their ownership over customer-orientated behaviors by asking them (a) how invested and participative they planned to be related to customer satisfaction and (b) how much responsibility they take over any problems with customer-orientated behaviours in the firm. The next question asked them to share any doubts or reservations they had regarding customer satisfaction opportunities. Next, participants were invited to make a commitment to customer-orientated behaviours by asking them what promises they are willing to make to the team.
Finally, the interview ended appreciatively by asking participants what gifts they had received from others in the team or business.

Each interview was conducted in-person and lasted 30 to 45 minutes. Handwritten notes captured the data.

**Data Analysis**

Descriptive and inferential statistics were used to analyze the quantitative data. Means and standard deviations were calculated for each item and scale on the survey for both the pre-test and the post-test. T-tests were calculated to determine whether the scores changed significantly from the pre-test to the post-test. Spearman’s correlations were then calculated to determine any relationships among the measured constructs.

Thematic analysis was used to examine the interview data. The data were examined to identify the themes evident in the participants’ responses. Ultimately, the interview responses aligned with Cai’s (2009) model for customer-orientated behavior discussed in chapter 2. Therefore, this model was used as a framework for the data analysis. Themes and sample responses were drawn for the following macro themes: organizational customer orientation, meaning the environment the organization creates for customer-orientated behaviors; customer relationship practices, meaning the individual-level customer-orientated attitudes and behaviors employees put into practice; production performance, meaning the actions involved in producing, doing work, and serving customers; customer satisfaction, meaning the customer-level impacts of the work being performed; and financial performance, meaning the firm-level performance outcomes that result from the firm’s activities.
Summary

This chapter outlined the methods used to gather and analyze data for this study. The study utilized a mixed-methods design and gathered data using an online survey of 10 employees and in-person interviews with six employees who also participated in the survey. The survey measured the employees’ empowerment; organizational commitment, satisfaction, and engagement; and use of customer-orientated behaviors. The interviews gathered supporting data and was designed to ignite participants’ ownership and commitment to customer-orientated behaviors. Descriptive and inferential statistics were used to analyze the quantitative data, whereas the qualitative data was subjected to thematic analysis. The next chapter presents the results.
Chapter 4

Results

This study examined the impacts of a high-involvement approach to enhancing customer satisfaction within a professional services firm. Four research questions were defined. This chapter reports the results of the study in order: survey results followed by interview findings and themes.

Survey Results

The first four survey subscales tested empowerment. Table 1 presents the results for the power subscale of empowerment. Overall, participants on the pre-test reported a mean of 3.87 (SD = 0.42) and participants reported a mean of 4.17 on the post-test (SD = 0.59). These means were not statistically different: \( t(18) = -1.304, p = .209 \). These findings suggest that while the mean increased, the participants were generally neutral regarding the increase in power they had over their work.

Table 1

<table>
<thead>
<tr>
<th>Item</th>
<th>Pre-test</th>
<th>Post-test</th>
<th>( t ) Test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>SD</td>
<td>Mean</td>
</tr>
<tr>
<td>Overall</td>
<td>3.87</td>
<td>0.42</td>
<td>4.17</td>
</tr>
<tr>
<td>Q1. I have sufficient authority to fulfil my job responsibilities.</td>
<td>3.80</td>
<td>0.63</td>
<td>3.90</td>
</tr>
<tr>
<td>Q2. I have enough input in deciding how to accomplish my work.</td>
<td>3.80</td>
<td>0.63</td>
<td>4.30</td>
</tr>
<tr>
<td>Q3. I have enough freedom over how I do my job.</td>
<td>4.00</td>
<td>0.47</td>
<td>4.30</td>
</tr>
</tbody>
</table>

Note. \( N = 10; 1 = \) strongly disagree, \( 3 = \) neutral, \( 5 = \) strongly agree

Table 2 presents the results for the information subscale of empowerment. Overall, participants on the pre-test reported a mean of 3.65 (SD = 0.50) and Group 2 reported a mean of 3.60 (SD = 0.44). These means were not statistically different: \( t(18) = \)
.236, \( p = .816 \). These findings suggest that the participants were generally neutral regarding the communication practiced within the firm.

### Table 2

**Descriptive Statistics for Empowerment—Information**

<table>
<thead>
<tr>
<th></th>
<th>Pre-test</th>
<th>Post-test</th>
<th>( t ) Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>Mean</td>
<td>SD</td>
<td>Mean</td>
</tr>
<tr>
<td>Q4. Firm goals and objectives are clearly communicated to employees.</td>
<td>3.40</td>
<td>1.08</td>
<td>3.50</td>
</tr>
<tr>
<td>Q5. The channels of employee communication with top management are effective.</td>
<td>3.90</td>
<td>0.74</td>
<td>3.60</td>
</tr>
<tr>
<td>Q6. Firm policies and procedures are clearly communicated to employees.</td>
<td>3.40</td>
<td>1.17</td>
<td>3.78</td>
</tr>
<tr>
<td>Q7. Most of the time I receive sufficient notice of changes affecting my work group.</td>
<td>3.90</td>
<td>0.57</td>
<td>3.56</td>
</tr>
</tbody>
</table>

*Note.* \( N = 10; 1 = \) strongly disagree, 3 = neutral, 5 = strongly agree

Table 3 presents the results for the rewards subscale of empowerment. Overall, participants on the pre-test reported a mean of 3.45 (SD = 0.98) and Group 2 reported a mean of 3.14 (SD = 1.01). These means were not statistically different: \( t(17) = .682, p = .504 \). These findings suggest that the participants were generally neutral regarding the rewards given within the firm.

### Table 3

**Descriptive Statistics for Empowerment—Rewards**

<table>
<thead>
<tr>
<th></th>
<th>Pre-test</th>
<th>Post-test</th>
<th>( t ) Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>Mean</td>
<td>SD</td>
<td>Mean</td>
</tr>
<tr>
<td>Q8. There is a strong link between how well I perform my job and the likelihood of my receiving a raise...</td>
<td>3.10</td>
<td>1.52</td>
<td>2.89</td>
</tr>
<tr>
<td>Q9. There is a strong link between how well I perform my job and the likelihood of my receiving high per...</td>
<td>3.70</td>
<td>1.57</td>
<td>3.44</td>
</tr>
<tr>
<td>Q10. Generally, I feel this firm rewards employees who make an extra effort.</td>
<td>3.70</td>
<td>0.82</td>
<td>3.00</td>
</tr>
<tr>
<td>Q11. I am satisfied with the amount of recognition I receive when I do a good job.</td>
<td>3.30</td>
<td>0.95</td>
<td>3.22</td>
</tr>
</tbody>
</table>

*Note.* \( N = 10; 1 = \) strongly disagree, 3 = neutral, 5 = strongly agree
Table 4 presents the results for the knowledge subscale of empowerment. Overall, participants on the pre-test reported a mean of 3.53 (SD = 0.83) and Group 2 reported a mean of 3.44 (SD = 0.76). These means were not statistically different: $t(17) = .241, p = .812$. These findings suggest that the participants were generally neutral regarding the training offered by the firm.

### Table 4

**Descriptive Statistics for Empowerment—Knowledge**

<table>
<thead>
<tr>
<th>Question</th>
<th>Pre-test</th>
<th>Post-test</th>
<th>$t$ Test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>SD</td>
<td>Mean</td>
</tr>
<tr>
<td>Overall</td>
<td>3.53</td>
<td>0.83</td>
<td>3.44</td>
</tr>
<tr>
<td>Q12. Education and training are integral parts of this firm’s culture.</td>
<td>4.20</td>
<td>0.92</td>
<td>3.44</td>
</tr>
<tr>
<td>Q13. I have had sufficient/adequate job related training.</td>
<td>3.20</td>
<td>1.03</td>
<td>3.44</td>
</tr>
<tr>
<td>Q14. If I felt that I needed more job-related training the company would</td>
<td>3.20</td>
<td>1.23</td>
<td>3.44</td>
</tr>
</tbody>
</table>

Note. $N = 10$; 1 = strongly disagree, 3 = neutral, 5 = strongly agree

The descriptive statistics for the empowerment construct overall are presented in Table 5. Participants on the pre-test reported a mean of 3.61 (SD = 0.59) and the post-test scores showed a mean of 3.59 (SD = 0.52). These means were not statistically different: $t(18) = .109, p = .914$. These findings suggest that the participants were neutral regarding changes in empowerment as comprised of power, communication, rewards, and training at the firm.

### Table 5

**Descriptive Statistics for Empowerment—Overall**

<table>
<thead>
<tr>
<th>Empowerment</th>
<th>Pre-test</th>
<th>Post-test</th>
<th>$t$ Test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>SD</td>
<td>Mean</td>
</tr>
<tr>
<td>Empowerment</td>
<td>3.61</td>
<td>0.59</td>
<td>3.59</td>
</tr>
</tbody>
</table>

Note. $N = 10$; 1 = strongly disagree, 3 = neutral, 5 = strongly agree
Table 6 presents the descriptive statistics for participants’ organizational commitment, job satisfaction, engagement. Overall, participants on the pre-test reported a mean of 3.27 (SD = 0.89) and participants on the post-test reported a mean of 3.53 (SD = 0.89). These means were not statistically different: \( t(17) = -.644, p = .528 \). However, the means were statistically different for one item: I have a high level of engagement in my role. For this item, participants on the pre-test scored lower (mean = 2.89, SD = 0.93) than participants on the post-test (mean = 4.00, SD = 1.00), \( t(16) = -2.443, p = .027 \). These results suggest that participants on the post-test agreed they were highly engaged, whereas participants on the pre-test members were neutral about or in disagreement with the statement. The remaining items in this scale suggested that participants were generally neutral about their level of organizational commitment, job satisfaction, and engagement.

Table 6

| Descriptive Statistics for Organizational Commitment, Job Satisfaction, and Engagement |
|---------------------------------|-------------------------------|-----------------|---------|
|                                 | Pre-test                      | Post-test       | t Test  |
| Mean (SD)                       | Mean (SD)                     | \( t \)          | \( p \) |
| Overall                         | 3.27 (0.89)                   | 3.53 (0.89)     | \( t(17) = -.644, p = .528 \) |
| Q15. If I had to do it all over again, I would still go to work for this firm. | 3.60 (1.08) | 3.78 (0.97) | \( t(17) = -.376, p = .711 \) |
| Q16. I talk up this organization to my friends as a great organization to work for. | 3.90 (0.88) | 3.33 (1.00) | \( t(17) = 1.317, p = .205 \) |
| Q17. This organization really inspires the very best in me in the way of job performance. | 3.00 (1.25) | 3.11 (1.05) | \( t(17) = -1.208, p = .254 \) |
| Q18. I have a high level of satisfaction with my job. | 2.90 (0.99) | 3.44 (1.01) | \( t(17) = -1.181, p = .254 \) |
| Q19. I have a high level of engagement in my role. | 2.89 (0.93) | 4.00 (1.00) | \( t(16) = -2.443, p = .027 \) |

Note. \( N = 10; 1 = \) strongly disagree, 3 = neutral, 5 = strongly agree

Table 7 presents the descriptive statistics for participants’ customer-orientated behavior. Overall, participants on the pre-test reported a mean of 4.03 (SD = 0.50) and
participants on the post-test reported a mean of 4.20 (SD = 0.50). These means were not statistically different: $t(17) = -.746, p = .466$. These results suggest that the participants agreed they exhibited customer-orientated behavior.

**Table 7**

*Descriptive Statistics for Customer-orientated behavior*

<table>
<thead>
<tr>
<th></th>
<th>Pre-test</th>
<th>Post-test</th>
<th>$t$ Test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>SD</td>
<td>Mean</td>
</tr>
<tr>
<td>Overall</td>
<td>4.03</td>
<td>0.50</td>
<td>4.20</td>
</tr>
<tr>
<td>Q20. I am always working to improve the service I give to customers.</td>
<td>4.30</td>
<td>0.68</td>
<td>4.56</td>
</tr>
<tr>
<td>Q21. I have specific ideas about how to improve the service I give to customers.</td>
<td>4.10</td>
<td>0.57</td>
<td>4.22</td>
</tr>
<tr>
<td>Q22. I often make suggestions about how to improve customer service in my department.</td>
<td>3.40</td>
<td>0.97</td>
<td>3.44</td>
</tr>
<tr>
<td>Q23. I put a lot of effort into my job to try and satisfy customers.</td>
<td>4.30</td>
<td>0.48</td>
<td>4.38</td>
</tr>
<tr>
<td>Q24. No matter how I feel I always put myself out for every customer I serve.</td>
<td>3.90</td>
<td>0.57</td>
<td>4.00</td>
</tr>
<tr>
<td>Q25. I often go out of my way to help customers.</td>
<td>4.20</td>
<td>0.63</td>
<td>4.50</td>
</tr>
</tbody>
</table>

*Note.* N = 10; 1 = strongly disagree, 3 = neutral, 5 = strongly agree

Pearson correlations were calculated for the empowerment constructs to determine the strength and significance of the relationships among them (see Table 8).

All the constructs exhibited positive, significant relationships with the exception of rewards, which did not exhibit a statistically significant relationship with power ($r = .17, p = .48$).

**Table 8**

*Correlation among Empowerment Constructs*

<table>
<thead>
<tr>
<th></th>
<th>Power</th>
<th>Information</th>
<th>Rewards</th>
<th>Knowledge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information</td>
<td>$.63^{*}(.00)$</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rewards</td>
<td>$.17 (.48)$</td>
<td>$.46^{*}(.05)$</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Knowledge</td>
<td>$.48^{*} (.04)$</td>
<td>$.68^{*} (.00)$</td>
<td>$.58^{**}(.01)$</td>
<td>1</td>
</tr>
</tbody>
</table>

$N = 10$; **Correlation is significant at the 0.01 level (2-tailed); *Correlation is significant at the 0.05 level (2-tailed).
Pearson correlations also were calculated among the study variables to determine the strength and significance of the relationships among them (see Table 9). The only significant relationship exhibited was a positive correlation between empowerment and organizational commitment, job satisfaction, and engagement \((r = .59, p = .01)\).

Table 9

**Correlation among Study Variables**

<table>
<thead>
<tr>
<th></th>
<th>Organizational commitment, job satisfaction, and engagement</th>
<th>Customer-orientated behavior</th>
<th>Empowerment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational commitment, job satisfaction, and engagement</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer-orientated behavior</td>
<td>.31 (.20)</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Empowerment</td>
<td>.59* (.01)</td>
<td>.39 (.10)</td>
<td>1</td>
</tr>
</tbody>
</table>

\(N = 10; \quad **\text{Correlation is significant at the 0.01 level (2-tailed); *Correlation is significant at the 0.05 level (2-tailed).}\)

The final set of Pearson correlations were calculated among the empowerment constructs and the study variables (see Table 10). Organizational commitment, job satisfaction, and engagement were shown to be significantly and positively related to power \((r = .46, p = .05)\), information \((r = .47, p = .04)\), and knowledge \((r = .64, p = .00)\). Customer-orientated behavior was shown to be significantly and positively related to knowledge \((r = .58, p = .01)\).

Table 10

**Correlation among Empowerment Constructs and Study Variables**

<table>
<thead>
<tr>
<th></th>
<th>Power</th>
<th>Information</th>
<th>Rewards</th>
<th>Knowledge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational commitment, job satisfaction, and engagement</td>
<td>.46* (.05)</td>
<td>.47* (.04)</td>
<td>.36 (.13)</td>
<td>.64** (.00)</td>
</tr>
<tr>
<td>Customer-orientated behavior</td>
<td>.12 (.62)</td>
<td>.42 (.07)</td>
<td>.17 (.50)</td>
<td>.58* (.01)</td>
</tr>
</tbody>
</table>

\(N = 10; \quad **\text{Correlation is significant at the 0.01 level (2-tailed); *Correlation is significant at the 0.05 level (2-tailed).}\)
Interview Results

Six of the 10 participants surveyed were also interviewed as part of this study to gather more in-depth insights about their empowerment; organizational commitment, job satisfaction, and engagement; and customer-orientated behavior.

Organizational customer orientation. Organizational customer orientation refers to the environment the organization creates for customer-orientated behaviors. Table 11 presents the four themes that emerged regarding this construct. The first theme was that organization leaders need to provide direction and vision for employees to be customer orientated. One employee elaborated, “I can see a direction [at the firm level]. We need to simplify themes of customer requirements and have these as key.”

The second theme was that organizations need to allow employees to spend time being customer orientated and to provide recognition for such behaviors. One participant expressed, “...the doubt I am having now is the metrics may not allow me the time to invest in building relationships with clients.”

The third theme was concern over organizational practices that focus on choosing lower-cost consultants to stay within project budgets—rather than choosing those consultants who would deliver exceptional customer service. One participant commented, “Perception [of my high rate] is a big issue. My charge rate is a roadblock. It’s a factor. It makes it very difficult for me [to be staffed on projects and deliver exceptional customer service].”

The fourth theme was the value of customer orientation is starting to be recognized outside the team within the firm but that the practices need to be sustained. One participant shared, “The challenge is achieve internal buy-in that this is a credible practice to bring into cross team opportunities.”
Table 11

**Themes Concerning Organizational Customer Orientation**

<table>
<thead>
<tr>
<th>Theme</th>
<th>Description</th>
<th>Sample Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Direction and vision</td>
<td>A clear vision and direction needs to be established regarding what customer orientated performance looks like.</td>
<td>I can see a direction. We need to simplify themes of customer requirements and have these as key. A risk is that leadership might not have time [to support it] and then we may not have a team [to continue it] and the business might lose interest if it is slow process.</td>
</tr>
<tr>
<td>2. Allowance and recognition</td>
<td>I need time and recognition for my time and effort spent on customer relationship practices.</td>
<td>...the doubt I am having now is the metrics may not allow me the time to invest in building relationships with clients. Better handover would make a difference but no incentive for team members to go back and spend time; Metrics influence behavior and can drive against spending time on the hand over [of the project to the next team].</td>
</tr>
<tr>
<td>3. Value-focused project staffing</td>
<td>I offer high value and superior customer relationship practices. However, I may not have an opportunity to work with the client because my charge rate is too high for internal project managers to select me for the team.</td>
<td>Perception [of my high rate] is a big issue. My charge rate is a roadblock. It’s a factor. It makes it very difficult for me [to be staffed on projects and deliver exceptional customer service]. Charge rates are a real issue. I hear it in conversations.</td>
</tr>
<tr>
<td>4. Visibility</td>
<td>The value of customer orientation is starting to be recognized outside the team within the firm.</td>
<td>The way we have worked with clients and the direction is being recognized [internally] as positive. Perception is up. More awareness but can’t be complacent and I am willing to get out there</td>
</tr>
</tbody>
</table>

$N = 6$

**Customer relationship practices.** Customer relationship practices refer to the individual-level customer-orientated attitudes and behaviors employees put into practice. Table 12 presents the attitudes (two themes), behaviors (three themes), and outcomes (three themes) that emerged regarding this construct. Participants expressed that employees needed to value strong customer relationships and getting actively involved. One participant emphasized, “Getting to know customers so we can know how to help
them is important.” Another expressed, “Interaction with [internal and external] clients means getting to know people better. Knowledge of the client is important to them.”

Regarding important behaviors, the participants emphasized that all team members need to demonstrate customer orientation, gain immersion with customers by being out in the field with them, and to follow through and be consistent in their behaviors. One participant shared,

“If the whole team is not involved with the customers, then we have pushback from those not involved, such as a demand for results and speed to completion. Even when we put together feedback from the customers, it can be hard to get buy-in, as those not involved may not agree with client perception.

Table 12

Themes Concerning Customer Relationship Practices

<table>
<thead>
<tr>
<th>Theme</th>
<th>Description</th>
<th>Sample Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Attitudes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1a. Valuing strong customer relationships</td>
<td>Developing strong knowledge of and connection with clients is a key to success.</td>
<td>Client intimacy is quite key. Competitors offer similar products, so it’s about relationships. It’s a care factor. Care about customers. It’s a good conversation to have about value to the customer</td>
</tr>
<tr>
<td>1b. Valuing active involvement</td>
<td>Team members need to be motivated to actively demonstrate customer oriented behaviors.</td>
<td>I really want to be participative. At the end of the day, it’s customer satisfaction.</td>
</tr>
<tr>
<td>2. Behaviors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2a. Customer orientation throughout team</td>
<td>All team members need to actively demonstrate customer oriented behaviors.</td>
<td>It is inspiring to me to encourage teaming and collective achievement. Achieving success together is better than on your own. We need more consistency. It doesn’t solve the problem if the rest of team is not aware. We need more awareness of learning to get a systematic approach and help customers</td>
</tr>
<tr>
<td>2b. Immersion</td>
<td>Team members need to be out with the clients more.</td>
<td>What’s missing is we really need to spend more time at client sites. We are not client-facing enough Team spends a lot of time in the office. To understand client problems and value means talking to them about where we can step in and be helpful.</td>
</tr>
</tbody>
</table>
2c. Follow through and consistency
Team members must consistently demonstrated customer-orientated behaviors and be supported.

If we don’t see it through, there is nothing stopping us from going back to where we were, or worse.

These are good insights, but I’m worried it won’t get acted on by me and others. Like hearing a motivational speech, when you listen to it, it makes sense. But after a while, it fades a bit.

3. Outcomes

3a. Self-efficacy and ownership
I believe I can influence actions and outcomes on this engagement. I am on the front line and getting involved. I feel a personal sense of ownership over what happens to this client.

Involvement means you are ‘on the ground’ getting involved in the client conversation

I am very involved as I did the interviews. It’s part of the relationship with the client.

3b. Sense of reward
Team members can gain unanticipated personal and professional rewards as a result of being customer orientated.

It’s been educational. I learned handy tips on moving customer conversations to areas where we can help.

I learned important things to work towards and keep front of mind in what clients value: availability, affability, and ability.

3c. Contribution
I believe I offer something valuable to this client.

I like to think that the report is not on the shelf, in the filing cabinet, or in the shredder.

Value to the customer is key. At the end of the day, I want to have done a good job. And as a result of that, there is a value-add factor.

Regarding outcomes, participants shared that exhibiting customer-orientated behaviors left them with feelings of self-efficacy and ownership, reward, and having made a contribution. One participant emphasized, “It inspires me to have delivered something the client is happy with, is utilized and something that has added to what the client is doing.”

Production performance. Production performance refers to the actions involved in producing, doing work, and serving customers. Table 13 presents the two themes that emerged regarding this construct. The first theme was that efficiency and quality in all things, from small to large tasks, need to be enhanced. One participant explained, “It even
goes across little things. Even room bookings. It sounds minor, but we need to be efficient with clients.” The second theme was that the outcomes clients experience as a result of the firm’s work must bring them value. One participant expressed, “It really depends on what the team wants to achieve. . . . It is important to offer something.”

**Table 13**

*Themes Concerning Production Performance*

<table>
<thead>
<tr>
<th>Theme</th>
<th>Description</th>
<th>Sample data</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Efficiency and quality</td>
<td>Efficiency and quality in all things, from small to large tasks, need to be enhanced.</td>
<td>It even goes across little things. Even room bookings. It sounds minor, but we need to be efficient with clients.</td>
</tr>
<tr>
<td>2. Value-add focus</td>
<td>Outcomes for clients must bring them value.</td>
<td>It really depends on what the team wants to achieve. . . . It is important to offer something.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Want to deliver…something that has added to what the client is doing</td>
</tr>
</tbody>
</table>

*Customer satisfaction*. Customer satisfaction refers to the customer-level impacts of the work being performed. Table 14 presents the three themes that emerged regarding this construct. The first theme was that customers want superior customer value and connection, meaning they want to know the firm cares about them. One participant explained, “It’s a care factor—caring about customers.” The second theme was that customers desire consistency in contact and service from the firm. One participant elaborated, “Customers want consistency—for example, having the same manager. Clients want that.” The third theme was that customers want the firm to focus on and understand their demands and needs. One participant explained, “I always want to make things work for clients. The interview process made me see factors they value and helps me see how to work.”
Table 14

Themes Concerning Customer Satisfaction

<table>
<thead>
<tr>
<th>Theme</th>
<th>Description</th>
<th>Sample data</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Superior customer value and connection</td>
<td>Customers want to know the firm cares about them.</td>
<td>It’s a care factor—caring about customers.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Talking to them about where we can be helpful is valuable.</td>
</tr>
<tr>
<td>2. Consistency</td>
<td>Customers desire consistency in contact and service from the firm.</td>
<td>Customers want consistency—for example, having the same manager. Clients want that.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>What’s missing is consistency that reinforces relationships and builds connection and keeping in touch; clients want to have continuity of manager</td>
</tr>
<tr>
<td>3. Focus on customer needs</td>
<td>Customers want the firm to focus on and understand their demands and needs.</td>
<td>It inspires me when clients call you back and are happy to have you back</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I always want to make things work for clients. The interview process made me see factors they value and helps me see how to work.</td>
</tr>
</tbody>
</table>

\(N = 6\)

Financial performance. Financial performance refers to the firm-level performance outcomes that result from the firm’s activities. Table 15 presents the three themes that emerged regarding this construct. The first theme was that customer orientation leads to happy customers and, in turn, business results. One employee explained, “Learning new information on customer needs is potential revenue. It’s an asset for the firm. I grow and the firm grows.” The second theme was that happy clients become returning clients. One participant explained, “If engaged to do a job and do it well, the client will come back.” The third theme was that the firm needs to experience a measurable return on their investment in customer orientation. One participant elaborated, “There is potential and decisions to make. How much is enough? The key issue is continuing to give intellectual property and thought leadership and getting zero back. When giving above and beyond, where do you stop?”
Table 15

**Themes Concerning Financial Performance**

<table>
<thead>
<tr>
<th>Theme</th>
<th>Description</th>
<th>Sample Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Promotes business health</td>
<td>Customer orientation leads to happy customers and, in turn, business results.</td>
<td>Learning new information on customer needs is potential revenue. It’s an asset for the firm. I grow and the firm grows.</td>
</tr>
<tr>
<td>2. Yields return business</td>
<td>Happy clients become returning clients.</td>
<td>If engaged to do a job and do it well, the client will come back. They call you back and are happy to have you back.</td>
</tr>
<tr>
<td>3. Return on investment must be seen</td>
<td>Need to make sure that customer orientation efforts yield a return for the firm and has enough scale.</td>
<td>Do we have enough size of clients, scope to add value, and is enough revenue happening from this? There is potential and decisions to make. How much is enough? The key issue is continuing to give intellectual property and thought leadership and getting zero back. When giving above and beyond, where do you stop?</td>
</tr>
</tbody>
</table>

\[N = 6\]

**Summary**

This chapter reported the results of the study. Survey results showed that participants’ responses from the pre-test to post-test were statistically similar regarding the power they had over their work; the communication practiced within the firm; the rewards given within the firm; the training offered by the firm; their empowerment at the firm; and their level of organizational commitment, job satisfaction, and engagement. The participants agreed they exhibited customer-orientated behavior. These scores were not statistically different from the pre-test to the post-test.

The empowerment constructs were positively and significantly correlated, with the exception of rewards. Additional significant positive relationships were exhibited between empowerment and organizational commitment, job satisfaction, and engagement. Customer-orientated behavior was shown to be significantly and positively related only to knowledge as a construct of empowerment.

Needed organizational supports for customer-orientated behaviors included direction and vision, allowance and recognition for these behaviors, value-focused project
staffing, and visibility. Needed customer relationship practices among employees include (a) supportive attitudes, such as valuing strong customer relationships and active involvement and (b) supportive behaviors such as customer orientation throughout team, immersion, and follow through and consistency. When employees exercise these, they tend to experience beneficial outcomes such as self-efficacy and ownership, a sense of reward, and feeling that they have made a valuable contribution. During production and performance, organizations and their employees need to focus on efficiency, quality, and adding value.

Reported outcomes for clients using a customer-orientated approach include superior customer value and connection, consistency in contact and service, and employees showing a focus on customer needs. Firms also experience outcomes from customer orientated practices. These include business health and return customers. Participants also cautioned that firms need to experience a measurable return on their investment to continue these practices.
Chapter 5

Discussion

This study examined the impacts of a high-involvement approach to enhancing customer satisfaction within a professional services firm. Four research questions were defined:

1. What organizational factors support a results-focused and customer-focused high-involvement initiative?
2. What employee attitudes and behaviors support a results-focused and customer-focused high-involvement initiative?
3. What is the impact of a results-focused and customer-focused high-involvement initiative on employees?
4. What are organizational impacts of a results-focused and customer-focused high-involvement initiative?

This chapter summarizes the study results. The following sections provide a summary of findings and outline the conclusions, implications and recommendations, limitations, and suggestions for future research emerging from this study.

Summary of Findings

The first research question asked what organizational factors support a results-focused and customer-focused high-involvement initiative. The study results suggested that the key factors were (a) supportive leadership that provides direction and vision of what customer orientation looks like; (b) a supportive organizational environment that values, allows time for, and recognizes employees’ customer-orientated behaviors; and (c) having the ability to identify a measurable return on investment stemming from customer-orientated behaviors.
Employees indicated strong interest and use of customer-orientated behavior on the survey. These data were corroborated by the interview data. They also expressed the need to balance a client relationship focus with getting the work done. This balance was necessary to ensure that the firm and customers (and, in turn, the employees) received bottom-line benefits to the behaviors. The employee attitudes and behaviors associated with a high-involvement, customer-orientated work system include valuing customer relationships, desiring to be involved with clients, and spending time with clients; taking ownership over what happens to the client; and using customer-orientated behaviors with consistency, caring, and follow-through.

The study results also suggested that employees tended to experience improved self-efficacy, ownership, a sense of reward, and feeling that they have made a valuable contribution when they got involved in high-involvement, customer-orientated behaviors. Additionally, the study results suggested that a significant, positive relationship exists between empowerment (in the form of power, information, and knowledge) and organizational commitment, job satisfaction, and engagement. Anecdotally, the researcher also noticed that the interaction within the team increased over the course of the study. Their interaction and their awareness of the interaction also increased. Importantly, based on participants’ self-report, the increases were not in the form of more time spent; instead, it has been in the form of better interaction (e.g., incorporating customer-orientated questions, listening more, and working on the relationship while doing the work).

The study results suggested that firm-level impacts of high-involvement customer-orientated practices include business health and return customers. Cai (2009) cautions that these kinds of results are seen only when the customer-orientated behaviors
result in practical value to the customer. These results appear to be consistent with the findings of the present study. Additionally, it is important to assure that customer-orientated behaviors are aligned with the business model, strategy, and desired goals.

**Connection to the Literature**

The present study’s findings are consistent with several past studies and existing theories reviewed in chapter 2 regarding supportive organizational factors. For example, promoting firm-wide customer orientation was linked to the successful implementation of customer relationship practices (Cai, 2009; Jamrog, Vickers, Overholt, & Morrison, 2008). Rich et al. (2010) further found that higher levels of perceived organizational support were associated with higher levels of employee engagement. This could be because the internal organizational climate (how employees are treated at work) gets transmitted to customers (Schneider & Bowen, 1993).

At the same time, Peccei and Rosenthal (2001) argued that organizational support was a necessary but insufficient condition for a firm to become customer orientated. Instead, they argued that all parties (e.g., all firm employees) need to be trained in order to practice appropriate customer-orientated behaviors and to help optimize the output of the whole system. They explained that employees must have the competence as well as awareness and agreement with organizational goals and values on customer service for their customer-orientated behaviors to be fruitful for the firm. If training is absent, the greater interaction by employees will, at best, be of no benefit and, at worst, actually be damaging. Peccei and Rosenthal also explained that customer care training can increase employees’ felt competence and internalization of customer service values. Organizations also must institute performance management to ensure that goals are met and the process moves along at a steady pace.
Researchers also agreed that comprehensive evidence of a financial benefit of customer-orientated behaviors is important. Lawler’s (2009) study of stock market analysts showed they had trouble linking such high involvement practices to financial performance. This could also be true of stakeholders of a team within a large firm. Lawler (1999) commented that even understanding there is a return may not result in supportiveness by the firm if there no major performance problem preceded the push toward customer orientation.

The present study’s findings regarding supportive employee attitudes and behaviors also are consistent with Cai (2009), who emphasized that a balance between productivity and customer relationship building was necessary to achieve effectiveness. Cai elaborated that customers are concerned with production performance, meaning that if customer-orientated behaviors do not result in production performance, then they do not enhance customer satisfaction. Macky and Boxall (2007) cautioned that some situations may exist where employees do not want to be tasked with exhibiting customer-orientated behaviors and simply want to focus on the work. Macky explained that high-involvement, customer-orientated work systems can intensify the work and this may not be suitable for all employees. Therefore, selective hiring is important.

Conclusions

The findings were reviewed and conclusions drawn for each research question. The conclusions are:

1. Leaders need to provide direction and vision of what customer orientation looks like. A supportive organizational environment that values, allows time for, and recognizes employees’ customer-orientated behaviors also needs to be constructed to achieve firm-wide customer-orientation. The measurable return on investment stemming
from customer-orientated behaviors also needs to be determined to support ongoing customer orientation.

2. Employees who are customer-orientated tend to value customer relationships, desire to be involved with clients, and spend time with clients. They also tend to take ownership over what happens to their clients and work with consistency, caring, and follow-through regarding their clients.

3. Customer-orientated employees tend to experience improved self-efficacy, ownership, a sense of reward, and feeling that they have made a valuable contribution. Work attitudes and behaviors such as empowerment, organizational commitment, job satisfaction, and engagement also tend to result.

4. Customer-orientated firms tend to experience improved business health and more return customers.

Implications and Recommendations

Implications of these findings for organization leaders, employees, and OD practitioners are evident and bear explication. Implications and recommendations for each group are discussed in the sections below.

Organization leaders. Four suggestions for organization leaders are evident from this study:

1. Assure that customer orientation aligns with the firm’s strategy, the client’s needs, and the employees’ capabilities. Additionally, high involvement should be used only to the extent it aligns with the overall intended market niche, strategic direction, and business model of the firm. Similarly, a customer-orientated approach should be used only where it meets the needs and desires of the client and aligns with the employee’s ability to deliver this kind of approach. That is, the adage of “treat your employees well
and they will deliver superior service” is sound; however, it is not that simple. For example, it is important to consider whether high-involvement and customer orientation means that employees’ jobs will change. If the jobs change, it follows that leaders must consider whether the company’s employees are ready for this change. That is, do the employees’ capabilities need to change? Or are different employees needed altogether?

2. Design customer-orientated behaviors into performance of the work. The study results suggested that employees want to know their skills can be used to help customers. Thus, employees may be more motivated by developing their connection to customers and helping them rather than by being asked to support a firm initiative on customer care. However, effective customer orientation involves managing multiple dimensions. This complexity, combined with employee concerns about billable time, suggests that it would be helpful to make customer orientation part of employees’ daily work so that it is not added (and unpaid) extra work for them. Employees also could be encouraged that exercising customer-orientated behaviors and skills can enable them to develop their personal brand (with supporting stories) of helping and contributing to clients.

3. Adjust metrics to reward and not discourage customer orientation. Organizations also need to resist over-managing by metrics, such as requiring employees to meet a specific utilization rate (percentage of hours billed to clients per period) to receive rewards and advancement. Focusing too heavily on such metrics can reduce employees’ attention to customer relationship practices; as such practices may not constitute billable time. It is important to remember that what gets measured in the organization is what gets done by employees. Performance metrics should not create a short-term focus on billable hours at the expense of building customer relationships. Employees’ engagement, sense of ownership, and customer-orientated behaviors tend to
increase if employees perceive that organizational support exists for customer-orientated behaviors. Therefore, allowing for and supporting these practices—even if it detracts in the short-term from billable time—may lead to longer term benefits for the organization. This could be accomplished by designing ways to support employees in being customer orientated (e.g., through training, rewards, recognition).

4. Measure the financial benefits of customer orientation. Some may argue that firms should be customer orientated on principle alone. However, the firm must yield a financial return on practicing customer orientation behaviors if it is to stay healthy. It follows that the financial impact of practicing customer orientation behaviors must be measured and clearly communicated. Although this can create a recursive loop that reinforces customer-orientated behavior, it is important to understand that it takes time for a return to result.

Employees. Three recommendations are offered to employees:

1. Determine one’s commitment level to customer orientation. Employees need to find out how much customer orientation is needed in their jobs and determine if they are ready and willing for to perform that. If employees believe or discover they have any skill gaps, they should be proactive in filling these gaps through training, experience, or other means.

2. Build a personal brand. The study data revealed employees’ concern about being excluded from projects due to their billable rate. The data also revealed some employees’ expressed desires to continue a customer-orientated approach and a simultaneous concern that these behaviors may not be recognized or supported. Team members noted it would be helpful to build a personal and team brand within their firms that connect to return on investment to win client and firm support of high-involvement
and customer-orientated activities. For example, they could collect case stories and real-life examples that demonstrate these behaviors and how they contribute to tangible returns for the firm and value for clients.

3. Alternate investment in customer orientated practices with billable work. The study data revealed that the time frame for yielding a financial return on customer orientated practices is unclear. Although employees with proven track records may be able to weather the gestation period needed for customer-orientated behaviors to yield financial results, new employees to the firm may not be able to do so. Therefore, it would be helpful to alternate pilot efforts focused on building customer relationships with billable work to allow employees to balance strategy investments with making money. Although the firm yields short-term revenue through billable work, it may experience long-term negative impacts if employees cannot afford to invest in customer relationships.

**OD practitioners.** In addition to supporting organization leaders and employees in the recommendations outlined in previous sections, OD practitioners should be aware that nearly every major feature of the firm may need to be redesigned when instituting a high-involvement, customer-orientated work system. This requires attention to the way work is organized, rewards are determined and administered, and a host of other organizational design elements. It often is helpful to redesign the firm through a series of pilots and prototypes that are delivered over time to assure that the changes are effective in helping the organization and its people move closer toward the goal (Lawler, as cited in Harmon et al., 2003). The practitioner needs to be mindful that many see high involvement approaches as desirable and would perceive they are operating such practices; hence without rigorous assessment there may be diverging opinions of the need
high involvement interventions. It also is important to keep in mind that time is needed for the positive benefits of high-involvement, customer-orientated behavior to be realized.

**Limitations**

Several limitations affected the study and need to be considered for their impact on the study:

1. The study utilized a relatively small sample drawn from within one organization. Additionally, this study focused on a professional services firm; therefore, the employees’ preferences and perspectives related to learning, growth, empowerment, and customer-orientation may vary substantially from those of employees in other industries. The participants also were relatively well paid and, thus, focused on other kinds of rewards (e.g., knowledge, information). It may be that lower paid employees might show different relationships to rewards. Due to these limitations, the findings should be considered exploratory and cannot be generalized to other populations. Future studies could avoid or reduce this limitation by drawing a larger sample and drawing representatives from across a range of industries.

2. The study utilized a fieldwork design, which is conducted in the “real world” rather than a lab. Therefore, several known and unknown variables confound the results. This is a delimitation of non-experimental designs; however, future studies could take care to identify and attempt to measure the effect of confounding variables.

3. The study was conducted over a short time span. Therefore, it was not possible to gather data about the medium- and long-term impact of the employees’ actions on customers. Future studies could avoid or reduce this limitation by utilizing a longitudinal design.
4. The quantitative portion of the study relied on a Likert scale, which might explain to some degree why the majority of the responses yielded neutral responses. The qualitative portion of the study relied on self-reported data, which are subject to socially desirable answering (participants providing answers that place in a favorable light) and hypothesis guessing (participants providing answers that align with the researcher’s purpose) (Creswell, 2009). Moreover, no empirical data were gathered to measure the organizational or customer impacts of high-involvement customer-orientated behaviors. Future studies should use other data collection methods such as observation, unobtrusive measures, or 360-feedback from customers and managers to reduce or avoid this limitation.

**Directions for Additional Research**

Continued research would be helpful for confirming and extending the results of this study. One specific suggestion is to conduct a longitudinal study over a period of 2 or more years to examine the longer term impacts of a high-involvement, customer orientated work approach on employees, customers, and organizational financial performance. Increasing the number of companies, employees, and industries involved in the study also would be helpful for generating transferable results.

Another suggestion for continued research is to examine this issue from the client’s perspective to gain their insights about the purpose, design, and impacts of a high-involvement, customer-orientated approach. While this study attempted to gather some initial findings about this, the clients themselves bring a critical and unique perspective to the issue that would benefit firms and their employees.
References


Appendix A: Study Invitation
Dear (Name):

I am currently a graduate student at Pepperdine University and working to achieve my Master’s Degree in Organizational Development (MSOD). Part of our course work includes a thesis project. I have chosen to focus on the affects of high-involvement work systems. The study I am conducting specifically focuses on improving business outcomes through high-involvement work systems addressing customer satisfaction issues.

The Melbourne Actuarial Services team and the General Insurance Actuarial Services teams will be part of the study. The study includes a survey of members of the team pre and post team members engaging with customers around account management and customer satisfaction feedback. I will also conduct a number of interviews of team members discussing possibilities arising from customer satisfaction feedback.

Participation in both the survey and interviews is voluntary and optional. You may decide not to participate or drop out at any time. It is completely up to you.

The information gathered through the study will remain confidential and detailed, specific information including your name and role will be excluded from any report shared with others. I will be the only person who has access to your specific answers and information you choose to share during the interview process.

If you are comfortable in participating in the study, please sign the attached consent form. Please feel free to contact me if you have any questions or concerns. You may also contact my research supervisor, Miriam Lacey, PhD. at [contact information] or [contact information] for further information. I appreciate your consideration and look forward to working together soon.

Thank you,

Andrew Matthews
[contact information]
Appendix B: Consent Form
Participant Consent Form

Study Title: Exploring High-involvement work Systems in Professional Services

Purpose: The purpose of this study is to conduct an action research project to improve business outcomes through high-involvement work systems addressing customer satisfaction issues. This study is being conducted as part of a requirement for a Master of Science in Organization Development degree through the Pepperdine University, under the supervision of Miriam Lacey, Ph.D. If you have questions or concerns please confer with the researcher or you may contact Dr. Lacey directly at 1-310-568-5598.

Procedures: Participation is on a volunteer basis. Volunteers will participate in an online survey and, following interactions with customers and team member review of customer interactions, a sample of team members will be interviewed on process of involvement and empowerment around choosing actions based on customer satisfaction opportunities. The email/online survey will also be repeated towards the end of the study to gather information on any impacts on empowerment, engagement and customer orientation over the period of the study. The one on one interviews will be around 45 minutes in length.

Participation: Participation in this study is completely voluntary. Those who decide to participate as well as those who choose not to participate will not receive any special accomodations or consequences within the firm. It is the right of any participant to remove themselves from the study at any time for any reason. Should you choose to volunteer you may refuse to answer any question or portion of a question for any reason without risk. Choosing to not participate will have no consequence to you or to the researcher.

Confidentiality: Information shared with the interviewer will remain confidential. Everyone’s answers will be combined into an aggregate response to enhance the health and safety of our services. Your name will remain confidential and other employees of the firm will not have access to specific information.

I understand the parameters of the study and agree to voluntarily participate in the study:

Signature of Participation       Date:
Appendix C: Online Survey
Survey

(Answer scale: 5 point Likert scale from strongly disagree to strongly agree plus N/A)

Empowerment - Power, Information, Reward, and Knowledge scales
1. I have sufficient authority to fulfil my job responsibilities.
2. I have enough input in deciding how to accomplish my work.
3. I have enough freedom over how I do my job.
4. Firm goals and objectives are clearly communicated to employees.
5. The channels of employee communication with top management are effective.
6. Firm policies and procedures are clearly communicated to employees.
7. Most of the time I receive sufficient notice of changes affecting my work group.
8. There is a strong link between how well I perform my job and the likelihood of my receiving a raise in pay/salary.
9. There is a strong link between how well I perform my job and the likelihood of my receiving high performance appraisal ratings.
10. Generally, I feel this firm rewards employees who make an extra effort.
11. I am satisfied with the amount of recognition I receive when I do a good job.
12. Education and training are integral parts of this firm’s culture.
13. I have had sufficient/adequate job related training.
14. If I felt that I needed more job-related training, the firm would provide it.

Organisational commitment, job satisfaction, engagement
15. If I had to do it all over again, I would still go to work for this firm.
16. I talk up this organization to my friends as a great organization to work for.
17. This organization really inspires the very best in me in the way of job performance.
18. I have a high level of satisfaction with my job.
19. I have a high level of engagement in my role.

Customer-orientated behavior
16. I am always working to improve the service I give to customers.
17. I have specific ideas about how to improve the service I give to customers.
18. I often make suggestions about how to improve customer service in my department.
19. I put a lot of effort into my job to try and satisfy customers.
20. No matter how I feel I always put myself out for every customer I serve.
21. I often go out of my way to help customers.

References:

Appendix D: Interview Questions
Interview Questions

1. *What is it that inspires you most about interacting with our customers and creating goals together with other team members around customer satisfaction opportunities?* (Invitation)

2. *What is the crossroads that you see at this stage around the business goal of increased ‘client intimacy’?*
   a. *What is it that is working well?*
   b. *What is missing that if in place would make a difference?*

3. How invested and participative do you plan to be in commitments to engaging in actions relating to customer satisfaction opportunities? (Ownership)

4. To what extent do you see yourself as part of the cause of what you are trying to fix? (Ownership)

5. What are your doubts and reservations regarding team and business plans around customer satisfaction opportunities? (Dissent)

6. *What promise are you willing to make to your team that constitutes a risk or major shift for you?* (Commitment)

7. What gifts have you received from others in the team or business? (Gifts)