Organisational Frontline Participation – Towards An Extended Framework

Abstract
As technology-facilitated transactions have become an integral part of firm service delivery, it is important to understand the influence of various types of interfaces on the satisfaction of customers. This research extends the organisational frontline research by developing a conceptual framework using the sociotechnical systems and intelligence theories. We propose organisational frontline participation types affect customer satisfaction which is mediated by personal connection quality and moderated by service complexity. We also propose that customer-level, employee-level, and organisational-level CQ predict customer satisfaction which mediated by personal conncetion quality and moderated by customer ethnocentrism. These propositions help managers better understand the influence of organizational frontline participation types on customer satisfaction and plan the service encounters more effectively. It also indicate cultural intelligence will help to optimise the service-related outcomes.

Keywords: *Self-service technology, personal connection quality, cultural intelligence*

Introduction and Research Aim

Technology-facilitated transactions have become an integral part of firm service delivery in the current fast-paced world. Rapid growth in information technology, technological advances and the emergence of new business models have contributed to the use of self-service technology (SST) by firms enabling customers to take on new roles in the provision of products and services. SST is more efficient and convenient to firms and their customers, organisations of all sizes are increasingly using SST to operate more productively in the quest to serve better their customers (Ramaseshan et al., 2015). The change has redefined the interaction of customers with the organisation by shifting the customers encounters with frontline employees to a combination of frontline employees and SST or by having SST alone for the exchange.

The organisational frontline research focusses on the service encounter between the customer and the organisation. Singh et al. (2016) define organisational frontline as "the study of interactions and interfaces at the point of contact between an organisation and its customers that promote, facilitate, or enable value creation and exchange". With the technological advancement intersecting with frontline interactions, organisations tend to benefit from customers satisfaction. Besides, the world is interconnected through the rapid rise in international travel and migration. As a result, the number of international migrants worldwide has increased exponentially.

There are significant differences among individuals, organisations, institutions, industries, and countries in terms of how far they are competent, committed, and ready to embrace cultural diversity and how they can play their role to be successful in a multicultural context. Thus, the service encounters will be intercultural in any organisation with all its stakeholders from the different cultural origin, and this calls forth the need to understand the influence of cultural intelligence on organisational frontline participation types (OFP), personal connections and customer satisfaction. Also, the ethnocentrism of an individual influence the interactions happening in a culturally diverse environment. Therefore, the objectives of this study are the following:

1. Investigate the influence of organisational frontline participation types on customer satisfaction.
2. Explore the mediating role of personal connection quality in the influence of organisational frontline participation types on customer satisfaction.
3. Understand the intervening role of service types based on levels of involvement.
4. Investigate the role played by cultural intelligence on personal connection quality and customer satisfaction and its moderating role.
5. Understand the intervening role of customer ethnocentrism in the framework.

Background and Conceptual Model

We ground our research in sociotechnical systems theory (Pasmore, 1988). The term "sociotechnical systems" was coined by Trist (Trist et al., 1963) who viewed organisation from the perspective of the interrelatedness between social and technical subsystems in relation to their operational environments. Pasmore (1988) argued that organisation "will function optimally only if the social and technical systems of the organisation are designed to fit the demands of each other and the environment" (p. 1182). The demands include the service provider performance and service delivery outcomes focussed on fulfilling the customer needs. The organisation adopts various types of interfaces having employees in the frontline and/or SSTs to serve the customer during service delivery better. We suggest that the sociotechnical systems perspective gives clarity to understand the impact of organisational frontline participation types and cultural intelligence on personal connection quality and customer

satisfaction through the interplay between the technical and social systems in the service environment.

Organisational frontlines comprise of interfaces and interactions at the point of contact between organisation and customers. The interfaces used to be frontline employees initially is getting replaced by SSTs due to technological advancements leading organisations to decide the optimal interface for seamless interaction. Therefore, the current study proposes a conceptual model to understand the influence of frontline participation with various interfaces on personal connection quality and customer satisfaction (see figure 1).

Organisational frontline participation types. Dabholkar (2015) defines customer participation as "the degree to which the customer is involved in producing and delivering the service". The concept is related to the active role played by the customer in any service. Customers of the service-dominant logic take efforts in co-producing a service by participating proactively (Chan et al., 2010). OFP is conceptualised in the current study as the interaction of customers in a specified interface. In the study, we consider three types of interfaces – SST interface, SST interface in employee presence, and employee interface and the influence these interfaces will have on the interaction of customers will be different.
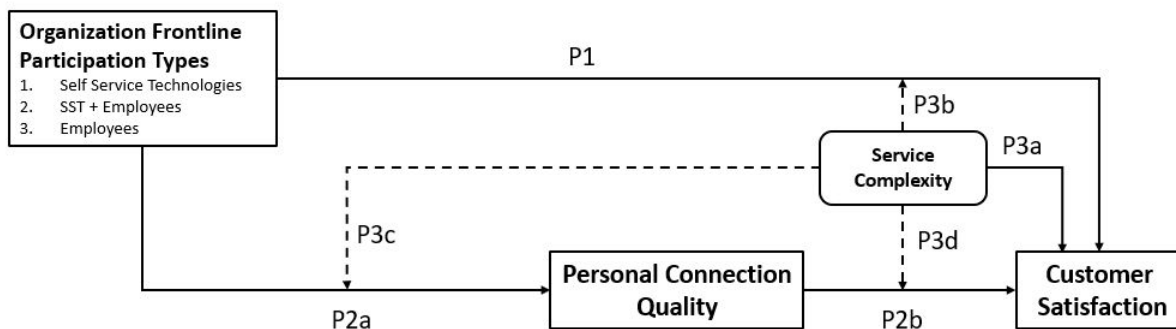

Figure 1: Conceptual Model

Customer satisfaction. The outcomes of services could be positive or negative for a service provider or customers or both. Participation of customers in a service encounter could lead to both positive and negative service outcomes, and hence it may not be desirable always (Chan et al., 2010). Numerous works of the literature identified the linear and continuous influence of participation on customer satisfaction, however, Dong et al. (2015) identified the relationship to be non-monotonic. Ajitha et al. (2019) conceptualised the differential influence of participation types on various service outcomes, including customer satisfaction. Hence, we propose:

P1: OFP types have a differential impact on customer satisfaction.
Personal connection quality. It is the customers' perception of enjoyable interaction with a service employee or a technology frontline (Wirtz et al., 2018). Personal connection is conceptualised as connection formed between organisation and customer when the interaction happens in the interface at point of contact. With an increase in personal connection quality, customers will get satisfied with their encounter with the service. Hence, we propose:

P2: Personal connection quality partially mediates the influence of OFP types on customer satisfaction.
Service complexity. Jacobs (2013) identifies complexity as a property that stems from the characteristics of multiplicity (high number of components) and relatedness (high degree of interconnection between components). The complexity of the service is comprised of the

complexity of multiple task that the customer needs to handle while in service encounter and it may influence the participation of customer with the interface provided in the service encounter creating an impact on their satisfaction. According to social cognitive theory (Bandura, 1977), the customer may choose a simple task over a complex task. Hence, we propose:

P3a: Service complexity negatively influences customer satisfaction.
Moderation effect of service complexity. The mediated path OFP – personal connection quality – customer satisfaction will be moderated by service complexity (high vs. low) based on social cognitive theory (Bandura, 1977). The service complexity interacts with participation with the interface during the service encounter; high complexity of the service will make the interface interaction of the customer difficult compared to low complexity. The key support for this expectation is found in Wood (1986), who argues that complexity is based on the information cues an individual need to process for performing a task. Previous literature on task complexity specifies that high task complexity demands more cognitive resource due to the increase in information processing requirements (Speier and Morris 2003). The cognitive capacity of the individual may be influenced adversely when the information processing exceeds a certain limit leading to a negative impact on their performance (Kamis et al. 2008). Hence the service complexity is likely to moderate the direct and indirect relationship between OFP and customer satisfaction. Hence, we propose:

P3b: Service complexity moderates the influence of OFP on customer satisfaction.
P3c: Service complexity moderates the influence of OFP on personal connection quality.
P3d: Service complexity moderates the influence of personal connection quality on customer satisfaction.

An Extended Framework
The service encounters currently are mostly intercultural as the world is becoming interconnected through the rapid rise in international travel and migration. The intercultural service encounters present a tremendous opportunity due to the positive impact of diversity on the creativity and quality of collaborative innovation. However, it poses many challenges for service organisations due to negative cultural stereotypes, disagreements, disputes and maybe even a drop in organisational and individual employee productivity. Hence, it is important to understand the cultural intelligence (CQ) of service encounters (e.g. employees, SSTs) as it helps in good interaction with customers from other cultures. It is important for multicultural organisations to have suitable strategies to increase the performance and competitive advantage of the organisations such as hiring employees who are intercultural competent (Sharma & Wu, 2015) and programming the SSTs in order to be more efficient when they are used by customers from different cultural and linguistic backgrounds. Therefore, the current framework is extended to incorporate cultural intelligence to consider intercultural service encounters and the extended framework is presented in figure 2.
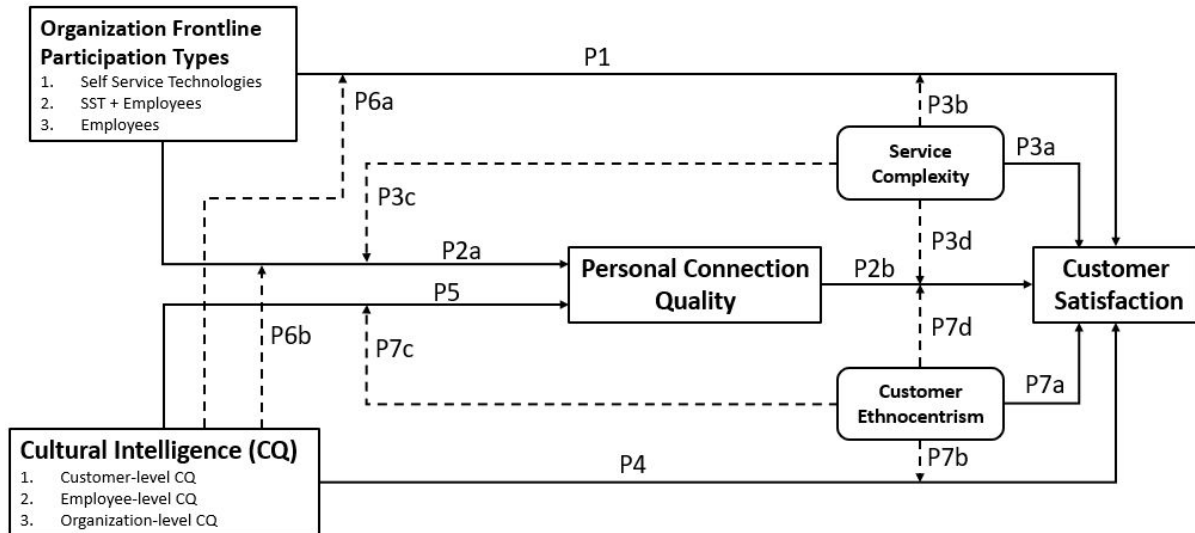
Figure 2: Extended Framework

Cultural Intelligence. The concept of *CQ* depicts the capability to gather, interpret, and act upon different cues to function effectively across different cultural settings (Sharma et al., 2009). Theory of successful intelligence explains the success and failure of an individual in a cross-cultural situation. Results of previous studies indicate that successful customer outcomes. Thus providing satisfactory services to customers not only requires employees to understand customers' needs but it also requires SSTs to be culturally intelligent to respond to the needs of customers from different cultures more effectively. Hence this study proposes:

P4: Cultural intelligence has a positive influence on customer satisfaction
P5: Personal connection quality mediates the influence of cultural intelligence on customer satisfaction.

Moderating effect of CQ. Based on the service-dominant logic, customers are the proactive co-creators of value, and their participation leads to their satisfaction (Chan et al., 2010). As building relationship between customers and employees is significant in CP and the cultural background of the service provider and customers affect their norms and expectations (Chan et al., 2010; Patterson et al., 2006), in ICSE, understanding various cultures and being skillful in intercultural interactions can facilitate this relationship. The strength of relationship that CP has on PC and CS will be moderated by CQ (high vs. low) based on the self-efficacy theory. In ICSEs, CQ is a type of self-efficacy which has a positive relationship with successful intercultural interactions. Employees with high CQ are resilient in the face of diversity and are knowledgeable, skillful, and motivated to get involved in culturally diverse situations. Similarly, SSTs that are culturally intelligent are helpful to the provision of effective services in culturally diverse situations.

P6: Positive effect of OFP on (a) customer satisfaction (b) personal connections will be stronger (vs weaker) for higher (vs lower) levels of CQ.

Customer ethnocentrism and its moderating effect. Ethnocentrism outlines the propensity to think one's group or nation culture is better than others and it results in out-group devaluation (Young et al., 2017), influencing individual's cultural competence (Sharma & Wu, 2015) and CQ (Young et al., 2017). Supported by the similarity attraction theory, individuals mostly prefer to interact with others with similar behavioural expectations. Ethnocentrism as a cultural attitude can predict if individuals behave in an inter-culturally appropriate way or not and by

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having a negative nature, it adversely affects the interactions of culturally diverse individuals (Young et al., 2017) which causes conflict and misunderstanding (Young et al., 2017).

P7a: Customer ethnocentrism has a negative influence on customer satisfaction.
P7: Customer ethnocentrism moderates the influence of (b) OFP on customer satisfaction, (c) OFP on personal connection quality (d) personal connection quality on customer satisfaction.

Proposed Methodologies
The above propositions may be tested using appropriate empirical methodologies, which may include lab or field experiments and experience surveys using criticial incidence technique (CIT). For example, researchers may design experimental studies in which they can manipulate the types of organisational frontline participation and service complexity using imaginary scenarios while measuring the three types of CQ and other variables, including personal connection quality, ethnocentrism and customer satisfaction. Alternatively, they may ask the participants to recall a recent event where they experienced frontline participation and record all the variables in the model accordingly. Finally, the researchers may use the relevant tools and techniques to analyse their data, such as Structural Equation Modeling using AMOS.

Implications for Theory and Practice
The study will attempt to address the research gaps through a conceptual framework comprising of 15 testable hypotheses.

Theoretical Contribution. First, the study considers organisational frontline participation and attempts to understand the differential influence of various types of interfaces on customer satisfaction hence extending the customer participation literature and organisational frontline research. Second, the study attempts to understand the personal connection quality formed during the interaction of customers with various types of interfaces. The study also considers moderating role of service complexity and contributing to the literature. Since service encounters are largely multicultural, the study is attempting to understand the influence of cultural intelligence of the interface of service encounter hence contributing to the services marketing and online frontline research. Finally, the study contributes to the sociotechnical systems theory by considering it in the organisational frontline research.

Managerial Contribution. The proposed study contributes to managers in multiple ways. Understanding more about the influence of OFP types on customer satisfaction would enable firms to better understand the influence of various types of interfaces on the satisfaction of the customer. This enables the organisation to plan the service encounters more effectively. The interaction of customers with the interface during a service encounter will have higher amount of implications on determining the quality of the personal connections formed which is positive for any organisation. In addition, the cultural context is also captured in the study and this enables the managers to understand how well the cultural context intervenes with the various types of interfaces and its influence on improving customer satisfaction and personal connections. Cultural intelligence of the interface (employee, self-service technologies, organisation) will help to optimise the service-related outcomes.

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