

market and financial results of managing people. A service advantage can be phenomenal. Good service, allied with strong management leadership at

all levels often lead to a sustainable competitive advantage. It is probably harder to duplicate high-performance human assets than any other corporate resource.

## REVIEW QUESTIONS

1. Discuss the role that service personnel play in creating or destroying customer loyalty.
2. What is emotional labor? Explain the ways in which it may cause stress for employees in specific jobs. Illustrate with suitable examples.
3. What are the key barriers for firms to break the cycle of failure and move into the cycle of success? And how should an organization trapped in the cycle of mediocrity proceed?
4. List five ways in which investment in hiring and selection, training, and ongoing motivation of employees

- will pay dividends in customer satisfaction for such organizations as (a) a restaurant, (b) an airline, (c) a hospital, and (d) a consulting firm.
5. Identify the factors that favor a strategy of employee empowerment.
6. Define what is meant by the control and involvement models of management.
7. Identify the factors needed to make service teams successful in (a) a hotel and (b) a restaurant.
8. How can a service firm build a strong service culture that emphasizes service excellence and productivity?

## APPLICATION EXERCISES

1. An airline runs a recruiting advertisement for cabin crew that shows a picture of a small boy sitting in an airline seat and clutching a teddy bear. The headline reads: "His mom told him not to talk to strangers. So what's he having for lunch?" Describe the types of personalities that you think would be (a) attracted to apply for the job by that ad and (b) discouraged from applying.
2. Consider the following jobs: emergency department nurse, bill collector, computer repair technician, supermarket cashier, dentist, kindergarten teacher, prosecuting attorney, server in a family restaurant,

- server in an expensive French restaurant, stockbroker, and undertaker. What type of emotions would you expect each of them to display to customers in the course of doing their job? What drives your expectations?
3. As a human resources manager, which issues do you see as most likely to create boundary-spanning problems for customer contact employees in a customer call center at a major Internet service provider? Select four issues and indicate how you would mediate between operations and marketing to create a satisfactory outcome for all three groups.

## ENDNOTES

1. Liliana L. Bove and Lester W. Johnson, "Customer Relationships with Service Personnel: Do We Measure Closeness, Quality or Strength?" *Journal of Business Research*, 54 (2001): 189–197.
2. Paul Hemp, "My Week as a Room-Service Waiter at the Ritz." *Harvard Business Review*, 80 (June 2002): 8–11.
3. Recent research established the link between extra-role effort and customer satisfaction; e.g., Carmen Barroso Castro, Enrique Martín Armario, and David Martín Ruiz, "The Influence of Employee Organizational Citizenship Behavior on Customer Loyalty." *International Journal of Service Industry Management*, 15, no. 1 (2004): 27–53.
4. James L. Heskett, Thomas O. Jones, Gary W. Loveman, W. Earl Sasser, Jr., and Leonard A. Schlesinger, "Putting the Service Profit Chain to Work." *Harvard Business Review*, 72 (March–April 1994): 164–174; James L. Heskett, W. Earl Sasser, Jr., and Leonard L. Schlesinger, *The Service Profit Chain*. New York: The Free Press, 1997.
5. James L. Heskett, W. Earl Sasser, Jr., and Leonard L. Schlesinger, *The Value Profit Chain: Treat Employees Like Customers and Customers Like Employees*. New York: The Free Press, 2003.
6. Benjamin Schneider and David E. Bowen, "The Service Organization: Human Resources Management Is Crucial." *Organizational Dynamics*, 21, no. 4 (Spring 1993): 39–52.
7. Marc Beaujean, Jonathan Davidson, and Stacey Madge, "The 'Moment of Truth' in Customer Service." *The McKinsey Quarterly*, no. 21 (2006): 62–73.
8. David E. Bowen and Benjamin Schneider, "Boundary-Spanning Role Employees and the Service Encounter: Some Guidelines for Management and Research." In J. A. Czepiel, M. R. Solomon, and C. F. Surprenant, eds., *The Service Encounter*. Lexington, MA: Lexington Books, 1985, pp. 127–148.
9. Vaikakalathur Shankar Mashesh and Anand Kasturi, "Improving Call Centre Agent Performance: A UK-India Study Based on the Agents' Point of View." *International Journal of Service Industry Management*, 17, no. 2 (2006): 136–157.
10. Arlie R. Hochschild, *The Managed Heart: Commercialization of Human Feeling*. Berkeley: University of California Press, 1983.
11. Panikkos Constanti and Paul Gibbs, "Emotional labor and Surplus Value: The Case of Holiday 'Reps.'" *The Service Industries Journal*, 25 (January 2005): 103–116.