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# Just an evaluator?

The mediating roles of customers in the HRM-Customer Service Outcomes relationship

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# Introduction

For many years HRM researchers have been studying the relationship between HRM practices and customer perceptions of service outcomes such as service quality, service value and customer satisfaction. This effect of HRM on customer service outcomes has been shown to be indirect, as several studies have shown that HRM and customer outcomes relationships are mediated by variables such as Work Efforts, Job Satisfaction, Work Engagement and Job Crafting (Siddiqi, 2015; Yoon, Beatty and Suh, 2001).

The fast advancement of technology in the last decades has changed a lot in how consumers can perceive and, at times, affect the outcomes of services provided to them. Rafaelli et al. (2017) demonstrate how customers/end-users now have the ability to locate and acquire information on products and services easily using online search engines. Also, customers now have unlimited access to social platforms which allow them to pro-actively reach out to the providers of those goods/services and get actively involved in the process of co-creating products (Boons, Stam & Barkema, 2015), as they can easily voice their requirements and/or needs and be heard. In addition, consumer can voice their (dis)satisfaction with much more ease throughout their (often multiple) social media accounts (Rust & Huang, 2014).

This changing environment likely requires a different approach, for HRM scholars, in explaining customer outcomes. Other fields, such as Marketing, already started moving towards the Service Dominant Logic (SD-L) introduced by Vargo and Lusch in 2004, according to which the focus shifts to the creation of value-in-use by customers and most importantly, co-creation of this value with the customer themselves. This co-creation process itself is also affected by technology. While at the time the SD-Logic was presented the interaction with the consumer was mainly face to face, this interaction is increasingly being taken over by advanced means such as e-mails or long-distance audio or video conferences (Breidbach and Maglio, 2016). Often the consumer does not even need to interact directly with people, as websites can be highly interactive and already provide increased fulfilment to customer expectations (Mann & Sahni, 2011). This results again in a change of how the consumer will perceive the services being provided to them.

It comes reasonably that, since the way consumers can relate to services now means their perception of Service Outcomes also changes, the way HRM research relates to customer outcomes also needs to adapt. In current HRM research the customer is treated as a mere evaluator of the service employees' performance or customer service (e.g. Yoon et al., 2001; Pugh, Dietz, Wiley, & Brooks, 2002; Liao & Chuang, 2004). However, one of the fundamental changes brought about by new technologies is that the customer is no longer merely evaluating service outcomes, but actively being involved in co-creating them, as explained by the S-D logic (Vargo & Lusch, 2004). Therefore, it is important that in the research designs measuring the relation between HRM and customer outcomes the role of the customer should surpass that of merely an evaluator. Surprisingly however, Bowen (2016:11) notes that "the HRM field has not worked within the SD logic paradigm" in terms of viewing HRM practices as a mean to foster customer vale co-creation among employees and customers. However, Bowen (2016) presents no firm evidence to support this claim. For that reason, the question arises of which SD-L principles are already implemented or applied by HRM researchers to conceptualize and empirically study the relationship between HRM and customer service outcomes. And also, if Bowen's (2016) claim is confirmed, how could these principles be implemented in research studying the relationship between HRM and customer outcomes?

In order to answer these questions, a literature review will be conducted in order to verify which foundational premises have been already implemented in HRM research so far for explaining HRM and customer outcome relationships. By completing this review, it will be possible to evaluate whether SD-L is incorporated in HRM research fully for designing frameworks to study the relation between HRM and Customer Outcomes. Ultimately, this helps to uncover which insights from the S-D logic can still be applied to ensure that future HRM research can explain HRM and customer outcome relationships in settings where emerging technologies empower customers to impact customer outcomes themselves.

# **Theoretical background**

## **Functions of HRM**

The main focus of this study is discovering the extent to which SD-L principles are applied to the research studying the relation of HRM to Customer Service Outcomes. For that reason, it is important first to understand what exactly the relationship of HRM is to Customer Service Outcomes in the first place.

The first step would be to establish the intention on HRM to gear its practices towards achieving the organization's goals. This results in a shift from traditional HRM to Strategic HRM, which Wright & McMahan (1992) define as "the pattern of planned human resource deployments and activities intended to enable an organization to achieve its goals" (Wright & McMahan, 1992, p.298). Since HRM is vital when it comes to improving organizational performance and competitive advantage, as also emphasized by Chow, Teo and Chew (2013), the need for strategic rather than traditional HRM is clearer. Since this paper considers customer service outcomes as an organizational goal, from now on HRM will be regarded always as SHRM.

The main activities of HRM are practices that are aimed at enhancing specific employee attributes. Lepak, Liao, Chung and Harden (2006) classify HRM practises by their aim to (1) enhance knowledge, skills and abilities (KSA), (2) enhance motivation to perform and (3) enhance opportunities to perform. This has been a widely accepted classification in literature, as multiple research papers classify HRM practices in the same three categories, often phrased similarly, when studying their impacts on employee or customer outcomes (e.g. Bondarouk & Ruël, 2008; Jiang, Lepak, Han, Hong, Kim & Walker, 2012). Jiang et al. (2012) in particular relate specific practices to each of the three fields, focusing on training, recruitment and selection for enhancing KSA, performance management (also referred to as performance appraisal in other works), compensation and incentives for enhancing motivation and job design and involvement towards enhancing employees' opportunities to contribute.

Another popular approach to SHRM is viewing it as systems rather than individual practices. In the model of Wright and Boswell (2002), SHRM appears under the quadrant formed by the use of multiple practices and the focus on the organizational perspective rather than an individual one. This results in a need to locate the optimal set of practices, not viewed as a number of individual ones acting independently of each other, however, but acknowledging the relations that can exist between those practices that may be complementary, conflicting or substitutable. However, Lepak et al. (2006) argue that the optimal set of practices selected for an HRM system depends largely on strategic goal as well. Therefore, they categorize HRM systems into different types of objectives, some of which are outlined below:

## Control HRM Systems

Control HR Systems focus mainly on performance and compliance to the regulations, with the aim to increase efficiency and reduce costs (Arthur, 1994). This results in a selection policy in which the demands for skills are low and employees are regarded as replaceable, jobs that are designed narrow, very specific and are not interdependent, little training is given and employees are monitored very closely to ensure they follow regulations and decisions that always come from the managerial level alone (Guthrie, 2001; Lepak et al, 2006).

# High-Commitment HR Systems

High-Commitment HR Systems are often regarded as a direct opposite of control-oriented HR systems. (e.g., Arthur, 1994; Guthrie, 2001). Here the focus is less on following regulations and instead it is shifted to creating committed employees who can relate their goals to those of the organization (Lepak et al, 2006). In order to achieve this, employees are selected carefully by recruitment, receive intensive training to give them necessary knowledge, but are later given trust and the autonomy to evaluate on their own how to utilize this knowledge to achieve the organizational goals (Arthur, 1994; Lepak et al., 2006). Employees are also selected internally for promotions and the levels of compensation are high (Lepak et al., 2006). This type of system has been found to have an important contribution to achieving the goals of service-oriented organizations (McLean & Collins, 2011).

#### High-Involvement HR Systems

A High-Involvement HR Systems could be seen as a type of commitment system (Lepak et al., 2006) while some consider high-involvement systems as just a different name for high-commitment systems (Xiao & Björkman, 2006), as employees become committed when given the possibility to be involved with decision making and process design (Arthur, 1994). However, this involvement opportunity is what distinguishes this system from other commitment systems, as high-involvement systems focus specifically on practices that enable employees to be involved with elements that directly influence their jobs (Lepak et al., 2006). This involves decision making, the process of which is decentralized, instead promoting the formation of groups that are self-directed, work on solving employee problems and distribute information regularly among themselves (Lepak et al., 2006; Zacharatos et al., 2005).

# High Performance Work Systems

High Performance Work Systems combine elements from other HRM systems, such as high involvement and commitment (Lepak et al., 2006). The selective staffing and intensive training of high-commitment systems together with the involvement, information-sharing and team-forming of high-involvement systems is completed with performance appraisal also aimed at development and incentives individually – such as work-life balance programs – as well as on the team level (Lepak et al, 2006).

#### HR Systems for Customer Service

HR Systems for Customer Service can again be regarded as a specific type of HPWS, where the main goal is for an HRM system that can create a climate for service (Liao & Chuang, 2004; Lepak et al, 2006). According to Liao and Chuang (2004), in order to achieve the creation of such a climate for service is by providing service training to employees, then give them the autonomy to use their own discretion to apply the gained knowledge in interactions with the customers. They believe that by also rewarding them for their performance, which is evaluated by the satisfaction of customers, the most relevant steps towards creating such a service climate are taken.

It is important to note that while there are several researchers who claim that one type of HR system (High-Performance Work System) is superior to the others, research also indicates that the boundaries between different systems is often vague, and often multiple types of systems are used in unison (Lepak et al, 2006). Such examples are specialized HPWS for certain goals (Liao & Chung, 2004; Zacharatos et al., 2005). As Lepak et al. characteristically say, the conceptualization of each HR system varies within literature and it is often overlooked that organizations may or should not only have one individual focus but rather a set of points they wish to achieve. Regardless, the need to treat HRM as systems is as popular as working with individual practices and is widely supported by HRM research (e.g. Bondarouk & Ruël, 2008; Jiang et al, 2012; Monks, Kelly, Conway, Flood, Truss, & Hannon, 2013).

# **Impact of HRM on Customer Service Outcomes**

The HRM system types mentioned earlier each have an impact on customer service outcomes. Although the exact term for customer service outcomes is not easy to locate in literature, there is a large variety of approaches to defining what exactly falls under customer service outcomes. Mann and Sahni (2011) list Service Quality, Customer Satisfaction and Customer Trust as the main elements of Customer Outcomes. In a more context generic approach, Cronin, Brady and Hult (2000) selected a set of five variables to evaluate customer service outcomes that provides a convenient set to use further on: (1) *Sacrifice,* defined as what one would need to offer in order to receive a service, (2) *Service Quality* defined as the perceptions of performance from the side of customers, (3) *Service Value,* measured by how customers estimate the worth of the provided service, (4) *Satisfaction,* measured by the evaluation of the emotions as a response to a service and (5) *Behavioural Intentions,* under which the intention of a customer to stay loyal, suggest the organization to others or the opposite of both is measured. Research also showed that HRM activities relate positively to some of these service outcomes, such as the service quality (e.g. Yoon et al., 2001; Scotti, Harmon & Behson, 2009; Akhtar, Ding & Ge, 2008), customer satisfaction (Siddiqi, 2015; Scotti et al., 2009; Pugh et al., 2002) and customers' behavioural intentions (e.g. Pugh et al., 2002; Siddiqi, 2015; Salanova, Agut & Peiró, 2005). For this reason, the classification

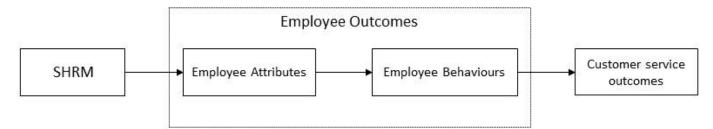
of Cronin et al. (2000) will be adopted for this study, as previous HRM research has (although implicitly) adopted this same classification and it also covers the majority of customer outcome types.

It can be concluded once more that the link from HRM to customer service outcomes is indirect. Several models exist that conceptualize this relationship with different variables included, however a common pattern emerges in several of them: the main effect of HRM systems on service outcomes is through their effect on employee outcomes such as Job Satisfaction (Lenka, Suar & Mohapatra, 2010; Hong, Liao, Hu & Jiang, 2013), Employees' Perceived Service Quality (Scotti et al., 2009; Lenka, Suar & Mohapatra, 2010; Hong et al., 2013) and Employee Performance (Liao & Chuang, 2004; Salanova et al., 2005). These outcomes can be separated into two categories however: Employee Behaviours and Employee Attitudes.

Deriving from psychology, behaviour is a conscious or subconscious response to stimuli within the individual's environment (Giannocaro, 2013). In HRM research, these stimuli could be identified as the HRM practices that employees are exposed to, and on which the organization expects employees to react a certain way (Bowen & Ostroff, 2004; Wright & Nishii, 2007). However, the reaction (behaviour) of the employee to these HRM practices (stimuli) is affected by how individuals acknowledge, feel about and are ready to respond to the stimuli given to them; three elements that comprise attitudes (Cascio & Boudreau, 2011). These attitudes can generate decision-making biases (Giannocaro, 2013) therefore affecting the way individuals respond to stimuli. In following the rational path, also presented linearly by Casio and Boudreau (2011), HRM enhances attributes of employees, but also affects or creates employee attitudes. These attitudes affect how employees perceive the way the organization is treating them. In the end, the behaviours of employees can be positive or negative, depending both on the attributes gained by HRM practices but also on their perceptions of these practices, which then result in performance and achievement of organizational outcomes.

As mentioned earlier, one of the main customer service outcomes is the measure of customer service satisfaction. Customer satisfaction is often a way to evaluate the quality of organizational performance even today (e.g. Grigoroudis, Tsitsiridi & Zopounidis, 2013; Pan & Nguyen, 2015). However, in a service-oriented setting, the customer's perception of the service provided to them comes directly by how the service employees behave, as customers perceive them as the service provider, rather than the firm (Browning, 2006). Therefore, the relationship between HRM and Customer Service Outcomes can be depicted as follows (Figure 1.):

Figure 1. Current HRM-Customer service outcomes relation



Other models generated in previous research can still be reflected by the one above in a simplified manner, although often specific practices, attitudes, behaviours or Customer Service outcomes are mentioned instead of the variables as a whole (e.g. Liao & Chuang, 2004; Salanova et al., 2005; Lenka, Suar & Mohapatra, 2010). What is common in all cases, however, is that the customer only appears at the end of the relationship as an evaluator of employee performance or behaviour through customer satisfaction. Any other mediating variables between the two ends of the relation between HRM and Customer Service Outcomes are all related to internal elements of the organization, such as attitudes and/or performance on either individual or firm level.

## The impact of Technology on customer-organization relations

Technological advancements of recent times have brought on several changes that also affect the roles of customers, and in particular, empower customers to go beyond being mere evaluators of services – as currently implied by the HRM literature. The main change brought on by this advancement is customer-organization relations. Rafaeli et al. (2017) describe among other elements how new online technologies have enabled consumers to access services faster and increase their knowledge on offered products and services with a lot more ease. This, however, does not impact only the ability to promote products, but also a change in expectations. According to Rafaeli et al. (2017), consumers can now achieve (and often aim for) interpersonal relationships with representatives of the organizations. In fact, the rapid increase of online shopping makes it so that often the only interaction between the organization and the customer is upon the requirement of service (Kuo & Wu, 2012; Wu, 2013). This more serviceoriented interaction between organizations and customers increases the expectations of customers towards the feelings of justice when it comes to their satisfaction, as Kuo and Wu (2012) have also found in their study. In their words, online shopping inevitably comes with occasional service failures and these failures are expected to be corrected in order to retain satisfaction (Kuo & Wu, 2012).

This indication strengthens the need to shift to a different approach in consumer-organization relationship for HRM research as well, since it would require changes in the generally viewed relationship between HRM practices and Customer Service Outcomes. One main reason for that is how customers themselves view their role in their relationship with the organizations. A study by Boons et al. (2015) has shown that the intention of a consumer to engage with specific organizations is affected by the level of recognition organizations show for the involvement of the consumer into the creation of the product or service, indicating that with the increased access they have to the source, consumers want to be part of the creation process. This shows that, as customers consider themselves participants of the products/services provided to them rather than mere evaluators, HRM research needs to regard them as such as well. However, HRM research has shown to regard customers only as evaluators, to date (Bowen, 2016).

# Changing the lens of viewing the relationship of HRM and Customer Service Outcomes

As already discussed, the new opportunities that customers have gained through the advancements of technology have changed both the abilities and the expectations of customers. This also results in a change of the role/position of customers in the relationship between HRM and Customer Service Outcomes. This calls for a need to steer HRM research towards treating customers more than mere evaluators of the services provided to them and acknowledge the more direct nature of their involvement in those services.

If one wishes to ensure HRM research fits to contemporary business research and regards customers as more than mere evaluators, the Service-Dominant Logic from Marketing research can be used, since the incorporation of consumers into the creation process has been present in it for some time already. This S-D Logic, introduced by Vargo and Lusch (2004), aimed to shift the focus away from the goods provided to customers and rather provide service for which the goods are the medium.

Additionally, the S-D Logic argues that customers are co-creating customer outcomes, as it is eventually the customer themselves who creates value by how they use the product/service and what that use offers them (value-in-use). This has implications to how the relationship between HRM and the customers should be viewed, as one participating in the creation of value cannot be acknowledged only as an evaluator. Consequently, HRM research would need to adapt the way the customer's role is viewed to the contents of the S-D Logic, which would enable HRM research to view the customer as an active-rather than a passive participant.

The main purpose of using the S-D Logic is that it is able to recognize the need to change how the role of customers is viewed (from evaluator to participant of value-creation) and provide an understanding of how these changes occur. In order to do so, a number of "Foundational Premises" were created, which aim to explain how the customer can be seen as part of the value (co) creation process and not just an evaluator of value offered to them (Vargo & Lusch, 2004). The S-D Logic was initially built on eight of these Foundational Premises. A few years later, however, they modified all but one of the premises and added two more (Vargo & Lusch, 2008a), and even more recently they revised the structure of the theory once more, adding an eleventh premise and also turning some of the Foundational Premises into Axioms (Vargo & Lusch, 2016). This has the principles of S-D Logic as follow:

FP<sub>1</sub>: Service is the fundamental basis of exchange. (Axiom status)

FP<sub>2</sub>: Indirect exchange masks the fundamental basis of exchange.

FP<sub>3</sub>: Goods are distribution mechanisms for service provision.

FP<sub>4</sub>: Operant resources are the fundamental resource of strategic benefit.

FP<sub>5</sub>: All economics are service economics.

FP<sub>6</sub>: Value is co-created by multiple actors, always including the beneficiary. (Axiom status)

FP<sub>7</sub>: Actors cannot deliver value but can participate in the creation and offering of value propositions.

FP<sub>8</sub>: A service-centred view is inherently beneficiary centred and relational.

FP9: All social and economic actors are resource integrators. (Axiom status)

 $FP_{10}$ : Value is always uniquely and phenomenologically determined by the beneficiary (Axiom status)  $FP_{11}$ : Value co-creation is coordinated through actor generated institutions and institutional arrangements. (Axiom status)

(Vargo & Lusch, 2016: p.8)

It is important to emphasize that the Service-Dominant Logic is a logic that operates on a highly

abstract level, and as such it contains no variables to explain relationships. However, the Foundational

Premises of the S-D Logic allow for a more specific conceptualization of both the role of customers

and of employees in the (co) creation of value. Through this conceptualization, a set of new variables

reflecting this S-D L can be entered into the relational model, connecting HRM and customer service outcomes, and the relationship between employees and customers can be explained in a different way. Initially, according to the statements above, the role of the customer is more than that of a mere evaluator of value – as HRM research has been treating the customer until now (Bowen, 2016) – and needs to be regarded as a co-creator of value. Besides aiming to change the way organizations view their customers, however, the S-D Logic also contributes to highlighting the required changes in the way employees need to work in order to cater to the requirements of customers in the new technological era. That exactly is what needs to be reflected also in the model connecting HRM to Customer Outcomes.

As a starting point in the redesign of the HRM – customer outcomes relationship, a very important element of the S-D Logic is entered into the initial model of Figure 1: value-in-use. According to FP<sub>10</sub>, "Value is always uniquely and phenomenologically determined by the beneficiary" (Vargo & Lusch, 2016:6). Therefore, before any kind of a Customer Outcome can be reached, the customer needs to use the product/service provided to them, and only through this use can value then be generated, which the customer then perceives and evaluates. For that reason, "Customer Service Usage" is entered into the model, defined as *the engagement of the customer with the service provided to them*. Customer Service Usage needs to take place before Customer Service Outcomes, already giving customers a first mediating role in the HRM-Customer Service Outcomes relationship.

The Service-Dominant Logic, however, also implies certain conditions that need to be met, before customers can use- and then generate value-in-use for a product/service. Drawing again from FP<sub>10</sub>, where value can only be generated through use by the customer, it is implied that the beneficiary can only generate value out of a service if they are able to use what is provided to them. According to this, the customer/beneficiary needs to possess knowledge, skills and abilities that would allow them to use the provided service and perceive/generate value from it. If those abilities are not present, beneficiaries are not able to generate value (e.g., one cannot generate value-in-use by a wristwatch if they are not able to read the time). If customers are not able to generate value by their use of a service, their evaluation of said service will also decrease (Bowen, 2016; Meijerink, Bondarouk & Lepak, 2016), having a negative impact on Customer Service Outcomes. Therefore, Customer Ability, which would include *all the required skills and knowledge that would enable the customer to participate in the* 

generation of value, is required for Customer Service Usage to occur. Equally important is the content of FP<sub>6</sub>, which states that "Value is co-created by multiple actors, always including the beneficiary" (Vargo & Lusch, 2016:9). Therefore, the beneficiary's participation is required for the creation of value to be possible. It can be inferred that the beneficiary/customer needs both motivation and opportunity in order to participate in the co-creation of value. As such, two more variables can be entered into the model. First, Customer Motivation is added, which can be defined as *the willingness of the customer to engage in the co-creation process*. Besides the willingness, however, the customer also needs opportunity to participate. Drawing from FP<sub>9</sub>, according to which "All social and economic actors are resource integrators" (Vargo & Lusch, 2016:8), it can be inferred that customers will need to have the resources to integrate. Therefore, the second variable entered, Customer Opportunity, is defined here as *the customer's access to all resources needed for them to be able to participate in the co-creation process*. Both Customer Motivation and Customer Opportunity need to also be present before Customer Service Usage can take place. This way a set of Customer Attributes can be defined, which follows a similar AMO model as that of the Employee Attributes discussed earlier.

The last linkage to be developed for the redesigned model is the way employees now relate to customers. One type of behaviours employees can display is taking on specific roles. Bowen (2016) wrote that the movement towards the SD-L requires employees to take on different roles that fit the principles of the Service-Dominant logic. Indeed, elements of the S-D Logic can be identified in the roles that Bowen (2016) has defined, such as differentiator, enabler, and coordinator, that will likely affect customers' abilities, motivation and opportunities to create value in use.

As already said, customers require the ability to use a product or service in order to generate and perceive their value. This was supported by the 10<sup>th</sup> Foundational Premise of Vargo and Lusch ("Value is always uniquely and phenomenologically determined by the beneficiary", Vargo & Lusch, 2016:6). This foundational premise, however, relates not only to Customer Abilities, but also to how an employee can provide to those customers what they need to acquire those abilities. The *enabler* behaviour's role is to ensure both employees and customers can contribute to the extent they can to the creation of value (Bowen, 2016). Therefore, it aims to ensure that everybody that needs to participate in the co-creation is able to do so. As the lack of knowledge by the customer means value will not be generated, it is important that the employees that interact with the end-user are able to provide the necessary knowledge to the customer to be able to experience the value through use, as also emphasized by Eisengerich and Bell (2006). Their study confirmed that customer education is an important factor leading to customer involvement, which of course is necessary for co-creation of value, as emphasized already. Eisengerich and Bell (2008) have already confirmed with their study the positive relationship from Customer Ability (or Knowledge) to Customer Service Quality, which is one of the customer outcomes conceptualized by Cronin et al. (2000). However, according to the S-D Logic the usage of the service by the customer precedes the evaluation and as such the customer service outcomes. Therefore, the enabler role enhances Customer Ability to (co) create value.

Another attribute that employees need to be able to enhance in customers is their motivation. As already said, the participation of a customer is vital for value co-creation to occur, as FP<sub>6</sub> clearly states. However, according to FP<sub>8</sub> "The service-centered view is inherently beneficiary oriented and relational" (Vargo& Lusch, 2016:10), indicating a need for relationships to be formed between the employees and the customers. The role of the *differentiator* according to Bowen (2016) is to use their unique knowledge and skills to provide something unique and of importance to the beneficiary in the form of close human relations. Such close and personal relations have already been found by several studies to be sought after by customers and to encourage them to engage with organizations that offer it (Boons et al., 2015; Rafaeli et al.,2017). Therefore, the unique offering and relationship the differentiator offers would ensure that the customer/beneficiary will feel at the center of attention and thus be motivated to engage with the organization in all activities required for co-creation of value.

Lastly, employees would also need to be able to enhance the opportunities of customers to participate in the co-creation of value. This can again reflect FP<sub>6</sub>, in accordance to which the beneficiary always needs to be one of the actors participating in the co-creation of value. The FP<sub>7</sub>, according to which "Actors cannot deliver value but can participate in the creation and offering of value propositions" (Vargo & Lusch, 2016:10) enhances FP<sub>6</sub> but also emphasizes that value cannot be delivered, only proposed and co-created among multiple actors. Since FP<sub>6</sub> strongly states that one of those actors <u>always</u> needs to be the beneficiary, the opportunity for the customer's participation becomes once more apparent. The *coordinator* role developed by Bowen (2016) is aimed at the ability

to bring together the unique contributions of each actors for the co-creation of value. These contributions are the resources that customers can integrate in order to create value, which reflects again on FP<sub>9</sub>. These resources may come from the customer (e.g. knowledge, skills, time), the direct counterpart of the customer (e.g. knowledge, skills, products/services) or from collaborating parties providing complementary resources that the direct counterpart cannot offer directly and acquires through strategic alliances or external acquisitions (Grant, 1991; Chi, 1994). Therefore, the coordinator ensures that all of these resources are at the right place at the right time in order for the customers to be able to integrate them and the co-creation of value to take place. At the same time, this intentional placement of the required resources makes Foundational Premise 11 relevant, as according to FP<sub>11</sub> "Value co-creation is coordinated through actor generated institutions and institutional arrangements". Through this coordination of this employee role, customers (as well as employees) have the opportunity to participate in the creation of value.

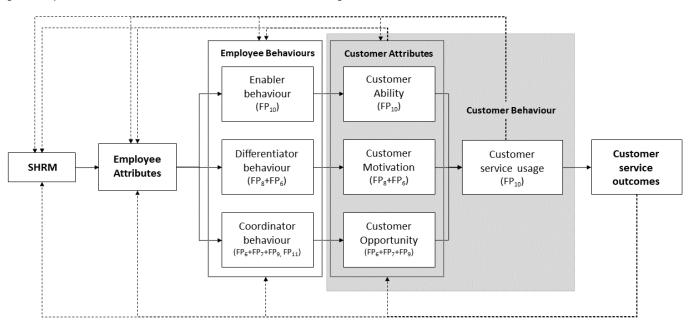


Figure 2. Expanded HRM-Customer service outcomes relation, including SD-L

The proposed final model, as seen in Figure 2., indicates how HRM research can include the principles of the S-D Logic in examining the relation between HRM and customer service outcomes. As before, Strategic HRM and its practices still lie at the beginning, generating or enhancing Employee Attributes. Here, however, the first change occurs, as the Employee Attributes contribute to the

performance to specific Employee Behaviours, based on employee roles proposed by Bowen (2016). Each of these Employee Behaviours/Roles contributes to enabling specific Customer Attributes that allow customers to participate in the co-creation process, which is one of the main pillars of the S-D Logic. Having gained the required attributes for their participation, the customer can then use the service provided to them, generating value in the process (value-in-use), meeting yet another vital point of the S-D Logic. The final evaluation of the service by the customer (Customer Service Outcomes) takes place only after the customer has experienced and created the value. Feedback loops have been added to the model, as the principles of collaboration which are so strongly present in the S-D Logic model imply that customer attributes and behaviour impact and trigger changes in the employee behaviours just as much as employee behaviours affect customers.

The question that remains is whether this is implemented already in HRM research, as Bowen (2016) has already been adamant about there not being any study in HRM research that includes the S-D Logic. The above proposed model aims to lay the foundation to discover that exactly. The variables entered in the expanded model connecting HRM and Customer Service Outcomes are built on the Foundational Premises of the S-D Logic and are to serve as codes for identifying elements in the research papers examined. By seeking to identify the presence of those specific variables in HRM-Customer Service Outcomes research, the ability to identify the presence of the S-D Logic's Foundational Premises also becomes possible, since the variables are derived from them. This would allow for a well-founded conclusion on whether the S-D Logic is present in HRM research and also provide for a model that could enable further confirmation of the relationships that the S-D Logic can imply between HRM and Customer Service Outcomes.

# Methodology

As already discussed in this paper, the aim is to determine and identify which elements of the Foundational Premises found in the Service-Dominant Logic of Vargo and Lusch (2004; 2008; 2016) can be found implemented in HRM research, as there are claims that none have been included in HRM research so far (Bowen, 2016). In order to establish that, a systematic literature review was conducted

in HRM research to determine if that claim is accurate and to what extent. The reason for the use of such a structured literature review is the need to provide a clear set of evidence to support or reject Bowen's (2016) aforementioned claim, organized and presented in a scientific and confirmable manner, as argued by Tranfield, Denver and Smart (2003). The proposed model of Tranfield et al. (2003) was also used for the process of selecting and processing the data for this study.

The literature was initially sought out electronically through Scopus, which is considered by many "the most comprehensive databases of peer-reviewed journals in social sciences" (Bos-Nehles, Renkema & Janssen, 2017:1230). Scopus is considered perhaps the most reliable scientific database due to it being the largest database for searching citations and abstracts, covering a multitude of scientific fields, but also the largest database for multidisciplinary scientific literatures (Burnham, 2006; Chadegani, Salehi, Yunus., Farhadi, Fooladi, Farhadi. & Ebrahim, 2013) – a particularly useful aspect given the fact that the content of this study blends HRM and Marketing research, therefore requiring articles that are multidisciplinary in nature. Scopus has been found to cover 20% more data than other similar databases (Chandegani et al, 2013) and is continuously growing with the database being updated daily (Burnham, 2006). In addition to Scopus and for the sake of maintaining higher reliability for this study, a second database was also used in the form the databases of selected HR, marketing and general management journals. These journals were selected from the Harzing Journal Quality List (April 2018 update. The Harzing List is a quality list aiming to rank articles based on a ranking system combining a variety of ranking systems in order to provide a non-subjective approach to ranking scientific articles (Minger & Harzing, 2007) and is updated regularly.

In order to be able to effectively search through all databases, in a way that the literature would be related to the studied topic, a set of keywords/search terms was established. In this case the desired outcome was to identify possible appearances of the S-D Logic in HRM research studying the relationship of HRM practices/systems with Customer Service Outcomes. Therefore, the search terms selected were "Customer Outcomes" (or "Customer Sacrifice", "Customer Service Quality", "Customer Service Value", "Customer Satisfaction", and "Customer Behavioural Intentions" for more exact keywords) combined sequentially with "HRM practices"/"Human resource practices" (or specifically and individually "training", "recruitment", "selection", "staffing", "performance appraisal" "compensation", "benefits", "rewards", "incentives", "information sharing", "job design", and "involvement"), and "HRM Systems"/"Human resource systems" (or again specific system types: "High Performance Work Systems", "Control HRM Systems", "High-Commitment HR Systems", "High-Involvement HR Systems", and "HR Systems for Customer Service"), using the Boolean "AND" and "OR" operators.

# Paper selection/Inclusion Criteria

After carefully examining the topic to be studied and setting up the search framework, several selection (inclusion) criteria were developed for the selection of the suitable papers. Initially, it seemed logical to select only HRM research articles published from 2004 and on, since Vargo and Lusch only established and defined Service-Dominant Logic in the paper they published that year (Vargo & Lusch, 2004). However, in a later publication they explained that they built their work on the theoretical works of Normann (Michel, Vargo & Lusch, 2008), who had already been talking about a need to view the process of value-creation in a context of multiple actors and combining the competencies of various actors, including the customers (Normann & Ramirez, 1993). Therefore, those views could have been adopted earlier as well by HRM researches, albeit labelled or called differently. For that reason, the eventual review timeframe was extended as back as 1993.

In addition to the publication date, the articles had to come from the research fields of HRM, General Management or Marketing, since the topic of this study combines those scientific research fields. All articles also had to be written in the English language in order to be selected, so that any language barriers interfering with the research process could be eliminated.

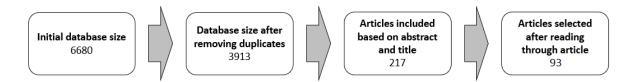
Lastly, since the aim of this study was to determine if any elements of the Service-Dominant Logic could be found throughout HRM research into the relationship between HRM and Customer Service Outcomes, it seemed reasonable to include all papers that fit the aforementioned selection criteria, regardless of the type of study. Therefore, all empirical (quantitative and qualitative) and conceptual studies were considered for the purposes of this literature review.

# **Data Extraction**

Upon the initial entry of the query string for the search, Scopus returned approximately 43,000 articles. Due to the large initial bulk of papers received from the database, and due to system and working limitations, the filters of language, publication year, and study field (Business, Management, and Economics) were applied to the query string. After refining the search, Scopus returned 6,235 articles. After scanning for duplicates, 2,755 articles were removed, resulting in 3,480. Parallel to the Scopus search, individual searches were performed within the articles selected from the Harzing list and the findings compiled into a table similarly to those from Scopus. The result was a collection of 445 articles. These 445 articles were compared to the list of the 3,480 articles from Scopus to eliminate duplicates. Upon this, a further 12 articles were discarded, resulting in 433 articles selected from the Harzing list articles and a total of 3,913 articles.

These 3,913 articles were filtered based on the title and abstract initially in order to identify those that were indeed studying the relationship between HRM and Customer (Service) Outcomes. In certain cases, at this stage, articles were also included that measured the relation of HRM to Organisational Performance, as Customer Outcomes have often appeared in literature as a measure of performance. Thus, articles examining that relationship were included until a more detailed reading could confirm whether they fit the research topic or not. This step was performed by two people independently, to ensure reliability.

Figure 3. Filtering of articles used for the study



Upon completing this first filtering step, a further 3,696 articles were removed, resulting in 217 articles selected for the study (3.6% of the Scopus papers and 20.8% from the Harzing articles). The number of discarded articles appears very high. However, there were several patterns observed which resulted in the disqualifying of so many papers. There were several patterns observed while sorting

through the papers provided by the search. First especially in Scopus, many papers were included in the results even if they referred to just one of the variables/search terms used; there was a significantly large volume of papers studying customer outcomes, but only relating employee attributes to them. Another interesting occurrence was papers being included for containing HMR (Home Meal Replacement), which is an anagram of HRM. It is assumed many papers were included either due to the assumption of a typo being made in the search terms, but also due to possible synonyms. Lastly, very often papers would be included in the search results while not studying the topic in question, merely because some of the titles mentioned in their reference list would include the search terms. Interestingly, the aforementioned reduction of search terms for the Harzing articles seemed to decrease the number of misses significantly. This could also be largely attributed to the fact that the articles in question were selected especially under the assumption that they are more likely to include studies on HRM's impact on Customer Outcomes.

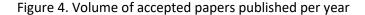
From the selected 217 articles, a further 124 were discarded after scanning the abstract and introduction and determining the content was not fit for the topic of the research. Even though these papers were initially selected as fitting the study, they were mainly discarded for three reasons: (1) They were only studying the impact of HRM on employee attributes, (2) They only studied the relationship between employees and customers, or (3) The organizational performance was only studied in regards to financial measures. There were 15 articles of the initial selection that were not possible to be obtained from any source. For that reason the authors of the papers were contacted via e-mail requesting a copy of the studies. Unfortunately, for 6 of these papers reliable contact details of the authors were not found, and for 9 there was no reply received. In the end, only one of these papers was acquired.

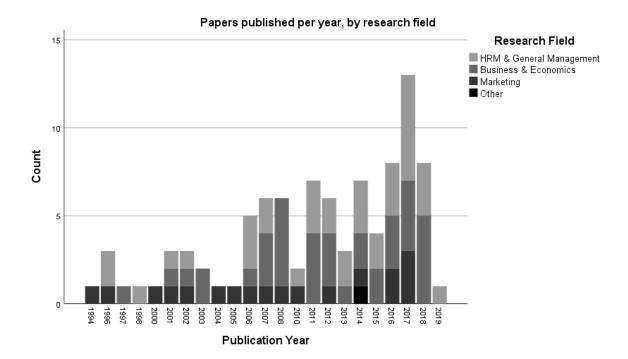
The so remaining 93 were studied in depth and the intermediate stages of the relationship between HRM and Customer (Service) Outcomes were examined for any references of customer participation. The explicit or implicit nature of those mentions were also taken into account, as it is also possible that a theory or logic is present in scientific works before officially defined in a theory or a model (such as the development of the basics of the S-D L by Normann and Ramirez (1993) before officially defined by Vargo and Lusch (2004)). Occasionally terms would also be presented in a different manner, in which cases the articles would also be included and analysed. As an example, many articles referred to "customer retention" or "word of mouth", neither of which is included in the variables set for this study. However, both of those terms are symptoms of customers' "behavioural intentions", which is one of the five dimensions of Customer Outcomes, as defined by Cronin et al. (2000).

All references to HRM practices, Customer Outcomes and mediating parameters were coded into the variables of the model devised (Figure 2) and the codes were later on registered in a table. The final table was used to measure the extent to what the customer's presence in the relationship between HRM practices and Customer Service Outcomes is present, indicating an inclusion of the Service-Dominant Logic.

# **Analysis/Findings**

As initial insights, there appears to be a significant increase in the volume of papers produced in the last decade as compared to the 1990s (Figure 4). Of these papers, most of the articles come from Business and Economics journals, while HRM and general management journals only placed second.

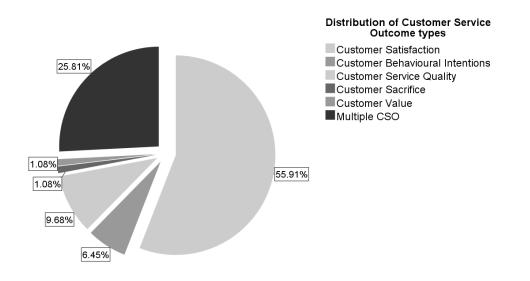




Although the difference in numbers is quite small, this is still quite interesting, as one would expect HRM to be the scientific field that has the most interest in studying how the HRM practices impact the eventual customer outcomes. Marketing research journals were found to have the least papers studying the HRM-customer outcomes relationship, which appears logical given the fact that Marketing deals mainly with the relationship of the organization with the customers. However, the number of Marketing papers is increasing in the last year, indicating that the Marketing research field also seeks to study the relationship between HRM and customer outcomes.

Upon examining the coding table containing all codes present in the articles for the variables defined in Figure 2., the answer to the initial question about the application of the Service-Dominant Logic's principles in HRM research was quite apparent: customers' attributes were not studied as a mediating variable in HRM-customer outcome relationships in all but 2 of the research articles studied for the purpose of this paper.

Figure 5. Distribution of customer outcome types



## **Pie Chart Percent of Customer Service Outcomes**

All the papers (except those two) would only place customers at the end of the relationship as evaluators. In fact, the vast majority (55.9%) of papers would only study the outcome of HRM on customer satisfaction, and many of the 25.8% of the papers that studied more than one customer service

outcomes also included customer satisfaction. The second most frequent customer service outcome studied by HRM scholars is service quality, with behavioural intentions following close by. Drawing from Churchill and Surprenant's (1982) explanation behind the mechanism of customer satisfaction, where customers set up expectations towards the performance of a product or a service, and await the confirmation or disconfirmation of those expectations, the focus on customer satisfaction alone reflects a general state of passivity on the customers' side; the only involvement of customers in the HRM-Customer Outcomes process is awaiting the validation (or not) of their expectations. In addition to this limited view of customer's role as merely satisfied or dissatisfied individuals, most papers measured this satisfaction only by its perception by either managers or employees. This would show even less inclusion of the customers in this relationship, although it needs to be acknowledged that trying to acquire first-hand customer satisfaction data would expand the scale of studies to a not easily manageable level.

What was a very surprising observation about the absence of mediating roles of customers was that even Marketing papers that were studying the HRM-customer outcomes relationship were overlooking these roles of customers, even though the Service-Dominant Logic upon which these variables are built does, in fact, originate from the Marketing field. As such, one would expect that at least the papers coming from Marketing journals would consider the mediating roles of customers when studying how HRM relates to customer outcomes.

In an attempt to see to what extent such mediating roles of customers were present in research close to the topic of this paper, the remaining 124 articles that were discarded upon further reading due to not fulfilling both sides of the relationship were also scanned. Out of these 124 articles there were multiple Marketing related papers studying the relationship between employees and customer outcomes. Even in those papers, however, only 3 articles had any indication of active roles of customers in the employee-customer outcomes relationship. Of course, this is not indicative of the entire Marketing research field, as the topic based on which papers were selected for this paper was focused on HRM.

The three Marketing articles mentioned above all offer different views on how the employee attributes, customer attributes and customer outcomes relate to each other. The first of these articles,

written by Karthikeyan and Soniya (2016), studies the ways technology adoption on the customers' side affects their satisfaction with banking services. They found that the level of technology usage as well as the level of education of customers, but also their access to the internet has an impact on how much they can use technology enabled services a bank can offer, but also how much they are willing to do so. It can be inferred from this article that skills and tools unrelated to the services themselves, but important skills nonetheless about the processes and tools allowing access to the service can impact the levels of satisfaction and perceived service quality of customers, as someone who is not comfortable with using such technology-enabled services would find them more difficult and challenging than someone else who is. The findings of this study support a part of the model of Figure 2., as their findings indicate that customer abilities (or skills) can be a determinant of their eventual satisfaction and perception of service quality, but also the level of their motivation. While they did not study ways in which the employees could affect the level of knowledge/skills of customers, it does present a relationship between various customer attributes that is missing from Figure 2. It also provides two measures that HRM research could use to study customer skills: education level, and technological affinity.

The second article, written by Vogus and McClelland (2016), studies the relationship between medical facilities and the patients as customers. Although not explicitly referring to customer/patient education, the authors found that by spending additional time on providing the necessary information to patients on the situation, possibilities, and timeframes, medical practitioners can contribute to increased satisfaction and perceived service quality. The medical personnel here also take on roles to relieve exhaustion and worry from the patients. This article very briefly and very implicitly mentions situations where employees 'educate' their 'customers', allowing them to better evaluate the services provided to them. Such actions are somewhat in line with the enabler behaviour, as part of this behaviour is providing the customer with necessary knowledge that would allow them to participate in the value co-creation. Here, the knowledge/skills that the patients receive are service-/product-based, as they learn to understand what the service they are being provided is. Therefore, this paper provides examples for ways the impact of employees on customer knowledge can be measured (as employees' performance of their enabler role), namely providing timeframe, explaining possibilities, and explaining current situation.

Lastly, the third article written by Zhao, Yan and Keh (2018) does not in fact study customer outcomes or HRM. However, they do examine how employee behaviour impacts the participation of customers in the value creation process, by impacting customer emotions. They studied how positive emotions on the employees' side generated positive emotions on the customers' side as well, motivating the latter to participate in the value creation. More specifically, they have found that extra-role behaviours, such as organizational citizenship behaviour, can have a positive impact on customer participation. In fact, they found that extra-role behaviours have a larger impact on customer participation than in-role behaviours. Based on Bowen's (2016) definition of the employee behaviours, an employee displaying organizational citizenship behaviour fulfils the differentiator role, as they are champions of the brand they represent and create. Therefore, the findings of Zhao, Yan and Keh (2018) support the relationship between employees' differentiator behaviour and customer motivation in Figure 2. They also provide specific measurements to study this relationship in the form of organizational citizenship behaviour observed in employees, and customer participation as a measure of their motivation.

As mentioned earlier, besides the articles who studied mediating roles of customers but did not fit the study, there were still 2 papers that mentioned more or less explicitly some mediating roles of the customers in the HRM-customer outcomes relationship, and neither of those came from a Marketing journal. What makes these two papers stand out is their authors. The first article which implies the mediating roles of customers from the model of Figure 2, although less explicitly, was that of Bowen (2016). Given the fact that a very large part of the model of Figure 2. Was based on that article, this can be considered quite logical, as Bowen (2016) was specifically calling for the need to start including customers in more active roles. This presence of the variables suggested in the theoretical part of this paper can still be considered weak, as Bowen (2016) merely proposes these roles but does not actually study HRM's impact on them. The paper is conceptual and only proposes possible links between HRM and customer outcomes.

The second article, which presents these variables a little more explicitly, is written by Larivière, Bowen, Andreassen, Kunz, Sirianni, Voss, Wünderlich and Keyser (2017). This paper is again based on the same ideas as what Bowen (2016) developed a year earlier, but in fact takes the

model a little further, by very clearly proposing roles for customers in the value-creation process, as well as defining the customers' skills, motivation and opportunities as requirements for their readiness for their role (Larivière et al., 2017). The main difference between the two papers is that while Bowen (2016) mainly focuses on how management can help develop the new roles employees need to take on if they want to facilitate the co-creation of value between organization and customers, Larivière et al. (2017) argue that management does not only need to aid the development of employee behaviours, but equally support and nurture customer behaviours. Changing to such a view could help HRM research develop frameworks where HRM practices or systems are not only designed to facilitate employee behaviours as a direct target. Of course, the ideas proposed are still clearly theoretical, but the variables developed in the framework provide a strong outline to mediating roles for customers can be included in the HRM-customer outcomes relationship.

For the rest of the articles studied, the customers still only had merely an evaluating role at the end of the relationship, with no mediating roles. This brought about the following two questions: Since HRM-customer outcomes research does not study mediating roles of customers, how does research study the HRM-customer outcomes relationship? And, is there a consistency to how the HRM-customer outcomes relationship is studied? In order to answer these questions, part of the data was translated into quantitative measures (as presented further), and a correlation analysis needed to be performed between each variable of the relationship. The purpose to that was that this way any correlations between HRM practices, mediating variables and customer outcomes that would frequently be found together in studies could be measured.

The first step was to identify the 'values' of HRM, mediating variables and customer outcomes in a measurable way. With over 100 different HRM practices in the coding paper (often very specific types of practices), and a similar number of mediating variables, it was almost impossible to measure the correlation of each one of those with other variables. For that reason, an attempt was made to standardize some practices that were just various forms of the same practice (e.g. employee education, training and development, and service training were eventually all transcoded into "training and development"). The final result, shown in Figure 6., was still 73 various HRM practices, and 83 mediating variables. As this was still a very large volume of different values in both variables, the values with the highest count were highlighted, and all the rest were regarded as "other". For HRM practices these values were *training and development*, *employee empowerment*, *involvement*, *performance appraisal*, *compensation and benefits*, *rewards and incentives*, *information systems*, and *recruitment and selection*.

The selected mediating variables were *employee attitudes* (including terms such as "employee engagement", "job satisfaction" etc.), *employee attributes* (in which terms referring to skills, opportunities and motivation were present, as defined by the model of Figure 2), *employee behaviours* (including terms such as "organizational citizenship behaviour", "turnover intentions" etc.), and *organizational (service) climate* (in which any mention of generating a specific climate in the organization were considered, although in newer articles most of the time this was specifically a service climate). For customer outcomes, the codes found were either one of the five types defined by Cronin et al. (2000), or multiple in one study. For that reason, the values of customer outcomes did not need to be reduced.

#### Figure 6. Value count of variables

#### **HRM Practices**

	Sum
Training and Development	47
Employee Empowerment	21
Involvement	7
Performance Appraisal	23
Compensation and Benefits	17
Rewards and Incentives	24
Information Systems	17
Recruitment and Selection	17
Other HRM Practices	63

#### **Other Mediating Variables**

	Sum
Employee Attitudes	18
Employee Behaviour	16
Employee Attributes	17
Employee Performance	10
Organizational (Service) Climate	9
Other Mediators	52

#### **Customer Service Outcomes**

	Sum				
Customer Satisfaction	73				
Behavioural Intentions	23				
Service Quality	21				
Customer Sacrifice	4				
Customer Value	2				

For the correlations, the values "other" were left out in both HRM practices and mediating variables, as there were so many different values in them that using them would not provide any useful insights. Due to just 4 HRM systems mentioned (High-Performance Work systems mainly), and a very minimal presence of HRM systems in the studied papers (12 instances in total), HRM systems were

eventually disregarded in the correlation; there were simply not enough papers studying the impact of HRM systems specifically on Customer Outcomes to produce reliable results.

With the data cleaned up and coded appropriately into quantitative variable, step-by-step correlations were performed. At the first level, HRM practices were correlated with the mediating variables, therefore evaluating which practices seemed to be most commonly studied for their impact on which type of mediating variables. There were very few correlations found: rewards and incentives as well as recruitment and selection appeared to be regularly associated with employee behaviours, while information systems were regularly measured to have an impact on employee attitudes. The appearances of specific HRM practices in common with specific mediating variables can be seen on Figure 7.

# Figure 7. Correlation of HRM practices and other mediating variables

	1	2	3	4	5	6	7	8	9	10	11	12	13
1. Training and Development													
2. Employee Empowerment	.174												
3. Involvement	.038	.138											
4. Performance Appraisal	.069	012	069										
5. Compensation and Benefits	.134	122	029	.116									
6. Rewards and Incentives	.289**	.210°	168	.175	.103								
7. Information Systems	.078	056	.076	013	008	025							
8. Recruitment and Selection	.190	189	135	.051	.424**	.103	008						
9. Employee Attitudes	.049	.126	.067	028	161	.084	232*	020					
10. Employee Behaviour	.052	042	130	.135	.153	.252*	142	.300**	007				
11. Employee Attributes	.023	122	029	142	.136	.039	080	080	020	.079			
12. Employee Performance	004	.062	.033	119	074	.113	.015	074	.094	158	.015		
13. Organizational (Service)	.106	090	093	019	155	.139	061	.033	.024	.044	061	114	
Climate													

## Correlation of HRM practices and mediating variables

\*\*. Correlation is significant at the 0.01 level (2-tailed).

\*. Correlation is significant at the 0.05 level (2-tailed).

As a second stage, HRM practices were correlated with customer service outcomes, trying to identify which HRM practices were mostly considered to impact which customer service outcomes by the researchers. Interestingly, no significant correlations appeared at all in this case, indicating that there is no specific pairing of HRM practices and customer service outcomes that are regularly studied together. These findings are shown n Figure 8.

## Figure 8. Correlation of HRM practices and customer outcomes

	1	2	3	4	5	6	7	8	9	10	11	12	13
1. Training and Development													
2. Employee Empowerment	.174												
3. Involvement	.038	.138											
4. Performance Appraisal	.069	012	069										
5. Compensation and Benefits	.134	122	029	.116									
6. Rewards and Incentives	.289**	.210*	168	.175	.103								
7. Information Systems	.078	056	.076	013	008	025							
8. Recruitment and Selection	.190	189	135	.051	.424**	.103	008						
9. Customer Satisfaction	047	155	049	.118	.112	.010	.044	.112					
10. Behavioural Intentions	.168	.167	164	155	013	.118	142	013	185				
11. Service Quality	083	.077	.041	131	.077	.034	189	.077	343**	.108			
12. Customer Sacrifice	.104	114	060	122	.037	004	100	100	147	.001	.012		
13. Customer Value	002	080	042	085	070	087	.122	070	283**	.087	080	.334**	

#### Correlation of HRM practices and Customer Service Outcomes

\*\*. Correlation is significant at the 0.01 level (2-tailed).

\*. Correlation is significant at the 0.05 level (2-tailed).

Lastly, correlations between the appearance of mediating variables and customer service outcomes were sought after. There was only one significant correlation apparent, a negative one between employee attributes and customer satisfaction. This would indicate that the presence of employee attributes as a mediating variable in the HRM-Customer Outcomes relationship would make it less likely that customer satisfaction was studied.

## Figure 9. Correlation of mediating variables and customer outcomes

Correlation be	tween n	nediating	g variable	es and C	ustome	r Service	Outcon	nes		
	1	2	3	4	5	6	7	8	9	10
1. Employee Attitudes										
2. Employee Behaviour	007									
3. Employee Attributes	020	.079								
4. Employee Performance	.094	158	.015							
5. Organizational (Service) Climate	.024	.044	061	114						
6. Customer Satisfaction	.124	177	226*	072	.171					
7. Behavioural Intentions	.161	.003	013	.042	.150	185				
8. Service Quality	.126	.163	056	.062	.171	343**	.108			
9. Customer Sacrifice	.030	.044	.037	074	069	147	.001	.012		
10. Customer Value	073	068	070	051	049	283**	.087	080	.334**	

# Correlation between mediating variables and Customer Service Outcomes

\*. Correlation is significant at the 0.05 level (2-tailed).

\*\*. Correlation is significant at the 0.01 level (2-tailed).

All in all, there appears to be no significant coherence as to what variables have been used to explain specific effects of HRM on specific Customer Outcomes or variables mediating this relationship in the research papers since 1993.

# Discussion

The initial and main research question of this study was to find out which of the foundational premises of Vargo and Lusch's (2004) Service Dominant Logic could be found in the HRM-customer outcomes research. Upon trying to locate variables that would fit the S-D Logic in research papers, the claim of Bowen (2016) was justified, as he was involved in both of the only two papers found to even propose such variables, and the one in which he made the claim was in fact chronologically the first. This way it can be confirmed that until Bowen (2016) proposed the change in the study of this relationship and expanded on it further (Larivière et al., 2017), these ideas were not present in literature.

In all the studies found for this paper, the customer had a completely passive role, merely evaluating the services provided to them. In fact, most of the papers studying these customer outcomes do not even measure the outcomes directly from the customers but take only the perception of these outcomes from the side of employees or managers. This does not only give a passive role to customers, but largely ignores them even in research. One possible reason for this could be the fact that research focuses only on the impact of HRM on the employees, and the only reason the customer outcomes are even included is to confirm that engaging in such practices is indeed profitable for the firms. All mediating roles in the HRM-customer outcomes relationship found in the papers studied were related to either to the organizational climate, or employee attributes, attitudes and behaviours aligned with traditional HRM research. Even the moderating factors presented by some of the papers, such as workplace spirituality (Sani, Soetjipto, Ekowati, Suharto, Arief, Rahayu & Kusukojanto, 2017), composition of the top management (Cogin, Sanders & Williamson, 2018), specific additional HRM practices, such as empowerment, feedback quality or the sophistication of the performance appraisal systems (Kim, Sutton & Gong, 2013; Barroso, Burkert, Dávila, Oyon & Schumacher, 2016; Marinova, Ye & Singh; 2008), or the context within which the organization operates (Hancock, Allen & Soelberg, 2017; Tzabbar, Tzafrir & Baruch, 2017) were measured almost exclusively for their impact on the relationship between HRM and the employees. All in all, HRM researchers still appear to regard the field as one that sees the employees as the main target, and care less about customers themselves.

Another possible reason for the exclusion of customers from research might be the difficulty that arises when trying to collect customer data. Arguably, attempting to conduct a study where the active role of customers is measured alongside organizational and employee activities would require time and resources, either of which many researchers may not have available. When looking at how customers could be more actively involved in the value creation process, Larivière et al. (2017) propose some methods in their paper. As an example, they propose companies to be providing training to customers that would give them the necessary skills to be able to perform their role in the value creating process (Larivière et al., 2017). This is not an entirely new concept, as several papers have already studied the concept of customer educations, sometimes by the HRM department itself alongside the employees (Eisengerich & Bell, 2006; Vogus & McClelland, 2016). However, even if acknowledging how customers could achieve a more active role in practice, the question on how to collect direct and accurate customer data still remains.

A few options could be suggested on how to collect customer data in a research. Current technology offers researchers a large variety of tools that could be implemented. As the method of collecting data should be short and convenient if one wishes the respondents to take the time for providing said data, perhaps the most convenient tool that could be used would be a phone App. One such app could generate a platform where customers could rate their interactions with firms on three additional levels before even getting to the outcomes. This could mean that after every interaction, customers could report/log their perceptions of having had the necessary knowledge, skills and abilities to engage with the service, whether they felt motivated to do so, and whether they considered they had everything available in order to do so. Then they could also provide overall satisfaction levels. Of course, the idea of using such an App would not be possible in every context. Certainly, using such a method on a larger scale study conducted in more than one firm at a time would be very challenging, if not impossible. However, this could also be used as a pilot for developing an actual evaluating platform that could help firms evaluate their relationship with their customers beyond a scientific research and is definitely an option worth examining. In a similar logic, there are already tools in place used by firms to measure the satisfaction of customers after a transaction. It could be possible to expand those tools

rather than developing completely new ones. Once again, the required customer abilities, customer opportunities and customer motivation could be included in the measured variables.

There is another issue that appears to be present in the HRM-customer outcomes research" The large variety of HRM related, but also the mediating (and occasionally moderating) variables present in the studies indicates that there still isn't a unified way of evaluating the HRM-customer outcomes relationship. Although the lack of a uniform research concept in HRM research is not a new notion, this study appears to be confirming it once again. In addition, a very common phenomenon in most of the papers studied for the purpose of this study was the fact that they only studied the impact of individual HRM practices on customer outcomes. This is in contrast to the call of last years for the use of HRM practices to implement HRM systems when specific goals need to be achieved (Lepak & Snell, 1999; Lepak et al., 2006). This could be due to the lack of an HRM system specifically designed for positively impacting customer service outcomes, although Lepak et al. (2006) already mention HRM systems for Customer Service. The four HRM practices that the aforementioned HRM system is based on (training and development, autonomy, rewards and incentives, and performance appraisal) are already listed in this study as some of the most present HRM practices studied to impact customer outcomes (by regarding autonomy to be closely related to employee empowerment).

# **Conclusions – Future directions**

Just as Bowen (2016) had indicated, this study has confirmed that HRM research still considers customers merely as passive evaluators of services provided to them. The model of Figure 2., but the work of Lariviére et al. (2017) also, can be used to suggest ways how HRM research can give the customers mediating roles aligned with Vargo and Lusch's (2004) Service-Dominant Logic. The papers of Karthikeyan and Soniya (2016); Vogus and McClelland (2016); and Zhao, Yan and Keh (2018), also provided measures that can be used to measure some of the variables of Figure 2., particularly regarding customer knowledge, and employee differentiator and enabler behaviours. It is very likely that other papers studying the relationship between organizations and customers viewed from the S-D Logic's perspective could offer further measurements for the variables generated for Figure 2.

Another element that was absent from the papers was a unified measure of HRM geared towards enhancing the attributes of customers required for customer outcomes, as well as the outcomes themselves. In addition, HRM research was found to study HRM's impact on customer outcomes only as individual practices and not in systems, the importance of which has been discussed earlier. As such, drawing from the literature review conducted here, an expanded HRM system for Customer Service is proposed, which is comprised of recruitment and selection, training and development, employee empowerment, employee involvement, information systems, performance appraisal, compensation and benefits, and rewards and incentives.

The aforementioned bundle of practices is geared towards developing all employee attributes, as Lepak et al. (2006) already related recruitment and selection, and training and development to employee skills and abilities, performance appraisal, compensation and benefits, and rewards and incentives to employee motivation, and employee empowerment, employee involvement, and information systems to employee opportunity. Additionally, many of those practices are vital for the development of the employee behaviours in Figure 2. More specifically, all behaviour roles require selective recruitment and selection policies but also specific training to provide employees with the necessary skills to be able to perform the aforementioned roles (Bowen, 2016). This way, HRM would need to develop different types of training and selection practices to boost each of the enabler, differentiator, and coordinator roles, so that HRM can contribute to customer skills, customer opportunity and customer motivation.

Another important factor to keep in mind with customer attributes, is that they can be multidimensional. Drawing on the papers mentioned in the results section (Karthikeyan & Soniya, 2016; Vogus & McClelland, 2016; Zhao, Yan & Keh, 2018), we see skills of customers necessary to satisfaction both related and unrelated to the specific practice offered. Karthikeyan and Soniya (2016) found skills related not to the service itself, but the means or processes through which the service could be delivered as one of the main requirements for satisfaction. At the same time, Vogus and McClelland (2016) found that for certain type of services, customer knowledge related specifically to said services is required to allow for satisfaction. Therefore, the need arises to split customer Skills and abilities in figure one to Service-/Product-based and process based. Similarly, part of the enabler role also

addressed in figure 2. is to provide the necessary skills to customers that they would need to be able to create value through the use of a service. As mentioned earlier, however, these skills could be service-/product-based, or process based. As such, the roles of employees would also be service-/product-based or process-based.

All in all, the model of Figure 2., although supported by combining the findings of this study, is extensive enough to make it challenging to study in practice as a whole. It would most likely need to be broken down to shorter sequences. Perhaps the most important step would be to study how HRM can impact the customer behaviours related to their co-creator roles. As there is already research performed on how customer skills, opportunities and motivation affect customer outcomes, studying HRM's impact on the customer attributes would be able to complete the relationship between HRM and customer outcomes in a way that customers would no longer be viewed merely as evaluators.

In the end, applying ideas from the few papers that do consider customers' roles as more than just that of an evaluator, it can be seen that customer skills and abilities seem to play a key role in their ability to use and evaluate a service, however opportunities and motivation can also be found. The need for employees to take on expanded and redefined roles are also stressed throughout literature, be it as extra-role behaviour or specific role types as defined by Bowen (2016) and later Larivière et al. (2017). What does raise a question here is how this impacts the employees themselves on the long run. Bowen (2016) already stresses in his work that the roles employees need to take on in order to respond to the changing needs of customers increase the spectrum of the responsibilities for one employee. This raises the question of how this increase in the job demands may affect areas of performance and well-being, as multiple studies have been emphasizing for decades how job demands are a vital factor in exhaustion and burnout (e.g. Karasek, 1979; de Croon, van der Beek, Blonk & Frings-Dresen, 2000; Demerouti, Bakker, Nachreiner & Schaufeli, 2001; Huang, Wang & You, 2016). This could lead to a need to find where one must draw the line in how much the responsibilities of employees can be expanded before it has negative impact on their ability to perform (and as such, on customer attributes and outcomes). Although a detraction from the original purpose of this study, this can be a hidden 'danger' for organizations that may easily overlook the impact of their increased demands and requirements on the ability of their workforce to provide.

As a final conclusion, although there have been no empirical studies found that include the customer in a mediating role as well as just the final evaluating one, there are ways in which the customer can be included in the HM-customer outcomes relationship research. Although co-creating roles of customer can be mainly found in papers studying the relationship only among employees and customers, Bowen (2016) and Larivière et al. (2017) have already lain some strong foundations on which the new direction in the HRM-customer outcomes relationship can be studied. Given the fact that in the last years Marketing journals have also started to show increased activity in the study of this relationship, it is hopeful that a gradual integration of the principles of the Service Dominant Logic will start appearing more regularly in the HRM-customer outcomes literature.

# Limitations

A few limitations need to be taken into consideration when evaluating the findings of this study. It is important to keep in mind that the articles were selected completely relying on search algorithms of article databases, as filtering and selecting articles from global research manually would have been an impossible task. As such, the possibility of articles that would have fit the topic of this study being left out is absolutely possible. Having used, however, one of the most reliable search databases, Scopus, it is expected that such an occurrence would be minimal and would not affect the outcome of the results.

Secondly, the papers studied were all written in English. Naturally it cannot be overlooked that there might be papers written in other languages that provide more examples of the sought-for mediating variables of customers. However, since the most internationally acclaimed journals are always published in English, therefore it may be assumed that articles written in other languages may be less reliable. As such, the loss of foreign articles is not considered to have an effect on the results.

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## Appendices

## 1. Complete list of search terms

- "Customer Outcomes"
  - o "Customer Sacrifice"
  - o "Customer Service Quality"
  - o "Customer Service Value"
  - o "Customer Satisfaction"
  - o "Customer Behavioural Intentions"
- "HRM practices"
  - o "training"
  - o "recruitment"
  - o "selection"
  - o "staffing"
  - o "performance appraisal"
  - o "compensation"
  - o "benefits"
  - o "rewards"
  - o "incentives"
  - o "information sharing"
  - o "job design"
  - o "involvement"
- "HRM Systems"
  - o "High Performance Work Systems"
  - o "Control HRM Systems"
  - o "High-Commitment HR Systems"
  - o "High-Involvement HR Systems"
  - o "HR Systems for Customer Service"

## 1. Complete list of search terms

Authors	Title	Year	Journal title	HR practices	HR systems	Other mediating moderating variables	Customer Outcomes	Customer ability	Customer motivation	Customer Opportunity	Customer Service Usage	Indications of reciprocal/ bidirectional relationship
Carmona- Marquez et al.	The Impact of TQM Critical Success Factors on Business Performance. The Mediating Role of Implementation Factors in Linking Enabler and Instrumental Factors.	2014	Action-Based Quality Management	involvement, empowerment, training and development, team policies			customer satisfaction					
Rubinstein & Eaton	The effects of highinvolvement work systems on employee and union- management communication networks	2015	Advances in Industrial & Labor Relations	team policies, information sharing, involvement	High- Involvement systems	employee interactions , social network creation	customer satisfaction					
Crabbe & Acquaah	The determinants of service recovery in the retail industry	2016	African Journal of Economic and Management Studies	rewards and incentives, team policies, empowerment, training and development		employee performanc e, hints of the differentiat or behaviour	behavioura l intentions				Acknowledg ed as necessary part of the ability to deliver a service	

Kim, Sutton & Gong	Group-based pay- for-performance plans and firm performance: The moderating role of empowerment practices	2013	Asia Pacific Journal of Management	group-based pay-for- performance, empowerment		service quality, behavioura l intentions			
Barroso, Burkert, Dávila, Oyon & Schuhmach er	The moderating role of performance measurement system sophistication on the relationships between internal value drivers and performance	2016	Association Francophone de Comptabilité	Performance managemnt system sophistication		customer satisfaction			
Boateng & Agyemang	The effects of knowledge sharing and knowledge application on service recovery performance	2015	Business Information Review	managerial support, training and development, information sharing, attitude of competitiveness	Employee attributes; slight possible hints of differentiat or behaviour	behavioura l intentions			
Whittingto n, Maellaro & Galpin	Redefining Success: The Foundation for Creating Work- Life Balance	2011	Creating Balance?	work-life balance programs	Emmployee well-being, employee performanc e, employee attitudes	customer satisfaction			

Sarreal	Customer Satisfaction and Service Quality in High-Contact Service Firm	2008	DLSU Business & Economics Review	compensation and benefits		employee responsive ness, employee reliability, employee assurance, employee attributes, tangibles	customer satisfaction , service quality			
Michna	The mediating role of firm innovativeness in the relationship between knowledge sharing and customer satisfaction in SMEs	2018	Engineering Economics	Information sharing	i	Firm innovativen ess	Customer Satisfaction			
Bellou & Andronikou dis	Organizational service orientation and job satisfaction: A multidisciplinary investigation of a reciprocal relationship	2017	EuroMed Journal of Business	managerial support, training and development, rewards and incentives, job rotation, performance appraisal		employee attitudes	customer satisfaction			Yes, but only between job satisfaction and the Organization al Service Orientation
Tsoukatos	Applying importance- performance analysis to assess service delivery performance: Evidence from Greek insurance	2008	EuroMed Journal of Business	performance appraisal, feedback		responsive ness, assurance, empathy, reliability, tangibles	service quality			

Menguc & Barker	Re-examining field sales unit performance	2005	European Journal of Marketing	compensation and benefits	employee attributes	customer satisfaction			performance → compensatio n and benefits
Chiang, Chang & Han	A multilevel investigation of relationships among brand- centered HRM, brand psychological ownership, brand citizenship behaviors, and customer satisfaction	2012	European Journal of Marketing	rewards and incentives, training and development, recruitment and selection, performance appraisal	brand psychologic al ownership, employee behaviour	customer satisfaction			
Chaston, Badger & Sadler- Smith	Organizational learning style and competences. A comparative investigation of relationship and transactionally orientated small UK manufacturing firms	2000	European Journal of Marketing	information sharing, feedback, training and development, employee voice	employee attributes, innovativen ess, customer collaborati on	customer satisfaction			
van Scheers	THE IMPORTANCE THAT CUSTOMERS PLACE ON SERVICE ATTRIBUTES OF SALE PERSONNEL IN THE RETAIL SECTOR	2015	Foundations of Management	training and development	employee attributes	Behavioura I Intentions			
McClogan	How Fidelity Ivests in Serice Professionals	1997	Harvard Business Review	training and development	employee attributes, organizatio nal (service) climate	customer satisfaction			

Knies & Lesing	People Management in the Public Sector	2017	HRM in Mission Driven Organizations	job design, team policies, offline committees, training and development, involvement	High- Performance Work Systems	employee attitudes, employee performanc e	Service Quality				
Bowen	The changing role of employees in service theory and practice: An interdisciplinary view	2016	Human Resource Management Review	recruitment and selection, training and development, use of symbols and rituals		employee roles	Customer satisfaction , service quality, behavioura l intentions	Yes	Yes	Yes	
Garcia & Tugores	Human Capital and Firm Performance: An Analysis of the Hotel Sector in Majorca	2016	Impact Assessment in Tourism Economics	training and development, performance appraisal			customer satisfaction				
Atanasova & Senn	Global customer team design: Dimensions, determinants, and performance outcomes	2011	Industrial Marketing Management	empowerment, team design, training and development, rewards and incentives, managerial support		communica tion and collaborati on, conflict manageme nt, proactivene ss	Customer Satisfaction				

ldris	TOTAL QUALITY MANAGEMENT (TQM) AND SUSTAINABLE COMPANY PERFORMANCES: EXAMINING THE RELATIONSHIP IN MALAYSIAN FIRMS	2011	International Journal of Business and Society	managerial support, involvement, training and development, empowerment, team policies, performance appraisal, employee voice	employee satisfaction	customer satisfaction			
Yaacob & Abas	THE EFFECT OF INTENSITY OF QUALITY MANAGEMENT ON CUSTOMER SATISFACTION	2011	International Journal of Business and Society	empowerment, information sharing, training and development		Customer Satisfaction			
Sani, Soetjipto, Ekowati, Suharto, Arief, Rahayu & Kusukojant O	The Role of Workplace Spirituality as Moderator the Effect of Soft Total Quality Management on Organization Effectiveness	2017	International Journal of Economic Research	training and development, leadership, team policies	workplace spirituality, employee attitudes, spiritual leadership	customer satisfaction			
Ali, Mahat & Zairi	HRM Issues in Quality Initiatives for Malaysian Universities	2007	International Journal of Economics and Management	information sharing, recruitment and selection, staffing, team policies, autonomy, rewards and incentives	employee behaviour	customer satisfaction			

Calabrese	Service productivity and service quality: A necessary trade- off?	2012	International Journal of Production Economics	rewards and incentives, empowerment		employee attributes, employee performanc e	service quality			
Casas-Arce, Lourenço & Martínez- Jerez	The performance effect of feedback frequency and detail: Evidence from a field experiment in customer satisfaction	2017	International Journal of Production Economics	feedback, rewards and incentives	a	Employee performanc e, employee attributes	customer satisfaction			
Choo, Jung & Linderman	The QM Evolution: Behavioral Quality Management as a Firm's Strategic Resource	2017	International Journal of Production Economics	empowerment, team policies, performance appraisal, managerial support, compensation and benefits, etc. (long list)		Technical QM practices	Customer satisfaction			
Mackelpran g, Jayaram & Xu	The influence of types of training on service system performance in mass service and service shop operations	2012	International Journal of Production Economics	trainng (job specific, quality management)		employee attributes	Customer Sacrifice			
Martínez- Costa,Martí nez- Lorenteb & Choi	Simultaneous consideration of TQM and ISO 9000 on performance and motivation: An empirical study of Spanish companies	2008	International Journal of Production Economics	recruitment and selection, team policies		employee satisfaction	Customer satisfaction			

Sadikoglu & Zehir	Investigating the effects of innovation and employee performance on the relationship between total quality management practices and firm performance: An empirical study of Turkish firms	2010	International Journal of Production Economics	training and development, information sharing	employee performanc e, innovation performanc e	customer satisfaction			
Singh	Empirical assessment of ISO 9000 related management practices and performance relationships	2008	International Journal of Production Economics	performance appraisal, training and development, information sharing	consistent quality outputs	customer satisfaction			
Jayawarden a & Sukhu	Enhancing customer experience in Canadian hotels	2016	International Journal of Services, Economics and Management	training and development, recruitment and selection, compensation and benefits, inclusion of older ages, flexible work arrangement, rewards and incentives	employee attitude, employee attributes, employee behaviour	customer satisfaction			

Wagner, Hansen, Kristensen & Josty	Improving service-center employees' performance by means of a sport sponsorship	2018	International Journal of Sports Marketing and Sponsorship	sport- sponsorship program (Benefits?)		retention, personal performanc e, communica tion, competenci es, teamwork, commitme nt	behavioura l intentions, customer satisfaction			
Zakaria, Yasoa, Ghazali, Ibrahim & Ismail	Integration of Employee Development Practices and Organisational Performance of Local Government	2017	Istitutions and Economics	training and development, informal coaching, empowerment			customer satisfaction			
Briggs, Deretti & Kato	Linking organizational service orientation to retailer profitability: Insights from the service-profit chain	2018	Journal of Business Research	training and development		employee attitudes, service orientation	customer satisfaction , behavioura l intentions			
Karatepe & Karadas	The effect of management commitment to service quality on job embeddedness and performance outcomes	2014	Journal of Business, Economics and Management	training and development, empowerment, rewards and incentives, flexible work arrangement		employee job embedded ness	customer satisfaction , behavioura l intentions			
Beltrán- Martín, Roca-Puig, Escrig- Tena, Bou- Llusar	Human Resource Flexibility as a Mediating Variable Between High Performance Work Systems and Performance	2008	Journal of Management	Staffing, Training and development, rewards and incentives, compensation and benefits	High- Performance Work Systems	employee attributes, HR Flexibility	customer satisfaction , behavioura l intentions			

Rogg, Schmidt, Shull & Schmitt	Human resource practices, organizational climate, and customer satisfaction	2001	Journal of Management	Training and development, performance appraisal, job description, recruitment and selection,job description, managerial consistency, policy, legal	Organizatio nal (service) climate	Customer satisfaction			
Subramony & Pugh	Services Management Research: Review, Integration, and Future Directions	2014	Journal of Management	training and development, recruitment and selection, rewards and incentives, empowerment	organizatio nal (service) climate, employee perceptions of work context, employee attitudes, employee behaviour	service quality, customer satisfaction , behavioura l intentions			
Luo & Homburg	Neglected Outcomes of Customer Satisfaction	2007	Journal of Marketing	Rewards and incentives, recruitment and selection	employee attitudes	customer satisfaction			YES
Marinova, Ye & Singh	Do Frontline Mechanisms Matter? Impact of Quality and Productivity Orientations on Unit Revenue, Efficiency, and	2008	Journal of Marketing	autonomy, cohesion of practices, feedback		Customer satisfaction			

	Customer Satisfaction								
Chaston & Mangles	E-commerce in Small UK Manufacturing Firms: A Pilot Study on Internal Competencies	2002	Journal of Marketing Managemen	training and development, workforce management, environment improvement, performance appraisal	employee attributes, employee attitudes	customer satisfaction			
Chaston	Evolving "New Marketing" Philosophies By Merging Existing Concepts: Application Of Process Within Small High- Technology Firms	1998	Journal of Marketing Managemen	HRM practices	employee performanc e, innovation, eployee decision- making	customer satisfaction			
Hauser, Simester & Wererfelt	Internal Customers and Internal Suppliers	1996	Journal of Marketing Research	rewards and incentives, performance appraisal	internal supplier evaluation, internal customer evaluation	customer satisfaction			

Valmoham madi & Roshanzam ir	The guidelines of improvement: Relations among organizational culture, TQM and performance	2014	Journal of Production Economics	information sharing, training and development, performance appraisal, recruitment and selection, staffing, compensation and benefits, rewards and incentives		customer satisfaction			
Bell & Menguc	The employee- organization relationship, organizational citizenship behaviors, and superior service quality	2002	Journal of Retailing	autonomy	emlpoyee- organiation relationship , employee behaviour	service quality			
Bowen & Schneider	A Service Climate Synthesis and Future Research Agenda	2014	Journal of Service Research	HRM practices	organizatio nal (service) climate, employee behaviours, employee attitudes	customer satisfaction , service quality, behavioura l intentions			
Ye, Marinova & Singh	Bottom-up learning in marketing frontlines: conceptualization, processes, and consequences	2012	Journal of te Academy of Marketing Science	frontline learning, information sharing	employee workload, goal convergenc e	Customer Satisfaction			

Babakus, Yavas, Karatepe & Avci	The Effect of Management Commitment to Service Quality on Employees' Affective and Performance Outcomes	2003	Journal of the Academy of Marketing Science	training and development, empowerment, rewards and incentives	employee behaviour, employee attitudes	behavioura l intentions			
Chan & Lang	The trade-off of servicing empowerment on employees' service performance: examining the underlying motivation and workload mechanisms	2011	Journal of the Academy of Marketing Science	empowerment, performance appraisal, principal-agent service goal congruence	perceived workload, employee behaviour, employee attitudes	Customer satisfaction			
Deeter- Schmeltz & Ramsey	An Investigation of Team Information Processing in Service Teams: Exploring the Link Between Teams and Customers	2003	Journal of the Academy of Marketing Science	information sharing, team policies		Customer satisfaction			
Lazarova, Peretz, Fried	Locals know best? Subsidiary HR autonomy and subsidiary performance	2017	Journal of World Business	compensation and benefits, recruitment and selection, training and development, industrial relations, workforce management, management development	employee behaviour	Service Quality			

Park	Cognitive and affective approaches to employee participation: Integration of the two approaches	2012	Journal of World Business	involvement, information sharing		organizatio nal commitme nt	Service Quality			
Chadwick, Super & Kwon	RESOURCE ORCHESTRATION IN PRACTICE: CEO EMPHASIS ON SHRM, COMMITMENT- BASED HR SYSTEMS, AND FIRM PERFORMANCE	2015	Strategic Management Journal		High- Commitment Systems	employee performanc e	customer satisfaction			
Batt & Colvin	AN EMPLOYMENT SYSTEMS APPROACH TO TURNOVER: HUMAN RESOURCES PRACTICES, QUITS, DISMISSALS, AND PERFORMANCE	2011	The Academy of Management Journal	dismissal, autonomy, problem-solving groups, self- directed teams, internal mobility opportunities, pensions, relative pay, employment security, performance appraisal, individual commission pay, performance- enhancing expectations	high- involvement systems	employee behaviour	customer satisfaction			

Becker & Gerhart	The Impact of Human Resource Management on Organizational Performance: Progress andProspects	1996	The Academy of Management Journal	job rotation, self-directed teams, training and development, compensation and benefits, information sharing, recruitment and selection	high- performance work systems		customer satisfaction			
Bowen & Ostroff	Understanding HRM-Firm Performance Linkages: The Role of the "Strength" of the HRMSystem	2004	The Academy of Management Review	HRM practices		strength of HRM system, organizatio nal (service) climate	customer satisfaction , service quality			
Anil & Satish	Enhancing customer satisfaction through total quality management practices – an empirical examination	2017	Total Quality Management & Business Excellence	training and development; empowerment; information sharing			customer satisfaction			NO
Kim & Han	Effects of Job Satisfaction on Service Quality, Customer Satisfaction, and Customer Loyalty: The Case of a Local State- Owned Enterprise	2013	WSEAS TRANSACTIONS on BUSINESS and ECONOMICS	managerial support, performance appraisal, job design, compensation and benefits, rewards and incentives		employee attitudes	Customer satisfaction , behavioura l intentions, service quality			

Cogin & Williamson	The INteractive Effects of HRM and Environment Uncertainty on MNC Subsidiary Performance	2014	Human Resource Management	HRM practices			Customer Satisfaction			
Cogin, Sanders & Williamson	Work-life support practices and customer satisfaction: The role of TMT composition and country culture	2018	Human Resource Management	work-life balance programs		TMT compositio n, country culture	Customer Satisfaction			
Colakoglu, Lepak & Hong	Measuring HRM effectiveness: Considering multiple stakeholders in a global context	2006	Human Resource Management Review	teams policy, empowerment, involvement		employee attitudes, employee attributes	customer satisfaction			
Cunningha m	Non-profits and the 'hollowed out' state: the transformation of working conditions through personalizing social care services during an era of austerity	2016	Work, employment and society	compensation and benefits, training and development, recruitment and selection		job security, work intensificati on, state reforms	customer satisfaction		direct interaction with employees?	customer outcomes as a measure for ajusting HRM practices
Delayney & Godard	An industrial relations perspective on the high- performance paradigm	2001	Human Resource Management Review		High- Performance Work Systems	Internal Relations perspective	customer satisfaction			

Delayney & Huselid	The Impact of Human Resource Management Practices on Perceptions of Organizational Performance	1996	The Academy of Management Journal	training and development, staffing, compensation and benefits, involvement		Customer satisfaction			
Feng, Wang & Prajogo	Incorporating human resource management initiatives into customer services: Empirical evidence from Chinese manufacturing firms	2014	Industrial Marketing Management	empowerment, rewards and incentives, training and development	employee attitudes, customer service	Customer satisfaction			
Gabriel, Cheshin, Moran & van Kleef	Enhancing emotional performance and customer service through human resources practices: A systems perspective	2016	Human Resource Management Review	rewards and incentives, training and development, performance appraisal, compensation and benefits, empowerment, employee voice, participation, information sharing	employee performanc e	customer satisfaction , behavioura l intentions			

Hancock, Allen & Soelberg	Collective turnover: An expanded meta- analytic exploration and comparison	2017	Human Resource Management Review	compensation and benefits, training and development, rewards and incentives, staffing	Control systems, high- commitment systems, high- performance work systems	employee behaviour	customer satisfaction , service quality, customer sacrifice			
Harris & Ogbonna	Strategic human resource management, market orientation, and organizational performance	2001	Journal of Business Research	SHRM practices		Market Orientation	Customer satisfaction , behavioura l intentions			
Heseling & van den Assem	Building people and organisational excellence: the Start service excellence program	2002	Managing Service Quality: An International Journal	recruitment and selection, training and development, job description		employee attitudes, employee performanc e	Service Quality, customer satisfaction , behavioura l intentions			
Jha, Balaji, Ranjan & Sharma	Effect of service- related resources on employee and customer outcomes in trade shows	2018	Industrial Marketing Management	empowerment		employee attitudes, customer orientation	customer satisfaction , service quality, behavioura l intentions			

Jiang, Lepak, Hu & Baer	HOW DOES HUMAN RESOURCE MANAGEMENT INFLUENCE ORGANIZATIONAL OUTCOMES? A META-ANALYTIC INVESTIGATION OF MEDIATING MECHANISMS	2012	The Academy of Management Journal	motivation enhancing practices, skill enhancing practices, opportunity enhancing practices	human capital, employee behaviour, employee attributes	service quality			
Jiang, Takeuchi & Lepak	Where do We Go From Here? New Perspectives on the Black Box in Strategic Human Resource Management Research	2013	Journal of Management Studies	HRM practices	employee attributes, Employee attitudes, Human capital. etc.	Customer Satisfaction			
Kang, Morris & Snell	Relational Archetypes, Organizational Learning, and Value Creation: Extending the Human Resource Architecture	2007	The Academy of Management Review	KMO enhancing HRM practices, information sharing, knowledge management	knowledge	Customer Value			
Kelemen & Papasolom ou	Internal marketing: a qualitative study of culture change in the UK banking sector	2007	Journal of Marketing Management	empowerment, training and development, performance appraisal, rewards and incentives		service quality			
Kraak & Holmqvist	The authentic service employee: Service employees' language use for authentic service experiences	2017	Journal of Business Research	autonomy, empowerment	service experience	service quality			

Lado & Wilson	Human Resource Systems and Sustained Competitive Advantage: A Competency- Based Perspective	1994	The Academy of Management Review	training and development, attraction, selection and recruitment, termination	competenci es	customer value, behavioura l intentions, customer sacrifice					
Larivière, Bowen, Andreassen , Kunz, Sirianni, Voss, Wünderlich & Keyser	"Service Encounter 2.0": An investigation into the roles of technology, employees and customers	2017	Journal of Business Research	training and development, managerial support, feedback, job enrichment, performance appraisal, rewards and incentives	employee attributes, employee behaviour	customer experience and outcomes	customer role ability	customer role motivation	customer role clarity	customer enabler, customer innovator, customer coordinator , customer differentiat or	feedback from customer performance of their roles to the role performance of employees
Mikic Little & Dean	Links between service climate, employee commitment and employees' service quality capability	2006	Managing Service Quality: An International Journal	rewards and incentives, training and development	organizatio nal (service) climate, employee behaviour	service quality, customer satisfaction					
Netemeyer & Maxham III	Employee versus supervisor ratings of performance in the retail customer service sector: Differences in predictive validity for customer outcomes	2007	Journal of Retailing	performance appraisal, feedback	employee self rating, employee behaviour	customer satisfaction , behavioura l intentions					

Renkema, Meijerink & Bondarouk	Advancing multilevel thinking in human resource management research: application and guidelines	2017	Human Resource Management Review	HRM practices		perceived HRM practices	customer satisfaction			
Schneider & Bowen	Perspectives on the Organizational Context of Frontlines: A Commentary	2018	Journal of Service Research		HRM systems	organizatio nal (service) climate, internal service	behavioura I intentions, customer satisfaction			
Schneider, Yost, Kropp, Kind & Lam	Workforce engagement: What it is, what drives it, and why it matters for organizational performance	2018	Journal of Organizational Behavior	managerial support, employee voice, performance appraisal, work- life balance systems, recruitment and selection, compensation and benefits		employee behaviour	customer satisfaction			
Schuh, Egold & van Dick	Towards understanding the role of organizational identification in service settings: A multilevel study spanning leaders, service employees, and customers	2019	Journal of Management Studies	formalized job design, performance appraisal		feeling of unity, performanc e	customer satisfaction			

Smith, Fox & Ramirez	An Integrated Perspective of Service Recovery: A Sociotechnical Systems Approach	2010	Journal of Service Research	training and development, feedback, empowerment, formal policies	recovery climate, employee efficacy, avoidance	behavioura l intentions			
Solnet	Introducing employee social identification to customer satisfaction research: A hotel industry study	2006	Managing Service Quality: An International Journal	rewards and incentives, training and development, information sharing, performance appraisal	employee social identificati on, organizatio nal (service) climate	customer satisfaction			the entire relationship Organization al Practices → Employee Perceptions → Customer Experiences → Business Performance → Organization al practices is circular
Subramony	WHY ORGANIZATIONS ADOPT SOME HUMAN RESOURCE MANAGEMENT PRACTICES AND REJECT OTHERS: AN EXPLORATION OF RATIONALES	2006	Human Resource Management	recruitment and selection, training and development, compensation and benefits	employee behaviour, employee attributes	behavioura l intentions			
Tharenou, Saks & Moore	A review and critique of research on training and organizational- level outcomes	2007	Human Resource Management Review	training and development	employee attitudes, organizatio nal capital intensity, strategy	Customer satisfaction , customer sacrifice			

Towler, Lezotte & Burke	THE SERVICE CLIMATE–FIRM PERFORMANCE CHAIN: THE ROLE OF CUSTOMER RETENTION	2011	Human Resource Management	training and development, managerial support, job desription, rewards and incentives		organizatio nal (service) climate	customer satisfaction , behavioura l intentions			
Tsao, Chen & Wang	Family governance oversight, performance, and high performance work systems	2016	Journal of Business Research	recruitment and selection, performance appraisal, compensation and benefits, retention, dismissal	High- performance work systems		customer satisfaction			
Tzabbar, Tzafrir & Baruch	A bridge over troubled water: Replication, integration and extension of the relationship between HRM practices and organizational performance using moderating meta-analysis	2017	Human Resource Management Review	career opportunities, training and development, performance appraisal, profit sharing, employment security, employee voice, job description		firm size, industry sector, societal context	customer satisfaction			

Tzafrir	A universalistic perspective for explaining the relationship between HRM practices and firm performance at different points in time	2006	Journal of Managerial Psychology	training and development, participation, recruitment and selection, internal labour market, compensation and benefits		institutiona l context, firm size, firm age, industry sector	customer satisfaction , service quality			
Úbeda- García, Claver- Cortés, Marco- Lajara, Zaragoza- Sáez & García-Lillo	High performance work system and performance: Opening the black box through the organizational ambidexterity and human resource flexibility	2018	Journal of Business Research		High- performance Work Systems	HR flexibility, organizatio nal ambidexter ity	customer satisfaction			