The Impact of Customer Participation: The Employee's Perspective

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ABSTRACT
Purpose─The purpose of this paper is to examine the impact of customer participation in the service delivery process by designing and testing an empirical model with the employees' point of view in mind.

Design/methodology/approach─Data are collected from 166 pairs of customers and service employees in the context of professional financial insurance services. The proposed model is analyzed with partial least squares (PLS) path modeling in SmartPLS 2.0 software.

Findings─The results of the study show that customer participation produces positive effects on employees' job satisfaction only if such participation minimizes job stress and meets employees' relational needs. Job stress and satisfaction are strong predictors of organisational commitment, but the proposed relationship between relational value and organisational commitment was not found.

Practical implications─This study suggests that customer participation can be a win-win situation for employees and the service firm. Employees who create relational value with their customers effectively enjoy their jobs more and are more likely to build and maintain long-term relationships with their service firm.

Originality/value─Our findings highlighted the roles of the customer and the employee and indicated the heuristic value of viewing job satisfaction and organisational commitment as consequences of customer participation. This can enhance the understanding of how encounters should be designed in order to support employees and improve the co-creation of value.

Keywords: customer participation; relational value; job stress; job satisfaction; organisational commitment...

REFERENCES


