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Customer Service Training and its Effect on Employee to Employee Relationships and Work
Climate: A Case Study

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Abstract

This study sought to obtain insight and observe possible correlations of customer interaction and service training that involves engaging employees within learning environments which are conducive to improving employee-customer interaction and quality of service provided to the organization's patrons. Such training was provided to employees with the intended purpose of effecting an increase in customer satisfaction. A phenomenon of increased positivity among employees was later observed, coinciding with the delivery of the customer interaction/service training; training that did not address employee-to-employee relationships. This case study attempts to analyze said phenomenon within one franchised food service establishment.

Keywords: Customer service training, employee relationships, positive organizational behavior, organizational citizenship behavior, work climate.

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A regional restaurant chain provided customer interaction training at select locations within the southeastern region of the United States. The initiative was led by corporate leadership who sought to improve the interactions between restaurant personnel and customers, by creating an environment that was polite, helpful, and enjoyable to the patrons.

Upon conclusion of its pilot program, management felt the program was successful and had, in fact, met its objectives. Plans to expand the training program to each location were underway. However, after dialogue with the local restaurant managers, the research team sought to determine if the customer interaction training brought additional changes to the service staff that affected the individual employees, work climate, employee-to-employee interaction, and job satisfaction. Therefore, a post-training study was approved by management.

The Problem

Negative customer service can be detrimental to a business's health, while positive customer experiences are almost always an indicator of success within the organization (Ryder, 2007). Due to this issue, a great deal of attention has been given to customer satisfaction and retention, with a resulting emphasis on the training of personnel in the areas of attentiveness to customer needs and service delivery. Studies show that there is a direct positive correlation between the implementation of such customer service training and perceived customer experience (Hennig-Thurau, 2004). However, this type of training may impact more than increased customer satisfaction.

It is well known that there is a strong correlation between internal organizational climate and the quality of service delivered (Schneider & Bowen, 1993), thereby affecting customer

satisfaction and retention. Climate is defined as “the perceptions of members within the same work unit” (Burke, 2013, p. 233). These perceptions include fairness, expectations, recognition, support from fellow work unit member, feelings of effectiveness; these all indirectly affect employee motivation (Burke, 2013). If employee training programs are a part of the organizational culture, such training programs may not only affect customer satisfaction, but also the work climate. Management may see positive results within the customer experience arena as a result of training; however, they may also find that there are positive residual effects. While the primary focus for customer service-based training is focused on service delivery, it could also un-expectedly drive more positive working environments for employees within the organization

To define how customer experience training affects the employees’ work climate, the following questions required additional investigation:

- How does customer interaction training effect employee satisfaction?
- How might customer interaction training effect the environment of the workplace other than the customer experience focus?

Purpose of Study

The purpose of this case study was to investigate the impact on work climate and employee satisfaction based on employees who have participated in corporate customer interaction training at dining establishments. While much research has focused on customer service training and the overall customer experience, the need existed for additional research concentrating on the residual or spillover effects of such training. More specifically, the outcome of employee satisfaction and positive work climate from customer-focused training is a curious phenomenon. The importance of this phenomena lies in the fact that positive employee engagement is specifically related to the success of the company (Hennig-Thurau, Gwinner, &

Gremler, 2002). A positive work environment could have a positive impact on future customer service training endeavors.

Research Questions

The purpose of this study was to observe the presence of residual spillover effects resulting from customer interaction training. Specifically, positive or negative spillover from the training that affected the individual employees, work climate, and employee-to-employee interaction were addressed by the following three research questions:

1. What types of changes occurred within the working environment after the customer interaction training was implemented?
2. What areas were impacted within the workplace other than the customer experience focus?
3. After customer interaction training, what attitude changes were observed regarding employee relationships within the working environment?

Theoretical Framework

Much of the literature reviewed for this case study was garnered from searching through EBSCO within the University of Texas at Tyler library academic journal databases and Google Scholar. Search terms including customer service, customer experience, employee well-being, training, productivity, work climate, and organizational behavior were utilized. Articles from numerous business and academic journals were reviewed and employed to postulate a framework for the research project. Many concepts were considered, and positive organizational behavior was selected as a theory which assists in underpinning the research focus. Positive Organizational Behavior (POB) “studies individual positive psychological conditions and human resource strengths that are—in one way or the other—related to employee well-being or

performance improvement” (Bakker & Schaufeli, 2008, p. 148). A sense of well-being of the employee can certainly have an impact on the customer experience (Nishii, Lepak, & Schneider, 2008). If employee well-being and the work climate are improved by customer service training, it could be the foundation for additional insights to improve overall attitudes and production for the franchise. For instance, if the theory of positive organizational behavior is validated by residual, spillover effects of customer service training, implementation of this training could specifically be utilized to improve the internal climate, increasing productivity for the company.

Literature

Within this section, the literature related to the questions generated as a part of the case study of a restaurant enterprise and the impact of its customer service training on the restaurant’s work climate. Research linked to organizational climate, organizational citizenship behavior, positive organizational behavior, politeness theory, and motivation will be briefly addressed, followed by a summary.

Definition of Terms

- **Organizational climate.** The concept of organizational climate was initially addressed by Kurt Lewin (Lewin, Lippitt, & White, 1939) and has been more recently defined as “the collective perceptions for members within the same work unit” (Burke, 2013, p. 233). This study will address the impact of employee training on climate.
- **Organizational Citizenship Behavior.** Climate is interrelated to and correlates with organizational behavior concepts such as Organizational Citizenship Behavior (OCB) (Randhawa & Kaur, 2015).OCBs, are the positive actions taken by employees that exceed their minimal job descriptions and are conducted for the benefit of the organization (Bowen, Gilliland, & Folger, 1999).

- Positive Organizational Behavior). Positive Organizational Behavior (POB), a concept unique to organizational behavior, is defined as the “study and application of positively oriented human resource strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement in today’s workplace” (Luthans & Church, 2002, p. 59).

Related Literature

Schneider and Bowen (1993) address the correlation between employees’ perceptions of their work climate and customer perceptions of quality within a service business environment. They feel that by managing the employees’ experiences within the organization, i.e. climate, a customer’s service experience would be better managed (Schneider & Bowen, 1993), thereby increasing customer satisfaction and retention (Clark, 2001). These studies, along with others, have had an impact on the business community. As a result, management concentrates on creating and maintaining an employee work climate that enables and encourages their employees to deliver services that create customer satisfaction and retention. Simply training employees to deliver quality service does not dictate positive outcomes. In fact, the strongest correlation with improved customer satisfaction is employee reward, as it has been determined that information seeking, training, recognition and rewards were the most predictive variables affecting customer satisfaction and retention (Johnson, 1996; Clark, 2001).

In many businesses, clients are exposed to the organization’s work climate. For example, some food service business interiors are designed in a manner that the customer is fully exposed to the activity of the kitchen staff, servers, and cashiers. When the climate is apparent to the customer in such a transparent manner, it may have a direct impact on the customer’s perceptions of quality service (Schneider & Bowen, 1993). Therefore, businesses seek and desire to present a

positive environment, with positive-minded and motivated employees that display what is known as positive organizational behavior (POB). This can be an acquired behavior: “In POB, positive efficacy is treated as a state that can be developed and effectively managed” (Luthans & Church, 2002, p. 60). An expression of POB, positive communication among employees and team support, can distinguish between work units or teams that flourish from others (Fredrickson & Losada, 2005; Bakker & Schaufeli, 2008). In a similar manner, customers will be exposed to employee’s OCB, and in fact, may be the recipient of excellent service due to OCB. One of the five behaviors typically identified as a dimension of OCB is courtesy (Bowen et al., 1999) which can be easily perceived by customers.

Within the work climate, interpersonal relations are important to the degree that Schneider (1986) suggested that “organizations need to attract, select, and retain interpersonally oriented people” (George, 1990, p.66). Cynthia Dunn (2011) addresses the need for politeness, a facet of POB, and studied the Japanese etiquette and politeness training provided to employees by organizations. In addition to verbal communication and non-verbal gestures, personal appearance in terms of grooming, clothing, and footwear were taught as a part of politeness training (Dunn, 2011). Another study addresses rudeness in the workplace and the effect it has on the work climate of an organization (P. R. Johnson & Indvik, 2001). Johnson and Indvik stated that “Behavior that one person may perceive as cold, brusque or rude, another may view as a no-nonsense, competent, or efficient manner” (P. R. Johnson & Indvik, 2001, p. 458). It can be observed and concluded from the literature that interpersonal relations among employees play a role in the work climate, affecting attitude, performance, service delivery, and ultimately affecting customer satisfaction and retention.

Summary of Literature and Context of Proposed Study

The case study addresses the impact of customer service training on work climate, specifically POB. While much literature can be found relating to the correlation of work climate and POB to customer satisfaction, almost all literature addresses the effect that POB and climate have upon customer satisfaction. It has been observed that there is a spillover effect of fair treatment of employees (climate) to customer satisfaction (Bowen et al., 1999), yet the idea of reverse spillover has not been addressed. Reverse spillover, meaning the residual impact that customer service training, acting as the predictive variable, would have on the work climate and employee POB as an outcome may or may not be present. The project team felt that the outcome of such a study would have an impact in the field of HRD, whether instances were established or if it was concluded that there were no instances of customer service training impacting employee work climate. The outcome of studies such as this may influence an organization's future training endeavors.

Design and Method

The purpose of this study was to observe the presence of residual spillover effects resulting from customer interaction training. Specifically, positive or negative spillover from the training that affected the individual employees, work climate, and employee-to-employee interaction were observed.

Organization Selection

The organization selected for this study was due to positive customer service change observed over a period of time by one of the research team members, creating a curiosity to question why service had improved. Additional observations were noted with improvement in employee satisfaction perception and work climate areas. Questions arose regarding the

causation of employee job satisfaction and positive work climate within the dining establishment based on possible outcomes of customer service training. Management was approached for a study and approval to interview selected employees was obtained, based on their participation in customer service training. The proposal was approved by the management on site. The sample was to include a minimum of one general operations manager, one shift manager, two new employees, and two seasoned employees within this one specific franchised location.

Sample Selection

Purposeful sampling (Merriam & Tisdell, 2015) is considered by different job titles and duties. A minimum of two seasoned employees were to be selected to validate a change or lack thereof within the work environment due to the implementation of training. Newer employees were considered for the sample to compare and contrast the current working environment to previous places of employment. A two-tiered sampling of management was also included, with a general manager and shift manager in the sample as a minimum (Merriam & Tisdell, 2015).

Data Collection

The team developed a semi-structured interview guide. Typically, the interview structure will fall into one of three categories: structured, semi-structured, and unstructured (Merriam & Tisdell, 2015). While a structured interview typically has pre-determined questions with exact wording and sequence of the questions, the unstructured interview lies at the opposite end of the spectrum in that the unstructured interview typically does not have any predetermined sets of questions and is primarily exploratory in nature (Merriam & Tisdell, 2015). The format utilized for this study was semi-structured, whereby the interview guide consists of a mix of questions that have some organization. The interviewers were given the freedom to word the questions in a

manner fitting the conversation, and were permitted to ask the questions in differing orders (Merriam & Tisdell, 2015).

The team's interview guide for the project consisted of nine essential questions that were developed to allow the interviewer to obtain specific information. Although additional or supplemental questions were allowed and encouraged to be asked if the interview so warranted, the primary purpose of the interview guide was to assist the interviewer in the goal of obtaining the data needed for the study while allowing the interviewee the freedom to bring unexplored or unexpected information to the study. The team's interview guide is displayed in Exhibit 1.

EXHIBIT 1. INTERVIEW GUIDE

- I understand you and your co-workers have received customer interaction training here at your place of employment during the past few months. Tell me about the training.
- What changes in the working environment, if any, have you witnessed over the past few months?
- What types of relationships do you have with your fellow workers, subordinates, and/or superiors?
- How do you feel about your day to day duties at your job?
- How has receiving this new training impacted your attitude towards customers, peers, and supervisors in your role?
- Since receiving this type of training, what is your level of satisfaction in your position? Why is that?
- What is the number one "take away" that stuck with you from this training? Why is that?
- Have any of the skills/tools learned in the customer service training impacted your personal life? If so, in what ways?
- Have you found yourself applying what you have learned to your personal life, outside of the workplace? If so, have you noticed a change in your family and social relationships?
- Since the new customer service training, what has been the impact on the team mentality within the organization? If any?

Participants

The project team interviewed six employees, consisting of a shift manager, a shift leader, and four shift workers. The interviews were conducted on the business's premises, during business hours. The team sought a sample that included a cross-section of employees with distinct levels of responsibility comprised of both genders.

Data Analysis

The team members manually coded the interviews independently and then consolidated the codes into a coding scheme utilizing the MAXQDA 12 software suite. During the First Cycle of coding, the processes may range from a single word to full or partial sentences (Saldana, 2009, p.3), which was experienced by the project team during the independent coding of transcripts. Such results are typical with initial coding attempts as the team strives to stay close to the actual data (Charmaz, 2014). Several descriptors were utilized in the First Cycle of coding. During the Second Cycle (Saldana, 2009, p.3) of coding and the consolidation of the team's coded transcripts, a coding scheme was developed.

The coding scheme for this project is comprised of three major themes which emerged during the systematic coding process: engagement, employee satisfaction, and work environment which include eleven separate codes. Each of the three major themes contained sub-themes or codes which are depicted in Exhibit 2. A thematic scheme of coding was chosen while using MAXQDA 12 software after the initial phase of independent coding was completed. Similar subjects were realized from all transcriptions, and the underlying themes were defined and implemented. An In Vivo style of coding was considered, however much of the vernacular of the individual interview subjects was dissimilar. In Vivo coding utilizes specific words within the transcript to define the code (Charmaz, 2014). It was more advantageous to create unambiguous themes based on similarities of the subject matter rather than definite vernacular.

After the compilation of six independently coded transcripts, a total of 208 coding incidents were realized within the texts.

EXHIBIT 2. CODING SCHEME

Code System		
Primary Theme	Sub-Theme	Occurrences
Engagement		47
	Accountability	21
	Employee Training	16
	Increase Employee Interaction	10
Employee Satisfaction		66
	Job Satisfaction	30
	Employee Morale	23
	Outside Work Positivity	13
Work Environment		95
	Positive Environment	34
	Cooperative Team Mentality	24
	Customer Satisfaction	20
	Turnover	9
	Negative Environment	8
Total Occurrences		208

Complete transcripts of interviews, as well as corresponding notes taken by the interviewers, were to be coded using qualitative statistical software. MAXQDA 12 software was used to correlate data and define similarities within the transcript data. Similarities, as well as the frequency of the data, were then reported within the findings of the analysis.

Results

Exhibit 3 displays the three main themes and eleven codes that evolved and were measured as a result of the interviews. Work environment, employee satisfaction, and employee engagement surfaced as themes not related to customer satisfaction.

Research question one seeks to identify changes within the working environment after the customer interaction training was completed. The participants reported that the training had a positive impact on the overall work environment, and they felt that teamwork among the employees had increased and that the intent to turnover was reduced.

The second research question sought to discover the areas of the workplace that were impacted by the customer interaction training other than customer service. Of the three non-customer related themes that surfaced in the study, Work Environment was impacted the most by the training delivered to the employees. The number of incidents within the Work Environment theme represented 45.7% of all incidents. It is noted that five codes were represented in the Work Environment theme as compared to three in each of the other two themes, Employee Satisfaction, and Engagement. However, if one were to delete Turnover and Negative Environment, which had few incidents, leaving only three codes, Work Environment would continue to be the dominant theme represented by the analysis. Second to Work Environment is Employee Satisfaction, where Employee Morale and Job Satisfaction contain the most incidents within the theme.

The four codes representing the most incidents are as follows, representing highest to lowest number of incidents: Positive Environment, Job Satisfaction, Cooperative Team mentality, and Employee Morale. Positive Environment and Cooperative Team mentality are representative of the Work Environment theme. while Job Satisfaction and Employee Morale lie within the Employee Satisfaction theme.

The third research question addressed the employee attitude changes the resulted from the customer interaction training. The analyzed data gathered from the participants demonstrated an improved employee morale as well as increased job satisfaction. Several of the participants felt the training also had a positive impact on their interpersonal interactions and relationships outside of the workplace. Statements such as: “This training has changed my life”; “The training and new knowledge have changed how I treat people in all other relationships”; and “I never knew how to be polite and how important it is” demonstrated the positive impact and attitude changes that resulted from the training program.

It is of interest to note that Customer Satisfaction was represented by 20 incidents, the median of the range of incident frequency. This is an expected outcome based on the training program’s focus on customer service abilities. However, the questions asked of the employees during the study were not directed to focus on this result. This result shows that the actual goal of the training to impact abilities in providing good service was achieved.

EXHIBIT 3. MAIN THEMES



Conclusion

The purpose of the study was to answer the question of how the restaurant's customer service training impacted the employee work environment, i.e. work climate. The training delivered was "customer interaction training", described by some employees as "politeness training". Management initiated the training program to improve the customer experience and overall customer satisfaction. The research team sought to discover if the training also impacted the work climate or provided any other benefits such as personal growth and individual enjoyment.

The results of the study are somewhat interesting in that, while the purpose of the training was to improve customer satisfaction, participant interviews revealed that spillover into work climate improvement was very noticeable and impactful. The participants recognized the customer satisfaction improvement, however, their discussion of the training focused primarily upon the improved work environment issues such as teamwork, morale, and overall work climate.

Credibility and Limitations

The project team interviewed approximately 50% of the employees at the single restaurant location, reaching the point of saturation. To reduce the possibility of bias and increase credibility, triangulation with the implementation of multiple investigators was utilized (Merriam & Tisdell, 2015). A total of three investigators were utilized during the study to interview, code transcripts, and cross-check the data of team members. In addition, employees with varying levels of responsibility and length of employment participated in the study.

Limitations to the study would include the fact that the study was conducted in a single food service location, therefore limiting the results to be applied to other types and sizes of

businesses, and lack of external validity (King, Keohane, & Verba, 1994). Another limitation is the fact that four of the interviewees were relatively new employees, which could impact their level within the organizational environment. It must also be recognized that the training was not created and promoted by the local managers, but by the corporate headquarters of the restaurant chain. Manager buy-in and commitment to the training could be a limitation and results may have been affected by the local work climate, thereby facilitating inaccurate results.

Implications

The findings of this study may deliver substance to the HRD research field by providing information and validity to observed phenomena. Documentation of the idea that interactive customer training has positive residual implications impacting employee relationships, well-being, and work climate may serve as a vehicle for further research to explore the subject.

Research should be conducted to better determine if the phenomena observed in this study at a single restaurant, could be duplicated in other locations and within other organizations. The knowledge of the impact that customer interaction training may have on work environment and employee satisfaction in addition to customer satisfaction in various organizations would allow HRD and management professionals to address issues within both dimensions, customer satisfaction and work climate.

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