# Human Resources Performance in Service Encounters – A Customer Service Case Study

#### Claudia GRIGORE<sup>1</sup>

## **ABSTRACT**

Efficiency is generally defined as the extent to which resources or effort is employed in order to achieve a certain purpose or objective. As per an economic perspective, this term may also mean a minimum quantity of supplies which can generate a maximum result. But can we talk about efficiency in terms of human resources and their allocation to a specific task? And how one asses the activity of the employees when considering service encounters? This study aims to provide an answer to these two questions from an emotional labor perspective: individuals employ their emotional abilities in order to perform a certain job. This is a process under a commercial perspective: the wage represents the exchange value for these competencies.

KEYWORDS: human resources, emotional labor, emotional dissonance, job performance

JEL Classification: J24, J31, L84

#### Introduction

In a world where rationality is thought to provide true success, it would appear out of the ordinary for organizations to have a mind of their own. Nevertheless, even if automatic operations are predominant in almost every job, the touch of the human skill is the mark that differentiates each final product or service.

The social interaction develops rules and norms that guide individual behavior in order to be certain and predictable. Physical environment was generally thought to determine maximum worker's output. The intrinsic motivation of the workforce was not an element worth to be taken into consideration. Work was only perceived through its quantitative parts: productivity, labor time and operations. Nevertheless, not all activities can be divided into precise assignments. Productivity may also be determined by the human touch – the ability of any individual to action in a personal way.

The present study continues this idea of describing efficiency from another perspective: by analyzing human resources in an organizational environment determined by constant competitive pressures. Becoming the best in the business branch may now mean to train and evaluate top employees who can create a "glad to help" customer interaction. Efficiency can be therefore reconsidered from another perspective and not just one where resources can be evaluated by quantitative criteria. The first part of this paper presents a

<sup>&</sup>lt;sup>1</sup> Claudia GRIGORE, The Bucharest Academy of Economic Studies, Romania, E-mail: grigoreclaudia@yahoo.com

theoretical approach of this innovative idea where productivity is described as qualitative evaluation when talking about emotions and their exchange value. The research design will further illustrate the main findings when studying emotions at work in a customer service department from a cargo and courier company. The limitation of the study and future orientations section will present a critical point of view of the research and some potential subjects to be further analyzed. By concluding the research approach, the link between emotions and human resources efficiency will be pointed up as a key for competitive advantage.

#### 1. Human Resources Performance in Voice-to-Voice Jobs

When worked-up warmth, friendliness and an attitude of always being glad to help become marks of service encounters, one can easily assume that this is the key for competitive advantage. Organizations cannot be talked about without considering the role that emotions play with a commercial purpose. Employees are required to perform a pre-written role in order to ensure customer satisfaction and a message consistent with the strategy and values of the company. Almost an obvious part of any personal framework, emotions can hardly be considered in the organizational background as subject to a transaction. Working effort is described either to be physical or intellectual. However, one can scarcely think that another category can be added to this typology – emotional effort. The wage received by an employee for his work represents the exchange coin for the three types of effort (physical, intellectual and emotional).

Arlie Russell Hochschild (1983/2003) has first put the commercialization of feelings into theory when she first analyzed the flight attendances' work and their effort to maintain a continuous smile even when passengers got angry or when the plane had difficulties during the flight. Personal skills of the human resource were means to manage emotions but also subjects to commercialization. In this context, *emotional work* can be defined as the process of feeling management so that a public image can be displayed at a facial and bodily level; this work is sold in exchange for a wage and therefore has exchange value (Hochschild, 1983/2003). The difference between emotional work and other types of labor is made by the following characteristics (Wharton, 1993, p. 208):

- Facial or verbal contact (*face-to-face* or *voice-to-voice*) within the social interaction;
- The employee is required to induce a certain state of mind to the client or to the consumer;
- It enables the employer the opportunity to control the emotional activities of the employees (through training, policy and performance evaluation).

Our needs have diversified in a continuous technological development and it became more and more difficult to satisfy them with the help of traditional means. The service sector is a contemporary field for economic gain and satisfaction of needs. Whether we think of a restaurant or of a motel, the physical work (the one of the cook or of the hotel maintenance personnel) is embedded by the intellectual and emotional effort (waiter and the receptionist for instance). As for any other merchandise, employees must perform, promote and trade services as efficient as possible in order to gain economical advantage.

The element that best differentiates goods from services is represented by the fact that the latter represent "intangible activities, that are created and consumed simultaneously, being delivered to the end customer through the social interaction between their supplier and the

client" (Hochschild, 1983; Zemke & Schaaf, 1989, quoted in Warthon, 1993, p. 206). On the other hand, there can be services that imply scarcely no contact with the consumer. For instance, the IT programmer has no need to interact with his company's clients in order to create the necessary software (Botone, 2007, p. 134). The way workers manage tensioned situations, the impact that all this can have at an individual level and the way people perceive an interaction with the client have been subjects of interest for many authors (Ashforth & Humphrey, 1993; Fineman, 2003/2005; Hochschild, 1983/2003; Payne & Cooper, 2001/2004).

Smile is now etiquette of professionalism in many of the jobs where there is a direct interaction with the client. Nevertheless, we live in a world where 'our choice for the place we would like to work implies also our choice for the way we will feel' (Rafaeli & Worline, 2001, p. 106).



**Figure 1: Customer Service Analogy** *Source*: http://www.rogerswebsite.com/Humour/

Moreover, this is now a top ingredient for working with clients in customer service jobs, a domain that can easily be defined as a series of activities designed to enhance the level of customer satisfaction –the feeling that a product or service has met the customer's expectations (Barlow & Stewart, 2004).

## 2. Research Design

A qualitative approach was considered to be most appropriate to point up what drives people to do their job well done in the service sector where the interaction with customers is on a regular basis and emotions are always involved.

Why customer service? Firstly, this is a job where female touch and skills is most likely be encountered. As Hochschild (1983/2003, 1983/2001) noticed, our societal culture invites women, more than men, to focus on feeling, as they are more adept at the practice of emotion management. Secondly, when an employee disguises fatigue and irritation on an interaction with a client, he will most likely manage his emotions according to the company's behavioral etiquette. Customer service is a profession that by its nature implies contact with clients and social exchange. This process will generate emotions on both parties, but the employee will be the one who will have to groom his emotions accordingly to its company's desire for competitive advantage and customer loyalty. In what the client is concerned, he will not be always right, but he will never be wrong.

The company that enabled data collection for the research study is an organization that activates in the Romanian business of transferring goods and documents around the world tailored to the requirements of the its customers with a focus on time-definite and/or day-definite pick up and delivery. It is the main business of the company to deliver its clients 'business' at the right time and at the right place. It is an international company that picks up, sorts, handles, stores and delivers documents, parcels, by combining physical infrastructures such as depots and trucks with electronic infrastructures such as billing and track & trace systems, and commercial infrastructures to develop the best business solutions.

As a qualitative study, this research employed two specific methods: the interview and participative observation. The interview is defined as 'a research technique of obtaining verbal information from people and groups, through questions and answers with the purpose of acquiring relevant data and answers for the scientific questions' (Chelcea, 2001/2007, p. 297). In this case, a more particular type of dialogue has been chosen: the standardized interview. This implies open questions in order to reflect impressions, thoughts and ideas over certain themes, but also it enables the researcher to have a broader perspective of the study. On the other hand, the participative observation facilitated a more profound understanding of the issue which has been analyzed. The researcher was identified along with the team members, a situation that added value to the study, by observing attitudes and behaviors in their natural state, and without being affected by a social desirability perspective.

In this case, transcripts from 10 structured interviews with individual professional staff members served as the primary data source for this study. They were all female subjects and this further sustains Hoschsild's opinion that emotional labor is more likely to be encountered in the case of the women according to the requirements of the service sector. Interviews were conducted from March 8, 2010 to April 23, 2010 and the participative observation last for more than 3 months (from January until the middle of May, 2010).

The item generation process centered upon emotional effort and its assessment towards a human resource performance perspective. Emotional effort occurs when a worker performs a certain role (of courtesy or calm) even if he does not feel those emotions at that particular time. Consequently, emotional labor presents three main components (Mann, 1999 *apud* Conrad, Lashely, 2002):

- *Emotional Harmony*: the perfect accordance between what an individual has to display (the mask of happiness or the calm attitude) and what he really feels (the emotions he has into those specific situations). An example could be an employee whose baby has just been born and has a joyful attitude. Therefore, he will not find that difficult to smile to an angry client;
- *Emotional Deviance*: it occurs when a worker displays exactly the emotions he has without taking in consideration the rules of expressing them (for example when a worker raises his voice to a client and shows a very angry attitude);
- *Emotional Dissonance*: when the emotions displayed by an employee are not the one he really feels (a happy attitude when the worker may feel very sad).

## 3. Discussion and findings

The Customer Service (CS) activity is mainly made up by two main actions: talking with customers by phone and emailing other transit stations so that failed shipments do not get lost and the delay in providing requested service is minimized. At a first superficial glance, this is quite about all a worker can do in this job. However, dealing with clients even by phone means dealing with endless problems. Angry people who might say or do anything to diminish their loss over a failed consignment represent a daily activity for this team. Having the right attitude means everything in this job. It is true that a smile cannot be seen over the phone. Nevertheless, knowing how to say the right word at the right time or to create confidence that everything will be ok even if there is a failed shipment – this is CS team's main challenge.

According to the results of the interview, an employee would spend at least 50% of the working time talking with clients by phone. They spend the rest of the time communicating with other colleagues (verbally, by e-mail or by internal messaging).

All this with the purpose of getting the proper solutions for failed shipments in order to diminish their delays or trying to solve customer's complaints in order to maintain their brand loyalty. A quite surprisingly data of the interview reveals the employees have an unique way of comparing their work with other competitors:

'Even if we sometimes call them [clients] to announce a failed shipment that may have a huge delay, some of them are quite content we keep doing this. They often tell us that DHL [one of the company's major competitor] never lets anyone know about consignment's situation'.

Nevertheless, the contentment of a client does not last that long in employee's perspective. Even the smallest mistake can determine a change of heart and a bad evaluation for every employee.

'No matter if a customer has 100 excellent shipments with our company, if the company fails with only one of them, the client will only have this in mind. Even if we will give him all the discounts in the world, he will always have in mind that bad situation'.

Therefore, employees feel an emotional attachment towards the problems of a client. Even if the workers may have a fake attitude towards clients, when the latter start raising their voice or begins threatening, the workers will not have a natural tendency to help them. They often said it is quite annoying and frustrating when the situation comes to this point.

Workers confirm it is their job to bear all the bad things a client might say and therefore it is their job to provide alternative solutions. But employees recognize they will not be so willing to help that particular customer if the company does not enforce a specific attitude. On the other hand, when a client is calm and a rational point of view, workers will tend to have a feeling of empathy and will try to help him better or faster than in the case of the angry customer. This represents the most eloquent proof of *emotional harmony* (empathy felt and showed towards a calm client). Therefore, the customer will never have the chance to notice that an employee will not show his true feelings:

'Even though it is a very unpleasant situation, you have to be sure of what you are saying. Even if it was company's fault or just natural causes happened (like the volcanic ash cloud case), the arguments you offer to a client for a

delay must always let him the impression of professionalism, of safety alternatives and solutions'.

This is also, what was noticed when applying the participative observation. The team leader will often encourage workers in meetings not to let any trace of doubt of any information offered to clients. They must have a calm professional attitude, an aspect that encourages emotional dissonance rather than emotional harmony. A very frustrating factor and a possible generator for emotional deviance that the individuals noticed was the fact that 'problems never end – are part of the job and even it one goes home, the second day the issues will still be there'. Acting, therefore, is being a good employee and a professional CS worker is the one who has completely accepted the rules of standardization. And what this regulation actually is? Participative observation revealed some interesting feeling rules:

- Words like 'delay' must be avoided by linguistically avoiding any attribution of blame; the idea of being angry is avoided in the discourse. In this perspective, the customer does never do anything wrong, so he can't be blamed or be made object of anger;
- Every employee must use a standard sentence of greeting: "Hello, this is the Romanian Courier Company, and X speaking. How may I help you?";
- Workers must use client's names in any conversation in order to reinforce the image of professionalism and to make them believe they are not anonymous, but their problems are unique;
- Positive attitudes are reinforced they are considered to have double benefit, both for the individual and co-workers;
- Calls are constantly monitored and workers know their supervisor may always hear their conversation with clients. The observe method is also applied as a performance evaluation criteria;
- In order to be a professional worker, the individual must offer a friendly, helpful and open to requests image;
- Spies are publicly encouraged in meetings. The team leader lets the employees know almost at every meeting that if they will report a co-worker's mistake, this will only help the person in subject to improve his activity.

## 4. Limitations of the Study and Future Orientations

This study has been realized through a qualitative perspective. The data presented was strictly particularized to a certain company, and therefore will not pretend to have a general implication for all employees in the sector domain (merely in customer service). This research could be improved by recruiting more participants and maybe from other departments of the studied company. Interviewing more people may reveal additional themes in the data and would ensure that the findings accurately represent the experiences of all workers by using statistical testing and quantitative data. Econometric modelling would ensure a test for the reliability of the study. A survey would probably open the path of understanding how people think without any interference from the side of the researcher.

Therefore, the subject of emotions in organizations opens up numerous paths for future studies. This will involve subjects like techniques for dealing with the stress created by emotional dissonance or possible individual differences for the way emotional labour is later experienced in the family context. Studying the difference between real and faked emotions would also be a starting point for observing human behaviour at work. This will help better understand if smiling workers have plausible attitudes or they just present a false

attitude with a precise purpose: economic gain. Future researchers on human resources will therefore benefit from a great use of studying emotions at work.

## **Conclusions**

This purpose of the study was to illustrate how the activity of the employees can be assessed when considering service encounters. Two qualitative research methods were employed in the study of emotions at work: the intensive interview and participative observation. The research revealed that workers cannot both engage in emotional labour and possess emotional display choice, but they recognize that their emotional displays are more of a commodity than a choice.

During interviews, employees noted that 'part of each individual's evaluation is attitude' and reasoned that 'in a way it does tie in' to their ability to receive pay increases and promotions. Employees also commented that people who do not display appropriate emotions 'don't last very long' in the organization. In this respect, workers seem to regard their emotional expressions as a commodity that may be exchanged for the best performance evaluations and pay checks. This is a dual efficiency perspective: both at an individual and an organizational level. Emotions are thought as resources for personal gain (the wage) and for organizational purposes (customers' satisfaction and competitive advantage). They are also subject to the company's control through training and performance evaluation: employees are constantly monitored when interacting with customers so that a desirable attitude is displayed. As a reverse factor, emotional effort can also be subject to self-control demands on burnout, anxiety, and absenteeism (Diestel & Schmidt, 2010). On the other hand, emotional dissonance partially mediates the relationships of negative affectivity and intrinsic motivation with emotional exhaustion (Karatepe & Aleshinloye, 2009).

One could assume that work from an emotional point of view can be the easiest thing to explain and would imply a minimum effort. A superficial performance of the emotion displaying rules can alienate an employee from his 'authentic self' (Miller, Considine & Garner, 2007). Consequently, the human resource represents one the most valuable assets that a company may have because it presents both a successful and a destructive potential. People can carry the essence of every economic action.

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