

Going beyond the service exchange: Employees' perceived value of an engagement platform.

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Going beyond the service exchange: Employees' perceived value of an engagement platform

Contemporary value co-creation research suggests that firms have to shift their focus from existing interactions to newly build interaction platforms based on customer experiences. More specifically, firms should build so-called 'engagement platforms' that go beyond the traditional boundaries of the firm and expand customer relationships in order to create new sources of value for all parties involved. These engagement platforms fundamentally change the role of the frontline service employee (FSE). However, relatively little is known about whether and how these platforms create a valuable experience for FSEs.

To investigate this, our study applies the concept of 'employee value' as being a trade-off between benefits and costs. Unlike prior research, this study provides a more comprehensive understanding of employee value by drawing theoretical support from Holbrook's Value Typology which is frequently used to investigate customer value. Furthermore, this study contributes to our knowledge on employee value by investigating the effect of FLEs' perceived benefits and costs on key outcomes such as job satisfaction, retention, and customer-oriented boundary-spanning behaviors (i.e., external representation, internal influence, and service delivery). To understand how firms can harness the benefits and circumvent the drawbacks of engagement platforms, we included several antecedents of employee value: perceived service climate, customer orientation, sales orientation and three types of self-efficacy (product-related self-efficacy, social self-efficacy and situational self-efficacy).

To test the hypothesized relationships, we studied FSEs involved in an engagement platform of a financial services provider. The results reveal that being involved in an engagement platform may be a double-edged sword for FSEs. On the one hand, FSEs may gain benefits such as enjoyment, better relationships with customers, efficiency, better work quality and social value. On the other hand, engagement platforms require FSEs to go beyond their traditional role which increases their perceived costs such as workload, work stress, time pressure and role ambiguity.

Regarding the outcomes of employee value, the perceived benefits of the engagement platform positively affect FSEs' job satisfaction, retention and customer-oriented boundary-spanning behaviors (i.e., external representation, internal influence, and service delivery). The perceived costs have a negative effect on these key outcomes.

Our findings furthermore indicate that firms should invest in FSEs' perceived service climate since it increases their perceived benefits of the platform. Customer orientation has no significant effect on employee value, whereas sales orientation increases FSEs' perceived costs which indicates that FSEs who are more focused on selling products than on improving the customer experience have more negative perceptions of the engagement platform. Social self-efficacy decreases FSEs' perceived costs and increases their perceived benefits. Additionally, situational self-efficacy has a positive effect on perceived benefits, while product-related self-efficacy has a negative effect on perceived benefits.

Overall, the results of this study clearly underscore the viable benefits of taking a more comprehensive perspective when studying employee value. For managers, these results offer specific insights into how to manage one's human capital when going beyond the traditional service exchange by building an engagement platform.