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The Value of Psychological Capital for Customer Participation Management: An Abstract

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ABSTRACT

Prior research considers various aspects of customer participation (CP) which can be defined as customers' contribution of effort, knowledge, information or other resources to service production and delivery (Dong and Sivikumar 2017). However, actionable guidelines for customer participation management (CPM) – i.e., organizational actions and activities that aim to affect customers' contribution to service production and delivery – are currently lacking (Mustak et al. 2016).

To fill this research gap, a fruitful approach is to take a human resource management (HRM) perspective on CPM (Mustak et al. 2016). The rationale is that, in a CP context, customers can be considered 'partial employees' of the organization (Groth 2005; Xie, Bagozzi, and Troye 2008) and "serve as critical human resources that must be managed so that their efforts are in line with the goals and strategy of the firm" (Halbesleben and Buckley 2004, p.356). Groth (2005) emphasized the value of extending HRM theories to CPM and called for more research on this topic to create a more actionable understanding of CPM. However, more than 10 years later, a systematic literature review conducted by Mustak et al. (2016) revealed that prior studies on CPM offer little actionable knowledge: "Most of these studies do not discuss specific managerial tools or methods that can be applied in real life situations" (Mustak et al. 2016, p.263). As a result, they call for research that is more directly applicable to managers since there is a clear need to translate theoretical knowledge into actionable guidelines.

In light of this research call, this paper extends Psychological Capital (PsyCap) from HRM to CPM. Specifically, we investigate the value of customers' PsyCap as a *manageable* driver of CP. PsyCap involves an individual's positive assessment of circumstances and probability for success, and prior HRM studies offer several actionable guidelines for developing PsyCap. Most of these guidelines can be translated to a CP setting which allows the design of truly actionable strategies for CPM.

Study 1 demonstrates the predictive value of PsyCap as a key driver of CP by examining its relative impact on CP attitude and intention compared to alternative CP drivers (role clarity, extrinsic benefits, intrinsic benefits). Furthermore, this study reveals the impact of several task-related antecedents (compatibility, observability, trialability, complexity, and perceived risk) on these CP drivers. Study 2 demonstrates the managerial value of PsyCap by translating existing guidelines for developing PsyCap from the employee to the customer domain and revealing boundary conditions for PsyCap development.

Keywords: Customer participation; Co-production; Psychological capital; Psycap

References Available Upon Request