

Balancing Frontliners' Customer and Coworker Directed Behaviors when Serving Business Customers

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EXECUTIVE SUMMARY

In this digital era, where many product-oriented business-to-business (B2B) companies are shifting to a product-service systems approach, frontline employees (FLEs) are urged to complement customer-directed behaviors with *coworker-directed prosocial behaviors* to achieve optimal performance. The core challenge for managers in a product-service systems setting is to create a service mind-set in which FLEs learn by harnessing both customer *and* coworker knowledge. Indeed, improving the effective sharing of best practices in the frontline is seen as a top priority by many FLE leaders (i.e., 49%; CSO Insights 2014).

Surprisingly, little is known about the relationship between FLE's coworker-directed and customer-directed behaviors in product-service systems settings. This research addresses this void and serves two purposes. First, drawing on role balance theory the authors develop and test a model of an FLE's relative emphasis on serving coworkers (i.e., helping) relative to the emphasis on serving business customers (i.e., proactive selling) as well as the antecedents and consequences of customer-coworker (im)balance. Second, the authors propose that managers can influence antecedents and consequences through an incentive system and access to information sources, respectively.

Multivariate time-lagged analyses using survey and secondary performance data show that customer-coworker balance is beneficial for FLEs' own performance, especially when FLEs leverage their coworkers as prime information source. Interestingly, the increasingly damaging impact of imbalance towards customer-directed behaviors can be countered by

utilizing the IT system. Interestingly, managers can correct imbalance—caused either by work group identification or expected customer demand—via individual-based incentives.

Overall, our study provides guidelines for managers on how to motivate their FLEs to effectively balance customer and coworker-directed behaviors when designing and delivering product-service systems and curtail the negative effects of imbalance. Specifically, our results demonstrate that high expectancies of customer demand lead to underemphasizing coworker-directed behaviors, while, high identification with the work group leads to a neglect of customer-directed behaviors. Additionally, our findings show that managers can curb unwanted imbalance situations by emphasizing the individual over the group-based component in their incentive scheme.

With respect to outcomes of customer-coworker (im)balance, our results show that when the focal FLE relies on coworkers in the work group for information, she or he is, on average, performing well, irrespective of the direction of imbalance. Interestingly, when an FLE primarily consults the information system, the negative effect of underemphasizing coworker-directed behaviors (i.e., being a lone wolf) is nullified, even becoming positive. The general information and best practices available in the information system can substitute for low levels of coworker-directed behaviors. This provides evidence for the importance of a well-designed information system for FLE performance. Finally, our results reveal that information from the internal business team cannot counter the negative effect of customer-coworker imbalance. In sum, our study demonstrates the importance of having a well-designed and well-utilized customer information system, but more importantly, it stresses the crucial role of spending time on helping coworkers as this not only improves performance outcomes but also prevent detrimental effects of customer-coworker imbalance.