The effect of customer-initiated justice on customer-oriented behaviors

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A B S T R A C T

Researchers have been thorough in their examination of the influence of organizational factors (e.g., supervisors, climate) on employees' perceptions of justice in the workplace. However, much less effort has been directed toward understanding how factors external to the organization – namely, customers – influence perceived justice. This represents an important omission because frontline employees are often held accountable for customer satisfaction which, ultimately, may depend on customers' initial treatment of frontline employees. The research reported herein explores this possibility by proposing that (1) customer interpersonal justice enhances employee-customer fit, (2) customer informational justice increases both employee-customer fit and self-efficacy, and (3) employee-customer fit and self-efficacy interact in prediction of frontline employee customer-oriented behaviors. The results affirm the proposed relationships and thus provide initial evidence that employee-customer fit and self-efficacy mediate the effects of perceived customer justice on customer-oriented behaviors; the implications of these findings for theory and practice are discussed.

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1. Introduction

Through their interactions with customers, frontline employees (FLEs) play a pivotal role in the value delivery process (Grizzle, Zablah, Brown, Mowen, & Lee, 2009). Consequently, FLE customer-oriented behaviors are a critical determinant of customer satisfaction and, ultimately, of organizational profitability (Celuch, Robinson, & Walsh, 2015; Stock & Bednarek, 2014; Zablah, Franke, Brown, & Bartholomew, 2012). Customer-oriented behaviors refer to “worker behaviors that are focused on engendering customer satisfaction” (Grizzle et al., 2009, p. 1228). Customer-oriented behaviors involve actively listening to customers during frontline interactions and directing the effort necessary to ensure that customers' needs are satisfied. Insight into potential factors that foster FLE customer-oriented behaviors is thus vitally important for improving the performance of both sales-based and service-based organizations (Stock & Bednarek, 2014).

In sales and services contexts, customers themselves can be considered a potential factor that influences the extent to which FLEs perform behaviors that engender customer satisfaction (e.g., Yi, Natarajan, & Gong, 2011) because customers' behaviors frequently influence FLE emotional states and work-related motivations (Harris, 2013). For example, studies indicate that irrational or unreasonable customer behaviors are strongly linked to salespeople's feelings of anger or resentment toward customers, which often inflate salespeople's distress and emotional labor (Rupp, McCance, Spencer, & Sonntag, 2008).

In contrast, when customers are generally cooperative and respectful, salespeople are likely to respond by expending effort on customer-oriented behaviors that promote customer need satisfaction (Yoon, Seo, & Yoon, 2004). While there is some evidence of the impact of customer-initiated justice on FLE attitudes toward customers (Spencer & Rupp, 2009), extant research has largely failed to examine the role of customer-initiated justice as a motivator of FLE behaviors toward customers. To address this gap, this research investigates the influence of customer-initiated justice on FLE customer-oriented behaviors, with a specific focus on improving understanding of the mechanisms that explain why customer-initiated justice affects FLE customer-oriented behaviors. Toward that end, this study posits that customer-initiated justice impacts FLE customer-oriented behaviors through its effect on employee-customer fit and self-efficacy, two variables that exert an interactive effect on FLE customer-oriented behaviors.

This study contributes to the existing literature in three ways. First, the study examines how interpersonal justice (i.e., the degree to which FLEs are treated fairly by customers in terms of politeness and dignity; Colquitt, 2001) and informational justice (i.e., the degree to which customers provide adequate explanations of their requests to FLEs; Colquitt, 2001) influence FLE customer-oriented behaviors. While previous studies suggest customer-initiated justice can influence FLE behaviors (e.g., Wang, Liao, Zhan, & Shi, 2011), understanding of the mechanisms through which this influence occurs is still highly limited. Thus, the current study proposes that employee-customer fit (i.e., the...
degree to which FLE interests match with those of customers; Yoo, 2011) and self-efficacy (i.e., an employee’s belief that he or she possesses the capabilities necessary to help customers; Stajkovic, 2006) are important mediators of the relationship between customer-initiated justice and FLE customer-oriented behaviors.

Second, in contrast to the existing literature, which typically focuses on employees’ emotional labor as the important outcome variable (Spencer & Rupp, 2009), the present research examines how customer-initiated justice influences customer-oriented behaviors, thus providing evidence as to how FLE effort on behalf of customers changes in response to justice perceptions.

Finally, this study proposes that two important mediating variables, employee-customer fit and self-efficacy interact in prediction of customer-oriented behaviors. This aspect of our study is noteworthy in that it provides much needed insight regarding the conditions under which FLE customer-oriented behaviors are more or less likely to occur.

The remainder of this paper is organized as follows. First, existing research on justice and customer-oriented behaviors is reviewed in the theory section. Then, the research hypotheses are developed and presented. Following hypothesis development, a detailed description of the research methods is provided. Finally, results of the empirical tests are presented, along with a general discussion of major implications for theory and practice.

2. Theory

2.1. Multifoci justice

Justice theory has its origins in Adams’ equity theory (1963). Adams (1963) argues that perceived inequity regarding distribution of tangible outcomes (i.e., distributive justice) induces negative emotional reactions among employees, including dissatisfaction. He also suggests that employees’ justice perceptions extend to other factors beyond distributive fairness. Thus, prior research identifies four types of justice: distributive justice, procedural justice, interpersonal justice, and informational justice (Colquitt, 2001). Recently, the literature has adopted a multifoci approach to the study of justice. In addition to considering different forms of justice, scholars are increasingly considering the role of distinct justice agents (Liao & Rupp, 2005). The agent refers to the individual or entity that is the source of justice (Rupp, Shao, Jones, & Liao, 2014). Indeed, employees potentially have multiple foci or sources of justice in the workplace. Employees could have different perceptions of justice originating from the organization, supervisors, coworkers, and so on (Rupp et al., 2014).

Rupp and Spencer (2006) elaborate the multifoci justice model, suggesting that justice also comes from individuals outside the institution, like customers. They argue that “just as supervisor-initiated justice predicts supervisor-directed outcomes, so too will customer-initiated justice predict customer-directed outcomes” (Rupp & Spencer, 2006, pp. 971–972). The manner in which the customer treats the FLE will affect the working relationship between the FLE and customer (Rupp & Spencer, 2006). Likewise, the adequacy of the information offered by the customer to the FLE can ultimately affect the service provided to the customer (Rupp et al., 2008).

In using the terminology customer interactional justice, Spencer and Rupp (2009) describe both interpersonal and informational forms of interactional justice. In frontline contexts, customer interpersonal injustice may include discourteous communication and impolite behavior (Spencer & Rupp, 2009). For instance, Gelbrich (2010) argues that in service failure contexts customers engage in confrontative coping, an aggressive, interpersonal customer behavior that has important (negative) implications for FLE customer justice perceptions. In contrast, customer informational injustice may include the withholding of important information from FLEs, making it difficult for them to satisfy customer needs (Spencer & Rupp, 2009). Research has generally focused on these types of negative behaviors and the way in which they can affect FLE attitudes and behaviors including sabotage (Wang et al., 2011) and employee negative word-of-mouth (Harris, 2013). However, research to date has not examined the mechanisms through which customer interpersonal and informational justice influence FLE positive behaviors toward customers.

In this regard, this study suggests that employee-customer fit and self-efficacy are critical mediators of the effects of customer interactional justice on FLE customer-oriented behaviors. In their relationships with customers, FLEs expect to be treated fairly. Therefore, customer interpersonal and informational justice should increase employee-customer fit because perceived justice on the part of customers makes FLEs more engaged with customers. Likewise, customer informational justice results in enhanced FLE self-efficacy because it allows FLEs to develop a clearer understanding of customer needs. In support of this line of reasoning, Chebat and Kollia (2000) argue that FLEs can build their efficacy beliefs in the course of interacting with customers and that such effects occur above and beyond those exerted by organizational factors like empowerment, role stress, and organizational support (Bell & Menguc, 2002). Thus, adequacy of information provision from customers can enhance FLE self-efficacy, ultimately affecting customer-oriented behaviors.

2.2. Customer-oriented behaviors

Customer-oriented behaviors have increasingly been the object of attention in the marketing literature (e.g., Stock & Bednarek, 2014). Research by Grizzle et al. (2009) clearly demonstrates that customer orientation can lead to customer-oriented behaviors and that organizations with higher levels of aggregate customer-oriented behaviors have higher sales revenues and are more profitable. Liao and Chuang (2004) further indicate that customer-oriented behaviors directly influence customer satisfaction. Consequently, investigating potential drivers of customer-oriented behaviors is an important endeavor.

Several critical determinants of customer-oriented behaviors have been identified in prior research, including customer-oriented attitude (Stock & Bednarek, 2014), situational environment (Peccei & Rosenthal, 2000), process and outcome control (Guenzi, Baldauf, & Panagopoulos, 2014), servant leadership (Chen, Zhu, & Zhou, 2015), and, as noted, customer orientation (Grizzle et al., 2009). As of yet, however, no research has examined how customer behaviors toward FLEs—in this case, customer interpersonal and informational justice—influence customer-oriented behaviors. This is an important omission because customers are a potentially important source of justice, and customer behaviors impact the amount of effort required to satisfy customer needs. Thus, this study suggests that two forms of customer-initiated justice boost employee-customer fit and/or self-efficacy, which in turn, interactively influence customer-oriented behaviors. We further develop these ideas in the following section and provide a graphical summary of the espoused relationships in Fig. 1.

3. Hypotheses

3.1. Customer interpersonal justice enhances FLE perceptions of employee-customer fit

Interpersonal justice is enhanced when third parties (e.g., customers) treat individuals with politeness, respect, and dignity (Liu, Chugh, & Gould, 2016). If consumers treat FLEs fairly, they should be motivated to interact with those customers in a respectful and polite manner (Rupp & Spencer, 2006), thus providing the foundation for mutually satisfactory exchange. More importantly, customer interpersonal justice leads FLEs to perceive customers as being a good fit with them because it encourages FLEs to engage more deeply with them and to develop a genuine interest in serving their needs (Rupp et al., 2008). This deeper and genuine engagement with customers leads FLEs to empathize
with customers and adopt their perspective (Wilder, Collier, & Barnes, 2014), ultimately enhancing FLEs’ perceived fit with customers.

Consistent with our expectations, research suggests that when FLEs perceive respect and courtesy from customers, they become more responsive to customer concerns as a form of reciprocity for the fair treatment received (Yoon et al., 2004). In a similar vein, Judge and Colquitt (2004) find support for the notion that when employees think that supervisors are supportive of them, they become more considerate of supervisors’ viewpoint which, in turn, leads to a decline in conflict levels in the workplace. Consistent with this line of theorizing, customer interpersonal justice is proposed to enhance FLE perceptions of their fit with customers.

H1. Customer interpersonal justice exerts a positive influence on employee-customer fit.

3.2. Employee-customer fit increases FLE customer-oriented behaviors

The idea that both personal and situational factors affect individuals’ behaviors (e.g., Grizzle et al., 2009; Trevino, 1986) is well-established in the literature. Previous research demonstrates that person and environment are not independent entities, and that the interplay between them serves to determine individuals’ behaviors (e.g., Erdogan & Bauer, 2005). The frontline literature provides ample evidence regarding the effect of person-situation fit on FLEs’ attitudes and behaviors (e.g., Donavan, Brown, & Mowen, 2004; Yoo, 2013). Specifically, prior research finds that the degree of fit between the person and their work environment has a positive effect on customer-oriented behaviors (Yoo, 2013).

In frontline contexts, FLEs act as critical boundary-spanners whose attitudes and behaviors are susceptible to the influence of customers, a situational factor. Consequently, the degree of fit between FLEs and customers (i.e., the extent to which FLE interests match those of customers; Yoo, 2011) should significantly affect customer-oriented behaviors. When FLEs have high employee-customer fit, their interests are more similar to customer values and accept them as legitimate (Yoo, 2011). Specifically, if individuals experience high levels of accordance between the self and situation, their intrinsic motivation to achieve work goals should also increase (Bretz & Judge, 1994). For example, a good fit between FLEs and customers enables FLEs to enjoy customer interactions and possibly be more customer-oriented. Likewise, Maslach, Schaufeli, and Leiter (2001) suggest that when person-situation fit is high, employees are likely to perform better in their job tasks by facilitating employee job engagement. Therefore, higher levels of employee-customer fit should make FLEs go the extra mile for their customers, thus enhancing customer-oriented behaviors.

In addition, research in psychology notes that a higher level of person-situation fit enhances an individual’s willingness to exert more effort and spend more time on his or her work (e.g., Schaufeli, Bakker, & Van Rhenen, 2009). This implies that, when fit is high, FLEs are likely to look for better ways to help customers and engage in customer-oriented behaviors. Consistent with this argument, employee-customer fit is proposed to have a positive effect on customer-oriented behaviors.

H2. Employee-customer fit exerts a positive influence on FLE customer-oriented behaviors.

3.3. Customer informational justice enhances FLE perceptions of employee-customer fit

Informational justice depends upon the extent to which a customer provides the FLE with an adequate explanation of their request (Colquitt, 2001) so that it is clear how the FLE can help the customer (Spencer & Rupp, 2009). Related research by Jayachandran, Sharma, Kaufman, and Raman (2005) suggests that information sharing by customers is a critical driver of trust and commitment toward customers. In this regard, when FLEs perceive that customers provide adequate information regarding their requests, they are also likely to perceive that customers are cooperative and supportive during their interactions. This, in turn, makes FLEs more committed to the customers they serve, ultimately enhancing the fit between FLEs and customers.

Liu, Huang, Luo, and Zhao (2012) suggest that informational justice induces buyer-seller commitment, which in turn, enhances relationship quality between buyers and sellers. This logic suggests that customer

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informational justice allows FLEs to be more committed to customers and increases the compatibility between FLEs' interests and those of customers. In addition, further support for the relationship between informational justice and employee-customer fit can be drawn from Judge and Colquitt (2004) and Grandey (2001) who argue that information sharing can have a significant effect on the congruence among people.

**H3.** Customer informational justice exerts a positive influence on employee-customer fit.

### 3.4. Customer informational justice enhances FLE self-efficacy

If customers provide FLEs with a clear account of their specific needs during their interactions, FLEs will be better-positioned to handle customers' needs effectively because they have adequate information regarding how best to help customers. Such information should consequently improve FLEs' level of self-efficacy, which refers to an employee's belief that he or she possesses the capabilities necessary to help customers (Stajkovic, 2006). Customer informational justice can make FLEs feel an enhanced level of confidence because they more precisely understand the customer's problem; in essence, they have increased their knowledge of customer needs and believe that they will be able to respond accordingly (Homburg, Wieseke, & Bornemann, 2009). As a result, clear and specific information delivery (i.e., customer informational justice) positively influences FLE self-efficacy to carry out tasks through improved insight into customers' problems and needs. Hence,

**H4.** Customer informational justice exerts a positive influence on FLE self-efficacy.

### 3.5. Self-efficacy increases FLE customer-oriented behaviors

Many researchers have examined the relationship between an individual's sense of capability and helping behavior and found that individuals who feel more competent are commonly more willing to help others than individuals who feel less competent (Dovidio, Pillavin, Gaertner, Schroeder, & Clark, 1991; Midlarsky, 1984). The psychology literature outlines the fundamental mechanisms that explain why employees' sense of self-efficacy may affect customer-oriented behaviors. First, self-efficacy judgments have an effect on choice of physical activities or environmental surroundings (Lee, 2001). Individuals tend to avoid activities beyond their coping capacities, while individuals attempt to perform activities that they are capable of controlling (Bandura, 1982). Second, perceived competence or self-efficacy determines the actual effort individuals need to exert (Bandura, 1982). For example, individuals doubting their existing abilities reduce their effort or withdraw from the ongoing works, while those who have strong self-confidence display a large amount of knowledge and ability to obtain their goals (Bandura, 1982).

Empirical research has shown that self-efficacy positively affects behavioral outcomes such as sales performance (e.g., Rapp, Baker, Bachrach, Ogilvie, & Beiteislander, 2015). That is, employees who perceive themselves as having high self-efficacy tend to perform better than those who perceive themselves as having low self-efficacy on work-related behaviors. In addition, a meta-analysis reveals that job self-efficacy is significantly correlated with positive work-related performance (Stajkovic & Luthans, 1998). In the current context, FLEs' fundamental duty or responsibility is to satisfy customer needs by engaging in helping behaviors. Based on earlier work on the positive impact of self-efficacy on individual work behavior, this study posits that FLE self-efficacy will lead to higher levels of customer-oriented behaviors.

**H5.** Self-efficacy exerts a positive influence on FLE customer-oriented behaviors.

### 3.6. Self-efficacy moderates the effect of employee-customer fit on FLE customer-oriented behaviors

In addition to proposing that employee-customer fit exerts a positive influence on customer-oriented behaviors, the current study also posits that the positive effect of employee-customer fit on customer-oriented behaviors varies as a function of employee self-efficacy such that employee-customer fit's influence on FLE customer-oriented behaviors is stronger when self-efficacy is low rather than when self-efficacy is high. Investigating the potential interaction between employee-customer fit and self-efficacy on customer-oriented behaviors is important for understanding conditions under which fit with customers is especially meaningful for encouraging more customer-oriented behaviors.

Specifically, employee-customer fit is viewed as an internally-driven motivator to achieve various goals or performance (Bretz & Judge, 1994; Li & Hsu, 2016). When FLEs have lower levels of self-confidence about meeting customer needs (i.e., self-efficacy is low), motivation becomes even more important for customer-oriented behaviors. Kipnis (1962) empirically showed that motivation toward tasks was more influential on performance for workers with lower ability than for those with higher ability.

Consistent with the previous argument, the current research proposes that self-efficacy moderates the relationship between employee-customer fit and customer-oriented behaviors. When FLEs doubt their ability to successfully help customers (i.e., self-efficacy is low), the degree of employee-customer fit becomes more influential on customer-oriented behaviors because of the deficit in self-efficacy for driving the behavior. In contrast, employees with higher levels of self-efficacy may be better able to effectively find and clarify their roles. They are more devoted to their task and less distracted by anxiety (Bandura, 1997). Thus, when FLEs believe that they have the ability and resources to achieve their task (i.e., self-efficacy is high), the degree of fit with their customers is less important to customer-oriented behaviors because FLEs can rely on their capability to accomplish their job.

**H6.** The positive effect of employee-customer fit on customer-oriented behaviors is stronger when self-efficacy is low than when self-efficacy is high.

### 4. Method and analyses

#### 4.1. Sample and procedure

Participants in the study are salespeople from sixteen branches at a major insurance company located in South Korea. The insurance company offers a range of policies and coverage options for a variety of insurance products such as auto, health, life, and property insurance. In the company, insurance salespeople mainly introduce and sell the different types of insurance policies to current and potential customers and try to find the best insurance plans for them. In addition, insurance agents consult current customers regarding a claim on any insurance policy. Thus, the fundamental job of insurance salespeople is to contact customers to answer their inquiries related to any insurance policy.

The selection of subjects is deemed appropriate to test the proposed model for two reasons. First, insurance consultants are the ones frequently contacting customers and the ones engaging in customer-oriented behaviors to satisfy customer needs and resolve customers' complaints. Second, insurance salespeople are in position to (potentially) be influenced by customer treatment (i.e., customer interpersonal justice and customer informational justice).

Surveys were distributed to the insurance salespeople in each branch during an initial meeting. To ensure the employees' confidentiality, participants directly returned surveys to the researchers when they finished their questionnaires. Three hundred surveys were originally

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distributed. Two-hundred-twenty-eight employees completed the questionnaires for a response rate of 76%. The sample demographics are as follows: 63% were female; 33% were under the age of 40; and the average tenure of the respondents with the organization was 10.4 years.

4.2. Measures

The measures of customer interpersonal justice (e.g., “customers treat me in a polite manner”) and informational justice (e.g., “customers do not withhold information I need to successfully assist them”) were adapted from Colquitt (2001) to ensure that they captured FLE perceptions of customer fairness. All items used response anchors of 1 = Strongly Disagree to 7 = Strongly Agree.

Employee–customer fit was measured with four items derived from Cable and DeRue (2002) after modifying the items to measure perceived fit with customers. Prior research has shown psychometric quality of this scale with samples from banks and insurance companies in South Korea (Yoo, 2011). Insurance agents indicated the extent to which they match with their customers (e.g., “there is a good fit between my customers’ interests and mine”). All items used response anchors of 1 = Strongly Disagree to 7 = Strongly Agree. Self-efficacy was assessed using employee confidence scores recommended by Bandura (1997), presenting 5 potential levels of employees’ behaviors that satisfy customers’ needs (e.g., “I am confident that I will be able to fully satisfy the needs of 2 out of 10 potential customers”). Each salesperson indicated his or her confidence in achieving each level. All 5 potential levels were anchored with 1 = No Confidence to 7 = Total Confidence. Consistent with prior research that has used this measure (e.g., Brown, Jones, & Leigh, 2005), self-efficacy scores were averaged to form a single composite indicator. Measurement error of the self-efficacy single indicator was fixed at variance × (1 – reliability), with an assumed reliability of 0.85 as recommended in prior research.

Similar to previous customer-oriented behavior measures (e.g., Grizzle et al., 2009), employees indicated how frequently they have performed a variety of behaviors. The four behavioral items (e.g., “done everything in my power to satisfy customers’ needs”) were assessed on 7-point Likert scales ranging from 1 = Somewhat Frequently to 7 = Extremely Frequently. Appendix A provides all measures. Descriptive statistics and correlations appear in Table 1.

4.3. Common method variance test

Due to the fact that all study constructs were measured from the FLE perspective, common method variance (CMV) could inflate correlations among latent variables (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). Harman’s single-factor test was employed to examine whether variance of the data is largely attributed to a single factor. The Harman’s test generated a single factor for all observed variables and then compared the single factor structure with the theoretically proposed factor structure. The resulting measurement model (χ²(143) = 306.87, p < 0.01; CFI = 0.94; TLI = 0.93; SRMR = 0.05; RMSEA = 0.07) provided a significantly better fit to the data than the one factor model (χ²(209) = 1728.60, p < 0.01; CFI = 0.57; TLI = 0.53; SRMR = 0.13; RMSEA = 0.18). These results thus suggest that CMV is unlikely to bias the study results.

4.4. Measurement model analysis

The psychometric properties of measures and proposed hypotheses were evaluated using a multistep procedure for assessing structural models (Anderson & Gerbing, 1988) in Mplus 6.12. First, a confirmatory factor analysis (CFA) was specified and tested to assess construct validity. The resulting measurement model provides a good fit to the data, χ²(143) = 306.87, p < 0.01; CFI = 0.94; TLI = 0.93; SRMR = 0.05; RMSEA = 0.07. The good model fit indicates that measures are unidimensional in nature.

Table 1 provides a summary of construct properties and also offers evidence in support of the measures’ discriminant validity. The average variance extracted (AVE) for each of the constructs is superior to any of the other constructs in the measurement model (Fornell & Larcker, 1981). Further, pairwise CFAs for all pairs of focal constructs were conducted to compare the model fit of a single-factor model to that of the two-factor model. In comparison to the one-factor model, the two-factor model showed a significant (p < 0.01) chi-square difference value for all pairs of constructs, providing additional evidence of the measures’ discriminant validity.

This study used composite reliabilities to assess convergent validity. The composite reliability of each latent variable ranges from 0.87 for customer-oriented behaviors to 0.92 for interpersonal justice (see Table 1), supporting the convergent validity of the measurement scales. Furthermore, all the items load significantly on their intended factors, providing strong evidence of internal consistency. Taken together, the measures appear to be both reliable and valid.

In addition, given that the sample includes FLEs from 16 different branches of the same insurance company, nesting effects could influence the study results. In order to gauge the potential influence of nesting on our results, the intraclass correlation coefficient, ICC(1), was estimated for the study constructs (the coefficient provides an indication of the proportion of variance in the measures that is due to the nesting of FLEs within branches). ICC(1) values for the constructs are as follows: interpersonal justice = 21%; informational justice = 10%; employee–customer fit = 15%; self-efficacy = 21%; customer-oriented behaviors = 8%. Given the potential bias associated with the presence of these meaningful nesting effects (and their corresponding design effects), the proposed structural model was estimated in Mplus 6.12 using an estimator that produces correct standard errors in the presence of non-independent observations.

4.5. Structural model analysis

The second step was to test the six hypotheses using structural equation modeling (SEM). First, a linear effects model was estimated to test main effects for significance. To test whether the effects of customer-initiated justice (i.e., customer interpersonal justice and customer informational justice) on customer-oriented behaviors are fully mediated by the proposed mediators (i.e., employee–customer fit and/or self-effectiveness), the model is estimated for the study constructs (the coefficient provides an indication of the proportion of variance in the measures that is due to the nesting of FLEs within branches). ICC(1) values for the constructs are as follows: interpersonal justice = 21%; informational justice = 10%; employee–customer fit = 15%; self-efficacy = 21%; customer-oriented behaviors = 8%. Given the potential bias associated with the presence of these meaningful nesting effects (and their corresponding design effects), the proposed structural model was estimated in Mplus 6.12 using an estimator that produces correct standard errors in the presence of non-independent observations.

Table 1

Descriptive statistics and intercorrelation matrix.

<table>
<thead>
<tr>
<th>Construct</th>
<th>M</th>
<th>SD</th>
<th>AVE</th>
<th>CR</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Interpersonal justice</td>
<td>4.4</td>
<td>1.30</td>
<td>0.71</td>
<td>0.92</td>
<td>(0.92)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Informational justice</td>
<td>5.0</td>
<td>1.03</td>
<td>0.65</td>
<td>0.90</td>
<td>0.52⁎⁎</td>
<td>0.90</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Employee–customer fit</td>
<td>5.4</td>
<td>0.86</td>
<td>0.63</td>
<td>0.87</td>
<td>0.45⁎⁎</td>
<td>0.61⁎</td>
<td>(0.86)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Self-efficacy</td>
<td>4.9</td>
<td>1.21</td>
<td>–</td>
<td>–</td>
<td>0.07</td>
<td>0.26⁎</td>
<td>0.34⁎</td>
<td>(n/a)</td>
<td></td>
</tr>
<tr>
<td>5. Customer-oriented behaviors</td>
<td>5.7</td>
<td>0.87</td>
<td>0.63</td>
<td>0.87</td>
<td>0.27⁎⁎</td>
<td>0.48⁎</td>
<td>0.67⁎</td>
<td>0.47⁎</td>
<td>(0.87)</td>
</tr>
</tbody>
</table>

Coefficient alpha (α) presented along diagonals.
AVE = average variance extracted, CR = composite reliability.
⁎⁎ p < 0.01.
efficacy), the model included direct paths from customer interpersonal justice and customer informational justice to customer-oriented behaviors.

This study used bootstrapped SEM (n = 5000 bootstrap resamples), which generates a sampling distribution of the specific indirect effect (Zhao, Lynch, & Chen, 2010). The bootstrap method constructed confidence intervals that enabled researchers to test statistical significance of the specific indirect effect and see its magnitude (Hayes, 2009). The resulting structural model provides a good fit to the data: $\chi^2(144) = 308.57, p < 0.01; CFI = 0.94; TLI = 0.93; SRMR = 0.05; RMSEA = 0.07$. In addition, a structural model without the two, non-significant ($p > 0.10$) direct paths from customer interpersonal justice and informational justice to customer-oriented behaviors (included in the model in order to test for mediation) provides an equally good fit to the data: $\chi^2(146) = 310.04, p < 0.01; CFI = 0.94; TLI = 0.93; SRMR = 0.05; RMSEA = 0.07$. This finding partly supports the conclusion that the effects of justice on customer-oriented behaviors are mediated by the model’s two intervening variables (employee-customer fit and self-efficacy).

H1 predicted that customer interpersonal justice would be positively related to employee-customer fit. As shown in Table 2, the path between customer interpersonal justice and employee-customer fit is significant and positive ($\gamma = 0.13, t = 2.20, p < 0.05$), thus confirming H1. In addition, H2 argued that employee-customer fit and customer-oriented behaviors are positively related. In support of H2, the results demonstrate a significant and positive effect of employee-customer fit on customer-oriented behaviors ($\gamma = 0.54, t = 5.00, p < 0.01$).

H3 predicted that customer informational justice is positively related to employee-customer fit. The results suggest that customer informational justice significantly increases employee-customer fit ($\gamma = 0.53, t = 5.62, p < 0.01$). H4 predicted that customer informational justice would lead to higher levels of self-efficacy. This hypothesis was also supported ($\gamma = 0.35, t = 3.87, p < 0.01$). Finally, the results demonstrate that self-efficacy has a significant, positive effect on customer-oriented behaviors ($\gamma = 0.19, t = 3.78, p < 0.01$), thus supporting H5.

Furthermore, the results provide support for three indirect effects (see Table 3). Specifically, direct paths from the two predictor variables (i.e., customer interpersonal justice and customer informational justice) to FLE customer-oriented behaviors were not significant ($\gamma = −0.04, t = −0.81, ns; \gamma = 0.08, t = 0.99, ns$, respectively). These results indicate that the relationship between customer interpersonal justice and customer-oriented behaviors is fully mediated by employee-customer fit (indirect effect: $0.10, t = 2.15, p < 0.05$). In addition, the relationship between customer informational justice and customer-oriented behaviors is fully mediated by both employee-customer fit (indirect effect: $0.33, t = 4.78, p < 0.01$) and self-efficacy (indirect effect: $0.08, t = 2.71, p < 0.01$).

Finally, we proposed that self-efficacy moderates the relationship between employee-customer fit and customer-oriented behaviors (H6). This proposed effect was tested using a latent moderated structural-equation (LMSE) approach (specified in Mplus as: ALGORITHM = INTEGRATION and TYPE = RANDOM). This approach is considered advantageous because it uses an estimator robust to assumption violations, thus producing unbiased results (Schermelleh-Engel, Klein, & Moosbrugger, 1998). Also, the interactive model simultaneously controlled for the potential influence of observation non-independence (by specifying TYPE = COMPLEX in Mplus). The LMSE approach has been used in prior research (e.g., Perren, Ettekal, & Ladd, 2013) to test models that include a mediator that also acts as a moderator, as in the case of self-efficacy in the model tested here. Because standard fit indices are not available with the numerical integration procedure used by Mplus to estimate the interaction term, a log-likelihood difference test was conducted to compare the fit of the interactive model with that of the main effects model. The resulting LMSE model provided a better fit to the data than the main effects model ($−2 LL change = 6.82, p < 0.01$, see Table 2). The results appear in Fig. 1.

Consistent with theoretical expectations, the interaction between employee-customer fit and self-efficacy in prediction of customer-oriented behaviors is negative and significant ($\gamma = −0.12, t = −2.01, p < 0.05$). Fig. 2 illustrates the influence of employee-customer fit on customer-oriented behaviors at two levels of self-efficacy (High versus Low: one standard deviation above and below the mean). As the figure illustrates, employee-customer fit’s influence on customer-oriented behaviors is stronger when self-efficacy is low than when self-efficacy is high.

Table 2
Main effects and interactive model results.

<table>
<thead>
<tr>
<th>Relationships</th>
<th>Model 1 (Main effects model)</th>
<th>Model 2 (Interactive model)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interpersonal justice → employee-customer fit (H1)</td>
<td>0.13**</td>
<td>0.13**</td>
</tr>
<tr>
<td>Employee-customer fit → customer-oriented behaviors (H2)</td>
<td>0.54**</td>
<td>0.36**</td>
</tr>
<tr>
<td>Informational justice → employee-customer fit (H3)</td>
<td>0.53**</td>
<td>0.33**</td>
</tr>
<tr>
<td>Informational justice → self-efficacy (H4)</td>
<td>0.35**</td>
<td>0.35**</td>
</tr>
<tr>
<td>Self-efficacy → customer-oriented behaviors (H5)</td>
<td>0.19**</td>
<td>0.20**</td>
</tr>
<tr>
<td>ECFIT × SE → customer-oriented behaviors (H6)</td>
<td>−</td>
<td>−0.12**</td>
</tr>
<tr>
<td>Interpersonal justice → customer-oriented behaviors</td>
<td>−0.04</td>
<td>−0.04</td>
</tr>
<tr>
<td>Informational justice → customer-oriented behaviors</td>
<td>0.08</td>
<td>0.08</td>
</tr>
<tr>
<td># of free parameters</td>
<td>65</td>
<td>66</td>
</tr>
<tr>
<td>Log-likelihood</td>
<td>−5526.42</td>
<td>−5523.01</td>
</tr>
<tr>
<td>−2 LL change</td>
<td>6.82**</td>
<td>6.82**</td>
</tr>
<tr>
<td>N</td>
<td>228</td>
<td>228</td>
</tr>
</tbody>
</table>

ECFIT × SE = Interaction between employee-customer fit and self-efficacy.

* $p < 0.05$.

** $p < 0.01$.

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5. Discussion

This research has two main objectives. First, the study attempts to show the underlying mechanisms through which customer-initiated justice acts to influence FLE customer-oriented behaviors. Second, this study seeks to establish whether employee-customer fit and self-efficacy interact to influence FLE customer-oriented behaviors. These issues are investigated in a sales context using a sample of professional insurance agents.

The proposed model is supported by the results, which suggest that (1) customer interpersonal justice positively influences FLE customer-oriented behaviors by increasing employee-customer fit, and (2) customer informational justice exerts a significant influence on FLE customer-oriented behaviors through both employee-customer fit and self-efficacy. These findings suggest a possible intervening process through which customer-initiated justice affects customer-oriented behaviors.

In addition, this study hypothesized that employee-customer fit and self-efficacy interact to produce customer-oriented behaviors in a substitutable fashion. The data support this expectation (H6). Interestingly, the results indicate that the relationship between employee-customer fit and FLE customer-oriented behaviors is stronger when an FLE has low self-efficacy as opposed to high self-efficacy. This finding suggests a substitution effect; that is, employee-customer fit matters most when self-efficacy is low. Thus, FLEs increase customer-oriented behaviors even with low self-efficacy if they have a good fit with customers. Instead of also needing FLE self-efficacy during customer interactions to act on customer-oriented behaviors, FLEs in this study rely more heavily on customer fit to serve customers when they have low self-efficacy. This result thus implies that employee-customer fit is an important resource that helps FLEs overcome a deficiency in perceived self-efficacy, and emphasizes the importance of employee-customer fit over perceived ability to perform a task in a certain context (e.g., Kipnis, 1962).

5.1. Managerial implications

This research provides evidence that customer-initiated justice (in the form of interpersonal justice and informational justice) influences employee-customer fit, self-efficacy, and ultimately – their customer-oriented behaviors. As FLEs perceive that they are being treated fairly and are being provided the information they need from customers to do their jobs, employee-customer fit (and, to a lesser extent, their self-efficacy) increases. Although there may not be much that managers can do about the personalities that customers bring with them to service and sales interactions, managers may work with FLEs to create an environment that encourages customers to present interpersonal justice. As an example, training can be employed to teach FLEs how to initiate conversations with customers in ways that encourage a positive exchange. A sales/service organization may also provide training in the art of listening to customers for FLEs and in getting customers to open up about their needs. Further, informational justice might easily be enhanced by training FLEs to effectively ask for the necessary information or by providing customers advanced knowledge about the information needed to best solve their problems or satisfy their needs (Homburg et al., 2009). In some cases, a simple checklist provided to customers might heighten the resulting perceptions of informational justice formed by FLEs.

The results generally suggest that FLEs with a high self-efficacy perform customer-oriented behaviors with greater frequency than do their counterparts with a low self-efficacy, regardless of employee-customer fit (see Fig. 2). An additional implication, then, is that managers need to focus on developing FLE self-efficacy, as it is an important driver of customer-oriented behaviors.

5.2. Limitations and future research

As with all empirical studies, this research project has limitations. First, a weakness of this research project is its potential lack of generalizability. Data were collected from only one insurance company. Although using a single context may have enhanced the internal validity of the study by holding a great many environmental factors constant, further research is needed to generalize the results beyond contexts similar to the industry studied. In addition, participants in the study were salespeople from South Korea. Thus, the extent to which the results generalize to other cultures should be investigated in future research.

A second possible limitation of the study is that FLEs self-reported their customer-oriented behaviors. Although self-report measures may have heightened correlations between focal constructs and reported customer-oriented behaviors, CMV does not appear to be a concern in this study given the results of our Harman’s single-factor test. Future research might include supervisors’ or customers’ ratings of customer-oriented behaviors.

The current study did not investigate any potential moderators of the relationship between customer interpersonal justice and employee-customer fit and the relationship between customer informational justice and self-efficacy. Such research might be fruitful and important because employees’ perception of customers’ fairness can be influenced by the degree of employees’ affective traits, such as anxiety. Further research might also be necessary to investigate emotional factors that moderate the relationship between customer interpersonal justice and employee-customer fit and the relationship between customer informational justice and self-efficacy. For example, the positive relationship between customer interpersonal justice and employee-customer fit might be stronger in the absence of anxiety when in contact with customers.

In conclusion, this study examines the impact of customer-initiated justice on customer-oriented behaviors in the FLE-customer relationship, with a specific focus on the intervening role of employee-customer fit and self-efficacy. In addition, the study finds that employee-customer fit and self-efficacy interact in prediction of customer-oriented behaviors in a substitutable fashion. The study represents a critical step toward better understanding the situations under which customer-initiated justice affects enhanced FLE behavior and performance. This work provides a new impetus for various justice aspects of the buyer-seller relationships.

Appendix A. Measurement items

Customer Interpersonal Justice: Seven-point scale ranging from “Strongly Disagree” to “Strongly Agree”

Customers treat me in a polite manner.

Customers treat me with dignity.
Customers treat me with respect. Customers refrain from making offensive comments. Customers do not openly blame me when things do not work out as expected.

**Customer Informational Justice: Seven-point scale ranging from “Strongly Disagree” to “Strongly Agree”**

Customers are forthcoming with the information I need to help them. Customers clearly describe their needs to me. Customers do not withhold information I need to successfully assist them. Customers are open with me regarding their needs. Customers explain their decisions to me. **Employee-Customer Fit: Seven-point scale ranging from “Strongly Disagree” to “Strongly Agree”**

I get along well with the customers I work with on a day-to-day basis. There is not much conflict between me and my customers. I usually fit right in with my customers. There is a good fit between my customers’ interests and mine. **Self-Efficacy: Seven-point scale ranging from “No Confidence” to “Total Confidence”**

Think about the next 10 customers that you will interact with on the job. How confident are you that you will be able to fully satisfy their needs through your job performance? I am confident that I will be able to fully satisfy the needs of ... 2 out of 10 potential customers. 4 out of 10 potential customers. 6 out of 10 potential customers. 8 out of 10 potential customers. 10 out of 10 potential customers. **Customer-Oriented Behaviors: Seven-point scale ranging from “Somewhat Frequently” to “Extremely Frequently”**

Please indicate how frequently you have performed the following behaviors. Actively listened to what customers have to say. Appropriately dealt with customers’ complaints. Done everything in my power to satisfy customers’ needs. Correctly answered customers’ questions.

**References**


