

Executive Summary

Firms nowadays increasingly acknowledge the importance of promoting citizenship behaviors among their employees and customers in order to enhance their competitive advantages. Specifically, employees' organizational citizenship behaviors toward customers (OCB-C) refers to employees' discretionary behaviors that extend beyond their formal role requirements by going the extra mile to help customers; whereas customers' citizenship behaviors (CCB) refers to their voluntary and helpful behaviors enacted toward the firm, employees, and/or other customers that are not related directly to an enforceable requirement but that are essential to firms' effective functioning.

While the importance of fostering OCB-C and CCB has been well documented, the question of how OCB-C influences CCB remains unclear. This paper therefore builds on these two streams of research by revealing that employees' and customers' reciprocation of citizenship behaviors are within the social exchange processes. Specifically, customers' formation of a dual identification with the firm and the employee is the underlying mechanism in channeling the effects of employees' OCB-C to CCB.

With data collected from a survey and an experimental study, findings suggests that "managers should recognize the difficulty of directly transferring employees' OCB to CCB, because customers' reciprocation requires motivation", says co-author Kimmy Chan. This research demonstrates that customers' formation of identification is a key motivator for the emergence and sustainability of reciprocation in customer-employee social exchange processes. Specifically, customers have dual targets for identification (i.e., the firm and the employee), which could simultaneously drive their reciprocation with CCB in response to employees' OCB. Therefore, managers should pay equal attention to and encourage customers' formation of both customer-firm identification and customer-employee identification.

This research further shows that the organization's service climate could influence customers' inferences about the underlying motives for the employees' citizenship behaviors, which then influence their identification formation and reciprocation. "Our results challenge the generally accepted notion that service climate enhances customer experiences", explains co-author Taeshik Gong. In a high service climate, employees' OCB-C exerts a stronger effect on customers' identification with the firm because they attribute the employees' helping behaviors to egoistic motives with the aims to impress the manager, to obtain recognition, and to get rewards from the firm. The customers might then more likely to view the employees' voluntary behaviors as a communication cue of the company's identity as it conveys the company's willingness and attentive to improve customer services. Hence, customers' identification with the firm grows stronger, but their identification with the employee suffers. On the contrary, in a low service climate, customers will infer the employee's citizenship behaviors to altruistic motives because they are not likely to be rewarded or valued by the top management. Hence, the customers might feel a sense of enhanced self-worth and psychologically inclusion with that employee, rather than with the firm.

Overall, this research underscores the important role of the service climate in an organization. Managers should be aware of the potential dysfunctional impact of service

climate by assessing which type of customer identification is more likely to suffer due to the encouragement of employees' OCB.