

Employee and Customer Cynicism: Strategic Engineering of Service Encounters for Effectiveness in Environments of High Cynicism

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ABSTRACT

The purpose of this research is to develop a theoretical model of employee cynicism and customer cynicism in the context of service environments and to propose suggestions on how to engineer the service encounter for effectiveness even in environments of high cynicism levels. Cynicism has reached high levels in consumers (Sheth & Sisodia, 2005) and high levels in many organizations and it may have important consequences (Andersson & Bateman, 1997; Bedeian, 2007; Patterson & Baron, 2010). The antecedents of employee and customer cynicism are proposed to be both distrust and also a certain level of ignorance about the context of the specific service encounter. Distrust is difficult to make movements (decrease) while contextual ignorance is relatively easier to make movements on (decrease). The resulting model suggests both direct and indirect effects on effectiveness in a given service encounter. Implications are provided for the design of service encounters in environments characterized as highly cynical.

Keywords: Cynicism, Employee Cynicism, Customer Cynicism, Quality Service, Service Design

INTRODUCTION

Designing effective service environment faces the very serious challenge of minimizing the negative effects of service providers who are cynical. Likewise, many customers are also cynical about the services they are purchasing. Yet, despite the cynicism of particular service providers and of particular customers, services continue to be offered and purchased (delivered) for a variety reasons. This yields a situation in which both the service provider and the customer are bringing cynical thinking to the service encounter. Thus there is a significant challenge to overcome the negative nature of these interactions.

What is cynicism? Dean, Brandes, & Dharwadkar (1998) develop the position that cynicism involves beliefs, affect, and behaviors and they define organizational cynicism as “Organizational cynicism is a negative attitude toward one’s employing organization, comprising three dimensions: (1) a belief that the organization lacks integrity; (2) negative affect toward the organization; and (3) tendencies to disparaging and critical behaviors toward the organization that are consistent with these beliefs and affect” (p. 345). Beyond specifically “organizational cynicism,” Andersson and Bateman (1997) propose that cynicism can be defined as both a general and specific attitude, characterized by disillusionment, frustration, and negative feelings and distrust toward a person, institution, social convention, group, or ideology. They point out that cynicism toward work is a specific attitude conveying work as oppressive, unrewarding, and unworthy of effort. They also explain that cynicism toward an institution is easily generalized to other objects, such as to other similar institutions. Thus, cynicism can be directed at a specific

person or institution or can be generalized to multiple people or institutions. Employees and customers may have both generalized and specific directions of cynicism that entails characteristics described in multiple definitions of cynicism. This creates opportunities for companies to stand out by providing services in environments of low cynicism.

PROPOSED FRAMEWORKS FOR EMPLOYEE AND CUSTOMER CYNICISM

Cynicism is widespread and over the past 20 years appears to be increasing in organizations throughout the U.S. (Bedeian, 2007; Dean, Brandes, & Dharwadkar, 1998; Kanter & Mirvis, 1989) and in Europe and Asia (Kouzes & Posner, 1993). Work environments don't have to be arenas of great cynicism. In fact, work environments can offer empowering and rewarding opportunities for contribution, growth, and development arising out of dynamic and caring leadership in combination with the content and context of the work needed to be performed. Put another way, work experiences, including the social, intellectual, and cultural environment and the task-related challenges/opportunities, can be beneficial to the employees. The positive effects for employees can be realized even while the employees are being very effective and productive and, as such, providing great benefit to the company and shareholders. This view almost seems to characterize what would be the complete opposite of the characteristics of a cynical workplace.

However, work environments can also be arenas of employee degradation, abuse of power, unethical behavior, deceit, and can be characterized as "toxic" (DeAngelis, 2007; Reinhold, 1996). Cynicism grows out of a combination of experiences, events, and observations and individuals' responses to these. Of certain importance are the reports of the misbehavior of many managers, some of which result in big scandals and rapid declines in market capitalization of companies. For example, high levels of executive compensation combined with poor organizational performance contribute to higher levels of cynicism (Andersson & Bateman, 1997). Some additional research on the antecedents of cynicism is described below.

Cynicism Origins

Cynicism originates in ancient Greece, where a group of philosophers developed what is known as the Cynic school of thought and way of life. Dean et. al. (1998) explain that the term itself probably derives from the Greek town of Cynosarges where the Cynics had their school. Cynics believed that individuals and not organizations were the natural unit of human life and that all institutions and organizations were unnatural. As such, they had great contempt for all forms of organization including religion, government, work organizations, and others.

Cynics of ancient Greece criticized society's relentless pursuit of materialism, power, and wealth (Goldfarb, 1991). They had contempt for man-made conventions and wore basic, rough clothing, drank out of their hands, avoided material wealth/accumulation, and rejected most societal standards. The Cynics would often use humor as a vehicle for communicating their disdain and contempt of institutions (Dean, et. al., 1998). Perhaps the most well-known of the Cynics is Diogenes of Sinope, who is known for carrying a lamp in daylight to highlight his search to find one honest man. Cynics believed themselves more moral than others.

We can draw some parallels and identify differences between these ancient Greek "Cynics" and modern day cynical people in their roles as service providers or customers. First, the Greek Cynics lived their lives shunning the institutional consequences for people. While it can be argued that they were recipients of benefits associated with institutions of the time, such as government, they did not directly attempt to gain personal benefit from institutions. Today, organizational cynics are employees or customers of the organizations and receive the very direct benefits associated with being members, such as paychecks or the service being purchased. Yet, the contempt for institutions and those who manage them is clearly similar among the Greek Cynics and today's organizational cynics. The moral position of the Cynics seems greatly, or even fully, eroded for today's cynics given their full participation in, and benefit from the institutions they hold in contempt. Greek Cynics of past centuries and modern day cynics attempt and often succeed in undermining organizational efforts, institutions, and leaders (Goldfarb, 1991).

Modern Cynicism in Organizations

Cynicism has been conceptualized in many ways in contemporary research literature. Albrecht (2002) conceptualizes it as a “pessimistic attitude,” particularly within the context of a proposed change. Dean et. al. (1998) identify five major distinct conceptualization foci including personality focus, societal/institutional focus, occupational focus, employee focus, and organizational change focus. When researchers use the personality focus, cynicism is described as more of a negative perception and hostility towards others and is a broader negative overall outlook on life.

The focus of the societal/institutional cynicism research is on the unmet expectations of society and takes on sociological importance in terms of antecedents and interventions and efforts to reduce levels of cynicism. Researchers who take the occupational focus of the concept of cynicism tend to focus on work cynicism related to the profession or occupation, such as police officers being cynical about the profession. An employee focus on cynicism is described by Dean et. al., (1998) as deriving from the research in attitudes. This perspective focuses on business organizations, executives, and, as an example, violations of psychological contracts. Other researchers identify a cynicism focus more narrowly, driven primarily by the specific context of organizational change efforts.

Taken together, there seem to be three main precursor directions for thinking about and conceptualizing cynicism. There appear to be personality related drivers of cynicism, wherein there are rather permanent characteristics of some individuals to be cynical. There also appears to be an important attitudinal driver of cynicism wherein one’s attitudes (which change more readily and frequently than personality characteristics) result in more or less cynical thinking. Finally, some researchers focus on the environmental settings, thus presenting more of a situational approach to the drivers of cynicism.

Employee Cynicism

The research findings discussed in the preceding paragraphs help to identify some of the factors contributing to cynical thinking in organizations. Figure 1 shows three major influences on employee cynicism of situational, attitudinal, and personality-based factors that create distrust and contribute to a certain level of ignorance concerning decisions being made.

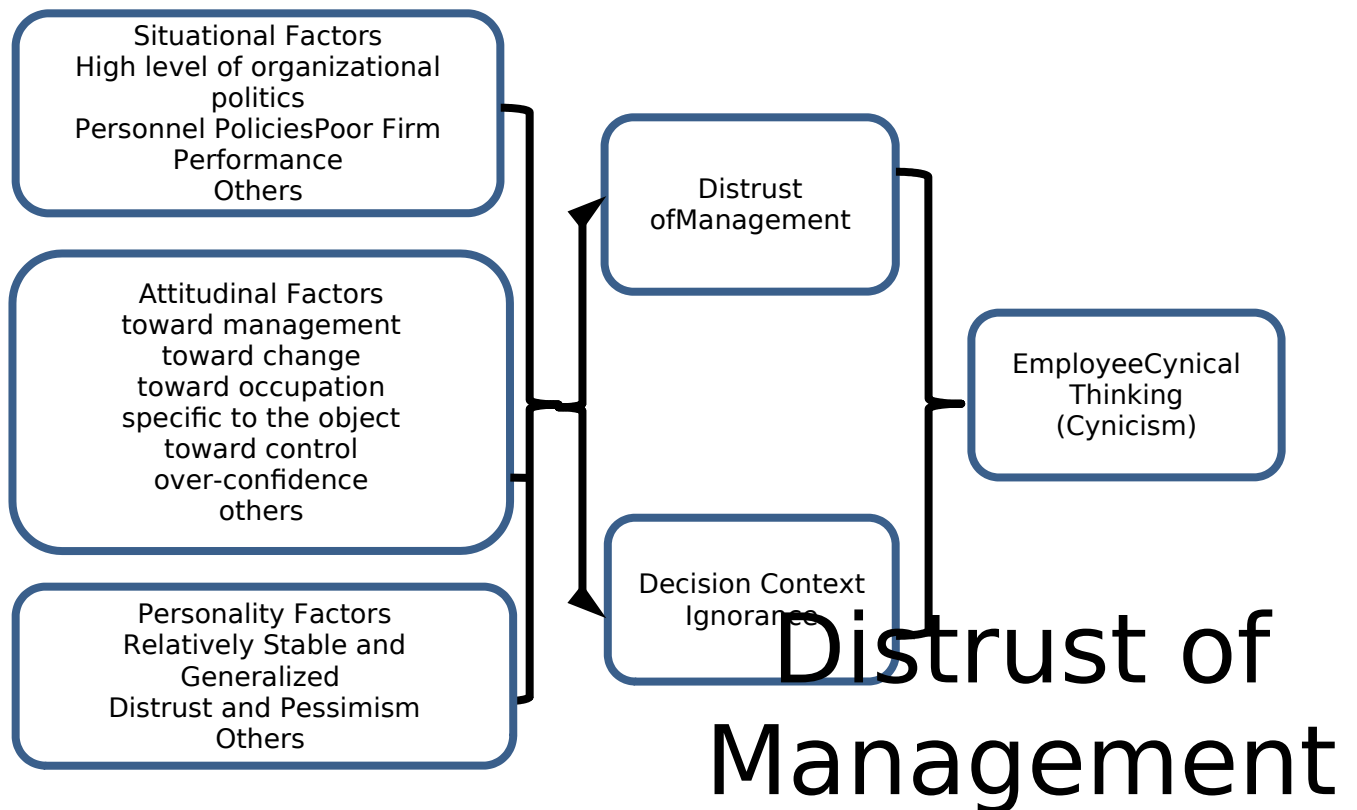


Figure 1: Proposed Framework for Employee Cynicism

Customer Cynicism

The research discussed previously also leads to the proposed framework for customer cynicism as shown below in Figure 2. People can be cynical about certain things or in a more generalized manner. These people may be employees or may be customers. Thus, there is a great deal of similarity in what leads to customers having cynicism and employees having cynicism. The figure shows the same three major categories of situational, attitudinal, and personality influences on customer cynicism through distrust and ignorance of the service context. Thus there is a parallel structure in the frameworks depicting antecedents of cynicism for employees and customers.

To work on reducing the cynicism of service employees and customers, we need to look at the dimensions of service

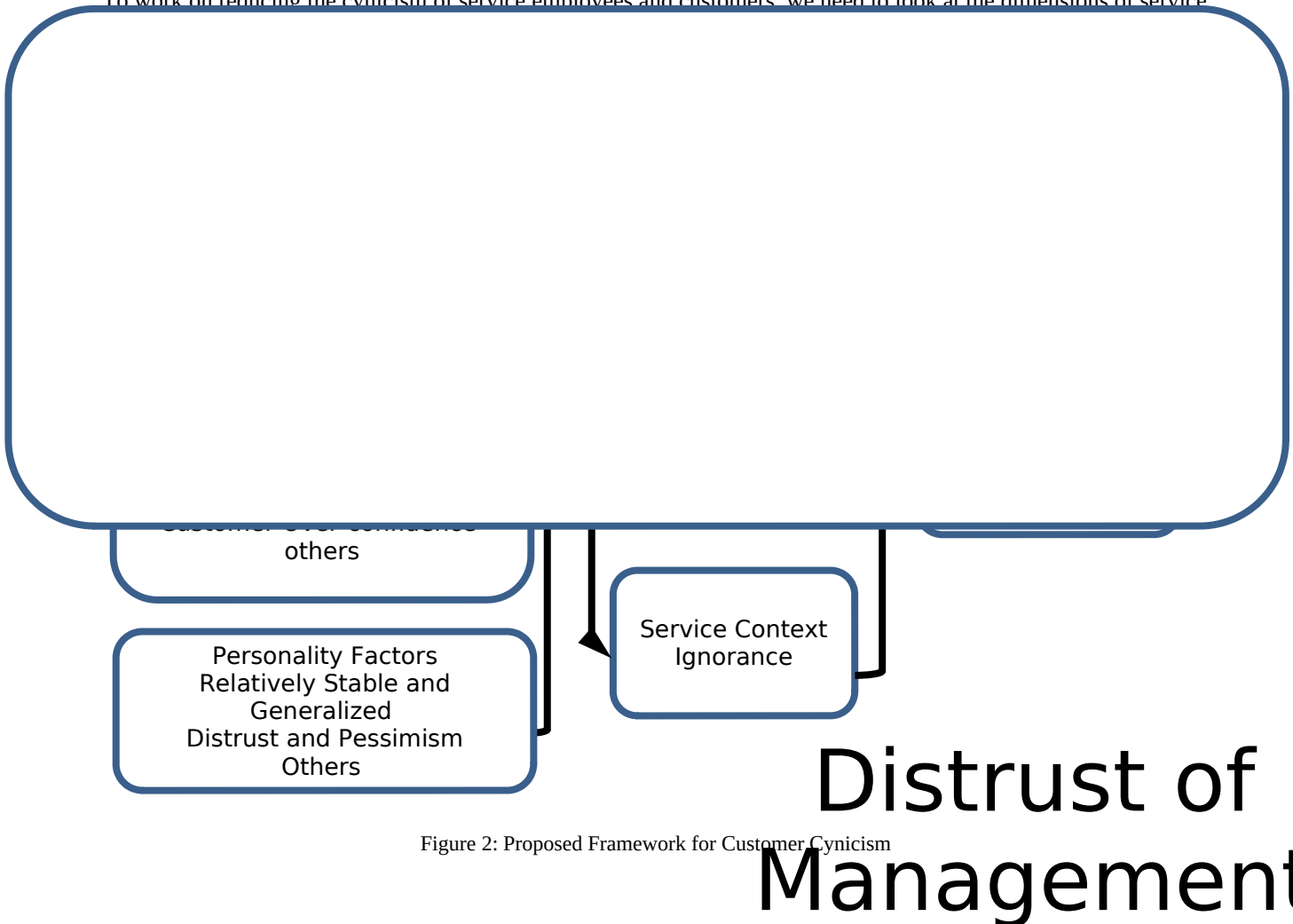


Figure 2: Proposed Framework for Customer Cynicism

SERVICE QUALITY AND CYNICAL EMPLOYEES AND CUSTOMERS

Parasuraman, Zeithaml, and Berry (1985) clearly identified a set of “determinants of service quality” that have become well-recognized as important characteristics of a quality service encounter. Service quality is more difficult for a service customer to evaluate than a goods quality. Quality assessments appear to be a comparison between expectations and performance. In one sense, we don’t want our customers to have inflated expectations – or they will be more likely to be dashed and result in evaluations of a lower quality. However, we also don’t want customers coming to the service environment with pre-conceived expectations of the untrustworthiness of the service provider or the company. Several of the determinants of service quality are proposed here to be influenced by employee and customer cynicism and provide a framework to overlay the cynicism frameworks to yield some insights about

Decision
Context

creating better service environments where high cynicism has been prevalent. Briefly, the determinants of service quality are reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding, and tangibles. The following definitions/explications of the characteristics are from Parasuraman, Zeithaml, and Berry (1985), although not in order.

Tangibles

Tangibles are the physical evidence of the service including such things as the physical facilities, appearance of personnel, tools or equipment used to provide the service, even other customers in the service facility. The tangible elements of the service environment can be influenced by and influence both the service employee and customer. The tangibles are primarily a situational factor that may influence trust and cynicism. For the employee, the physical environment and the required uniforms can have an effect on their perception of trust in the organization. To reduce employee cynicism, the appropriate tools and equipment with an inviting physical workplace should increase employee trust in their own organization. But tangibles are likely most relevant to improving customer cynicism. If the customer is not trusting of the organization providing the service, it might be due to tangibles that the customer is encountering. Appropriate facilities and appearances can help to build the trust in the organization.

Credibility

Credibility is at the heart of trust and cynicism. It is a critical determinant to service quality and to the cynicism associate with service encounters. Credibility involves trustworthiness, believability, honesty, having the customers best interest in mind. Clearly, to keep the customers level of distrust down, and therefore reduce the level of cynicism regarding the purchased service, we should work to build credibility. Credibility can be related to the company's reputation – which can be difficult to change quickly. However, each high quality service encounter will build up the trust in the service. Organizations may also want to communicate in various ways the credibility of their services. This can include all forms and channels of communication. Credibility will be hurt, though, if promises or claims are made that are then not fulfilled. Trustworthiness requires fulfilling promises and obligations. Organizations can invest more in service providers in ways to reduce service provider turnover. In so doing, the service providers will be more likely to build credibility.

Understanding/Knowing the Customer

Understanding/knowing the customer involves making an effort to understand the customer's needs including such things as learning the customer's specific requirements, providing good attention to the customer, and recognizing a regular customer. We can design our service encounters to be more likely to contribute to trust as well as help improve on the level of employee and customer ignorance on the contextual factors influencing the service. To do so requires training of employees on the importance of trying to understand the customer's specific needs from the service. Also, as the employee better understands the context of the service from the company's perspective, their ignorance of the context within which decisions pertaining to the delivery of services will decrease. As employees better understand the decisions, lower levels of cynicism should be operating. This is another reason it would be helpful for organizations to reduce turnover in the ranks of service employees. A service provider who is experienced is more likely to recognize repeat customers and more likely to know the customer compared with newly hired employees.

Reliability

Reliability involves consistency of performance and dependability. This requires that the service is provided appropriately the first time, honors its promises, is accurate in order taking, preparing the tangibles and intangibles of the services, is secure with information (although security is also another distinct dimension of quality service). Increasing reliability of our services should lead to higher levels of trust, which will be helpful for both employees and customers. Again, developing longer-term employees who know how to do the work should improve the dependability of the service in many ways. Longer term employees also have less decision context knowledge and will understand better the performance requirements.

Courtesy

Courtesy involves politeness, respect, consideration, and friendliness of service employees and is likely directly affected by the service provider's level of cynicism. This deals more with the effects of cynicism than the causes of cynicism. However, if we are considering how to design a service encounter to encourage politeness, respect, and

friendliness then we will likely be also considering how to minimize cynicism levels. Customer politeness may also influence service provider politeness so some consideration of how to maintain and/or enhance the “courtesy” level of the customers may be an additional positive influence on the employee’s level of politeness and friendliness. Requiring the expression of friendly, polite, positive emotions can lead service workers to display “surface acting” which is both detectable and not appreciated by consumers and also a source of stress to the employees (Grandey, 2003). Consideration must be given to actually creating a positive environment at work.

CONCLUSION

Today’s business environment for service organizations includes a great deal of cynicism from both the service employees and the service customers. While cynicism is a form of bias in preconceived judgments, there are some things managers can do to work towards improving the situation. The proposed model demonstrates that mistrust and lack of knowledge concerning the context of the decisions involved in a service encounter are immediately influential on cynicism. Improving the service environment can occur through efforts at increasing trust and reducing contextual ignorance, along with improvements in several situational and attitudinal factors. The determinants of service quality provide direct channels for efforts at determining where and what to change and how to reduce cynicism to improve the service environment.

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