Misbehaving customers: Understanding and managing customer injustice in service organizations

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Customers who treat frontline service employees unfairly are an expensive problem for companies. We know that other forms of mistreatment such as workplace incivility are costly for organizations, as Pearson and Porath show, and that in service workplaces customers can be viewed as a more common source of negative behaviors directed at employees compared with co-workers and supervisors. Frontline service employees can view customers as treating them unfairly if customers, for example, yell at them, or doubt their credibility. Understanding how customers can influence employee attitudes and behaviors is attracting increasing attention from managers and scholars. These encounters are especially problematic for managers, given the psychological and emotional toll unfair encounters have on the frontline workforce, increasing employee burnout, turnover intentions, and reducing performance. Clearly, misbehaving customers create a dilemma for managers who want the customer revenue, but, at the same time, jeopardize service quality by exposing employees to unfair treatment from customers.

Why do customers treat employees unfairly? Several factors contribute to this dynamic. First, organizational policies regarding customer service can inadvertently both empower and frustrate customers. A power imbalance can exist between customers and employees when managers adhere to “the customer is always right” policy, with companies exerting little effort to rein in customers. At the same time, employees, in their interactions with customers, are often required to follow organizational display rules that, as DiFendorff and Richard demonstrate, guide employees about the emotional expressions they should exhibit to customers. These display rules can create a situation where an employee’s emotional responses fail to reflect what a customer expects in an interaction, potentially contributing to unfair reactions from customers. Second, employees are frequent targets of customer frustration that can arise from customer perceptions of, or actual service failure. Third, some customers believe that their aggressive behavior can persuade employees to bend or violate company policies to fulfill customer requests. Taken together, these factors create a challenging environment for employees trying to deliver high quality customer service.

Organizational behavior scholars know a fair amount about the impact of interpersonal unfairness that originates within work organizations from co-workers and supervisors. We know much less, however, about how unfairness affects employees when it originates from organizational outsiders such as customers. Customer unfairness, in contrast to unfairness from within the organization, can be more problematic because employees are expected to deliver high-quality customer service at the very moment they are being berated and insulted by rude customers. Furthermore, customers are less likely in these short service encounters to have future interactions with the same employees, a potential deterrent to unfair customer behavior. Hence, the demands of customer unfairness on employees are especially high, and can be exacerbated by organizational policies and job design.

In this paper, we review research on customer injustice, also referred to as customer unfairness, to provide managers with insights about how to support the frontline service workforce. We define customer injustice as employee perceptions of unfair treatment from customers. We focus on understanding how employees react to unfair customers, and potential factors that can offset the negative consequences
of these interactions for employees. In doing so, we address three central questions:

- What is customer injustice?
- What are the negative consequences of customer injustice for employees?
- What evidence-based strategies can managers implement to help support employees in dealing with difficult customers?

To better understand customer injustice, we, along with other researchers, have studied the frontline customer service workforce in hotels, call centers, restaurants and retail stores, analyzing both face-to-face and over-the-phone service interactions. For example, Rupp and her colleagues have undertaken lab studies simulating call centers, and studied bank tellers in Germany. Meanwhile, Skarlicki, van Jaarsveld, and Walker studied how customers unfairly treated call center employees in Canada. Thus, much of what we know about customer injustice comes from frequent, short customer encounters.

**WHAT IS CUSTOMER INJUSTICE?**

Our definition of customer interactional injustice is based on Rupp and Spencer, who define customer interactional injustice as encompassing both customer interpersonal injustice, the degree to which customers treat employees with a lack of dignity and respect, and customer informational injustice, the degree to which customers express requests without clarity, candidness or truth. Both customer interpersonal and informational injustice complicate employee efforts to resolve customer requests.

Some examples of customer interactional injustice include verbal abuse (e.g., customers using condescending language; customers yelling at employees; unreasonable demands (e.g., customers making demands that the service worker could not fulfill, demands to violate company policy); and disrespectful acts (e.g., cutting employees off in mid-sentence, talking on a cell phone while interacting with an employee). Employees exposed to both customer interpersonal and informational injustice can experience negative emotions (e.g., anger) and engage in emotional labor.

Customer interactional injustice exists within a broader set of negative customer behaviors targeting employees, a sample of which we list below. We draw on Hershkovis to help distinguish between these negative customer behaviors. Customer interactional injustice differs from other negative customer behaviors based on whether or not the customer intends to harm the employee, the intensity of the customer behaviors, and the range of customer behaviors. Consistent across these various customer behaviors is that they have negative consequences for employees, and for organizations.

- Customer verbal aggression: verbal expressions of anger that violate social norms, and involve an intent to harm the target;
- Customer incivility: low intensity, interpersonal mistreatment where intent to harm the target is ambiguous;
- Customer dysfunctional behavior: customers engaging in counterproductive behaviors that deliberately disrupt service;

- Customer mistreatment: “low quality interpersonal treatment employees receive from their customers.”

Customer mistreatment differs from customer interactional injustice because employees can perceive mistreatment as fair or unfair. In some cases, employees sympathize with customers and agree that customers should be angry about an unnecessary charge or a service failure, whereas when, for example, customers are being interpersonally unfair, employees view the customer behavior as unjustified.

In some of our studies, we focus on customer interactional injustice. Customer interactional injustice is a particularly salient behavior to study in the service context because exposure to injustice can: (1) trigger strong reactions in unfairness targets, (2) invoke a “need” in the target to address injustice, (3) motivate the target to retaliate against the source of injustice, and (4) potentially activate biological and evolutionary mechanisms driving strong reactions to unfairness. In addition, other types of injustice (e.g., distributive, procedural, interpersonal and informational) originating from other sources (e.g., supervisors and coworkers) can occur in organizations. Considering these other types and sources of injustice alongside customer injustice enables us to untangle the effects of customer injustice from other types of unfairness that employees encounter at work.

**WHAT ARE THE CONSEQUENCES OF CUSTOMER INJUSTICE?**

An increasing body of research consistently demonstrates that customer injustice has detrimental consequences for customers, employees, and organizations.

**Customer outcomes.** Research undertaken by Skarlicki, van Jaarsveld, and Walker primarily examines the reactions of the service workforce to customer injustice that can directly impact customers. For example, we showed that employees who thought they were unfairly treated by customers retaliated by sabotaging customers. Customer service representatives who experienced interpersonal unfairness from customers were more likely to hang up on customers, disconnect a call on purpose, intentionally put customers on hold for long periods of time, and inform customers that they fixed something without actually doing so.

We also showed that whether employees decide to react to customer interpersonal unfairness by sabotaging customers depends on moral identity. Moral identity consists of internalization (the degree to which one’s moral traits are central to self concept) and symbolization (the degree to which reactions to moral issues are expressed publicly through an individual’s actions). The relationship between customer interpersonal unfairness and customer-directed sabotage was stronger for employees who reported higher levels of symbolization, and these moderation effects were weaker for employees who reported higher levels of internalization.

**Employee performance.** While customer-directed sabotage can undermine organizational goals to deliver high quality customer service, customer unfairness can also affect job performance. Although not the main focus of our study, we found that employees who engaged in customer-directed sabotage had lower performance ratings. Emerging evidence
is also showing the consequences of customer interpersonal injustice on customer satisfaction. For example, Amarnani, Restubog and Bordia reported that retail employees, employed by a large retailer in the Philippines, who experienced customer interpersonal injustice were less likely to exert additional effort on behalf of customers, resulting in reduced customer satisfaction.

**Psychological outcomes.** The emotional labor perspective offers valuable insights regarding how employees can react to customer unfairness beyond retaliation and reduced effort. Emotional labor is the management of one’s emotions to match organizationally defined emotion expression rules and guidelines. Employees surface act and deep act to cope with emotional labor demands. Surface acting occurs when an employee displays the required emotional expression when interacting with a customer, but displayed emotions can be disconnected from how an employee feels. Deep acting, meanwhile, refers to an employee changing how he or she actually feels in order for personal emotions to match the organizationally prescribed emotional expression.

Rupp and her colleagues show across several contexts, including a simulated call center, a simulated helpdesk, and among service workers in a bank, that employees who encounter unfair customers engage in higher levels of surface acting. Counter-factual thinking (e.g., deciding whether or not a situation is unfair), and discrete emotions, in particular anger, are two factors that help explain why some employees are more likely to increase their emotional labor in response to customer unfairness. Rupp and her colleagues build on this model by showing that perspective taking, an individual’s cognitive ability to adopt the perspective of another individual’s point of view, can help reduce the likelihood that employees will engage in surface acting in response to customer unfairness.

Even witnessing a customer treat a co-worker unfairly can increase surface acting among employees. Surface acting is especially problematic because it has negative effects on employee wellbeing and employee behaviors, and can be interpreted by customers as being artificial, further contributing to customer frustration and anger.

**Organizational outcomes.** In many service organizations, such as call centers, hospitals, and restaurants, annual turnover can range from 26 percent to 200 percent, significantly eroding service quality. Research has shown that customer injustice is associated with turnover intentions, and actual voluntary turnover. Quitting offers a viable option in order to withdraw from emotion-depleting customer injustice. For example, van Jaarsveld, Skarlicki, and Walker examined the effects of customer injustice among the call center workforce and found that employees drained by customer unfairness reported higher levels of emotional exhaustion, and were more likely to quit, but that supervisor fairness lowered employee turnover. We analyzed voluntary turnover for employees reporting lower and higher levels of supervisor interpersonal fairness and found a 10 percent difference in turnover (low fairness; 57 percent voluntary turnover, high fairness; 47 percent voluntary turnover). Thus, it is important to consider how employees perceive that customers treat them when diagnosing what is driving voluntary turnover among the frontline service workforce.

**THE INTERNATIONAL DYNAMICS OF CUSTOMER SERVICE**

Much of the research we have reviewed up to this point focuses on customer service employees in North America. However, customer expectations regarding service quality, that is, what the customer expects in terms of customer service standards, could depend on national or cultural differences. Examining how these differences can affect employees trying to deliver high quality customer service requires undertaking studies that include customer service employees from outside North America. We review a few international studies that involve customer injustice and other types of negative customer behaviors such as customer mistreatment, and customer anger.

To clarify the conditions required for employees to engage in customer-directed sabotage, two studies of customer service employees in South Korea and Canada found that customer injustice was related to customer-directed sabotage for employees who reported low moral identity, and low supervisor justice. Supervisor justice can offset the negative effects of customer injustice, reinforcing why it is important to examine customer injustice alongside other (in)justice sources within organizations.

Negative customer behaviors such as customer mistreatment have negative consequences for customer service employees in China. Wang and colleagues examined the relationship between customer mistreatment and customer-directed sabotage in a diary study of customer service representatives in China. They showed that employees who were mistreated by customers were more likely to engage in customer-directed sabotage.

To explicitly examine the role of cultural differences in customer service interactions, Shao and Skarlicki compared the experiences of hotel employees in Canada and China. They found that service employees in Canada were more likely to sabotage customers in response to customer mistreatment compared with their counterparts in China.

Expanding beyond two countries, researchers compared employees in workplaces with positive display rules in the U.S., Israel, France and Singapore. Grandey and colleagues found that employees in France were more accepting of customer anger expressions than their counterparts in the U.S., who had higher expectations for positive expressions in customer service interactions. Hence, employees in different countries can have different standards of acceptable treatment from customers. This dynamic is further complicated when customer service employees located in one country assist customers located in another country, a reality for offshored, outsourced, service organizations. Customers and employees may each hold different sets of culturally prescribed expectations for acceptable treatment.

**ACCUMULATION VERSUS SINGLE EPISODES OF NEGATIVE INTERACTIONS WITH CUSTOMERS**

The research we reviewed above is based on employees reporting the unfairness they have experienced from customers over a specific period of time (e.g., weeks, months). A few recent studies involving other forms of negative customer behaviors, such as customer verbal aggression and customer
incivility, investigate the implications for employees of specific encounters with difficult customers. Wang and his colleagues shed some light on how customer mistreatment stays with the target. They investigated the degree to which customer mistreatment impacts employee emotions at a later point in time. Specifically, they found that service employees who perceived more customer mistreatment spent more time ruminating about these events, affecting their mood when they came to work the next morning. In examining episodes of customer verbal aggression, Rafaeli and her colleagues investigated the relationship between customer verbal aggression and cognitive performance across four experimental studies. They found that employees who were targets of verbal aggression reported difficulties in remembering previous events, concentrating on work-related tasks, solving work-related problems, and making job related decisions.

When customers are uncivil to employees in a single interaction, we also find that it can provoke employees to be uncivil toward customers. When customers were uncivil to employees, employees engaged in more incivility, targeting customers in the same event where the customer incivility occurred. Moreover, this response was especially likely for employees who had a more negative disposition (e.g., worry often, easily irritated, nervous), and for employees who were expecting better treatment from customers. If employees expect good customer interactions (e.g., fair customer interactions), when they have a bad experience, there is a good chance customer service will get worse in that service encounter.

Walker and colleagues also found that employees had stronger reactions, in terms of behaving rudely to customers and delivering worse customer service, if the customer used aggressive words that targeted the employee or if the customer interrupted the employee more often during the course of the service interaction.

**WHAT CAN MANAGERS DO TO HELP?**

We offer some suggestions to help managers in supporting the customer service workforce in dealing with unfair customers. First, when hiring, consider the personal attributes of the service workforce, and the hiring process itself. The evidence from some of our research suggests that hiring based on personal characteristics such as moral identity, and negative affect (i.e., one’s predisposition to experience negative emotions) can help reduce the likelihood that employees will react to customer unfairness by engaging in customer-directed sabotage. From the emotional labor perspective, hiring job applicants who can manage their emotions in response to customer unfairness, and who are high in perspective-taking could be effective in building a customer service workforce that can withstand customer unfairness.

From their research on customer mistreatment, Wang and colleagues highlight the important role that both emotion-based and resource-based factors, such as job tenure, service rule commitment and self-efficacy for emotional regulation, can play in reducing the negative consequences of customer mistreatment on customer-directed sabotage.

Turning to the hiring process, integrate a realistic job preview into the hiring process to help reduce high voluntary turnover rates in service organizations. TeleTech, a global business process outsourcing company, provides examples of actual customer interactions on the company’s YouTube site, enabling potential job applicants to listen to the types of interactions they could have with customers. Managers could easily extend realistic job previews to include examples of upset or angry customers and the type of unfair customer treatment employees experience working for the organization.

Second, train employees to improve their handling of interactions involving customer injustice. Specifically, employees can learn how to manage customer emotions and reduce conflict when it arises. Qantas Airways, for example, has achieved these objectives through training. They trained 22,000 staff in how to handle conflict and to manage difficult customer situations. Craig Thorpe, a senior cabin service manager with Qantas, explains that for four years Qantas has focused on cabin crew members participating in training initiatives that infuse positivity at work and create a positive impact on customers.

Lauri Little and her colleagues have tested two general approaches for managing customer emotions: (a) problem-focused approaches, and (b) emotion focused approaches. Problem-focused approaches involve attempting to alleviate customer stress and calming customers by, for example, presenting a solution to a problem such as replacing a defective product with a functional product. Alternatively, emotion-focused approaches involve employees encouraging customers to alter their emotional expressions by, for example, asking a customer to “calm down,” “relax” or trying to distract customers from their anger with humor. These emotion-focused strategies often fail to reduce customer anger. Problem-focused approaches appear to be much more successful at reducing the intensity of customer negative emotions. Thus, training service workers to use problem-focused strategies when interacting with frustrated customers could help offset negative emotion escalation during customer-employee interactions.

Third, give employees more discretion in what they say and the emotions they express when they interact with customers in order to help reduce the negative consequences of customer injustice. Frequently, employees are compelled to follow display rules or scripts during service encounters, thereby constraining the content of what employees say to customers. David Walker, a member of our research team, listened to hours of recorded customer service interactions and heard numerous examples of employees closely following scripts, even though it was clear that the text of the organization’s script failed to address a customer request. In these interactions, customer frustration levels often increased because their requests were not “heard.” Empowering employees to use their judgment in interactions as opposed to rigidly following a script could benefit both customers and employees by reducing customer frustration and employee exposure to stressful interactions.

Signaling management trust in employees has the potential to prevent and diffuse customer frustration. Some companies such as Ritz-Carlton give employees up to $2000 to spend on each guest per incident without needing managerial permission. Beyond financial support, empowering employees with some autonomy to deviate from scripts when appropriate can help protect employees from surface acting and avoid the kind of awkward interaction that being required to

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strictly follow a script can instigate. For example, Ritz-Carlton uses scripts, but provides a framework empowering employees to deviate from scripts, leading to more authentic customer interactions.

Fourth, employee work breaks are critical for improving performance and helping employees recover lost resources from stressful encounters. Encouraging employees to take work breaks following difficult encounters has the potential to help employees cope with these interactions. The benefits of breaks are amplified when employees feel free to share their feelings with one another, creating a space for authenticity. Managers and organizations who support work breaks, even unplanned ones when employees have particularly difficult encounters with customers, might lessen the impact of customer interactional injustice on the service workforce.

Customer interactions can be positive for employees. Employees might regain lost resources through positive customer interactions. Indeed, the heart of service is helping others; people desire to do work that actually helps people. To demonstrate this to employees, managers can arrange opportunities for service workers to hear about positive experiences from customers. Opportunities to witness the impact of employee contributions could yield dramatic improvements in performance.

Fifth, consider whether the process customers use to access customer service creates frustration, and motivates increased customer injustice. How a company manages customers during the service process has implications for how customers treat the company’s employees. One example is the information shared with customers while they wait to speak to a service employee matters. Research found that when waiting in line for services, customers tend to be more dissatisfied and annoyed when they receive a recorded apology (e.g., “we’re sorry to keep you waiting”) compared with when they are told their actual position in the queue (e.g., “you are fourth in line”). In a way, this technological intervention can increase the interactional justice (e.g., the fairness) of the interaction for customers and could improve how customers treat employees. Some companies, such as Disney, report longer waits for wait times so that customers are pleased when they get on the ride earlier than indicated by the wait time.

Customers need to perceive a sense of progress throughout the service encounter—a movement toward their goal of alleviating service failure. Apologies offer no information about progress, nor do they contribute to a sense of progress toward that goal. Information about when customers will obtain help gives them a sense of progress. iiNet, Australia’s second largest Internet service provider, uses a conversation bridge technology to manage call volumes and hold times in an effort to address customer-related issues quickly. This technological innovation combines e-mail interactions with existing intelligent call routing to enable customers who initially started an online interaction to transition efficiently to a customer service representative without having to restart the process.

Sixth, teach customers how to get better service by treating service employees fairly. Customer behaviors in service episodes have direct implications for the quality of the customer service they receive in the interaction. Managers could help customers understand the types of behaviors that they can use, or avoid using, as a means to get better service. Based on the research we describe in this paper, customers, employees, and organizations could benefit from having customers treat employees fairly. In short, fair customer treatment of employees leads to better customer service for customers, less psychological harm for employees, and, over the long-term, the potential for improved organizational performance.

Some companies are taking steps to encourage better behaviors from customers. Le Petit Syrah, a café in Nice, France, received media attention when it advertised that it planned to charge rude customers more than polite customers—a potential pricing approach to improve the service environment for its employees. Managers might consider using organizational resources such as marketing, service design, or even announcements to waiting customers, to extend the organization’s training function to customers to directly, or indirectly, educate customers in how to be better customers. Anecdotally, each of the authors of this paper has noted a change in our behavior toward service employees stemming from our understanding of our research, and several of us have been surprised at the improvements to customer service quality when we demonstrate compassion to service employees.

Finally, some companies are taking steps to better protect employees from unfair customers. There are well known stories within the cultures of Southwest Airlines, Service-Gruppen (a Danish IT service provider), Sprint Nextel, and the former Continental Airlines, where companies fired customers, siding with their employees, rather than have customers treat the company’s employees poorly. Tony Hsieh, Zappos chief executive, has also indicated that firing customers who abuse employees is a component of exceptional customer service, because of the beneficial effect that backing employees has on customer service. Indeed this approach is easier in some contexts than others. Joe McInerney, president and chief executive officer (CEO) of consultancy McInerney Hospitality International and former head of the American Hotel and Lodging Association, noted that: “You need certain rules to evict a hotel guest. You can’t just arbitrarily evict them”.

A milder approach to buffering employees from unfair customers is to work through frontline supervisors. Supervisors can lessen the effect of customer injustice on customer-directed retaliatory behavior. One change organizational leaders could implement is training frontline supervisors in how to support employees who encounter customer injustice. Acknowledging the challenges associated with service work, which is often regarded as low-skill and low-wage work, by preparing managers to respond to this specific job challenge could benefit the frontline service workforce and organizations.

While customers can present a challenge for the frontline customer service workforce, several avenues exist—including hiring, training, altering service processes, and even training customers—that can help offset the negative employee effects of these interactions. Emerging emotion detection technology might also help managers identify when customers are expressing anger or other strong emotions toward service employees. This technology could help supervisors know when to intervene or when to give employees breaks from customer interactions. While we have primarily focused on the negative interactions that frontline service
employees encounter, fortunately, many of the service interactions employees have are positive. Research indicates, however, that even a few bad interactions can affect an employee’s entire day—this is why we continue to conduct and encourage research focusing on the customer-employee dynamic.

CONCLUSION

Companies often overlook the reality that how customers treat employees has implications for their workforce, and for customer service quality. The negative consequences of these interactions are real and are costly for companies. Taking steps to consider how to support the service workforce in handling these difficult interactions can help improve the customer service experience for both customers and employees.
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