

Customers as human resources in retailing – towards customer-oriented HRM?

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Some years ago, we used to go to grocery and department stores, or post offices to communicate and be served by service employees. Today, Finnish consumers for example, do more shopping on the Internet and they act more actively as part of the service processes. This has led to a situation where traditional Finnish department stores like, Anttila is closing its shops and shifting its activities on the Internet (www.netanttila.com). In addition, there are online grocery stores available on the Internet, where customers can do their daily grocery shopping and get the food delivered to home (www.foodie.fi). These examples illustrate that customers are in many cases conducting the duties that used to be done by service employees. At the same time, customers may perceive the service that is conducted without any service employees on-site as good service, since it is flexible (24/7), it is fast, it does its job, and so on (Meuter et al. 2000).

Self-service and active customer participation have been an interest of many marketing scholars for years already (e.g. Meuter et al. 2000; Bitner et al. 1997). For example, Lovelock and Young (1979) argued that the more active involvement of customers in the service processes increase the productivity of the service companies. It has also been recognized that in some service processes, customers are the key resources, for example by providing the necessary information needed in the service delivery. Due to the technological developments, there are also more services, where customers have displaced (at least partly) service employees. (Graf 2007; Meuter et al. 2000.) Despite the fact, that the boundaries between customers and employees are becoming more blurred than before, there is a lack of studies, which integrate Service Management and Human Resource Management (HRM) literature. There are studies on customers as human resources in the field of service management (e.g. Mills & Morris, 1986; Bitner et al 1997; Keh & Teo, 2001). These studies, however, focus on customer satisfaction and lack the critical employee perspective. With this paper, we would like to open up the discussion of intertwining the Service Management and Human Resource Management literature, and the blurred roles of customers and employees. Service Management literature provides us knowledge, for example, about the effective management of service processes and the critical parts of these processes (e.g. Grönroos & Ojasalo, 2004). Whereas, HRM literature provide information about, how customers as ‘employees’ could be managed. In addition, HRM literature can offer critical insight into the challenges related to reallocating the roles between service employees and customers (Graf 2007).

In this study we present a framework of the phenomenon related to customer-oriented HRM in the context of retailing. In the framework we reflect the phenomenon from a customer, an employee and from an organizational perspective. We argue, based on our preliminary literature review, that there is a need to integrate service management and HRM perspectives in order to capture an in-depth understanding of the phenomenon. Meeting the expectations of customers can be seen as the

key target of customer-oriented HRM, which is still rather new approach in the HRM literature. Customer-oriented HRM aims to diminish the possible role conflict and ambiguity for service employees and customers. In other words, in this approach, HRM refers broadly to organization's policies, procedures and processes, which are related to the management of people and integrated with the strategy of the organization. (Graf 2007.)

Taken together, the growing use of self-services technologies and Internet as well as the more active role of customers as a part of service processes raise many questions: to which extent customers are willing to conduct the duties that used to be delivered by service employees, to which extent can customers be trained and managed like human resources (e.g. recruitment, motivation, rewarding), and what are the new roles of service employees that used to encounter and serve the customer on-site. Moreover, what is the role of senior customers as well as senior employees in this technology-based service? These questions emerged from the reviewed Service Management and Human Resource Management literature.

Rethinking the focus on HRM more as a customer-oriented approach provides managerial implications for both, marketing and HR managers. This rethinking is especially actual in Nordic countries where self-service concepts in retailing have gained popularity.

Key words: Self-service, Customers, Service Employees, Customer-oriented HRM