Morandin Gabriele (Orcid ID: 0000-0002-7892-5308)

How and When Identification with a Boundary-Spanning Part of One's Organization Influences Customer Satisfaction

Abstract

Membership of boundary-spanners is controversial, as employees operate largely at the borders of the organization in close relations with customers. Nevertheless, we know little about its influence on customer satisfaction. We investigate how and when identification with the branch influences customer satisfaction. The how question is answered by showing that degree of control of one's performance mediates the impact of branch manager identification on customer satisfaction. The when question is answered by proposing two moderating variables. Locus of control regulates the extent to which identification influences performance control. Dedicated meetings between branch managers and their colleagues regulate the degree to which performance control influences customer satisfaction. Hypotheses were tested in a longitudinal design on a sample of 1,461 managers from a firm specializing in banking and financial services in Europe. Results largely confirm our hypotheses, providing a novel look on determinants of customer satisfaction from the perspective of boundary-spanning managers.

Key words: organizational identification; customer satisfaction; performance control; locus of control, boundary spanning.

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Considerable research has been done in marketing studying customer satisfaction from the point of view of the *customer* (e.g., Anderson *et al.*, 2008; Hill and Alexander, 2000; Szymanski and Henard, 2001). Most of this research rests on the measurement of costs and benefits as perceived by customers. For example, research into satisfaction with retail banking has found that between 4 and 8 attributes of banks account for satisfaction, like responsiveness and empathy (e.g., Pakurár *et al.*, 2019; see also Howcroft, 1991). A number of problems makes the interpretation of customer-based research problematic. One issue is simply practical. Because the leading model of satisfaction relies on measuring both customer expectations and beliefs/perceptions of the levels of each attribute, many measures are required, depending on the number of attributes, and identification of salient attributes can be difficult and vary considerably across customers. In addition, such an approach has been criticized for violating certain statistical assumptions inherent in difference scores (e.g., Brown *et al.*, 1993). A third concern occurs with the validity of models based on service attributes. For example, overall impressions, attitudes, or emotional reactions toward services as a whole can create what is called, a halo effect, where global satisfaction influences expectations and perceptions of individual attributes, rather than the other way around (e.g., Holbrook, 1993; Dagger *et al.*, 2013). Even when it can be claimed that individual service attributes drive overall satisfaction, the operational models used in the

literature confound relationships amongst attributes with overall satisfaction. For instance, one or a few attributes can dominate or bias responses to other attributes, and occur differentially across customers (Nisbett and Wilson, 1977). Common expectation-perception models also neglect the structure of attributes, which can obscure differential effects of attributes and introduce multicollinearity in empirical work (Bagozzi *et al.*, 2003).

We take a different tack and pursue an approach largely neglected in the literature: namely, we consider customer satisfaction from the point of view of the *organization*. More specifically, we study the influence that bank branch managers have on customer satisfaction. The focus on branch managers relies on the fact that they are boundary-spanning employees, engaging in significant activities with out-group members (Richter *et al.*, 2006). Boundary-spanning transactions are frequently enacted by group leaders (e.g., bank branch managers), who might lead organizational performance based on the relationships they build with external stakeholders (Ancona, 1990). In particular, Korschun (2015: 612) theorized that "increases in organizational identification will uniformly lead employees to engage in relationships with external stakeholders that most benefit the organization." Building on these insights, we address two broad questions and their integration. First, we address the question, *how* does manager identification with the local branch affect customer satisfaction? We answer this question by identifying a key mediating variable, appraisal of personal control over customer satisfaction, which functions to transform manager identification into customer satisfaction in four strategic senses noted below. Second, we speak to the question, *when* does manager identification lead to customer satisfaction (i.e., under what conditions does identification influence satisfaction)? To

answer this question, we develop one moderator of the identification to control relationship and one moderator of the control to satisfaction relationship. The first moderator is an individual difference variable that regulates the extent to which identification leads to perceived control and resides in the personality trait of locus of control. The second moderator is an interpersonal, role-based variable that consists of regular dedicated meetings of employees involved with customer relations to discuss, plan, implement, and evaluate group efforts at attaining customer satisfaction. Figure 1 summarizes our moderated mediation model.

[Figure 1 about here]

The model was tested in a longitudinal design on a sample of 1,461 bank managers from a large firm specializing in banking and financial services in Western and Eastern Europe. Results largely confirm our hypotheses and contribute to understanding how membership of boundary-spanning employees influences customer satisfaction. In particular, our study discloses contextual and personal dimensions that jointly shape behaviors and outcomes (i.e., satisfaction).

Theoretical Background

Organizations have symbolic value for employees (Dutton *et al.*, 1995). As a kind of symbolic resource, organizations serve to define self-identity of members. Members construct their psychological selves so as to include the identity of the organization. This can be expressed as self-organization identity overlap, and is experienced conceptually by organization members, similar to research into the psychological self, whereby mental representations of close others are integrated into the self-concept (Aron *et al.*, 1991).

Employees construct self-categorizations that expand to include organizations, and this has been termed organizational identification (Simon, 1947; Ashforth and Mael, 1989) or a cognitive component of social identity (Bergami and Bagozzi, 2000; Ellemers *et al.*, 1999). Simon (1947) was the first to introduce this concept into organizational behavior studies, conceiving identification as the "process whereby the individual substitutes organizational objectives … for his own aims as the value-indices which determine his organizational decisions" (Simon, 1947, p. 217). Subsequently March and Simon (1958) further explored its study, presenting an articulated analytical scheme, based on the perspective that the organization is an open system (comprehending costumers), whose effectiveness largely depends on the willingness and ability of the individual actors to collaborate with each other to achieve organizational and market objectives. March (1994) extended this framework, considering identification as an important aspect for decision-making processes. According to March (1994), in fact, individuals follow rules or procedures that are consistent with their identity and appropriate to the situation in which they find themselves; in this perspective, behavior and performance of boundary-spanners might be largely influenced by the degree to which managers identify with the organization or part of it. In fact, literature has demonstrated that boundary-spanners identification generates desirable organizational outcomes, including cooperation (Bartel, 2001) and role performance (Vora *et al.*, 2007). However, relatively little attention has been given to tying identification to customer outcomes, especially within a service industry or context.

We extend the effects of organization identification to the subgroup in the organization under study to include the local branch division of the bank where organization members and

customers interact regularly. The rationale is based on previous literature whereby boundary-spanner group identification was related to effective intergroup relations. For example, Richter and colleagues (2006) studied 53 workgroups in 5 health care organizations and found that boundary-spanning leaders' workgroup identification leads to harmonious and productive external relations. Moreover, Wieseke *et al.* (2007) with two empirical studies in the travel industry showed that front-line employees' customer orientation depends on their degree of identification. Sulton (2006) went further and, surveying 314 individuals from four hotels in Australia, found evidence that social identification was related to employee's perception of customer satisfaction. Sulton (2006, p. 581) claimed that the stronger the employee's identification, the more likely they will behave and strive to achieve "the organization's best interest". Not surprisingly, a measure of identification, originally included in the influential 5-item Mael and Ashforth (1992) scale, specified, "this organization's successes are my successes". This may happen because when a member identifies with an organization or part of it, this alters the way he or she considers external stakeholders (Korshuman, 2015). Building upon the common in-group identity model (Gaertner et al., 1993, p. 3), the recategorization of a subgroup of stakeholders into a higher-order group aligns "perceptions from 'us' and 'them' to a more inclusive 'we'." This promotes positive intergroup relations and goal alignment toward the organization's best interest (i.e., customer satisfaction). Hence our first hypothesis is:

> H1: The more the identification of the branch manager with his/her local branch, the greater the customer satisfaction.

Our aim is to explain how and when identification leads to customer satisfaction by specifying the mechanisms undergirding the mediator and moderators shown in Figure 1.

Before developing hypotheses and testing them on a large sample of bank managers, we conducted qualitative interviews with 118 employees involved with customer interactions. It was in the interpretation of the interviews that we learned that it was identification with the branch itself, rather than the organization as a whole, that was critically related to delivery of customer services. For example, one manager stated,

> "Much I can do to match the satisfaction of our customers. It's not all about clients, it's about us: how we cooperate within the branch, how we're supported by the organization, how we relate with each customer. In conclusion, *how we conceive ourselves as members of this group and what we're ready to do for it"* (Bank Manager #23, emphasis added).

In a somewhat different way, another manager expressed the importance of branch identification to customer satisfaction, as follows:

> "Sometimes I feel like an entrepreneur of my branch. *I'm accountable for the branch and I strongly identify with it…*In addition, most of the times customer satisfaction starts in the branch, where customers come to sign new contracts, solve problems, express new needs and expectations" (Bank Manager #5, emphasis added).

How identification influences satisfaction

Perceived control over one's performance is a central element in job crafting and expresses itself as a psychological resource motivating goal-directed behavior (Wrzesniewski and Dutton, 2001).

Two key dimensions of perceived control are perceived difficulty in, and overall mastery over, achieving an end (e.g., Sparks *et al.*, 1997). In this sense, it resembles both self-efficacy and outcome expectancies studied by psychologists (e.g., Bandura, 1995, 1997). Bank managers explicitly emphasized perceived performance control, which for them is manifest as influence over customer satisfaction, to illustrate its centrality in their jobs:

> "I know that *customer satisfaction is not easy to assure* and that many factors could influence it; probably *some are out of our direct control*, like what happened to the customer before entering the bank; *but many factors are under our control*, for example just starting the relation with a warm welcome, like: how do you feel today? I believe that if you realize that much is under your control, your action changes and your efficacy improves" (Branch Manager #1, emphasis added).

We argue that identification with one's bank branch influences perceived performance control. Research in organizations shows that identification and cognitive identity lead to organization commitment (e.g., Bergami and Bagozzi, 2000; c.f., Mowday *et al.,* 1982). The more a manager identifies with his/her bank branch, the more one should strive for control, because it is a pathway to commitment and because doing so contributes to customer satisfaction and also reinforces who one is as a member of the organization (i.e., one's identity; Ashforth *et al.*, 2008; Haslam and Ellemers, 2005). One supervisor captured the essence of this well as follows:

> "Saying that customer satisfaction is not under our control is a cast-iron alibi. But *when bank managers care about their branch, they will start thinking about what they can do*

and what it under bridles. We have seen encouraging results if people activate such an active way of thinking and behaviors" (Supervisor #5, emphases added).

In sum, bank branch identification influences customer satisfaction though the mediating effect of perceived performance control (see Figure 1). Thus, we hypothesize:

H2: Perceived performance control mediates the effect of identification with one's bank branch on customer satisfaction. The greater the identification, the greater the perceived performance control. In turn, the greater the performance control, the greater the satisfaction.

When identification influences satisfaction

We propose that the strength of the link between identification and perceived control will depend on the strategic mind-set of the manager. More specifically, people differ in the nature of their perceptions of control as a personality disposition. Locus of control is defined as a motivational orientation and exists in two senses: "People with an external locus of control tend to behave in response to external circumstances and to perceive their life outcomes as arising from factors out of their control (e.g., situational forces, luck). People with an internal locus of control tend to behave in response to internal states and intentions and to perceive their life outcomes as arising from the exercise of their own agency and abilities" (American Psychological Association Dictionary of Psychology) (see Rotter, 1966). Research in human resource management finds that locus of control is a key moderator of individual behavior (Sparrow, 1996).

Two comments by interviewees support the claim that employees in the branch offices of the bank under research were cognizant of the role of locus of control in external and internal senses, respectively:

> "…while I feel that the branch I'm responsible for is very important to me, I don't believe that I can control everything. In my opinion CS [customer satisfaction] is more likely related to Wall Street rather than a procedure I can adopt for the benefit of the bank. *What happened to our customers is not in our hands* and I cannot enter in the customers' minds and change their lives. If you think, even what happens to us is out of our control" (Bank Manger #16, emphasis added).

Branch Manager #16 has a strong orientation to external control.

> "Even if my bank manager believes in what he does and cares about the branch, he is often reluctant to think he can control outcomes. I'm not referring only to CS, but also to the conclusion of deals with customers, the behavior of our staff, and the destiny of the bank. If he thinks that he cannot control events, how can he think to assure such challenging outcomes?" (Subordinant #6 to Branch Manager).

Subordinant #6 recognizes the need for internal control.

The locus of control scale we use in our study places individuals on a continuum from high external to high internal locus of control, which was developed for use with employees in organizations (Hodgkinson, 1992). A manager who is high in external locus of control is less likely to feel a commitment to forge a high-performance control orientation, compared to a manager who is high in internal locus of control. Some research supports a diminuation in use of

job control for those stronger with external than internal locus of control (Dupré *et al.*, 2005; Salvaggio *et al.*, 2007). Hence, we hypothesize:

H3: Locus of control will moderate the effect of bank branch identification on perceived performance control. Identification will influence performance control, the greater the felt internal locus of control.

We posit that regular meetings of managers with colleagues will regulate the effect of perceived performance control on customer satisfaction. Ganster and Fusilier (1989: 250) proposed that the impact of control on performance depends on "sufficient feedback being available" to capture the context of customer relationship management and promote communication between members. Mayer and colleagues (2009) found that interdependence amongst co-workers moderates the relationship between situational climate and customer satisfaction in providing services to customers. Similarly, Marrone and colleagues (2007) studied team boundary-spanning and discovered that role overload was reduced and performance was enhanced by higher levels of boundary-spanning. CS-related meetings are essential as they support the attention of members toward this objective, sustain group-efforts, and members might find appropriate solutions to common problems through sharing experiences and perspectives. On the contrary, lack of such dedicated meetings could signal to members that CS is not important as the organization requires and that other activities might be of overriding importance. We therefore hypothesize:

H4: Meeting with colleagues for purpose of discussing customer-related issues will moderate the effect of perceived performance control on customer

satisfaction. Greater performance control will lead to more satisfaction, the more frequent colleagues of the manager meet to discuss customer satisfaction topics.

Interviews with managers in the bank confirmed the role of regular meetings with workers, as well as their possible moderating effects: One manager said,

"*I feel that I can influence CS.* But thinking it is not enough; *I have to spread the CS-culture within my bank. ... I have a weekly CS-related meeting with my collaborators,* where we discuss issues about the satisfaction of our customers, ways to solve potential elements of dissatisfaction. and so on. Eventually, I realized that it is useful not only for my subordinates, but even for me" (Bank Manager #26, emphasis added).

Another added:

"When the bank told us that CS was a new priority for our role. I started to discuss it with my collaborators. At the beginning these meetings were informal, but with time they became regular. With time, I'm pretty sure that *CS-related meetings improved our ability to assure* CS'" (Bank Manager #20, emphasis added).

Finally, one supervisor noted:

"A bank manager involved me in a CS-related meeting with her. At the beginning it

surprised me because we're usually involved in business-related meetings. ...I noticed that she took her new role seriously. After our first meeting, others followed. As my experience increased, *I was able to share best practices with the bank manager and her collaborators, too…But I have to thank the bank manager for this*. Without her invitation nothing of this could have happened" (Supervisor #2, emphasis added).

Method

Setting

Parsimonia is a European banking and financial services company with a focus on Western and Eastern Europe. It operates in 17 countries, with more than 8,500 branches and over 95 thousand employees. The company serves nearly 26 million clients, generating annual revenues of more than €25 billion per year in the last five years.

Following regulatory reforms and the increase in competition in the last decades (Butzbach, 2015), Parsimonia's top-management team started to focus on CS as a key strategic value driver (Terpstra and Verbeeten, 2014) for managerial action and evaluation, rather than the mere achievement of financial targets. This emerging priority involved a reframing of the organizational roles, with strong implications both inside and outside the company boundaries. A key role in the banking industry is the bank manager who operates accordingly within the strategic direction of the bank, leads the front line, and takes care of relationships with customers. As reward systems have implications for role behaviors, it is important to note that banks designed a reward system that is in part *outcome-based* (i.e., in terms of CS; Bergeron, 2007;

Kauppila, 2014), whereby there is little monitoring of bank managers by detailed instructions; however, they are held accountable for results and the meeting of customers' objectives and needs. The bank uses a quantitative and external measure of CS, namely, the trim index, to evaluate performance and reward employees. In this reward system, outcomes are measured and employees rewarded in direct proportion to their contribution to the organization's goal (i.e., CS).

Sample

The population consisted of 2,264 bank managers. We received 1,461 complete questionnaires for a response rate of 65.4%. Of the sample, 88% worked at agencies focused on families, while the remaining worked at agencies dedicated to small firms. In terms of age, 48.1% of the managers were between 41 and 50 years old, 31.9% between 30 and 40 years old, 18.4% were more than 50 years old, and 1.6% were less than 30 years old.

Measures

Branch manager identification (t_1). Two items were used to measure identification with the branch (Bergami and Bagozzi, 2000). The first one consisted of an eight-point visual and verbal representation of the perceived overlap between the individual's self-identity and the identity of the branch, while the second item instructed participants to "indicate the degree to which your self-image overlaps with the identity of the branch as you perceive it" and used a five-point scale. The correlation between the items was .69 ($p < .01$).

Locus of control (t_1). We used the 16-item locus of control scale developed by Hodgkinson (1992). The following are two example items: "Market opportunities in my industry are largely predetermined by factors beyond my bank's control" and "Becoming a successful

bank is a matter of creating opportunities, luck has little or nothing to do with it". All the items were followed by a seven-point scale, going from "completely disagree" to "completely agree." We removed three items as they revealed low reliability during the exploratory factor analysis. Cronbach's alpha of locus of control measures was equal to .72.

Performance control (t_1). Three items were used to measure performance control related to CS (Ajzen, 1991; Sparks, Guthrie, & Shepherd, 1997). The first was "How much control do you have over CS?" and was recorded with a seven-point scale going from "no control" to "total control." The second item was "For me, CS is..." and expressed with a seven-point scale from "difficult" to "easy to achieve." The third item asked participants to respond on a seven-point scale from "very unlikely" to "very likely" to the following statement: "If I choose to, it would be unproblematic for me to achieve CS." Cronbach's alpha of the measures was equal to .75.

CS-related meetings (t_1). Two items were used to assess CS-related meetings between managers and colleagues. One item asked, "How many times during the last month did you discuss CS-related topics or issues with your Bank Manager?" (i.e., the supervisor). The second one asked: "How many times during the last month did you discuss CS related topics or issues with your colleagues in the branch?" Both items were followed by a six-point scale going from "never," to "one or two times," to "three or four times," to "one or two times per week," to "three or four times per week." The correlation between items was $r = .89$ ($p < .01$).

Customer Satisfaction (t_2). Six months after the first survey, bank managers were invited to report the CS evaluations they received from their customers. Parsimonia used the TRI*M index, which is composed of four items aimed to measure overall CS, quality of the service,

referrals, and competitiveness of the service. The trim index uses a scale from 0 to 100 points and bank managers were invited to report the index score they achieved, choosing among four alternatives: <50, between 51 and 60, between 61 and 70, and > 70.

Statistical procedures

We applied the SPSS Process macro, Model 21 (Hayes, 2018), to test the conditional mediational hypotheses shown in Figure 1, where the independent variable (identification with the branch at time 1, X) is shown to influence the mediator (performance control related to CS at time 1, M), whose effect in turn is contingent on locus of control (W), and the effect of M on the dependent variable (CS at time 2, Y) is shown to depend on proactive behaviors in the form of CS-related meetings (V). Hypotheses were tested by controlling for type of branch (retail versus commercial, C_1), and age of the bank managers (C_2).

Two equations summarize the conditional indirect effects. The mediator variable model is:

$$M=\beta_{10}+\beta_{11}X+\beta_{12}W+\beta_{13}X(W)+\beta_{14}C_1+\beta_{15}C_2+\varepsilon_1 \qquad (1)$$

and the outcome variable model is

$$Y=\beta_{20}+\beta_{21}X+\beta_{22}M+\beta_{23}V+\beta_{24}V(M)+\beta_{25}C_1+\beta_{26}C_2+\varepsilon_2. \qquad (2)$$

RESULTS

Structural models

Before testing the hypotheses, we ran a confirmatory factor analysis with LISREL for the 5 factors and the 21 measures loading on their respective factors. The model fit indexes were the

following: $\chi^2(179) = 1120.133$, $p < .001$, RMSEA = .058, NNFI = .842, CFI = .865, SRMR = .053. According to Hu and Bentler (1999), it is often sufficient to rely on the SRMR and one of the remaining three indexes. Our findings show that the SRMR is excellent, and likewise for RMSEA.

Table 1 summarizes the means, standard deviations, and correlations among the constructs. As it can be noticed branch identification correlates significantly with customer satisfaction, providing initial support for H1. This correlation – r=-06, p<.05 – is the same as a simple regression parameter estimation obtained by branch identification on customer satisfaction, and thus satisfies one the steps sometimes suggested in mediation analyses. In addition, performance control correlates significantly with both branch identification and customer satisfaction, providing initial support for H2. The Process Macro integrates the other steps recommended in tests of mediation and further replaces the Sobel test with boot-strapping procedures for testing conditional indirect effects (Hayes, 2018).

[Insert Table 1 about here]

Common method bias

We included several strategies to reduce concerns about common method bias, both procedural and statistical (Podsakoff *et al.*, 2003). From a procedural standpoint, first, we measured the dependent variable 6 months after measurement of the other variables. Second, we grouped items in the surveys according to concepts being measured and separated the variables to increase psychological distance (within the same survey). Third, we promoted participant

confidentiality. Participants were assured that the completed surveys would not be seen by any of the direct supervisors or the HR managers or anyone else in the company at any time. Indeed, the surveys were completed anonymously. Fourth, we reduced evaluation apprehension by assuring respondents that there were no right or wrong answers and that they should answer questions as honestly and frankly as possible.

Next, to ascertain the extent of method bias statistically and its effects on convergent and discriminant validity, we added a common method factor to the five-factor confirmatory factor analysis model. The model fit indexes were the following: $\chi^2(153) = 7193.678$, $p<.001$, RMSEA=.049, NNFI=.89, CFI=.92, SRMR=.036. Therefore, overall, even after correcting for common method bias, convergent and discriminant validities of measures were satisfactory and factor loadings continued to be high and significant for measures.

Tests of hypotheses

The first panel in Table 2 presents the findings of the effects of bank managers branch identification on performance control. Identification positively influences performance control (b=.31, t=14.15). The interaction showing the contingent effect of the extent that bank managers have internal locus of control (b=-.05, t=-1.72) had approached significance only at the $p<.09$ level, providing partial support for H3. Nevertheless, locus of control had a significant main effect (b= .09, t =3.08). Neither age nor type of branch had significant effects on performance control.

[Insert Table 2 about here]

The second panel of Table 2 summarizes the results for the mediated moderation effects on CS, where performance control is the mediator, CS-related meetings the moderator, and CS the dependent variable. H1 is not fully supported, as we see that branch manager identification ($b = .04$, $t = 1.33$) does not have a significant direct effect on CS, which allows us to test for indirect effects, while performance control has a significant effect to the extent that CS-related meetings are frequent ($b = -.09$, $t = -2.33$), supporting H2 and H4. These results reveal a fully-mediated model (i.e., the effects of branch identification work through performance control, and CS meetings regulate the effects of control on CS), confirming our moderation hypothesis. Following Cohen and colleagues (2003), we plotted the interactions, whose patterns confirm our findings. We checked the significance of the simple slopes (Preacher *et al.*, 2006), too. We found that the slope for the relationship between branch identification and performance control is significant in the low (i.e., external) locus of control condition ($b = .11$, $t = 2.45$, $p > .05$), but not in the high (i.e., internal) locus of control ($b = .03$, $t = .22$, $p > .05$) condition. We found that that the slope for the relationship between performance control and customer satisfaction, in the low CS-related meetings condition, is significant ($b = .12$, $t = 2.23$, $p < .05$), whereas the slope in the high CS-related meetings condition is not significantly different from zero ($b = .11$; $t = 1.07$, $p > .05$), supporting our hypotheses. The bottom panel of Table 2 confirms the conditional indirect effects. It can be seen that the effects of branch identification on customer satisfaction are significant when locus of control is low and moderate and when CS-related meetings are also low and moderate.

[Insert Figures 2 and 3 about here]

DISCUSSION

We found that performance control fully mediates the relationship between branch identification and customer satisfaction. In addition, the magnitude of the effect of identification on performance control is a function of locus of control of bank managers, while the magnitude of the influence of performance control on customer satisfaction is a function of proactive behaviors in the form of customer satisfaction- related meetings between managers and colleagues. We also ran an alternative model whereby the effects of identification with the bank, instead of with the branch, was tested. This alternative model showed that identification with the bank did not influence customer satisfaction (results are available from authors upon request).

Our study discloses identity-related and contextual-related dimensions that sustain job-crafting when boundary-spanning leaders cope with new expectations of management and of customers. In doing so, we respond to the call for research that explains the relational nature of job crafting and identification (Ashforth, 2016; Sluss *et al.*, 2011).

The key emergent mediating mechanism was found to be performance control. Our study contributes to control theories in this regard. Dupré and colleagues (2005: 387-388) claimed that

> "There is a definitive need for an improved understanding of job control, and how various aspects of job control affect subsequent outcomes. […] Another important point to consider and address in future research is that evidence suggests that aspects of control at work influence one another […] It would be worthwhile for future research to continue to examine moderators that might influence the impact that various forms of job control have on individual and organizational outcomes."

Most research on work control focuses on job characteristics, but an opportunity exists to investigate effects of the output of control, its performance management. In this sense, we found that performance control influences relevant service outcomes (i.e., customer satisfaction) and that different aspects of control relate to and reinforce each other, as performance control is contingently dependent on the individual difference variable of locus of control. Here identification with the work group directly tied to customer satisfaction delivery motivates performance control and does so the greater the manager exhibits an internal locus of control. A challenge for future research is to identify efficacious kinds of performance control and what managers can do to facilitate their functioning.

Identification with the bank branch, and not with the corporation as a whole, clarifies the role of this aspect of social identity in boundary-spanning contexts. Bartel (2001) called for a clearer explanation of how contextual changes influence organizational identification and implications for both the individual and the organization. We found that when the boundary-spanners cope with challenging expectations, they rely on their branch identification, which can be thought to function closer to them psychologically than the organization as a whole (Mueller and Lawler, 1999). Researchers point-out that customer involvement in service organizations is a major source of uncertainty and that the relation with stakeholders is often problematic for people occupying key roles during organizational changes (e.g., Korschun, 2015). As service managers have relatively less control over quality in comparison to their colleagues in manufacturing, such organizations have to instill a sense of confidence and empowerment that permits managers to

effectively deal with new expectations and overcome notable costs that customer satisfaction objectives entail (Terpstra and Verbeeten, 2014). This can be done through appropriate training, including role-playing and coaching, as learning sessions are an effective means to create role orientation. Because meetings between managers and colleagues have been found to have a moderating effect on customer satisfaction, effective training could be designed that involves members comprising a team, thereby facilitating role consensus, a sense of teamwork, and alignment directed at achieving customer satisfaction.

Moreover, Schneider and Bowen (1985) demonstrated that internal relationships have a bearing on customer satisfaction. We found that bank managers' actions in terms of customer satisfaction-related meetings moderate the relation between performance control and customer satisfaction, but we need to learn more about the content of those meetings, how to foster them, and how to enhance the quality of the relationships within them, which could be the focus for future research.

Limitations and future research

As with many studies conducted in social contexts, our research is not immune from limitations. The most relevant one relates to the self-reporting measure of customer satisfaction using a single item for each of 4 contexts. Nevertheless, bank managers provided external evaluations measured with the 4 items which showed satisfactory levels of reliability. Common-method bias should not inflate results, significantly, given the modeling precautions we took, including especially measuring customer satisfaction 6 months after all other measures were taken. In any case, future research could overcome this limitation by providing more objective

measures. An additional stream of needed future research regards the test of the model in related boundary-spanning settings (e.g., franchising) so as to examine generalizability. Third, we took into account person- and role-based identities of the focal role (i.e., bank manager) but in terms of examining the effects of frequency of problem-solving meetings focused on customer satisfaction, future research should more formally investigate interpersonal and intragroup processes such as social identities and cooperation amongst members. Finally, additional targets of identification should be conceived and investigated (e.g., those more proximal to the customer or to the parent company), which might disclose differential effects at play and provide managerial implications for supporting boundary-spanners.

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Figure 1. Theoretical model

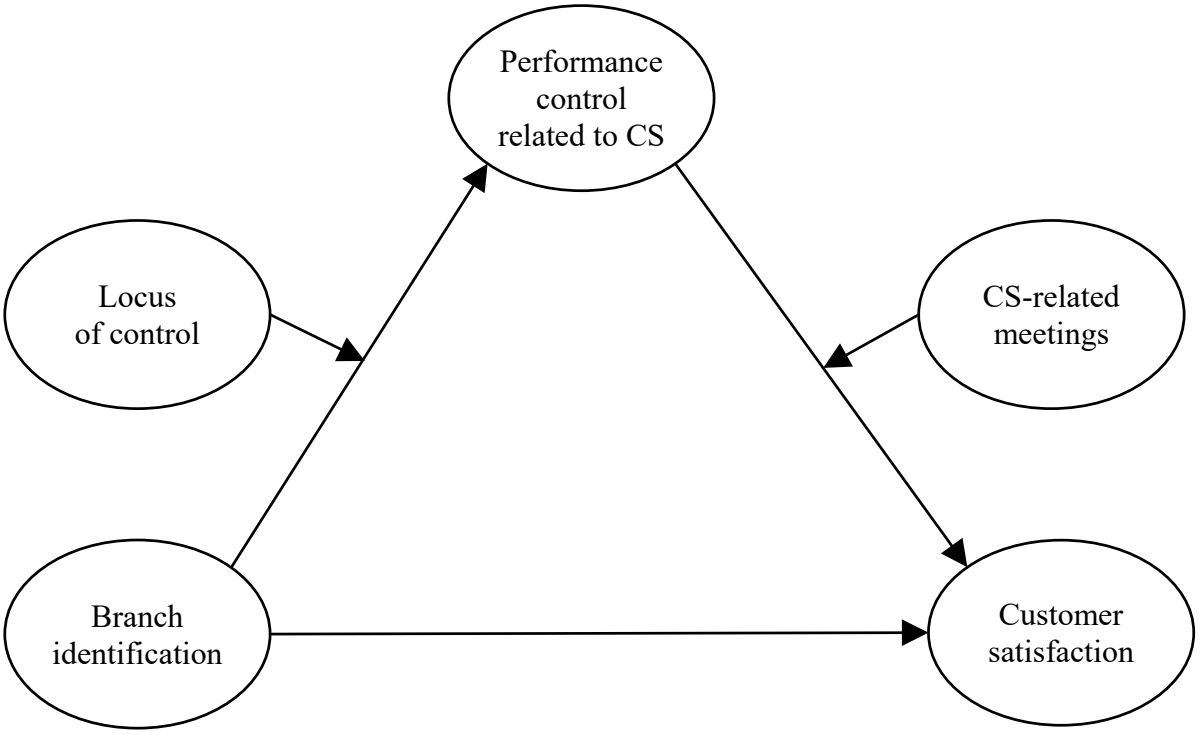

Figure 2. Moderating effect of locus of control on the association between branch identification and performance control.

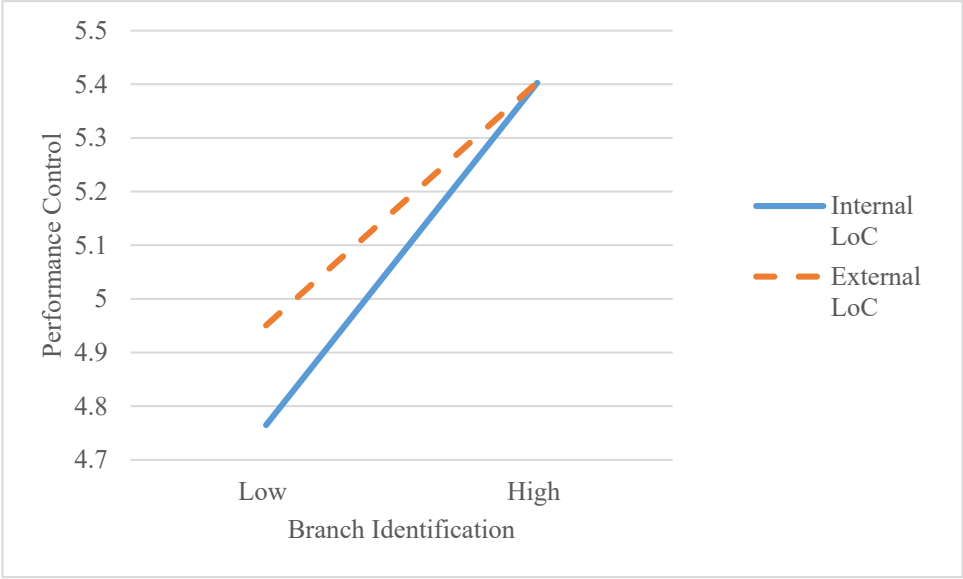

Figure 3. Moderating effect of number of CS-related meetings on the association between performance control and customer satisfaction.

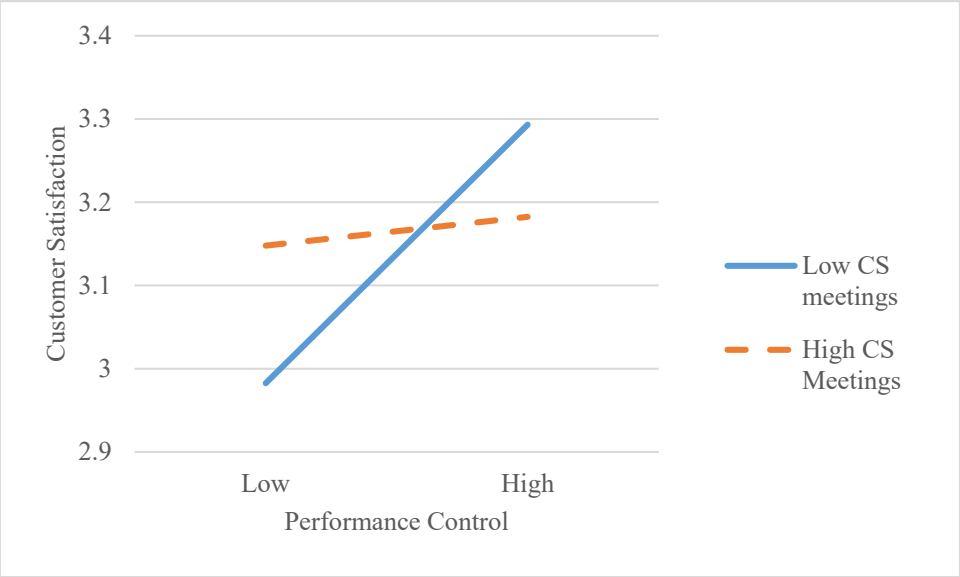

Table 1. Means, standard deviation, and correlation matrix of constructs

	M	SD	1	2	3	4	5	6
1. Branch identification	5.21	.92						
2. Locus of control	3.89	.69	-.01					
3. Performance control	5.20	.76	.26**	.06*				
4. CS-related meetings	2.35	.94	.12**	-.02	.10**			
5. CS	3.14	.92	.06*	-.03	.10**	.02		
6. Age	2.83	.74	.03	.09**	.05*	-.03	.05*	
7. Type of branch	1.11	.32	.08**	-.01	-.01	-.00	-.00	.02

* $p < .05$. ** $p < .01$.

CS = Customer Satisfaction

Table 2. Conditional indirect effects explaining customer satisfaction (Figure 1)

Independent variable (X), Moderator (W) and Covariates (C_1 and C_2)	Mediator (M) Performance control related to the CS	
	b	t
X: Branch identification	.31***	14.15
W: Locus of control	.09***	3.08
X×W: Interaction	-.05†	-1.72
C_1: Age	.03	.94
C_2: Type of branch	-.02	-.39
R^2	*.14*	
Independent variable (X), Mediator (M), Moderator (V), and Covariates (C_1 and C_2)	**Outcome (Y) CS**	
	b	t
X: Branch identification	.04	1.33
M: Performance control	.10***	2.86
V: CS-related meetings	.01	.04
M×V: Interaction	-.09*	-2.33
C_1: Age	.05	1.54
C_2: Type of branch	-.01	-.16
R^2	*.19*	

Conditional indirect effects of branch identification on customer satisfaction

Mediator	Locus control	Meetings	Effect	Boot SE	LLCI	ULCI
PC	-.92	-.93	.06	.02	.03	.09
PC	-.92	.00	.03	.01	.01	.06
PC	-.92	.93	.00	.02	-.03	.04
PC	.00	-.93	.05	.01	.03	.08
PC	.00	.00	.03	.01	.01	.05
PC	.00	.93	.00	.02	-.03	.03
PC	.92	-.93	.05	.01	.02	.07
PC	.92	.00	.02	.01	.01	.04
PC	.92	.93	.00	.01	-.02	.03

† p<.09, * p<.05, ** p< .01, *** p < .001.
CS = Customer Satisfaction; PC = performance control