Exploring frontline employee-customer linkages:

A psychological contract perspective

Abstract

Although the concept of psychological contract provides a valuable tool to explore frontline employees and customer relationships, this has received little research attention. To address this gap, we develop an integrated model anchored on social exchange theory and a set of research propositions which link together Human Resource Management (HRM) practices delivered by line managers, frontline employee psychological contract, frontline employee customer-oriented behaviors, and customer psychological contract fulfillment, eventually predicting customer outcomes. We also stress the moderating role of service climate and organizational identification, as well as the control effects played by frequency of interactions, nature of product/service, and frequency of purchase of the product/service. Our analysis offers useful theoretical and managerial implications, as well as directions for further research.

Introduction

The crucial role played by frontline employees during their interactions with customers has been well documented in the services marketing literature (Vargo & Lusch, 2004, 2008; Gronroos, 2008; Skålén, Gummerus, von Koskull & Magnusson, 2015; Jha, Balaji, Yavas & Babakus, 2017; Chen & Peng, 2019; Patel, Sahi, Gupta & Jayaram, 2020). A key issue in delivering high-quality service to customers is the psychological contract between frontline employees and their organization. This is because frontline employees are the most proximal representatives to the customers (Schneider, Ehrhart, Mayer, Saltz, & Niles-Jolly, 2005; Liao & Subramony, 2008; Lages, Piercy, Malhotra & Simões, 2018) and, as such, their attitudes and behavior make a strong impact on customer experience with the organization (Harris, Brown, Mowen & Artis, 2014). Despite the importance of this topic, extant research has adopted an employee-centric view, while, with a few exceptions (e.g., Guo, Gruen & Tang, 2017), an examination of this psychological contract from a customer perspective is virtually absent.

There is evidence, however, to indicate that organizations may not always be aware that customers could also establish an implicit contract with them and thus have expectations beyond an economic transaction. Bowen, Gilliland & Folger (1999, p.20) argue that "often businesses see customers as parties only to an economic transaction, not parties to a psychological contract". We argue that for frontline employees, who embody the organization when dealing with customers, this target may be of importance, not just for economic exchanges, but also for relational interactions (Hartline, Maxham III & McKee, 2000; Lages & Piercy, 2012; Guo et al., 2017). This is

because frontline employees are often a key point of contact for customers and thus can have a substantial impact upon whether the organization has fulfilled its promises to them. Similarly, we propose that by providing feedback and displaying repurchase behavior and/or loyalty to frontline employees, customers could make an impact on these employees. We therefore aim to extend the concept of psychological contract to frontline employee-customer relationships.

Such a customer-oriented psychological contract is of paramount importance on four major grounds: First, a psychological contract can provide a powerful lens through which to view the reciprocal relationship of consumer and a focal party in the organization, the frontline employee, who is usually the first point of customer contact or first point post-customer contact. Their frequent interaction with customers enables them to be aware of customer preferences, which is very important for the organization, in order to offer the right product/service (Melton & Hartline, 2010). Second, it is acknowledged that employees can form relationships, not only with parties within the organization (e.g., line managers), but also with parties outside the organization (e.g., customers). Third, a psychological contract can help to better understand what motivates the frontline employees to contribute to heightened organizational performance by serving customer needs. This is crucial, as exhibiting positive customer-oriented behaviors is a significant way in which frontline employees can facilitate the organization to sustain and strengthen their relationships with customers. Fourth, the concept of psychological contract can be used to examine the reciprocal relationship of the customer with the employee. It has been argued that

often the customer's loyalty toward an employee can be much more than the customer's loyalty to the organization as a whole, which could be a crucial factor in determining performance outcomes such as sales effectiveness and sales growth (Korschun, Bhattacharya & Swain, 2014).

The purpose of this article is to understand these interactions between frontline employees and customers and their impact on customer outcomes, by employing an integrative theoretical perspective of the psychological contract, services marketing, and strategic HRM literatures. Specifically, we have four major objectives to accomplish: (a) to examine frontline employee-customer relationships by adopting the psychological contract perspective; (b) to explore the antecedents and consequences of the frontline employee and customer psychological contract; (c) to investigate the moderating roles of service climate and organizational identification; and (d) to examine the feedback mechanisms from customer to frontline employee.

To address these objectives, we have developed a conceptual model that links HRM practices, employee psychological contract, frontline employee customer-oriented behaviors, customer psychological contract, customer outcomes, and service climate. The model is theoretically anchored on the social exchange perspective of psychological contract, which represents an individual's view concerning the reciprocal obligations of the other party involved in a relationship (Blau, 1964; Rousseau, 1990). Depending on how this exchange relationship between the two parties is evaluated (e.g., fulfilled, breached, violated), certain customer attitudes and behaviors emerge (e.g., commitment, satisfaction, loyalty) (Guest & Conway, 2002; Zhao, Wayne,

Glibkowski & Bravo, 2007; Lub, Bal, Blomme & Schalk, 2016; Lages et al., 2018; Kutaula,

Gillani & Budhwar, 2019).

The remainder of the article is organized as follows. We begin with conceptualizing the frontline employee-customer psychological contract, while drawing out similarities and differences based on existing knowledge of the employee psychological contract in a work context. Next, we develop a comprehensive conceptual model, anchored on social exchange theory. This is followed by the development of research propositions linking the firm's HRM practices, frontline employee psychological contract, customer psychological contract, customer outcomes, service climate, and organizational identification. The final sections draw conclusions, offer theoretical and managerial implications, and suggest directions for future research.

What is psychological contract?

The concept of psychological contract is long established in the HRM and organizational behavior literatures, where research is mostly carried out in the area of employee–organization relationships (Guest, 2004; Conway & Briner, 2005; Karagonlar Eisenberger & Aselage, 2016; Kutaula et al., 2019). As shown in the **Appendix I**, most empirical studies on psychological contracts focused on the employees and their exchange relationship with the organization. One of the basic tenets of the psychological contract concept is founded on an implicit mutual exchange relationship between two parties, which could include promises and commitments. An additional

aspect of the psychological contract is that, instead of favoring a single party, it emphasizes the importance and interests of both parties involved. It is also expressed in terms of mutually beneficial behaviors, by fulfilling promises to both parties. For example, employees might exhibit support toward their co-workers and work hard if they feel that mutual promises between the employee and their line managers have been fulfilled.

Highlighting the importance of mutual exchange and fairness in a patient and psychotherapist relationship, Menninger (1958) first proposed the concept of psychological contract. He also purported this concept could be used in various contexts such as a barber-client and an apple vendor-customer. Argyris (1960) suggested the use of the term 'psychological work contract' to examine the reciprocal relationships between employees and their foreman (line manager). Moreover, Levinson, Price, Munden, Mandl & Solley (1962, p.21) stated that a psychological contract is "a series of mutual expectations of which the parties to the relationship may not themselves be dimly aware, but which nonetheless govern their relationship to each other". Further, they conceptualize psychological contract as a dynamic and evolving concept as a consequence of organizational and individual factors impacting the relationships.

Although the early definitions of psychological contract described it as an exchange between two parties, they can be characterized as too simplistic and unidimensional, emphasizing only the employees' perceptions of obligations and the ramifications of those obligations (Rousseau, 1989, 1995; Morrison & Robinson, 1997).

Guest (1998, 2004) recognized the inclusion of the employers' perspective in the concept of psychological contract and, therefore, proposed the psychological contract to be a two-way exchange between employee and organization. While there is a strong emphasis on reciprocity in the proposed definition, there are issues which arise from this conceptualization, such as the difficulty in identifying who constitutes the employer in a psychological contract context - the recruiter, the supervisor, or top management, also known as the agency problem.

A fundamental issue with existing definitions in psychological contract literature is an overemphasis on the employee-organization relationship (Rousseau, 1995; Guest & Conway, 2002). A reason for this could be the extensive use of psychological contract in a work context. This presents an opportunity to utilize the concept to examine relationships between employee and other referents like customers. Recent research in organizational psychology has witnessed multi-foci developments in the fields of social exchange, justice, and citizenship behavior (Lavelle, Rupp & Brockner, 2007). One of the first studies to use the concept of multiple foci was Reichers (1985) in the context of organizational commitment. She argues that an employee will exhibit commitment based on the notion of 'psychological proximity' to organizationally relevant groups, such as senior managers, co-workers, customers, and unions. Recently, Bordia, Restubog, Bordia & Tang (2010, p.1579) note that "employees are embedded in a range of formal and informal relationships at work, including employee–supervisor, employee–team, and employee–customer relationships".

Research on customer psychological contract

Research examining the psychological contract in a customer-oriented context is limited. A review of the pertinent literature identifies two key streams of studies: one from the organizational psychology perspective, focusing primarily on the employee psychological contract and customer-centric outcomes, and the other from marketing literature, emphasizing the buyer-supplier psychological contract. Rousseau and Wade-Benzoni (1994) were among the first researchers to expand the links between employees and customers using the concept of psychological contract. They emphasized that "treating employees like customers will create employees more willing to satisfy customers" (p. 482). They discuss four types of psychological contracts and HRM practices adopted in US organizations and develop a framework to study the influence of the psychological contract on employee outcomes, such as business performance and customer responsiveness.

While there is significant empirical evidence relating to the state of the psychological contract with employee outcomes, such as commitment (Rousseau, 1990; Guzzo, Noonan & Elron, 1994; Coyle-Shapiro & Kessler, 2003; Sturges, Conway, Guest & Liefooghe, 2005; Blomme, Van Rheede & Tromp, 2010; Solinger, Hofmans, Bal, & Jansen, 2016) and organizational citizenship behavior (Turnley & Feldman, 1999; Lopez Bohle, Bal, Jansen, Leiva & Alonso, 2017), few researchers have examined its impact on customer outcomes. For instance, only few studies, namely Bordia et al. (2010) and Conway, Kiefer, Hartley and Briner (2014), have examined psychological contract breach in relation to customer outcomes. Bordia et al. (2010) conducted two

studies using a sample of restaurant workers and call centre workers in the Philippines and their results confirm that employees' perceptions of breach by their supervisor is pervasive and thus influences their service behavior toward customers.

In contrast, Conway et al. (2014) found that psychological contract breach is followed by employees reducing their efforts and contributions toward the organization, though the contributions toward customers were unaffected. The results were based on a longitudinal survey using a sample of 340 employees from a range of public organizations in the UK. Turning to the empirical evidence, these studies offer mixed results and hinge upon two competing perspectives. While both studies adopt the multi-foci approach to psychological contract breach, Bordia et al. (2010) propose a trickle-down model of breach and Conway et al. (2014) attribute the results to the target similarity model. These studies also rely on a piecemeal approach, as they only focus on certain aspects of psychological contract breach and customer outcomes.

The second group of studies to emerge from the marketing literature focuses on buyer-supplier psychological contract (Kingshott & Pecotich, 2007; Eckerd et al., 2013, 2016; Kingshott, Sharma, Sima & Wong, 2020). For instance, Lövblad, Hyder and Lönnstedt (2012) proposed a conceptual framework indicating the importance of the role of psychological contracts in building long-term business-to-business relationships. Kingshott and Pecotich (2007) conducted an empirical study in a business-to-business setting and found that psychological contract fulfillment experienced by a distributor builds confidence and loyalty in the service relationship with the supplier. At the same time, breach of the terms and conditions of an

agreement within a business relationship could reduce trust in that supplier. Another quantitative study conducted by Hill, Eckerd, Wilson and Greer (2009) surveyed data from 110 American service managers to show that the supplier's perception of breach of psychological contract mediates the relationship between the buyer's fraudulent act and the supplier's confidence in that buyer. Most recently, Kingshott et al. (2020) found that when buyers perceive psychological contract breach, it has a negative impact on neglect, voice and loyalty towards suppliers.

A key limitation of these studies is that they focus on a business-to-business context, which represents the intermediate rather than the ultimate customer. Majority of these empirical studies have collected data only from one party either the buyer or the supplier side. The choice of sample suffers from two limitations. First, as frontline employees are the key actors in customer interactions, to neglect them is deemed inappropriate. Second, these studies collected data from only one source, which could lead to potential bias (Podsakoff, MacKenzie, Lee & Podsakoff, 2003).

To our knowledge, only one study has focused specifically on customer psychological contract in the setting of service relationships, namely that by Guo et al. 2017. In their study among 700 consumers within three types of service industries, they found that customers establish four types of psychological contract: relational, standard, transitional, and captive. The definition adopted by this study was "an individual's relational schema regarding the rules and conditions of the resource exchange between the organization and the person" (p. 360). As noted in this definition, it does not take into account the agency problem, as the other party has

been identified as the organization. In addition, this study is based on the typology of the psychological contract (relational/transactional), rather than the evaluation of the psychological contract (fulfillment/breach/violation).

Employee versus customer psychological contract

A customer psychological contract is formed between the frontline employee and a customer (who unlike a line manager resides outside the organizational boundary). Both the frontline employee and the line manager are part of the organization, while customers are key external stakeholders for the organization. These organizational boundaries become more permeable in the case of third party contractual employees, where they may be expected to work from the customer base and report to the customer during the span of the project. From a frontline employee point of view, line managers represent an 'organization' and have influence on policy and practice (Rhoades & Eisenberger, 2002), usually sharing a power-based and hierarchical relationship with the employee. Employees could also receive socio-emotional and instrumental support from their line manager (Van Vianen, Shen & Chuang, 2011). In contrast, the frontline employee-customer relationship is a combination of familiarity, care, friendship, rapport, and trust referred to as 'interpersonal bonds' (Gremler & Gwinner, 2008). While customers do not have a direct effect on some HRM practices, including formal communication mechanisms, they could have an influence on the pay and incentives the frontline employee receives. For example, based on positive feedback received from a customer, an employee may get promoted to a higher level.

Another difference stems from the frequency of frontline employee interactions with their customers, which may vary according to the type of service exchange. By explaining the concept of service exchange, Gutek, Bhappu, Liao-Troth and Cherry (1999) represent service exchanges on a continuum, with service relationship at one end of the continuum and service encounter at the other. The development of a service relationship requires repeated contact between the customer and the frontline employee, reinforcing and developing the relationship over time. In contrast, a service encounter refers to a single interaction between an employee and customer, which may not necessarily require more interactions. On the other hand, as a frontline employee reports to the line manager, their interaction is constant and not a one-off encounter. These intra-organizational interactions may include various tasks and dealings in order to meet the demands of the customer.

The final difference between the two psychological contracts refers to the types of marketing interactions. The relationship between a frontline employee and a line manager is established upon the notion of internal marketing. Berry (1984, p. 272) defines this concept as "viewing employees as internal customers, viewing jobs as internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization". Internal marketing can be a tool to enhance employee satisfaction, which would consequently impact the frontline employee-customer relationship and the performance of frontline employees. Research suggests that there is a clear link between internal marketing and how frontline employees treat customers (Yi & Gong, 2008; Gronroos, 2011).

Conceptual model and theoretical underpinning

The previous review of the literature on psychological contracts uncovers some noteworthy points: (a) studies integrating a unified perspective of employee-customer have received little scholarly attention; (b) the emphasis is either on studies focusing on HRM practices, employee psychological contract and their attitudes and behaviors toward customers (i.e., HRM/organizational psychology perspective) or the psychological contract in buyer-seller relationships (i.e., marketing perspective), while the investigation of frontline employee and customer relationship is virtually absent; (c) despite the useful examination of various factors causing customer outcomes such as customer commitment, satisfaction and loyalty, their antecedents and outcomes still remain relatively unexplored; and (d) extant studies have overlooked the importance of customer feedback and its effect on frontline employee psychological contract.

To avoid these problems, we adopt a multi-foci perspective to psychological contract, covering two key exchange relationships in work context, namely frontline employee-line manager and customer-frontline employee. We base the concept of customer psychological contract upon the general construct of psychological contract. Adopting the definition by Guest and Conway (2002) from the perspective of the relationship between the customer and frontline employee, we define customer psychological contract as the perceptions of a customer and a frontline employee about the implied reciprocal promises and obligations in their relationship. A customer psychological contract explicates the degree of reciprocity in the interactions between

a customer and a frontline employee in that there is an implied *quid pro quo* in all transactions.

Figure 1 shows our conceptual model. HRM practices as delivered by the line managers is an antecedent of frontline employee psychological contract, which subsequently drives customer-oriented behaviors, demonstrated by employees and customer psychological contract fulfillment. In turn, these behaviors and the customer psychological contract predict customer outcomes. We propose service climate and organizational identification to moderate the relationship between frontline employee psychological contract fulfillment and customer-oriented behaviors, as well as the relationship between frontline employee psychological contract fulfillment and customer psychological contract fulfillment. We also identify three control variables in this model, namely frequency of interactions, nature of product/service, and frequency of purchase of the product/service.

...insert Figure 1 about here...

The model hinges upon social exchange theory (SET), which was initially expounded to examine how interpersonal relationships develop over time between various parties, but was subsequently extended to elucidate the quality of the employee-organization relationship (Aryee, Walumbwa, Mondejar & Chu, 2015). Cropanzano and Mitchell (2005) purported that social exchange relationships develop when an organization expresses care and concern for its employees, which subsequently are responsible for generating various favorable consequences. Social exchange theory and the concept of psychological contract are compatible as they

both focus on two aspects: reciprocity and exchange relationship (Kutaula et al., 2019). The concept of reciprocity plays a crucial role in examination of the psychological contract (Gouldner, 1960). It underpins the psychological contract as an exchange relationship between two parties (Shore & Tetrick, 1994; Rousseau, 1995). There is significant evidence illustrating that reciprocity is a key construct that helps explain the relationship between the evaluation of psychological contract and consequent employee attitudes and behaviors (Conway & Briner, 2005; Zhao et al., 2007; Bal, Kooij, & De Jong, 2013; Bolino, Klotz & Turnley, 2017). Extant literature advocates that the degree of reciprocity is predicated on the worth of the exchange as interpreted by the employees (Bagger & Li, 2014; Bordia et al., 2017; Reader, Mearns, Lopes & Kuha, 2017).

Social exchange theory is widely used as a lens to study the relationship between HRM practices, psychological contract fulfillment, and employee outcomes (Katou & Budhwar, 2012; Festing & Schäfer, 2014). This theory proposes that if employees view HRM practices as being supportive, they will perceive higher levels of psychological contract fulfillment. Thus, HRM practices are expected to predict psychological contract as they entail employer's obligations toward the employees (see Suazo, Martinez & Sandoval, 2009; Bal et al., 2013). They also argued that the effective application of HRM practices is a key element in ensuring that psychological contracts are fulfilled, which subsequently lead to positive employee outcomes.

Drawing on social exchange theory, we redress the paucity of attention devoted to the customer psychological contract by conceptualizing the effects of frontline employee psychological contract and customer-centric behaviors on customer

psychological contract and customer outcomes. We propose that the two features of this theory (i.e., reciprocity and exchange relationship) can be used to explain the associations linking the frontline employees and customers of the organization. Frontline employees play an important role in fulfilling the customer psychological contract through their customer-centric behaviors. Similarly, fulfillment of the customer psychological contract will positively impact customer outcomes. When customers believe that frontline employees have upheld their obligations during service encounters, they will respond by demonstrating positive customer outcomes, such as repeat purchase, commitment, and loyalty.

Development of research propositions

Based on our conceptual model, we formulate eight research propositions, divided into main effects, feedback mechanism effects, moderating effects. We also refer to three control effects on the model.

Main effects

HRM practices, as espoused by the line managers, have a strong impact on how employees construe their exchange relationship with the organization. Lee and Taylor (2014, p.95) stated that line managers usually "…develop high levels of physical and psychological closeness with their direct employees through bonds that begin in recruitment and grow during their supervision of employees' day-to-day tasks. These bonds noticeably affect employees' perceptions of their psychological contracts."

Further, Purcell and Hutchinson (2007) asserted that collectively, HRM practices, as enacted by the line manager, play a vital part in communicating to employees the organizational norms and behaviors expected from them.

Rousseau (1995) highlighted the significant role that HRM practices play in managing employees' psychological contracts, as they "send strong messages to individuals regarding what the organization expects of them and what they can expect in return" (p. 162). In addition, employees could construe supportive HRM practices as fulfillment of organizational promises through their line manager. Organizations that invest highly in HRM practices signal their commitment to employees (Eisenberger et al., 1986, 2002; Allen, Shore & Griffeth, 2003; Kuvaas, 2008). Piening, Baluch and Salge (2013) stated that HRM practices, such as training and development, imply that the organization recognizes employees' contributions and reflect its willingness to invest in them. While we acknowledge that line managers are not the only agent that could impact the delivery of HRM practices, they are the most salient party.

Well-established empirical evidence indicates that effective application of HRM practices influences employee psychological contract favorably (Rousseau & Wade-Benzoni, 1994: Pate, Martin & McGoldrick, 2003; Guest & Conway, 2004). In a study conducted among 78 organizations from the public and private sectors in Greece, Katou and Budhwar (2012) asserted that a vital function of HRM practices is to manage a positive evaluation of the psychological contract, which is subsequently associated with a range of desirable outcomes, such as organizational commitment, avoidance of

quitting, job satisfaction, and citizenship behavior. Similar findings were also obtained

in a series of studies conducted by Guest and Conway (2002, 2004), who revealed that

more progressive HRM practices are more conducive to positive psychological

contracts. Other studies (e.g., Bal et al., 2013; Marescaux, De Winne & Sels, 2013) also

found positive associations between HRM practices, psychological contract, and

employee outcomes. Thus, we can propose the following:

P$_1$: There is a positive relationship between sound HRM practices delivered by line managers and psychological contract fulfillment by frontline employees.

The fulfillment of an employee psychological contract has a positive effect on

his/her attitudes and behaviors, as employees tend to reciprocate favorable treatment

from the organization by displaying positive outcomes, such as improved productivity,

better service delivery, and citizenship behavior (Deery, Iverson & Walsh, 2006; Kraak,

Lunardo, Herrbach & Durrieu, 2017). As discussed earlier, two studies (i.e., Bordia et

al., 2010 and Conway et al., 2014) have examined employee psychological contract

breach and customer-relevant employee outcomes, using the target-similarity model

and the spill-over effect. Their findings revealed that for some frontline employees, the

state of their psychological contract with line managers may result in a spill-over effect,

impacting not only the line manager-frontline employee relationship, but also affecting

the frontline employee-customer relationship and consequently, the customer

psychological contract. On the other hand, other frontline employees may follow the

argument proposed by the target-similarity model, according to which the employees'

psychological state of mind only affects a specific target (usually the party with which

an employee experiences a perceived breach). For example, a frontline employee who was promised a promotion, but not granted one, may experience psychological contract breach between him/her and the line manager, while reactions to this breach may not ultimately affect the relationship with their customers.

From a frontline employee perspective, the principal psychological contract is in relation to the organization, specifically the line manager. However, customers enter into relationships with frontline employees (Singh & Sirdeshmukh, 2000), and thus frontline employees share exchange relationships with both line managers and customers. It is therefore implicit in the formal or informal contract that the frontline employee will work toward the best possible outcome for the customers, which would mean favorable customer-oriented behaviors. Some examples include employee customer orientation (Nguyen, Groth, Walsh & Hennig-Thurau, 2014), employee service creativity (Dong, Liao, Chuang, Zhou & Campbell, 2015), and organizational citizenship behaviors (Donavan, Brown & Mowen, 2004).

When employees feel that their line manager has fulfilled the organizational promises and obligations by effectively delivering sound HRM practices, they are more likely to show high levels of customer orientation. Customer orientation ascertains an employee's commitment to identifying and responding to customer expectations. They are more likely to react to customers quickly, show empathy toward them, and enjoy serving the customers (Harris et al., 2014). Extant research suggests that employees with high levels of customer orientation continually update their knowledge and skills so that they better understand customers, and

thus can be expected to promote organizational effectiveness (Brown, Mowen, Donavan & Licata, 2002; Rafaeli, Ziklik & Doucet, 2008; Guenzi & Georges, 2010).

Frontline employees play a crucial role in influencing customer experience by displaying a customer-oriented behavior (Zablah, Franke, Brown & Bartholomew, 2012). Heskett, Sasser Jr. & Schlesinger (1997) refer to employee-customer relationships as mirrors, signifying a mutual effect on both parties. They also introduce the concept of the cycle of success, and suggest that the employee cycle of success and the customer cycle of success interact, resulting in long-term benefits for both parties. The relationship between a frontline employee and line manager may have resulting implications on the relationship between the frontline employee and the customer (Vilares & Coelho, 2003). This is because frontline employees, through customer interactions, become part of a customer's value creation process and could subsequently impact customer perceptions of value fulfillment. This could in turn have a positive effect on the customer psychological contract. The following propositions can therefore be made:

P$_{2a}$: There is a positive relationship between frontline employee psychological contract fulfillment and frontline employee customer-oriented behaviors.

P$_{2b}$: There is a positive relationship between frontline employee psychological contract fulfillment and customer psychological contract fulfillment.

Although the link between employee customer-oriented behavior and customer psychological contract has not yet been empirically examined, there are related issues in the literature referring to this association. However, this relationship is crucial as

frontline employees act as agents of the organization, representing the organization to the customers (Keh, Ren, Hill & Li, 2013; Streukens & Andreassen, 2013). This implies that customers could interpret the actions of the frontline employees to be ascribed as signals from the organization itself.

Bordia et al. (2010, p. 1582) explain this relationship through a trickle-down effect and argue the existence of "transmission of employee perceptions, attitudes, and behaviors down the hierarchical chain from supervisors to subordinates, and even reaching customers". Such perceptions, attitudes, behaviors focusing on customers could be viewed as fulfillment of promises and obligations by the frontline employees, which can be interpreted as realization of the psychological contract. For instance, if a frontline employee exhibits a citizenship behavior toward a customer, the latter may feel that s/he is treated in a fair way and thus develop a positive psychological contract with the former. Based on the previous arguments, we propose that:

P₃: There is a positive relationship between frontline employee customer-oriented behaviors and fulfillment of a customer's psychological contract.

Customer reaction is defined by Allen and Grisaffe (2001, p. 212) as "a broad class of variables encompassing any attitudinal or behavioral reaction a customer has to any aspect of an organization with which he or she has had contact". Some examples of positive customer reactions include customer satisfaction, perceived high service quality, preference over competitors, customer loyalty, and paying a price premium. There is a well-established link between employee customer-oriented behaviors and positive customer outcomes (Loveman, 1998; Liao & Chuang, 2004; Homburg & Stock,

2005; Chan, Gong, Zhang & Zhou, 2017). Since customer outcomes are key to organizational success, the reflections and perceptions of customers about their employees' behaviors are very important. Employee customer-oriented behaviors, such as service performance, role behavior, and citizenship, are important signals from the organization to the customers (Liao & Chuang, 2004; Salanova, Agut & Peiró, 2005). As a consequence, customer interpretations of these signals will have ramifications for their future outcomes. Thus, we can propose that:

P₄: There is a positive relationship between frontline employee customer-oriented behaviors and favorable customer outcomes.

As already noted, research that has examined customer psychological contract is limited. However, a related construct, employee-customer rapport, is considered to be significant in the relationship marketing field (Gremler & Gwinner, 2000; Biedenbach, Bengtsson & Wincent et al., 2011; Wieseke, Geigenmüller & Kraus, 2012). Employee-customer rapport has been defined as "a customer's perception of having an enjoyable interaction with a service provider employee, characterized by a personal connection between the two interactants" (Gremler & Gwinner, 2000, p. 92).

Although the definition of employee–customer rapport entails emotional and affective aspects, it ignores the factor of reciprocity in the employee-customer relationship. Most studies have focused exclusively on the customer side of the rapport, and not on the dyadic perspective to also include the employee. In comparison, the customer psychological contract is more inclusive and is idiosyncratic and perceptual in nature (Guo et al., 2017). Employee-customer rapport has been linked to outcomes

such as service quality (Gremler & Gwinner, 2008). In a similar vein, we argue that customer psychological contract fulfillment will lead to favorable customer outcomes. This is because when a customer perceives the frontline employee has upheld his/her side of the deal, the customer is more likely to be satisfied, committed, and loyal. Based on the above, we can propose the following:

P₅: There is a positive relationship between fulfillment of a customer's psychological contract and favorable customer outcomes.

Feedback mechanism effects

Traditionally, relationship marketing research has focused on frontline employee-customer relationship and treated frontline employee behaviors as antecedents of customer-related variables, such as customer satisfaction or customer loyalty. More recently, some researchers (e.g., Evanschitzky, Wangenheim & Wünderlich, 2012) have recognized that the frontline employee-customer relationship can include positive reinforcement feedback loops. Hence, it can be argued that, while customers are the focus of frontline employee behaviors, mutual exchange does not cease. Instead, satisfied customers can cultivate long-term relationships with the organization and reciprocate the benefits received. Based on the principles of social exchange theory, satisfied customers are more likely to reciprocate the behaviors toward frontline employees. This is because individuals tend to reciprocate toward the party that provided them with the benefit, in this case, the party being the frontline employee (Yi & Gong, 2008). These favorable customer-oriented behaviors are likely to be noted by

customers and directly reported to line managers, who will in turn form a more positive appraisal of the frontline employee and enhance its psychological contract.

For instance, Zablah, Carlson, Donavan, Maxham III & Brown (2016) presented and empirically tested arguments about the causal influence of customer satisfaction on frontline employee job satisfaction, confirming the existence of a Service Profit Chain's satisfaction mirror. Their study results revealed that customer satisfaction and frontline employee job satisfaction are reciprocally related. In fact, they found that customer satisfaction has a significant impact on frontline employees' job satisfaction, which subsequently influences the evaluation of their psychological contract with the organization. A positive customer feedback is also likely to result in higher customer revenue, which may lead line managers to make additional investments in HRM practices, such as providing more training, higher rewards, and better voice mechanisms to their employees. This is in line with social exchange theory, implying that there is an impact by customer feedback on frontline employee perceptions of HRM practices and consequently on their psychological contract and customer-oriented behaviors. We can therefore propose that:

P$_6$: Favorable customer outcomes will positively reinforce: (a) HRM practices delivered by line managers; (b) frontline employee psychological contract fulfillment; and (c) frontline employee customer-oriented behaviors.

Moderating effects

Service climate is defined as "employees' shared perceptions of the policies, practices, and procedures that are rewarded, supported, and expected concerning customer service" (Schneider, Salvaggio & Subirats, 2002, p. 222). This suggests that employees identify service climate as a reflection of the organization's orientation toward services as a strategic imperative. In fact, there are indications that employees receiving a positive service climate within their organizations are highly likely to provide a favorable customer service experience (Liao & Chuang, 2007; Walumbwa, Hartnell & Oke, 2010; Jung, Yoo & Arnold, 2017).

Based on social exchange theory, frontline employees are likely to perceive service climate as support from the organization to help them do their job better. Notably, positive service climate enables employees to provide service to customers in the way they are motivated to deliver it (Liao & Chuang, 2004; Jerger & Wirtz, 2017). Employees particularly count on signals from their organization's service climate to make sense of the events, and understand expectations regarding their attitudes, behaviors, and other resulting outcomes (Ostroff & Bowen, 2016). For instance, if the frontline employee perceives that the organization has provided him/her with adequate information on the service s/he is offering, the employee will feel supported by the organization and better equipped to handle the customers. In this regard, we propose that:

P7: When the level of service climate is high, there will be a stronger positive influence of frontline employee psychological contract fulfillment on: (a)

frontline employee customer-oriented behaviors; and (b) customer psychological contract fulfillment.

Organizational identification refers to "the perception of oneness with or belongingness to the organization" (Ashforth & Mael, 1989, p. 22). This concept, like psychological contract, also draws upon social identity theory (Wiseke, Ullrich, Christ, & Van Dick, 2007; Epitropaki, 2013). Employees who perceive a higher degree of organizational identification are more likely to perceive themselves as valued members of the organization. At the same time, if they also perceive their psychological contract as fulfilled, employees' attachment to the organization will be greater and thus they will feel obligated to give back to the organization (Tekleab, Laulié, De Vos, De Jong & Coyle-Shapiro, 2019). The key responsibility of frontline employees is providing support to customers, thus employees are likely to feel motivated to serve the customers and demonstrate positive customer-oriented behaviors in order to reciprocate their obligations toward the organization (Conway et al., 2014; Lu, Capezio, Restubog, Garcia & Wang, 2016; Hughes, Richards, Calantone, Baldus & Spreng, 2019).

In addition, when the level of organizational identification is high, employees are likely to feel closer to their organization and care about its performance outcomes (Masterson & Stamper, 2003; Kreiner & Ashforth, 2004; Zagenczyk et al., 2013; Rodwell, Ellershaw & Flower, 2015; De Ruiter, Lub, Jansma & Blomme, 2018). This, coupled with higher levels of psychological contract fulfillment, sends clear signals to the employees that they are esteemed members of the organization. Based on the social identity theory, if employees believe that the organization cares for them and has fulfilled their

side of the psychological contract, they are more likely to uphold their own side of the contract by engaging in long-term relationships with the organization (Rousseau, Hansen & Tomprou, 2018). This further translates into positive attitudes and behaviors not just within the organization, but also by the forging of strong bonds with customers through employees acting in the best interests of the organization (Zablah et al., 2016; Garcia, Bordia, Restubog & Caines, 2018). Thus, they are more likely to feel motivated to serve the customers, leading to customer psychological contract fulfillment. Hence, the effects of frontline employee psychological contract fulfillment on customer psychological contract fulfillment will tend to increase when the employees perceive higher levels of organizational identification.   Based on the above, the following proposition can be made:

P8: When the level of organizational identification is high, there will be a stronger positive influence of frontline employee psychological contract fulfillment on: (a) frontline employee customer-oriented behaviors; and (b) customer psychological contract fulfillment.

Control effects

We propose three control variables that could influence the nature of frontline employee-customer relationships. The first control variable is the frequency of interactions between a frontline employee and a customer. Prior research suggests that increased frequency of the contact between employee and customer leads to stronger ties between the two parties (Dietz, Pugh & Wiley, 2004; Wang & Groth, 2014). At the

industry level, we also suggest controlling for the nature of product/service and retail channels, such as online or in-stores. Products and services when sold in varying settings may have an effect on the involvement of the frontline employee in customer experience. For instance, if a customer does most transactions online, s/he may have little contact with frontline employees. Finally, we suggest controlling for frequency of purchase of products/services with the same organization by the consumer. Repeated purchases with the same organization are more likely to result in lasting exchanges between the frontline employee and the customer, than would a one-off purchase.

Conclusions and implications

The previous analysis has amply demonstrated that psychological contracts can play a crucial role in better understanding the interpersonal dynamics both within and outside a business organization. In this context, we contribute to the pertinent literature in several ways: (a) we employ psychological contract as a mechanism to shed light on the frontline employee-customer relationship, which is critical for the firm's market and financial success; (b) we extend the boundaries of psychological contract reciprocity beyond the traditional employee-organization context, by also examining this from a customer's perspective; (c) we identify and examine the antecedents and outcomes of frontline employee and customer psychological contract, which have hitherto remained relatively unexplored; (d) we introduce the concept of feedback mechanism from a customer's viewpoint to the frontline employee; and (e) we focus on service climate and organizational identification, as two potential moderating mechanisms

between frontline employee psychological contract fulfillment and customer psychological contract fulfillment, as well as between frontline employee psychological contract fulfillment and frontline employee customer orientation.

Our extension of the psychological contract concept to the HRM-frontline employee-customer relationship has some important theoretical and managerial implications. Theoretically, it adds to the existing literature, by combining three interdisciplinary streams of research, namely psychological contract, strategic HRM, and services marketing. While researchers have used the concept of psychological contract extensively in the organizational psychology and HRM literature, we are introducing the customer as a vital, but under-researched, stakeholder in a psychological contract. We argue that the psychological contract offers useful insights by directly addressing the equally important nature of line manager-frontline employee and frontline employee-customer interactions. Thus, we advance a novel explanation of the underlying mechanisms through which HRM practices delivered by line managers affect customer service and other resulting outcomes. We also stress the need to explore the HRM practices-frontline employee-customer relationship from both directions. This is necessitated by growing evidence that customers play a salient role in informing frontline employee attitudes and behaviors, while limited research has explored this symbiotic link in detail. To address this issue, we introduce a feedback mechanism, clarifying how customers can have an influence on the firms' HRM practices, frontline employee psychological contract, and consequent customer-oriented behaviors. We also discuss the role of two moderating variables, service

climate and organizational identification, which enhance the effects of frontline employee psychological contract fulfillment on customer psychological contract fulfillment and on frontline employee customer orientation.

Managerially, the paper highlights the importance of fostering a supportive workplace environment, as well as a service-oriented climate, that would facilitate high-quality frontline employee relationships. However, a challenge for managers is to ensure that employees exhibit appropriate customer-oriented behaviors. HR managers, along with other senior managers, should be aware of the fact that violation of any form of psychological contract could have potentially negative effects on customers' service experience. Hence, frontline employees need to be regularly trained on how to build long-lasting service relationships with their customers. HR managers, together with senior management, should be aware of the fact that violation of any form of psychological contract could have potentially negative effects on customers' service experience. Line managers should also understand that an important prerequisite of service relationship is that relevant information is shared with both parties. Moreover, there should be clarity in terms of customer expectations, which should be communicated to the employees. Thus, frontline employees could be trained regularly on how to effectively and efficiently deal with their customers to build long-lasting relationships.

Future research directions

While this article offers significant contributions, it also raises a number of issues to be addressed by future research. First, our model provides a conceptualization of the antecedents and outcomes of frontline employee and customer psychological contract, wherein the research propositions developed could guide future research in this domain. Researchers could empirically test our proposed conceptual model and verify the validity of the research propositions developed in order to more precisely encapsulate frontline employee-customer relationships. Notably, our conceptual model can be empirically tested under different employee-customer contexts, including frontline service employees who are in direct and frequent customer contact, such as salespeople, customer service representatives, financial service consultants, hospitality service employees, and bank tellers (Wangenheim & Bayon, 2007; Zablah et al., 2016; Ramarajan, Rothbard & Wilk, 2017; Yeh, 2018; Schneider & Bowen, 2019).

With the exception of customer psychological contract fulfillment (which needs to be operationalized for the first time due to its nascent nature), all other constructs of the model have already established scales. For example, the 'HRM practices by line managers' scale can be derived from Jiang, Chuang and Chiao (2015), the 'frontline employee PC fulfillment' scale from Conway and Briner (2002), the 'service climate' scale from Salanova et al. (2005), and the 'organizational identification' scale from Lu et al. (2016). 'Customer-oriented behaviors' can be expressed in terms of 'service performance', based on the scale from Liao and Chuang (2004), and 'service-oriented organizational citizenship behaviors, by adapting the scale from Bettencourt, Gwinner

& Meuter (2001). With regard to 'customer outcomes', this can include 'customer satisfaction', measured using the scale developed by Zablah et al. (2016), and 'customer loyalty', which can be taken from Blut, Beatty, Evanschitzky and Brock (2014) (see **Appendix II** for the operationalization of these constructs). All these scales could be further refined and adjusted to a specific empirical context based on qualitative input from experts in the field, while in-depth interviews with front line service employees and customers could be used to verify the workability of the scales.

The conceptual model can be empirically tested using structural equation modeling with maximum likelihood estimation, since this will allow to concurrently test the various associations between the various constructs (Chang, Chi & Miao, 2007; Marler & Parry, 2016). The model suggests a sample from an organization that is heavily customer focused and where customers and frontline employees readily interact, and as such it requires data from both employees and customers (linked in a matched-dyadic way). To test the relationships, based on the feedback loop, a non-recursive structural equation model can be built. Longitudinal data can also be collected over an extended period of time from both frontline employees and customers to capture cross-lagged effects.

While perceptions of HRM practices delivered by the line manager is one of the key antecedents of frontline employee psychological contract, future studies could consider expanding this to include other related variables, such as personality traits, perceived organization support, and work values. It is also important to study these constructs, as these factors, whether individual, organizational or outside the

organization, could influence the frontline employee psychological contract (Conway & Briner, 2009).

We have also identified two key moderating constructs in this study, namely service climate and organizational identification. While these two constructs add value to the proposed conceptual model, there is a possibility for additional factors to moderate the association between frontline employee PC fulfillment and frontline employee customer-oriented behaviors, as well as between frontline employee PC fulfillment and customer PC fulfillment. For example, researchers could use other service-related (e.g., service quality) and/or organizational-related (e.g., organizational culture) factors, as well as factors pertaining to the firm's external environment (e.g., competitive intensity) (Bowen & Schneider, 2014).

While our focus was on the relationship of the frontline employee with two parties, the line manager and customers, other stakeholders could also play an important role in influencing frontline employee psychological contract. A starting point in this direction will be recognizing the interests of these stakeholders and assessing how they align with overall organizational interests. For example, Lee and Taylor (2014) argue that line managers often play a dual role acting both as agents and principals. If this is true, then a line manager may not necessarily be working in the best interests of the organization. This could be detrimental, not only to organizational interests, but also to the potentially negative impact on employee psychological contract.

Similarly, the role of co-workers is largely understudied in the context of frontline employee and customer psychological contract. However, this role of co-workers is unique because of their potential impact on the psychological contract of other fellow co-workers. Hence, expanding our conceptual model to include also relationships with co-workers would provide fresh insights to the extant literature, primarily dominated by vertical relationships (Ho & Levesque, 2005; Tomprou & Nikalou, 2011).

Customers could also develop relationships with other stakeholders, such as fellow customers, with whom they could form psychological contracts. Research in services marketing suggest that by engaging with the organization and other customers of the same organization, a sense of emotional and cognitive connection could develop (Harris & Ogbonna, 2008; Collier, Barnes, Abney & Pelletier, 2018). Hence, it would be interesting to see whether the relationship between customers of the same organization can be an important means of enhancing the social basis of customer loyalty.

Finally, future research could examine the reverse direction of the employee-customer relationship. For example, Frey, Bayón & Totzek (2013) found empirical support for customer satisfaction as an important determinant of employee satisfaction, which subsequently has an impact on his/her retention. Our conceptual model accounts for this customer feedback, which links back to HRM practices, frontline employee psychological contract fulfillment, and employee customer-oriented behaviors. As such it requires the collection of data from both employees and customers (linked in a matched-dyadic way). This implies having a feedback of

information gathered from customers (through self-reporting and/or purchasing data)

to frontline employees and a reassessment of the latters' views at a subsequent point

in time.

Notes

1. It is important to distinguish between the different roles of organizational identity and organizational identification (Wieseke et al., 2007). While the former determines to what extent organizational identification is commonly shared between employees within an organization and is situated at the organizational level, the latter is used to capture employee interpretations of the extent to which s/he identifies himself/herself with the organization and is therefore measured at the individual level.

References

Allen, N. J. and Grisaffe, D. B. (2001). Employee commitment to the organization and customer reactions: Mapping the linkages. *Human Resource Management Review, 11*(3), 209-236.

Allen, D. G., Shore, L. M. and Griffeth, R. W. (2003). The role of perceived organizational support and supportive human resource practices in the turnover process. *Journal of Management, 29*(1), 99-118.

Argyris, C. (1960). *Understanding Organizational Behavior*. Oxford: Dorsey Press

Aryee, S., Walumbwa, F. O., Mondejar, R. and Chu, C. W. (2015). Accounting for the influence of overall justice on job performance: Integrating self-determination and social exchange theories. *Journal of Management Studies, 52*(2), 231-252.

Ashforth, B. E., & Mael, F. (1989). Social identity theory and the organization. *Academy of Management Review, 14*(1), 20-39.

Bagger, J. and Li, A. (2014). How does supervisory family support influence employees' attitudes and behaviors? A social exchange perspective. *Journal of Management, 40*(4), 1123-1150.

Bal, P. M., Chiaburu, D. S. and Jansen, P. G. (2010). Psychological contract breach and work performance: is social exchange a buffer or an intensifier?. *Journal of Managerial Psychology, 25*(3), 252-273.

Bal, P. M., Kooij, D. T. A. M. and De Jong, S. B. (2013). How do developmental and accommodative HRM enhance employee engagement and commitment? The role of psychological contract and SOC strategies. *Journal of Management Studies, 50*(4), 545-572.

Berry, L.L. (1984), "Services marketing is different", in Lovelock C.H (Ed.), *Services Marketing*, Englewood Cliffs, NJ: Prentice-Hall.

Bettencourt, L. A., Gwinner, K. P., & Meuter, M. L. (2001). A comparison of attitude, personality, and knowledge predictors of service-oriented organizational citizenship behaviors. *Journal of Applied Psychology, 86*(1), 29-41.

Biedenbach, G., Bengtsson, M. and Wincent, J. (2011). Brand equity in the professional service context: Analyzing the impact of employee role behavior and customer–employee rapport. *Industrial Marketing Management, 40*(7), 1093-1102.

Blau, P. M. (1964). *Exchange and Power in Social Life*. New Brunswick, NJ: Transaction Publishers.

Blomme, R. J., Van Rheede, A. and Tromp, D. M. (2010). The use of the psychological contract to explain turnover intentions in the hospitality industry: A research study on the impact of gender on the turnover intentions of highly educated employees. *The International Journal of Human Resource Management, 21*(1), 144-162.

Blut, M., Beatty, S. E., Evanschitzky, H., & Brock, C. (2014). The impact of service characteristics on the switching costs–customer loyalty link. *Journal of Retailing, 90*(2), 275-290.

Bolino, M. C., Klotz, A. C. and Turnley, W. H. (2017). The implications of turning down an international assignment: A psychological contracts perspective. *The International Journal of Human Resource Management, 28*(13), 1816-1841.

Bordia, P., Restubog, S. L. D., Bordia, S. and Tang, R. L. (2010). Breach begets breach: Trickle-down effects of psychological contract breach on customer service. *Journal of Management, 36*(6), 1578-1607.

Bordia, P., Restubog, S. L. D., Bordia, S. and Tang, R. L. (2017). Effects of resource availability on social exchange relationships: The case of employee psychological contract obligations. *Journal of Management, 43*(5), 1447-1471.

Bowen, D. E., & Schneider, B. (2014). A service climate synthesis and future research agenda. *Journal of Service Research, 17*(1), 5-22.

Bowen, D. E., Gilliland, S. W. and Folger, R. (1999). HRM and service fairness: How being fair with employees spills over to customers. *Organizational Dynamics*, *27*(3), 7-23.

Brown, T. J., Mowen, J. C., Donavan, D. T. and Licata, J. W. (2002). The customer orientation of service workers: Personality trait effects on self-and supervisor performance ratings. *Journal of Marketing Research*, *39*(1), 110-119.

Chan, K. W., Gong, T., Zhang, R. and Zhou, M. (2017). Do employee citizenship behaviors lead to customer citizenship behaviors? The roles of dual identification and service climate. *Journal of Service Research*, *20*(3), 259-274.

Chang, H. T., Chi, N. W., & Miao, M. C. (2007). Testing the relationship between three-component organizational/occupational commitment and organizational/occupational turnover intention using a non-recursive model. *Journal of Vocational Behavior*, *70*(2), 352-368.

Chen, S. W., & Peng, J. C. (2019) Determinants of frontline employee engagement and their influence on service performance. *The International Journal of Human Resource Management*, https://doi.org/10.1080/09585192.2018.1505764

Collier, J. E., Barnes, D. C., Abney, A. K. and Pelletier, M. J. (2018). Idiosyncratic service experiences: When customers desire the extraordinary in a service encounter. *Journal of Business Research*, *84*, 150-161.

Conway, N. and Briner, R. B. (2005). *Understanding psychological contracts at work: A critical evaluation of theory and research*. Oxford: Oxford University Press

Conway, N. and Briner, R. B. (2009). Fifty years of psychological contract research: What do we know and what are the main challenges. *International Review of Industrial and Organizational Psychology*, *24*, 71-131.

Conway, N., Kiefer, T., Hartley, J. and Briner, R. B. (2014). Doing more with less? Employee reactions to psychological contract breach via target similarity or spillover during public sector organizational change. *British Journal of Management*, *25*(4), 737-754.

Coyle-Shapiro, J. A. M. and Kessler, I. (2000). Consequences of the psychological contract for the employment relationship: A large scale survey. *Journal of Management Studies*, *37*(7), 903-930.

Coyle-Shapiro, J. A. M. and Kessler, I. (2003). The employment relationship in the UK public sector: A psychological contract perspective. *Journal of Public Administration Research and Theory*, *13*(2), 213-230.

Cropanzano, R. and Mitchell, M. S. (2005). Social exchange theory: An interdisciplinary review. *Journal of Management*, *31*(6), 874-900.

Deery, S. J., Iverson, R. D. and Walsh, J. T. (2006). Toward a better understanding of psychological contract breach: A study of customer service employees. *Journal of Applied Psychology*, *91*(1), 166-175.

De Ruiter, M., Lub, X., Jansma, E., & Blomme, R. J. (2018). Psychological contract fulfillment and expatriate intrinsic career success: the mediating role of identification with the multinational corporation. *The International Journal of Human Resource Management*, *29*(8), 1426-1453.

Dietz, J., Pugh, S. D. and Wiley, J. W. (2004). Service climate effects on customer attitudes: An examination of boundary conditions. *Academy of Management Journal*, *47*(1), 81-92.

Donavan, D. T., Brown, T. J. and Mowen, J. C. (2004). Internal benefits of service-worker customer orientation: Job satisfaction, commitment, and organizational citizenship behaviors. *Journal of Marketing*, *68*(1), 128-146.

Dong, Y., Liao, H., Chuang, A., Zhou, J. and Campbell, E. M. (2015). Fostering employee service creativity: Joint effects of customer empowering behaviors and supervisory empowering leadership. *Journal of Applied Psychology*, *100*(5), 1364-1380.

Eckerd, S., Hill, J., Boyer, K. K., Donohue, K., & Ward, P. T. (2013). The relative impact of attribute, severity, and timing of psychological contract breach on behavioral and attitudinal outcomes. *Journal of Operations Management*, *31*(7-8), 567-578.

Eckerd, S., Boyer, K. K., Qi, Y., Eckerd, A., & Hill, J. A. (2016). Supply chain psychological contract breach: An experimental study across national cultures. *Journal of Supply Chain Management*, *52*(3), 68-82.

Eisenberger, R., Huntington, R., Hutchison, S. and Sowa, D. (1986). Perceived organizational support. *Journal of Applied Psychology, 71*(3), 500-507.

Eisenberger, R., Stinglhamber, F., Vandenberghe, C., Sucharski, I. L. and Rhoades, L. (2002). Perceived supervisor support: Contributions to perceived organizational support and employee retention. *Journal of Applied Psychology, 87*(3), 565-573.

Epitropaki, O. (2013). A multi-level investigation of psychological contract breach and organizational identification through the lens of perceived organizational membership: Testing a moderated–mediated model. *Journal of Organizational Behavior*, *34*(1), 65-86.

Evanschitzky, H., Wangenheim, F. V., & Wünderlich, N. V. (2012). Perils of managing the service profit chain: The role of time lags and feedback loops. *Journal of Retailing*, *88*(3), 356-366.

Festing, M. and Schäfer, L. (2014). Generational challenges to talent management: A framework for talent retention based on the psychological-contract perspective. *Journal of World Business*, *49*(2), 262-271.

Frey, R.-V., Bayón, T. and Totzek, D. (2013). How customer satisfaction affects employee satisfaction and retention in a professional services context. *Journal of Service Research, 16*(4), 503-517.

Garcia, P. R. J. M., Bordia, P., Restubog, S. L. D., & Caines, V. (2018). Sleeping with a broken promise: The moderating role of generativity concerns in the relationship between psychological contract breach and insomnia among older workers. *Journal of Organizational Behavior*, *39*(3), 326-338.

Gouldner, A. W. (1960). The norm of reciprocity: A preliminary statement. *American Sociological Review, 25*(2), 161-178.

Gremler, D. D. and Gwinner, K. P. (2000). Customer-employee rapport in service relationships. *Journal of Service Research*, *3*(1), 82-104.

Gremler, D. D. and Gwinner, K. P. (2008). Rapport-building behaviors used by retail employees. *Journal of Retailing, 84*(3), 308-324.

Grönroos, C. (2008). Service logic revisited: who creates value? And who co-creates? *European Business Review, 20*(4), 298-314.

Grönroos, C. (2011). Value co-creation in service logic: A critical analysis. *Marketing Theory*, *11*(3), 279-301.

Guenzi, P. and Georges, L., (2010). Interpersonal trust in commercial relationships: Antecedents and consequences of customer trust in the salesperson. *European Journal of Marketing*, *44*(1/2), 114-138.

Guest, D. E. (1998). Is the psychological contract worth taking seriously? *Journal of Organizational Behavior, 19*(7), 649–664.

Guest, D. E. (2004). The psychology of the employment relationship: An analysis based on the psychological contract. *Applied Psychology, 53*(4), 541-555.

Guest, D. E. and Conway, N. (2002). Communicating the psychological contract: An employer perspective. *Human Resource Management Journal, 12*(2), 22-38.

Guest, D. E. and Conway, N. (2004). *Employee well-being and the psychological contract*. London: CIPD.

Guo, L., Gruen, T. W. and Tang, C. (2017). Seeing relationships through the lens of psychological contracts: The structure of consumer service relationships. *Journal of the Academy of Marketing Science*, *45*(3), 357-376.

Gutek, B. A., Bhappu, A. D., Liao-Troth, M. A. and Cherry, B. (1999). Distinguishing between service relationships and encounters. *Journal of Applied Psychology*, *84*(2), 218-233.

Guzzo, R. A., Noonan, K. A. and Elron, E. (1994). Expatriate managers and the psychological contract. *Journal of Applied Psychology*, *79*(4), 617-626.

Harris, L. C. and Ogbonna, E. (2008). The dynamics underlying service firm—customer relationships: Insights from a study of English premier league soccer fans. *Journal of Service Research*, *10*(4), 382-399.

Harris, E. G., Brown, T. J., Mowen, J. C. and Artis, A. (2014). Exploring the role of productivity propensity in frontline employee performance: Its relationship with customer orientation and important outcomes. *Psychology & Marketing*, *31*(3), 171-183.

Hartline, M. D., Maxham III, J. G. and McKee, D. O. (2000). Corridors of influence in the dissemination of customer-oriented strategy to customer contact service employees. *Journal of Marketing*, *64*(2), 35-50.

Hartmann, N. N. and Rutherford, B. N. (2015). Psychological contract breach's antecedents and outcomes in salespeople: The roles of psychological climate, job attitudes, and turnover intention. *Industrial Marketing Management*, *51*, 158-170.

Heskett, J. L., Sasser Jr., W. E and Schlesinger, L. A. (1997), *The Service Profit Chain*. New York: The Free Press.

Hill, J. A., Eckerd, S., Wilson, D. and Greer, B. (2009). The effect of unethical behavior on trust in a buyer–supplier relationship: The mediating role of psychological contract violation. *Journal of Operations Management, 27*(4), 281-293.

Ho, V. T. and Levesque, L. L. (2005). With a little help from my friends (and substitutes): Social referents and influence in psychological contract fulfillment. *Organization Science*, *16*(3), 275-289.

Homburg, C. and Stock, R. M. (2005). Exploring the conditions under which salesperson work satisfaction can lead to customer satisfaction. *Psychology & Marketing*, *22*(5), 393-420.

Hughes, D. E., Richards, K. A., Calantone, R., Baldus, B., & Spreng, R. A. (2019). Driving in-role and extra-role brand performance among retail frontline salespeople: Antecedents and the moderating role of customer orientation. *Journal of Retailing*, *95*(2), 130-143.

Jerger, C. and Wirtz, J. (2017). Service Employee Responses to Angry Customer Complaints: The Roles of Customer Status and Service Climate. *Journal of Service Research*, *20*(4), 362-378.

Jha, S., Balaji, M. S., Yavas, U., & Babakus, E. (2017). Effects of frontline employee role overload on customer responses and sales performance: Moderator and mediators. *European Journal of Marketing*, *51*(2), 282-303.

Jiang, K., Chuang, C. H., & Chiao, Y. C. (2015). Developing collective customer knowledge and service climate: The interaction between service-oriented high-performance work systems and service leadership. *Journal of Applied Psychology*, *100*(4), 1089-1106.

Jung, J. H., Yoo, J. J. and Arnold, T. J. (2017). Service Climate as a Moderator of the Effects of Customer-to-Customer Interactions on Customer Support and Service Quality. *Journal of Service Research*, *20*(4), 426-440.

Karagonlar, G., Eisenberger, R. and Aselage, J. (2016). Reciprocation wary employees discount psychological contract fulfillment. *Journal of Organizational Behavior*, *37*(1), 23-40.

Katou, A. A. and Budhwar, P. S. (2012). The link between HR practices, psychological contract fulfillment, and organizational performance: The case of the Greek service sector. *Thunderbird International Business Review*, *54*(6), 793-809.

Keh, H. T., Ren, R., Hill, S. R. and Li, X. (2013). The beautiful, the cheerful, and the helpful: The effects of service employee attributes on customer satisfaction. *Psychology & Marketing*, *30*(3), 211-226.

Kingshott, R. P. and Pecotich, A. (2007). The impact of psychological contracts on trust and commitment in supplier-distributor relationships. *European Journal of Marketing*, 41(9/10), 1053-1072.

Kingshott, R. P., Sharma, P., Sima, H., & Wong, D. (2020). The impact of psychological contract breaches within east-west buyer-supplier relationships. *Industrial Marketing Management*. https://doi.org/10.1016/j.indmarman.2020.03.008

Korschun, D., Bhattacharya, C. B. and Swain, S. D. (2014). Corporate social responsibility, customer orientation, and the job performance of frontline employees. *Journal of Marketing*, *78*(3), 20-37.

Kraak, J. M., Lunardo, R., Herrbach, O. and Durrieu, F. (2017). Promises to employees matter, self-identity too: Effects of psychological contract breach and older worker identity on violation and turnover intentions. *Journal of Business Research*, *70*, 108-117.

Kreiner, G. E., & Ashforth, B. E. (2004). Evidence toward an expanded model of organizational identification. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, *25*(1), 1-27.

Kutaula, S., Gillani, A., & Budhwar, P. S. (2019). An analysis of employment relationships in Asia using psychological contract theory: A review and research agenda. *Human Resource Management Review*, https://doi.org/10.1016/j.hrmr.2019.100707

Kuvaas, B. (2008). An exploration of how the employee–organization relationship affects the linkage between perception of developmental human resource practices and employee outcomes. *Journal of Management Studies*, *45*(1), 1-25.

Lages, C. R. and Piercy, N. F. (2012). Key drivers of frontline employee generation of ideas for customer service improvement. *Journal of Service Research*, *15*(2), 215-230.

Lages, C. R., Piercy, N. F., Malhotra, N., & Simões, C. (2018). Understanding the mechanisms of the relationship between shared values and service delivery performance of frontline employees. *The International Journal of Human Resource Management*, https://doi.org/10.1080/09585192.2018.1464491

Lavelle, J. J., Rupp, D. E. and Brockner, J. (2007). Taking a multifoci approach to the study of justice, social exchange, and citizenship behavior: The target similarity model. *Journal of Management*, *33*(6), 841-866.

Lee, J. and Taylor, M. S. (2014). Dual roles in psychological contracts: When managers take both agent and principal roles. *Human Resource Management Review*, *24*(1), 95-107.

Levinson, H., Price, C. R., Munden, K. J., Mandl, H. J. and Solley, C. M. (1962). *Men, Management, and Mental Health*. Cambridge, MA: Harvard University Press.

Liao, H. and Chuang A. (2004). A multilevel investigation of factors influencing employee service performance and customer outcomes. *Academy of Management Journal*, *47*(1), 41-58.

Liao, H. and Chuang, A. (2007). Transforming service employees and climate: A multilevel, multisource examination of transformational leadership in building long-term service relationships. *Journal of Applied Psychology*, *92*(4), 1006-1019.

Liao, H. and Subramony, M. (2008). Employee customer orientation in manufacturing organizations: Joint influences of customer proximity and the senior leadership team. *Journal of Applied Psychology*, *93*(2), 317-328.

Liu, J., Hui, C., Lee, C. and Chen, Z. X. (2012). Fulfilling obligations: Why Chinese employees stay. *The International Journal of Human Resource Management*, *23*(1), 35-51.

Lopez Bohle, S., Bal, P. M., Jansen, P. G., Leiva, P. I. and Alonso, A. M. (2017). How mass layoffs are related to lower job performance and OCB among surviving employees in Chile: An investigation of the essential role of psychological contract. *The International Journal of Human Resource Management*, *28*(20), 2837-2860.

Lövblad, M., Hyder, A. S. and Lönnstedt, L. (2012). Affective commitment in industrial customer-supplier relations: A psychological contract approach. *Journal of Business and Industrial Marketing*, *27*(4), 275-285.

Loveman, G. W. (1998). Employee satisfaction, customer loyalty, and financial performance: an empirical examination of the service profit chain in retail banking. *Journal of Service Research*, *1*(1), 18-31.

Lu, V. N., Capezio, A., Restubog, S. L. D., Garcia, P. R. and Wang, L. (2016). In pursuit of service excellence: Investigating the role of psychological contracts and organizational identification of frontline hotel employees. *Tourism Management*, *56*, 8-19.

Lub, X. D., Bal, P. M., Blomme, R. J. and Schalk, R. (2016). One job, one deal… or not: do generations respond differently to psychological contract fulfillment? *The International Journal of Human Resource Management*, *27*(6), 653-680.

Malhotra, N., Sahadev, S. and Purani, K. (2017). Psychological contract violation and customer intention to reuse online retailers: Exploring mediating and moderating mechanisms. *Journal of Business Research*, *75*, 17-28.

Marescaux, E., De Winne, S. and Sels, L. (2013). HR practices and affective organisational commitment: (When) does HR differentiation pay off? *Human Resource Management Journal*, *23*(4), 329-345.

Marler, J. H., & Parry, E. (2016). Human resource management, strategic involvement and e-HRM technology. *The International Journal of Human Resource Management*, *27*(19), 2233-2253.

Masterson, S. S., & Stamper, C. L. (2003). Perceived organizational membership: An aggregate framework representing the employee–organization relationship. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, *24*(5), 473-490.

Melton, H. L. and Hartline, M. D. (2010). Customer and frontline employee influence on new service development performance. *Journal of Service Research*, *13*(4), 411-425.

Menninger, K. (1958). *Theory of Psychoanalytic Technique*. New York: Basic Books.

Morrison, E. W. and Robinson, S. L. (1997). When employees feel betrayed: A model of how psychological contract violation develops. *Academy of Management Review*, *22*(1), 226-256.

Nguyen, H., Groth, M., Walsh, G. and Hennig-Thurau, T. (2014). The impact of service scripts on customer citizenship behavior and the moderating role of employee customer orientation. *Psychology & Marketing*, *31*(12), 1096-1109.

Ostroff, C., & Bowen, D. E. (2016). Reflections on the 2014 decade award: Is there strength in the construct of HR system strength?. *Academy of Management Review*, *41*(2), 196-214.

Parzefall, M.R., & Coyle-Shapiro, J.A.M. (2011). Making sense of psychological contract breach. *Journal of Managerial Psychology*. 26(1), 12-27.

Pate, J., Martin, G. and McGoldrick, J. (2003). The impact of psychological contract violation on employee attitudes and behaviour. *Employee Relations*, *25*(6), 557-573.

Patel, P. C., Sahi, G. K., Gupta, M., & Jayaram, J. (2020). Service profit chain and throughput orientation: A manager-employee-customer triad perspective in services. *International Journal of Production Research*, https://doi.org/10.1080/00207543.2019.1708991

Piening, E. P., Baluch, A. M. and Salge, T. O. (2013). The relationship between employees' perceptions of human resource systems and organizational performance: Examining mediating mechanisms and temporal dynamics. *Journal of Applied Psychology*, *98*(6), 926-947.

Podsakoff, P. M., MacKenzie, S. B., Lee, J. Y. and Podsakoff, N. P. (2003). Common method biases in behavioral research: A critical review of the literature and recommended remedies. *Journal of Applied Psychology*, *88*(5), 879-903.

Purcell, J. and Hutchinson, S. (2007). Front-line managers as agents in the HRM-performance causal chain: Theory, analysis and evidence. *Human Resource Management Journal, 17*(1), 3-20.

Rafaeli, A., Ziklik, L. and Doucet, L. (2008). The impact of call center employees' customer orientation behaviors on service quality. *Journal of Service Research*, *10*(3), 239-255.

Ramarajan, L., Rothbard, N. P., & Wilk, S. L. (2017). Discordant vs. harmonious selves: The effects of identity conflict and enhancement on sales performance in employee–customer interactions. *Academy of Management Journal*, *60*(6), 2208-2238.

Reader, T. W., Mearns, K., Lopes, C. and Kuha, J. (2017). Organizational support for the workforce and employee safety citizenship behaviors: A social exchange relationship. *Human Relations*, *70*(3), 362-385.

Reichers, A. E. (1985). A review and reconceptualization of organizational commitment. *Academy of Management Review*, *10*(3), 465-476.

Rhoades, L. and Eisenberger, R. (2002). Perceived organizational support: A review of the literature. *Journal of Applied Psychology*, *87*(4), 698-714.

Rodwell, J., Ellershaw, J., & Flower, R. (2015). Fulfill psychological contract promises to manage in-demand employees. *Personnel Review*, *44*(5), 689-701.

Rousseau, D. M. (1989). Psychological and implied contracts in organizations. *Employee Responsibilities and Rights Journal, 2*(2),121-139.

Rousseau, D. M. (1990). New hire perceptions of their own and their employer's obligations: A study of psychological contracts. *Journal of Organizational Behavior, 11*(5), 389-400.

Rousseau, D. M. (1995). *Psychological Contracts in Organizations: Understanding Written and Unwritten Agreements*. Thousand Oaks, CA: Sage Publications.

Rousseau, D. M. and Wade-Benzoni, K. A. (1994). Linking strategy and human resource practices: How employee and customer contracts are created. *Human Resource Management, 33*(3), 463–489.

Rousseau, D. M., Hansen, S. D., & Tomprou, M. (2018). A dynamic phase model of psychological contract processes. *Journal of Organizational Behavior*, *39*(9), 1081-1098.

Salanova, M., Agut, S. and Peiró, J. M. (2005). Linking organizational resources and work engagement to employee performance and customer loyalty: The mediation of service climate. *Journal of Applied Psychology*, *90*(6), 1217-1227.

Schneider, B., & Bowen, D. E. (2019). Perspectives on the Organizational Context of Frontlines: A Commentary. *Journal of Service Research*, *22*(1), 3-7.

Schneider, B., Salvaggio, A. N. and Subirats, M. (2002). Climate strength: a new direction for climate research. *Journal of Applied Psychology*, *87*(2), 220-229.

Schneider, B., Ehrhart, M. G., Mayer, D. M., Saltz, J. L., & Niles-Jolly, K. (2005). Understanding organization-customer links in service settings. Academy of Management Journal, *48*(6), 1017-1032.

Shore, L. M. and Tetrick, L. E. (1994). The psychological contract as an explanatory framework in the employment relationship. In Cooper, C. & Rousseau, D.M. (Eds.), *Trends in Organizational Behavior*, New York, NY: Wiley, Vol. 1, pp. 91–109.

Singh, J. and Sirdeshmukh, D. (2000). Agency and trust mechanisms in consumer satisfaction and loyalty judgments. *Journal of the Academy of Marketing Science*, *28*(1), 150-167.

Skålén, P., Gummerus, J., von Koskull, C. and Magnusson, P. R. (2015). Exploring value propositions and service innovation: A service-dominant logic study. *Journal of the Academy of Marketing Science*, *43*(2), 137-158.

Solinger, O. N., Hofmans, J., Bal, P. M. and Jansen, P. G. (2016). Bouncing back from psychological contract breach: How commitment recovers over time. *Journal of Organizational Behavior*, *37*(4), 494-514.

Streukens, S. and Andreassen, T. W. (2013). Customer preferences for frontline employee traits: Homophily and heterophily effects. *Psychology & Marketing*, *30*(12), 1043-1052.

Sturges, J., Conway, N., Guest, D. and Liefooghe, A. (2005). Managing the career deal: The psychological contract as a framework for understanding career management, organizational commitment and work behavior. *Journal of Organizational Behavior*, *26*(7), 821-838.

Suazo, M., Martinez, P. and Sandoval, R. (2009). Creating psychological and legal contracts through human resource practices: A signaling theory perspective. *Human Resource Management Review*, *19*(2), 154-166.

Sutton, G. and Griffin, M. A. (2004). Integrating expectations, experiences, and psychological contract violations: A longitudinal study of new professionals. *Journal of Occupational and Organizational Psychology*, *77*(4), 493-514.

Tekleab, A. G., Laulié, L., De Vos, A., De Jong, J. P., & Coyle-Shapiro, J. A. (2019). Contextualizing psychological contracts research: A multi-sample study of shared individual psychological contract fulfilment. *European Journal of Work and Organizational Psychology*, https://doi.org/10.1080/1359432X.2019.1608294

Tomprou, M. and Nikolaou, I. (2011). A model of psychological contract creation upon organizational entry. *Career Development International*, *16*(4), 342-363.

Tomprou, M., Nikolaou, I. and Vakola, M. (2012). Experiencing organizational change in Greece: the framework of psychological contract. *The International Journal of Human Resource Management*, *23*(2), 385-405.

Turnley, W. H. and Feldman, D. C. (1999). The impact of psychological contract violations on exit, voice, loyalty, and neglect. *Human Relations*, *52*(7), 895-922.

Turnley, W. H., Bolino, M. C., Lester, S. W. and Bloodgood, J. M. (2003). The impact of psychological contract fulfillment on the performance of in-role and organizational citizenship behaviors. *Journal of Management*, *29*(2), 187-206.

Van Vianen, A. E., Shen, C. T. and Chuang, A. (2011). Person–organization and person–supervisor fits: Employee commitments in a Chinese context. *Journal of Organizational Behavior*, *32*(6), 906-926.

Vargo, S. L. and Lusch, R. F. (2004). Evolving to a new dominant logic for marketing. *Journal of Marketing, 68*(1), 1-17.

Vargo, S. L. and Lusch, R. F. (2008). Service-dominant logic: Continuing the evolution. *Journal of the Academy of Marketing Science, 36*(1), 1-10.

Vilares, J. M. and Coelho, P. S., 2003. The employee-customer satisfaction chain in the ECSI model. *European Journal of Marketing*, *37*(11/12), 1703-1722.

Walumbwa, F. O., Hartnell, C. A. and Oke, A. (2010). Servant leadership, procedural justice climate, service climate, employee attitudes, and organizational citizenship behavior: A cross-level investigation. *Journal of Applied Psychology*, *95*(3), 517-529.

Wang, K. L. and Groth, M. (2014). Buffering the negative effects of employee surface acting: The moderating role of employee–customer relationship strength and personalized services. *Journal of Applied Psychology*, *99*(2), 341-350.

Wangenheim, F. V., & Bayón, T. (2007). The chain from customer satisfaction via word-of-mouth referrals to new customer acquisition. *Journal of the Academy of Marketing Science*, *35*(2), 233-249.

Wieseke, J., Ullrich, J., Christ, O., & Van Dick, R. (2007). Organizational identification as a determinant of customer orientation in service organizations. *Marketing Letters*, *18*(4), 265-278.

Wieseke, J., Geigenmüller, A. and Kraus, F. (2012). On the role of empathy in customer-employee interactions. *Journal of Service Research*, *15*(3), 316-331.

Woodrow, C., & Guest, D. E. (2020). Pathways through organizational socialization: A longitudinal qualitative study based on the psychological contract. *Journal of Occupational and Organizational Psychology*, *93*(1), 110-133.

Yeh, C. M. (2018). The relationship between free time activities, emotional intelligence and job involvement of frontline hotel employees. *The International Journal of Human Resource Management*, https://doi.org/10.1080/09585192.2018.1496127

Yi, Y. and Gong, T. (2008). If employees "go the extra mile," do customers reciprocate with similar behavior?. *Psychology & Marketing*, *25*(10), 961-986.

Zablah, A. R., Franke, G. R., Brown, T. J. and Bartholomew, D. E. (2012). How and when does customer orientation influence frontline employee job outcomes? A meta-analytic evaluation. *Journal of Marketing*, *76*(3), 21-40.

Zablah, A. R., Carlson, B. D., Donavan, D. T., Maxham III, J. G. and Brown, T. J. (2016). A cross-lagged test of the association between customer satisfaction and employee job satisfaction in a relational context. *Journal of Applied Psychology*, *101*(5), 743-755.

Zagenczyk, T. J., Cruz, K. S., Woodard, A. M., Walker, J. C., Few, W. T., Kiazad, K., & Raja, M. (2013). The moderating effect of Machiavellianism on the psychological contract breach–Organizational identification/disidentification relationships. *Journal of Business and Psychology*, *28*(3), 287-299.

Zhao, H. A. O., Wayne, S. J., Glibkowski, B. C. and Bravo, J. (2007). The impact of psychological contract breach on work-related outcomes: A meta-analysis. *Personnel Psychology*, *60*(3), 647-680.

Figure 1: The conceptual model
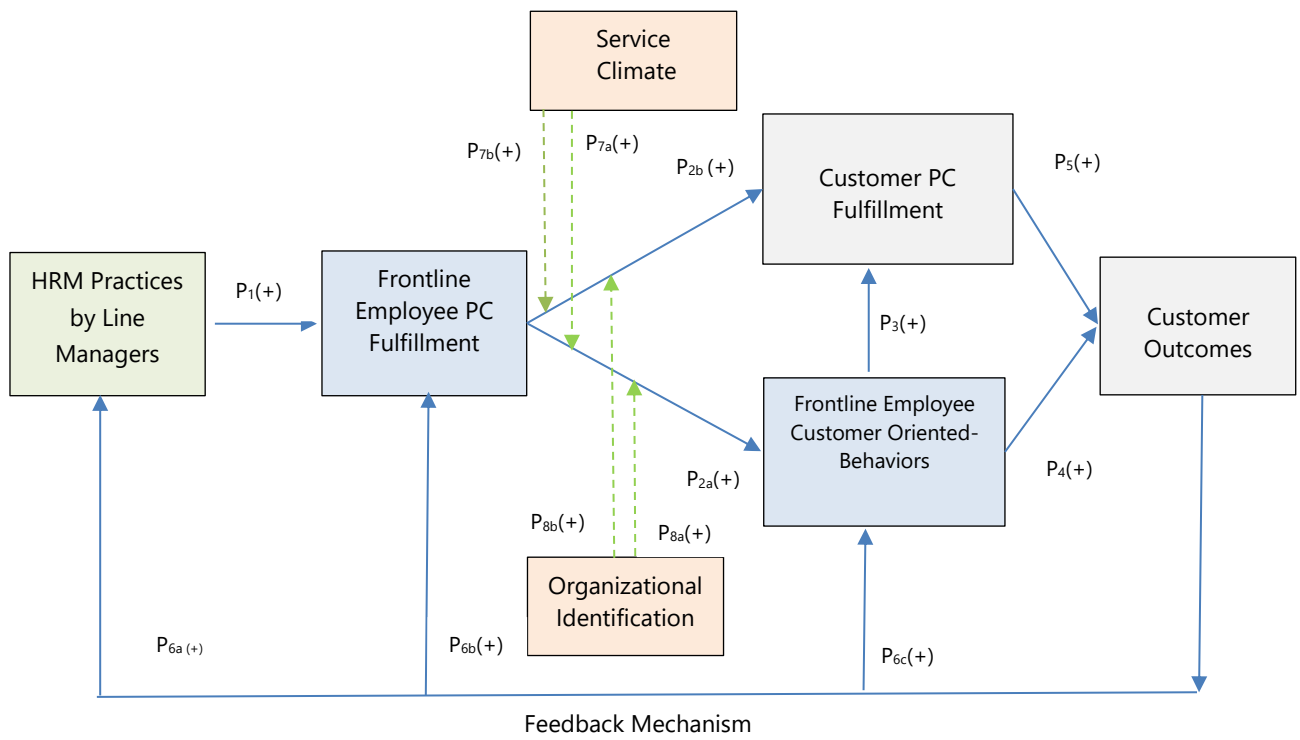
Appendix I: Selected empirical studies on psychological contract in business

Study	Relationship	Country	Method	Sample	Findings
Rousseau (1990)	New hires-Organization	U.S.	Question-naire survey	224 students	Affective commitment was found to be related to the state of PC.
Guzzo, Noonan, & Elron (1994)	Expatriate manager-Organization	Multiple countries	Question-naire survey	148 expatriates, SHRM members, in diverse industries	PC was found to mediate the relationship between HR practices and three retention-relevant outcomes.
Turnley & Feldman (1999)	Employee-Organization	U.S	Question-naire survey	4 samples (213 recent MBA alumni, 263 expatriate managers, 223 managers, and 105 employees)	PC violation led to increased levels of exit, voice, and neglect behaviors, as well as decreased levels of job satisfaction and loyalty to organization.
Coyle-Shapiro & Kessler (2000)	Employee-Employer	U.K	Question-naire survey	703 managers and 6,953 employees	PC fulfillment predicted employees' perceived organizational support, organizational commitment, and OCB.
Guest & Conway (2002)	Employee-Employer	U.K	Question-naire survey	1,306 senior HR managers	Three forms of communication - job, recruitment, and top-down - are negatively associated PC breach and positively associated with employee attitudes and behaviors.
Turnley, Bolino, Lester, & Bloodgood (2003)	Employee-Organization	U.S	Question-naire survey	134 supervisor-subordinate dyads	PC fulfillment is strongly related to citizenship behavior directed toward organization in comparison to citizenship behavior directed toward one's colleagues.
Guest & Conway (2004)	Employee-Organization	U.K	Question-naire survey	1,000 employees	A positive state of PC is linked with higher levels of life satisfaction, work-life balance, and loyalty.
Sutton & Griffin (2004)	New hires-Organization	Australia	Question-naire survey	235 students	Post-entry experiences and PC violation predicted job satisfaction.
Sturges, Conway, Guest, & Liefooghe (2005)	Employee-Organization	U.K.	Question-naire survey	151 employees	Both individual and organizational career management behaviors are linked to PC fulfillment. PC fulfillment mediated the relationship between career management help and affective commitment and job performance.
Deery, Iverson, & Walsh (2006)	Customer service employees-Organization	Australia	Question-naire survey	480 customer service employees	PC breach was associated with lower organizational trust, which subsequently predicted perceptions of less cooperative employment relations and higher levels of absenteeism.
Kingshott & Pecotich (2007)	Distributor-Supplier	Australia	Question-naire survey	343 distributors	PC fulfillment is positively related to the level of trust and commitment. PC violation was found to reduce the distributor's level of trust.
Hill, Eckerd, Wilson, & Greer (2009)	Buyer-Supplier	U.S	Question-naire survey	110 suppliers	PC violation either partially mediated or fully mediated the relationship between buyers' unethical activity and suppliers trust in that buyer.
Bal, Chiaburu, & Jansen (2010)	Employee-Organization	U.S	Question-naire survey	266 employees	PC breach was negatively associated with work performance. The relationship was moderated by high social exchange relationship, perceived organizational support and trust.

Bordia, Restubog, Bordia, & Tang (2010)	Supervisor-Subordinate	Philippines	Question-naire survey	Study 1: 155 Supervisor-Subordinate dyads Study 2: 140 Supervisor-Subordinate dyads Study 3: 172 Supervisor-Subordinate dyads	Supervisor perceptions of PC breach are negatively related to supervisor citizenship behaviors toward the subordinate, resulting in subordinate perceptions of supervisory breach. Subordinate breach perceptions are, in turn, negatively related to subordinate citizenship behaviors toward the customer and customer satisfaction.
Parzefall & Coyle-Shapiro (2011)	Employee-Organization	U.K	Interviews	15 employees	There are variety of ways employees can observe PC breach using a processual view. Employees use a combination of emotions and actions, while explaining PC breach.
Liu, Hui, Lee, & Chen (2012)	Employee-Organization	China	Question-naire survey	136 employees	Traditional employees are more likely to leave their employers when they fail to fulfill their PCs than less traditional employees.
Tomprou, Nikolaou, & Vakola (2012)	Employee-Organization	Greece	Question-naire survey	236 employees	PC fulfillment is linked with higher levels of organizational commitment and job satisfaction.
Conway, Kiefer, Hartley, & Briner (2014)	Employee-Organization; Employee-Co-worker; Employee-Public service user	U.K	Question-naire survey	340 employees	Organizational change is related to PC breach, leading to lower levels of contributions toward the organization. However, it was found that PC breach was not linked to contributions toward co-workers and public service users.
Hartmann & Rutherford (2015)	Salesperson-Organization	U.S	Question-naire survey	308 salespersons	Psychological climate dimensions of autonomy, involvement, performance feedback, and clarity of organizational goals have an impact on PC breach.
Guo, Gruen, & Tang (2017)	Customer-Service organization	U.S	Question-naire survey	700 customers across three service industries	Customers engaged in four types of PCs with the service organization: relational, standard, transitional, and captive.
Malhotra, Sahadev, & Purani (2017)	Customer-E-retailer	India	Question-naire survey	379 students	PC violation indirectly effected customers' intention to reuse via trust and satisfaction.
Lu, Capezio, Restubog, Garcia, & Wang (2017)	Frontline employee-Co-worker-Supervisor	Philippines	Question-naire survey	199 matched frontline employee-co-worker-supervisor triads	Transactional PCs were negatively linked with supervisor reported in-role performance and co-worker reported service-oriented citizenship behaviors. Organizational identification mediated the relationship between relational PCs and service-oriented behaviors.
Kiazad, Kraimer & Seibert (2019)	Employee-Supervisor	U.S	Question-naire survey	149 matched employee-supervisor dyads	PC fulfillment was positively linked with organizationally-directed citizenship behaviors and work-role innovation.
Kingshott, Sharma, Sima & Wong (2020)	Buyer-Supplier	Australia China	Questionnaire Survey	327 buyers	PC breach perceived by buyers had a negative impact on neglect, voice, and loyalty toward their suppliers.
Woodrow & Guest (2020)	Employee-Organization	U.K	Interviews	112 interviews with 27 newcomers	PC fulfillment aids the adjustment of newcomers, while PC breach can disrupt the process of socialization.

Appendix II: Proposed construct operationalization

HRM practices by line managers	**Staffing** □ This organization selects the best all around candidates when recruiting employees. □ This organization places priority on candidates' potential to learn when recruiting employees. □ Recruitment emphasizes traits and abilities required for providing high quality of customer services. □ Internal candidates have the priority for job openings. □ Qualified employees have good opportunities for promotion. **Training** □ This organization provides an orientation program for newcomers to learn about it. □ This organization continuously provides training programs. □ This organization invests considerable time and money in training. □ Training is comprehensive, not limited to skill training. □ High quality of customer services is emphasized in training. **Involvement & Participation** □ If a decision made might affect employees, this organization asks them for opinions in advance. □ Employees are often asked to participate in work-related decisions. □ Employees have discretion in handling customers' additional requests. □ Employees have discretion in settling customer complaints without reporting to a supervisor or other specialists. □ Employees are allowed to make necessary changes in the way they perform their work. □ This organization fully supports employees with necessary equipment and resources for providing high quality of customer services. □ This organization does not share information with employees (e.g., operational issues, sales, etc.). (R) **Performance appraisals** □ Performance appraisals provide employees feedback for personal development. □ Performance appraisals are based on multiple sources (e.g., self, coworkers, supervisors, customers, etc.). □ Performance appraisals are based on objective, quantifiable results. □ Supervisors do not get together with employees to set their personal goals. (R) □ Satisfying customers is the most important work guideline.	Jiang, Chuang & Chiao (2015)
Employee Psychological contract fulfillment	□ In general, this organization has kept its promises to me about what I will get from them. □ Managers in this organization have honored the commitments they have made to me. □ This organization says it will do things for you and then never gets around to doing them. (R) □ I am often told I will receive things from this organization that in the end never materialize. (R)	Conway & Briner (2002)
Service climate	□ Employees in this organization have knowledge of the job and the skills to deliver superior quality work and service. □ Employees in this organization receive recognition and rewards for the delivery of superior work and service. □ The overall quality of service provided by employees in this organization to customers is excellent. □ Employees in this organization are provided with tools, technology, and other resources to support the delivery of quality work and service.	Salanova, Agut & Peiró (2005)

Organizational Identification	□ This organization's successes are my successes. □ If a story in the media criticizes this organization, I would feel embarrassed. □ When someone praises this organization, it feels like a personal compliment. □ When I talk about this organization, I usually say "we" rather than "they". □ When someone criticizes this organization, it feels like a personal insult. □ I am very interested in what others think about this organization.	Lu, Capezio, Restubog, Garcia & Lu Wang (2016)
Frontline employee customer-oriented behaviors		
Service performance	□ I am friendly and helpful to customers. □ I approach customers quickly. □ I ask good questions and listening to find out what a customer wants. □ I am able to help customers when needed. □ I point out and relate item features to a customer's needs. □ I suggest items customers might like but did not think of. □ I explain an item's features and benefits to overcome a customer's objections.	Liao & Chuang (2004)
Service-oriented organizational citizenship behaviors	□ I tell outsiders this is a good place to work. □ I say good things about this organization to others. □ I generate favorable goodwill for the company. □ I encourage friends and family to use this organization's products/services. □ I actively promote this organization's products/services. □ I follow customer-service guidelines with extreme care. □ I conscientiously follow guidelines for customer promotions. □ I follow up in a timely manner to customer requests and problems. □ I perform duties with unusually few mistakes. □ I always have a positive attitude at work. □ Regardless of circumstances, I am exceptionally courteous and respectful to customers. □ I encourage my co-workers to contribute ideas and suggestions for service improvement. □ I contribute many ideas for customer promotions and communications. □ I make constructive suggestions for service improvement. □ I frequently present to others creative solutions to customer problems. □ I take home brochures to read up on products/services.	Bettencourt, Gwinner & Meuter (2001)
Customer outcomes		
Customer satisfaction	□ I am completely satisfied with the offerings of this organization. □ I am completely pleased with the products/services of this organization. □ The products/services of this organization are turning out better than I expected.	Zablah, Carlson, Donavan, Maxham III & Brown (2016)
Customer loyalty	□ This organization is my first choice for products/services. □ I intend to use this organization to buy my products/services within the next few years. □ I have a very strong relationship with this organization. □ I am very likely to switch purchasing my products/services from this organization to another in the near future. (R)	Blut, Beatty, Evanschitzky & Brock (2014)

Note: The sign (R) refers to a reverse item