

When Birds of Different Feather Flock Together in Professional Service Encounters

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Abstract

Service firms increasingly espouse the idea that organizational diversity is a strength, however, the underrepresentation of ethnic minorities in professional service jobs continues to be a challenge because some firms may not hire minority employees because of fear of disapproval from customers. Despite growing interest in the biases that can arise in interethnic service encounters, research in relation to professional services sectors is scarce. In applying insights from the theory of expectancy violation, this study predicts that in normal service encounters between majority customers and ethnic minority professional service providers, detrimental consequences are less salient. Experiments, set in professional service contexts, manipulate professional service providers ethnicity. The results also show that rapport mediates the relationship between professional service providers ethnicity and customers' compliance with their advice. Furthermore, the relationship of professional service providers ethnicity and compliance is moderated by social dominance orientation. These results provide initial empirical evidence of an absence of ethnic bias effects in professional service settings. The findings have implications for professional services-related management and services theory.

Type of paper: Empirical paper

Introduction

Research on ethnic bias, defined as preconscious schemas that distort perceptions of ethnic outgroup members (Payne 2006), within service organizations has been undertaken primarily in relation to consumer services contexts, such as retailing and (fast-food) restaurants (e.g., Klinner and Walsh 2013; Linzmajer et al. 2020). To the extent that customers of professional (vs. consumer) service firms likely interact differently with minority service providers, the ability of service scholars and managers to generalize existing findings on ethnic bias to professional service contexts is very limited. The limited

generalizability of ethnic bias findings for professional service firms affects the field's ability to recommend hiring practices for them.

Despite compelling evidence of ethnic bias in service encounters, mostly provided in studies that show that interethnic service encounters are characterized by unequal power balances between majority customers and minority service employees (e.g., Linzmajer et al., 2020), almost no research examines the effects in professional service contexts. We consider this an important oversight because evidence from non-professional service settings might not generalize to professional services (e.g., engineering, health care, legal advice). In this research, we theorize that majority customers generally do not expect minority group members to function in high status occupations, and that they express low expectations of their performance and competence. Our research challenges previous assumptions by showing that normal encounters between ethnic minority professional service providers and majority customers not necessarily lead to negative service outcomes.

Results and Implications

To test our theorizing, we employ scenario-based studies in different professional service contexts. Scenario-based experiments have the advantage that the manipulated variables can be controlled and undesired sources of variance eliminate (Albrecht et al. 2017). The first study affirms that majority customers typically express lower performance and competence expectations toward minority versus majority professional service providers. The second study corroborates these findings and identifies a mediating variable—rapport (also referred to as 'commercial friendship'). Our third study tests the robustness of the findings in relation to service encounters characterized by high levels of customer-orientation versus efficiency-orientation. The last study also investigates the moderating role of customers' social dominance orientation.

Taken together, our findings suggest that in professional contexts, interethnic service encounters are not necessarily undermined by ethnic bias when customers are made aware of the minority (vs. majority) professional service provider's qualifications, such that they yield enhanced customer outcomes. While previous research found that ethnic bias affects post-interaction outcomes such as evaluations of the service employee (e.g., Hekman et al. 2010), we show that even if customers may have a biased view of minority professional service providers, their bias does not have to translate into negative consequences in the form of unfavorable performance evaluations. To the contrary, the across several experimental studies we find that the minority (vs. majority) professional service provider is evaluated more favorably in regard to competence and other variables. Moreover, this research provides insights into the mechanisms that link service provider ethnicity with an important service outcome—compliance with professional service advice. We believe our findings can encourage diversity-oriented hiring decisions of professional service firms and their efforts to improve the effectiveness of interethnic service encounters.

References are available upon request.