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As a Manuscript

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Employee Customer Orientation in a Multinational Company

PhD Dissertation Summary
for the purpose of obtaining Philosophy Doctor in Management HSE

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I. GENERAL STATEMENTS

Rationale of Thesis Research

At the present stage of global economy development in the increasingly globalized economic space multinational companies are constantly searching for new and difficult-to-replicate sources of competitive advantage. One of these resources is customer orientation.

Research reveals that the companies which are more oriented towards meeting customer needs, i.e. the companies demonstrating customer oriented behavior, are more successful than the companies which do not attach special importance to customer orientation.

In connection with the above, employees being bearers of company customer orientation (customer orientation at the organizational level), research in employee¹ customer orientation (customer orientation at the individual level) becomes more important, because company employees are directly involved in the process of customer value creation and the employees' actions largely predetermine the quality and potential for developing long-term relations between the company providing goods and/or services and its clients.

From the theoretical point of view, in Russian and international science there does not seem to be a common understanding of what employee customer orientation entails, the factors affecting it especially in the context of developed and developing markets and opportunities for managing employee customer orientation.

Despite the ongoing improvement of managerial practices both in Russia and abroad, there is a lack of tools, enabling companies to affect personnel customer orientation in view of improving company customer orientation. Therefore, in practice we can frequently observe a situation where “actual” personnel customer orientation is replaced by “demonstrative” customer orientation, i.e. customer orientation of a demonstrative nature only.

¹ Within the framework of the PhD thesis the terms “employee”, “employees” and “personnel” are deemed synonymous.

Thus, the topic of employee customer orientation seems to be of immediate interest both in terms of academic research and for the purpose of resolving practical tasks related to human resource management within a company in view of making employees more customer orientated and, eventually, boosting employee contribution to the company results. The present PhD research paper attempts to close the abovementioned gap.

Degree of Scientific Elaboration

Interest in customer orientation research arose in the 50s of the last century. The notion of customer orientation was originally researched into within marketing from the point of view of the concept of market orientation under development at that time. Research revealed a statistically significant correlation between company market orientation and its performance. It also proved that market orientation significantly affects the way employees treat their jobs as well as employees' customer orientation. Consequently, customer orientation was studied not only at the organizational level or at the level of intercompany cooperation but also at individual level.

Thus, in 1982 R. Saxe and B.A. Weitz introduced the notion of "customer oriented selling" and suggested that it should be viewed as the practice of the marketing concept at the level of the individual salesperson and his/her customer.

While studying factors of employee customer orientation T. Hennig-Thurau revealed the link between employee customer orientation and their technical skills, social skills and motivation. P. Guenzi, L.M. De Luca, G. Troilo proved that there is a link between such organizational factors as customer oriented corporate culture, company long-term strategic orientation, division of work between employees according to their roles and employee customer orientation.

C.A. Strong, L.C. Harris demonstrated a link between a customer oriented company strategy and its employee customer orientation.

Despite growing number of employee customer orientation research work, the notion's boundaries are still quite vague, there seems to be a need in systematizing employee customer orientation factors in view of creating managerial mechanisms, especially for companies operating in different countries.

Growing interest in the matter in question is also proved by an increasing number Russian and foreign scholars making speeches on employee customer orientation in international conferences (Academy of Marketing Science (AMS) Annual Conference, GSOM Emerging Markets Conference: Business and Government Perspectives, EMAC Regional Conference, Marketing Theory Challenges in Emerging Markets, International Human Resource Management Conference et al.).

The urgency and insufficient degree of scientific elaboration of the problem have stipulated the choice of the PhD thesis topic while predetermining its main purpose and objectives.

Research Purpose and Objectives

The purpose of the present research consists in developing an approach to managing multinational company employee customer orientation (while taking into consideration significant factors affecting it) in view of reinforcing company customer orientation.

In order to attain the purpose identified the following **objectives** should be set and accomplished:

1. To identify and systematize the main theoretical approaches to employee customer orientation as well as research results related to factors of employee customer orientation. This analysis should enable us to обосновать our approach to the notion of employee customer orientation and create a theoretical model of our research which reflects how the most significant factors affect employee customer orientation.
2. To create a methodology for empirical research in employee customer orientation.
3. To pilot this methodology in a multinational consulting company using qualitative and quantitative methods of data collection and analysis.
4. Based on qualitative research results to clarify the notion of employee customer orientation and the necessary conditions for employee customer orientation development in the context for the company in question.
5. Based on data analysis to identify opportunities for managing employee customer orientation.

6. To create an approach to managing employee customer orientation. To make practical recommendations on managing employee customer orientation and pilot them in the multinational company in question.

Object and Subject of Research

The object of the research is employee customer orientation.

Empirical data was gathered in a big multinational company operating in the market/consumer behavior research market in over 100 countries across the globe. This service company was selected taking into consideration the purpose of our research because in this sector of economy customer orientation is a prerequisite for successful company performance and an important managerial competency. Besides this, the company in question is a typical representative of companies providing other organizations with professional services, first and foremost, from the point of view of the nature of the job done by customer-facing employees, i.e. those employees in direct contact with representatives of the abovementioned company's clients.

The company is interested in building long-term mutually beneficial relations with its clients at the global, regional and local (country) level.

As far as client service² employees are concerned, they interact with one and the same client (group of clients) during a few years. For developed markets the timeline is, on average, 2.5 – 3.5 years. For developing markets it is, on average, 1.5 – 2.5 years.

Client service employees should have good analytical skills, deep knowledge in the methodology of analyzing the company's data, influencing and negotiation skills (when they deal with the company's clients and non-client facing (back-office) employees) as well as a good understanding of the clients' business and the competitive environment they are operating in.

The subject of the research consists in significant factors determining employee customer orientation in connection with the type of market (developed,

² Client service employees are those employees working, for example, in the retail measurement services department, innovations department, customer research department etc. In direct contact with the company's clients, i.e. representatives of market research and consumer insights departments of fast moving consumer goods, automotive, pharmaceutical, financial etc. companies.

developing) the employee is based in and for the multinational company in general. These factors are considered to be a basis for managerial impact and decision-making.

Research methodology and methods.

Theoretical basis for the present research included results of customer orientation research in the field of management, service marketing, relationship marketing and human resource management. The following approaches were used: competency approach (J.C. Bou-Llusar, R.E. Boyatzis, K. Donegan, D.C. McClelland, P. Murray, L.M. Spencer Jr., S.M. Spencer, A.B. Escrig-Tena), strategic human resource management (M.L. Lengnick-Hall, C.A. Lengnick-Hall, W. Brockbank, D. Ulrich), McKinsey 7S model (T.J Peters, R.H. Waterman) and the model explaining the influence of employee customer orientation on the key service marketing constructs: client satisfaction, client loyalty and client retention (T. Hennig-Thurau).

The theoretical research basis was analyzed using the following research methods: comparison, generalization, grouping and classification.

The methodology of the empirical research, namely its strategy and methods of data collection and analysis, can be defined as complex. A case study strategy used to study the specificities of managing employee customer orientation in a company while taking into consideration the context (factors of different levels) was combined with a cross-sectional strategy used for studying the diversity of customer orientation manifestations and conditions which characterize an international company with affiliates located in different countries. The methodology may also be considered as complex due to it combining both qualitative and quantitative methods of empirical data collection.

The empirical research basis entailed qualitative and quantitative data gathered by the author in 2013-2015 using the following methods: documents analysis, participant observation, semi-structured interview and questionnaire-based survey.

In order to define the concept of employee customer orientation, the author carried out 14 semi-structured interviews with senior and middle managers working in

client service departments of the company's affiliates³ located in the following countries: Great Britain, Germany, Spain, Italy, France, Kazakhstan, Netherlands, Russia, Sweden. The author also conducted 7 interviews with representatives of senior and middle management of client companies from Belgium, Great Britain, Ireland, Italy, Kazakhstan, the Netherlands and Sweden.

In order to reveal factors of employee customer orientation and to develop a model of managing personnel customer orientation in a multinational company the author conducted a client service employee survey in 12 affiliates in the following countries: Brazil, Britain, Germany, India, Ireland, Spain, Italy, China, Mexico, Russia, the USA, France. Using a competency approach presupposed conducting a survey in the framework of one company. The questionnaire was sent to 1367 employees (total population). 356 employees took part in the survey (sampling frame). Thus, the response rate was 26%. The above affiliates were selected based on their headcount. The author chose “big” affiliates in terms of their headcount. The questionnaire was distributed using on-line platforms, which enabled the author to conduct the survey in compliance with the principle of anonymity and confidentiality of the survey respondents' answers.

The analysis of quantitative data was carried out using IBM SPSS 22.0. The author conducted factor, correlation, cluster and regression data analysis.

Scientific novelty of the PhD thesis consists in elaborating an approach enabling us to distinguish individual, organizational and external factors affecting employee customer orientation in the context of a multinational consulting company, to determine the current level of employee customer orientation and to manage employee customer orientation as a factor of company customer orientation.

The author obtained the following results pertaining to **new knowledge**:

1. The author defined the concept of “employee customer orientation” using a competency approach and suggested that the concept in question should denote a competency reflecting the employee's ability to take into account the interests of

³ Different company branches were also referred to as “affiliates”. Within the framework of the present PhD thesis the terms “branches” and “affiliates” are considered synonymous.

consumers of goods / services and adapt the company's product in accordance with their needs.

2. A theoretical model was developed. It reflects a contextual nature of customer orientation and the following factors which affect it: individual factors (for example, social skills, motivation), organizational factors (for example, corporate culture, human resource management practices) and external factors (for example, market type, market concentration level). The model shows that the external environment affects employee customer orientation through company customer orientation, while the employee is the bearer of the company's customer orientation.

3. The thesis demonstrates the relationship between the company's need in customer orientated employees and the market concentration index.

4. The thesis reveals the impact of significant individual and organizational factors on employee customer orientation.

5. The author developed an approach to managing employee customer orientation manifesting itself in a model of managing employee customer orientation which demonstrates that employee customer orientation management is a complex task which involves different stakeholders: human resource and marketing communications professionals, top management of the company, line managers and employees themselves.

Theoretical significance of the research consists in:

- defining employee customer orientation as a competency which can be managed in an organizational context;
- revealing the link between the market concentration index and the company's need in customer oriented employees;
- developing an approach to managing employee customer orientation enabling the company to determine its need in customer oriented employees and ensure a sufficient number of customer oriented employees working within the company as it develops into the future.

The PhD thesis results can be used when teaching the following subjects such as “Human Resource Management”, “Organizational Theory”, “Organizational Behaviour”, “Marketing”.

Practical significance of the research consists in:

- using the model of employee customer orientation in view of revealing to what extent an employee is customer oriented in comparison with other employees based in the same country (cluster of counties);

- a decision-making algorithm enabling a company to properly allocate its employees to the company’s clients and develop the employees’ customer orientation;

- recommendations on managing employee customer orientation. Employee customer orientation should be defined taking into consideration the specificities of the company and position they work in. Afterwards, based on the market concentration index the company management should determine its need in customer oriented employees. Ensuring a strong pipeline of customer oriented employees requires joint effort of human resource and marketing communications professionals, company top management, line managers and employees themselves.

Thesis defense provisions:

1. Employee customer orientation may be considered a competency which is developed under the influence of individual, organization and external factors.

2. A company’s need in customer oriented employees is determined while taking into consideration the global market research market concentration index.

3. There are differences in the set of significant factors affecting employee customer orientation in developed and developing markets.

4. Distinguished in an analytical way common factors affecting employee customer orientation irrespective of the market type (developed, developing) the employee is based in could be taken into consideration by a multinational company for the purpose of developing its global employee customer orientation policy.

5. A management approach developed based on research results and generally reflected in a management model of employee customer orientation and a decision-making algorithm enabling a company to properly allocate its employees to the

company's clients and develop the employees' customer orientation may be used by companies in view of managing their employee customer orientation in order to strengthen customer orientation of the companies themselves.

Results reliability and validity is ensured through critical analysis of academic literature on the subject of personnel customer orientation while considering contextual factors affecting employee customer orientation, a well-grounded choice of empirical research methodology and methods, representativeness of the survey sample, usage of piloted and widely used questionnaire items and scrupulous compliance with the statistical quantitative data analysis procedure.

Degree of research results reliability and their appraisal.

Research results were presented by the author in the following Russian and international research conferences:

- 6-th Annual Research Conference "Contemporary Management: Problems, Hypotheses, Research" (Russia, Moscow, NRU-HSE, October, 22nd-23rd, 2013);
- 7-th Annual Research Conference "Contemporary Management: Problems, Hypotheses, Research" (Russia, Moscow, NRU-HSE, November, 20th-21st, 2014);
- International Scientific Conference of Students and Young Scientists "Lomonosov-2015" (work stream: "Economics - Labour Economics"), (Russia, Moscow, MSU, April, 13th-17th, 2015);
- International Research Conference: "Emerging Markets 2015: Business and Government Perspectives" (Russia, St. Petersburg, GSOM, SPbU, October, 13th-17th, 2015);
- 8-th Annual Research Conference "Contemporary Management: Problems, Hypotheses, Research" (Russia, Moscow, NRU-HSE, November, 12th-13th, 2015).

Main research propositions were repeatedly discussed during Human Resource Management faculty meetings and the ongoing research seminar of the School of Business Administration of the Faculty of Business and Management of the NRU-HSE.

Research results were used by a multinational market research consulting company. This is testified by an implementation certificate.

Publications. The author has published 6 articles (3.7 printer's sheets) on the PhD thesis topic (3 printer's sheets written by the author herself). 3 (2.6 printer's sheets) of the abovementioned 6 articles (2 printer's sheets written by the author herself) were published in the journals recommended by the State Commission for Academic Degrees and Titles of the Ministry for Education and Science of the Russian Federation.

Thesis Structure. The thesis comprises an introduction, three chapters, a conclusion, reference list and 8 annexes. The thesis (excluding annexes) is presented in 166 pages. The thesis (including annexes) is presented in 192 pages. The paper presents 19 tables and 14 figures. The reference list comprises 141 publications. 120 of the abovementioned publications are in foreign languages.

II. THESIS DEFENSE PROVISIONS

1. Employee customer orientation is suggested to be considered as a competency developed under the influence of individual, organizational and external factors

“Personnel customer orientation”, the main category of the PhD thesis is considered by the author through the prism of a competency approach as a key personnel competency needed to ensure company customer orientation as its competency assuring its competitive position in the market. Building on scientific management and organizational psychology literature analysis the author suggests two ideas critically important for defining the author’s view on the notion of “competency” and “employee customer orientation”.

First, a competency is an integral characteristic (dependent variable) defined by a number of factors such as, for example, knowledge, skills, motivation, decision-making authority, business process formalization etc. (independent variables).

Secondly, a competency is not a universal category. It is a contextual category to be defined for every single organization.

Therefore, within the framework of the present PhD thesis employee customer orientation is viewed as a competency reflecting the employee’s ability to take into account the interests of consumers of goods / services and to adapt the company's product in accordance with their needs. Employee customer orientation is developed under the influence of contextual factors.

After systematizing employee customer orientation factors based on scientific literature review the author suggested the following three groups of employee customer orientation factors: individual factors (including intrapersonal factors), organizational factors and external factors (factors of the external environment the company operates in). The PhD thesis focuses on individual, organizational and external factors because intrapersonal factors are quite difficult to manage in an organizational context.

The main theoretical provisions of the PhD thesis are captured in a theoretical model of employee customer orientation developed as a result of scientific literature review. The model shows the key notions and their interconnections (Figure 1).

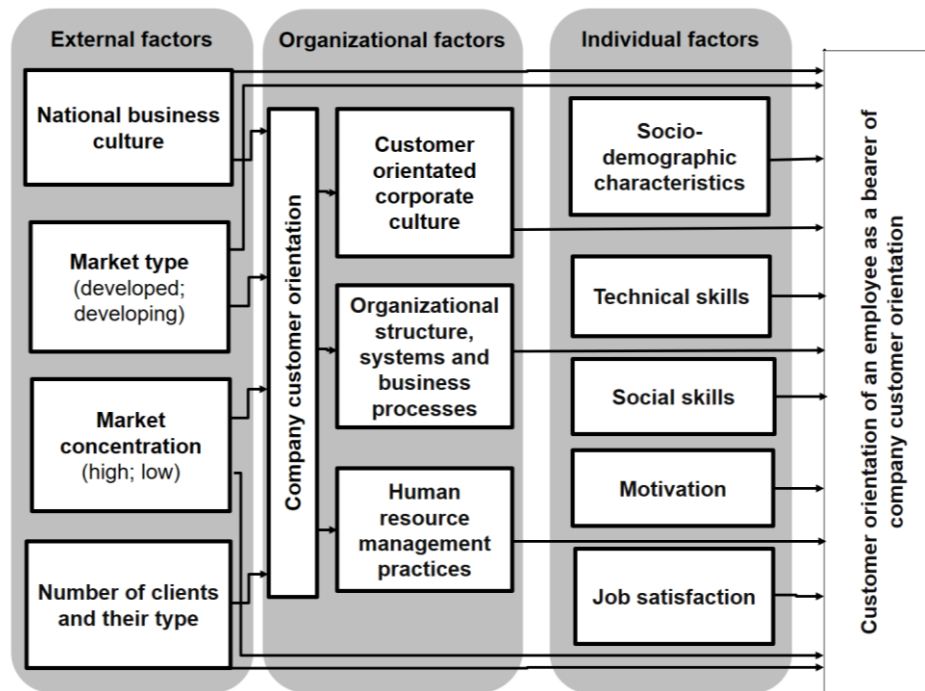


Figure 1 – A Theoretical Model of Employee Customer Orientation

Source: created by the author

2. The company's need in customer oriented employees is determined in line with the market concentration index in which the company operates

The PhD thesis builds on the link between employee and company customer orientation because company employees are bearers of its customer orientation. Employee customer orientation is important for companies/company affiliates (and, consequently, their employees) working with clients in competitive environments. In a monopolistic environment company (and its employees) customer orientation may either be missing or have a declarative nature (in case of employees the nature of this customer orientation would be demonstrative).

Based on publicly available information, i.e. 2014 revenue results of the key global market research players (Table 1), including Company ABC, the author

measured market concentration in the global market research market. In order to do that the Herfindahl-Hirschman index was used.

Table 1 – Revenue and Market Share of the Key Players in the Global Market Research Market

Revenue in bln. USD in 2014		
Company	Revenue	Market Share
Company ABC	6,29	29,6%
Company 2	3,84	18,1%
Company 3	2,6	12,3%
Company 4	2,2	10,4%
Company 5	1,93	9,1%
Company 6	0,95	4,5%
Company 7	0,52	2,5%
Company 8	0,48	2,3%
Company 9	0,42	2,0%
Company 10	0,37	1,7%
Company 11	0,33	1,6%
Company 12	0,29	1,4%
Company 13	0,29	1,4%
Company 14	0,27	1,3%
Company 15	0,23	1,1%
Company 16	0,21	1,0%
Total revenue:	21,22	

Source: created by the author based on Statista information resource database. Access: [http://www.statista.com/statistics/267648/top-market-research-companies-by-revenue/]

The Herfindahl-Hirschman index (HHI) is defined as the sum of the squares of the market shares of all companies operating in a market. The index ranges from 0 (deconcentrated market) to 10000 points (100% market monopoly).

Table 1 data suggests that the global market research market is moderately concentrated. Company ABC is the key market player having a 29,6% market share. Besides, the four leading companies control 70,4% of the market. This may be characterized as a compact oligopoly.

In conclusion, Company ABC is interested in being customer oriented, however, customer orientation may not be defined as the company's key competency at the global level. We may suggest that for some markets (countries) in which Company ABC operates the HHI value would be higher whereas for others it would be lower.

Therefore, the company's need in customer oriented employees will vary across markets. At the global level the need in customer oriented employees will exist, first and foremost, in view of establishing, maintaining and developing long-term mutually beneficial relations with key clients.

3. There are differences in the set of significant factors affecting employee customer orientation in the context of developed and developing markets

Based on developing a theoretical model of employee customer orientation and revealing the link between the company's need in customer oriented employees and the market concentration index, the author implemented empirical research using qualitative and quantitative methods.

Employee customer orientation was measured based on their self-assessment using a short form of the SOCO scale proposed by M.M. Ryan R. Saxe, G.N. Soutar, R.W. Thomas, B.A. Weitz. The scale comprised the following five statements which were assessed by employees on a 7-point Likert scale from "fully disagree" (coded as -3) to "fully agree" (coded as 3):

- I try to figure out what my client's needs are.
- I have the client's best interests in mind.
- I try to bring a client with a problem together with a product/service that helps him or her solve that problem.
- I offer the product/service that is best suited to the client's problem.
- I try to find out what kind of product/service would be most helpful to a client.

To determine the key factors affecting employee customer orientation in developed and developing markets 2 multiple regression models were made. R-squared of the first model for developed markets was 0,555 whereas the coefficient of determination of the second model for developing markets was 0,6995.

Based on regression analysis the following factors were revealed to affect employee customer orientation:

- a) in the context of developed markets:
 - technical skill consisting in the employee's ability to suggest a solution meeting the client's needs after a client brief;

- social skills (for example, communication skills, influencing skills etc.);
- motivation;
- decision-making authority;
- client service employees often having to do/complete back-office (non-client facing) teams' work;
- the company using client survey results for rewarding client service associates (e.g.: during salary reviews, when determining bonus payout amounts etc.);
- the number of years the affiliate has been operating in a given market.

6) in the context of developing markets:

- technical skills;
- social skills (for example, communication skills, influencing skills etc.)
- motivation;
- decision making authority;
- networking;
- clear definition of roles of client service and back-office (non-client facing) teams;
- degree in a technical field;
- the number of years the affiliate has been operating in a given market.

In developed markets, motivation has got the strongest influence on employee customer orientation. In developing markets, motivation and social skills play this role.

It stands to note the relatively low explanatory power of the regression for developed markets (it is conditioned by its R-squared value and heteroscedasticity of its residuals). It means that the model for developed markets does not fully account for the factors significantly affecting employee customer orientation in the affiliates of the countries joined in one group.

4. Distinguished in an analytical way common factors affecting employee customer orientation irrespective of the market type (developed, developing) the employee is based in could be taken into consideration by a multinational company for the purpose of developing its global employee customer orientation policy.

The quality of the model for developed markets being quite low, the author continued to work on developing a model of employee customer orientation in the given company. Cluster analysis was used to create homogenous county groups based on their national business culture type. A multi-factor regression model was created (Table 2). The coefficient of determination of the model is 0,61, therefore, the model explains 61% of employee customer orientation variance. This model creates a better understanding of employee customer orientation and the factors affecting it.

Table 2 – A Model of Employee Customer Orientation

	Coefficient	Standard Error	t-Statistics	P-value
Const.	-0.1339	0.1168	-1.1463	0.2525
Objective setting: client engagement/improving client satisfaction as part of the employee's written annual objectives	0.0757	0.0347	2.1811	0.0299
Technical skills	0.1067	0.0459	2.3249	0.0207
Social skills (e.g. communication skills, influencing skills etc.)	0.2565	0.0460	5.5722	0.0000
Motivation	0.3550	0.0431	8.2323	0.0000
Decision-making authority	0.1173	0.0411	2.8534	0.0046
Job satisfaction (only for developing markets)	0.1038	0.0493	2.1051	0.0360
Networking	0.1020	0.0375	2.7218	0.0068
On-the-job training on client centricity, client relationship management and client engagement	0.1063	0.0633	1.6799	0.0939
Degree in a technical field	-0.3223	0.1294	-2.4914	0.0132

Source: created by the author

Fixed effects of the model correspond to country clusters distinguished based on a scale created by G. Hofstede, G.J Hofstede, M. Minkov. Cluster 3 (Russia) is taken as a basis (fixed effect equals zero), i.e. dummy variable values corresponding to fixed effects of clusters 1,2,4 are calculated in relation to Russia. The fixed effect for Cluster 1 countries (Great Britain, Ireland, Germany, Italy, USA) is 0.0999, for Cluster 2 countries (France, Spain, Brazil, Mexico) it is -0.2477 and for Cluster 4 countries (India, China) it is -0.0278.

The average values of employee customer orientation per cluster is presented in Table 3.

Table 3 – Average Employee Customer Orientation for the Countries Grouped into 4 Clusters

Cluster	Average Employee Customer Orientation
1. Great Britain, Ireland, Germany, Italy, USA	0.1236
2. France, Spain, Brazil, Mexico	0.0390
3. Russia	-0.1536
4. India, China	-0.1962

Source: created by the author

The results achieved can be seen in Figure 2.

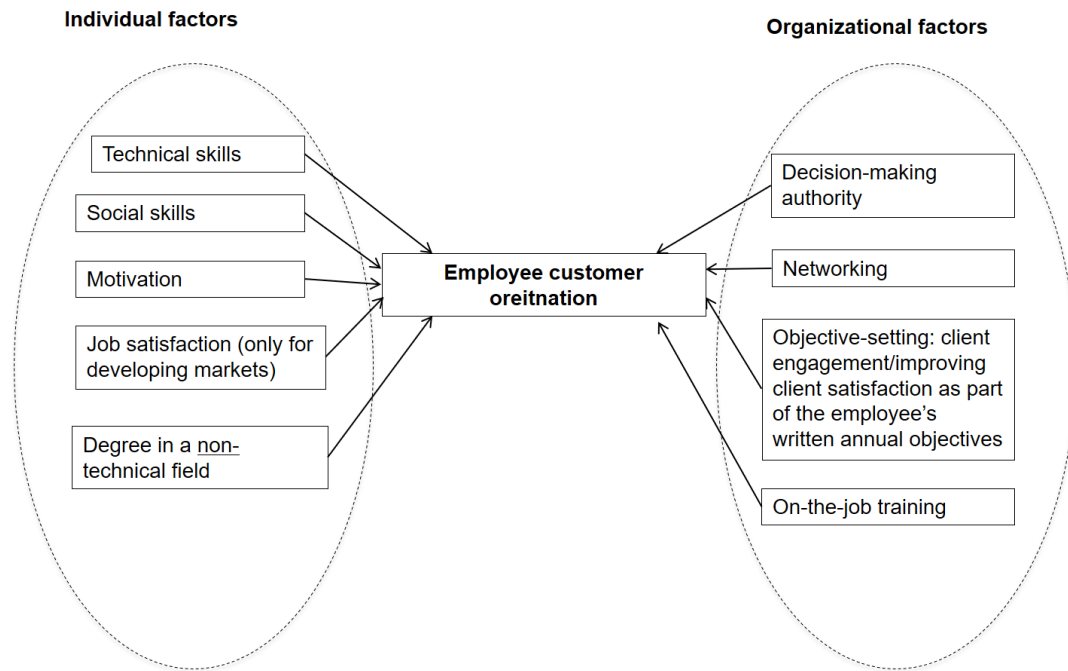


Figure 2 – Individual and Organizational Factors Affecting Employee Customer Orientation

Source: created by the author

In order to further investigate practical implications of the model of employee customer orientation resulting from statistical data analysis, the author decided to pilot the model in the given company. The pilot consisted in discussing research results with the company management and bringing the model in line with the company values. As a result of the discussion the author reduced the number of elements included in the model. The model became more universally applicable: it started to comprise only the most significant⁴ elements for the company's affiliates operating both in developed and developing markets.

Finally, the following factors affect employee customer orientation:

- individual factors: motivation, social skills, technical skills;

⁴ P-value $\leq 0,03$.

- organizational factors: employee assessment/objective setting (client engagement/improving client satisfaction as part of the employee's written annual objectives), decision-making authority, networking.

It is worth noting that the regression model of employee customer orientation has got some practical implications. It enables us to determine to what extent an employee is customer oriented in comparison with other employees working in the same company affiliate in the same country. Therefore, the model could be used for the purpose of employee assessment. A concrete example of how the model could be used to this end is provided in the PhD thesis.

5. A management approach developed based on research results and generally reflected in a management model of employee customer orientation and a decision-making algorithm enabling a company to properly allocate its employees to the company's clients and develop the employees' customer orientation may be used by companies in view of managing their employee customer orientation in order to strengthen customer orientation of the companies themselves.

Based on empirical research results and taking into account the results of the testing and piloting stage of the model of employee customer orientation in a multinational company, a management model of employee customer orientation was developed (see Figure 3). The model illustrates the idea that in order to meet the company's need in customer oriented employees one should influence employee customer orientation through the company management system as a whole, while paying special attention to the human resource management system, decision-making system and internal communications system.

Apart from the abovementioned model, the thesis suggests a decision-making algorithm enabling a company to properly allocate its employees to the company's clients and develop the employees' customer orientation (see Figure 4) while taking into consideration the company's need in customer oriented employees in line with the market concentration index. The following three cases are considered:

- the company is not interested in customer oriented employees: this situation is characteristic for high/full market monopolization by the key player;

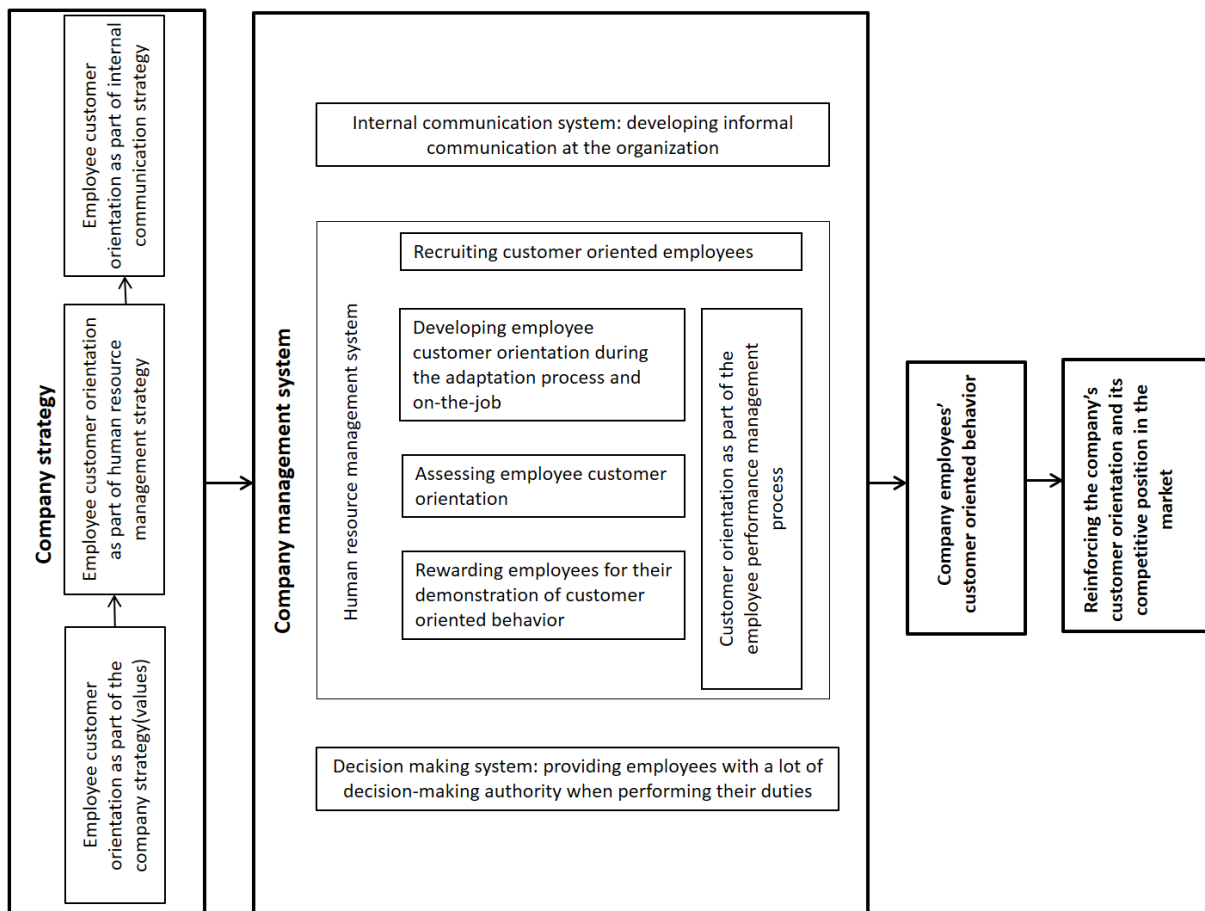


Figure 3 – A management model of employee customer orientation

Source: created by the author

- the company is interested in customer oriented employees: this situation is observed in competitive market environments. Under the circumstances, the lower the market concentration index is, the more important employee customer orientation is for the company;

- the company is partly interested in customer oriented employees: this situation is observed when the company simultaneously operates in a few markets some of which are characterized by high market concentration while others are considered low concentration markets.

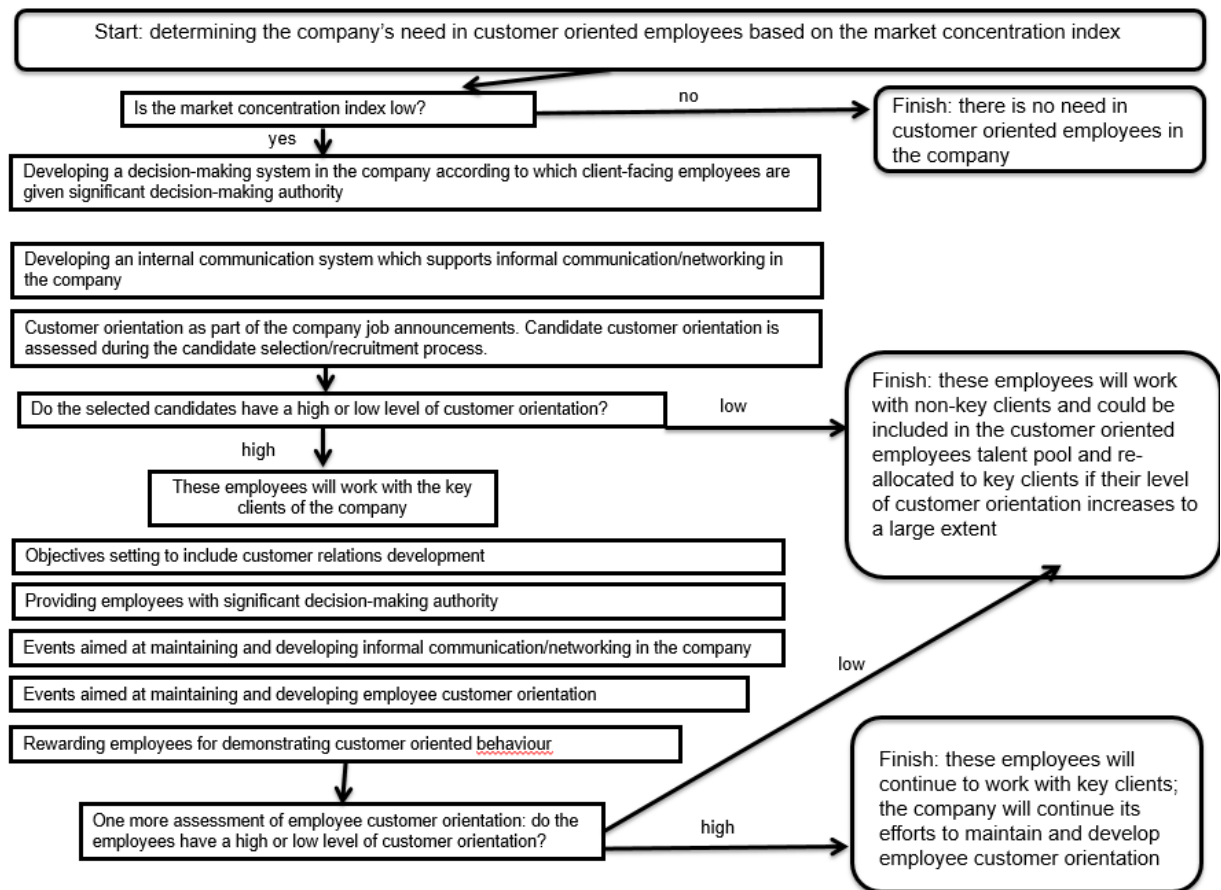


Figure 4 – A decision-making algorithm enabling a company to properly allocate its employees to the company’s clients and develop the employees’ customer orientation

Source: created by the author

The abovementioned algorithm could be concurrently used both at the global and local level (at the company affiliate and/or department level). Nonetheless, the decision of splitting clients into “key” and “non-key” clients is taken by the company management in the context of a given company department, affiliate or at the level of the whole organization of the company globally.

The PhD thesis presents several practical recommendations on managing employee customer orientation:

- the notion of employee customer orientation should be specified for every single company in question. A competency model is developed in line with the above definition;

- a company should reveal its need in customer oriented employees. These employees should be allocated to working with the company's key clients;

- employee customer orientation should be developed through joint effort on the part of HR and marketing communication professionals, company top management, line managers and employees themselves;

- employee customer orientation can be managed in terms of the human resource, internal communication and decision making company management systems;

- the management model of employee customer orientation and employee customer orientation management recommendations should be adapted in line with the market type the company is operating in.

Considering the contextual approach, the suggested practical recommendations are applicable, in the first instance, for the analyzed multinational company and cannot be used as such in another organizational context. Nevertheless, using the author's approach to developing a management model of employee customer orientation, one can create management models for employee customer orientation for:

- other multinational consulting companies while taking into consideration specificities of their internal and external environment;

- companies operating in several regional markets in one and same country.

The employee customer orientation management recommendations suggested by the author may be applied in the context of different professional services companies especially when these companies are interested in turning customer orientation into one of their competitive advantages.

III. KEY CONCLUSIONS

1. The thesis introduces a definition of employee customer orientation as a competency reflecting their ability to take into account the interests of consumers of goods / services and to adapt the company's product in accordance with their needs. Employee customer orientation is developed under the influence of individual, organizational and external factors and may be subject to managerial influence in an organizational context.

2. The company's need in customer-oriented employees is related to the index of concentration of the market it operates in. When the index of market concentration is low the company should focus on reinforcing its customer orientation and, consequently, customer orientation of its employees. Taking into consideration the global market research market concentration index the author determined the need of the analyzed multinational consulting company in customer oriented employees.

3. The thesis reveals the relationship between employee customer orientation and the factors affecting it in the context of developed and developing markets. In developed markets motivation exerts the strongest influence on employee customer orientation, whereas in developing markets it is the employees' motivation and social skills.

4. An econometric model of employee customer orientation is developed. The model takes into account the most universally significant factors impacting employee customer orientation in the analyzed company, i.e. technical skills; social skills; motivation; job satisfaction (only for developing markets); education in a technical field; objective setting: client engagement/improving client satisfaction as part of the employee's written annual objectives; decision-making authority; networking; on-the-job training on client centricity, client relationship management and client engagement. Average values of employee customer orientation were calculated for country groups (clusters) distinguished based on national business culture. Using sample answers of a survey respondent we demonstrated how the model helps to solve a practical task of determining to what extent the employee in question is customer oriented in

comparison with other employees working in the same company affiliate in the same country (cluster of countries).

5. The author developed a management model of employee customer orientation and a few recommendations aimed at improving employee customer orientation in view of strengthening company customer orientation. The model shows managing employee customer orientation is a complex managerial task entailing not only activities of the HR-department but also the entire company management system.

IV. PUBLICATIONS

Publications in the leading reviewed scientific publications recommended by the State Commission for Academic Degrees and Titles of the Ministry for Education and Science of the Russian Federation:

1. Klepneva, K.V. Podbor kliyentooriyentirovannogo personala / K.V. Klepneva // Vestnik Omskogo universiteta. Seriya «Ekonomika». – 2014. – № 4. – P. 38–46. – 0.8 printer's sheet.
2. Klepneva, K.V. Voznagrazhdeniye kliyentooriyentirovannogo personala / K.V. Klepneva // Menedzhment v Rossii i za rubezhom. – 2015. – № 1. – P. 120–125. – 0.6 printer's sheet.
3. Klepneva, K.V. Razvitiye kliyentooriyentirovannosti sotrudnikov mezhdunarodnoy kompanii / K.V. Klepneva, V.I. Kabalina // Nauchnyye issledovaniya i razrabotki. Rossiyskiy zhurnal upravleniya proyektami. – 2018. – Tom 7, № 2 – P. 3–14. – 1.2 printer's sheet (author's contribution – 0.6 printer's sheet).

Other publications related to the thesis topic:

4. Klepneva, K.V. Upravleniye kliyentooriyentirovannost'yu personala v mezhdunarodnoy kompanii [On-line Resource] / K.V. Klepneva // Sovremennyy menedzhment: problemy, gipotezy, issledovaniya: sb. nauch. tr.; pod nauch. red. I.O. Volkovoy; sost. Ye.V. Filipskaya; Nats. issled. un-t «Vysshaya shkola ekonomiki», f-t menedzhmenta. – Vyp. 6. – M.: Izd. dom Vysshey shkoly ekonomiki, 2015. – P. 200–207. – URL: <http://www.hse.ru/pubs/share/direct/document/156112654> (accessed on: 15.06.2018). – 0.45 printer's sheet
5. Klepneva, K.V. A Competency Model of Personnel Customer Orientation [On-line Resource] / K.V. Klepneva // GSOM Emerging Markets Conference: Business and Government Perspectives: Proceedings of International Conference, 15–17 Oct. 2015, St. Petersburg: St. Petersburg University Graduate School of Management. – P. 861–868. – URL:

http://www.gsom.spbu.ru/files/a_1/sbornik_emc_2015_2.pdf (accessed on: 15.06.2018). – 0.45 printer's sheet.

6. Kabalina V., Klepneva K. Managing Personnel Customer Orientation: Competency and Contextual Approaches. [On-line Resource] / GSOM Emerging Markets Conference: Business and Government Perspectives: Proceedings of International Conference, 5–7 Oct. 2017, St. Petersburg: St. Petersburg University Graduate School of Management. – P. 144 – 146. – URL: https://gsom.spbu.ru/files/emc_2017_book_of_abstracts_2.pdf (accessed on: 15.06.2018). – 0.2 printer's sheet (author's contribution – 0.1 printer's sheet).