

# Consequences of Employees' Collective Engagement in Knowledge-Based Service Firms

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## ABSTRACT

This study focuses on employees' collective engagement (CE) in knowledge-based service firms. CE is a climate-related construct that refers to how employees collectively express themselves psychically, cognitively, and emotionally in their work role. Moreover, the study explores the consequences of CE, specifically, these that are linked to relationship learning (RL) in intrafirm professional service teams (IPSTs), employee commitment (EC), firms' innovative capability (FIC), and customers' creative strategy generation (CCSG). The suggested conceptual model was tested in a survey. All survey participants were employed in consultancy firms and represent the population of employees within the domain of knowledge-based service firms. The findings give support to the conceptual model of consequences of CE. Specifically, the findings reveal that CE plays an imperative role especially for EC and RL in IPSTs. This study contributes to deepen and extend research on employee engagement, which is a relatively new concept. Specifically, the study contributes to reveal how CE is linked to several outcomes critical for service firms. No previous research has examined these aspects. Therefore, this unique study enriches our understanding of knowledge-based service firms with the finding that CE is a key factor to orchestrate successfully to trigger RL in IPSTs, strengthen EC, generate customers' creative strategies in their service offerings, and boost the knowledge-based service firms' overall capability to innovate.

## KEYWORDS

Collective Engagement, Relationship learning, Innovation, Knowledge-Based Service Firms.

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## 1. INTRODUCTION

*“The challenge today is not just retaining talented people, but fully engaging them, capturing their minds and hearts at each stage of their work lives”* (Kaye & Jordan-Evans 2003).

“Employee engagement has emerged as a critical driver of business success in today’s competitive marketplace” (Lockwood 2007: 2). For more than a decade, several academic, business executive, practitioner, and consultancy areas have highlighted employee engagement as a key factor for firms to achieve competitive advantages and above-normal performance. The value that engaged employees bring to firms is exemplified in the quote from Kaye & Jordan-Evans (2003) above that introduces this study. Another example that illustrates the importance and value of having an engaged workforce is the statement by Robinson et al. (2004), “an engaged employee is aware of business context, and works with colleagues to improve performance with the job for the benefit of the organization. The organization must work to nurture, maintain, and grow the engagement” (p. 9). Following these highly positive descriptions and recommendations, employee engagement is sometimes promoted as the “only solution” and the “holy grail” for firms to achieve competitive advantages, increase firm performance, and improve firm employees’ individual work performance. Interestingly, empirical research has indicated that employee engagement has positive consequences for firms, which implies that managers must handle employee engagement seriously as part of their leadership role. For example, Baumruk (2004) described a large-scale study using data from more than 4 million employees in 1,500 companies to compare employee engagement with business outcomes. The study identified a strong, positive relationship between the level of engagement and actual organizational performance (e.g., terms of sales growth and total shareholder return). Moreover, recent research has shown that differences in employee engagement explain individual work performance levels (c.f. Rich et al. 2010), and generally engagement has been positively associated with such as individual morale, task performance, extra-role performance, and organizational performance (Bailey et al. 2015). To emphasize and stress the importance of employee engagement, Baumruk (2004) called it the “missing

link” (p. 48) of factors for businesses to survive and be successful.

However, employee engagement is a relatively new concept with a short history (Rich et al. 2010). In terms of this history, Kim et al. (2009) observed that despite the growing interest in work engagement, employee engagement studies are limited. Clearly, there is need for more extensive research into several new areas and aspects related to this interesting and seemingly important construct. A review of the recent literature found that previous research on employee engagement limited its focus to one single level. For example, a recently published collection of recently published articles entitled *New Perspectives in Employee Engagement in Human Resources* (Emerald Gems 2015) reveals that research into employee engagement alone narrowed its focus to the individual level. As Barrick et al. (2015) noted recently, “virtually all prior research on engagement has been conducted at the individual level” (p. 111). Consequently, previous research has neglected to study employee engagement at a collective level, such as studying collective engagement (CE) at the organizational level. This narrow focus is surprising and paradoxical, considering that much of the organizational literature emphasizes or stresses the importance of the overall or collective culture and climate in organizations because of its criticality for diverse aspects related to firm outcomes (e.g., work performance, productivity, or service quality). Collective culture and climate are often mentioned as fundamental cornerstones for firms’ sustained competitive advantage. There is a need to study the concept of engagement at the collective organizational level. As Barrick et al. (2015) noted “practitioners have long asserted that organizational-level engagement may be one way organizations are able to impact performance at the firm level ... despite ... very little research examines engagement at the organization level” (p. 111). Similarly, Bailey et al. (2015) suggests that “future studies that investigate engagement at ... organizational [level] would shed additional light on the experience of engagement” (p. 16). Clearly, there is a need for more research into engagement at the collective organizational level.

The aim of this study is to study engagement at the collective organizational level. Based on limitations in previous research, this study has three unique contributions to the literature. First and foremost, the study opens up a relatively new “landscape” or perspective within

engagement research by studying the concept of engagement at the collective level. Second, the study examines the consequences of employees' CE on a variety of outcomes essential for service firms. Specifically, the study examines consequences of employees' CE at a (i) customer level, (ii) employee level, (iii) team level, and (iv) firms' overall level (see Figure 1 for more details). Third, this study linked CE to another relatively new concept, i.e., relationship learning (RL). In this study, the RL is related to teamwork in service teams in knowledge-based service firms, which we call intrafirm professional service teams (IPSTs). Specifically, IPSTs comprise highly experienced people or specialists from different knowledge-based disciplines working for the same service firm, but who belong to different departments cooperating in a so-called IPST to find solutions to complex issues and create value for their business clients (or customers) (Bele & Glasø 2010). Linking CE to RL in IPSTs contributes to our understanding of an often-used working methodology in today's business world because firms use teamwork to solve work tasks. Thus, this paper contributes to extend and deepen aspects related to engagement and learning theory. Moreover, this study simultaneously increases our insight into knowledge-based service firms where the human factor is of fundamental importance for success. This study contributes generally to a better understanding of service sector firms, which have increased their dominance in recent years (Furseth 2008; Skoglund 2013). Accordingly, this study contributes distinctively to both theory and practice.

With the abovementioned contribution in mind, this article first briefly explains the suggested conceptual model for this study. Next, a literature review and discussion elaborates on the content of different constructs, and the connections between constructs are hypothesized. The methodology is then described and followed by the empirical study findings. The article concludes with a discussion and suggestions for future research.

### **1.1 Conceptual Model of the Study**

The study aim is to examine the consequences of professional service employees' CE. Figure 1 shows the conceptual model of this study to facilitate and enhance the readability of the paper. As seen in Figure 1, there are several consequences related to employees' CE.

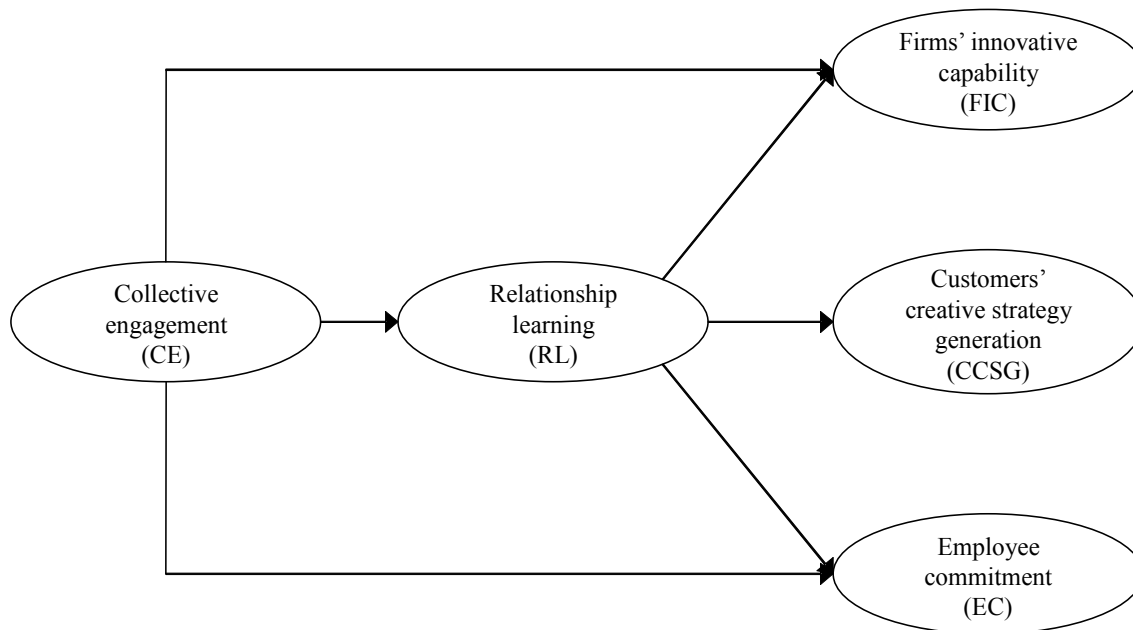


Figure 1. Consequences of Employees' Collective Engagement

Specifically, the study examines four levels of consequences of employees' CE: (i) customer level, (ii) employee level, (iii) team level, and (iv) overall firm level. The consequences related to the customer level are represented by customers' creative strategy generation (CCSG). The employee level is represented by employee commitment (EC). The team level is represented by RL in IPSTs. Finally, overall firm level is represented by FIC.

In the following, both the rationale and content of each conceptual construct in Figure 1 are clarified in more detail. The discussion begins by giving a brief overview of the historic background and development of the engagement construct in general and then more specifically how CE is defined in this study. The discussion then elaborates on each specific consequence suggested in Figure 1 and hypothesizes linkages.

## 2. LITERATURE REVIEW

### 2.1 Collective Engagement

The definition of engagement developed by Goffman (1961) and Kahn (1990) is the inspiration for the theoretical foundation and forms the basis of the content related to the concept

of CE. In his early work, Goffman (1961) used a theatrical metaphor to show his assumption that people demonstrate variations in their role performance depending on their level of attachment to their actual role. According to this idea, Goffman claimed that the level of role performance is a function of a continuum ranging from a person's attachment at one end to a person's detachment at the other end. Following this line of reasoning, in its purest form, this continuum implies two different types of outcomes or extremities on a scale labeled as role embracement at one extremity and role distance at the other extremity. First, if a person is exceptionally attached to their role, this attachment can be described as role embracement. This implies that there is little or minor separation between the person and the role he or she performs, which means that the person has fully absorbed their role (role embracement). Moreover, in this situation, the person does not imitate a given role because he or she is obligated to do so, similarly to an actor who undertakes a specific role in a play. In contrast to this, a person who is fully absorbed in their role (role embracement) may evaluate their role as being so important and so central to her or himself that it becomes a significant part of the person's self, identity, and life. Second, if a person is exceptionally detached from their role, this detachment can be described as role distance. This implies the person's resistance to their role, which is not considered a part of their self, identity, and life (role distance). As indicated above, naturally there are variations where persons could be located or categorized between the two extremities of role embracement and role distance. Consequently, Goffman (1961) implicitly indicated that there would be variation from one person to another person in his or her engagement or attachment to role performance.

Kahn (1990) developed the idea of personal engagement based on the work of Goffman (1961). Specifically, Kahn (1990) focused on how workers to a varying degree are psychologically present at work in their role performance. Based on the degree of "match" or congruity between work role and the self, there is a continuum from personal engagement on one end to personal disengagement on the other. When employees are engaged, they "express themselves psychically, cognitively and emotionally during role performance (Kahn 1990: 694). Kahn (1990) suggests that there are three conditions associated with either engagement or disengagement: (i) meaningfulness, (ii) safety, and (iii) availability. Accordingly, engagement is the function of the degree of presence of these three conditions, which means that

individuals are more engaged in situations when their work role offers a greater meaning. Workers have a feeling of psychological safety and are more psychologically available. Based on this reasoning, Kahn (1990) defines personal engagement as “harnessing of organization members selves to their work roles” (p. 694).

According to Slåtten & Mehmetoglu (2011), “there are a number of definitions of the construct of engagement in the literature” (p. 90). Bailey et al. (2015) reported the results of a wide-ranging review of the literature involving 214 studies (including conceptual, empirical, and meta-analysis articles) focusing on the concept of engagement. One aim of the review was to reveal how engagement has been studied and defined in the literature. The findings reveal that definitions of engagement can be divided into six distinct categories: (i) personal role engagement, (ii) work task or job engagement, (iii) multidimensional engagement, (iv) engagement as a composite attitudinal and behavioral construct, (v) engagement as management practice, and (vi) self-engagement with performance. Totally, 86% of studies involved in the literature review viewed engagement as “work engagement” (p. 5). Work engagement is associated with individual engagement and not engagement at the collective (climate) level. (For more insight into the content of these six definitions of engagement, see Bailey et al. (2015)).

As indicated in the Introduction, it seems that previous research has neglected to study engagement at the collective level. As Barrick et al. (2015) remarks, “the overwhelming majority of research [into the concept of engagement] has focused on individual-level engagement” (p. 112). None of the 214 studies included in Bailey et al.’s (2015) literature review studied or defined engagement at the collective level. Therefore, engagement at the collective level cannot be categorized into any of the six definition categories mentioned in Bailey et al. (2015). Consequently, CE is a new category and a new approach to the study and definition of engagement.

Naturally, the construct of engagement at the collective level could be defined and framed differently than that for engagement at the individual level. This difference implies a shift in focus and definition of the engagement construct from defining it as an evaluation of an individual or “own” personal engagement to defining it as an evaluation of the collective or “we” engagement. Following this line of reasoning, the level and boundary of evaluation and

perception of CE is the organization. Therefore, two aspects contribute to form the content of the definition of the CE construct. First, based on the former discussion, it is reasonable to assume that CE is a climate-related construct. According to Schneider (1990), climate embraces three aspects of organizations: (i) processes, (ii) practices, and (iii) behaviors. Climate often refers to a person's perceptions of the whole organization (Zhou & Shalley 2008). Thus, CE is a holistic perception of the organization's overall processes, practices, and behaviors. Secondly, perception of CE also includes the three aspects mentioned and rooted in Kahn's (1990) original work on personal engagement. According to Kahn (1990), engagement is about people expressing "themselves psychically, cognitively, and emotionally" (p. 694). CE is about individual perceptions of how "we" collectively, referring to employees generally in the organizations, involve our "*hands, head, and heart*" (Ashforth & Humphrey 1995: 110) in the working life of the organization. Consequently, CE is about work engagement on the collective (organizational) level and NOT to work engagement on the individual level as has been focused in previous research. CE embraces these three aspects. For the purpose of this study, CE refers to how an individual employee perceives how "we" (referring to employees generally in the organizations), collectively (i) are concerned about each other's needs and challenges (cognitive aspect), (ii) express cohesiveness (physical aspect), and (iii) feel that we constitute a completeness in our commonality (emotional aspect). Consequently, CE mirrors and forms how psychologically present firm members collectively are when performing their work role. It is reasonable to assume that from a management perspective, CE is normally appreciated, evaluated, and considered as something desirable or a "good" possession or resource for an organization to capitalize on to both create value and competitive advantage for the firm. Consultants and practitioners have long suggested or advocated CE as something that firms should strive to achieve. In their conclusion, Bailey et al. (2015) noted that "how engagement may manifest at ... organizational levels ... is important, as it connects with the broader debates around the practical utility of engagement" (p. 18). In a similar vein, Albdour & Altarawneh (2014) described "engagement [as a] ... critical organizational requirement" (p. 193). Therefore, there is need for more research on engagement at the collective organizational level (Bailey et al. 2015; Barrick et al. 2015) and specifically the



consequences of employees' CE.

The following sections elaborate on the rationale of the chosen consequences in Figure 1 in more detail. The discussion is divided into two sections based on Figure 1 and discusses the direct and indirect consequences of CE.

## **2.2 Direct Consequences of Collective Engagement**

*Employee commitment.* In this study, EC is suggested as a direct consequence of CE. EC is represented by the employee level in Figure 1. EC is often mentioned and considered as a critical factor related to retaining staff in organizations. According to Stanley et al. (2013) "commitment plays an important role in the turnover process" (p. 176). Moreover, commitment is also commonly used and linked, not only to the turnover process, but also to the actual turnover intention and behavior (Bentein et al. 2005). Consequently, it is valuable to link CE with EC, which can take many forms. Meyer & Allen (1991) suggest that there are three forms of commitment: (i) affective commitment, (ii) continuance commitment, and (iii) normative commitment. According to these authors, affective commitment refers to "employees' emotional attachment to, identification with, and involvement in the organization" (p. 67). Employees in this situation (when affective committed) continue their employment because they "*want to do so*" (p. 67). Moreover, continuance commitment is about the "awareness of the costs associated with leaving the organization." Employees who are committed to continuing their employment do so because they "*need to do so*" (p. 67). Finally, normative commitment "reflects a feeling of obligation to continue employment." Employees who are committed to maintain the normative situation continue their employment because they "*ought to remain with the organization*" (p. 67).

In this study, the suggested commitment types are considered as components of commitment, rather than as types that examine different forms of commitment separately. Following this line of reasoning, the three types of commitment described in this study are not perceived and studied as mutually exclusive, but are viewed holistically and as a global psychological state where different commitment components are interweaved. This view is in line with Stanley et al. (2013), who noted that "commitment is ... characterized by varying levels of all forms of commitment" (p. 176). Our perspective is also supported by the original work of

Meyer & Allen (1991), where the authors suggest, “it seems reasonable to expect that an employee can experience all three forms of commitment (e.g., affective, continuance, and normative) to varying degrees” (p. 68). No previous study has examined the linkage between CE and EC. Therefore, the study of this relationship is a unique contribution to the literature. In this study, CE is seen as a climate-related construct and concerns “those aspects of the social environment that are consciously perceived” (Denison 1996: 624). According to Slåtten et al. (2011), “the climate construct (parallel to its methodological metaphor) relies on the organizational member reporting how they experience the ‘climatic conditions’ in their organizations” (p. 273). In this study, the climatic conditions are about perceptions about how “we” in an organization express ourselves physically, cognitively, and emotionally during the performance of our work role, and as such they constitute what this study labels as CE. Naturally, there will be variations in individual employee perceptions about how psychologically present “we” are in this organization. This variation will vary between organizations forming a continuum from collective disengagement at one end to collective engagement on the other end. Naturally, depending on how the “we” CE climate condition is perceived and mentally placed on the “engagement continuum,” the condition positively or negatively triggers individual employees’ thoughts, emotions, and evaluations about continuing their employment at their organization. Following this reasoning, collective engagement is related to EC by forming and reflecting perceptions about to what “extent an employee [are] fond of the organization, [see] their future tied to [this] organization, and [are] willing to make personal sacrifices for [this] business” (Jaworski & Kohli 1993: 60). Consequently, it is reasonable to assume that the more favorably an individual perceives the level of collective engagement, the more committed the individual is towards the entire organization. Although no previous research has studied the relationship between CE and EC, previous research has revealed a positive relationship between employee engagement at the individual level and organizational commitment (c.f. Albdour & Altarawneh 2014; Simsons & Buitendach 2013). Based on this discussion, it is assumed that there is a positive relationship between CE and EC, and we propose our first hypothesis as follows:

*H1: Collective engagement is positively related to employee commitment.*

*Firms' innovative capability.* This study suggests FIC as a direct consequence of CE. FIC represents the overall firm level in Figure 1. Innovation is widely recognized as of fundamental or essential importance for business within the service and manufacturing industries (Goktan & Miles 2011). This study limits its focus to study innovation within service industries. There are two reasons for this choice. First, according to Lin (2013), “service innovation is ... a new emerging research field” (p. 1599). Secondly, according to Snyder et al. (2016), “service innovation operates as the engine of economic growth and pervades all service sectors” (p. 2401). Accordingly, this study contributes to this imperative and growing service research area. Generally, innovation can take many forms. In his original work, Schumpeter (1934) suggests four types of innovation: (i) product, (ii) process, (iii) organizational, and (iv) marketing innovations. Much of the previous research within service innovation was based on or inspired by Schumpeter's work (now called the Schumpeterian view of service innovation) and focused on one or more of the types of innovation mentioned by Schumpeter. The same focus is applied in this study. Three aspects shape our perspective and the content of service innovation in this study. First, based on Schumpeter (1934), this study focuses on product innovation and the type or category of innovation. Like Schumpeter (1934), we distinguish between invention and (product) innovation, although it is assumed that they are closely connected. Product innovation is the outcome or result of a former invention process (e.g., creative process) and is linked to the actual and purposive commercialization of the product in a market. However, it is important to notice that product innovation in this study does not refer to any tangible or physical products. Considering this study's focus on knowledge-based service industries, “product” innovation refers to intangible service products that include innovative services offering solutions to problems and/or creating market value, which is therefore called service innovation. Second, service innovation in a market refers to and includes two market-related dimensions or domains: (i) new service innovations for customers and clients in an existing market and (ii) new service innovations for customers and clients in a new market. These two dimensions or domains of service innovations in a market correspond to the notion of exploitative and exploratory innovations. Specifically,

“exploitative innovation ... builds on existing knowledge resources and ... services for current markets. While exploratory innovation pursues new knowledge and ... services for emerging customers and markets” (Jansen et al. 2009: 5). In this study, the two innovation dimensions are combined into one component when studying the concept of service innovation. Third, according to Schumpeter (1934), economic development is driven by innovation. Following this finding, business firms continuously seek (or should try) to introduce innovations into markets (e.g., either into an existing or new market). It is reasonable to assume that the innovation construct is implicitly not meant to be a static construct, but an inherently dynamic construct. Interestingly, Schumpeter (1934) defines innovations as the “carrying out of new combinations” (p. 66). One way to understand and interpret this definition is that firms should strive to be dynamic, which means that they have the capability to introduce innovations into the market continuously. This idea is in line with Lawson & Samson (2001), who noted that “innovation capability is ... the ability to continuously transform knowledge and ideas into new products, processes and systems for the benefit of the firm” (p. 384). This capability aspect is emphasized especially when focusing on service innovation in knowledge-based service firms. According to Snyder et al. (2016), “in today’s business landscape, service firms must continuously renew their ... offerings to remain competitive” (p. 2401). Based on the aforementioned discussion and for the purpose of this study, a firm’s service innovation capability reflects a knowledge-based firm’s capability to implement service offerings in the market that embrace both exploratory and exploitative service innovations. As mentioned previously, the two dimensions of exploratory and exploitative innovations constitute one single component of service innovation.

This study suggests that FIC is a consequence of CE. No previous study has examined this linkage. The logic of this linkage is based on the “nature” of the engagement construct. As mentioned previously, CE is about how psychologically present “we” are in an organization. Moreover, CE concerns cognitively, physically, and emotionally positive expressions when members of an organization perform their work role. This implicitly signals the climate of a positive state of mind for “us” in the organization. Schaufeli et al. (2002) supports this description of engagement “as a positive ... state of mind” (p. 74). Similarly, Slåtten &

Mehmetoglu (2011) suggest that engaged employees have higher levels of energy and are enthusiastic about their work (p. 95). Clearly, this aspect implies that people experience positive emotions in a climate of engagement. Consequently, CE is associated implicitly with positive emotions or feelings. This positive state of mind is what drives a firm's service innovation capability through two closely interrelated mechanisms: (i) thoughts and (ii) actions. First, thoughts are related to a person's cognitive activity, mental information processing, and involvement. Second, actions describe a person's actual behavior. Individuals' positive (and of course negative) state of mind is able to trigger both their cognitions (thoughts) and behavior (actions). For example, positive emotions are able to trigger a person's ability to think creatively, which is a necessary input or ingredient for innovation. Van de Ven (1996) stressed the importance of creativity as an input for innovation by stating that the "foundation of innovative ideas is creativity" (p. 592). Slåtten (2011) examined the linkage between emotions and the observable manifestation of creativity, which is innovation. In this study, Slåtten (2011) found that joy (as a discrete, positive emotion) was significantly positively related to innovative behavior. Similarly, Wright (2006) suggested that a positive state (e.g., joy) is able to stimulate an individual's thoughts and actions. This reasoning is also a central hypothesis in Fredrickson's (2001) broaden-and-build theory of positive emotions. The theory states that "positive emotions broaden the scopes of attention, cognition, and action, widening the array of percepts, thoughts, and actions presently in mind" (Fredrickson & Branigan 2005: 2). Clearly, positive emotions that comprise part of the "nature" of engagement should be associated with innovation. Although previous research has not studied the relationship between CE and FIC, previous research has revealed a positive relationship between engagement at an individual level and innovation and innovative behavior (c.f. Bhatnagar 2012; Slåtten & Mehmetoglu 2011). Following this line of reasoning, it is reasonable to assume that the "nature" inherent in CE is related to FIC. Based on this discussion, it is assumed that there is a positive relationship between CE and FIC. We propose our second hypothesis as follows:

*H2: Collective engagement is positively related to firms' innovative capability.*

*Relationship learning.* In this study, RL is suggested as a direct consequence of CE. RL represents the team level in Figure 1. Learning in firms is important in many ways. For example, Ireland & Hitt (1999) stress that firms must have “the ability to build, share and leverage knowledge” (p. 44). The process of building, sharing, and leveraging knowledge by firms implies both the need and importance for firms to have a learning capability. Thus, Vera & Crossan (2004) state that “learning has been proposed as ... the only sustainable competitive advantage of the future.” For decades, learning has been emphasized as central or essential for firms (c.f. Barney 1991; Slater & Narver 1995; Slåtten 2014; Vargo & Lusch 2004). Consequently, it is valuable to include and examine the link to the concept of learning between CEs. Learning can take many forms. It seems that two aspects or types of learning have dominated past research: (i) organizational learning or (ii) individual learning (for some examples, see Hamel 1991; Johnson & Sohi 2003; Lukas et al. 1996; Sinkula 1994; Slåtten 2014; Vera & Crossan 2004). Selnes & Sallis (2003) were among the first to introduce a third aspect or type of learning, which is called RL. This third type of learning, RL, is a relatively new learning concept compared with the aforementioned organizational and individual learning. RL originally focused on how information was shared, interpreted, and integrated in partnership between buyers and sellers in a buyer-seller relationship (Selnes & Sallis 2003).

Selnes & Sallis (2003) gave the theoretical basis for the definition of RL in this study. However, the concept of RL originally was studied from an interfirm perspective (in reference to the relationship between a buyer and seller). In contrast, the concept of RL in this study is explored from an intrafirm perspective. RL in an intrafirm perspective is about people employed in the same company, but who belong to different departments, who collaborate in so-called IPSTs to solve problems and create value for their business clients or customers. An IPST is a well-known arrangement when working to find solutions for complex issues (Bele & Glasø 2010). An IPST can be described as a sort of “quasi-organization [that] reflects a community of learning” (Selnes & Sallis 2003: 83) directed toward a specific goal(s) for achievement (e.g., finding solutions to a problem for a client or customer). RL in IPSTs simply means that team members are interdependent on each other’s specialized knowledge and experience to solve task or assignments for external clients or customers. Therefore, solutions are the result of a combination of the knowledge and experiences of

several team members (Bele & Glasø 2010) and is not based on a single team member. RL implies learning both *from* and *with* someone. As such, RL constitutes an iterative transfer process where individual members' specialized knowledge, experiences, and reflections on focal questions and issues are shared among IPST members, which molds, shapes, and reveals new knowledge. Consequently, RL in IPSTs concerns collaborative learning where the (new) knowledge can be considered as a "social construct, facilitated by peer interaction, evaluation and cooperation" (Hiltz 1998: 4). Thus, an IPST can be described as a constellation of people "where talent, energy and skills are integrated into a team and this collective capacity ... [is] ... greater than the sum of individual contributions" (Chen 2007: 239). Based on the previous discussion and inspired by the work of Selnes & Sallis (2003), this study defines RL in IPSTs as a jointly iterative activity in which team members share information that is then jointly interpreted and integrated into a shared team-specific memory, which in turn changes the range or likelihood of potential team-specific behavior. The last part of this definition, "team-specific behavior," refers to the outcome or "product" of RL in IPSTs; i.e., a specific solution and value proposition to a principal or client. Although IPSTs can be described as a community or quasi-organization with its own working environment (i.e., the team), it is still a part of a larger community and the organization in its totality. Therefore, IPSTs both affect and are affected by the level of CE. There are good reasons to believe that CE is able to positively increase RL in IPSTs based on our previous discussion showing the explicit and implicit content or "nature" of CE, which is characterized by people who: (i) are psychologically present during their performance of their work role (Kahn 1990) and (ii) have a positive state of mind (Schaufeli et al. 2002) that (iii) includes positive emotions (Fredrickson & Branigan 2005). Previous research on engagement in general supports this argument. In their comprehensive review of 214 research articles, Bailey et al. (2015) found that employee engagement evidently "was [the] most robust [outcome factor] in relation to task performance" (p. 1). Because RL is a necessary "task" in an IPST (see the discussion above), it is assumed that CE is able to affect this (learning) task performance positively. Consequently, a positive relationship between CE and RL is assumed, and our third hypothesis is proposed as follows:

*H3: Collective engagement is positively related to relationship learning.*



### 2.3 Direct Consequences of Collective Engagement

Figure 1 suggests that RL is a direct consequence of CE. In addition, Figure 1 suggests that RL also has (i) an alternative “route” to two of the same variables that were proposed as a direct consequence of CE (i.e., FIC and EC) in the previous discussion and furthermore has (ii) a single “one-way-route” to the CCSG variable. Consequently, RL is assumed to have a central role. The main reason for this is rooted our focus on knowledge-based service firms that are represented by employees working in consultancy firms. Liedtka et al. (1997) categorized this type of firm as belonging to “professional service firms” (p. 47). Moreover, Liedtka et al. (2007) state that “nowhere is the ... value of learning more evident than in professional services” (p. 48). Because of the (i) criticality of learning, particularly for professional service firms and (ii) the way service firms often perform their work using RL in IPSTs, we include three consequences of RL as shown in Figure 1.

*Customers’ creative strategy generation and firms’ innovation capability.* CCSG and FIC represent two different levels of consequences related to RL in IPSTs: (i) customer level and (ii) overall firm level. However, an outcome of this learning process is the identification of the common element of CCSG and FIC, which is that they are both rooted in RL in IPSTs. As such, this constitutes a value proposition for RL in IPSTs. However, this value proposition is directed at two separate targets: (i) “*other*” (i.e., a firm’s clients or customers) and (ii) “*ourselves*” (i.e., the service firm itself). In this study, CCSG is defined to match one of the core domains of service offerings common to the consultancy firms included in this study; i.e., service firms support the development of their clients’ or customers’ future strategy. Based on this, CCSG is defined as the IPSTs’ generation of creative and innovative ideas related to strategic options proposed for service firms’ clients or customers. Considering that IPSTs are a collection of people with differentiated and specialized knowledge, this implicitly means a spectrum of options for the “correct” strategic roadmap to recommend to specific clients. Although no previous study has focused on the linkage between RL in IPSTs and CCSG, previous research has generally shown a positive relationship between learning and innovation (c.f. Jean et al. 2010). Moreover, support for this argument can also be found in research in decision processes (Eisenhardt 1989), which suggests that comprehensiveness is positively associated with strategic creativity (Menon et al. 1999). Consequently, it is reasonable to



assume a positive linkage between RL and CCSG. This leads to the fourth hypothesis of this study:

*H4: Relationship learning is positively related to customers' creative strategy generation.*

Moreover, there are reasons to assume that RL also has positive consequences not only for “other” (e.g., customer level or CCSG), but also can have positive consequences for “ourselves” (e.g., service overall firm level or FIC). As mentioned in the previous discussion, in this study, FIC reflect knowledge-based firms' capability to implement service offerings in the market that embraces both exploratory and exploitative service innovations. Moreover, RL is about learning *from* and *with* someone, and molds, shapes, and reveals new knowledge from the IPST members. It is reasonable to assume that IPST processes will generate several concrete innovative ideas that can be considered as useful and valuable for service firms. These innovative ideas can be considered valuable for the improvement of service offerings to their present customer segments (exploitative innovations) and/or opens up service opportunities for potentially new customer segments (exploratory innovation). Thus, these “residual ideas” produced by RL in IPSTs are undoubtedly not worthless, but can be important input ingredients and contribute to make the firms more attractive in the market and increase their competitive advantage. Consequently, it is reasonable to assume a positive spin-off effect of RL in IPSTs on FIC, which leads to the fifth hypothesis of this study:

*H5: Relationship learning is positively related to firms' innovative capability.*

*Employee commitment.* As mentioned previously, EC represents consequences related to the employee level. This study links RL in IPSTs to organizational commitment. To the best of our knowledge, no previous study has examined this linkage. However, the literature indicates that there is a relationship. For example, according to Joo (2010), “organizational learning culture is one of the key contextual components to enhance organizational commitment” (p. 72). While this study does not consider learning at an organizational level, it is possible to assume that much of the same mechanisms are present in RL in IPSTs, which is linked to organizational commitment. An IPST can be considered as what Selnes & Sallis

(2003) describe as a “quasi-organization ... a community of learning” (p. 83). Moreover, it is notable that there are “expectations” and concrete goals directed towards learning among firm members participating in an IPST. Following this line of reasoning, Joo (2010) states that “the more employees perceive ... continuous learning ... team learning ... the higher they are ... attached to their organization” (p. 74). This is expected to be a positive link between RL in IPSTs and organizational commitment. Specifically, the more learning that takes place in IPSTs, the more it positively contributes to organizational commitment. This finding leads to our final hypothesis:

*H6: Relationship learning is positively related to employee commitment.*

### **3. METHODOLOGY**

#### **3.1 Sample**

This study focuses on the CE of professional service employees. The work by Liedtka et al. (1997) was used as a guide to select an appropriate sample; i.e., the population of professional service employees. Liedtka et al. (1997) listed several examples of professional service firms, including lawyers, accountants, doctors, consultants, and investment bankers. Consultancy service firms were selected for the sample following discussions and workshops, including academic experts. The appropriate consultancy firms relevant to this study were contacted. Each person we contacted was provided with a detailed explanation about the aim of the study, study process details, anonymity of respondents, how the questionnaire would be distributed within the firm, and so on. Respondents were also asked to contribute by providing feedback when pretesting the questionnaire.

#### **3.2 Questionnaire and Data Collection**

Table 1 shows the items included in the final questionnaire related to each of the different categories (CE, RL, FIC, CCSG, and EC). The subjects responded to a seven-point Likert scale for all items, from (1) strongly disagree to (7) strongly agree. Selnes & Sallis (2003) inspired the RL items (see Table 1). The items used to capture the CE elements were deve-

veloped for this study. The items used to capture the FIC elements were inspired by Jansen et al. (2009) and adapted for this study. The items used to capture the CCSG elements were motivated by Menon et al. (1999), but were modified and adapted for this study. The items included in EC were inspired by Jaworski & Kohli (1993) and modified for this study. The final questionnaire was distributed to employees using QuestBack. All employees who were invited to participate in the survey were clearly informed about the aim and purpose of the study, the anonymity of participants, expected time to fill out questionnaire, and given a telephone number to contact the researchers if they had any questions regarding any aspects of the survey.

## **4. FINDINGS**

### **4.1 Sample Characteristics and Descriptive Statistics**

In total, 210 usable answers were received; a response rate of 31.8%. The average age of participants in the sample was 37 years. Participant ages ranged from 20 years (youngest) to 50 years (oldest). About 70% of participants in the study were men, which reflects the male-dominated nature of the consulting industry. On average, respondents in the sample had been employed in the same consultancy firm for about six years. Moreover, on average, respondents had been working in their present department for approximately five years. Close to 95% of the total sample were employed fulltime.

We used partial least squares path modeling (PLS-PM) as our data analysis procedure, which was implemented using the package “*plspm*” in R (for details on PLS-PM, see Hair et al. 2014). In the first step, we assessed the reliability and validity of the unobserved measurement model. In step two, we assessed the structural model as outlined in Figure 1. The measurement model, which contained only reflective unobserved variables, was assessed by looking at convergent validity (the size of the individual items' loadings, average variance extracted [AVE], and composite reliabilities) and discriminant validity.

### **4.2 Measurement Model**

As shown in Table 1, all of the loadings were above 0.7 (except one loading at 0.66), as

suggested as a rule of thumb by Hair et al. (2014). The AVE values exceeded the recommended level of 0.5, and the composite reliability values (i.e., Dillon-Goldstein's rho values) were above the suggested rule of thumb of 0.7. These results indicate convergent validity. The examination of cross-loadings (the numbers are not reported here) clearly indicated discriminant validity.

### 4.3 Structural Model

Figure 2 shows the results from the structural model tests of the different hypotheses. The results found support for all hypotheses (H1-H6). When comparing the standardized  $\beta$ -coefficients for all factors, we observe that CE has the strongest direct effect on EC, with a  $\beta$ -coefficient of 0.566, second strongest on RL, and weakest on FIC. The direct effect of RL is strongest on FIC ( $\beta = 0.653$ ), second strongest on CCSG ( $\beta = 0.407$ ), and weakest on EC ( $\beta = 0.186$ ).

In our model, RL mediates the relationship between CE and FIC. The indirect effect between CE and FIC is 0.33 ( $0.653 \times 0.505$ ) and the total effect (direct effect + indirect effect) between CE and FIC is 0.505 ( $0.175 + 0.33$ ). The variance accounted for (VAF) determines the size of the indirect effect in relation to the total effect, as is in this case 0.65 ( $0.33 \div 0.505$ ). Following Hair et al.'s (2014) rule of thumb, a situation in which the VAF is larger than 0.20 and less than 0.80 can be characterized as partial mediation, as is the case for RL in the relationship between CE and FIC. The mediator effect of RL on the relationship between CE and EC is weaker. The indirect effect between CE and EC is 0.094 ( $0.566 \times 0.186$ ) and the total effect is 0.660. The VAF is then 0.14 ( $0.094 \div 0.660$ ), which implies that almost no mediation effect of RL takes place (Hair et al. 2014).

Results of the structural model are shown in Figure 2. Standardized coefficients. CE = collective engagement, RL = relationship learning, FIC = firms' innovative capability, CCSG = customers' creative strategy generation, and EC = employee commitment.  $R^2$  is amount of explained variance of endogenous latent variables.

(For information about relationships between  $EC \rightarrow CCSG$  and  $CCSG \rightarrow FIG$  in Figure 2, see separate note at the end of the paper).

Table 1. Measurement Model of Results

Construct Indicator	Loadings	Dillon-Goldstein's rho	AVE
Collective engagement <ul style="list-style-type: none"> <li>We are concerned about each other's needs and challenges.</li> <li>A team spirit pervades all ranks in this department.</li> <li>We feel that "we" in common are complete.</li> </ul>	0.905 0.932 0.921	0.942	0.845
Relationship learning <ul style="list-style-type: none"> <li>The departments represented in the team exchange information related to successful and unsuccessful experiences with products/ services.</li> <li>The departments represented in the team exchange information related to changes in end-user needs, preferences, and behavior.</li> <li>The departments represented in the team exchange information as soon as possible if any unexpected problems occur.</li> <li>The departments represented in the team frequently evaluate and, if required, adjust routines in order-delivery processes.</li> <li>The departments represented in the team frequently adjust their common understanding of end-user needs, preferences, and behavior.</li> <li>The team atmosphere stimulates discussion, which encompasses a variety of opinions and thoughts.</li> <li>We have a great deal of face-to-face communication in our team.</li> <li>In our team, we frequently evaluate and, if required, update information that is stored in our electronic databases.</li> </ul>	0.832 0.833 0.788 0.835 0.835 0.771 0.731 0.663	0.929	0.621
Firms' innovative capability <ul style="list-style-type: none"> <li>Our organization accepts demands that go beyond existing products and services.</li> <li>We invent new products and services.</li> <li>We regularly search for and approach new clients in new markets.</li> <li>We frequently refine the provision of existing products and services.</li> <li>Our organization expands services for existing clients.</li> </ul>	0.764 0.828 0.798 0.851 0.842	0.910	0.668
Customers' creative strategy generation <ul style="list-style-type: none"> <li>The chosen strategy was different from the strategy developed in the past.</li> <li>The chosen strategy was innovative.</li> </ul>	0.831 0.832	0.817	0.691
Employee commitment <ul style="list-style-type: none"> <li>I feel that my future is intimately linked to this organization/ department.</li> <li>In general, I am proud to work for this organization/department.</li> <li>I often go above and beyond what is expected of me to ensure the well-being of this organization/department.</li> </ul>	0.823 0.912 0.825	0.890	0.730

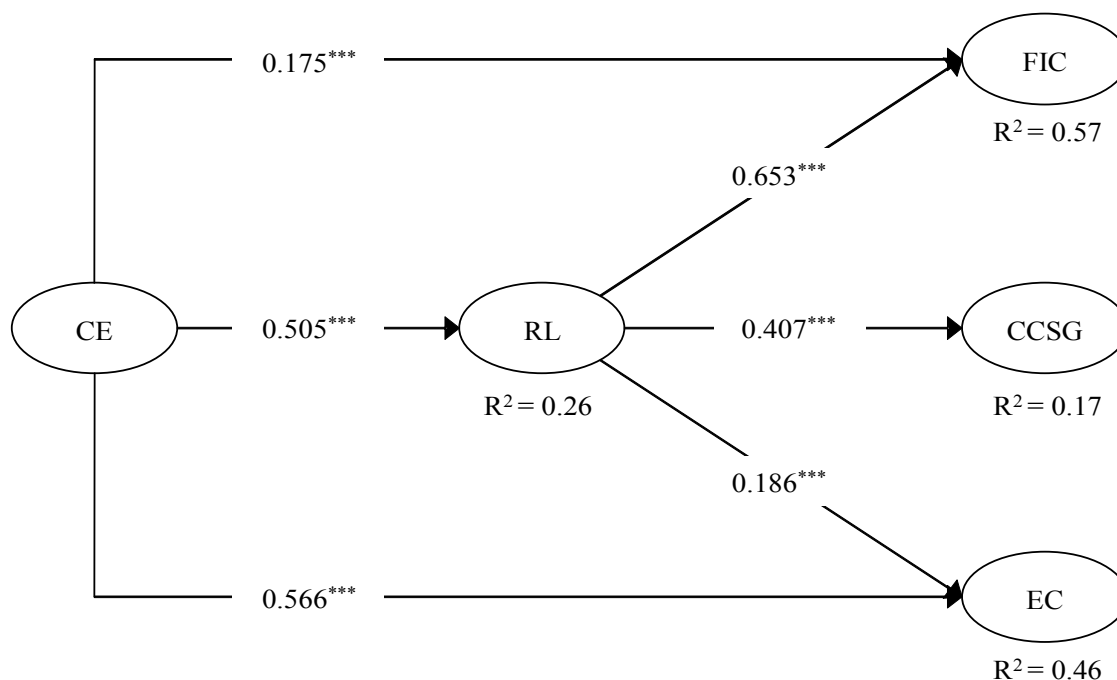


Figure 2. Results of the Structural Model

## 5. DISCUSSION AND IMPLICATIONS FOR MANAGEMENT

The aim of this paper is to enhance our understanding of CE. In this study, CE describes how psychologically present employees are and refer to how they collectively express themselves psychically, cognitively, and emotionally in their work role (Kahn 1990). Moreover, CE is assumed to be a possession or a resource that knowledge-based service firms can benefit from because it is expected to have several positive consequences at a variety of levels for the service firm. This study was performed partly in response to the call for future research mentioned by Bailey et al. (2015), who noted that “studies ... [at the] organizational [level] would shed additional light on the experience of engagement” (p. 16). This study both deepens and extends our understanding of CE. To authors knowledge previous research has neglected to study the effect of employee engagement at a collective level, referring to the effect-linkages included in this study. Thus, this study has four unique and separate contributions to the literature. First, and most importantly, it extends the research on the concept of engagement, which has been conducted in prior research most often at the individual level (Barrick et al. 2015). Studying engagement at the collective level is a com-

pletely new perspective within engagement research. Specifically, this study contributes a new shift in focus from individual or “own” personal engagement to a collective or “we” engagement. Consequently, the study contributes significantly to engagement theory by broadening the concept to include the “we” or collective aspect of engagement. Second, this study also deepens our understanding of the potential consequences of CE. In total, the study provides insight into four different levels of consequences: (i) customer level, (ii) employee level, (iii) team level, and (iv) overall firm level. Third, this study also contributes to learning theory. Specifically, the study broadens the RL concept, which has most often been conducted from an interfirm perspective in prior research. In contrast, this study extends previous research by focusing on RL from an intrafirm perspective. As such, the study broadens the RL concept into a completely new domain. Furthermore, by studying RL from this new perspective and examining both the direct and indirect consequences of CE, the study clearly deepens our knowledge about the role of RL. Fourth, this study increases our knowledge and insight into the role and impact of professional service employees' CE in so-called knowledge-based service firms where human capital is often declared fundamentally important.

As visualized in Figure 2, CE is suggested to have several direct and indirect consequences. No previous research has examined these relationships, which makes this study unique. As mentioned in previous discussion all consequences of CE were statistically supported. Clearly, a practical implication for managers is to take collective engagement in their firm seriously. Clearly, it is a “driver of business success” (Lockwood 2007: 2). Accordingly, managers should take notice of Robinson et al. (2004) statement: “organization must work to nurture, maintain and grow the engagement” (p. 9). A fundamental step for managers is to continuously “control” the level of firms' employees' collective engagement and consider whether level of engagement is acceptable or within the zone of tolerance. Following this line of reasoning it is necessary and critical for managers to obtain feedback from employees about how they experience and evaluates the level of collective engagement (“climate”) in their firm. Manager could use several types of data collection tools helping them to acquire information that help them to get insight about firms employees collective engagement. For example, managers could use formal surveys to collect information about employees perception of collective engagement. On the other hand, such infor-

mation could also be collected more informally in managers day-to-day dialog and communication with employees or by performing specific goal-directed workshops, focus groups and/or seminars focusing on the theme: “how to improve employees collective engagement.” By analyzing and interpret the collected information managers can strengthen or redefine firms organizational overall “climate strategies” followed by concrete practical actions (e.g. managerial actions) for improvement of employees collective engagement. This study shows that managers who are aware about employees collective engagement is able to achieve many positive consequences (as shown in Figure 2) which all have in common that they are more or less related to aspects of firms competitive advantage.

This study show that CE has positive consequences for EC. This finding underscore the importance of building a CE climate because it is able to build bonds between individuals and with their organization, such that “an individual identifies with an organization” (Joo 2010: 73). When comparing the three direct consequences it shows that CE is actually the most influential driver for EC. Considering all of the expenditures associated with employees leaving their job, hiring new people, and the imperative role of commitment in the turnover process (Stanley et al. 2013), this finding signifies the necessity for managers to consider CE as part of their leadership role. Specifically, based on the definition of CE in this study, managers should focus on all three aspects that CE embraces (that is (i) cognitive, (ii) physical and (iii) emotional) and how these aspects of “we” are summed and capable to create a psychological contract of employee organizational commitment. Undoubtedly, CE is one critical issue (among other) that managers should take into consideration in their effort to retain employees and achieve employees that are committed to the organization. Consequently, CE should be considered as a “frozen potential” that managers can capitalize on.

Furthermore, the positive impact CE on FIC emphasizes the importance of psychological presence for employees to implement service offerings in the market that are related and embrace both exploratory and exploitative service innovations. This finding indicates that CE is a “positive state of mind” (Schaufeli et al. 2002) associated with positive emotions that affect thoughts and actions, which are explicitly manifested in FIC. However, while the relationship between CE and FIC were lowest of all the three direct consequences, it shows that managers should remember that CE contributes positively to a firm’s overall perfor-



mance as represented by FIC.

This study shows that CE and RL are positively related. In comparison, the linkages between CE and RL were the second most influential of all three direct consequences of CE. Moreover, CE explains a substantial percentage of all variance in RL. Liedtka et al. (1997) states that “to learn ... [will be] the foundation for competitive success” (p. 47). In this study, RL was studied from an intrafirm perspective. Specifically, RL from an intrafirm perspective refers to the internal teamwork in knowledge-based service firms, which comprises highly experienced people working for different departments in the same firm that cooperate in a so-called IPST. The findings in this study indicate that knowledge-based service firms in which employees work under a CE climate are prone to learn more when collaborating in IPSTs. Again, similar to the aforementioned two consequences, the fundamental importance for managers to take initiative to build and maintain a CE in the organization is stressed because it positively increases and boosts knowledge-based service firms’ “capability to learn” (Liedtka et al. 1997: 47). Clearly, managers must recognize that CE lays is a one critical foundation for firms’ competitive success.

RL has a central role as visualized in Figure 1. RL is particularly critical in professional service firms. According to Liedtka et al. (1997), “the ... value of learning [is] ... more evident than in professional services” (p. 48). Furthermore, RL in IPSTs is an often-used working method. This study examined three indirect consequences of CE through RL on FIC, CCSG, and EC. As shown in Figure 2, all three consequences were supported statistically. No previous research has examined these relationships previously, which makes a unique contribution that have important practical implications for managers.

In this study, CCSG concerns the IPSTs’ service offerings. Specifically, CCSG was limited to match (only) one core domain of IPSTs’ service offerings, which is to support and develop clients’ or customers’ future strategy. The linkages between RL and CCSG were the second most influential. Clearly, RL is able to trigger service provision as represented by CCSG. Although no previous studies have examined exact these relationships, the findings are consistent with literature on the links between learning and creativity (c.f. Slåtten 2014) and generally consistent with the literature on the role of frontline employees’ generation of ideas

for customer service improvement (c.f. Lages & Piercy 2012). The findings show that RL in IPSTs is able to “tap into the creative potential of their teams” (Barczak et al. 2010: 332). Because teamwork is an often-used method in knowledge-based service firms, it is essential for managers to adopt the “team-service-profits” slogan, which expresses that the outcome value for service offerings is a function of the interdependencies between all IPST members. It is important for managers to keep in mind that it is the IPST that represents the frontline of the firm, which means that the IPST represents the services, marketer, brand, and organization in the eyes of the firm’s clients or customers. While RL is able to trigger service provision to “others” (i.e., a firm’s clients or customers), it simultaneously has positive consequences for “ourselves” (i.e., overall firm level).

The linkages between RL and FIC were the most influential of all three indirect consequences. As mentioned previously, RL can be characterized as a partial mediator between CE and FIC, which indicates that there are two different “routes” to increase FIC. As shown in Figure 2, the sum of the direct and indirect consequences of CE through RL explains a substantial of all variance in FIC. These results suggest that RL in IPSTs is an essential input to develop new or creative ideas necessary for FIC and to implement service offerings into the market that embraces both exploratory and exploitative service innovation. CE has an important role because it relates to both RL and FIC and enables workers to tap into their creativity or increase their creative thinking skills, which is a necessary ingredient for innovation. Barczak et al. (2010) described the importance of this role of CE: “The future success of many businesses relies on their ability to tap into the creative potential” (p. 332). The findings are generally supported in previous research identifying a link between individual frontline employees’ generation of ideas and service improvement (c.f. Lages & Piercy 2012) or using service team employees to generate new ideas (c.f. Heracleous et al. 2004). Accordingly, our findings agree with Lovelock & Wirtz’s (2007) statement that it is essential to include “people [e.g., IPSTs] who are close to the actual processes” (p. 345). Clearly, there are good reasons to assume that professional service employees’ CE is directly and indirectly able to boost FIC.

Finally, the linkage between RL and EC had the lowest impact of all three indirect consequences. However, the links were significant, which indicates that RL positively contributes

to organizational EC. Figure 1 suggests that the relationship between CE and EC is mediated through RL. As mentioned previously, the results showed that there was almost no mediating effect of RL. This indicates that there are two distinct and separate “routes” to EC: one direct consequence from CE and one direct consequence from RL. According to Figure 2, the sum of these routes explains almost half of all variance in EC, which can be described as substantial. As mentioned in the previous discussion, managers should be aware that CE has an essential role in enabling EC. Nevertheless, although there are no mediating effects from CE on EC using RL, the findings show that RL in itself positively contributes to EC. Consequently, the findings support that the more “team learning ... the higher ... [employees] are attached to their organization” (Joo 2010: 74). One strong practical managerial implication of this finding is the importance of having a “support leadership ... centered on learning” (Montes et al. 2005: 1161) that positively “influences the climate for learning” (Marsick 2009: 273).

## **6. LIMITATIONS AND FURTHER RESEARCH**

This paper contributes to our understanding of the consequences of professional service employees' CE, which is a relatively new aspect within engagement theory. Thus, this paper has four unique and separate contributions. Clearly, several areas related to collective engagement could (and should) be focused on in future research. We suggest three areas of the CE domain that could be included in future research.

First, future research on CE should identify how and in what way organizational culture and climate enables and/or hinders employees' CE. For example, future research could focus on how trust is related to employees' CE. Trust could be studied as a holistic construct. Another way to study trust is to examine one or several dimensions of trust. For example, future research could study the impact of types of trust, such as affective and cognitive trust. Dividing trust into its different dimensions would contribute to revealing which types of trust best enables employees' CE. Previous research has revealed that affective trust is a promising factor for collaborative culture (c.f. Barczak et al. 2010). Moreover, other culture and climate factors could also be considered. Future research could include the ten team climate dimensions suggested by Ekvall (1996), including humor, freedom, playfulness, and idea support.

Previous research shows that humor is an important aspect of a working climate. For example, Slåtten et al. (2011) found that a work climate that encourages humor is an important driver of employee creativity. They concluded, “an important managerial implication from this study is to take humor seriously” (p. 279). Consequently, we emphasize that including more aspects of organizational climate (e.g., humor) in future research will contribute to providing a more nuanced answer about the optimal organizational climate to enable employees’ CE and consequently give important and practical suggestions for how to orchestrate an organizational culture and climate to enable employees’ CE.

Second, this study limited its focus to study the effects of employees’ CE exclusively. Future research should also strive to explore the enabling factors for employees’ CE. Specifically, future research could look into the individual levels of factors such as these aspects related to firms’ employees, leadership, or management, and how these factors enable CE. Aspects related to firms’ employees, such as employees’ emotions (Slåtten 2009; Slåtten 2011) and empowering leadership (Slåtten et al. 2011) are two examples that could be included as enabling factors for CE. Moreover, future research could include leadership styles such as transformational leadership (TFL) (c.f. Slåtten & Mehmetoglu 2015), transactional leadership (TRL), servant leadership, authentic leadership and/or empowering leadership, and their respective abilities to enable employees’ CE. Two or more leadership styles and their impacts could be examined in future research to determine, e.g., whether TRL is more effective leadership style or appropriate than TFL in enabling employees’ CE. One could also study a specific type of leadership style in more depth. One such of leadership style that should be elaborated in more depth is TFL. Jung et al. (2003) supported this perspective by stating that a “particularly promising direction for studying leadership ... seems to be the effects of transformational leadership” (p. 528). Such a focus would contribute to revealing whether TFL leadership and its four dimensions enable employees’ CE. There are also possible to include other factors as enabling factors for CE. One such enabling factor could be psychological capital (psycap) that is comprised of self-efficacy, hope, optimism and resilience. Psycap could be studied both on (for example) individual level, team level collective level. We encourage future research to examine the role of psychological capital for CE and other relevant and related variables to CE.

Third, although this study explored the effect of several outcome variables, future research could include direct or indirect consequences of employees' CE. We suggest that future research could include consequences such as employee turnover intentions and employee perceived service quality (c.f. Slåtten et al. 2011). Other possible consequences of CE are team spirit, firms' competitive power, firms' entrepreneurial orientation, employee branding, employee ownership, employee satisfaction, IPST creativity, and IPSTs' creative self-efficacy, among other potential consequences of CE. It is reasonable to assume that other outcome variables could be included depending on the aim and the chosen perspective of employees' CE. The inclusion of broad consequences will give deeper insights and enrich our understanding of this relatively new and emerging area of research into CE.

#### **Note**

Although not part of focus and aim of this paper, but helps to a better understanding of the framework in Figure 2, this paper (for information only) reports relationship between EC → CCSG and CCSG → FIG. The effect between EC → CCSG is significant positive ( $\beta = 0.208$ ;  $p < 0.01$ ). Moreover, the effect between CCSG → FIG is significant positive ( $\beta = 0.230$ ;  $p < 0.01$ ).

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