

Employees' perceptions of tipping: The insight into employee's formation of service performance based on customer's behaviours

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BACKGROUND INFORMATION

- + The importance of tipping as an income source (*Lynn and Starbuck, 2015*)
- + Motivations for tipping vary depending on individual's perception towards tipping behaviour (*Whaley et al., 2014; McCall and Lynn, 2009*)
- + Customers' motivations on tipping: social compliance and social pressure, quality of service, and the servers' attitudes (*Whaley et al., 2014*)
- + Servers' expectations of customers' tipping habits influence their behaviour and service performance (*McCall and Lynn, 2009*)
- + Stereotypical thought of who to be poor tipper leads to service discrimination (*Brewster, 2015*)

RATIONALE

- + Numerous research analyses factors influencing the tipping behaviours (*Lynn and Wang, 2013; Lynn and Starbuck, 2015, Hill et al. 2015*)
- + Many conclusions were drawn beyond the relationship between the motivations of tipping and the tipping behaviours (*Lynn, 2015*)
- + The majority of research was conducted in USA context with quantitative method
- + No in-depth study into employees' perspectives about the tipping custom
- + Countries, where tipping culture is ill-defined, have not been taken into account in the academic research

Summary of research examining the influences of tipping culture on individuals

<i>Author</i>	<i>Focus area</i>	<i>Methodology</i>
Lynn (2015)	Customer behaviour	Online survey, USA
Lynn and McCall (2009)	Servers' perceptions	Online survey, USA
Whaley et al. (2014)	Customer perspective	Survey, USA Focus group and interview
Lynn and Wang (2013)	Management	Online experiment, USA
Lynn and Starbuck (2015)	Customer perception	1270 adults from 30-35 countries
Medler-Lizar (2014)	Management	Survey, Israeli
Brewster (2013)	Employees' perception	Questionnaires, USA
Lynn et al. (2011)	Management	Online survey, USA
Zeigler-Hill et al. (2015)	Employee's personality traits	Test on 259 servers, Israeli
Becker et al. (2012)	Customer perspectives	Questionnaire to 100 students

RATIONALE

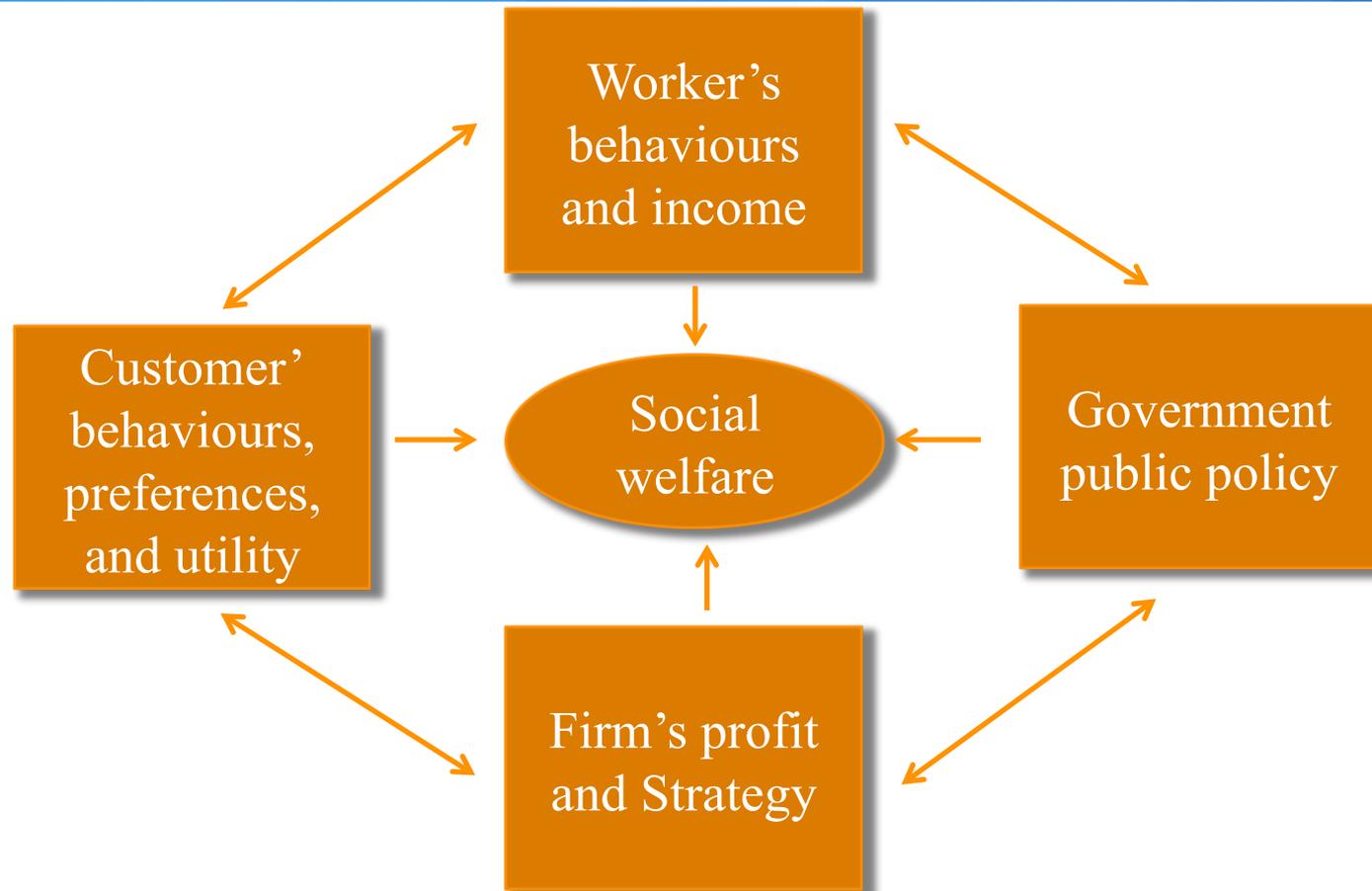


Fig 1. The framework for analysing the implication of tipping (Azar, 2011)

NEW APPROACH INTO THE TIPPING RESEARCH

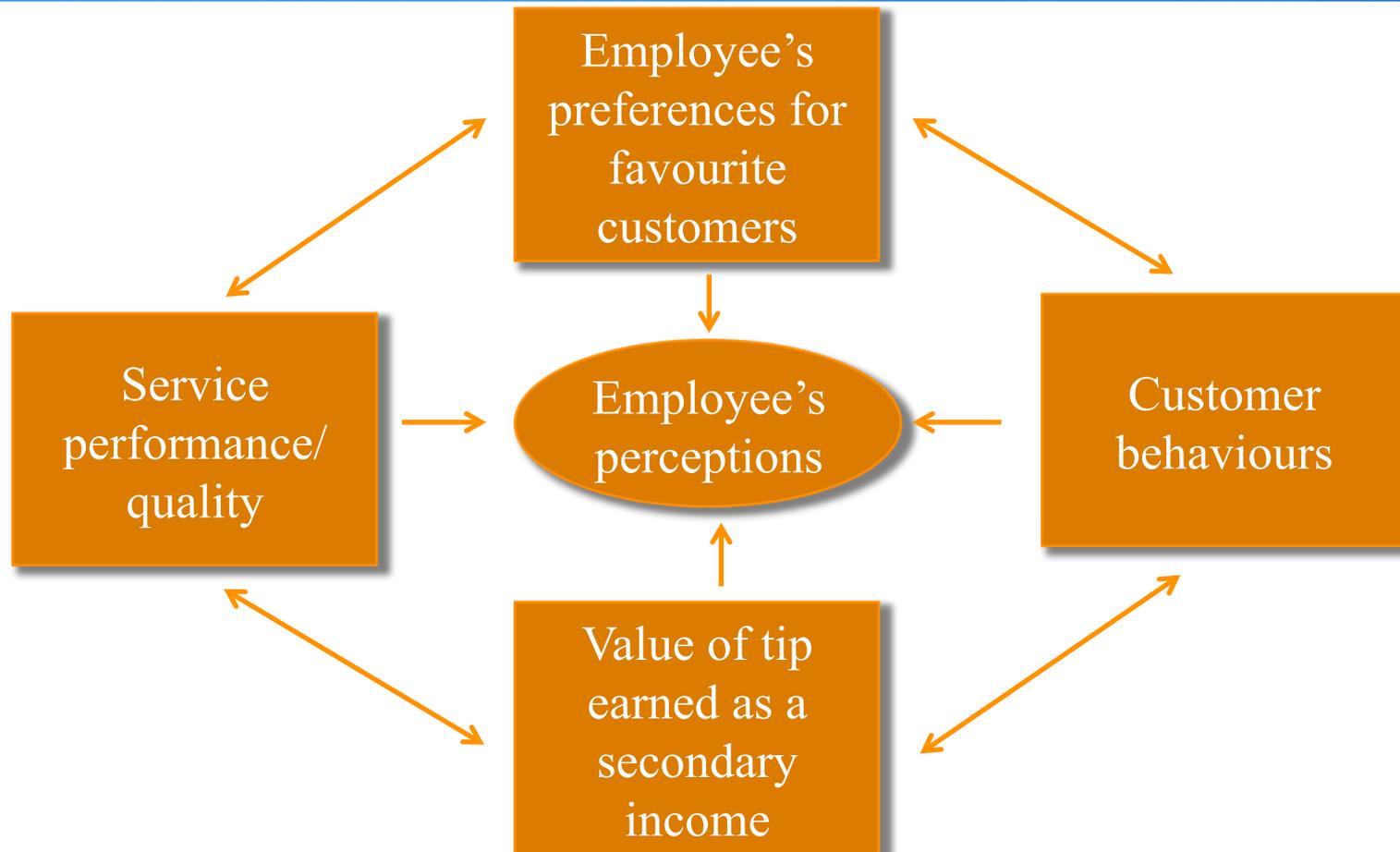


Fig 2. The focus on employee's perceptions about tipping

AIM AND OBJECTIVES

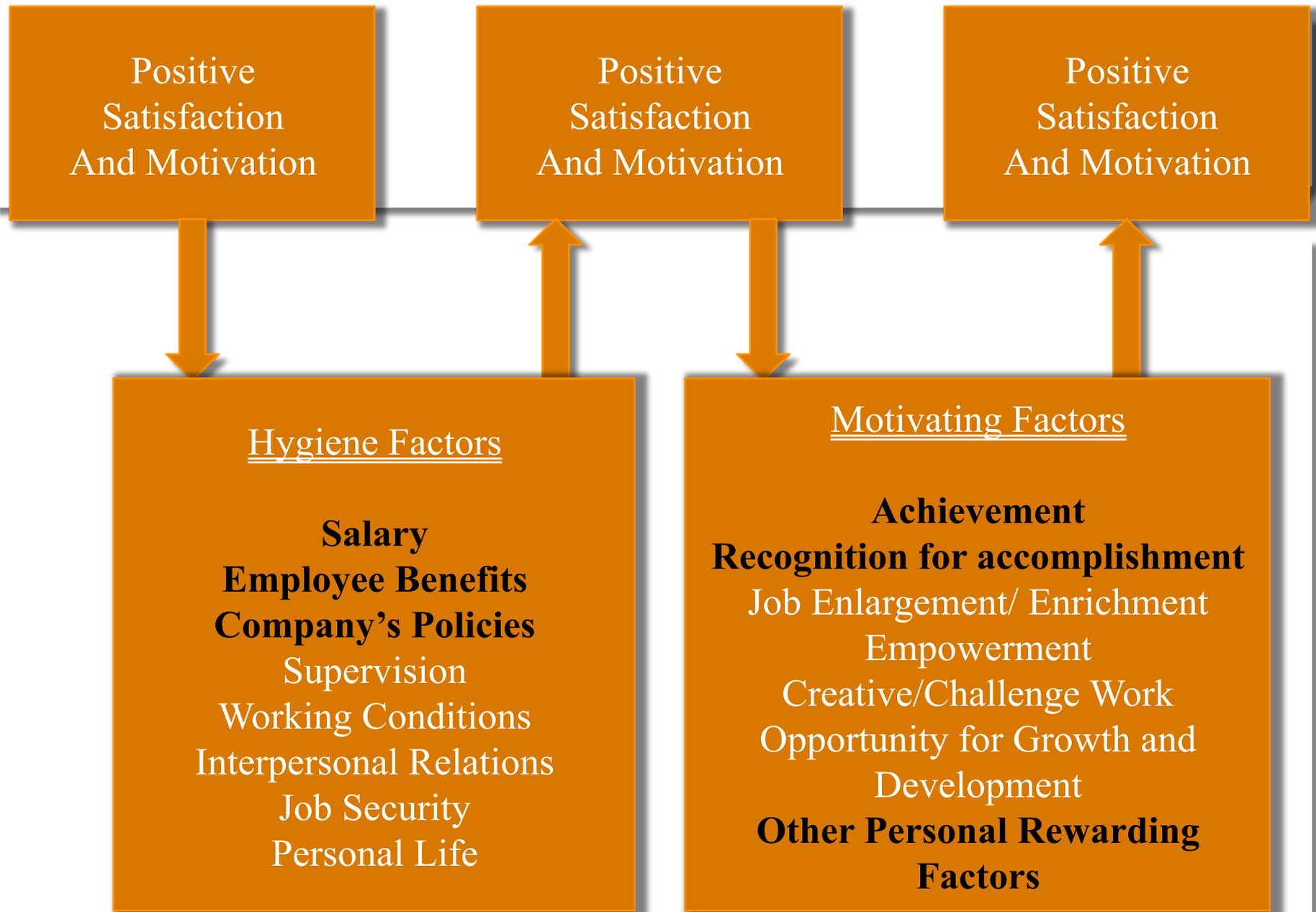
To investigate employee's perception of tipping phenomenon in order to understand the value of tip earned and how it influences service performance

There are four objectives to follow:

- + To identify the methods that the restaurants utilise to divide the tips among their employees
- + To analyse the influence of tipping on employee's behaviours in the context where tipping culture is not a norm
- + To investigate whether tipping is able to generate motivations for restaurant employees to perform better service
- + To identify the subjective criteria of preferred customers by the employees in order to portray how service was conceptualized accordingly

LITERATURE REVIEW

- + **Lynn et al. (2012)** analyse the service-tipping relationship
- + **Zeigler-Hill et al. (2015)** examine employees personality traits of **conscientiousness** and **extraversion** in association with job performance in the tipping behaviours of customers
- + **McCall and Lynn (2009)**; and **Brewster (2015)** indicate service discrimination from employees depending on their perceptions of which customer types give more tips
- + **Herzberg (1959, in Lundberg et al., 2009)** two-factor theory of motivation



Herzberg two-factor theory (*Herzberg, 1959, in Lundberg et al., 2009*)

METHODOLOGY

Qualitative method

- + *Research method*: Semi-structure, face-to-face interview
- + *Interview context*: Switzerland
 - + Stable economy, low unemployment rate (*Trading Economics, 2015*)
 - + Employees are independent upon tips
 - + Tipping culture is ill-defined
- + *Sample size*: 12 interviews with front-line restaurant employees
 - + Swiss and non-Swiss employees
 - + Employees' identities are not mentioned in data analysis
- + *Sampling method*: Snowball

CHALLENGE & LIMITATION

- + Challenge in approaching the sample
 - + Time-consuming when contacting the samples
 - + Deny to recommend friends
- + Confidential issue regarding how companies distribute their tips
- + Sensitivity raised in questions regarding receiving tips and preferred customers
- + Language barrier: trilingual combination of German/French/Italian
- + Challenge in time-management
- + Reliability and validity of data collected from interviews

UPCOMING STEPS

- + Completing literature review
- + Adjusting methodology according to the literature review
- + Preparing interview questions
- + Identify and contact the sample

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