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

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

Salary
Employee Benefits
Company’s Policies
Supervision
Working Conditions
Interpersonal Relations
Job Security
Personal Life

Motivating Factors

Achievement
Recognition for accomplishment
Job Enlargement/ Enrichment
Empowerment
Creative/Challenge Work
Opportunity for Growth and Development

Other Personal Rewarding Factors

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
REFERENCES


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