Navigating Organizational Disruption: A New Approach to Customer Service

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Abstract

In today's volatile, uncertain, complex, and ambiguous (VUCA) world, customer expectations are rapidly evolving and they are sending business leaders a message: something has to change! A PwC study found that 32% of customers would stop doing business with a brand they loved after just one bad experience, highlighting the critical nature of customer service in the current business landscape. This article introduces a "Disruption-Ready" service model, which incorporates Emotional Diagnosis, Recovery, and Renewal to support employees during organizational changes while maintaining high-quality customer service. Our framework emphasizes the crucial role of employee well-being in service delivery, particularly during disruptions. Research from Gallup demonstrates that companies with highly engaged employees outperform their peers by 147% in earnings per share. We link disruptive events to employee performance and perceptions of organizational justice, highlighting the importance of proactive organizational support. Aimed at C-Suite executives, senior level and HR leaders, this article presents a compelling business case for prioritizing employee resilience and well-being. According to Deloitte, organizations with effective change management programs are 3.5 times more likely to outperform their peers. Our Disruption-Ready model is holistic and includes people and process variables. The business relevance is clear: in an era where 89% of companies compete primarily on customer experience, organizations that invest in "Disruption-Ready" service models gain a decisive competitive advantage.[1] This approach not only enhances customer satisfaction but also improves employee retention, productivity, and ultimately, financial performance. This article offers tools and strategies for the leadership team, the C-Suite and HR strategic thought

leaders who are all interested in sustaining their organization's competitive advantage.

Introduction

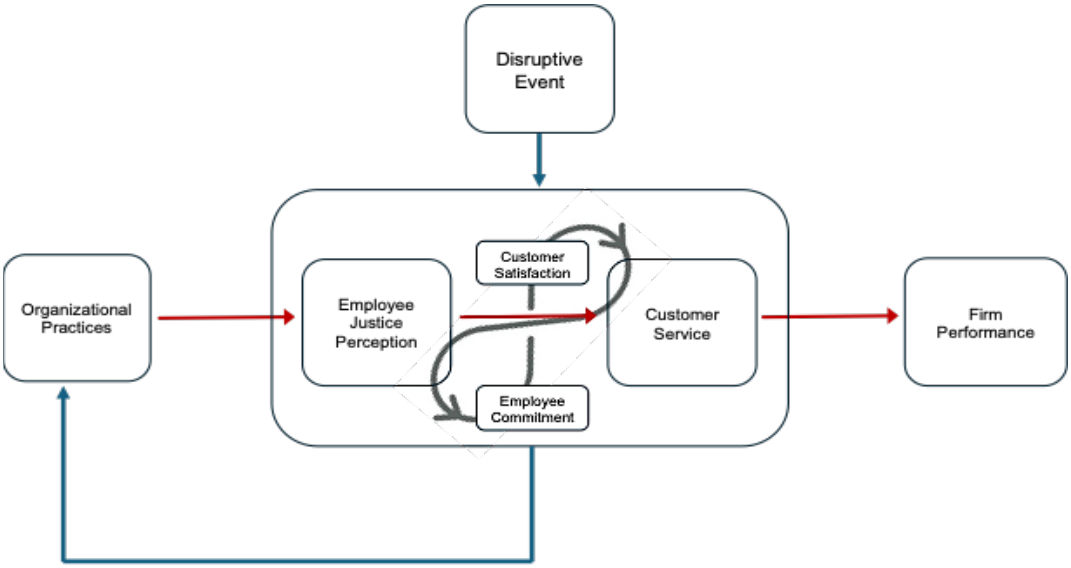
In today's rapidly evolving business landscape, organizational disruptions have become an unavoidable reality. Whether triggered by mergers and acquisitions, technological advancements, or global crises like the recent pandemic, these upheavals can significantly impact customer experience and overall firm performance. Much has been written about the internal service-customer experience-firm performance relationship however, very little attention has been paid to service quality and firm performance in a volatile, uncertain, complex and ambiguous (VUCA) environment. [2,3] As businesses grapple with (VUCA) challenges, a new paradigm for managing customer service during times of change is emerging. Recent studies paint a stark picture of the consequences of organizational disruption on customer service quality. During the COVID-19 pandemic, Accenture reported that nearly two-thirds of consumers noticed a decline in service standards. Service decline is not limited to global crises; even planned changes like mergers and acquisitions can lead to customer dissatisfaction. Research published in the Journal of Services Marketing found that customer satisfaction typically drops by 3% in the year following such corporate reshufflings.

The ripple effects of organizational disruptions extend beyond immediate customer interactions. A comprehensive study in the Journal of Operations Management revealed that major organizational shifts can trigger a 5-15% decrease in service metrics in the short term. Perhaps most alarmingly, Bain & Company's research showed that companies navigating turbulent times face customer churn rates two to three times higher than their more stable counterparts. At the heart of this challenge lies the intricate connection between employee experience and customer satisfaction.

Employees' perceptions of fairness and support during times of change directly impact their motivation, performance, and ability to deliver high-quality customer service. When employees perceive injustice or lack of support during organizational changes, it can lead to a cascade of negative outcomes: decreased motivation, higher turnover rates, reduced innovation, and inconsistent customer service delivery. To address these challenges, forward-thinking organizations can develop what we call a "Disruption-Ready" service model; a comprehensive approach focusing on supporting employees, maintaining clear and constant communication, and reinforcing customer-centric values throughout periods of change. In this paper we

explain the connections between organizational disruption, employee justice perception, customer service, and firm performance depicted in Figure 1.

Figure 1. The Disruption-Ready Model



Organizational Practices

Organizations or firms are groups of people who are working towards a common goal.[4] Organizations have visions, missions, values and a set culture. In line with their culture and purpose, organizations have standard practices and policies that govern how they and those within the organization behave and function. These standards help to provide direction and a sense of safety and certainty. However, organizations do not function alone, they exist in a larger context of other related and often competing systems. Profitable and successful organizations, companies or firms understand that to maintain their competitive advantage, they must produce more goods and services with less labor, energy, and overhead. They also understand the need for processes that allow them to be adaptive while remaining innovative. A company's productivity rests on its internal transformation processes, specifically, high-performance work practices (HPWP). These practices "improve organizational effectiveness by building human capital, increasing adaptability, and strengthening employee motivation and attitudes."[5]

Employee Justice Perceptions

An employee's satisfaction at work is shaped by their experiences, outcomes, attitudes toward various aspects of their job, and emotional responses to organizational practices. Emotions manifest through psychological, behavioral, and physiological expressions; in fact, "neuroscience discoveries have revealed that our perceptions, attitudes, decisions, and behavior are influenced by emotions as well as cognition"[6] Emotions are personal responses to experiences, shaping attitudes, behaviors, and beliefs. Perceptions, in turn, are beliefs formed through experience, carrying the emotional impact of those experiences and guiding future intentions and reactions. Perceptions of fairness also influence one's motivation to engage in certain behaviors. According to researchers, there are four organizational dimensions of justice: *procedural, distributive, informational*, and *interactional*.[7]

1. *Procedural justice* refers to decision-making fairness. Employees seek to understand how and why decisions are made.
2. *Distributive justice* refers to the fairness of resources such as pay, promotions, rewards and dispute outcomes.
3. *Informational justice r*efers to the perceived fairness in how organizations communicate and share information with their employees, particularly during significant organizational disruptions or decisions.
4. *Interactional justice* refers to interpersonal treatment from others, especially organizational leaders.

Positive employee justice perceptions lead to increased job satisfaction, higher levels of discretionary effort and organizational commitment.[8, 9] Understanding employees' perceptions of fairness becomes crucial to leadership in all decisions and processes related to disruptive events. Disruptive events can create environments of uncertainty and ambiguity; as a result, altering organizational practices, systems, processes, and perceptions of fairness that can influence customer service.[10] During times of increased uncertainty, employees tend to be more sensitive to how fairly they are being treated which influences their emotional (attitude) and performance (behaviors).

When employees feel that changes are being implemented fairly and that they're being treated with respect, they are more likely to remain engaged and committed to delivering excellent customer service. Superior service levels are the result of an interaction between customer and provider in which the performance of the employee meets or exceeds the expectations of the customer.[11] Customers simultaneously purchase a service or product and they also receive a positive experience with both the purchase and the

experience are needed significantly in attracting and retaining customers. A report by American Express found that 60% of customers say they will do more business with companies that provide excellent customer service. The same study also revealed that 7 out of 10 U.S. consumers say they have spent more money to do business with a company that delivers great service.

Customer Service

Exceptional customer service is more than a smile and a heart-felt, "my pleasure." Customer service is the pivotal interactional exchange between the customer and the provider; an instrumental exchange that will determine future re-engagement and is attributed to firm performance and competitive advantage. "Customer service has been defined as an organizational perspective and process that focuses on meeting customer expectations by doing the right things right the first time."[12] Forbes reported that companies could expect a 4-8% increase in revenue when they cultivated a customer-experience mindset while companies that worked to improve their customer service models and experiences saw increases of 84% in their revenue.

Customer service is seen throughout the organization and has implications for both the external customer and internal providers. It has been suggested that organizations must consider customer service as a means to achieving the organization's strategic goals; customer service is then an important competitive differentiator and correlates to firm performance.[13] Customer service is a philosophy and mindset shaped by the organization's culture, directing the actions of individuals and groups throughout the organization.[14] Although each organization is unique and their customer service approach may differ, there are common expectations across industries that are seen in exceptional customer service models. Customer service models act as structures that articulate the expectations and intention of delivering high quality customer service. Models are used to connect service to the mission and outcomes of the organization.

Once the philosophy, processes, and practices of the customer service model are developed and taught to members of the organization it is up to managers to monitor both individual performance and disruptions that could lead to changes in the model to better support performance and the delivery of exceptional service. Organizational practices that are designed to support exceptional customer models also affect employee commitment, customer satisfaction, and firm performance.

Firm Performance

"The challenge of supporting the front line is important in all organizations, but it is especially important in-service organizations, where

the product is produced as it is delivered. Whether your organization is a brokerage or a burger stand, a franchise or a fraternity, a hotel or a hospital, a college or a consulting firm, you cannot function effectively without high-quality human interaction with your customers."[15] We assert that there is a clear link between exceptional customer service and firm performance. According to a study by Qualtrics XM Institute, companies that lead in customer experience outperformed laggards on the S&P 500 index by nearly 80%. This demonstrates a clear financial benefit to prioritizing customer service.

Customer retention, a key indicator of service quality, plays a crucial role in profitability. Research by Frederick Reichheld of Bain & Company shows that increasing customer retention rates by just 5% can increase profits by 25% to 95%; highlighting how effective customer service can drive long-term financial success. Conversely, poor customer service can have detrimental effects. A study by Vonage (NewVoiceMedia) revealed that companies lose more than $75 billion a year due to poor customer service. These statistics emphasize the significant financial risk of neglecting customer service quality.

Customer service also impacts brand reputation and word-of-mouth marketing. According to a report by Zendesk, 95% of customers tell others about a bad experience, while 87% share good experiences. The word-of-mouth effect can significantly influence a company's ability to attract new customers and retain existing ones. Given the upside potential of exceptional customer service on firm performance, we propose a "Disruption-Ready Service Model" that includes diagnosis and remedy for disruption affected service providers.

Disruptive Events

There is no doubt that over the last five years there have been major disruptive and disorienting events that have affected the performance of individuals and organizations. Disruptive events can be disorienting to employees' state of mind, challenging their feelings of safety or alter their mindsets and behaviors influencing their ability to perform their work duties and provide exceptional customer service. Disruptions can be caused from several different factors; internal and external factors can develop that cause the organization and its strategies to shift. Some disruptions are planned change initiatives while others come from out of our line of sight and can have jolting and startling impacts at the individual, group and organizational level. Disruptions to organizational processes are disorienting because they alter and can challenge existing practices and agreed upon procedures that support optimal performance. Depending on the severity of the disruption,

individual performance can be affected and as a direct result can alter firm performance. When an organization has experienced a disruptive event, employees look to leadership for information, direction, and structures that support their expected outcomes.

Gustafsson et al. examined four organizations during the global financial crisis who experienced significant disruption in their organization.[16] Their focus was on trust; moreover, how to preserve trust in the relationship between the organization and employees during times of disruption. They define trust from a psychological perspective where individuals participate in a personal and professional exchange with the expectation of positive outcomes and interactions. What we learn from their research is that organizational trust is particularly important during periods of disruption. Without a strong organization-employee trust relationship, it will be difficult for leaders and employees to remain attentive to the work that drives customer satisfaction.

During organizational disruptions it becomes vital for leaders to understand their role in sustaining organizational practices that foster and increase individual and organizational performance. "In trust preserving organizations, managers perceived themselves as guardians and protectors of the organization during disruption who understood the need to safeguard the organization's legacy, rather than as change agents."[17] Employees look for justice (fairness) and examine the companies' actions and efforts to support their expected behaviors. Justice becomes an essential condition which is needed to motivate individuals' extra efforts to serve customers. Justice can become especially important when employees face challenging changes, such as those due to internal factors like a merger and external factors such as COVID. Disruptions can influence perceptions of justice and as a result cause unhealthy emotional labor that can impact service delivery and customer experiences.[18]

Given the increasing rate of change and the countless forms of disruption that organizations face, it is necessary for leaders and followers to adopt a Disruption-Ready Service Model. The strength of organization-employee relationships in disruptive times is central to the organization's ability to diagnose issues that prevent high quality performance and that signal strategies for recovery and pathways to renewal. In this mindset, trust plays an important role in the way that individuals access motivation and it is through trusting relationships where justice perceptions are formed and enacted.

Our model suggests that leaders and followers who face significant disruptions in the workplace need deeper understandings and reparative strategies that help them through the restorative processes of diagnosis,

recovery, and renewal. It is through this model that organizations can rebalance their efforts and refocus their motivations on exemplary customer service. Employees' sense of fairness and justice is at the center of renewal.

Employee Commitment

Employee commitment in organizations is characterized by a deep-rooted connection between individuals and their workplace. Committed employees strongly identify with the company's mission and values, treating organizational goals as their own. Their loyalty manifests as a desire for long-term engagement and contribution to the company's success. These individuals exhibit high levels of engagement, approaching tasks with enthusiasm and often going beyond basic requirements. They voluntarily invest extra effort and time, demonstrating their dedication through discretionary actions. As natural advocates, they speak positively about their organization, enhancing its reputation both internally and externally.

Committed employees take ownership of their work, feeling personally responsible for outcomes. They continuously seek improvement, actively developing their skills to better serve the organization. In the face of challenges, they display resilience and adaptability. When leaders and managers exhibit concern for employees' personal welfare it helps to build trusting leader–employee relationships and it inspires employees to reciprocate with customers and make greater investments in their role, work tasks, and organization.[19] Employee commitment is related to customer service by way of customer satisfaction.

Customer Satisfaction

Customer satisfaction is a balance of fulfilled expectations and perceived quality. It's the smile that spreads across a customer's face when a product exceeds their hopes, or the nod of approval when a service provider delivers precisely what was promised. Satisfaction is not just about the tangible – it is deeply rooted in emotion. It is the contentment after a seamless purchase, or the excitement when trying a new feature. Value perception plays its part too, as customers weigh the value of their experience against its cost. In this landscape, loyalty blooms like a well-tended garden. Satisfied customers return, their repeat business a testament to their contentment. They become vocal advocates, their word-of-mouth recommendations spreading like wildfire.

Word-of-mouth (WOM) marketing, especially when it is favorable, is widely recognized as one of the most valuable forms of marketing. A McKinsey study found that word-of-mouth is the primary factor behind 20-50% of all purchasing decisions. But how do we capture this elusive

sentiment? Enter the Customer Satisfaction Score (CSAT), a beacon of measurement in this sea of emotions. With its simple yet powerful question – "How satisfied were you?" – it transforms feelings into quantifiable data. The CSAT becomes a compass, guiding businesses towards improvement and excellence.

A New Way Forward: Disruption-Ready Model of Customer Service

Traditional service models have primarily focused on operational efficiency and customer-facing metrics without adequately addressing the emotional toll that service delivery has on employees, especially during periods of disruption and uncertainty. Our Disruption Ready Service model recognizes that in today's VUCA environment, organizational success is inextricably linked to employee emotional well-being and resilience, necessitating a comprehensive approach that includes emotional diagnosis, recovery, and renewal processes for service providers.

Our proposed Disruption-Ready Model (DRM), shown below in Figure 2, includes a three-part service provider centerpiece: (1) diagnosis, (2) recovery and (3) renewal. Our focus is based on the assertion that service providers are a pivotal and valuable part of the service-firm performance relationship. Meta-analysis revealed that service climate, which is largely influenced by service providers, has a strong positive relationship with customer perceptions of service quality, which in turn affects firm performance.[20]

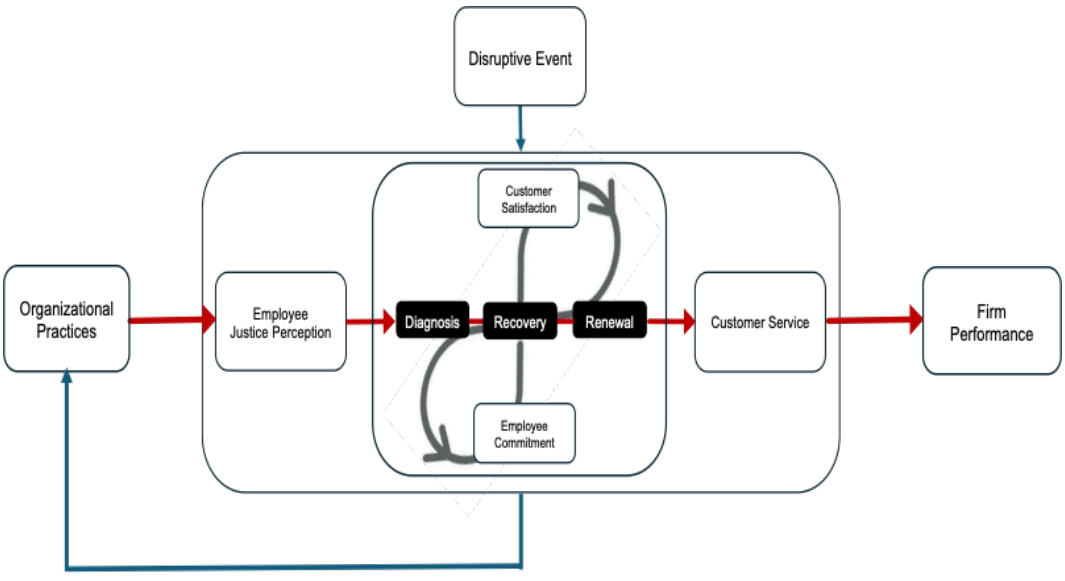
A key DRM enabler is multi-directional communication flows supported by a Culture of Voice. This culture type is characterized by open and honest sharing of important work-related information up, down and across the organization. Establishing frequent, transparent communication channels keeps employees informed about organizational changes, decision-making rationale, the potential work impacts, and helps to address the informational justice aspect of employee perceptions, reducing uncertainty, speculation and the unchecked anxiety it creates. Emotional support systems are equally important. Supervisor emotional support is shown to positively correlate to employee engagement and job satisfaction.[21] Additionally, organizational support, the employee perception that the organization cares for and values them, is shown to reduce the negative effect of job stressors. [22] We place disruptive events in the hindrance stressor category because these events are outside the service employees' control and are shown to cause feelings of threat, and anxiety that result in regrettable turnover and stress related illnesses that cost organizations approximately $300 billion annually.[23,24] By creating mechanisms to gauge employee well-being and provide necessary support, organizations will help their service staff navigate the stress and anxiety often associated with major changes. Strategies to support employee

well-being include offering guidance services, stress management workshops, high-quality coaching or creating spaces for open dialogue about the challenges at hand and solution agreements by well-trained and non-judgmental leaders.

Throughout any period of change, it is essential to consistently reinforce a customer-centric culture which can be achieved through ongoing training, recognition of exemplary service, and aligning performance management systems with customer satisfaction metrics. By keeping the focus on the customer and service providers, organizations can help ensure that service quality remains a priority even as internal processes and structures evolve. Most contemporary service models focus on customer loyalty, intent to repurchase and sales metrics. These variables are critically important but insufficient in a VUCA world. The Disruption-Ready Service Model is a holistic strategy that balances customer-centricity with service provider-centricity.

Throughout any period of change, it is essential to consistently reinforce a customer-centric culture, which can be achieved through ongoing training, recognition of exemplary service, and alignment of performance management systems with customer satisfaction metrics. A customer-centric value system is a core organizational philosophy that places the customer at the heart of all business decisions and operations.

Figure 2. Diagnosis, Recovery, and Renewal in Disruption-Ready Model



Diagnosis

Although most leaders are not trained medical professionals, there are clear stress signs that indicate trouble in the service world. Stress is "described as an adaptive response to a situation that is perceived as challenging or threatening to the person's well-being."[25] Stress is a physiological and psychological response that can manifest differently in each of us and the list below may not apply to every employee who experiences stress.

Common signs of job stress in service employees in a VUCA environment:

1. **Decreased performance and productivity**: A noticeable decline in the quality or quantity of work output.
2. **Increased absenteeism or tardiness**: More frequent unplanned absences or late arrivals to work.
3. **Emotional exhaustion**: Visible signs of fatigue, lack of energy, or emotional depletion.
4. **Increased irritability or conflicts**: More frequent arguments with colleagues or customers, or a general short-tempered demeanor.
5. **Difficulty adapting to changes**: Resistance or struggle to cope with new procedures, technologies, or work arrangements.
6. **Decreased customer satisfaction:** A rise in customer complaints or a drop in customer satisfaction scores.
7. **Physical symptoms**: Frequent complaints of headaches, muscle tension, or other stress-related physical issues.
8. **Reduced engagement**: Less participation in team activities, meetings, or voluntary tasks.
9. **Difficulty concentrating or making decisions**: Increased errors, missed deadlines, or inability to prioritize tasks effectively.
10. **Changes in communication patterns**: Withdrawal from interactions, increased negative language, or difficulty expressing ideas clearly.
11. **Heightened anxiety about job security**: Excessive worry or questions about the stability of their position in an uncertain environment.
12. **Work-life balance struggles**: Difficulty disconnecting from work, working excessive hours, or bringing work stress home.

The above stress indicators are particularly relevant in a VUCA environment where service employees may face rapidly changing circumstances, unclear expectations, and complex challenges. Managers should be aware that stress can manifest differently in individuals, and the

presence of one or two signs does not necessarily indicate high stress levels. It is important to look for patterns and changes over time.

Recovery

Investing in resilience training is another vital aspect of the "Disruption-Ready" model. Programs that build employees' capacity to adapt to change and maintain performance under pressure can make a significant difference in service quality during turbulent times. The intentional investment in employee skills not only benefits the organization during disruptions but also contributes to a more adaptable and resilient workforce overall.

Sorenson suggests that motivational faith, shared vision and distinctive skills are three parts of organizational character that influence discretionary effort and initiative.[26,27] Discretionary effort (DE) refers to the voluntary extra work and energy employees put into their jobs beyond the minimum requirements. It's the additional effort people choose to exert in their roles when they feel motivated, engaged, and committed to their work and organization. However, DE can be a double-edged sword leading to burnout if unchecked. Furthermore, motivational faith relies on predictable order which is needed for security and the belief in a favorable outcome; expectation that things will be a certain way. Motivational faith is about the trust that is needed to impact discretionary effort. Discretionary effort is blocked by a lack of faith; thus an "important sign of recovery is the emergence of discretionary effort and initiative."[28] Studies show that when employees perceive their organization as a caring one, they reciprocate in kind.[29] In the vernacular, you get back what you give out (to employees). In addition, research and management experts often highlight the need for clear and frequent communication as one of the most critical and effective approaches for helping employees recover from organizational disruptions. Therefore, because of the impact it has on perceived organizational support, it is recommended that communication is continuous and clear, frequent two-way communication (focus groups) and provided through multiple channels (print, email, text, video messages).[30]

Organizational support perceptions are shown to increase employees' trust in management. The results include the following:

1. **Reduces uncertainty**: In times of change, employees often fear the unknown. Regular, transparent communication helps alleviate anxiety and allows employees to focus on their work.
2. **Builds trust:** When leaders are open about changes, even difficult ones, it fosters trust and credibility. This trust is crucial for maintaining employee engagement during disruptive events.

3. **Prevents rumors**: In the absence of clear information, rumors and misinformation can spread quickly, causing unnecessary panic. Regular communication helps control the narrative. The rumor mill is normal and should not be judged. It is your employee's way of making sense of the unknown.
4. **Provides direction:** Clear communication about the organization's vision and plans helps employees understand their role in the new structure, giving them a sense of purpose and direction.
5. **Facilitates adaptation**: When employees understand the reasons behind changes and have a clear picture of what is coming, they can adapt more quickly and effectively to new circumstances.
6. **Empowers employees**: Information enables employees to make informed decisions about their roles and future within the organization.

While other strategies like providing emotional support, leadership training, maximum (appropriate) decision-making involvement with employees is also crucial, and most effective when built upon a foundation of clear and frequent two-way communication in a Culture of Voice.[31,32] Without open communication, other efforts may be perceived as insincere or disconnected from the reality of the situation.

Renewal

As a manager navigating the choppy waters of organizational disruption, you have likely witnessed firsthand how stressful these transitions can be for your team. That is where the concept of employee renewal becomes critical. It is your secret weapon for helping your people bounce back and thrive in the new normal. Think of employee renewal as hitting the reset button for your team after a major shake-up. It is about more than just adapting to change; it's about emerging stronger and more engaged on the other side.

For example, if your team has weathered a storm of restructuring or a merger. They are feeling drained, maybe a bit lost, and questioning their place in the new scheme of things. This is your cue to step in and guide them through the renewal process. Start by acknowledging and legitimizing the emotional toll of the disruption. Create a safe space for your team to process their feelings and concerns, such as a listening forum. Remember, psychological recovery is the foundation of renewal. It is about helping your people rebuild their resilience and rediscover their enthusiasm for the job.

Next, focus on realigning your team with the organization's new direction. Think of yourself as a bridge, connecting your team members from the current state to the desired future state. Help them see how their roles

contribute to the new goals. When people understand their purpose, they are more likely to feel motivated and committed.

If a disruption changes your team members responsibilities, pay strict attention to skill development. Make sure every team member has exactly what they need to succeed which might mean arranging training sessions or encouraging peer-to-peer learning. As the leader, you must demonstrate your care and investment in their growth, success and adaptability.

Rebuilding relationships is also crucial. If team dynamics have shifted, create deliberate opportunities for collaboration and team bonding. This could be as simple as regular team lunches or as structured as cross-functional projects. Leaders should also watch for signs of burnout or work-life imbalance. Constant disruption can be exhausting, so promote practices that support overall wellbeing which might mean being more flexible with work hours or encouraging the use of vacation days.

Renewal variables can and should be measured in an organization to determine effectiveness.[33] Employee renewal is crucial because organizational disruptions can be draining and disorienting for employees. Without a focused effort on renewal, organizations risk decreased productivity, low morale, and increased turnover. Effective renewal strategies can turn disruptions into opportunities for growth, innovation, and increased organizational commitment.

Finally, do not underestimate the power of recognition. Celebrate the small wins and the efforts your team is making to adapt. Positive reinforcement can go a long way in reigniting motivation and engagement. Remember, renewal is not a one-and-done deal. It is an ongoing process that requires your consistent attention and effort, but the payoff is worth it. You end up with a resilient, engaged team ready to tackle whatever challenges come their way. By focusing on employee renewal, you are not just helping your team recover from disruptions – you are setting the stage for future success and innovation. It's about turning a potentially disruptive period into an opportunity for growth and increased commitment to the organization.

In summary, employee renewal in the context of organizational disruption is a process of reinvigorating and re-engaging employees after a period of significant change or disruption within an organization. It is about helping employees adapt, recover, and thrive in the new organizational environment. Eight key aspects of employee renewal are presented in Table 1.

Table 1. Employee Renewal

Aspects of renewal	*Organizational Objectives*	*Leadership Focus*
Psychological Recovery	*Overcoming stress, uncertainty, and potential burnout from change*	*Rebuild emotional resilience and positive attitudes towards work*
Re-alignment with Organizational Goals	*Ensuring employees connect with the new vision and objectives*	*Help staff find meaning and purpose in their roles within the changed organization*
Skill Development and Adaptation	*Provide training and support for necessary new skills*	*Encourage adaptability and flexibility in work approaches*
Rebuilding Organizational Commitment	*Foster renewed loyalty and dedication to the organization*	*Re-establish trust in leadership and the organization's new direction*
Revitalizing Work Relationships	*Rebuild team dynamics and address any disruptions caused by change*	*Encourage new collaborations and networking within the restructured organization*
Reigniting Motivation and Engagement	*Boost morale and job satisfaction*	*Create opportunities for employees to contribute ideas and take ownership in the new environment*
Career Redefinition	*Help employees see new career paths and opportunities*	*Support employees in redefining their professional identities if needed*
Work-life Balance Restoration	*Address work-life imbalances that may have arisen during the change*	*Promote practices that support employee wellbeing*

Connection to firm Performance

Implementing a "Disruption-Ready" service model requires a new strategic approach and mindset. Organizations should start by conducting a readiness assessment to evaluate their current capacity to handle disruptions and identify areas for improvement. Developing a cross-functional team responsible for managing the disruption response ensures that various perspectives are considered and that the approach is holistic. According to Brach et al., there are six (6) strategic steps involved in the implementation of a customer service model - customer needs, employee attitude, administrative commitment, training and resources, recognition, and evaluation.[34] We need a more prescriptive look at customer service during times of change and disruption.

Establishing clear "readiness" metrics is crucial for measuring the effectiveness of disruption management efforts. We recommend measuring five employee-focused and organizational metrics listed below:

1. Service employee's engagement levels
2. Service employee turnover rates
3. Customer-satisfaction scores

4. Customer churn rates
5. Number of "disruptive events" affecting the organization within the rating period

By closely monitoring these indicators, organizations can quickly identify areas of concern and adjust their strategies accordingly. Technology plays a vital role in facilitating communication, training, and feedback collection during disruptions. Digital tools can help organizations stay connected with their workforce, deliver just-in-time training, and gather real-time feedback from both employees and customers. Agility in communication and response can make a significant difference in maintaining service quality during periods of change.

Finally, promoting adaptive leadership is essential for navigating organizational disruptions successfully. Leaders at all levels should model resilience, transparency, and customer-centricity. The ability of members in the leadership process to adapt to changing circumstances, communicate effectively, and maintain a focus on customer needs while acknowledging employee justice perceptions sets the tone for the entire organization.

As businesses continue to face an increasingly dynamic and unpredictable environment, the ability to maintain superior customer service during periods of disruption will become a key differentiator. By implementing a comprehensive "Disruption-Ready" service model and focusing on employee support, clear communication, and customer-centric values, organizations can not only weather these challenges but emerge stronger, with improved customer loyalty and enhanced competitive advantage. The path forward is clear: proactive preparation, ongoing employee support, and an unwavering commitment to customer service excellence. Organizations that embrace these principles will be well-positioned to thrive in the face of future disruptions, turning potential setbacks into opportunities for growth and innovation.

Implications for Leaders

Our framework suggests that disruptive events, whether unanticipated (the COVID-19 pandemic) or anticipated (mergers and acquisitions), have significant implications for a company's service model and customer care strategies. These events directly influence the employee work environment, potentially affecting employee emotional health and satisfaction and their perceptions of organizational justice. Recognizing that volatility, uncertainty, complexity, and ambiguity (VUCA) are now permanent features of the business landscape, we argue that contemporary service models must be "Disruption-Ready." This readiness extends beyond implementing structural and policy remedies; it necessitates a comprehensive approach

that includes emotional diagnosis, remedy, and recovery processes. "Managers and supervisors are responsible for designing the organization and its systems and creating an environment in which discretionary effort and initiative can thrive."[35]

Implications for Human Resources

The implications for human resource (HR) begin with the understanding that customer service has a reciprocal implication for its external customers and internal clients. Developing and sustaining a culture of customer service involves efforts that support both the relationship between the customer and the customer-facing employees as well as recognizing the implications of wellbeing. Wellbeing influences performance especially in times of organizational disruption for all members of the organization who influence customer-facing staff and the customer service strategies and processes. What we have learned is that customer satisfaction depends to a large degree on whether a customer service employee's capacity to provide what the customer needs and on the organization's ability to support the customer service provider throughout the organization. [36] The three HR functional areas that contribute to our Disruption-Ready Service Model are: recruitment, performance management and learning and development.

1. *Recruitment and Selection*

HR's support and strategic leadership begins with the recruitment of customer-facing employees matching critical work-related characteristics and personality to organizational needs. To guarantee a culture of service, individuals with the requisite work-related characteristics must be sourced, recruited, and hired. The selection process directly influences organizational success and competitive advantage. Having the right people doing the organization's most important work will certainly influence the strategic advantage of the organization. The purpose of the selection process is to carefully evaluate applicants to determine those who have the requisite knowledge, skills, abilities (KSAs) and work-related characteristics (WRCs) needed to accomplish the work of the role at advanced and sophisticated levels. By selecting the most innovative, engaged, and knowledgeable applicants the organization can further invest and train the selected candidates to remain competitive in the market. If the selection criteria are specific and linked to the goals of the organization, in this case, customer service, and then linked to performance measures, the organization has a better chance of remaining focused on accomplishing its goals and objectives.

2. Performance Management

"Performance management is a continuous process of identifying, measuring and developing the performance of individuals and teams and aligning performance with the strategic goals of the organization."[37] The data received and the feedback provided to the employees are meant to coach employees and improve future performance. Lee suggests that one way to improve performance is through conversations.[38] Through the use of questions and conversations, managers can diagnose issues that impede exemplary performance and discretionary effort. One such question is - 'How are you?'. This may seem like a simple and useless question; however, the response can uncover areas of weakness and vulnerability, especially during times of disruption and change. Additionally, Lee reminds us that "an employee performing work is also an individual subject to feelings, emotions, thoughts, and other human frailties. We must nurture the person and the performer to cultivate success."[39] One strategy that managers can use to increase productivity is by checking on employee's wellbeing and engagement which has implications on an employee's discretionary effort. Discretionary effort has long been associated with performance and is about an employee's willingness to go the extra mile.[40] Leaders who recognize and respond to employee perceptions of justice can renew employee commitment which helps build trusting leader–employee relationships. Leaders and managers who exhibit concern for employees' personal welfare and work to diagnose, recover, and renew perceptions of justice facilitate an employee's ability to invest more effort in the customer experience.

3. Learning and Development

Gatewood et al. agree that "[t]he acquisition and development of human capital includes selection and training employees."[41] It can also be argued that while every employee will come to customer service with a different set of skills and differing levels of proficiency, that training and a mindset of continuous improvement are the keys to developing a culture of customer service. HR also can help to provide the policies and processes that support employee justice perceptions by supporting services that are transparent, equitable and personable. What our model suggests is that organizations cannot leave out the needs of the employee, follower, or constituent in the improvement of customer service models. HR has a vital role to play in helping design and implement strategies that support and develop staff during times of disruption.

Conclusion

When organizations experience disruptions, either internally planned or externally imposed, the results can be disorienting and can shift employees' focus from the mission to self-sustaining actions to preserve their own well-being. This article tells an interconnected story of workplace dynamics that extends from individual employees to organizational success. We have come to understand that when employees experience positive emotional states, it directly translated into better customer experiences.[42] Perhaps the most intriguing aspect is the reciprocal relationship where positive customer interactions boosted employee wellbeing, creating what Gabriel et al. termed a "positive spiral."[43] Enhanced service quality and investing in employee wellbeing over time can create self-reinforcing cycles of improved service delivery. When organizations actively support employee wellbeing through concrete programs and policies, the organization will see substantial improvements in organizational commitment and job satisfaction.[44] These improvements were not just good for employees - they translated into tangible business benefits through reduced turnover costs and enhanced productivity. Units with higher employee wellbeing consistently outperformed their counterparts in revenue generation and operational efficiency.

It is also crystal clear that business results improve when service climate interacts with employee wellbeing.[45] Research demonstrates that when business units maintain a strong service climate, supported by high employee wellbeing, they significantly outperformed other units across multiple metrics. Investing in employee wellbeing paid dividends through improved customer retention, enhanced sales performance, and consistently higher service quality ratings. Our Disruption-Ready Service Model collectively emphasizes that employee wellbeing (Diagnosis, Remedy and Recovery) isn't just a "nice to have" – it is a fundamental driver of service excellence and organizational success. Our examples show that relationships between supporting employee wellness creates positive cascading effects, ultimately strengthening an organization's competitive position and financial performance.

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