RESEARCH REPORT

Exploring the Effects of Individual Customer Incivility Encounters on Employee Incivility: The Moderating Roles of Entity (In)civility and Negative Affectivity

David D. Walker
University of British Columbia Okanagan

Danielle D. van Jaarsveld and Daniel P. Skarlicki
Sauder School of Business, University of British Columbia

Incivility between customers and employees is common in many service organizations. These encounters can have negative outcomes for employees, customers, and the organization. To date, researchers have tended to study incivility as an aggregated and accumulated phenomenon (entity perspective). In the present study, we examined incivility as it occurs during a specific service encounter (event perspective) alongside the entity perspective. Using a mixed-method multilevel field study of customer service interactions, we show that individual customer incivility encounters (i.e., events) trigger employee incivility as a function of the employee’s overall accumulated impression of the (in)civility in his or her customer interactions, such that the effects are more pronounced among employees who generally perceive their customer interactions to be more versus less civil. We also find that these interactive effects occur only among employees who are lower (vs. higher) in negative affectivity. Our results show that, in order to expand the understanding of customer incivility, it is important to study the incivility encounter, the social context in which negative customer interactions occur, and individual differences.

Keywords: customer and employee incivility, customer service, event and social entity perspectives, negative affectivity

Workplace incivility, defined as low-intensity deviant interpersonal behavior (Andersson & Pearson, 1999), is a growing and costly problem for employees and organizations (Porath & Pear- son, 2010). Customer incivility (uncivil treatment of employees by customers) can have negative consequences for employees, including emotional exhaustion (Kern & Grandey, 2009) and decreased performance (Sliter, Sliter, & Jex, 2012), and can trigger incivility from employees directed toward customers (van Jaarsveld, Walker, & Skarlicki, 2010). These responses to customer incivility warrant research attention because they can be undetected by customer service controls including display rules (Grandey, 2000) and electronic monitoring (Holman, 2002) but can negatively affect customer service quality, customer retention, and company performance (Lytle & Timmerman, 2006; Schneider, Ehrhart, Mayer, Saltz, & Niles-Jolly, 2005).

We extend customer incivility research by distinguishing between incivility as a social entity and as an event (Cropanzano, Byrne, Bobocel, & Rupp, 2001). Although “incivility is an interactive event” (Andersson & Pearson, 1999, p. 457), prior studies rely on entity measures composed of incivility accumulated over time and across encounters (e.g., days, weeks or months, Kern & Grandey, 2009; Sliter, Jex, Wolford, & McInerney, 2010) yielding little insight about how employees respond to customer incivility as it happens. Event incivility, in contrast, focuses on specific encounters (Cameron & Webster, 2011). This distinction is important because responses to an event can motivate an immediate reaction toward the perpetrator (e.g., a raised voice, Porath & Erez, 2007; Porath, MacInnis, & Folkes, 2010), which could differ from entity civility outcomes such as emotional exhaustion (Cropanzano et al., 2001).

The event perspective also warrants study because it can clarify the conditions under which employees respond to customer incivility in a specific encounter and can overcome certain limitations of the entity perspective. For example, the entity perspective can disguise whether a customer incivility rating is a result of encounters with one or more individuals, on one or more occasions, or from a few highly uncivil exchanges that influence the overall perception of interactions (Globom, 2002). The aggregation of
uncivil encounters can mask the underlying relationship between customer incivility and employee responses to these experiences. Furthermore, in studies using the entity perspective, the identity of the incivility target and instigator is unclear and rely on employee self-ratings, which can be affected by social desirability and common method biases. Studying single encounters also provides an opportunity to clarify causality (Wang, Liao, Zhan, & Shi, 2011).

Our second contribution is to consider the social context when investigating the effects of negative workplace interactions (Duffy, Ganster, Shaw, Johnson, & Pagon, 2006). Customer interactions are an important feature of the social context in service organizations because some employees interact more frequently with customers than with coworkers (Rafaeli, 1989). Employees often view customers as a second boss with power over employees (Grandey, Dickter, & Sin, 2004). We explore how the entity and event perspectives interact to predict employee reactions. We considered what happens in an encounter triggers employee incivility as a function of the employee’s overall impression of customer interaction incivility. We theorize that employees’ experiences can acclimatize them to customer (in)civility such that some employees are accustomed to civil customer interactions, while others could expect the opposite. This context can help explain employees’ reactions to customer incivility.

Third, we identify how situational and between-person factors combine to predict employee responses to customer incivility. Andersson and Pearson (1999, p. 463) theorized that “certain characteristics of the individual involved in the interaction, as well as certain features of the social context, can inhibit or facilitate an aggressive exchange.” We integrate fairness theory and incivility research to propose that employees’ negative affectivity (NA) can qualify the effect of the interaction between event and entity customer incivility on employees’ incivility toward customers. We extend research on the role of NA in employee responses to customer mistreatment (Wang et al., 2011). In doing so, we aim to gain precision in predicting when customer incivility is most likely to trigger an uncivil response from an employee.

We analyzed field data consisting of recorded service interactions between call center employees and customers, with independent judges objectively rating the extent of customer and employee incivility in these interactions. We matched these data to survey responses indicating employee individual differences and their overall perception of civility in customer interactions. This multi-level, multisource, methodology differs from extant research because we assessed (a) both sides of the encounter and (b) objective, rather than employees’ perceptions of, customer behavior, which can vary across encounters, time, and individuals. We analyzed entire interactions, which strengthened the causal inferences regarding incivility instigators and targets, and avoided potential problems associated with common method variance and recall biases.

**Background and Theory**

We define uncivil workplace encounters as an exchange of behaviors instigated by a party who performs an uncivil act directed at a targeted person or group (Andersson & Pearson, 1999). The target can perceive this act as unfair and experience negative emotions that motivate uncivil responses directed at the instigating party. This exchange of behaviors between the instigator and target captures the “tit for tat” idea underlying many social exchanges (Cropanzano & Mitchell, 2005).

Beyond incivility originating from supervisors or employees, employees can also experience incivility from customers. Customer incivility is low intensity deviant behavior by customers (e.g., clients, patients) with ambiguous intent to harm employees (Kern & Grandey, 2009; Sliter et al., 2010). Employee incivility refers to incivility by employees targeting customers (van Jaarsveld et al., 2010). Both customer and employee incivility can violate social norms of mutual respect and courtesy in service exchanges.

Customer incivility is typically framed as a social job stressor (Penney & Spector, 2005) associated with negative outcomes including emotional exhaustion (Kern & Grandey, 2009), increased job demands (van Jaarsveld et al., 2010), absenteeism, and reduced performance (Sliter et al., 2010; Sliter et al., 2012). To date, studies have explored this dynamic without specifying the identity of the instigator and target, overlooking the employee’s immediate reactions to customer incivility. An employee might respond to a customer’s rude remark by being blunt or disrespectful to a customer, thereby reducing service quality and threatening customer retention.

**Events: Individual Encounters**

We integrated affective events theory (AET; Weiss & Cropanzano, 1996) and the causal reasoning model of deviance (Martinko, Douglas, Harvey, & Gunlach, 2007) to explain event incivility between customers and employees. The negative emotions aroused by the perceived injustice associated with being an incivility target can motivate individuals to reciprocate with incivility directed toward the instigator (Andersson & Pearson, 1999). AET supports this logic by proposing that work events produce specific emotions, and these emotions motivate affectively driven behavior (Weiss & Beal, 2005).

We first propose that customer incivility events can violate an employee’s sense of dignity and respect (Bies & Moag, 1986) and trigger negative emotions that can motivate employees to react negatively toward the perceived source of the emotions during the same event (Martinko et al., 2007). The desire to target the source of negative emotions motivates employee incivility directed at customers because, in many service contexts, this encounter is the only access that the employee has to the incivility source. Moreover, customer incivility is likely to increase employee motivation to provide uncivil service as a mechanism to end an uncivil service interaction (e.g., by hanging up on a customer; Sliter et al., 2010).

**Hypothesis 1.** Event-level customer incivility directed at employees triggers employee incivility directed at customers.

**Entity (In)civility as Context for Incivility Events**

Incivility events, however, do not occur in a vacuum. Justice theory (Folger & Cropanzano, 2001) proposes that norms develop in organizations regarding acceptable behavior and the treatment employees expect. Uncivil behavior can “permeate the work environment and become a defining characteristic of the climate” (Andersson & Pearson, 1999; Lim, Cortina, & Magley, 2008, p. 96). Little is known, however, about how general employee per-
ceptions of the characteristics of the work environment, in this case employees’ perceptions of the (in)civility in customer interactions (i.e., entity), combine with individual incivility encounters to predict incivility.

**Porath and Erez (2009)** proposed that being an incivility target triggers a psychological state of arousal because the incivility is unexpected and surprising. We extend their model by proposing that being a customer incivility target can trigger a psychological state of arousal especially when the target is accustomed to encountering civility. Drawing upon neuroscience (Kandel, Schwartz, & Jessell, 2000; Purves et al., 2004), Porath and Erez (2009) argued that unexpected events activate the amygdala, a region of the brain associated with processing emotions, and this activation prepares the individual to react. Building on these ideas, we argue that employees who perceive that their typical customer interactions are highly civil will react more strongly to customer incivility when it occurs. In contrast, an employee who is accustomed to uncivil interactions will not consider an uncivil event as unusual and, as such, it will provoke a less pronounced response. This logic is consistent with evidence showing that unexpected events invoke more effortful sense-making processes than do expected events (Bargh & Thein, 1985).

Our reasoning is also consistent with fairness theory (Folger & Cropanzano, 1998) and the notion that counterfactual thinking is triggered by “any event that someone experiences” (Folger & Cropanzano, 2001, p. 5). When individuals encounter negative workplace events, they can experience counterfactual thoughts wherein, in an effort to comprehend the event, they compare the event to what should, could, and/or would have happened (Roese & Olson, 1995; Sherman & McConnell, 1995). These three elements, what should, could, and would have occurred, form the foundation for accountability in fairness theory and inform a prediction about how the social context can affect employee reactions to customer incivility.

Employees who perceive their typical customer interactions as highly civil react more strongly to customer incivility because they can readily imagine alternative treatment and conclude that the event incivility perpetrator would, could, and should have behaved more positively. In contrast, employees who perceive that their customer interactions are typically low on civility are less likely to imagine more civil alternatives. Folger and Cropanzano (1998, p. 192) suggested that the employee considers whether it was “possible for the other person . . . to act in a manner not so demeaning? If not, then the bond of culpability is broken and hostile response tendencies thereby mitigated.” Leung and Tong (2003, p. 101) similarly argued that perceptions of unfair treatment arouse fewer negative reactions “if the salient norm is more tolerant of justice violations.” Incivility is generally viewed as a perception and even violations. Incivility is generally viewed as a perception and even

**Hypothesis 2.** Entity civility moderates the effect of event customer incivility on employee incivility such that the effect is stronger when employees’ perceptions of entity civility are high versus low.

**Event and Entity (In)civility and Negative Affectivity**

The moderation described above could depend on an employee’s personal characteristics. NA refers to an individual’s pervasive disposition to experience negative mood states including anger and tension (Watson, 1988) and is consistent with AET’s emphasis on affect-based reactions to mistreatment. Compared to low-NA individuals, high-NA individuals are described as more distressed, more likely to experience negative emotions, and more reactant to frustration (Watson & Pennebaker, 1989; Watson, Pennebaker, & Folger, 1987). NA can amplify negative employee responses to entity-level uncivil behaviors. Penney and Spector (2005), for example, found that high- versus low-NA employees who perceived more frequent within-organization incivility reported engaging in more counterproductive work behaviors. Wang et al. (2011) similarly found that NA amplified the relationship between daily customer mistreatment of employees and employee sabotage of customers. The negative worldview of high-NA individuals could lead them to “ascribe malicious motives,” rather than ambiguous motives, to uncivil customers resulting in a response directed at customers (Penney & Spector, 2005, p. 781).

We theorized that NA moderates the two-way interaction between event and entity (in)civility predicting employee incivility in the form of a three-way interaction. We expected the two-way interaction described in Hypothesis 2 to be observed among low- but not high-NA employees. For low-NA employees who are accustomed to highly civil customer interactions, an uncivil event can be unexpected and, as described above, can activate the arousal that motivates employee incivility. Low-NA employees who are accustomed to dealing with uncivil customers, however, will be comparatively less aroused by customer incivility and thus less reactant to it.

Among high-NA employees, in contrast, the moderation effects described above are likely to be less pronounced. Because high-NA employees are especially reactant to mistreatment events (Skarlicki, Folger, & Tesluk, 1999), entity incivility will play a relatively less significant role in employees’ reactions to them. Specifically, uncivil events are expected to trigger employee incivility at both high and low levels of entity civility (two main effects).

**Hypothesis 3.** A three-way interaction among customer incivility events, entities, and NA predicts employee incivility. The interactive effects predicted in Hypothesis 2 will be observed among low-NA employees. Among high-NA employees, customer incivility triggers employee incivility for both low- and high-levels of entity civility (two main effects).

**Method**

**Participants and Procedure**

We conducted a field study of insurance customer service employees in central Canada. The demographic characteristics of our
sample in terms of age (36.3 years), tenure (2.9 years), and gender (73% female) were highly representative of the site’s customer service workforce. The typical respondent handled between 60 and 80 product warranty and insurance calls daily with the average call lasting approximately 5 min. We studied call center employees because they can have ample exposure to customer incivility and their interactions are often recorded to monitor employee performance (Batt, Doellgast, & Kwon, 2005). Moreover, service organizations are a large component of the North American economy (Batt et al., 2005).

Data collection consisted of three phases. First, we listened to a pilot sample of 30 random calls provided by the organization, which we used to prepare for site visits, to develop the survey, and to train judges. We also interviewed supervisors and conducted three focus groups with frontline employees to understand customer and employee incivility in this context, facilitating the development of our event-level incivility scales. Second, we surveyed 81 employees (34% response rate) using paper-based surveys to assess individual differences and employee perceptions of entity civility. Respondents received a movie pass for completing a survey. During this phase, with the consent of survey respondents, the organization provided 641 recorded customer encounters for these employees representing 49 hr of transactions.

We excluded 22 respondents and their 128 recorded encounters from the study because they failed to meet our inclusion criteria. We excluded respondents who worked sporadically as customer service representatives (e.g., trainers), took calls only in French, or failed to complete the survey reducing our sample to 59 employees and 513 recorded encounters. We removed an additional 83 calls because (a) there was no customer (e.g., the employee left a message), (b) the employee made a personal call, (c) the call was to a coworker, or (d) the call was in French to a bilingual agent.

Third, we used quantitative coding to construct event-level data for the calls in our reduced data set (Weingart, Olekalns, & Smith, 2004). We identified behaviors to evaluate, developed a coding protocol, and analyzed interactions with it. We trained one pair of judges to code event customer incivility, and a second pair to code events for employee incivility using two sets of 5-point Likert-type measures developed for this study. Training involved four 2-hr sessions per pair of judges covering the coding protocol, listening to and rating sample calls with the first author, and discussing inconsistent ratings. Judges independently coded sample calls between training sessions and compared ratings at the following session. At the end of training, judges had calibrated scoring decisions for all pilot sample calls. We randomly ordered the recording data set prior to coding to avoid both potential order effects resulting from coding calls in the order provided by the organization and habituation effects stemming from consecutively coding all calls for one employee. See Figure 1 for a diagram of the proposed multilevel model. We describe steps to establish causality in the Results section.

**Measures**

**Event incivility.** We used the critical incident technique (Flanagan, 1954) to develop event and employee incivility measures because existing scales do not utilize external observers nor are they specific to event incivility. This technique has been shown to generate content-valid measures of behavior (Levine, Ash, Hall, & Sistrunk, 1983). In focus groups, we asked employees “What do customers do that challenges your ability to provide high levels of customer service?” and “How do you deal with challenging or uncivil customers?” generating 15 examples of customer and 13 examples of employee behavior.

We retained behaviors that conformed to current definitions of incivility. For instance, some employees described a negative event occurring when a customer was unprepared for the call, such as not having claim information. We excluded this customer behavior because it lacked the deviance associated with incivility. We also removed items that could not be identified by external

![Figure 1. Proposed multilevel model.](image-url)
observers such as the employee thinking about the problem from the customer’s perspective. We rewrote the remaining behaviors into two 5-point Likert-type scales (1 = never, 2 = once in the interaction, 3 = a few times in the interaction, 4 = in most of the interaction, and 5 = in all of the interaction) and the judges used them to evaluate interactions. In Table 1, we present qualitative examples of event customer and employee incivility.

The final event customer incivility scale included four items: (a) spoke aggressively toward the employee, (b) used a tone when speaking with the employee, (c) asked aggressive questions (e.g., “Really?” “Are you kidding?”), and (d) made curt statements toward the employee. A multilevel confirmatory factor analysis (CFA) on the coded data set supported a single underlying dimension for the measure, \(\chi^2(8) = 5.36, p = .72\), comparative fit index (CFI) = 1.00, root-mean-square error of approximation (RMSEA) = .00.

To assess employee incivility, the judges rated the extent to which the employee: (a) treated the customer with respect (reverse coded to reflect more incivility), (b) got blunt with the customer, and (c) escalated his or her tone of voice. A second multilevel CFA supported a single underlying dimension for the measure, \(\chi^2(3) = 10.71, p = .01\), CFI = .97, RMSEA = .07.

We averaged item ratings for each pair of judges. We used the average deviation (AD) index (Burke, Finkelstein, & Dusig, 1999) and interrater reliability (James, Demaree, & Wolf, 1984) to assess the appropriateness of aggregating scores. The results, shown in Table 2, indicated high agreement and supported our aggregation decision. Finally, we averaged the scale items forming event customer and employee incivility measures.

### Table 1

**Examples of Event Customer and Employee Incivility**

<table>
<thead>
<tr>
<th>Incivility example</th>
<th>Representative interaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Customer speaking aggressively, using a tone</td>
<td>Employee: Now in order to assist with that, you [customer cuts off the employee] Customer: Don’t put me [said with a raised voice] any place or else you’re going to be sorry.</td>
</tr>
<tr>
<td>2. Customer asking an aggressive question, using a tone</td>
<td>Customer: Do you know that I’m no longer collecting unemployment insurance? I have the last letter I received from them back in May [said with a raised voice]. Employee: Okay, let me see [customer cuts off the employee] Customer: So how am I gonna show you proof? I’ll show you proof that it ended [said with a tone].</td>
</tr>
<tr>
<td>4. Blunt statements, raised voice</td>
<td>Employee: Okay, sir, as I have explained to you, I don’t have your statements. What I have here is what your creditor [raised voice] has asked for. Your creditor [raised voice] is asking for twenty dollars a month. That [raised voice] is what we pay. No more no less. Customer: Twenty dollars a month and the, and the premium. Employee: No sir [raised voice]! Customer: Can you, can you, you know, ahh, okay you want me to call to the you know these ah statement people this ah CreditCardCo? Employee: CreditCardCo can tell you whatever they like, the bottom line is the insurance company follows your policy.</td>
</tr>
</tbody>
</table>

### Table 2

**Average Deviation Index Scores and Interrater Reliability for Judge Agreement**

<table>
<thead>
<tr>
<th>Measure</th>
<th>Average deviation</th>
<th>Interrater reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer incivility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scale</td>
<td>0.39</td>
<td>0.23</td>
</tr>
<tr>
<td>Individual items</td>
<td></td>
<td></td>
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<tr>
<td>Spoke aggressively</td>
<td>0.53</td>
<td>0.32</td>
</tr>
<tr>
<td>Used a tone</td>
<td>0.60</td>
<td>0.37</td>
</tr>
<tr>
<td>Asked aggressive question(s)</td>
<td>0.16</td>
<td>0.09</td>
</tr>
<tr>
<td>Curt statement(s)</td>
<td>0.28</td>
<td>0.16</td>
</tr>
<tr>
<td>Employee incivility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scale</td>
<td>0.31</td>
<td>0.19</td>
</tr>
<tr>
<td>Individual items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disrespectful treatment</td>
<td>0.33</td>
<td>0.20</td>
</tr>
<tr>
<td>Blunt statement(s)</td>
<td>0.40</td>
<td>0.26</td>
</tr>
<tr>
<td>Escalated tone of voice</td>
<td>0.21</td>
<td>0.11</td>
</tr>
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</table>

Note. All average deviation values were below the scale categories (5) divided by 6 acceptable agreement guideline of 0.83 (Burke & Dunlap, 2002; Burke et al., 1999). Interrater reliability calculated using a moderately skewed distribution (\(\sigma^2 = 0.90\) rather than 2.00; James et al., 1984).

**Entity civility.** As described above, entity civility refers to employees’ overall impression of the civility that occurs in their day-to-day interactions with customers. Following van Jaarsveld et al. (2010), the measure included customer and employee (in)civility. Respondents answered three 5-point Likert-type statements (strongly disagree = 1, strongly agree = 5) that were randomly
distributed in the survey: “In general,” “I am civil toward my customers,” “I feel that customers are civil toward my coworkers,” and “I feel that customers are civil toward me.” We averaged responses to create an entity civility score. A higher score on this measure signified higher, rather than lower levels of civility. A CFA of the survey data supported a single underlying dimension for this measure, $\chi^2(1) = 1.52, p = .22$, CFI = .99, RMSEA = .08.

**Negative affectivity.** We measured NA using 11 items from the Multidimensional Personality Index that we averaged to create a score (Agro, Price, & Mueller, 1992). The response set consisted of a 5-point Likert-type scale (1 = strongly disagree, 5 = strongly agree) indicating the respondent’s agreement with statements such as “I get irritated at little annoyances” and “My feelings are easily hurt.”

**Control variables.** Based on prior customer incivility research, we controlled for age and tenure, both measured in years (Sliter et al., 2010; van Jaarsveld et al., 2010).

### Results

We analyzed the data using Mplus 7 (Muthén & Muthén, 2012) following a multilevel structural equation modeling approach (MSEM; Heck & Thomas, 2009). To obtain proper estimates of model deviance, we used maximum likelihood parameter estimates with standard errors and a $\chi^2$ test statistic that were robust to nonnormality and nonindependence of observations (the MLR estimator, Muthén & Muthén, 1998–2010). During the quantitative coding process, we asked each judge to indicate using a binary variable (0 = no, 1 = yes) if the employee instigated the incivility during the interaction. To strengthen our focus on causality, if one or more judges identified the employee as the instigator, we excluded the call from further analysis, resulting in the removal of an additional 23 calls. Our multilevel data set contained coded event-level customer and employee interactions (Level 1, $N = 407$) matched to employee surveys (Level 2, $N = 59$). We measured the control and moderating variables at Level 2.

We implemented a fixed intercept random slope model as opposed to a random intercept random slope model that researchers often use to examine cross-level interactions. We theorized that in events where employees do not experience incivility from customers (e.g., at the intercept) social norms and company training and monitoring reinforce civil employee treatment of customers and leave little variance in employee incivility, whereas cross-level moderators could explain how employees respond to increased customer incivility (e.g., the slope of the relationship). Prediction of the random slope (cross-level moderation) is independent from prediction of the random intercept (the main effect), because the random slope and random intercept are different endogenous variables in the model (e.g., Kaplan, 2009). Controlling for the main effects on the random intercept, even with significant variance in the random intercept, should not alter estimates of cross-level moderation, which is operationalized by predicting the random slope.$^1$ Statistical tests of variance of the latent variables representing the random intercept ($\sigma_1 = 0.01, 95\%$ confidence interval [CI] = [0.00, 0.01]) and random slope ($\sigma_1 = 0.04, 95\%$ CI [0.01, 0.06]) of the event customer incivility and employee incivility relationship support this modeling approach. These tests indicated that the random intercept lacked sufficient variance to explain with Level 2 predictors but that Level 2 predictors could explain variance in the random slope. For these reasons, we did not include direct paths from Level 2 variables predicting the random intercept latent variable but did examine cross-level moderators predicting the random slope.

Table 3 contains summary statistics, correlations, and reliability estimates. We used nested multilevel models to test Hypothesis 1 predicting that event customer incivility triggers employee incivility. The first model constrained the effects of customer incivility (the slope of the relationship) and the control variables to zero. In the second model, we relaxed the constraint on the control variables, and in the third model, we removed the constraint on customer incivility. We identified significant differences between models using adjusted log-likelihood values and difference tests with scaling correction factors yielding a $\chi^2$ distributed test statistic (Satorra, 2000; Satorra & Bentler, 1999) for the statistical significance of adding event customer incivility to the control variable model. Our results in Table 4 support Hypothesis 1, $b = 0.21, 95\%$ CI [0.11, 0.31], $\Delta \chi^2(1) = 55.04, p < .001$.

Hypothesis 2 stated that entity civility moderated the relationship between event customer and employee incivility. MSEM indicates that a cross-level moderator exists if two conditions are met: (a) a Level 2 variable significantly predicts the latent variable

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$^1$ We thank Associate Editor Mo Wang for his guidance in clarifying this section.
representing the random slope of the relationship between Level 1 variables, and (b) the model is statistically different from one where the paths of cross-level moderators are constrained to zero. Our results in Table 5 support Hypothesis 2, $b = 0.19$, 95% CI [0.01, 0.37], $\chi^2(2) = 4.97$, $p < .05$. Model 2 also provides guidance regarding the primary and secondary moderator in the analysis since NA is not a significant cross-level moderator of this relationship ($b = 0.08$, 95% CI [-0.05, 0.21]).

In Hypothesis 3, we proposed that a three-way interaction involving event customer incivility, entity civility, and NA predicts employee incivility directed at customers. Similar to the previous models, a significant moderation is present if the entity civility and NA interaction created by multiplying these variables significantly predicts the latent variable for the random slope of the event-level customer and employee incivility relationship. In addition, this model needs to be statistically different from one where this path is constrained to zero as we confirm in Table 5, Model 3, $b = -0.20$, 95% CI [-0.39, -0.02], $\Delta \chi^2(1) = 3.75$, $p < .05$. The entity civility and NA interaction term was a significant predictor of the random slope of the relationship between event

### Table 5

<table>
<thead>
<tr>
<th>Variable</th>
<th>Model 1</th>
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<th>Model 2</th>
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<th>Model 3</th>
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<td>95% CI</td>
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<td>b</td>
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<td>Latent variable of the intercept of the</td>
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<td>relationship between event customer</td>
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<td>incivility and employee incivility</td>
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<td>Intercept</td>
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<td>Variance of the random intercept</td>
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<td>0.01</td>
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<td>Latent variable of the random slope of the</td>
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<td>relationship between event customer</td>
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<td>incivility and employee incivility on</td>
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<tr>
<td>Age</td>
<td>0.00</td>
<td>-0.01</td>
<td>0.01</td>
<td>-0.01</td>
<td>-0.02</td>
<td>0.00</td>
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<tr>
<td>Tenure</td>
<td>0.06</td>
<td>0.02</td>
<td>0.09</td>
<td>0.07</td>
<td>0.03</td>
<td>0.10</td>
<td>0.06</td>
<td>0.02</td>
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<tr>
<td>Entity civility</td>
<td>0.19</td>
<td>0.01</td>
<td>0.37</td>
<td>0.68</td>
<td>0.16</td>
<td>1.20</td>
<td></td>
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<tr>
<td>Negative affectivity</td>
<td>0.08</td>
<td>-0.05</td>
<td>0.21</td>
<td>0.88</td>
<td>0.15</td>
<td>1.61</td>
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<td>Entity Civility $\times$ Negative Affectivity</td>
<td>0.20</td>
<td>0.11</td>
<td>0.30</td>
<td>0.19</td>
<td>0.09</td>
<td>0.29</td>
<td>0.19</td>
<td>0.09</td>
<td>0.30</td>
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<td>Intercept of the random slope (i.e.,</td>
<td>0.04</td>
<td>0.02</td>
<td>0.05</td>
<td>0.05</td>
<td>0.01</td>
<td>0.09</td>
<td>0.04</td>
<td>0.01</td>
<td>0.09</td>
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<td>customer incivility)</td>
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<td>Residual variance of the random slope</td>
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<tr>
<td>$\Delta \chi^2(\Delta df)$</td>
<td>10.16$^a$</td>
<td>(2)$^b$</td>
<td>4.97$^c$</td>
<td>(2)$^c$</td>
<td>3.75$^d$</td>
<td>(1)$^d$</td>
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</table>

Note. CI = confidence interval; LL = lower limit; UL = upper limit. $N$ for Level 1 (encounters) was 407; $N$ for Level 2 (employees) was 59.

$^a$ $\chi^2$ difference test based on log likelihood values and scaling correction factors required for estimates obtained using the MLR estimator (Satorra, 2000; Satorra & Bentler, 1999). $^b$ $\Delta \chi^2$ and $\Delta df$ compared to the model with all predictors constrained to zero (not displayed). $^c$ $\Delta \chi^2$ and $\Delta df$ compared to Model 1. $^d$ $\Delta \chi^2$ and $\Delta df$ between Model 2 and Model 3. $^p < .05$. $^**p < .01$. 

customer and employee incivility. The residual variance of the random slope is also not significant with this interaction term in the model.

We probed the interactions guided by Aiken and West (1991) and Preacher, Curran, and Bauer (2006). In Figure 2, we present the two-way interaction plot for Hypothesis 2. Figure 3 illustrates the three-way interaction plot for Hypothesis 3. Both figures include estimates of the size and statistical significance of the respective simple slopes and their differences. The results show that the relationship between uncivil events and employee incivility was more pronounced for employees who perceived their entity interactions as highly civil. This interaction effect was observed among low- but not high-NA employees. For the latter, both event incivility and entity civility predicted employee incivility (i.e., two main effects). Consistent with our logic for Hypothesis 3, the difference between the slopes for high-NA employees was smaller than the difference between the slopes for low-NA employees (difference: 0.35, 95% CI [0.04, 0.66]).

**Alternative Models**

It is possible that high-NA individuals could report lower entity civility due to their sensitivity to perceived mistreatment. We tested whether entity civility moderated the event customer incivility and employee incivility relationship when we regressed entity civility on NA. The model with a path from NA to entity civility was not statistically different from one where this path was constrained to zero, $\Delta \chi^2(1) = 2.91, p = .09$. Second, we considered that event incivility relates to entity civility and that NA moderates this relationship. To estimate this model, we created a mean event customer incivility score for each employee and regressed entity civility on it, NA, and the interaction term. This interaction term was not a significant predictor of entity civility ($b = -0.94, 95\% \text{ CI } [-2.32, 0.44])$. In summary, the data suggest that our hypothesized model was superior to alternative models.

**Discussion**

Considerable research shows that service interactions can involve uncivil exchanges between customers and employees, which can result in negative outcomes for customers, employees, and organizations (e.g., Kern & Grandey, 2009; Skarlicki, van Jaarsveld, & Walker, 2008; van Jaarsveld et al., 2010). Previous incivility research, however, has explored these effects almost exclusively from the entity perspective—employees’ accumulated perceptions of customer incivility—rather than what occurs in specific encounters. Although the entity perspective has uncovered important findings, to gain a deeper understanding of these exchanges, we studied incivility in individual encounters (i.e., events) and the entity perspective.

The significance of the present research is threefold. First, as shown in entity research, we find that employees react to uncivil events by engaging in incivility. Extant entity research, however, could only conclude that employees reciprocate incivility toward customers in general, while our research shows that employee incivility is directed toward a specific uncivil customer. This finding is consistent with the target similarity perspective (Lavelle, Rupp, & Brockner, 2007) in that mistreatment motivates the target to direct retaliation toward the perpetrator.

Second, and more important, by exploring the event and entity perspectives in the same study, we found that employees respond to event customer incivility as a function of their accumulated, entity perceptions of incivility in customer interactions. The effect of uncivil customer encounters on employee incivility was significantly more pronounced among employees who viewed customer interactions as highly civil versus highly uncivil. We theorize that event customer incivility can increase immediate emotional arousal (Porath & Erez, 2009) more so when employees view customers as civil because, as fairness theory (Folger & Cropanzano, 1998) proposes, employees who view their customers as generally civil can more easily imagine more positive alternatives compared to employees who perceive customers as generally uncivil, thus their reaction is relatively stronger. In short, uncivil encounters are especially likely to trigger employee incivility when they are unexpected.

Third, the two-way interaction described above was observed among low- but not high-NA employees. High-NA employees reciprocated customer incivility with employee incivility for both high and low entity civility (two main effects). As studies indicate, high-NA individuals are more emotionally reactant to workplace mistreatment than their low-NA counterparts (Skarlicki et al., 1999; Wang et al., 2011), which appears to lessen the strength of contextual influences on employee incivility. Low-NA employees expecting customer incivility were the least likely to engage in incivility targeting customers. We argue that because uncivil events are consistent with how these employees expect to be
treated and are an irritant they can tolerate, low-NA employees can
direct effort to providing civil customer service rather than be
distracted by counterfactual thinking during event incivility. It is
notable that employees in this study reported being well trained in
customer service. Thus, the negative slope for low-NA and low
civility in Figure 3 might arise as a result of these employees’
ability to effectively implement their training rather than react to
an unexpected event. The significant three-way interaction effect
shows that NA provides a boundary condition for our predicted
interaction effects. By studying the interaction of event- and entity-
level (in)civility and individual differences, we gain precision in
predicting when customer incivility is most likely to result in
employee incivility.

A key strength of the event-level approach was to test for
causality. Importantly, we do not conclude that causality cannot
occur in reverse, only that our analysis shows that customer
incivility can trigger employee incivility. We avoided the common
method and recall biases often observed in incivility research by
utilizing independent raters and recorded encounters.

In terms of potential limitations and future research, the dynamics
we specify could differ in contexts where the target and
instigator are of equal power, such as among coworkers or where
the relationship is ongoing. Our findings focus on exchanges
involving customer-initiated incivility. Researchers could investigate
how becoming accustomed to (in)civility from other sources
(e.g., supervisors, coworkers) influences employee incivility. We
also assumed independence of each event in our sample of calls,
raising the question of what occurs in interactions immediately
following uncivil encounters. This extension could clarify how
incivility spirals arise (Andersson & Pearson, 1999). Drawing on
the concept of emotion intensity (Verduyn, Van Mechelen, Tuer-
linckx, Meers, & Van Coillie, 2009), the emotions associated with
being an event incivility target could spread to future interactions.

It is plausible that cultural differences could moderate these
effects. Shao and Skarlicki (2013) found that North American
employees’ reactions to abusive customers were directed toward the
abuser, while in China, employees’ reactions were relatively
indirect. Thus, research needs to explore whether these findings
would arise in different cultures. Our research site featured spo-
radic uncivil interactions, thus it would be important to examine
whether these effects occur in a context where incivility was
uniformly high. Finally, whether our results generalize to face-to-
face interactions needs to be explored (Wegge, Vogt, & Wecking,
2007).

Our findings present an interesting conundrum for managers. On
the one hand, prior research advises organizations to create a
workplace where customer incivility is low. Our study reveals that
employees can be especially reactant to uncivil encounters in
conditions where civility rather than incivility is the norm. Our
results, however, do not contradict previous recommendations. We
propose that companies cannot rest on their laurels—strategies such as training employees to effectively deal with irate customers are important even when customers are viewed as highly civil. Our study also points to the importance of building employees’ skills to address incivility within the encounter, as opposed to strategies designed to “fix” the relationship once the employee has reacted uncivilly toward the customer. In addition, our findings have implications for hiring or relocation functions. Selection strategies could include hiring employees who have the capacity to deal more effectively with incivility (e.g., low-NA), including providing a realistic job preview to help manage their expectations. Managers should also be vigilant when relocating employees to jobs with more versus less customer incivility.

In summary, we examined incivility between customers and employees within specific service encounters (i.e., the event perspective) alongside employees’ accumulated perceptions of incivility in their customer interactions (i.e., the entity perspective). We drew on AET and causal reasoning models and found that customer incivility triggered employee incivility toward the specific uncivil customer. This effect was larger among employees who viewed customer interactions as highly civil as opposed to highly uncivil. We observed this moderation effect among low- but not high-NA individuals. High-NA individuals engaged in incivility in response to event customer incivility notwithstanding their perceptions of entity civility.

References


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