

## BALANCING EXPECTATIONS: HARMONIZING CUSTOMER CONTROL WITH EMPLOYEE WELL-BEING FOR LONG-TERM SUCCESS

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### Abstract

*An increasingly popular idea in management is "customer control," which describes the power consumers have on goods, services, and employees behavior. The dynamics between customer input, employee attitudes, and service delivery outcomes are the main subject of this study, which looks at how consumer control affects workers and organizational procedures. The study uses sentiment analysis to find organizational behaviors and emotional reactions in seven participants' semi-structured interviews. The results show that although customer control improves operational effectiveness, personalization, and service quality, it also poses problems for performance management, employee motivation, and mental health. For a business to succeed over the long term, it is essential to strike a balance between the advantages and disadvantages of customer control. This study contributes to the literature on value co-creation by providing managerial insights into the complexities of customer control and its implications for employee behavior. Future research should explore strategies for managing the long-term psychological and operational impacts of customer control.*

**Key Words:** Customer control, Management control systems, Feedback, Sentiment Analysis

### Introduction

The digital era has fundamentally reshaped the relationship between customers and organizations. Customers no longer play passive roles but actively participate in shaping business practices

through feedback mechanisms, customization, and social media interactions (Acar & Puntoni, 2016).

Artificial intelligence driven apps and software has enabled customers to have more access to the updated policies and law. They are now more updated about their rights and have access to companies support team 24/7. Technology is both beneficial and hindrance to customers. Many customers especially who belonged to developing countries don't feel comfortable using online apps. But, those who are in support of inclusion of technology feel its use more convenient.

Scholars have explored customer satisfaction and empowerment extensively from a consumer-centric perspective but have overlooked how customer influence impacts employee behavior and internal operations. As discussed above that some customers support use of technology but others don't such like that employees who once worked only for fixed hours are now on duty 24/7. The sample for this study also includes banking employees who on one hand feel satisfied when technology taken over because now they don't need to spend hours just to get a simple report but on the other hand, management keeps them on alert 24 hours a day. They can be called any time if there is a problem or complaint by a customer. This dual impact of virtual work life has affected employees' mental and physical well-being (Hill et al., 2024). Now, it is more crucial to understand the impact of customer control on employees. Therefore, this study aims to fill that gap by analyzing the effects of customer control through interviews with employees and managers.

### Objectives of the Study

1. **Understand the concept of customer control** from both managerial and employee perspectives.
2. **Explore the mechanisms** through which organizations introduce and implement customer control tools.
3. **Analyze the impact** of customer control on employee behavior, motivation, and well-being.
4. **Identify challenges** associated with managing customer control in organizations.

### Research Gap

While customer empowerment has been extensively studied, few researchers have examined how customer control impacts employee behavior and organizational outcomes (Schneider, 1994). This study addresses this gap by evaluating customer control as an external environmental factor influencing business operations. Moreover, the emotional impact of customer control on employees and its implications for organizational strategy remains under-researched. Although a significant amount of literature on customer control concentrates on customer happiness and service quality, this study takes a novel approach by looking at from the perspective of the employee and discussing the effects of customer control on employee motivation and wellbeing. Emotional reactions and job performance. This closes a significant knowledge gap about how internal organizational dynamics and customer-driven demands interact.

Existing literature on customer control focuses primarily on **customer empowerment and satisfaction** (Berraies & Hamouda, 2018), neglecting the **employee perspective**. This paper bridges the gap by addressing:

1. **Managerial challenges** in balancing employee motivation with customer control tools.
2. The **interplay between feedback collection methods** (manual vs. automated) and their impact on organizational processes.
3. Employees' nuanced reactions to **positive and negative feedback**, which has been overlooked in prior studies.

## Introduction and Background

The traditional management focus has long emphasized customer satisfaction, but the dynamic of control has evolved with digital technology. Customers, once passive recipients of services, now actively participate in value creation through **customization, feedback, and direct communication**. Companies engage with customers via multiple channels such as **social media, websites, chat systems, and feedback platforms** (Joosten et al., 2016).

This shift toward **customer control** is significant because it not only changes how services are delivered but also affects employees who execute these services (Jaakkola & Alexander, 2014). Employees respond to customer control either positively or negatively, depending on managerial strategies. Customer control presents a unique challenge as it **extends beyond traditional management control systems**—it is executed by customers yet monitored by managers. Customer control's effects on employees' conduct have been the subject of recent studies, which have shown both advantages and disadvantages. Better Career Development: Service workers who interact with empowered customers are more likely to demonstrate organizational citizenship behaviors, which enhances their chances of advancing in their careers and obtaining employment resources (Guo & Cheng, 2021). Employee innovation behavior is positively impacted by customer cooperation. This effect is mediated by creative job identities, and the association between employee innovation behavior and customer collaboration can be strengthened by an innovation-friendly environment (Zhou, J., Yang, J., & Zhou, 2021).

Employees who witness dysfunctional customer behavior may experience negative emotions that stifle pro-social service practices. This link can be moderated by perceived supervisor support, underscoring the significance of managerial assistance in reducing adverse emotional consequences (Xiao et al., 2022). Mistreatment of customers has been shown to have a detrimental effect on the affective outcomes of service workers, such as elevated stress and role ambiguity. In order to safeguard the welfare of their employees, businesses must confront customer abuse (Wu, Y., Groth, M., Zhang, K., & Minbashian, 2023).

Digital technologies have intensified customer empowerment by enabling customers to compare, review, and interact with products and services in real time (Acar & Puntoni, 2016; Sawhney et al., 2005; Marti et al., 2024). Companies must adapt by **incorporating feedback mechanisms** into product design and marketing strategies, recognizing customers as co-creators of value (Vargo & Lusch, 2004).

## Literature Review

Customer empowerment plays a crucial role in the modern business landscape. With access to **social networks and online platforms**, customers can engage actively with brands, influencing product development and marketing strategies. The concept of **eWOM** has emerged as a powerful tool in this regard, with customers posting reviews and recommendations that influence other consumers' decisions (Cheung & Thadani, 2012; Tobon & García-Madariaga, 2021).

Empowered customers are no longer satisfied with one-way communication. They demand a participatory role, influencing product innovation and service design (Berraies & Hamouda, 2018). Brands like **Samsung and Nike** actively seek consumer insights to align products with market demands (Bhasin, 2021). Furthermore, companies recognize that empowered employees—who can respond promptly and independently to customer feedback—enhance the overall customer experience.

This evolution in customer-business interaction has created **new managerial challenges**. Customer control affects not only external marketing strategies but also **internal employee dynamics**. Research has primarily focused on **customer abusive behavior** and **emotional labor** but lacks sufficient attention on how customer control shapes **employee attitudes and job performance** (Grandey et al., 2015). Studies on **customer influence over employees** are particularly rare (Schneider, 1994).

#### **Employee Reactions to Control: Dual-Edged Dynamics of Empowerment and Stress**

Organizational control aims to align employee behavior with company goals by setting standards, monitoring compliance, and incentivizing adherence (Flamholtz et al., 1985; Snell, 1992). According to Baldauf et al. (2005), this control might be informal (driven by peers and norms) or formal (organized by management). According to Sitkin et al. (2010), these strategies aim to preserve discipline, improve efficiency, and guarantee clarity on performance goals. Employee responses to control systems, especially customer-driven control, are complicated, though, and can have both beneficial and detrimental effects on the workplace.

**Trust and Control:** A Fine Balance Divergent viewpoints on the impact of formal control systems on organizational trust may be found in the literature. According to some academics, formal control improves trust by lowering uncertainty and giving workers a safety net (Weibel et al., 2016; Langfred, 2004). Control mechanisms increase interpersonal trust and organizational coherence by empowering individuals to carry out their jobs with confidence by clearly articulating their obligations and expectations (Bijlsma & Bunt, 2003; Gittell, 2001).

Strict control, on the other hand, may encourage emotional distance, distrust, and "us vs. them" attitudes between employees and management (Argyris, 1952) (Argyris, 1952; Ghoshal & Moran, 1996). Tight regulations can cause morale to suffer and interpersonal distance to increase by refocusing the attention from cooperation to compliance (Thompson & Warhurst, 1998). The contradiction that control may both build and destroy trust emphasizes how crucial it is to strike a balance between autonomy and structure.

**Customer Control: Empowerment vs. Role Stress:** Customer control mechanisms, like co-production projects and feedback loops, are being used more and more in service contexts to improve service quality (Larsson & Bowen, 1989; Mullins et al., 2015). By enabling customers to actively shape the service process, these techniques can foster mutual understanding between employees and customers (Claycomb et al., 2001). According to research, role clarity, which is attained through feedback, improves employee performance and lessens uncertainty (Jaworski & Kohli, 1991; Challagalla & Shervani, 1996). Customer involvement, though, may also present difficulties.

Due to competing role expectations, employees may feel less autonomous and more stressed at work when customers have a lot of influence (Solomon et al., 1985; Larsson & Bowen, 1989). Role ambiguity and emotional exhaustion might result from unfair behavior or high demand from customers (Brotheridge & Grandey, 2002; Hsieh & Yen, 2005). Furthermore, the ongoing pressure to satisfy both management and customer expectations pushes workers to constantly learn new skills, which adds to work overload and frustration (Hsieh et al., 2004).

The Management Control Systems (MCS) are often used by the managers to create objectives, observe and evaluate improvement, provide feedback, and to encourage employees to meet organizational standards and principles (de Harlez, Y., & Malagueño, 2016). When you study previous researches, you find out that there is a fair chance of employees perceiving MCS as a source of motivation or even a hindrance in some cases, regardless of the system's intended



objectives (Tessier & Otley, 2012). Those employees who perceive MCS as a motivator, consistently associate it with behaviors that support organizational goals and objectives (Abdel-Maksoud et al., 2021). Still, further investigation is required for those cases where employees perceive MCS as a threat coz the potential consequences for that remain unclear (Franco-Santos, M., & Otley, 2018).

**Unintended Consequences:** Some of the unintended consequences refer to those Frontline employees who may perceive dysfunctional customer's actions as unfair workplace occurrences (Peng, J. M., Guan, X. H., & Huan, 2021). Some Frontline employees may respond to excessive customer control in a poorly manner. Further, some studies show that workers, when they feel undervalued or even frustrated, may disengage, neglect their customers or even exhibit passive resistance (Rafaeli, 1989; Chan et al., 2010; Xiao et al., 2022). Moreover, in extreme circumstances, amplified customer control can lead the employees to indulge in unethical sale practices in order to meet their performance targets (Yang et al., 2018). These findings support the double nature of customer control that is, at one hand, it is used to improve customer service, but on the other hand, it has negative effect on employees.

Hidden deviant behaviors have mostly been overlooked in favor of observable misconduct in the growing body of research on the unintended consequences of MCS (Franco-Santos, M., & Otley, 2018; Gomez-Conde, J., Lopez-Valeiras, E., Malagueño, R., & Oyadomari, 2022).

On the one hand, a growing body of research suggests that employees' views of MCS as a threat—that is, as a system designed to monitor, punish, and restrict actions—can effectively discourage misconduct and free-riding since they make it apparent that they will not tolerate actions that deviate from organizational and social norms (Lourenço, S. M., Greenberg, J. O., Littlefield, M., Bates, D. W., & Narayanan, 2018; Van der Stede, W. A., Wu, A., & Wu, 2020).

**Technological Evolution and the Rise of Customer-Centric Control:** Control dynamics are moving toward customer-centric models as corporate processes become more digitally integrated. The impact of technology on customer-centric service models and innovation is examined with an emphasis on how companies use digital technologies to empower customers and raise service standards (Huang, M. H., & Rust, 2017). According to Roggeveen, Tsiros, and Grewal (2012), real-time feedback systems and automated control tools are now important to engage customers in industries including banking, telecommunications, hotels, and education (Nguyen et al., 2024).

For businesses, devoted customers are the most treasured assets; but unnecessary and excessive customer involvement may lead to unintended consequences that may create new challenges for the employees. When customers are not fully aware of their role in the service process, they may cause increased workload and undue stress for the staff involved, thus making it even tougher to provide quality service (Hsieh & Yen, 2005).

Here we may conclude that the Customer control may lead to both; opportunities and challenges for organizations. If we look at its pros, it nurtures feedback, boosts cooperation between customers and employees, and enriches service quality. But at contrast if handled incorrectly, it can create tension, role conflicts, and even lead to unethical behavior. In order to create a balance between employee autonomy with customer empowerment, the Management must design control mechanisms thoughtfully. Moreover, keeping in the view the evolving nature of customer control, further research is essential to develop adaptive systems while considering the needs of both customers and employees having focus on minimizing stress and burnout. Sustained success in competitive service industries while prioritizing both high performance and employee well-being, can only be attained by achieving this balance and creating supportive work environments.

### **Methodology: Interview-Based Approach with Advanced Sentiment Analysis**

This study took a qualitative research approach to further study and discover the complex effects of customer control. Semi-structured interviews were conducted involving 7 participants through closed ended and open-ended questions. The core areas of these interviews included the implementation, practical application, and employee reactions to customer control systems.

### **Data Collection**

Various channels were used in order to conduct these interviews which included face-to-face meetings, in writing, and using digital tools. For accuracy, audio recordings and handwritten replies were transcribed using digital transcription tools. In order to gather data for this research, Senior Management representatives of different organizations of key sector across Pakistan; including banking, telecommunications, housing development, hospitality, and cinemas were approached. The participants of this study were Regional Heads who directly supervise those employees who manage frontline staff and addressing customer related issues and problems. In total, 11 interviews were conducted, because some interviews included supplementary questions that deviated from the core subject. Ultimately, only 7 interviews which aligned strictly with the study's aims, were chosen for the final study.

### **Sentiment Analysis**

- MonkeyLearn, an AI-powered sentiment analysis tool, was used to organize responses into optimistic, impartial, or pessimistic categories. MonkeyLearn is a vigorous machine learning-based platform available as a software-as-a-service (SaaS), also known as subscribe-ware or rent ware (Contreras et al., 2022).
- The power of this tool permits businesses to examine and classify text data, including sentiments conveyed in surveys, social media, product assessments, and customer opinion. MonkeyLearn supports several languages and miscellaneous data sources due to its pre-built templates and customizable models. Also, its elasticity and ease of incorporation makes it a useful choice for streamlining workflows and attaining actionable insights. Moreover, it's the perfect tool for gathering useful insights from enormous volumes of formless text due to its intuitive interface, API access, and real-time scrutiny abilities (Decuzzi, n.d.).
- The study of analyzing people's opinions, sentiments, assessments, attitudes, and emotions from written language is known as sentiment analysis and opinion mining. In addition to being extensively researched in data mining, Web mining, and text mining, it is one of the most active research fields in natural language processing. Because of its significance for business and society at large, this research has actually expanded beyond computer science into the management and social sciences. With the rise of social media platforms including reviews, forum conversations, blogs, and microblogs, Twitter, and social networks, sentiment analysis is becoming more and more significant. We now have a vast amount of opinionated data that has been digitally recorded for examination for the first time in human history (Liu, 2022).
- Ortigosa, Alvaro, Jose Martin, (2014, p. 528) defines sentiment as “a personal positive or negative feeling or opinion” that shows a person's levels of happiness and despair. Stine

(2018) defines sentiment analysis as a "opinion mining" technology that gives the text emotive labels. The rise of digital interactions and advances in machine learning and neural networks have sparked interest in this lexicon-based approach to text analysis. These days, a number of machine learning services, like "Awario," "Social Searcher," "Google Cloud Natural Language API," "MonkeyLearn," and others, provide sentiment analysis of the messages. Sentiment analysis uses lexicon-based algorithms that identify a collection of predefined words as positive, negative, or neutral (Stine, 2018). Because it is readily available, this kind of analysis is helpful for social media research projects that involve vast volumes of textual data (Sirvydaite, 2021).

- Since opinions are essential to practically all human activities and have a significant impact on our behavior, sentiment analysis tools are used in practically every social and commercial sphere. The way that other people view and assess the world has a significant influence on our beliefs, perceptions of reality, and decisions. Because of this, we frequently ask for other people's perspectives when we need to make a decision. This holds true for both individuals and organizations (Liu, 2022).
- To improve reliability, manual validation of the automated sentiment categorizations was conducted by cross-checking with human judgments, ensuring that nuanced emotions were captured accurately.
- Although there aren't many specific studies that use MonkeyLearn for interview analysis, there are a number that use it for sentiment analysis in related contexts: These examples show how versatile MonkeyLearn is in sentiment analysis across different types of textual data, including interviews, which improves the depth and accuracy of qualitative research; evaluating sentiments in YouTube videos of donor-conceived individuals: Researchers used MonkeyLearn to assess sentiments in YouTube videos, showcasing its usefulness in analyzing unstructured textual data; and content and sentiment analysis of news articles (Galperin, S., Wiener, L., Bittman, S., & Oladipo, 2023). One study used MonkeyLearn to analyze the content and sentiment of 'The Guardian' articles, highlighting its efficacy in processing large datasets for sentiment classification.
- The pre-trained models of MonkeyLearn are able to predict sentiment using machine learning techniques that have been taught on large datasets. These models are made to classify text accurately as positive, negative, or neutral by finding patterns, linguistic clues, and contextual elements. This platform allows users to enter text data, such as survey answers or customer reviews, and the pre-trained models analyze the data in order to provide instant sentiment predictions. Furthermore, the models are also designed to handle language variation, slang, and specific industrial terms, so forecasts made will be precise for many applications. To further improve precision in some use cases, MonkeyLearn also allows companies to fine-tune the pre-trained models to match more specific datasets or business requirements.
- Therefore, this study has used pre-trained models (on large datasets) to predict natural language of questions in our survey, results are ought to be very much accurate and acceptable. If this study had used customized machine learning algorithm, then it would have required large datasets for training of the model.

### Data Interpretation and Thematic Analysis

- Quantitative summaries were extracted from the sentiment analysis (e.g., 85% of respondents expressed positive sentiment toward customer control tools introduced by upper management).
- A thematic analysis was performed to identify patterns and emerging themes across responses, providing deeper insights into employees' emotional reactions and behavioral changes.

### Rationale for Method Selection

By incorporating automated sentiment analysis with qualitative insights, this dual-method approach offers a strong foundation for reducing subjective biases while preserving the richness of individual replies. Using a variety of data sources guarantees thorough coverage, which improves the results' validity. Many researchers such as Lee et al. (2023) and Contreras et al. (2022) in social and management sciences used these automated sentiment analysis for data analysis.

This methodology offers both empirical rigor and interpretative richness, making it suitable for exploring complex interactions between customer control mechanisms and employee behavior.

### Data Analysis and findings

The interview questions and their analysis is described in the table below:

Question	Sentiment			Analysis
	Positive	Neutral	Negative	
1. <i>When was the customer control tool introduced in this organization?</i>	6		1	85% either knew when it was introduced or had positive response regarding
2. <i>Who introduced it in this organization?</i>	6		1	<ul style="list-style-type: none"> <li>85% said that it was introduced by higher management with positive sentiment.</li> <li>Whereas, not knowing about who introduced it was termed as a negative sentiment.</li> </ul>
3. <i>What do you understand from customer control?</i>	7			All of the interviewees define customer control positively
4. <i>Why someone felt a need to develop one and how it has been evolved over the years?</i>	5	1	1	<ul style="list-style-type: none"> <li>71% interviewees answered the question positively and explained how control improves working of the organization</li> <li>1 interviewee explained it quite neutrally</li> <li>1 individual explained it in a negative manner</li> </ul>



5. <i>How customer control tool is developed, implemented and maintained in this organization?</i>	6	1		<ul style="list-style-type: none"> <li>85% interviewees had satisfaction with customer control tool and the system was online software with good feedback mechanism</li> <li>1 individual deemed the system as manual which was termed as negative by AI</li> </ul>
6. <i>Why this particular customer control tool is maintained and accepted in this organization?</i>	6		1	<ul style="list-style-type: none"> <li>85% participants think that their customer control tool is sufficiently fulfilling its purpose</li> <li>AI software deemed one response as negative because words like “strict” etc are being used by interviewee. But as per human analysis it is also positive</li> </ul>
7. <i>How do you feel about it? Is it fulfilling its purpose?</i>	5	1	1	71% interviewees feel that customer control is positive and fulfills its purpose
<i>Sec 1 Assessment</i>	85% of the participants deem customer control tool as a positive tool in improving the overall management of complaints and their resolution. They were also satisfied with its implementation mechanism.			
<i>Who Controls</i>				
8. <i>In this organization who has more control? Customers, Administration or employees?</i>	7			All participants think that <b>administration has most</b> ; then <b>customer</b> and <b>employee has least control</b> . But no negative sentiment is observed in the responses.
<i>Sec 2 Assessment</i>	<b>Most Control:</b> Administration <b>Intermediate Control:</b> Customer <b>Least Control:</b> Employee			

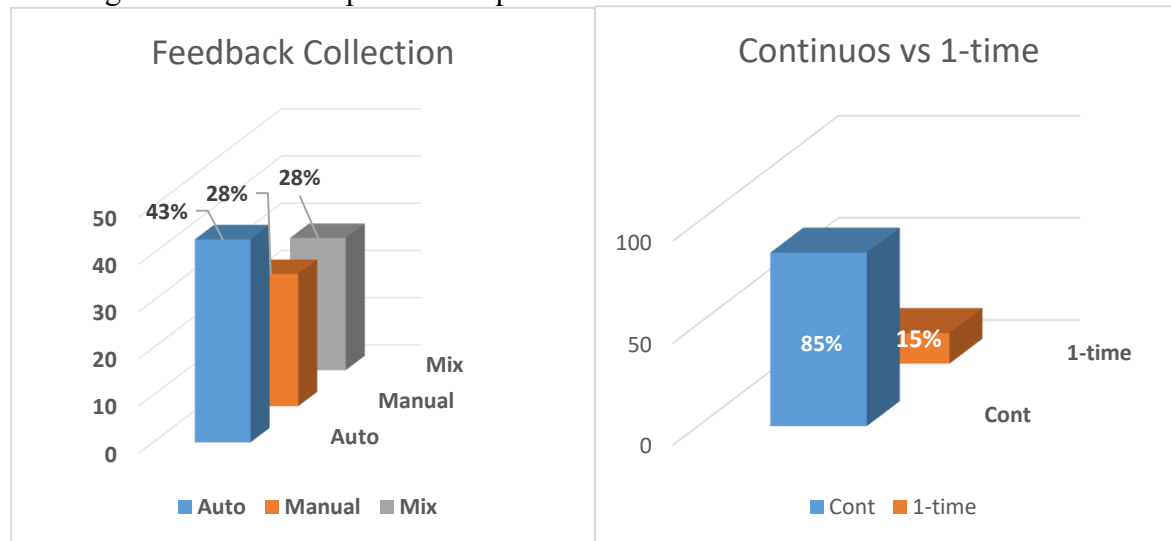
<p style="text-align: center;"><b>Who Controls?</b></p>				
<b>What Do you Control</b>				
<b>9. What is the main purpose of this specific control? (Actions, results or behavior of employees)</b>	4	2	1	<ul style="list-style-type: none"> <li>57% answered the question appropriately (that is the control effects actions and behavior which leads to better results)</li> <li>As this question is closed ended, not answering it properly did not yield proper results for 3 participants.</li> </ul>
<b>10. How do you use this control tool to control employees?</b>	6	1		<ul style="list-style-type: none"> <li>All valid responses mentioned tracking and reward mechanism which motivates the employees to solve user complaints in efficient manner</li> <li>Neutral response when manually analyzed is irrelevant answer and is not being considered in result</li> </ul>
<b>11. How this customer control is used to improve services or main goal of the organization?</b>	6	1		All interviewees termed customer as primary force behind working of any organization; thus better customer satisfaction ensured by customer control tool results in customer retention of any organization
<b>Sec 3 Assessment</b>	Control tools bring improvement in actions & behavior of employees which results in better resolution of customer			

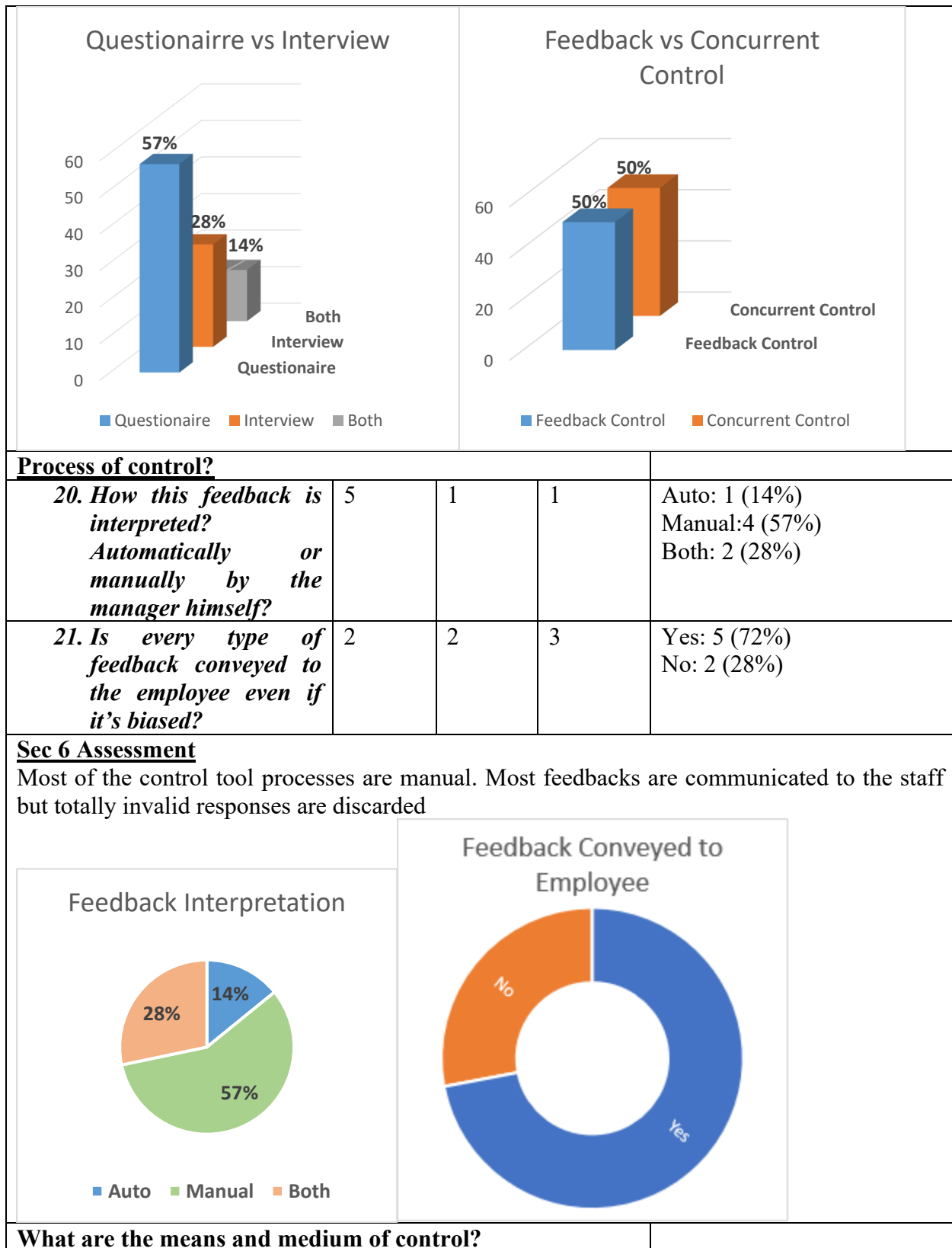
	complaints. Control tool utilizes tracking mechanism as a reward & enabling platform for employees.			
<b><i>What is the reaction of controllee?</i></b>				
<b><i>12. How do employees react to this customer control and feedback especially in case of a negative one?</i></b>	3	2	2	<ul style="list-style-type: none"><li>• 42% interviewee think that it is positive for the organization and employees also benefit from it and don't take it negatively</li><li>• 58% interviewees think that it has some sort of negative impact on the employee's minds and feel disheartened by negative feedbacks</li></ul>
<b><i>13. Do employees accept this control easily?</i></b>	4	1,1	1	<ul style="list-style-type: none"><li>• 72% think that most employees accept it easily (1 neutral response was deemed positive in manual inspection)</li><li>• 28% think that employees resist this control and are not comfortable</li></ul>
<b><i>14. How does it affect their behavior?</i></b>	5	1,1		<ul style="list-style-type: none"><li>• 85% think that their behavior is positive</li><li>• 1 individual remarked that some people take it seriously, while some become rude making it a neutral answer</li></ul>
<b><i>15. What kind of benefits are given to employees for getting positive feedback? (Financial or non-financial)</i></b>	3		4	Almost every interviewee said that mostly benefits are non-monetary. However; <ul style="list-style-type: none"><li>• 43% had positive sentiments regarding these non-monetary reward</li><li>• Rest 57% had negative sentiments</li></ul>
<b><i>Sec 4 Assessment</i></b>				
<b><i>When this control does take place?</i></b>				
<b><i>16. How customer feedback is collected?</i></b>	4	2	1	Auto: 3 (43%) Manual: 2 (28%) Mix: 2 (28%)

<i>(Automated manual) or</i>				Sentiment analysis did not hold good in these responses.
<i>17. And when it is collected? Is it a continuous process or 1 time? (Before/During/After)</i>	7			Continuous: 6 (85%) 1 time: 1 (15%)
<i>18. Do you use a fixed set of questions or a customized approach for feedback collection? (Questionnaire vs. interview)</i>	5	1	1	Fixed (Questionnaire): 3 (57%) customized (Feedback/interview): 2 (28%) Both depending upon situation: 1 (14%)
<i>19. Are employees controlled every time or after the evaluation of feedback? (concurrent control or feedback control)</i>	4	1, 1	1	Feedback control: 3 (50%) Concurrent control: 3 (50%)  1 individual answered ambiguously

#### Sec 5 Assessment

This section comprises of 4 closed-ended questions in which sentiment analysis is not as meaningful as in case of open-ended questions.







22. What type of control application is used to collect customer feedback? Is it collected through email, telephone or at the spot?	4	1	2	Automated mediums: 4 Manual mediums (On Spot): 3
<b>Sec 7 Assessment</b>	Almost half of the organizations are still relying on obsolete/traditional methods of customer feedback collection			

### Key Findings and Analysis

#### 1. Customer Control Implementation

- 85% of participants positively acknowledged the role of upper management in introducing customer control tools.
- While most employees agreed that these systems improve operations through feedback mechanisms, a few expressed resistance, particularly towards manual feedback processes.

#### 2. Stakeholders' Control Dynamics

- Administration holds the most control, followed by customers, with employees exerting the least influence.
- Limited employee control has potential implications for engagement and job satisfaction, especially in high-pressure environments.

#### 3. Impact of Feedback on Employees

- 71% of participants reported a positive attitude towards feedback-driven systems, though 42% mentioned that negative feedback can demotivate employees, leading to emotional strain.
- Although non-financial rewards (such as recognition) are provided for good performance, 57% of participants expressed a preference for financial incentives.

#### 4. Feedback Collection and Interpretation Processes

- 85% of respondents noted that feedback is collected continuously through a mix of automated and manual approaches, including digital platforms and on-site interactions.
- In most cases, feedback is interpreted manually by managers, raising concerns about subjective biases in decision-making.

#### 5. Employee Resistance and Acceptance

- 72% of employees generally accept customer control tools, yet 28% expressed resistance, particularly toward systems that enforce excessive oversight, reflecting concerns over burnout and well-being.

### Overview of Sentiment Analysis Results

- Introduction of Customer Control:** 85% of participants responded positively about the introduction of customer control tools, citing their effectiveness in service improvement.
- Control Dynamics:** Administration was identified as holding the most control, followed by customers, with employees having the least influence.
- Employee Reactions:** Sentiments were mixed—42% viewed customer control as beneficial, while 58% reported that negative feedback could demotivate them.

- **Feedback Mechanisms:** Organizations use both automated and manual systems, with a blend of questionnaires and interviews to gather feedback.
- **Control Processes:** Feedback is primarily interpreted manually by managers, although automated systems are also used in some cases.

### Discussion and Managerial Implications

This study highlights the **complex interplay between customer control and employee well-being**. While many employees view customer feedback as an opportunity for growth, others experience stress from increased expectations. Self-service technologies and digital platforms empower customers, but they also add pressure on employees to respond promptly and effectively (Meuter et al., 2000). Managing these dynamics requires thoughtful strategies that balance the benefits of customer input with the need to maintain employee well-being.

1. **Balancing Control with Autonomy** While feedback-driven control improves service quality, managers should avoid excessive oversight that can demotivate employees. Providing employees with **autonomy** in handling customer feedback could foster engagement and reduce stress.
2. **Reward Systems** Employees' dissatisfaction with non-financial rewards suggests that **mixed incentive programs**—combining both financial and non-financial rewards—are more effective in sustaining motivation.
3. **Automation vs. Manual Feedback** although employees trust **manual feedback interpretation**, organizations should explore **AI-based tools** to enhance efficiency and minimize biases. A hybrid system may offer the best balance.
4. **Managing Negative Feedback** Training programs and **psychological support** are essential for helping employees cope with negative feedback, reducing emotional strain and preventing burnout.
5. **Dynamic Feedback Systems** Organizations should transition to **real-time digital feedback systems** to improve responsiveness and enhance employee interaction with customers, particularly as traditional methods become outdated.

Power dynamics among stakeholders are significantly transformed by customer control. It has also influenced the regulatory frameworks. Today's customer is more knowledgeable and empowered and this has given them a power over other stakeholders. Due to this power, customer has an ability to shift from power from institutes to the customers and can also alter the corporate practices. Businesses by becoming more welcoming to this change can take benefit from this situation, as satisfaction of customers is their priority. But, this is only the positive side of the power shift. On the other hand, complications in power dynamics among stakeholders may arise due to this power war. Companies, by incorporating laws and policies which is more favorable to them can try to take back the control from the customers which can jeopardize the interests of the customers.

In order to avoid unforeseen consequences like market distortions or the downgrade less powerful parties, regulatory administrations are vital in preserving balance. To cultivate justice and efficient regulations, they must balance the wellbeing of all stakeholders, such as corporations, customers, and legislators. Regularity authorities' main duty is to protect customer's interest and also equally support institutes' rights (Castaneda & Jamison, 2017).

The role of legal authorities in keeping a balance between customer control and employee well-being is very important. Powerful parties may fight for more control that as a result may imbalance the harmony and negatively impact the less powerful party. Corporations may also bend laws to suit their needs, which could reduce customer control. Customer reservations may be neglected in

favor of large corporations because they may have more political influence on the legislative authorities. In conclusion, political issues and customer control are closely related, having both empowering and restricting consequences. To guarantee that customer interests are given priority without hindering market innovation, a balanced approach to governance and regulation is necessary (Vadakkepatt et al., 2022).

It is important to understand that the major role in harmonizing customer control, falls upon management. Customer control dynamics and employee experience is impacted by policies and regulations implied by the institution. If employees clearly know the expectations of both management and customers, and also given a clear instructions on how these can be met then by following those well-structured rules and policies they can provide satisfied services. Not only that but they can defend themselves in case there is an unhappy customer. By following strict rules, they can provide standard service that as a result enhance the customer satisfaction and trust on the institute.

Management policies that support rule-following, can provide employees a sense of security and purpose. Self-regulatory techniques to policy observance, which motivate employees to adopt company regulations, have been shown to increase employee engagement and work satisfaction. Opposite of above scenario, excessively strict regulations could restrict employees' freedom in dealing with customers, which could harm customer satisfaction and overall service quality. Furthermore, better organizational performance including increased innovation, engagement, and customer satisfaction, is linked with satisfying employee experiences that are impacted by supporting institutional policies (Kimonyo, 2024). In conclusion, incorporating flexibility and support within institutional policies and regulations can improve employees' experiences and customer control, even though these outlines are also compulsory for operational stability and legal compliance.

### Limitations and Future Research Directions

This research offers valuable insights but has some limitations. A **qualitative approach** was used, which may limit generalizability. Future studies can explore the following areas:

1. **Longitudinal Studies** Track the **long-term impact** of customer control on employee well-being and performance, identifying patterns of burnout or sustained motivation.
2. **Comparative Studies across Industries** Conduct cross-industry research to identify **best practices** for implementing customer control systems without overburdening employees.
3. **Quantitative Validation** Use **surveys and statistical models** to validate findings across diverse sectors and improve the generalizability of results.
4. **Employee Empowerment Strategies** Investigate **employee-centric feedback models** that encourage participation without causing stress, fostering both employee and customer satisfaction.
5. **Technological Advancements** With increase in use of AI based feedback systems by organizations, it is necessary to study the role of technology and its impact on customer control and employees.

### Conclusion

Customer control has become a popular phenomenon that leads towards opportunities as well as challenges in modern organizations. The focus of this study to highlight, how customer feedback not only improves service quality and increases customer satisfaction, moreover, brings emotional challenges for employees. If the management demands sustainable performance from its employees, it needs to keep a balance between meeting customers' expectations and protecting

employees' welfare. Further, use of technology along with ingenious reward systems can help produce adjustable approaches that align employees' motivation with customers' desires.

Another benefit of Customer control is that it can offer treasured real-time insights into customer preferences without having to invest and rely on extensive market research. But it may also lead to role confusion, emotional stress for employees, thus need for vigilant and attentive application. To cater that, organizations must design structures that prefer employees, equipping them with the tools and support they need to flourish whereas also meeting customer prospects.

This study proposes a new outlook on the idea of Customer control, shedding some light on its intricate impact on organizational practices and employees' behavior. It also explores the fine balance between empowering customers and defending employees' well fare, making Customer control as both; a valuable opportunity and a potential threat. The findings of this study disclose that though Customer control can improve value co-creation and rationalize procedures, it also carries important ethical dilemmas, emotional strain and anxiety for employees.

This study proves to be an addition to the ongoing debate about Management Control Systems by exploring the two-edged type of Customer control. It demonstrates how ill managed customer-driven processes can lead to unforeseen issues like pressure, role conflicts, and also immoral behavior among employees. These findings highlight the significance of designing control tools that creates a balance between employee independence and customer prospects.

Methodically, the study focuses on the use of AI-powered sentiment analysis by using semi-structured interviews that offers a unique approach which blends analytical precision with qualitative complexity. This unique combination offers decision-makers with applicable visions though guaranteeing a systematic understanding of employee experiences.

Another aspect of this study is that it highlights the need for a holistic approach for applying Customer control. It's not adequate for the supervisors to just collect customers' feedback but they should also concentrate on making a caring atmosphere for their employees who direct the issues of customer exchanges. Moral guidelines, training programs, and open communication channels etc. are key factors for attaining this balance.

The Organization must align employees' well-being with Customer control practices, to unlock its potential as a driver of revolution and cooperation. But, this balance needs an assurance to adaptable Management strategies that prioritize both organizational objectives along with human basic needs. This study provides the basis for future research into justifiable systems for handling and managing customer control in today's complex service environments.

Finally, human resource management literature supports the concept that clear HRM policies and practices boost employee's behavioral controls. Also, employee's well-being is crucial to the success of any organization and HRM is dealing with such issues for last several decades. HRM always introduces ways to eliminate employee's physical and mental stress and help in their skills development.



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