

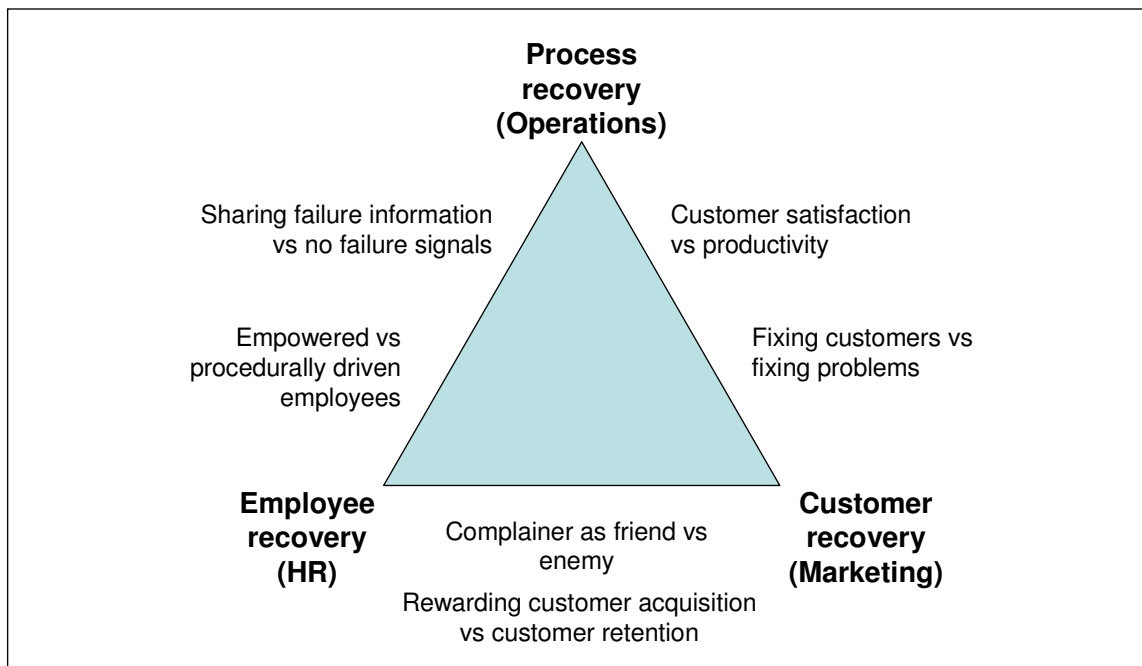
Why Service Recovery Fails

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Abstract

The keys to effective service recovery are familiar to many throughout industry and academia. Nevertheless, overall customer satisfaction after a failure has not improved, and many managers claim their companies cannot respond to and fix problems quickly enough. Why does service recovery so often fail? Many of the answers can be found in six tensions among the conflicting perspectives of customer recovery, process recovery, and employee recovery.

Figure 1: Tensions among Employee, Process, and Customer Recovery



However, these and other tensions are merely the visible symptoms of a deeper root-cause of why service recovery fails — organizations' inability to integrate their recovery efforts across functions.

We argue that organizations need to integrate their service recovery management by

(1) creating a service logic, (2) communicate successes, (3) match the degree of empowerment with the context, (4) collect and share recovery data, and (5) use meaningful measures of employee performance.