*Executive Summary*

. By clarifying the conditions under which (dis) agreement between employees and their managers with respect to service climate affects collective turnover and sales efficiency, this article can help guide managers in their attempts to manage these important performance indicators.

. Our study challenges the pervasive assumption that a positive appreciation of service features is a sufficient condition to elicit more positive behaviors and higher sales performance. Our results suggest that promoting vertical agreement in customer service perspectives, between the employees and their manager, may be a more promising avenue for improving the performance of retail businesses.

. Organizations that invest moderately in customer service may gain a greater strategic advantage when there is an agreement on service climate between stakeholders.

. Obtaining high alignment in customer service perceptions in the organization is not an easy task. The good news, when employees held a more optimistic view than that of their store manager, disagreement on the level of customer service climate did not necessarily produce poor effects.

. Managers in service organizations should be trained to communicate adequately with store members to provide them with complete information about the organization’s policies, practices, and procedures related to the delivery of high-quality service.

. The complex implications of agreement and disagreement on service climate highlight the importance of collecting data among various customer service stakeholders to understand the extent of the differences and their underlying reasons, and to better identity appropriate solutions.

. The negative influence of disagreement on service climate between team members and the manager is largely reduced when store employees perceived to have a high fit with the customers.

. Organizations pursuing a service quality strategy of excellence should place a high priority on attracting, selecting, and promoting individuals whose values and personality are consistent with those of the customers.

. However, service organizations must be aware that too much of a good thing is not always better. Excessive expectations regarding customer service may elicit higher turnover in stores that select a higher proportion of employees with a low customer fit.

. The negative influence of disagreement on service climate between team members and the manager is also largely reduced when agreement among store employees on customer service features is high.

. This study has also highlighted the importance of recruiting store managers that endorse the customer service vision of the organization and to promote those who show the greatest enthusiasm for customer service policies and practices in order to foster a higher service climate agreement among store’ employees.

. Our study highlights the benefit of controlling employee turnover in retail industry. A decrease of turnover from 35% to 17% may elicit a sales per store of $972 per week.