

**THE EFFECTS OF COLLECTIVISM-HIGH PERFORMANCE  
WORK SYSTEM AND LEADER-MEMBER-EXCHANGE ON  
ORGANIZATIONAL PERFORMANCE IN THE THAI  
HOSPITALITY INDUSTRY**


**Wichai Limpitikranon**

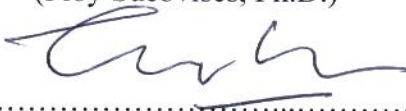
**A Dissertation Submitted in Partial  
Fulfillment of the Requirements for the Degree of  
Doctor of Public Administration  
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National Institute of Development Administration  
2016**

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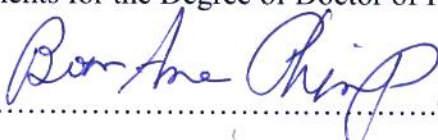
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## ABSTRACT

<b>Title of Dissertation</b>	The Effects of Collectivism-High Performance Work System and Leader-Member-Exchange on Organizational Performance in the Thai Hospitality Industry
<b>Author</b>	Mr. Wichai Limpitikranon
<b>Degree</b>	Doctor of Public Administration
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Drawing on the resource-based view (RBV) theory and social exchange theory (SET), this paper explores the relationship between collectivism-high performance work system, leader-member-exchange, human capital, and organizational citizenship behavior, together with their effects on the hotel performance in the Thai hospitality context.

The objectives of the study include: 1) to study the current situation of HRM practices in the Thai hospitality industry; 2) to uncover the HRM practices that have a direct impact on organizational performance, examining particularly the human capital and employee behavior dimensions; and 3) to examine the leader-member-exchange relationship that has a direct impact on organizational performance, finding a linkage within human capital and employee behavior. The proposed path analytic model was tested using structural equation modeling to evaluate the theoretically-specified constructs and to collect data in order to validate the measures and examine the proposed causal relationship models. Using survey data gathered from 420 hotel staff members in Bangkok, the statistical results revealed that the proposed model had a significant mediating effect that contributed to hotel performance. Based on the causal path model, organizational citizenship behavior was the key enabler for hotel performance. These findings revealed that the collectivist-high performance work system and leader-member-exchange were key antecedent factors and had a direct effect on hotel performance. However, human capital had only an indirect effect on

hotel performance. This appears plausible since higher human capital may not lead to organizational performance, which requires the interaction of leader-member-exchange relationship and the collectivism-high performance work system to interact with the organizational citizenship behavior that directly affects hotel performance.

Regarding the theoretical contribution, the author suggests the finding on the epistemological dimension of relationship with employees both leader and organization. An organization cannot improve performance by itself. The leader-member-exchange relationship is the basis of organizational performance creation. The organization has to mobilize human capital-competence, attitudes and motivation to work, and creativity and innovativeness created and accumulated at the individual level. The mobilized human capital is “organizationally” amplified through the leader-member-exchange and the collectivism-high performance work system accumulated and performance is leveraged at higher ontological levels. The author also suggests the “performance spiral” in which the interaction between LMX and collectivism-HPWS will synergize creating a higher OCB level as it moves up to the ontological levels. Thus, organizational performance creation is a spiral process, beginning at the individual level and moving up through the team level and, finally, the organization level.

Regarding its practical contributions, the present study provides HR management and line managers with useful insights. This dissertation provides a better understanding of the sequence of mechanism-HR practices and the social exchange relationship with the leader in enhancing hotel performance. As hotel performance is a function of both the employee and the system, top executives, line managers, and human resource managers need to focus on collectivism-HPWS as the organizational logic for making human resources a strategic asset. As a strategic tool, various elements of collectivism-HPWS can create synergy with the leader-member-exchange relationship which will enhance hotel performance and create a competitive advantage.

## **ACKNOWLEDGEMENTS**

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Wichai Limpitikranon

September 2016

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## ABBREVIATIONS AND SYMBOLS

Abbreviation	Equivalence
AMO	Ability-Motivation-Opportunity
C-HPWS	Collectivism-High Performance Work System
CEO	Chief Executive Officer
CFA	Confirmatory Factor Analysis
CFI	Comparative Fit Index
CSR	Corporate Social Responsibility
DE	Direct Effects
EBITDA	Earning Before Interest Tax and Dividend
EJIP	Employee Joint Investment Program
F&B	Food and Beverage
GDP	Gross Domestic Product
HPWS	High Performance Work System
HR	Human Resource
HRM	Human Resource Management
HRPSD	Human Resource Practices System Differentiation
I/C	Individualism/Collectivism
INCAP	Intellectual Capital
LMX	Leader-Member Exchange
NFI	Normalized Fit Index
OCB	Organizational Citizenship Behavior
OCB-C	Organizational Citizenship Behavior-Customer
OCB-I	Organizational Citizenship Behavior-Individual
OCB-O	Organizational Citizenship Behavior-Organization
PIRK	Power, Information, Reward and Knowledge
POS	Perceived Organization Support
RBV	Resource-Based View
RMR	Root Mean Square Residual

RMSEA	Root Mean Square Error of Approximation
S.D.	Standard Deviation
S.E.	Standard Error
SET	Social Exchange Theory
SET	Stock Exchange of Thailand
SHRM	Strategic Human Resource Management
SIG	Significance
SMEs	Small and Medium Enterprises
STD.ERROR	Standard Error
TE	Total Effects

**Symbols**

B  
R  
 $R^2$   
T  
 $\overline{X}$

**Equivalence**

Beta  
Coefficient of Correlation  
Coefficient of Determination  
T-Test Critical Value  
Mean

## **CHAPTER 1**

### **INTRODUCTION**

#### **1.1 Background of the Study**

Tourism is a dynamic sector where the economic impact helps to employ Thais in every region across the country. As recorded by the Department of Tourism, the Ministry of Tourism and Sports, 27.4 million tourists travelled to Thailand in 2014, generating 1.15 trillion baht in revenue. In 2015, the Tourism Authority of Thailand set a target of 28 million international visitors that were expected to generate an estimated 1.35 trillion baht (41 billion U.S. dollars). Locals were expected to make 151 million trips and generate approximately 800 billion Baht (24.3 billion U.S. dollars) of revenue.

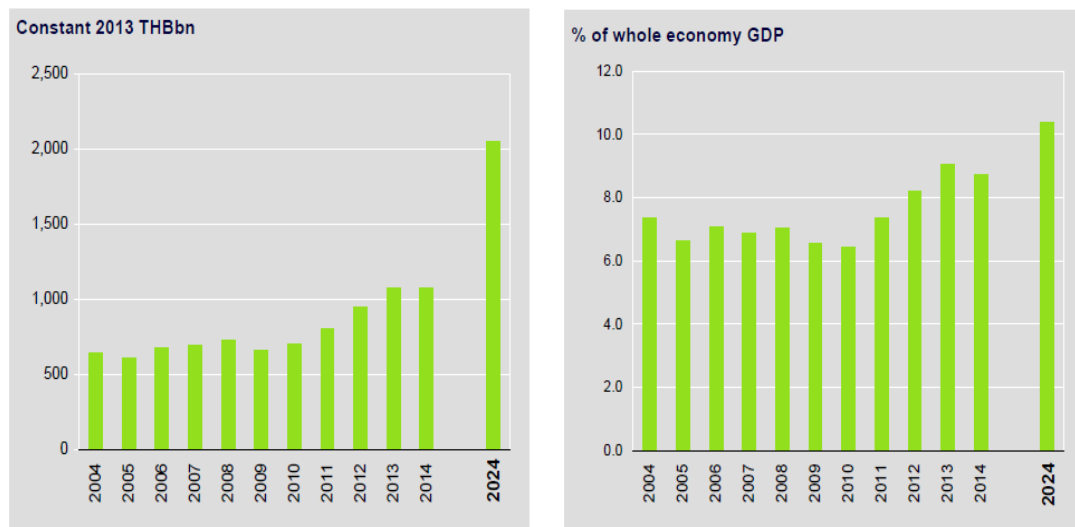
Tourism contributed about 6 percent to Thailand's GDP, higher than any other Asian nations, and has had a significant indirect and induced impact. According to a computation by the U.N. Statistics Division approved Tourism Satellite Accounting (TSA:RMF 2008) (United Nations, Department of Economic and Social Affairs, Statistics Division, 2010), the Thailand Travel & Tourism sector contributed 1,074.0 billion baht to the GDP (9.0 percent of the GDP) and is expected to grow by 6.7 percent each year to 2,046.7 billion baht (10.4 percent of GDP) by 2024<sup>1</sup> (see Figure 1.1).

Travel and tourism created 2,377,500 jobs directly in 2014 (6.0 percent of the total employment). The number of jobs in this sector is expected to rise to 3,837,000 by 2024, growing at 4.9 percent each year for the next ten years (see Figure 1.2).

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<sup>1</sup> Travel and tourism included industries such as hotels, travel agents, airlines, the restaurant and leisure industries and other passenger transportation services (excluding commuter services).

THAILAND: DIRECT CONTRIBUTION OF TRAVEL & TOURISM TO GDP



**Figure 1.1** Direct Contribution of Travel and Tourism to GDP

**Source:** The World Travel & Tourism Council, 2014, p. 3.

THAILAND: DIRECT CONTRIBUTION OF TRAVEL & TOURISM TO EMPLOYMENT



**Figure 1.2** Direct Contribution of Travel & Tourism to Employment

**Source:** The World Travel & Tourism Council, 2014, p. 4.

The Thai hospitality industry is dominated by companies listed on the Stock Exchange of Thailand. In 2013, twelve listed companies generated approximately

36,060.47 million baht from 88 owned hotels and 22,881 rooms, mostly operated under global hotel franchise brands such as Accor, Hilton, Hyatt, Intercontinental, Marriott, Best Western, and Starwood, with an occupancy rate of 51.10-79.13 percent. Leading players based on revenue generated from the hotels located in Thailand were Minor International PCL (MINT), Centara Plaza Hotel PCL (CENTEL), the Erawan group PCL (ERW), and Thai Hotel Investment Freehold and Leasehold Property Fund (THIF) under the TCC Land group.

These Thai top-tier hotels often adopted successful western human resource (HR) best practices and implemented them in a context that fit the Thai cultural environment, paving a way to numerous international awards for excellent service.

Human resource management (HRM) nowadays encompasses more than the basic filing and record keeping (Colbert & Kurucz, 2007). Linked with other firm strategies, the role of HRM extends to refining human resource problems and providing solutions. An efficient HRM program helps firms achieve and sustain a bottom line target in the long run.

Strategic HRM and traditional HRM differ greatly in many aspects. For example, the traditional HRM aims for better employee performance, whereas the strategic HRM focuses on improving understanding and strategic use of human assets. The traditional HRM also relies on HR specialists in a division, whereas line managers hold a major responsibility for people management for strategic HRM, as described in Table 1.1 (Ivancevich & Konopaske, 2013).

Despite the importance of strategic HRM, few Thai organizations have adopted this approach due to a lack of knowledgeable strategic HRM personnel and the inability to measure HRM effectiveness. Traditional HR curriculum prepares students for specific expertise, such as labor law, training, compensation, and performance evaluation. The old-schoolers have inadequate knowledge of other areas in the firm (e.g., operation, marketing, and finance) that is necessary to perform strategic HRM. Moreover, measuring HRM effectiveness, which requires tracking the success of HRM programs by linking to firm performance, is in itself relatively daunting for many HR managers.

**Table 1.1** Traditional HRM vs. Strategic HRM Characteristics

	<b>Traditional HRM</b>	<b>Strategic HRM</b>
Responsibility for Human Resources	HR Specialists	Line Managers
Objective	Better performance	Improves understanding And strategic use human assets
Role of HRM areas	Respond to needs	Lead, inspire, understand
Time focus	Short-term results	Short, intermediate, long- term
Control	Rules, policies, position Power	Flexible, based on human resources
Major emphasis	Following the rules	Open, participative, empowered
Accountability	Cost centers	Investment in human assets

**Source:** Ivancevich & Konopaske, 2013, p. 8.

In order to provide firm competitiveness, HRM plays a major role (Michael E. Porter). In the service industries, employee competency, skills, unique organizational cultures, and management systems are required to provide superior service quality and timely response to market needs. Staff competency and the right attitudes when dealing with clients are crucial for organization success. HR functions as a strategic linkage between the firm and its staff. What are the strategies or successful recipes for western HR practices that can be aligned with the Asian cultural context in creating the sustainable competitive advantage of the firm?

Data from the National Statistical Office, Statistical Forecasting Bureau (2012) has shown that 93.5% of hotels in Thailand are small and medium enterprises (SMEs) with registered capital of less than 200 million baht. Compared to its rival international chain hotels, these SMEs are deprived in many areas, i.e. brand reputation, marketing channels, operational systems, social and environmental



responsibility, and human resource management, particularly in the hiring and retention of the best people. To “level up” Thai SME hotel competitiveness, it is vital that the “right” HR practices adopted by that of international chain hotel are grounded. What are the “right” recipes of western HR practices that will create a sustainable competitive advantage for the firm?

## **1.2 Significance of the Study**

The Thai tourism industry has been affected by political unrest since 2013. This has also inevitably affected the tourism industry. However, the peaceful situation under the coup and promoting tourism industry policy have created a significant increase in tourism revenue since 2015. With the global economic downturn, the other economic engines in Thailand—such as exporting and government spending—their revenues still have decreased significantly. The one and only healthy economic engine was the tourism sector as described in above.

Therefore, in order to improve the Thai hospitality industry, it is inevitable to improve the hospitality service. In 2015, the Tourism Authority of Thailand developed the “Discover Thainess” theme, which promoted the Thai way of life, Thai culture, the grand palace, Thai traditional performance, Thai food, etc. Improving hospitality service combined with the government promoting tourism policy will create a competitive advantage for the Thai tourism sector. As a result, hospitality service can be improved with human resource management.

International and SET listed hotel play a major role in the tourism sector in terms of revenue and excellent service. Human capital is the recipe for that success. Human resource management practice is the enabler to improve the quality of human capital. Recent management scholars have emphasized integrating human resource management practices with organizational strategies. Therefore, strategic human resource management has replaced traditional human resource management by focusing on HR professionals on strategic partner’s role and emphasizing the line manager’s role with subordinates. Studying the combined effect of HRM practices and the relationship between the leader and members will create greater understanding of the mechanisms driving hotel performance.

Many international chain hotels have adopted strategic human resource management in their organizations. However, about 93.5% of the hotels in Thailand are SMEs that have not fully implemented strategic human resource management (SHRM) practices. Learning SHRM practices from international and SET listed hotel can be a useful guideline that will finally create competitiveness for the Thai hospitality industry.

### **1.3 Objectives of this Study**

The research objectives are as follows:

- 1) To study the current situation of HRM practices in the Thai hospitality industry
- 2) To uncover the HRM practices that have a direct impact on organizational performance, examining particularly human capital and the employee behavior dimension
- 3) To examine the LMX relationship that has a direct impact on organizational performance, finding a linkage between human capital and employee behavior

### **1.4 Research Questions**

In order to achieve the objectives of the study, the following research questions have been posed.

- 1) Which HRM practices of international chain hotels should be adapted and applied to Thai SME hotels?
- 2) What are the readjusted HRM practices into which collectivism has been incorporated that have brought about direct organizational performance?
- 3) Does a good LMX relationship have any influence on organizational performance?

## **1.5 Scope of the Study**

1) This paper is interested in the connection between HRM practices and LMX relationships and whether it has any impact on organizational performance. HRM practices generally cover three dimensional enhancements: skill, motivation, and opportunity. LMX relationships, meanwhile, contemplate bonds between employees and their direct supervisors.

2) Sample respondents consist of Bangkok-based HR managers, finance managers, food and beverage (F&B) managers, sales and marketing managers etc. that are working in international chain hotels and SET listed hotels as of 2015.

## **1.6 Contributions of the Study**

### **1.6.1 Theoretical Contributions**

1) At the theoretical level, there is a rising sign of the contextual/divergence paradigm, which indicates that HRM systems must reveal the national culture. Since an organization's choices concerning HRM systems are limited by culture-specific elements, various contextual and societal factors do result in various forms of HRM (Brewster & Larsen, 2000). The first contribution of this study clearly defines HRM practices that have been adapted in the Thai cultural context.

2) This study also provides the theoretical development of an integrative model for measuring organizational performance. Little has been done in the literature to investigate the combined effect of HRM practices and the LMX relationship on organizational performance.

3) The models and research on HRM practices in the past twenty years all agree on the fact that HRM practices do have major impacts on organizational performance, but there still lacks a working mechanism that can explain how it happens. Thus, this study, using data from the Thai hospitality industry, aims to unfold such a "black box" by identifying the organizational HRM factors that lead employees to engage in actions that promote organizational outcomes.

### **1.6.2 Practical Contributions**

1) This study examines the most relevant HRM practices that influence the organizational performance of international chain hotels. These HRM practices can be broadly applied to Thai SME hotels. The findings can also be used as an indication for comparative studies in other related service industries, such as restaurants, banking, retail, elderly care, call centers, etc.

2) The findings of this study will enable the top executive management and human resource professionals of the Thai hotel industry to better understand how HRM practices adoption, individualism vs. collectivism orientations, and LMX create impact organizational performance.

## **1.7 Definition of Terms**

Strategic human resource management refers to the management of human resources in a way that will lead to the accomplishment of the company's objectives as well as forming a lasting competitive edge. The SHRM concept focuses on the HR professional being fully involved to set up the company strategy by working as a strategic partner. It includes recruiting, selecting, training, and rewarding the staff (Miller, 1989; Wright, & McMahan, 1992).

An enhanced form of strategic human resource management, the high performance work system (HPWS), focuses on strengthening employee engagement, empowerment and responsibility, covering careful employee recruitment, extensive and relevant training, management development activities, incentive pay systems, and the performance management process (Armstrong, 2000).

Organizational culture refers to Hofstede's basic organizational culture. Largely independent of each other, it can be classified into five dimensions: individualism vs. collectivism, power distance, uncertainty avoidance, masculinity vs. femininity, and short-term orientation. Individualism refers to individuals and cultures that mainly focus on satisfying individual needs and wants and value individual responsibility and success. Collectivism, on the other hand, concentrates on group needs and is inclined toward group efforts and teamwork. Power distance describes cultures that accept and expect unequal distribution of power among

members in organizations. Status differences between superiors and subordinates are legitimate. Uncertainty avoidance refers to the different degrees with which individuals handle ambiguity in their lives. Masculinity vs. femininity describes the differences in male and female roles in cultures. Cultures with a short-term orientation concern themselves with only meeting present needs, focusing on the present or the past and respecting tradition. (Hofstede, Hofstede, & Minkov, 2010). In terms of individualism and collectivism, each can be further elaborated into vertical and horizontal orientations. People characterized by horizontal individualism value uniqueness but desire no recognition, whereas vertical individualism also values uniqueness along with special status. Horizontal collectivism refers to people that emphasize communal relationship but dislike authority, whereas vertical collectivists yield to in-group interdependence but will compete with out-groups (Triandis, 2001).

Leader-member exchange (LMX) relationship focuses on the two-way relationships developed between subordinates and supervisors (Graen & Scandura, 1987). According to LMX, leaders differentiate the level of trust between subordinates and themselves. They have a special relationship with their trusted members, who are expected to be entirely committed and loyal to the leaders (Dansereau, Garen, & Haga, 1975).

## **1.8 Chapter Summary**

This chapter provides an overview of this dissertation. First, this chapter provides the background of the tourism industry in Thailand and its contributions to the economy and employment. Then, the important roles of both strategic human resource management and the leader-member relationship, adopted by international chains and SET listed hotels, that drive hotel performance are discussed. The results of the study will benefit Thai SME hotels and create competitiveness for the Thai tourism industry. As mentioned above, the remainder of this chapter presents the objectives of this study, the research questions, the scope of the study, the theoretical and practical contributions, and the definition of variables.

## **CHAPTER 2**

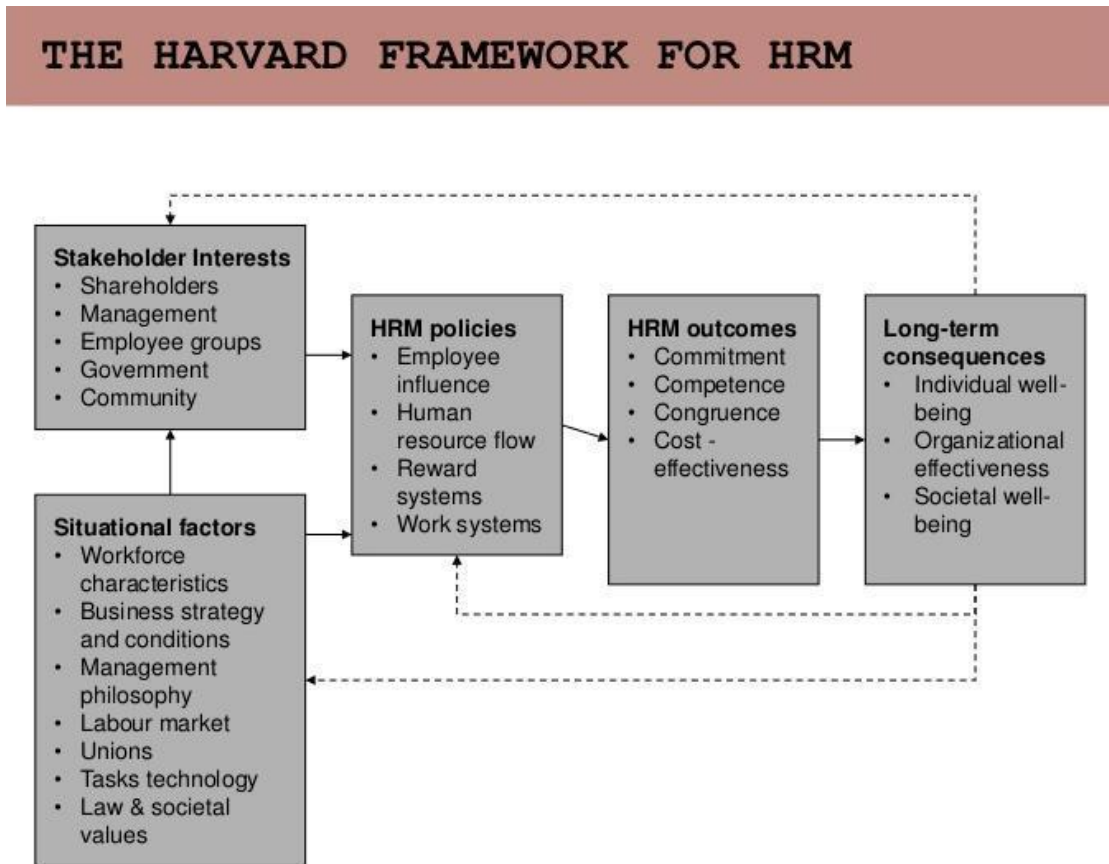
### **LITERATURE REVIEW**

This chapter is organized into three parts. The first part presents the theoretical and empirical literature on strategic human resource management, the resource-based view, and social exchange theory. The second part includes the empirical literature concerning human resource management practices and the leader-member-exchange relationship that bring about hotel performance. The last part presents the conceptual development and logical relationships between the variables, the framework, and the research hypotheses of the study.

#### **2.1 Strategic Human Resource Management**

In order to accomplish organizational objectives, human resource management works as a practice to empower staff showing its performance. Effective HRM includes staffing, human resource development, compensation, safety and health, and employee and labor relations (Mondy, 2010). Fombrum (1984) from the Michigan School, one of the founding fathers of HRM, formulated a matching model which held that HR systems and the organization structure should be managed in a way that fits the organization strategy. Fombrum and colleagues explained that the human resource cycle consisted of the selection, appraisal, rewards and developments are performed in all organizations.

The other founding fathers of HRM, Beer (1984) of the Harvard School established what Boxall (1992) calls the “Harvard framework.” The two main emphases of the Harvard framework are the increased responsibility of line managers and the additional mission of personnel function. Line managers are accountable for creating alignment between personnel policies and competitive strategy, whereas the personnel’s mission is to also set policies that make the development of personnel activities and their implementation mutually reinforced. The Harvard framework as modelled by Beer et al. is shown in Figure 2.1.



**Figure 2.1** The Harvard Framework for Human Resource Management

**Source:** Beer, 1984.

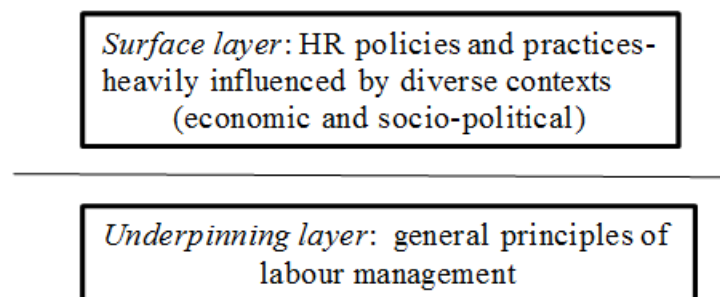
Strategic human resource management (SHRM) is the activities that influence the individuals' behavior which leads to the strategic outcome of the organization. (Schuler, 1992). SHRM focuses on the importance of recruiting, training and development, performance management, and rewards and employee relations, which ultimately are linked to corporate or business strategy (Armstrong, 2000).

There are several approaches to HRM. Richardson and Thompson (1999) described two approaches: "best practice" and "best fit.". Regardless the organization context or setting, the best HRM practices generally promote companies for accomplishing a competitive advantage position. The seven HR practices of a successful organization listed by Pfeffer (1994) are employment safety, selective employment, self-managed teams, high compensation depending on performance, training, reduction of status gaps, and sharing information.

There are a series of limitations for the “best practice” approach as suggested by many commentators. Barney (1991), basing his ideas on the resource-based view, proposed that firms need to create a distinctive capability and competency to excel in the competitive environment. This unique capability and competency consists of value creation for the customer, rarity when compared with its competitor, uniqueness, and non-substitutability. Purcell (1999) argued that some resources and routines are limited and imperfectly imitable, and it is impossible that the universalism of the best practice is realistic. Some practices that implement success in one company may not be successful in other companies because of the different contexts, such as strategies, culture, management styles, technology or working practices (Armstrong, 2000).

Another approach to strategic HRM is called the best fit or contingency school. The best fit theory believes in the tailoring of HR practices to the specific context of each firm. Management in any organization is encouraged to establish its own priorities in HRM, bearing in mind stakeholders’ interests and situational factors. With this approach, long-term impacts on the organization’s effectiveness and societal and individual well-being can be expected.

In order to achieve the best possible outcomes, companies should design their approach based on the elements of both best practice and best fit. Boxall (2003) came up with an analysis portraying two layers: the surface layer and the underpinning layer (refer to figure 2.2). Surface layers have to do with HR policies and practices and are deeply affected by different contexts. The underpinning layer deals with universal doctrines of labour management. The best practice approach is applicable to the underpinning layer whereas the best fit applies to the surface layer.



**Figure 2.2** The “Best Fit” Versus “Best Practice” Debate: Two Levels of Analysis

**Source:** Boxall, 2003.



There is a growing movement from a production-based economy to a service-based economy. Customers are willing to pay high rates for obtaining superior services (Boxall, 2003; Batt 2005, 2007). This can be seen in such service markets as elder care, hotels, and call centers, where there is major variation in customer preferences and higher value-added customers can be targeted for better service. (Hunter, 2000).

Armstrong (2000) described the models of strategic HRM as follows:

- 1) The high-commitment management model
- 2) The high-involvement model
- 3) The high-performance management model

In the next section, we will explore in greater detail SHRM practices as characterized by renowned scholars.

### **2.1.1 The High-Commitment Management Model**

Wood (1996) described high commitment management (HCM) as a human resource management practice focusing on creating trust between the staff and management level rather than controlling by pressure and regulation.

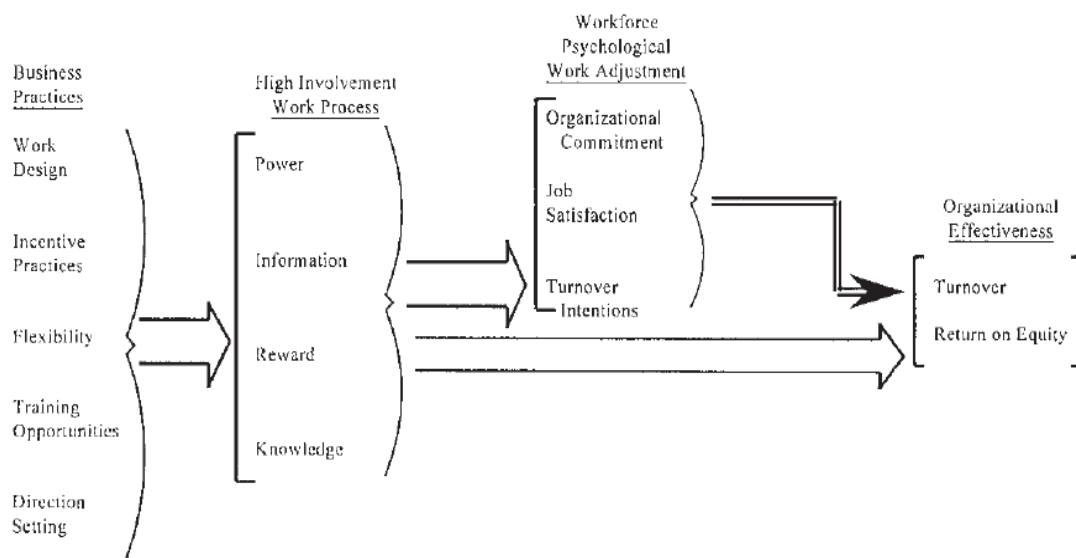
Walton (1985) explained the objectives of accomplishing high commitment as follows:

- 1) To get rid of the organizational ladder, empower managers, create staff-level job commitment in both quality and quantity, and construct a career path at the staff level
- 2) To boost employees' participation and task ownership which will provide more accountability and flexibility
- 3) To create job rotation in order to increase employee understanding of other functional areas important for their development
- 4) To establish high performance expectations, focusing on continuous development and responding to customers' needs

### **2.1.2 The High-Involvement Model**

Vanderberg (1999) termed the high-involvement approach based on Lawler's (1986) "PIRK" model (refer to Figure 2.2). Managers in firms are encouraged to use

workforce power (P), information (I), reward (R), and knowledge (K) based on the consideration of business practices. Workforce psychological work adjustment, in turn, is seen as having an impact on organizational effectiveness. In a nutshell, the high-involvement work process encourages employees to make decisions given the visibility of information and employee flexibility to utilize their knowledge and rewards as a catalyst to motivation.



**Figure 2.3** Conceptual Model of the High-Involvement Work Process

**Source:** Vanderberg, 1999.

### 2.1.3 The High-Performance Management Model

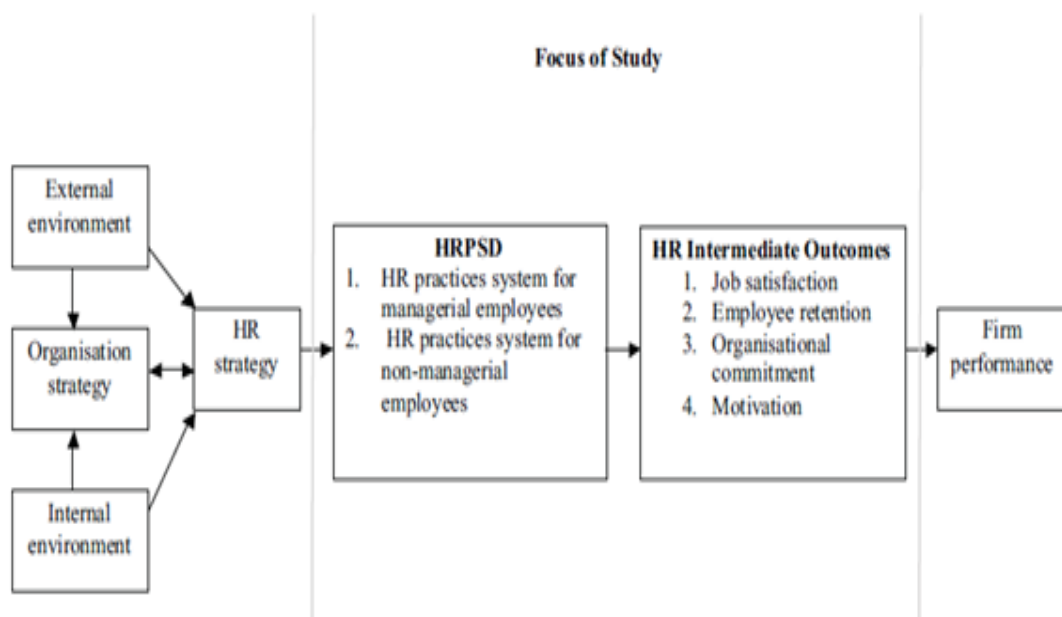
High-performance management, otherwise known as “high-performance work system” (HPWS) in the U.S., targets the increase of shareholder value by improving firm performance—profits or growth—through staff performance in the areas of productivity, quality, and level of customer service (Armstrong, 2000).

The HPWS is an endeavor of a combining theory of people management practice. In principal, the generalization of this theory states that if management executes a set of HR work practices, higher performance is inevitable (Boxall & Purcell, 2003).

Jiang (2012) studied the human resource management that influences organizational outcomes. Using the ability-motivation-opportunity model, this meta-analysis confirmed the effect of three dimensions of HR systems (skill-enhancing, motivation-enhancing and opportunity-enhancing) on organizational outcomes. Organization outcomes can be segregated into near-term and long-term outcomes. Near-term outcomes have to do with human capital and motivation, whereas long term outcomes point to voluntary turnover, operational outcomes, as well as financial outcomes. Motivated employees perform better. If done correctly, employee motivation leads to decreased voluntary turnover and finally impacts the firm's bottomline.

The model of the HPWS from diverse contexts provides the basis of understanding how the HPWS is constructed and its effect on employees' conduct and outcomes. In this section, the focus is on the model of the HPWS in the hospitality business context. A number of researchers have systematically constructed the HPWS in many countries and businesses throughout the world.

Various researches on the HPWS model have revealed its influence on employee behavior and outcomes. The section below discusses a number of researches on the HPWS studied in many countries and business throughout the world. This research emphasizes the HPWS of hospitality industry



**Figure 2.4** Conceptual Framework of SHRM with HRPSD

Rozila Ahmad, David Solnet and Noel Scott (2010) created a concept called Human Resource Practices System Differentiation (HRPSD) based on Lepak and Snell (1999). HRPSD is focused on designing different HR practices for different groups or levels of employees based on their strategic benefit to the organization. HR investments are more efficiently managed by the firm with more than one HR practice. The impact of HRPSD can be monitored by immediate outcomes connecting organizational performance. The intermediate outcomes are divided into four types; namely, job satisfaction, employee retention, and organizational commitment and motivation.

In sum, we can conclude that both high-commitment management and high-involvement management focus on the organizational staff as a valuable asset. The models emphasize creating trust between employees, supervisors, and the organization. Finally, employees will unlock their potentials and contribute their performance to their teams and organizations, while the high performance work system focuses on careful recruitment and selection practices, extensive and relevant training, management development activities, incentive pay systems, and performance management processes. Therefore, the HPWS focuses more on the process and links employee performance with organizational performance. In the next section, we will focus more on the national context that was the basis for designing “best fit” HR practices.

#### **2.1.4 Individualism/Collectivism Orientations**

Due to different contexts such as laws and cultures, HRM practices cannot be applied across different nations (Zhang 2003; Ferner 1997; Hofstede 1993). Hofstede, a well-known researcher that pioneer the study of cross cultural groups and organization, has summarized four cultural dimensions that explain cultures in particular countries (Hofstede, 1980, 2001; Hofstede, 1990). He later added a fifth dimension (Hofstede, 1993). The five dimensions of national cultures are described below:

Uncertainty avoidance refers to the person’s preference in dealing with uncertain situations. The higher score indicated that the person prefers stability and firmness. On the other hand, the lower score characterizes a risk-seeking person.

Masculinity–femininity: The values of a masculine culture are individuality, competitiveness, decisiveness, materialism, aspiration and control, whereas feminine cultures place more value on interactions, interdependence, sympathy, sincerity and life quality (Hofstede, 1984; Wagner & Hollenbeck, 2005).

Individualism–collectivism refers to the level of individuals incorporated in the group. In individualistic societies, people are focused on their own achievement and responsibility and are projected to rise up by themselves. In collectivism, on the other hand, individuals want to be a good member of their societies. They focus on teamwork and are unified to their groups or organizations (Hofstede, 1984; Wagner & Hollenbeck, 2005).

Power distance refers to the degree to which the fewer influential members agree on the inequity distribution of power. With a higher score on power distance, there is acceptance of a power gap between each level of people. On the other hand, a lower score refers to people that prefer equality of power distribution (Hofstede, 1984).

Short-term orientation versus long-term orientation refers to the following. Short-term oriented societies aim on the existing or history, respect tradition, and utilize resources to achieve current requirements. Long-term oriented societies put effort into meeting future needs while it may impact short-term affects (Hofstede, 1984).

Based on Hofstede's cultural dimensions, human resource academics have comprehensively used the notions of individualistic and collectivistic as dimensions motivating employees' work attitudes (Ramamoorthy et al., 2007). This dissertation is focused on the Individualism/Collectivism (I/C) dimension of cultural variation, for two reasons. First, I/C is one of the most universally operating dimension (Morling and Lamoreaux, 2008). Second, psychologists have pointed to I/C as a main cultural syndrome (Triandis, 1996).

One of the elementary problems with many cross-cultural papers is often misconstrued as culture (Chaudhuri, R., 2009). Babbie (1989) concluded that the interchangeable use of the concept of culture creates two critical problems. First, it results in the ecological fallacy—making an assertion on one type of unit of analysis, for example culture, on the basis of the examination of another, such as the country or

the ethnic group. The second problem is the use of aggregate data that do not differentiate people despite some obvious differences. Researchers have acknowledged the fact that national and cultural values are not the same and should not be used interchangeably (Sawang, Oei, & Goh, 2006). The subject of individualism/collectivism orientations have then been revisited.

Individualism/collectivism orientations refer to horizontal individualism where people strive to be unique and “do their own thing;” vertical individualism is where people want to do their own thing and strive to be the best; horizontal collectivism is where people unite themselves with their in-groups; and vertical collectivism is where people yield to the authorities of the in-group and are willing to dedicate themselves for their in-group (Triandis, 2001)

In the literature, reviews between HRM and individualism/collectivism orientations or cultural dimensions have been examined. Four studies established international HRM practices that adopted cultural contexts in different countries.

Onyemah et al., (2010) indicated that it is not enough for organizations to align HRM controls with strategic objectives. Improving the effectiveness of their HRM systems into coalitions with the cultural performance orientation of the countries where they work must be studied.

Sartorius et al., (2011) examined how Western-based HRM can be modified to embrace cultural diversity in an African context. The results indicated that the employees were largely drawn from a collectivist culture with very high levels of power distance, uncertainty avoidance, and feminism. This information can be used to demonstrate how multinational HRM applies the cultural dimensions of their workforce as a starting point to adapt home-based HRM programs.

Leat and El-kot (2007) identified a range of HRM practices and approaches normally used in Egyptian organizations. These HRM practices emphasized job skills rather than organizational culture in the selection and preference for developing needed skills within the organization, the use of performance as the basis for pay increases, and the use of outcome criteria in performance appraisals.

Phua (2012) found significant differences in HRM practices adopted by construction firms in two countries. The findings indicated that the gap between individuals' preferences and actual organizational HRM practices was associated with

job satisfaction. The study empirically showed that construction companies do adapt their HRM practices to align with the prevailing national culture, norms, and values.

In sum, based on the six dimension of national culture developed by Hofstede (1980), I selected the individualism/collectivism (I/C) orientation as the basic national context to be incorporated for designing the “best fit” HR practices. The reason behind this was the highest score gap between western and eastern countries and this dimension was a central cultural syndrome. I emphasized vertical collectivism where employees yield to the authorities of the in-group and will sacrifice themselves for their teams. In the next section, I will describe in greater detail the theoretical frameworks for developing the conceptual model.

## **2.2 Theoretical Frameworks**

This section aims at building a theoretical base for the study by introducing different aspects of theories and establishing linkages to SHRM. The section briefly presents the influential schools of organization theory, which are of interest from the SHRM perspective, and provides a holistic view of the theoretical foundation of SHRM with an emphasis on the resource-based view and the social exchange theory (SET).

### **2.2.1 Resource-Based View (RBV)**

The resource-based view utilizes a firm’s internal assets in trying to set the best-fit business strategy and to create a competitive advantage for the firm (Barney, 1991, pp. 99-120) instead of focusing on environments that promote firm performance (Porter, 1980). For the firm to sustain its competitive advantage, Barney (1991) and Peteraf (1993) argued that its resources must possess four essential elements. Resources must have value, which is the ability to exploit opportunities as well as neutralize threats. They must also be rare, imperfectly imitable, and non-substitutable. In other words, these resources are precious because they are not easily obtainable or effortlessly cultivated.

To be competitive, each firm needs to be idiosyncratic. As internal resources are central to the RBV theory, Wernerfelt (1984) found that for firms in the

hospitality industry to realize their value-creating strategies, their unique resources and capabilities should consist of physical (e.g. specialized building exteriors and interiors, geographic locations, and finances), human (e.g. competence, innovativeness, skills, and know-how, and superior sales force), and organizational (e.g. structure and culture, management philosophy, business processes, information technology, cost control systems, and human resource systems) forms of capital.

Based on the resource-based view, Ramanathan, Ramanathan, and Zhang (2016) studied the firm's efficiencies regarding marketing capability, operations capability, environmental capability and incorporated these with the service diversification strategy that affects the firm's financial performance of hotels in the U.K. Marketing capability means that the firm integrates its employees' skill and knowledge matched with the firm's asset to better serve client needs. Operation capability means improving the firm's work process, fully utilizing assets and streamlining the process that finally creates firm efficiency and competitive advantage. Environmental capability means that the firm expresses its concern for reducing hotel waste and creating a better environment for its surrounding communities. For the service diversification strategy, the last factor, some hotels offer value-added services such as bars, caterings, and restaurant. Those services are intended to exploit their resources and to create differentiation from others. The findings indicated that all three capabilities have a positive effect on financial performance while the service diversification strategy has a negative effect on financial performance.

Ruzic (2015) pointed out that the resource-based view is the basic requirement for firm competitiveness. In order to create firm competitiveness, human resource management practice is the instrument for managing the firm's human capital but Ruzic emphasized that human resource management practice can conflict with RBV theory. Rubiz extended RBV theory to the ability-motivation-opportunity (AMO) framework where HRM practices are a mechanism that provides human capital regarding competency, motivation to work, and the opportunity to play. Firms need to immobilize those resources that have value, are rare, inimitable and nonsubstitutable and create the firm's idiosyncrasy. The findings confirmed that HRM practices have a positive effect at both the individual level such as employee

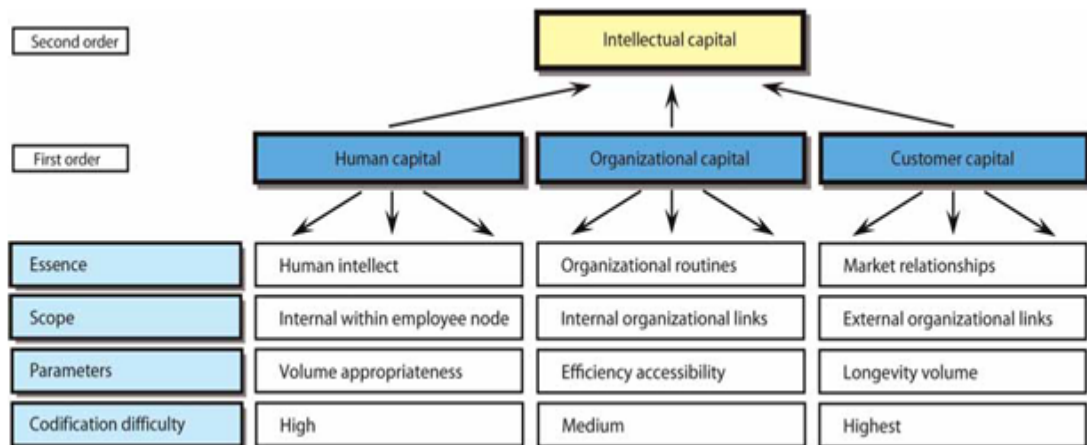


engagement, skills, attitudes and behaviour, and at the organizational level such as employee loyalty. As a consequence, that will create better hotel performance measured using the liquidity coefficient, profit margin, ROA, ROE, and the debt coefficient.

Regarding the RBV, Subramania, Gunasekaran, and Gao (2016) stated that operational capability drivers consist of labor, technology, and capital adopted in Chinese budget hotels. The findings indicated that operational capability drivers create innovative service satisfaction that finally has a positive effect on customer promotion behaviour. The practical contribution of the study was to confirm that firms need to utilize their value, rare, inimitable, non-substitution resources and design or align their service strategies to match the exogeneous context, such as client needs and behaviour.

The hospitality industry is highly knowledge intensive. The means through which organizational performance can be enhanced is not limited to technological investment and process improvement but also through the workforce and customer relations (Eckstein, 2004). Intellectual resources and intangible assets, such as people, have gained much attention as a crucial contribution to creating and sustaining competitive advantage and new opportunities (Canina, Enz, & Walsh, 2006). Such knowledge-based assets are defined as intellectual capital (INCAP) (Rudez & Mihalic, 2007). Measuring INCAP is a way to determine firm performance.

Bontis (1998) and other authors favor a tripartite model of INCAP, which categorizes intellectual capital into “human capital,” “organizational capital,” and “customer capital.”



**Figure 2.5** Taxonomy and Conceptualization of INCAP

**Source:** Kim, Yoo, & Lee, 2011.

Human capital concerns individual competency, such as knowledge, skills, experience, training, and abilities (Forret, 2006). Particularly in the hospitality industry, attitudes, innovativeness, commitment, motivation and job satisfaction are also crucial (Rudez and Mihalic, 2007).

Marr, Gray, and Neely (2003) suggested culture, process, and innovation as the factors in organizational capital. Culture created and shared by employees and approved and guided by management philosophy can be a valuable asset to firms. Efficiency and effectiveness, renewal and development, systems and procedures, and atmosphere were proposed by Engstrom et al. (2003) for the hospitality industry, whereas Rudez and Mihalic (2007) described organizational capital as consisting of management philosophy, culture, business processes, and information technology. Firms with solid organizational capital allow employees to openly experiment, innovate, learn, and fail.

Customer capital encompasses knowledge of marketing channels and customer relationships (Bontis et al., 2000), achieved through cultivation of customer satisfactions, customer loyalty, image and brand, and distribution channels (Rudez & Mihalic, 2007). Taegoo Kim et al. (2001) argued that quality of service is a key to customer satisfaction in a competitive market environment, and highly satisfied customers contribute to loyalty, which is evident through repeat purchase and positive word-of-mouth.

In summary, the resource-based view emphasizes the firm's internal resources, and for the hospitality industry, these consist of human capital, organizational capital, and customer capital. The RBV theory extended the ability-motivation-opportunity (AMO) framework that was fully linked with strategic human resource management. As firms utilize RBV theory and operate in exogenous contexts, HR departments need to focus more on two strategic roles: 1) the strategic partner—to better design and align HR strategy to organizational strategy; and 2) employee champion—to fully utilize the AMO framework for employee management. The theoretical and empirical literature on the social exchange theory in the following sections provides further explanation of human capital management.

### **2.2.2 Social Exchange Theory**

According to the SET, positive actions should be reciprocal, i.e. responding to a favor received with the same kind of friendly return. It is an implicit obligation between givers and receivers that try to make the exchange fair (Homans, 1961, & Blau, 1964). The exchange relationships tend to occur in the workplace environment as well as where employees develop relationships with their supervisors and with organizations (Wayne, Shore, & Liden, 1997), the first form known as LMX (Graen & Scandura, 1987) and the latter perceived organizational support (Eisenberger, Huntington, Hutchison, & Sowa, 1986).

Chen, Wu, and Wang (2015) adopted social exchange theory as a theoretical foundation by emphasizing the psychological contract fulfillment of employees and empowering leadership in Taiwan's tourism hotels. The empowered leaderships consist of participating in decision making, coaching, informing, leading by example and showing concern for the team, while the psychological contract fulfillment type consists of a good reward system, up-to-date training and development, and job security and career advancement. The findings confirmed that empowered leadership significantly affects the psychological contract and, as a consequence, improves service performance. This confirms that leader-member exchange relationship has a direct impact on the employee's organizational citizenship behavior.

Tang and Tang (2012) studied social exchange theory and social information processing theory as basic theories for increasing organizational citizenship behaviors

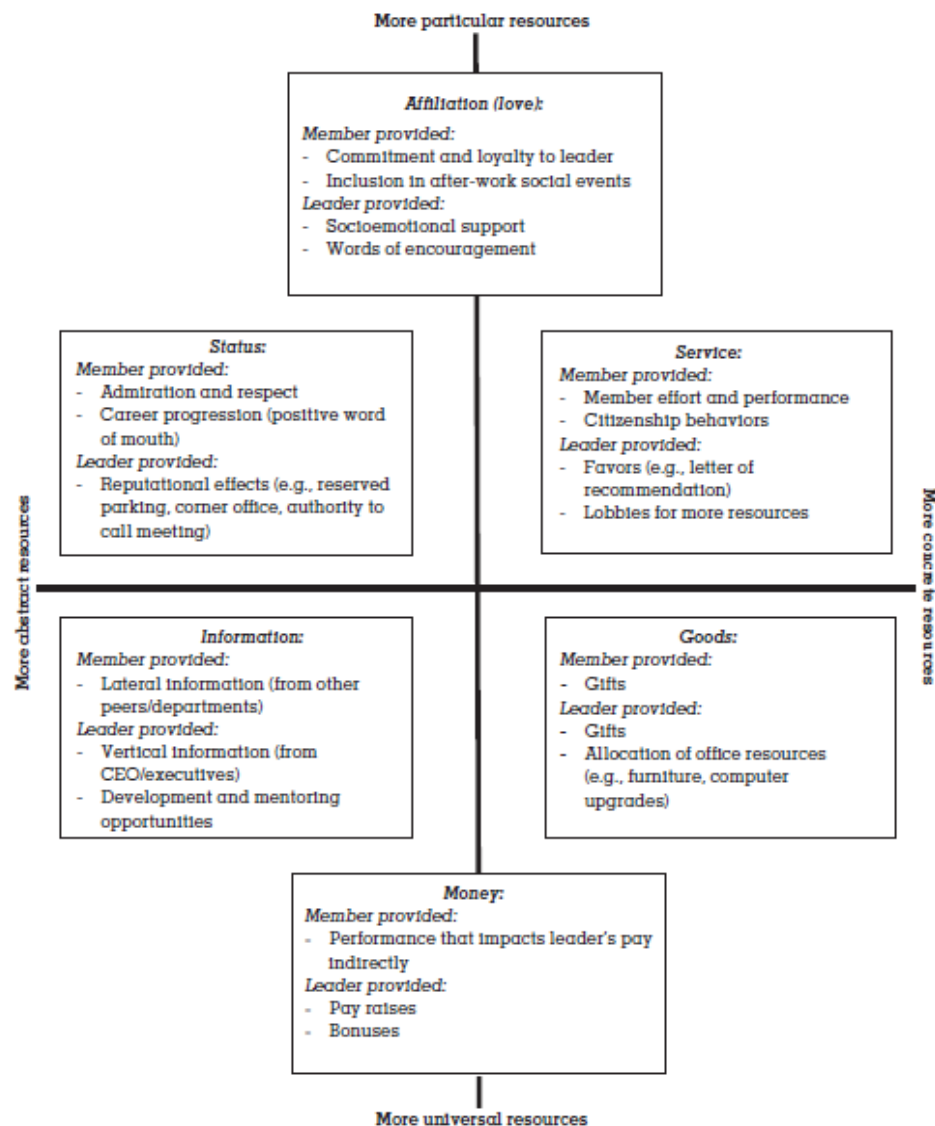
in Taiwan hotels. Social information processing theory means that employees will receive information disseminated by the organization and react to that information by making decisions or taking action. The findings confirmed that high-performance HR practices have a direct impact on service-oriented organizational citizenship behavior. The mediating factors are justice and service climate. This confirms the link between the high performance work system and OCB by implementing two strategies: 1) improving fair treatment for all of the staff based on a reward and performance appraisal system; and 2) creating a customer-focused climate in the organization's culture.

Ma and Qu (2011) elaborated social exchange theory by studying the role of top-level and middle-level servant leadership and how it affected employee service-oriented behaviors. Servant leadership is related to the leader-member exchange relationship by the middle-level manager implementing caring, facilitating, and coaching for their subordinates. The findings indicated that the servant leadership is promoted from the top level to the middle level and can improve employee service-oriented behavior and, finally, increase service quality. This confirms that the role of the leader-member exchange relationship has a positive impact on organizational citizenship behavior, especially regarding the customer-focused aspect.

Rather than having an average relationship with all subordinates, leaders develop individual-specific relationships with each member (Dansereau, Garen, & Haga, 1975). The benefits of these differentiated relationships are realized through mutual work relationships (Graen & Uhl-Bien, 1995)

The true component of the SET is not merely how resources are exchanged but also what is exchanged (Foa & Foa, 1974), and in fact, there are many potential resources that leaders and members can exchange. Wilson, Sin, and Conlon (2010) categorized resources into two dimensions: universal-particular and abstract-concrete resources. Universal to all employees is monetary compensation and the opposite of that is non-monetary reward-affiliation. Abstract resources are rather intangible, whereas concrete resources are more tangible. Within these two dimensions, six types of leader-member resource exchanges can be classified: affiliation (love), money, status, service, information, goods. Figure 2.6 illustrates the specific resources that can be exchanged within each type.

Citizenship behavior provided by members in the service quadrant in return for more resources and favor provided by leaders is what Organ (1988) described as organizational citizenship behavior (OCB): employee behavior that promotes effective functioning in a workplace. OCB is not weighed in a formal reward system because it is normally not part of a job description and is provided by employees at their own choice. There are five aspects of OCB according to Organ. Altruism is when employees help others do their work with their own free will. Employees that endure inconvenience tagged along with work are said to have sportsmanship, while those that warn others about coming work-affected changes are said to have courtesy. Civic virtue is when employees are willing to participate in political processes concerning their organizations. Lastly, attendance, conserving resources, and punctuality are not obligatory, but employees with conscientiousness exhibit such behavior voluntarily. What is more interesting is that Podsakoff, MacKenzie, Paine, and Bachrach (2000), moreover, found a linkage between OCBs and some employee characteristics, particularly satisfaction, organizational commitment, and perception of fairness.



**Figure 2.6** Leader and Member Resource Categories

**Source:** Wilson, Sin, & Conlon, 2010.

In order to create satisfied customers in the hotel industry, it requires exceeding customers' expectations on a constant basis. This requires employees to perform citizenship behaviors with customers in order to satisfy them with high-quality service. Therefore, OCB is closely related to the service challenges of the hotel industry, and understanding OCB and its antecedents is important for the effective functioning of hotels. Emily Ma and Hailin Qu (2011) developed three-dimensional frameworks of OCB based on the unique nature of the hotel industry.

The three dimensions include: OCB-O (to organization), OCB-I (to employee) and OCB-C (to customers). for the hospitality industry, exceeding customer expectations can lead to higher customer satisfaction. High-quality service requires OCB on the employee's part.

In summary, the social exchange theory emphasizes the leader-member exchange relationship that flows from top level and middle-level management through to their subordinates. It is incorporated with a high performance work system for creating justice and a service climate for employees. As a consequence, employees will demonstrate organizational citizenship behavior for their customers, organization and colleagues in a reciprocal process. Thus, to demonstrate the linkage of the two theories, in the next section a comparison between the RBV and the SET approaches will be further discussed.

### **2.3 Comparison between the Two Approaches in the Analysis of Organizational Citizenship Behaviors and Hotel Performance**

As described in table 2.1, the present study developed a two-theoretical framework of the high performance work system and of the leader-member exchange relationship influencing hotel performance.

In the present study, the resource-based view, in terms of strategic human resource management practices, has been applied extensively in examining organizational performance (Huselid, 1995; Becker, 1998; Boxall, 2003). The steps of expanding the resource-based view through creating the conceptual framework can be described according to the following steps. First, the key concept is that the firm needs to manage its strategic resources consisting of human, organizational and customer capital. Secondly, the key assumption is focused on the fact that the firm possesses a bundle of unique, rare, non-substitutable and inimitable resources. Thirdly, the key proposition is how the firm mobilizes these resources to create a competitive advantage. Fourthly, linking to organizational citizenship behaviors strategic human resource management will sustain strategic resources by developing policies that shape the desired employee OCB. Finally, as a consequence, SHRM can create organizational and customer effectiveness.

The criticism of traditional human resource management compared to strategic human resource management is that SHRM focuses more on the important role of line manager with his or her subordinates. This will lead to emphasizing more the social exchange theory, which studies the exchange relationship between leaders and their subordinates.

The steps of extending the social exchange theory through formulating the conceptual framework can be described in the following steps. First, the key concept is that employees return a favor as a reciprocal process for their supervisors' kindness. Secondly, the key assumption is focused on the fact that leaders deliberately construct a relationship with their subordinates. Thirdly, the key proposition is how the leader-member exchange relationship improves OCB. Fourthly, the good individual-specific relationships between leaders and subordinates help to develop desired citizenship behaviors. Finally, as a result, higher OCB levels will lead to organizational and customer effectiveness.

In summary, the RBV approach utilizes SHRM as a means to motivate employees, create human capital, and develop performance. The SET views good OCB as a result of good LMX, which will lead to better hotel performance. This study has employed the idea of RBV to explain the motive of an organization to implement SHRM. Next, SET is implemented to develop the hypothesis on the importance of the leader and member relationship. Lastly, SET is also used to evaluate employee OCB. The next sections will apply these two approaches to establish a strong foundation in order to analyze how SHRM practices and LMX contribute to OCB, followed by the human capital that contributes to hotel performance.



**Table 2.1** Summary of Resource-Based View and Social Exchange Theory

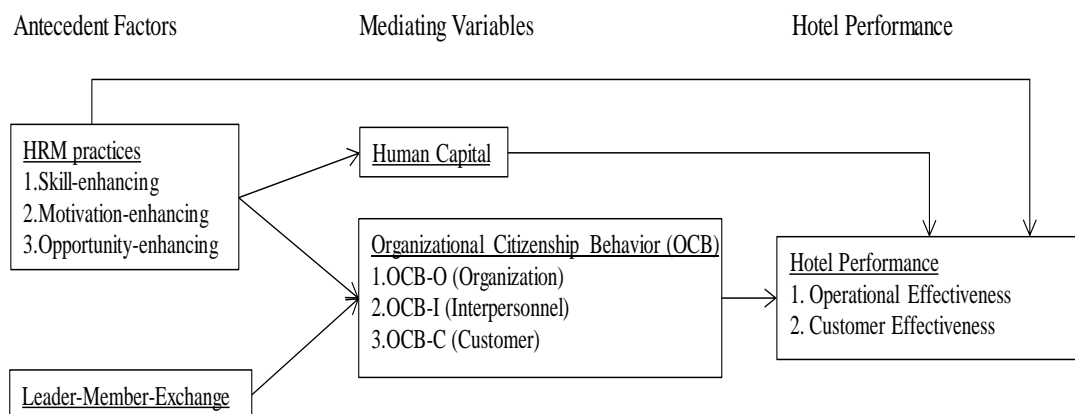
Theory	Key Concepts	Key Assumptions	Key Propositions	Link to OCB	Link to Hotel Performance
<b>Resource-based View</b>	<ul style="list-style-type: none"> <li>- Internal resources are the source of firm strengths and weaknesses</li> <li>- Strategic resources to be managed are human, organizational, and customer capital.</li> </ul>	<ul style="list-style-type: none"> <li>- Competitive advantage depends on the firm's possession of a bundle of unique, rare, non-substitutable and inimitable resources.</li> </ul>	<ul style="list-style-type: none"> <li>- The organization must differentiate and mobilize firm resources to create competitive advantage.</li> </ul>	<ul style="list-style-type: none"> <li>- A well-designed SHRM can help sustain internal resources by developing policies that shape desired employee citizenship behaviors.</li> </ul>	<ul style="list-style-type: none"> <li>- SHRM can be used to create operational and customer effectiveness.</li> </ul>
<b>Social Exchange Theory</b>	<ul style="list-style-type: none"> <li>- Employees return a favor after an act of kindness by their supervisors.</li> </ul>	<ul style="list-style-type: none"> <li>- Deliberate construction of LMX relationships to achieve employee behavior</li> </ul>	<ul style="list-style-type: none"> <li>-OCB achieved through the LMX relationships</li> </ul>	<ul style="list-style-type: none"> <li>- The good individual-specific relationships between leaders and subordinates help to develop desired citizenship behaviors.</li> </ul>	<ul style="list-style-type: none"> <li>- Resulting OCBs improve operational and customer effectiveness.</li> </ul>

**Source:** The Author's Own Elaboration

## 2.4 Model Development and Hypotheses

Looking across the published research on strategic HRM, Lepak (2008) concluded that how a firm structures its HR system to manage employees has a direct influence on organizational effectiveness. Nevertheless, we still have limited knowledge of how the process unfolds. HR practices does not actually create a competitive advantage for a firm; it is the human resources that the firm attracts and retains that actually creates the competitive advantage (Delery, 1998). Building on this point, this dissertation opens the “black box” by examining what impact HR systems are expected to have on employees and, if successful, would develop into organizational performance. The “black box” includes employees’ ability and effort, intellectual capital and employee perceptions. This dissertation will focus on the human capital and employee behaviors tied to hotel performance.

This dissertation is based on a variety of theories and models postulated by scholars from different fields to form a new model that matches the context of the study (see figure 2.7). The author came up with a model of hotel performance with four groups of determinant factors or indicators; namely, human resource practices, leader-member-exchange, human capital, and organizational citizenship behavior.



**Figure 2.7** The Theoretical Framework of the Study

Drawing on both theory and strategic human resource management literature, a new configuration for testing the hotel performance was subdivided into two

categories of variables, i.e. operational effectiveness and customer effectiveness. From the proposed model, as shown in Figure 2.7, it can be summarized that hotel performance is the ultimate criterion variable in the model, and its determinant factors include four variables, called “HRM practices,” “leader-member exchange,” “human capital,” and “organizational citizenship behavior.” The midrange variables are reflected by 1) human capital, consisting of: creativity and innovativeness, employee competence, efficiency, and effectiveness of employee; and 2) organizational citizenship behavior consisting of three-dimensions: OCB-O (to organization), OCB-I (to employee) and OCB-C (to customer).

Finally, the antecedent factors are composed of: 1) HRM practices which include skill-enhancing, motivation-enhancing, and opportunity enhancing; and 2) Leader-Member-Exchange, a form of social exchange relationship between employees and their supervisors.

According to the proposed model, the author offers a framework to understand: 1) the antecedent factors that impact hotel performance and 2) how these mediating factors influence hotel performance. The purpose of the study is to test whether the antecedent factors affect hotel performance, and if they do, whether they influence the hotel performance directly, indirectly, or both.

The purpose of this chapter is twofold. First is to provide a theoretical explanation based on the resource-based-view and the social exchange theory to elaborate the relationship between the variables in the proposed model. Combining these two theories, the author argues that HRM practices, leader-member-exchange, human capital, and organizational citizenship behaviors factors can be considered as the prerequisites for hotel performance. Second is to unfold “black box” by providing a linkage between HRM practices and hotel performance. Thereafter, the variables employed in the study, together with related hypothesis setting, are demonstrated in terms of their relationships.

Tables 2.2 and 2.3 summarize the literature reviewed in this study, which focuses on the antecedent factors that influence hotel performance. The following section provides a further explanation of the configurations and hypotheses that are posited in the proposed model.

**Table 2.2** Summary of the Dependent Variables Measuring Hotel Performance

<b>Dependent Variables</b>	<b>Related Literatures</b>
<b>Hotel Performance</b>	
<b>Organizational Effectiveness</b>	Engstrom et al., 2003; Rudez & Mihalic, 2007; Kim, Yoo, & Lee, 2010
<b>Customer Effectiveness</b>	Engstrom et al., 2003; Rudez & Mihalic, 2007; Kim, Yoo, & Lee, 2010

**Table 2.3** Summary of the Antecedent and Mediating Factors that Influence the Hotel Performance

<b>Antecedent/ Mediating Factors</b>	<b>Related Literatures</b>
<b>Antecedent</b>	
<b>HRM Practices</b>	Sartorius et al., 2011; Phua, 2012; Onyemah et al., 2010
<b>Leader-Member-Exchange</b>	Wilson, Sin, & Conlon, 2010; Graen & Uhl-Bien, 1995; Ma & Qu, 2011
<b>Mediating Factors</b>	
<b>Human Capital</b>	Engstrom et al., 2003; Rudez & Mihalic, 2007; Kim, Yoo, & Lee, 2010
<b>Organizational Citizenship Behaviors</b>	Ma & Qu, 2011; Organ et al., 2006; Bettencourt & Brown, 1997; Law et al., 2005; Lester & Brower, 2003

**Source:** Summarized from the Proposed Model Suggested by the Author

## **2.5 Research Hypotheses**

### **2.5.1 The Relationship between HRM Practices and Hotel Performance**

Chand (2010) proposed a hotel performance model, presenting the relationship between HRM practices and hotel performance. The model includes four major elements: HRM practices, service quality, customer satisfaction, and hotel performance. Customer satisfaction is the result of HRM practices, including recruitment and selection, manpower planning, job design, training and development, and quality circle and the pay system. Service quality such as tangibles, reliability, responsiveness, assurance and empathy also affect customer satisfaction.

This model highlights the importance of HRM practices including high the performance work system and employee involvement as factors influencing service quality, customer satisfaction, and ultimately the organization.

Ruzic (2015) proposed a hotel financial performance model for examining the direct and indirect impact of HRM practices. The model includes the hotel company's characteristics, HRM practice, HRM results (individual and organizational level) and the hotel's financial performance. This model highlights the paths through which HRM practice drives firm performance. The two unique approaches of this model show HRM results at both the individual level, including employee engagement, skills, attitudes, and behavior, and the organizational level as consequences of employee loyalty.

Al-Refaie (2015) examined HRM practices, service quality, employee satisfaction, customer satisfaction, customer loyalty, and employee loyalty on hotel performance among 52 hotels in Amman. HRM practices included recruitment and selection, manpower planning, job design and, training and development. The findings indicated that HRM practices were positively related to service quality, employee satisfaction, and customer satisfaction. Customer satisfaction and employee loyalty had a direct impact on customer loyalty and, as a consequence, increased hotel performance. The hotel performance dimension, unlike the study of Ruzic (2015) and Chand (2010), it included innovation and the quality circle. This dimension helps to design a hotel performance questionnaire.

A survey by Hofstede's survey (2001) found Thailand to be a collectivist society with a low score of 20 on individualism. Following that finding, Thai firms should be collectivist oriented and thus, according to Brickson (2007) implementing a collectivist style HRM will help nurture collective membership among the employees. In a collectivist community the group needs and goals come first before those of the individual (Triandis, 1994). Thus, in firms with collectivism-oriented HRM practices, team rewards are preferred to individual rewards; training and development emphasize teamwork; and those that excel at joint effort should be promoted (Li Ji, 2012).

Guest (1997) expressed the notion that "there may be an association between HRM practices and company profit and other organizational outcome." Taking a clue from this, the collectivism-oriented HRM will be adapted in a way that will lead to positive hotel performance. In order to create firm competitiveness, two concepts of HR system—"best practice" and "best fit"—are combined. The "best practice," High performance works system will be a foundation for designing an HR system, while the "best fit," Collectivist HRM practices will be adapted in line with the Thai cultural context to build the collectivism-high performance work system (C-HPWS).

The measurement of hotel performance can be considered from a subjective or objective point of view. The objective approach measures performance in absolute terms (Morgan & Strong, 2003). This approach, however, often faces limited data availability. This study, instead, will utilize a subjective approach where the relative performance of a firm, as measured by employee views, compared to its competitors, is of interest (Chi & Gursoy, 2009). This validity of this approach to performance inference has been confirmed for hospitality companies (Chi & Gursoy, 2009; Sin, Tse, & Chan, 2006).

Employees in the hotel industry need to have a good knowledge about services, products, and customer as well as the abilities and skills to meet customers' demands. Through the best collectivism culture-adapted HR practices, such as training, information sharing, and performance feedback, C-HPWS selects, develops, and enhances employee human capital and subsequently hotel performance. The study, therefore, proposes the following hypothesis:

H1: Collectivism-HPWS adoption is positively associated with hotel performance.

## **2.5.2 The Relationship between the Antecedent and Mediating Factors**

### **2.5.2.1 Collectivism-HPWS and Human Capital**

Jiang et al. (2015) conceptualized the model of social capital as the mediating role between high performance work systems and organizational effectiveness. The high performance work system includes selective staffings, self-managed teams, decentralized decision making, training, flexible job assignments, and open communication and compensation. The social capital includes interaction density, cooperation and competition, and the shared code. This mediating factor differs from that of other scholars that have focused either the individual level or group level outcomes by focusing on the intra-organizational network. HRM practices can promote or impede this intra-organizational network. The organizational effectiveness includes favorable interpersonal environment, knowledge transfer, and organizational innovation. The highlight of this paper is presenting the HRM practice that influences the interpersonal relationships in the firm by: 1) focusing on creating an organizational climate that promotes good interactions between and among employees, especially leader and subordinates; 2) enhancing intra-organizational capital through self-managed teams; and 3) promoting shared-organizational objectives through decentralized decision making and open communication.

Halici et al. (2012) proposed the linkage between human capital heterogeneity and organizational effectiveness by surveying 10 international chain hotels in Turkey. The findings confirmed that the human capital heterogeneity was low. Based on Hofstede, Turkey is high on the Power Distance Index. Therefore, similar to the Thai culture, the employees have a tendency to accept the absolute power of their leaders and avoid conflicts with their bosses. In order to better serve diverse clients, there is a growing trend for hiring a heterogeneous staff that is more understanding of different cultures. HR professionals need to consider and design HRM practices matched with human capital heterogeneity.

Karatepe (2013) suggested the mediation of work engagement linking high performance work practices (HPWPs) and hotel employee performance in Romania. The model included four major elements—high performance work practices, work engagement, job performance, and extra-role customer service. The findings confirmed that the work engagement was the result of high performance

work practices including training, empowering, and rewards. Work engagement then produces an impact on job performance and extra-role customer service. This model the work engagement, including vigor, dedication, and absorption, as the “black box” between HPWPs and hotel employee performance. Work engagement, dedication, and absorption are closely linked to human capital in terms of motivation and attitude.

As mentioned before, when dealing with employees with heterogeneity, HR professionals should focus on both horizontal collectivism where employees unite themselves with their in-groups, and vertical collectivism where employee succumb to the authorities of the in-group and are willing to sacrifice themselves for their in-group (Triandis, 2001).

How does Collectivism-HPWS help develop human capital? First, we need to understand the connection between a collectivist orientation and HRM. With a collectivist culture in mind, Aycan (2005) suggested that HRM practices should be designed to match group harmony and loyalty. HRM practices that emphasize group commitment would be preferred by individuals in this culture. Hierarchy is another dimension that should be of concern; for collectivist-oriented individuals, a top-down managerial style in, for example, performance evaluation and training and development is preferred. Specifically, designing job descriptions, defining accomplishments, planning incentives, assessing performances, and promoting based on seniority and loyalty should all be devised with group-oriented goals in mind (Ramamoorthy & Carroll, 1998). In brief, it appears that HRM practices should be aligned along the lines of societal culture and employee preferences.

The integration of HPWS and collectivism HR practices helps develop human capital, particularly in terms of competence, attitude and motivation to work, and creativity and innovativeness. Thus, the proposed hypothesis is as follows.

H2: Collectivism-HPWS adoption is positively associated with the human capital.

#### 2.5.2.2 Collectivism-HPWS and Organizational Citizenship Behaviors

Ming, Ganli, and Fulei (2014) studied the impact of the high performance work system on organizational citizenship behavior of Chinese Gen Y. The findings indicated that the high performance work system has a positive impact on OCBs. Ganli defined organizational citizenship behaviors as consisting of job satisfaction,



organizational commitment and psychological empower, but I would argue that OCBs are the results or consequences of these factors.

Zhang, Di Fan, and Zhu (2014) proposed a model linking the high performance work system and organizational citizenship behavior. The model includes five major elements, including HPWS, HPWS satisfaction, corporate social performance, affective commitment, and OCB. Corporate social performance embodies similar ideas as corporate social responsibility, but CSP means that the organization will operate its governance operation in views of stakeholders not shareholders. Affective commitment refers to employees having positive emotions concerning their organizations.

Demonstrating a link to OCB, this model suggests that there are two mediating variables related to HPWS: the affective commitment and corporate social performance. Affective commitment plays a significant role in OCB. HPWS satisfaction incorporated with corporate social performance have a direct impact on affective commitment. This implies that HPWS has an indirect effect on OCB.

Astakhova (2015) investigated the linkage between work passion, organizational citizenship behavior, and collectivistic value. The findings confirmed that employees that have higher collectivistic value and high obsessive passion will show higher OCB. Contrary to those having lower collectivistic value, even high obsessive passion will show lower OCB. Therefore, it can be concluded that collectivistic value moderates the relationship between work passion and OCB.

Shahzad, Siddiqui, and Zakaria (2014) examined the impact of organizational justice on OCB. The study was conducted with 350 respondents from six public universities in Pakistan where the country collectivism score was 14, while for Thailand it is 20. The results revealed that organizational justice has a positive impact on OCB and that collectivism moderates the link between them. Organizational justice is the perception of employees regarding equal treatment linked to HPWS concerning selection, pay, and rewards based on the merit system and equal opportunity for promotion. This implies that in order to boost the higher OCB among subordinates, the leader and HR professionals need to treat employees equally and closely work together in managing equality expectations among employees.

How should a firm achieve OCB? Researches have found several factors that influence OCB: demographic aspects (Ford & Richardson, 1994),

personality traits (Elanain, 2007), and background factors (Baker et al., 2005). Proper employee treatment may also lead to OCB through employee reciprocation (Tsui et al., 1997). How the firm manage to shape employee perceptions of the exchange relationship is where HR practices come in.

The firm needs to be able to send the right signals to employees—that they are valuable assets to the firm—so that they will reciprocate with OCB. Signaling should be on subjects that reinforce employee appreciation, recognition, fair treatment, empowerment, and growth and development. This can be done by HPWS through extensive training, career planning and advancement, promotion and pay based on performance appraisals for developmental purposes. The HPWS that embraces mutual and multiple underpinning of HR practices will help shape the nature of the social exchange relationship between the firm and employees (Morrison, 1996). Therefore, collectivism HPWS will significantly affect organizational citizenship behaviors as stated in the social exchange theory, where employees provide OCB in exchange for satisfaction with the three identities—the organization, the individual (colleagues) and the customer. This leads to the following hypothesis:

H3: Collectivism-HPWS adoption is positively associated with organizational citizenship behavior

#### 2.5.2.3 Leader-member Exchange and Organizational Citizenship Behaviors

According to LMX theory, leaders do not have the same level of exchange relationship with all of their subordinates. Instead, they develop special relationships with each of their trusted members over time during a series of exchange processes.

Matta et al.. (2013) examined the individual perception between the leader and members linked with work enagement and organizational citizenship behavior. Matta developed a 2 x 2 matrix that expressed the level of individual perspective on the leader-member exchange relationship, as described in Figure 2.8.

		Leader LMX rating	
		Low LMX Leader views relationship as primarily transactional	High LMX Leader views relationship as primarily socio-emotional and going beyond transactions
Subordinate LMX rating	High LMX Subordinate views relationship as primarily socio-emotional and going beyond transactions	<b>Transactional / Socio-emotional expectation discrepancy</b> Leader and subordinate experience discrepancies in roles, expectations, behaviors, and resource exchanges ( <i>Quadrant 3</i> )	<b>Socio-emotional role agreement</b> Leader and subordinate experience consensus in socio-emotional roles, expectations, behaviors, and resource exchanges ( <i>Quadrant 1</i> )
	Low LMX Subordinate views relationship as primarily transactional	<b>Transactional role agreement</b> Leader and subordinate experience consensus in transactional roles, expectations, behaviors, and resource exchanges ( <i>Quadrant 2</i> )	<b>Socio-emotional / transactional expectation discrepancy</b> Leader and subordinate experience discrepancies in roles, expectations, behaviors, and resource exchanges ( <i>Quadrant 4</i> )

**Figure 2.8** Two-by-Two Matrix Juxtaposing Ratings of LMX Quality with Rating Source

**Source:** Matta et al., 20133

In quadrant 1, when the perception between the leader and members is of high quality and of the same perception, it will create socio-emotional role agreement that subordinates provide a high level of work engagement and organizational citizenship behavior.

In quadrant 2, even if the perception between the leader and members is of low quality, it will create only transactional role agreement that subordinates provide a low level of work engagement and OCB.

In quadrants 3 and 4, the incongruence of individual expectations between the leader and members will create socio-emotional expectation discrepancy, resulting in a low level of work engagement. However, the level of work engagement and OCB in quadrant 2 is still higher than in quadrants 3 and 4.

Therefore, in order to improve work engagement and OCB, the leader needs to investigate the subordinate perception of his or her LMX and improve the congruence

of LMX expectations between both sides by clarifying the roles and behavior expectations with his or her subordinates.

Graen and Uhl-Bien (1995) suggested that the condition of LMX relationships can also vary from low to high. Harris, Kacmar and Witt (2005) observed that the “in-group” or high-quality exchange relationships exhibits superior mutual trust, respect, and obligation between leaders and members. The “out-group” or low-quality exchange relationships is characterized by formal, contractual, and hierarchical interactions with an obvious distance between the leaders and their subordinates. The quality of the LMX relationships has been found to significantly impact employee performance, citizenship behaviors, and turnover intentions (Wilson, Sin, & Conlon, 2010).

Employees that are treated with respect will tend to reciprocate with OCB, according to the social exchange perspective (Cho & Johanson, 2008). Furthermore, the social exchange relationships formed through mutual support between leaders and their subordinates can also lead to OCB (Podsakoff et al., 2000). An analysis by Deluga (1994) found a positive relationship between the quality of LMX relationships as viewed by subordinates and subordinate OCB dimensions, including altruism, courtesy, conscientiousness, sportsmanship, and civic virtue.

OCB is often analyzed in the terms of benefits for organizations and coworkers. For the hospitality industry, however, benefits directed at customers should also be examined. Looking at OCB from a perspective of target beneficiaries, i.e. the organization, coworkers, and customers, also helps to avoid cultural issues bound to specific behaviors. In a study of hotel employees in China, Ma et al. (2013) categorized various employee behaviors into the three OCB targets. OCBs aimed at organizations including advertising hotel products and services and giving positive remarks outside of work. Behaviors that support coworkers are helping each other when in need and hearing each other’s concerns. OCBs directed at customers involve holding an optimistic mindset while carrying out work attentively and perfectly.

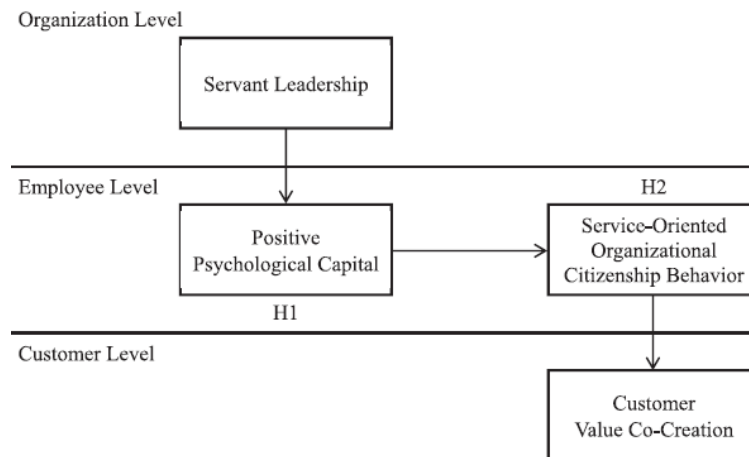
Hitherto, there has been no research that has tested the existence of the relationship between the quality of LMX relationships as viewed by subordinates and the subordinate OCB dimensions of the organization, co-workers, despite a relationship between these two factors. This leads to the following hypotheses:

H4: There is a positive relationship between perceived LMX quality and organizational citizenship behavior.

### **2.5.3 The Relationship between Human Capital and Organizational Citizenship Behavior**

The antecedents of OCB have been commonly researched for almost three decades (Bateman & Organ, 1983; Organ, 1988; Torlak & Koc, 2007). One basic premise of the OCB theory is that an employee will engage in OCB when he or she perceives that his or her employment relationship is based on social exchange (Organ, 1990; Moorman, 1991). Another premise of OCB theory is that OCB is a reciprocating behavior (Organ, 1988, 1990; Rousseau, 1990; Lambert et al, 2003). Both premises reveal that OCB is an interactive process.

Hsiao, Lee, and Chen (2015) proposed a multi-level model consisting of the organizational level, the employee level, and the customer level linking servant leadership to customer value co-creation, as described in Figure 2.9. The focus of this study was on the employee level, showing the link between positive psychological capital and service-oriented organizational citizenship behavior. The positive psychological capital consisted of self-efficacy, optimism, hope and resilience. This begins at the individual level and aggregates to the team level. The finding indicated that positive psychological capital had a positive impact on service-oriented organizational citizenship behavior. We can conclude that positive psychological capital is a part of human capital-similar to attitude and motivation to work. Nevertheless, this study has not touched on the competence side of human capital.



**Figure 2.9** A Model Showing the Effect of Servant Leadership on Customer Value Co-Creation

**Source:** Hsiao, Lee, & Chen, 2015.

Rudez (2007) studied the intellectual capital in the Slovenian hotel industry during 2003 and 2006. The intellectual capital consisted of human capital, structural capital, and customer capital. Human capital was defined as employee competence, attitude toward work, and employee innovativeness. The findings revealed that, after Slovenia entered the EU in 2003, having the intense competition, the human capital and structural capital were further developed. The highlight of this study was that human capital needs to focus more on the competence and innovativeness which focused on psychological capital.

In order to improve hotel performance, the question is how human capital improves the number of OCBs. Wei et al. (2012) explored two main streams of OCB literature: one that focused on OCB motivations, while the other focused on the factors influencing OCBs. The former asks why OCBs occur and the latter asks what can change the amount of OCBs. For instance, job satisfaction is considered as a motivator according to Bateman and Organ (1983), and is considered as an influencing factor by Smith et al. (1983). Rioux and Penner (2001) consider leadership support as a motivator. However Podsakoff et al. (2000) indicated that leadership support is an influencing factor.

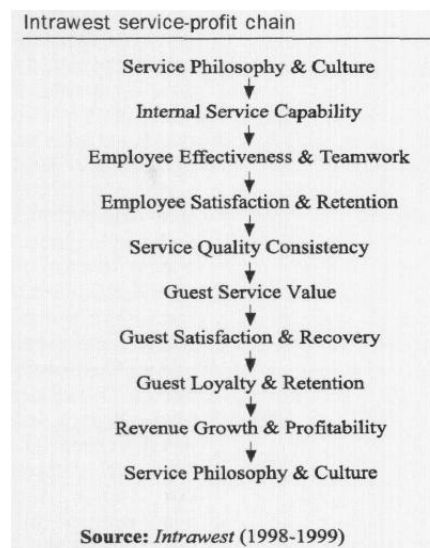
Hitherto, there has been no research that has tested the existence of the relationship between human capital and organizational citizenship behavior. This leads to the following hypothesis:

H5: There is a positive relationship between human capital and organizational citizenship behavior

## 2.5.4 The Relationship between Mediating Factors and Hotel Performance

### 2.5.4.1 Human Capital and Hotel Performance

In order to create the hotel's competitiveness, it must first create a strong service philosophy and culture. Intrawest, a luxury adventure travel company, gains its competitive edge through its service-profit chain. According to the chain, a hotel company should first establish a solid philosophy and culture, which gets transformed into internal service capability and employee effectiveness and teamwork through effective HR practices. The company subsequently obtains employee satisfaction and retention that develops into service quality consistency in Figure 2.10 (Hughes, 2002).



**Figure 2.10** Intrawest Service-Profit Chain

Source: Hughes, 2002.

It is easy for any hotel to become a five-star hotel with sufficient funds for creation, decoration, and restoration of edifices and fixtures. However, what distinguishes a luxury hotel from another is superior service, the way in which guest preferences are discovered and delivered to customers. Among the requirements for making this happen is a competent staff, which means hotels need to understand staff motivations and invest in human capital-related variables, e.g. comprehensive training, development reviews, and staff empowering (Haynes & Fryer, 2000).

There are three key elements regarding human capital: competitive aptitude, work attitude, and responsive speed (Roos, Roos, Dragonetti, & Edvinsson, 1997). Human capital as the core assets of an organization includes skills, experience, knowledge, commitment, attitude, and characteristics of personnel (Kang, Morris, & Snell, 2007). Investing in human capital leads to better employee performance, which in turn enhances organizational performance; and one way to invest in human capital is through HRM practices (Snell & Dean, 1992).

In the hotel industry, all service providing staff members, ranging from front-desk employees to housekeepers, play crucial roles in enhancing customer perception about the hotels. Advancement in information technology has turned the hotel industry into a more knowledge-based industry (Enz et al., 2006) where the assets are defined as intellectual capital or INCAP. Measuring INCAP is a way to determine firm performance. Engstrom et al. (2003) has devised the Radisson SAS INCAP dimension, where human capital measurement comprises competence, an improvement system, intellectual agility, and performance and attitude. Thus, the proposed hypothesis is as follows:

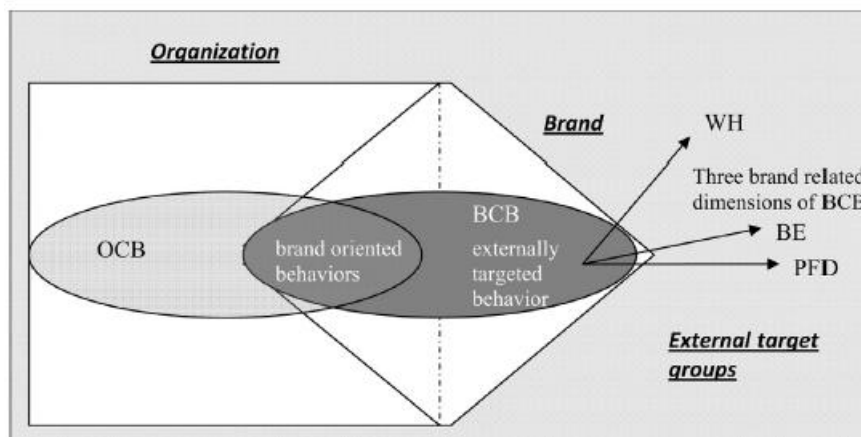
H6: Human capital is positively associated with hotel performance.

#### 2.5.4.2 Organizational Citizenship Behaviors and Hotel Performance

Xie, Peng, and Huan (2014) studied the linkage between OCB and customer-brand perception for hotels in Guangdong province in China. Xie coined the new term Brand citizenship behaviors (BCB), referring to employees promoting the hotel brand both internally and externally. The BCB consists of three dimensions: willing-to-help (WH), brand enthusiasm (BE) and propensity for further development (PFD). As displayed in Figure 2.11, the intersection between OCB and BCB is the brand-oriented behaviors that involve the OCB-customer. The findings showed that



BCB had a positive impact on customers' brand trust. The highlights of this study support the linkage between the OCB-customer and hotel performance focusing on customer effectiveness.



**Figure 2.11** OCB, BCB, and BCB Dimensions

**Source:** Burmann & Zeplin, 2005; Burnmann et al., 2009.

Various measures of OCB have been found to have a positive effect on organizational performance. Dunlop and Lee (2004) and Sun et al. (2007) stated that the indicators of organization performance consisted of sales, customer satisfaction, quantity and quality of production, financial efficiency, turnover, and profits. Ma et al. (2013) argued that OCB encourages supportive and efficient interactions among employees. Dovidio et al. (2006) described OCB as helping to reduce coordination and control costs (conflict management, employee monitoring, and managing task interdependency), making more resources left available for other productive matters.

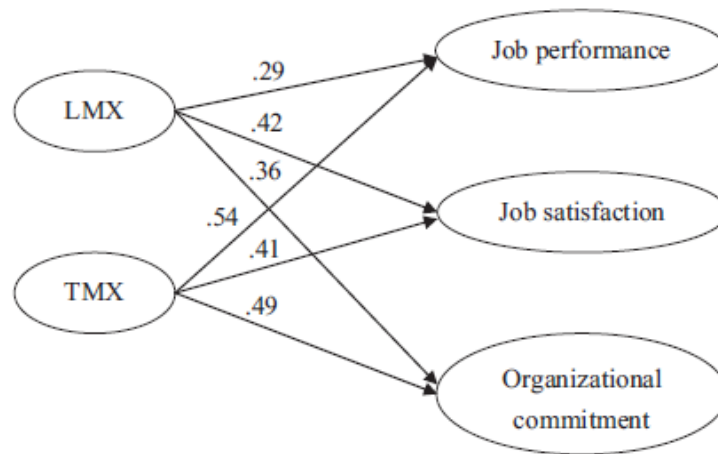
OCB has attracted considerable attention largely because of its assumed relationship to organization performance (Organ et al., 2006). Although early research found weak support for this relationship at the individual level (George, 1990), a growing number of studies that aggregate OCB to the organization or unit level provide fairly consistent evidence for OCB's positive performance effects. Studies have found positive relationships between various measures of OCB and multiple indicators of organizational performance, including sales, customer satisfaction, quantity and quality of production, financial efficiency, turnover, and profits (Dunlop

& Lee, 2004; Sun et al., 2007). It is argued that OCB can increase social capital by promoting more helpful, smooth, and efficient interactions among organization members (Kizilos et al., 2013). This can reduce coordination and control costs (e.g., time and energy spent addressing conflicts, monitoring behavior, and managing task interdependency) and free up valuable resources for more productive purposes (Dovidio et al., 2006). Notice that the indicators of the organization performance in these studies fall into two categories: organizational effectiveness and customer effectiveness. Thus, the proposed hypotheses are as follows.

H7: Organization citizenship behavior is positively associated with hotel performance.

### **2.5.5 The Relationship between Leader-Member Exchange and Hotel Performance**

Lee, Teng, and Chen (2015) studied leader-member exchange and team-member exchange that affected job outcomes. Team-member exchange refers to the exchange of assistance, feedback, and ideas among team members (Seers, 1989). Job outcome consists of the job performance, job satisfaction, and organizational commitment that are reflected on hotel performance. As described in Figure 2.12, LMX and TMX have a positive impact on job performance, job satisfaction, and organizational commitment. The highlights for this study are: 1) to confirm that LMX has a causal effect on job outcome related to hotel performance; 2) TMX is related to organizational citizenship behavior-individual that confirms the direct effect of OCB-I on job outcomes.



**Figure 2.12** LMX, TMX in Relation to Job Outcomes

**Source:** Lee, Teng, & Chen, 2015.

Research shows that immediate managers (team leaders or supervisors) can significantly influence employees' work motivation and job performance (Liden et al., 1993; Gerstner & Day, 1997; Ilies et al., 2007). In this study, the author used LMX as the antecedent factor to explore the influence of the supervisor, as perceived by employees, encourages employee engagement, which in turn contributes to job performance. LMX is defined as the quality of the relationship between the supervisor and subordinate (Graen & Scandura, 1987). LMX assumes that supervisors use a different style for each of their subordinates. Based on dimensions such as mutual trust, respect, and obligation, differentiated relationships between leaders and followers have been found across cultures (Graen & Uhl-Bien, 1995).

Regarding the outcome of LMX, LMX research carried out during the last three decades have confirmed the positive impact of the dyadic relationships on employee performance, job/career/overall satisfaction, organizational commitment, employee retention, innovative behavior and creativity, loyalty and reliability, employee engagement, career development, and increased team effectiveness (see Table 2.4). All of these outcomes are instrumental in ensuring the competitiveness of organizations. The outcomes of high quality LMX also reinforce the relevance of the dyadic relationships in contemporary work settings.

**Table 2.4** Outcome Dimensions of LMX

<b>No.</b>	<b>Outcome of LMX</b>	<b>Researches Confirming Indicated Outcomes</b>
1.	Employees' job performance	Dunegan et al. (2002), Wayne et al. (2002), Gerstner and Day (1997), Liden et al. (1997), Liden et al. (1993), Graen and Scandura (1987).
2.	Job/career/overall satisfaction	Han (2010), Cogliser et al. (2009), Schyns and Croon (2006), Schriesheim et al. (1998), McCrane et al. (1991), Duchon et al. (1986), Scandura and Graen (1984), Graen et al. (1982).
3.	Organizational commitment	Cogliser et al. (2009), Klein and Kim (1998), Kinicki and Vecchio (1994), Nystrom (1990), Dienesch and Liden (1986), Duchon et al. (1986), Scandura and Graen (1984).
4.	Organizational citizenship behavior	Ilies, et al. (2007), Hackett and Lapierre (2007), Lee and Ansari (2004), Hofmann et al. (2003), Hui et al. (1999); Wayne et al. (1997), Wayne et al. (1997), Anderson and Williams (1996), Settoon et al. (1996), Setton et al. (1996), Deluga (1994).
5.	Decline in turnover intentions and actual turnover	Bauer et al. (2006), Gerstner and Day (1997), Graen et al. (1982).
6.	Employee withdrawal behavior	Ferris (1985), Graen et al. (1982).
7.	Increased team effectiveness	Boies and Howell (2006).
8.	Career development	Kacmar et al. (2003) Graen et al. (1990)

**Table 2.4** (Continued)

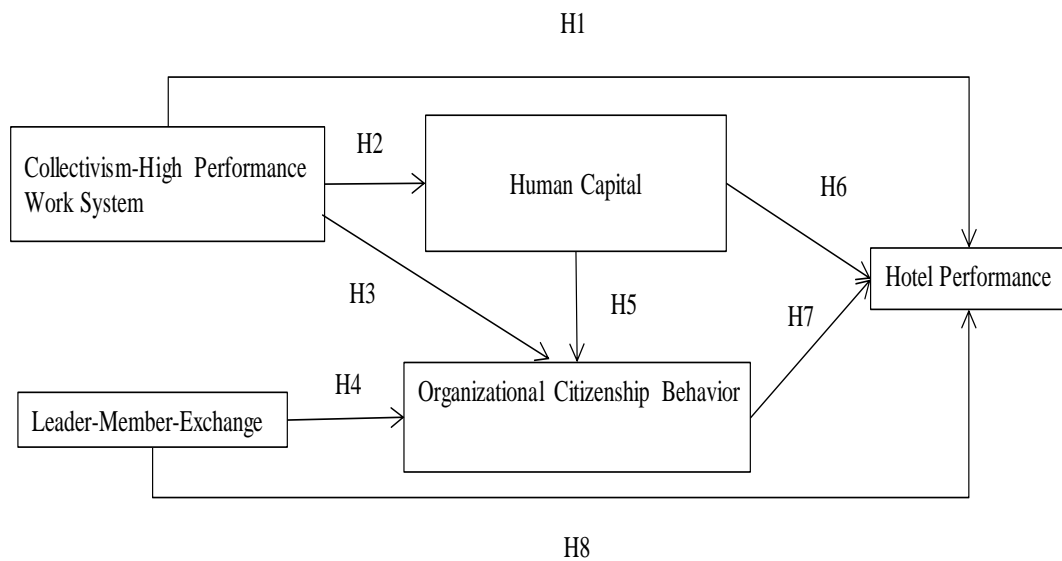
<b>No.</b>	<b>Outcome of LMX</b>	<b>Researches Confirming Indicated Outcomes</b>
9.	Employee engagement	Macey and Schneider (2008).
10.	Loyalty and reliability	Flaherty and Pappas (2000), Delvecchio (1998), Wakabayashi et al. (1990).
11.	Employee retention	Dixon-Kheir, (2001), Buckingham and Coffman (2000).
12.	Innovative behaviour and creativity	Munoz-Doyague and Nieto (2012), Atwater and Carmeli (2009), Lee (2008), Liden (2002), Tierney et al. (1999), Basu and Green (1997), Scott and Bruce (1994), Erdogan et al (1994).

**Source:** Jha & Jha, 2013.

It can be concluded then that high quality LMX relationships generate several outcomes that are essential for organizational effectiveness. However, there has been no research that has tested the relationship between LMX and organizational performance. This leads to the following hypothesis:

H8: The perceived LMX quality is positively associated with hotel performance.

From the above discussion, the hypotheses of the study are summarized in Table 2.5, together with the final model of the study, shown in Figure 2.13.



**Figure 2.13** The Proposed Model of the Study

**Table 2.5** Summary of Hypotheses

Hypotheses	Statement
1	Collectivism-HPWS adoption will be positively associated with the hotel performance
2	Collectivism-HPWS adoption will be positively associated with the human capital.
3	Collectivism-HPWS adoption will be positively associated with Organizational Citizenship Behavior
4	There is a positive relationship between perceived LMX quality and Organizational Citizenship Behavior
5	There is a positive relationship between Human Capital and Organizational Citizenship Behavior
6	Human capital will be positively associated with the hotel performance
7	Organization Citizenship Behavior will be positively associated with the hotel performance
8	The perceived LMX quality will be positively associated with the hotel performance.

## 2.6 Chapter Summary

In today's highly competitive business environment, the adoption of collectivism-HPWS is currently considered as a strategic human resource approach to move the Thai hospitality sector forward in terms of creating competitive advantage. However, human capital is the main source of the service industry. As a matter of fact, the social relationship between leaders and their subordinates needs to be strategically managed and incorporated into collectivism-HPWS adoption in order to foster hotel performance. Measuring the effectiveness of HPWS and LMX is crucial. The author developed a model of hotel performance that opened the "black box" between HRM practices and firm performance. It included the importance factors necessary for measuring hotel performance. The contribution of the study offers some theoretical understanding of the resource-based view and social exchange theory, which can be a starting point for conducting empirical studies to uncover employee behavior in the Thai hospitality industry context.

Additionally, two theoretical perspectives, namely, the resource-based view of a firm and social exchange theory, were used to explain this phenomenon. The hotel performance model, which consists of collectivism-HPWS, leader-member exchange, human capital, and organizational citizenship behavior, were integrated to create hotel performance. The hypotheses were summarized. Now, the framework of this study will be operationalized and empirically studied in the next chapter.

## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

This chapter describes the research methodology of this study. It is organized into three sections. The first section discusses the research design. The second section presents the quantitative research method, including the target population and the unit of analysis, sample size and sampling techniques, and measurement development and data collection. The third section presents the qualitative research method, focusing on the source of data, data collection, and data analysis methods. The last section presents the chapter summary.

#### **3.1 Research Design**

The survey was carried out with a cross-sectional design where the data were collected at one time. This study was implemented using quantitative and qualitative research, where the information was obtained in the form of field research by distributing a self-administered questionnaire.

The quantitative method, which is more involved in statistical and mathematical analysis, was implemented by using the SPSS and AMOS programs to analyze the data in order to confirm the findings. The qualitative research methodology is also outlined as well.

#### **3.2 Quantitative Approach**

##### **3.2.1 Target Population and Unit of Analysis**

Based on related theories and empirical research, this dissertation aimed to consolidate and expand the existing literature on the relationship between the high performance work system and hotel performance and to contribute to a wider body of literature on social exchange theory. The population of the study was from a broad cross section of hotel employee working in Bangkok in 2015.



The hotels selected for this study were hotels listed on the Stock Exchange of Thailand and other hotels located in Bangkok. Many listed companies operate international chain and owned brand. Therefore, western human resource management practices have been adopted by the international chain hotels for their own brand hotels as well. Thus, the samples were selected from employees working in hotels both at international chain brands and at their own hotels.

From lastest survey of the tourism industry conducted by the National Statistical Office of Thailand in 2011, for Bangkok, the 48,565 working employees can be classified according to 34,140 working in hotels with 150 rooms or more, 9,226 at hotels with 60-149 rooms, and 5,199 working at hotels with fewer than 60 rooms, as described in table 3.1.

**Table 3.1** Population of the Study

<b>Bangkok/ Size of establishment</b>	<b>Number of hotels/ guest houses</b>	<b>Number of hotels employees</b>	<b>% of hotel employees</b>
Fewer than 60 rooms	296	5,199	10.7
60-149 rooms	200	9,226	19.0
150 rooms or more	187	34,140	70.3
	683	48,565	100.0

**Source:** National Statistical Office, Statistical Forecasting Bureau, 2011.

Since this study emphasizes the high performance work system and social exchange theory in contributing to successful hotel performance, the unit of analysis was at the employee level, with employees working in medium- to big-sized hotels in Bangkok. Although the high performance work system in the set of human resource practices was examined as the antecedent of organizational citizenship behavior and human capital, it was the individual employees' perceptions about how these implemented practices influence their colleagues' organizational citizenship behavior and the team's human capital that was focused on. The leader-member exchange is

the individual's perception about how an interpersonal relationship develops between an employee and his or her supervisor. Therefore, these variables were operationalized as individuals' evaluations of their perceptions of these practices or the interpersonal relationships they participated in. The outcome variables examined in this study were hotel performances regarding both customer effectiveness and operational effectiveness. They were measured using a subjective approach to the individuals' perception by comparing their hotel performance with other hotels and comparing their past performances. Therefore, it was appropriate to measure all of the variables at the individual level of analysis.

### **3.2.2 Sample Size and Sampling Techniques**

Hotel performance involves many teams that are in charge of creating the bottom line. Therefore, the respondents included the HR manager, the food and beverage manager, the front office manager, the finance manager, the sales and marketing manager, and the housekeeping manager who were asked to answer the questionnaires. The data used in the analyses were collected using a mail survey from March to August 2015.

The measures used were designed to examine HPWS, the leader-member exchange, and hotel performance. The data were collected from HR and non-HR positions through mail surveys. In addition, the value of gathering the data from people performing many functions within the same firm assisted with the confirmation of perceptions and the validity testing.

There are several methods for estimating the number of samples required. Garson (2009) recommended that the minimum acceptable size for SEM is 100-150. Yamane (1967), in his book *Elementary Sampling Theory*, the appropriate sample size is shown in the following table.

**Table 3.2** Sample Size for +3 %, + 5%, +7% and +10% Precision Levels Where the Confidence Level is 95 % and p= .05

Size of Population	Sample Size (n) for Precision (e) of:			
	±3%	±5%	±7%	±10%
500	a	222	145	83
600	a	240	152	86
700	a	255	158	88
800	a	267	163	89
900	a	277	166	90
1,000	a	286	169	91
2,000	714	333	185	95
3,000	811	353	191	97
4,000	870	364	194	98
5,000	909	370	196	98
6,000	938	375	197	98
7,000	959	378	198	99
8,000	976	381	199	99
9,000	989	383	200	99
10,000	1,000	385	200	99
15,000	1,034	390	201	99
20,000	1,053	392	204	100
25,000	1,064	394	204	100
50,000	1,087	397	204	100
100,000	1,099	398	204	100
>100,000	1,111	400	204	100

**Sources:** Yamane, 1967. The Entire Population Should be Sampled

**Note:** a = Assumption of normal population is poor

The population of the hotel employees in Bangkok is about 48,565 as described in table 3.1. The table 3.2 indicates that if the size of the population is 25,000-50,000 for a  $\pm 5\%$  precision level, where the confidence level is 95%, the sample size will be 397.

Furthermore, it has been suggested that when using multiple regression analysis, the ratio of the observation to the independent variables should be 15 to 20 (Hair et al., 1998). Therefore, the minimum desirable sample size in order to gain the statistical power and generalizability of the results was 120 employees for the eight independent variables in this study.

### **3.2.3 Measurement Development**

#### **3.2.3.1 Operational Definitions and Measurement of Variables**

##### **1) High Performance Work System Adoption**

Since the main purpose of this study was to examine the high performance work system adoption in hotels, it was assumed that such hotels must employ an HPWS approach to human resource management as a prerequisite. Although this research was confined to medium- to big-sized hotel, it cannot be concluded that these hotels adopted HPWS as a foundation of manage their human resources. The adoption of HPWS can be measured by six items: selection, training, communication, reward, participation, and teamwork.

In order to improve the effectiveness of HPWS in terms of alignment with the cultural performance orientation of the Thai context, collectivism was added to the HR practices. Therefore, a collectivism–HPWS’s questionnaire (Table 3.3) was measured using the work of Park, Mitsunashi, Fey, and Bjorkman (2003), Huselid (1995), Wright and McMahan (1992), and Murphy and Olsen (2009). Collectivism-HRM was adapted from the GLOBE study of collectivism and leadership (Ji et al., 2012).

The respondents were asked to indicate the extent of their hotel’s adoption of the High Performance Work System and Collectivism-HRM on a scale ranging from 1 (Strongly disagree) to 5 (Strongly agree).

**Table 3.3** Questionnaire Items for Collectivism-HPWS

<b>Set of Practices</b>	<b>Questionnaire Items: High Performance Work System and Collectivism HRM (5-point Likert scale: 5-Strongly Agree to 1-Strongly Disagree)</b>	<b>Reference</b>
<b>Selection</b>	<ul style="list-style-type: none"> <li>- Your organization hires new personnel selectively to find the most suitable persons for the organization.</li> <li>- Our employees' capabilities are viewed as our main source of competitive advantage</li> <li>- Relative to the employees of your competitors in your industry, how would you rate the quality of your employees on each of the following dimensions?               <ul style="list-style-type: none"> <li>(1) Overall ability</li> <li>(2) Job related skill</li> <li>(3) Educational level</li> </ul> </li> </ul>	Park, Mitsuhashi, Fey and Bjorkman (2003) Huselid (1995) Wright and McMahan (1992) Murphy and Olsen (2009)
<b>Training</b>	<ul style="list-style-type: none"> <li>- Your organization provides extensive training and developments for employees.</li> <li>-Your organization provides employee training and development that are consistent with the requirement of the firm's strategies.</li> <li>- Training and development fits organization and work design.</li> </ul>	
<b>Communication</b>	<ul style="list-style-type: none"> <li>- To what extent does your firm have a clear strategic mission that is well communicated and understood on every level throughout the firm?</li> <li>- To what extent is communication between the HR department and the top management team effective?</li> </ul>	

**Table 3.3** (Continued)

<b>Set of Practices</b>	<b>Questionnaire Items: High Performance Work System and Collectivism HRM (5-point Likert scale: 5-Strongly Agree to 1-Strongly Disagree)</b>	<b>Reference</b>
<b>Reward</b>	<ul style="list-style-type: none"> <li>- To what extent does your company make an explicit effort to align business and HR/personnel strategies?</li> <li>- Our compensation system is closely connected with the financial results of the company.</li> <li>- Our company uses performance-based compensation to a large extent.</li> <li>- Our company emphasizes to promotion from within.</li> <li>- Our company places a great deal of importance on merit when making promotion decisions.</li> <li>- The pay and bonus system in this organization is designed to maximize (Individualism/collectivism)</li> </ul>	Li Ji et al. (2012)
<b>Participation</b>	<ul style="list-style-type: none"> <li>- Employee input and suggestion are highly encouraged</li> <li>- Employees input and suggestions are highly implemented</li> <li>- Your organization creates pleasant working atmosphere(e.g. Happy office activity).</li> </ul>	
<b>Teamwork</b>	<ul style="list-style-type: none"> <li>- Your organization uses various practices to reduce status distinctions and barriers among employees. (e.g. dress codes, language, office arrangements and wages).</li> </ul>	

**Table 3.3** (Continued)

Set of Practices	Questionnaire Items: High Performance Work System and Collectivism HRM (5-point Likert scale: 5-Strongly Agree to 1-Strongly Disagree)	Reference
<b>Others</b> (Collectivism-HRM)	<ul style="list-style-type: none"> <li>- Your organization uses self-managed teams.</li> <li>- Your organization uses problem-solving groups (employee involvement or Quality Circle group).</li> <li>- Your employees are able to collaborate in ways that gain efficiency.</li> <li>- In this organization, the majority of employees have a long-term employment contract (strongly disagree/agree)</li> <li>- This organization shows loyalty to its employee(strongly disagree/agree)</li> <li>- Employees take pride in the accomplishment of their organization(strongly disagree/agree)</li> <li>- Leaders encourage group loyalty, even if individual goals suffer(strongly disagree/agree)</li> <li>- Personal influence depends on contributions to the organization(strongly disagree/agree)</li> </ul>	Li Ji (2012)

## 2) Leader-Member Exchange

The leader-member exchange was operationalized as the relationship between leaders and their subordinates. The relationship significantly affects organization citizenship behavior. As a driver of organization citizenship behavior, the leader-member exchange examines how well the relationship between

direct supervisors and hotel employees drives hotel performance through organization citizenship behavior both individual and customer.

Based on Graen and Uhl-Bien (1995), the leader-member exchange consisted of six items for the present study placed on a five-point Likert scale. The respondents were asked to indicate their agreement, ranging from 1 (Strongly disagree) to 5 (Strongly agree), with the statements examining the relationship with their direct supervisors as described in Table 3.4

**Table 3.4** Questionnaire Items for Leader-Member Exchange

<b>Questionnaire item: Leader-Member-Exchange (7-point Likert scale: 7-Strongly Agree to 1-Strongly Disagree)</b>	<b>Reference</b>
<ol style="list-style-type: none"> <li>1. My immediate supervisor understands the problems associated with my position</li> <li>2. My immediate supervisor knows my potential</li> <li>3. My immediate supervisor will use authority to help me solve work problems</li> <li>4. My immediate supervisor would protect me if needed</li> <li>5. I have a good working relation with my immediate supervisor</li> <li>6. I know how satisfied my immediate supervisors is with my performance</li> </ol>	Graen and Uhl-Bien (1995)

### 3) Human Capital

As a unit-level construct, human capital refers to the level of competence, attitude and motivation to work, and creativity and innovativeness of team members. These competencies refer to those required for smooth operations. Attitude and motivation to work refer to the job satisfaction of teams. Creativity and innovativeness refers to team member creating new ideas for working or adapting to market needs.



Based on Kim et al. (2011), the scales consisted of three items focusing on competence, attitude and motivation to work ,and creativity and innovativeness on a five-point Likert scale. The respondents were asked to indicate their agreement, ranging from 1 (Strongly disagree) to 5 (Strongly agree), with the statements examining the opinion of their teams' human capital as described in Table 3.5

**Table 3.5** Questionnaire Items for Human Capital

<b>Questionnaire item: Human capital</b>	<b>Reference</b>
<b>(5-point Likert scale: 5-Strongly Agree to 1-Strongly Disagree)</b>	
Competence	Kim et al. (2011)
1. My team members have good qualifications for their work	
2. My team attracts good and promising employees	
3. My team members are best in industry	
4. My team members' leaving do not cause trouble for the hotel	
Attitude and motivation to work	
1. My team overall satisfaction to this hotel is high	
2. My team members are proud to work in this hotel	
3. My team memebers have suitable chances of promotion	
4. Work in this hotel may be a challenge for my team members.	
5. My team members are devoted to their work	
Creativity and innovativeness	
1. My team members are very creative	
2. My team members are very wise	
3. My team members effectively imitate innovations	
4. My team members adapt to market changes well	
5. My team members have innovative ideas	

#### 4) Organization Citizenship Behaviors

Organization citizenship behaviors refer to employees performing citizenship behaviors for the organization, colleagues and customers in order to operate smoothly and to satisfy customers with high quality service. This factor serves as the enabler of hotel performance.

In this study, organization citizenship behaviors characterize how employees behave in ways that accomplish the hotel's performance. The measurement of this factor was based on a set of organization citizenship behaviors proposed by Williams and Anderson (1991) and Lin et al. (2008). The scales consisted of 1 (Strongly disagree) and ranged to 5 (Strongly agree), with the statements examining the opinion of the teams' organizational citizenship behaviors as described in Table 3.6.

**Table 3.6** Questionnaire Items for Organizational Citizenship Behavior

<b>Questionnaire item: Organizational Citizenship Behavior (OCB)</b> <b>(5-point Likert scale: 5-Strongly Agree to 1-Strongly Disagree)</b>	<b>Reference</b>
OCB-O (Organization)	Williams and
1. My team members will give advanced notice if they cannot come to work	Anderson (1991)
2. My team members' attendance at work is above the required level	
3. My team members follow informal rules in order to maintain order	
4. My team members protect our hotel's property	
5. My team members say good things about our hotel when talking with outsiders	
OCB-I (Individual)	Williams and
1. My team members help coworkers when their workload is heavy	Anderson (1991)

**Table 3.6** (Continued)

<b>Questionnaire item: Organizational Citizenship</b>	<b>Reference</b>
<b>Behavior (OCB)</b> <b>(5-point Likert scale: 5-Strongly Agree to 1-Strongly Disagree)</b>	
2. My team members help coworkers who have been absent to finish their work 3. My team members take time to listen to colleagues' problems and worries 4. My team members go out of their way to help new coworkers 5. My team members take personal interest in coworkers 6. My team members pass along notices and news to coworkers	
OCB-C (Customer)	Lin et al. (2008)
1. My team members always have a positive attitude at work 2. My team members are always exceptionally courteous and respectful to customers 3. My team members follow customer service guidelines with extreme care 4. My team members respond to customer requests and problems in a timely manner 5. My team members perform duties with very few mistakes 6. My team members conscientiously promote products and services to customers 7. My team members contribute many ideas for customer promotions and communications 8. My team members make constructive suggestions for service improvement	

### 5) Hotel Performance

Hotel performance refers to operational effectiveness and customer effectiveness. Operational effectiveness refers to the effectiveness and efficiency of the hotel's operation. Customer effectiveness refers to satisfaction and loyalty, image and brand, handling customers, and market share and customer orientation. The scales were based on hotel performance developed by Kim et al. (2011). The scales consists of 1 (Strongly disagree) to 5 (Strongly agree), with the statements examining the opinion regarding hotel performance as described in Table 3.7

**Table 3.7** Questionnaire Items for Hotel Performance

<b>Questionnaire item: Hotel performance</b>		
<b>Type</b>	<b>(5-point Likert scale: 5-Strongly Agree to 1-Strongly Disagree)</b>	<b>Reference</b>
<b>Operational Effectiveness</b>	Efficiency  1. This hotel's transaction time is decreasing 2. This hotel's cost per revenue is improving 3. This hotel 's revenue per employee is continuously increasing 4. This hotel's revenue per employee is best in the competitor set	Kim et al. (2011)
<b>Customer Effectiveness</b>	Satisfaction and Loyalty  1. Overall, customers are satisfied with the hotel's service 2. This hotel's customer satisfaction is improving 3. The number of customer complaints of this hotel is falling 4. This hotel's degree of customer revisit is highest in the competitor set	

**Table 3.7** (Continued)

Type	Questionnaire item: Hotel performance (5-point Likert scale: 5-Strongly Agree to 1-Strongly Disagree)	Reference
	<p>5. The number of customer outflow of this hotel is falling</p> <p>Image and Brand</p> <p>1. This hotel's image is improving</p> <p>2. This hotel's brand is valued by customers better than competitors</p> <p>Handling customers</p> <p>1. Time to handle customer complaints by this hotel is reducing</p> <p>2. This hotel is receiving various feedbacks from customers</p> <p>3. We successfully solve the complaints of our guests.</p> <p>Market Share</p> <p>1. This hotel's market share is constantly improving</p> <p>2. This hotel's market share is highest in the competitor set</p> <p>Customer Orientation</p> <p>1. The hotel understands target market well</p> <p>2. This hotel cares what customer want</p> <p>3. This hotel launches what customer wants</p>	

### 3.2.3.2 Development of Measures

The measurement development process was employed to generate the items to measure the constructs in this study. In order to achieve high construct

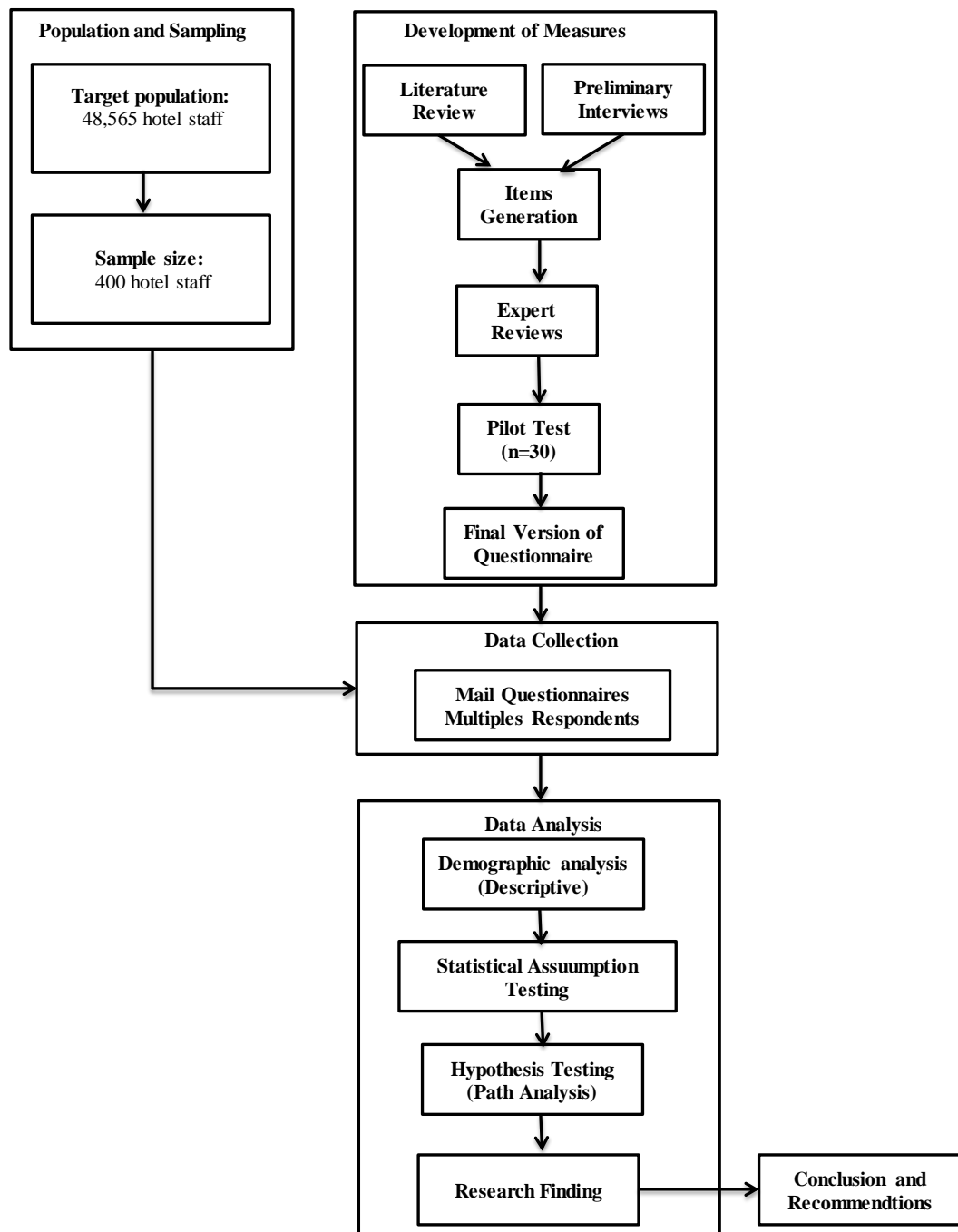
reliability and content validity, the measurement development consisted of the following steps.

First, a theory-based designed questionnaire was constructed and collected from the academic literature. Preliminary interviews with hotel staff were also conducted to develop more specific questionnaire suitable for the hotel industry.

Second, the initial version of the questionnaire was reviewed by a panel of human resource academics and practitioners in order to obtain comments concerning the scope, content, format, and clarity of the questionnaire.

Third, the questionnaire was translated in a Thai version and a pilot test was conducted in order to determine the reliability of the measurement instruments and to identify potential problems that might occur during the data collection. Sudman (1976) noted that the size of a sample size should be 20-50. Therefore, a sample size of 30 was decided to be appropriate for the pilot test. The respondents for the pilot test were human resource managers, accounting managers, F&B managers in hospitality industry.

After all of the modifications indicated by the pilot test were accomplished, the questionnaire was finalized and ready for the final stage of the data collection.



**Figure 3.1** Research Methodology of the Study: Quantitative Approach

### 3.2.3.3 Reliability and Validity Testing of the Measures

#### 1) Internal Consistency

The reliability of the final instrument was operationalized using the internal consistency method which was estimated using Cronbach (Cronbach, 1951). Cronbach's alpha is a commonly-used measure testing the extent to which multiple indicators for a latent variable belong together. It varies from 0 to 1.0. A common rule of thumb is that the indicators should have a Cronbach's alpha of .7 in order to judge the set reliable. It is possible that a set of items will be below .7 on Cronbach's alpha, yet various fit indices in the confirmatory factor analysis will be the cutoff (usually .9) levels. The alpha may be low because of a lack of homogeneity of the variances among the items, for example, and it is also lower when there are fewer items in the scale/factor. A high value of alpha supports high reliability and a low value indicates low reliability. Nunnally (1978) suggested that reliability measures should exceed 0.50 for a minimum degree of internal consistency with the recommendation for the coefficient above 0.60 being more appropriate.

In this study, all of the constructs had a Cronbach's alpha greater than 0.60 (Cronbach, 1951), which is a common threshold criterion to measure the internal consistency of items (Kerlinger & Lee, 2000), thereby establishing the reliability of all the theoretical constructs. Without deletion of the items on this pre-test study, we may conclude from these data that the questionnaire used to measure the factors that influenced the hotel performance was moderately reliable. The reliability displayed in the alpha of each category from ranged from 0.601 to 0.955 and the average of the alpha was 0.976, as shown in the table 3.8. In order to reconfirm the reliability of the respondents, the items were retested as suggested by the reliability post-test from the 420 cases, where the value of Cronbach's alpha was 0.982, as shown in table 3.8.

#### 2) Content Validity

Content validity focuses on the procedures that are used to develop the research instrument, including careful scrutiny of the literature and the measures employed in previous research, preliminary interviews with experts in the area of strategic human resource management, and the pilot test.



### 3) Unidimensionality

Unidimensionality is an assumption underlying the calculation of the validity and is demonstrated when the items of a construct have acceptable fit on a single factor solution (Hair et al., 1995). The unidimensionality of each multiple item scale was assessed by using the confirmatory factor analyses, extracting factors with the examination of the correlation, factor loadings, and communalities for each scale (Rindfleish & Heide, 1997).

Factor loading are the correlations between the original variables and the factors, and the key to understanding the nature of a particular factor (Hair et al., 1998). Factor loadings that were 0.5 or greater were considered practically significant, whereas loadings greater than 0.30 were considered as not substantial (Kim and Mueller, 1990) and were eliminated. Referring to table 3.8, it can be seen that every item had a factor loading and communality over 0.5, indicating its practical significance and sufficient level of explanation, respectively.

**Table 3.8** Comparison between Reliability Pre-Test and Post-Test and Factor Loading Analyses

Variables	Indicators	No. of Items	Pretest (n =30)	Posttest (n=420)	
			Alpha	Alpha	Factor Loading
<b>Collectivism-HPWS</b>	Overall	30	0.955	0.954	
	Selection	5	0.834	0.824	0.759
	Training	3	0.889	0.839	0.705
	Communcation	4	0.903	0.847	0.796
	Reward	6	0.814	0.842	0.771
	Participation	3	0.788	0.802	0.768
	Teamwork	4	0.725	0.794	0.795
	Collectivism-HR	5	0.885	0.845	0.817
<b>Leader-Member Exchange</b>	Leader-Member Exchange	6	0.876	0.889	0.758
<b>Human Capital</b>	Overall	14	0.873	0.924	
	Competence	4	0.576	0.769	0.816

**Table 3.8** (Continued)

Variables	Indicators	No. of Items	Pretest (n =30)	Posttest (n=420)	
			Alpha	Alpha	Factor Loading
	Attitude and motivation to work	5	0.707	0.827	0.867
	Creativity and innovativeness	5	0.832	0.879	0.853
<b>Organizational</b>	Overall	19	0.935	0.949	
<b>Citizenship</b>	OCB-Organization	5	0.816	0.855	0.845
<b>Behavior</b>	OCB-Individual	6	0.872	0.869	0.885
	OCB-Customer	8	0.922	0.913	0.876
<b>Hotel Performance</b>	Overall	19	0.916	0.949	
	Efficiency	4	0.844	0.824	0.795
	Satisfaction and loyalty	5	0.696	0.863	0.889
	Image and brand	2	0.644	0.648	0.81
	Handling customers	3	0.686	0.812	0.814
	Market share	2	0.683	0.773	0.782
	Customer orientation	3	0.867	0.848	0.827
<b>All</b>		<b>88</b>	<b>0.976</b>	<b>0.982</b>	

### 3.2.4 Data Collection

#### Data Collection Method

Self-administered questionnaires were sent to the target population by hiring five assistants to help during the data collection stages in preparing the questionnaire packages, sending questionnaires to hotel employees, and following up on the questionnaires. Cover letters were sent with the questionnaires and confirmed the respondent's involvement, stressed the importance of the research, and stressed the importance of the respondent's participation.

### 3.2.5 Response Rate

Surveys were sent to 600 employees. Later, with careful follow-up, the total of returned questionnaires was 440, resulting in a response rate of 73.3 percent. The response rate was quite high because the assistants were hired from the Faculty of

Humanities, with a major in tourism at Kasetsart University. All of the assistants had very good relationships with the targeted hotel during their internships. However, 20 questionnaires were not usable due to non-completion of the questionnaires.

### 3.2.6 Data Analysis

The data obtained from the questionnaire survey were analyzed using the SPSS program. Descriptive statistics such as mean, average, and frequency were used to describe the general characteristics of the respondents and organizations and variables. In order to describe the variables in this study, the interpretation of the mean scores of each variable was as follows.

**Table 3.9** Measurement Scale of Variables

Measurement Scale	Score
Very low	1.00-1.99
Low	2.00-2.99
Moderate	3.00-3.99
High	4.00-4.99
Very High	5.00

A mean score above 4.0 (high and very high levels) indicated the following: 1) the adoption of a collectivism-high performance work system; 2) a leader-member exchange relationship; 3) human capital; 4) organizational citizenship behavior; and 5) the performance of the hotel.

Next, before testing the hypotheses, the adoption of the Collectivism-high performance work system in the hotel was tested and multicollinearity was evaluated. Then, path analysis, an extension of the regression model, was the statistical technique employed to test the hypotheses on the direct and indirect effects between the various factors and hotel performance. The effects were reflected in the so-called path coefficients-standard regression (Beta:). The interpretation of the path coefficients in this study is shown in Table 3.10

**Table 3.10** Interpreting the Strength of the Path Coefficients

<b>Coefficient</b>	<b>Strength of Relationship</b>
0.00	No association
0.01-0.09	Trivial relationship
0.10-0.29	Low to moderate relationship
0.30-0.49	Moderate to substantial
0.50-0.69	Substantial to very strong
0.70-0.89	Very strong relationship
0.90	Near perfect

**Source:** Adapted from De Vaus, 2003, p. 259.

In sum, the research results in this study consisted of four parts.

1. Profile of respondents and organizations
2. Descriptive statistics for research variables
3. Results of multicollinearity tests
4. Results of hypothesis testing.

### **3.3 Qualitative Approach**

The qualitative approach has the benefit of reinforcing the confidence in the research results. A qualitative research promotes a deep, holistic understanding of a particular phenomenon. This approach provides insight into the understanding in a particular setting.

#### **3.3.1 Source of Data**

Two selected hotels adopting the high performance work system listed on the Stock Exchange of Thailand, by means of the purposive sampling method, were the sources of the data for assessing the determinants of hotel performance. Permission to conduct the research was given by top executives at those hotels.

### **3.3.2 Data Collection**

Two types of data collection methods were used in this study: in-depth interviews and documentary data.

#### **3.3.2.1 In-Depth Interviews**

In-depth interviews were selected to collect the data from the HR professionals. Each interview lasted between 60 and 90 minutes. The researcher prepared an interview guide that included a list of questions that were to be explored and suggested probes for following up on key topics. The interview was conducted from April to June, 2015. The participants included the HR directors, HR managers, and line managers. The informants were those that had a professional background related to human resource management or hotel management. The scope of the interview questions related to the human resource policies and practices currently implemented in the hotels and other issues in order to understand the determinants of the high performance work system in relation to hotel performance. The main research questions included the following.

#### **3.3.2.2 Documentary Data**

Apart from the data collected by means of interviews, secondary data were also used. The documents used in this study consisted of the hotel's annual reports and other reports on the hotel's website. These documents helped the researcher gain insight into the human resource management of those hotels.

## **3.4 Chapter Summary**

This chapter presented the research methodology for this study. The study employed the quantitative and qualitative approach. With regard to the quantitative approach, a survey research, by means of questionnaires, was used to collect data from 420 hotel employees. It was indicated that the hypotheses would be tested using structural equation modeling analysis. Reliability and validity testing was conducted. With regard to the qualitative approach, two case studies were employed to gain an in-depth understanding of how the high performance work system affected the hotel's performance. In-depth interviews and documentary research were the primary means of collecting the data. The next chapter will further address the results from the measurement model assessment and present the results with structural model testing.

## **CHAPTER 4**

### **RESEARCH RESULTS (QUANTITATIVE APPROACH)**

This chapter presents the results of the hypothesis tests. It is organized into four sections. The first section describes the characteristics of the respondents and organizations. The second section presents the descriptive statistics of all research variables. The next section presents the statistical assumption testing and the results of the hypothesis testing. The last section summarizes the results.

#### **4.1 Sample Characteristics**

The findings in this section were summarized according to the main relevant elements of the study, illustrated by a distribution of percentages, mean score, and standard deviation in the form of cross tabulation.

Table 4.1 provides the respondents' profiles of the hospitality industry. Of the 420 respondents, 61.7 percent were female. Nearly 51.4 percent were between 20-30 years of age and around 31.4 percent were between 31-40 years of age. Most of the respondents, 58.1 percent, held a bachelor's degree. Their current positions were employee, supervisor and manager at the proportion of 76.0, 13.8, and 7.9 percent, respectively. Their departments were food and beverages, guest services/operations, and culinary at the proportion of 21.4, 17.6, and 13.3 percent, respectively.

Table 4.2 describes the hotel profiles. Of the 420 respondent' organizations, most of the firms, 67.1 percent, were local hotels. About 25.5 percent of the hotels had been established for 5-9 years and approximately 25.5 percent more than 20 years, and 40.0 percent had more than 200 employees. About 49.3 percent of the hotels had 1-5 persons working in the HR department.

**Table 4.1** Profile of Respondents

<b>Characteristics</b>		<b>Number</b>	<b>Percent</b>
<b>Gender</b>	Male	161	38.3
	Female	259	61.7
	<b>Total</b>	420	100
<b>Age</b>	20-30 years	216	51.4
	31-40 years	132	31.4
	41-50 years	51	12.1
	51-60 years	17	4.0
	60 years up	4	1.0
	<b>Total</b>	420	100
<b>Education Level</b>	Primary	12	2.9
	Secondary	34	8.1
	High school/Vocational cert.	58	13.8
	Diploma/ Higher vocation cert.	45	10.7
	Bachelor	244	58.1
	Master	27	6.4
	Doctorate	-	-
	<b>Total</b>	420	100
<b>Position Level</b>	Employee	319	76.0
	Supervisor	58	13.8
	Manager	33	7.9
	Director	4	1.0
	Others	6	1.4
	<b>Total</b>	420	100
<b>Department</b>	Call center	22	5.2
	Guest Services/Operations	74	17.6
	Spa & Recreation	12	2.9
	Food & Beverages	90	21.4
	Culinary	56	13.3
	Corporate	38	9.0
	Human resource	21	5.0
	Sales and marketing	17	4.0
	Engineering	16	3.8
	Finance & Accounting	30	7.1
	Front desk	34	8.1

**Table 4.1** (Continued)

<b>Characteristics</b>		<b>Number</b>	<b>Percent</b>
<b>Number of Working Years at this Positions</b>	Others	10	2.4
	<b>Total</b>	420	100
	Less than 5 years	273	65.0
	5-9 years	92	21.9
	10-14 years	32	7.6
	15-19 years	11	2.6
	20 years and more	12	2.9
	<b>Total</b>	420	100

**Table 4.2** Profile of Hotels

<b>Characteristics</b>		<b>Number</b>	<b>Percent</b>
<b>Type of Hotel Managed</b>	Local hotel	282	67.1
	Chain hotel	138	32.9
	<b>Total</b>	420	100
<b>Years of Establishment</b>	Less than 5 years	96	22.9
	5-9 years	107	25.5
	10-14 years	51	12.1
	15-19 years	59	14.0
	20 years and more	107	25.5
	<b>Total</b>	420	100
<b>Size of Staff</b>	1-50 persons	33	7.9
	51-100 persons	109	26.0
	101-150 persons	36	8.6
	151-200 persons	74	17.6
	200 persons up	168	40.0
	<b>Total</b>	420	100
<b>Number of Staff Members in HR Department</b>	1-5 persons	207	49.3
	6-10 persons	140	33.3
	11-15 persons	38	9.0
<b>Department</b>	15 persons up	35	8.3
	<b>Total</b>	420	100



## 4.2 Research Variables

### 4.2.1 Collectivism-High Performance Work System

Table 4.3 provides information about the adoption of the collectivism-high performance work system. The frequency distributions, means, and other descriptive statistics of the collectivism-high performance work system are displayed. The results indicated that collectivism-HPWS achieved at a high level (mean score = 3.71), especially in collectivism (mean score = 3.85), communication (mean score = 3.75), training (mean score = 3.73), participation (mean score = 3.68), teamwork (mean score = 3.68), selection (mean score = 3.66) and reward (mean score = 3.63) accordingly.

#### 1) Selection

As can be seen, the respondents at the chain hotels perceived that their organization hired new personnel selectively (mean score = 3.89), higher than that of 3.38 of the local hotels. The employees at the chain hotels indicated that their organizations viewed the employee's capabilities as the main source of competitive advantage with a mean score of 3.92, higher than that of 3.68 of the local hotels. Relative to overall ability, job related skill and educational level, the chain hotels' employees have mean score of 3.99, 4.01 and 3.78 respectively and higher than that of the local hotels.

#### 2) Training

Next, regarding the perspective of training, the results of the study showed that the employees of the chain hotels viewed that their organizations provided extensive training and development of employees with a mean score of 4.03, and provided employee training and development that were consistent with the requirements of the firm's strategies with a mean score of 4.07, and perceived that training and development fit the organization and work design with a mean score of 4.0. All of the mean scores of chain hotels' employees for training were significantly higher than those of the local hotels.

#### 3) Communication

The chain hotels' employees agreed that their firms had a clear strategic mission that was well communicated with a mean score of 3.92, the employee understood the hotel target with a mean score of 4.05, the communication between the

HR department and the top management team was effective with a mean score of 4.07, and their companies made an explicit effort to align business and HR/personnel strategies with a mean score of 4.06. All of the mean scores of the chain hotels' employees regarding communication were significantly higher than those of the local hotels.

#### 4) Reward

The chain hotels' employees agreed that their compensation systems were closely connected with the financial results of the company with a mean score of 4.01. They agreed that their companies used performance-based compensation to a large extent with a mean score of 3.66. They confirmed that their companies emphasized promotion from within with a mean score of 3.76. They also agreed that their firms placed a great deal of importance on merit when making promotion decisions with a mean score of 3.90. They agreed that the pay and bonus system in their organizations was designed to maximize individualism with a mean score of 3.81 and that the pay system was designed to maximize collectivism with a mean score of 3.74. All of the mean scores of the chain hotels' employees for rewards were significantly higher than that of Local hotel.

#### 5) Participation

The chain hotels' respondents viewed that employee input and suggestions were highly encouraged, agreed that employee input and suggestions were highly implemented, and viewed that their organizations created a pleasant working atmosphere with a mean score of 4.06, 3.86 and 4.01 respectively. All of the mean scores of the chain hotels' employees' participation were significantly higher than those of the local hotels.

#### 6) Teamwork

The chain hotels' respondents viewed that their organizations used various practices to reduce status distinctions and barriers among employees, with a mean score of 3.91. They reported that their organizations used self-managed teams with a mean score of 4.02. They agreed that their organizations used problem-solving groups with a mean score of 3.80, and they viewed that employees were able to collaborate in ways that gained efficiency with a mean score of 3.93. All of the mean scores of the chain hotels' employees' teamwork were significantly higher than those of the local hotels.

### 7) Collectivism

The chain hotels' respondents viewed that their organizations had a long-term employment contract with a mean score of 4.08. They reported that their organizations showed loyalty to its employee with a mean score of 4.09. They agreed that employees took pride in the accomplishment of their organizations with a mean score of 4.20. They viewed that leaders encourage group loyalty, even if individual goals suffer with a mean score of 4.11. They agreed that personal influence depends on the contributions to the organization with a mean score of 4.25. All of the mean scores of the chain hotels' employees' collectivism were significantly higher than those of the local hotels.

#### **4.2.2 Leader-Member Exchange**

Table 4.4 shows the mean score and standard deviation of the leader-member exchange relationship, which was measured by the perception of them with their leaders or supervisors. The results indicated that the leader-member exchange was achieved at a high level (mean score = 3.84) and the standard deviation was 0.72.

As can be seen, the chain hotels' employees perceived that their immediate supervisors understood the problems associated with their position with a mean score of 3.93. They agreed that their immediate supervisors knew their potential with a mean score of 4.09. They reported that their immediate supervisors used authority to help them solve work problems with a mean score of 4.12. They perceived that their immediate supervisors would protect them if needed with a mean score of 4.09. They agreed that they had a good working relation with their immediate supervisors with a mean score of 4.24. They agreed that they knew how satisfied their immediate supervisors were with their performance with a mean score of 4.17. All of the mean scores of the chain hotels' employees regarding leader-member exchange were significantly higher than those of the local hotels.

**Table 4.3** Collectivism-High Performance Work System

		Total		Chain hotel		Local hotel		T-test	
		$\bar{X}$	S.D.	$\bar{X}$	S.D.	$\bar{X}$	S.D.		
<b>Selection</b>	- Your organization hires new personnel selectively to find the most suitable persons for the organization.	3.57	0.95	3.89	0.84	3.38	0.97	-5.67	***
	- Our employees' capabilities are viewed as our main source of competitive advantage	3.77	0.90	3.92	0.83	3.68	0.94	-2.66	**
	- Relative to the employees of your competitors in your industry, how would you rate the quality of your employees on each of the following dimensions?								
	(1) Overall ability	3.66	0.88	3.99	0.79	3.45	0.88	-6.45	***
	(2) Job related skill	3.73	0.88	4.01	0.82	3.54	0.87	-5.61	***
	(3) Educational level	3.57	0.84	3.78	0.85	3.44	0.82	-4.06	***
<b>Training</b>	<b>Total Selection</b>	<b>3.66</b>	<b>0.68</b>	<b>3.92</b>	<b>0.60</b>	<b>3.50</b>	<b>0.69</b>	<b>-6.53</b>	<b>***</b>
	- Your organization provides extensive training and developments for employees.	3.68	0.99	4.03	0.92	3.46	0.98	-5.93	***
	-Your organization provides employee training and development that are consistent with the requirement of the firm's strategies.	3.69	0.93	4.07	0.82	3.46	0.92	-7.03	***
	- Training and development fits organization and work design.	3.8	0.88	4.09	0.81	3.61	0.88	-5.62	***
	<b>Total Training</b>	<b>3.73</b>	<b>0.81</b>	<b>4.06</b>	<b>0.74</b>	<b>3.51</b>	<b>0.79</b>	<b>-7.09</b>	<b>***</b>
<b>Communication</b>	- To what extent does your firm have a clear strategic mission that is well communicated	3.63	<b>0.87</b>	3.92	0.80	3.44	0.88	-5.71	***
	-Employee understood on hotel target	3.82	<b>0.88</b>	4.05	0.76	3.67	0.92	-4.52	***
	- To what extent is communication between the HR department and the top management team effective?	3.82	<b>0.88</b>	4.07	0.83	3.66	0.86	-4.79	***
	- To what extent does your company make an explicit effort to align business and HR/personnel strategies?	3.75	<b>0.88</b>	4.06	0.83	3.57	0.86	-5.83	***
	<b>Total Communication</b>	<b>3.75</b>	<b>0.73</b>	<b>4.02</b>	<b>0.65</b>	<b>3.59</b>	<b>0.72</b>	<b>-6.27</b>	<b>***</b>
<b>Reward</b>	- Our compensation system is closely connected with the financial results of the company.	3.74	<b>0.94</b>	4.01	0.89	3.58	0.94	-4.63	***
	- Our company uses performance-based compensation to a large extent.	3.49	<b>0.88</b>	3.66	0.70	3.38	0.96	-3.40	***

**Table 4.3** (Continued)

		Total		Chain hotel		Local hotel		T-test	
		$\bar{X}$	S.D.	$\bar{X}$	S.D.	$\bar{X}$	S.D.		
Participation	- Our company emphasizes to promotion from within.	3.62	<b>0.85</b>	3.76	0.78	3.54	0.88	-2.75	**
	- Our company places a great deal of importance on merit when making promotion decisions.	3.75	<b>0.89</b>	3.90	0.82	3.66	0.93	-2.75	**
	- The pay and bonus system in this organization is designed to maximize Individualism	3.6	<b>0.88</b>	3.81	0.83	3.46	0.89	-4.04	***
	- The pay and bonus system in this organization is designed to maximize collectivism	3.59	<b>0.92</b>	3.74	0.83	3.50	0.96	-2.63	**
	<b>Total Reward</b>	<b>3.63</b>	<b>0.67</b>	<b>3.81</b>	<b>0.60</b>	<b>3.52</b>	<b>0.69</b>	<b>-4.62</b>	***
	- Employee input and suggestion are highly encouraged	3.67	<b>0.96</b>	4.06	0.74	3.43	1.02	-7.26	***
	- Employees input and suggestions are highly implemented	3.63	<b>0.89</b>	3.86	0.82	3.47	0.90	-4.55	***
	- Your organization creates pleasant working atmosphere(e.g. Happy office activity).	3.73	<b>0.87</b>	4.01	0.76	3.56	0.90	-5.40	***
	<b>Total Participation</b>	<b>3.68</b>	<b>0.77</b>	<b>3.98</b>	<b>0.64</b>	<b>3.49</b>	<b>0.79</b>	<b>-6.88</b>	***
	<b>Teamwork</b>								
Teamwork	- Your organization uses various practices to reduce status distinctions and barriers among employees. (e.g. dress codes, language, office arrangements and wages).	3.65	<b>0.86</b>	3.91	0.82	3.50	0.84	-4.91	***
	- Your organization uses self-managed teams.	3.74	<b>0.93</b>	4.02	0.85	3.56	0.93	-5.10	***
	- Your organization uses problem-solving groups (employee involvement or Quality Circle group).	3.59	<b>0.93</b>	3.80	0.88	3.45	0.96	-3.72	***
	- Your employees are able to collaborate in ways that gain efficiency.	3.75	<b>0.88</b>	3.93	0.82	3.63	0.90	-3.48	***
	<b>Total Teamwork</b>	<b>3.68</b>	<b>0.71</b>	<b>3.91</b>	<b>0.63</b>	<b>3.54</b>	<b>0.72</b>	<b>-5.44</b>	***
	<b>Collectivism</b>								
	- In this organization, the majority of employees have a long-term employment contract	3.8	<b>0.93</b>	4.08	0.84	3.62	0.95	-5.13	***
	- This organization shows loyalty to its employee	3.78	<b>0.93</b>	4.09	0.90	3.58	0.89	-5.56	***
	- Employees take pride in the accomplishment of their organization	3.86	<b>0.92</b>	4.20	0.75	3.66	0.95	-6.43	***
	- Leaders encourage group loyalty, even if individual goals suffer	3.87	<b>0.90</b>	4.11	0.85	3.72	0.90	-4.35	***
Collectivism	- Personal influence depends on contributions to the organization	3.93	<b>0.93</b>	4.25	0.90	3.73	0.90	-5.66	***
	<b>Total Collectivism</b>	<b>3.85</b>	<b>0.72</b>	<b>4.15</b>	<b>0.66</b>	<b>3.66</b>	<b>0.71</b>	<b>-6.93</b>	***
	<b>Total Collectivism-High Performance Work System</b>	<b>3.71</b>	<b>0.60</b>	<b>3.98</b>	<b>0.50</b>	<b>3.54</b>	<b>0.59</b>	<b>-7.99</b>	***

**Table 4.4** Leader-Member Exchange

	Total		Chain hotel		Local hotel		T-test	
	$\bar{X}$	S.D.	$\bar{X}$	S.D.	$\bar{X}$	S.D.		
1. My immediate supervisor understands the problems associated with my position	3.70	0.87	3.93	0.70	3.54	0.94	-4.77	***
2. My immediate supervisor knows my potential	3.83	0.88	4.09	0.76	3.66	0.92	-5.13	***
3. My immediate supervisor will use authority to help me solve work problems	3.88	0.89	4.12	0.76	3.74	0.94	-4.48	***
4. My immediate supervisor would protect me if needed	3.78	0.95	4.09	0.76	3.58	1.00	-5.93	***
5. I have a good working relation with my immediate supervisor	3.95	0.87	4.24	0.69	3.78	0.94	-5.80	***
6. I know how satisfied my immediate supervisors is with my performance	3.89	0.89	4.17	0.74	3.72	0.93	-5.44	***
<b>Total Leader-Member-Exchange</b>	<b>3.84</b>	<b>0.72</b>	<b>4.11</b>	<b>0.56</b>	<b>3.67</b>	<b>0.76</b>	<b>-6.72</b>	<b>***</b>

### 4.2.3 Human Capital

Table 4.5 provides the level of human capital which was measured by competence, attitude, and motivation to work, and creativity and innovativeness. The results indicated that human capital yielded competence at a high level (mean score = 3.77), especially in competence and attitude and motivation to work (mean score = 3.74), creativity and innovativeness (mean score = 3.81) accordingly.

#### 1) Competence

As can be seen, the chain hotels' employees perceived that their team members had good qualifications for their work with a mean score of 3.96. They agreed that their teams attracted good and promising employees with a mean score of 4.11. They reported that their team members were the best in the industry with a mean score of 4.06. They perceived that their team members' leaving did not cause trouble

for the hotel with a mean score of 3.79. All of the mean scores of the chain hotels' employees on competence were significantly higher than those of the local hotels.

## 2) Attitude and Motivation to Work

Next, regarding the perspective of attitude and motivation to work, the results of the study showed that the chain hotels' employees agreed that their teams overall satisfaction with the hotel was high with a mean score of 4.06. They perceived that their team members were proud to work in their hotels with a mean score of 3.86. They reported that their team members had suitable chances for promotion with a mean score of 3.87. They agreed that work in the hotel may be a challenge for their team members with a mean score of 3.93. They perceived that their team members were devoted to their work with a mean score of 4.07. All of the mean scores of the chain hotels' employees on attitude and motivation to work were significantly higher than those of the local hotels.

## 3) Creativity and Innovativeness

The chain hotel employees agreed that their team members were very creative with a mean score of 4.03. They felt that their team members were very wise with a mean score of 4.19. They perceived that their team members effectively imitated innovation with a mean score of 4.16. They agreed that their team members adapted to market changes well with a mean score of 4.08. They reported that their members had innovative ideas with a mean score of 4.06. All of the mean scores of the chain hotels' employees for creativity and innovativeness were significantly higher than those of the local hotels.

**Table 4.5** Human Capital

	Total		Chain hotel		Local hotel		T-test	
	$\bar{X}$	S.D.	$\bar{X}$	S.D.	$\bar{X}$	S.D.		
Competence								
1. My team members have good qualifications for their work	3.74	0.80	3.96	0.71	3.60	0.83	-4.69	***
2. My team attracts good and promising employees	3.86	0.84	4.11	0.77	3.69	0.84	-5.19	***

**Table 4.5** (Continued)

	Total		Chain hotel		Local hotel		T-test	
	$\bar{X}$	S.D.	$\bar{X}$	S.D.	$\bar{X}$	S.D.		
3. My team members are best in industry	3.77	0.85	4.06	0.75	3.59	0.87	-5.87	***
4. My team members' leaving do not cause trouble for the hotel	3.6	0.91	3.79	0.96	3.48	0.87	-3.32	***
<b>Total Competence</b>	<b>3.74</b>	<b>0.66</b>	<b>3.98</b>	<b>0.58</b>	<b>3.59</b>	<b>0.66</b>	<b>-6.12</b>	<b>***</b>
Attitude and motivation to work								
1. My team overall satisfaction to this hotel is high	3.78	0.82	4.06	0.75	3.62	0.81	-5.60	***
2. My team members are proud to work in this hotel	3.69	0.78	3.86	0.67	3.59	0.82	-3.58	***
3. My team members have suitable chances of promotion	3.65	0.84	3.87	0.71	3.50	0.89	-4.62	***
4. Work in this hotel may be a challenge for my team members.	3.71	0.85	3.93	0.77	3.58	0.88	-4.33	***
5. My team members are devoted to their work	3.89	0.80	4.07	0.75	3.77	0.81	-3.78	***
<b>Total Attitude</b>	<b>3.74</b>	<b>0.63</b>	<b>3.96</b>	<b>0.53</b>	<b>3.61</b>	<b>0.65</b>	<b>-5.87</b>	<b>***</b>
Creativity and innovativeness								
1. My team members are very creative	3.78	0.86	4.03	0.78	3.62	0.87	-4.95	***
2. My team members are very wise	3.85	0.80	4.19	0.67	3.64	0.81	-7.43	***
3. My team members effectively imitate innovations	3.85	0.83	4.16	0.72	3.65	0.83	-6.55	***
4. My team members adapt to market changes well	3.8	0.84	4.08	0.76	3.62	0.85	-5.74	***
5. My team members have innovative ideas	3.79	0.81	4.06	0.79	3.62	0.79	-5.45	***
<b>Total Creativity and Innovativeness</b>	<b>3.81</b>	<b>0.68</b>	<b>4.10</b>	<b>0.58</b>	<b>3.63</b>	<b>0.68</b>	<b>-7.50</b>	<b>***</b>
<b>Total Human Capital</b>	<b>3.77</b>	<b>0.59</b>	<b>4.01</b>	<b>0.50</b>	<b>3.61</b>	<b>0.59</b>	<b>-7.42</b>	<b>***</b>



#### **4.2.4 Organizational Citizenship Behavior**

Table 4.6 provides the level of organizational citizenship behavior which was measured with three frameworks: OCB-O (to organization), OCB-I (to employee) and OCB-C (to customer). The results indicated that OCB had a high level (mean score = 3.84), especially for OCB-C (mean score = 3.85), OCB-I (mean score = 3.84) and OCB-O (mean score = 3.82) accordingly.

##### **1) OCB-O**

The chain hotels' employees perceived that their team members will give advanced notice if they cannot come to work with a mean score of 4.05. They agreed that their team members' attendance at work was above the required level with a mean score of 4.04. They reported that their team members followed informal rules in order to maintain order with a mean score of 4.09. They perceived that their team members protected their hotels' properties with a mean score of 4.07. They agreed that their team members said good things about their hotels when talking with outsiders with a mean score of 4.17. All of the mean scores of the chain hotels' employees on OCB-O were significantly higher than those of the local hotels.

##### **2) OCB-I**

Next, in the OCB-I, the chain hotels' employees agreed that their team members helped coworkers when their workload was heavy with a mean score of 4.09. They perceived that their team members helped coworkers that had been absent finish their work with a mean score of 4.24. They reported that their team members took time to listen to colleagues' problems and worries with a mean score of 4.11. They agreed that their team members went out of their way to help new coworkers with a mean score of 4.02. They perceived that their team members took personnel interest in their coworkers with a mean score of 3.99. They reported that their team members passed along notices and news to coworkers with a mean score of 4.24. All of the mean scores of the chain hotels' employees on OCB-I were significantly higher than those of the local hotels.

##### **3) OCB-C**

The chain hotels' employees agreed that their team members always had a positive attitude at work with a mean score of 4.08. They reported that their team members were always exceptionally courteous and respectful to customers with a mean score of 4.24. They perceived that their team members followed customer service guidelines with extreme care with a mean score of 4.09. They agreed that their

team members responded to customer requests and problems in a timely manner with a mean score of 4.19. They reported that their team members performed duties with very few mistakes with a mean score of 4.09. They agreed that their team members conscientiously promoted products and services to customers with a mean score of 4.22. They perceived that their team members contributed many ideas for customer promotions and communications with a mean score of 3.96. They agreed that their team members made constructive suggestions for service improvement with a mean score of 4.06. All of the mean scores of the chain hotels' employees on OCB-C were significantly higher than those of the local hotels.

**Table 4.6** Organizational Citizenship Behavior

	Total		Chain hotel		Local hotel		T-test	
	$\bar{X}$	S.D.	$\bar{X}$	S.D.	$\bar{X}$	S.D.		
Competence								
OCB-O(Organization)								
1. My team members will give advanced notice if they cannot come to work	3.83	0.86	4.05	0.76	3.68	0.90	-4.43	***
2. My team members' attendance at work is above the required level	3.75	0.85	4.04	0.74	3.56	0.86	-6.08	***
3. My team members follow informal rules in order to maintain order	3.88	0.82	4.09	0.79	3.74	0.83	-4.19	***
4. My team members protect our hotel's property	3.81	0.83	4.07	0.72	3.65	0.85	-5.33	***
5. My team members say good things about our hotel when talking with outsiders	3.86	0.81	4.17	0.71	3.67	0.81	-6.52	***
<b>Total OCB-O(Organization)</b>	<b>3.82</b>	<b>0.66</b>	<b>4.08</b>	<b>0.56</b>	<b>3.66</b>	<b>0.67</b>	<b>-6.85</b>	<b>***</b>
OCB-I(Individual)								
1. My team members help coworkers when their workload is heavy	3.85	0.86	4.09	0.80	3.69	0.86	-4.80	***

**Table 4.6** (Continued)

	Total		Chain hotel		Local hotel		T-test	
	$\bar{X}$	S.D.	$\bar{X}$	S.D.	$\bar{X}$	S.D.		
2. My team members help coworkers who have been absent to finish their work	3.97	0.86	4.24	0.71	3.79	0.90	-5.56	***
3. My team members take time to listen to colleagues' problems and worries	3.86	0.82	4.11	0.81	3.68	0.79	-5.29	***
4. My team members go out of their way to help new coworkers	3.76	0.87	4.02	0.89	3.59	0.83	-5.00	***
5. My team members take personnel interest in coworkers	3.72	0.89	3.99	0.87	3.53	0.85	-5.22	***
6. My team members pass along notices and news to coworkers	3.92	0.85	4.24	0.71	3.70	0.86	-6.86	***
<b>Total OCB-I(Individual)</b>	<b>3.84</b>	<b>0.67</b>	<b>4.11</b>	<b>0.61</b>	<b>3.67</b>	<b>0.65</b>	<b>-7.01</b>	<b>***</b>
OCB-C(Customer)								
1. My team members always have a positive attitude at work	3.84	0.88	4.08	0.77	3.68	0.91	-4.80	***
2. My team members are always exceptionally courteous and respectful to customers	3.96	0.85	4.24	0.73	3.77	0.86	-5.64	***
3. My team members follow customer service guidelines with extreme care	3.86	0.82	4.09	0.72	3.71	0.84	-4.83	***
4. My team members respond to customer requests and problems in a timely manner	3.90	0.84	4.19	0.75	3.72	0.85	-5.74	***
5. My team members perform duties with very few mistakes	3.84	0.86	4.09	0.82	3.68	0.85	-4.89	***
6. My team members conscientiously promote products and services to customers	3.93	0.79	4.22	0.76	3.74	0.76	-6.23	***
7. My team members contribute many ideas for customer promotions and communications	3.70	0.80	3.96	0.71	3.54	0.81	-5.51	***

**Table 4.6** (Continued)

	Total		Chain hotel		Local hotel		T-test	
	$\bar{X}$	S.D.	$\bar{X}$	S.D.	$\bar{X}$	S.D.		
8. My team members make constructive suggestions for service improvement	3.77	0.84	4.06	0.80	3.58	0.80	-5.93	***
<b>Total OCB-C(Customer)</b>	<b>3.85</b>	<b>0.66</b>	<b>3.68</b>	<b>0.64</b>	<b>3.68</b>	<b>0.64</b>	<b>-6.99</b>	<b>***</b>
<b>Total OCB</b>	<b>3.84</b>	<b>0.61</b>	<b>4.10</b>	<b>0.52</b>	<b>3.67</b>	<b>0.60</b>	<b>-7.82</b>	<b>***</b>

#### 4.2.5 Hotel Performance

Table 4.7 indicates the hotel performance which was measured by operational effectiveness and customer effectiveness. Operational effectiveness consisted of efficiency, and customer effectiveness consisted of satisfaction and loyalty, image and brand, handling customer, market share and customer orientation. The results indicated that customer effectiveness had a high level (mean score = 3.72), especially in customer orientation (mean score = 3.84), image and brand (mean score = 3.76), satisfaction and loyalty (mean score = 3.73), handling customer (mean score = 3.72), and market share (mean score = 3.62). For operational effectiveness, the mean score was 3.61.

##### 1) Efficiency

The chain hotels' employees perceived that their hotels' transaction time was decreasing with a mean score of 3.85. They felt that their hotels' cost per revenue was improving with a mean score of 3.80. They agreed that their hotels' revenue per employee was continuously increasing with a mean score of 3.87. They reported that their hotels' revenue per employee was best in the competitor set with a mean score of 3.88. All of the mean scores of the chain hotels' employees on hotel efficiency were significantly higher than those of the local hotels.

##### 2) Satisfaction and Loyalty

The chain hotels' employees agreed that, overall, customers were satisfied with the hotels' service with a mean score of 4.05. They perceived that their hotels' customer satisfaction was improving with a mean score of 4.04. They reported that the number of customer complaints of their hotel was falling with a mean score of

3.89. They agreed that their hotels' degree of customer revisits was highest in the competitor set with a mean score of 4.02. They reported that the number of customer outflows of their hotel was falling with a mean score of 3.77. All of the mean scores of the chain hotels' employees regarding satisfaction with and loyalty to the hotel were significantly higher than those of the local hotels.

### 3) Image and Brand

The chain hotels' employees agreed that their hotels' image was improving and reported that their hotels' brand was valued by customers more than competitors with a mean score of 4.08 and 3.80 respectively. All of the mean scores of the chain hotels' employees on the hotels' image and brand were significantly higher than those of the local hotels.

### 4) Handling Customers

The chain hotels' employees agreed that time taken to handle customer complaints by their hotel was reducing, reported that their hotels were receiving various feedback from customers, and perceived that they successfully solved the complaints of their guests with a mean score of 3.95, 3.89 and 3.94 respectively. All of the mean scores of the chain hotels' employees on the hotel's handling of customers were significantly higher than those of the local hotels.

### 5) Market Share

The chain hotels' employees perceived that their hotels' market share was constantly improving and reported that their hotels' market share was highest in the competitor set with a mean score of 3.75 and 3.84 respectively. All of the mean scores of the chain hotels' employees on the hotels' market share are higher than that of Local hotel significantly.

### 6) Customer Orientation

As can be seen, the chain hotels' employees perceived that their hotel understood the target market well, agreed that their hotels cared about what customers wanted, and reported that their hotels launched what customer wanted with a mean score of 4.01, 4.22 and 4.10 respectively. All of the mean scores of the chain hotels' employees on the hotels' market share were significantly higher than those of the local hotel.

**Table 4.7** Hotel Performance

		Total		Chain hotel		Local hotel		T-test	
		$\bar{X}$	S.D.	$\bar{X}$	S.D.	$\bar{X}$	S.D.		
<b>Operational effectiveness</b>	Efficiency								
	1. This hotel's transaction time is decreasing	3.62	0.77	3.85	0.69	3.46	0.79	-5.23	***
	2. This hotel's cost per revenue is improving	3.59	0.85	3.80	0.86	3.45	0.82	-4.07	***
	3. This hotel 's revenue per employee is continuously increasing	3.61	0.84	3.87	0.79	3.42	0.81	-5.47	***
	4. This hotel's revenue per employee is best in the competitor set	3.62	0.85	3.88	0.80	3.46	0.85	-4.95	***
	<b>Total Operational Effectiveness</b>	<b>3.61</b>	<b>0.67</b>	<b>3.85</b>	<b>0.64</b>	<b>3.45</b>	<b>0.65</b>	<b>-6.11</b>	<b>***</b>
<b>Customer Effectiveness</b>	Satisfaction and loyalty								
	1. Overall, customers are satisfied with the hotel's service	3.81	0.81	4.05	0.76	3.66	0.81	-4.97	***
	2. This hotel's customer satisfaction is improving	3.80	0.84	4.04	0.77	3.65	0.85	-4.81	***
	3. The number of customer complaints of this hotel is falling	3.68	0.80	3.89	0.75	3.54	0.81	-4.40	***

**Table 4.7** (Continued)

		<b>Total</b>		<b>Chain hotel</b>		<b>Local hotel</b>		<b>T-test</b>	
		$\bar{X}$	<b>S.D.</b>	$\bar{X}$	<b>S.D.</b>	$\bar{X}$	<b>S.D.</b>		
<b>Customer Effectiveness</b>	4. This hotel's degree of customer revisit is highest in the competitor set	3.73	0.83	4.02	0.75	3.55	0.83	-5.98	***
	5. The number of customer outflow of this hotel is falling	3.61	0.88	3.77	0.85	3.51	0.89	-2.92	**
	<b>Total satisfactory and loyalty</b>	<b>3.73</b>	<b>0.67</b>	<b>3.95</b>	<b>0.61</b>	<b>3.58</b>	<b>0.67</b>	<b>-5.68</b>	<b>***</b>
	Image and brand								
	1. This hotel's image is improving	3.86	0.78	4.08	0.78	3.72	0.75	-4.74	***
	2. This hotel's brand is valued by customers better than competitors	3.66	0.81	3.80	0.73	3.58	0.84	-2.88	**
	<b>Total image and brand</b>	<b>3.76</b>	<b>0.68</b>	<b>3.94</b>	<b>0.64</b>	<b>3.65</b>	<b>0.69</b>	<b>-4.37</b>	<b>***</b>
	Handling customers								
	1. Time to handle customer complaints by this hotel is reducing	3.70	0.83	3.95	0.77	3.54	0.83	-5.05	***
	2. This hotel is receiving various feedbacks from customers	3.71	0.84	3.89	0.81	3.58	0.84	-3.63	***

**Table 4.7** (Continued)

		Total		Chain hotel		Local hotel		T-test	
		$\bar{X}$	S.D.	$\bar{X}$	S.D.	$\bar{X}$	S.D.		
<b>Customer Effectiveness</b>	3. We successfully solve the complaints of our guests.	3.73	0.82	3.94	0.82	3.60	0.80	-4.27	***
	<b>Total handling customer</b>	<b>3.72</b>	<b>0.71</b>	<b>3.93</b>	<b>0.70</b>	<b>3.57</b>	<b>0.68</b>	<b>-5.06</b>	<b>***</b>
	Market share								
	1. This hotel's market share is constantly improving	3.59	0.84	3.75	0.76	3.47	0.88	-3.47	***
	2. This hotel's market share is highest in the competitor set	3.66	0.83	3.85	0.82	3.52	0.82	-3.95	***
	<b>Total market share</b>	<b>3.62</b>	<b>0.76</b>	<b>3.80</b>	<b>0.72</b>	<b>3.50</b>	<b>0.76</b>	<b>-4.06</b>	<b>***</b>
	Customer orientation								
	1. The hotel understands target market well	3.78	0.87	4.01	0.79	3.63	0.88	-4.46	***
	2. This hotel cares what customer want	3.87	0.88	4.22	0.81	3.65	0.86	-6.67	***
	3. This hotel launches what customer wants	3.86	0.89	4.10	0.85	3.71	0.89	-4.43	***



**Table 4.7** (Continued)

	<b>Total</b>		<b>Chain hotel</b>		<b>Local hotel</b>		<b>T-test</b>	
	$\bar{X}$	<b>S.D.</b>	$\bar{X}$	<b>S.D.</b>	$\bar{X}$	<b>S.D.</b>		
<b>Total customer orientation</b>	<b>3.84</b>	<b>0.77</b>	<b>4.11</b>	<b>0.70</b>	<b>3.67</b>	<b>0.77</b>	<b>-6.01</b>	<b>***</b>
<b>Total Customer Effectiveness</b>	<b>3.72</b>	<b>0.62</b>	<b>3.92</b>	<b>0.58</b>	<b>3.58</b>	<b>0.62</b>	<b>-5.66</b>	<b>***</b>
<b>Total Hotel Performance</b>	<b>3.70</b>	<b>0.61</b>	<b>3.91</b>	<b>0.57</b>	<b>3.56</b>	<b>0.60</b>	<b>-5.91</b>	<b>***</b>

### 4.3 Results of the Proposed Model Testing

The two goals of the data analysis in this study were: 1) to estimate the strength of the independent variables in explaining the hotel performance and 2) to assess the amount of variance in the hotel performance that could be accounted for by the variables included in the structural model. The data were analyzed in three stages: 1) examining the distribution of the data and to generate input matrixes for the LISREL analysis, 2) using a confirmatory factor analysis (CFA) to examine how well the latent variables were defined by the observed variable, and 3) using LISREL to estimate the structural relations among the latent variables in the model.

Following the above steps, this section of the study presents the statistical analysis of the research hypothesis of the hotel performance regarding the collectivism-high performance work system and leader-member-exchange linkage. Evaluations of multicollinearity are first examined, followed by the hypothesis testing. The independent variables included in the evaluation were the collectivism-high performance work system, leader-member-exchange, and human capital and organization citizenship behavior. The summary statistics and the correlation matrix for the constructs in the model are presented in table 4.9

#### 4.3.1 Evaluation of Multicollinearity

Multicollinearity means that the independent variables are highly correlated and this makes it difficult to determine the contribution of each independent variable because the impact is mixed. Suchart Prasith-Rathsint (1997) and Hair et al. (1998) argued that the presence of a correlation of 0.8 and above indicates a multicollinearity problem.

In case multicollinearity is detected, it can be dealt with by 1) omitting one or more highly-correlated predictor variables and identifying other, better predictor variables; 2) using the model only for prediction and making no attempt to interpret the regression coefficients; 3) using simple correlation between each predictor and dependent variable relationship; 4) using a more sophisticated method of analysis such as Bayesian regression or regression on the principal components in order to obtain a model that clearly reflects the simple effects of the predictors (Hair et al., 1995)

As illustrated in table 4.8, the correlation matrix was used to examine the collinearity between the independent variables as well as the correlation between the dependent variables and the independent variables. However, it was found that the correlation coefficients ranged from 0.331 to 0.789 at the 0.05 level of significance. This indicated that multicollinearity was not problematic in the subsequent analysis. Therefore, all of the variables were retained for further analysis.

As shown in table 4.10, the mean and standard deviation of all variables for the chain hotels were statistically significantly higher compared to the local hotels.

**Table 4.8** Correlation Matrix

Variables		Selection	Training	Communcation	Reward	Participation	Teamwork	Collectivism-HRM	LMX	Competence	Attitude and motivation to work	Creativity and innovativeness
Selection	r	1										
	p											
Training	r	0.636**	1									
	p	0.000										
Communcation	r	0.654**	0.696**	1								
	p	0.000	0.000									
Reward	r	0.606**	0.573**	0.666**	1							
	p	0.000	0.000	0.000								
Participation	r	0.566**	0.548**	0.629**	0.672**	1						
	p	0.000	0.000	0.000	0.000							
Teamwork	r	0.559**	0.570**	0.671**	0.616**	0.697**	1					
	p	0.000	0.000	0.000	0.000	0.000						
Collectivism-HRM	r	0.537**	0.546**	0.609**	0.617**	0.657**	0.672**	1				
	p	0.000	0.000	0.000	0.000	0.000	0.000					
LMX	r	0.608**	0.558**	0.594**	0.562**	0.559**	0.572**	0.648**	1			
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000				
Competence	r	0.530**	0.454**	0.518**	0.488**	0.519**	0.576**	0.601**	0.611**	1		
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000			
Attitude and motivation to work	r	0.548**	0.517**	0.560**	0.575**	0.599**	0.608**	0.673**	0.687**	0.706**		
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Creativity and innovativeness	r	0.500**	0.537**	0.573**	0.513**	0.527**	0.560**	0.598**	0.612**	0.698**	0.740**	1
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	

**Table 4.8** (Continued)

Variables		Selection	Training	Communcation	Reward	Participation	Teamwork	Collectivism-HRM	LMX	Competence	Attitude and motivation to work	Creativity and innovativeness
OCB-Organization	r	0.527**	0.485**	0.531**	0.502**	0.510**	0.504**	0.611**	0.634**	0.655**	0.720**	0.724**
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OCB-Individual	r	0.558**	0.554**	0.568**	0.528**	0.547**	0.575**	0.599**	0.686**	0.700**	0.687**	0.705**
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OCB-Customer	r	0.572**	0.568**	0.564**	0.545**	0.563**	0.583**	0.626**	0.649**	0.647**	0.717**	0.714**
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Efficiency	r	0.436**	0.370**	0.463**	0.489**	0.498**	0.528**	0.467**	0.546**	0.580**	0.578**	0.576**
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Satisfication and loyalty	r	0.512**	0.452**	0.555**	0.579**	0.568**	0.585**	0.576**	0.628**	0.607**	0.611**	0.606**
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Image and brand	r	0.545**	0.437**	0.513**	0.544**	0.471**	0.528**	0.507**	0.599**	0.546**	0.604**	0.556**
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Handling customers	r	0.494**	0.418**	0.499**	0.530**	0.513**	0.540**	0.468**	0.569**	0.564**	0.587**	0.565**
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Customer orientation	r	0.567**	0.457**	0.528**	0.574**	0.595**	0.622**	0.591**	0.598**	0.560**	0.597**	0.580**
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Market share	r	0.438**	0.331**	0.476**	0.482**	0.469**	0.525**	0.450**	0.506**	0.500**	0.505**	0.452**
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

**Table 4.8** (Continued)

Variables		OCB-Organization	OCB-Individual	OCB-Customer	Efficiency and effectiveness	Satisfaction and loyalty	Image and brand	Handling customers	Customer orientation	Market share
OCB-Organization	r	1								
	p									
OCB-Individual	r	0.744**	1							
	p	0.000								
OCB-Customer	r	0.734**	0.789**	1						
	p	0.000	0.000							
Efficiency and effectiveness	r	0.535**	0.627**	0.568**	1					
	p	0.000	0.000	0.000						
Satisfaction and loyalty	r	0.633**	0.672**	0.663**	0.754**	1				
	p	0.000	0.000	0.000	0.000					
Image and brand	r	0.561**	0.605**	0.590**	0.640**	0.717**	1			
	p	0.000	0.000	0.000	0.000	0.000				
Handling customers	r	0.536**	0.616**	0.582**	0.676**	0.712**	0.675**	1		
	p	0.000	0.000	0.000	0.000	0.000	0.000			
Customer orientation	r	0.559**	0.606**	0.645**	0.610**	0.664**	0.667**	0.671**	1	
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Market share	r	0.448**	0.529**	0.500**	0.667**	0.704**	0.624**	0.646**	0.667**	1
	p	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	

**Table 4.9** The Summary of Average Mean Scores of Each Construct Measurement

<b>Descriptive Statistics</b>			
	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
Selection	420	3.66	0.68
Training	420	3.73	0.81
Communication	420	3.75	0.73
Reward	420	3.63	0.67
Participation	420	3.68	0.77
Teamwork	420	3.68	0.71
Collectivism	420	3.85	0.72
Leader-Member-Exchange	420	3.84	0.72
Competence	420	3.74	0.66
Attitude and motivation to work	420	3.74	0.63
Creativity and innovativeness	420	3.81	0.68
OCB-O(Organization)	420	3.82	0.66
OCB-I(Individual)	420	3.84	0.67
OCB-C(Customer)	420	3.85	0.66
Efficiency	420	3.61	0.67
Satisfaction and loyalty	420	3.73	0.67
Image and brand	420	3.76	0.68
Handling customers	420	3.72	0.71
Market share	420	3.62	0.76
Customer orientation	420	3.84	0.77

**Table 4.10** Comparison between Mean and Standard Deviation of Local Hotels and Chain Hotels

Construct	Local hotel		Chain hotel		T-test
	Mean	S.D.	Mean	S.D.	
Collectivism-High Performance Work System	3.54	0.59	3.98	0.50	-7.99***
Leader-Member Exchange	3.67	0.76	4.11	0.56	-6.71***
Human Capital	3.61	0.59	4.01	0.50	-7.42***
Organizational Citizenship Behavior	3.67	0.60	4.10	0.52	-7.82***
Hotel Performance	3.56	0.60	3.91	0.57	-5.91***

**Note:** \*\*\* sig 0.001

#### 4.3.2 Evaluation of the Proposed Model

The results of the analytical model are displayed in figure 4.1. The data analysis was done step by step as follows:

##### 1) The Assessment of the Overall Model Fit

The first step in structural modeling is to assess the overall model fit with respect to one or more goodness-of-fit measures. The first measures are the likely ratio chi-square of 3,068.525 ( $df(x^2) = 1,836$ ). If the model is to provide a satisfactory representation of the data, it is important for the chi-square value to be non-significant ( $p < 0.05$ ). The significance level of 0.000 for the chi-square of the present model was beyond the usually acceptable threshold of 0.05, indicative of an acceptable fit.

The second measure reported the normalized chi-square (Joreskog and Sorborn, 1993), where the chi-square was adjusted by the degrees of freedom in assessing the model fit. Models with adequate fit should have a normalized chi-square less than 2.0 or 3.0 (Carmines & McIver, 1981). With a normalized chi-square of 1.671, the proposed model provided a strong satisfactory representation of the data.



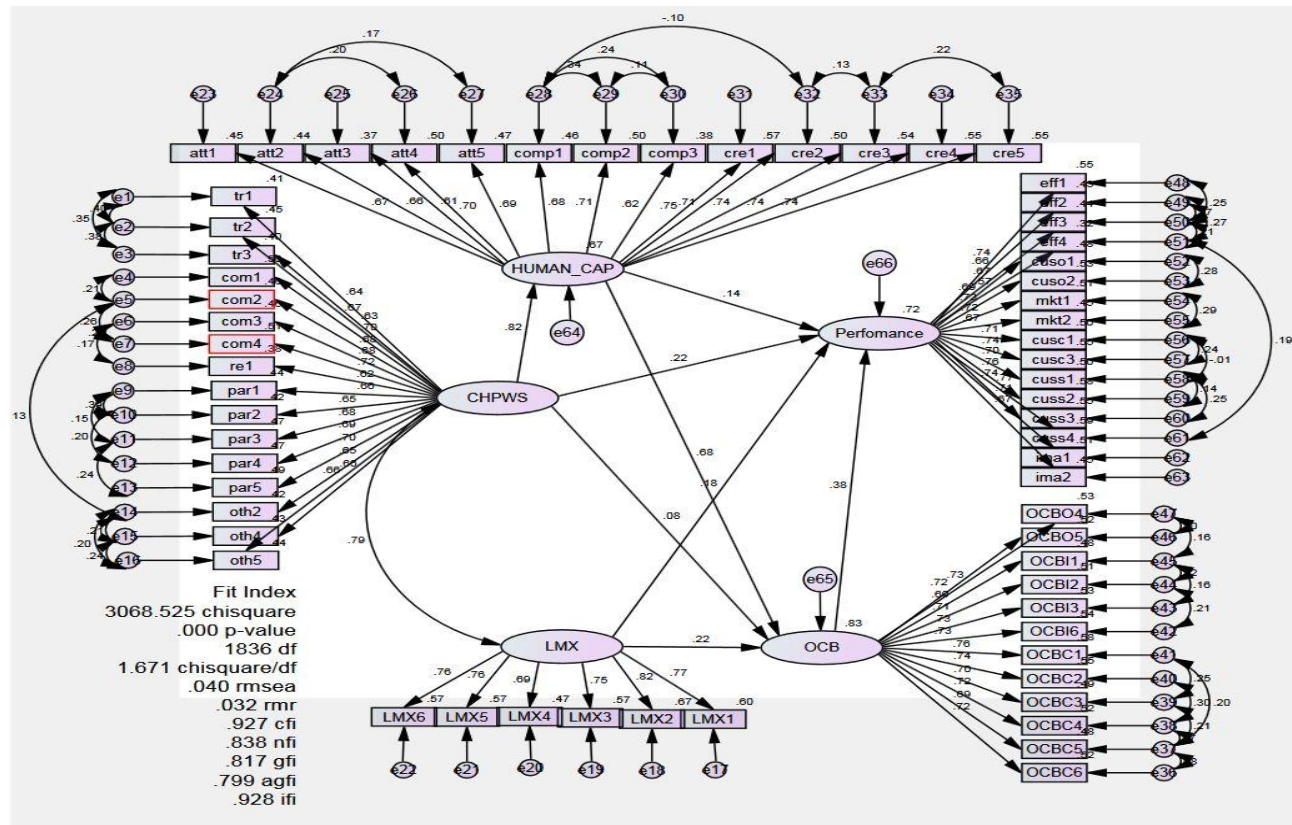
The third measure is the incremental fit of the model compared to the null model. The Normalized Fit Index (NFI) of 0.838 was sufficiently close to the desired threshold level of 0.90. Overall, the level of fit seemed sufficient enough to proceed with the assessment of the measurement and structural models.

Likewise, the Incremental Fit Index (IFI) should be equal to or greater than 0.90 in order to accept the model. The incremental index of 0.928 was greater than 0.90, indicating a good model fit. Also, in terms of the Comparative Fit Index (CFI) 0.90 is considered to have a good fit. This index was 0.928, confirming the soundness of the model fit.

The sixth and seventh measures were the GFI and AGFI index. These are non-statistical measures ranging in value from 0 (poor fit) to 1 (perfect fit). For this model, the GFI was 0.817 and the AGFI was 0.799, indicating a good model fit.

The last two indices, the Root Mean Square Residual (SRMR), in contrast, is a measure of the variance and covariance that are unexplained in the model. For a good model fit this index should be close to 0. In this model, the RMR was 0.032, suggesting the soundness of the model fit where little of the variance and covariance was left unaccounted for by the hypothesized model. On the other hand, the Root Mean Square Error of Approximation (RMSEA) is an estimate of the discrepancy between the observed and estimated covariance matrices in the population. It is generally reported in conjunction with the RMSEA and in a well-fitting model the lower limit is close to 0. In the model, the RMSEA was 0.040, indicating a good model fit.

This finding further confirmed the soundness of the model fit. As shown in table 4.11 it can be concluded that the overall model fit of the study was consistent with the empirical data.



**Figure 4.1** The Results of the Analytical Model

**Table 4.11** Statistical Results for Evaluating the Overall Model Fit

Indices	Criteria	Statistical Results
Chi-Square	$P \geq 0.05$	0.000
CMIN/DF	Close to 1.00	1.671
GFI	$\geq 0.90$	0.817
AGFI	$\geq 0.90$	0.799
NFI	$\geq 0.90$	0.838
IFI	$\geq 0.90$	0.928
CFI	$\geq 0.90$	0.927
RMR	$< 0.05$	0.032
RMSEA	$< 0.05$	0.040

## 2) The Measurement Model Fit

Confirmatory Factor Analysis (CFA) may be used to confirm that indicators sort themselves into factors corresponding to how the researcher has linked the indicators to the latent variables. Confirmatory factor analysis plays an important role in structural equation modeling. CFA models in SEM are used to assess the role of measurement error in the model, to validate a multifactorial model, and to determine the group effects on the factors. Using CFA for examining the relationship between observed and latent variables, the objective of CFA is to examine how well the observed variables measure the hypothesized latent variables and constructs and test the fit of a measurement model. In this study, all of the observed variables loaded at a minimum cutoff value greater than 0.30 on each latent variable, as shown in table 4.12.

**Table 4.12** Goodness-of-Fit Statistics of the Confirmatory Factor Analysis  
(CFA Model): The Results of the Confirmatory Factor Analysis Loadings

Variables	Indicators	Factor Loading
Collectivism-HPWS	Selection	0.759
	Training	0.705
	Communication	0.796
	Reward	0.771
	Participation	0.768
	Teamwork	0.795
	Collectivism-HRM	0.817
Leader-Member Exchange	Leader-Member Exchange	0.758
Human Capital	Competence	0.816
	Attitude and motivation to work	0.867
	Creativity and innovativeness	0.853
Organizational Citizenship Behavior	OCB-Organization	0.845
	OCB-Individual	0.885
	OCB-Customer	0.876
Hotel Performance	Efficiency and effectiveness	0.795
	Satisfaction and loyalty	0.889
	Image and brand	0.810
	Handling customers	0.814
	Market share	0.782
	Customer orientation	0.827

### 3) The Fit of the Structural Model

Having assessed the overall model fit and the measurement model, the theoretical relationships between the underlying constructs were examined. The most obvious examination in the structural model involved the significance of the estimated coefficients. Table 4.13 contains the results for the various structural equations.

The hypotheses for the relationships were tested using their associated t-statistic. In figure 4.2, the significance of all of the relationships is also presented. Six out of the eight hypothesized relationships were found to be significant at the 0.05 level. One of the major advantages of using the SEM is the ready accessibility to

indirect and total effects, in addition to the direct effects between the exogenous and endogenous variables.

In this study, it was proposed that the factors had a positive effect on hotel performance, both directly and indirectly, between the collectivism-HPWS and leader-member-exchange at the significant level of 0.05. However, it was found that organizational citizenship behavior, collectivism-HPWS, and leader-member-exchange had a direct impact on hotel performance, whereas human capital had only an indirect effect.

From the analysis of the variables, it was indicated that organizational citizenship behavior, collectivism-HPWS, and leader-member-exchange could adequately explain the hotel performance with the value of a correlations efficient greater than 0.40 ( $R^2 = 0.715$ ) (Joreskog & Sorbon, 1993, p. 26).

The results of the data analysis showed that the observed variables measures of the four latent variables. The theoretical model also fit the empirical data satisfactorily which helped to support its construct validity. The variables in model accounted for 71.5 percent of the variance in the hotel performance. Chronologically, path coefficients among variables that are statistically significant at 0.05 levels can be summarized according to their relationship as follows:

**Table 4.13** The Path Coefficients of the Analytical Model of Hotel Performance

Regression Weight (Group number 1-Default model)

			Estimate	S.E.	C.R.	P
Hotel Performance	<---	Collectivism-HPWS	0.213	0.076	2.793	0.005
Human Capital	<---	Collectivism-HPWS	0.837	0.077	10.897	***
Organizational Citizenship Behavior	<---	Collectivism-HPWS	0.085	0.072	1.189	0.234
Organizational Citizenship Behavior	<---	Leader-Member Exchange	0.192	0.051	3.751	***
Organizational Citizenship Behavior	<---	Human Capital	0.682	0.076	9.024	***
Hotel Performance	<---	Human Capital	0.136	0.098	1.393	0.164
Hotel Performance	<---	Organizational Citizenship Behavior	0.363	0.099	3.647	***
Hotel Performance	<---	Leader-Member Exchange	0.156	0.057	2.757	0.006
Selection	<---	Collectivism-HPWS	0.876	0.055	15.914	***
Training	<---	Collectivism-HPWS	0.966	0.062	15.694	***
Communication	<---	Collectivism-HPWS	0.980	0.053	18.540	***
Reward	<---	Collectivism-HPWS	0.870	0.049	17.806	***
Participation	<---	Collectivism-HPWS	0.997	0.056	17.802	***
Teamwork	<---	Collectivism-HPWS	0.952	0.051	18.680	***
Collectivism-HRM	<---	Collectivism-HPWS	1.000			
LMX1	<---	Leader-Member Exchange	1.000			
LMX2	<---	Leader-Member Exchange	1.069	0.060	17.961	***
LMX3	<---	Leader-Member Exchange	0.993	0.062	16.145	***
LMX4	<---	Leader-Member Exchange	0.960	0.067	14.377	***
LMX5	<---	Leader-Member Exchange	0.980	0.060	16.219	***
LMX6	<---	Leader-Member Exchange	0.988	0.061	16.077	***
Competence	<---	Human Capital	1.000			
Attitude and motivation to work	<---	Human Capital	1.020	0.048	21.194	***
Creativity and innovativeness	<---	Human Capital	1.083	0.052	20.710	***
OCB-Organization	<---	Organizational Citizenship Behavior	1.000			
OCB-Individual	<---	Organizational Citizenship Behavior	1.052	0.045	23.608	***
OCB-Customer	<---	Organizational Citizenship Behavior	1.025	0.044	23.226	***
Efficiency	<---	Hotel Performance	1.000			
Satisfaction and loyalty	<---	Hotel Performance	1.117	0.050	22.507	***
Image and brand	<---	Hotel Performance	1.041	0.056	18.490	***
Handling customers	<---	Hotel Performance	1.082	0.058	18.711	***
Market share	<---	Hotel Performance	1.112	0.062	17.862	***
Customer orientation	<---	Hotel Performance	1.198	0.064	18.613	***

**Table 4.13** (Continued)

Standardized Regression Weights: (Group number 1-Default model)

		Estimate
Hotel Performance	<--- Collectivism-HPWS	0.215
Human Capital	<--- Collectivism-HPWS	0.816
Organizational Citizenship Behavior	<--- Collectivism-HPWS	0.083
Organizational Citizenship Behavior	<--- Leader-Member Exchange	0.217
Organizational Citizenship Behavior	<--- Human Capital	0.680
Hotel Performance	<--- Human Capital	0.141
Hotel Performance	<--- Organizational Citizenship Behavior	0.378
Hotel Performance	<--- Leader-Member Exchange	0.184
Selection	<--- Collectivism-HPWS	0.759
Training	<--- Collectivism-HPWS	0.705
Communication	<--- Collectivism-HPWS	0.796
Reward	<--- Collectivism-HPWS	0.771
Participation	<--- Collectivism-HPWS	0.768
Teamwork	<--- Collectivism-HPWS	0.795
Collectivism-HRM	<--- Collectivism-HPWS	0.817
LMX1	<--- Leader-Member Exchange	0.775
LMX2	<--- Leader-Member Exchange	0.818
LMX3	<--- Leader-Member Exchange	0.754
LMX4	<--- Leader-Member Exchange	0.688
LMX5	<--- Leader-Member Exchange	0.758
LMX6	<--- Leader-Member Exchange	0.755
Competence	<--- Human Capital	0.816
Attitude and motivation to work	<--- Human Capital	0.867
Creativity and innovativeness	<--- Human Capital	0.853
OCB-Organization	<--- Organizational Citizenship Behavior	0.845
OCB-Individual	<--- Organizational Citizenship Behavior	0.885
OCB-Customer	<--- Organizational Citizenship Behavior	0.876
Efficiency	<--- Hotel Performance	0.795
Satisfaction and loyalty	<--- Hotel Performance	0.889
Image and brand	<--- Hotel Performance	0.810
Handling customers	<--- Hotel Performance	0.814
Market share	<--- Hotel Performance	0.782
Customer orientation	<--- Hotel Performance	0.827

**Note:** C.R. (t-statistic)> 1.96 refers to a significance level 0.05

**Table 4.14** Summary of the Path Coefficients among Variables

Relationship between Variables	Path Coefficients
<b>Relationship between Antecedent factor and Mediating Factor</b>	
Collectivism HPWS —————> Human Capital	0.816***
Leader-Member-Exchange —————> Organizational Citizenship Behavior	0.217***
<b>Reciprocal Relations between Mediating Factors</b>	
Human Capital————> Organizational Citizenship Behavior	0.68***
<b>Relationship between Mediating factor and Dependent Variables</b>	
Organizational Citizenship Behavior————> Hotel Performance	0.378***

Referring to table 4.13, the significance of the parameter estimates in the model, especially those statistically significant at level 0.05 ( $p < .05$ ), is shown. The parameter estimates in the model represented the simultaneous significant relation contribution of the observed and latent variables in the overall model. The significance of the parameter estimates was tested with a T-test. In table 4.15, the direct and indirect effects among the constructs are summarized.



**Table 4.15** The Path Coefficients among the Variables in Terms of Total Direct and Indirect Effects

Variables	Effect	Collectivism-HPWS	Leader-Member-Exchange	Human Capital	Organizational Citizenship Behavior
Human Capital	DE	0.816	0.000	0.000	0.000
	IE		0.000	0.000	0.000
	TE	0.816	0.000	0.000	0.000
Organizational Citizenship Behavior	DE	0.083	0.217	0.68	0.000
	IE	0.555	0.000	0.000	0.000
	TE	0.638	0.217	0.68	0.000
Hotel Performance	DE	0.215	0.184	0.141	0.378
	IE	0.356	0.082	0.257	0.000
	TE	0.571	0.266	0.398	0.378

**Note:** Total effects (TE) indicated the direct effects (DE) and indirect effects (IE) that resulted from the correlations among exogenous variables, reciprocal effects and indirect effects (effect through combined paths refers to  $TE = DE + IE$ )

#### 4) The Coefficient of Determination in the Model

As shown in table 4.16, it was indicated that the variables in the model account for 71.5 percent of the variance ( $R^2 = 0.715$ ) in hotel performance. Of the four independent variables, three were statistically significant at a significant level of  $p < 0.05$  with reference to hotel performance. It was shown that the best predictor of hotel performance was organizational citizenship behavior ( $R^2 = 0.827$ ). The second best predictor was collectivism-HPWS ( $R^2 = 0.715$ ). Human capital was the least significant predictor of hotel performance ( $R^2 = 0.666$ ) because it did not have a direct impact on hotel performance. It was found that human capital was not statistically significant at  $p < 0.05$  with reference to the hotel performance but it was positively related to the mediating variable significantly in terms of both direct and indirect impact. The analytical results of the hotel performance between collectivism-HPWS and leader-member-exchange are noted in the following structural equation model (SEMs).

**Table 4.16** The Coefficient of Determination ( $R^2$ ) in the Model

Variables	Structural Equation Modeling (SEMs)	The Coefficient of Determination ( $R^2$ )
Human Capital	=0.816*Collectivism-HPWS	66.60%
Organizational Citizenship Behavior	= 0.217*Leader-Member Exchange +0.083*Collectivism-HPWS	82.70%
Hotel Performance	= 0.378*Organizational Citizenship Behavior+0.215*Collectivism-HPWS+0.184*Leader-Member Exchange+0.141*Human Capital	71.50%

#### 4.4 Results of the Hypothesis Testing

This section of the present study examines the relationships of the variables proposed in the conceptual framework. The LISREL program was employed to test the thirteenth hypothesis. The findings from the structural equation models (SEMs) were combined to form a path model of hotel performance affected by the collectivism-high performance work system and leader-member-exchange.

H1: Collectivism-HPWS Adoption is Positively Associated with Hotel Performance.

Collectivism-HPWS adoption	→	Hotel performance	0.22
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In hypothesis 1, the results indicated that the direct effect of collectivism-HPWS on the hotel performance was statistically significant ( $\beta = 0.22$ ;  $p < 0.05$ ); thus, hypothesis one was supported.

H2: Collectivism-HPWS Adoption is Positively Associated with Human Capital.

Collectivism-HPWS adoption	→	Human capital	0.82
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As can be seen, the hypothesis linking collectivism-HPWS adoption to human capital in hypothesis 2 was strongly supported by the underlying data. The paths led from collectivism-HPWS adoption to human capital ( $\beta = 0.82$ ;  $p < 0.05$ ); thus, hypothesis two was supported.

H3: Collectivism-HPWS Adoption is Positively Associated with Organizational Citizenship Behavior

Collectivism-HPWS adoption	→	Organizational Citizenship Behavior	0.08
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With regard to collectivism-HPWS adoption, the empirical findings indicated that collectivism-HPWS adoption did not have a direct effect on organizational citizenship behavior ( $\beta = 0.08$ ;  $p > 0.05$ ). This appears plausible since more collectivism-HPWS adoption may not lead to Organizational Citizenship Behavior, because OCB is not weighed in a formal reward system because it is normally not part of a job description and is provided by employees at their own choosing. Therefore, hypothesis three was rejected.

H4: There is a Positive Relationship between Perceived LMX Quality and Organizational Citizenship Behavior

Perceived LMX quality	→	Organizational Citizenship Behavior	0.22
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Likewise, the hypotheses linking perceived LMX quality to Organizational Citizenship Behavior in hypothesis 4 were supported by the findings. The paths leading from perceived LMX quality to Organizational Citizenship Behavior ( $\beta = 0.22$ ;  $p < 0.05$ ) were statistically significant in the expected direction. The greater the degree of perceived LMX quality, the better the organizational citizenship behavior will be. Therefore, hypothesis four was substantiated.

H5: There is a positive relationship between human capital and organizational citizenship behavior

Human capital	→	Organizational Citizenship Behavior	0.68
---------------	---	-------------------------------------	------

Human capital was hypothesized to enhance organizational citizenship behavior in hypothesis 5. The standard coefficient for the relationships represented by hypothesis 5 ( $\beta = 0.68$ ;  $p < 0.05$ ) established the strong positive impact of human capital on organizational citizenship behavior. The greater the human capital, the better the organizational citizenship behavior will be. Therefore, hypothesis five was accepted.

H6: Human capital is positively associated with hotel performance.

Human capital $\longrightarrow$ Hotel performance	0.14
---	------

Contrary to expectation, regarding the influence of human capital on the hotel performance, the path coefficient was statistically insignificant ( $\beta = 0.14$ ;  $p > 0.05$ ), thus indicting lack of support for hypothesis 6. Nevertheless, it was found that the correlation between human capital and hotel performance was 0.70. A double effect of teamwork and collectivism on human capital was expected, and therefore the collectivism factor was separated from the high performance work system factor and the model was run again. The finding revealed that the path coefficient between human capital and hotel performance was still statistically insignificant.

H7: Organization citizenship behavior is positively associated with hotel performance.

Organizational Citizenship Behavior $\longrightarrow$ Hotel performance	0.38
---	------

Organizational Citizenship Behavior was hypothesized to enhance hotel performance in hypothesis 7. The standard coefficient for the relationships represented by hypothesis 7 ( $\beta = 0.38$ ;  $p < 0.05$ ) established the strong positive impact of Organizational Citizenship Behavior on hotel performance. The higher is the Organizational Citizenship Behavior, the better hotel performance will be. Therefore, hypothesis seven was accepted.

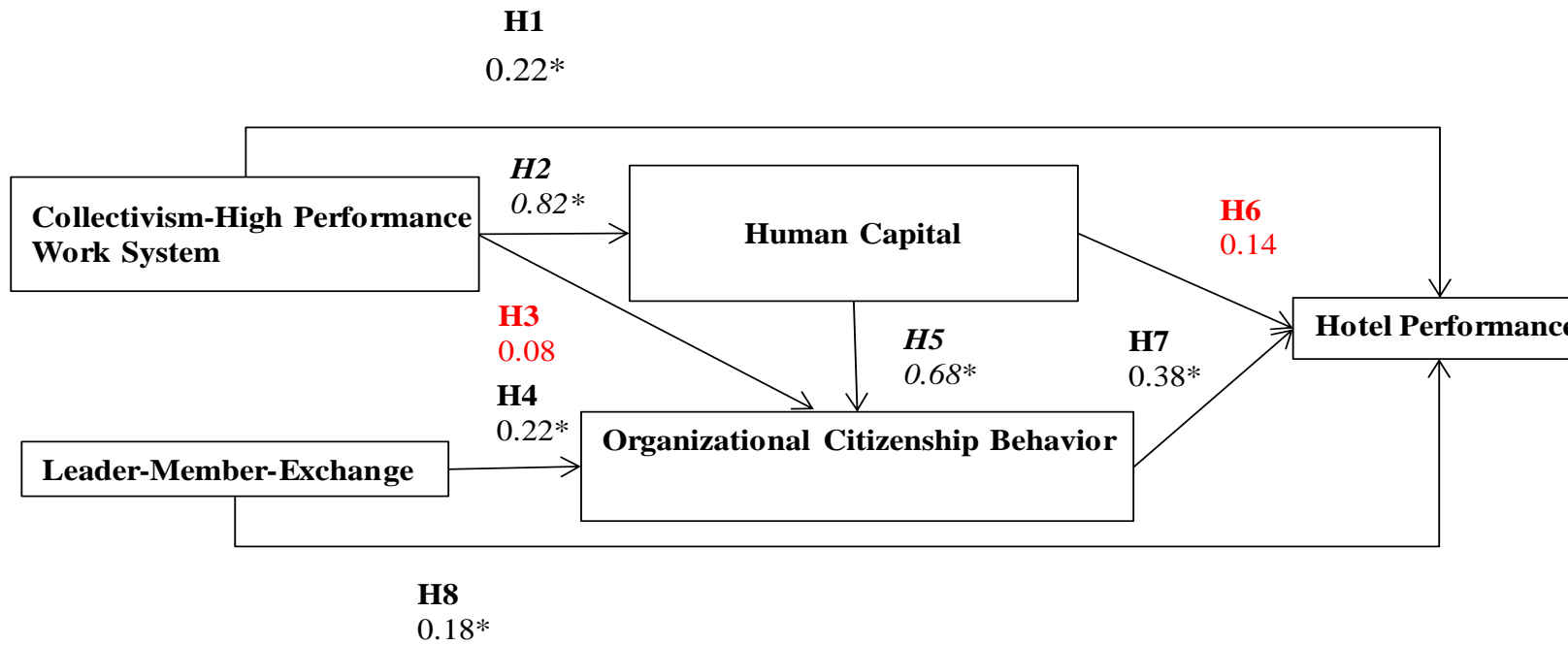
H8: The perceived LMX quality is positively associated with hotel performance.

Perceived LMX quality $\longrightarrow$ Hotel performance	0.18
---	------

Perceived Leader-Member-Exchange (LMX) quality was hypothesized to enhance the hotel performance in hypothesis 8. The standard coefficient for the relationships represented by hypothesis 8 ( $\beta = 0.18$ ;  $p < 0.05$ ) established the positive impact of perceived Leader-Member-Exchange (LMX) quality on hotel performance. The higher the perceived Leader-Member-Exchange (LMX) quality, the better the hotel performance will be. Therefore, hypothesis eight was supported.

**Table 4.17** The Summary of Results from the Hypothesis Testing

<b>HYPOTHESES</b>	<b>STATEMENT</b>	<b>Findings</b>
1	Collectivism-HPWS adoption will be positively associated with the hotel performance	<b>Supported</b>
2	Collectivism-HPWS adoption will be positively associated with the human capital.	<b>Supported</b>
3	Collectivism-HPWS adoption will be positively associated with Organizational Citizenship Behavior	<b>Not Supported</b>
4	There is a positive relationship between perceived LMX quality and Organizational Citizenship Behavior	<b>Supported</b>
5	There is a positive relationship between Human Capital and Organizational Citizenship Behavior	<b>Supported</b>
6	Human capital will be positively associated with the hotel performance	<b>Not Supported</b>
7	Organization Citizenship Behavior will be positively associated with the hotel performance	<b>Supported</b>
8	The perceived LMX quality will be positively associated with the hotel performance.	<b>Supported</b>



**Figure 4.2** The Final Structural Model of Collectivism-HPWS, Leader-Member-Exchange on Hotel Performance  
 ( \*Sig.  $p < .05$ )

#### 4.5 Comparative Results for Chain and Local Hotels

The effects of the variables on hotel performance differed between the chain and local hotels. In the chain hotels, collectivism-HPWS had a direct effect of 0.343 on hotel performance, lower than 0.435 for the local hotels. Leader-member exchange, in the chain hotels, had a direct effect of 0.074 on hotel performance, higher than 0.056 for the local hotels. The variables for the chain hotels could explain hotel performance at 59.8% lower than 76.4% for the local hotels. The interpretation is that the variables in the model for collectivism-HPWS, leader-member exchange, human capital, and organizational citizenship behavior were relatively appropriate for explaining the hotel performance both for the chain hotels and local hotels ( $R^2 = 0.598$  and  $0.764$ ), as there 40 and 34 percent were left that could be explained by some other variables not included in this study.

In addition, for the local hotels, organizational citizenship behavior had a total effect of 0.481 compared to 0.301 for the local hotels. This meant that organizational citizenship behavior has a major impact on local hotels rather than chain hotels. However, based on the interpretation of the path coefficients in this study, part of the results indicated a relatively low level of effects (below 0.3) of the variables of the chain hotels and local hotels. For example, leader-member exchange exerted the effect only 0.217 on organizational citizenship behavior for the chain hotels and only 0.184 for the local hotels. Compared to leader-member exchange, collectivism-HPWS still played a major role; it exerted the effect of 0.928 on organizational citizenship behavior for the chain hotels and 0.65 for the local hotels. This confirmed the importance of collectivism-HPWS as a direct effect on organizational citizenship behavior and, finally, creating an indirect effect on hotel performance.

As described in table 4.21, the 3 highest gaps of collectivism-HPWS between the chain hotels and local hotels were training (0.55), participation (0.49) and collectivism (0.48).

**Table 4.18** Standardized Regression Weights of Chain Hotel and Local Hotel**Standardized Regression Weights:**

			Chain Hotel	Local Hotel
Hotel Performance	<---	Collectivism-HPWS	0.343	0.435
Human Capital	<---	Collectivism-HPWS	0.855	0.843
Organizational Citizenship Behavior	<---	Collectivism-HPWS	0.152	-0.145
Organizational Citizenship Behavior	<---	Leader-Member Exchange	0.217	0.184
Organizational Citizenship Behavior	<---	Human Capital	0.650	0.928
Hotel Performance	<---	Human Capital	0.095	-0.039
Hotel Performance	<---	Organizational Citizenship Behavior	0.301	0.481
Hotel Performance	<---	Leader-Member Exchange	0.074	0.056
Selection	<---	Collectivism-HPWS	0.703	0.746
Training	<---	Collectivism-HPWS	0.671	0.651
Communcation	<---	Collectivism-HPWS	0.775	0.775
Reward	<---	Collectivism-HPWS	0.725	0.780
Participation	<---	Collectivism-HPWS	0.765	0.737
Teamwork	<---	Collectivism-HPWS	0.734	0.796
Collectivism-HR	<---	Collectivism-HPWS	0.719	0.834
LMX1	<---	Leader-Member Exchange	0.679	0.799
LMX2	<---	Leader-Member Exchange	0.768	0.826
LMX3	<---	Leader-Member Exchange	0.692	0.773
LMX4	<---	Leader-Member Exchange	0.720	0.785
LMX5	<---	Leader-Member Exchange	0.608	0.718
LMX6	<---	Leader-Member Exchange	0.786	0.637
Competence	<---	Human Capital	0.741	0.821
Attitude and motivation to work	<---	Human Capital	0.849	0.862
Creativity and innovativeness	<---	Human Capital	0.828	0.830
OCB-Organization	<---	Organizational Citizenship Behavior	0.791	0.843
OCB-Individual	<---	Organizational Citizenship Behavior	0.859	0.882
OCB-Customer	<---	Organizational Citizenship Behavior	0.825	0.877
Efficiency	<---	Hotel Performance	0.819	0.749
Satisfcation and loyalty	<---	Hotel Performance	0.886	0.870
Image and brand	<---	Hotel Performance	0.780	0.811
Handling customers	<---	Hotel Performance	0.820	0.802
Market share	<---	Hotel Performance	0.786	0.778
Customer orientation	<---	Hotel Performance	0.746	0.839



**Table 4.19** The Coefficient of Determination ( $R^2$ ) in the Chain Hotel and Local Hotel

<b>Chain Hotel</b>		
<b>Variables</b>	<b>Structural Equation Modeling (SEMs)</b>	<b>The Coefficient of Determination (<math>R^2</math>)</b>
Human Capital	$=0.855*\text{Collectivism-HPWS}$	73.10%
Organizational Citizenship Behavior	$= 0.217*\text{Leader-Member Exchange} + 0.65*\text{Collectivism-HPWS}$	90.70%
Hotel Performance	$= 0.301*\text{Organizational Citizenship Behavior} + 0.343*\text{Collectivism-HPWS} + 0.074*\text{Leader-Member Exchange} + 0.095*\text{Human Capital}$	59.80%
<b>Local Hotel</b>		
<b>Variables</b>	<b>Structural Equation Modeling (SEMs)</b>	<b>The Coefficient of Determination (<math>R^2</math>)</b>
Human Capital	$\swarrow = 0.843*\text{Collectivism-HPWS}$	71.10%
Organizational Citizenship Behavior	$= 0.184*\text{Leader-Member Exchange} + 0.928*\text{Collectivism-HPWS}$	87.80%
Hotel Performance	$= 0.481*\text{Organizational Citizenship Behavior} + 0.435*\text{Collectivism-HPWS} + 0.056*\text{Leader-Member Exchange} - 0.039*\text{Human Capital}$	76.40%

**Table 4.20** The Path Coefficients among Variables in Terms of Total Direct and Indirect Effects of Chain Hotel and Local Hotel

### Chain Hotel

Variables	Effect	Collectivism-HPWS	Leader-Member Exchange	Human Capital	Organizational Citizenship Behavior
Human Capital	DE	<b>0.855</b> ✓	0.000 ✓	0.000 ✓	0.000
	IE		0.000 ✓	0.000 ✓	0.000
	TE	0.855 ✓	0.000 ✓	0.000 ✓	0.000
Organizational Citizenship Behavior	DE	<b>0.152</b>	<b>0.217</b>	<b>0.650</b> ✓	0.000
	IE	0.556 ✓	0.000 ✓	0.000 ✓	0.000
	TE	0.708	0.217	0.650 ✓	0.000
Hotel Performance	DE	<b>0.343</b>	<b>0.074</b>	0.095	<b>0.301</b>
	IE	0.081	0.065	0.196 ✓	0.000
	TE	0.424	0.139	0.291	0.301

**Note:** Total effects (TE) indicate the direct effects (DE) and indirect effects (IE) that result from the correlations among exogenous variables, reciprocal effects and indirect effects( effect through combined paths refers to TE = DE+IE)

### Local Hotel

Variables	Effect	Collectivism-HPWS	Leader-Member Exchange	Human Capital	Organizational Citizenship Behavior
Human Capital	DE	<b>0.843</b>	0.000	0.000	0.000
	IE		0.000	0.000	0.000
	TE	0.843	0.000	0.000	0.000
Organizational Citizenship Behavior	DE	<b>-0.145</b>	<b>0.184</b>	<b>0.928</b>	0.000
	IE	0.782	0.000	0.000	0.000
	TE	0.637	0.184	0.928	0.000
Hotel Performance	DE	<b>0.435</b>	<b>0.056</b>	-0.039	<b>0.481</b>
	IE	-0.033	0.089	0.446 ✓	0.000
	TE	0.402	0.145	0.407	0.481

**Note:** Total effects (TE) indicate the direct effects (DE) and indirect effects (IE) that result

**Table 4.21** Gap of X-Bar on Collectivism-HPWS between Chain Hotels and Local Hotels

	Total		Chain hotel		Local hotel		T-test		Gap of $\bar{X}$
	$\bar{X}$	S.D.	$\bar{X}$	S.D.	$\bar{X}$	S.D.			
Total Training	3.73	0.81	4.06	0.74	3.51	0.79	-7.09	***	0.55
Total Participation	3.68	0.77	3.98	0.64	3.49	0.79	-6.88	***	0.49
Total Collectivism	3.85	0.72	4.15	0.66	3.66	0.71	-6.93	***	0.48
Total Communication	3.75	0.73	4.02	0.65	3.59	0.72	-6.27	***	0.44
Total Collectivism-High Performance Work System	3.71	0.60	3.98	0.50	3.54	0.59	-7.99	***	0.44
Total Selection	3.66	0.68	3.92	0.60	3.50	0.69	-6.53	***	0.42
Total Teamwork	3.68	0.71	3.91	0.63	3.54	0.72	-5.44	***	0.38
Total Reward	3.63	0.67	3.81	0.60	3.52	0.69	-4.62	***	0.29

## 4.6 Chapter Summary

In the study, collectivism-HPWS, leader-member-exchange, human capital, and organization citizenship behavior were hypothesized to facilitate hotel performance. However, the standard coefficient for the relationships presented by H2 ( $\beta = 0.82$ ;  $p < 0.05$ ) and H5 ( $\beta = 0.68$ ;  $p < 0.05$ ) established a strong positive impact of all the proposed variables on hotel performance. Neither the hypothesis linking collectivism-HPWS to organizational citizenship behavior (H3) nor human capital to hotel performance (H6), however, was found to be significant, therefore implying that only organizational citizenship behavior had a direct impact on hotel performance.

Six out of eight hypotheses were accepted. It may be concluded then that hotel performance was well accounted for by the observed and latent variables included in the model ( $R^2 = 0.715\{71.5\%\}$ ). Organizational Citizenship Behavior ( $R^2 = 0.827\{82.7\%\}$ ) had the strongest direct effect on the hotel performance, followed by human capital ( $R^2 = 0.666\{66.6\%\}$ ). Moreover, these observed indicators represented valid theoretical constructs for measuring hotel performance in the hospitality industry context. Having tested the model fit and examined the significance of the model parameters, in the next chapter, the implications of the findings for evaluating hotel performance will be discussed.

## **CHAPTER 5**

### **RESEARCH RESULTS (QUALITATIVE APPROACH)**

This chapter presents the results of the qualitative method. The first part discusses the introduction to the approach. The second part involves the results of the study of chain hotel. The next part presents the results of the study of the local hotels. The last part consists of the conclusions and a discussion of the qualitative method.

#### **5.1 The Introduction to the Approach**

In this dissertation, a mixed methods approach was used, combining quantitative and qualitative methods. More precisely, a sequential study was designed, where first the quantitative research was performed, followed by the qualitative research.

In this work it was considered appropriate to develop an initial quantitative stage due to the results found in the literature review analyzing the relationships between the high performance work system and hotel performance. The purpose of this exploratory qualitative stage was to gain an in-depth understanding of the high performance work system in chain hotels and local hotels that were tested during the quantitative stage.

The technique for obtaining qualitative information was a semi-structured in-depth interview with open questions on issues related to the high performance work system adoption by the hotels.

A total of 4 interviews were conducted. I chose interviewees to represent various types of actors in the hotel industry that were involved in HR practices. I interviewed 2 HR professionals (who worked in chain and local hotels) and 2 line managers. I guaranteed data confidentiality and the informants' anonymity in order to enhance trust and to reveal the factors and conditions unrecognized in the quantitative approach. The interviews were performed at the hotels where the hotel staff worked.

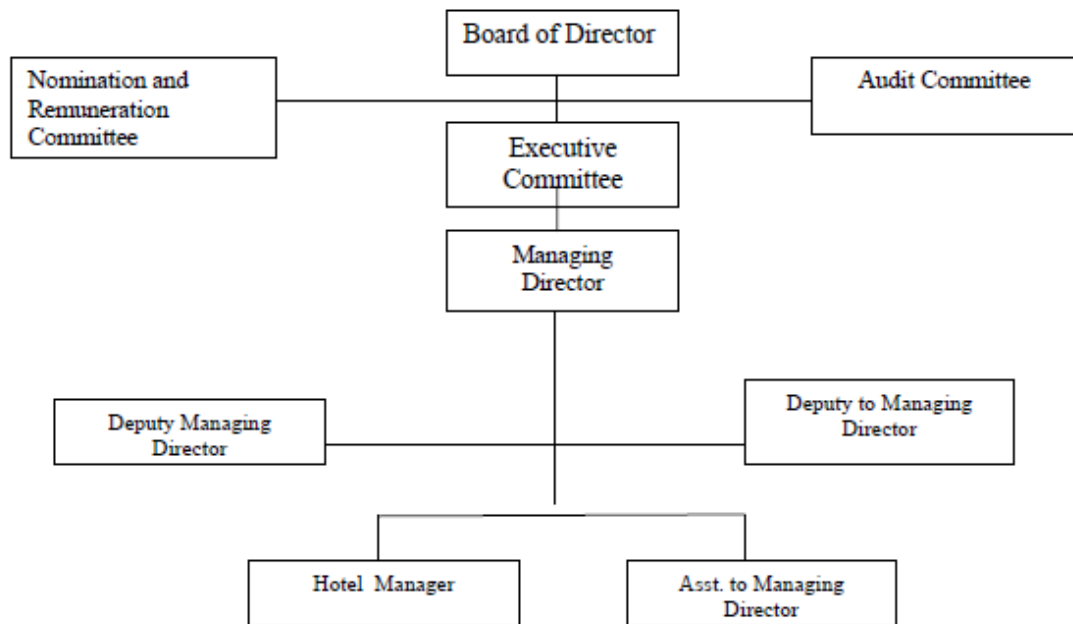
The interviews lasted approximately 1.5 h on average. We recorded the interviews and took notes. The interviews were audiotaped and later transcribed verbatim. Content analysis was used to categorize the responses. Drawing on Wolcott (1994), the analysis process consisted of 1) description (relying heavily on verbatim quotes from interviewees), 2) analysis (identifying important HR practices), and 3) interpretation (making sense of meanings in context).

Supplementing the interview results, documentary data were also used to gather information about the hotel profile, and the past, current, and future human resource policies and practices in those hotels. This information also reflected the hotel's direction and human resource professionals' vision of their employees.

Case study one involved a local hotel. Case study two related to chain hotels. Both were SET listed hotels with a relatively well-organized human resource function and system. Based on the preliminary interviews and documentary data, the results indicated the adoption of high performance work system as an underlying approach to managing the human resources in these firms. Thus, these two firms were purposively selected as case studies.

## **5.2 Case Study One (Asia Hotel Public Company Limited)**

Asia Hotel Public Company Limited (ASIA) has four hotels that operate independently. Due to the confirmation from ASIA management, I interviewed the ASIA Hotel in Ratchathevi, Bangkok. The Asia Hotel's infrastructure comprises of one of 16 stories building, two of 11 stories building and 12 stories car-park building, venders the services pertaining accommodations, food and drinks as well as other related services. The hotel is ranked as a four-star hotel which offers hotel services as follows: accommodation with a total of 601 rooms, where the average room rate is between 1,500-2,700 Baht, and a total staff of 560 with 120 temporary staff members.



**Figure 5.1** Organizational Structure of Asia Hotel Public Company Limited

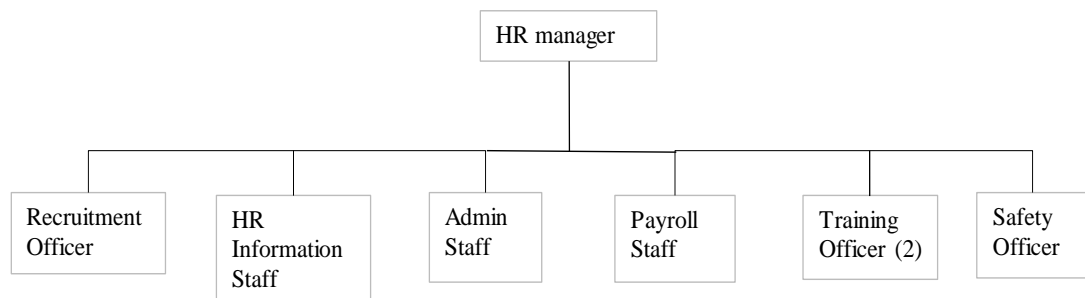
**Source:** Asia Hotel Public Company Limited, 2014, p. 20.

The results from the in-depth interviews and documentary data indicated that this hotel is likely to adopt high performance work practice as a basis for managing its employees. Since 2010, the challenges of the hotel's environment, both internally and externally, have been major factors accelerating its transition from the traditional personnel management to strategic human resource management. These challenges include a prolonged series of political protests that occurred in the central business district Bangkok (CBD) and skilled labor shortage.

The management team and the human resource manager agree that a high performance work system is “mandatory” for the hotel to sustain and increase its competitive advantage. The human resource manager agreed that the staff is one of the most important assets of the hotel. The hotel endeavors to develop the staff in all functions to perform better.

The distinct characteristics of the high performance work system in this hotel are the following.

- 1) Human resource policies and practices incorporated into the firm's strategies
- 2) Participation of human resource management in the hotel's weekly and monthly meetings
- 3) The deployment of responsibilities for the human resource manager to the line manager. However, the involvement of line managers in the human resource management policy was rare.
- 4) Multiple roles of human resource professionals—administrative experts, employee champions, and strategic partners.



**Figure 5.2** Human Resource Function Organization

**Source:** Interview with Human Resource Manager

## 5.2.1 Collectivism-High Performance Work System

### 5.2.1.1 Selection

The labor shortage was the biggest challenge that the hotel faced, especially the skilled labor level. Furthermore, high turnover, 5-7 % per month, still was a problem. Selection was the first HR priority as a solution for the labor shortage to comply with occupancy rate's need. The HR manager viewed employees as the main source of a competitive advantage. Due to the labor shortage, after Thailand joins the ASEAN Economic Community in 2016, the HR manager has plans to hire international staff members that have higher English skill levels and that require less compensation, but the top management still hesitates to hire these individuals due to security reasons.

Miss Patcharanee Techaruvichit, Assistant Personnel Manager, interviewed Aug 4, 2015, stated:

A major HR task in this hotel is to recruit staff to fulfill the organizational manpower's requirement- in terms of quantity and quality. The employee shortage is the severe problem. For instance, our hotel has 600 rooms, we need housekeeping staff at least 60 persons but, as of now, we had only 40 persons. So, we can serve at 60-70 % occupancy rate. We solve the problem by hiring 120 temporary staff, from total 560 hotel staff, to fill the gap. Anyway, we still face the difficulty for hiring staff.

Entering to AEC on next year, I feel interesting to hire Filipino expat because it is cost-effective but my president didn't agree due to the security reason. Anyway, we hired India and EU staff, started from internship, for front office job.

#### 5.2.1.2 Training

The HR department develops training and development plans for the organization but, currently, they have not developed the individual competency of employees as the basis for providing the skill that the employees lack. Based on the staff planning's need from senior management, the HR manager is developing a succession plan at the deputy manager and manger level.

Every year the HR manager sends a list of training courses for the line manger to survey the training needs or interests of each department. The HR managers consider that training, compared to other HR practices, and this can create a direct effect on the hotel performance. In order to design the best-matched training for the individuals, the HR manager will work closely with the line manager, observing employee performance, especially the weak points, so that they can design training to fill this gap, as an HR manager stated in the following:

An HR manager stated:

We have 2 in-house training staff. The training topics, trained by HR staff, included basic English speaking, How to interact with client and etiquette. On the job-related training, it will be trained by line manager.

Furthermore, hotel has hired external trainers on topics such as how to motivate staff (for supervisory level) and supervisory skills. We didn't have



competency model for each staff and but still having job description for each position. Due to the staff availability and competence, we set the succession plan for manager and assistant manager level.

We collected the customer complaint as the basis for designing training topic. We still think that the training course need to be improved

A line manager stated:

We trained our staff on how to serve client and dealing with difficulty client. We surveyed our staff on training need and send to HR department. Almost 80 % of training was conducted by in-house staff.

#### 5.2.1.3 Communication

The daily morning meeting was the communication channel among the line managers while the bi-weekly operation meeting was the channel for all managers to discuss and share ideas. The hotel strategic mission was communicated at the management level throughout the hotel.

An HR manager stated:

Hotel target is communicated and discussed on the bi-weekly operation meeting. All department managers attend the meeting. As the management team, we think, share and solve the problem together. So, HR professional, as the strategic partner, has a crucial role in supporting the hotel vision.

A line manager stated:

In order to operate smoothly, we have a daily morning to transfer the information and emphasize on critical complaint from client. On strategic issue, we will discuss in the operation meeting.

#### 5.2.1.4 Reward

Employees' salaries were comprised of the basic salary (fixed) and service charge (variable). Although the basic salary was generally set at the average level, the overall pay was the service charge paid plus the basic salary. The

compensation system is closely connected with hotel occupancy rate. For the staff level, 75% of the individual performance appraisal criteria was based on job-related performance while the rest, 25%, was related to employee attendance.

The yearly merit increase was based on the departmental budget distributed from the top management. The HR manager has a good connection with other nearby hotels and, frequently, benchmarked the compensation for the staff with others. Bonuses were based on hotel performance and, normally, 1-month salary per year. The Asia Hotel emphasized promotion from within and placed a great deal of importance on merit.

An HR manager stated:

We paid the service charge as reward to all hotel staff. We publish occupancy rate by monthly basis. We will deduct the loss items from service charge amount before distributing this amount across the board-for example 5,xxx baht to all staff for this month. We evaluate the performance for each staff and got the lump sum budget about 5 % and this amount will be distributed according to their performance.

We had close connection with HR manager in 7 neighbor hotels and surveyed the paid salary for staff level. So, we can offer the pay based on market competition.

A line manager stated:

My staff asked their friends in other hotels about percentage of service charge. In case the neighbor hotels pay higher, they will consider moving around because the basic salary is in the same rate.

#### 5.2.1.5 Participation

In order to enhance employee participation, the management team treats employees gently and respects each individual's rights. The hotel implemented "Fair labor practice" as described in the following:

An HR manager stated:

The management team has set up a project to benefit the employees and extended to their relatives and friends to book accommodations in all 4 hotels

at the special rates. Anyway, the bookings need to be verified by Personnel Department.

A line manager stated:

The management team also concerns about employee's well-being. So, the Asia Hotel Saving and Credit Cooperative Limited was founded more than 14 years. This is the starting point to embed the saving behavior in the workplace.

#### 5.2.1.6 Teamwork

The majority of employees, more than 50%, have had work experience for more than 10 years. The management team treated employees like family members as a method used to create loyalty in the workplace. Examples of a family type environment are continuing to hire staff during politically-affected periods, and special discounts for employees or their relatives using hotel services or facilities.

An HR manager stated:

Due to the competition on labor force, we need to retain experienced staff and attract new staff. So, we try to create the family climate in the hotel. During the political situation, clients were significantly decrease, we still retain the staff under serious financial condition.

A line manager stated:

During the political unrest in Thailand on 2013-2015, the hotel was affected by People's Democratic Reform Committee (PDRC) and, after that, the military government. Our client was dramatically dropped. My familiar asked me about the job security. Fortunately, as the Asia's family, we still get the employment until today.

#### 5.2.1.7 Collectivism-HRM

The reward system was invented to maximize collectivism. For example, the service charge is paid at the same rate for all positions distributed from the managing director to the doorman position. The paid service charge is the client

service charge deducted from the restaurant or kitchen equipment damage. The hotel has policy to employ permanent staff, as an HR manager stated: “Most of our hotel staff has more than 10 years of experience. We treat our staff as family member and try to keep and develop them.”

A line manager stated:

I agreed on the deduction of loss items from total service charge amount because it will create the teamwork climate that everyone will help each other to take care for the loss items. Anyway, they still have some people in other departments didn't agree because this loss was out of their controls.

### **5.3 Case Study Two (Minor Hotel Group)**

Minor hotel group is a hotel business under Minor International Public Company Limited (MINT). The hotel business consists of 120 properties including hotels, residential and vacation clubs across Africa, Asia, the Middle East, the Indian Ocean, Australia, and New Zealand. The hotel brands are Anantara, Oaks, Avani, Per Aquum, Elewana, St. Regis, Four Season, Marriott, Radisson, Sun International, Naladhu and Royal Garden Plaza. In 2014, the Minor hotel group reported revenue and earnings before interest, tax, depreciation and amortization- EBITDA at 19,328 million Baht and 5,647 Baht million respectively, both increasing by 8% from the previous year. For Thailand, MINT owns and managed 28 hotels consisting of Anantara, St. Regis, Four Seasons, JW Marriott, Avani, and Oaks. At the Minor Hotel Group, the goal is to hire talented people that dedicate themselves and create high performance for the organization

The in-depth interviews revealed that the distinct characteristics of the human resource management of the Minor hotel group, focusing on managed hotels—Anantara, Avani, Per-Aquam, and Sun International, which indicates the full adoption of the high performance work system by the hotel corporate strategic plan. Their principles, strategies, frameworks, and practices relevant to managing the human resources are the following.

1) From the 5-year corporate strategic plan, the Minor hotel group will expand and needs to hire a staff from 14,000 employees in 2013 to 100,000 in 2018. This reflects the exponential growth of the company. Furthermore, each hotel brand needs to hire people matched with their brand personalities. The human resource director needs to develop a 5-year HR strategic plan matched with the corporate business plan. For the people's supply side, the HR director will survey the labor force outlook in each operating country in terms of education, work age, population, etc. This represents back-up data for ensuring the availability of a labor force. It can be concluded that the human resource executive fully participates in top management meetings and her role and contribution are crystal clear in terms of creating the successful organization. Consequently, the human resource executive works as a strategic partner in the organization.

Miss Orapin Musiknavabutr, Director of Human Resources at Minor Hotel Group, interviewed on June 11, 2015 stated:

We are a growing company. We joined with other departments to create 5-year strategic plan. We visualize the vision, look the labor force in the market and design intended strategy. We want to be 'High Performing Organization'. We set higher level goal and strategic enabler to achieve that stretched goal. We need to communicate this practice to across the board for other countries.

2) For the high performing organization, the HR director will develop an HR framework, consisting of 12 boxes: 1) designing organization, 2) planning people, 3) budgeting, 4) communication, 5) sourcing, 6) recruiting, 7) on-boarding, 8) engaging, 9) managing performance, 10) developing people, 11) managing talent and ,12) managing successors. This framework, as a strategic enabler, will be developed for the HR department in each country and it will be made sure that all HR operations will follow the headquarter practices. Therefore, for the above mentioned, the human resource professional works as an employee champion and administrative expert as well.

A group HR director stated:

After we design HR strategy, HR framework is the manual , guideline and tool for HR professional in other countries to follow. We use this framework as communication tool and each framework need to deploy for detailed action plans.

3) In order to increase the HR staff's credibility, the HR director has also developed the HR staff with both HR functional expertise and business knowledge. The HR staff will be equipped at a higher competency level where not only the understanding and implementing of HR practices match what the line manager needs but will have business knowledge as well. The HR staff will be a catalyst for change embedded in the business unit. It can be concluded then that the human resource professional works as change agent in this case.

### **5.3.1 Collectivism-High Performance Work System**

#### **5.3.1.1 Selection**

Minor has emphasized that selection is the starting point to recruit “the right person for the right seat.” Minor believes that ‘drive’ culture means ‘to unlock the impossible’ Therefore, this is the ‘spec’ for recruiting high potential employees that match the exponential growth of the company, as a group HR director stated: “At Minor hotel group, the criterion for people selection is ‘Can’t not do’ attitude. It indicates that to unlock the impossibility of people, potential and, finally, business.”

A line manager stated:

On my experience, I was interviewed by many times from preliminary interview, senior management and it showed that Minor put emphasize on selective selection.

#### **5.3.1.2 Training**

Minor has created a ‘care’ culture, where new employees will have an assigned “buddy” to mentor during this period. They will be aware and realize what

they can provide for the organization and what the organization expects from them through the 'on boarding' period.

A group HR director stated:

We groom new manager orientation for 'on boarding period'. We create this process to make sure that we take care of our new staff. The process involved line manager or their supervisors by creating linkage with their subordinates in terms of relationship and job. We want to integrate staff with corporate driving culture. In order to create 'future manager', we put emphasis on 'on boarding process'

A line manager stated:

I am impressed with "on boarding period." It means the mentoring program during the first 3-month of staff working in the hotel. For the first month, I learn about organization and, most important, getting to know myself. On the second month, I learn about organization culture and getting to know my colleagues. For the last month, I get more understanding about my roles and responsibilities.

The HR department also developed a required competency model for each position and employee competency will be evaluated every six months. This will assist the HR department in understanding individual gaps for improvement.

The basic training will be outsourced to other HR consulting firms or academic institutions. The hotel provides training courses in related areas such as sales, marketing, accounting, leadership, software programs and English literacy, as well as softer skills such as grooming and personal sanitation, and environmental issues. Employee will have a chance to attend online training course such as Futura (competency skill-based solutions) and Levitin Learning (a sales training tool). Furthermore, the HR department also has developed the special courses for their staff.

#### 5.3.1.3 Communication

The daily morning meeting was the communication channel among the line managers. For the weekly meeting, the HR professionals will have a meeting with the business unit head. Minor also distributes newsletters on a weekly basis to the hotel staff. Minor emphasizes “communication on performance,” as described below by a group HR director:

We evaluate staff performance ever 6 months that consisted of performance and competency. In performance review, we also have competency set for each job level for examples-customer service, technical skill. Line manager will assess staff competency and HR staff will ensure the process and provide tool.

A line manager stated the following in this connection:

I evaluate staff performance by on-line system. HR professional also guides and checks the quality of evaluation process. 360 degree feedback also use as the system to check the performance.

#### 5.3.1.4 Reward

In order to stay competitive in the market, the hotel will benchmark its reward system with other leading hotels for retaining a high competent staff. A provident fund and annual medical welfare also are provided for both management and staff. We can conclude that the Minor reward system intensely focuses on “pay for performance” and a “fair system,” as a group HR director stated in the following:

Expat staff didn't get any service charge but service charge will be distributed to the other position. Furthermore, Employee Joint Investment Program (EJIP) is the program providing the company stock for employee buying in special rate. This will create the long-term commitment to the company.

A line manager stated:

Normally, we have a quarterly performance review with senior management and other hotels in the group. I feel exciting and sometime stressful when presenting performance to our top management.



#### 5.3.1.5 Participation

The management team undertook a engagement survey in order to increase the accurate perception of the present levels of staff engagement. In year 2013, the engagement survey was 86% (above 80% of other hotels in the same industry).

#### 5.3.1.6 Teamwork

In order to create better teamwork, Minor has arranged a 12-month appreciation program by creating activities every third week of each month. This will create greater understanding of each person's role and responsibility and reduce status distinctions and barriers between management and staff.

##### A Group HR director

The activities included swapping roles between department and position. For instances, about 1 week period, the trade service manager will switch position with the house keeping staff. The financial director will exchange the position with the maid.

##### A line manager

I like the appreciation program. It is very funny. It is not so easy to have the senior manager work on the staff job. Furthermore, during that week, senior manager and staff will work closely on CSR activity at community nearby the hotel.

#### 5.3.1.7 Collectivism-HRM

The pay and bonus system is designed to maximize collectivism. For example, the service charge is paid at the same rate for all positions except for the senior management level or expats. The KPI was measured based on a team member basis, for example, revenue per team member.

##### A Group HR director

We try to link collectivism culture to hotel performance. We check revenue per team member as the criteria to closely monitor and evaluate hotel performance.

#### **5.4 Alignment of the Quantitative and Qualitative Approaches**

Table 5.1 presents the alignment of the results from the quantitative and qualitative approaches, in-depth interviews, of the chain and local hotels respectively. Most of the results from the in-depth interviews supported the findings from the quantitative research. The common theme in the case studies of the chain and local hotels was that the high performance work system is perceived to be causally occurring. The informants agreed that the HR practices needed to bundle and integrate and that this would create a significant impact on the hotel performance. Thus, the results supported the notion that the chain hotels have a relatively high level of high performance work system compared to the local hotels.

Furthermore, the results from the in-depth interviews provided an illustration of the high performance work system, which the quantitative research did not provide. The in-depth interviews provided greater depth of understanding of the high performance work system in terms of the HR determinants that support organizational performance.

**Table 5.1** Alignment of Results of the Quantitative and Qualitative Approaches

Determinants	Results of Quantitative Approach					Results of In-depth Interviews (Qualitative Approach)		Alignment of Quantitative and Qualitative results
	Chain hotel	Local hotel	Gap	T-test		Chain hotel	Local hotel	
	$\bar{X}$	$\bar{X}$						
Training	4.06	3.51	0.55	-7.09	***	Extensive training. (1) On-boarding period (2) On-line courses -Skillsoft, eCornell etc. Developing individual competency model	Moderate training. HR professionsl provides list of public training to employee.	Align
Participation	3.98	3.49	0.49	-6.88	***	Developing engagement survey to evaluate the hotel staff participation. Creating many programs to engage employees.	Engaging staff on hotel CSR activity.	Align
Collectivism	4.15	3.66	0.48	-6.93	***	The KPI was developed to maximize on collectivism-revenue per team member	The pay and bonus system is designed to maximize on collectivism. For example, the service charge is paid by the same rate for all positions.	Align
Communication	3.98	3.59	0.39	-6.27	***	(1) Daily morning meeting (2) Weekly operation meeting (3) Extensive sharing of financial and performance information throughout the organization through quarterly review	(1) Daily morning meeting (2) Bi-weekly operation meeting	Align
Selection	3.92	3.50	0.42	-6.53	***	Selective hiring of new personnel on 'Can't not do' Attitude	Selective hiring but still facing labor shortage	Align
Teamwork	3.91	3.54	0.38	-5.44	***	Reduced status distinctions and barriers through '12-month apprentice program'	Treated employee like family	Align

**Table 5.1** (Continued)

Determinants	Results of Quantitative Approach					Results of In-depth Interviews (Qualitative Approach)		Alignment of Quantitative and Qualitative results
	Chain	Local	Gap	T-test	Chain hotel	Local hotel		
	hotel	hotel						
	$\bar{X}$	$\bar{X}$						
Reward	3.81	3.52	0.29	-4.62	***	Comparatively high compensation contingent on organizational performance.	Moderate compensation contingent on organizational performance	Align
Level of Collectivism-High Performance Works System	3.98	3.54	0.44	-7.99	***	Relatively High	Moderate	

## **CHAPTER 6**

### **DISCUSSION AND CONCLUSION**

The last chapter consists of four sections. The first section discusses the results of the study concerning the quantitative and quality data of the proposed model for measuring the hotel performance, together with the theoretical and applied implications of the findings. The next section presents the conclusions of the overall study. The third section then discusses the limitations of this study in terms of its research design, generalizability, and measurement. The last section provides suggestions for further study.

#### **6.1 Discussion and Managerial Suggestions**

The high performance work system is recognized as an important vehicle for hotels to improve their human capital and to create a competitive advantage. How to motivate their staff for achieving customer effectiveness is critical for the overall performance of the hotel. When hotels decide to create a motivation scheme, certain key variables become critical. The results of this study indicated that hotel performance can be measured from the point of view of four dimensions: collectivism-HPWS, leader-member exchange, human capital, and organizational citizenship behavior. The empirical findings confirmed the relationship between the key determinants of collectivism-HPWS, leader-member-exchange, human capital, and organizational citizenship behavior with hotel performance.

However, the study showed support for the direct effect of collectivism-HPWS and organizational citizenship behavior on hotel performance. Likewise, the leader-member-exchange also played a direct role in the hotels' performance. The major findings and implications are discussed as follows:

### **6.1.1 Understanding Collectivism-HPWS Adoption as the Key Antecedent Factor to the Hotel Performance Through Human Capital and Organizational Citizenship Behavior**

H1: Collectivism-HPWS adoption is positively associated with hotel performance.

The results of this study revealed the adoption of the collectivism-high performance work system in the hospitality companies. The collectivism-high performance work system has been adopted in these firms to different degrees—from moderately to extensively. The results also revealed that the chain hotels have adopted this approach to a greater extent compared to local hotels.

In general, these firms have attempted to implement high performance work practices that are likely to be integrated with their service strategies and that support each other, such as selection, training, communication, participation, teamwork and, especially, rewards and collectivism-HRM. These firms have also communicated their strategic mission at every level throughout the firm and have aligned their business and HR/personnel strategies. In addition, human resource professionals have attempted to play multiple roles in human resource management such as human capital developers, strategic partners, and employee champions.

With regard to collectivism-HPWS adoption, the empirical findings indicated that collectivism-HPWS adoption had a direct effect on hotel performance ( $\beta = 0.22$ ;  $p < 0.05$ ). This appears plausible since collectivism-HPWS adoption leads to hotel performance, which requires an aggregation of human capital and organizational citizenship behaviors as the implementing factors.

Referring to the findings in hypothesis 1, it can be assumed that in adopting collectivism-HPWS practices, these practices can be fully adopted to achieve the desired level due to organizational cultures and operational practices. This congruence has caused the quality of aggregation of human capital that is linked to organizational citizenship behavior and, finally, has an impact on hotel performance.

As of now, Thai hospitality faces the constraint of employee shortages in terms of both quality and quantity. Implementing collectivism-HPWS will retain hotel staff and reduce the high turnover.

In order for collectivism-HPWS adoption to be more effective, it is suggested that top management understand the role of strategic human resource management and its effect on hotel performance. The challenge facing the hotel industry will be its ability to adapt HR practices to match their hotel cultures.

This hypothesis was consistent with the theoretical and empirical literature, which indicated that the high performance work system meant that “bundling” all HR activities together will improve the company’s performance (Haynes & Fryer, 2000).

H2: Collectivism-HPWS adoption is positively associated with human capital.

As can be seen, the results of the data analysis of the relationship between collectivism-HPWS adoption and human capital in hypothesis two were confirmed. Collectivism-HPWS adoption was positively related to human capital at the 0.05 level of significance ( $p < 0.05$ ) with path coefficients (0.82\*). A collectivism-HPWS that is compatible with the organizational culture will make a valuable contribution to team-level human capital. They bring a greater degree of employee competency to the organization.

In this study, the importance of HR practices was recognized within the hotel. Human resource practices can be considered as a main driver in facilitating firm performance. Firms that have implemented high performance work practices and adopted a collectivist culture will improve their human capital.

The results of this study revealed the level of human capital in the hospitality companies. The human capital level in these firms was distributed to different degrees—from moderately to extensively. The results also revealed that the chain hotels had a higher level of human capital compared to the local hotels.

This hypothesis confirmed a human capital—consisting of team competence, attitude and motivation to work and creativity and innovativeness—as a capability-based view of the firm, which shows the “how” of the connection between collectivism-HPWS and firm performance.

H3: Collectivism-HPWS adoption is positively associated with organizational citizenship behavior

OCB involves “performance that supports the social and psychological environment in which task performance takes place” (Organ, 1997, p. 95). In contrast to job behavior, OCB is more discretionary and goes beyond what is organizationally

required and enforced. It involves cooperative, sharing, and helping behaviors that are intended to benefit the organization. Collectivism-HPWS comprises a distinct bundle of attributes that signals to employees what is important and valued in the organization and what they can expect from the employment relationship. A strong human resource management system will result in shared perceptions among employees about the organization and its practices. Those shared perceptions, in turn, can inform the development of social norms that informally specify and control what work behaviors are acceptable and unacceptable (Ehrhart & Naumann, 2004). As a result, collectivism-HPWS should have a direct impact on organizational citizenship behavior.

Contrary to expectations, with regard to hypothesis 3, the empirical findings indicated that collectivism-HPWS did not have a direct effect on organizational citizenship behavior. This appears plausible since mere collectivism-HPWS, as implemented in this study, may not lead to good organizational citizenship behavior, which requires human capital and the leader-member-exchange relationship to interact. This confirms that OCB is the output reciprocation according to the social exchange perspective (Cho and Johanson, 2008).

Furthermore, the level of adopting a collectivism-high performance work system in these hotels was mostly at the moderate to extensive degree. Therefore, it will not impact organizational citizenship behavior. The human resource department did not act as strategic partner focusing on the strategic movement of the organization.

In order to improve the OCB level, it is suggested that organizations be willing to implement strategic human resource management. As hotels strive to overcome staff shortages and high turnover, the HR department, working as the firm's strategic partner, should emphasize enhancing and supporting the collectivism-HPWS. Collectivism-HPWS, if fully implemented, will foster an exchange relationship characterized by mutuality and support between the organization and its members. It provides employees with both monetary and social rewards, such as recognition, work challenge, skill enhancement, and social support. Employees are likely to place a high value on these multiple rewards, and consequently, feel obligated to reciprocate by engaging in discretionary work behaviors that benefit the organization, especially OCB.



### **6.1.2 The Role of Organizational Citizenship Behavior as a Key Mediating Variable**

H4: There is a positive relationship between perceived LMX quality and organizational citizenship behavior

Leader-Member-Exchange was hypothesized to enhance organizational citizenship behavior in hypothesis 4. The standard coefficient represented by (H4) ( $\beta = 0.22^*$ ;  $p < 0.05$ ) established the positive impact of leader-member-exchange on organizational citizenship behavior. The leader-member exchange is operationalized as the relationship between leaders and their subordinates and how well the relationship between them drives hotel performance.

As forecasted, subordinates are expected to feel duty-bound to interchange the preferential treatment they receive from their managers by exceeding their contributions over and above the formal employment contract (see also Lapierre & Hackett, 2007). When one person treats another well, it will create the equality exchange relationship in return (Gouldner, 1960). It has also been observed that compulsions to repay benefits based on reciprocity norms help strengthen interpersonal relationships in the workplace (Eisenberger et al., 2001).

Indeed, high-quality LMX has been found to be associated with improved in-role performance (Graen, 2003) as well as with elevated extra-role performance (Wayne, 1997). Thus, subordinates maintaining high-quality LMX with their supervisors can be expected to engage in organizational citizenship behavior such as working overtime and offering extra help to coworkers or managers. A few scholars have, in fact, shown that the quality of the LMX relationship is positively related to subordinates' organizational citizenship behavior (e.g. Hackett et al., 2003; Wang and Wong, 2011).

H5: There is a positive relationship between human capital and organizational citizenship behavior

The effect of human capital on organizational citizenship behavior in hypothesis 5 was found to be strongly significant at the 95 percent confidence level ( $\beta = 0.68^*$ ;  $p < 0.05$ ). As expected, human capital positively influences the organizational citizenship behavior, and lack of employee competence, attitude and motivation to work, and creativity and innovativeness leads to a low level of OCB.

The findings showed that employees' attitude and motivation to work had a significant effect on their OCBs. Regarding the practical implications—it was verified that human capital, especially attitude and motivation to work, was an important factor that could improve hotel employees' OCB. Employees, with high motivation to work, positively helped coworkers or superiors, and had a high possibility of engaging in devotional action for the organization. Accordingly, there is a need for forming a favorable working atmosphere so that employees can perform their job with a positive attitude.

Again regarding the practical implications, this hypothesis enriches our knowledge about how hotels enhance the OCBs of employees in competing markets by improving the human capital level to boost the employees' OCB. In order to encourage employees to have a stronger OCB toward the organization and exhibit extra-role behaviors, service firms should be devoted to the implementation of collectivism-HPWS to enable employees to have greater motivation and to act upon citizenship behaviors.

### **6.1.3 The Impact of Leader-Member-Exchange, Human Capital and Organizational Citizenship Behavior on Hotel Performance**

H6: Human capital is positively associated with hotel performance.

Contrary to expectations regarding the human capital associated with hotel performance ( $\beta = 0.14$  ;  $p > 0.05$ ), the path coefficient was statistically insignificant, thus indicating a lack of support for hypothesis 6. However, it was found that human capital indirectly and significantly influenced hotel performance via its effects on organizational citizenship behavior. This result can be understood from the view of the Kaplan and Norton (2004), who stated that human capital does not always have a direct influence on performance. Instead, it works indirectly through relationships of cause and effect. This result implies that hotels have the capability to transform the employee's competence and creativity and innovativeness into hotel performance via the intervening roles of the leader-member-exchange relationship regarding organizational citizenship behavior.

Taking into account the findings of this hypothesis, it can be concluded that hotel performance can be improved by developing human capital. Therefore, in order

to leverage their team knowledge bases, line managers, in collaboration with HR professionals, should develop human capital, especially in terms of employee competence and innovative, by sharing individual employee knowledge.

The results of this hypothesis should be beneficial to both academics and practitioners in the hotel industry. Academics have traditionally been very interested in how intangible assets, for instance, human capital, reflect the firm's performance. This hypothesis shows "how" human capital interacts with the leader-member-exchange relationship which in turn affects hotel performance.

Human capital is important for firms' long-term success and is critical for achieving a competitive advantage. In order to improve human capital, the line manager, in collaboration with HR professionals, should do as follows: (i) identify and map their staff competency; (ii) prioritize critical knowledge issues; (iii) employ best practice identification and diffusion across the hotel; (iv) increase the employees' self-perception of the hotel; and (V) create a knowledge sharing culture.

H7: Organization citizenship behavior is positively associated with hotel performance.

As expected, organizational citizenship behavior was hypothesized to be positively associated with hotel performance in hypothesis 7. The standardized coefficient for relationships represented by (H7) ( $\beta = 0.38^*$ ;  $p < 0.05$ ) established the positive impact of organizational citizenship behavior on hotel performance.

OCB was vital to the hospitality industry and was mostly an outcome variable, coming from many antecedent variables. The study supported past research findings that indicated that employee motivation was an important antecedent variable of OCB. This hypothesis provided deeper theoretical insight into OCB and its effect on hotel performance. This hypothesis concluded that hotel employees' OCB was significantly and positively associated with hotel performance. Employees' willingness to show more OCBs—on the organization, individual and customer levels—helps hotels to improve their performance. Local hotel employees have an OCB level lower than that of the chain hotel employees because of the lower level of collectivism-HPWS implementation compared the chain hotels. Thus, this hypothesis suggested that in order to make employees feel cared for, line managers, and HR professionals should proactively offer employee benefits, listen to their voices, and

create a good relationship between with them. Hotel employees face a complex and rapidly-changing environment. Moreover, customer service demands immense focus and creates pressure. This hypothesis recommends that hotel managements provide good benefits and working conditions for employees; once employees feel support from the hotel management, it will elicit more OCB, improving their job performance and finally enhancing hotel performance.

H8: The perceived LMX quality will is positively associated with hotel performance.

As can be seen, the results of the data analysis of the relationship between perceived leader-member exchange quality and hotel performance in hypothesis eight were confirmed. The perceived LMX quality was positively related to hotel performance at the 0.05 level of significance ( $p < 0.05$ ) with a path coefficient of (0.18\*).

Regarding this finding, line managers, especially regarding their relationship with subordinates, are important in effectively improving OCB and finally positively affecting the hotel's performance. Based on the Ability-motivation-opportunity (AMO) theory, as ability (A) of line manager has a positive effect on hotel performance, HR professionals should be seen as having an important role in improving and facilitating the competencies that line managers need in order to create the leader-member exchange relationship. They can boost organizational performance by: 1) selecting line managers based on their leadership competencies and 2) training line managers to become competent implementers in managing subordinate.

In general, the opportunities (O) of the line manager in managing subordinates on their own do not make line managers better implementers of their management roles but HR professionals should provide line managers with clear and adequate policies and procedures that can improve their management skills. HR professionals should also ensure that line managers understand their role and know what is expected of them. To motivate (M) line management, HR professionals should design HR practices that the line management feels adequately interest and incentivized such as reward or recognition focused on improving relationship with their subordinates. The supportive opportunities and instruments provided by HR professionals can improve the leader-member exchange relationship and, finally, increase the line managers' effectiveness.

## 6.2 Conclusion

By combining the resource-based view and social exchange theory (SET), this research attempted to propose an integrated model for measuring hotel performance. This research investigated the interaction between collectivism-HPWS adoption, leader-member exchange, human capital, organizational citizenship behavior and hotel performance consisting of operational effectiveness and customer effectiveness, which were not found in prior research. The theoretical frameworks, which integrated company-wide HR practice and the relationship between employees with their leaders, contributed to the explanation of the measurement of hotel performance. Six of the eight hypotheses tested were found to be significantly supported.

The results supported the view that collectivism-HPWS adoption and leader-member-exchange affect hotel performance, but they also indicated that: 1) collectivism-HPWS has a direct effect on hotel performance through organizational citizenship behavior; and 2) human capital has an indirect effect on hotel performance. These findings suggest that organizational citizenship behavior is a key mediating variable that influences hotel performance.

By offering a better understanding of the mechanism of HR practices and social exchange relationship with the leader to enhance hotel performance, the present study provides HR management and line managers with useful insights. As hotel performance is a function of both the employee and the system, top executives, line managers, and human resource managers need to focus on collectivism-HPWS as the organizational logic for making human resources a strategic asset. As a strategic tool, various elements of collectivism-HPWS can create a synergy with the leader-member-exchange relationship, which enhances hotel performance and creates a competitive advantage.

For management, the results imply that the critical issues identified in the model for the hotel performance in the hospitality industry are:

- 1) Collectivism-HPWS: HR professionals should adapt their learned “best practice” from western HR knowledge to “best fit” under the Thai collectivism-culture. For example, for both chain and local hotels, the pay and bonus system is

designed to maximize collectivism. The service charge is paid at the same rate for all positions except for the senior management level or expats.

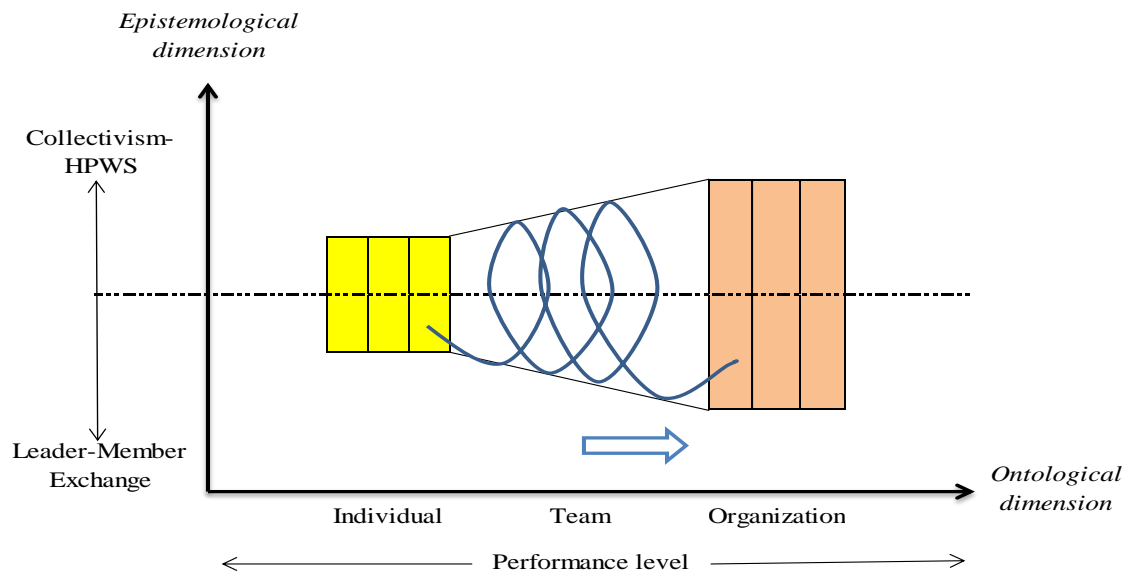
2) Leader-Member Exchange: The relationship between the leader or supervisor with his or her subordinate is the crucial and antecedent factor for driving employee behavior.

3) Human capital: HR professionals play a key role in developing human capital across the organization, both at the management and staff level. The HR process is to bundle all HR activities, including selection, training, communication, reward, participation, teamwork, and collectivism-HRM.

4) Organizational Citizenship Behavior: This factor serves as the enabler of hotel performance. HR professionals and management should create a work condition or send the right signals to employees that they are valuable assets to the firm so that employees will reciprocate with a high level of OCB.

Based on two in-depth interview cases with the chain and local hotels, the HR professionals agreed that the HR practices needed to bundle and integrate so that it will create a significant impact on hotel performance. Thus, the results support the notion that the chain hotel has a relatively high level of high performance work system compared to the local hotel, especially regarding the highest gap with training. The chain hotel provides extensive training such as mentoring during the on-boarding period and on-line hospitality specialized courses, while local hotels provide only moderate training such as public training courses. The second highest gap of HR practices between chain hotel and local hotel is participation. The chain hotel creates many staff engagement programs and fabricates better teamwork via appreciation programs. The third highest gap in the HR practices was selection. The HR professionals at the chain hotel mentioned that recruitment was the starting point for recruiting “the right person on the right seat.” They selected staff not only focusing on competency but concentrating on a “can do” attitude. They will select the right people matched with their “drive” culture. Therefore, after recruiting the “right” staff, HR professionals have the essential role to “unlock staff potential to make the impossible possible.”. These 3 HR recipes are the best-fit HR practices that can be adopted for local hotels or Thai SME hotels. Finally, it will create competition among Thai SME hotels.

Regarding the theoretical perspective, it can conclude the findings on the epistemological dimension of the relationship with employees both leaders and the organization. An organization cannot improve performance by itself. The leader-member exchange relationship is the basis of organizational performance creation. The organization has to mobilize human capital—competence, attitude, and motivation to work, and creativity and innovativeness—generated and built up at the individual level. The mobilized human capital is “organizationally” strengthened through the Leader-Member Exchange and the collectivism-high performance work system accumulated and leveraged at higher ontological levels. We call this the “performance spiral,” in which the interaction between LMX and collectivism-HPWS will synergize creating a higher OCB level as it steps up to the ontological levels. Thus, organizational performance creation is a spiral process, beginning at the individual level and stepping up through the team level and, finally, the organizational level (see Figure 6.1).



**Figure 6.1** Spiral of Organizational Performance Creation

**Source:** Adapted from Takeuchi & Nonaka, 2004, p. 67.

### **6.3 Limitations of the Study**

The limitations of this study relate to three major areas.

The first area lies in the cross-sectional study. The quantitative approach used a single, fixed-time point to examine collectivism-HPWS adoption and leader-member-exchange in relation to hotel performance. The findings of this study were consistent with the conceptual framework, in which the relationships between the variables were presumed to be causally related.

In addition, this study did not test for a reverse causal order according to which organizational citizenship behavior leads to human capital rather than human capital leading to organizational citizenship behavior. A dual interconnection might exist in this study. Thus, this study failed to eliminate alternative explanations for a possible reverse causation.

The second area lies in the generalizability of the findings. This limitation relates to the characteristics of the population. This study focused on hotels located in Bangkok, thus limiting the generalizability of the findings to hotels in other provinces.

The last area of limitations lies in the area of measurement issues. The subjectivity of some of the measures may have created problems associated with the validity of the constructs. Although this study adopted sets of collectivism-HPWS (e.g. selection, training, communication, reward, participation, teamwork, and collectivism-oriented practice), and for leader-member exchange to hotel performance (e.g. operational effectiveness and customer effectiveness), all of the measures were rather subjective, asking the respondents to indicate their opinion on each factor placed on a Likert-type scale.

### **6.4 Suggestions for Further Study**

This study serves as a fundamental point in combining the resource-based view and social exchange theory and building an empirical base that will significantly increase the knowledge of strategic human resource management and leader-member exchange and its relationship to hotel performance.



The suggestions for future research lie in three areas: the use of a longitudinal approach, the inclusion of environmental factors, and the replication of the study.

Future study should employ a longitudinal approach. Although longitudinal studies are more complex and time-consuming, they are powerful in the sense that they are able to capture collectivism-HPWS and leader-member exchange in terms of processes and changes, which a cross-sectional study cannot provide. The use of longitudinal studies would resolve the problem of causality in cross-sectional studies.

The future study of hotel performance might include the organizational factors that are related to the implementation of collectivism-HPWS, such as top management support and organizational culture. Some important external factors are relevant to the economic and technological environment.

Finally, future study might be conducted with other Thai SME hotels in order to examine how HR practices are implemented and how they differ from international chain hotels. The findings would increase the confidence in the hotel performance of this study.

## **6.5 Chapter Summary**

This chapter first summarizes the findings of the hypothesis testing of the proposed model for hotel performance. The major determinants of the hotel performance consisted of collectivism-HPWS adoption, leader-member-exchange, and human capital and organizational citizenship behavior. The relationships between the variables were combined to form an interaction model of HR practice and leader member relationship for hotel performance. Of the four constructs, two were statistically significant at a significant level of  $p < 0.05$  regarding hotel performance. It was shown that the best predictor of hotel performance was organizational citizenship behavior ( $R^2 = 0.83$ ). Human capital was the least significant predictor of hotel performance ( $R^2 = 0.67$ ) because it did not have a direct impact on hotel performance. It was also found that leader-member exchange was statistically significant and had a positive direct impact on other mediating variables, both human capital and organizational citizenship behavior. Next, a discussion of each hypothesis was provided. Additionally, this chapter discussed the theoretical contributions and the

implications of the findings. Finally, the limitations of this study regarding its research design, the generalizability of the findings, and measurement issues, together with suggestions for future research, were noted.

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## **APPENDICES**

## **APPENDIX A**

### **QUESTIONNAIRE (ENGLISH VERSION)**



## QUESTIONNAIRE

<p><b>The Effects of Collectivism- High Performance Work System and Leader-Member-Exchange on Organizational Performance in the Thai Hospitality Industry</b></p>
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This questionnaire is part of research undertaken in a doctoral degree study in the doctoral program in public administration major human resource management at the National Institute of Development Administration (NIDA)

The purpose of this research is to examine human resource management practices that impact on organizational performance and then provide HR strategic recommendations that will create competitiveness of the Thai hospitality industry.

**Instruction:**

1) In total, there are 10 pages. (including this page) Please answer every question. Please be assured that **your response is strictly confidential** and only aggregate reports are reported.

2) When answer this questionnaire, please evaluate the information during 2012-2014

**Thank you for your time and effort that are contributed to this study.**

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# QUESTIONNAIRE

## Study of The Effects of Collectivism- High Performance Work System and Leader-Member-Exchange on Organizational Performance in the Thai Hospitality Industry

### General Instruction

- 1) Questions relate to human resource management in your organization.
- 2) The questionnaire is divided into seven parts and taken about 15-20 minutes to finish. Please answer all of the questions by making  $\surd$  only one response for each question that best describes your answer. For the questions with blank spaces, please fill in the number or content that best describes your answer.
- 3) Please be assured that your response in this study is **strictly confidential** and will be used only for this study. Only aggregate results are reported.

Thank you for your co-operation

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### Part 1 General Information about Yourself and Your Organization

#### General information about Yourself

##### 1.1 Gender

- ☐ Male      ☐ Female

##### 1.2 Age

- ☐ 20-30 years   ☐ 31-40 years   ☐ 41-50 years   ☐ 51-60 years   ☐ >60 years

##### 1.3 What is your highest level of education?

- |   |   |
|---|---|
| <input type="checkbox"/> Primary School                     | <input type="checkbox"/> Vocational Diploma |
| <input type="checkbox"/> Secondary school                   | <input type="checkbox"/> Bachelor           |
| <input type="checkbox"/> High school/Vocational Certificate | <input type="checkbox"/> Master             |
| <input type="checkbox"/> Others, please specify.....        |   |

## 1.4 What is your department?

- |  |  |
|--|--|
| <input type="checkbox"/> Call center                 | <input type="checkbox"/> Guest Services/Operations |
| <input type="checkbox"/> Spa & Recreation            | <input type="checkbox"/> Food & Beverage           |
| <input type="checkbox"/> Culinary                    | <input type="checkbox"/> Corporate                 |
| <input type="checkbox"/> Human resource              | <input type="checkbox"/> Sale and marketing        |
| <input type="checkbox"/> Engineering                 | <input type="checkbox"/> Finance & Accounting      |
| <input type="checkbox"/> Front desk                  |  |
| <input type="checkbox"/> Others, please specify..... |  |

## 1.5 What is your position?

- ☐ Employee   ☐ Supervisor   ☐ Manager   ☐ Director
- ☐ Others, please specify.....

## 1.6 How long have you been at this hotel?

- ☐ 0-5 years   ☐ 6-10 years   ☐ 11-15 years   ☐ 16-20 years   ☐ >20 years

**General information about your Hotel**

## 1.7 Hotel name.....

## 1.8 What is your management type?

- ☐ Managed by Thai owner   ☐ Chain hotel
- ☐ Others, please specify.....

## 1.9 What province is your hotel located?.....

## 1.10 How long have your hotel established?

- ☐ 0-5 years   ☐ 6-10 years   ☐ 11-15 years   ☐ 16-20 years   ☐ >20 years

## 1.11 How many employees in your hotel?

- ☐ 0-50 persons   ☐ 51-100 persons   ☐ 101-150 persons   ☐ 151-200 persons
- ☐ >200 persons

## 1.12 How many staff in HR department?

- ☐ 0-5 persons   ☐ 6-10 persons   ☐ 11-15 persons   ☐ > 15 persons

## Part 2 Strategic Human Resource Management Adoption in your Hotel.

Please fill in the number that best describes your answer

1 = Strongly Disagree 2 = Disagree 3 = Uncertain 4 = Agree 5 = Strongly Agree

Statement	Extent				
	1	2	3	4	5
<b>Selection</b>					
2.1 Your organization hires new personnel selectively to find the most suitable persons for the organization.					
2.2 Our employees' capabilities are viewed as our main source of competitive advantage					
2.3 Relative to the employees of your competitors in your industry, how would you rate the quality of your employees on each of the following dimensions?					
(1) Overall ability					
(2) Job related skill					
(3) Educational level					
<b>Training</b>					
2.4 Your organization provides extensive training and developments for employees.					
2.5 Your organization provides employee training and development that are consistent with the requirement of the firm's strategies.					
2.6 Training and development fits organization and work design.					
<b>Communication</b>					
2.7 To what extent does your firm have a clear strategic mission that is well communicated and understood on every level throughout the firm?					

Statement	Extent				
	1	2	3	4	5
2.8 Employee understood on hotel target					
2.9 To what extent is communication between the HR department and the top management team effective?					
2.10 To what extent does your company make an explicit effort to align business and HR/personnel strategies?					
<b>Reward</b>					
2.11 Our compensation system is closely connected with the financial results of the company.					
2.12 Our company uses performance-based compensation to a large extent.					
2.13 Our company emphasizes to promotion from within.					
2.14 Our company places a great deal of importance on merit when making promotion decisions.					
2.15 The pay and bonus system in this organization is designed to maximize Individualism					
2.16 The pay and bonus system in this organization is designed to maximize Collectivism					
<b>Participation</b>					
2.17 Employee input and suggestion are highly encouraged					
2.18 Employees input and suggestions are highly implemented					
2.19 Your organization creates pleasant working atmosphere(e.g. Happy office activity).					

Statement	Extent				
	1	2	3	4	5
<b>Teamwork</b>					
2.20 Your organization uses various practices to reduce status distinctions and barriers among employees. (e.g. dress codes, language, office arrangements and wages).					
2.21 Your organization uses self-managed teams.					
2.22 Your organization uses problem-solving groups (employee involvement or Quality Circle group).					
2.23 Your employees are able to collaborate in ways that gain efficiency.					
<b>Collectivism</b>					
2.24 In this organization, the majority of employees have a long-term employment contract					
2.25 This organization shows loyalty to its employee					
2.26 Employees take pride in the accomplishment of their organization					
2.27 Leaders encourage group loyalty, even if individual goals suffer					
2.28 Personal influence depends on contributions to the organization					

### Part 3 Leader and Member Relationship

Please rate your relationship with your leader

1 = Strongly Disagree 2 = Disagree 3 = Uncertain 4 = Agree 5 = Strongly Agree

Statement	Extent				
	1	2	3	4	5
3.1 My immediate supervisor understands the problems associated with my position					
3.2 My immediate supervisor knows my potential					
3.3 My immediate supervisor will use authority to help me solve work problems					
3.4 My immediate supervisor would protect me if needed					
3.5 I have a good working relation with my immediate supervisor					
3.6 I know how satisfied my immediate supervisors is with my performance					

### Part 4 Human Capital

Please rate human capital in your department ( Human capital means competence, attitude and motivation to work, and creativity and innovativeness)

1 = Strongly Disagree 2 = Disagree 3 = Uncertain 4 = Agree 5 = Strongly Agree

Statement	Extent				
	1	2	3	4	5
<b>Competence</b>					
4.1 My team members have good qualifications for their work					
4.2 My team attracts good and promising employees					

Statement	Extent				
	1	2	3	4	5
4.3 My team members are best in industry					
4.4 My team members' leaving do not cause trouble for the hotel					
<b>Attitude and motivation to work</b>					
4.5 My team overall satisfaction to this hotel is high					
4.6 My team members are proud to work in this hotel					
4.7 My team members have suitable chances of promotion					
4.8 Work in this hotel may be a challenge for my team members.					
4.9 My team members are devoted to their work					
<b>Creativity and innovativeness</b>					
4.10 My team members are very creative					
4.11 My team members are very wise					
4.12 My team members effectively imitate innovations					
4.13 My team members adapt to market changes well					
4.14 My team members have innovative ideas					

## Part 5 Organization Citizenship Behavior

Please rate your team member's behavior with organization, colleague and client

1 = Strongly Disagree 2 = Disagree 3 = Uncertain 4 = Agree 5 = Strongly Agree

Statement	Extent				
	1	2	3	4	5
<b>OCB-O (Organization)</b>					
5.1 My team members will give advanced notice if they cannot come to work					



Statement	Extent				
	1	2	3	4	5
5.2 My team members' attendance at work is above the required level					
5.3 My team members follow informal rules in order to maintain order					
5.4 My team members protect our hotel's property					
5.5 My team members say good things about our hotel when talking with outsiders					
<b>OCB-I (Individual)</b>					
5.6 My team members help coworkers when their workload is heavy					
5.7 My team members help coworkers who have been absent to finish their work					
5.8 My team members take time to listen to colleagues' problems and worries					
5.9 My team members go out of their way to help new coworkers					
5.10 My team members take personnel interest in coworkers					
5.11 My team members pass along notices and news to coworkers					
<b>OCB-C (Customer)</b>					
5.12 My team members always have a positive attitude at work					
5.13 My team members are always exceptionally courteous and respectful to customers					
5.14 My team members follow customer service guidelines with extreme care					
5.15 My team members respond to customer requests and problems in a timely manner					

Statement	Extent				
	1	2	3	4	5
5.16 My team members perform duties with very few mistakes					
5.17 My team members conscientiously promote products and services to customers					
5.18 My team members contribute many ideas for customer promotions and communications					
5.19 My team members make constructive suggestions for service improvement					

### Part 6 Hotel Performance

Please rate your hotel performance in (A) performance trend in 2012-2014 or (B) compared to competitor in same location.

1 = Strongly Disagree 2 = Disagree 3 = Uncertain 4 = Agree 5 = Strongly Agree

Statement	Extent				
	1	2	3	4	5
<b>Efficiency</b>					
6.1 This hotel's transaction time is decreasing (A)					
6.2 This hotel's cost per revenue is improving (A)					
6.3 This hotel 's revenue per employee is continuously increasing (A)					
6.4 This hotel's revenue per employee is best in the competitor set (B)					
<b>Satisfaction and loyalty</b>					
6.5 Overall, customers are satisfied with the hotel's service (A)					
6.6 This hotel's customer satisfaction is improving (A)					

Statement	Extent				
	1	2	3	4	5
6.7 The number of customer complaints of this hotel is falling (A)					
6.8 This hotel's degree of customer revisit is highest in the competitor set (B)					
6.9 The number of customer outflow of this hotel is falling (A)					
<b>Image and brand</b>					
6.10 This hotel's image is improving (A)					
6.11 This hotel's brand is valued by customers better than competitors (B)					
<b>Handling customers</b>					
6.12 Time to handle customer complaints by this hotel is reducing (A)					
6.13 This hotel is receiving various feedbacks from customers (A)					
6.14 We successfully solve the complaints of our guests (A)					
<b>Market share</b>					
6.15 This hotel's market share is constantly improving (A)					
6.16 This hotel's market share is highest in the competitor set (B)					
<b>Customer orientation</b>					
6.17 The hotel understands target market well (A)					
6.18 This hotel cares what customer want (A)					
6.19 This hotel launches what customer wants (A)					

**Part 7** In your opinion, which ways that can improve human resource management practice in your hotel?

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## **APPENDIX B**

### **QUESTIONNAIRE (THAI VERSION)**

**ระบบการทำงานสมรรถนะสูงที่มีต่อผลประกอบการ  
ในอุตสาหกรรมโรงแรมไทย**

แบบสอบถามนี้เป็นส่วนหนึ่งของการวิจัยในการศึกษาระดับปริญญาเอกของคณะรัฐ  
ประศาสนศาสตร์ สาขาการบริหารทรัพยากรมนุษย์ สถาบันบัณฑิตพัฒนบริหารศาสตร์ (นิด้า)

การวิจัยนี้มีวัตถุประสงค์เพื่อศึกษาแนวปฏิบัติด้านการบริหารทรัพยากรมนุษย์ที่มีต่อผล  
ประกอบการองค์กร เพื่อเป็นข้อเสนอแนะในการกำหนดกลยุทธ์ด้านการบริหารทรัพยากรมนุษย์  
ในการยกระดับความสามารถในการแข่งขันอย่างยั่งยืนของอุตสาหกรรมโรงแรมไทย

**ข้อเสนอแนะในการตอบแบบสอบถาม**

1) แบบสอบถามนี้มีทั้งหมด 10 หน้า (รวมหน้านี้) กรุณาตอบคำถามทุกข้อ คำตอบทุก  
ข้อของท่านจะถูกเก็บเป็นความลับ โดยจะมีการรายงานเฉพาะผลการวิจัยที่แสดงถึงภาพรวม  
อุตสาหกรรมเท่านั้น

2) ในการตอบแบบสอบถามนี้ กรุณาประเมินข้อมูลย้อนหลังในระหว่างปี พ.ศ.2555-  
2557

**ขอขอบพระคุณที่ท่านกรุณาใช้เวลาตอบแบบสอบถามนี้**

นายวิชัย ลิมปิติกรานนท์

นักศึกษาปริญญาเอก สังกัดคณะรัฐประศาสนศาสตร์ นิด้า

หากท่านประสงค์จะติดต่อสอบถาม ขอให้โปรดติดต่อที่

โทรศัพท์ 083-448-9777 หรือ e-mail: wichail@kenan-asia.org

**แบบสอบถามการวิจัย**  
**เรื่อง “ระบบการทำงานสมรรถนะสูงที่มีต่อผลประกอบการ**  
**ในอุตสาหกรรมโรงแรมไทย ”**

**คำอธิบาย**

- 1) คำถามในแบบสอบถามนี้เกี่ยวข้องกับการบริหารทรัพยากรมนุษย์ภายในโรงแรมของท่าน
- 2) แบบสอบถามนี้ประกอบด้วย 7 กลุ่มคำถาม ซึ่งจะใช้เวลาตอบคำถามทั้งสิ้น 15-20 นาที กรุณาตอบทุกข้อคำถาม โดยทำเครื่องหมาย ✓ ในช่องที่เลือก หรือ กรอกข้อความ หรือ ตัวเลข สำหรับข้อคำถามที่เว้นว่างไว้
- 3) คำตอบทุกข้อจะถูกเก็บ เป็นความลับ และจะนำไปใช้ในการวิจัยครั้งนี้เท่านั้น เฉพาะผลวิจัยที่แสดงถึงภาพรวมของอุตสาหกรรมโรงแรมเท่านั้นที่จะมีการรายงานต่อไป

**ขอขอบพระคุณสำหรับความร่วมมือในการตอบแบบสอบถาม**

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**ส่วนที่ 1 ข้อมูลทั่วไปของผู้ตอบและโรงแรม**

ข้อมูลทั่วไปเกี่ยวกับผู้ตอบ

**1.1 เพศ**

☐ ชาย ☐ หญิง

**1.2 อายุ**

☐ 20-30 ปี ☐ 31-40 ปี ☐ 41-50 ปี ☐ 51-60 ปี ☐ >60 ปี

**1.3 การศึกษาสูงสุด**

☐ ประถม ☐ ปวส.หรือ อนุปริญญา  
☐ มัธยมต้น ☐ ปริญญาตรี  
☐ มัธยมปลาย หรือ ปวช. ☐ ปริญญาโท  
☐ อื่นๆ (โปรดระบุ).....

**1.4 หน่วยงานที่สังกัด**

☐ Call center(คอลล์เซ็นเตอร์) ☐ Guest Services/Operations (บริการลูกค้า)  
☐ Spa & Recreation (สปา) ☐ Food & Beverage (อาหารและเครื่องดื่ม)  
☐ Culinary (ครัว) ☐ Corporate (สำนักงาน)

- ☐ Human resource (ทรัพยากรมนุษย์) ☐ Sale and marketing (ขายและการตลาด)
- ☐ Engineering(วิศวกรรม) ☐ Finance & Accounting (การเงินและบัญชี)
- ☐ Front desk (ต้อนรับ) ☐ อื่นๆ โปรดระบุ.....

## 1.5 ระดับตำแหน่ง

- ☐ พนักงาน ☐ หัวหน้างาน ☐ ผู้จัดการ ☐ ผู้อำนวยการ
- ☐ อื่นๆ.....

## 1.6 ท่านทำงานในโรงแรมนี้มาแล้วเป็นเวลา

- ☐ 0-5 ปี ☐ 6-10 ปี ☐ 11-15 ปี ☐ 16-20 ปี ☐ >20 ปี

ข้อมูลทั่วไปเกี่ยวกับโรงแรมของท่าน

## 1.7 ชื่อโรงแรม.....

## 1.8 ชนิดของโรงแรมท่านตามลักษณะการบริหารงาน

- ☐ บริหารโดยเจ้าของคนไทย ☐ บริหารโดยกลุ่มเครือข่ายโรงแรม(Chain hotel)
- ☐ อื่นๆ (โปรดระบุ).....

## 1.9 โรงแรมตั้งอยู่ในจังหวัด.....

## 1.10 โรงแรมได้ดำเนินการมาแล้วเป็นเวลา

- ☐ 0-5 ปี ☐ 6-10 ปี ☐ 11-15 ปี ☐ 16-20 ปี ☐ >20 ปี

## 1.11 โรงแรมมีจำนวนพนักงาน รวมทั้งหมด

- ☐ 0-50 คน ☐ 51-100 คน ☐ 101-150 คน ☐ 151-200 คน ☐ >200 คน

## 1.12 โรงแรมมีจำนวนพนักงานในฝ่ายทรัพยากรมนุษย์

- ☐ 0-5 คน ☐ 6-10 คน ☐ 11-15 คน ☐ > 15 คน



**ส่วนที่ 2 การนำแนวคิดการบริหารทรัพยากรมนุษย์เชิงกลยุทธ์มาใช้ในโรงแรม**  
**โปรดประเมินการบริหารทรัพยากรมนุษย์ในโรงแรมของท่าน**

1 = ไม่เห็นด้วยอย่างยิ่ง 2 = ไม่เห็นด้วย 3 = ไม่แน่ใจ 4 = เห็นด้วย 5 = เห็นด้วยอย่างยิ่ง

ข้อความ	ระดับ				
	1	2	3	4	5
<b>การคัดเลือก</b>					
2.1 ในการว่าจ้างพนักงานใหม่ บริษัทของท่านคัดเลือกพนักงานอย่างพิถีพิถัน เพื่อให้ได้บุคลากรที่มีความเหมาะสมที่สุด					
2.2 พนักงานเป็นส่วนสำคัญที่ทำให้โรงแรมของท่านมีความได้เปรียบแข่งขัน					
2.3 โปรดเปรียบเทียบพนักงานของท่านกับโรงแรมอื่นๆ ในด้านต่างๆดังนี้					
(1) ความสามารถโดยรวม					
(2) ทักษะในงาน					
(3) ระดับการศึกษา					
<b>การฝึกอบรม</b>					
2.4 โรงแรมของท่านจัดการฝึกอบรมและพัฒนาพนักงานอย่างต่อเนื่อง					
2.5 เนื้อหาของการจัดการฝึกอบรมและพัฒนาพนักงานสอดคล้องกับกลยุทธ์องค์กร					
2.6 การฝึกอบรมและพัฒนาพนักงานมีความสอดคล้องกับงานที่ทำ					
<b>การสื่อสาร</b>					
2.7 โรงแรมมีการสื่อสารวิสัยทัศน์ พันธกิจ สู่พนักงาน					
2.8 พนักงานรับรู้และมีความเข้าใจในเป้าหมายของโรงแรม					
2.9 ฝ่ายทรัพยากรมนุษย์มีการประสานงานกับทีมผู้บริหารเป็นอย่างดี					

ข้อความ	ระดับ				
	1	2	3	4	5
2.10 โรงแรมมีการออกแบบระบบการบริหารทรัพยากรมนุษย์ให้เหมาะสมกับธุรกิจ					
<b>ผลตอบแทน</b>					
2.11 การจ่ายผลตอบแทนพนักงานขึ้นอยู่กับผลประกอบการของโรงแรม					
2.12 การจ่ายผลตอบแทนพนักงานขึ้นอยู่กับผลการปฏิบัติงาน					
2.13 ผู้บริหารส่วนใหญ่คัดเลือกจากการเลื่อนตำแหน่งของพนักงานภายในองค์กร					
2.14 การเลื่อนตำแหน่งพิจารณาจากผลการปฏิบัติงานของพนักงานเป็นหลัก					
2.15 การจ่ายผลตอบแทนการปฏิบัติงานมักขึ้นกับ ผลงานเฉพาะบุคคล					
2.16 การจ่ายผลตอบแทนการปฏิบัติงานมักขึ้นกับ ผลงานของทีม					
<b>การมีส่วนร่วม</b>					
2.17 มีการรับฟังข้อคิดเห็นหรือข้อเสนอแนะของพนักงาน					
2.18 ข้อคิดเห็นหรือข้อเสนอแนะของพนักงานถูกนำไปปฏิบัติ					
2.19 โรงแรมมีการจัดกิจกรรมเพื่อสร้างความผูกพันระหว่างพนักงานและองค์กร					
<b>การทำงานเป็นทีม</b>					
2.20 โรงแรมใช้แนวทางต่างๆ เพื่อลดความแตกต่างทางสถานะของพนักงานฝ่ายปฏิบัติการและฝ่ายบริหาร					
2.21 โรงแรมมุ่งเน้นการใช้ระบบการทำงานเป็นทีม โดยมีเป้าหมายของทีมที่ชัดเจน					
2.22 โรงแรมส่งเสริมกิจกรรมการปรับปรุงคุณภาพการทำงาน (เช่น กิจกรรมข้อเสนอแนะ กลุ่มคิวิซี)					
2.23 พนักงานสามารถร่วมมือกันเป็นอย่างดีในการเพิ่มประสิทธิภาพในการทำงาน					

ข้อความ	ระดับ				
	1	2	3	4	5
<b>การเห็นเป้าหมายส่วนรวม</b>					
2.24 พนักงานส่วนใหญ่ในโรงแรมเป็นพนักงานประจำ					
2.25 โรงแรมเห็นถึงความสำคัญและคุณค่าของพนักงาน					
2.26 พนักงานมีความภูมิใจในโรงแรม					
2.27 หัวหน้างานสนับสนุนเป้าหมายส่วนรวม มากกว่าเป้าหมายเฉพาะบุคคล					
2.28 โรงแรมให้ความสำคัญต่อพนักงานที่ทุ่มเทในงาน					

### ส่วนที่ 3 ความสัมพันธ์ระหว่างหัวหน้ากับข้าพเจ้า

โปรดประเมินความสัมพันธ์ระหว่างหัวหน้ากับข้าพเจ้า

1 = ไม่เห็นด้วยอย่างยิ่ง 2 = ไม่เห็นด้วย 3 = ไม่แน่ใจ 4 = เห็นด้วย 5 = เห็นด้วยอย่างยิ่ง

ข้อความ	ระดับ				
	1	2	3	4	5
3.1 หัวหน้าของข้าพเจ้าเข้าใจปัญหาในงานของข้าพเจ้า					
3.2 หัวหน้าของข้าพเจ้ารู้ถึงศักยภาพในการทำงานของข้าพเจ้า					
3.3 หัวหน้าของข้าพเจ้าช่วยข้าพเจ้าแก้ไขปัญหาในการทำงาน					
3.4 หัวหน้าของข้าพเจ้าปกป้องข้าพเจ้า ถ้าข้าพเจ้าร้องขอ					
3.5 ข้าพเจ้ามีความสัมพันธ์ที่ดีกับหัวหน้า					
3.6 ข้าพเจ้ารู้ถึงความพอใจของหัวหน้าต่อผลงานของข้าพเจ้า					

#### ส่วนที่ 4 ทุณมนุษย์

โปรดประเมินทุนมนุษย์ในแผนของท่าน (ทุนมนุษย์ หมายถึง ศักยภาพ ทักษะและแรงจูงใจ ความคิดสร้างสรรค์และนวัตกรรมของพนักงาน)

1 = ไม่เห็นด้วยอย่างยิ่ง 2 = ไม่เห็นด้วย 3 = ไม่แน่ใจ 4 = เห็นด้วย 5 = เห็นด้วยอย่างยิ่ง

ข้อความ	ระดับ				
	1	2	3	4	5
<b>ศักยภาพ</b>					
4.1 พนักงานในแผนกของข้าพเจ้ามีคุณสมบัติที่เหมาะสม ต่องาน					
4.2 พนักงานในแผนกของข้าพเจ้ามีความตั้งใจในการทำงาน					
4.3 พนักงานในแผนกของข้าพเจ้ามีคุณภาพดีที่สุดในเมื่อเทียบกับ โรงแรมอื่นๆ					
4.4 หากพนักงานในแผนกของข้าพเจ้าลาออก จะไม่ส่งผล กระทบต่อโรงแรม					
<b>ทัศนคติและแรงจูงใจ</b>					
4.5 พนักงานในแผนกของข้าพเจ้ามีความพึงพอใจในงานสูง					
4.6 พนักงานในแผนกของข้าพเจ้าภูมิใจที่ทำงานในโรงแรมนี้					
4.7 พนักงานในแผนกของข้าพเจ้ามีโอกาสได้รับการเลื่อน ตำแหน่งงาน					
4.8 การทำงานในโรงแรมแห่งนี้เป็นความท้าทายสำหรับ พนักงานในแผนกของข้าพเจ้า					
4.9 พนักงานในแผนกของข้าพเจ้าทุ่มเทในการทำงาน					
<b>ความคิดสร้างสรรค์และนวัตกรรม</b>					
4.10 พนักงานในแผนกของข้าพเจ้ามีความคิดสร้างสรรค์					
4.11 พนักงานในแผนกของข้าพเจ้าฉลาด					
4.12 พนักงานในแผนกของข้าพเจ้านำความคิดสร้างสรรค์ที่อื่น มาประยุกต์ใช้ในงาน					

ข้อความ	ระดับ				
	1	2	3	4	5
4.13 พนักงานในแผนกของข้าพเจ้าสามารถปรับการทำงานให้สอดคล้องกับความต้องการของลูกค้าหรือตลาดได้ดี					
4.14 พนักงานในแผนกของข้าพเจ้ามีแนวความคิดใหม่ๆในการปรับปรุงงาน					

ส่วนที่ 5\_ พฤติกรรมของพนักงานในแผนกของท่านต้ององค์กร เพื่อนร่วมงานและลูกค้า  
โปรดประเมินพฤติกรรมของพนักงานในแผนกของท่าน

1 = ไม่เห็นด้วยอย่างยิ่ง 2 = ไม่เห็นด้วย 3 = ไม่แน่ใจ 4 = เห็นด้วย 5 = เห็นด้วยอย่างยิ่ง

ข้อความ	ระดับ				
	1	2	3	4	5
<b>พฤติกรรมพนักงานต่อองค์กร</b>					
5.1 พนักงานในแผนกของข้าพเจ้าจะแจ้งล่วงหน้าถ้าเขาไม่มาทำงาน					
5.2 พนักงานในแผนกของข้าพเจ้ามีอัตราการลางานน้อยเมื่อเทียบกับมาตรฐานที่โรงแรมกำหนด					
5.3 พนักงานในแผนกของข้าพเจ้าปฏิบัติตามกฎของโรงแรม					
5.4 พนักงานในแผนกของข้าพเจ้าดูแลรักษาสินทรัพย์ของโรงแรม					
5.5 พนักงานในแผนกของข้าพเจ้าพูดถึงโรงแรมในด้านดีกับบุคคลภายนอก					
<b>พฤติกรรมพนักงานต่อเพื่อนร่วมงาน</b>					
5.6 พนักงานในแผนกของข้าพเจ้าช่วยเพื่อนร่วมงานทำงาน ถ้าเพื่อนร่วมงานมีงานมาก					
5.7 พนักงานในแผนกของข้าพเจ้าช่วยทำงานแทนเพื่อนร่วมงานที่ลา					

ข้อความ	ระดับ				
	1	2	3	4	5
5.8 พนักงานในแผนกของข้าพเจ้ารับฟังปัญหาเพื่อนร่วมงานและแสดงความห่วงใย					
5.9 พนักงานในแผนกของข้าพเจ้าหยุดทำงานของตน เพื่อช่วยเหลือเพื่อนร่วมงาน					
5.10 พนักงานในแผนกของข้าพเจ้าให้ความสนใจเป็นการส่วนตัวในการช่วยเหลือเพื่อนร่วมงาน					
5.11 พนักงานในแผนกของข้าพเจ้าให้ข้อมูลข่าวสารแก่เพื่อนร่วมงาน					
<b>พฤติกรรมของพนักงานต่อลูกค้า</b>					
5.12 พนักงานในแผนกของข้าพเจ้ามีทัศนคติที่ดีในการทำงาน					
5.13 พนักงานในแผนกของข้าพเจ้าดูแลลูกค้าเป็นอย่างดี					
5.14 พนักงานในแผนกของข้าพเจ้าปฏิบัติตามกฎในการดูแลลูกค้าอย่างเข้มงวด					
5.15 พนักงานในแผนกของข้าพเจ้าตอบสนองต่อความต้องการของลูกค้าและปัญหาได้อย่างทันเวลา					
5.16 พนักงานในแผนกของข้าพเจ้าปฏิบัติหน้าที่ด้วยข้อผิดพลาดที่น้อยที่สุด					
5.17 พนักงานในแผนกของข้าพเจ้าประชาสัมพันธ์สินค้าและบริการต่อลูกค้า					
5.18 พนักงานในแผนกของข้าพเจ้าเสนอแนวคิดใหม่ๆ เพื่อเพิ่มจำนวนลูกค้าและสร้างความพึงพอใจต่อลูกค้า					
5.19 พนักงานในแผนกของข้าพเจ้าให้ข้อเสนอแนะเพื่อปรับปรุงการบริการ					

### ส่วนที่ 6 ผลประกอบการโรงแรม

โปรดประเมินผลประกอบการโรงแรม ใน 2 ลักษณะ คือ (A)แนวโน้มผลประกอบการระหว่างปี 2555-2557 หรือ (B) เทียบกับคู่แข่งในทำเลเดียวกัน

1 = ไม่เห็นด้วยอย่างยิ่ง 2 = ไม่เห็นด้วย 3 = ไม่แน่ใจ 4 = เห็นด้วย 5 = เห็นด้วยอย่างยิ่ง

ข้อความ	ระดับ				
	1	2	3	4	5
<b>ประสิทธิภาพ</b>					
6.1 กระบวนการทำงานในโรงแรมของเรารวดเร็วขึ้น (A)					
6.2 ค่าใช้จ่ายของโรงแรมลดลง (A)					
6.3 รายได้โรงแรมต่อพนักงานเพิ่มขึ้นอย่างต่อเนื่อง (A)					
6.4 รายได้โรงแรมต่อพนักงานสูงที่สุดเมื่อเทียบกับคู่แข่งในทำเลเดียวกัน (B)					
<b>ความพึงพอใจและความจงรักภักดี</b>					
6.5 ในภาพรวม ลูกค้ามีความพอใจต่อการบริการของโรงแรม (A)					
6.6 ระดับความพึงพอใจของลูกค้าเพิ่มสูงขึ้น (A)					
6.7 จำนวนข้อร้องเรียนของลูกค้าลดลง (A)					
6.8 สัดส่วนลูกค้ากลับมาใช้บริการโรงแรมสูงที่สุดเมื่อเทียบกับคู่แข่งในทำเลเดียวกัน (B)					
6.9 จำนวนลูกค้าที่เลิกใช้บริการโรงแรมนี้น้อยลง (A)					
<b>ภาพลักษณ์และชื่อเสียง</b>					
6.10 ภาพลักษณ์ของโรงแรมดีขึ้น (A)					
6.11 ลูกค้าพอใจในชื่อเสียงของโรงแรมมากกว่าคู่แข่งในทำเลเดียวกัน (B)					
<b>การดูแลลูกค้า</b>					
6.12 เวลาในการแก้ไขข้อร้องเรียนของลูกค้าลดลง (A)					
6.13 โรงแรมได้รับข้อเสนอแนะจากลูกค้ามากมาย (A)					
6.14 โรงแรมประสบความสำเร็จในการแก้ไขปัญหาข้อร้องเรียนของลูกค้า (A)					

ข้อความ	ระดับ				
	1	2	3	4	5
ส่วนแบ่งตลาด					
6.15 ส่วนแบ่งทางการตลาดของโรงแรมเพิ่มสูงขึ้น (A)					
6.16 ส่วนแบ่งทางการตลาดของโรงแรมสูงเมื่อเทียบกับคู่แข่งในทำเลเดียวกัน (B)					
ความเข้าใจลูกค้า					
6.17 โรงแรมเข้าใจตลาดเป้าหมายเป็นอย่างดี (A)					
6.18 โรงแรมสนใจในความต้องการของลูกค้า (A)					
6.19 โรงแรมนำเสนอในสิ่งที่ลูกค้าต้องการ (A)					

ส่วนที่ 7 ความคิดเห็นที่เป็นประโยชน์ในการพัฒนาระบบบริหารทรัพยากรมนุษย์ต่อ  
โรงแรมของท่าน

[illegible]



## **APPENDIX C**

### **TESTIMONIALS AND LETTERS OF APPROVAL**

ที่ ศธ 0526.02/ว. ๒๕๕๗



คณะรัฐประศาสนศาสตร์  
สถาบันบัณฑิตพัฒนบริหารศาสตร์  
คลองจั่น บางกะปิ กรุงเทพฯ ๑๐๒๕๐

๑๗ มีนาคม ๒๕๕๘

เรื่อง ขอความอนุเคราะห์ข้อมูล แจกแบบสอบถามและสัมภาษณ์เพื่อประกอบการทำวิทยานิพนธ์  
เรียน

ด้วย นายวิชัย สิมปีติกานนท์ รหัสประจำตัว ๕๕๒๐๑๕๒๐๐๕ นักศึกษาหลักสูตรรัฐประศาสนศาสตร์  
ดุษฎีบัณฑิต สาขาการบริหารทรัพยากรมนุษย์ คณะรัฐประศาสนศาสตร์ สถาบันบัณฑิตพัฒนบริหารศาสตร์  
ได้รับอนุมัติให้ทำวิทยานิพนธ์เรื่อง “ระบบการทำงานสมรรถนะสูงที่มีต่อผลประกอบการในอุตสาหกรรม  
โรงแรมไทย” โดยนักศึกษามีความจำเป็นต้องรวบรวมข้อมูลจากหน่วยงานของท่าน  
เพื่อประกอบการทำวิทยานิพนธ์ให้สมบูรณ์ยิ่งขึ้น

คณะรัฐประศาสนศาสตร์ พิจารณาแล้วเห็นว่าหน่วยงานของท่านเป็นหนึ่งในหน่วยงานที่เกี่ยวข้องกับ  
หัวข้อวิทยานิพนธ์ดังกล่าว อันจะเป็นประโยชน์อย่างยิ่งต่อการดำเนินการศึกษาในครั้งนี้ จึงเรียนมาเพื่อ  
ขอความอนุเคราะห์จากท่านในการให้ข้อมูล แจกแบบสอบถามและให้นักศึกษาสัมภาษณ์เพื่อประกอบการทำ  
วิทยานิพนธ์ โดยข้อมูลที่รวบรวมได้จะเก็บไว้เป็นความลับและนำไปวิเคราะห์เพื่อประโยชน์ทางวิชาการโดยตรง  
เท่านั้น อนึ่ง หากท่านมีความประสงค์จะติดต่อกับนักศึกษา ขอความกรุณาติดต่อกับนักศึกษาโดยตรงได้ที่  
หมายเลขโทรศัพท์ ๐๘-๓๔๔๘-๘๘๗๗ หรือ e-mail: [wichai@kknk-asia.org](mailto:wichai@kknk-asia.org)

คณะรัฐประศาสนศาสตร์ หวังเป็นอย่างยิ่งว่า คงจะได้รับความอนุเคราะห์จากท่านเป็นอย่างดี  
จึงขอขอบคุณล่วงหน้า ณ โอกาสนี้

ขอแสดงความนับถือ

(รองศาสตราจารย์ ดร.บุญอนันต์ ทิน้อยทรัพย์)  
รองคณบดีฝ่ายวิชาการปฏิบัติราชการแทน  
คณบดีคณะรัฐประศาสนศาสตร์

สำนักงานเลขานุการคณะ (กลุ่มงานการศึกษา)

โทรศัพท์ ๐-๒๒๗๗-๓๑๓๘

โทรสาร ๐-๒๒๗๗-๓๒๔๓

## **BIOGRAPHY**

### **NAME**

Mr. Wichai Limpitikranon

### **ACADEMIC BACKGROUND**

Bachelor of Engineering

Major: Industrial Engineer

Chulalongkorn University (1987-1991)

Master of Business Administration

Major: Finance

Kasetsart University (1994-1996)

### **EXPERIENCE**

Manager

Business & Economic Development Program

Kenan Institute Asia (2011-2016)