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**THE ROLES OF SUPPORTIVE MANAGEMENT ON SERVICE  
RECOVERY PERFORMANCE AMONG HOTEL EMPLOYEES**

Nuraina Nadiah Rosli (a), Siti Rohaida Mohamed Zainal (b)\*, Rosmelisa Yusof (c)  
\*Corresponding author

(a) School of Management, Universiti Sains Malaysia, 11800 Penang, Malaysia, nrainarosli@student.usm.my

(b) School of Management, Universiti Sains Malaysia, 11800 Penang, Malaysia, siti\_rohaida@usm.my

(c) School of Management, Universiti Sains Malaysia, 11800 Penang, Malaysia. rosmelisa@usm.my

***Abstract***

Service recovery performance is highly significant in the hotel sector as it ensures customers' satisfaction and loyalty. Long and inconsistent working hours and schedules, along with strenuous tasks, are the norm for jobs in the hotel sector and these challenging traits can greatly impact the job performance of hotel employees. Hence it is fundamental to identify the factors affecting their performance of service recovery. The number of studies on the role of supportive management towards service recovery performance in developing country is also very small. Hence, the purpose of the current study is to investigate the role of supportive management on service recovery performance, as seen amongst 3-star recovery hotels situated in the northern region of Peninsular Malaysia. The data will be collected from a total of 104 hotel employees across northern Malaysia and evaluated using structural equation modelling-partial least square (SEM-PLS) approach. The factor outlined in this paper are analyzed under the theoretical framework of equity theory. This framework is suitable for this study as it helps researchers to gain understanding on how supportive management influences the service recovery performance in hotel sector. This study aims to examine the effect from individual perspective in order to gain comprehensive picture of the factor that could influence service recovery performance in hotel sector.

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**Keywords:** Supportive management, service recovery performance.



## 1. Introduction

Malaysia tourism industry is recognized as one of the biggest contributors to the national Gross Domestic Product in 2018 amounting to 14.9% and it is expected to continuously grow in 2028 at a growing rate of 3.8%. The fastest growing sector of the tourism industry now is the hotel sector and has witnessed a tremendous boom in recent years. In 2018, Malaysia received RM84.1 billion in the hotel sector and expected to show an annual growth 10.6% by 2023. Generally, the hotel supply from 2017 to 2018 increases from 4512 hotels to 4750 (MyTourismData, 2019). With the growth in the number of hotels, the market share becomes remarkably competitive and demanding for a quality service to be provided to the hotel customers. The competitiveness of hotels depends on the quality of its service delivery because hotel customers demand a high standard of quality service. Maintaining the quality service is often difficult as it requires a high interaction between the customers and the service employees (Lewis & McCann, 2004), which at the same time requires a high demand from the customer itself (Norhamizan et al., 2018).

The role of the employees is crucial when rendering the service to the customer especially when dealing with aggrieved customer. Hotels in Malaysia are reportedly suffering from service failure due to the intense competition in the hotel sector. This is due to the popularity of alternative accommodations such as homestay, guest house and many more; plus the declining number of tourists arrival to Malaysia (Annuar, 2019), and complaints or negative feedback by customers as its service falls below customers' expectations (Cheema et al., 2015). These are the reasons of why tourists (customers) do not opt for hotels when travelling and this is supported by the fact that the average length of stay in hotel has decreased from 5.9 nights in 2016 to 5.7 nights in 2017 (Teo & Chee, 2018). Worst of all, these issues have resulted in the shutdown of some hotels in Malaysia (Junita Mat Rasid & Halid, 2019). Therefore, hotel sector has to instil an effective service recovery handling which can help to return a dissatisfied customer to a satisfied customer after the service failure occurs (Yavas et al., 2004). An effective service recovery effort by identifying the factors that help to improve the performance of the employees seems to be essential.

There is a lack of research that has been done in hotel sector area in Malaysia with only two studies were discovered to have been carried out (e.g. Masdek et al., 2011; Norhamizan et al., 2018) despite many studies conducted in developed countries. Therefore, this paper aims to fill the research gap by examine the relationship between supportive management towards the service recovery performance among the employees of three-star hotels in the northern region of Peninsular Malaysia.

## 2. Problem Statement

The hotel sector is among the largest contribution towards tourism industry throughout the world. The competition among the hotel sector is getting intense as the triggering popularity of alternative accommodation such as Airbnb, homestay, guest house and many more (Rasid, 2019). Also, complaints or negative feedback received by hotel due to unfulfilled customers' needs and wants or called as service failure still exist (Cheema et al., 2015). As a result, these issues has resulted on the shutdown of some hotels in Malaysia (Junita Mat Rasid & Halid, 2019).

However, service failures are inevitable. Customer experienced service failure regularly mainly due to failure on delivering services by hotel employees and leads to arising complaints from customer

dissatisfaction (Cheng et al., 2018). A service failure would then require the need of recovery to move the complaining customer from a state of dissatisfaction to a state of satisfaction (Masoud & Hmeidan, 2013). Thus, the importance of managing and maintaining service performance has never been greater; striving for zero defects, and issues of hotel performance are at the center of management's attention. Hotel sector are expected to continue to be a major source of key driver to the development of tourism industry in Malaysia (Zainol, 2012). While being one of the world's central tourist destinations, service quality problems in Malaysian hotels have been motivated by the increased tourists' receipt in addition to the continued commitment to excellent service. The aforementioned fact indicates that the need of service recovery performance is crucial for Malaysian hotel. According to Cheng et al. (2018), companies risk losing their clients due to their inability to meet customers' satisfaction without an adequate and well-structured service restoration plan for managing the service failure.

Business performance will be a success and may recover by having supportive management (Masoud & Hmeidan, 2013). With more encouragement from the management, staff can increase their sense of duty to reciprocate. The support from management specifically gives the staff a feeling of engagement and contribution, besides helping to encourage creative ideas, explore new possibilities and change their operation without sacrificing productivity (Abdussalaam et al., 2019). This suggests that once the management gave their support to the staff who are mostly viewed as members of the organizations; they are apt to repay the rewards to their bosses and superiors by working harder, doing better at work, or taking more effort to meet the needs and interests of the clients.

### **3. Research Questions**

Therefore, the research questions for this paper are as below:

- What factor affect the service recovery performance among hotel employees?

### **4. Purpose of the Study**

This conceptual paper aims to investigate the relationship between supportive management and service recovery performance in hotel sector through a quantitative research analysis approach.

### **5. Research Methods**

A systematic review regarding factor of supportive management and service recovery performance have been performed by the author through secondary data. Literature review helped to identify the concept of supportive management and service recovery performance. Then, the studies were extensively examined to establish the propositions of this research framework. To retrieve the literatures, multiple keywords were inserted to identify the relevant articles such as supportive management and service recovery performance. Various depended journals and database of the peer-reviewed literature were searched to acquire the relevant literature for this study; for instance, Google Scholar, emerald sight, and ScienceDirect. Later, the abstracts of these past studies were reviewed, and more literature have been acquired through references from these articles.

## **6. Findings**

### **6.1. Equity Theory**

This study emphasises on the equity theory as its theoretical focus. Theory of equity is one of John Stacey Adam's most prominent and present core theories in law, finance, psychology and sociology, which then furthered to the services field. It is used to analyse the customer's experience with a view to preserving them from service failure and the grievances (Blodgett et al., 1997; Carr, 2007; Ok et al., 2005; Smith et al., 1999; Tax et al., 1998), satisfaction of staff on their job and achievement (Cronpanzano, 1992; Greenberg, 1996; Katzell, 1980).

The concept of equity theory constructed on fair exchange is that each person accepts the result in relation to his or her contribution to the exchange (Blau, 1964). In all cases where we see **exchanges**, equity principle may apply (Adams, 1965). For equity theory, the input and output are the two crucial components. Contributions by workers to the linked exchange shall be seen as company quality assets. Variables of input include hard work, passion, time, commitment, power, adaptability, engagement, and confidence in superiors, empathy, determination as well as the support by management. Positive and negative results produced by employees in conjunction with others may be measurable or invisible, which correspond to outputs (Walster et al., 1978). Output factors comprise compensation, accountability, acknowledgment of expenditures, protection at work, credibility, benefit to staff, sense of achievement and reward. If all variables such as individual established in this study are enhanced in the exchange, it can reduce service failure.

This study therefore explores the role of supportive management (input) on service recovery performance (outcome) to extend the equity principle. As far as the researchers' analysis is concerned, it is restricted to employees in general to assess their involvement in service recovery quality (Piaralal et al., 2016) especially in the hotel sector.

### **6.2. Service Recovery Performance**

Service recovery performance is the effectiveness of employees dealing with customer complaints to the satisfaction of employees (Boshoff & Allen, 2000). Customers may show their dissatisfaction by making a complaint because of the service failure. There are so many examples of the occurrence of service failures in the hotel sector in which the service recovery performance is essential. For instance, no available room upon check-in, wrong bill provided, internet problem, dirty and messy room, food not cooked accordingly, and unavailable services (Luo et al., 2019). When there is a complaint, it requires an effective service recovery effort by employees in handling the situation. Effective service recovery performance is very important because it can re-establish customer satisfaction as well as customer loyalty and word-of-mouth (Pai & Yeh, 2017) and keep existing customers, while at the same time getting new customers which is considered a bonus (Kumar Piaralal et al., 2014).

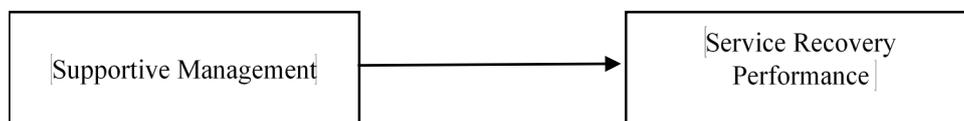
### **6.3. Supportive Management**

Supportive management has been defined as concern and support by management for employee's work (Eisenberger et al., 2001; Masoud & Hmeidani, 2013). In the supportive management of an organization, managers and supervisors sincerely recognize and appreciate hard work and are willing to

correct their employees, but beyond that they are dedicated to cultivating growth. It has been proven that somehow supportive management is connected to various work-related attitudes and results. Particularly, when the employees have a perception that the institution pays particular attention towards the employees, this positively connects to their work attendance, job satisfaction, trust in management, and individual performance (Hartline et al., 2000; Masoud & Hmeidan, 2013). In addition, support from management can encourage the involvement of employee and reassure them to apply their know-how and skills to come up with improvement methods in some job aspects that require improvements (Abdussalaam et al., 2019). According to Masoud and Hmeidan (2013) supportive management is perceived as meaningful to organizations in regard with success which will lead to successful business performance.

A Study by Masoud and Hmeidan (2013) upon 330 four and five-star hotel frontline employees in Jordan found that supportive management was significantly related to the service recovery performance. Meanwhile, Ashill et al. (2008) conducted a study among 160 frontline employees in New Zealand public service industry also resulted in a similar finding.

Management support factor that influence the service recovery performance of employees have been studied by many researchers (Ashill et al., 2008; Masoud & Hmeidan, 2013; Pai & Yeh, 2017). Masoud and Hmeidan (2013) conducted a study to find the effect of perceived work environment on frontline employee's service recovery performance. The study incorporates variables such as training, empowerment, motivation, supportive management, and service technology. Using data collected from 330 respondents via questionnaire, the findings show that training, empowerment, motivation, supportive management and service technology significantly predict frontline employee's service recovery performance. Building on the work of Pai and Yeh (2017) investigated the effect of frontline employee efforts in service recovery performance. They incorporated constructs such as customer service training, empowerment, teamwork, rewards, and supportive management. Using 522 responses, they found that only employee empowerment, teamwork, supportive management and reward could enhance service recovery performance to promote customer satisfaction. In this degree, supportive management will be more suitable to be adopted in the hotel sector. The research framework that link the supportive management and service recovery performance is presented in Figure 1.



**Figure 01.** Research Framework

*P1: Supportive management has a positive relationship with service recovery performance.*

## 7. Conclusion

In this conceptual paper, the problem statement, research questions, purpose of the study, significance of the research, research methodology, literature review and research framework are discussed. Supportive management are also identified to examine the effect toward service recovery performance.

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