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**HOTEL SERVICE RECOVERY: MANAGEMENT COMMITMENT
THROUGH AUTHENTIC LEADERSHIP THEORY**

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Abstract

Regrettably, in the last two decades, the problem of poor service recovery was not handled adequately by service firms, consequently, customers are not satisfied with the company's effort toward service recovery, and complainant satisfaction is decreasing. As service recovery performance is referred to, it is the degree of personal assessment of the service that an employee delivers to the customers. Therefore, it is important for this study to link together the authentic leadership theory to be tested with psychological capital to confirm the viability of the job outcome itself; the service recovery performance. A quota sampling will be applied to the population of hotel front liners in the 5 regions in Malaysia (Northern, Central, East Coast, Southern and East Malaysia). Data will be analyzed with the use of the SEM (Smart PLS 3). Expected results would provide to towards stakeholders in the hospitality and tourism industry in Malaysia. Especially after the COVID-19 pandemic, on how the front liner in this business responded to declining customers in pursuing holidays and travelling.

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1. Background

Tourism industry in Malaysia has evolved gradually since the establishment of the Tourist Development Corporation Malaysia (TDCM) in 1972. After 15 years of the operation, a specific ministry was set up in 1987 and named as the Ministry of Arts, Culture and Tourism (MOCAT). Since then, Malaysia government has approved few economic development plans in different set of period-term to enhance the sustainable economic development of the country. In every of the economic development plan, tourism industry development has been accentuated as one of the key elements to be addressed in each of the plan. Malaysia government has treated tourism industry seriously in every economic development plan since tourism industry has shown a significant factor in becoming a contributor to the country GDP of all the years. As to this important matter, Ninth Malaysia Plan, Tenth Malaysia Plan and Economic Transformation Program are analysed in proving the importance of tourism industry development to the country.

1) 9th Malaysia Plan: The 9th Malaysia Plan was initiated in 2006-2010 period term. Through this plan, many initiatives have been taken dynamically by the tourism industry in contributing themselves to the country economy. During the plan period-term, the focused works were to promote domestic tourism and generate international interest to visit Malaysia as one of the favorable destinations to be visited in the world. During the period-term, Malaysia government has started to manage the tourism resources intensively and working on the development of infrastructure in connecting tourism industry to the domestic and international visitors. This involved the process of offering good facilities and producing innovative products and services to be served to the visitors for the purpose of marketability and sustainability.

2) 10th Malaysia Plan: In 10th Malaysia Plan, tourism industry development has been emphasized to be deliberated. During the period-term starting from 2011 to 2015, the plan is focused to initiate and embark on the development of more excitement and pleasurable tourism programs, upgrading management services in tourism industry and enhancing the promotional tools for every tourism activity domestically and internationally. In this plan, Malaysia has targeted to reach as Top 10 Countries that is likable to be visited through global tourism receipts where they have heavily promoted themselves by using every type of promotional strategies.

3) Economic Transformation Program (ETP): The ETP is representing as a comprehensive program initiated by the Malaysia government in achieving high-income nation status by 2020. The initiative is taken in order to nurture Malaysia economy similarly to the economy of developed country. As stated, all programs under ETP will generate positive impact on gross national income (GNI) per capita from RM23,700 in 2009 to RM48,000 and will create 3 million new jobs by the year of 2020. The 12th National Key Economic Areas (NKEA) is the central heart of ETP. The tourism industry is selected to become one of the selected economic areas together with oil, gas and energy; palm oil; financial services; business services; electronics and electrical; wholesale and retail; education; healthcare; communications content and infrastructure; agriculture; and greater Kuala Lumpur/Klang Valley.

Industrial characteristics are found to be important in every strategy formulation and implementation that are addressed in every kind of strategic management research (Adner, 2017). These characteristics are unique and represent the industry individually. Each industry has exclusive characteristic architecture of its own which implies their very own strategy formulation and implementation to success.

As reported by Singal (2015), tourism and hospitality industry has a distinctive proposition capital intensity, leveraging, big risk, and greater competitiveness value than other industries. Hence, strategizing the hospitality and tourism future into a success are essential as a shedding light towards industry particular topics of interest. Due to this matter, many strategic management researches have been conducted in these recent years by concentrating to the hospitality and tourism industry as a scope of their study interests (Harrington et al., 2014). Few critical issues in hospitality and tourism have been examined and detected to be important highlights for future considerations namely as leadership, internal environment of organizations, environmental uncertainty, global strategies, strategic decision making, competitive strategies and corporate governance (Harrington & Ottenbacher, 2011). Therefore, delivering outstanding quality of services has been the focus of government and tourism stakeholders in ensuring the successful development of hotel industry (Yadegaridehkordi et al., 2020).

The growth of hotel and restaurant industries had shown a tremendous effect as it is now becoming one of the largest labour companies in the world that have created employability more than 35% of workforce around the globe in 21st century. In prospect, it is targeted to grow immensely to reach more than 48% by 2020. Hotels as the sector of accommodation in the tourism industry involves human resource management. The intensity of human resource development is important in maintaining competent human resources in the hotel management. Quality of work life is a basic welfare necessity in comforting the work life of the hotel employees. Greater quality of work life is guaranteed to the achievement of employees' job satisfaction when having chance participating in decision making and having opportunities to develop. Service employees with deep motivation and high job satisfaction will determine the satisfactory level of each customer attained. All satisfied employees will provide good service delivery as they are empowered with resources, training and responsibility to understand and serve the customer needs (Sari et al., 2019).

2. Problem Statement

With greater financial scrutiny, the expectation of job performance, the adoption of new technology, and the work values of the younger generation, businesses face significant obstacles in their efforts to compete on the commercial market (Burke et al., 2013). Complaints from consumers are extremely difficult to manage, especially when dealing with customers from diverse cultures, as in the hotel industry, the pressure can often be overwhelming (Costers et al., 2019).

Studies indicate that clients from varied cultural backgrounds present difficulties for service recovery performance among frontline personnel (Costers et al., 2019). This is especially worrisome in the hotel industry, as customers may be of international or local origins and thus represent diverse cultural backgrounds. Different cultures necessitate varying service recoveries, such as compensation, acquiring an apology, or requesting an explanation from management (Sengupta et al., 2018).

In addition to interacting with guests, hotel receptionists encounter a number of difficult challenges. These include severe workloads, monotonous labour, little pay, stress, and inconsistent hours (Burke et al 2013). Therefore, leaders must encourage front-line workers in the hotel industry (Ling et al., 2017). Starwood, Ritz-Carlton, and White Swan are among the well-known hotel chains that have effectively implemented a servant or genuine leadership approach inside their corporate administration (Ling et al., 2016).

Customers would be satisfied if staff handling complaints were able to address problems quickly and effectively, listen to their demands, and pay substantial compensation (Costers et al., 2019). In the hospitality sector, emotional exhaustion in the form of emotional weariness and lack of energy caused by psychological pressures may negatively effect front-line workers' job performance (Choi et al., 2014).

As employees are typically reliant on organizational effort to produce their service performance, implementing reformulation of attitude theory (RAT) would permit this study to comprehend the underlying issue regarding employees' emotional response and behaviour (Kim & Oh, 2012).

Role of leadership in influencing service recovery is still in scarceness (Luu, 2020). In the hotel business, servant leadership (SL) and authentic leadership (AL) are widely recognised as the most effective leadership styles for boosting staff enthusiasm (Kaya & Karatepe, 2020; Qiu et al., 2019). It is unclear which of the two leadership styles, SL or AL, is more appropriate for the hotel sector, given that both types would be more effective in gaining workers' job performance. (Ling et al., 2017). Furthermore, it is intriguing to unveil the relationship of leadership in relation to the reformulation of attitude theory that correspond to customer appraisal and hence toward emotional response and behavior.

3. Research Questions

Concerning the relationship between leadership styles and service recovery performance, crucial questions have been raised. To address the stated difficulties, the following research questions have been developed for this study:

- 1) What are the impacts of authentic leadership on psychological capital of hotel front liner?
- 2) What are the impacts of psychological capital on service recovery performance of frontline employee?
- 3) What are the impacts of psychological capital on work satisfaction of frontline employee?

4. Research Objectives

This study aims to assess and define the service recovery performance outcome practised by hotel frontline staff. In addition, it examines the impact of leadership style (Authentic Leadership) on job satisfaction and service recovery performance. This crystal-clear image of structure is supported individually below:

- 1) To determine the impact of authentic leadership on psychological capital of hotel front liner
- 2) To identify the impact of psychological capital on service recovery performance of frontline employee.
- 3) To identify the impact of authentic leadership on work satisfaction of frontline employee.

5. Research Framework

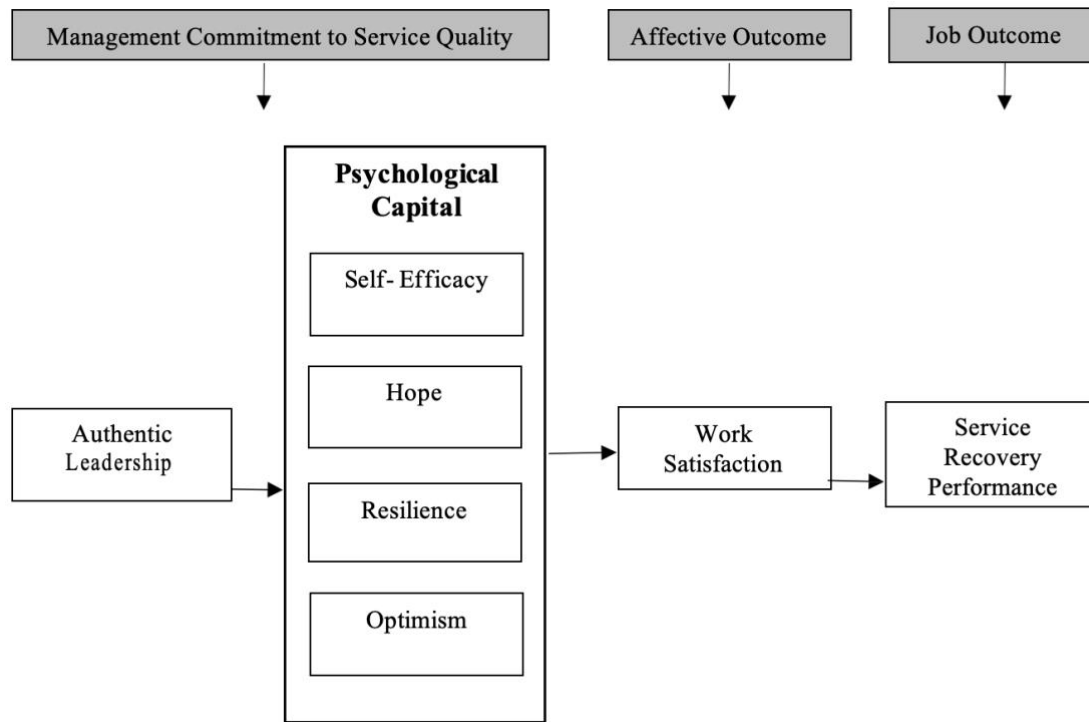


Figure 1. Research framework

6. Scope of the Study

This study examines the relationship between the leadership style of service recovery performance and the work satisfaction of Malaysia's hotel business. Therefore, the evaluation of the hotel is restricted to the following factors: self-efficacy, hope, resilience, and optimism (Psychological Capital).

This research examines the hotel sector in Malaysia from a perspective. This is due to the fact that the hotel business is one of the best platforms in the services industry that is practically reliant on human connection and reactions. It is regarded that the hotel sector is one of the most organized industries with a solid system in place. Given their sizes, locations, number of employees, and client base, the hotel business is anticipated to be increasingly market-oriented and strategically positioned to become a research unit analysis platform.

The primary respondents are the front-line employees of selected 3- to 5-star hotels in Malaysia. Front-line employees are chosen on the basis of their job responsibilities, which are characterized as serving consumers directly. The respondents are categorized based on organizational level of hierarchy; lower level management, middle level management and top level management. This categorization is useful for generalization purposes. In addition, the focus of this study is on organizational skills that encompass all possible employees inside the firm. This study also sought to assess the service recovery performance of the organization and the execution of its plan, in addition to its formulation by the top management. Consequently, collecting feedback from the three categories of organizational level hierarchy would

support the purpose of this investigation. Geographically, this study will encompass a selection of hotels throughout

Malaysia, from Peninsular to Sabah and Sarawak (East Malaysia), as well as the federal territories of Kuala Lumpur, Putrajaya, and Labuan.

7. Significance of the Study

The primary beneficiaries of this research are the body of knowledge and practitioners. From a knowledge standpoint, it is anticipated that the findings of this study will greatly add to the service recovery theory as empirical evidence supporting the theories' reliability and validity. This extra input to the theory will strengthen the theory's concept and facilitate the applicability of earlier investigations to the current situation. It is also anticipated that this research will serve as the foundation for a new hypothesis that will be developed by future scholars based on the findings of this study. This Reformulation of Attitude Theories (RAT) in service recovery will add additional value through concepts and theories related to management commitment to service quality, affective outcome, job outcome, authentic leadership, psychological capital, work satisfaction, and overall service recovery performance.

The research framework unquestionably contributes to the body of knowledge in the field of business management. This study investigates the gaps within the hospitality sector from the perspective of front-line employees. It contributes thrice to the body of knowledge. First, this study contributed to the reformulation of attitude theory regarding the management's commitment to service quality for frontline staff from a theoretical standpoint. Second, the four dimensions of psychological capital (PsyCap) will be examined in the context of frontline personnel' internal motivation. PsyCap resides among domain resources that have gotten little attention, particularly among frontline service positions (Karatepe & Talebzadeh, 2016). Thirdly, the role of leadership has an effect on staff resource, defined by PsyCap, which leads to job satisfaction. The exploratory nature of these interactions necessitates a keen comprehension of the magnitude of these variables as exogenous to employee service recovery success.

The second group to benefit from this research would be hotel industry practitioners. Hotel sectors in other nations and other service-related industries would profit equally. Future academics interested in doing research on service recovery performance and its antecedents will find this study to be an invaluable resource. Without a doubt, the outcomes of this study would have practical significance for hotels and hotel front desk personnel. Hotels and hotel front-line employees would learn from the findings of this study that the performance of a hotel is dependent on the ability of its employees, particularly the front-line employees, to recover from a failure situation. This ability is heavily influenced by the leadership style employed.

This study would inform hotel managers of the need to take decisive action on the achievement and development of psychological capital in order to ensure the competence of each front liner who is heavily involved in customer service delivery. In addition, hotel managers would be exemplary leaders if they applied a comprehensive leadership style to their everyday activities and served as a model for their followers, particularly future leaders. In addition, the outcomes of this study would make hotel management and front desk personnel aware of the necessity for strategic positioning of their hotels. They must establish themselves as a good service provider and become productive and efficient in their client service.

8. Sampling

The sample will consist of all hotel employees who are front-line workers in the hospitality industry. There will be a quota sampling of the population of hotel front desk personnel in Malaysia's five regions (Northern, Central, East Coast, Southern and East Malaysia). In order to ensure that the sample comes from a respected hotel that can contribute to the reliability and validity of the study's findings, the hotel employees will be selected from at least 3-Star hotels.

9. Tool

In verifying the route analysis of the proposed variables, partial least square structural equation modelling (PLS-SEM) will be utilised. The PLS-SEM two-stage model comprises of a measurement model and a structural model. Tests for indicator loadings, internal consistency, convergent validity, and discriminant validity are included in the measurement model (Hair et al., 2017). The structural model will evaluate the path coefficient, R² explained variance, effect magnitude, and t-value significant level. The evaluation of the structural model will allow us to determine if the hypotheses offered in this study should be accepted or rejected.

10. Expected Outcome

This research is anticipated to provide threefold benefits:

First, this study would provide insights for Malaysian hospitality and tourism stakeholders. Especially after the COVID-19 outbreak, how the market leader in this industry responded to a decline in holiday and travel- seeking customers. In terms of leadership style, the outcome would be a significant contribution to the body of information on how leadership plays a key role in inspiring people in the hospitality business, particularly front-line personnel. Based on the theory of attitude reformulation, this study would provide a deeper understanding of the elements whose outcomes are measured by work satisfaction. In determining the service recovery performance of frontline employees, all outcomes are significant.

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