Investigating employee-customer identification and its determinants and outcomes in the hospitality industry

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ATTESTATION OF AUTHORSHIP

“I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person (expect where explicitly defined in the acknowledgements), nor material which to a substantial extent has been submitted for the award of any other degree or diploma of a university or other institution of higher learning”.

Signed:

朱江

Jiang (Jenny) Zhu

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ABSTRACT

Although a plethora of research has examined social identification theory from employee and organisation perspectives, such as work group, department or organisation, little is known regarding employees’ relational identification processes with customers. This study empirically investigates a conceptual model of employee-customer identification along with its determinants (i.e. extraversion and perceived organisational support) and outcome (i.e. service recovery performance) in the hospitality industry.

This study utilised an online survey. A total of 262 hotel frontline employees in New Zealand participated in this research. Data was analysed by using the Statistical Package for Social Science (SPSS) version 22, and Structural Equation Modelling using LISREL 8.8.

The findings of this study showed that both extraversion and perceived organisational support have a significant, positive influence on employee-customer identification. The findings also revealed that employees with a high level of employee-customer identification tend to show a high level of service recovery performance. The findings of this research contribute further to hospitality scholarship and organisational behaviour scholarship that deeply and theoretically study employees’ relational identification with customers in different fields and examine its determinants and outcomes. The findings also suggest, to both behavioural and psychological scholars, that individuals’ personality traits need to be continually studied in the academic
research field. In addition, the findings present practitioners significant insight into how to improve employees’ and customers’ interpersonal relationships and how the interpersonal relationship influences employees’ service recovery performance. The findings suggest that providing sufficient organisational support to employees can build-up employees’ interpersonal relationships with customers and enhance employee-customer identification, which leads to high employee service recovery performance.
CHAPTER 1 – INTRODUCTION

1.1 Background of the Study

In today’s competitive market environment, a top priority for hospitality organisations is to have positive interpersonal interactions between employees and customers in order to deliver high quality service and to generate high levels of sales (Teng & Barrows, 2009). In the hospitality industry, customers’ first impression of the organisation and, to a large extent, their view of the organisation’s products and services, are influenced by the behaviours and capabilities of employees they interact with (Crick & Spencer, 2011; Farrell, Souchon, & Durden, 2001; Hartline, Maxham, & McKee, 2000). Service employees are the first and only direct, organisational representation to customers and thereby their attitudes and behaviours are crucial to customers’ perceived service quality during service encounters (Yavas, Karatepe, & Babakus, 2010). It is therefore important for service managers, particularly in the hospitality industry, to understand, and then find ways to effectively manage, these interactions (Solnet, 2007).

In the hospitality industry, the core activity of the service encounters is frontline employees’ and guests’ transactions embedded in layers of hosting performance which build guest loyalty (Lashley, 2008; Onsøyen, Mykletun, & Steiro, 2009). In service encounters, frontline employees have the most face to face or voice-to-voice interactions with an organisation’s customers and thus play a critical role not only on service delivery but also during the service recovery process (Boshoff & Allen, 2000; Choi, Kim, Lee, & Lee, 2014). Especially, keeping in view of the growing of the increasingly competitive environment in the hospitality industry, it is important for
frontline employees to be customer-oriented by understanding customer needs to provide exceptional service to the customers. However, many organisations have delivered a product or a “guest experience” that has fallen short of the customer’s expectation (Michel, 2001). These shortfalls are commonly referred to as service failure (Rashid, Ahmad, & Othman, 2014). Given the high personal interaction in the hospitality industry, service failures are unavoidable (Susskind, 2002). Service failures can negate the effort and time spent in establishing relationships with customers and service failure is one of the leading cause of customer defection (Chia-Chi, 2006). Although an organisation may be unable to avoid service failure, frontline employees engage in positive service behaviours, and their recovery performance may be able to mitigate the potential negative effects of service failure (Priluck, 2003). Consequently, the performance of service employees as an important creator of customer satisfaction contributes to a firm’s success (Bove & Johnson, 2000; Farrell et al., 2001). Given the importance of the service encounters, organisations should explore ways to manage their frontline employees’ behaviours to ensure that they achieve the delivery of quality service (Hartline & Ferrell, 1996). In addition, it is also important for organisations to ensure that employees are able to deal effectively with service failures (Mattila & Patterson, 2004).

In the hospitality industry, frontline employees are entrusted with providing hospitality to customers in the manner that reflects the character the organisation wants to portray (Liao & Chuang, 2004). However, as service employees are often required to act on their own, in immediate contact with customers, it is difficult for managers to have direct control over employees’ behaviours (Yagil, 2002). Moreover, the complex,
sophisticated and subjective nature of interpersonal interactions between employees and customers further complicates the management process (Baum, 2006). Therefore, understanding what drives frontline employees’ attitude and behaviour to deliver high quality service to customers is a focal question in service management. Indeed, researchers have conceptualised and analysed the problem using a number of different theoretical approaches such as employee involvement (Baker, Cronin, & Hopkins, 2009) and perceived organisational support (Saks, 2006). Saks (2006), for example, found that employees with favourable perceptions of organisational support appear to have high quality relationships with their employer and customers and thus produce positive behaviour and outcomes.

When considering the management of employees behaviour, organisational psychologists have suggested that how employees’ think, feel and behave may be affected by their affiliation and attachment to social and work-related groups (Ashforth & Mael, 1989; Haslam, 2001, 2004). Moreover, Haslam (2004) suggested that, in order to understand employees’ perceptions and interactions in an organisational context, it is crucial to study how employees define themselves in terms of group memberships. The ways in which employees define themselves within particular groups in an organisational context has influenced employees’ subsequent performance.

Social psychologists such as Brewer and Gardner (1996), Brickson (2000), and McCollough (2009), found that individuals have three “levels” of identity which include individual (or personal) identity, interpersonal (relational) identity and collective identity. Individual identity incorporates unique characteristics belonging to an
individual. Interpersonal identity focuses on the individual’s role-related relationships such as the relationship of manager-subordinate or employee-customer. Collective identification, which is often linked with social identity theory (Tajfel, 1978), is implicated in the nature of typical expectations associated with social categories such as employee-organisation relationship (Sluss & Ashforth, 2007). Social identity theory (Tajfel, 1978) addresses that part of an individual’s self-concept which derives from his knowledge of a social group together with some affective bonds and significant value to the particular group members. However, Sluss and Ashforth (2007) suggested that individuals’ relational identity involves all three levels of self-identity. The person-based component (i.e. values and beliefs) draws on the individual level, focusing on the more or less unique ways an individual may enact a role-related relationship. The relational identity draws on the interpersonal level. And the role-based component draws on the collective level which focuses on prototypical role occupants.

Within organisational contexts, employees are members of a number of groups. Such groups can include the organisation itself, divisions within the organisation, colleagues and management teams, or other informal groups such as customers (Paulsen, 2003). Employees tend to construct their personal identities around relational or collective identification with those groups in the organisational context depending on which is more self-referential or self-defining. For example, from a social identity perspective, employees may identify themselves with a collective, such as an organisation, through memberships in the salient social groups and categories; whereas employees may identify themselves with group members largely based on connections and role relationships which reflects identity theory (Sluss & Ashforth, 2007). Identity theory
explains how employees identify themselves from the roles they perform or the positions they occupy related to other people’s roles in the organisational context (Stryker & Burke, 2000).

Based on social identity theory (Tajfel, 1978) and identity theory (Hogg, Terry, & White, 1995), when employees identify themselves from the perspective of a group member in the organisational context, their self-identity with the group forms part of an individual’s self-concept, so employees may sacrifice their individual self-interest in the pursuit of what seems the best for the groups’ interests (Paulsen, 2003). Therefore, to understand better how employee behaviour and service quality can be improved, it is important to study the employees’ role-based identity and identification in the organisational context.

1.2 Problem Statement

Both organisational and consumer behaviour studies take social identification into consideration as an important variable which causes people to become psychologically attached to, and care about, the organisation (Ashforth & Mael, 1989; Bhattacharya & Sen, 2003; Johnson, Morgeson, & Hekman, 2012; Mael & Tetrick, 1992; van Dick, Wagner, Stellmacher, Christ, & Tissington, 2005). Therefore, numerous studies on individual identification have provided valuable insights into how individuals define and locate themselves within organisational contexts (Ashforth & Johnson, 2001; Hogg & Terry, 2000; Riketta, 2005; van Knippenberg & van Schie, 2000). Additionally, studies have shown how employees identifying themselves with organisations results in favourable organisational outcomes such as reduced turnover, increased motivation, job
satisfaction and an increased willingness to make decisions that are favourable to the organisation (Ashforth & Mael, 1989, 1992; Hogg & Terry, 2000; Riketta, 2005). Summarising these positive results, Cardador and Pratt (2006) concluded that “Taken together, scholars… see the benefits of employee-organisational identification and believe that organisations are realising that to stay competitive they must engender or ‘manage’ identification” (p. 174).

While previous research has recognised the value of managing the identification of frontline employees, it has focused so far almost exclusively on employees’ collective identification processes, thereby largely neglecting important employee interpersonal identification processes, especially employees’ relational identification with customers (Ahearne, Haumann, Kraus, & Wieseke, 2013; Sluss & Ashforth, 2007, 2008). Relational identification can be defined as employees identifying themselves in terms of specific role relationships with other individuals in the workplace (Sluss & Ashforth, 2007). For example, frontline employees may identify themselves with customers based on the nature of the relationship between employees as product provider and customers as product receiver. Relational identification expands employees’ sense of what defines them, providing psychological and relational benefits (Sluss & Ashforth, 2007). Previous research suggested that relational identification is associated with acting on behalf of the needs of others (Brewer & Gardner, 1996), taking the perspective of another person (Arthur Aron, Aron, Tudor, & Nelson, 1991), and interacting in a personalised way (Brickson & Brewer, 2001). Indeed, understanding employees’ relational identification is important as it fulfils essential self-definition needs and thus acts as a strong motivator of employee behaviours (Brewer & Gardner, 1996).
Recently, Anaza and Rutherford (2012) extended the concept of relational identification to develop a conceptual framework of employee-customer identification. The authors defined employee-customer identification as the extent to which employees identify themselves with customers based on their interdependent role relationships. Anaza and Rutherford (2012) found that employees’ identification with customers influences employees to engage in behaviours that facilitate the welfare of the relationship, and promote customer satisfaction and service quality. Thus, it is important to study employees’ relational identification with customers in the hospitality industry because the interpersonal relationship between employees and customers during a role-based encounter has a significant effect on organisational success, customer satisfaction and loyalty (Solnet, 2007; Solnet & Kandampully, 2010). While Anaza and Rutherford (2012) studied the relationship between employee-customer identification, job engagement and customer orientation in the service sector, there has currently been no study undertaken in the hospitality industry. Therefore, the purpose of this study is to examine the concept of employee-customer identification in the hospitality industry in New Zealand, and to identify its determinants (i.e. extraversion and perceived organisational support) and outcomes (i.e. service recovery performance).

Determinants of employees’ identification in the organisational context have largely focused on the situational determinants, categorised into organisational behaviour and work condition factors, and have neglected potential dispositional factors (Mael & Ashforth, 1992; Riketta, 2005). Organisational behaviour scholars have argued that employees’ behaviours are influenced by their organisational experiences, while personality traits are not related to employees’ service behaviours (Davis-Blake &
However, some researchers, such as Pierce and Gardner (2009) and Kreiner and Ashforth (2004), have suggested that personality may have considerable effects on the key issues of personal and organisational life and therefore individuals’ identification in the organisational context may be affected by dispositional differences. Indeed, recent research has identified that employees’ personality traits influence their work behaviours and outcomes, such as customer-oriented behaviour and service recovery performance (Hee & Johari, 2014; Wieseke, Ullrich, Christ, & Van Dick, 2007; Yavas et al., 2010). An individual’s personality can be described with a five-factor model, often termed the Big-Five factor (Goldberg, 1992) consisting of neuroticism, extraversion, agreeableness, openness and conscientiousness. These five broad factors of higher order, identified in numerous empirical studies (Tupes & Christal, 1992), constitute the pattern of traits across individuals and are considered the fundamental dimensions of personality (McCrae & John, 1992). In the service organisations, employees with certain personality traits (e.g., extraversion) display the appropriate consumer service behaviour routines (e.g., smiling, friendliness) to develop successful service interaction with customers (Ekinci & Dawes, 2009).

On the other hand, some sociologically oriented scholars (e.g., Davis-Blake & Pfeffer, 1989; Rosenthal, Rosnow, & Rubin, 2000) have suggested that organisations are strong situations which can have significant influences on employees’ behaviour and work performance. Contemporary literature has also paid increasing attention to the employee and organisational relationship based on social identity theory (Tajfel, 1978), and the social exchange determinants of employee-organisation identification such as perceived organisational support (Edwards, 2009; Sluss, Klimchak, & Holmes, 2008; Sturges,
Conway, & Liefooghe, 2010) as they believed that perceived organisational support has more powerful influences on employee behaviour and work performance.

To date, however, no research has been conducted in the hospitality industry studying the relationship between employees’ extraversion and employee-customer identification, including the relationship between perceived organisational support and employee-customer identification. Therefore, this research investigates extraversion and perceived organisational support that may influence employee-customer identification in the hospitality industry.

The outcomes of employees’ identification with an organisation have been well documented by theoretical and empirical research (see the meta-analysis by Riketta, 2005); however, there has been little discussion about employees’ identification with customers in the service industry, and especially none in the hospitality industry. Although previous research has identified that effective bonds created by personal interactions between employees and customers have significant influences on customer satisfaction or dissatisfaction (Kim, Leong, & Lee, 2005), customer-perceived quality (Heskett, Sasser, & Schlesing, 1997) and a firm’s performance (Zeithaml & Bitner, 2000), no research has examined the relationship between employee-customer identification and employees’ service recovery performance in the hospitality industry.

Service recovery performance is a very important aspect of the customer service role in the hospitality and tourism industry (Kim, Paek, Choi, & Lee, 2012). It refers to ‘‘frontline service employees’’ perceptions of their own abilities and actions to resolve a
service failure to the satisfaction of the customers” (Babakus, Yavas, Karatepe, & Avci, 2003, p. 274). The concept of service recovery has been a topic of concern in the service industry for the primary reason that customer satisfaction has a direct link to loyalty and greater organisation profits (Karatepe, 2006; Liao, 2007; Tax & Brown, 1998). Therefore, the effectiveness of service recovery performance has been recognised as critical in the service process (Tax & Brown, 1998).

Previous research of service recovery in the service industry identified that service recovery improves customer satisfaction and loyalty, and influences future customers’ purchasing behaviour (Boshoff, 1997; Mattila, 2001; Stefan Michel, Bowen, & Johnston, 2009; Swanson & Kelley, 2001). However, the research to date has tended to focus on the consequences of service recovery performance rather than its determinants. Remarkably, far too little attention has been given to how to improve employees’ service recovery performance (Liao, 2007). Moreover, there has been little discussion about service recovery performance in the hospitality industry (Krishna, Dangayach, & Jain, 2011). Davidow (2003) argued that future research on improving customer service and loyalty is needed to build theory on service recovery and to offer sound advice to hospitality practitioners. Therefore, this study seeks to identify the relationship between employee-customer identification and service recovery performance in the hospitality industry.

1.3 Objectives of the Study

The purpose of this study is to examine employees’ identification with customers in the hospitality industry, and empirically tests determinants and outcomes of
employee-customer identification. Specifically, this research attempts to examine whether employees’ personality trait extraversion and perceived organisational support influences employee-customer identification. This research also explores the relationship between employee-customer identification and service recovery performance.

To accomplish the objectives above, the following research questions were formulated:

1. What is the direction and magnitude of the relationship between extraversion and employee-customer identification?
2. What is the direction and magnitude of the relationship between perceived organisational support and employee-customer identification?
3. What is the direction and magnitude of the relationship between employee-customer identification and service recovery performance?

1.4 Significance of the Study

This study offers several potential contributions to the literature on the hospitality industry and management in the following ways:

1. This study adds to the literature on relational identification research. Much of the empirical research regarding employees’ identification has focused on individuals’ identification with a collective, such as workgroups, or the organisation itself; rarely have the studies been conducted in employees’ relational identification that takes place between employees and customers. Therefore, this study makes a major contribution to a neglected research field of relational identification of
frontline employees. This study explores the important phenomenon of employees’ identification with customers by examining its determinants and outcome. It is hoped to provide hospitality practitioners with a better understanding on how to improve employee-customer identification in order to improve employees’ service recovery performances. Furthermore, studying employee-customer identification will provide better understanding of the importance of interaction between employees and customers. It will give frontline employees an avenue to further customise their experiences with customers based on their ability to know the customer on a deeper level and to understand their service demands.

2. Theory on identity and identification addresses how and why individuals choose to associate with other groups. Previous research has extensively studied employees’ identification with a collective and its consequences based on social identity theory. However, this research studies the consequence of employee-customer identification from the perspective of relational identification and identity theory (Stryker & Burke, 2002). As identity theory generally has focused on role identities, this research provides theoretical and empirical insight into how employees’ role-based identity with customers influences employees’ performance, especially service recovery performance.

3. Exploring the relationship between extraversion, perceived organisational support and employee-customer identification is important because it may provide insights into how hospitality organisations can improve employees’ identification with customers. The findings are beneficial for the organisational behaviour literature, as it is suggested that personality traits of extraversion and perceived
organisational support are important determinants which influence employees’ identification with customers.

4. Since little empirical research has investigated the factors influencing service recovery performance in the hospitality industry, this study contributes to the hospitality literature by providing a better understanding of how employee-customer identification influences employees’ service recovery performance. This study proposes using employees’ relational identification in a service recovery process within a hospitality industry context which has not been applied in the academic fields. Hospitality practitioners may obtain knowledge from the interpersonal relationship between employees and customers to help develop a better and more effective service recovery system.

5. The study examines the concept of employee-customer identification in the hospitality industry in New Zealand, a setting that has not frequently been researched. The findings from this research can enrich employee-customer identification analysis literature by providing a New Zealand hospitality perspective. Nevertheless, the findings from this research may help practitioners, particularly hospitality operators in New Zealand, comprehend how employees’ personality traits and perceived organisational support might influence hospitality employees’ self-identity with customers and performance.

1.5 Structure of the Thesis

This thesis is divided into five chapters. Chapter 1 provides the background of the study and introduces a framework for the study by identifying the specific research problems,
objectives of the study, research questions and significance of the study to the theory and practice.

Chapter 2 provides a review of literature to inform the study and cover the scope of the research hypotheses. The review begins with the background of the hospitality industry, including the hospitality industry in New Zealand. It then discusses literature from a number of disciplines to ensure that the theoretical background for each aspect of the study is explored. Discussion includes the concept of identity and identification, relational identification and employee-customer identification in the hospitality industry. Furthermore, the influences of extraversion and perceived organisational support on employee-customer identification are also examined. A review of the literature relevant to the study also addresses the relationship between employee-customer identification and service recovery performance. Based upon the review of literature, research hypotheses and a research model are presented at the end of the chapter.

Chapter 3 discusses the methodology that was used for data collection and analysis in this research. This chapter starts with the justification of the positivist research paradigm employed in this study. To test research hypotheses, a quantitative research method is adopted based on the basis of the positivist ontology and epistemology. The chapter presents measures including the measurement of employee-customer identification, extraversion, perceived organisational support and service recovery performance and participants’ demographic information. A pilot study for testing all measurements of the questionnaire is also discussed. The data collection process,
including collecting data from an online survey and statistical procedures, is described. Finally, the ethical considerations are addressed.

Chapter 4 reports the results with relevance to the research questions and the hypotheses provided in Chapter 2. The chapter starts with a profile of the 262 respondents and descriptive statistics of the study variables. To assess the reliability of measurement and construct validity, principle component factor analysis and confirmatory factor analysis are analysed and discussed. Structural equation modelling used to test the study hypotheses is also discussed at the end of chapter.

Chapter 5 presents a summary of the key findings. The results show that all study hypotheses are supported. The findings of the study identified that extraversion and perceived organisational support are significant influences on employee-customer identification in the hospitality industry. The findings also showed that employee-customer identification influences employee service recovery performance. Following this, the research implications based on those findings are discussed. The final chapter also discusses limitations of the study and future research direction.

1.6 Definitions of Key Terms

Definitions of key terms used in this study are presented below:

Identity

Social identity is defined as the individual’s knowledge that they belong to certain social groups with some effective bond and significant value to the particular group members (Hogg & Terry, 2000).
**Identification**

Identification is defined as the extent to which one includes a social referent in one’s identity, such as relationships, an in-group, or an organisation (Ashforth & Mael, 1989).

**Identity theory**

Identity theory is “principally a microsociological theory that sets out to explain individual’s role-related behaviours” (Hogg et al., 1995, p. 255).

**Relational identity**

Relational identity can be defined as “the nature of one’s role relationship, such as manager-subordinate and co-worker-co-worker. It is how role occupants enact their respective roles vis-a-vis each other” (Sluss & Ashforth, 2007, p. 11).

**Relational identification**

Relational identification can be defined as the extent to which an individual defines him or herself in terms of the connections and role-relationships with group members (Sluss & Ashforth, 2007).

**Employee-customer identification**

Employee and customer identification is defined as “an employee’s sense of self, derived from his/her interdependent role relationship with his/her customers” (Anaza & Rutherford, 2012, p. 621).
Extraversion

Extraversion can be defined as being outgoing, sociable, gregarious, assertive, talkative and active (Erdheim, Wang, & Zickar, 2006).

Perceived organisational support

Perceived organisational support can be defined as the extent to which employees generally believe that their organisation cares about their well-being and values their contributions (Rhoades & Eisenberger, 2002).

Service recovery performance

Service recovery performance can be defined as frontline employees’ actions and abilities on behalf of the provider in response to an observed failure, so as to return aggrieved customers to a state of satisfaction after service failures (Battaglia, Borchardt, Sellitto, & Pereira, 2012).
CHAPTER 2 – LITERATURE REVIEW

The objective of this literature review is to identify the concept of employee-customer identification and examine its relationship with extraversion, perceived organisational support and service recovery performance in the hospitality industry. The review starts with a brief definition of hospitality and provides an overview of characteristics of the hospitality industry, particularly in New Zealand. The importance of employees’ interpersonal relationship with customers in the hospitality industry is also addressed. It then identifies the concept of employee-customer identification by reviewing relevant literature in terms of identity and identification theory, relational identification theory, and employee-customer identification in the hospitality industry. Following this, extraversion and perceived organisational support, as two determinants of employee-customer identification, are discussed. Lastly, the literature review provides the basis for hypotheses generation to examine the relationship between employee-customer identification and service recovery performance.

Although this study is conducted in the hospitality industry, as employee-customer identification is a relatively new area of study, to gain a better understanding of the concept, managerial psychology and organisational behavioural literature are also included for theoretical support.

2.1 Background of the Hospitality Industry

In the past thirty years, a fruitful and profound debate on the definition and the essence of hospitality has been occurring among both hospitality researchers and practitioners
The fundamental debate focused on the question of “what is hospitality?”, has revealed different approaches to characterising the hospitality industry. Each approach reflects different points of view about hospitality that need to be understood (Ottenbacher, Harrington, & Parsa, 2009).

In an attempt to contribute to the understanding of the concept of hospitality, Brotherton (1999) suggested that a reasonable starting point in defining hospitality would be to go back to its basic nature by, for example, searching the dictionary definition(s) of hospitality. The definition of hospitality in The New Oxford American Dictionary is “the friendly and generous reception and entertainment of guests, visitors or strangers” (Abate & Jewell, 2001, p. 823). However, Brotherton and Wood (2008) criticised the use of dictionary definitions as they tended to be relatively loose and unstructured in nature. They claimed that focusing on the theme of being friendly and generous when making guests feel welcome points to a definition of hospitality that is a narrow and one-way process without any clear parameters. Therefore, Brotherton and Wood (2008) defined commercial hospitality as “a multi-faced industry that profits by the interactions between individuals” (p.39). In addition, the concept of hospitality itself may be defined as a simultaneous and positive experience that is dependent on mutually enhancing social interaction involving the provision of some or more of the following: food, drink, entertainment and services (Brotherton & Wood, 2000). O'Gorman (2007) suggested that hospitality is subjective, not a “matter of objective knowledge” (p. 201), and therefore there are many different interpretations of hospitality.
Teng and Barrows (2009) suggested that the main, distinctive characteristic of the commercial hospitality industry is the positive, interpersonal relationship and interactions between employees and customers, rather than productivity and cost efficiencies. The commercial hospitality industry includes a diverse range of organisations from cafés and bars through to hotels. Baum (2006) suggested that customers in hospitality organisations are seeking memorable experiences and valuable quality service which develop positive feelings. Customers also want service employees to treat them as individuals and satisfy their unique needs during the service encounters (Korcynski, 2002). The relationship between service employees and customers is often characterised by hospitableness and incorporates a welcoming environment and attitude (Severt, Aiello, Elswick, & Cyr, 2008). Therefore, the quality of interactions between employees and customers in hospitality organisations is often determined by interpersonal relationships in which employees may be held responsible not only for their own behaviour and attitude towards the guests, but the customers’ response to them (Crick, 2000). Consequently, the quality of employees’ and customers’ interpersonal relationship has been recognised as a determining factor for organisations to improve their outcomes and to create delightful and memorable experiences for customers in the hospitality industry (Hennig-Thurau, 2004; Mattila & Enz, 2002; Schoefer & Diamantopoulos, 2008).

2.1.1 Hospitality in New Zealand

The tourism and hospitality sector is the second largest export earner in New Zealand, accounting for nearly 13 per cent of total export revenues in 2015 (New Zealand Immigration, 2015). According to Statistics New Zealand (2015), the estimated
international visitor spending in New Zealand continues to grow and reached $8.7 billion for the year ending June 2015, up 28 per cent compared to the previous year. Those visitors came from a diverse range of countries including Australia, China, the United States and the United Kingdom. Because each of these groups has their own characteristics and expectations, to meet their demands it is important for hospitality employees in New Zealand to provide high quality service to reach truly international standards.

The hospitality industry in New Zealand is highly competitive and challenging with increasing consumer expectations. According to the Restaurant Association of New Zealand and AUT University (2013), New Zealand hospitality organisations are facing significant challenges including the lack of skilled employees, competition from other businesses, and building and maintaining sales volume. For example, the report showed that owners are unable to find suitable candidates to fill vacant positions in their businesses. Moreover, many hospitality operators in New Zealand have reported that maintaining a profitable business is still difficult. Only 29 per cent reported that profitability was up in 2012, and 36 per cent reported decreased profitability (Restaurant Association of New Zealand & AUT University, 2013).

Research has identified that the quality of employees’ and customers’ interpersonal relationships has an influence on customer satisfaction and organisational outcomes (Bove & Johnson, 2000; Kandampully, 2002; Paryani, Masoudi, & Cudney, 2010). Employees are one of the key elements in the operation of a successful hospitality business, and are the main drivers to sustain organisational competitive advantages in
New Zealand. Having the right employees can greatly enhance the likelihood of success for hospitality organisations (Karatepe, Yorganci, & Haktanir, 2009). Therefore, studying employee-customer identification in the New Zealand hospitality industry is crucial because the study may help hospitality organisations mitigate the aforementioned challenges, and improve employees’ service quality and organisational outcomes.

2.2 Frontline Employees in the Hospitality Industry

As hospitality frontline employees have boundary-spanning roles, they represent the organisation to customers through the provision of customer services in order to enhance the image of the organisation (Crick & Spencer, 2011). Therefore, the attributes, attitudes, and behaviours of service employees play a pivotal role in translating the internal functioning of a service organisation into desirable external customer outcomes (Liao & Chuang, 2004; Schneider, White, & Paul, 1998). In particular, in the hospitality industry, frontline employees need to provide high service quality and customer satisfaction in order to provide sustained competitive advantages to their organisation (Paryani et al., 2010).

Furthermore, the characteristics of the hospitality industry (mentioned in section 2.1) highlight the importance of role-relationship between frontline employees and customers. Researchers (see Bouranta, Chitiris, & Paravantis, 2009; Yavas et al., 2010) found that frontline employees play the most important role in delivering service quality to customers during service encounters. Frontline employees are the first and most direct representatives of the organisation to customers and, thus, employees influence
the customers’ first impression of an organisation, and their view of the organisation’s product and service is based also on the service (Chao, Lu, & Fu, 2007; Kandampully, 2002; Vathsala & Shyama, 2014). The central role of interpersonal interactions in the customer’s evaluation process can be explained by social cognition theory (Janz & Becker, 1984) which argues that customers rely heavily on social information in their service evaluations. Therefore, employees’ effort, abilities, behaviour and attitude determine customers’ judgement of service encounters and their feelings of being welcomed and valued (Specht, Fichtel, & Meyer, 2007).

In addition, frontline employees in the hospitality industry, who are important sources of information about customers’ requests and complaints, provide suggestions to managers to improve service delivery (Bettencourt & Brown, 2003). After a service failure, service employees are expected to change the view of customers from being dissatisfied to being satisfied and becoming loyal customers (Babakus et al., 2003; Yavas et al., 2010). Research has identified that customer loyalty is affected by the quality of relationships established through interactions with frontline employees and how employees subsequently behave (Bove & Johnson, 2000). Therefore, it is important for organisations to find ways to effectively manage the interpersonal interaction between employees and customers in order to improve customer satisfaction and loyalty.

Marketing research and practice reflect a strong consensus regarding the importance of frontline employees who go the “extra mile” to satisfy customer needs and delivery of quality service (Lichtenstein, Netemeyer, & Maxham, 2010; Wieseke, Ahearne, Lam, & van Dick, 2009). In the search to identify and develop such high-performing employees,
recent research has recognised that employees’ relational identification with customers enhances the interpersonal relationship between service employees and customers, and influences employees’ behaviours and performance, such as customer orientation and job engagement (Anaza & Rutherford, 2012). Therefore, employees’ identification with customers in the hospitality industry is crucial, as it influences the degree to which employees engage in behaviours focused on fulfilling customer needs and enhances service delivery quality (Anaza & Rutherford, 2012; Korschum, 2008).

2.3 Relational Identity and Identification Theory

2.3.1 Identity and identification

“Identity is arguably more fundamental to the conception of humanity than any other notion…I can think of no other concept that is so central to the human experience, or one that infuses so many interpretations and actions, than the notion of identity” (Gioia, 1998, p. 17).

Identity is a self-referential description that focuses on answering the question “who am I?” (Ashforth, Harrison, & Corley, 2008). Social psychologists studying identity and identification found that the individual has three “levels” of identity which are individual (or personal) identity, relational identity and collective identity. Each level of identity has a distinct focus, motivation and self-esteem component (Bettencourt & Brown, 2003; Brewer & Gardner, 1996; Karatepe, 2011; Sluss & Ashforth, 2008).

Table 1 presents one attempt to characterise the difference between the three levels of self-identity that were proposed by Brewer and Gardner (1996). Individual identity
focuses on idiosyncratic attributes of the person and self-evaluation derived from interpersonal comparisons of individual traits. In this respect, the basic motivation within individual identity is self-interest and the individual is essentially independent.

The interpersonal or relational self-identity focuses on one’s role-related relationships with others in specific contexts, such as relationships between managers and subordinates or employees and customers. Here the motivation is based on benefiting others where self-evaluation is derived from appropriate role behaviour (Sluss & Ashforth, 2007). Finally, at the collective level, identity is based on being a prototypical member of a particular group, such as an organisation or social category, with self-worth derived from the status of the in-group in intergroup comparisons (Sluss & Ashforth, 2007, 2008).

Table 1: Three Levels of Representation of the Self

<table>
<thead>
<tr>
<th>Level of analysis</th>
<th>Self-concept</th>
<th>Basis of self-evaluation</th>
<th>Frame of reference</th>
<th>Basic social motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>Personal</td>
<td>Traits</td>
<td>Interpersonal</td>
<td>Self-interest</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>comparison</td>
<td></td>
</tr>
<tr>
<td>Interpersonal</td>
<td>Relational</td>
<td>Roles</td>
<td>Role-relationship</td>
<td>Others’ benefit</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Obligation</td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td>Collective</td>
<td>Group prototype</td>
<td>Intergroup</td>
<td>Collective welfare</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>comparison</td>
<td></td>
</tr>
</tbody>
</table>

Adapted from (Brewer & Gardner, 1996, p. 84)

Identification generally describes the extent to which individuals define themselves in terms of another individual, relationship or group (Pratt, 1998). It has been referred to as “the perception of oneness or belongingness to some human aggregate” (Ashforth & Mael, 1989, p. 21). When individuals’ self-concept contains the same attribute as group members, they are likely to identify themselves as a member of the group and assume
the value and emotional significance attached to that membership (Ashforth et al., 2008).
Identification informs how individuals think, feel and act and, therefore, it can help shed
light on how the perception of oneness with, or belongingness to, a group may affect
perceived unity with another (Sluss & Ashforth, 2008). In the study of human behaviour,
research has identified that the concept of identity helps capture the essence of who
people are, and their identification helps explain why people think about their
environments the way they do, and thus why they approach their work and interact with
others at work in the way they do (Ashforth et al., 2008; Sluss & Ashforth, 2007, 2008).

Following Lynch, Esienberger, and Armeli (1999), identity and identification are viewed
as “root constructs” (p.13) that underlie many organisational phenomena. The
individual’s identity (who am I?) is based, in part, on the groups to which they belong,
and identification with groups forms part of an individual’s self-concept (Solnet, 2006).
Numerous identification researchers have underscored the importance of understanding
identity and identification because they are related to employee attitudes and behaviours
in the workplace (Lynch et al., 1999; Meyer, Stanley, Herscovitch, & Topolnytsky, 2002;
Vandenberghe et al., 2007). For example, van Knippenberg (2007) found that
identification is associated with motivation to achieve goals because when individuals
identify themselves with the group, they may sacrifice their individual self-interest in
the pursuit of what seems best for the groups’ interests and goals. Bell and Menguc
(2002) recognised the importance of employees’ identification processes as key drivers
for frontline employees’ motivation and behaviour.
To understand the sources of identification that attach individuals to groups, two types of identification, relational identification and collective identification, have been suggested in both the social and organisational psychology literature to explain employees’ behaviours and performance (Brickson, 2000; Zhang, Chen, Chen, Liu, & Johnson, 2014). However, as the purpose of this study is to identify employees’ relational identification with customers in the hospitality industry, only relational identification is discussed here.

2.3.2 Relational identity and identification

Recently, organisational researchers have shown a deep interest in how individuals identify and locate themselves within a collective, such as workgroups or the organisation (Ashforth & Johnson, 2001; Hogg & Terry, 2000; Yan, Raymond, & Long, 2011). However, what has been missing is a specific focus on how interpersonal relationships influence individuals’ self-identification and self-definition in the workplace. In particular, the relationship that service employees form with their customers has been overlooked as a form of relational identification (Sluss & Ashforth, 2007, 2008). Relational identification is a relatively new concept and recent organisational research has studied the role of relational identification in facilitating employee cooperation, creativity, and productivity (Ahearne et al., 2013; Qu, Janssen, & Shi, 2015), yet relatively few studies have examined service employees’ relational identification with customers (Sluss & Ashforth, 2007, 2008).

Identity theory is “principally a microsociological theory that sets out to explain individuals’ role-related behaviours” (Hogg et al., 1995, p. 255). In other words, identity
theory is how and why people perceive their identity and express it through identification; therefore it links both identity and identification. According to identity theory (Hogg et al., 1995), relational identity can be defined as the nature of one’s role relationships, such as managers and employees or employees and customers. It is how role occupants enact two individual’s respective roles with each other (Sluss & Ashforth, 2007). Hence, the role of the service employee is meaningless without the complementary role of customers, because it embeds the action of the roles during the service encounters and service employees may identify themselves with customers by the interaction in these roles. Therefore, an individual’s self-identity is influenced by their role-based identities associated with their role within an organisation (Sluss & Ashforth, 2007).

The concept of role-relationship is described as recurring connections or frequent interactions between two people (Heaphy & Dutton, 2008). Role related relationship is the “dynamic, living tissue that exists between two people when there is some contact between them involving mutual awareness and social interaction” (Dutton & Heaphy, 2003, p. 264). As such, the specific members of a role-relationship are interdependently connected due to their respective organisational roles. The frequency of interactions encourages the formation and stability of the relationships in order to serve task-related needs (Poulston, 2008). For example, good quality relationships between employees and customers in service encounters increase employees’ service delivery quality, and customer satisfaction and loyalty (Jamal & Adelowore, 2008). Therefore, work role-relationships are not only prevalent but also influential in employees’ work experiences (Dutton & Heaphy, 2003).
The basis of an individual’s beliefs and expectations for a role-related relationship derives from his or her general theories of how and why relationships form, and how and why a particular relationship is forming as it is (Fitness, Fletcher, & Overall, 2003). The more valued the role-related relationships between two individuals, the more important the role identity, and the more likely the person will strive to affirm the identification (Burke & Reitzes, 1991; Sluss & Ashforth, 2008). Thus, individuals often look to their role relationships to help satisfy various social-psychological needs, including a sense of belonging, of meaning, and of identity (Sluss & Ashforth, 2008).

Sluss and Ashforth (2007) constructed a theoretical framework that takes a relational perspective on role relationships in organisations and provides insights on how relational identification, flowing from role relationships, may shape how individuals think, feel, and act in the workplace. Relational identification is defined as the extent to which an individual defines oneself with a group member through the role-relationship, often due to positive valence (Sluss & Ashforth, 2007). Relational identification entails the degree to which one includes the role-relationship in his/her self-identity (Aron & Aron, 2000). For example, employee A, a sales representative, may strongly identify him/herself, with regard to personal identity at work, in terms of his/her role-relationship with customer B who is A’s important client. Although the role-relationship between employee A and customer B is not as salient as the role-relationship between employee A and his/her direct manager, the close interpersonal interaction between employee A and Customer B is likely to increase the salience of employee A’s relational identification with Customer B. As a result, each role-relationship engenders its own particular degree of salience (Sluss & Ashforth, 2007). Relational identification may have a clear sense, for employees, of what it means
to be in a relationship and to have internalised that role relationship as part of self-identity (Sluss & Ashforth, 2007).

Because relational identification involves the motivation to benefit dyadic relationships, individuals who identify themselves through relational identity are likely to foster an array of benefits including, for example, empathy, social support, mutual understanding, cooperation and loyalty. Such benefits are likely to lead to trust and rapid information sharing (Davidson, Manning, & Timo, 2001). In this sense, relational identification acts as a strong motivator of employee attitude and behaviour and, therefore, managers need to be aware of the opportunities and threats associated with frontline employees’ relational identification with the targets in the organisational context.

### 2.3.3 Employee-customer identification

Research has recently recognised that employees’ relational identification influences their work performance and that relational identification is a key driver for frontline employee motivation and behaviour (Ahearne et al., 2013; Sluss & Ashforth, 2007). The concept of relational identification with a workgroup is generally defined as the extent to which employees include the connections and role relationships with their group members in the self-concept (Sluss & Ashforth, 2007). For example, the role of service employees is central to customers’ service experiences; meanwhile, customers, as service receivers, are seeking to develop close relationships with those employees (Kim, 2009).
Previous research has identified that individuals’ relational identification involves interpersonal processes that allow for the expression of individuality and uniqueness through establishing close role-relationships with those who have similar values, beliefs, attitudes, or personalities in their role relationships (Ashforth & Sluss, 2006; Polzer, Milton, & Swann, 2002; Tax & Brown, 1998). These role relationships focus on the relational aspect of workplace interactions and interpersonal relationships typically found among employees and customers (Sluss & Ashforth, 2007, 2008). For example, employees may see or perceive themselves as sharing self-defining characteristics, such as goals and values, with their customers who have similar characteristics based on their role relationships. Furthermore, Sluss and Ashforth (2007, 2008) have identified that the role-relationships based identification between employees and their significant group members are influenced by their role-based identity. Consequently, the role relationship and interpersonal interaction based identity are likely to increase the salience of employees’ relational identification with customers (Sluss & Ashforth, 2007). Subsumed under these assertions, employee-customer identification can be defined as an employee’s self-concept derived from his/her interdependent role relationship with his/her customers (Anaza & Rutherford, 2012).

Figure 1. describes how employees identify themselves with customers based on their role-relationship identity. Firstly, service employees may identify themselves with customers based on their interdependent role-relationships. For example, a customer’s role as an individual in need of a product or service is central to helping employees construct their role-based identities as service provides (Anaza & Rutherford, 2012; Sluss & Ashforth, 2007, 2008). As can be seen from Figure 1., when employees assume
a self-defining and relational based identity with customers, a range of beneficial work-related behaviours and attitudes have been found to follow (Sluss & Ashforth, 2008). For example, such behaviours and attitudes may involve delivering high quality services, helping customers with extra needs and putting more effort into the work (Anaza & Rutherford, 2012; Strong & Harris, 2004). Therefore, when employees identify with customers, they are more customer oriented and have high levels of on-the-job engagement (Anaza & Rutherford, 2012).

![Diagram of Employee-customer Identification](image)

**Figure 1. Employee-customer Identification**

(Sources from: Anaza & Rutherford, 2012; Sluss & Ashforth, 2007)
In summary, it is important to understand and improve frontline employees’ identification with customers because employees’ role-relationship based identification is likely to influence employee attitudes, behaviours, and work performance, such as customer orientation and commitment (Anaza & Rutherford, 2012; Sluss & Ashforth, 2007, 2008).

Based on the aforementioned literature review, Figure 2 depicts the relationship between employee-customer identification, employee behaviour and work performance, customer satisfaction, and employee-customer relationship. It shows how interpersonal identification processes influence employee attitude and behaviour, resulting in positive work outcomes such as customer orientation behaviour and job engagement (Anaza & Rutherford, 2012). Moreover, previous research suggested that customer satisfaction and positive behaviour towards an organisation are influenced by service employee attitude and behaviour (Donavan & Hocutt, 2001; Farrell, Souchon, & Durden, 2001). Therefore, employees’ perception of the customer with whom they interact is important to the role-relationship of employee and customers which enhances employee-customer identification (Anaza & Rutherford, 2012; Cardador & Pratt, 2006; Sluss & Ashforth, 2007).
Figure 2. Relationship between Employee-customer identification, Employee behaviour, Customer satisfaction and Employee-customer relationship

*Note.* The relationships between employee-customer identification, employee behaviour, customer satisfaction and employee-customer relationship were demonstrated from previous research.

(Sources from: Donavan & Hocutt, 2001; Farrell, Souchon, & Durden, 2001; Anaza & Rutherford, 2012; Cardador & Pratt, 2006; Sluss & Ashforth, 2007; Riketta, 2005)

In the next section, determinants of employee-customer identification are discussed and, thereby, it helps organisational managers understand how to improve employee-customer identification in the workplace.
2.4 Determinants of Employee-customer Identification

2.4.1 Person and situation debates on employee behaviour

During the past 20 years, the person and situation debate has spilled over from psychology to the field of organisational behaviour (Staw & Charash, 2005). Much of the existing research on social identification has tended to focus on situational determinants as antecedents of identification, which have included organisational behaviour and work condition perspectives, while employees’ dispositional antecedents, such as personality traits, have been neglected (Mael & Ashforth, 1992; Riketta, 2005). Aghaz and Hashemi (2014) suggested that when people are hired by an organisation, their personality is completely formed and, therefore, there is not much value in studying its impact on organisational variables.

Nevertheless, personality psychologists have asserted that a person’s personality traits can significantly determine an employee’s job behaviours (George, 1992; Judge & Locke, 1993). Pierce and Gardner (2009) also suggested that personality can significantly influence the key outcomes of personal and organisational life; thus it is crucial to study its impact upon organisational variables. Likewise, Kreiner and Ashforth (2004) demonstrated that individuals’ identification with their organisation and other work-based groups may be affected by personality differences. It seems that there is a need to analyse the effects of personality traits on employees’ identification with customers, as personality traits may influence employee behaviour and outcomes.

However, Davis-Blake and Pfeffer (1989) argued that organisations can significantly influence employees’ attitudes and behaviour. Moreover, sociologically oriented
scholars, such as Rosenthal et al. (2000), revealed that employees spend long hours within the confines of the organisation; their outcomes, such as income, status and social identification, are controlled by organisations; therefore situational variables are important determinants of what people do, and can cause behaviour to vary across conditions (Rosenthal et al., 2000). In particular, social psychological researchers (Baran, Shanock, & Miller, 2012; Rhoades & Eisenberger, 2002) have identified perceived organisational support as one of the organisational variables that has significant influence on employees’ behaviour and performance. Based on social exchange theory, when an organisation provides sufficient support and resources, employees feel obliged to return positive work outcomes by producing positive attitude and behaviour (Eisenberger, Armeli, Rexwinke, Lynch, & Rhoades, 2001).

Current research is also increasingly interested in perceived organisational support as an important mechanism in models that predict the extent to which employees are likely to engage psychologically with their organisation (Edwards, 2009; Sluss et al., 2008; Wiesenfeld, Raghuram, & Garud, 2001). For example, Wiesenfeld et al. (2001) have shown that individuals’ perceived work-based social support shows, to some extent, that they have positive social relationships with others in the workplace that are positively related to employees’ identification with the organisation. While previous studies have examined the relationship between perceived organisational support and organisational identification, to date no research has studied the relationship between perceived organisational support and employee-customer identification in the hospitality industry. Overall, the personality trait ‘extraversion’ and perceived organisational support are explored as determinants of employee-customer identification in this study. In the
following sections, the literature related to the personality trait of extraversion and perceived organisational support is reviewed, and hypotheses are discussed.

2.4.2 Personality traits

According to trait theory (Allport, 1961), personality traits, which are viewed as permanent and enduring, guide an individual’s behaviour. More recently, Borghans et al. (2011) suggested that personality traits are stable over time, and provide the reasons for the person’s ideas, emotions and behaviours which distinguish people from each other. Trait theory asserts the need to study the unique personality of individuals as a predictor of their behaviours in an organisational context (McCrae & John, 1992). Funder (2001) found that personality describes a person’s attributes and features which highlight their pattern of thoughts, emotions, and actions. Following this view, research has used personality traits to help predict employee behaviour and work performance, as it is believed that these traits have a significant influence on customer perceptions of service quality, organisational brand image, and consumer loyalty and satisfaction (Brown, Mowen, Donavan, & Licata, 2002; Ekinci, Dawes, & Massey, 2008).

Several attempts directed at examining human dispositional characteristics have found that employees’ personality traits are an important part of performance and have an influence on employees’ working behaviour (Crick & Spencer, 2011). Consistent with this thinking, Periatt, Chakrabarty, and Lemay (2007) found in their study that more than 100 companies in the UK used personality tests to hire employees during an interview. Indeed, some service organisations commonly hired employees based on their personality traits in order to predict their behaviour and attitude to serve customers.
Moreover, researchers, such as Ekinci and Dawes (2009); Periatt et al. (2007), suggested that employees’ personality traits are likely to influence customer-oriented service behaviours such as smiling, responding, and helping to develop successful service interaction with customers. Therefore, it is reasonable that some organisational scholars posit that personality traits may affect employees’ levels of identification (Johnson et al., 2012; Kreiner & Ashforth, 2004).

A number of studies have found that the Big-Five factor model is a favoured method among researchers when assessing people’s dispositional traits within various contexts (Chiaburu, Oh, Berry, Li, & Gardner, 2011; McCrae & John, 1992; Olver & Mooradian, 2003). The Big Five personality dimensions are extraversion, neuroticism, openness, agreeableness, and conscientiousness (Goldberg, 1992). These five factors have been widely accepted and identified in numerous empirical studies. For example, they are applied to examine the interaction between personality traits and organisational variables, such as job satisfaction, job performance, customer-oriented behaviour, employee involvement and employee-organisational identification (Aghaz & Hashemi, 2014; Judge, Heller, & Mount, 2002; Panaccio & Vandenberghke, 2012).

While others have developed alternative models for measuring personality traits, such as Paunonen and Jackson (2000) with their nine trait model, the Big Five model remains widely recognised and accepted by researchers (Aghaz & Hashemi, 2014). Therefore, this research adopts the “Big Five” personality trait model to examine the effects of personality on employee-customer identification for two reasons. First, convincing evidence of the validity of the Big Five taxonomy has accumulated over the last few
decades and has been validated in different theoretical frameworks and many empirical studies (De Raad & Doddema-Winsemissius, 1999; John & Srivastava, 1999; McCrae, 2004). The Big Five is considered to capture the fundamental dimensions of human personality (McCrae, 2004). Second, numerous studies from different disciplines are able to replicate the findings across different occupations and cultures (De Raad & Doddema-Winsemissius, 1999). Nevertheless, although the Big Five has been examined widely within the literature in several industries, the relationship of the Big Five to employees’ identification in the service industry is much less studied.

However, due to limitations of the study and the length of the questionnaire, only extraversion will be examined in this study and, therefore, neuroticism, conscientiousness, agreeableness and openness are not included. The reason to posit extraversion as the likely predictor is because research has shown that extraversion makes an individual more likely to identify with social groups in general (Aghaz & Hashemi, 2014; Johnson et al., 2012). Extraversion is expected to be particularly pivotal as an individual’s performance involves interactions with other people, especially within the service context (Barrick & Mount, 1991). Therefore, extraversion is identified as one of determinants which may influence employee-customer identification.

2.4.3 Extraversion and employee-customer identification

Extraversion can be defined as being out-going, sociable, gregarious, assertive, talkative and active (Erdheim et al., 2006). According to personality theory (Holland, 1985) explored by Costa and McCrae (1995) and John (1990), confidence, self-expression, power and assertiveness are well-supported factors of extraversion across previous
research. Therefore, extraverts are characterised as enthusiastic, optimistic and animated individuals who enjoy human companionship and, as such, are more prone to being supportive of other people’s actions (Judge et al., 2002; Mooradian & Olver, 1996). Extraversion is strongly associated with successful customer service interaction as extraverted people who are sociable and outgoing tend to enjoy their interactions with people and put them at ease with their friendly and relaxed conversational style (Lin, Chiu, & Hsieh, 2001). Based on personality theory (Holland, 1985), environments and personalities are interactive, in that the environment provides a framework for the individual to accomplish personal goals by actualising their “talents, skills, and interests” (p.11). In other words, this theory suggests that people with certain personality traits are shown to gravitate to specific environments in which their abilities and interests can be expressed. Matthews, Zeidner, and Roberts (2004) have revealed that extraversion leads to desire for self-enhancement, which reflects a motivation for the individual to emotionally connect with their social environment.

Extraversion has been shown to be related to various group process variables, such as communication, flexibility and conflict (Barry & Stewart, 1997). Extraverts have more optimistic feelings and express more positive emotions, so that they are able to integrate socially and more easily embrace and interact with various kinds of people at work (Connor-Smith & Flachsbart, 2007; Diener, Suh, Lucas, & Smith, 1999; Ekinci & Dawes, 2009). It is generally believed that extraverted employees are suited to jobs that involve a greater quality and quantity of interpersonal interactions (Barrick & Mount, 1991; DeYoung, Quilty, & Peterson, 2007; Zimmerman, 2008). Aghaz and Hashemi
(2014) suggested that extraverted employees should, in general, have stronger feelings of oneness with groups and experience positive effective identification in the workplace.

Organisational behaviour research has identified that extraversion is positively related to customer-oriented behaviour (Hee & Johari, 2013; 2014; Panisa & Patterson, 2011). Customer-oriented behaviour is particular behaviour exhibited by employees during service encounters which leads to positive work performance and customer assistance (Farrell et al., 2001; Liao & Chuang, 2004). Customer-oriented behaviour is essential in fulfilling customers’ needs by delivering solutions and assisting customers to achieve their goals (Stock & Hoyer, 2005). Anaza and Rutherford (2012) have also found that employees who identify with customers perform an increased number of customer-oriented behaviours, such as dedicating more effort to tasks beneficial to customers’ needs. Based on previous literature, this research proposes that:

H1: Extraversion will be positively related to employee-customer identification.

### 2.4.4 Perceived organisational support

Perceived organisational support can be defined as the extent to which employees generally believe that their organisation cares about their well-being, values and their contributions (Rhoades & Eisenberger, 2002). According to organisational support theory (Esienberger, Cummings, Armeli, & Lynch, 1997), the development of perceived organisational support is based on employees’ tendency to develop global beliefs regarding the extent to which an organisation favours or disfavours them, values their contributions and genuinely cares about their wellbeing (Esienberger et al., 1997; Rhoades & Eisenberger, 2002). Thereby, it suggests that employees consider perceived
rewards and recognition by an organisation and draw conclusions about the organisation’s intentions towards them which are benevolent or malevolent (Lytle, Hom, & Mokwa, 1998).

Previous research proposed that perceived organisational support is based on social exchange theory and is used to describe how it could best address employee well-being and how the organisation evaluates employee contributions in return (Blau, 1964; Eisenberger, Armeli, Rexwinkel, Lynch, & Rhoades, 2001; Eisenberger, Fasolo, & Davis-LaMastro, 1990). According to Johlke, Stamper, and Shoemaker (2002), the concept of perceived organisational support “… is based on a social exchange interpretation of organisational commitment, whereby employees extend their effort and loyalties to the organisation in return for the material commodities and social rewards it can bestow” (p.117). Research has identified that when an organisation provides needed support and resources to employees, this leads to the formation of an exchange-based relationship. Consequently, employees reciprocate what they receive from their organisation by contributing a strong commitment and effort to the organisation (Eisenberger, Huntington, Hutchison, & Sowa, 1986; Masterson, Lewis, Goldman, & Taylor, 2000).

Based on social exchange theory, both employees and their organisation can benefit from high levels of perceived organisational support (Eisenberger et al., 2001). Research has shown that high levels of perceived organisational support enhance the sense of employees’ felt obligation and, therefore, perceived organisational support as a resource is capable of influencing employees’ behaviour and performance in terms of
employees’ engagement, commitment, turnover intent and citizenship (AlKerdawy, 2014; Baran et al., 2012; Karavardar, 2014). When employees perceive high levels of organisational support, they are more compelled to develop an effective commitment to the organisation and contribute to the objectives of the organisation (Meyer et al., 2002).

2.4.5 Perceived organisational support in the hospitality industry

Frontline employees who are in frequent face-to-face or voice-to-voice interactions with customers in the hospitality industry are at the forefront of providing products and services to guests, so they play a critical role in service delivery and building relationship with customers (Bouranta et al., 2009; Karatepe & Uludag, 2008; Yavas & Babakus, 2010). While frontline employees are important in delivering service quality, hospitality frontline employees have limited authority in the operating procedures and decision-making processes that regulate their service environment (Faulkner & Patiar, 1997). Recent research has shown that hospitality employees are confronted with a number of problems associated with poor working conditions, low pay, inadequate training and heavy workloads (King & Wilkins, 2011; Kusluvan, Kusluvan, Ilhan, & Buyruk, 2010; Poulston, 2008). Such poor work conditions and limited authority of frontline employees may cause difficult situations or often inhibit their ability to provide a true hospitality service, although their managers place a strong emphasis on customer focus and customer satisfaction (Davidson et al., 2001; Vallen, 1993). Davidson et al. (2001) claimed that employees’ perception of their work environment or organisational support has a significant influence on the quality of service and level of customer satisfaction. More precisely, organisational support and immediate work environment may contribute to a hospitality employee’s level of job satisfaction and can result in a
positive behaviour and outcomes toward the organisation (Eder & Eisenberger, 2008; Smith, Gregory, & Cannon, 1996). Consequently, under these circumstances, hospitality managers need to provide sufficient support to employees so that it can mitigate the adverse effects of the aforementioned problems on employees and can motivate employees to achieve high-quality performance in the workplace (Karatepe, 2011; 2012).

2.4.6 Perceived organisational support and employee-customer identification

Research has linked perceived organisational support to employees’ outcomes based on social exchange theory (Karatepe & Agbaim, 2012; Karavardar, 2014; Rhoades & Eisenberger, 2002). A considerable amount of research has identified that employees with high levels of perceived organisational support are associated with positive work outcomes and behaviours, including increased job involvement, organisational commitment, task performance, organisational citizenship behaviours, creative performance, work engagement, and a high level of employee engagement (Gulsah, 2014; Karatepe & Agbaim, 2012; Lages & Piercy, 2012; Rhoades & Eisenberger, 2002; Rich, Lepine, & Crawford, 2010; Saks, 2006). Research studying the relationship between perceived organisational support and employees’ work-related behaviours from the perspective of social exchange theory, has found that employees’ perceptions of organisational support lead them to feel obligated to reciprocate in kind and encourage psychological investment in their organisation in return (Eisenberger et al., 2001; Eisenberger & Stinglhamber, 2011). For example, Eisenberger and Stinglhamber’s (2011) study, conducted in the context of Southwest Airlines, identified that employees with high levels of perceived organisational support tended to provide excellent
treatment and service to customers. Accordingly, through the feeling of being valued by an organisation, employees trust and appreciate their organisation and have more confidence in their organisation’s fulfilment of its exchange obligations; consequently, they may put more effort toward helping the organisation to achieve its objectives and be motivated to perform (Cropanzano & Mitchell, 2005). In this regard, employees with high perceived organisational support tend to fulfil their job responsibilities by taking an active role and extra-role behaviours in delivering excellent customer service, and satisfying customer needs (Vathsala & Shyama, 2014).

Furthermore, Eisenberger et al. (2002) have identified that when an organisation meets socio-emotional needs for employees’ affiliation, such as rewards, developmental opportunities and needed support, employees feel more organisational respect and self-esteem. Therefore, perceived organisational support increases not only employees’ reciprocity with the organisation, but also feelings of employees’ self-esteem (Eisenberger et al., 2001). Since self-esteem has a significant influence on an individual’s identification (Lee & Peccei, 2007; Marique, Stinglhamber, Desmette, Caesens, & De Zanet, 2013), how they feel about the way the group is treating them affects how they construct their self-identity related to their group members (Tyler & Blader, 2003). Accordingly, a considerable amount of research (Edwards, 2009; He, Pham, Baruch, & Zhu, 2014; Sluss et al., 2008) has identified that when employees received situational and emotional support from their organisation, they were likely to engage psychologically and identify with their organisation. Sluss and Ashforth (2008) have also pointed out that employees who identify with the organisation may develop deeper bonds with their customers which fosters continued interpersonal connections.
between employees and customers. Indeed, Anaza and Rutherford (2012) identified that employees who identify with their organisation also have strong identification with customers. In other words, when employees become more connected with their workplace, their desire to bond with customers also increases. Such employees who identify with organisations tend to apply greater effort to their responsibilities and deliver quality service to customers to achieve organisational success (Tyler & Blader, 2001), even to the extent of expressing a greater understanding of customer needs and improving the overall service experience for customers (Strong & Harris, 2004). Employees’ behaviour fosters a salient, interpersonal connection between frontline employees and customers, thereby enhancing the employee-customer identification (Sluss & Ashforth, 2007). Therefore, based on previous literature, this study hypothesises that:

H2: Perceived organisational support will be positively related to employee-customer identification.

2.5 Outcomes of Employee-customer Identification

Albert, Ashforth, and Dutton (2000) argued that, unlike other individual level variables relevant to the study of organisational context, identification, as a root construct, has a natural connection with collective-level outcomes because of its social nature. It is not surprising, therefore, that a considerable amount of literature has revealed that employees’ identification with a collective (i.e. organisation) has been associated with a variety of organisationally relevant outcomes (see meta-analysis by Riketta, 2005). However, to date, no research has been found that surveyed the relationship between
employee-customer identification and employees’ service recovery performance in the hospitality industry.

Service recovery is referred to as employees’ actions carried out to counter the possibilities of a service failure (Zeithaml & Bitner, 2000). Service recovery is particularly important in the hospitality industry as the industry, which involves a high frequency and diversity of customer and service provider interactions, cannot avoid errors, mistakes, failures and complaints in the process of service delivery (Bitner, Booms, & Tetreault, 1990; Mack, Mueller, Crotts, & Broderick, 2000). Service delivery failures may put hospitality organisations out of business through neglecting the cause of failure. Therefore, it is important that, when mistakes happen, service employees take effective remedial measures to recover customer satisfaction (Gursoy, McCleary, & Lepsito, 2007).

Furthermore, the high level of human interaction and reliance on the interpersonal skills of the service employees also adds to the difficulty of hospitality firms in providing error-free service (Nikolich & Sparks, 1995). As a result, effective service recovery lies at the heart of companies’ efforts for customer loyalty and relationship building. In addition, effectively solving and addressing a customer’s dissatisfaction can lead to high customer satisfaction and loyalty (Magnini, Ford, Markowski, & Honeycutt, 2007; Yanamandram & White, 2006). Therefore, improving employees’ recovery performance can help the firm to stay competitive, especially in the hospitality industry, through delivering superior recovery service. However, a study of service recovery literature conducted by Krishna et al. (2011) has revealed that little attention has been paid to
investigating service recovery performance in the hospitality industry. Therefore, this study is the first study to theoretically and empirically examine the relationship between employee-customer identification and service recovery performance in the hospitality industry.

2.5.1 Service recovery performance in the hospitality industry

Hospitality firms focusing on customer satisfaction and service quality can put frontline employees in some challenging situations, such as serving aggressive customers and dealing with customer complaints (Yoo, Kim, & Lee, 2015). Frontline employees play a crucial role, not only during service delivery in service encounters but also during service recovery (Bettencourt & Brown, 2003). Therefore, support for service delivery and complaint-handling processes are crucial to frontline employees because their problem-solving actions increase customer satisfaction and loyalty and also help the firm to attain predefined performance standards (Ulaga & Reinartz, 2011).

Since service failures are an inevitable part of service delivery, even in the best run hospitality organisations, service operation strategy should consider failure recovery processes (Schoefer, 2010). The performance of frontline employees in dealing with service failure is, therefore, identified as an important strategic issue in the service literature (Bendall-Lyon & Powers, 2001; de Ruyter & Wetzels, 2000). Service recovery performance is defined as frontline employees’ behaviour in response to observed service failure, and their ability to return dissatisfied customers to a state of satisfaction after service failures (Battaglia et al., 2012). Grönroos (2007) has found that solving problems before a customer complaint and shortly after customer dissatisfaction occurs, are the two objectives of recovery performance for frontline employees. Because
frontline employees play a significant role in delivery of service quality and effective service recovery (Bouranta et al., 2009; Yavas et al., 2010), their efforts in making dissatisfied customers become satisfied customers can lead to a host of benefits for an organisation, such as customer satisfaction and loyalty, and long-term seller-customer relationships (Boshoff & Allen, 2000; Mattila, 2001).

Service recovery performance is an organisationally valued performance outcome in frontline service jobs (Karatepe, 2006; Yavas & Babakus, 2010). When frontline employees receive complaints from customers pertaining to failure in service, they are expected to solve these complaints effectively and provide managers feedback with suggestions concerning improvement for service delivery (Hvass & Torfadóttir, 2014). For example, Solnet and Kandampully (2010) have demonstrated that using passenger complaints as feedback can improve customer service experiences. Therefore, frontline employees have the capability for returning aggrieved customers to a state of satisfaction after a service failure occurs (Yavas et al., 2010). Organisations can regain customer confidence and strengthen customer satisfaction and loyalty through employees’ effective service recovery performance (Babakus et al., 2003; Karatepe, 2006). Under these circumstances, service recovery performance is important to hospitality organisations, and it is, therefore, important for managers to improve employee service recovery performance in order to improve customer satisfaction and loyalty.
2.5.2 Employee-customer identification and service recovery performance

Frontline service employees are crucial to the delivery of service recovery, as their problem-solving actions have direct influences on customer satisfaction and loyalty (Liao, 2007; Maxham & Netemeyer, 2002). In this way, service recovery performance relies on employee behaviours and what employees do and say when handling customer complaints. Role theory has emphasised “the nature of people as social actors who learn behaviours appropriate to the positions they occupy in society” (Solomon, Surprenant, Czepiel, & Gutman, 1985, p. 102). Therefore, based on role theory (Solomon et al., 1985), service organisations expect frontline employees to fulfil service recovery roles comprising core recovery behaviour aimed at achieving an efficient and high-quality solution to customers’ problems (Liao, 2007).

Given that employee-customer identification focused on role relationships, employee role-based identification with customers motivates employees to engage in behaviours that are aimed at promoting customer satisfaction, delivering high service quality, and helping customers with extra needs (Anaza & Rutherford, 2012; Korschum, 2008). Furthermore, Anaza and Rutherford (2012) identified that employees who identify with customers display great job engagement. Those employees put more effort into the task and perform extra-role behaviours, such as helping customers and problem-solving, which benefit customers and organisations. Therefore, it seems that employees who identify with customers perform better service recovery roles during service recovery encounters.
In service recovery, frontline employees’ abilities and proactive behaviour to resolve a service failure, as well as the specific complaint situation, are important (de Jong & de Ruyter, 2004). Thus, employees are required to perform customer oriented behaviours which meet customers’ needs, as well as to seek any additional resources required to solve customers’ problems and complaints during the service encounter (de Jong & de Ruyter, 2004). According to Anaza and Rutherford (2012), employees who strongly identified with their customers displayed greater customer orientation, such as dealing with customers’ requests and complaints effectively. In particular, Anaza and Rutherford (2012) have demonstrated that employees who identify with customers put more effort into tasks. Indeed, the more employees identify with customers, the more they are engaged in behaviours such as fulfilling their role responsibilities, problem-solving and helping, which benefit customers (Ashforth & Sluss, 2006). Therefore, due to the limited research on employee-customer identification and service recovery performance, the following hypothesis is constructed as an exploratory relationship:

H3: Employee-customer identification will be positively related to service recovery performance.

This study examines the determinants and outcome of employee-customer identification. Figure 3 depicts a proposed research model of this thesis. It is hypothesised that extraversion and perceived organisational support has a positive relationship with employee-customer identification. The model of this research also posits that employee-customer identification has a positive relationship with service recovery performance.
Figure 3. A Proposed Research Model
CHAPTER 3 – METHODS

This chapter presents an outline of the methodology used in this study. Firstly, the positivist paradigm is discussed. Following this, the chapter describes the target population and the research instruments used to collect information from participants. The latter part of the chapter describes components of the research design including the sampling process, questionnaire design, pilot study, measures, data collection procedure, and statistical analyses procedure. Finally, a brief overview of ethical considerations is presented.

3.1 Positivist Paradigms

A paradigm is a set of concepts, values, and basic beliefs that guides the investigator (Guba & Lincoln, 1994). A paradigm provides an “implicit body of intertwined theoretical and methodological belief that permits selection, evaluation, and criticism” (Kuhn, 1970, p. 17). It specifies a general set of philosophical assumptions, including the ontology (what is assumed to exist) and the epistemology (the nature of valid knowledge) which guide the type of exploration conducted within the study (Mingers, 2001). A researcher’s view of the social world and identifying relationships between the nature of reality and human social life are explored by different categories of paradigms which include positivism, post-positivism, interpretivism and critical theory (Giddings & Grant, 2002).

Based on the previous literature, this study hypothesises that extraversion and perceived organisational support are the determinants, and service recovery performance is the
outcome, of employee-customer identification. In order to test theory and examine hypotheses, this research is related to the positivist paradigm because this paradigm explores the truth of a hypothesis based on empirical evidence which is posited and measured through logical and mathematical analysis (Myers, 2009).

Positivist researchers believed that form and reality exist in the social world (Myers, 2009) and the purpose of the positivist paradigm is to statistically test hypotheses’ propositions of cause (independent variable) and effect (dependent variable) for a problem established from previous research (Giddings & Grant, 2002). Therefore, a positivist paradigm is adopted to test theory and to discover an objective reality through various experimental and non-experimental approaches (Bryman & Bell, 2011).

**Ontology**

Ontology is an explicit specification of a conceptualisation which refers to the nature of social entities and existence of reality (Gruber, 1993). It reflects the basic beliefs of the form and nature of reality. Indeed, the principles of ontology are concerned with the question of whether social entities should be considered as objective entities or can be considered as social constructions which consist of multiple realities. Therefore objectivism, as one ontological position, considers that objective facts exist independent of human beings and are driven by natural laws. Constructionism, as another ontological position, considers that multiple realities existing in the social reality are constructed by social actors who perceive different social situations (Bryman & Bell, 2007). Within a positivist paradigm, the position of ontology is naive realism in which
the natures of realities exist objectively in the social world and are driven by the form of cause and effect.

**Epistemology**

Questions of epistemology based on ontological assumptions address how knowledge can be obtained by researchers and what the nature of the relationship is between facts and the researcher (Giddings & Grant, 2002). If the purpose of research is to discover the relationship between laws of human social life and an objective fact, the researcher holds a neutral stance and stands aloof from the subjects so that their values do not influence the results (Guba & Lincoln, 1994). A positivist paradigm in regard to an epistemological position is that researchers who have neutral stances and stand aloof from the research seek to predict whether there is any relationship between universal laws and human social life and to discover an objective reality.

**Methodology**

The paradigm methodology provides the process of finding knowledge (Guba & Lincoln, 1994). Methodologies in a positivist paradigm are used to test hypotheses. It has to be experimental and manipulated through the proposed statistical analysis process in order to obtain reliable, internal or external validated and replicated outcomes (Giddings & Grant, 2002).

**Quantitative Research**

Following the positivist ontology and epistemology, quantitative research is adopted in this study. Quantitative research methods which have been developed in the natural
sciences are used to study natural phenomena and to exhibit the relationship between theory and research (Bryman & Bell, 2011). Measurement and statistical analysis which often present data in charts, graphs and number-based representations are central to quantitative research (Collis & Hussey, 2014; Hesse-Biber & Leavy, 2006). Thereby, quantitative research methods offering statistically reliable results can help researchers to obtain reliable, valid and replicated outcomes (Guba & Lincoln, 1994).

However, some qualitative researchers have criticised the methods applied by quantitative researchers. They feel that quantitative researchers can fail to understand their goals and fail to achieve what they are designed to achieve, such as null hypothesis significance tests (Trafimow, 2014). Problems may arise from the goal of a statistical significance test which is to obtain a $p$-value less than 0.05. However, mathematically sophisticated quantitative researchers suggested that a $p$-value which is smaller than 0.05 implies a high generalisability (>95%) as close as possible to truth (Lambdin, 2012; Trafimow, 2014). It is therefore important for positivist researchers to carefully choose the research method and design the whole process of research with a detailed protocol of all steps involved (Giddings & Grant, 2002).

In this study, all instruments are replicated from previous studies where high reliability and validity are already established. Previous research studying the relationship between personality, perceived organisational support and employees’ identification has predominantly used quantitative research methods (Eisenberger et al., 1986; Sluss et al., 2008; Yavas & Babakus, 2010). Numerous researchers have also adopted a quantitative approach to test the relationship between employees’ identification and its outcomes.
(Riketta, 2005; van Knippenberg & van Schie, 2000). Therefore, to achieve the purpose of the study and to test the relationship and the hypotheses, the best research method is a quantitative research method.

### 3.2 Target Population and Sample Size

The research population, which is a set of people or collection of items, should reflect the main interest of the study (Collis & Hussey, 2014). The target population of this study was frontline employees at 3, 4 or 5 star hotels in New Zealand. Previous research suggested that hotels should be chosen because of the high level of employee and customer interaction in the hospitality industry. In addition, hotels represent a prototypical service business (Hartline et al., 2000; Kandampully, 2002).

Hotel frontline employees are identified as the sample in this study. Frontline employees are those employees who, in their work role, have face-to-face or voice-to-voice interactions with customers and spend most time dealing with customers’ requests and problems. As hotels are a service industry, frontline employees are considered to be a vital human resource. Interactions between employees and customers are viewed as a crucial part of every transaction in the hospitality industry, as they play a critical role in building relationships with customers (Babakus, Yavas, & Ashill, 2009). In a review of existing literature, customer contact employees are frequently sampled in the hospitality journals.

A valid sample size is considered as sufficient numbers of participants surveyed to attain desired results for a particular research (Bryman & Bell, 2011). There have been
different opinions among researchers regarding appropriate sample sizes. Previous research suggested that the larger the sample size, the better the accuracy, the reliability and the predictive capabilities of the results (Pallant, 2010; Tabachnick & Fidell, 2007; Veal, 2006). For example, Pallant (2010) suggested that the correlation coefficients among variables are more reliable in large samples, and factors derived from large sample sizes tend to generalise better than those obtained from small sample sizes. Veal (2006) also suggested that “A large sample is better, but only up to a point” (p.220). In comparison, Hair, Anderson and Black (1995) suggested that a large sample is not always better as the probability test would be too complex and difficult to generate significant results if the sample size is over 400 cases. Consequently, in accordance with these researchers that a desirable sample size is in the range of 200 to 400 cases, the sample size of this research was 262 cases.

3.3 Questionnaire Design

In order to ensure validity and reliability of the findings of this study, a survey questionnaire was created after reviewing the previous literature. Survey questions for frontline employees were designed to cover the items of employees’ demographic information, employee-customer identification, extraversion, perceived organisational support and employees’ service recovery performance.

The questionnaire began with a message of appreciation and included instructions for the online survey. An information sheet was attached to the questionnaire. The information sheet included information in terms of an invitation, the purpose of this study, and the process of conducting the online survey. At the beginning of the survey,
the participants were asked some screening questions to ensure that they (1) are employed by a hotel in New Zealand and (2) communicate routinely with customers at work. Based on the purpose of this study, only those employees routinely communicating with customers at work were adopted for the study.

3.4 Pilot Studies for Measurement Items

Although the research measures have been proven to have good reliability scores from previous research, a pilot test was used to confirm completeness and readability of each item in the instruments and to logically eliminate duplicate items. Therefore, in this study, 30 frontline employees working in restaurants and cafes in New Zealand were requested to fill out questionnaires for the pilot test. Based on the feedback from the pilot study, some items were slightly reworded. Screening questions were added to strictly control the participants’ eligibility and, thus, increase the validity of responses.

3.5 Measures

In order to ensure validity and reliability of the results, all measures adopted in this study were chosen from the previous studies which had been already established and widely used in published empirical studies. All measures were evaluated on a seven-point Likert scale (1 = strongly disagree; 7 = strongly agree).

3.5.1 Measurement of employee-customer identification

The first theoretical and empirical study of employee-customer identification was conducted by Anaza and Rutherford (2012) and it is important to adopt and follow the same measure as that study. Therefore, employee-customer identification was measured
by a five-item scale. A five-item scale was scored on a seven-point Likert-type scale (1= strongly disagree to 7= strongly agree). The scale demonstrated a coefficient alpha reliability in Anaza and Rutherford’s (2012) study of $\alpha= 0.86$. All measurement items included in this scale are present in Table 2.

**Table 2: Measure of Employee-customer Identification**

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>When someone praises my relationship with my customers, it feels like a personal compliment.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>2</td>
<td>I feel attached to my customers.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>3</td>
<td>I am interested in what others, including my co-workers, think about my customers.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>4</td>
<td>I identify with my customers.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>5</td>
<td>I feel good to be of service to my customers.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
</tbody>
</table>

3.5.2 Measurement of extraversion

Extraversion was measured by using the items from Big Five Personality scales (McCrae and Costa, 1989). A four-item scale was scored on a seven-point, Likert-type scale (1 = strongly disagree to 7 = strongly agree). This measure, with a very high reliability ($\alpha = 0.98$) has been adopted in previous research (Handa & Gulati, 2014; Matzel & Renzl, 2007). All measurement items included in this scale are present in Table 3.

In this measure, the item of “I often feel shy” is a reverse coded item. The main reason for adopting a reverse coded item is to minimise acquiescent bias. For example, participants may go on auto-pilot and agree to all statements. In a seven-point scale
these would be all 6 and 7. By adopting a reverse coded item, participants are forced to read the question carefully and provide a more meaningful response, which should reduce the common biases.

Table 3: Measure of Extraversion

<table>
<thead>
<tr>
<th>Item</th>
<th>Strongly disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 I think I am very talkative.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>2 I often feel shy. (R)</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>3 I am outgoing and sociable.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>4 I identify with my customers.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
</tbody>
</table>

*Note.* (R) is a reverse coded item. The reverse coded item was recoded into a different variable by Statistical Package for the Social Sciences (SPSS).

3.5.3 Measurement of perceived organisational support

Prior studies have provided evidence for a high internal reliability and validity of the Survey of Perceived Organisational Support in both its full and shortened versions (SPOS; Eisenberger et al., 1990; Eisenberger et al., 1986; Shore & Tetrick, 1991). The five items used in this study were those that loaded highest in Eisenberger et al.’s (1986) factor analysis in the short version. Since there is empirical evidence for the original scales’ unidimensionality and high internal reliability, the use of short forms is not expected to be problematical (Rhoades & Eisenberger, 2002). Reliability of the scales was adequate (Cronbach’s α = 0.83). Respondents indicated the extent of their agreement with each statement on a seven-point Likert-type scale (1 = strongly disagree, 7 = strong agree). All measurement items included in this scale are present in Table 4.
Table 4: Measure of Perceived Organisational Support

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>My organisation cares about my opinions.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>2</td>
<td>My organisation really cares about my well-being.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>3</td>
<td>My organisation strongly considers my goals and values.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>4</td>
<td>Organisation would forgive an honest mistake on my part.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>5</td>
<td>Help is available from my organisation when I have a problem.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
</tbody>
</table>

3.5.4 Measurement of service recovery performance

Babakus et al. (2003) suggested that frontline employees who are more likely to address service failure are in the best position to evaluate service recovery performance. In addition, previous research has provided evidence that using a self-report measure of performance has similar results to those of the customers (Babakus et al., 2003; Boshoff & Allen, 2000; Harris & Schaubroeck, 1988). Therefore, a self-report measure of service recovery performance was used in this study.

The most widely used measure of service recovery performance from the employees’ perception is that developed by Boshoff and Allen (2000). Therefore, the measure of service recovery performance in this study was operationalised via five items from Boshoff and Allen (2000). Cronbach’s alpha reliability was calculated for the factors at 0.78 which is above the 0.7 level deemed acceptable by Peterson (1994). In this study, a five-item scale was elicited on a seven-point Likert-type scale rating from 1 = strongly
disagree to 7 = strongly agree. All measurement items included in this scale are present in Table 5.

**Table 5: Measure of Service Recovery Performance**

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Considering all the things I do, I handle dissatisfied customers quite well.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>1 I do not mind dealing with complaining customers.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>2 No customer I deal with leaves with problems unresolved.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>3 Satisfying complaining customers is a great thrill to me.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>4 Complaining customers I have dealt with in the past are among today’s most loyal customers.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
</tbody>
</table>

**3.5.5 Demographic information**

Demographic information of participants was also investigated in this study. The respondents were asked to report their gender, age, educational background, accumulated length of work experience in the hospitality industry, organisational tenure, work department and their job position. The demographic variables of gender and organisational tenure were employed to analyse correlations with study variables in this research. These variables are selected because previous research has shown that gender or tenure affect the study variables in the model (Ng & Feldman, 2013; Zhang et al., 2014). In particular, Zhang et al. (2014) have used gender and tenure as control variables to study the correlative relationship with employees’ relational identification. Therefore, this study considered the demographic variables of gender and organisation tenure as controls to detect if any compounding effects arise out of them.
3.6 Data Collection Procedure

A total of 20 hotels including seven 3 star hotels, eight 4 star hotels and five 5 star hotels were selected and contacted through various hospitality-business online social networks such as Booking.com in New Zealand and Expedia in New Zealand.

An invitation email letter was sent to the Human Resources Department at those 20 hotels in New Zealand, with an outline of the purpose of the study attached and the URL link to the university survey site. Management of only three 4 star hotels and two 5 star hotels granted permission for data collection. However, hotel managers did not allow the researcher to directly contact frontline employees. This limitation is observed in previous empirical studies conducted with hotel employees (Karatepe & Agbaim, 2012; Karatepe & Aleshinloye, 2009). Therefore, the second email was sent to management of these five hotels and requested managers to make the introduction email, information sheet and the URL link available to their frontline employees to voluntarily complete this online survey. The management of the five hotels who agreed to participate in this research allowed their employees (including supervisors and middle-level managers) to participate in the online survey. This study thereby involved convenience samples of a total of 262 frontline employees from the total of five hotels in New Zealand. However, respondents might have felt uncomfortable and reluctant to respond to survey questions relating to socially disapproved behaviour such as, for example, questionnaire item “My organisation cares about my opinions”. Therefore, the participants were provided an information sheet that assured their anonymity and confidentiality.
3.7 Statistical Analysis Procedures

Data was analysed by using the Statistical Package for Social Science (SPSS 22nd version) and structural equation modelling using LISREL 8.8. These statistical techniques were used for different purposes, including descriptive statistics, principal components analysis, correlation, and structural equation modelling.

Firstly, frequency analysis was adopted to examine the demographic characteristics of participants. Secondly, descriptive analysis was carried out to determine mean, score, standard deviations, skewness, and kurtosis of the study variables. Exploratory factor analysis was employed to identify underlying components among the study variables, and tested internal consistency and reliability to each corresponding construct. Pearson correlation analysis was also performed to identify the relationships between control variable, independent variables, and dependent variables of this research.

Before testing study hypotheses, confirmatory factor analysis was performed on the assessment of the measurement properties in terms of convergent and discriminant validity and internal consistency reliability and hypothesised relationships among all study variables. Then, the hypothesised structural relationship among study variables was assessed by using the structural equation modelling approach. Full structural equation modelling was performed to test the overall fit of the structural model, then study hypotheses were analysed and discussed.

Several fit indicators were used to gauge the model fit. That is, a chi-squared statistic ($x^2$), root mean square error of approximation (RMSEA), the normed-fit index (NFI),
and comparative fit index (CFI) (Joreskog & Long, 1993). For example, to evaluate the overall fit of the research model, $\chi^2$(df), $\chi^2$/ (df), root mean square of approximation (RMSEA), normed fit index (NFI), and comparative fit index (CFI) were employed. To test construct validity and measurement model fit to the data, convergent validity and discriminant validity tests were conducted. Convergent validity is tested by assessing standardised factor loading which is more than 0.40 for all indicators (Kline, 1986) and the composite reliability (CR) exceeds 0.70 (Fornell & Larcker, 1981). In order to assess discriminant validity, the average variance extracted (AVE) for each construct should be higher than the squared correlation between constructs and satisfied the minimum criterion of 0.50 (Fornell & Larcker, 1981). The NFI and CFI statistics should exceed the recommended 0.90 threshold level (Anderson & Gerbing, 1988). The RMSEA is less than 0.08, and the $\chi^2$/ (df) should be less than 5.0 to be considered as acceptable and good fit (Bollen, 1989).

3.8 Ethical Considerations

Since this study involved human subjects, ethical issues had to be considered. Ethical approval was gained from the AUTEC (Auckland University of Technology Ethics Committee) on 25th August 2015 (see Appendix 4). The distribution and collection of the questionnaires was undertaken by the researcher after the study protocol had been reviewed and ethical application had been gained from AUTEC. Initially, an invitation was emailed to the management team of hotels and requested managers to distribute the email letter (see Appendix 1), the participant information sheet (see Appendix 2) and the URL link to the survey site of Qualtrics (see Appendix 3) to frontline employees to voluntarily complete the online survey.
The research protocol was clearly explained to the target participants through a participant information sheet which outlines the purpose of the survey, the name of the researcher and a statement explaining that the responses were anonymous, and describing participants’ right to refuse or withdraw from the study at any time on the online survey. The participants were assured that there was no personal information identified in this research and only an aggregated summary of results presented, thus all possible risks were mitigated.

A participant information sheet (see Appendix 2) was provided to all participants before they started the online survey. The information sheet was designed to provide a brief introduction to the study aims and purpose. It was clarified to the participants that this online survey would be used for completion of a Masters degree by the primary researcher and their participation was entirely voluntary. Furthermore, participants were informed that there was no compensation for involvement in the study other than their time being offset by the experience of participating in this online survey. The research supervisors and AUTEC contact details were also provided to participants who had any concerns about this research.
Chapter 4 provides the results of the descriptive analysis of data gathered through the quantitative research methods explained in Chapter 3. Demographic information for the participants is reported in the first section. Following this, descriptive statistics, such as means, standard deviations, skewness and kurtosis, are presented. Principal components analysis and bivariate correlations are also reported. Confirmatory factor analysis and structural equational modelling, which are used to test construct validity of the measurement model and test study proposed, are analysed and discussed in the final part of the chapter.

4.1 Profile of the Respondents

A total of 290 hotel employees participated in this online survey but 28 disqualified responses were discarded because of too much missing information. Therefore, the final sample of this study consisted of a total of 262 hotel frontline employees working in 4-5 star hotels in New Zealand. To facilitate a better understanding of each participant, the attributes of participants were described in terms of gender, age, industry experiences, organisational tenure, education background and departments. Analysing the demographic characteristics of participants provides relevant and additional information on the New Zealand hospitality industry to both hospitality scholars and practitioners.

4.1.1 Gender

Table 6 shows that over half of respondents were female (n = 182) with 69.5 percent of the total respondents, and the remainder were male (n = 80) with 30.5 percent. This
finding is similar to the gender information provided by Statistics New Zealand (2013), in which female employees represent 62.4 per cent of the total workforce among accommodation and restaurant service workers.

The gender status of participants from different departments was also analysed in order to compare the differences between each department. As can also be seen from Table 6, most of the respondents were from Food and Beverage departments (n = 132) and Room Divisions (n = 85). In Food and Beverage departments, more than half of respondents (64.4 per cent) were female and the remaining respondents were male. In Room Divisions, females (n = 66) were about three times more than males (n = 19). Similar findings in which women were more prevalent than men have also been found in Financial, Sales and Marketing departments.
Table 6: Gender of the Respondents

<table>
<thead>
<tr>
<th></th>
<th># of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>All Responses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>80</td>
<td>30.50</td>
</tr>
<tr>
<td>Female</td>
<td>182</td>
<td>69.50</td>
</tr>
<tr>
<td>Total</td>
<td>262</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th># of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Food and Beverage</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>47</td>
<td>35.60</td>
</tr>
<tr>
<td>Female</td>
<td>85</td>
<td>64.40</td>
</tr>
<tr>
<td>Total</td>
<td>132</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th># of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Room Division</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>19</td>
<td>22.40</td>
</tr>
<tr>
<td>Female</td>
<td>66</td>
<td>77.60</td>
</tr>
<tr>
<td>Total</td>
<td>85</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th># of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>8</td>
<td>36.40</td>
</tr>
<tr>
<td>Female</td>
<td>14</td>
<td>63.60</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th># of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales and Marketing Department</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>6</td>
<td>26.10</td>
</tr>
<tr>
<td>Female</td>
<td>17</td>
<td>73.90</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>100</td>
</tr>
</tbody>
</table>

4.1.2 Age

A total of 262 respondents provided information on their age (see Table 7). The percentage of respondents’ aged between 25 and 30 years and 31 and 35 years was the same (28.2 per cent). The results indicated that more than half of the respondents were in the age group of 25-30 and 31-35 inclusive. Only 10.3 per cent was in the age group
of 18-24, and more than one third of the total respondents (33.2 per cent) were over 35 years old.

**Table 7: Age of the Respondents**

<table>
<thead>
<tr>
<th>Age Group</th>
<th># of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Responses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between 18 and 24 years old</td>
<td>27</td>
<td>10.30</td>
</tr>
<tr>
<td>Between 25 and 30 years old</td>
<td>74</td>
<td>28.20</td>
</tr>
<tr>
<td>Between 31 and 35 years old</td>
<td>74</td>
<td>28.20</td>
</tr>
<tr>
<td>Between 36 and 40 years old</td>
<td>50</td>
<td>19.10</td>
</tr>
<tr>
<td>Above 40 years</td>
<td>37</td>
<td>14.10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>262</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**4.1.3 Educational background**

All 262 respondents indicated their educational qualifications. In Table 8, 10.3 per cent of the total respondents (n = 27) had no qualification and 16 per cent had completed high school only. More than half of the respondents (57.6 per cent) had a Diploma or Bachelors degree, and 5.4 per cent of the total respondents (n = 13) had Postgraduate/Masters degrees.

Table 8 also shows the participants’ educational background from different departments so the results can be compared for which departments have high-educated employees and which have low-educated employees. Eleven out of 13 respondents with Post-graduate or Masters degrees were working in both the Food and Beverage and Room Division, whereas two were working in the Sales and Marketing department. This may be a consequence of some employees not being able to find suitable employment in their chosen fields and being required to accept lower skilled work in Food and Beverage and Room Division. However, 27 respondents who had no qualification were
also working in Food and Beverage and Room Division. The findings may imply that employees may not be required to have high qualifications to work in the Food and Beverage or Room Division departments.

**Table 8: Education Qualification of the Respondents**

<table>
<thead>
<tr>
<th></th>
<th>Under high school</th>
<th>High school</th>
<th>Certificate</th>
<th>Diploma/Graduate</th>
<th>Post-Graduate/Master</th>
<th>Other</th>
<th>Total (N)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (N)</td>
<td>27</td>
<td>42</td>
<td>26</td>
<td>151</td>
<td>13</td>
<td>2</td>
<td>262</td>
</tr>
<tr>
<td>Total (%)</td>
<td>10.30</td>
<td>16.00</td>
<td>9.90</td>
<td>57.60</td>
<td>5.40</td>
<td>0.80</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Department</th>
<th>Under high school</th>
<th>High school</th>
<th>Certificate</th>
<th>Diploma/Graduate</th>
<th>Post-Graduate/Master</th>
<th>Other</th>
<th>Total (N)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and Beverage</td>
<td>14</td>
<td>27</td>
<td>14</td>
<td>71</td>
<td>5</td>
<td>1</td>
<td>132</td>
</tr>
<tr>
<td>Room Division</td>
<td>13</td>
<td>13</td>
<td>8</td>
<td>45</td>
<td>6</td>
<td>0</td>
<td>85</td>
</tr>
<tr>
<td>Financial</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>18</td>
<td>0</td>
<td>0</td>
<td>22</td>
</tr>
<tr>
<td>Sales and Marketing</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>17</td>
<td>2</td>
<td>1</td>
<td>23</td>
</tr>
</tbody>
</table>

**4.1.4 Industry experience**

Table 9 shows that 32.6 per cent of the total respondents (n = 95) have been working in the hospitality industry less than five years. 29 per cent of respondents (n = 76) had between five to ten years hospitality industry experience. Only eight respondents had been working in the industry for more than 20 years. The range of the total respondents’ hospitality experience varied from a minimum of two months to 29 years. The average of respondents’ collective hospitality experience was around nine years (mean = 8.99; standard deviation = 6.21).
Table 9: Industry Experience of the Respondents

<table>
<thead>
<tr>
<th>Industry Experience</th>
<th># of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Responses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 1 year</td>
<td>10</td>
<td>3.80</td>
</tr>
<tr>
<td>Between 1 and 5 years</td>
<td>85</td>
<td>32.40</td>
</tr>
<tr>
<td>Between 5 and 10 years</td>
<td>76</td>
<td>29.00</td>
</tr>
<tr>
<td>Between 10 and 15 years</td>
<td>50</td>
<td>19.10</td>
</tr>
<tr>
<td>Between 15 and 20 years</td>
<td>33</td>
<td>12.60</td>
</tr>
<tr>
<td>Above 20 years</td>
<td>8</td>
<td>3.10</td>
</tr>
<tr>
<td>Total</td>
<td>262</td>
<td>100</td>
</tr>
</tbody>
</table>

**Mean – 8.99, Std. Deviation – 6.21, Minimum – 0.17, Maximum – 29**

*Note.* Industry experiences were initially measured by actual periods (e.g. years and months). The length of industry experience was calculated by months then divided by 12. Therefore, the number of Mean, Std. Deviation, Minimum, and Maximum is presented by years. Mean - 8.99 is about 9 years; Std. Deviation - 6.21 is about 6 years; Minimum - 0.17 is about 2 months. Maximum – 29 is 29 years

4.1.5 Organisational tenure

Table 10 shows that nearly 60 per cent of the total respondents (59.9 per cent; n = 157) had a length of employment with their current organisation of less than five years. A total of 59 respondents had been working in the current hotel for between five and ten years, with 22.5 per cent of the total respondent rate. The mean length of employment with the current employer was about six years (mean = 5.82; standard deviation = 5.10). The results in this study show that female respondents had longer organisational tenure than males.
Table 10: Organisational Tenure of the Respondents

<table>
<thead>
<tr>
<th>Total (N)</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>All Responses</strong></td>
<td></td>
</tr>
<tr>
<td>Less than 1 year</td>
<td>38</td>
</tr>
<tr>
<td>Between 1 and 5 years</td>
<td>119</td>
</tr>
<tr>
<td>Between 5 and 10 years</td>
<td>59</td>
</tr>
<tr>
<td>Between 10 and 15 years</td>
<td>31</td>
</tr>
<tr>
<td>Between 15 and 20 years</td>
<td>13</td>
</tr>
<tr>
<td>Above 20 years</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total (N)</strong></td>
<td><strong>262</strong></td>
</tr>
</tbody>
</table>

**Mean – 5.82, Std. Deviation – 5.10, Minimum – 0.17, Maximum – 23**

Note. Organisational tenure was initially measured by actual periods (e.g. years and months). The length of current employment was calculated by months then divided by 12. Therefore, the number of Mean, Std. Deviation, Minimum, and Maximum is presented by years. Mean-5.82 is around 6 years; Std. Deviation -5.10 is about 5 years. Minimum-0.17 is about 2 months. Maximum – 23 is 23 years.

4.1.6 Job function

Table 11 shows that most of the respondents (n = 107) were food and beverage attendants with 40.8 per cent of the total respondent rate. 17.6 per cent of respondents (n = 46) were room attendants and 15.6 per cent of total respondents (n = 41) were receptionists. Eleven respondents choose “Others” on the scale and filled in their job type as a managerial position.
Table 11: Job Function of the Respondents

<table>
<thead>
<tr>
<th>Job Function</th>
<th># of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and Beverage attendants</td>
<td>107</td>
<td>40.80</td>
</tr>
<tr>
<td>Receptionists</td>
<td>41</td>
<td>15.60</td>
</tr>
<tr>
<td>Cashier</td>
<td>33</td>
<td>12.60</td>
</tr>
<tr>
<td>Room attendants</td>
<td>46</td>
<td>17.60</td>
</tr>
<tr>
<td>Sales or Marketing director</td>
<td>24</td>
<td>9.20</td>
</tr>
<tr>
<td>Others:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Managerial position</td>
<td>11</td>
<td>4.20</td>
</tr>
<tr>
<td>Total</td>
<td>262</td>
<td>100</td>
</tr>
</tbody>
</table>

4.2 Descriptive Statistics for Study Variable

4.2.1 Means, standard deviations, skewness and kurtosis

Table 12 presents the number of responses, minimums, maximums, means and standard errors, standard deviations, skewness statistics and standard errors, and kurtosis statistics and standard errors for the variables of interest. In this study, the control variable of organisational tenure had a mean of around six years (mean = 5.82). It is difficult to compare this mean to other studies, as most studies often measured organisational tenure by adopting a point scale rather than actual periods such as years and months. As can be seen from Table 12, a study variable of employee-customer identification had a mean of 6.1 (SD = 0.83). The mean score of employee-customer identification in this study is similar to Anaza and Rutherford’s (2012) study (Mean = 6.08, SD = 0.73). Extraversion has a mean of 5.23 (SD = 0.90), and perceived organisational support yielded a mean of 5.2 (SD = 1.09). Service recovery performance had a mean of 5.68 (SD = 0.89).
Quantitative data analysis was adopted in this study; therefore skewness and kurtosis, two statistical values, were checked to assess the normality of the distribution of the variables. The skewness provides an indication of the symmetry of the distribution. Kurtosis, on the other hand, provides information about how responses cluster for a normal distribution (Pallant, 2010). According to Kline (2005), values of skewness less than three and the values of kurtosis less than eight are considered acceptable to prove normal, univariate distribution. The skewness and kurtosis statistics for all variables in this study presented in Table 12 were within these acceptable ranges of normality.
<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness Statistic</th>
<th>Std. Error</th>
<th>Kurtosis Statistic</th>
<th>Std. Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender¹</td>
<td>262</td>
<td>0.00</td>
<td>1.00</td>
<td>0.69</td>
<td>0.46</td>
<td>-0.85</td>
<td>0.15</td>
<td>-1.29</td>
<td>0.30</td>
</tr>
<tr>
<td>Organisational Tenure²</td>
<td>262</td>
<td>0.17</td>
<td>23</td>
<td>5.82</td>
<td>5.10</td>
<td>1.11</td>
<td>0.15</td>
<td>0.33</td>
<td>0.30</td>
</tr>
<tr>
<td>ECI</td>
<td>262</td>
<td>1.00</td>
<td>7.00</td>
<td>6.10</td>
<td>0.83</td>
<td>-1.95</td>
<td>0.15</td>
<td>7.84</td>
<td>0.30</td>
</tr>
<tr>
<td>Extraversion</td>
<td>262</td>
<td>2.50</td>
<td>7.00</td>
<td>5.23</td>
<td>0.90</td>
<td>-0.27</td>
<td>0.15</td>
<td>-0.41</td>
<td>0.30</td>
</tr>
<tr>
<td>POS</td>
<td>262</td>
<td>1.00</td>
<td>7.00</td>
<td>5.20</td>
<td>1.09</td>
<td>-0.77</td>
<td>0.15</td>
<td>0.58</td>
<td>0.30</td>
</tr>
<tr>
<td>SRP</td>
<td>262</td>
<td>1.20</td>
<td>7.00</td>
<td>5.68</td>
<td>0.89</td>
<td>-1.38</td>
<td>0.15</td>
<td>3.54</td>
<td>0.30</td>
</tr>
</tbody>
</table>

*Note. 1. Gender was coded (0 = Male; 1 = Female); 2. For a total of employed years in the current organisation, organisational tenure was initially measured by actual periods (e.g., years and months). The length of current employment was calculated by months then divided by 12. Therefore, the number of Mean, Std. Deviation, Minimum, and Maximum is presented by years. Mean - 5.82 is around 6 years; Std. Deviation - 5.10 is about 5 years; Minimum - 0.17 is about 2 months. Maximum – 23 is 23 years. ECI = employee-customer identification; POS = perceived organisational support; SRP = service recovery performance*
4.3 Factor Analysis

Factor analysis is used to identify the underlying variables or items that explain the pattern of correlations within the set of observed variables. Factor analysis provides empirical support for addressing the conceptual issues relating to the underlying structure of the data. Exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) are two main approaches used for factor analysis (Pallant, 2013).

Prior to testing research hypotheses, all measures of study variables were factor-analysed. This research employs both exploratory and confirmatory factor analyses. Although both factor analyses assess underlying dimensions of a variable, each has a different objective. Exploratory factor analysis is related to theory development, while confirmatory factor analysis is associated with theory testing about the underlying latent processes (Tabachnick & Fidell, 2007). Therefore, in this study, exploratory factor analysis (principle components analysis) was used to determine factor solutions for study constructs and verify reliabilities of measured variables, and then confirmatory factor analysis was used to validate the constructs. Using both exploratory and confirmatory factor analyses was common in previous studies (He et al., 2014; Kim, Lee, Murrmann, & George, 2012). Therefore, exploratory factor analysis is discussed in this section and confirmatory factor analysis is discussed in section 4.5.1

4.3.1 Exploratory factor analysis

Exploratory factor analysis is often used in the early stage of the research to gather data exploring the interrelationships between all variables. Principle components analysis, as a technique of exploratory factor analysis, attempts to produce a small number of linear
combinations of the original variables in a way that extracts most of the variability in
the pattern of correlations (Pallant, 2013). Principle components analysis is discussed in
the next section.

4.3.2 Principle component analysis

In principal component analysis, the original variables are transformed into smaller sets
of linear combinations with all of the variance in the variables being used (Pallant,
2013). Principle factor analysis is performed to empirically summarise the data set and
determine factor solutions that fit the data (Tabachnick & Fidell, 2013). Therefore,
principal component analysis is used to explore how many factors there are, and
whether the factors are correlated. Kaiser-Meyer-Olkin (KMO) and Bartlett’s test,
eigenvalue and scree plot, and components analysis are techniques used which are
discussed in next section.

4.3.2.1 KMO and Bartlett’s test

Firstly, two statistical measures presented in Table 13 are employed to help assess the
factorability of the data: the KMO and Bartlett’s test. To be considered suitable for
factor analysis, Bartlett’s test of sphericity should be statistically significant at $p < .05$
and the KMO value should be .6 or above (Pallant, 2013). Table 13 shows a significant
Bartlett test of Sphericity ($p < .001$, Chi-square $= 3179.17$) which indicates a significant
correlation among the variables. Moreover, KMO (.914) indicates significant
correlations among the variables.
Table 13: KMO and Bartlett’s Test

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>KMO</td>
<td>.914</td>
<td></td>
</tr>
<tr>
<td>Bartlett’s Test</td>
<td></td>
<td>3179.17</td>
</tr>
<tr>
<td>df</td>
<td>171</td>
<td></td>
</tr>
<tr>
<td>Sig.</td>
<td>.000</td>
<td></td>
</tr>
</tbody>
</table>

4.3.2.2 Eigenvalue and scree plot

Kaiser’s criterion is used to determine how many components or factors to extract. Kaiser’s criterion is only considered for an eigenvalue of 1 or more. The eigenvalues for each component are listed in Table 14. Four components recorded eigenvalues above 1 which were 8.465; 2.175; 1.606; 1.070, respectively. These four components explained about 70.083 per cent of the total variance. Furthermore, the graphical scree plot illustrated in Figure 4. shows only four sharp slopes extracting the four distinct factors. This indicates that each scale used in this study denotes one unique factor.

Table 14: Eigenvalue and Total Variance Explained

<table>
<thead>
<tr>
<th>Component</th>
<th>Total</th>
<th>% of Variance</th>
<th>Cumulative %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>8.465</td>
<td>44.551</td>
<td>44.551</td>
</tr>
<tr>
<td>2</td>
<td>2.175</td>
<td>11.448</td>
<td>56.000</td>
</tr>
<tr>
<td>3</td>
<td>1.606</td>
<td>8.452</td>
<td>64.452</td>
</tr>
<tr>
<td>4</td>
<td>1.070</td>
<td>5.631</td>
<td>70.083</td>
</tr>
<tr>
<td>5</td>
<td>.735</td>
<td>3.870</td>
<td>73.953</td>
</tr>
<tr>
<td>6</td>
<td>.610</td>
<td>3.208</td>
<td>77.161</td>
</tr>
<tr>
<td>7</td>
<td>.566</td>
<td>2.980</td>
<td>80.141</td>
</tr>
</tbody>
</table>
4.3.2.3 Components analysis

As expected, all factor loadings higher than .4 are utilised for item inclusion (Hair, Anderson, Tatham, & Black, 1995). As shown in Table 15, principal components analysis extracted four component factors which were higher than .4. The loading ranged from 0.590 to 0.849. Each item loaded heavily on their respective underlying factors. As a result of factor analysis, a total of 19 factors were grouped into the following four components: ECI (employee-customer identification); Extraversion; POS (perceived organisational support); SRP (service recovery performance), which together collectively accounted for 70.082 per cent of the overall variance.

The first factor, ECI (employee-customer identification), explained 44.551 per cent of the total variance with an eigenvalue of 8.465. The second factor, POS (perceived organisational support), has an eigenvalue of 2.175 which explained 11.448 per cent of
the total variance. The third factor, SRP (service recovery performance), explained 8.452 per cent of the total variance with an eigenvalue of 1.606. The fourth factor, extraversion, has an eigenvalue of 1.070 which explained 5.631 per cent of the total variance. These results provide evidence of convergent and discriminant validity of the construct measure. None of the scale items were discarded in an effort to preserve the integrity of the measure.
Table 15: Principal factor Analysis results

<table>
<thead>
<tr>
<th>Factors</th>
<th>Loadings</th>
<th>Eigen Value</th>
<th>% of Variance Explained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Factor 1 (ECI)</td>
<td></td>
<td>8.465</td>
<td>44.551</td>
</tr>
<tr>
<td>ECI 1</td>
<td>0.779</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECI 2</td>
<td>0.835</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECI 3</td>
<td>0.652</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECI 4</td>
<td>0.797</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECI 5</td>
<td>0.795</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Factor 2 (POS)</td>
<td></td>
<td>2.175</td>
<td>11.448</td>
</tr>
<tr>
<td>POS 1</td>
<td>0.772</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POS 2</td>
<td>0.849</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POS 3</td>
<td>0.820</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POS 4</td>
<td>0.827</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POS 5</td>
<td>0.660</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Factor 3 (SRP)</td>
<td></td>
<td>1.606</td>
<td>8.452</td>
</tr>
<tr>
<td>SRP 1</td>
<td>0.670</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SRP 2</td>
<td>0.800</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SRP 3</td>
<td>0.747</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SRP 4</td>
<td>0.590</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SRP 5</td>
<td>0.635</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Factor 4 (Extraversion)</td>
<td></td>
<td>1.070</td>
<td>5.631</td>
</tr>
<tr>
<td>Extraversion 1</td>
<td>0.630</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extraversion 2</td>
<td>0.762</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extraversion 3</td>
<td>0.780</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extraversion 4</td>
<td>0.768</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total variance explained (%)**

Note. ECI = employee-customer identification; POS = perceived organisational support; SRP = service recovery performance
4.4 Correlation Analysis

Correlation analysis is used to describe the strength and direction of the linear relationship between the two variables. The value of the correlation can be from -1.00 to 1.00. For example, a correlation of 0 indicates no relationship between two variables, a correlation of 1.0 shows a perfect positive correlation, and a value of -1.0 shows a perfect negative correlation (Pallant, 2013).

In order to test the research hypotheses, bivariate correlations (r) are employed to analyse the relationship between variables. In this study, control variables of gender and organisational tenure were kept to test the inter-correlations among all study variables.

Table 16 presents correlation analysis of study variables and control variables of the current study. It shows that there is a significant positive relationship between all study variables of employee-customer identification, extraversion, perceived organisational support, and service recovery performance. Employee-customer identification has a significant positive correlation with extraversion (r = 0.34, p < 0.01) and perceived organisational support (r = 0.45, p < 0.01). In addition, the magnitude of the relationship between employee-customer identification and service recovery performance was the most salient (r = 0.66, p < 0.01). Therefore, hypothesis 1: extraversion is positively related to employer-customer identification, hypothesis 2: perceived organisational support is positively related to employee-customer identification and hypothesis 3: employee-customer identification is positively related to service recovery performance, seem to be supported.
Table 16 also shows the relationship between extraversion and service recovery performance as well as the relationship between perceived organisational support and service recovery performance. The results indicate the following: extraversion has a significant positive relationship with service recovery performance ($r = 0.50, p < 0.01$); Perceived organisational support and service recovery performance is also significantly positively correlated ($r = 0.60, p < 0.01$).

However, in this study, gender has found no correlation between all study variables. Organisational tenure has found a significant positive relationship with employee-customer identification ($r = 0.21, p < 0.01$) as well as with service recovery performance ($r = 0.23, p < 0.01$).

**Table 16: Correlations Analysis**

<table>
<thead>
<tr>
<th></th>
<th>Gender</th>
<th>Tenure</th>
<th>ECI</th>
<th>Extraversion</th>
<th>POS</th>
<th>SRP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tenure</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECI</td>
<td>-0.05</td>
<td>0.21**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extraversion</td>
<td>-0.12</td>
<td>0.11</td>
<td>0.34**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POS</td>
<td>-0.11</td>
<td>0.11</td>
<td>0.45**</td>
<td>0.47**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>SRP</td>
<td>-0.06</td>
<td>0.23**</td>
<td>0.66**</td>
<td>0.50**</td>
<td>0.60**</td>
<td>1</td>
</tr>
</tbody>
</table>

*Note.** Correlation is significant at the 0.01 level (2-tailed); N = 262; Tenure = a total of employed years in the current organisation; ECI = employee customer identification; POS = perceived organisational support; SRP = service recovery performance.
4.5 Data Analysis

4.5.1 Confirmatory factor analysis

As mentioned in section 4.3, exploratory factor analysis and confirmatory factor analysis are two types of factor analysis. Exploratory factor analysis is related to theory development, and confirmatory factor analysis is associated with theory testing about the underlying latent processes (Tabachnick & Fidell, 2007). Confirmatory factor analysis is a more complex and sophisticated set of techniques used later in the research process to confirm specific hypotheses. It concerns the structure underlying a set of variables (Tabachnick & Fidell, 2007). In other words, the aim of confirmatory factor analysis is to test whether all correlated variables are consistent with a hypothesised factor structure. Confirmatory factor analysis is used to confirm or reject an a priori hypothesis regarding the relationship of study variables (Schumacker & Lomax, 2004). Moreover, it statistically tests the significance of a hypothesised factor model; that is, whether the sample data confirms the model. Indeed, structural equation modelling cannot be directly measured to test study hypotheses before performing confirmatory factor analysis (Hair, Anderson, & Black, 1995).

In this study, confirmatory factor analysis is employed to assess the measurement properties of the construct measures, in particular the overall fit of the research model, and construct validity in terms of unidimensionality, reliability, convergent validity, and discriminant validity (Steenkamp & van Trijp, 1991). To assess the overall fit of the research model, this study applied a chi-square statistic ($\chi^2$), root mean square error of approximate (RMSEA), normed fit index (NFI), non-normed fit index (NNFI), and comparative fit index (CFI) (Joreskog & Long, 1993). Table 17 provides a detailed
explanation of each individual index. To test construct validity using confirmatory factor analysis in this study, the evidence of validity is given by, firstly, the loading of all the indicators being significant (t-values above 1.96). To assess the reliability of individual factors, the value of the composite reliability and average variance extracted need to achieve the recommended values. The recommended value for the composite reliability is greater than 0.70 (Haire et al., 2006), and equal to or exceeding 0.50 for the average variance extracted value (Diamantopoulos & Siguaw, 2000).

Table 17: Description of the Fit Indexes

<table>
<thead>
<tr>
<th>Absolute Fit Measures</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-square Statistic (X²)</td>
<td>X² offers “a test of perfect fit in which the null hypothesis is that the model fits the population data perfectly. A statistically significant chi-square causes rejection of the null hypothesis, implying imperfect model fit and possible rejection of the model” (Jaccard &amp; Wan, 1996, p. 18)</td>
</tr>
<tr>
<td>Root-mean-square error of approximation (RMSEA)</td>
<td>RMSEA shows “how well would the model, with unknown but optimally chosen parameter values, fit the population covariance matrix if it were available” (Browne &amp; Cudeck, 1993, pp. 137-138). Reasonable fit is given by values between 0.05 and 0.08; a value above 0.08 below 0.1 is indicative of mediocre fit (Diamantopoulos &amp; Siguaw, 2000).</td>
</tr>
</tbody>
</table>

Relative/Incremental Fit Measures

<table>
<thead>
<tr>
<th>Relative/Incremental Fit Measures</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normed Fit index (NFI)</td>
<td>NFI is a relative comparison of the chi-square of the estimated model to the chi-square of the independence model. A value for NFI close to .95 reflects a good model fit (Hair et al., 2006)</td>
</tr>
<tr>
<td>Non-normed Fit Index (NNFI)</td>
<td>NNFI assumes values greater than 0 and, contrary to the other indices, it may take values greater than 1 (Diamantopoulos &amp; Siguaw, 2000). The NNFI level is generally recommended as above 0.90 (Button, Mathieu, &amp; Zajac, 1996).</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>CFI values range from 0 to 1 with values near 1 indicating good fit (Diamantopoulos &amp; Siguaw, 2000). CFI values lower than 0.90 are not usually indicative a good fit model (Hair et al., 2006).</td>
</tr>
</tbody>
</table>
4.5.2 Construct validity

Before examining specific relationships between variables in the research model, the measurement model with confirmatory factor analysis is employed to validate the constructs (Anderson & Gerbing, 1988). Construct validity is “the degree to which a measure assesses the construct it is purported to assess” (Peter, 1981, p. 134). In order to accomplish construct validity, this study followed the criteria suggested by Steenkamp and van Trijp (1991) of 1) unidimensionality; 2) reliability; 3) convergent validity; 4) discriminant validity.

4.5.2.1 Unidimensionality

Unidimensionality is important because it is a necessary condition for construct validity, reliability and, in particular, internal consistency through coefficient alpha (Cronbach, 1951) and theory testing (Netemeyer, Bearden, & Sharma, 2003). Researchers (for example Anderson & Gerbing, 1988; Steenkamp & van Trijp, 1991), have suggested that confirmatory factor analysis should be employed to assess unidimensionality. This suggestion is adopted in this study by using confirmatory factor analysis to test all measured variables to confirm that each variable was loaded on only one underlying construct.

4.5.2.2 Reliability of measurements

It is important to test the internal consistency measure scale of all study variables in this study. Cronbach’s alpha coefficient (Cronbach, 1951) is one of the most commonly used indictors to test a scale’s internal consistency. Coefficient alpha reflects both the degree to which all variables in the research measuring a unique construct are highly correlated,

Cronbach’s alpha value of each measurement scale should be above 0.7 (DeVellis, 2003). The results of this study, in terms of the Cronbach alpha test (Cronbach, 1951), revealed a high internal reliability for all scales. Table 18 shows that the Cronbach’s alpha for employee-customer identification was 0.88; extraversion was 0.79; perceived organisational support was 0.91; and service recovery was 0.89. Each measurement scale in this study is higher than the acceptable scale value (0.7) which indicates a good scale’s internal consistency.

Furthermore, Hair et al. (1998) suggested that, besides Cronbach alpha, measures anchored in confirmatory factor analysis, especially composite reliability and average variance extracted, are used to evaluate internal consistency. Therefore, composite reliability and the average variance extracted are reported for each construct and discussed in section 4.5.3.2.

Table 18: Reliability Score

<table>
<thead>
<tr>
<th>SCALE</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 ECI</td>
<td>0.88</td>
</tr>
<tr>
<td>2 Extraversion</td>
<td>0.79</td>
</tr>
<tr>
<td>3 POS</td>
<td>0.91</td>
</tr>
<tr>
<td>4 SRP</td>
<td>0.89</td>
</tr>
</tbody>
</table>

*Note. ECI = employee-customer identification; POS = perceived organisational support; SRP = service recovery performance*
4.5.2.3 Convergent validity

Convergent validity of the constructs in the model is also examined. Convergent validity tests the degree to which two independent measures of the same concept are highly correlated (Netemeyer et al., 2003). The value of each factor loading is greater than 0.50 (Anderson & Gerbing, 1988). The magnitude and statistical significant (t-values) of the factor loading estimates are used to assess the convergent validity (Hair, Black, Anderson, Babin, & Tatham, 2006; Sujan, Weitz, & Kumar, 1994).

4.5.2.4 Discriminant validity

Discriminant validity can be defined as the “degree to which two conceptually similar concepts are distinct” (Hair et al., 2006, p. 137). Fornell and Larcker (1981) have proposed the criteria as the average variance extracted to assess discriminant validity. The average variance extracted for each construct must be superior to the squared correlation between two constructs and exceed the minimum criteria of 0.50.

Ultimately, following the explanation of unidimensionality, reliability, convergent and discriminant validity, it is important to note that construct validity is a necessary condition to achieve theory development and testing (Peter, 1981; Steenkamp & van Trijp, 1991). In the next section, the measurement model, with confirmatory factor analysis, is employed to validate the constructs.
4.5.3 Measurement model

4.5.3.1 Results for the overall fit of the research model

Before examining specific relationships between variables in the research model, this study examines the measurement model with confirmatory factor analysis to validate the construct (Gerbing & Anderson, 1988). To assess the overall fit of the research model, this study applied a chi-squared statistic ($X^2$), root mean squared error of approximation (RMSEA), normed-fit index (NFI), non-normed fit index (NNFI) and comparative fit index (CFI). For a detailed explanation on each individual index, please refer to Table 17.

Fit indices for the measurement model are reported in Table 19. The results indicate a good fit of the four-factor model to the data on the basis of a number of fit statistics: $X^2(150, N = 262) = 499.79; RMSEA = 0.081; NFI = 0.94; NNFI = 0.95,$ and $CFI = 0.96,$ based on recommended values from Hu and Bentler (1999); Browne and Cudeck (1993).

All proposed measurement model indices fit the data acceptably.

Table 19: Fit Indices for Measurement Model

<table>
<thead>
<tr>
<th></th>
<th>$X^2$</th>
<th>df</th>
<th>$X^2$/df</th>
<th>RMSEA</th>
<th>NFI</th>
<th>NNFI</th>
<th>CFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measurement Model</td>
<td>499.79</td>
<td>150</td>
<td>3</td>
<td>0.081</td>
<td>0.94</td>
<td>0.95</td>
<td>0.96</td>
</tr>
</tbody>
</table>

*Note.* RMSEA = root mean square error of approximation; NFI = normed fit index; NNFI = non-normed fit index; CFI = comparative fit index.

In order to confirm that the four-factor model is the best construct, the fit indices of the four-factor model were compared to both a one-factor model and a two-factor model. Fit indices from measurement models are reported in Table 20.
Confirmatory factor analysis produced the following results of the one-factor model:

\[ x^2(152, N = 262) = 1218.92; \text{RMSEA} = 0.20; \text{NFI} = 0.85; \text{NNFI} = 0.85; \text{and CFI} = 0.87. \]

The results indicate a poor fit and an unacceptable overall fit. In addition, the two-factor model measurement model, forcing all factors into two underlying constructs, also produced poor model fit statistics with \[ x^2(151, N = 262) = 1167.67; \text{RMSEA} = 0.34; \text{NFI} = 0.86; \text{NNFI} = 0.86; \text{and CFI} = 0.88. \] Therefore, based upon these analyses, the four-factor model was the best and most suitable model used in subsequent analyses.

<table>
<thead>
<tr>
<th>Table 20: Comparing Fit Indices for Measurement Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>X^2</td>
</tr>
<tr>
<td>---------------------------------</td>
</tr>
<tr>
<td>1. Four-factor Model</td>
</tr>
<tr>
<td>499.79</td>
</tr>
<tr>
<td>2. One-factor Model</td>
</tr>
<tr>
<td>1218.92</td>
</tr>
<tr>
<td>3. Two-factor Model</td>
</tr>
<tr>
<td>1167.67</td>
</tr>
</tbody>
</table>

*Note. RMSEA = root mean square error of approximation; NFI = normed fit index; NNFI = non-normed fit index; CFI = comparative fit index.*

**4.5.3.2 Results for the construct validity**

In this section, the measurement model with confirmatory factor analysis is employed to validate the construct (Anderson & Gerbing, 1988). Table 21 presents the results of the measurement model with confirmatory factor analysis, namely standardised factor loadings, t-values, composite reliability and average variance extracted. Every single construct satisfied the requirements in terms of the t-value of each factor, the composite reliability and the average variance extracted for each construct.
To test unidimensionality, as presented in Table 21, four constructs were identified as employee-customer identification, extraversion, perceived organisational support, and service recovery performance. All the factors loaded reliably on their predicted factors, with standardised loadings ranging from 0.61 to 0.89 for employee-customer identification, 0.53 to 0.88 for extraversion, 0.71 to 0.87 for perceived organisational support, and 0.71 to 0.83 for service recovery performance, which indicates unidimensionality (Hair et al., 2006).

Table 21 also shows that the four constructs were verified to be four unique constructs. All measurement items show significant loadings on their expected constructs ranging from 0.53 to 0.89, which exceeds the minimum value of 0.50 (Kline, 1986), and t-values of all measurement items showed statistically significant loadings at the alpha level of .01. These results indicated evidence of convergent validity.

Moreover, composite reliability for employee-customer identification, extraversion, perceived organisational support, and service recovery performance was 0.89, 0.80, 0.91, and 0.89, respectively (see Table 21). All the values of composite reliability for each construct are above the commonly accepted value of 0.70 (Hair et al., 2006). Cronbach’s alpha value of each measurement scale in this study exceeded the minimum requirement of 0.70. These results indicated that the measures were reliable and have internal consistency to the corresponding construct.

In order to assess discriminant validity, the average variance extracted for each construct should be higher than the squared correlation between constructs and satisfy

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the minimum criterion of 0.50 (Fornell & Larcker, 1981). In this study, Table 21 presents the average variance extracted for employee-customer identification as 0.61, extraversion as 0.51, perceived organisational support as 0.67, and service recovery performance as 0.61. The average variance extracted for the four constructs in this study exceed the minimum criterion of 0.50, which indicates the evidence of discriminant validity.
<table>
<thead>
<tr>
<th>Constructs and Indicators</th>
<th>Completely Standardised Loading</th>
<th>t Value</th>
<th>Cronbach’s Alpha</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee-customer identification (ECI)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECI 1</td>
<td>0.70</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECI 2</td>
<td>0.89</td>
<td>13.14</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECI 3</td>
<td>0.61</td>
<td>9.32</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECI 4</td>
<td>0.85</td>
<td>12.70</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECI 5</td>
<td>0.82</td>
<td>12.25</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extraversion (ET)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ET 1</td>
<td>0.76</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ET 2</td>
<td>0.53</td>
<td>8.13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ET 3</td>
<td>0.88</td>
<td>12.66</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ET 4</td>
<td>0.65</td>
<td>10.17</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived organisational support (POS)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>POS 1</td>
<td>0.80</td>
<td>-</td>
<td></td>
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<tr>
<td>POS 2</td>
<td>0.83</td>
<td>14.86</td>
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<tr>
<td>POS 3</td>
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<td>POS 4</td>
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<tr>
<td>POS 5</td>
<td>0.71</td>
<td>12.32</td>
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<tr>
<td>Service recovery performance (SRP)</td>
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<tr>
<td>SRP 1</td>
<td>0.76</td>
<td>-</td>
<td></td>
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<tr>
<td>SRP 2</td>
<td>0.71</td>
<td>11.55</td>
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<tr>
<td>SRP 3</td>
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<td>13.14</td>
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<tr>
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<td>0.79</td>
<td>13.04</td>
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<td></td>
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<tr>
<td>SRP 5</td>
<td>0.83</td>
<td>13.78</td>
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</tbody>
</table>
In summary, in this section, the confirmatory factor analysis was performed to test the overall measurement model and construct validity. Based on Tables 19, 20 and 21, the overall measurement model fitted the data acceptably. Finally, the confirmatory factor analysis results provided evidence of construct validity. These results have demonstrated that the measures were reliable, as composite reliability of each measurement scale was larger than the commonly accepted value of 0.60. Discriminant validity was also considered to be ensured since all items in this study loaded significantly on their underlying latent variables and the model fit statistics provided evidence of convergent validity and discriminant validity.

4.5.4 Structural model

In this section, structural equation modelling using LISREL (version 8.30) was performed to test the hypotheses. To test overall fit of the model, the goodness-of-fit of the structure relationship is extremely important (Steenkamp & van Trijp, 1991). In this section the chi-square statistic, the root mean square error of approximation (RMSEA), normed fit index (NFI), non-normed fit index (NNFI), and comparative fit index (CFI) were employed to test the overall fit of the structure model.

4.5.4.1 Fit of the structural model

A full model which is used to test the study hypotheses showed good fit statistics, as shown in Table 22, for $x^2(147, N = 262) = 441.54$, RMSEA = 0.09, NFI = 0.95, NNFI = 0.96, and CFI = 0.96. The fit statistics of the full model showed RMSEA = 0.09 which is above population parameter values of the RMSEA of 0.08 (Browne & Cudeck, 1993) however MacCallum, Browne, and Sugawara (1996) have demonstrated that the values
of the RMSEA are intended as population values and not as cutoffs to empirically establish good- and bad-fitting models. Diamantopoulos and Siguaw (2000) also suggested that a value above 0.08 and below 0.1 is indicative of mediocre fit. Furthermore, Browne and Cudeck (1993) stated that researchers “would not want to employ a model with a RMSEA greater than 0.1” (p.144). In addition, Kenny, Kaniskan, and McCoach (2015) recently stated that the RMSEA may show poor fit if it is greater than 0.1. Therefore, the RMSEA = 0.09 is considered to be within the accepted range. In this study, the goodness-of-fit statistics in the structural model presented a good fit to the data, so the overall fit of the model appeared to be acceptable and good.

Subsequently, the results from the full model were used to examine the predictive power of extraversion on employee-customer identification (H1), the predictive power of perceived organisational support on employee-customer identification (H2), and the predictive power of employee-customer identification on service recovery performance (H3).

### Table 22: Goodness of Fit of Structural Model

<table>
<thead>
<tr>
<th>Structural Model</th>
<th>X2</th>
<th>df</th>
<th>X2/df</th>
<th>RMSEA</th>
<th>NFI</th>
<th>NNFI</th>
<th>CFI</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>441.54</td>
<td>147</td>
<td>3</td>
<td>0.09</td>
<td>0.95</td>
<td>0.96</td>
<td>0.96</td>
</tr>
</tbody>
</table>

*Note. RMSEA = root mean square error of approximation; NFI = normed fit index; NNFI = non-normed fit index; CFI = comparative fit index.*

#### 4.5.4.2 Hypotheses testing results

As shown in Figure 5, the level of prediction of extraversion on employee-customer identification is significant and positive (β = 0.53, t value = 6.9). The results indicate that employees with high extraversion will perform better on employee-customer
identification. Therefore **Hypothesis 1**: Extraversion will be positively related to employee-customer identification is supported.

Moreover, perceived organisational support also has a significant, positive influence on employee-customer identification ($\beta = 0.56$, $t$ value = 7.52). The findings show that employees with high perceived organisational support have high identification with customers. Therefore **Hypothesis 2**: Perceived organisational support will be positively related to employee-customer identification is supported.

The results illustrate that employee-customer identification has a significant, strong and positive effect on service recovery performance ($\beta = 0.80$, $t$ value = 9.62). The result indicates that employees who highly identify with customers perform better on service recovery performance. Therefore **Hypothesis 3**: Employee-customer identification will be positively related to service recovery performance is supported.
Figure 5: Results of Study Hypotheses

In summary, Chapter 4 examined and analysed the completed online survey questionnaires from 262 frontline employees working in 4-5 star hotels in New Zealand. The demographic characteristics of the respondents were also described. Cronbach’s alpha value of each construct, including employee-customer identification, extraversion, perceived organisational support and service recovery performance, were 0.88, 0.79, 0.91, and 0.89 respectively. Confirmatory factor analysis was employed to examine the measurement model and to test the validity. The results indicated evidence of the fit of data to the overall measurement model and the construct validity. The fit of the
hypothesised research model was also examined and showed a good data fit. Lastly, the study hypotheses, which were tested by the structural equation model, were all supported. In the following Chapter 5, the summary of these findings and other issues relevant to the findings are discussed. Then, the theoretical and practical implications of the study and the limitations, as well as the areas for future research are also suggested.
CHAPTER 5 – DISCUSSION

The concept of this study is to identify the determinants and the outcomes of employee-customer identification in the hospitality industry. Examining employee-customer identification is important since there has been little attention paid to studies of employees’ identification with customers based on relational identification. Previous research focused predominately on employees’ individualised self-representation to the collective group in the organisational context, such as the work group or the organisation itself, but largely ignored the individual’s identification with customers at an interpersonal level. Employees’ self-identification with customers, regarded as a type of relational identification, plays a crucial role in the service industry, and is especially relevant in the hospitality industry because of the intensive frequent face to face or voice to voice interactions between frontline employees and customers during service encounters.

This study is the first which has theoretically and empirically studied employees’ identification with customers in the hospitality industry. Specifically, the study attempts to test the study hypotheses, derived from the previous literature, of whether extraversion and perceived organisational support have a positive relationship on employee-customer identification. By studying the consequences of employee-customer identification, this study proposed that employee-customer identification has significant influence on employees’ service recovery performance. The following sections include a summary of key findings, research implications, practical implications, limitations and future research, and concluding remarks.
5.1 Summary of Key Findings

Overall, the findings generally support the hypotheses within this study. The findings from this study found that the impact of extraversion on employee-customer identification is statistically significant and positive. The results indicate that extraverted employees are more likely to identify themselves with customers during a service encounter. Although previous research has not looked at the relationship between extraversion and employee-customer identification, the findings are consistent with the results of previous studies indicating that extraverted employees are more likely to identify themselves with social groups in general (Aghaz & Hashemi, 2014; Johnson et al., 2012). In addition, the findings of the study are in agreement with Kreiner and Ashforth (2004) who suggested that employees’ personality differences may affect their identification with the organisation or other work-based group members. The results suggest to behaviour and psychological scholars that personality traits need to be continually and empirically studied in academic research fields because personality traits influence an individual’s identification and work performance.

Moreover, given that relational identification focuses on role-relationships, employees who identify with customers appear to have great interpersonal relationships with customers. Consequently, the results suggest that employees with an extraverted personality appear to have great interpersonal relationships with customers. The results support the previous research revealing that extraverts perform well in occupational contexts that require strong social skills and involve a high quality of interpersonal relationships with others (Barrick & Mount, 1991; DeYoung et al., 2007; Zimmerman, 2008).
The results of this study also revealed a significant positive relationship between extraversion and service recovery performance. The results are consistent with Tett and Burnett (2003), who suggested that extraverts tend to expect social encounters to be more positive and should be particularly skilled at handling problems, such as dealing with unpleasant or angry people.

In this study, the results showed that perceived organisational support is a significant predictor of the employee-customer identification, suggesting that the values and support provided by the organisation are associated with higher levels of interpersonal relationship between employees and customers. In line with social exchange theory, the results of the study indicate that employees’ perception of organisational support motivates employees to develop deeper bonds and provide interpersonal relationships with customers, especially the relationship that favours organisational values and goals.

Furthermore, the results of the study showed that perceived organisational support has significant positive relationship with service recovery performance. The findings are consistent with the study of Yavas et al. (2010) and suggest that employees who believe that the organisation cares about their values and appreciate their contribution at work successfully respond to service failures in the hospitality industry.

Moreover, the findings revealed that perceived organisational support has a slightly stronger influence on employee-customer identification than extraversion. The findings may imply that, in strong work situations that involve strong interpersonal relationships, personality traits had weaker impacts than organisational support on employee-customer
identification. Gonzalea and Chakraborty (2012) have pointed out that individuals’ identification differs across individuals and organisational conditions. Therefore, further studies need to be conducted in an empirical setting to examine how personality traits and situational variables enable a stronger sense of employee-customer identification.

In the present study, another important finding was that employee-customer identification significantly and positively influences service recovery performance. The findings suggested that the more employees identify with customers, the better they perform in service recovery performance. It is difficult to directly compare the results to previous research as this result has not been previously described. Additionally, there are only limited empirical studies that have identified the factors influencing service recovery performance from an employee-customer relationship perspective. Nevertheless, recently, Chao et al. (2007) have identified that customer orientation at the individual level has a significant positive influence on employees’ service recovery performance in the hospitality industry. The results of this study can be compared with the findings from Chao et al. (2007) because both studies were conducted in the hospitality industry, and employee-customer identification and customer orientation both highlighted the importance of the interpersonal relationship and interaction between employees and customers during service encounters. The results suggest that employee-customer identification has more influence than customer-orientation behaviour on service recovery performance. The results imply that employee-customer identification is a critical factor for improving employees’ service recovery performance in the hospitality industry.
In this study, the relationship of employees’ gender and organisational tenure with all study variables has also been identified. Overall, analyses of the findings suggest that the participant’s demographic factors do not seem to have a significant effect on the correlation of values between employee-customer identification, extraversion, perceived organisational support and service recovery performance.

Surprisingly, no correlation is found between gender and employee-customer identification, perceived organisational support and service recovery performance. Moreover, these findings of the current study are consistent with the study of Zhang et al. (2014), who have found that gender has no relationship with employees’ relational identification.

In addition, the findings revealed that organisational tenure has a small significant positive relationship with employee-customer identification as well as with service recovery performance. The findings indicate that employees who stay longer in the organisation seem to perform better on employee-customer identification and service recovery performance. However, the finding indicating a significant and positive relationship between organisational tenure and employee-customer identification does not support the study of Zhang et al. (2014), in which tenure had no relationship with employees’ relational identification. A possible explanation for this might be that Zhang et al. (2014) studied employees’ relational identification with work group members in organisations rather than with customers. It is therefore suggested that further research should be conducted to explore whether there is a significant, positive relationship
between employees’ organisational tenure and employee-customer identification in other fields.

5.2 Research Implications

It is expected that the results of this study will assist in further studies on employee-customer identification in the hospitality industry. The findings of this study aid in providing theoretical and practical benefits to both hospitality academics and practitioners.

5.2.1 Theoretical Implication

From a research perspective, the study makes several contributions to academic literature. First, perhaps the greatest contribution of this study is that the findings contribute to interpersonal identification literature by empirically studying employees’ relational identification with customers, which is an area of research yet to be developed. Since employee-customer identification is a relatively new concept, this area needs to be explored and studied. As previously mentioned, a considerable amount of literature has studied employees’ identification with collectives in the organisational context based on social identity theory however, this study, from the perspective of identity theory, has examined employees’ relational identification with customers which focuses on the role-related relationships between service employees and customers. The findings of the study will serve as a base for scholars who do further studies on employee’s’ relational identification with other members who have role-related relationships with employees in the organisational context, such as supervisor-subordinate.
In addition, consistent with research on role relationship and relational identity, the findings imply that employee-customer identification becomes salient when employees have a high quality of interpersonal relationship with customers in a role-based encounter. The results of the study suggest that role-based interpersonal relationships nested within an organisational setting may gain significance and importance. Such relationships may increase familiarity between frontline employees and customers, based on their roles as service providers and service consumers. The results therefore suggest that extending knowledge of the relational identification processes may help organisations to manage the identification of frontline employees more successfully, which is important for creating successful relationships and interactions between employees and customers.

Moreover, models of identification in organisations have largely focused on identifying the determinants of employees’ identification with the organisation. This outlook of identification explains the process of socially categorising an individual’s self to a social collective group (i.e. organisation). However, this study aims to shed light on the so far neglected research field of interpersonal identification of frontline employees with customers and find out its determinants. Specifically, this study suggests that both personality traits (i.e. extraversion) and situational determinants (i.e. perceived organisational support) influence the levels of employees’ relational identification with customers. Although much existing research on social identification has tended to focus on the situational determinants of identification and has neglected potential dispositional determinants, this study offers empirical support to the theoretical proposition that employees’ personality differences and perception of organisational support are both important to employees’ identification. In particular, this study which
used the same samples and measures from the same source to examine extraversion and perceived organisational support, suggests that both personality traits and situational variables may make employees more likely to identify with customers in general. The results suggest to both psychological and behavioural scholars that further study is needed to examine the influences of employees’ personality traits on employees’ identification and performance in the organisational context. In addition, the significant relationship of employee-customer identification with extraversion and perceived organisational support further contributes to interpersonal identification, and offers avenues for further research on examining the determinants of employee-customer identification in different fields.

Moreover, as there has been no empirical study examining employee-customer identification in the hospitality industry, this study sheds new light on customer service measurement by examining the significant influence of employee-customer identification on employees’ service recovery performance.

Lastly, the study also identifies causal attributions as a theoretical base on which to define service recovery in the conceptual framework and applies it to the empirical study. However, the empirical evidence to apply attribution theory to the hospitality industry remains limited. The findings of this study could provide reference to the hotel industry to manage service failures. In addition, the findings of this research indicate that perceived organisational support has a positive relationship with service recovery performance. The theoretical contribution of this finding is the added empirical evidence to the literature on social exchange theory and service recovery performance.
Moreover, the findings of the study also contribute to the relational identification and service recovery performance literature by providing a framework for explaining how service employees can obtain knowledge from interpersonal relationships and interactions with customers to provide better performance in a service failure encounter.

5.2.2 Practical implications

In addition to the theoretical contributions, the findings of the study have important implication for practitioners. The findings of the study provide some useful guidelines for hotel managers to enhance their frontline employees’ interaction and relationship with customers. In order to improve employee-customer identification, this study firstly suggests that human resource managers and hotel managers should select and recruit the right candidates whose personality or characteristics match the requirement of a frontline service job by, for example, asking interview questions relating to personality traits or using scenario-based tests to discern if candidates’ abilities and competencies are consistent with the requirements of a frontline service position.

Secondly, the findings of the study showed that the more organisational support hospitality employees received from their organisation, the higher the employee-customer identification with customers during a service encounter. Thus, it is important to provide employees, especially those who interact with customers, both technical support, for example training, and psychological support for developing self-awareness capabilities. Organisational managers can provide training courses on employees’ technical skills, such as problem-solving and listening skills. The training
courses can help employees improve their abilities in handling complaints and solving problems effectively, resulting in higher customer satisfaction.

Furthermore, the management of hotels can establish and maintain respect and friendly relationships with employees by proactively providing employees with benefits, listening to employees’ voices and caring about them. These practices send powerful signals to employees that the organisation cares, respects and appreciates their work efforts, and produces felt obligation to make significant contributions to service delivery and customer services. To enhance employees’ level of perceived organisational support, hospitality managers need to ensure that programmes are in place that offer encouragement and reward good performance. These might include employee of the month programmes and internal promotional opportunities. Hospitality Human Resource managers might consider redesigning frontline hospitality jobs to make the job more meaningful and psychologically rewarding. These suggestions may improve the level of employees’ perceived organisational support in order to improve employee-customer identification.

Thirdly, this study highlighted the importance of service recovery performance in the hospitality industry. When frontline employees’ service failures occur in service delivery, customers expect service employees to recover the service and solve the problems as soon as possible. Thus, hotel organisations must be vigilant in identifying and correcting performance failures. Organisation managers should promote the implementation of service recovery programmes to mobilise resources and compensate customers when service failure occurs. In this study, hotel operators are encouraged to manage service
failures through understanding how employees’ service interaction and interpersonal relationships with customers are critical to the successful implementation of service recovery performance. The finding may remind hotel organisations to first understand how to improve frontline employees’ service behaviours and interpersonal relationship between employees and customers prior to carrying out any corresponding recovery strategies. Hotel managers can play a critical role in encouraging the practice of service behaviours among the frontline employees they supervise. Managers should also provide sufficient organisation support to employees in order to minimise the effects of a service failure on customer loyalty. In addition, managers should carefully consider employee demographics in their recruitment and support decisions. In this study, the findings showed that there is a relationship of service recovery performance with extraversion and organisational tenure. Therefore, managers should consider hiring extraverted employees and keeping them employed in the organisation, as these employees may generate more ideas for service improvement.

As suggested to managers before, selecting and recruiting new employees with the right personality and providing sufficient organisational support are two effective approaches to enhance employee-customer identification. Indeed, the findings of this study also help New Zealand hospitality operators to mitigate the aforementioned challenges, such as lack of skilled employees, competition from other businesses and building and maintaining sales volume. For example, using personality traits as one of the indicators may help hospitality operators to select and recruit candidates in the workplace. Improving employee-customer identification can help improve customer satisfaction and loyalty in order to sustain organisational competitive advantages.
5.3 Limitations and Recommendations for Future research

There are some limitations that should be recognised with the current study. The first limitation in this study concerns the sample. The study was limited to hotels in New Zealand, which might not be generalisable to other markets. However, given that the hotels are from various regions around New Zealand, and from different hotel groups, it is possible that the results could be generalised across the hotel sector.

In the study, all measures were collected through self-report; thus, the findings are not immune to common method bias. However, research has shown that common method bias is rarely strong enough evidence to invalidate research findings (e.g. Spector, 2006). In addition, considering the nature of the design of this study, a personality scale with one reversed coded item, and measurement testing, the results should have a high degree of reliability and validity.

Lastly, in this study, only extraversion was studied in the relationship with employee-customer identification. Research should continue to address the other factors of personality traits as antecedents of an expanded model of employee-customer identification in the hospitality industry.

Theoretically, employee-customer identification opens up to the academic field a new concept on individuals’ identity based on relational identification. Using this study as a blueprint, further research could study the relationship between extraversion, perceived organisational support and employee-customer identification in a different context or industry. This would allow for comparative research between the hospitality industry,
which is a customer oriented industry, and industries that have weaker customer culture, where perhaps different results may be found.

Further research may determine different variables to identify whether relational identification contributes to a field genuinely new to literature. For example, further research can identify antecedents of employee-customer identification from demographic factors, such as personal needs and educational background, and also identify other outcomes of employee-customer identification in the different industries. Moreover, this study examined the influences of employee-customer identification on service recovery performance. The study suggests that future work incorporating identification foci in theoretical models can predict the effects of other possible outcomes of employee-customer identification from employees’ perspectives, such as job satisfaction.

Lastly, the correlation analysis of the study showed a significant positive relationship between all study variables. Therefore, further study may use employee-customer identification as a moderator to identify the impacts on the relationship between extraversion and service recovery, and perceived organisational support and service recovery performance.

5.4 Conclusions

This study provides initial evidence for the importance of employees’ relational identification with customers in the hospitality industry. This research has identified that extraversion and perceived organisational support have a significant influence on
employee-customer identification. Simultaneously, the study has found that employee-customer identification plays a significant role on employees’ service recovery performance. The results of the present study will encourage further research ideas into employees’ relational identification with other role-related group members in organisational contexts. The findings of the study will benefit both academic scholars and hotel practitioners by providing a framework for identifying the determinants and outcomes of employee-customer identification; and providing better understanding to organisational managers and frontline employees on the complex interpersonal relationship between frontline employees and customers in the hospitality industry.
REFERENCES


Appendix 1: Invitation Email to Hotel Managers

Invocation Email to Hotel Managers

Dear [Name of the hotel manager],

Thank you so much for taking the time to read this email.

I would like to invite your employees to participate in research on employee/customer interactions. This study is important as it aims to have a meaningful contribution to service organizations to provide a better understanding on how to improve employees' and customers' relationship and improve service delivery.

My name is Junyi Zou, a candidate for the Master in Hospitality Management course at Auckland University of Technology (AUT), New Zealand. I am currently conducting this research to complete my Master's degree. The purpose of this research is to identify factors influencing personal interactions between employees and customers, and the relationship between these interactions and employees' work performance in the hospitality industry.

If you agree to support this research all that would be required is for the information sheet and survey link to be made available to your employees. Please let me know your decision by return email.

If you have any questions about this research, please do not hesitate to contact me by email fluff601@aut.ac.nz. Thank you so much for your time and support!

Sincerely,

Junyi Zou
School of Hospitality and Tourism
Faculty of Culture and Society
AUT University
Appendix 2: Participant Information Sheet

Participant Information Sheet

Date Information Sheet Produced: 13/08/2015

Project Title
Investigating employee-customer identification and its antecedents and outcomes in the hospitality industry

An Invitation
My name is Jiang Zhu, a Master's student at AUT University. I would like to invite you to participate in research that investigates personal interactions between service employees and customers.

What is the purpose of this research?
The purpose of this research is to examine factors influencing personal interactions between employees and customers, and the relationship between these interactions and employees' work outcomes. The output of this research is part of my thesis and will contribute to my completion of a Master's Degree in International Hospitality Management at AUT University. The research result may be used for conference papers, presentations, and journal articles.

How was I identified and why am I being invited to participate in this research?
I am inviting you to participate in this online survey because you have experience interacting with customers and your response will provide valuable perspectives and contributions to this research.

What will happen in this research?
If you are willing to participate in this survey, please click the URL link to the online survey. This survey will take approximately ten minutes to complete. Once you have completed all questions, please click the Finish button to submit your response.

What are the discomforts and risks?
Completing the online survey is entirely voluntary and anonymous, and the information sought in this research is not expected to be controversial, so you should not experience any discomfort, be exposed to any embarrassment or face any reprisal. In addition, no personally identifiable information will be collected in this research. All information gathered will be combined for statistical analysis and only used for the purpose of this research.

What are the benefits?
Your participation will have a meaningful contribution to service organizations to provide a better understanding on how to improve employees' and customers' relationship and improve service delivery. Furthermore, your participation will also assist me in completing my Master's Degree in International Hospitality Management at AUT University.

How will my privacy be protected?
The survey is anonymous. You will not be able to be identified from any information provided and all information gathered will be combined for statistical analysis and used for academic purposes only. No third party will have access to the data.

What opportunity do I have to consider this invitation?
You can complete the survey at any time between 30 August and 30 September, 2015.

How do I agree to participate in this research?
By completing the online survey you will be agreeing to participate in this research.

Will I receive feedback on the results of this research?
The result of this research will be available on the website of New Zealand Tourism Research Institute: http://www.nztr.org in December 2015, you are more than welcome to visit the website and view the findings.

What do I do if I have concerns about this research?
Concerns regarding the conduct of the research should be notified to the Executive Secretary of AUTEC, Kate O'Connell, ethics@aut.ac.nz, 931 5999 ext 6238.

To whom do I contact for further Information about this research?
Researcher Contact Details:
Primary researcher: Jiang Zhu, J.Zhu01@aut.ac.nz
Project Supervisor Contact Details:
If you have any concerns about this research or survey, please feel free to contact:
Project Supervisor: Dr Peter Kim, p.kim@aut.ac.nz, 931 5999 ext 6106.
Secondary supervisor: Warren Goodwin, warren.goodwin@aut.ac.nz

Approved by the Auckland University of Technology Ethics Committee on type the date final ethics approval was granted. AUTEC Reference number type the reference number.

This version was last edited on 8 November 2013.
Appendix 3: Online Survey

Antecedents and outcomes of employee-customer identification

Online Survey

Please select "Yes" or "No" to answer the following questions.

- Are you employed by a hotel in New Zealand?
  - Yes
  - No
- Do you communicate routinely with customer at work?
  - Yes
  - No

Only if participants select "Yes" to answer all above questions, this online survey will be continued. Otherwise, the survey will be defaulted to end if participants do not meet these criteria.

Part 1: Employee-customer identification

<table>
<thead>
<tr>
<th>Kindly select the extent of your agreement with each statement from the range of 1 to 7 (1=Strongly disagree, 2=Disagree, 3=Somewhat disagree, 4=Neither agree nor disagree, 5=Somewhat agree, 6=Agree, 7=Strongly agree).</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. When someone praises my relationship with my customers, it feels like a personal compliment.</td>
</tr>
<tr>
<td>2. I feel attached to my customers.</td>
</tr>
<tr>
<td>3. I am interested in what others including my co-workers think about my customers.</td>
</tr>
<tr>
<td>4. I identify with my customers</td>
</tr>
<tr>
<td>5. I feel good to be of service to my customers.</td>
</tr>
</tbody>
</table>

Part 2: Personality trait

<table>
<thead>
<tr>
<th>Kindly select the extent of your agreement with each statement from the range of 1 to 7 (1=Strongly disagree, 2=Disagree, 3=Somewhat disagree, 4=Neither agree nor disagree, 5=Somewhat agree, 6=Agree, 7=Strongly agree).</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. I think I am very talkative.</td>
</tr>
<tr>
<td>7. I often feel shy.</td>
</tr>
<tr>
<td>8. I am outgoing and sociable.</td>
</tr>
<tr>
<td>9. I think I have an assertive personality.</td>
</tr>
</tbody>
</table>
### Part 3: Perceived organisational support

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. My organisation cares about my options</td>
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<td>11. My organisation really cares about my well-being</td>
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<td>12. My organisation strongly considers my goals and values</td>
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<td>13. Organisation would forgive an honest mistake on my part</td>
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<tr>
<td>14. Help is available from my organisation when I have a problem</td>
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</tbody>
</table>

---PAGE 3---

### Part 4: Service recovery performance

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
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<td>15. Considering all the things I do, I handle dissatisfied customers quite well</td>
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<td>16. I do not mind dealing with complaining customers.</td>
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<td>17. No customer I deal with leaves with unresolved problems</td>
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<td>18. Satisfying complaining customers is a great thrill to me</td>
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<td>19. Complaining customers I have dealt with in the past are among today's most loyal customers</td>
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---PAGE 4---
Part 6: Demographic questions

Please answer the following demographic questions that briefly describe you.

24. Please select your gender:
   a) Male  b) Female  c) Other

25. What is your age?
   a) 18-24  b) 25-30  c) 31-35  d) 36-40  e) 40+ or other

26. How long have you been working in the hospitality industry? (____) years (____) months

27. How long have you been working in this hotel? (____) years (____) months

28. What is the highest level of qualifications you completed in the hospitality?
   a) Did not complete high school
   b) High school
   c) Short-term professional programmes (Certificate Courses)
   d) Diploma/Graduate
   e) Master/Post-Graduate
   f) Others (____)

29. What is the department you work for?
   a) Cashier
   b) Food and Beverage Department
   c) Room Division
   d) Bell
   e) Sales and Marketing Department
   f) Recreation and Entertainment Department
   g) Others (____)
25 August 2015

Peter BeanOreal Kim
Faculty of Culture and Society
Dear Peter BeanOreal


Thank you for providing evidence as requested, which satisfies the points raised by the Auckland University of Technology Ethics Subcommittee [AUTEC].

Your ethics application has been approved for three years until 24 August 2018.

As part of the ethics approval process, you are required to submit the following to AUTEC:

- A brief annual progress report using form EA2, which is available online through http://www.aut.ac.nz/stephen_adds. When necessary this form may also be used to request an extension of the approval at least one month prior to its expiry on 24 August 2018;
- A brief report on the status of the project using form EA3, which is available online through http://www.aut.ac.nz/stephen_adds. This report is to be submitted either when the approval expires on 24 August 2016 or on completion of the project.

It is a condition of approval that AUTEC is notified of any adverse events or if the research does not commence. AUTEC approval needs to be sought for any alteration to the research, including any alteration of or addition to any documents that are provided to participants. You are responsible for ensuring that research undertaken under this approval occurs within the parameters outlined in the approved application.

AUTEC grants ethical approval only. If you require management approval from an institution or organization for your research, then you will need to obtain this. If your research is undertaken within a jurisdiction outside New Zealand, you will need to make the arrangements necessary to meet the legal and ethical requirements that apply there.

To enable us to provide you with efficient service, please use the application number and study title in all correspondence with us. If you have any queries about this application, or anything else, please do contact us at ethics@aut.ac.nz.

All the very best with your research,

Kate O’Connor
Executive Secretary
Auckland University of Technology Ethics Committee

Co.: Jiang Diu interprete_shu007@outlook.com, Warren Gauden