

SERVICE ORIENTATION AS A BASIS FOR QUALITY SERVICES AND COMPETITIVENESS IN HOTEL INDUSTRY

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Abstract:

Employee service orientation can impact the company's reputation for customer service, and affect its success in the hospitality market. Due to the great role that service orientation plays in gaining a competitive advantage, this research shall attempt to examine the level of service orientation through the following three factors: Focus on guests, Organizational support and Work under pressure among employees in the hotels in Novi Sad. The findings indicate that there are statistically significant differences in relation to the employee gender. Additionally, positive correlation was observed among the given factors.

Keywords:

service orientation, employee, hotel industry, competitiveness.

INTRODUCTION

The topic of service orientation has attracted considerable attention in recent years and has become the basis for understanding and meeting the needs of consumers. As liaison strategy between the company and its customers, it has become the most important research field in order to reduce the negative effects of interactions between service staff and guests (Liang *et al.*, 2010).

Any action that employees take affects customer satisfaction (Kim *et al.*, 2005). A satisfied customer tends to become a loyal customer. A large number of loyal guests lead to company profits and favorable competitive position in the market, which is the ultimate goal of any organization.

In order to have service-oriented staff, an organization must provide them with the specific working conditions. On the other hand, only a satisfied employee can be service-oriented. The optimal procedure of serving, support and motivation, reduction of work pressure, and the perception of customer needs have a positive impact on guests. Furthermore, an employee who is satisfied with the treatment at work does not intend to leave the workplace. The employee's leaving from the company is on the one hand the cost, while on the other hand it affects the performance of all remaining employees, which is undesirable for the organization.

Due to the significant role that service orientation plays in gaining a competitive advantage and achieving profits as the ultimate goal, this field has been widely explored by scientists and managers in recent years. Teng and Barrows (2009) point out that service orientation is the basis for obtaining the desired market position, because it has a huge impact on the overall service capabilities.

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In modern era, the service sector, especially hospitality, requires not only increase of productivity and reduction of operating costs, but also considerable attention to positive communication between consumers and employees (Teng & Barrows, 2009). During the interaction with guests, an employee may experience various feelings. Service orientation is the result of a satisfied employee and involves the expression of those emotions that are desired by the customer and the company. Paying attention to the guests by employees is of the utmost importance (Hartline & Ferrell, 1996) because each action employees take affects the customer experience. In order to deliver an excellent experience, service orientation must be present at both personal and organizational level (Pizam, 2011). Moreover, certain behavior and attitude of an employee plays the crucial role in the quality of service. Skills and experience can be developed and gained, but the natural hospitality of the staff usually can not be influenced. However, kindness and accessibility of service employees are often more important than their expertise. Thus, in the process of employee selection, special attention should be paid to the characteristics of their personality. This is especially important when selecting employees that come in direct contact with guests (Teng & Barrows, 2009).

Despite the existence of a large number of studies on service orientation, an insignificant number of scientists focused on understanding this concept within the hotel (Teng & Barrows, 2009) or restaurant industry (Kim *et al.*, 2003).

A guest is willing to overlook certain shortcomings, if he/she encounters willingness to help and empathy among service employees. In this way, the company gets a loyal guest and expands its business operations. Finally, the company makes a profit and strengthens its competitive advantage, which is the ultimate goal of every hotel industry (Tsai *et al.*, 2010). To ensure employee satisfaction, the hotel management must guarantee good working conditions.

The company's success lies in the organization efficiency to select, develop and retain high quality workforce. Since they are part of the extremely competitive environment, hospitality organizations begin to develop human resources in order to gain a competitive position, make a profit and offer a high-quality service to guests. One of the ways to achieve these goals is through proper employee motivation. An important motivating factor is the employee autonomy, which is defined as a process in which the manager allows an employee to independently solve problems with the guests. The employee autonomy is particularly applicable in the hos-

pitality industry where employees have to react very quickly, and they have to adapt to the changing demands of their guests. This particularly refers to workers who are in direct contact with guests-service staff (Lavric, 2013).

In other words, this autonomy in decision-making erases the boundaries in the jurisdiction between managers and employees so the employee becomes a leader, and manager becomes a leader of a leader (Erstad, 1997). This provides a quick response to consumers' needs.

The aim of the research was to estimate the level of employee service orientation in hotels in Novi Sad.

METHODOLOGY

A model applied by Kim *et al.* (2003) was used in this study. The first part refers to socio-demographic data while the second part of the questionnaire addresses the dimensions of service orientation, explained by three factors: Focus on guests (F1), Organizational support (F2) and Work under pressure (F3). The survey was conducted in Novi Sad in 12 hotels among service staff (waiters, bartenders and sommeliers) in 2015 and includes 104 correctly completed questionnaires.

RESULTS AND DISCUSSION

The largest number of the respondents (79.9%) belongs to the age group up to 30 years, while only 20.2% of the respondents are older than 40 years. The majority of the respondents have completed secondary education (60.6%) while 29.8% of them have completed a college or university. Furthermore, the majority of participants (43%) have up to five years of service, while only 10% of respondents have over 15 years of service. This trend can be explained by the fact that most of them are under 30 years of age, thus suggesting that they could not have a more significant length of service.

The largest number of service employees (59%) does not have a full year of experience in the hospitality establishment where they are currently employed, while only 9% of them have experience of 5 years or more. Based on that, it can be concluded that employees in the hospitality industry change their workplace quite often. Additionally, it can be due to the current economic situation in the country, which includes unprivileged position of the labor, the uncertainty of survival of hospitality companies in the market, a high unemployment rate, and low and irregular salaries.

The research results show that the highest rating is given to the factor Focus on guests ($M=4.3706$, $SD=0.32015$) and the lowest to the third factor Work



under pressure ($M=4.1256$, $SD=0.32242$). The factor Organizational support scored $M=4.16$, $SD=0.61522$.

Reliability of the questionnaire was tested using Cronbach's alpha coefficient. The values of coefficients ranged from 0.701 to 0.735, which indicates that the measuring instrument used in this research is reliable (Nunnally, 1978).

T-test for independent samples was applied with the aim of comparing the arithmetic means of response between male and female respondents (Table 1).

Table 1. T-test results

Factor	Mean		t - value
	Male (n=54)	Female (n=50)	
Focus on guests	4.3311	4.4102	1.049
Organizational support	4.2176	4.1025	-1.252
Work under pressure	4.2324	4.0189	-2.214*

* $p<0.05$

Based on these results, it can be concluded that there are statistically significant differences in responses regarding the gender of the respondents in the third factor. Female respondents give significantly smaller marks related to the factor Work under pressure. In other words, we can conclude that women feel less pressure during service delivery. The same result was found by Groves (1994) while Kim *et al.* (2003) concluded that employee gender does not influence mean ratings in factor Work under pressure. The reason why women feel less pressure can be found in the fact that men provide assistance to colleagues, seeing them as the "weaker" sex. On the other hand, it creates additional pressure among men, which is most probably why these differences occur.

Additionally, T-test results indicate that both genders feel the same level of organizational support and have the same focus on guests since there is no statistically significant difference between the means related to gender of the respondents. The same results were obtained by Kim *et al.* (2003), reporting that none of the socio-demographic factors of the respondents, including gender, have an impact on service orientation and its dimensions.

The relationship between three factors was measured using the Pearson correlation coefficient and it was found that the factors positively correlate (moderate level, $p<0.01$) (Cohen, 1988).

The factor Organizational support positively correlates with the factor Focus on guests, which means that the increase of the organisational support, increases the focus on guests. This is also confirmed by Kim *et al.* (2003). Work under pressure also positively correlates with the factor Focus on guests. The conclusion is that the focus on guests is greater when employees feel less pressure. Additionally, as the organizational support grows, employees feel less pressure.

Table 2. Correlation results

Factor	Focus on guests	Organizational support	Work under pressure
Focus on guests	1		
Organizational support	0.332*	1	
Work under pressure	0.413*	0.371*	1

* $p<0.01$

CONCLUSION

Guest satisfaction mainly depends on the service personnel, their skills and knowledge. It is very difficult to draw the line between the service and the process of its delivery. Employees on the first line affect the final result as they are those who interact with consumers.

Because of this, managers should primarily focus on employees and then on the customers. This attitude indicates that human resources greatly impact the service that will be provided to guests, their satisfaction and the desired business results. Employees are the key segment of the service process and as such, affect the competitiveness of the company.

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