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Abstract: This research investigates the determining effects of human resource management (HRM) practices on employee service quality in Thailand’s chained-brand hotels located in Bangkok, Thailand. Eleven hypotheses have been developed that point to possible positive and negative relationships between HRM practices, mediating variables and employee service quality as employee performance. A total of 450 managers, consisting of top management, HR leader, and Line Hotel Operation manager that include Restaurant manager, Engineering & Service Maintenance manager, Executive Chef were examined and then empirically tested using SPSS AMOS for Path Analysis. The results show that HRM practices have no direct relationship with Employee service quality as employee performance. But they have an indirect association, meaning employee service quality cannot be determined solely by the use of HRM practices. Out of the five mediating variables in this study, the one that has the most substantial effect on employee performance is employee motivation.

Keywords: HRM Practices, Employee service quality, Thailand’s chained-brand hotels

I. Introduction

Organizations success depends on the performance of employees. As such, employees need to be managed, which is regarded as an essential function for managers (Gentry et al., 2008; Kraut et al., 1989). Managers are responsible for ensuring that organizations succeed and achieve a high-performance level (Daft, 1988). Amos et al. (2004) further stated that performance could not live in anticipation that it will develop naturally, despite the employee’s natural desire to perform and be rewarded for performance. The desire to achieve needs to be accommodated, facilitated and cultivated. As a result, most organizations have made significant financial commitments, through HRM practices, to manage employees’ performance (Chow &Kleiner, 2002). The importance of employee performance to the success of organizations could partly explain why numerous methods for monitoring, managing and improving employee performance have been developed (Schraeder& Jordan, 2011).

Most researchers’ consider HRM practices to be a standard way to manage employee performance (e.g., Munjuri, 2011). But recently, some researchers have argued that there are other factors besides HRM practices that can affect employee performance. Guest (2002), for instance, explained that the impact that HRM practices have on employee performance would depend on how the methods perceived by employees. Huselid (1995) found that the effectiveness of employees will depend on the impact of HRM practice on the behavior of employees. This literature shows that not only should organizations be equipped with the right HRM practices to increase employee performance, but they should also take into account other factors like employee behavior. While most studies focused on one of these actions (e.g., Morrison, 1996), this study will look at five types of acts; organizational citizenship, job satisfaction, employee engagement, employee motivation and HR flexibility. These five factors will mediate the relationship between HRM practices and employee service quality as employee performance.

Thailand is destination country for tourists around the world with Bangkok being one of its most famous visited city. The hotel industry is significantly impacting Thailand economics growth. There are many Thai Chained-Brand Hotels. Competition in the hotel industry is very high. Therefore, highly skilled, with top service quality staff and professional hotel HRM practices are needed to achieve customer satisfaction.

II. Theoretical Background

For organizations to succeed, having a competitive position over their rivals is a must. Understanding this competitive position comes from following the company’s resources. Several studies – using Barney (1991) resource-based view (RBV) – promote the belief that HRM can be used to achieve a competitive advantage.

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Resource-Based View (RBV)

RBV based on the assertion that companies need to have a valuable, rare, if not unmatchable and non-interchangeable resources internally to attain a sustainable competitive advantage (Barney, 1991). Barney (1991) goes on to list all assets, employees’ capabilities, internal processes, organizational wisdom, and more as resources.

Wright and McMahan (1992) referred to four qualities a company, must have to be competitive:
1 – Employees must add value to the production process via significant personal performance.
2 – The corporation must have employees with rare skill sets.
3 – Investments in the firm’s human capital should be difficult to copy.
4 – There should not be technological alternatives to the human element.

Points one and two are a must for human resources as both points are evenly distributed (Wright & McMahan, 1992). Point 3 focuses on HR systems which are intangible and can complicate social networks (Ulrich & Lake, 1990). Technology and natural resources are more accessible to copy. Though technology has made automation of some human roles in other industries, in the service industry workers’ functions are much less likely to be made robotic.

In presenting the many ideas involved in HRM practices, one must move beyond RBV to understand performance in organizations. Other HRM ideas discussed in other sections of this paper.

Human Resource Management (HRM)

Guest (1997) and Boselies et al. (2005) both placed existing HRM into three categories. Guest (1997), mentioned three types of theories; strategic, descriptive and normative. In the UK, strategic HRM theories mean that firms are adhering to proper HR practices, internally and externally, will perform better than those that do not. While in the USA, strategic HRM theories suggest that companies strike a balance among business strategies, structure and HRM policies to achieve performance. Descriptive Theories are primarily non-prescriptive, and either lists areas of HR policy and outcomes (Beer et al., 1984) or uses a system-based approach that describes the relationships among employee levels (Kochan et al., 1986). Normative Theories, view firms establishing rigid standards of best practices.

Boselie et al. (2005), also mentioned three types of HRM theories: contingency, resource and ability-motivation-opportunity set. Contingency Theories which sees HRM as is influenced by the organization’s environment and circumstances (for example, Legge, 1978). Resource Based theories which see HRM delivering value through the strategic development of the organization’s unique human resources (for example, Barney, 1991, 1995). Ability-Motivation-Opportunity (AMO) theories which view performance as a combination of Ability, Motivation, and Opportunity to Participate. AMO theories provide the base for HR systems developed to cater to employees’ primary interests which are their skill enhancement, motivation and quality of job, for example: (Appelbaum et al., 2000; Bailey et al., 2001; Boxall and Purcell, 2003).

Models of Human Resource Management

Resources (HR) practitioners have many models to choose from to manage human resources. Four models are summarized next. The Harvard Model (Beer et al., 1984), which promotes the soft aspect of HRM and can be used by all managers. Additionally, the Harvard Model focuses on employee commitment to the job and the employees’ job compatibility, competence, and cost-effectiveness. Also, there is the Michigan Model (Devanna et al., 1984), which views people as any other company resource thus called “hard HRM.” Workers should be at obtained minimal cost, used only as required, developed to meet needs, and maximized. Guest (1997) developed his model, Guest Model, based on the belief that an integrated set of HRM practices required for better individual and organizational performance. With the Warwick Model (Hendry & Pettigrew, 1990), the inner (corporate) and external (environmental) contexts of HR strategy needs identification as personnel impacts HR strategy content.

Human Resource Management Practices

HRM practices need to be innovative and customized for the organization’s nuances before implementation to be effective.

Types of Human Resource Management Practices

Several classification schemes have proposed for HRM practices. These programs include best practice or high performance, formal, sophisticated, and professional. Pfeffer (1994, 1998) term of “Best HRM Practices” is considered most appropriate for this paper.
Chandler and McEvoy (2000), mentioned that one remaining question in HRM research is there a single set of approach that could be considered a ‘universally superior approach’ to managing people? Most theories on best practices suggest that some HRM practices can use individually or as a group to improve organizational performance globally. Employment security, selective hiring, self-managed teams/team working, high compensation contingent on organizational performance, extensive training, reduction in status difference and sharing information considered among best practices (Pfeffer, 1994). Redman and Matthews (1998) identified eight HRM practices which act as an ‘HRM bundle’ which support service organizations’ quality strategies. The eight methods are selecting the recruitment, retention, teamwork, training and development, appraisal, rewarding quality, job security, and employee involvement. Saxena and Tiwari (2009) identified a similar set factors to Pfeffer (1994); Redman and Matthews (1998). Saxena and Tiwari suggested training and development, employer-employee relations, recognition through rewards, culture building, career development, compensation, and benefits of the HRM practices that should be employed.

III. Literature Review and Hypotheses

In this section, a review of the literature regarding the relationship between HRM practices and employee performance presented. The focus is on variables such as organizational citizenship behaviors, job satisfaction, employee engagement, employee motivation and HR flexibility. There are several potential associations of the selected variables, but 11 hypotheses were framed and used in this study.

Human Resource Management System

The importance of HR and the part HR plays in organizational performance requires seeing the HR process as the whole system. Few studies measure the impact of the entire HRM system on a company’s function. One of the few (Lado & Wilson, 1994) suggested that human resource inputs, processes, and practices, output needs consideration when a firm is thinking of sustaining competitive advantage. Barney (1991) resource-based view is another and explained in the theoretical background section.

Employee Performance

A firm’s performance is a result of the effectiveness of its HR system (Lado & Wilson, 1994) and employee performance which can have two meanings. Employee performance is a mix of ratings based on work indicators over a period. Also, employee performance can also mean employee productivity and output as a result of employee development.

Employees’ performance can be in the form of the quantity or quality or timeliness of output, impact at work and cooperativeness (Güngör, 2011). Improving employee performance could lead to better business performance and individual satisfaction.

Human Resource Management (HRM) Practices

Using the system-based view (Lado & Wilson, 1994), this study will examine HR practices and their impact on service quality at chain-based hotels in Bangkok, Thailand. HRM Practice is a broad term that includes related but different activities, functions, and processes directed at an enterprise’s holistic view of human resources. The independent variable in most studies is HRM practices (Becker & Huselid, 1998; Rizov & Croucher, 2008; Sang, 2005).

Bhatti and Qureshi (2007) found employee participation to have a positive effect on employee productivity. Rewards also have a direct impact on employee performance (Qureshi et al., 2010). Training and development raise performance levels and contributes to organizational success by developing employees with knowledge, skills, abilities, competencies and good employee behavior (April, 2010). Singh and Mohanty (2012) too found a positive correlation between work-related training and employee productivity. As employees develop, they became increasingly satisfied with and committed to their jobs (Hameed & Waheed, 2011). A more significant impact is that an employee performance improves the organizational structure and becomes more efficient (Champathes, 2006).

Thus:
H1: HRM practices affect employee performance.

Organizational citizenship behaviors (OCBs) among employees can lift the HRM practices which used in the enterprise. Employees who can make choices for themselves, feel that they empowered and essential members of the organization. Empowered employees can invent and express OCBs (Morrison, 1996). This positive outlook would encourage employees to be more agreeable with additional roles that given to them, thus increasing the likelihood of OCBs (Bateman & Organ, 1983; Miles et al., 2002; Smith et al., 1983). Companies may also encourage citizenship by rewarding OCBs (Babaei et al., 2012). Directly rewarding good citizenship
via an established system highlights the value placed on such behaviors (Levering & Moskowitz, 2003; Meet Asda’s Happy Family Pack, 2002).

A career planning system is required for workers to achieve their desired career goals. Greenhaus and Callahan (1994) developed a series of strategies for career development which is applicable and necessary for workers who are aiming for specific career goals. Greenhaus and Callahan believed that workers needed to perform additionally to their job descriptions which are equal to showing some OCBs. Career planning is positively correlated to OCBs (Gong et al., 2010) with employees often viewing training as a means of company support. Having the view that the company supports them promotes cooperating and helping co-workers (Shore & Wayne, 1993). Workers who view training positively show stronger connections with the organization that provided the training.

Thus:
H2: HRM practices affect organizational citizenship behaviors.

Participating at work increases the sense of satisfaction, regarding achievement, closure and work-related interpersonal contact, which matches the level of job satisfaction (Bhatti & Qureshi, 2007; Sashkin & Burke, 1987). Compensation along with benefits and reward systems have been found to create job satisfaction (Boy et al., 2001; Khojasteh, 1993; Miller et al., 2001; Rehman et al. 2010). Job dissatisfaction stems from an employee’s lack of happiness in his/her career; equally, creating and realizing a career plan is the prime source of job satisfaction (Henderson, 2000). The positive relationship between career path and job satisfaction was also found by Carden (2007). Investing in career management is one way which companies can increase employee satisfaction (Lee, 2000).

Providing employee training facilitates and updating employees’ skills increases professionalism, boosts employee commitment and satisfaction with the enterprise (Bateman & Strasser, 1984; Bushardt & Fretwell, 1994; Cotton & Tuttle, 1986). Absar et al. (2010) found training and development to have the most significant and positive influence on job satisfaction. Some employees may require autonomy and a sense of self-actualization to feel satisfied (Khan et al., 2012). Swarnalatha and Sureshkrishna, (2012) showed there is a relationship between employee empowerment and job satisfaction which used in this research.

Thus:
H3: HRM practices affect job satisfaction.

By participating in decision making and other forms of engagement, the employee will often give back to the organization (Cascio et al., 1997). The idea of employee engagement supported by Ram and Prabhakar, (2011) however the level is dependent on staff’s feeling which rewarded for their skills, knowledge, and contributions (Bhattacharya & Mukherjee, 2009). Managers who provide opportunities for training and a level of support related to career development, help drive employee engagement (Mone & London, 2009). This positive relationship between the professional development training program and employee engagement agreed by other researchers, such as Shafer, (2010).

Therefore:
H4: HRM practices affect employee engagement.

By involving employees in strategic decision making, there is an increase in employee motivation because it gives clarity to work and increases social contact (Al Nsour, 2011; Hussein, 2007). A reward system (Ali & Ahmed, 2009) and career planning also help to motivate employees.

Providing guidance, encouraging employees to set their career goals and self-motivation are part of employers and supervisors roles especially workers setting their objectives (Elrod, 2009). Motivation can be expressly useful when a promotion or some form of advancement is realistic. Employees who feel that corporate training has increased their competencies fell motivated at work (Lester, 1999). Cross-training has a positive relationship with motivation (Gawali, 2009). However, staff can become demotivated when organizational changes occur as there are sometimes skill shortages, time pressure, uncertainties and demanding workloads. Empowering employees is essential and one of the most efficient ways to increase workers motivation (Kaplan & Norton, 1992, 1996; Yoon 2001). It is important to empower employees (Kaplan & Norton, 1992, 1996) because empowerment is one of the most effective intervention programs to increase motivation (Yoon, 2001).
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Therefore:
H5: **HRM practices affect employee motivation.**

A reward system stimulates personnel to show their functional flexibility, provides a motive to initiate ideas and adapt quicker because corporate recognition will be achieved by providing a solution to ongoing issues (Frenkel et al., 1999; Unsworth & Parker, 2003). But more significant initiative and flexibility at work can result in an increased workload, which may be stressful and uneasy for the worker if their efforts are not rewarded (Unsworth & Parker, 2003). Training and development build skill and flexibility in the workforce. Workers want to improve their skills to progress in their profession usually via a grounded, practical educational program which would aid in mastering or apply a new power (Wright & Snell, 1998). Training has a positive relationship with employee’s flexibility (Beltrán-Martín et al., 2008). By broadening staff’s skills and competencies, firms help workers see alternative ways or working and increase behavioral flexibility (Frese et al., 1996; Parker & Axtell, 2000).

Therefore:
H6: **HRM practices affect HR flexibility.**

IV. Mediating Variables

**Organizational Citizenship Behaviors (OCBs)**

OCBs are discretionary behaviors which staff show by performing duties which are not prescribed or formally measured, but would help the organization (and individual in turn) perform better. These practices reflected an employee’s genuine willingness to be involved in a group and correlated to productivity (Appelbaum et al., 2005; Chen et al., 1998; Shore et al., 1995). Employees should, therefore, exhibit OCBs to perform better at work (Podsakoff et al., 2009).

Thus:  
H7: **Organizational citizenship behaviors affect employee performance.**

**Job Satisfaction**

Job satisfaction is an expression, emotional or mental, regarding the nature of work. Happiness is a result of self-evaluation of one’s job by comparing expectation with actuality. Job satisfaction is also a function of the particular comfort or dissatisfaction that a worker experiences while conducting his duties. Feelings about one’s job come from the individual’s perception of the fulfillment delivered by position and compatibility of required values. (Dunnette & Locke, 1976). Islam et al., (2012) mentioned that job satisfaction is the most critical and studied attitude in the field of organizational behavior. Three crucial dimensions to job satisfaction are the emotional response to a job’s situation, outcomes meeting or exceeding expectations, and a bundle of several related attitudes (Locke, 1976; Mitchell & Larson, 1987). Organizational effectiveness requires employees’ satisfaction as the staff is more likely to perform better which is expected to increase productivity (Judge et al., 2001; Likert, 1961; McGregor, 1960).

Hence:
H8: **Job satisfaction affects employee performance.**

**Employee Engagement**

Employee engagement refers to the emotional connection of workers with their commitment to their roles. Commitment is displayed physically, cognitively and emotionally. Another possible definition is that employees feel confident toward their work, find their job meaningful, consider their workload manageable, enthusiastically involved at work, and looks forward to the further their career. Falcone (2006) said to be full engagement requires being enthusiastic about work and participating fully.

Two main aspects of employee engagements are the cognitive/mental aspect and emotional engagement/physical aspect. Cognitive engagement refers to the spiritual connection which a worker has with the company’s mission and their role in the organization. Emotional engagement/physical engagement refers to the extent to which a worker empathizes and connects meaningfully with co-workers (Kahn, 1990, 1992; Luthans & Peterson, 2002). Positively engaged employees maintain positive attitudes and are known to perform better in work (Harter et al., 2002; Towers Perrin, 2007).

Thus:
H9: **Employee engagement affects employee performance.**
Employee Motivation

Employee motivation is one approach managers use to be more efficient in the management of employees. Employee motivation defined as identifying needs or desires that give purpose, direction, and the desire for accomplishment, in a person. Hellriegel et al. (1992) described motivation as a push from within or that create a force on the person to act in a specific manner. Luthans (1998) says motivation stimulates people to perform and accomplish desired tasks.

Motivated employees are more likely to be productive employees, contributing to the organization’s effectiveness by providing more time, energy, enjoyment and overall enthusiasm at work (Deci and Ryan, 2000, 2002; Matthew et al., 2009). Thus a program addressing motivation is an essential component of higher employee productivity (Solomon et al., 2012).

Therefore:
H10: Employee motivation affects employee performance.

HR Flexibility

HR flexibility is the capability of workers within a company to adapt to new situations and company’s strategies. Flexibility includes the knowledge, skills, and behaviors of employees which can be used by the firm to pursue alternative approaches. Wright and Snell (1998) mentioned that one of the leading features of a flexible staff is that workers can perform a variety of tasks. HR flexibility based on how flexible an employee can function, i.e., employee’s versatility, so that workers can be transferred within the organization as required. The acquisition of a range of skills and subsequent training implemented based on HR’s need for flexibility as well as the individuals’ desires (Goudswaard&Nanteuil, 2000). Functional flexibility is thus another tool used in organizational effectiveness and associated with more significant employee performance (Rosenblatt &Inbal, 1999).

Therefore:
H11: HR flexibility affects employee performance.

Research Framework

This quantitative study focuses on the relationship between HRM practices and employee performance in the hotel service industry. Figure 1 shows a developed comprehensive framework using HRM practices, identified from the literature, as the independent variable.

Organizational citizenship behaviors, job satisfaction, employee engagement, employee motivation and HR flexibility are the mediating variables. Employee performance is the dependent variable.
V. Research Methodology

Scope of the Study

The study focuses on the effects of HRM practices on employee service quality as an employee performance in Thailand’s chained-brand hotels that located in Bangkok, Thailand.

Population and Group Sample

The population studied were managers working at 238 chained-brand hotels in Bangkok, Thailand operational in 2016. A total of 450 managers, comprising of top management, HR leader and Hotel Line Operation Managers including titles such as Restaurant manager, Engineering and Service Maintenance Manager, Executive Chef, were randomly selected from the 140 Thailand’s chain-brands in Bangkok.

The researcher used the non-probability sampling subset of purposive sampling, where there would be three types of managers in each hotel; Top Management, HR Manager, and Hotel Line Operation Manager. These roles were chosen in this study because they correlated to set up and implement policies, including HR practices, in organizations.

Research Variables

The independent variable, HRM Practices, is composed of five elements, 1) Employee Participation; 2) Compensation and Benefits Management and Reward System; 3) Career Planning System; 4) Training and Development; and 5) Employee Empowerment.

There are five mediating observed variables, which are; 1) Organizational Citizenship Behaviors; 2) Job Satisfaction; 3) Employee Engagement; 4) Employee Motivation; and 5) HR Flexibility.

The dependent variable has one observed variable, which is employee service quality. Path Analysis is used to explain the relationships linking the Independent Variable, via the Mediating Variables, to the Dependent Variable.

Research Instrument

A ten-part self-assessment questionnaire was used to collect quantitative data. Two advisors checked the survey before sending out. Part one contained eight questions, seeking information about the organization. These items were part of the selection process to find out which teams were relevant to the study. Part two contained six items, concerning personal information of the respondents. Part three contained twenty-eight questions, consisting of the five observed elements of HRM practices. These questions were developed from Carden (2007); Chew (2004); Cushman (2000); Ferguson (2006); Huselid (1993); Kgomo (2010) and Martin (2011). Part Four to Part Eight involved the mediating variables with a total of thirty-seven items adapted from Bhattacharya (2000); Carden (2007); Cushman (2000); Kgomo (2010); Rose (2012) and Springer (2010). Part Nine has a total of five items that were made up of one dependent variable developed from Rose (2012) and Springer (2010). Part Ten was open-ended, allowing the respondents to provide further comments about, their view of HR, the questionnaire and whether they wanted to use the results of the study.

The questionnaire went through two rounds of translation, English to Thai, and then Thai to English to check linguistic consistency. A corrected and consistent Thai version of the questionnaire later given to interviewees.

Data Collection

Questionnaires were given out in person at the sample’s workplace in addition to email. Follow-up telephone calls made in cases of incomplete responses via the various HR Departments. The HR Departments were most likely to respond, and the researcher was directed to coordinate with other managers through the HR Department. The study’s finding used as an incentive for participation. A time limit of four months used for collection of the survey. Out of the 700 questionnaires distributed, 532 were returned (76% response rate), with 450 adequately completed.

Statistical Package for the Social Science (SPSS) for Windows version21 and IBM SPSS AMOS version21 was used to analyze the results data. A two-step process used in data preparation. First, examined the questionnaires to check the answers and assigned numbers. Secondly, entered the responses into the software.
Path Analysis is used to study the effects of HRM practices on employee service quality as an employee performance through the five mediating variables, (see Fig. 1). Path Analysis is an extension of multiple regression which allows for the flexible but robust examination of the relationships among variables.

Following Anderson and Gerbing (1988) a two-step approach was taken to analyze the data. First, confirmatory factor analysis (CFA) evaluated the measurement model by assessing the convergent validity and discriminant validity of the multi-item scales measure of constructs. The results then used in the second step where there was an estimation of theoretical (structural) models by using the correlation between construct matrix and square roots of average variance extracted (AVE), as well as the model fit indices.

An evaluation of the construct validity and reliability was assessed by CFA using SPSS AMOS. All the items were then submitted to reliability analysis via Cronbach’s alpha coefficient using SPSS 13.0 program. Cronbach’s alpha for all constructs is above the recommended value of 0.70 (Nunnally, 1978).

**Analysis Results**

Tables 1 shows general geographic organizational characteristics and Table 2 shows essential demographic characteristics of respondents.

**Table 1: Geographic Organizational Characteristics**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country of Hotel Origin</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>171</td>
<td>38.00</td>
</tr>
<tr>
<td>North America</td>
<td>156</td>
<td>34.67</td>
</tr>
<tr>
<td>Europe</td>
<td>112</td>
<td>24.89</td>
</tr>
<tr>
<td>Others ( e.g. Australia)</td>
<td>11</td>
<td>2.44</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>450</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

**Table 2: Demographic Characteristics**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>179</td>
<td>39.78</td>
</tr>
<tr>
<td>Female</td>
<td>271</td>
<td>60.22</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>450</strong></td>
<td><strong>100.0</strong></td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21-30</td>
<td>35</td>
<td>7.78</td>
</tr>
<tr>
<td>31-40</td>
<td>152</td>
<td>33.78</td>
</tr>
<tr>
<td>41-50</td>
<td>217</td>
<td>48.22</td>
</tr>
<tr>
<td>51 and above</td>
<td>46</td>
<td>10.22</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>450</strong></td>
<td><strong>100.0</strong></td>
</tr>
<tr>
<td>Current Position / Title</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top Management</td>
<td>48</td>
<td>10.67</td>
</tr>
<tr>
<td>HR Leader</td>
<td>98</td>
<td>21.78</td>
</tr>
<tr>
<td>Line Operation Hotel Manager</td>
<td>304</td>
<td>67.56</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>450</strong></td>
<td><strong>100.0</strong></td>
</tr>
<tr>
<td>Education Level</td>
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<td></td>
</tr>
<tr>
<td>Diploma or below</td>
<td>54</td>
<td>12.00</td>
</tr>
<tr>
<td>Bachelor’s Degree or equivalent</td>
<td>147</td>
<td>32.67</td>
</tr>
<tr>
<td>Above Bachelor’s Degree</td>
<td>249</td>
<td>55.33</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>450</strong></td>
<td><strong>100.0</strong></td>
</tr>
<tr>
<td>Work Experience</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-10 years</td>
<td>67</td>
<td>14.89</td>
</tr>
<tr>
<td>11-20 years</td>
<td>231</td>
<td>51.33</td>
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<tr>
<td>21-30 years</td>
<td>125</td>
<td>27.78</td>
</tr>
<tr>
<td>31 years and above</td>
<td>27</td>
<td>6.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>450</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

**Confirmatory Factor Analysis (CFA)**

Results of CFA Goodness of Fit statistics are presented, using construct validity to check for consistency between the structural components through CFA. Table 3 shows one of the seven elements of CFA, namely HRM Practices, Organizational Citizenship Behaviors, Job Satisfaction, Employee Engagement, Employee Motivation, HR Flexibility and Employee Performance.
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**Table 3:** Goodness of Fit Test for Confirmatory Factor Analysis Model in Employee Performance

<table>
<thead>
<tr>
<th>Goodness – of – Fit Statistics</th>
<th>Levels</th>
<th>Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi – Square ($\chi^2$)</td>
<td></td>
<td>1.108</td>
</tr>
<tr>
<td>Probability Level (p)</td>
<td>&gt; 0.05</td>
<td>0.293</td>
</tr>
<tr>
<td>$\chi^2$ / df</td>
<td>&lt; 2.00</td>
<td>1.108/1= 1.108</td>
</tr>
<tr>
<td>RMSEA</td>
<td>&lt; 0.05</td>
<td>0.019</td>
</tr>
<tr>
<td>RMR</td>
<td>&lt; 0.05</td>
<td>0.004</td>
</tr>
<tr>
<td>GFI</td>
<td>$\geq$.90</td>
<td>0.999</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>$\geq$.90</td>
<td>1.000</td>
</tr>
</tbody>
</table>

**Hypotheses Results**

Table 4, shows correlation results are significant at the 0.01 level (2-tailed) among variables. Hypotheses results indicate the level of relationship between the variable’s values are no higher than +0.8 since that would mean both variables have the same meaning or use the same measurement.

**Table 4:** Correlation Results

<table>
<thead>
<tr>
<th></th>
<th>HRMP</th>
<th>OCB</th>
<th>JS</th>
<th>EE</th>
<th>EM</th>
<th>HRF</th>
<th>EP</th>
</tr>
</thead>
<tbody>
<tr>
<td>HRMP</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OCB</td>
<td>0.530**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JS</td>
<td>0.450**</td>
<td>0.505**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EE</td>
<td>0.565**</td>
<td>0.646</td>
<td>0.604</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EM</td>
<td>0.341**</td>
<td>0.456</td>
<td>0.303</td>
<td>0.578</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HRF</td>
<td>0.520**</td>
<td>0.292</td>
<td>0.115</td>
<td>0.243</td>
<td>0.130</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>EP</td>
<td>0.380**</td>
<td>0.327</td>
<td>0.334</td>
<td>0.383</td>
<td>0.335</td>
<td>0.287**</td>
<td>1</td>
</tr>
</tbody>
</table>

N=450. Notes: **Correlation is significant at the 0.01 level (2-tailed).

Table 5 shows the consistent statistical measure of Path Analysis model about the research hypotheses and the empirical data on Human Resource Practices. The model fit presents statistical values that are at the stated level, as follows: $= 2.631$ with degrees of freedom (df) of 3, and / df = 0.877, which is < 2. This is in accordance with the stated level and has p-value = 0.452, which should be > 0.05. Values for RMSEA, GFI and CFI are in line with the indicated levels.

**Table 5:** Goodness of Fit Test for Path Analysis Model Hypotheses Tests

<table>
<thead>
<tr>
<th>Goodness – of – Fit Statistics</th>
<th>Levels</th>
<th>Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi – Square ($\chi^2$)</td>
<td></td>
<td>2.631</td>
</tr>
<tr>
<td>Probability Level (p)</td>
<td>&gt; 0.05</td>
<td>0.452</td>
</tr>
<tr>
<td>$\chi^2$ / df</td>
<td>&lt; 2.00</td>
<td>2.631/3=0.877</td>
</tr>
<tr>
<td>RMSEA</td>
<td>&lt; 0.05</td>
<td>0.000</td>
</tr>
<tr>
<td>GFI</td>
<td>$\geq$.90</td>
<td>0.998</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>$\geq$.90</td>
<td>1.000</td>
</tr>
</tbody>
</table>

Figure 2 presents the structural model, where the tests results should show not only direct relation between the variables but also the indirect effect and total effect.
The Effects Of Hrm Practices On Employee Service Quality in Thailand’s Chained-Brand Hotels

According to the path coefficient, presented below (Table 7), all of the variables in the hypotheses test results have the following relationships.

### Table 6: Hypotheses Test Results – Relationship Path Coefficients

<table>
<thead>
<tr>
<th>Dependent Variables</th>
<th>Independent Variables</th>
<th>Path Coefficients</th>
<th>t value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>V4OCB</td>
<td>V3HRMP</td>
<td>0.530***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>V5JS</td>
<td>V3HRMP</td>
<td>0.451***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>V6EEG</td>
<td>V3HRMP</td>
<td>0.565***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>V7EM</td>
<td>V3HRMP</td>
<td>0.341***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>V8HRF</td>
<td>V3HRMP</td>
<td>0.520***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>V9EP</td>
<td>V3HRMP</td>
<td>0.113</td>
<td>1.856</td>
<td>Not Supported</td>
</tr>
<tr>
<td>V4OCB</td>
<td>V4OCB</td>
<td>0.028</td>
<td>0.466</td>
<td>Not Supported</td>
</tr>
<tr>
<td>V5JS</td>
<td>V5JS</td>
<td>0.157**</td>
<td>3.291</td>
<td>Supported</td>
</tr>
<tr>
<td>V6EEG</td>
<td>V6EEG</td>
<td>0.066</td>
<td>0.929</td>
<td>Not Supported</td>
</tr>
<tr>
<td>V7EM</td>
<td>V7EM</td>
<td>0.173**</td>
<td>3.240</td>
<td>Supported</td>
</tr>
<tr>
<td>V8HRF</td>
<td>V8HRF</td>
<td>0.161**</td>
<td>3.167</td>
<td>Supported</td>
</tr>
</tbody>
</table>

***p < .001, ** p < .01

Furthermore, this study can show the indirect effect and the total effect, as stated in Table 8.

### Table 7: Hypotheses Test Results

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Path Coefficients</th>
<th>t value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: V3HRMP → V9EP</td>
<td>0.113</td>
<td>1.856</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H2: V3HRMP → V4OCB</td>
<td>0.530***</td>
<td>12.654</td>
<td>Supported</td>
</tr>
<tr>
<td>H3: V3HRMP → V5JS</td>
<td>0.451***</td>
<td>10.243</td>
<td>Supported</td>
</tr>
<tr>
<td>H4: V3HRMP → V6EEG</td>
<td>0.565***</td>
<td>13.857</td>
<td>Supported</td>
</tr>
<tr>
<td>H5: V3HRMP → V7EM</td>
<td>0.341***</td>
<td>7.354</td>
<td>Supported</td>
</tr>
<tr>
<td>H6: V3HRMP → V8HRF</td>
<td>0.520***</td>
<td>12.336</td>
<td>Supported</td>
</tr>
<tr>
<td>H7: V4OCB → V9EP</td>
<td>0.028</td>
<td>0.466</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H8: V5JS → V9EP</td>
<td>0.157**</td>
<td>2.894</td>
<td>Supported</td>
</tr>
<tr>
<td>H9: V6EEG → V9EP</td>
<td>0.066</td>
<td>0.929</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H10: V7EM → V9EP</td>
<td>0.173**</td>
<td>3.240</td>
<td>Supported</td>
</tr>
<tr>
<td>H11: V8HRF → V9EP</td>
<td>0.161**</td>
<td>3.167</td>
<td>Supported</td>
</tr>
</tbody>
</table>

** p < 0.01, t value > 2.576, ***p < 0.001, t value > 3.291
The Effects Of Hrm Practices On Employee Service Quality in Thailand’s Chained-Brand Hotels

Table 8: Direct Effect, Indirect Effect, and Total Effect of HRM Practices and Employee Performance

<table>
<thead>
<tr>
<th>Exogenous Variable</th>
<th>Endogenous Variable</th>
<th>DE</th>
<th>IE</th>
<th>TE</th>
</tr>
</thead>
<tbody>
<tr>
<td>V3HRMP</td>
<td>V9EP</td>
<td>0.11</td>
<td>0.26</td>
<td>0.37</td>
</tr>
<tr>
<td>V4OCB</td>
<td></td>
<td>0.03</td>
<td></td>
<td>0.13</td>
</tr>
<tr>
<td>V5JS</td>
<td></td>
<td>0.16</td>
<td></td>
<td>0.13</td>
</tr>
<tr>
<td>V6EEG</td>
<td></td>
<td>0.07</td>
<td></td>
<td>0.06</td>
</tr>
<tr>
<td>V7EM</td>
<td></td>
<td>0.17</td>
<td></td>
<td>0.14</td>
</tr>
<tr>
<td>V8HRF</td>
<td></td>
<td>0.16</td>
<td></td>
<td>0.12</td>
</tr>
</tbody>
</table>

From Table 8, the direct effect, indirect effect, and total effect of HRM practices and employee service quality described as follows:

1) \( V9\text{EP} = 0.16^{**} V5\text{JS} + 0.17^{**} V7\text{EM} + 0.16^{**} V8\text{HRF} \)

Employee Performance is the result of the direct effects of Job Satisfaction, Employee Motivation, and HR Flexibility, with path coefficients equaling 0.16, 0.17 and 0.16, respectively. These are all statistically significant.

2) \( V4\text{OCB} = 0.53^{***} V3\text{HRMP} \)

Organizational Citizenship Behaviors have a direct effect on Human Resource Management Practices with path coefficient equaling 0.53, which is statistically significant.

3) \( V5\text{JS} = 0.45^{***} V3\text{HRMP} \)

Job Satisfaction has a direct effect on Human Resource Management Practices, with path coefficient equaling 0.45, which is statistically significant.

4) \( V6\text{EEG} = 0.57^{***} V3\text{HRMP} \)

Employee Engagement has a direct effect on Human Resource Management Practices, with path coefficient equaling 0.57, which is statistically significant.

5) \( V7\text{EM} = 0.34^{***} V3\text{HRMP} \)

Employee Motivation has a direct effect on Human Resource Management Practices, with path coefficient equaling 0.34, which is statistically significant.

6) \( V8\text{HRF} = 0.52^{***} V3\text{HRMP} \)

HR Flexibility has a direct effect on Human Resource Management Practices, with path coefficient equaling 0.52, which is statistically significant.

The model fits using causal Path Analysis shows consistencies among HRM practices, employee performance, and theories used.

VI. Study Results and Discussion

Analysis of the data shows new insight into the relationships among the variables tested. Eight of the eleven variables showed a positive correlation and supported while three are unsupported. Included in the unsupported hypotheses, is H1, where there is no relationship between HRM practices and employee performance of service quality employee. The results are contrary to Qureshi et al. (2010), whose study looked at the cement industry in Pakistan and included varied levels of employees. In Bhatti and Qureshi (2007), another research, data conducted in 34 diverse organizations from the oil and gas, banking and telecommunication sectors in Pakistan. Singh and Mohanty (2012), the study was carried out in both the manufacturing and industries in the service industry in India, whereas this study focused on the service industry in Thailand. Nevertheless, there are also the mediating variables that can affect the relationship between HRM practices and employee performance. From the results, HRM practices are indirectly related to employee performance of service quality through the mediating variables, meaning a relationship still exists between HRM practices and employee service quality.

As for the relationships between HRM practices and the mediating variables, results suggest an overall positive correlation. For \( H2 \), HRM practices are positively correlated to OCBs (β=0.530***, \( p < 0.001 \)), thus supporting Babaei et al., (2012), Cushman (2000) & Gong et al. (2010). Therefore the HRM practices should be implemented to build a workforce that is willing to perform more than the standard duties. For \( H3 \), HRM practices have a positive relationship with job satisfaction (β=0.451***, \( p < 0.001 \)), thus confirming Absar et al., (2010); Bhatti & Qureshi (2007); Carden (2007); Rehman et al., (2010); and Swarnalatha&Sureshkrishna (2012). HRM practices are, consequently, shown to leave employees feeling increasingly satisfied with their jobs. For \( H4 \), there is a definite relationship between HRM practices and employee engagement (β=0.565***, \( p < 0.001 \)). Results further supported by Bhattacharya and Mukherjee (2009); Ram and Prabhakar (2011); and Shafer (2010). By using HRM practices will create engaged employees. For \( H5 \), HRM practices have a positive
correlation with employee motivation ($\beta=0.341***$, $\rho < 0.001$). Results confirmed by Al-Nsour (2011); Ali and Ahmed (2009); Gawali (2009) and Yoon (2001); thereby showing how HRM practices can motivate employees to work hard and strive for success. For H6, there is a definite relationship between HRM practices and HR flexibility ($\beta=0.520***$, $\rho < 0.001$), further supporting Beltrán-Martín et al. (2008) and confirming the view that considered HR practices an appropriate mechanism with which to increase flexibility (Dyer & Shafer, 2002; Sparrow, 1998). Through HR practices, employees were found to be able to perform a variety of tasks efficiently.

Results also show a positive correlation between the mediating variables and employee service quality. The only exceptions are H7 and H9. H7 indicates that there is no relationship between organizational citizenship behaviors and employee performance of service quality. Regarding H8, results showed a strong link between job satisfaction and employee service quality ($\beta=0.157**$, $\rho < 0.01$), which is further supported by Halkos and Bousinakis (2010). Results suggested that when employees are satisfied with their jobs, they will work harder for the organizations. For H9, there is no connection between employee engagement and employee performance of service quality. In contrast to previous studies like Harter et al., (2002), that conducted in just 36 companies outside Thailand. For H10, results indicated a positive relationship between employee motivation and employee performance ($\beta=0.173**$, $\rho < 0.01$). Such data confirmed by Solomon et al., (2012), meaning motivated employees will work harder for the organization. For H11, results confirmed that HR flexibility affects employee service quality ($\beta=0.161**$, $\rho < 0.01$), thus confirming Rosenblatt and Inbal (1999). This conclusion shows that employees with functional flexibility are more productive in the organization.

VII. Implications, Limitations and Recommendations

The study was to confirm a model relating HRM practices and employee service quality performance which can help both organizations and academics to understand that employee service quality cannot be determined by HRM practices alone. There are other factors, such as employee behaviors, that can also affect employee performance. In this study, they are the mediating variables that help establish a relationship, albeit indirectly, between HRM practices and employee performance. The importance of HRM practices should, therefore, not be ruled out. Results have confirmed the conceptual model and essential aspects of HRM practices in Thailand’s chained-brand hotels that could use in other business.

Many organizations including hotel industry have tried creating HRM management tools which unfortunately have ignored HRM practices. As indicated in this study, HRM practices are an essential consideration for firms. By employing HRM practices and taking into account employee behaviors, managers can increase the likelihood that their employees will perform better at work and with the quality level expected. Employee participation is part of the set of practices to be encouraged. Employees need to be part of the process where policy information shared, comments sought, and positive employee interaction promoted to achieve the firms’ goals.

Managers in Thailand’s chained-brand hotels should devise a comprehensive compensations systems which include recognition and rewards for desired performance, an agreed benchmark on work, and equity in application and distribution of benefits to the various levels of workers.

Chained-brand hotels in Bangkok should further develop a career planning system so employees can map their long-term vision. Career planning should allow for lateral and vertical movement thus allowing for versatility in staff abilities. It might be even considered a duty for firms to assist in workforce career enhancement. Creating compelling and timely training and development is the start and requires continuous follow-up for proper assessment, future training and analyzing job satisfaction. Companies can use training options as a mean of employee autonomy and empowerment in their jobs.

HRM practices affect the mediating variables which subsequently positively impact employee service quality performance. Out of the five mediating variables, motivation has the most robust effect. Thus managers should develop programs that encourage employees to contribute ideas that would be implemented at work, lead initiatives and fulfill their ambitions.

Academics should use this new model to generate curricula whereby HRM practices such as job satisfaction, employee motivation, and HR flexibility are stressed using empirical data such as that in this study.

There are limitations to this study. Mainly, the study was conducted using chained-brand hotels in Thailand and was limited to Bangkok. Thus, conclusions only represent a subset of all hotels in Thailand. Further research on the topic should expand to include, other forms of hotels, other regions in Thailand and other countries in South East Asia.
VIII. Conclusion

Despite its limitations, this study has given a better understanding of how HRM practices and employee behaviors, as mediating variables, affect employee service quality as outstanding performance in chained-brand hotels. Employee service quality performance is a crucial determinant of a hotel and other hospitality performance, and this study explains the indirect relationships among these variables. However, these variables are not the only factors that can determine employee service performance in organizations. There are other factors involved besides the five main employee behaviors that have discussed. Organizations also need to consider other aspects to determine the employee service quality as performance outcome of the business, such as employee ability & competencies, organizational human resource development programs.

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