

# A Study of the Relationship of PSI and LMX to Service Providers' CS in Hospitality Industry

Cheng-Shiung Wu

**Abstract**—The purpose of the current study is to gain insight into the relative role of professional self-image (PSI) for service providers among leader-member exchange (LMX), career success. Lack of studies demonstrated that PSI of service providers affect on their CS. So, it is necessary to, according to service providers' perspective, explore the relationship among LMX and CS in hospitality industry. The result of the current study can suggest strategic directions for hospitality practitioners in terms of constructing LMX relationship, so as to make service providers realize and build their PSI, and to promote their CS. Implications of these findings for hospitality implementations as well as future research directions are subsequently discussed.

**Keywords**—Leader-member Exchange (LMX), Professional Self-image (PSI), Career Success (CS), Hospitality Industry.

## I. INTRODUCTION

THE hospitality industry is seen as the mainstream of the services industry for the twenty-first century. With changing market demands for tourism, the hospitality industry has become an important part of the tourism and leisure industry. In Taiwan, the Government promulgated the "Service Industry Development Agenda and Action Plan" to set aside twelve forward-looking service industry. And, the tourism, sport and leisure service industry is one of them. According to WTTC, in next decade, tourism expenditure growth from \$ 4.21 trillion to \$ 8.61 trillion, and the contribution rate of tourism and travel industry in the GNP will grow from 3.6% to 3.8%. Even though, tourism service sector employment population increases from 198 million to 250 million people. So, the tourism industry effects the global economy development solemnly.

The hospitality industry is in the prosperity and development situation, and to bring substantial positive economic impact for the country. However, the hospitality industry has a high degree of pressure, heavy labor, long working hours, and relatively low salary occupational characteristics [1]. The tourist hotels salary level is low, and the average monthly salary is only slightly more than twenty thousand dollars. The tourist hotel industry's turnover rate is generally higher than other industries, often among the highest staff turnover. And in Taiwan, the hotel industry is facing a high staff turnover rate,

even though 95.1% of employees had intent to quit [2]. But, the employees are the most capacity for hospitality industry, and organization totally relies on the front-line service providers to perform professionalism, so as to promote the customers' satisfaction and to gain the managerial performance. For challenging the competitive surrounding and pursuing the customer relationship, the front-line service providers play the most critical success factors.

In hospitality service encounter, customers' impression for organization is depended on the service providers' professional performance, as well as interaction between front-line service providers and customers. So, the service providers' service performance is important criteria for business performance and competitive advantages [3]. However, the social support from organization is the important to motive the service providers to performance, so as to enhance their hospitality professional and dedicated to the goals of the enterprise [4]. Organizations' support is the original impetus for service providers to obtain professional recognition, and interactive quality between supervisors and service providers also is the kind of organizational support [5,6]. The well leader-member exchange (LMX) is derived from the need of trust in the organization for organization tasks [7]. Based on the cognition and position to leader-member exchange, the social exchange is related to profession cognition and performance [8]. The good leader-member exchange quality, that is, would improve the service providers to perform their hospitality professional image, so as to gain the satisfied career success.

From perspective of HRM, the front-line service providers' hospitality professional image and service efficiency are the more important competitive criteria. Hence, to enhance to response customers' demand, and to promote their service attitude and work satisfaction are the most important managerial philosophy for pursuing the distinguish encounter quality. In addition, LMX is emphasized through the delivery of welfare and attention, so as to improve their intention to stay [9]. Therefore, the purpose of the current study is to explore the effect of service providers' hospitality professional image on LMX and career success.

## II. THE CURRENT RESEARCH OBJECTIVE

In hospitality, the service providers should face the press in service encounter, and work for long time. But, the salary for service providers is not reflected the related work load and limits, so as to result in the high turnover rate. Therefore, how to enhance the service providers' intention to stay and to

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promote their career success are the critical issues for hospitality industry managerial implement.

In hospitality encounter, the reciprocity, loyalty and trust between service providers and their leaders are not only the impulse of their work performance for employees' extra/inter role, but also are the important conditions for positive emotion [10]. While the well interaction and relationship quality between supervisors and members exist, it would lead to high employees' performance and satisfaction [11]. And, the carefulness and benefit which are delivered to organization members from the managers would make employees affected by leaders' support, so as to improve their intention to stay [9]. Besides, Ohana & Meyer [12] pointed that high LMX would lead to low intention to quit. Conducting their professional image and identification would help them to identify the professional image and to build the relationship to share weal and woe.

But, it lacks empirical research for exploring the relationship among LMX, PSI and CS. However, through building the relationship, it could examine the leader-member exchange quality in hospitality industry, so as to affect their professional self-image. Hence, it is necessary from service providers' perspective to explore the leader-member exchange quality and their career success. The appreciation of the relationship between LMX and CS could be applied on the HRM to build the LMX, and present reasonable CS through PSI, so as to promote their intention to stay. Finally, the results of the current study would suggest hospitality practitioners to improve the leader-member quality; in the meanwhile, to realize the hospitality professional self image, so as to promote their career success and to enhance their intention to stay.

### III. LITERATURE REVIEW

The current study is to demonstrate the relationship among LMX, PSI and CS. So, there presents the literatures related LMX, PSI and CS, respectively.

#### A. Leader-Member Exchange (LMX)

LMX (leader-member exchange) is proposed by [7]. The LMX is used to measure the average leadership style (ALS) between leaders and members. Graen & Cashman [13] depended on the role-making system and social exchange theory to develop the leader-member exchange theory. The LMX is the vertical relationship between leaders and members, and focus on the process for superiors to apply their authority to develop the relation quality of exchange relationship. Then, the special relationship could endure for a span, and there would be formed the high or low quality of exchange relationship. In LMX, the members with high exchange relationship are treated as the in-group members, but the members with low exchange relationship are treated as the out-group members [14]. Furthermore, basing on the individual difference and harmony mutually, it emphasis the different conversant leader-member relationship [7].

Due to the limitations of time and resources, the LMX would present the different quality of exchange relationship in the

reactions [15]. In the organization, the in-group members with more resources would obtain more trust, concern and privilege [16], and they also gain more advantages and resources [17, 18]. On the contrary, the out-group members only exist in the authority system, so they would have less changes to contact directly and rewards. While the better quality of LMX, the members would consign more responsibilities by leaders. And, these responsibilities would make them raise their perception of self-efficiency, so as to enhance their work performance [19]. That is, while the service providers realize the well exchange relationship with leaders, they would perceive to delivery great load and responsibility. Then, the achievements would affect their self-influence in service encounter, and form the professional self-image, so as to offer more contributions for organization. In past researches, the LMX' content also included the reaction, trust and realization of relationship quality between leaders and members [20, 21].

#### B. Career Success (CS)

Career is defined that individual devote oneself to a work/a career, even though individual development process for one's whole life, included position of job and career and the related activity. Then, the CS (career success) is the goal of individual work life, included the extrinsic results which are power gain, salary increase, position promotion. In addition, the intrinsic individual satisfaction, included work experience, personnel career expectation and work achievement.

Scholl divided the career into subjective career and objective career. The subjective career is treated as the work experience and attitude related work life, included work selection, career development and career stage. The objective career is treated as the structure specific of the organization which is the position of hierarchy in the organization. Hall [22] pointed out that the characteristic of career included individual which depends on personnel assessment, environment which affects someone's behavior and attitude, relationship which relates overall work experience, and lifetime which is the lifelong. Derr & Laurent spreads career to internal career and external career. The internal career rely on individual work life and role of position, and the external career are the fact, chance and order in someone's real work life. Simply, the internal career is from personnel viewpoint to present self concept of their career, and the external career reflects the subjective reality career to construct the work environment against organization opportunity and limitation.

Therefore, CS could be defined by subjective and objective. From subjective perspective, CS reflects the observed occupation results. In contrast, from objective perspective, CS depends on individual assessment of career experience [23, 24, 25]. In addition, Ituma et al. [23] defined the contents of CS through achieving financial stability, achieving social standing, achieving advancement, achieving personal fulfillment, achieving work/family balance, and achieving expertise. So, above the related literatures discussed, CS could be defined as individual perception of achievement in his work experience, and included individual satisfaction on salary, achievement,

and promotion chance.

### C. Hospitality Professional Self-Image (PSI)

Professional image (PI) is a perception on image and opinion for work, especially for their professional property, ability, and attitude. The subjective perception of career is reflected someone's specific brief and attitude for the occupation. In that, the intangible professional images are professional brief, ability and impact to sociality. And, the tangible professional images are impression presented to customers in the service encounter. Hence, the occupation professional image included the professional brief, professional abilities, impacts to sociality, and extrinsic professional self-image.

In the service encounter, service providers could apply the extrinsic professional image to present themselves. By that, they would present the kind and respect to customers and delivery the relied message to customers, so as to promote the service quality and customer satisfaction. And, in CRM, service providers' professional image is important as business image. However, in the service practice, service providers' professional image is facing the challenge. While the service providers present non professional impression, the customers would be not satisfied. Even though resulting in non-professional problems, the service providers would lost the hospitality function, but also damage the hospitality professional image. Additionally, in the service encounter, service providers' self-image would affect their behavior and performance, and affect their thinking and action, even moderating their own confidence [26].

The service providers' professional self-image would be affected by challenge [27]. In hospitality practice, the first impression to business is due to service providers. The service quality depends on the reality performance in service encounter. And, the hospitality self-image and service efficiency of service providers become the important competitive criteria for organization. So, to enhance the service providers' responsive abilities to customers, to respect the service providers' attitudes, to esteem the service providers' work satisfaction are the most essential HRM philosophy for pursuing hospitality quality [3]. In the service encounter, to construct the hospitality self-image could decrease the customer perception of risk to obtain customer's affirmation and customer satisfaction. Therefore, professional self-image of service providers is the most role to gain managerial performance and sustainable advantage for hospitality industry. In addition, by professional self-image, the service providers could be respected by the sociality and get the reasonable career satisfaction. In the current study, the hospitality professional self-image is defined as the service providers' perception of service attitude presented in the service environment, and assessed through the aspects of professional skills, knowledge, communication skills, and attitudes.

## IV. PROPOSITIONS

In hospitality industry, it is the important managerial philosophy in HRM for practitioners to enhance service

providers' to respond customers' demands, to express their service attitude, and to satisfy their work performance [3]. In service encounter, service providers' quality and work attitude play the important role on the overall customer satisfaction.

In an operative organization, the leaders are played the critical role for LMX. How to regulate the members to positive work behavior and attitude is key success factor for leaders to perform their leadership behavior [28]. And, in the reliance and support relationship, the service providers would present more assertiveness, and aggressive to conduct their tasks [29,30]. The most important critical of the LMX is for leaders to authorize the members in accordance with their abilities and faith, and for members to feedback the leaders by work performance [31]. So, the service providers realize the better exchange quality, and then leaders and members develop the better quality with faith, support and loyalty. So the service providers perform their professional image in the service encounter, and achieve their career success. But, while the worse LMX quality exists in LMX, the service providers would shrink back form organization, even quit form organization [12].

According to the purposes of the current study, the conceptual framework was shown as the figure. The conceptual structure was present the relationship between LMX, PSI and CS. The main focus is discussed in hospitality industry whether the better quality of LMX between leaders and members would conduce the service providers' PSI, so as to promote their CS. Therefore, in the study the service providers are treated as internal customers to demonstrate the critical issue.

The reaction among LMX, PSI and CS is worthy issue for managerial implement. From viewpoints of service providers, the current study is demonstrated the relationships of LMX and PSI, LMX and CS, PSI and CS. That is, so, to emphasis that the service providers perceive the better quality of LMX with their leaders, they would perform the professional self-image. And, while the service providers perceive the better quality of LMX, it would promote their career satisfaction. Finally, the service providers present their professional self-image in service encounter, and they would gain their career satisfaction. As the figure, the three propositions were shown as:

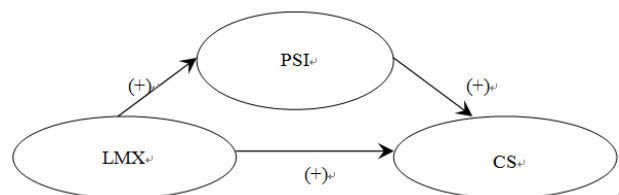


Fig. 1 Conceptual framework

## V. RESULTS & DISCUSSION

After reviewing the related literature, we identified the logic relationship among the LMX, PSI and CS. But, the current study is conducted from the perspective of service provider to demonstrate the relationship between LMX and PSI, between

PSC and CS, and between PSI and CS. The result of this study makes the relationship clear and realizes the strength of relation among LMX, PSI and CS. Hence, the results of the current study construct the casual relationship among LMX, PSI and CS; furthermore, it also shows the role of PSI between LMX and CS. In addition, the results of the study promote the related knowledge integrity and merit.

To demonstrate the relationship among LMX, PSI and CS is very important for hospitality practitioners or managers to realize the managerial implement on human resource management. Depending on the relationship among LMX, PSI and CS, the practitioners would make the appropriate managerial strategy, and be devote to mold the service providers' hospitality professional self-image, so as to promote the service quality in service encounter and the service providers' satisfaction. In the meantime, the current study is started from perspective of hospitality service providers, so the results could provide suggestions to practitioners and managers for managerial implement. Finally, the current study is also contributed for the related theory and managerial implement in hospitality industry.

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