High Performance Work Systems and Service Delivery: The Mediating Role of Managerial Values in the Nigerian Tourism Industry

Obiora, Judipat Nkiru
Department of Hospitality Management and Tourism, Faculty of Management Sciences, University of Port Harcourt, Rivers State, Nigeria

Article DOI: 10.48028/iiprds/ijirssmmt.v9.i1.09

Abstract
Research into high performance work systems appears congruent on its substantiality in driving outcomes of service offerings and related features. Recent changes in managerial values across the Tourism industry, particularly hotels, due to the emerging realities of business operations and survival of post COVID-19 and other crisis factors, however, suggest rising concerns over job insecurity, poor staff safety and health and other factors based on the new normal. This paper, in investigating the mediating effect of managerial values on the relationship between high performance work systems and service delivery in 4-star hotels in the South-south of Nigeria, revealed that while the relationship between high performance work systems (information sharing and decision-making) and service delivery is significant, managerial values does not significantly mediate or explain the relationship between the variables. The findings point to high performance work systems as a significant predictor of service delivery. Thus, it was affirmed that high performance work systems enable the effective control and health of related processes through information sharing and decentralized decision making such that enrich communications, creativity levels and thus facilitate features that are conducive and necessary for outcomes of service delivery. It is therefore recommended that managers create enabling environment for decentralised decision-making, information sharing links and creativity for efficient service delivery.

Keywords:
High performance work systems, Service delivery, Organizational learning, Information sharing, Decision-making.

Corresponding Author:
Obiora, Judipat Nkiru
Background to the Study

The Tourism industry is suggestive of the nation’s ‘welcoming’ disposition to the outside world. According to Olabinjo (2016), the Tourism industry contributes substantially to the image of the country through its attractiveness, service offerings and the expression of the country’s unique values and culture. Nwokorie (2020), shared this view, positing that quality of the relationship, communication and responsiveness expressed in content of service is vital to the success of the Tourism based organizations. This is because the Tourism industry is driven and spurred on by its service offerings and content. Reports indicate that prior to the COVID-19 impact; the Nigerian hospitality industry had expanded to a 22.6% annual compound rate of about 1 billion dollars (Proshare, 2021). However, despite the disruptions from the COVID-19; recent studies indicate a resurging of the industry especially with regards to hotels, lodges and restaurants in the major cities in Nigeria (Proshare, 2021). This regrettably is observed to be accompanied by a slow-paced level of competition and of a lower level of enthusiasm which could yet be linked to the experiences and concerns of the COVID-19 pandemic (Proshare, 2021).

Several researchers identified poor service delivery as being amongst the top-ranking factors behind the failure of hotels in Nigeria (Nwokorie and Aneke, 2019; Obiora and Nwokorie, 2018). Failure, according to Baek and Kim (2014), begins with the shifting of values and focus, especially at the managerial or supervisory level. Expressed changes in priorities and values in the leadership of the organization is such that most often trickle down in the form of job insecurity, social instability or concerns of welfare to lower level staff within the organization. Such can be demoralizing and demotivating. Mondy and Martocchio (2016), posited that where values are inconsistent, organizational work systems tend to be loose, incohesive and thus lacking in coherence or integration. This leads to functional gaps and increased operational inefficiency with deteriorating effects on service offerings, customer relations and the overall performance of the organization. Lee and Bang (2012) emphasized on the criticality of operational control and synergy in organizational functions, suggesting increased focus on the processes of systems rather than just their outcomes. According to Messersmith, Lepak, Lepak and Gould-Williams (2011), systems need to be more integrated, engaging and allowing for substantial involvement of staff from different levels and thus enabling high performance features and characteristics.

Related studies on high performance work systems (Kehoe and Wright, 2013; Wu, Hoque, Bacon and Bou, 2015; Chowhan, 2016), suggest that it necessitates improved levels of functional consistency and control over organizational processes. Through increased workers participation, there is a heightened level of creativity and shared responsibility for the goals of the organization (Kpakol, Obiora and Jaja, 2016). More importantly, studies have identified high performance work systems as contributing substantially to organizational competitiveness and market positioning through improved service offerings and quality (Mondy and Martocchio, 2016), however, given the changes effected by the COVID-19 and the emerging concerns over changing or evolving business contexts (social and cultural) and policies, scarce attention has been paid to the implications of
managerial values on the relationship between high performance work systems and service delivery, particularly in the Nigeria Tourism Industry. Despite the noted concerns of changing workplace priorities and managerial strategic choices especially post COVID-19 experience, not much has addressed its impact on work place relations and outcomes. This paper thus investigates the mediating influence of managerial values on the relationship between high performance work systems and service delivery of hotels. The hotel sector being a very vital component within the Nigerian Tourism industry.

**Aim of the Paper**
This paper examined the mediating impact of managerial values on the relationship between high performance work systems and service delivery in hotels in the South-south of Nigeria.

**Objectives of the Paper**
The objectives of this paper are detailed accordingly:

i. To determine the relationship between information sharing and service delivery in hotels in the South-south of Nigeria

ii. To ascertain the relationship between decision-making and service delivery in hotels in the South-south of Nigeria

iii. To investigate the mediating influence of managerial values on the relationship between high performance work systems and service delivery in hotels in the South-south of Nigeria

**Literature Review**

**Organizational learning theory**
Organizational learning theory is adopted as the base-line theory for this paper. The learning theory provides a basis for how behaviour (organizational) is shaped and reinforced (Kim, Watkins and Lu, 2017; Al-Kurdi, El-Haddeh and Eldabi, 2018; Narsa, 2019). Primarily, its focus is on knowledge gained either through interaction with other significant elements, observation and also through experience within its social context (Maktabi and Khazzaei, 2014). Learning thus impacts on organizational values, workplace relationships and operational models. Mohammad (2019), posited that in order to succeed, organizations must be more amenable and behaviourally aligned with the overarching factors that characterize their environment. The learning theory undergirds the imperatives of organizational change and reconfiguration in line with the new normal of the COVID-19 fall out. Emerging concerns which currently shape managerial values as well as the emphatics on high performance work systems are such that are focused on not only ensuring the survival of the firm but also adhering to evolving nature of business forms, practices and procedures necessary for efficient and effective service outcomes.

**High Performance Work Systems**
High performance work systems are such that allow for increased employee engagement, involvement and a more focused position on operational and functional processes in the pursuit of organizational goals. Ogbonnaya, Daniels, Connolly and Van Veldhoven (2017), observed that through increased participation from workers, communication and
feedback on work related features is enhanced and the synchrony between management expectations and workers actions is achieved. According to Demirbag, Collings, Tatoglu, Mellahi and Wood (2014), organizations which are coherent in their processes tend to be more effective at monitoring their progress and are more efficient, ensuring that strategies (with regards to the application of both financial and non-financial resources) are suitable and align substantially with availing structures and capabilities (Lee and Bang, 2012; Zhang, Cheerie, Dowling and Bartram, 2013). Thus, related facets of high performance work systems are such that embody the extent to which information is shared and the decentralization of decision-making within the workplace (Regy and Malini, 2019). These alongside other factors reflect the organizations focus on strengthening communication links between levels and units and also enabling a more collaborative work process where creativity is supported and where operations are structured in line with goals.

Service Delivery
Organizations draw on the quality and content of their service offerings in maintaining their customer base, sustaining competitiveness and by that strengthening their market share. Service delivery encompasses both employee attitudes (courtesy, mannerisms and expressions) as well as the content of service offerings. Thus, it entails the process as well as eventual value of the service offered. Gambo (2016), and Obiora (2021), argued that relationships between employees and customers are a crucial factor in the experience of the customers and the reputation of the organization. This is because, as agents of the organization, employees embody the values and principles of the organization, especially with respect to the customers. Nduka, Okocha and Chris-Nnamchi (2017), noted that service delivery features that are responsive, empathic and courteous demonstrate a strong value for customer relations and appreciation. This is also why learning plays an integral role in organization-customer relations (Hau and Omar, 2014; Juliet and Robert, 2003). It has been empirically validated that learning organizations are able to understand through inferred situations and experiences (personal and from other scenarios), the habits, preferences and tendencies of customers and through that predict and effectively address their expectations (Alemenh and Gebremichael, 2018, Obiora and Okpu, 2014).

High performance work systems and service delivery
The interaction between work systems and service outcomes is one which has been offered substantial focus within the context of research (Wright and Ulrich, 2017). Kehoe and Wright (2013), identified high performance work systems as impacting on the quality of service outcomes – driving improved communication between organizational units and that way facilitating synchrony in functions and organizational operations. Likewise, Husam (2019), argued that high performance work systems offer sustainable features which allow for improved processes and outcomes. According to the author, behaviour which reflects information sharing primarily supports cohesion and integration. This agrees with Chowhan’s (2016) observation that related features such as access to information and the decentralization of decision-making. It has also been
corroborated that these enhance empowerment, creativity, shared responsibility and collaboration between units, levels and also facilitates the systemic processing of various functional or operational stages in the organization (Wu et al, 2015; Wright and Ulrich, 2017). Hence, human resource management activities related to staff planning and hiring, training, reward are structured to match the service delivery goals of the organization in a most efficient and effective manner (Kehoe and Wright, 2013). Following the review on the nature of the relationship between the variables, it is the position of this paper to further validate the influence of high performance work systems on service delivery, especially as manifested within the context of hotels in the South-south of Nigeria. Thus the following hypotheses are stated:

HO₁: There is no significant relationship between information sharing and service delivery in hotels in the South-south of Nigeria
HO₂: There is no significant relationship between decision-making and service delivery in hotels in the South-south of Nigeria

Managerial values (Mediating role on relationship between high performance work systems and service delivery)
Managerial values describe the ideals and principles upon which the priorities and decisions of the manager or organizations leadership is anchored (Swanson and Holton, 2009). Managerial values according to Sheehan, Garavan and Carbery (2014), set the tone for the preferences, focus and inclinations of the management. It also shapes the outcome of relationships between management and subordinates and to a substantial extent determines the position on management with regards to issues concerning resource distribution, employee compensation and welfare, infrastructural development and upgrading of technological systems. Jelavic and Ogilvie (2009), argued that values (organizational or managerial) change as a result of the dynamics of societal factors. Some include the recruitment practices, security details, health protocols, terms or conditions of employment contracts – all of which are necessitated by the extent of competition, changes in the industry (e.g. new regulations), and even related factors such as terrorism, pandemics (e.g. COVID-19, Ebola etc.). These changes impact strongly on the strategic choices and in various ways, affect perceptions, expectations and values.

Managerial values thus condition management’s position with regards to operational focus and even the extent to which employees participate in the decision-making process of the organization (Youssef and Luthans, 2007). Considerations of stakeholder’s interests, healthy intra-organizational and inter-organizational relationships, harmony and organizational wellbeing are some of the factors behind manager’s focus on employees and customers satisfaction. However, literature also indicates that such values shift and in most cases can change when concerns of profitability, stakeholders interests and productivity (quantity) are emphasized in the organization (Kirkman and Shapiro, 2001, Obiora and Ifegbo, 2019). These could alter management’s orientation and ideologies and that way advance work systems of forms which may in the long-run impact differently on outcomes of service quality or delivery. Swanson and Holton (2009), affirmed that the
value and priorities of management often times advance a restructuring of roles and strategic approaches adopted in the pursuit of the organizations goals. Thus, the following hypotheses are stated:

**HO**3: Managerial values do not significantly mediate the relationship between high performance work systems and service delivery in hotels in the South-south of Nigeria

**Methodology**
The correlational design is adopted as the design for this investigation. This choice is premised on its specificity in addressing bivariate and multivariate relationships between social variables or phenomena (Bryman and Bell, 2015). The accessible population for this investigation comprised of seven (7) 4-star hotels in the South-south of Nigeria (Trip Advisor, 2021). Units for measurement included management staff comprising of general managers and supervisory staff for 8 key units (operational and functional departments) in the hotels covering the (a) food and beverage Department (b) human resource department (c) Accounts/finance/marketing/sales Department (d) front office Department (e) security Department (f) health and safety (g) Engineering/ information technology Department and (h) housekeeping Department; thus giving 9 participants for each hotel and a total of 63 participants from all 7 hotels. The structure of the population framework is premised on criteria such as the unit of analysis (the organization), and the standard of the hotels of interest (4-star hotels). The choice of measurement units stem from these factors, particularly the need for referents with substantial knowledge and experience of the behaviour and operations of these hotels. Instruments for the study are adapted from the operational definitions (Gambo, 2016; Lee and Bang, 2012; Sheehan et al, 2014) advanced for the variables and structured in line with the context of interest - 4-star hotels in the South-south of Nigeria. A 5-item instrument is adopted for assessing all variables, with all items stated in the positive and scaled on a modified Likert scale of 1 = strongly disagree, 2 = disagree, 3 = moderately agree, 4 = agree and 5 = strongly agree. Instruments are further tested for reliability using the Cronbach alpha reliability coefficient with all instruments expressing coefficients of a>0.70.

**Results**
In line with the population size for the study, 63 copies were distributed and monitored across the target hotels in the South-south of Nigeria. All 63 copies were duly retrieved and assessed for error issues. The table 1 illustrates the univariate distribution for the variables for the study.
Table 1: Univariate distribution for the variables

<table>
<thead>
<tr>
<th>Source</th>
<th>Information Sharing</th>
<th>Decision-making</th>
<th>Service Delivery</th>
<th>Managerial Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>63</td>
<td>63</td>
<td>63</td>
<td>63</td>
</tr>
<tr>
<td>Missing</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Mean</td>
<td>3.3429</td>
<td>3.1651</td>
<td>3.3841</td>
<td>3.6889</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>.90620</td>
<td>.83283</td>
<td>.92861</td>
<td>1.07989</td>
</tr>
<tr>
<td>Skewness</td>
<td>-1.162</td>
<td>-1.326</td>
<td>-1.273</td>
<td>-1.123</td>
</tr>
<tr>
<td>Std. Error of Skewness</td>
<td>.302</td>
<td>.302</td>
<td>.302</td>
<td>.302</td>
</tr>
<tr>
<td>Kurtosis</td>
<td>.515</td>
<td>.649</td>
<td>.592</td>
<td>.058</td>
</tr>
<tr>
<td>Std. Error of Kurtosis</td>
<td>.595</td>
<td>.595</td>
<td>.595</td>
<td>.595</td>
</tr>
</tbody>
</table>

Source: Research Data, 2021

Evidence from the analysis demonstrates that all related variables – information sharing ($x = 3.3429$), decision-making ($x = 3.1651$) and managerial values ($x = 3.6889$) are substantially manifested and expressed within the context of the investigation. The evidence shows that majority of the respondents consider their organizations are expressing moderate actions with regards to information sharing, as also being inclusive and thus decentralized in decision-making, as advancing service delivery forms that can be described as responsive and in line with the expectations of their customers and also expressing managerial values that emphasize more on relationships, employees and customers wellbeing.

Table 2: Relationship between high performance work systems and service delivery

<table>
<thead>
<tr>
<th>Source</th>
<th>Information Sharing</th>
<th>Decision-making</th>
<th>Service Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>63</td>
<td>63</td>
<td>63</td>
</tr>
<tr>
<td>Spearman's rho</td>
<td>1.000</td>
<td>.525*</td>
<td>.824*</td>
</tr>
<tr>
<td>Information Sharing</td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>63</td>
<td>63</td>
<td>63</td>
</tr>
<tr>
<td>Decision-making</td>
<td>.525*</td>
<td>1.000</td>
<td>.469*</td>
</tr>
<tr>
<td>N</td>
<td>63</td>
<td>63</td>
<td>63</td>
</tr>
<tr>
<td>Service Delivery</td>
<td>.000</td>
<td>.469*</td>
<td>1.000</td>
</tr>
<tr>
<td>N</td>
<td>63</td>
<td>63</td>
<td>63</td>
</tr>
</tbody>
</table>

Source: Research Data, 2021

Evidence from the test for the relationship between both dimensions of high performance work systems (information sharing and decision-making) and service delivery, indicates that information sharing contributes significantly towards service delivery at a rho = 0.824 and $P = 0.000$. This suggests that information sharing significantly predicts outcomes of service delivery. Information sharing can be considered as contributing positively to the organizations relationships and functional outcomes. Similarly,
decision-making within the hotels is also observed to significantly contribute towards outcomes of service delivery where $\rho = 0.469$ and $P = 0.000$; indicating a positive relationship between the variables. On this basis, the related null hypotheses are rejected.

Evidence on the test for the mediating effect of managerial values on the relationship between high performance work systems and service delivery reveals that managerial values does not significantly mediate the relationship between high performance work systems and service delivery. This position is based on the noted outcome of the direct effect (factor loadings) where $\beta = 1.04$ and the indirect effect where $\beta = -0.117$. The result shows that managerial values do not mediate or significantly explain the relationship between high performance work systems and service delivery in 4-star hotels in the South-south of Nigeria. Hence, this particular hypothesis is accepted.

**Figure 1:** Bootstrapping test for mediating effect of managerial values on the relationship between high performance work systems and service delivery

Evidence on the test for the mediating effect of managerial values on the relationship between high performance work systems and service delivery reveals that managerial values does not significantly mediate the relationship between high performance work systems and service delivery. This position is based on the noted outcome of the direct effect (factor loadings) where $\beta = 1.04$ and the indirect effect where $\beta = -0.117$. The result shows that managerial values do not mediate or significantly explain the relationship between high performance work systems and service delivery in 4-star hotels in the South-south of Nigeria. Hence, this particular hypothesis is accepted.

**Discussion of Findings**
High performance work systems are in this paper established as significantly contributing towards service delivery in 4-star hotels in the South-south of Nigeria. The results from the test show that high performance work systems as reflected through information sharing and decision-making, enhance work related features in ways that drive improved outcomes of service delivery. The findings of thus agree with those of previous studies (Lee and Bang, 2012; Chowhan, 2016), pointing to the imperatives of increased workers involvement in decision-making and access on information. Evidence
shows that information sharing has a stronger impact on service delivery where rho = 0.824; indicating a high level of influence as compared to that of decision-making where rho = 0.469 suggesting a moderate influence. One could argue that information sharing not only informs workers or units about the plans or actions of management, but it also enhances the systemic features and level of collaboration between the levels and units in the organization; increasing functional preparedness and cohesion.

The findings of this investigation reiterate the earlier observations of Regy and Malini (2019), who advanced high performance work systems as necessary for addressing organizational gaps and strengthening both internal and external ties. This view also aligns with and reinforces the tenets of organizational learning theory. Kehoe and Wright (2013), posited that learning builds on relationships, drawing on ones experiences or observations within the internal or external environment of the organization. Information or knowledge acquired from such experiences or social relationships clarify on how to address related issues – however, the application and integration of knowledge are critical to the success of learning outcomes. According to Jimenez-Jimenez and Sanz-Valle (2011), learning builds on the unique qualities and contexts of the organization – providing it with the necessary framework from which it is able to draw its solutions. In this vein, one could therefore assert, that one of the important and more critical success factors reflected in effective high performance work systems is the way related models and formats are applied – especially when designs or models mimic the organizations own context, goals and infrastructure.

While the relationship between high performance work systems and service delivery is observed to be substantial and also positive, the findings yet indicate that managerial values do not significantly mediate the relationship between the variables. This however, further strengthens and validates the report and observations of previous studies (Sheehan et al, 2014; Wu et al, 2015; Ogbonnaya et al, 2017), on the authenticity and non-spurious relationship between high performance work systems and service delivery. While managerial value is considered as significant factor in the outcome of workplace relationships, the survival and performance of the organization, it does not however, mediate or explain the impact of high performance work systems on service delivery. Zhang et al (2013) opined that high performance work systems overarch and permeate various levels of hierarchies in the organization, ensuring that policies and actions are consistent with organizational plans. This promotes stability and coherence within the workplace – facilitating healthier working relationships and service outcomes. Hence, high performance work systems enable a goal-focused, in-depth and highly integrated level of communication and feedback which drive its processes and actions within the organization.

**Conclusion and Recommendation**

Quality service delivery is premised on a variety of factors – reflecting both related processes and service content. That is to say, it captures or covers the interaction between employees and customers, experiences of the service environment, attitudes of the
employees and other factors involved in the service process. The observed relationship between high performance work systems and service delivery is such that is based on the effective control and health of related processes through information sharing and decentralized decision making such that enrich communications, creativity levels and thus facilitate features that are conducive and necessary for outcomes of service delivery. High performance work systems are therefore such that, despite existing managerial values, tend to necessitate conditions and features that support and enhance outcomes of service delivery.

It is therefore recommended that managers focus on strengthening communication links and information sharing between levels and units and provide a more collaborative work process where creativity is supported and where operations are structured in line with goals, to enable adequate and prompt service delivery.

References


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