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TOWARDS DEVELOPING A SERVICE DELIVERY IMPROVEMENT MODEL FOR THE MALAYSIAN HOTEL SECTOR

Johanudin Lahap¹, G. Barry O'Mahony² and Jim Sillitoe³

¹Faculty of Hotel and Tourism Management, Universiti Teknologi MARA (UiTM),
Permatang Pauh 13500, Penang, Malaysia

²Faculty of Business and Law, Centre for Tourism and Services Research,
Victoria University (VU) Melbourne

³Institute for Professional and Organizational Learning (IPOL),
University of Ballarat (UB)

¹Email: johanudin.lahap@live.vu.edu.au

ABSTRACT

The Malaysian hotel industry has experienced significant growth in the last 10 years and many hotels in Malaysia are now opulent, new hotels achieving the highest standards of presentation. However, service delivery often lags behind the physical environment, struggles to meet international standards and ergo the expectations of international guests. There are diverse views among service quality researchers as to how to improve service delivery standards. Consequently, this study seeks to develop an appropriate service delivery improvement model that provides a framework that can be used to attract, train, motivate and retain hotel employees. Within the literature many strategies have been presented that are designed to enhance both products and services in a variety of contexts. Among the better known of these are Total Quality Management (TQM), Six Sigma (SS), SERVQUAL (SQ), the Relationship Marketing paradigm (RM), Internal Marketing (IM) and Internal Market Orientation (IMO). The general view among scholars, however, is that there is a link between employee satisfaction and job performance. This article examines and analyses the most significant elements of various product and service improvement models, and presents a revised service delivery improvement model as a first step in customising a model for the Malaysian hotel sector. The research concludes that a number of these elements are critical to service improvement, the authors note that the implementation of such a model will need to be further developed with assistance from industry stakeholders in Malaysia.

Keywords: *Total Quality Management (TQM), Six Sigma (SS), SERVQUAL (SQ), Relationship Marketing (RM), Internal Marketing (IM) and Internal Market Orientation (IMO).*

INTRODUCTION

Tourism is an important industry contributing at least 2.8% of the world's GDP and employing over 258.5 million people worldwide representing 8.8% of the global workforce (World Travel and Tourism, 2011). The industry makes significant contributions to the economic development of many countries with some countries reliant on tourism as a major catalyst for growth and development. This is the case in Malaysia where the tourism industry has been hosting large numbers of tourists on business or vacation purposes, as well as transient passengers en-route to other destinations. In 2009 the hospitality and tourism sector contributed RM 26.6 billion towards the Malaysia Gross Domestic Product (GDP) and was ranked second, behind the manufacturing sector, in terms of overall economic contribution (Ministry of Finance/Central Bank of Malaysia, 2010). The growing number of tourist arrivals has led to an increase in the provision of hotel accommodation. In 1996, for example, there were 1,669 hotels available and by 2008 the number had increased to 2,373. Statistics in a Malaysian Government plan show that the number of hotels at all rating levels (from one- to five-star) increased by 29.7% between 1996 and 2008. Growth in tourist arrivals increased by 9.5% in 2009 and the average increase in the last six years (2003-2009) has been 10.2 % (Ministry of Finance [MOF], 2008). Although growth in tourist arrivals is above the national average for the industry worldwide, hotel development within Malaysia has been increasing at a rate that is higher than the increase in tourist numbers. This increase in available rooms has increased competition within the hotel sector and as a result, hotels now need to compete vigorously to remain viable.

Intense competition has been a feature of the tourism industry for some time and this has led to the development of sophisticated marketing strategies. However the hotel sector has traditionally been slow to adopt these innovations (Renaghan, 1995; Fyall and Spyriadis, 2003). O'Mahony (2006) notes, for example, that instead of improving service and developing distinctive products that satisfy the needs of their customers,

hotels tend to concentrate on improving revenue through increased sales, generally by lowering prices. Citing previous experience with diminishing tourism numbers, industry analysts caution that hospitality operators need to understand that aggressive discounting and the accompanying erosion of profits is unsustainable (Thomas, 2009). Moreover, there is general agreement within the literature that enhancing the service experience and developing lasting host-guest relationships is the key to future sustainability and growth (Berry and Parasuraman 1991; 2000; Lashley, 1996; Lings, 2004; Gounaris, 2006; 2008a; 2008b; Sophonsiri *et al.*, 2008). As Stephen Carter, the highly successful Managing Director of Cameron House Resort notes, enhancing service involves providing service that is superior to the competition, whilst 'good profitable customer service is about building relationships' (cited in Loosekoot, 2009, p.8). Carter's contention is supported by recent studies that highlight the nexus between guests' commitment to ongoing relationships with hotels and positive business outcomes, which include repeat visitation and/or positive word of mouth communication (Bowen and Shoemaker, 2003; Sophonsiri, 2008). Superior service is a multi dimensional construct, that includes corporate goals; organisational strategies; policies and procedures; work systems; job design and a variety of supporting elements. Not least among these is the human dimension, which recognises that the hospitality sector relies on people rather than technology to deliver appropriate standards of service (O'Mahony and Sillitoe, 2001; Teare *et al.*, 1994). As noted earlier, the Malaysian hotel industry has experienced significant growth in the last 10 years and many hotels in Malaysia are now opulent, new hotels achieving the highest standards of presentation. According to Lau *et al.* (2005) however, service delivery lags behind the physical environment and struggles to meet international standards and ergo the expectations of international guests. The main focus of this paper therefore is to evaluate existing service improvement models within the literature to assess their suitability for the hospitality sector in Malaysia. The hospitality industry in Malaysia is developing rapidly within an era of intense competition. The industry is made up of a number of high quality hotels; however, the physical, and often opulent hotel environment, needs to be supported by high quality service in order to meet the expectations of international guests and encourage repeat visitation. This study aims to develop a customised service delivery model to improve service delivery within the Malaysian hotel industry. The key to improving service is to focus

on hotel employees and thus the development of a service improvement model must focus on elements of employment such as improving levels of job turnover, job performance and satisfaction among hotel employees, which in turn will lead to customer satisfaction.

LITERATURE REVIEW

As the literature review will show, there are diverse views among service quality researchers as to how to improve service delivery standards. The main arguments relate to the means to achieve customer satisfaction and to develop customer loyalty. Notwithstanding the distinction between satisfaction and customer loyalty, there is general agreement among scholars that there is a link between employee satisfaction and job performance. In other words, employees are an essential service delivery element in producing the highest quality of service. In developing a service improvement model that is appropriate for the Malaysian hospitality sector, it has been found that there are a number of existing models within the literature that could assist in this development. A review of the literature shows, for example, that many strategies have been developed to enhance both products and services in a variety of contexts. Among the better known of these are: Total Quality Management (TQM), Six Sigma, SERVQUAL, the Relationship Marketing paradigm (RM), Internal Marketing (IM) and Internal Market Orientation (IMO).

TOTAL QUALITY MANAGEMENT (TQM)

The goal of Total Quality Management (TQM) is to produce products and services of a consistently high quality. Indeed, TQM was created to improve firms' competitive advantage in the long-run, which is also a feature of this study. TQM includes programs such as communication, employee empowerment, increased training, management-employee relationship development and the creation of an open organization. Although TQM incorporates valuable elements for the improvement of business processes, for example as a philosophy for constant improvement, leadership, planning, training and human resource management (Powell, 1995); TQM was developed for the manufacturing industry and has only been used in a

small number of service organizations. According to Sureshchandar *et al.* (2001) the reason for its limited application in the service sector is because of differences between product and service characteristics. These are many and varied, however one important difference is that the quality of products can be controlled and defects rectified after the goods have been produced. In the service sector, products and services are produced and consumed simultaneously and there is no opportunity to rectify a fault before the customer consumes it. A simple example would be an overcooked steak (product) or providing an incorrect meal to a guest (service). In addition, the implementation of TQM is costly and involves large scale resources and the development of extensive performance measures (Naj, 1993; Fuhcsberg, 1992a; 1993b; Schaffer and Thompson, 1992). The concept of perishability is another important issue that separates products and services. Services cannot be stored or placed in an inventory, which means that if a hotel has 100 rooms and only manages to sell 40 rooms for that day, the remaining 60 rooms represent revenue forgone (Kotler *et al.*, 2010). In summary, Total Quality Management (TQM) is a philosophy that has been proven to improve quality in the production process and, to a limited degree, services.

SIX SIGMA (SS)

Another well known model for business improvement is Six Sigma. Six Sigma is a product improvement strategy that emphasises zero defects in products. The philosophy is used to identify failures in the production process and to ensure that such failures are dealt with on the factory floor (Breyfogle, 2003). Teamwork is one of the pillars of the Six Sigma methodology (Breyfogle, 2003; Llorens and Molina, 2006; Lowenthal, 2002; Pande *et al.*, 2002). As a result, continuous improvement is developed through the assignment of different projects to teams of workers. The success of improvement projects depends on these cross-functional teams (Pande *et al.*, 2002; Shamji, 2005) due to the fact that team members are the main carriers of the underpinning philosophy (Thawani, 2004). Under Six Sigma, team members are assigned roles using the terminology “Champions”, “Master Black Belts”, “Black Belts” and “Green Belts”. According to Gitlow (2005) and Pande *et al.* (2002), Champions refers to an executive committee – obtaining resources and eliminating barriers,

Master Black Belts refers to the Top Management, which has important abilities and deep knowledge of the Six Sigma methodology, Black Belts refers to a full time agent or consultant tasked with the role of improving projects, and Green Belts refers to an employee who is involved in an improvement project or leads a team, but only has part time dedication to this task, with the rest of their time spent on other projects or tasks. Statistical process control is also a key element in Six Sigma and to this end, Six Sigma teamwork members are trained intensely in abilities, group dynamics, and statistical methods and tools (Gitlow, 2005; Lee and Choi, 2006; Ravichandran, 2006). As a result, Six Sigma offers very solid statistical methodologies for experimentation and research (de Mast, 2006; Mc Adam and Laferty, 2004). In fact, the definition given by Linderman *et al.* (2003) indicates how this initiative is grounded in statistical methods. Whilst statistical analysis is an important component of the methodology it is less important than having a shared vision within the organization. This has been defined by Pearce and Ensley (2004, p.260) as “a common mental mode of the future state of the team”. It represents the capacity for sharing the future image desired by firm members, developing common commitment to this future image and establishing some principles for pursuing it (Senge, 1992). Thus, it would appear that the main benefits of Six Sigma are developed over time and that the organization must first have in place a well defined management system.

SERVQUAL (SQ)

As the study of service improvement evolved another service improvement framework called SERVQUAL was introduced by Parasuraman *et al.* in 1985. The SERVQUAL framework was developed to measure service gaps that occur between customers' perceptions and expectations. As a result, service failure can be identified and rectified, but only after a guest's service experience has been reviewed. The model originated from an exploratory study in the banking sector, which sought to establish and measure customer behaviour and satisfaction when accessing financial services (Parasuraman *et al.*, 1985). Later work by Parasuraman *et al.* (1988) compared various studies by other researchers that employed the SERVQUAL framework, and found that results differed. Studies shows both positive and negative outcomes, however, the SERVQUAL

framework successfully measured customer perceptions and customer expectations, but failed to measure whether a satisfied customer can be a loyal customer (Buttle, 1996). In addition, despite high acceptance of the SERVQUAL approach to measure customer satisfaction Buttle (1996) argues that there are many gaps that are not addressed in the formulation of the model. Various studies on SERVQUAL have determined that the model could be significantly improved (Cronin and Taylor, 1994; Anderson, 1992; Oliver, 1993). Nevertheless, SERVQUAL appears to have the ability to identify service delivery problems and the results can then be used to make recommendations on what should be done to enhance service quality provided that customer perceptions and customer expectations are fully understood. The literature does show, however, that academics have diverse views about the value of the SERVQUAL model and one of the recently discovered major flaws is the notion that achieving customer satisfaction does not necessarily lead to customer loyalty (Bowen and Chen, 2001; Mattila, 2001). Since the development of SERVQUAL, however, a new field of marketing has emerged specifically designed to develop lasting relationships with customers and has been termed relationship marketing, the elements for which are provided below.

RELATIONSHIP MARKETING (RM)

The relationship marketing paradigm is now considered to be among the most important aspects of marketing as many firms rely on this philosophy for business growth. Moreover, whilst relationship marketing covers various aspects of marketing activities (Dwyer and Rosemary; Schurr and Oh, 1986), Berry (1983, p.25) defines “relationship marketing as attracting, maintaining and – in multi-service organizations – enhancing customer relationships”. Berry and Parasuraman (1991, p.133) propose that “relationship marketing concerns attracting, developing and retaining customer relationships”. In an industrial marketing setting, Jackson (1985, p.2) refers to relationship marketing as “marketing oriented toward strong, lasting relationships with individual accounts”. These elements of the relationship marketing paradigm fit neatly with the aims of this study. However, Berry and Parasuraman (1991) assert that in order to satisfy the customer, first, firms must assess their internal employees’ needs and wants. The essence of Berry and Parasuraman’s (1991) research is that

by attracting, developing, motivating and retaining customer conscious employees, firms could achieve their goals in satisfying and also retaining customers. Their work attempts to achieve the same goals as relationship marketing, but introduces the concept of first satisfying the needs and wants of employees (Berry and Parasuraman, 1991). Moreover, relationship marketing is seen as an extension of services marketing, which is the discipline from which SERVQUAL emanates. One key element of relationship marketing, which has been identified and expanded upon by Berry and Parasuraman (1991), is the acknowledgement of the important role of service employees in developing ongoing relationships. These internal processes, which have been found to have a significant impact on service delivery, lead to the next section, which explains the internal marketing environment.

INTERNAL MARKETING (IM)

Over a period of time it has become known that in any service organization, the main executors of the service are the organization's employees. Internal marketing specifically focuses on the vital role of human resources in service delivery. In this context attracting, developing, motivating and retaining qualified employees through the development of jobs that satisfy employee needs is core to service success (Berry and Parasuraman, 1991; Arnett *et al.*, 2002; Crick, 2003). Internal marketing is the philosophy of treating employees as customers and the ultimate goal is to encourage effective marketing behaviour in order to build an organization of employees willing and able to create true or loyal customers for the firm (Gounaris, 2008). By satisfying the needs of its internal customers, a firm enhances its ability to satisfy the needs of its external customers. There are seven basic dimensions of internal marketing; namely, competing for talent, offering a vision, preparing people to perform, stressing team play and leveraging the freedom factor, which relates to employee freedom to make decisions and is another term for empowerment (Spreitzer, 1992; 1995; Fulford and Enz, 1995; Lashley, 1996). In addition, Khatri (2000) Lings (2004) and Gounaris (2006) all assert that employee benefits and rewards are one of the most significant factors that contribute to high quality service. They maintain that if employees are properly rewarded and compensated a feeling of self belonging is automatically triggered.

In addition, Spector (1994) asserts that pay, fringe benefits and other benefits also contribute towards employee morale, job performance and satisfaction. Berry and Parasuraman (1991) reinforce the importance of employees by suggesting they are another type of customer. Lings (2004) agrees with this proposition, stating that there are two types of customer that organizations need to consider; the employee and the customer. Lings advises that it is the responsibility of the organization to recognize the significant contributions of both internal and external customers. In other words, both customers have needs and wants to be fulfilled. Reflecting on this research, it is clear from the model developed by Berry and Parasuraman (1991) and others that a focus on human resources will be an essential element in improving service delivery. This is confirmed by Spector (1994) who advises that if a service organization takes employees' well-being, intrinsic and extrinsic needs seriously, the possibilities of an employee providing high quality service is greatly improved. Since the internal marketing paradigm was first aired, however, Gounaris (2006) conducted an extensive review of all of the literature on internal marketing that was published between 1976 and 2006, and identified three discipline areas or mainstreams of study, which focus on internal marketing. These are marketing, human resource management and interdisciplinary or combined studies where marketing and human resource management are intertwined. From this work six basic internal marketing categories have been identified as important; namely, recruitment and retention, reward systems, management support, training, organizational dress and empowerment. Internal marketing is gaining in popularity, because it is known to have the capacity to improve services. Over time, however it has been expanded to encompass additional dimensions under the Internal Market Orientation framework, which was introduced by Lings (2004) and Lings and Greenley (2005) and supported by Gounaris (2006; 2008a; 2008b).

INTERNAL MARKET ORIENTATIONS (IMO)

As the review of previous quality improvement models has shown there are a variety of perspectives from which the issues of quality can be researched. The review to date has identified a number of models from both the manufacturing and service sectors each with important

components and stemming from the disciplines of both management and marketing. This would suggest that none of the existing models is likely to contain all of the elements required for service improvement within hotels in Malaysia, however a model could be developed from these works. Internal marketing, for example, seems appropriate because it concentrates on human resources. More recent studies have extended this work, such as that by Lings and Greenley (2005) who developed what they term Internal Market Orientation (IMO), which is a framework based on Kohli and Jaworski (1990) and Narver and Slater's (1990) studies from the 1990s. The concept of marketing orientation was developed to link the internal environment more closely with the external marketing environment via the well known marketing mix concept (4ps) (Kotler *et al.*, 2010). Marketing orientation is also designed to gather information from customers to improve products and services, although most of the dimensions of market orientation (noted earlier) are repeated in internal market orientation (IMO). Lings (2004) focus was on the use of the concept as a tool to measure employee and employer relationships with a specific emphasis on the notions of employee readiness, effectiveness and efficacy in producing quality service. This is important in this study, because results from Lings and Greenley's (2005) study show that by improving the relationship between employees and their employer a service organization can deliver exceptional levels of service that not only satisfies customers, but entices those customers to return.

Lings and Greenley (2005) also emphasize the importance of employee to employee or horizontal communication, whilst Johlke and Duhan, (2000) stress the importance of employer to employee or vertical communication advising that the need to have better communication is imperative, because effective and efficient service organizations rely on substantial levels of communication amongst employees and employers to deliver quality service. Whilst there are many similarities between market orientation and internal market orientation, in practice they are quite different. Within the market orientation (MO) framework the main emphasis is on satisfying customer needs and wants through in-depth analysis of what customers really want when purchasing products and services (Kohli and Jaworski 1990; Narver and Slater 1990). Internal market orientation (IMO) assumes an understanding of customer needs focusing instead on service employees' needs and wants. Gounaris (2006) validates this position by exploring the use of the internal market orientation

framework to enhance employee satisfaction with a view to increasing customer satisfaction. He studied a compilation of compelling related research on internal marketing from 1976 until 2006 (30 years) concluding that an Internal Marketing program is essential to service organizations. Furthermore, findings from previous research show that organizations that embrace an Internal Marketing program achieve significant outcomes, because the main objectives of the program are to increase service efficiency through examination of service employees' needs and wants. As a result, Internal Marketing programs are considered to be among the better approaches to improve service quality (Gounaris, 2006; 2008a; 2008b). A review by Rafiq and Ahmed (2000) found that the number of firms adopting internal marketing as a marketing strategy remains small and he contends this is due to a lack of a unanimously agreed definition on how to use internal marketing in various service industries. Using Lings (2004) framework, Gounaris (2008b) conducted an empirical study of hotel frontline employees and the findings were conclusive in that all employees expressed the view that hotel employers should give more consideration to service employees' needs and wants in order for them to produce high quality service. Gounaris' work provides a background framework for this study and would appear to be the most applicable approach, which would assist with this research. However, reviews of other quality assurance models would suggest that a number of other elements, which are not found under the umbrella of internal market orientation, should be added. Dimensions such as strategic human resource management (recruitment and selection, training and development, compensation and performance appraisals) and the concept of empowerment are examples of components that should be explored as part of the process of formulating a new service delivery improvement model that would be suitable for the Malaysian Hotel Industry.

METHODOLOGY

Following engagement with the literature, this research adopts content analysis as a means to evaluate the elements for inclusion in an appropriate model. Analysis was conducted to collapse and synthesise these elements into those that were seen to be of most important. These elements were then subdivided into those that related to management and employees; management and suppliers; and management and customers.

MODEL DEVELOPMENT

As noted earlier, service improvement models including Total Quality Management (TQM), Six Sigma (SS), SERVQUAL (SQ), Relationship Marketing (RM), Internal Marketing (IM), and Internal Marketing Orientation (IMO) have been considered and a new model that contains the most appropriate variables from these previously validated studies has been developed (Figure 1).

No	Abbr.	Quality Improvement Headings (43)	Quality Improvement Sub Headings	Important Elements (19)	Management and Employee (13)	Management and Supplier (3)	Management and Customer (2)
1	TQM1	Committed leadership	Leadership, Management Concern	Leadership	Leadership	Relationship to Supplier	Customer Relationship
2	TQM2	Adoption and Communication of TQM	Mission Statement, Shared Vision	Management Concern	Management Concern	Trust	Customer Loyalty
3	TQM3	Closer customer relationship	Management Concern, Customer Relationship	Shared Vision	Shared Vision	Conflict	
4	TQM4	Closer supplier relationship	Relationship to Supplier	Relationship to Supplier	Benchmarking		
5	TQM5	Benchmarking	Benchmarking	Benchmarking	Communication (M&V)		
6	TQM6	Increased training	Training, Teamwork	Communication (M&V)	Empowerment		
7	TQM7	Open Organization	Empowerment, Communications, Management Concern	Empowerment	Decision Making		
8	TQM8	Employee empowerment	Empowerment, Decision Making	Decision Making	Teamwork		
9	TQM9	Zero-defects mentality	Zero Defect	Teamwork	Statistical P. Control		
10	TQM10	Flexible manufacturing	Not applicable	Statistical P. Control	Organizational Dress		
11	TQM11	Process improvement	Training	Organizational Dress	Employee Behaviour		
12	TQM12	Measurement	Training, Performance Appraisals	Customer Relationship	HRM (RAS/ID/CPA)		
13	SS1	Teamwork in six sigma	Team Work	Customer Loyalty	Zero Defect		
14	SS2	Statistical process control in six sigma	Statistical Process Control	Employee Behaviour			
15	SS3	Shared Vision in the organization	Shared Vision	Trust			
16	SQ1	Tangibles	Physical facilities, Equipment, Organizational Dress	Conflict			
17	SQ2	Reliability	Training, Empowerment, Compensation, Leadership, C. Rel.	HRM (RAS/ID/CPA)			
18	SQ3	Responsiveness	Training, Empowerment, Compensation, Leadership, C. Rel.	Zero Defect			
19	SQ4	Assurance	Training				
20	SQ5	Empathy	Communication, Customer Relationship				
21	RM1	Termination costs	Relationship to Supplier				
22	RM2	Relationship benefits	Customer Relationship, Customer Loyalty				
23	RM3	Shared values	Shared Vision				
24	RM4	Communication	Communication				
25	RM5	Opportunistic Behaviour	Employee Behaviour				
26	RM/IM/1	Commitment	Customer Relationship				
27	RM/IM/2	Trust	Trust				
28	ORCT 1	Acquiescence	Relationship to Supplier, Customer Relationship				
29	ORCT 2	Propensity to leave	Relationship to Supplier, Customer Relationship				
30	ORCT 3	Cooperation	Relationship to Supplier, Customer Relationship				
31	ORCT 4	Functional conflict	Conflict, Customer Relationship, Relationship to Supplier				
32	ORCT 5	Uncertainty	Decision Making				
33	IM1	Compensating for talent	HRM				
34	IM2	Offering a Vision	Shared Vision				
35	IM3	Preparing people to perform	Training				
36	IM4	Strengthen team play	Teamwork				
37	IM5	Leveraging the Freedom factors	Empowerment				
38	IM6	Measure and reward	Performance Appraisal, Compensation				
39	IM7	Know thy customer	Customer Relationship, Management Concern				
40	IM/1	Recruitment/retention	HRM				
41	IM/2	Reward systems	Compensation				
42	IM/3	Management support	Management Concern				
43	IM/4	Training	Training				
44	IM/5	Organizational Dress	Organizational Dress				
45	IM/6	Empowerment	Empowerment				
46	IM/1	Internal market intelligence	Management Concern				
47	IM/2	Internal communication	Communication				
48	IM/3	Response to intelligence	Training, HRM, Management Concern, Compensation				

Figure 1: First Stage Formulation of the model from various product and service improvement models

The next stage of the research categorized the identified model elements into the critical areas to management and employees; management and suppliers and management and customers (Figure 2).

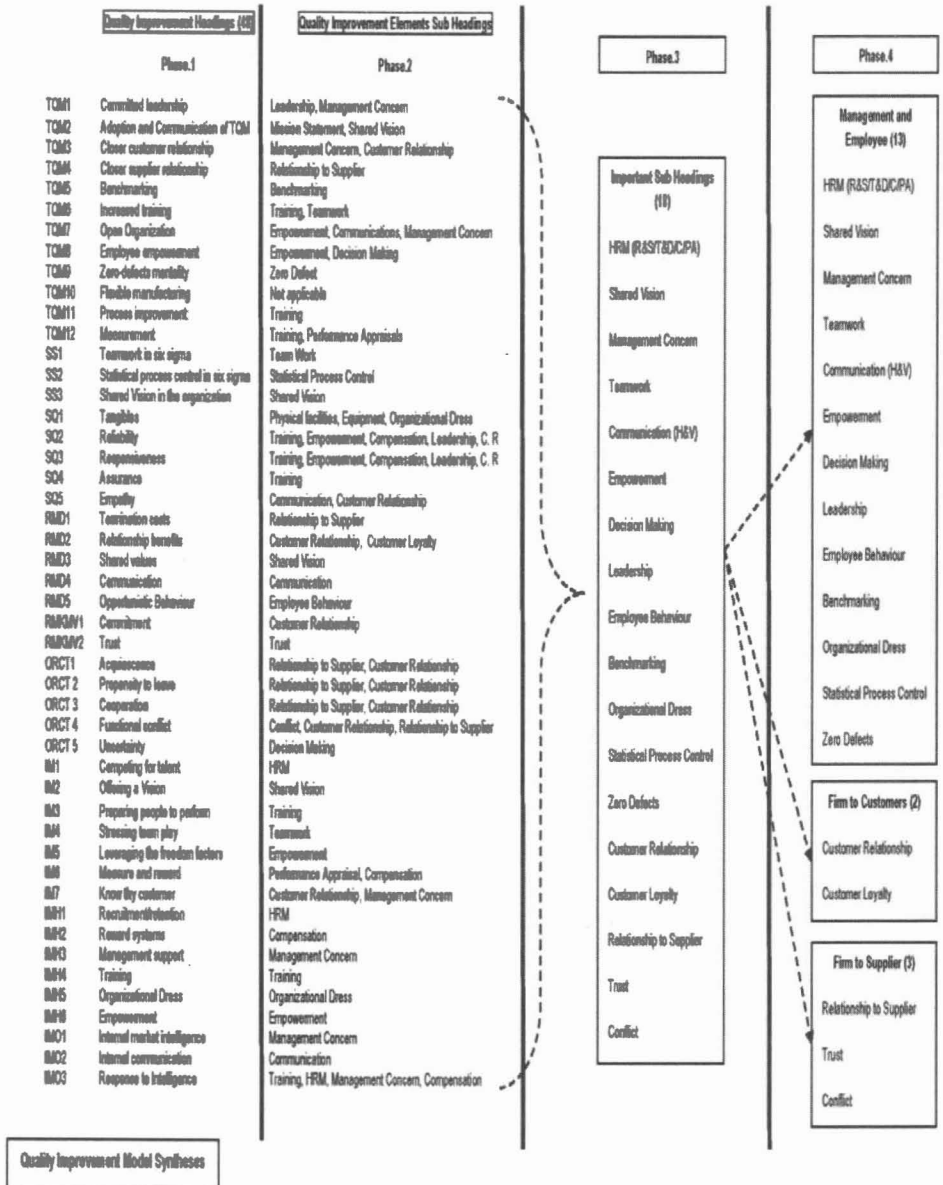


Figure 2: Second Stage Formulation of the model from various product and service improvement models.

The final stage of the formulation required model reorientation to ensure that the elements are reflective and that the proposed model could assist in improving service quality within the Malaysian hotel sector (Figure 3).

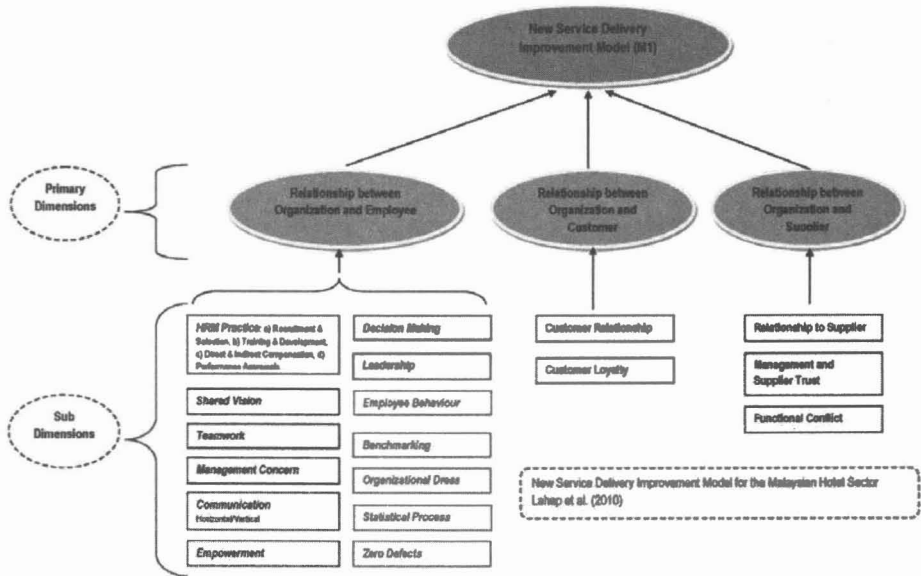


Figure 3: Third Stage Formulation of the model – Producing a new service delivery improvement model.

DISCUSSION

This paper has explored an appropriate service delivery improvement model for the Malaysian Hotel Sector by including critical elements from a number of product and service improvement models. In analyzing various potential service improvement models and developing a customized model for the hospitality sector in Malaysia, this paper contributes to literature concerning how to improve service quality in the hospitality industry and within the service sector in general. This has been achieved with respect to determining how the benefits of service quality can best be realized and extends understanding of service improvements. In this way it also provides a strong academic foundation for future studies. Furthermore, the critical elements identified in this study may be valuable in cross national examination of service delivery.

In summary, throughout the 1980s it was accepted that meeting or exceeding customers' expectations would lead to customer satisfaction. Researchers then made a non-empirical assumption that achieving customer satisfaction would lead to repeat visitation. In the 1990s, however, research began to show that achieving customer satisfaction does not necessarily lead to customer loyalty and consequently research began to identify new models to improve customer service and develop lasting customer relationships. Service delivery in hotels is a human activity and is affected by a number of elements, such as policies, procedures, training and employee commitment. Improving service delivery standards provides a more competitive product offering, which could be used to position the Malaysian hospitality industry at the cutting edge of international hospitality provision. This is important, because in the competitive hospitality and tourism environment the outcomes of repeat visitation and positive word of mouth communication are central to the ongoing sustainability of hospitality operations.

IMPLICATIONS FOR FURTHER RESEARCH

It is proposed that the above model be presented to selected key stakeholders in Malaysia and receive input and gain insight from representatives of major hotels (General Managers and Human Resource Managers), representatives from the Ministry of Tourism, representatives from the Ministry of Human Resources and representatives from the education sector, that is, hospitality and tourism educators from public and private universities. Input from these representatives would be invaluable in further modifying the model to better reflect and thus understand practical means to improve service delivery in the Malaysian Hotel Sector. It is important to garner the views of General Managers and Human Resource Managers, because they collectively manage all human resource activities (rules and regulations, human resource policies, programs, systems and training) within hotels. The Ministry of Tourism governs the Malaysian Tourism Industry and the Ministry of Human Resources governs the Malaysian Labour Force hence both have significant roles to play in labour force development with respect to education and training. Insight from Hospitality and Tourism educators would be valuable in relation to future recommendations since they provide hospitality and tourism programs

to develop future human resources to the hospitality and tourism sector. Indeed, all of the above entities are involved in some way with short and long term planning for future tourism and human resource development for Malaysia. The results of in-depth group interviews and qualitative data analysis thereof with respect to a series of open-ended questions related to the proposed service improvement model could be used to interpret and ascertain further elements to be included in the model thereby improving the model.

The model should be tested on customer contact employees, predominantly those working in 4 and 5 star hotels. The choice of respondents should be from the Rooms Division and Food and Beverage department, because these hotels are full service establishments and because the hospitality industry is traditionally divided into these two main areas. To this end a questionnaire would need to be developed for these respondents focussing on the dimensions of the model identified and developed within this study.

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