



Multiple Mechanisms Affecting Service Innovation Performance in the Post-COVID-19 Era: The Impact of Leadership and Knowledge Sharing

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Abstract: This study aims to explore the causal relationship among participative leadership, knowledge sharing, and service innovation performance in the hotel context of post epidemic era. Due to the outbreak of the COVID-19 epidemic, many industries have been affected, especially the hotel industry, which has been severely impacted. Therefore, in the post-epidemic era, hotel managers began to think about how to improve the knowledge sharing efficiency and service innovation performance of their hotel employees in product or service processes. A valid sample of 126 hotel industry employees was investigated in this study, and the collected data were used for subsequent statistical analysis. This main purpose of this study is to explore how participative leadership can influence employees' service innovation performance via knowledge sharing of post epidemic era. Based on the concept of reciprocity and mutual feedback of social individuals in social exchange theory, combined with the perspective of leadership theory, this study points out that participative leadership can effectively influence hotel employees to carry out a higher degree of knowledge sharing. On the other hand, from the literature on knowledge management and service innovation performance, this study points out that knowledge sharing can help hotel staffs exhibit better service innovation performance. Finally, this study also performs a Sobel test to verify that knowledge sharing plays a mediating role between participative leadership and service innovation performance. Implication for hotel managers and practical suggestions were discussed.

Keywords: Participative Leadership, Knowledge Sharing, Psychological Empowerment, Service Innovation Performance

1. Introduction

During the COVID-19 pandemic, employees of organizations in many industries, such as the service industry and the tourism industry, were affected by the pandemic and had a certain degree of work pressure and setbacks [28]. Therefore, how to motivate these front-line service workers after the epidemic has become an important issue [13]. For example, tourism industry faced the fast changing environments and fierce competition of external competitors

[9]. Thus, tourist hotels start to think how to motivate their hotels staffs to contribute creative and novel thinking and ideas of tourism product and service, and process in order to create innovative service and attract hotel clients [16, 25]. Tourism literature has mentioned that developing service innovation performances or creativity can assist hotels to create attractive and newest services that can satisfy hotel clients' demand and expatriation and enhance hotels' competitive advantage and market growth [10, 33].

In the post-epidemic era, the hotel industry is facing brand new challenges and competition. Hotel managers began to

think about how to motivate hotel employees to grow and learn from each other. Meanwhile, they also want to know what kind of leadership behaviors will encourage employees to enhance their willingness on sharing and exchanging knowledge with each other, and thus perform better hotel service quality effectiveness and better service innovation performance. This is a theoretical and industrial topic worthy of discussion and continuous attention to attract global tourists from home and abroad with the efficiency of service innovation in the post-pandemic era. Thus, following above arguments, this study try to unclothe the deep veil and research gap concerning how tourism hotel can help hotels staffs to exhibit unique and innovative ideas.

2. Literature Review

2.1. Participative Leadership and Knowledge Sharing

Participative leadership has been considered as a new type of leadership behavior that may motivate employees to invest, grow and improve [21, 23]. The focus of participative leadership is that the leader's leadership behavior can encourage employees to actively participate and provide good suggestions to the organization [30]. Leadership ability and behavior of organizational managers can significantly affect the willingness of organizational employees to share knowledge [6, 19]. Participative leaders encourage employees to participate in organizational goals, thereby increasing the cohesion and centripetal force of organizational members, and thus prompting them to be more willing to share knowledge [3].

While exploring the relationship between leadership behavior and knowledge sharing, it can be explored and used as a theoretical basis from the perspective of social exchange theory [34]. Social exchange theory points out that when an individual is in a community and is treated beneficially and kindly by another individual, based on the concept of feedback, the individual will also voluntarily or voluntarily perform behaviors that are beneficial to the other individual [37]. Therefore, from the perspective of social exchange theory, while supervisors perform participative leadership in the organization and treating employees with kindness, employees will be more willing to show and engage in beneficial behaviors based on the psychology of feedback. In such situation of mutual feedback, In the organization, they will also be more willing to share and exchange knowledge with members of the organization, showing a higher degree of knowledge sharing behavior [24]. For example, if hotel employees have the opportunity to participate in the decision-making process of the hotel's products or services, and the supervisor can listen to the suggestions of the hotel employees on the service process [22]. Such an approach will make the hotel employees feel valued and affirmed. Hotel employees are more willing to give back on their service experiences and ideas to hotel colleagues, and conduct meaningful knowledge exchanges that can positively improve products and services.

In this study, we point out that in the post-epidemic era, Participative leadership is a leadership behavior that can

improve and enhance the work attitude and morale of corporate employees. Through the demonstration of the leader's participative leadership behavior [35], it is beneficial to improve the knowledge sharing behavior of the organization's employees [18].

Based on the above, the conclusions of this study are as follows:

Hypothesis 1: Participative leadership positively affects knowledge sharing.

2.2. Knowledge Sharing and Service Innovation Performance

Employees' knowledge sharing in an organization has been considered as a crucial process for firm to foster their employees' service innovation performances [8]. Research on knowledge management literature has noted that the vital role of knowledge management and knowledge sharing to promoting employee service innovation performances [1], comprising improving service quality and enhance organizational effectiveness through the develops of employee service innovative process [2].

Prior research surveyed the staffs of enterprises and found that leaders can foster followers' service effectiveness through their knowledge sharing actions [27]. Other studies also noted that staffs of hotel organizations should be involved in collectively knowledge sharing. [14]. Knowledge sharing process and situation and are willing to exchange and promote the task information to each other [26], they are aware to their own task information through members' coordination and tend to exhibit higher creative thinking about their customer demand and expectation, and contributing to superior service innovation performances [20]. Through the process of knowledge sharing process, employees have more chance get the adequate work-related information and knowledge, and can realize the possible service defect and better service process ad business model, and thus leading service innovation performance [32].

Since knowledge sharing among staffs are helpful for individuals to re-examine their present service, produce, and process of hotels, and help them find out newest ways and process to improve the present and old service offerings [11], and reduce the service failure and compliment from clients, and avoid higher service cost, such as finding new ways and process to reduce the waiting time of hotel guests in the busy weekend time, and thus performing better service innovation performance [7]. Based on the above, the conclusions of this study are as follows:

Hypothesis 2: Knowledge sharing positively affects service innovation performance.

2.3. The Mediating Role of Knowledge Sharing Between Participative Leadership and Service Innovation Performance

Tourism literature has found the vital influence of leadership in the hotel workplace [4, 31]. Recent studies begun to mentioned the possible influence and process of

participative leadership on employee outcomes [17] and explore the key mechanism of participative making process on employees' attitudes and behaviors [36]. Along with H1 and H2, participative leadership was observed to also enhance employees' knowledge sharing, which results in higher service innovation performance. Extending the above discussion, we propose that participative leadership behaviors can nurture higher level of knowledge sharing and thereby, leading service innovation performance. By the motivating behaviors of participating leadership, hotel staffs tend to be willing to shared their ideas and suggestions, and thus may not be afraid to provide their voices and viewpoints to their organization, which would make help hotel staffs become more attentive, open, and cooperation to other's opinions and needs about service innovation and ideas, and thus foster a higher degree of service innovation performance. Based on above argument, we hypothesize:

Hypothesis 3 Knowledge sharing mediates the relationship between participative leadership and service innovation performance.

3. Method

3.1. Sample and Collection

Two hundred Questionnaires of this study were distributed to the front line employees of hospitality organization in Taiwan. After surveying these employees of target industry, one hundred and twenty-six valid questionnaires returned the survey, giving a 63% response rate. Hospitality organization employees were mainly female (57.7%); 68.6% were less than 30 old; and 71.8% had the university education degree.

3.2. Measurement

This study assessed participative leadership with a six-item based on the work of Huang, Iun, Liu, and Gong [12]. Example of items used include: "My supervisor encourages work group members to express ideas/suggestions"; "My supervisor listens to my work group's ideas and suggestions"; and "My supervisor uses my work group's suggestions to make decisions that act us". Besides, this study assessed knowledge sharing with an eight-item scale adapt form Collins and Smith [5]. Example of items used include: "Employees see benefits from exchanging and combining ideas with one other"; "Employees in the organization do a

good job of sharing their individual ideas to come up with new ideas, product, or services," and "It is often for employees to exchange and combine ideas to find solutions to problems". Finally, this study assessed service innovation performance with a six-items scale adapt from Jian and Wang [15]. Example of items used include: "Service innovation in the organization can improve the customer satisfaction."; "Service innovation in the organization can improve the competitiveness of the organization" and "Service innovation in the organization can help staffs realize the business objectives". All items were rated on a 5-point scale ranging from 1 to 5.

4. Results

4.1. Descriptive Analysis

Table 1 presents the results of mean, standard deviation, and correlation. The results of descriptive statistical analysis show that participative leadership positively affects knowledge sharing ($r = 0.45, p < 0.01$) and service innovation performance ($r = 0.69, p < 0.01$). On the other hand, knowledge sharing also significantly affects service innovation performance ($r = 0.55, p < 0.01$).

4.2. Hypotheses Test

This study used structural equation modeling to analyze the relevant variables in this study, and the analysis results showed that the overall fit reached a good standard fit. (See figure 1, $\chi^2 = 385.79, df = 167, CFI = .90, TFI = .88, RMR = .68$). We found a strong, positive relationship between participative leadership and knowledge sharing, thus supporting Hypotheses 1 ($\gamma = .42, p < 0.01$). Meanwhile, the coefficient of the path from knowledge sharing to service innovation performance was significant, supporting Hypothesis 2 ($\gamma = .26, p < 0.01$). The indirect effect of participative leadership on service innovation performance has a coefficient of 0.12*. Sobel (1982) mediation test was conducted in order to examine the change of the significance regarding participative leadership in predicting outcomes [29], which provided support for knowledge sharing acting as the mediator between participative leadership and service innovation performance, supporting Hypothesis 3 ($z = 2.51, p < .005$).

Table 1. Means, standard deviations, and correlations.

Variable	Mean	Standard Deviation	Sex	Age	Education	Participative Leadership	Knowledge Sharing	Service Innovation Performance
Sex	1.56	.51						
Age	1.48	.64	-0.05					
Education	2.75	.64	0.16	0.09				
Participative Leadership	3.86	.96	0.10	0.06	0.05	(0.88)		
Knowledge Sharing	3.66	.76	0.02	-0.11	0.16	0.45**	(0.94)	
Service Innovation Performance	3.48	.94	0.04	-0.09	-0.09	0.69**	0.55**	(0.92)

N=126, alpha reliabilities are given in parentheses.* $p < .05$ ** $p < .01$

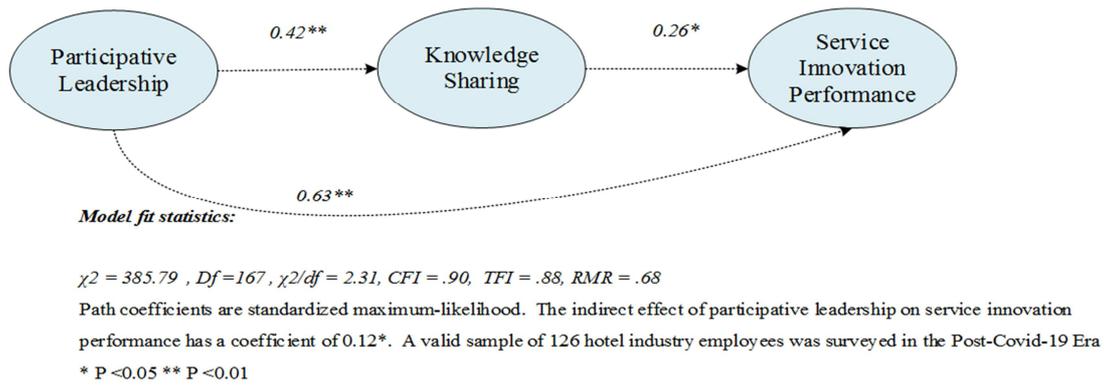


Figure 1. Structural equation modeling results for hypothesized model.

5. Conclusions

Service innovation performance has been considered as a key service indicator on measuring the staffs' service effectiveness in the hotel industry. Due to the impact of the new crown epidemic, the service efficiency and enthusiasm of many hotels' staffs have been significantly affected by the epidemic, including unwillingness to devote efforts on work and losing the willingness to cooperate with colleagues on sharing value knowledge and information. Furthermore, they are also unwilling to share the problems reflected by customers during the service process, or to discuss, negotiate, and share knowledge with each other's precious service experience and experience, so they cannot help each other to demonstrate a higher level of service innovation performance. On the other hand, the effectiveness of knowledge sharing among staffs has been found to have significant effect on enhancing the staffs' service innovation performance. Through the willingness of organizational members to share and exchange work experience in the service process, staffs can understand and learn other members' service efficiency experience. For example, staffs in the hotel industry may share and exchange knowledge among members to overcome difficulties in service work, thereby showing better service efficiency, and organizing employees to motivate each other and discuss better results. Innovative service processes and quality may include simplifying service-related procedures, speeding up the time for passengers to check into hotels, or providing more creative services, products, and meals. From the perspective of participative leadership, social exchange theory, and knowledge sharing literature, this study points out that participative leadership and knowledge sharing are simultaneous multiple mechanisms that can affect service innovation performance. In the post-epidemic era, all walks of life are concerned about the ability of corporate employees to re-display good momentum and vitality. By exploring the relationship between leadership, knowledge sharing, and service innovation performance of employees in the travel and hotel industry, this research is expected to be helpful to leadership theoretical issues, knowledge sharing creation, and service efficiency improvement after the post-pandemic era.

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