

Service Employee's Emotional Intelligence and Customer's Evaluations of Service Quality in Hospitality Industry

Faruk Şahin and Derya Atlay Işık

Fethiye Faculty of Business Administration, Muğla Sıtkı Koçman University, Fethiye, Muğla, Turkey

E-mail: faruksahin@mu.edu.tr, deryaatlay@mu.edu.tr

Abstract—The present study examines the impact of the service employee's emotional intelligence on customer's evaluation of the service quality. The sample consisted of 63 service employees and 326 customers from hospitality firms in Turkey. Since the nested structure of the data, we conducted hierarchical linear modeling analyses. The results indicated that there exists significant variance in service quality perceptions among customers from different cultural backgrounds. Moreover, the results showed that service employee's EQ positively influences customer's assessment of the service quality. This study extends prior research relating to service employee's EQ on service quality perceptions, and provides important insights for hospitality practitioners.

Index Terms—emotional intelligence, service quality, culture, hospitality services

I. INTRODUCTION

The service industries are mostly customer driven and rely quite so much on customers' evaluations of service quality [1]. Given the importance of service quality perceptions to the success of the company [2], there has long been great interest in the management of service quality, particularly service encounters during which a customer interact with the service providers [3]. The quality of service encounters is critical to the service experience of customers, because it is the customer's main source of information for judging the business [2]. Concerning this, the role of emotions in the service encounters has long been the focus of many studies in the literature [4, 5, 6].

According to the service-dominant paradigm [7], it is acknowledged that the characteristics of service provider's play a critical role in the delivery of quality service and customer's perceptions of service. The concept of emotional intelligence (EQ) epitomizes many of the essential capabilities that would contribute to the development of effective service encounters in the workplace [8, 9]. Following Mayer and Salovey [10], EQ can be defined as the ability to perceive and express emotions, to understand and use them, and to manage them to promote emotional and intellectual growth. Since

the introduction of EQ into the literature, it has attracted considerable interest for the effectiveness in social interactions and across diverse disciplines ranging from psychology to management [11, 12, 13]. Previous research has indicated the positive associations between EQ and beneficial outcomes such as academic success [14] and performance in the workplace [15].

The present study addresses the questions of whether customers' evaluations of service quality varies across individuals from different cultural backgrounds and examines the impact of the service employee's EQ on customers' evaluations of service quality in the hospitality services which generally involve very intense cross-cultural interactions between service providers and customers.

II. A BRIEF REVIEW OF LITERATURE

A. Culture and Service Quality Perceptions

Service quality is best understood as customers' comparison between their expectations and their perceptions of service. Accordingly, service quality refers to the degree of discrepancy between the expected and the perceived service by customers [16, 17, 18]. To increase profit and market share, firms are aware of the fact that understanding customers' needs and requirements, and delivering service to meet their expectations have become crucial [18, 19]. Prior research clearly indicated that service quality has effects on firm performance, customer satisfaction and loyalty, lower costs, and profitability [20]. Thus, understanding of customers' needs and wants is central issue for improving service quality.

Service quality perception is at least partially dependent upon the customer's cultural background. Individuals from different cultures experience different way of life with distinct values. Hofstede [21] defined culture as "the collective programming of the mind that distinguishes the members of one group or category of people from others" and also suggested that culture has influences on individual's behaviors. Culture provides guidelines and rules to individuals on how to engage in social interactions within a society [22], therefore, culture may affect customers' expectations and perceptions of service quality. This view suggests that a customer from

different culture may perceive the service in a different way. Indeed, previous studies indicated that judgments of service quality vary among individuals from different cultures [23, 24, 25, 26, 27]. In the hospitality context, several studies reported similar findings which supported that cultural difference have an effect on perceived service quality [24, 28, 29, 30, 31]. In the light of mentioned studies above, it is supported that culture has an effect on perceived service quality. Thus, we propose a general research assumption concerning the nature of hospitality firms:

Proposition 1: Significant variance in service quality perception exists among customers from different cultural backgrounds.

B. The Effects of EQ on Service Quality Perceptions

According to Mayer and Salovey [10], EQ –as a cognitive ability– is related but distinct from general intelligence. The ability model of EQ comprises four different abilities or branches [32]. The first branch of EQ is the ability to perceive and appraise emotions in oneself and others. Since it is a crucial ability for social interaction, an incompetence in understanding the emotions in oneself and others may cause significant impaired social and occupational functioning. The second branch of EQ is the ability to understand emotions. It includes knowledge of emotions; emotional vocabulary; and differentiating between moods and emotions. With a better understanding of emotions, an individual can relate to others better and exchange his or her feelings in a more positive manner. Surely, this leads to better social relationships. The third branch of EQ is the ability to use emotions to facilitate thought by signaling important environmental changes and by changing mood helping to perceive a situation in several different ways. Generating an emotion, and then reason with this emotion leads to more effective problem solving, reasoning, decision making and creative endeavors. The last branch of EQ is the ability to manage emotions in oneself and others. Emotionally intelligent individuals are often capable of regulating one's and others' emotions to achieve a desired outcome [33].

In thinking about the term 'service', there two different facets that makes it more clear. The first facet of service is defined as an intangible product (core service) that firms market to their customers whereas the second facet of service involves issues that have connections with how the core product is delivered [20]. Although there are many studies that explore antecedents and consequences of service quality, limited research has considered the linkage between service provider's EQ and customers' evaluations of service quality [34]. Service quality is an abstract, but important factor for firm success. In thinking about service context, EQ is a crucial factor that determines service behaviors of an employee [35]. Service employees who score high on EQ are expected to feel less stressed and have better coping strategies for the demanding work environment [36, 37], which leads them to put more effort on customers and their needs. By displaying strong self-awareness and high levels of interpersonal skill, service employees scoring high on EQ

are also expected to solve some of the emotional problems inherent in service encounters [35]. Empirical evidence supports the argument that service employee's EQ positively influences service encounters and leads to favorable perceived service quality [34, 38, 39]. Thus, we propose a general research assumption concerning the nature of service encounters:

Proposition 2: Service employee's EQ is positively related to customers' evaluations of service quality

III. METHOD

A. Participants

The sample of the present research consisted of 63 service employees from hospitality firms and 326 customers who are served by those service employees. The fieldwork was conducted in Fethiye, Turkey. A purposive sampling technique was used to select the service employees who are believed to have frequent contact with customers from other cultures. We delivered the questionnaire to the service employees in order to measure their EQ. In addition, we requested from the service employees to identify the customers with whom they interact daily in order to assess the customer's perception of service quality.

The majority of the service employee were in the 29-40 age bracket (67.7%); the average age was 33.84 years (S.D. = 6.95). The mean tenure of the service employees was 3.4 years (S.D. = 4.26). Regarding education level, 58.7% had tertiary and above education, and 41.3% completed a vocational program. The customer sample represented 9 nationalities (48.7% UK, 18% Germany, 8.2% Ukraine, 6.1% Russia, 5.5% Poland, 4.6% Belgium, 3.6% Holland, 2.7% Sweden, and 2.1% Austria). A total of 57.3% of the respondents were male while 42.4% were female. Average age was 36.83 years (SD = 7.16).

B. Measures

To assess EQ level of the service employee, we used the Wong and Law Emotional Intelligence Scale (WLEIS) developed by Wong and Law [37]. The WLEIS consists of sixteen items that are based on the four ability dimensions described in the domain of EQ. Items were rated on a seven-point Likert-type scale ranging from 1 (strongly disagree) to 7 (strongly agree). The Cronbach's alpha reliability coefficients of the WLEIS subscales were 0.75 for appraisal and expression of emotion in the self, 0.81 for appraisal and recognition of emotion in others, 0.72 for regulation of emotion in the self, and 0.79 for use of emotion to facilitate performance.

Customer's perceived service quality was measured using the ten-item scale [40]. It is a unidimensional scale including items that focus on quality derived from interaction between customers and service employees. Responses from customers were recorded on a seven-point Likert-type scale ranging from 1 (strongly disagree) to 7 (strongly agree). The scale had an internal consistency with a Chronbach's alpha of 0.78.

IV. RESULTS

Due to hierarchical structure of the data set [i.e. customers on the first level (Level 1; $n = 326$) nested within the service employees on the second level (Level 2; $n = 63$)], hierarchical linear modeling (HLM) should be

employed for the analyses [41]. Proposition 1 stated that there exists significant variance in service quality perception among customers from different cultural backgrounds. To provide a statistical examination of proposition 1, an initial null (fully unconditional) model in which there are no predictors was examined.

TABLE I. RESULTS OF HLM VARIANCE COMPONENTS ANALYSIS FOR SERVICE QUALITY PERCEPTION (PROPOSITION 1)

Fixed Effect	Coefficient	Standard error	<i>t</i> -ratio	<i>p</i> -value
Average group mean, γ_{00}	5.132244	0.123241	44.129	<0.001
Random Effect	Variance Component	<i>d.f.</i>	χ^2	<i>p</i> -value
Group mean, u_{0j}	0.69434	62	583.41534	<0.001
Level-1 effect, r_{ij}	0.63878			

TABLE II. RESULTS OF HLM TEST OF EMOTIONAL INTELLIGENCE ON SERVICE QUALITY PERCEPTIONS (PROPOSITION 1)

Fixed Effect	Coefficient	Standard error	<i>t</i> -ratio	<i>p</i> -value
Average group mean, γ_{00}	5.116132	0.111243	40.844	<0.001
Appraisal and expression of emotion in the self, γ_{10}	0.345521	0.131514	3.097	0.006
Appraisal and recognition of emotion in others, γ_{20}	0.288118	0.102546	2.097	0.039
Regulation of emotion in the self, γ_{30}	0.327485	0.116055	2.559	0.009
Use of emotion to facilitate performance, γ_{40}	0.201061	0.129211	1.588	0.121
Random Effect	Variance Component	<i>d.f.</i>	χ^2	<i>p</i> -value
Group mean, u_{0j}	0.65664	58	516.86198	<0.001
Level-1 effect, r_{ij}	0.59315			

The results in Table I indicated that the χ^2 estimates of the amount of variation in the changes in service quality perceptions ($\chi^2 = 583.41$; $df = 62$; $p < 0.001$) between groups were significant. HLM tests for significance of the between-group variance and moreover can be used to calculate the intra-class correlation which a measure of the degree of resemblance between units at Level-1 (i.e., customers) belonging to the same groups (i.e., service employees) [42]. Calculated intra-class correlation coefficient is 0.52 for service quality perceptions. This result suggests that 52% of the variance in service quality perceptions is at the group level (i.e., service employees) and 48% is at the individual level (i.e., customers). In summary, the results support Proposition 1.

Proposition 2 stated that service employee's EQ is positively related to customers' evaluations of service quality. The results in Table II indicates that appraisal and expression of emotion in the self ($\gamma_{10} = 0.34$, $p < 0.01$), appraisal and recognition of emotion in others ($\gamma_{20} = 0.28$, $p < 0.05$), and regulation of emotion in the self ($\gamma_{30} = 0.32$, $p < 0.01$) had significantly positive relationships with service quality perceptions. Yet, use of emotion to facilitate performance ($\gamma_{40} = 0.20$, $p = 0.12$) had no significant relationship with service quality

perceptions. Therefore, Proposition 2 was partially supported.

V. DISCUSSION

Based on the assumption that emotionally intelligent service employee is capable of overcoming the challenges inherent in service encounters [35], we examined the relations between the service employee's EQ and customers' evaluations of service quality. There are two main findings in the present study.

First, we found service quality perceptions to be variant across the groups (i.e., the service employee with whom the customers interacted), as well as among the customers within groups. This finding demonstrates that customers from different cultural background evaluates service quality differently because of the fact that culture shapes the way individuals feel, think, and act [21, 22]. Our finding is in line with recent research that examines cultural influences on service quality [43, 44]. Moreover, our finding demonstrates that half of the total variation in service quality perceptions can be accounted for by which group each customer is in. This clearly supports the notion that individuals within a specific group or context tend to behave and act in a similar way in terms of an

outcome variable than they are to individuals in a different group or context [45].

Second, we found that three of four dimensions of EQ is positively related to customers' evaluations of service quality. This finding is in line with prior work [34, 38, 39]. Our finding indicates that emotionally intelligent service employees who appraise and express of emotion in the self and others and effectively manage the self and others' emotions are successful at developing constructive working relationships with customers. As a result, service employees scoring high on EQ are more capable of solving problems and making appropriate decisions [10], which directly influence customers' evaluations of service quality.

The present study has theoretical and practical contributions. From a theoretical standpoint, the present study adds to prior research, clarifying the understanding of the role of service providers' EQ in the effectiveness of service encounters in a hospitality context. Concerning practical implications, the present study may inspire hospitality practitioners to identify, select, and promote individuals who are high on EQ, as well as to implement training programmes for the enhancement of service employee's EQ to perform better [4].

In conclusion, although the cross-sectional study design and the employee and customer sample as a limitation should be acknowledged, the present study makes contribution by examining the impact of the service employee's EQ on customers' evaluations of service quality in a hospitality context.

CONFLICT OF INTEREST

The authors declare no conflict of interest.

AUTHOR CONTRIBUTIONS

All authors contributed equally and approved the final version.

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Faruk Şahin, got Ph.D. degree in 2009, Turkey. His research interests lie in the fields of human resources management and organizational behavior. Şahin works at Muğla Sıtkı Koçman University. He had published several papers in peer reviewed scientific journals, such as *Management Decision*, *Leadership & Organizational Development*.



Derya Atlay-Işık, got Ph.D. degree in 2010, Turkey. Her research interests lie in the fields of service management and marketing. Atlay-Işık works at Muğla Sıtkı Koçman University. She had published several papers in academic journals in Turkey.