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The Impact of Human Resource Management Practices on Service Recovery Performance among Telecommunication Companies in Yemen

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Abstract:

This study examines the direct empirical relationship between human resource management practices on service recovery performance among in four telecommunication companies in Yemen, which are Tele-Yemen, MTN Yemen, Y Telecom, and Yemen Mobile. The paper investigates the impact of human resource management (HRM) practices on service recovery performance based on employee rewards, employee training, team work and Job satisfaction. The study is conducting among employees working in telecommunication companies in Yemen where the data is collected using the research questionnaire that is distributed to employees working in telecommunication companies in Yemen and analysis has conducted through using the IBM SPSS software version 21. The results show that all the predictors have significant effects on service recovery performance with job satisfaction which have the highest effects. All the demographic variables have no significant effects on employees' rewards; however employees' incomes have significant effects on employees' rewards. The contribution of this research includes providing a theoretical explanation for the relationship between service recovery performance and its associated outcomes.

Keywords: Service recovery performance, Employee rewards, employee training, Team work and Job satisfaction

1. Introduction

Service recovery performance has brought a major attention among researchers and academicians in recent years. Consistent with Karatepe and Vatankhah (2015), Service recovery performance refers to the actions taken by a corporation or service provider in response to a service failure. Service recovery performance plays an essential role in achieving customer satisfaction, because it is a planned organizational approach, which might facilitate in breakdown customer's problems simply and fairly.

1.1. Background

Service recovery performance is outlined as "the behaviors within which customer service workers who directly handle customer complaints have interaction in recovering customer satisfaction and loyalty when service failures" (Liao 2007). Service Recovery Performance that's of low level ends up in undesirable outcomes for any organization, in order that they ought to create an attempt to know the factors deciding the structure efforts in response to SF to reduce their negative effects on organizational effectiveness (Rod, Ashill and Carruthers, 2008). Another people would see service recovery as associate degree umbrella term for the entire efforts exerted by a firm to rectify any downside in regard of a service failure, so as to possess their customers' constant support. In fact, service recovery effort plays an important role in achieving or winning customer satisfaction .

The goal of service recovery isn't solely to correct bound service failure that has been detected, however additionally to boost the service delivery system; in order to foresee any future instances of failure, to boost customers' overall perceptions of service quality, and to advocate long - term customer relationships (Madhanrajan and Jacob 2016).What is important about the service recovery performance is the execution of service marketing and the management programs. In the same vein, service quality and the company's reputation cannot be cast aside and this is where the frontline employees come in to play, who are the ones who occupy "boundary spanning " roles (Benoy, 1996). Babakus et al, (2003) declare that frontline personnel are to the main determinant to clients' perceptions of the delivery of high quality services because they tend to have remarkable influence on clients' formation of expectations and experiences, and as such they cannot be separated from the focal point of the actual service. According to Karatepe

(2006), the Frontline employees' intrinsic and extrinsic motivation would have a significant positive effect on their perceptions of service recovery performance.

Karatepe and Vatankhah (2015) clearly demonstrate that FLE job satisfaction is more important than organizational commitment in delivering higher levels of service recovery performance. In addition there are also major factors that affect service recovery performance. Additionally, service recovery performance is influenced by an individual's level of commitment to their organization and their role in service delivery (Rod, Carruthers and Ashill, 2006). Lin (2011) establishes that paternalistic leadership transformational leadership, compared with transformational leadership, has positive effect on the service recovery performance; low self-efficacy ones high self-efficacy employees, compared with high self-efficacy ones, have a positive effect on the service recovery.

1.2. Significance of the Study

The strategic role of the telecommunication Sector in Yemen is unreliable and inefficient research information for decision making and recently, due to conflict, recent misunderstandings have put the sector under pressure from stakeholders. While many different sectors in Yemen can claim to have a perfect service recovery performance, few companies can provide an evidence for the use of a formal service recovery methodology; used in a consistent, predictable and reliable manner which help to increase the performance of organization. Lack of consistent well defined the real factors that affect the service recovery performance may result in duplication of efforts that impact the bottom line of the organization's development goals; this causes additional costs, increases risks and reduces the trusts donors and stakeholders have in the organization. The importance of this study would help the telecommunication sector to overcome these challenges through the continued application of, and adherence to the use of right human resources practices the following ways:

- Adherence to the human resource practices factors that enhances the service recovery performance among Yemeni telecommunication sector.
- It will offer practical recommendations on areas to explore to further enhance on the importance factors that help to boost the efficiency of the organization from the aspect of human resources practices such as proper and extensive training for the particular task that involve in service recovery performance.

1.3. Objectives of the Research

- To investigate the relationship between employee rewards and service recovery performance in telecommunication sector in Yemen
- To investigate the relationship between employee training and service recovery performance in telecommunication sector in Yemen
- To investigate the relationship between teamwork and service recovery performance of in telecommunication sector in Yemen.
- To investigate the relationship between job satisfaction and service recovery performance in telecommunication sector in Yemen.

1.4. Research Questions

- is there a significant relationship between employee rewards and service recovery performance in telecommunication sector in Yemen .
- is there a significant relationship between employee training and service recovery performance in telecommunication sector in Yemen .
- is there a significant relationship between teamwork and service recovery performance of in telecommunication sector in Yemen .
- is there a significant relationship between job satisfaction and service recovery performance in telecommunication sector in Yemen .

1.5 Hypotheses

H1: There is a significant relationship between employee rewards and service recovery performance in telecommunication sector in Yemen.

H2: There is a significant relationship between employee training and service recovery performance in telecommunication sector in Yemen.

H3: There is a significant relationship between teamwork and service recovery performance of in telecommunication sector in Yemen.

H4: There is a significant relationship between job satisfaction and service recovery performance in telecommunication sector in Yemen.

2. Literature Review

The relationship between job satisfaction and service recovery performance that the service recovery performance plays a very vital role in the companies and its success. Service recovery can mainly be affected by three aspects, which are corporate leadership style, employee self-efficacy, and manager-subordinate interaction (Lin, 2011). As denoted earlier, service recovery is the way that an organization provides response to what is perceived as a service failure. Many companies lay emphasis on service recovery process in order to achieve loyal customers in different ways such as enhancing the client-company relationship, which adds a positive impact to service recovery. According to Johnston and Michel (2008) they have shown that service recovery procedures have a greater impact on employees and process improvement than on customers. Some of the researchers like (Bhandari, Tsarenko and Polonsky 2007) believe that the effectiveness of recovery encounters will be based on how encounters operate, relative to employee job satisfaction, customer expectations and experiences with regards to the recovery activity. Relatively speaking, Santos and Basso (2012) have shown that stronger client-company relationships may limit the impact of service and recovery failures on customer trust and loyalty. According to (Kau, wan and Loh, 2006) they have found that satisfaction with service recovery also leads to a higher level of trust,

positive word-of-mouth behavior and, to a lesser extent, the level of loyalty. In addition to this, (Nadiri, et al,2016) generally mentioned that the satisfaction of employees needs enhanced employee motivation and retention, and subsequently the higher the degree of employee satisfaction, the higher the possibility of achieving external satisfaction and retention (Papasolomou, 2006). According to Jr,Neeley and Williamson (2011) there is a direct and positive effect between employees' job satisfaction and increasing the degree of the job performance. Mccollough (2009) argues that the post recovery satisfaction is directly influenced by both the recovery performance and the harm caused by the service failure. In general, it is safe to say that the greater the recovery performance, the greater the post-recovery satisfaction.

2.1. The Relationship between Teamwork and Satisfaction

Teamwork is performed by groups, each doing a part, with all of them looking towards the team goals and overall efficiency. In performing their tasks, it is important for employees to understand and be aware, of who in the group will have been accountable for certain respective tasks. This often means sacrificing personal recognition for the sake of enabling the team to attain the overall benefit. There is a strong relationship link between teamwork and job satisfaction (Körner et al , 2016). The better motivated is the teamwork, the better they are likely to perform and advance. This leads to a higher rate of satisfaction in the work place. Teamwork theorists believe that if teams work well, have a common goal, are autonomous in their decision-making, and have responsibility and support, teamwork will become a valuable experience for the workers involved. 'Working in a team empowers people and helps them develop autonomy, which is a source of profound job satisfaction and reduces stress .Teamwork can improve the job performance which will lead to job satisfaction, at the same time interactions in groups and teams can be important source of creative ideas and innovations (Körner et al ,2015).

2.2. The Relationship between Training Needs and Job Satisfaction

Teamwork is performed by groups, each doing a part, with all of them looking towards the team goals and overall efficiency. In performing their tasks, it is important for employees to understand and be aware, of who in the group will have been accountable for certain respective tasks. This often means sacrificing personal recognition for the sake of enabling the team to attain the overall benefit. There is a strong relationship link between teamwork and job satisfaction (Körner et al , 2016). The better motivated is the teamwork, the better they are likely to perform and advance. This leads to a higher rate of satisfaction in the work place. Teamwork theorists believe that if teams work well, have a common goal, are autonomous in their decision-making, and have responsibility and support, teamwork will become a valuable experience for the workers involved. 'Working in a team empowers people and helps them develop autonomy, which is a source of profound job satisfaction and reduces stress .Teamwork can improve the job performance which will lead to job satisfaction, at the same time interactions in groups and teams can be important source of creative ideas and innovations (Körner et al ,2015).

2.3. The Relationship between Reward Management and Job Satisfaction

The employees of the organization should be satisfied in order to have a healthy environment at the work place. Rewards are one of the most significant issues in corporations in the field of human resource management According to Galanou et al, (2010) rewards "can help create a work experience that meets the needs of employees and encourages them to contribute extra effort, by developing a deal that addresses a broad range of issues and by spending reward dollars where they will be most effective in addressing workers' shifting values".

3. Methodology

A quantitative methodology approach was adopted for the study covering the various departments in telecommunication sector in Yemen . Quantitative methods focus on the importance of numbers and was required gathering relevant data from employees of and compiling databases in order to analyze the data which were collected through the questionnaire. Primary data was gathered from the use of structured questionnaires that were administered to selected respondents and was meant to assess the level of awareness of the use and importance factors that affect the service recovery performance and its impact on the organization performance.

3.1. Population Size

The respondent consists of personnel directly connect to service recovery performance (senior management, top management and middle management) telecommunication sector in Yemen.

3.2. Sampling Technique and Sample size

Purposive technique was used for this study as the targeted sample needs to have working knowledge of service recovery performance. A total of 250 questionnaires were completed (87 per cent response rate) by the target the top, middle and senior management in the telecommunication sector in Yemen. This response was out of an approximate total population of 288 respondents.

3.3. The research instruments

This study employed structured questionnaire built on (Ashill, Krisjanous and Carruther,2004) model as the main research instrument. The framework consisting of the independent variables were derived from Ashill, Krisjanous and Carruther depicted in Figure 1. The Human Resource Management Practices were used as the independent variable with the service recovery performance as the dependent variable .

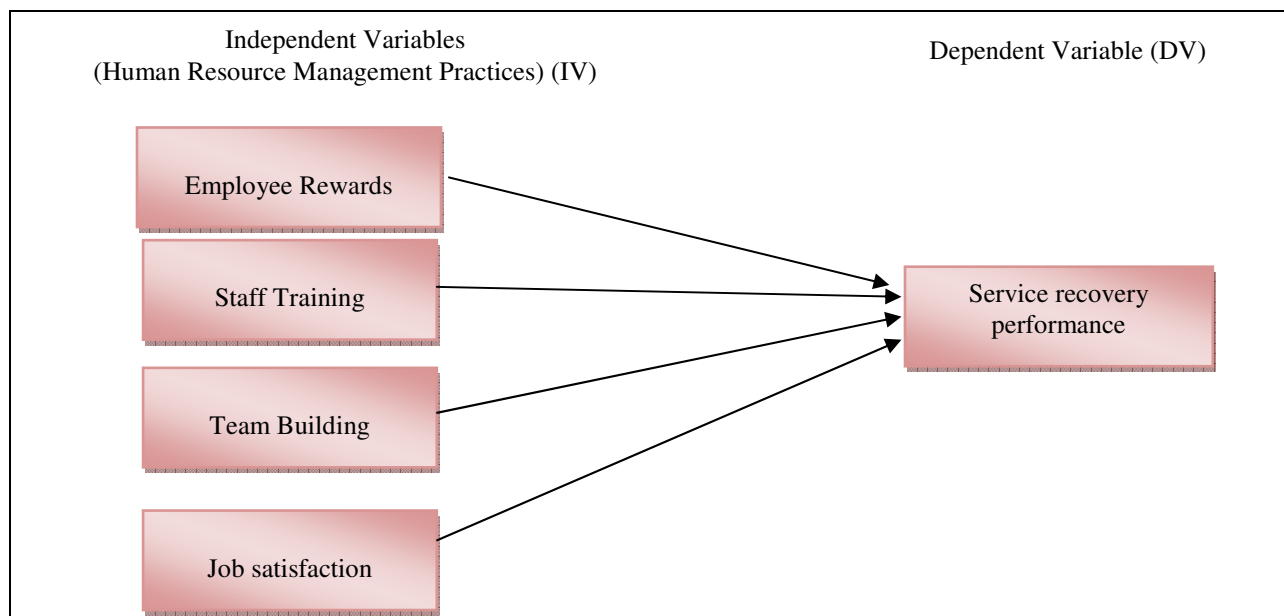


Figure 1: Research Framework
(Source: Ashill, Krisjanous and Carruther, 2004)

3.4 Pre-test

The questionnaire was pre-tested by means of a pilot study, which found the questionnaire to be valid from a content perspective. Having confirmed the validity of the questionnaire, the target audience within telecommunication sector in Yemen was defined and the questionnaire distributed by Email.

4. Analysis and Discussion

A total of 251 respondents were used for analysis and the sample consisted of 81 % male and 29. % female. Further, for the majority of respondents, 47% were below 35 years old while 8 percent were above 45 years old. Moreover, 67.0% were married and 33.0% were single. Given the fact that the majority of respondent, 29., 21. % were from IT and Engineering respectively. The majority of respondents or 40% were Master holders, 34.40% were Bachelor Degree, 11.20% were Doctorate holders, 10.0% were Diploma holders, 2.40% were High School holders, and 2.0 percent were Professional Certificate. A total of 48.8% of the respondents had worked in the organisation for less than 5 years, while 35.60% had worked between 5 to 10 years. A total of 29 respondents or 10.8% had been in the current job position for more than 10 years while the rest were more than 16 years. Finally, 28.40, 20.8% of the respondents were from middle and top management position respectively, only 18.0% were from senior management, and the rest of the respondents were from Supervisory and Subordinate position.

5. Statistical Analysis

Table 1 shows the results of the reliability analysis namely Cronbach Alpha is used to determine internal consistency of the instrument. Higher reliability of the instrument leads to valid results. Based on Nunally and Bernstein (1978) the value of Cronbach’s Alpha above 0.7 is crucial in determining a valid instrument. By looking at the results, the value of Cronbach’s Alpha for employee reward was (0.961), followed by staff training (0.942), team work (0.948), service recovery performance (0.932) and job satisfaction (0.959). Its show all dimensions are above 0.7 as suggested by Nunally and Bernstein.

Variable	N	Cronbach’s Alpha	Status
Employee reward	7	.961	Good
Staff training	5	.942	Good
Team work	5	.948	Good
Service recovery performance	5	.932	Good
Job satisfaction	6	.959	Good

Table 1: Reliability Test

Based on Table 2, shows that there is a significant relationship between job satisfaction and service recovery performance (DF 1,98=140.654,p<0.05). Approximately 58.9% of the variance could be explained by the job satisfaction. The changes of 1 unit in the job satisfaction will caused a change of 0.711 in the service recovery performance. Hence a higher job satisfaction corresponds to a higher quality of service recovery performance.

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.211	.236		5.129	.000
Job satisfaction	.711	.060	.768	11.860	.000
a. Dependent Variable: Service Recovery Performance					
DF _{1,98} =140.654, p<0.05, R ² =0.589					

Table 2: The Effects of Job Satisfaction on Service Recovery Performance

Table 3 shows that there is a remarkable association between team work and service recovery performance (DF_{1,98} =112.985, p<0.05). The percentage of the model fitted is reported to be 53.6%. By looking at the standardized coefficients, the changes of 1 unit in the teamwork will bring about the changes of 0.695 units in the service recovery performance. Team work also has significant effects on the service recovery performance. An excellent teamwork will be resulted in the great service recovery performance.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.305	.254		5.129	.000
Team Work	.695	.065	.732	10.629	.000
a. Dependent Variable: Service Recovery Performance					
DF _{1,98} =112.985, p<0.05, R ² =0.536					

Table 3: The effects of team work on service recovery performance

Table 4 shows that employee reward significantly effects service recovery performance (DF_{1,98}=97.24, p<0.05). Approximately, 49.8% of the variance could be explained by the employee reward. Noticeably the change of 1 unit in the employee reward will bring about the change of 0.701 units in the service recovery performance. It is indicated employee reward positively influences service recovery performance. Hence, if the companies are willing to reward their staff, it will bring a better service recovery performance.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.247	.280		4.459	.000
Employee reward	.701	.071	.706	9.861	.000
a. Dependent Variable: Service Recovery Performance					
DF _{1,98} =97.24, p<0.05, R ² =0.498					

Table 4: The effects of employee reward on service recovery performance

Table 5 shows that there is a remarkable association between staff training and service recovery performance (DF_{1,98}=115.621, p<0.05). About 54.1% of the variance in the service recovery performance has been explained by the staff training. The changes of 1 unit in the staff training, will caused a change of 0.72 units in the service recovery performance. It shows that the staff training is a significant predictor to service recovery performance. When they have excellent training, it will be influenced positively service recovery performance.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.109	.269		4.117	.000
Staff training	.720	.067	.736	10.753	.000
a. Dependent Variable: Service Recovery Performance					
DF _{1,98} =115.621, p<0.05, R ² =0.541					

Table 5: The effects of staff training on service recovery performance

As shown in Table 6, the results of the multiple regression reveal staff training and job satisfaction have a positive effect on service recovery performance (DF_{4,95}=50.61, p<0.05). However employee reward and teamwork have insignificant relationship with service recovery performance. Approximately 68.1% of the variance could be explained by the predictor. By studying at the beta, the change of 1 unit in the staff training will bring about the change of 0.252 units in the service recovery performance. Similarly, the change of 1 unit in the job satisfaction will caused a change of 0.359 units in the service recovery performance.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.577	.246		2.349	.021
Employee reward	.108	.100	.109	1.076	.284
Staff training	.252	.101	.257	2.494	.014
Team work	.152	.101	.160	1.502	.136
Job satisfaction	.359	.089	.388	4.026	.000
a. Dependent Variable: service recovery performance					
DF _{4,95} =50.609,p<0.05,R ² =0.681					

Table 6: A Summary of Multiple Regression Analysis

6. Conclusion and Future Recommendation

Overall, the results from the study showed strong support for the relationship between employee rewards, training, team work, job satisfaction and service recovery performance. In addition, the highest effect on service recovery performance was due to job satisfaction, which provided strong support for the use and application of the service recovery performance in order to effectively and practically assess the organization performance and to make improvements on the services wherever there are identified weak areas based on the assessment.

7. Recommendation

All in all, employees should generally possess levels of job satisfaction that would motivate them to deliver and improve the quality of service. In order to satisfy customers in any company, it is considered the best approach to adopt the internal marketing concept because its ultimate goals are to get motivated and to attain customer-oriented personnel. As taken from a very concentrated literature on Internal Marketing, Internal marketing is said to be built on a market-based and customer-focused culture in an organization that facilitates the following:

- i. Enable the organization to build customer focus into the corporate mission and make every employee (in all layers of the organization) understands the great significance of customer satisfaction and plays a direct/indirect role in providing the same.
- ii. Give treatment to the front-line employees as internal customers and make sure that their morale and motivation are in place.
- iii. Create an environment where customer contact personnel will feel confident enough, and have the authority to deliver high quality service to customers and are not threatened to give feedback to the management on the negative moments-of-truth experienced by customers.
- v. Streamline service delivery systems in order to cater for customer needs regardless of internal difficulties or inconveniences. It should be included that for some service companies, the service recovery process tends to be transaction specific; thus, the company fails to follow a formal service recovery process. Instead, some service companies tend to respond to each situation in a unique and individual manner. It is important to make each customer feel like the service recovery process is tailored to meet their needs. Wildes (2005) suggests that in order to achieve optimum levels of customer satisfaction employees must be well-trained and empowered to deal with all service situations.

Therefore, it is suggested that a formal, documented approach to service recovery would aid in the training of employees and in the consistent delivery of service quality. Also noteworthy is a point made by (Tax SS, Brown S A, 1998), where a good service recovery occurs when a company turns a potentially negative situation into a positive one, that is, service recovery is about how one reacts to a mistake. Service recovery is about using tools to turn a mistake into a positive and profitable situation. When a company implements service recovery from failures successfully, customers would feel a greater sense of trust and increase their commitment to the relationship.

The recommendations towards the future researches that are interested to the study is to enlarge the scope of study to improve its generalizability this study. It needs to be replicated on a larger sample, drawn from more diverse backgrounds. There is a need to identify new factors that influence service recovery performance such as technology, environment, commitment. It is also recommended to have service recovery performance as moderator or mediator to measure the performance of the organizations. Moreover, there is a need for caution while analyzing the results and discussing their generalization. The future researchers should consider conducting the study using proper probability sampling study to standardize the accurate generalization. However, the actual numbers are substantial and enable a fair generalization of the statistically significant findings.

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