

ANTECEDENTS AND OUTCOME OF SERVICE
RECOVERY PERFORMANCE IN SERVICE
INDUSTRY IN MALAYSIA

BY

NG SHU TING
TAY YEE XIN

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DECLARATION

We hereby declare that:

- (1) This undergraduate research project is the end result of our own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.
- (2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) Equal contribution has been made by each group member in completing the research project.
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Name of Student:	Student ID:	Signature:
1. NG SHU TING	14UKB04434	_____
2. TAY YEE XIN	14UKB04418	_____

Date: 20 APRIL 2018

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TABLE OF CONTENTS

	Page
Copyright Page	ii
Declaration	iii
Acknowledgement	iv
Dedication	v
Table of Contents	vi
List of Tables	xi
List of Figures	xii
List of Appendices	xiii
List of Abbreviations	xiv
Preface	xv
Abstract	xvi
CHAPTER ONE: INTRODUCTION	1
1.0 Introduction	1
1.1 Research Background	2
1.2 Problem Statement	3
1.3 Research Objectives	5
1.3.1 General Objective	5
1.3.2 Specific Objectives	5
1.4 Research Questions	6
1.5 Hypotheses of the Study	6
1.6 Significance of the Study	7

1.7 Chapter Layout	8
1.8 Conclusion	9
CHAPTER TWO: LITERATURE REVIEW	10
2.0 Introduction	10
2.1 Review of the Literature	10
2.1.1 Model 1 Dependent Variable: Service Recovery Performance	10
2.1.2 Model 2 Dependent Variable: Intention to Resign	12
2.1.3 Independent Variable: Customer Service Orientation	13
2.1.4 Independent Variable: Rewards	14
2.1.5 Independent Variable: Training	16
2.1.6 Independent Variable: Empowerment	17
2.1.7 Independent Variable: Teamwork	18
2.2 Review of Relevant Theoretical Model	20
2.3 Conceptual Framework	21
2.4 Hypotheses Development	22
2.5 Conclusion	30
CHAPTER THREE: METHODOLOGY	31
3.0 Introduction	31
3.1 Research Design	31
3.2 Data Collection Methods	32
3.2.1 Primary Data	32
3.2.2 Secondary Data	32
3.3 Sampling Design	33

3.3.1 Target Population	33
3.3.2 Sampling Frame and Sampling Location	34
3.3.3 Sampling Elements	34
3.3.4 Sampling Technique	35
3.3.5 Sampling Size	35
3.4 Research Instrument	35
3.4.1 Questionnaire Design	36
3.4.2 Pilot Test	37
3.5 Constructs Measurement	38
3.5.1 Origin of Constructs	38
3.5.2 Scale of Measurement	39
3.5.2.1 Nominal Scale	39
3.5.2.2 Ordinal Scale	39
3.5.2.3 Interval Scale	39
3.5.2.4 Likert Scale	40
3.6 Data Processing	40
3.6.1 Data Checking	40
3.6.2 Data Editing	41
3.6.3 Data Coding	41
3.6.4 Data Transcribing	43
3.7 Data Analysis	44
3.7.1 Descriptive Analysis	44
3.7.2 Scale Measurement	44
3.7.2.1 Reliability Test	44
3.7.3 Inferential Analysis	45

3.7.3.1 Pearson Correlation Coefficient	45
3.7.3.2 Multiple Regression Analysis	46
3.8 Conclusion	46
CHAPTER FOUR: DATA ANALYSIS	47
4.0 Introduction	47
4.1 Descriptive Analysis	47
4.1.1 Respondent Demographic Profile	47
4.1.1.1 Gender	47
4.1.1.2 Age	48
4.1.1.3 Education Level	50
4.1.1.4 Type of Industry	51
4.1.1.5 Job Tenure	53
4.2 Scale Measurement	54
4.2.1 Reliability Test	54
4.3 Inferential Analysis	55
4.3.1 Pearson Correlation Coefficient	55
4.3.2 Multiple Regression Analysis	57
4.3.2.1 Model 1	57
4.3.2.2 Model 2	58
4.4 Conclusion	59
CHAPTER FIVE: DISCUSSION, CONCLUSION AND IMPLICATIONS	60
5.0 Introduction	60
5.1 Summary of Statistical Analyses	60
5.1.1 Descriptive Analysis	60
5.1.2 Scale Measurement	61

5.1.2.1 Reliability Test	61
5.1.3 Inferential Analysis	62
5.1.3.1 Pearson Correlation Coefficient	62
5.1.3.2 Multiple Regression Analysis	63
5.2 Discussions of Major Findings	64
5.3 Implications of the Study	66
5.3.1 Managerial Implications	66
5.4 Limitations of the Study	68
5.5 Recommendations for Future Research	69
5.6 Conclusion	70
References	71
Appendices	82

LIST OF TABLES

	Page
Table 3.1: Result of the Cronbach's Alpha Analysis for Pilot Test	38
Table 3.2: Coding for the demographic questions	42
Table 3.3: Coding for 5-points Likert scale	43
Table 3.4: Range of the alpha coefficient	45
Table 3.5: Range of correlation coefficient	46
Table 4.1: Gender of the respondents	47
Table 4.2: Age of the respondents	48
Table 4.3: Education level of the respondents	50
Table 4.4: Industry of the respondents	51
Table 4.5: Job tenure of the respondents	53
Table 4.6: Reliability test of all variables	54
Table 4.7: Pearson Correlation Coefficient of all variables	55
Table 4.8: Model summary of model 1	57
Table 4.9: Anova of model 1	58
Table 4.10: Model summary of model 2	58
Table 4.11: Anova of model 2	59
Table 5.1: Major findings	64

LIST OF FIGURES

	Page
Figure 2.1: Conceptual Framework	21
Figure 4.1: Gender of the respondents	48
Figure 4.2: Age of the respondents	49
Figure 4.3: Education level of the respondents	50
Figure 4.4: Industry of the respondents	52
Figure 4.5: Job tenure of the respondents	53

LIST OF APPENDICES

	Page
Appendix 3.1: Origin of Constructs	82
Appendix 3.2: Survey Questionnaire	85
Appendix 3.3: SPSS Output of Pilot Test	91
Appendix 4.1: SPSS Output of Data Analysis	94

LIST OF ABBREVIATIONS

CSO	Customer Service Orientation
SPSS	Statistical Package for Social Science
SRP	Service Recovery Performance
OECD	Organization for Economic Co-operation and Development

PREFACE

In today's competitive world, customers are becoming more demanding and service firms are trying to find new ways to satisfy them. However, due to the unique features of services of intangibility and variability, it is hard to deliver a consistent level of service to customers at all times. Therefore, service failures are of frequent occurrences in the daily operation of service firms.

Because service mistakes and failures are inevitable, how failures being handled is a critical issue. Service recovery performance is known as the efforts made by the firm in returning aggrieved and dissatisfied customers to a state of satisfaction following a service failure (Nadiri & Tanova, 2016).

Frontline employees are at the heart of the service recovery performance as they are the ones who interact directly with customers. Effective service recovery is able to generate positive word-of-mouth and strengthen the loyalty of the customers. Besides, it is critical for service firms to retain committed frontline employees because their operations rely on the employee-customer relationship.

Recently, service recovery performance has emerged as an important topic in the service marketing literature. Therefore, this research objective is to study the antecedents and outcome of service recovery performance in service industry in Malaysia. The research will investigate how the organizational variables (customer service orientation, rewards, training, empowerment and teamwork) influence the service recovery performance, and, the impact of successful service recovery on frontline employees' intentions to resign

In general, this research aims to provide better insights on the nature and significance of service recovery performance, particularly in the service industry in Malaysia.

ABSTRACT

Service recovery performance is efforts taken by organizations to bring back dissatisfied customers to a state of satisfaction. The purpose of this research is to study the antecedents and outcome of service recovery performance in service industry in Malaysia. The service industry in Malaysia is developing rapidly and it is seemed to be area of opportunity for additional research and new contributions.

A total of 200 questionnaires have been distributed to the frontline employees who work in the service industry in Malaysia such as property, automotive, healthcare, insurance, banks and others. The sample is drawn by using convenience sampling where the respondents are most accessible. The data obtained are then analyzed by using SPSS version 23.0.

The findings showed that customer service orientation, rewards, training, empowerment and teamwork are positively related to the service recovery performance; while effective service recovery is negatively related to frontline employees' intentions to resign.

This research implies that managers can better manage its frontline employees by focusing on the area of customer service orientation, rewards, training, empowerment and teamwork. However, the small sample size and location may limit the generalizability to the whole population of service industry in Malaysia. Hence, for future research, it is recommended to study the service recovery performance as moderator or mediator, taking into account of the potential antecedents and outcomes, in order to provide a comprehensive understanding of the whole service recovery process.

CHAPTER 1: RESEARCH OVERVIEW

1.0 Introduction

Chapter one made up the foundation of entire research. It will give an overview of research background, problem statement, research objectives, research questions, research hypotheses, significance of study, chapter layout, as well as summary for this chapter.

This chapter begins with research background that outlines the broad field of the research, followed by problem statement that describes the main idea that stimulates the research to be carried on. The research objectives are to identify the purpose of this research which includes both general and specific objectives; while the research questions are to raise arguments and inquiries. Next, hypotheses of the study will be formed, followed by significance of the study that highlights the importance and unique contribution of the research topic. The last section includes chapter layout of the study and the conclusion of chapter one.

This research aims to explore the antecedents and outcome of service recovery performance, in the context of service industry in Malaysia. The research will investigate the organizational variables that influence the service recovery performance of frontline employees, and, the impact of successful service recovery on frontline employees' intentions to resign. The antecedents to service recovery performance include customer service orientation, rewards, training, empowerment and teamwork. On the other hand, service recovery performance is related to the outcome variable, namely, intentions to resign.

1.1 Research Background

The Economics dictionary defines service industry as a type of business that provide services to customers rather than producing a tangible product. It is often referred to tertiary sector of industry by economists. Organisation for Economic Co-operation and Development (OECD)'s concept of services is defined as "a diverse group of economic activities not directly associated with the manufacture of goods, mining or agriculture. They typically involve the provision of human value added in the form of labour, advice, managerial skill, entertainment, training, intermediation and the like." They differ from other types of economic activities, for instance, services cannot be stored and cannot be consumed at a later time of production (OECD, 2000).

Service industry is the provision of services to not only businesses, but also to final consumers. The service industry involves a combination of services and product, and not just the products alone. Goods may be transformed when delivering the service, as may happen in wholesaling and retailing (Wang, 2010). However, in this research, the focus is on the interaction between employees and customer instead of transforming physical goods to them.

Malaysia has achieved remarkable economic growth since 1957, shifted from a predominantly agriculture-based economy to manufacturing and services (Ahmad & Suntharalingam, 2009). According to the Malaysia Economic Report 2017/2018, the service sector accounted for 54.5% of GDP in 2017, representing the primary driver of the economic growth of Malaysia. The contribution of services sector to GDP is constantly on an upward trend and expected to reach 58% to GDP by 2020 ("Services Sector to Drive Malaysian Economy - MATRADE", 2016).

Besides, according to The Department of Statistics of Malaysia, the service sector includes wholesale and retail trade, food and beverages, accommodation, finance, insurance, real estate, information and communication, transport and storage, government services and other services. As Malaysia is moving towards to

become a developed nation, greater focus should be given to the development of service industry to serve as the engine of growth to prosper in the world economy. Hence, the service industry in Malaysia is seem to be area of opportunity for additional research and new contributions.

According to Nadiri & Tanova (2016), the researchers mentioned that “service recovery performance is known as the efforts made by the firm to return aggrieved customers to a state of satisfaction following a service failure”. Because failures in services are inevitable, then how failures are handled is a critical issue. Therefore, this research intended to provide unique contribution to existing literatures by exploring the antecedents and outcome of service recovery performance of frontline employees. By doing so, this research can give better insights on the importance of service recovery performance, particularly in the service industry in the Malaysia setting.

1.2 Problem Statement

In today’s competitive environment, service firms realize that creating and maintaining a loyal customer base is a key to their survival and success (Alexandrov, Babakus & Yavas, 2007). Consumers are expecting more and hard-to-please, making service firms thrive on finding new ways to deliver exceptional quality to their customers.

However, due to a high degree of human involvement in service delivery, service mistakes and failures are almost inevitable. Many factors might cause service failures, such as unprompted employee actions, unheard customer needs, or core service issues such as service unavailability or slow service (Nadiri & Tanova, 2016; Swanson & Kelley, 2001). Unlike physical products, the quality of services cannot be controlled to the same extent before the service reaches the customers. Also, service failures may have detrimental consequences such as negative word-of-mouth, customer dissatisfaction, and loss of customers to competing firms (Babakus, Yavas, Karatepe, & Avci, 2003). However, if it is effectively resolved,

it can lead to higher level of trust and positive word-of-mouth regarding the organization (Kau & Wan-Yiun Loh, 2006).

According to a study of Bitner, Booms, and Tetreault (1990), it revealed that 43% of dissatisfactory encounters were related to employees' inability or unwillingness in responding to service failure. The service recovery performance is much dependent on the effectiveness of frontline employees in handling the complaint. As in many service industries, frontline employees are the first ones who received the complaint from a dissatisfied customer, the most effective service recoveries are those solved immediately by them (Zeithaml & Bitner, 1996). These employees have the opportunity to tailor in real-time not only the services the firm offers, but also the manner in which the services are delivered (Bettencourt & Gwinner, 1996). They also have the capability, more than any other employees in an organization, for returning aggrieved customers to a state of satisfaction after a service failure.

In light of the role of frontline employees, the retention of satisfied and committed frontline employees is being critical to business success (Alexandrov et al., 2007). Employees turnover may represent a substantial cost for organizations, both in tangible and intangible terms, inhibiting the efficiency of customer service and undermining firms' competitiveness (Alexandrov et al., 2007; Frank, Finnegan, & Taylor, 2004; Hendrie, 2004). In a service firm that involve a big volume of service encounters in its day-to-day operations (Masdek, Aziz, & Awang, 2011), frontline employees are expected to deal with a wide variety of customer requests and complaints (Boshoff & Allen, 2000). They have to tolerate with high degree of role stress (Weatherly & Tansik, 1993) and emotional exhaustion in the workplace (Boles, Johnston, & Hair Jr, 1997), and may increase their intentions to resign.

Overall, service recovery performance has been identified as a strategic issue in the services marketing literature (Ashill, Carruthers, & Krisjanous, 2005; Boshoff, 2012). However, very little attention has been given to the factors that influence the service recovery performance of frontline employees and the impact of

successful recovery performance leads to intentions to resign. Service recovery has been examined in various industry in Western countries such as banking, public healthcare and lodging industry (Yavas, Karatepe, Avci, & Tekinkus, 2003; Ashill et al., 2005; Masoud & Hmeidan; 2013), but there are limited studies performed particularly in the service industry in Malaysia. Hence, the key motivation of this research is to fill these research gaps by examining the antecedents and outcome of service recovery performance in service industry in Malaysia. This study attempts to identify the organizational variables that influence service recovery performance of frontline employees. It also assesses the impact of successful service recovery has on frontline employees' intentions to resign.

1.3 Research Objectives

1.3.1 General Objective

1. To study the antecedents and outcome of service recovery performance in service industry in Malaysia.

1.3.2 Specific Objectives

1. To study the relationship between customer service orientation and the service recovery performance of frontline employees.
2. To study the relationship between rewards and the service recovery performance of frontline employees.
3. To study the relationship between training and the service recovery performance of frontline employees.
4. To study the relationship between empowerment and the service recovery performance of frontline employees.
5. To study the relationship between teamwork and the service recovery performance of frontline employees.

6. To study the relationship between effective service recovery performance and frontline employees' intentions to resign.

1.4 Research Questions

The research questions that aroused from current research topic are:

1. What is the relationship between customer service orientation and the service recovery performance of frontline employees?
2. What is the relationship between rewards and the service recovery performance of frontline employees?
3. What is the relationship between training and the service recovery performance of frontline employees?
4. What is the relationship between empowerment and the service recovery performance of frontline employees?
5. What is the relationship between teamwork and the service recovery performance of frontline employees?
6. What is the relationship between effective service recovery performance and frontline employees' intentions to resign?

1.5 Hypotheses of the Study

The hypotheses have been developed as followed:

H1: Customer service orientation is positively related to the service recovery performance of frontline employees.

H2: Rewards is positively related to the service recovery performance of frontline employees.

H3: Training is positively related to the service recovery performance of frontline employees.

H4: Empowerment is positively related to the service recovery performance of frontline employees.

H5: Teamwork is positively related to the service recovery performance of frontline employees.

H6: Effective service recovery performance is negatively related to frontline employees' intentions to resign.

1.6 Significance of the Study

As mentioned by Ashill et al. (2005), "understanding the nature and significance of service recovery performance is a necessary and critical starting point in developing and implementing service recovery programs". Service recovery performance has emerged as an important topic in the service marketing literature (Ashill et al., 2005; Boshoff, 2012).

The role of frontline employees in service recovery should not be undermined as they are capable of resolving service problems effectively and efficiently (Boshoff & Allen, 2000). Frontline employees are those who interact directly with customers, they would always be the first to get to know about the occurrence of a service failure. From that point, they will then hold the responsibility and tailor real-time responses in handling dissatisfied customers.

Through this study, service firms will be able to recognize what are the organizational variables that affect the service recovery performance of frontline employees. Understanding these antecedents which influence frontline employees' recovery efforts is critical to enhance the overall organizational effectiveness and quality of services given to customers.

Furthermore, service firms also get to identify the reasons that potentially make frontline employees to resign from an organization. It allows service firms to

better manage their frontline employees and develop effective strategies to retain them, thereby minimizing the high turnover cost.

1.7 Chapter Layout

The whole research is divided into 5 chapters. The research is organized in such a flow so that the readers able to understand easily.

Chapter One: Research Overview

This chapter is the introductory part of the research project. It includes the research background, problem statement, research objectives, research questions, hypothesis of the study, significance of the study, chapter layout and conclusion of Chapter 1.

Chapter Two: Literature Review

Chapter two is to review the relevant literatures by identifying significant findings from the past studies. It includes review of the literature, review of relevant theoretical models, proposed theoretical or conceptual framework, and hypotheses development of the research.

Chapter Three: Methodology

In this chapter, it describes how the research is carried out in terms of research design, data collection methods, sampling designs, research instruments, constructs measurement, data processing, and data analysis.

Chapter Four: Data Analysis

Chapter four is about describing the result of the research. It includes descriptive analysis, scale measurement, and inferential analyses. The results collected is described in the form of graphs and charts; while the data collected is analysed by using SPSS.

Chapter Five: Discussion, Conclusion, and Implications

In this last chapter, it encompasses the summary of statistical analyses, discussion the major findings, implication of the study, limitations, and recommendations for future study. Lastly, a conclusion is made to mark the end notes of the whole research project.

1.8 Conclusion

Chapter one is an overview of the study and explains the research problems. This chapter also represents as an introductory chapter that describes the research background, presents the problem statement that will be solved in the research project, addresses the research project's objectives, research questions, hypotheses of the study, significance of the study as well as chapter layout for each chapter. In the next chapter, literature review will be presented.

CHAPTER TWO: LITERATURE REVIEW

2.0 Introduction

The main purpose of chapter two is to provide a comprehensive understanding towards each variable in terms of definition, characteristics and relationships. Secondary data that includes both published and unpublished journals from various sources were used to support the research objective. Besides, a conceptual framework is presented as well as hypotheses are developed to study the association between the independent variables and dependent variables.

2.1 Review of the Literature

2.1.1 Model 1 Dependent Variable: Service Recovery Performance

Service recovery performance means that satisfying aggrieved and dissatisfied customers after a service or product have failed to live up to expectations (Nadiri & Tanova, 2016). Service recovery performance is the actions taken by a service firm responding to service failures (Gronroos, 1988; Bitner et al., 1990; Lewis & Spyropoulos, 2001; Bendall-Lyon & Powers, 2001). Also, Ruyter and Wetzels (2000) stated that it simply means “doing things very right the second time”

Due to the intangible and variable nature of services, the delivery of consistent services from frontline employees to customers is usually difficult to achieve. Hence, it is acknowledged that mistakes and failures are unavoidable part of service delivery. Service failure can lead to negative outcomes such as lose of customers, negative word-of-mouth, and decreased profits (Tax & Brown, 1998). Also, the cost of recovering

from a failure and changing negative opinions and attitudes toward the service firms is quite high or impossible to reverse.

However, if these failures are effectively resolved, it can produce a “service recovery paradox” whereby a dissatisfied customer will perceive a greater level of satisfaction and trust than those who did not experience a service failure at all (McCollough, Berry, & Yadav, 2000; Smith & Bolton, 1998). Therefore, service managers must acknowledge that service failure and recovery efforts are critical “moments of truth” in the quest to satisfy customers. Effective service recovery is also necessary because customers are more emotionally involved in recovery service than in routine service (Smith & Bolton, 2002).

In the process of service recovery, customer will view employees who handle the complaints as the agents of representatives of the company due to the boundary-spanning role that they played (Liao, 2007). According to the findings of Bitner et al. (1990), it revealed that 43% of dissatisfactory encounters were related to employees’ inability or unwillingness in responding to service failure situations. In other words, customers are often more dissatisfied by the unsatisfactory employee recovery performance rather than the service failure itself.

Hence, frontline employees play a critical role not only during service delivery process but also during service recovery. As mentioned by Zeithaml and Bitner (1996), frontline employees are normally the first port of call for a dissatisfied customer, they are the most capable and competent person to solve the service failures promptly and efficiently.

2.1.2 Model 2 Dependent Variable: Intentions to Resigns

The model of Boshoff and Allen (2000) demonstrates that service recovery performance is related to two outcomes, that is, intentions to resign and job satisfaction. However, in this research, the emphasis is only put on the intentions to resign. Intentions to resign reflect the subjective probability that a frontline employee will leave the firm within a period of time (Kumar Piaralal, Mat, Kumar Piaralal, & Awais Bhatti, 2014).

According to Ashill et al. (2005), the researchers suggest that the relationship between service recovery performance and intentions to resign is inversely related. Employees who performed their jobs effectively are more likely to continue their jobs (Benders & Looji, 1994; McEvoy & Cascio, 1987; Rust, Stewart, Miller, and Pielack, 1996). In contrast, employees whose recovery performance levels are not up to the standard, they are more likely to resign from the organization.

Other than that, intentions to resign could prompt an actual turnover to happen. Frontline employees with high intentions to resign may put little efforts into service recovery because they are no longer identifying with and involving themselves in the organization (Ashill, Rod, & Carruthers, 2008). Thus, frontline employees who do not provide a consistent level of service recovery performance are more likely to leave the firm in the near future.

Turnover is a major problem for service firms who often rely on long-term customer-employee relationships in order to retain a loyal customer base. The cost associated with turnover can be direct, such as administrative expenses, socialization investment, separation pay and training, or indirect costs such as productivity losses (Woods & Macaulay, 1989). Frequent employees' resignation that happens in a service firms not only jeopardise the relationships but also compromise the implementation of marketing strategies (Lucas, Babakus, & Ingram, 1990). In other words, employee

turnover can negatively affect the employee's job performance and thus on organisational effectiveness (Reese, 1994). Hence, it is necessary to have a longer term of job tenure in order to achieve service excellence in service firms (Schneider & Bowen, 1991).

2.1.3 Independent Variable: Customer Service Orientation

According to Gronroos (1990), customer service orientation refers to how strong the culture of an organization focuses on customer service. As defined by Lytle, Hom, & Mokwa (1998), customer service orientation is a culture in the organization stemming from policies, practices and procedures that support behaviours of employees geared toward delivering service excellence.

A service-oriented organisational culture is a key in sustaining healthy long-term relationships with customers (Gronroos, 1990). This is because a strong service orientation is vital for the creation and/or enhancement of good interactive marketing performance (Gronroos, 1990; Yasin & Yavas, 1999) and is essential to maintain long term working relationships (Boshoff & Allen, 2000; Yavas et al., 2003).

In addition, a strong organisational culture able to shape the behaviour of the firm's employees. The organizational culture will influence how employees react under unexpected circumstances especially during service failures where some discretionary behaviour is called for (Boshoff & Allen, 2000). Often, employees would regard customer complaints as a nuisance, and this requires the deeply rooted customer service orientation to urge employees to remain empathetic and pleasant when resolving customer complaints (Gronroos, 1990; Parasuraman, 1987). Meanwhile, the prevailing organisational culture will determine how frontline employees react to service failures.

Furthermore, a service-oriented organizational culture is needed not only to enhance service quality but also to respond to new, unexpected and even awkward situations (Gronroos, 1990). Lewis and Gabrielsen (1998) mentioned that employees working in a customer-focused environment will sense an urge and take it as a personal responsibility for delivering superior service quality. They will adjust themselves accordingly and to utilize their competent skills sets to recover dissatisfied customers into a satisfied situation. This is where the priorities of the firm aligned with the priorities of employees.

Overall, a service-oriented organizational culture will make the entire organization revolve around customer service. Therefore, the management of a service firm must internally install “a service mentality”, employees are therefore likely to show attitudes and behaviors that provide satisfactory service (Gonzalez & Garazo, 2006).

2.1.4 Independent Variable: Rewards

Rewards are received as an exchange of services between employee and employer, in the form of compensation, appreciation, position and social identity (Yavas et al., 2003). According to Boshoff and Allen (2000) and Ashill et al. (2005), rewards are defined as recognition and financial rewards to employees who perform recovery efforts well.

According to Lewis & Gabrielsen (1998), rewards and employees’ service quality is closely related. Service firms strive to deliver superior service must ensure that the desired employee behaviours are actively encouraged and appropriately rewarded. This is to motivate frontline employees to provide exceptional service and engage in recovery performance to restore the satisfaction of a dissatisfied customer (Berry & Parasuraman, 1991).

Rewards are important booster in inducing employees to deliver high quality services and in motivating them to handle customer complaints (Bowen & Johnston, 1999; Yavas et al., 2003). It is known that managing customer problems and handling angry customers is never an easy job. Hence, employees who perform the task well should be recognised and rewarded. If recovery efforts go unrewarded, frontline employees will devote little effort on dealing with customer complaints. In turn, this would lead to customer dissatisfaction and loss of customers (Nadiri & Tanova, 2016).

According to Lewis and Gabrielsen (1998), the service performance of the employee is highly linked with the compensation or reward system provided in an organization. Extrinsic rewards such as financial payoff, salary increments or bonuses are more likely to motivate frontline employees. This is because Forrester (2000) stated that “money counts a lot, especially for those who have little of it”. This statement is highly relevant to frontline employees, who are generally in low paying positions. However, some employees are often more than just money orientated. Non-monetary rewards such as recognition, appreciation and self-satisfaction are able to reinforce desired behaviour in employees who are intrinsically motivated. As emphasized by Mee (1999) “the most significant rewards aren’t necessarily monetary. Sincere praise-verbal recognition for performance and effort can’t be understated.”

In addition, rewarding customer service excellence is also able to enhance employees’ perception of managerial attitudes toward the provision of customer service by the organization (Crabbe & Acquah, 2016). When frontline employees perceive reward systems and policies as genuine commitments by management, they are more likely to develop emotional attachment towards organization goals and objectives, and resulting in higher level of job satisfaction and organisational commitment. Hence, service firms aiming to create a strong service-oriented climate should reward employees for excellent service quality.

2.1.5 Independent Variables: Training

Training refers to the programs given by an organization to enhance work-related and attitude skills of employees (Babakus et al., 2003; Rogg, Schmidt, Shull, & Schmitt, 2001). According to Crawford and Kozub (2011), customer service training includes information, practices, and policies that are given to employees in an educational format that equips employees for handling customer complaints and delivering high levels of service.

Training of frontline employees both in job-related skills and behavioural skills is essential to improve their capability to deal with varying customer needs, personalities, and circumstances (Bettencourt & Gwinner, 1996; Hart, Heskett, & Sasser, 1990). Frontline employees who do not possess the required job and interpersonal skills often failed in providing a high quality of service and dealing with customers' complaints (Bettencourt & Gwinner, 1996; Boshoff & Allen, 2000; Lewis & Gabrielsen, 1998; Yavas et al., 2003).

A study by Bitner et al. (1990) found that almost 43% of all dissatisfied services resulted from employee's inability or unwillingness to deal with complaining customers. While unwillingness may be due to lack of motivation, inability may be due to lack of skills that can be remedied by training and development (Babakus et al., 2003). Thus, it is important to have effective training programs in place to improve employees' ability by developing their interpersonal skills as well as their knowledge of available resources that might improve customers' satisfaction (Ashill et al., 2005).

Employees must be taught on how to react when things go wrong. When a customer complains, the reaction and response of the frontline employees can have huge impact on the effectiveness of service recovery (Boshoff & Allen, 2000). In other words, customers are often frustrated by the lacking

recovery performance of frontline employees rather than the service shortfall itself. Hence, employees should be trained in both technical and functional skills, trained to listen to customers' problems, to defuse customer anger and to provide tailored responses (Boshoff & Allen, 2000).

Similarly, the presence of customer service training programs sends a strong signal to frontline employees regarding top management's commitment to service quality (Babakus et al., 2003). Several studies have demonstrated that employees are more committed to organisation that invest more in customer service training programs (Sweetman, 2001; Tsui, Pearce, Porter, & Tripoli, 1997).

2.1.6 Independent Variables: Empowerment

Forrester (2000) defines empowerment as “the freedom and ability to make decisions and commitments”. It is the extent to which employees are allowed to use their own initiatives and judgment to address customer needs (Robinson Jr, Neeley, & Williamson, 2011). Empowerment means enhancing a person's ability and motivation to develop and make the most constructive use of their talents and experience (Chebat & Kollias, 2000).

Empowerment is a key to managerial and organizational effectiveness (Conger & Kanungo, 1988). Empowered employees are given with the responsibility and authority needed to act quickly without going through a long chain of command (Hart et al., 1990; Lewis & Gabrielsen, 1998). If management empowers employees, then the employees gain control over the delivery of the service (Hartline & Ferrell, 1996) and can provide quick, appropriate remedies to dissatisfied customers (Boshoff & Allen, 2000).

Besides, empowerment is giving the employees the power to act in the interest of serving customers better and thus to improve organisational

performance (Bowen & Lawler, 1992). Empowered employees are able to deal with service recovery problems without referring to managers, thereby reducing delays and frustrations of customers (Kuokkanen, Leino-Kilpi, & Katajisto, 2003). Frontline employees are also in the best position to determine of what responses should be taken to recover from a service failure. They are well aware of the customer's expectations and what customer wants when things go wrong (Nadiri & Tanova, 2016).

However, authority is often not given to frontline employees when providing the services (Rust et al., 1996; Parasuraman, 1987), particularly during a service failure (Bowen & Lawler, 1992). Instead, management often builds barriers by developing stringent policies and procedures which restricted the empowerment of frontline employees. Sometimes, even the most basic decisions need to be reviewed by managerial staffs (Nadiri & Tanova, 2016).

When a problem arises, if employees are not given the autonomy to make decisions and are required to obtain permission to resolve any issue, the employees risk becoming dissatisfied and thereby increasing the risk of service failures. In contrast, if frontline employees are empowered, the recovery efforts can be performed effectively and efficiently (Bowen & Lawler, 1992). Empowering employees also enables managers to look into other strategic matters (Yavas et al., 2003).

2.1.7 Independent Variables: Teamwork

According to Ashill et al. (2005), teamwork is defined as cooperating in undertaking the tasks to provide superior service to customers. Teamwork is the cooperative attitude within employees to achieve the goals and objectives of the firms (Crabbe & Acquaah, 2016).

It is important to exhibit a great sense of teamwork in service firm to ensure the delivery of quality service and service recovery (Shemwell and Yavas; 1998). When employees collaboratively make efforts in implementing goals, the efficiency is motivated (Masdek et al., 2011). Even if a service failure occurs and they work together as a team, the service recovery action will be carried out in a good manner and timely. When the employees feel a strong sense of team spirit, they are more likely to help each other and create a synergy in attaining the organizational goal.

Also, excellent service often results from teamwork rather than an outstanding individual. Although it is always the frontline employees who at the forefront delivering the service to the customers, they need the full support of those in the “backroom” in order to be effective (Boshoff & Allen, 2000). According to Berry (1995) perfect service is created with the movements of a group of people working jointly.

Furthermore, teamwork not only brings individuals with complementary skills and knowledge together to improve decision making, but also to assist each other (Babakus et al., 2003). Teamwork enables employees to learn from each other by observing and participating in the delivery of services. A strong team culture tends to be supportive, encourage members to learn from each other and value the efforts of each individual in the attainment of fundamental goals (Berry, 1995).

Teamwork also enables employees to cooperate rather than competing in handling service problems (Boshoff & Allen, 2000). It can help to identify the service problems more accurately, find better solutions, share information and improve communication in the organization. In addition, Ardahan (2006) suggested that teamwork can generate synergy, promote innovation and creativeness in an organization.

In order to improve service performance, Roberts (2003) suggests firms to pursue a safety culture in the workplace, rather than creating a blame culture within team members. When frontline employees are immersed in a safety culture, they will develop trust in the relationships among colleagues and also towards customers.

2.2 Review of Relevant Theoretical Models

In this research, the model of Boshoff and Allen (2000) was adopted. Their model was one of the first paper to identify factors that influence the service recovery performance of frontline employees and the outcomes of successful service recovery performance. This model is used to guide this study because it has been widely cited in different industry settings such as banking, public healthcare and insurance industry (Yavas et al., 2003; Ashill et al., 2005; Piaralal, Bhatti, Piaralal, & Juhari, 2016).

As an additional note, although the model of Boshoff and Allen's (2000) is replicated, this research did not include all variables that might be relating to service recovery performance. Out of the seven antecedents as proposed by Boshoff and Allen (2000), only five of the antecedents are selected. After comparing among various literatures, these five antecedents tend to portray a significant positive relationship towards service recovery performance. The results are shown to be consistent and reliable across the various literatures. Whereas, the other two potential antecedents of "role ambiguity" and "organizational commitment" are not selected. These two antecedents are felt to be inappropriate due to the ambiguous and vague meanings carried by these terms, which may not be fully understandable for respondents.

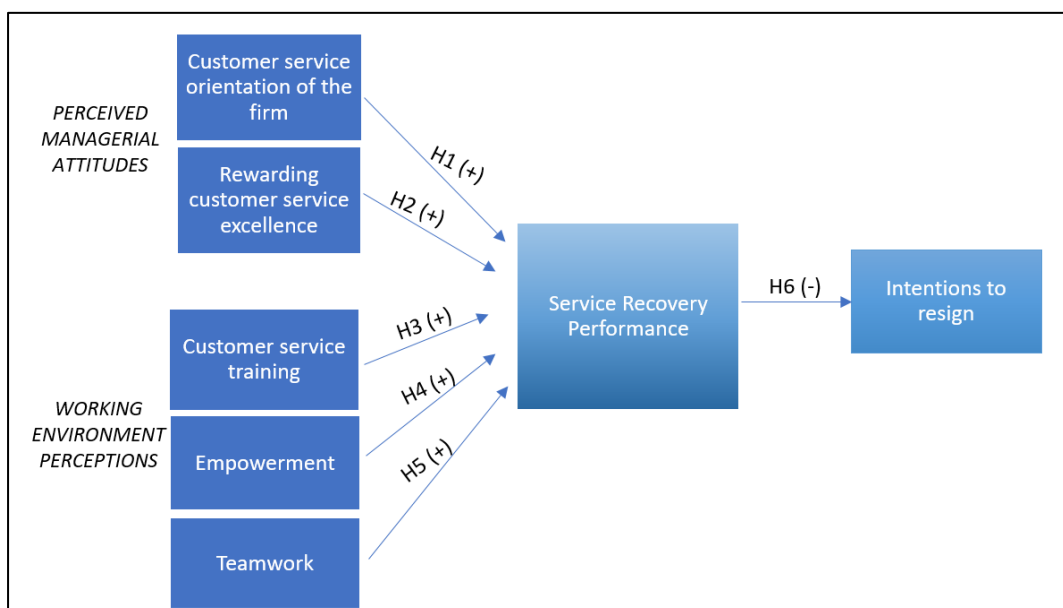
Also, out of the two outcomes, namely job satisfaction and intentions to resign, only intentions to resign is selected. This is because measuring levels of job satisfaction of frontline employees can be difficult because of the subjectivity of the concept. Different people perceive job satisfaction in different ways and give

more or less weight to different factors in describing themselves as being satisfied or dissatisfied at work. For instance, an employee can be highly satisfied with one aspect of the job, such as the pay and benefits, yet dissatisfied with another aspect, such as the working environment. Hence, this research did not examine the job satisfaction outcome as it may be inadequate for drawing conclusions of the research.

In this research, the model has been adapted and modified slightly to fit in the research setting of service industry in Malaysia. This model examines how the perceived managerial attitudes and perceived working environment influence the service recovery performance of frontline employees, and how successful service recovery leads to frontline employees' intentions to resign. Perceived managerial attitudes include customer service orientation and rewards; while perceived working environment includes training, empowerment and teamwork. The hypothesized relationships among these variables are then discussed in the subsequent section.

2.3 Conceptual Framework

Figure 2.1: Proposed Conceptual Framework



Source: Adapted from Boshoff and Allen (2000).

2.4 Hypotheses Development

2.4.1 Hypothesis 1: The relationship between Customer Service Orientation and Service Recovery Performance.

In the paper of Masdek et al. (2011), the researchers indicate that there is a positive relationship between customer service orientation and service recovery performance. The culture will influence frontline employees' behaviour and increase their awareness of the importance of service recovery performance. Meanwhile, the firm instilled "a service mentality" and effectively manage its practices so that their employees will portray attitudes and behaviours that provide quality service (Gonzalez & Garazo, 2006).

Moreover, the study of Piaralal et al. (2016) reported that a customer service orientation of a firm is positively related to the service recovery performance of frontline employees. In a life insurance industry where a customer-oriented organizational culture is embraced, the firms' formal procedures and guidelines will focus on service quality. Frontline employees will thereby adapt themselves accordingly and to utilize their competent skills to recover the customers to a state of satisfaction.

According to the study of Yavas et al. (2003) in Turkish banks, customer service orientation of the firm is a significant determinant of service recovery performance. A customer-focused culture also means that customer service is the top priority of the firm. The more focused an organization is with customer service, the better the service recovery performance of its frontline employees.

In addition, the study of Nadiri and Tanova (2016) reported a strong relationship between customer service orientation and service recovery performance. An organization that are strongly service-orientated often views the complaining customers as an ally whose feedback is valuable to

the improvement of the organization's service quality (Michel, Bowen, & Johnston; 2009). Upon understanding of the organizational culture, the frontline employees will then base their action by delivering superior service recovery performance.

It is, therefore, hypothesized that:

H1: The customer service orientation is positively related to the service recovery performance of frontline employees.

2.4.2 Hypothesis 2: The relationship between Rewards and Service Recovery Performance.

Based on the study conducted in banking industry in Turkey, it is found that rewarding customer service excellence is positively related to service recovery performance of frontline employees (Yavas et al., 2003). Service firms striving to deliver excellent service must ensure that the desired employee behaviours are actively encouraged and appropriately rewarded. If the recovery efforts go unrewarded, the employees would not be bothered to find proper recoveries when a service failure occurs, and would lead to customer dissatisfaction.

Furthermore, the paper of Piaralal et al. (2016) mentioned that the reward practice in Malaysian life insurance sector is positively related to service recovery performance. Employees who handled customer problems favourably should be recognized and awarded. When frontline employees are rewarded, they will experience emotional happiness and it will have a strong effect on their perceived service quality (Slatten, 2010).

Another study done by Ashill et al. (2005) on frontline employees in a New Zealand hospital found that reward exerts positive influence on service recovery performance. Extrinsic rewards in the form of money are significant to frontline employees who receive little (Forrester, 2000).

However, in a public healthcare environment, employees are more intrinsically motivated by non-monetary rewards such as recognition and appreciation.

Besides, the study conducted in the retail industry in Ghana indicated that there is a positive relationship between rewards systems and service recovery performance (Crabbe & Acquah, 2016). The speed in which customers are provided with good service by frontline employees would reduce customer negativity in the recovery process (Miller et al., 2000). Thus, rewarding employees who provide exceptional and timely quality service to customers in support of service firm's goal of customer service excellence must be encouraged (Mukherjee & Malhotra, 2006).

With the linking of reward system with the service recovery performance of the employees, it is hypothesized that the employee will be more motivated in dealing with customer's complaints and hence, resulted in better service recovery performance.

It is, therefore, hypothesized that:

H2: Rewards is positively related to the service recovery performance of frontline employees.

2.4.3 Hypothesis 3: The relationship between Training and Service Recovery Performance.

Based on the research carried out by Yavas et al. (2003) on frontline employees working in Turkish banks, it is found that there is a strong relationship between employees training and service recovery performance. Training is to equip the frontline employees with job related skills and behavioural skills to handle customer complaints effectively, which in turn delivering excellent service quality.

Besides, the research done by Nadiri and Tanova (2016) shows that training positively influence the service recovery performance. In the context of healthcare, frontline hospital employees need to be prepared to vent patients' frustration at what they perceive to be poor service. Training programs is to strengthen their interpersonal skills as well as their knowledge of available hospital resources to assist patients more effectively. In other words, training is particularly important for frontline employees, who are primarily responsible for maintaining customers' emotional ties with the organization during service recovery performance.

Based on the study of Masoud and Hmeidan (2013) in lodging industry, the researchers suggest that training has a positive effect of service recovery performance. It is very difficult for an employee to perform well at the workplace without any training. According to Boudreau et al. (2001), trained employees always outperformed than untrained employees. Therefore, it is necessary for service firms to give its employee adequate training to achieve overall goals of the organization (Heras, 2006).

Furthermore, Piaralal et al. (2016) stated that there is a positive relationship between training and service recovery performance of employees in the life insurance industry. Training programs effectiveness is an area whereby the firms can distinguish themselves distinctly from their rivals (Schlesinger & Heskett, 1991). Also, it is important to give training relating to service recovery in a financial sector to satisfy customers' needs.

A similar finding was carried out by Crabbe and Acquaah (2016) reported that the training factor on service recovery performance is significant. In order to deal effectively with customer complaints in a retail shop environment, it requires formal and informal training programs to equip employees with new skills and industry standards that refine service quality to maintain good customer-employee relationship.

Therefore, it is hypothesized that:

H3: Training is positively related to the service recovery performance of frontline employees.

2.4.4 Hypothesis 4: The relationship between Empowerment and Service Recovery Performance.

The study of Nadiri and Tanova (2016) suggest that there is a positive relationship between empowerment of frontline hospital employees and service recovery performance. The theory of organizational empowerment assumes that individuals rationally respond to the situations they encounter (Ashill et al., 2005) and that their performance is optimal when they feel empowered.

Additionally, in the paper of Crabbe and Acquaah (2016), empowerment has been found to influence service recovery performance of frontline employees in retail industry in Ghana. As mentioned by Klidas, Van Den Berg, & Wilderom (2007), “empowerment refers to giving the decision-making authority and responsibilities to employees who are allowed to engage in discretionary behaviors aiming at meeting or exceeding customers’ expectations during routine and non-routine service situations”. After all, effective service recovery performance is able to return customers to the firms and thereby increasing their loyalty (Pranic & Roehl, 2012).

Another study in hotel environment in Jordan also shown that empowerment is a significant predictor of service recovery performance (Masoud & Hmeidan, 2013). According to Tsaor & Lin (2004), empowered employees are capable to act on their own instinct and are flexible to make their own judgement, which allow them to respond to customers’ problem almost immediately.

In the research of Thwaites and Williams (2006), the researchers proposed empowerment is positively linked with service recovery performance. In the tourism and leisure sector, it involves high level of personal interaction between frontline employees and customers. As stated by Chernish (2001), to empower employees is by giving them with minimal supervision and maximum exposure in fulfilling customers' needs. In this way, frontline employees realize that they are not only empowered but also trusted by their employers to make correct decisions.

This prompts the hypothesis that:

H4: Empowerment is positively related to the service recovery performance of frontline employees.

2.4.5 Hypothesis 5: The relationship between Teamwork and Service Recovery Performance.

The research done by Yavas et al. (2003) proposed that teamwork will exert a positive influence on the service recovery performance in the banking industry. It is found that companies that foster teamwork within and across business functions to effectively reach common objectives are likely to be successful (George & Weimerskirch, 1994). An effective team environment enables employees to learn from their colleagues (Boshoff & Allen, 2000) and to cooperate with each other in handling service problems.

Furthermore, the study of Nadiri and Tanova (2016) reported that teamwork is positively related to service recovery performance. The researchers suggest that teamwork is especially important in the health care industry because it enables employees to learn from one other by observing and participating in the delivery of health care services. Also, a team environment enables hospital frontline employees, who typically operate under high level of stress, to assist each other.

Another finding of Piaralal et al. (2014) stated that teamwork has positive effects on service recovery performance. In the life insurance industry, teamwork can help to identify problems of the organization more accurately and find proper solutions to problems, effective ways of to include employees in the management, share information and communication in the organization. Nevertheless, it also generates energy and synergy in the organization and increases innovation and creativity (Ardahan, 2006).

Moreover, Mahyoub, Farea, & Bardai (2017) proposed that there is a strong relationship between teamwork and service recovery performance. The researchers 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. 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, Wirtz, Bengel, & Göritz, 2015).

Besides, in the paper of Masdek et al. (2011), the researchers indicate that teamwork is a significant determinant of service recovery performance. Teamwork is categorized into two types, that is interteam support and intrateam support. Interteam support is the internal service and communication between teams and other units within the organization, while intrateam support is the mutual willingness of team members to help and to deliver service to each other to reach common group goals (Campion, Medsker, & Higgs, 1993). A good interpersonal relationship and high teamwork atmosphere is able to stimulate employees to generate creative ideas in response to service failure (Andrews, 1995).

Therefore, it is hypothesized that:

H5: Teamwork is positively related to the service recovery performance of frontline employees.

2.4.6 Hypothesis 6: The relationship between Service Recovery Performance and Intentions to Resign.

According to the study of Boshoff and Allen (2000) in the banking industry in New Zealand, it is found that an increase in the service recovery performance of frontline employees led to a lower intention to resign. Frontline employees who managed to solve customer problems or complaints successfully able to achieve better customer satisfaction and repurchase intention. This in turn will reduce their intention to resign from the organizations.

Besides, from the study of Ashill et al. (2005), the researchers propose a negative relationship between service recovery performance and the intention to leave in public health care institutions in New Zealand. Frontline employees who perform their jobs effectively are more likely to remain with the organization than employees who do not exhibit a consistent level of performance.

In the paper of Piaralal et al. (2016), the researchers also indicate that there is a negative relationship between service recovery performance and intention to resigns. The greater the service recovery performance, the lesser the intentions to resign. Intention to resigns is a major problem in the service industry, especially in the life insurance industry, that is dependent on the long-term relationship between employees and customer to retain customers (Lucas et al., 1990).

According to Dreher (1982), the relationship between service recovery performance and intention to resign is inversely related. Frontline employees who performed well in the recovery actions may receive better rewards and thereby reduce their intention to leave the organization. Furthermore, the good recovery performance itself may be intrinsically satisfying to the frontline employees, motivating them to maintain their performance as a mean to aim a higher position in the firms.

In McEvoy and Cascio (1987)'s meta-analytic study, it showed that frontline employees who performed their jobs effectively are more likely to continue their employment. Lance (1988) stated that job performance is negatively associated with employees' turnover intentions. Findings from a more recent meta-analytic study by Zimmerman and Darnold (2009) supported that job performance has a negative relationship with intentions to resign.

In light of the above, it is hypothesized that:

H6: Effective service recovery performance is negatively related to frontline employees' intention to resign.

2.5 Conclusion

Chapter two has outlined the literature review of dependent variables and independent variables for the research project. This chapter describes the influence of customer service orientation, rewards, training, empowerment, teamwork towards service recovery performance; also, the impact of successful service recovery on frontline employees' intentions to resigns. Besides, a conceptual framework is developed to have a clearer picture of the relationship between independent variables and dependent variable.

CHAPTER THREE: METHODOLOGY

3.0 Introduction

The research methodology focuses on the ways to search, collect, and analyse the useful data for the research project based on the objectives. It includes research design, data collection methods, sampling design, research instrument, constructs measurement for operational definitions and scales, data processing, and method of data analysis.

3.1 Research design

Research design is a master plan that specifies the method and procedures for collecting and analysing the need information. In this research, quantitative research is used to collect, measure, and analyse the numerical data. The data are collected by distributing the questionnaire to the respective respondents and the result are used to generalize across the population in order to explain how the antecedents influence the service recovery performance, and the effect of service recovery performance to the intentions to resign.

Moreover, descriptive research design is used to describe and to examine relationships among variables. Descriptive research is also used to conduct an analysis to study on the reason and process regarding the how the independent variables affect the dependent variables. Adhere to the research objective, this research is to identify the antecedents that influence the service recovery performance, and the impact of successful service recovery performance towards frontline employee' intentions to resign.

3.2 Data collection methods

Data collection methods are the ways of gathering the information needed to answer the hypotheses and research questions in this study. In order to obtain a comprehensive understanding of the research topic, both primary and secondary sources of data are used.

3.2.1 Primary Data

Primary data is the original data that is collected first hand by the researcher. This data is specifically collected for the purpose of the study and to address the current problem. There are three methods to collect primary data, which is interview, observation and survey.

In this research, 200 questionnaires have been distributed to the target respondents, that is, frontline employees in the service industry in Malaysia. This is to collect the first-hand information from frontline employees on their opinions on the potential antecedents and outcome of service recovery performance. Conducting a survey is the most cost-effective way to reach large number of respondents.

3.2.2 Secondary Data

Secondary data is the data that has been already collected by other researchers and the information is readily available for public (Hox & Boeijs, 2005). Secondary data can be obtained from various published sources, such as websites, books, and journal articles. As compared with primary data, secondary data is less expensive and less time-consuming.

For secondary data collection, the published articles and scholarly journals are used to support the theoretical model and hypotheses in the research.

These journal articles are obtained from the UTAR digital library which granted the access to the website of EBSCOhost, Emerald Insight, Springer and Google Scholar. In addition, textbook regarding the business research methods has also been referred to enhance the understanding of statistics.

3.3 Sampling Design

3.3.1 Target Population

Target population is a group of people with the characteristics that the researchers want to study and collect the data from them. The target population of this research are full-time frontline employees who work in the service industry in Malaysia. Frontline employees are those who interact directly with customers, also known as “customer service employees”.

The service industry is a type of business that provides services to customers rather than producing a tangible product. The service industry comprises of various types of sectors and is difficult to encompass. In this research, the focus is on the main groups of service industry, that is, property or real estate, automotive, financial institution or insurance, hospitality or tourism, medical or healthcare, airline, food service, wholesale or retail, information technology or telecommunication, and professional service such as accounting, legal, or consultancy. A total of 200 sets of questionnaires are distributed to the full-time frontline employees who work in the different sectors of service industry in Malaysia.

3.3.2 Sampling Frame and Sampling Location

According to Zikmund (2003), sampling frame is defined as a list of elements from which the sample may be drawn. In this research, the sampling frame is focusing on the 200 frontline employees who work in the field of property or real estate, automotive, financial institution or insurance, hospitality or tourism, medical or healthcare, airline, food service, wholesale or retail, information technology or telecommunication, and professional service such as accounting, legal, or consultancy in Malaysia.

Sampling location is the place where the research being conducted. The 200 sets of questionnaires are distributed at different places such as sales galleries, car service centres, banks, hotels, pharmacies, hospitals, airport, and shopping malls around Klang Valley and Kuala Lumpur area.

3.3.3 Sampling Elements

The respondents involved in this research are the full-time frontline employees who deal directly with the customers in the service firms. These frontline employees work in different type of service industry as in property or real estate, automotive, financial institution or insurance, hospitality or tourism, medical or healthcare, airline, food service, wholesale or retail, information technology or telecommunication, and professional service such as accounting, legal, or consultancy, in Malaysia. To ensure the validity of the questionnaire, it begins with a screening question of asking the respondents whether they are frontline employees or not. This is to determine the respondents are the intended target population of the study and are eligible to take part in the subsequent questions.

3.3.4 Sampling Technique

There are two types of sampling techniques, namely probability sampling and non-probability sampling. In this research, non-probability sampling technique is used as the chances of any population's member to be chosen are unknown (Zikmund, Babin, Carr, Griffin, 2013). In non-probability sampling, the sampling technique in which the units of the sample are selected on the basis of personal judgment or convenience.

In this research, convenience sampling is specifically used. The sampling procedure of obtaining respondents is by accessing people that are most conveniently available and are voluntarily to fill up the questionnaires.

3.3.5 Sample Size

Roscoe (1975) proposed that the ideal number for a sample size should range between 30 to 500 respondents. If the sample size is larger than 500, it will lead to an error called Type II error (Sekaran, 2006).

In this research, a sample size of 200 is selected to complete the survey. Due to time and resources constraint, a sample size of 200 is seemed as statistically significant to generalize the findings across the population. The questionnaires are distributed to 200 frontline employees who work in different types of service industry. Besides, 20 sets of questionnaires are distributed for pilot test purpose to test the reliability and accuracy of the research questions.

3.4 Research Instrument

The research instrument that is being used in this study is survey questionnaire. It is a set of predetermined questions that aims to collect the information from the

respondents. The questions are designed a close-ended way whereby the respondents are given a list of predetermined option that best matched with their perspectives. The closed-ended questions are preferred as it helps the researchers to get the sufficient information within a short period of time and the ease of counting the frequency of each response.

Besides, it is a self-administered questionnaire that has been designed specifically to be completed by a respondent without intervention of the researchers. Self-administered questionnaires enable researchers to reach a large number of potential respondents in a variety of locations, especially when distributing the online questionnaires via Google Forms.

3.4.1 Questionnaire Design

The questionnaire begins with a screening question to determine whether the respondents are the target population of the study, and are eligible to take part in the subsequent questions. Next, the questionnaire comprises of three sections, that is Section A, B and C.

Section A is about the demographic questions. The main purpose of demographic questions is to obtain personal information of the respondents such as gender, age, education level, type of service industry, and job tenure. In this way, the researchers able to categorize the respondents based on their characteristics.

Section B is focusing on the independent variables of the study. In this research, the five antecedents that potentially affect the service recovery performance of frontline employees include customer service orientation, reward, teamwork, empowerment, and training.

Section C is focusing on the dependent variables of the study. In this research, the model 1's dependent variable is the service recovery

performance of frontline employees; while the model 2's dependent variable is their intentions to resign.

Overall, the questionnaire is adopted from previous related studies that are validated by the other researchers, and slight modifications are made to fit in this research context. The measure used is five-point Likert scales from 1= strongly disagree to 5 = strongly agree.

3.4.2 Pilot Test

The purpose of pilot test is to ensure that the survey questions are reliable, understandable, and ready for distribution. According to Malhotra and Peterson (2006), data collected from a small sample of 15 to 30 subjects of the study served as a guide for the larger study. Hence, in this research, the questionnaires are distributed to a small group of 20 respondents to conduct the pilot test. Cronbach's Alpha is used to examine the reliability of the pilot test.

The resulting alpha coefficient typically ranges from 0 to 1 and shows how well the indicators measure the construct. If the scale item is totally independent from one another, then $\alpha = 0$; if the items have high covariances, then α will approach to 1. In other words, the higher the α coefficient, the more the items have shared covariance. According to Malhotra (2006), if the α coefficient is greater than 0.80, it represents a strong indicator of reliability.

The following Table 3.1 shows the result of the pilot test that interpreted by Cronbach's Alpha analysis.

Table 3.1: Result of the Cronbach's Alpha Analysis for Pilot Test

Variables	Cronbach's Alpha	Number of items
Customer Service Orientation	0.879	9
Reward	0.861	4
Training	0.905	4
Empowerment	0.879	5
Teamwork	0.895	3
Service Recovery Performance	0.914	5
Intention to Resign	0.942	3

Source: Developed for the research

Refer to Table 3.1, the alpha coefficient for all of the individual variables are greater than 0.80, it shows a strong reliability in the measurement of all the variables. Moreover, since the questions of the questionnaire are adopted from previous literatures and has widely cited in other studies, the items are deemed reliable. As suggested by Nunnally (1978), Robinson, Shaver and Wrightsman (1991) and DeVellis (2003), the value of the coefficient was above the minimum acceptable level of 0.70. Therefore, the items require no modification and ready to be distributed to the remaining sample.

3.5 Constructs Measurement

3.5.1 Origin of Constructs

The measurement items and the constructs of all variables are adapted from past studies. Refer to Appendix 3.1.

3.5.2 Scale of Measurement

3.5.2.1 Nominal Scale

Nominal scales do not have any quantitative value. It is used to represent labels within a category. Nominal scales are mutually exclusive, means there is no overlapping of value. Example of nominal scales used in the questionnaire is the gender of respondents. Respondents can either classify themselves into the "male" or "female" category. Besides, in the screening question "Are you a frontline employee?", the "yes" or "no" options represent a nominal scale.

3.5.2.2 Ordinal Scale

Ordinal scale is a scale on which data is shown in order of magnitude, but there is no standard of measurement of differences. In this survey questionnaire, the ordinal scale is used in Education Level, whereby respondents rank themselves from High School Graduate, Diploma, Bachelor's Degree, Master's Degree, to Doctorate. With ordinal scales, it is the order of the values that matters, differences between the categories is not really known.

3.5.2.3 Interval Scale

The interval scale has the properties of identity, magnitude, and equal intervals. Interval scale is not only arranged in order, but also has the equal distance between each of the scale elements. Interval scales do not have a true zero value, as in the classic example of temperature.

In this questionnaire, interval scale is used in the "Age Group: 18 - 25 years old, 26 - 35 years old, 36 - 45 years old, 46 - 55 years old, 56 - 60

years old, or 61 years old and above” and “Job Tenure: Less than 5 years, 5 - 10 years, 11 - 15 years, 16 - 20 years, 21 - 25 years, or More than 25 years”, whereby the magnitude between consecutive intervals are equal.

3.5.2.4 Likert Scale

The Likert scale is used to measure the people’s attitude or perception towards a statement. Likert scale assumes that the strength of experience is linear, that is, on a continuum from strongly agree to strongly disagree. The measurements of the Likert scale include a moderate or neutral midpoint.

In the Section B and C of the questionnaire, respondents are allowed to rate from the 5-points Likert scale to express how much they agree or disagree with a particular statement. As such, “1=Strongly Disagree”, “2=Disagree”, “3=Neutral”, “4=Agree” and “5=Strongly Agree”.

3.6 Data Processing

Data processing is a process that transforms the raw data into meaningful information. In this process, it includes data checking, data editing, data coding, and data transcribing.

3.6.1 Data Checking

Data checking is the first step of the data processing of ensuring that the data collected are both correct and useful. In order to minimize the error, it is important for the researchers to screen through every single response of the questionnaire thoroughly. This is to make sure there is no any missing answers, multiple answers in a question or uncompleted questionnaire. In

any circumstances of the data appeared to be errors, immediate clarification with the respondent is necessary.

3.6.2 Data Editing

Data editing is the process of checking and adjusting data for omissions, consistency, and legibility (Zikmund et al., 2013). In the event of any errors and omissions on questionnaires, necessary adjustments need to be made to accommodate the information. While for questions that are left unanswered, it has to consider as data error and no adjustment is to be made. After all, the purpose of data editing is to control the quality of the collected data, ensuring the information is accurate, complete and consistent.

3.6.3 Data Coding

Data coding is an analytical process in which data, in quantitative form or qualitative form are categorized to facilitate analysis. The researchers will assign values, percentages or other numerical quantities to these codes to draw inferences. Also, the codes serve as a way to label, compile and organize the data. In linking data collection and interpreting the data, coding becomes the basis for developing the analysis.

Section A of the questionnaire is coded as follows:

Table 3.2: Coding for the demographic questions

Q1	Gender	<p>“Female” is coded as 1.</p> <p>“Male” is coded as 2.</p>
Q2	Age	<p>“18 - 25 years old” is coded as 1.</p> <p>“26 - 35 years old” is coded as 2.</p> <p>“36 - 45 years old” is coded as 3.</p> <p>“46 - 55 years old” is coded as 4.</p> <p>“56 - 60 years old” is coded as 5.</p> <p>“61 years old and above” is coded as 6.</p>
Q3	Education Level	<p>“High school graduate” is coded as 1.</p> <p>“Diploma” is coded as 2.</p> <p>“Bachelor's Degree” is coded as 3.</p> <p>“Master's Degree” is coded as 4.</p> <p>“Doctorate” is coded as 5.</p>
Q4	Industry	<p>“Property or Real estate” is coded as 1.</p> <p>“Automotive” is coded as 2.</p> <p>“Financial Institutions or Insurance” is coded as 3.</p> <p>“Hospitality or Tourism” is coded as 4.</p> <p>“Medical or Healthcare” is coded as 5.</p> <p>“Airline” is coded as 6.</p> <p>“Food services” is coded as 7.</p> <p>“Wholesale or Retail” is coded as 8.</p> <p>“Information technology (IT) or Telecommunication” is coded as 9.</p> <p>“Professional services – Accounting, Legal, and Consultancy” is coded as 10.</p> <p>“Others” is coded as 11.</p>

Q5	Job Tenure	“Less than 5 years” is coded as 1. “5 - 10 years” is coded as 2. “11 - 15 years” is coded as 3. “16 - 20 years” is coded as 4. “21 - 25 years” is coded as 5. “More than 25 years” is coded as 6.
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Source: Developed for the research

Section B of the questionnaire is coded as follows:

Table 3.3: Coding for 5-points Likert scale

“Strongly disagree” is coded as 1.
“Disagree” is coded as 2.
“Neutral” is coded as 3.
“Agree” is coded as 4.
“Strongly agree” is coded as 5.

Source: Developed for the research

3.6.4 Data Transcribing

As the last step of the data processing, data transcribing refers to the transferring of the data that have been coded in questionnaire into computer (Malhotra, 2012). The coded data will then transfer to the Statistical Package for Social Science (SPSS) software Version 23 for further data analysis.

3.7 Data Analysis

Data analysis is a process that interprets the result of the data that had been gathered by using a statistical technique. In this research project, Statistical Package for Social Science (SPSS) software Version 23 is employed to analyse the data that are collected in the descriptive analysis, reliability test, and inferential analysis.

3.7.1 Descriptive Analysis

Descriptive analysis is to describe, show or summarize data in a meaningful way. The data can be represented in the form of graphic illustrations such as tables, pie charts and bar graphs. It helps the audience to visualize what the data is showing, and present the patterns that might be emerged from the data variables easily. However, descriptive statistics do not reach to a conclusion based on the data analyzed. In this research, descriptive analysis is used to summarize the demographic data of the respondents.

3.7.2 Scale Measurement

3.7.2.1 Reliability Test

The reliability analysis is used to examine the stability and the consistency of the measurement for each variable (Sekaran & Bougie, 2010). Moreover, reliability test can also determine the relationship between individual items in the scale. In this research, Cronbach's Alpha is used to assess the reliability and internal consistency of the multi-item scales. According to the Malhotra (2006), the value of the alpha coefficient typically varies from 0 to 1. If the alpha coefficient is greater than 0.8, it shows that the variable has a strong reliability; if the alpha coefficient

ranges from 0.6 to 0.8, it shows that the variable has moderate reliability; and if the alpha coefficient is less than 0.6, it shows that the variable is lack of reliability and unacceptable. According to Nunnally (1978), Robinson et al., (1991) and DeVellis (2003), it is suggested that the minimum lower limit for Cronbach's Alpha is 0.7.

Table 3.4: Range of the alpha coefficient

0.8 – 1.0	Strong reliability
0.6 – 0.8	Moderate reliability
0.0 – 0.6	Weak reliability

Source: Malhotra (2006)

3.7.3 Inferential Analysis

3.7.3.1 Pearson Correlation Coefficient

Pearson correlation coefficient is used to examine the trend, significance and the strength of the relationship between independent variables and dependent variables. The correlation coefficient ranges from -1 to 1, where 1 indicates a strong positive relationship; while -1 indicates a strong negative relationship. A result of zero indicates no relationship at all.

According to the Hair (2007), the correlation coefficient of less than 0.2 is considered as a very weak relationship; the value ranges between 0.2 to 0.4 is a weak relationship; the value ranges from 0.4 to 0.6 indicates a moderate relationship; the value ranges from 0.6 to 0.8 reflects a strong relationship; and the value greater than 0.8 represents a very strong relationship.

Table 3.5: Range of correlation coefficient

0 – 0.2	Very weak relationship
0.2 – 0.4	Weak relationship
0.4 – 0.6	Moderate relationship
0.6 – 0.8	Strong relationship
0.8 – 1.0	Very strong relationship

Source: Hair (2007).

3.7.3.2 Multiple Regression Analysis

Multiple regressions are used to examine the significance of the whole regression model. In this research, 95% of the confidence interval is used to indicate the level of significance.

In the table of model summary, R square represents the proportion of the dependent variable is explained by the independent variables. If a model has perfect predictability, $R^2=1$. If a model has no predictive capability, $R^2=0$. Basically, F- test statistic used to decide whether the model as a whole has statistically significant predictive capability. If the F value of the model is greater than 1, it shows that a group of variables are jointly significant. Besides, the F statistic must be used in combination with the p value deciding the significance of the overall results. The p value is used to test whether a variable has statistically significant predictive capability to the dependent variable, with the presence of the other variables. If the p value is less than the significance level of 0.05, it shows that the individual variable is significantly related to the dependent variable.

3.8 Conclusion

In conclusion, chapter three shows that how the data being searched, collected, and analysed for the research project based on the objectives.

CHAPTER FOUR: DATA ANALYSIS

4.0 Introduction

In this chapter, the data is analyzed and interpreted by using the Statistical Package for Social Science (SPSS) software Version 23. This chapter includes descriptive analysis that describes the demographic profile of respondents, in the form of visual representation such as pie chart, graphs, and tables. Also, the scale measurement of Cronbach's Alpha is to test the reliability of all variables. Lastly, the inferential statistics consist of Pearson Correlation and Multiple Regression.

4.1 Descriptive Analysis

4.1.1 Respondent Demographic Profile

The demographic section of the questionnaire consists of 5 questions which include gender, age, education level, type of industry, and job tenure.

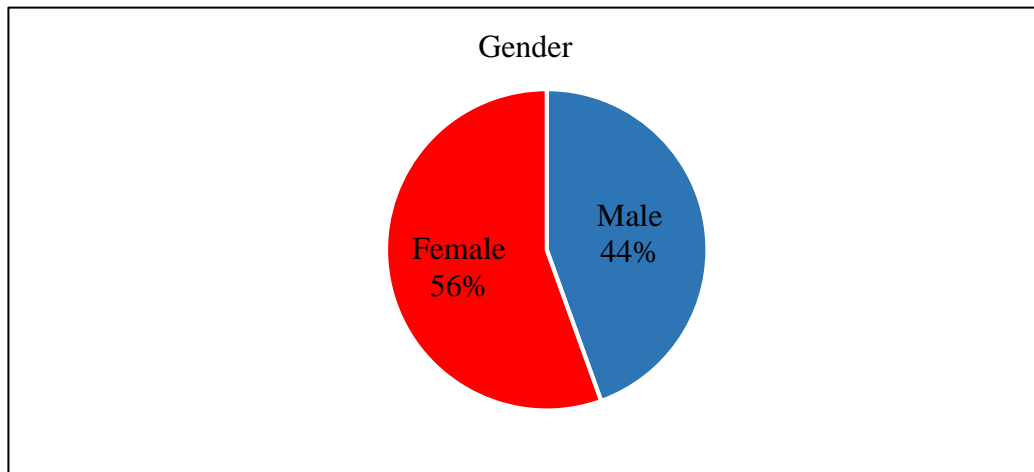
4.1.1.1 Gender

Table 4.1: Gender of the respondents

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	111	55.5	55.5	55.5
	Male	89	44.5	44.5	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.1: Gender of the respondents



Source: Developed for the research

Table 4.1 and Figure 4.1 show the gender of the respondents. In a total of 200 respondents, 111 of them are female and 89 of them are male. The female respondents made up of 56%, while the male respondents made up of 44%.

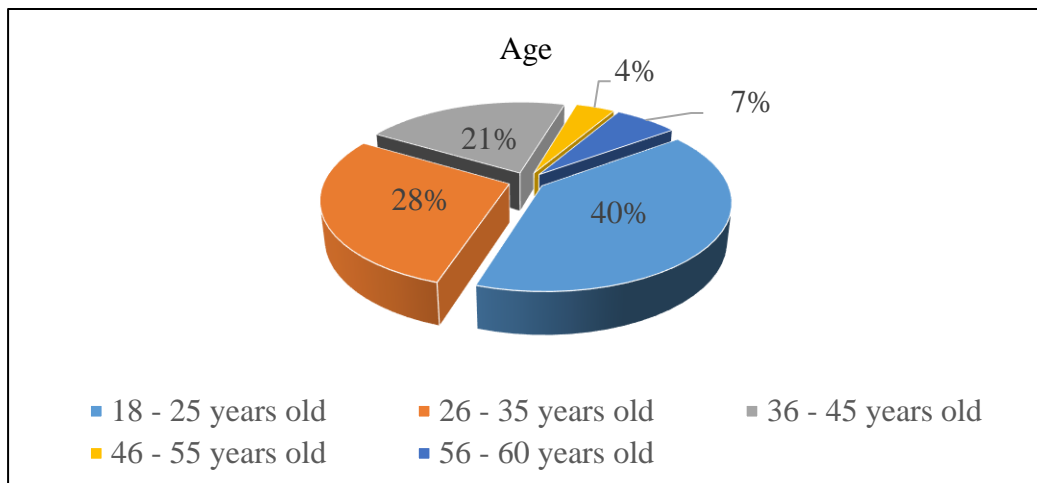
4.1.1.2 Age

Table 4.2: Age of the respondents

Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 - 25 years old	80	40.0	40.0	40.0
	26 - 35 years old	57	28.5	28.5	68.5
	36 - 45 years old	42	21.0	21.0	89.5
	46 - 55 years old	8	4.0	4.0	93.5
	56 - 60 years old	13	6.5	6.5	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.2: Age of the respondents



Source: Developed for the research

Table 4.2 and Figure 4.2 show the age groups of the respondents. The age groups are divided into 5 categories which are 18 - 25 years old, 26 - 35 years old, 36 - 45 years old, 46 - 55 years old, and 56 - 60 years old. Majority of the respondents are from the ages of 18 to 25, which consist of 40% (80 respondents). Followed by the age group of 26 to 35 years old, is made up of 28% (57 respondents). Next, there is 21% (42 respondents) represented in the age group of 36 to 45 years old; and 7% (13 respondents) represented in the age group of 56 – 60 years old. Whereas, the least respondents are from the age group of 46 – 55 years old, that only made up of 4% (8 respondents) of the total respondents.

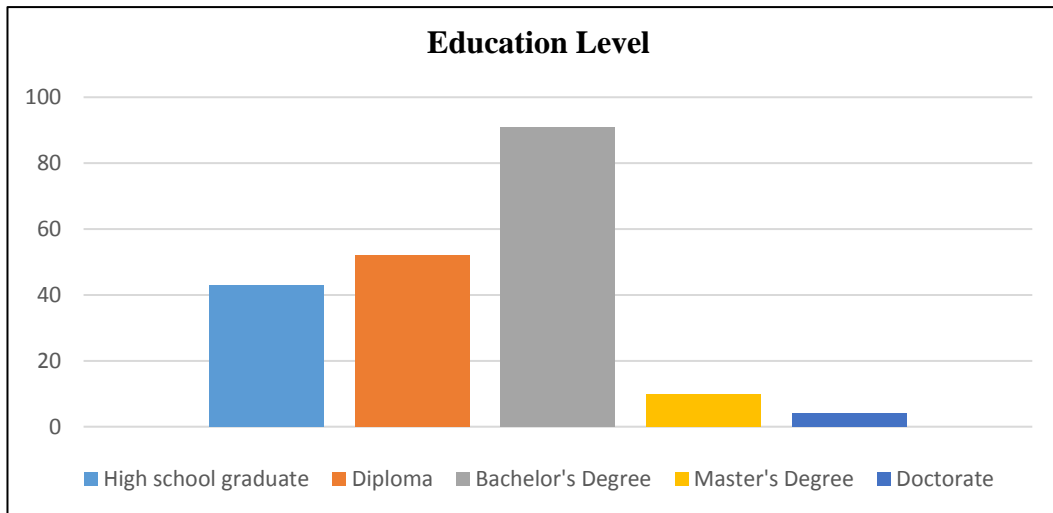
4.1.1.3 Education Level

Table 4.3: Education level of the respondents

		Education Level			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High school graduate	43	21.5	21.5	21.5
	Diploma	52	26.0	26.0	47.5
	Bachelor's Degree	91	45.5	45.5	93.0
	Master's Degree	10	5.0	5.0	98.0
	Doctorate	4	2.0	2.0	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.3: Education level of the respondents



Source: Developed for the research

Table 4.3 and Figure 4.3 show the education level of the respondents. From the bar chart, it shows that the majority of the respondents hold a Bachelor's Degree, which consists of 91 respondents (45.5%). There are 52 respondents (26%) who are a diploma holder, followed by 43 respondents (21.5%) who are from high school graduates. While, there is

only 10 respondents (5%) with a Master’s Degree and 4 respondents (2%) with a Doctorate certification represented respectively in the survey.

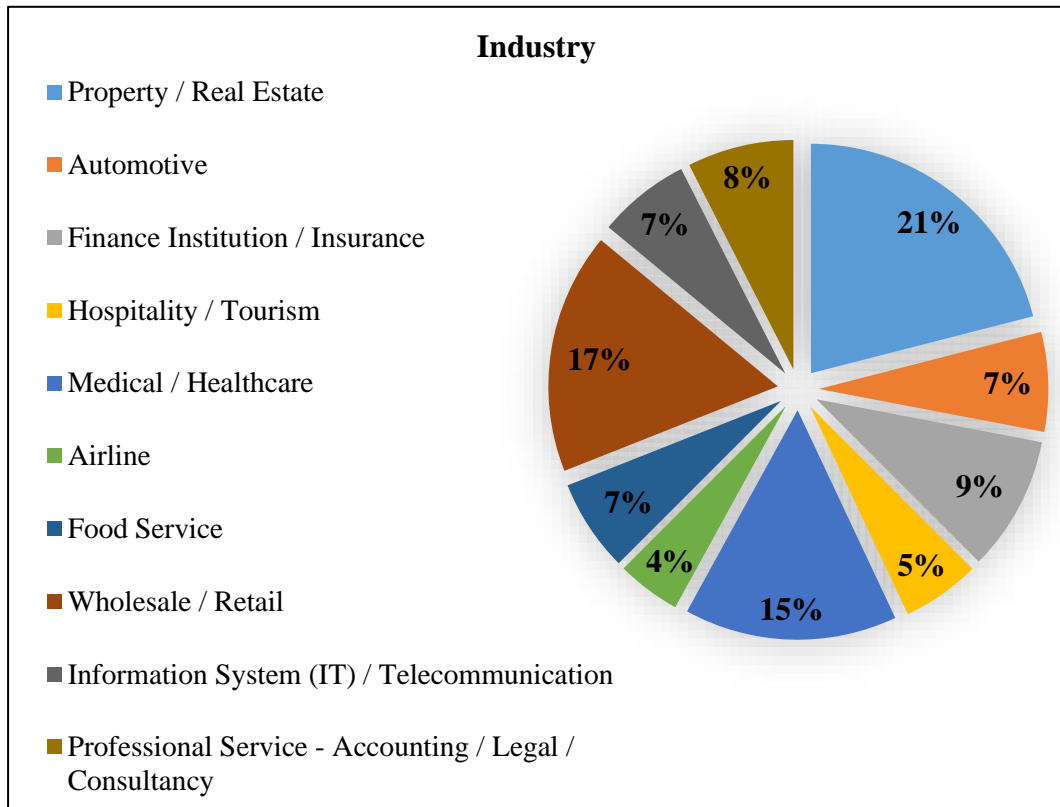
4.1.1.4 Type of Industry

Table 4.4: Industry of the respondents

Which type of service industry are you working in?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Property / Real Estate	42	21.0	21.0	21.0
	Automotive	14	7.0	7.0	28.0
	Finance Institution / Insurance	19	9.5	9.5	37.5
	Hospitality / Tourism	11	5.5	5.5	43.0
	Medical / Healthcare	30	15.0	15.0	58.0
	Airline	9	4.5	4.5	62.5
	Food Service	13	6.5	6.5	69.0
	Wholesale / Retail	34	17.0	17.0	86.0
	Information System (IT) / Telecommunication	13	6.5	6.5	92.5
	Professional Service - Accounting / Legal / Consultancy	15	7.5	7.5	100.0
	Total	200	100.0	100.0	

Source: Developed for the research

Figure 4.4: Industry of the respondents



Source: Developed for the research

Table 4.4 and Figure 4.4 show the type of service industry that the respondents are currently working in. It shows that the highest percentage of respondents who work in the property/ real estate industry is 21% (42 respondents). It is followed by wholesale/ retail industry which consist of 17% (34 respondents); and then the medical/ healthcare industry which consist of 15% (30 respondents).

Next, 9.5% (19 respondents) are represented from the finance institutions/ insurance industry; and 7.5% (15 respondents) are from professional service industry. The automotive industry, information system/ telecommunication industry, and food service industry, made up the total percentage in 7% (14 respondents), 6.5% (13 respondents) and 6.5% (13 respondents) respectively. Also, there is a minor representation of 5.5% (11 respondents) from the hospitality/ tourism industry and 4.5% (9 respondents) from the airline industry.

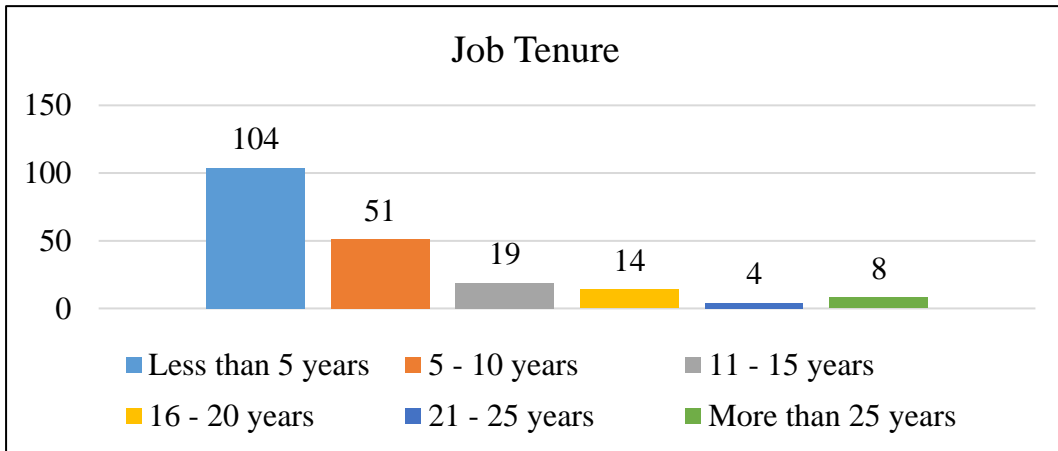
4.1.1.5 Job Tenure

Table 4.5: Job tenure of the respondents

		Job tenure			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 5 years	104	52.0	52.0	52.0
	5 - 10 years	51	25.5	25.5	77.5
	11 - 15 years	19	9.5	9.5	87.0
	16 - 20 years	14	7.0	7.0	94.0
	21 - 25 years	4	2.0	2.0	96.0
	More than 25 years	8	4.0	4.0	100.0
	Total	200	100.0	100.0	

Source: Developed for the research.

Figure 4.5: Job tenure of the respondents



Source: Developed for the research

Table 4.5 and Figure 4.5 illustrate the job tenure of frontline employees working in the particular service firm. There are 6 categories of the job tenure, which range from less than 5 years, 5 – 10 years, 11 – 15 years, 16 – 20 years, 21 – 25 years, to more than 25 years.

More than half of the respondents, 104 of them have less than 5 years’ experience. It is followed by 51 respondents have 5 to 10 years’

experience; and 19 respondents have 11 to 15 years' experience; and another 14 respondents have 16 to 20 years' experience. Also, it shows that only 4 respondents have stayed with a firm for 21 to 25 years; and 8 respondents have stayed more than 25 years.

4.2 Scale Measurement

4.2.1 Reliability Analysis

Table 4.6: Reliability test of all variables

Variables	Cronbach's Alpha	Number of item
Customer Service Orientation	0.921	9
Reward	0.895	4
Training	0.878	4
Empowerment	0.808	5
Teamwork	0.861	3
Service Recovery Performance	0.866	5
Intentions to Resign	0.883	3

Source: Developed for the research

Cronbach's Alpha is one of the analyses that are used to test the reliability of the scale measurement in each variable. It helps to ensure the answer for all the statements in a variable are consistent and stable.

Table 4.6 shows the value of the Cronbach's Alpha for all the variables. The alpha coefficient of customer service orientation is 0.921; rewards is 0.895; training is 0.878; empowerment is 0.808; teamwork is 0.861; service recovery performance is 0.866; and intention to resign is 0.883. According to Malhotra (2006), the variables represent strong reliability when the value ranges from 0.8 to 1. As shown in Table 4.6, the alpha coefficient for all the variables are greater than 0.80. Therefore, it can be

said that all the variables have a strong reliability and internal consistency level.

4.3 Inferential Analysis

4.3.1 Pearson Correlation Coefficient

Table 4.7: Pearson Correlation Coefficient for all variables

Correlations			
		SRP	Resign
Customer Service Orientation	Pearson Correlation	.288**	-.231**
	Sig. (2-tailed)	.000	.001
	N	200	200
Reward	Pearson Correlation	.439**	-.296**
	Sig. (2-tailed)	.000	.000
	N	200	200
Training	Pearson Correlation	.468**	-.226**
	Sig. (2-tailed)	.000	.001
	N	200	200
Empowerment	Pearson Correlation	.658**	-.416**
	Sig. (2-tailed)	.000	.000
	N	200	200
Teamwork	Pearson Correlation	.357**	-.301**
	Sig. (2-tailed)	.000	.000
	N	200	200
Service Recovery Performance	Pearson Correlation	1	-.408**
	Sig. (2-tailed)		.000
	N	200	200
Resign	Pearson Correlation	-.408**	1
	Sig. (2-tailed)	.000	
	N	200	200

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Developed for the research

Pearson Correlation Coefficient is used to test how strong a relationship is between the independent and dependent variables. A correlation coefficient of 1 means that there is a strong positive relationship, while correlation coefficient of -1 indicates a strong negative relationship. A result of zero indicates there is no relationship between the independent and dependent variables.

In the first model, the independent variables are customer service orientation, rewards, training, empowerment, and teamwork, while the dependent variable is service recovery performance. Based on Table 4.7, the correlation coefficient for all the independent variables to the dependent variable of SRP are of positive values. It means that there is a positive relationship between all the independent variables and dependent variable of SRP. For example, an increase in the training will lead to an increase in service recovery performance.

Besides, the correlation coefficient also determines the strength of the relationship between variables. The value of customer service orientation to service recovery performance is 0.288, representing a weak relationship. The value of rewards to service recovery performance is 0.439, representing a moderate relationship. The value of training to service recovery performance is 0.468, indicating a moderate relationship. Whereas, the value of empowerment to service recovery performance is 0.658, signifying a strong relationship. The value of teamwork to service recovery performance is 0.357, indicating a weak relationship.

In the second model, the independent variable is service recovery performance, while the dependent variable is intentions to resign. Based on Table 4.7, the value of SRP to the dependent variable of intentions to resign is negative. It means that the service recovery performance is negatively related with frontline employees' intentions to resign. As such, when the service recovery performance of the employees' increase, the frontline employees' intention to resign will reduce. The value of the

service recovery performance to the intention to resign is -0.408, representing a moderate relationship.

Furthermore, Table 4.7 also shows the significance of the correlation between variables. Under a significance level of 0.01, the p-value of all the variables is less than the significance level. Hence, it is concluded that the correlations between all the variables in both model 1 and 2 are statistically significant.

4.3.2 Multiple Regression Analysis

Multiple regression analysis is used to analyse the significance for overall model.

4.3.2.1 Model 1

Table 4.8: Model summary of model 1

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.685 ^a	.469	.455	2.258
a. Predictors: (Constant), TEAMWORK, REWARD, CUSTOMER SERVICE ORIENTATION, EMPOWERMENT, TRAINING				

Source: Developed for the research

Table 4.8 shows that how well the dependent variable can be explained by the independent variables in Model 1. The independent variables in Model 1 consist of customer service orientation, rewards, training, empowerment, and teamwork, while the dependent variable is service recovery performance. According to the value of R Square, it shows 47% of the dependent variable is explained by the independent variables.

Table 4.9: Anova of model 1

ANOVA^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	874.530	5	174.906	34.293	.000 ^b
	Residual	989.470	194	5.100		
	Total	1864.000	199			
a. Dependent Variable: SERVICE RECOVERY PERFORMANCE						
b. Predictors: (Constant), TEAMWORK, REWARD, CUSTOMER SERVICE ORIENTATION, EMPOWERMENT, TRAINING						

Source: Developed for the research

In the table 4.9, F value determines whether the model as a whole is significant to influence the dependent variable. The value of F ratio is $F(5,194) = 34.293$; $p < 0.05$, it shows that model 1 is jointly significant to influence service recovery performance. The correlation is statistically significant as the p-value is less than the significant levels of 0.05.

4.3.2.2 Model 2

Table 4.10: Model summary of model 2

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.408 ^a	.166	.162	1.715
a. Predictors: (Constant), SRP				

Source: Developed for the research.

Table 4.10 shows that how well the dependent variable can be explained by the independent variable in Model 2. In this model, the independent variable is service recovery performance, while the dependent variable is intention to resign. According to the value of R Square, it shows that 17% of the dependent variable is explained by the independent variables.

Table 4.11: Anova of model 2

ANOVA^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	116.100	1	116.100	39.472	.000 ^b
	Residual	582.380	198	2.941		
	Total	698.480	199			
a. Dependent Variable: RESIGN						
b. Predictors: (Constant), SERVICE RECOVERY PERFORMANCE						

Source: Developed for the research

From the table 4.11, the F ratio for Model 2 is $F(1,198) = 39.472$; $p < 0.05$. It shows that service recovery performance is significant to influence the frontline employees' intentions to resign. The correlation is statistically significant as the p-value is less than the significant levels of 0.05.

4.4 Conclusion

In conclusion, all the data have been analysed through the Statistical Package for Social Science (SPSS) software Version 23. It included the result of descriptive analysis in the demographic section, reliability analysis for scale measurement, Pearson Correlation Coefficient for the relationship between independent and dependent variables, and multiple regressions for the significant of the model.

CHAPTER FIVE: DISCUSSION, CONCLUSION AND IMPLICATION

5.0 Introduction

In this chapter, an overall conclusion of this research project will be discussed. It begins with summary of statistical analysis which consist descriptive analysis, scale measurement and inferential analysis that are analyzed and interpreted in previous chapter. Proceeding to next part, discussion of major findings is made to validate the research objectives and hypotheses, including a summary of the results of hypotheses testing. Furthermore, implications and limitations of the study are discussed and some recommendations for future research is provided. Last but not least, the conclusion of the entire research project is summarized.

5.1 Summary of Statistical Analyses

5.1.1 Descriptive Analysis

Total 200 sets of the questionnaires have been distributed to the frontline employees in the service industry in Malaysia. Based on the responses that have collected, the female respondents represent a majority of the sample size which consist of 111 of them, while 89 of them are male respondents.

Most of the respondents are aged between 18 to 25 years old, consist of 80 respondents, which representing the major workforce of today's world. Whereas, the least respondents are from the age group of 46 to 55 years old, that only made up of 4% (8 respondents) of the total responses.

Moreover, it is common for any of the frontline employee to hold a Bachelor's Degree which consists of 91 respondents. Also, there is 52 of

respondents who received a Diploma certification, and 43 of respondents are just graduated from high school.

Additionally, the highest response rates are from those who work in the property/ real estate industry (21%), followed by wholesale/ retail industry (7%) and then the medical/ healthcare industry (15%). The least responses are received from the airline industry (4.5%) due to the difficulty in obtaining relevant respondents in respective industry.

Lastly, more than half of the respondents are still new to the workplace, that 104 of them have less than 5 years' working experience. Also, it shows that only 4 respondents have stayed with a firm for 21 to 25 years; and 8 respondents have stayed more than 25 years.

5.1.2 Scale Measurement

5.1.2.1 Reliability Test

Cronbach's Alpha is used to test the consistency and stability of the variables' scale measurement. The customer service orientation variable has a highest alpha coefficient, that is 0.921. On the other hand, the empowerment variable has a lowest alpha coefficient, that is 0.808. To summarize, the alpha coefficient for all the variables is greater than 0.8. Thus, it can be said that the scale measurement for all the variables are reliable for the researchers to conduct in the study.

5.1.3 Inferential Analysis

5.1.3.1 Pearson Correlation Coefficient

Pearson Correlation Coefficient is used to examine the relationship between the variables. In the first model, Pearson Correlation Coefficient is used to examine the relationship of the customer service orientation, rewards, training, empowerment, and teamwork toward service recovery performance. The results of correlation coefficient show that all of the independent variables to dependent variable are of positive value, indicating a positive relationship between all of the independent variables and dependent variable of SRP. The higher the value, the stronger the relationship between variables. It is clearly seen that the highest correlation coefficient falls on the empowerment variable towards service recovery performance, which is 0.658, representing a strong relationship. In contrast, the lowest correlation coefficient falls on the customer service orientation variable towards service recovery performance, which is 0.288, representing a relatively weak relationship.

In the second model, Pearson Correlation Coefficient is used to examine the relationship between service recovery performance and intentions to resign. The results of correlation coefficient between these two variables are of negative value, signifying a negative relationship. Besides, the correlation coefficient of model 2 is -0.408, indicating a moderate relationship between these two variables. Moreover, all of the variables in Model 1 and 2 are significant at the 0.01 level.

In conclusion, all of the independent variables in model 1, that is, customer service orientation, rewards, training, empowerment, and teamwork have a significant positive relationship with service recovery performance. While, in model 2, successful service recovery performance has a significant negative relationship with intentions to resign.

5.1.3.2 Multiple Regression Analysis

Multiple regression analysis is used to predict the significance of the model. In the first model, R Square value in the model summary indicates that 47% of the service recovery performance is explained by the variables of customer service orientation, rewards, training, empowerment, and teamwork. Besides, F-ratio value in the ANOVA analysis is to show whether the model is jointly significant to influence dependent variable. It shows that $F = 34.293$, and the significant value is less than 0.05.

In the second model, the R Square value is 17%, which means that 17% of the intentions to resign is explained by the service recovery performance. The F-ratio value is 39.472, and the significant value is less than 0.05. Therefore, model 2 is significant to explain the intentions to resign of the frontline employees.

In conclusion, both models are significant to examine dependent variable by using each of the independent variable.

5.2 Discussion of Major Findings

Table 5.1: Major findings

Hypotheses	Pearson Correlation Coefficient	Accepted / Rejected
H1: Customer service orientation is positively related to the SRP of frontline employees.	$r = 0.288$ $p = 0.000 < 0.01$	Accepted
H2: Rewards is positively related to the SRP of frontline employees.	$r = 0.439$ $p = 0.000 < 0.01$	Accepted
H3: Training is positively related to the SRP of frontline employees.	$r = 0.468$ $p = 0.000 < 0.01$	Accepted
H4: Empowerment is positively related to the SRP of frontline employees.	$r = 0.658$ $p = 0.000 < 0.01$	Accepted
H5: Teamwork is positively related to the SRP of frontline employees.	$r = 0.357$ $p = 0.000 < 0.01$	Accepted
H6: Effective SRP is negatively related to frontline employees' intentions to resign.	$r = -0.408$ $p = 0.000 < 0.01$	Accepted

Source: Developed for the research

Hypotheses 1 and 2 focused on the effect of perceived managerial attitudes toward service recovery performance. Hypothesis 1 is to study the relationship between customer service orientation and service recovery performance. As can be seen from Table 5.1, the result of the Pearson correlation coefficient shows that customer service orientation exerts positive influence on service recovery performance. It is found that a service-dominated organizational culture will shape the employees' behaviour when responding to service failure. Frontline employees who are immersed in a strong customer service orientation culture tend to sense it as a personal responsibility for delivering superior service quality.

They will adapt themselves accordingly and utilize their skills sets to recover the dissatisfied customers.

Hypothesis 2 is to study the relationship between rewards and service recovery performance. Referring to the Table 5.1, the result of the Pearson correlation coefficient indicates that rewards is positively related to service recovery performance. Rewards are important booster in inducing employees to deliver high quality services and in motivating them to handle customer complaints (Bowen & Johnston, 1999; Babakus et al., 2003). Also, employees who performed effective service recovery should be recognised and rewarded.

In addition, Hypotheses 3, 4 and 5 focused on the effect of perceived working environment toward service recovery performance. Hypothesis 3 is to study the relationship between training and service recovery performance. According to Table 5.1, it shows that training is positively related to service recovery performance. Training is given to prepare frontline employees with the related job and interpersonal skills to deal with difficult customers. When they acquired the relative skills, they are able to perform the service recovery efforts excellently.

Hypothesis 4 is to study the relationship between empowerment and service recovery performance. The results from Table 5.1 revealed that empowerment is significantly and positively related to service recovery performance. As frontline employees are at the heart of service recovery performance, it is important to give the relative authority to the employees to act quickly without long chain of command. Empowered employees will act in the best interest of customers and solve the problems immediately.

Hypothesis 5 is to study the relationship between teamwork and service recovery performance. By referring to Table 5.1, the value of Pearson correlation coefficient signifies that teamwork exerts a positive influence on service recovery performance. Berry (1995) mentioned that the outcome of excellent service often results from teamwork rather than an outstanding individual. Teamwork enables

employees to learn from each other and work collaboratively to improve the service recovery performance.

Besides, the outcome of service recovery performance is investigated through Hypothesis 6. Hypothesis 6 is to study the relationship between service recovery performance and frontline employees' intentions to resign. As can be seen from Table 5.1, it shows that service recovery performance is inversely related with intentions to resign. It is found that employees who always deliver a consistent level of recovery efforts are not likely to quit the organization. This is because when the employees performed excellently, it will increase their morale and reduce their emotional exhaustion, thereby lowering their intentions to resign.

Overall, all of the hypotheses are supported.

5.3 Implications of the Study

5.3.1 Managerial Implications

This research also suggests some useful managerial implications. Based on the findings, customer service orientation, rewards, training, empowerment and teamwork are significant predictors of service recovery performance of frontline employees in service industry in Malaysia. The results from the outcome also give important insights to the management, that service recovery performance has significant impact on frontline employees' turnover intentions.

Firstly, service firms should create a strong customer-oriented environment in order to make frontline employees to realize the importance of customer satisfaction. This suggests that management should explicitly design and establish various organizational policies, practices and procedures that support a customer-focus approach in service recovery performance. The deeply rooted organizational culture is

also able to motivate them to remain friendly at all time when resolving customer complaints.

Secondly, managers should establish a well-designed rewarding system that could motivate and induce employees to engage in the service recovery performance. Management should treat frontline employees as internal customers and keep their morale and motivation in place. Both monetary and non-monetary rewards such as career advancement opportunity and oral appraisal should be delivered fairly to those who performed excellently. By this way, it could reduce emotional exhaustion of frontline employees in handling demanding customers and potentially reduce their intentions to resign.

Thirdly, human resource managers should provide an on-going training for frontline employees. Training programs are to equip them with adequate social skills, problem-solving skills, teamwork and other job-related skills to improve their service performance. Also, training signals to frontline employees regarding top management's commitment to service quality (Babakus et al., 2003) and energizes them to actively return aggrieved customers to a state of satisfaction.

Forthly, empowering frontline employees is a powerful way of recovering service failures. Management must create confidence in frontline employees by giving them the authority of making decisions, freedom to assist customer and recover service mistakes. This enables frontline employees to tailor a real-time response and handle complained customers proactively.

Lastly, managers should encourage frontline employees to work as a team to assist each other. In the case of a service failure, frontline employees should help each other to resolve the customer's problems. When the employees combine their efforts rather than working individually, the problems can be resolved effectively and efficiently.

5.4 Limitations of the Study

As with any research undertaking, this research also has some limitations that should be considered.

Firstly, although the Boshoff and Allen's (2000) model was replicated, this research did not include all variables that might be relating to service recovery performance. This was due to time constraint and resources limitation, the research only focused on five out of seven antecedents of service recovery performance and only one outcome of service recovery performance, that is, intentions to resign was selected. Hence, this may limit generalization of the findings in the model.

Secondly, from a methodological perspective, the data collected was from 200 respondents through the method of convenience sampling. Due to the small sample size and types of non-random sampling method adopted, this study failed to generalize the findings to the whole service industry in Malaysia. Also, the sample of frontline employees was drawn within the Klang Valley and Kuala Lumpur area only. Therefore, the problems in terms of location and respondent representativeness may cause the results to be biased. The selection of small geographical areas and single service setting may increase concerns for the issue of generalization to all industries.

Thirdly, customers' perspectives of service recovery performance were not examined in this study. This research was made on the frontline employees' self-assessment of service recovery performance to provide a reasonable proxy of actual service recovery performance. This is based on the assumptions that frontline employees are in the best position to evaluate performance outcomes. However, this has the potential of creating common method variance problems. This measurement practice is prone to create common method variance, which may potentially provide biased estimates of model parameters (Doty and Glick, 1998).

5.5 Recommendations for Future Research

Firstly, future research should take into consideration of other possible antecedents of frontline employee's service recovery performance. For example, organizational commitment, role ambiguity, leadership style and emotional burnout may be added to the explained variance in this research study. Furthermore, possible outcomes of service recovery performance such as job satisfaction, perceived customer satisfaction, customer loyalty or profitability may be of interest as well. By incorporating all the aforementioned variables, it could provide a more holistic picture of the study and enhanced understanding of the service recovery performance.

Secondly, if there are sufficient resources, future study may approach to a larger and randomly chosen sample. It is also suggested to extend the samples to other states of Malaysia as different environmental factors may have influences on employees' performance too. With the increased number of respondents, it will help to generalize the findings to the population of service industry in Malaysia as a whole. Furthermore, future studies should encompass diverse groups of service industry such as transportation, education, entertainment and government service. Different service sectors may differ in terms of frequency of customer contact, level of customization and transaction type which could lead to a contingency framework and determine whether the hypothesized relationships will change accordingly.

Thirdly, the constructs used in this study were measured by the self-assessment of the frontline employees. To avoid this, future research should include the customers perspectives in the model to evaluate the actual service recovery performance. The survey should emphasize on dissatisfied customers who experienced a service failure and to discover their true views on service recovery efforts and their resultant satisfaction or dissatisfaction from it. The data collected from the customers can be linked to the frontline employees' attitudes and better understand the implications of service recovery performance.

Last but not least, the moderating construct was not studied in this research. Future research should examine the service recovery performance as moderator or mediator to measure the performance of the organizations. If the moderation or mediation is supported, this would provide a comprehensive understanding of the whole service recovery process and their relative relationships with other variables. Besides, other potential moderating constructs such as employment status, job tenure and personality traits can be added in the model to understand the correlation between factors affecting service recovery performance.

5.6 Conclusion

The research objective is to study the antecedents and outcome of the service recovery performance in service industry in Malaysia. Through the Pearson Correlation Coefficient, the result shows that the relationship between customer service orientation, rewards, training, empowerment, teamwork and service recovery performance is positive; whereas the relationship between service recovery performance and intentions to resign is negative. Besides, the result of multiple regression analysis also shows that the model 1 and 2 are both statistically significant to explain the dependent variables of SRP and intentions to resign respectively.

The validity and reliability of the hypothesis constructed by the researchers in examining the antecedents and outcome of service recovery performance is also shown in this study. This study aims to provide some managerial implications and better insights on the importance of service recovery performance. However, there are some limitations that should be considered and recommendations for future research are also provided.

In conclusion, all of the hypotheses are supported by the results. Customer service orientation, rewards, training, empowerment, and teamwork are positively related to service recovery performance; while effective service recovery performance is negatively related to frontline employees' intentions to resign.

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Appendix 3.1: Origin of Constructs

Constructs	Items	References
Customer Service Orientation	<ol style="list-style-type: none"> 1. This company measures customer satisfaction on a regular basis. 2. This company understands its customers' needs. 3. This company sets objectives in term of customer satisfaction. 4. This company attempts to create value for the customer. 5. This company is totally committed to serving its customers well. 6. Senior management of this company is committed to doing its best for the customer. 7. Senior managers in this company talk a lot about customer satisfaction. 8. Senior managers' action back up a verbal commitment to customer service. 9. Senior managers go out of their way to ensure that customers are satisfied. 	Narver and Slater (1990)
Rewards	<ol style="list-style-type: none"> 1. If I improve the level of service I offer customers, I will be rewarded. 2. The rewards I receive are based on customer evaluations of service. 3. I am rewarded for serving customers well. 4. I am rewarded for dealing effectively with customer problems. 	Murray and Schlacter (1990)

ANTECEDENTS AND OUTCOME OF SERVICE RECOVERY
PERFORMANCE IN SERVICE INDUSTRY IN MALAYSIA

Training	<ol style="list-style-type: none"> 1. I receive continued training to provide good service. 2. I receive extensive customer service training before they come into contact with customers. 3. I receive training on how to serve customer better. 4. I am trained to deal with customer complaints. 	Futrell, Berry, and Bowers (1984)
Empowerment	<ol style="list-style-type: none"> 1. I have the authority to correct customer problems when they occur. 2. I am encouraged to handle customer problems by myself. 3. I do not have to get management's approval before I handle customer problems. 4. I am allowed to do almost anything to solve customer problems. 5. I have control over how I solve customer problems. 	Hayes (1994)
Teamwork	<ol style="list-style-type: none"> 1. Everyone in my branch contributes to a team effort in serving customers. 2. I feel that I am part of a team in my branch. 3. My colleagues and I co-operate more often than we compete. 	Parasuraman, Berry, and Zeithaml (1990)
Service Recovery Performance	<ol style="list-style-type: none"> 1. Considering all the things I so, I handle dissatisfied customers quite well. 2. I don't mind dealing with complaining customers. 3. No customers I deal with leaves with problems unsolved. 	Behrmanand Perreault Jr (1984)

	<ol style="list-style-type: none">4. Satisfying complaining customers is a great thrill to me.5. Complaining customers I have dealt with in the past are among today's most loyal customers.	
Intention to Resign	<ol style="list-style-type: none">1. I often think about resigning.2. It would not take much to make me resign from the company.3. I will probably be looking for another job soon.	Becker (1992)

Appendix 3.2: Survey Questionnaire



UNIVERSITI TUNKU ABDUL RAHMAN (UTAR)
FACULTY OF ACCOUNTANCY AND MANAGEMENT (FAM)

Dear Respondents,

We are undergraduate students pursuing Bachelor Degree of International Business (Hons) at Universiti Tunku Abdul Rahman (UTAR). We are doing a business research for our Final Year Project. This survey is to examine the antecedents and outcome of service recovery performance in service industry in Malaysia. Service recovery performance refers to the actions taken by the organization in returning the dissatisfied customer to a state of satisfaction after a service failure.

Your answer will be kept private and confidential and will be used solely for academic purpose. The survey form will take you approximately 6-7 minutes to complete. Your precious feedback and co-operation is much appreciated. Thank you so much for your participation.

The research is conducted by:

Ng Shu Ting 1404434

Tay Yee Xin 1404418

Screening Question

1. Frontline employees are those who deals directly with customers. Are you one of them?

- Yes (If yes, please proceed to the next section.)
- No (If no, please proceed to submit the form.)

Section A

Answer the question by filling the appropriate box that represents your response with \surd in the box. Each question should apply only ONE answer.

1. Gender

- Male
- Female

2. Age

- 18 - 25 years old
- 26 - 35 years old
- 36 - 45 years old
- 46 - 55 years old
- 56 - 60 years old
- 61 years old and above

3. Education Level

- High school graduate
- Diploma
- Bachelor's Degree
- Master's Degree
- Doctorate

4. Which type of service industry are you working in?

- Property / Real estate
- Automotive
- Financial Institutions / Insurance
- Hospitality / Tourism
- Medical / Healthcare
- Airline
- Food services
- Wholesale / Retail
- Information technology (IT) / Telecommunication
- Professional services - Accounting/ Legal/ Consultancy

5. Job tenure

- Less than 5 years
- 5 - 10 years
- 11 - 15 years
- 16 - 20 years
- 21 - 25 years
- More than 25 years

Section B

Do you agree with the following statements? Please consider on a scale from 1 to 5 (where 1= strongly disagree and 5= strongly agree) and mark the suitable box.

1. Customer Service Orientation

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
This company measures customer satisfaction on a regular basis.	1	2	3	4	5
This company understands its customers' needs.	1	2	3	4	5
This company sets objectives in terms of customer satisfaction.	1	2	3	4	5
This company attempts to create value for the customer.	1	2	3	4	5
This company is totally committed to serve its customers well.	1	2	3	4	5
Senior management of this company is committed to do its best for the customer.	1	2	3	4	5
Senior managers in this company talk a lot about customer satisfaction.	1	2	3	4	5
Senior managers' actions back up a verbal commitment to customer service.	1	2	3	4	5
Senior managers go out of their way to ensure that customers are satisfied.	1	2	3	4	5

2. Rewards

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
If I improve the level of service I offer customers, I will be rewarded.	1	2	3	4	5
The rewards I received are based on customer evaluations of service.	1	2	3	4	5
I am rewarded for serving customers well.	1	2	3	4	5
I am rewarded for dealing effectively with customer problems.	1	2	3	4	5

3. Training

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I receive continued training to provide good service.	1	2	3	4	5
I receive extensive customer service training before I come into contact with customers.	1	2	3	4	5
I receive training on how to serve customers better.	1	2	3	4	5
I am trained to deal with customer complaints.	1	2	3	4	5

4. Empowerment

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I have the authority to correct customer problems when they occur.	1	2	3	4	5
I am encouraged to handle customer problems by myself.	1	2	3	4	5
I do not have to get management's approval before I handle customer problems.	1	2	3	4	5

I am allowed to do almost anything to solve customer problems.	1	2	3	4	5
I have control over how I solve customer problems.	1	2	3	4	5

5. Teamwork

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Everyone in my company contributes to a team effort in serving customers.	1	2	3	4	5
I feel that I am part of a team in my company.	1	2	3	4	5
My colleagues and I cooperate more often than we compete.	1	2	3	4	5

Section C

Do you agree with the following statements? Please consider on a scale from 1 to 5 (where 1= strongly disagree and 5= strongly agree) and mark the suitable box.

1. Service Recovery Performance

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Considering all the things I do, I handle dissatisfied customers quite well.	1	2	3	4	5
I don't mind dealing with complaining customers.	1	2	3	4	5
No customer I dealt with left with problems unresolved.	1	2	3	4	5
Satisfying complaining customers is a great thrill to me.	1	2	3	4	5
Complaining customers I have dealt with in the past are among today's most loyal customers.	1	2	3	4	5

2. Intention to Resign

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I often think about resigning.	1	2	3	4	5
It would not take much to make me resign from the company.	1	2	3	4	5
I will probably be looking for another job soon.	1	2	3	4	5

THANK YOU

Appendix 3.3: SPSS Output of Pilot Test

Reliability Test

Scale: Customer Service Orientation

Case Processing Summary			
		N	%
Cases	Valid	20	100.0
	Excluded ^a	0	.0
	Total	20	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.879	9

Scale: Rewards

Case Processing Summary			
		N	%
Cases	Valid	20	100.0
	Excluded ^a	0	.0
	Total	20	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.861	4

Scale: Training

Case Processing Summary			
		N	%
Cases	Valid	20	100.0
	Excluded ^a	0	.0
	Total	20	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.905	4

Scale: Empowerment

Case Processing Summary			
		N	%
Cases	Valid	20	100.0
	Excluded ^a	0	.0
	Total	20	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.879	5

Scale: Teamwork

Case Processing Summary			
		N	%
Cases	Valid	20	100.0
	Excluded ^a	0	.0
	Total	20	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.895	3

Scale: Service Recovery Performance

Case Processing Summary			
		N	%
Cases	Valid	20	100.0
	Excluded ^a	0	.0
	Total	20	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.914	5

Scale: Intention to Resign

Case Processing Summary			
		N	%
Cases	Valid	20	100.0
	Excluded ^a	0	.0
	Total	20	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.942	3

Appendix 4.1: SPSS Output of Data Analysis

Respondent Demographic Profile

Frequencies

		Statistics				
		Gender	Age	Education Level	Which type of service industry are you working in?	Job tenure
N	Valid	200	200	200	200	200
	Missing	0	0	0	0	0
Mean		1.45	2.09	2.40	5.03	1.94
Median		1.00	2.00	3.00	5.00	1.00
Mode		1	1	3	1	1

Frequency Table

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	111	55.5	55.5	55.5
	Male	89	44.5	44.5	100.0
	Total	200	100.0	100.0	

ANTECEDENTS AND OUTCOME OF SERVICE RECOVERY
PERFORMANCE IN SERVICE INDUSTRY IN MALAYSIA

Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 - 25 years old	80	40.0	40.0	40.0
	26 - 35 years old	57	28.5	28.5	68.5
	36 - 45 years old	42	21.0	21.0	89.5
	46 - 55 years old	8	4.0	4.0	93.5
	56 - 60 years old	13	6.5	6.5	100.0
	Total	200	100.0	100.0	

Education Level					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High school graduate	43	21.5	21.5	21.5
	Diploma	52	26.0	26.0	47.5
	Bachelor's Degree	91	45.5	45.5	93.0
	Master's Degree	10	5.0	5.0	98.0
	Doctorate	4	2.0	2.0	100.0
	Total	200	100.0	100.0	

ANTECEDENTS AND OUTCOME OF SERVICE RECOVERY
PERFORMANCE IN SERVICE INDUSTRY IN MALAYSIA

Which type of service industry are you working in?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Property / Real Estate	42	21.0	21.0	21.0
	Automotive	14	7.0	7.0	28.0
	Finance Institution / Insurance	19	9.5	9.5	37.5
	Hospitality / Tourism	11	5.5	5.5	43.0
	Medical / Healthcare	30	15.0	15.0	58.0
	Airline	9	4.5	4.5	62.5
	Food Service	13	6.5	6.5	69.0
	Wholesale / Retail	34	17.0	17.0	86.0
	Information System (IT) / Telecommunication	13	6.5	6.5	92.5
	Professional Service - Accounting / Legal / Consultancy	15	7.5	7.5	100.0
	Total	200	100.0	100.0	

Job tenure					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 5 years	104	52.0	52.0	52.0
	5 - 10 years	51	25.5	25.5	77.5
	11 - 15 years	19	9.5	9.5	87.0
	16 - 20 years	14	7.0	7.0	94.0
	21 - 25 years	4	2.0	2.0	96.0
	More than 25 years	8	4.0	4.0	100.0
	Total	200	100.0	100.0	

Reliability Test

Scale: Customer Service Orientation

Case Processing Summary			
		N	%
Cases	Valid	200	100.0
	Excluded ^a	0	.0
	Total	200	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.921	9

Scale: Reward

Case Processing Summary			
		N	%
Cases	Valid	200	100.0
	Excluded ^a	0	.0
	Total	200	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.895	4

Scale: Training

Case Processing Summary			
		N	%
Cases	Valid	200	100.0
	Excluded ^a	0	.0
	Total	200	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.878	4

Scale: Empowerment

Case Processing Summary			
		N	%
Cases	Valid	200	100.0
	Excluded ^a	0	.0
	Total	200	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.808	5

Scale: Teamwork

Case Processing Summary			
		N	%
Cases	Valid	200	100.0
	Excluded ^a	0	.0
	Total	200	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.861	3

Scale: Service Recovery Performance

Case Processing Summary			
		N	%
Cases	Valid	200	100.0
	Excluded ^a	0	.0
	Total	200	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.866	5

Scale: Intension to Resign

Case Processing Summary			
		N	%
Cases	Valid	200	100.0
	Excluded ^a	0	.0
	Total	200	100.0
a. Listwise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.883	3

Pearson Correlation Coefficient

		Correlations						
		CSO	Reward	Trainin g	Empow erment	Team work	SRP	Resign
CSO	Pearson Correlation	1	.483**	.586**	.488**	.355**	.288**	-.231**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.001
	N	200	200	200	200	200	200	200
Reward	Pearson Correlation	.483**	1	.639**	.559**	.345**	.439**	-.296**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000
	N	200	200	200	200	200	200	200
Training	Pearson Correlation	.586**	.639**	1	.518**	.524**	.468**	-.226**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.001
	N	200	200	200	200	200	200	200
Empowerment	Pearson Correlation	.488**	.559**	.518**	1	.438**	.658**	-.416**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000
	N	200	200	200	200	200	200	200
Teamwork	Pearson Correlation	.355**	.345**	.524**	.438**	1	.357**	-.301**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000
	N	200	200	200	200	200	200	200
SRP	Pearson Correlation	.288**	.439**	.468**	.658**	.357**	1	-.408**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000
	N	200	200	200	200	200	200	200
Resign	Pearson Correlation	-.231**	-.296**	-.226**	-.416**	-.301**	-.408**	1
	Sig. (2-tailed)	.001	.000	.001	.000	.000	.000	
	N	200	200	200	200	200	200	200

** . Correlation is significant at the 0.01 level (2-tailed).

Multiple Regression Analysis

Model 1

Variables Entered/Removed ^a			
Model	Variables Entered	Variables Removed	Method
1	TEAMWORK, REWARD, CSO, EMPOWERMENT, TRAINING ^b	.	Enter
a. Dependent Variable: SRP			
b. All requested variables entered.			

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.685 ^a	.469	.455	2.258
a. Predictors: (Constant), TEAMWORK, REWARD, CSO, EMPOWERMENT, TRAINING				

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	874.530	5	174.906	34.293	.000 ^b
	Residual	989.470	194	5.100		
	Total	1864.000	199			
a. Dependent Variable: SRP						
b. Predictors: (Constant), TEAMWORK, REWARD, CSO, EMPOWERMENT, TRAINING						

ANTECEDENTS AND OUTCOME OF SERVICE RECOVERY
PERFORMANCE IN SERVICE INDUSTRY IN MALAYSIA

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	9.065	1.332		6.804	.000	6.437	11.693
	CSO	-.083	.037	-.152	-2.258	.025	-.156	-.011
	REWARD	.036	.071	.037	.514	.608	-.103	.175
	TRAINING	.222	.084	.213	2.651	.009	.057	.386
	EMPOWERMENT	.484	.057	.588	8.555	.000	.372	.596
	TEAMWORK	.047	.102	.029	.458	.647	-.155	.249

a. Dependent Variable: SRP

Model 2

Variables Entered/Removed ^a			
Model	Variables Entered	Variables Removed	Method
1	SRP ^b	.	Enter
a. Dependent Variable: RESIGN			
b. All requested variables entered.			

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.408 ^a	.166	.162	1.715
a. Predictors: (Constant), SRP				

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	116.100	1	116.100	39.472	.000 ^b
	Residual	582.380	198	2.941		
	Total	698.480	199			
a. Dependent Variable: RESIGN						
b. Predictors: (Constant), SRP						

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	10.706	.800		13.387	.000	9.129	12.284
	SRP	-.250	.040	-.408	-6.283	.000	-.328	-.171
a. Dependent Variable: RESIGN								