

8-2010

# What Matters More? Contrasting the Effects of Job Satisfaction and Service Climate on Hotel Food and Beverage Managers' Job Performance

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## Recommended Citation

Way, S. A., Sturman, M. C., & Raab, C. (2010). What matters more? Contrasting the effects of job satisfaction and service climate on hotel food and beverage managers' job performance [Electronic version]. *Cornell Hospitality Quarterly*, 51(3), 379-397. Retrieved [insert date], from Cornell University, School of Hospitality Administration site: <http://scholarship.sha.cornell.edu/articles/76/>

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# What Matters More? Contrasting the Effects of Job Satisfaction and Service Climate on Hotel Food and Beverage Managers' Job Performance

## **Abstract**

Research has provided little empirical support for the concept that employee job satisfaction is a causal driver of employee job performance, customer satisfaction, and company performance. This concept is an enduring one, however, and it has been codified as the starting point in the widely espoused service profit chain. Using a sample of eighty-four food and beverage (F&B) manager groups from forty Asian hotel properties owned and managed by a single multinational hotel chain, we examine the effect of job satisfaction, and contrast this effect with that of group service climate, on supervisor ratings of group job performance behaviors (group task performance and organizational citizenship behaviors). The findings underscore the weak connection between job satisfaction and job performance. However, group service climate was found to have a positive effect on supervisor ratings of group job performance behaviors. Consistent with prior research, this study's findings indicate that managers may improve their employees' job performance (and job satisfaction) by ensuring that employees understand what is expected of them and how their performance will be appraised and rewarded by the organization.

## **Keywords**

job performance, job satisfaction, service climate

## **Disciplines**

Food and Beverage Management | Human Resources Management

## **Comments**

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# What Matters More?

## Contrasting the Effects of Job Satisfaction and Service Climate on Hotel Food and Beverage Managers' Job Performance

by SEAN A. WAY, MICHAEL C. STURMAN, and CAROLA RAAB

Research has provided little empirical support for the concept that employee job satisfaction is a causal driver of employee job performance, customer satisfaction, and company performance. This concept is an enduring one, however, and it has been codified as the starting point in the widely espoused service profit chain. Using a sample of eighty-four food and beverage (F&B) manager groups from forty Asian hotel properties owned and managed by a single multinational hotel chain, we examine the effect of job satisfaction, and contrast this effect with that of group service climate, on supervisor ratings of group job performance behaviors (group task performance and organizational citizenship behaviors). The findings underscore the weak connection between job satisfaction and job performance. However, group service climate was found to have a positive effect on supervisor ratings of group job performance behaviors. Consistent with prior research, this study's findings indicate that managers may improve their employees' job performance (and job satisfaction) by ensuring

that employees understand what is expected of them and how their performance will be appraised and rewarded by the organization.

**Keywords:** Job Performance, Job Satisfaction, Service Climate

*T*reat Employees Like Customers, The Customer Comes Second, Employees Are Your Most Valuable Assets—the popular press is replete with books and articles urging managers to enhance their employees' work experiences (for example, see Rosenbluth and McFerrin Peters 2002; Stershic 2007). This has resulted in a commonly heard mantra: "A happy employee is a good employee." Many ascribe to this "commonsense theory," the implication of which for managers being: make your employees happy, and they will be higher performers. This "commonsense theory" is further enforced by more formal but popular perspectives like

the service-profit chain (for example, see Heskett et al. 1994; Heskett, Sasser, and Schlesinger 1997). This well-known model argues that “satisfied and motivated employees produce satisfied customers, and satisfied customers tend to purchase more, increasing the revenue and profits of the organization” (Gelade and Young 2005, 2-3). Thus, to improve business results, one might conclude that it makes sense to first focus on enhancing the job satisfaction of one’s employees. The problem, however, is that there is an extensive body of empirical evidence that indicates that this managerial tactic is flawed (for example, see Bowling 2007; Judge et al. 2001).

Despite the extensive body of empirical evidence to the contrary, there are many managers who still hold the view that increasing employee job satisfaction will result in improved employee job performance (Fisher 2003). Our experience suggests that this viewpoint is strongly adhered to in the hospitality industry in particular.<sup>1</sup> Anecdotally, we frequently interact with both hotel and restaurant managers who espouse that “a happy employee is a good employee.” We have experienced this in our undergraduate-, graduate-, and executive-level classes. Furthermore, a survey of managers from a global hotel brand reported that managers strongly agreed with the statement that “a happy worker is likely to be a productive worker” and that job satisfaction was a causal driver of job performance.<sup>2</sup> In sum, our experiences have led us to conclude that many managers working in the hospitality industry believe that “a happy employee

is a good employee.” Yet when we raise the empirical evidence that contradicts this “commonsense theory,” we often hear, “Well, this may be true in other industries, but in the hospitality industry, employee job satisfaction is really important for good performance.” Admittedly, most of the empirical studies that we have reviewed either have not distinguished results by industry (for example, Judge et al. 2001),<sup>3</sup> or were conducted in service contexts other than hospitality (for example, Gelade and Young 2005; Silvestro and Cross 2000).<sup>4</sup> Therefore, in this study we test the commonly held belief that within the hospitality industry, job satisfaction will have a positive effect on job performance.

Specifically, in this study we seek to examine the effects of job satisfaction, which Locke (1976, 1300) defined as the “pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences” on the job performance behaviors (task performance and organizational citizenship behaviors) of hotel food and beverage (F&B) manager groups (that is, group job performance behaviors). Through this process, this study will allow us to answer the following questions: Are hospitality firms well served by trying to increase the job satisfaction of their employees? If not, what is a better course of action? Although we do not expect that job satisfaction will have a notable effect on job performance behaviors, we recognize the important role that employee-based constructs can play in the service encounter and in the delivery of

1. For example, see “The Marriott Management Philosophy: A Living Tradition of Values and Beliefs,” [http://www.marriott.com/Multimedia/PDF/Marriott\\_Management\\_Philosophy.pdf](http://www.marriott.com/Multimedia/PDF/Marriott_Management_Philosophy.pdf) (accessed October 10, 2008).
2. Using a sample of 176 supervisors and managers from a global hotel brand, Fisher (2003) asked individuals to rate (on a 7-point scale) the extent to which they agreed with the statement, “A happy worker is likely to be a productive worker”; Fisher reported that the mean rating for this item was 6.39.
3. Although the Judge et al. (2001) meta-analysis looked at the relationship between job satisfaction and job performance within certain occupations (for example, it showed that the mean correlation between job satisfaction and job performance for sales people was .28), the authors did not specifically examine the relationship between job satisfaction and job performance within the hospitality sector.
4. The service-profit chain studies that we review below were conducted within the retail (for example, Silvestro and Cross 2000) or banking sectors (for example, Gelade and Young 2005).

service. For example, the work of Schneider and colleagues (for example, see Schneider et al. 2005; Schneider, Parkington, and Buxton 1980; Schneider, White, and Paul 1998) indicates that there is a positive relationship between group job performance behaviors and group service climate (which refers to group members' "shared perceptions of the practices, procedures, and behaviors that are rewarded, supported, and expected by the organization with regard to customer service and customer service quality"; Salanova, Agut, and Peiró 2005, 1217).

Thus, in addition to examining the relationship between job satisfaction and job performance behaviors within a hospitality setting, we will examine how well service climate predicts job performance behaviors. The contribution of this study is that it will help managers assess whether their efforts to improve the job performance of their employees should focus on enhancing their employees' job satisfaction or whether they are better served following the guidance of service climate research, which advocates a focus on engendering a strong climate for service among their employees.

### The Job Satisfaction–Job Performance Relationship

To date, numerous studies have examined the performance effects of job satisfaction. The extensive body of empirical evidence produced by these studies demonstrates that the relationship between job satisfaction and job performance is positive but not nearly as strong as many managers assert. Judge et al. (2001) performed an extensive meta-analysis of the job satisfaction–job performance relationship.<sup>5</sup> That study found the correlation between job satisfaction and job performance to be .30 (after correcting for unreliability); the average raw correlation was only .18. While that meta-analysis

shows that there is a statistically significant relationship between job satisfaction and job performance, it also shows that the enhancement of job satisfaction is not a decisive tool for improving job performance.

We should also point out that the relationship between job performance and job satisfaction discussed above is simply a correlation. It is not evidence that job satisfaction causes job performance. It is certainly possible, if not probable, that some of the variance in the job satisfaction–job performance relationship is created by job performance causing job satisfaction. For example, individuals may become more satisfied after being recognized for high performance. This casts further doubt on the logic of trying to increase job performance by first enhancing job satisfaction. Still others argue that the observed correlation between job satisfaction and job performance is spurious (Bowling 2007). That is, the relationship between job satisfaction and job performance may be the result of the two variables having a relationship with some third variable.

However, based on conceptual research (for example, see Heskett et al. 1994; Heskett, Sasser, and Schlesinger 1997) and empirical research (for example, see Rucci, Kirn, and Quinn 1998), some scholars have proposed that increasing employee satisfaction leads to greater employee and organizational performance. For example, Rucci, Kirn, and Quinn (1998) described the employee–customer–profit chain model employed by Sears. They argued that ten questions, related to attitudes toward the job and attitudes toward the company, predicted employee behaviors and customer satisfaction. Yet the Sears turnaround involved many different facets, only part of which included the monitoring of employees' job satisfaction. While Rucci, Kirn, and Quinn report that a 4 percent increase in employee's job satisfaction corresponded to a 4 percent increase in customer

5. The meta-analysis by Judge et al. (2001) examined a total of 314 studies with a combined sample size of 54,471 subjects.

satisfaction, the causal mechanisms are not clear. The conclusions of the Rucci, Kirn, and Quinn report in regard to the linkages between employee attitudes and outcomes like customer satisfaction and financial performance are interesting and may at first seem to provide support for the assertion that enhancing employee job satisfaction leads to better performance; however, the report presents little empirical evidence, and the authors do not provide the information necessary to evaluate their conclusions.

Empirical research that has examined the link between job satisfaction and performance within the service profit chain has provided mixed results. Some studies have found no relationship between job satisfaction and customer satisfaction (Kamakura et al. 2002; Pritchard and Silvestro 2005). Others have found the link to be very weak (Gelade and Young 2005; Loveman 1998). Two studies even found a negative relationship between job satisfaction and customer satisfaction (Silvestro 2002; Silvestro and Cross 2000); however, a recent reexamination of the results from these two studies found that there was actually a weak positive relationship between job satisfaction and customer satisfaction (Keiningham et al. 2006). Similarly, studies investigating the relationship between individual-level job satisfaction and individual-level organizational citizenship behaviors (OCBs) have provided mixed results. For example, González and Garazo (2006) found a positive relationship,<sup>6</sup> Podsakoff et al. (1990) found no relationship,<sup>7</sup> and Netemeyer et al. (1997) found no relationship in their first study and a positive relationship in their second study.<sup>8</sup> Moreover, a meta-analysis

of the relationship between firms' average employee job satisfaction and firm profitability estimated the corrected correlation to be positive but weak (Harter, Schmidt, and Hayes 2002).<sup>9</sup> Certainly, each of the studies mentioned above has its flaws, but as a set, these studies paint a consistent picture that the effect of job satisfaction on individual and group performance is at best weak.

The large body of empirical research that we have reviewed above indicates that group-level (average group member) job satisfaction is likely to be only weakly related to supervisor ratings of group job performance behaviors. Granted, the studies that we have reviewed have not typically examined the relationship between job satisfaction and job performance behaviors within a hospitality context. Nonetheless, we think that these results indicate that we should expect a similar (minimal) relationship within a hospitality sample. Therefore, we posit that group-level (average group member) job satisfaction will be weakly related to supervisor ratings of group job performance behaviors (group task performance and OCBs).

### Contrasting the Effects of Job Satisfaction and Service Climate on Job Performance

Although we predict a weak relationship between group-level job satisfaction and group job performance behaviors, we are not arguing that employee-based measures (such as job satisfaction) are irrelevant. Rather, we argue that the appeal of seeking high job satisfaction among employees has served as a "red herring," distracting managers from other factors that empirical research indicates

6. González and Garazo's (2006) sample consisted of 149 receptionists from 149 Spanish hotels.

7. Podsakoff et al.'s (1990) sample consisted of the exempt employees of a diversified petrochemical company.

8. Netemeyer et al.'s (1997) first sample consisted of 115 salespeople from a cellular phone company, and their second sample consisted of 182 real estate salespeople.

9. Correcting observed correlations for unreliability and range restriction yielded Harter, Schmidt, and Hayes (2002) an estimated relationship between firms' average employee satisfaction and firm profitability of .13.



can positively influence individual- and group-level job performance behaviors. One such variable that has been receiving increased attention as a key predictor of performance, particularly in the service sector, is service climate (see de Jong, de Ruyter, and Lemmink 2004; Schneider et al. 2005; Schneider, White, and Paul 1998). As de Jong, de Ruyter, and Lemmink (2004, 19) state, “Although various employee-based measures (e.g., job satisfaction) have been advanced as drivers of service performance, it has been argued that service climate has superior predictive power.”

Group service climate can be conceptualized as group members’ “shared perceptions of the practices, procedures, and behaviors that are rewarded, supported, and expected by the organization with regard to customer service and customer service quality” (Salanova, Agut, and Peiró 2005, 1217). Group service climate is a collective and shared phenomenon that focuses group member effort and competency on delivering quality service (see Schneider, White, and Paul 1998). Service climate plays an important role during the service encounter and service delivery, leading to higher customer satisfaction (for example, see Johnson 1996; Schmidt and Allscheid 1995; Schneider et al. 1996, 2005) and service quality (for example, see Schneider and Bowen 1985; Schneider, White, and Paul 1998). Some studies have also tested these relationships in a way that supports the idea that service climate leads to customer satisfaction (Schneider et al. 1996) and customer perceptions of service quality (Schneider, White, and Paul 1998). Furthermore, prior research indicates that group service climate may have a positive effect on group-level job performance behaviors. For example, among 114 service units (58 hotel front desks and 56 restaurants), Salanova, Agut, and Peiró (2005) found a positive relationship between unit-level service climate and unit-level employee performance. Similarly, among

56 supermarket departments, Schneider et al. (2005) found a positive relationship between department-level service climate and department-level customer-focused organizational citizenship behaviors.

Yet research on service climate is still far from conclusive. Early research that explored the relationship between service climate and employee performance has mostly used self-reports completed by the employees themselves (Salanova, Agut, and Peiró 2005, 1218). Given the importance of group work in delivering a high-quality customer experience, there is surprisingly little research considering how service climate affects group performance as evaluated by managers who directly supervise the group. If we are to argue that managers should consider group service climate to be more important than group-level job satisfaction, we need to show that group service climate predicts supervisor ratings of group job performance behaviors. Therefore, in addition to demonstrating that group service climate is positively related to supervisor ratings of group job performance behaviors), we need to demonstrate that the relationship between supervisor ratings of group job performance behaviors and group service climate is stronger than the relationship between supervisor ratings of group job performance behaviors and group-level job satisfaction.

To conduct our investigation, we will look at two major components of job performance behaviors (see Williams and Anderson 1991; Yun, Takeuchi, and Liu 2007). The first component is task performance. Task performance entails the role-expected group behaviors that “contribute to organizational effectiveness either by transforming the organization’s raw materials as a step toward creating the organization’s products or by providing necessary service and maintenance functions” (Kiker and Motowidlo 1999, 602). The second component of job performance behaviors is

OCBs. OCBs are defined as group “behavior that is discretionary, not directly or explicitly recognized by the formal reward system and that in the aggregate promotes the effective functioning of the organization” (Organ 1988, 4). OCBs have often been separated into (1) behavior that is directed mainly at individuals in the organization (OCBi) and (2) behavior that is concerned more with helping the organization as a whole (OCBo) (Kidwell, Mossholder, and Bennett 1997).

Task performance and OCBs are expected to enhance group and organizational performance and effectiveness (for example, see Kiker and Motowidlo 1999; MacKenzie, Podsakoff, and Ahearne 1998; Podsakoff, Ahearne, and MacKenzie 1997; Podsakoff and MacKenzie 1994, 1997; Podsakoff et al. 2000). Moreover, prior research indicates that OCBs are positively associated with customer satisfaction (Schneider et al. 2005) and customers’ evaluation of service quality (Yoon and Suh 2003). In short, both task performance and OCBs (that is, both major components of job performance behaviors) are valued and desired in organizations (Yun, Takeuchi, and Liu 2007).

## Methodology

### Research Design and Sample

We collected data from the F&B managers and general managers of a multinational hotel chain’s forty hotel properties located in Asia. All were full-service deluxe hotel properties that provide a variety of F&B services and have multiple F&B outlets (e.g., restaurants, lounges, bars). These forty hotel properties were owned and managed by a single multinational hotel chain. The hotel chain’s HR director and F&B director indicated that each hotel F&B department was organized into three distinct manager groups. The first F&B manager group, referred to as Level-1 (L1) F&B managers by the hotel chain, consisted of managers who held the title of food and beverage directors and executive chefs. The

second group, referred to as Level-2 (L2) F&B managers by the hotel chain, consisted of managers who held the title of assistant food and beverage directors and executive sous chefs. The third group, referred to as Level-3 (L3) F&B managers by the hotel chain, consisted of managers who held the title of food and beverage outlet managers and sous chefs. The hotel chain’s HR and F&B directors, as well as the hotel property HR directors, noted that while L1, L2, and L3 F&B manager groups may work at the same hotel property, the three groups were recognized as distinct groups, held different job titles, performed different work, and were managed differently.

From each of these forty hotel properties, we attempted to gather data from (1) the members of these three distinct hotel property F&B manager groups (via F&B manager group member surveys) and (2) the direct supervisor of each group (via a survey of each F&B manager group’s direct supervisor). Both the hotel chain’s HR director and F&B director confirmed that our target respondents (the members of each F&B manager group as well as the supervisor of each F&B manager group) were fluent in English (both spoken and written) such that surveys could be conducted in English. In a cover letter to the surveys, the purpose of the project was described, and the respondents were told that their participation was voluntary and assured of the anonymity of their responses.

The HR director from each hotel property provided the members of the three F&B groups from their hotel property with surveys that included our independent (job satisfaction and group service climate) and control variables. The HR director also provided each F&B group member with an envelope (addressed to the first author) in which he or she was to place the completed survey. Additionally, the HR director of each hotel property provided the supervisor of each F&B group with a survey that included our study’s dependent variables (group job performance



behaviors). The HR director also provided the direct supervisor of each F&B group with an envelope (addressed to the first author) in which he or she was to place the completed survey.

Group member surveys were distributed to all F&B manager group members who were working at the chain's forty Asian hotel properties at the time that our F&B manager group member surveys were administered. Group members were given time off from their jobs to complete these surveys. Group member surveys were distributed to a total of 701 individual F&B manager group members. Group service climate data was obtained for 110 F&B manager groups (representing a 91.7 percent response rate) from the members of each of these 110 F&B manager groups.

To reduce the potential for common method biases affecting the results, the direct supervisor of each F&B manager group was asked to provide ratings of group job performance behaviors.<sup>10</sup> The direct supervisor of each hotel property's L1 F&B manager group was the hotel property's general manager (GM); the direct supervisor of each hotel property's L2 F&B manager group (identified by the HR director of each hotel property) was an L1 F&B manager from the property; the direct supervisor of each hotel property's L3 F&B manager group (identified by the HR director of each hotel property) was an L1 F&B manager from the property. Group job performance behaviors data was obtained for 109 F&B manager groups (representing a 90.8 percent response rate) from the direct supervisor of each of these 109 F&B manager groups.

We eliminated cases with missing data. Complete data were obtained for 525 individual F&B managers (this represents a response rate of 74.9 percent) and 84 different

F&B manager groups (this represents a response rate of 70.0 percent). More specifically, the data used to create our independent (job satisfaction and group service climate) and control variables were obtained from 46 individual L1 F&B managers working in 29 different L1 F&B manager groups (average of 1.59 respondents per group), 55 individual L2 F&B manager group members working in 26 different L2 F&B manager groups (average of 2.12 respondents per group), and 424 individual L3 F&B manager group members working in 29 different L3 F&B manager groups (average of 14.62 respondents per group); whereas the data used to create our dependent (group job performance behaviors) variables were obtained from the 29 hotel property general managers who directly supervised these L1 F&B manager groups (1 respondent per L1 F&B manager group), 26 L1 managers who directly supervised these L2 F&B manager groups (1 respondent per L2 F&B manager group), and 29 L1 managers who directly supervised these L3 F&B manager groups (1 respondent per L3 F&B manager group).

### Measures

To help ensure the quality of the survey responses, all of the items used in this study were obtained from established measures that have been used widely in other empirical studies: group service climate (see Schneider et al. 2005), job satisfaction (see Cammann et al. 1979; Scarpello and Campbell 1983), and job performance behaviors (see Williams and Anderson 1991). These multiple-item scales were employed with 5-point Likert-type anchors ranging from 1 = *very low* to 5 = *very high* for group service climate or from 1 = *strongly disagree* to 5 = *strongly agree* for job satisfaction and job performance

10. To accurately reflect the variables of interest, group task performance, OCBi, and OCBo, each group's direct supervisor was asked to evaluate the job performance behaviors of the group as a whole rather than the job performance behaviors of each group member individually.

behaviors. The group job performance behaviors (group task performance, OCBi, and OCBo) measures were created from data collected from each group's direct supervisor; all other variables were created from data collected from the surveys administered to the individual members of each group.

*Group service climate.* We employed Schneider, White, and Paul's (1998) seven-item global service climate scale to measure group service climate. Five hundred and twenty-five individual members from our sample's eighty-four F&B manager groups completed a survey that contained this seven-item service climate scale. We assessed each F&B manager group's service climate as the average response of each group's members to the seven-item service climate scale. That is, individual group members from each F&B manager group provided responses, and the individual responses of each group's members were then aggregated to create a group-level service climate variable.

As we note above, the group service climate variable is aggregated to the group level (84 F&B manager groups) from individual responses (525 individual F&B manager group members). That is, the responses from managers belonging to a particular F&B manager group were aggregated to create a group-level service climate variable (group service climate;  $N = 84$ ,  $\alpha = .85$ ). Given that group service climate is a collective and shared phenomenon and that we intended to aggregate individual responses to this variable to the group level, managers (respondents) were explicitly asked to describe the group as a whole. Thus, the survey items were reworded to reflect the group level of analysis by changing the focus of the items to the group. For an example, Appendix A shows the items used to collect service climate information from the L2 F&B managers from a particular hotel property. This reference-shift consensus approach is consistent with the guidelines created by scholars focusing on multilevel issues (for example, see

Chan 1998; Klein, Dansereau, and Hall 1994) to specify and explicate the level of the constructs in a study.

*Job satisfaction.* Individual group members also responded to four items that we used to assess job satisfaction. Appendix B shows the four items that we adapted from Cammann et al. (1979) and Scarpello and Campbell (1983) to measure job satisfaction. Each group's average member job satisfaction (group-level job satisfaction) was assessed as the average response of the group's individual members to the four-item job satisfaction scale ( $\alpha = .87$ ).

*Supervisor ratings of group job performance behaviors.* The direct supervisor of each group was asked to complete a survey that included the twenty-one items we adapted from Williams and Anderson (1991) to measure each F&B manager group's job performance behaviors (i.e., group task performance, OCBi, and OCBo). We reworded the twenty-one items from the Williams and Anderson task performance and OCB scales to reflect the group-level of analysis by changing the focus of the items to the group (for example, the L2 F&B managers from a particular hotel property's F&B department). In Appendix C, we provide an example of the items that we used to assess group task performance (seven items;  $\alpha = .89$ ), OCBi (seven items;  $\alpha = .89$ ), and OCBo (seven items;  $\alpha = .89$ ).

*Control variables.* In view of prior research, we included several control variables in our analyses. We created three dummy variables to control for the potential effects of management level: (1) L1 F&B manager group, the omitted category; (2) L2 F&B manager group, labeled "L2 Group (dummy code)" in Exhibits 1 through 5; and (3) L3 F&B manager group, labeled "L3 Group (dummy code)" in Exhibits 1 through 5. The individual members of each F&B manager group were also asked to report their own age, education, and tenure.

At the individual F&B manager level ( $N = 525$ ): Average age (in years) was 36.57

**Exhibit 1:**  
Descriptive Statistics and Correlations

Variables	1	2	3	4	5	6	7	8	9	10
Correlations										
1. Level-2 group (dummy code)										
2. Level-3 group (dummy code)	-.49									
3. Age (group average)	.10	-.26								
4. Education (group average)	-.20	-.22	.16							
5. Tenure (group average)	-.05	.16	.40	-.12						
6. Group-level job satisfaction	.03	-.14	.15	.21	-.03					
7. Group service climate	.13	-.10	-.05	.38	-.09	.49				
8. Group task performance	.04	-.01	-.12	.02	-.13	.14	.31			
9. Group OCBi	.08	.00	-.12	.02	-.18	.02	.22	.66		
10. Group OCBo	-.03	-.18	.05	.18	-.06	.13	.21	.64	.57	
Descriptive statistics										
Means	0.31	0.35	38.01	2.08	7.18	3.97	3.72	3.60	3.60	3.96
Standard deviations	0.47	0.48	5.58	0.78	5.23	0.46	0.40	0.58	0.55	0.63

**Note:**  $N = 84$  (i.e., 84 food and beverage [F&B] manager groups). Coefficients greater than .20 are significant at  $p < .05$  (two-tailed test). OCB = organizational citizenship behavior, directed mainly at individuals in the organization (OCBi) or concerned more with helping the organization as a whole (OCBo).

(standard deviation = 7.33), with a minimum of 22 and a maximum of 66. Educational level was measured categorically (1 = highest level achieved was high school; 2 = highest level achieved was two- or three-year college program; 3 = highest level achieved was four-year university program; 4 = highest level achieved was graduate studies). The mean was 1.97 (standard deviation = 1.07). Tenure with the hotel chain was measured in years. The sample's average tenure level was 7.98 (standard deviation = 6.43). The minimum tenure level was 0.8 years, and the maximum tenure level was 39 years.

For each F&B manager group, we mean-aggregated the responses received from the group's individual members to create three group-level control variables: (1) average group

member age, labeled "Age (group average)" in Exhibits 1 through 5; (2) average group member education, labeled "Education (group average)" in Exhibits 1 through 5; and (3) average group member tenure, labeled "Tenure (group average)" in Exhibits 1 through 5. We use these three control variables to control for the effects of group member age, education level, and organizational tenure. Exhibit 1 reports the correlations, means, and standard deviations of all of the study's group-level variables ( $N = 84$ ).

### Analyses

We used regression analysis to test the relationships between group-level (average

group member) job satisfaction and group job performance behaviors (group task performance, OCBi, and OCBo) and group service climate and group job performance behaviors (group task performance, OCBi, and OCBo). We used supplemental regression analyses to investigate the relationship between group service climate and group-level (average group member) job satisfaction. Finally, because our sample's 525 individual F&B managers were nested in eighty-four F&B manager groups, we used supplemental hierarchical linear modeling (HLM) to investigate the relationship between group service climate and individual-level (individual group member) job satisfaction.

## Results

Exhibit 1 presents descriptive statistics and correlations for all study group-level variables. The correlations presented in Exhibit 1 are consistent with what we expected given the research in this area. That is, the correlations between group-level (average group member) job satisfaction and supervisor ratings of group task performance ( $r = .14$ ), OCBi ( $r = .02$ ), and OCBo ( $r = .13$ ) are marginal and not statistically significant. On the other hand, the correlations between group service climate and supervisor ratings of group task performance ( $r = .31$ ), OCBi ( $r = .22$ ), and OCBo ( $r = .21$ ) are larger and statistically significant ( $p < .05$ ). Interestingly, there is a statistically significant, positive correlation between group service climate and group-level (average group member) job satisfaction ( $r = .49$ ;  $p < .001$ ). It should be noted that the correlations between the group job performance behaviors (group task performance, OCBi, and OCBo) variables are significant; however, additional analyses (specifically, confirmatory factor analyses, available from the lead author upon request) confirm that these three variables are indeed separate constructs.

The results of the study's regression analyses (presented in Exhibits 2, 3, and 4) provide a more complete picture of the simultaneous effects of job satisfaction and group service climate on group job performance behaviors. In models used to predict supervisor ratings of group task performance ( $\beta = .19$ ,  $p > .10$ ), OCBi ( $\beta = .03$ ,  $p > .10$ ), and OCBo ( $\beta = .12$ ,  $p > .10$ ) with group-level (average group member) job satisfaction, the effects of group-level job satisfaction were not significant (Exhibit 2, step 2; Exhibit 3, step 2; Exhibit 4, step 2). Whereas in models used to predict supervisor ratings of group task performance ( $\beta = .50$ ,  $p < .01$ ), OCBi ( $\beta = .30$ ,  $p < .05$ ), and OCBo ( $\beta = .32$ ,  $p < .05$ ) by group service climate, the effects of group service climate were positive and statistically significant (Exhibit 2, step 3; Exhibit 3, step 3; Exhibit 4, step 4). Moreover, in models used to predict supervisor ratings of group task performance ( $\beta = -.01$ ,  $p > .10$ ), OCBi ( $\beta = -.12$ ,  $p > .10$ ), and OCBo ( $\beta = .00$ ,  $p > .10$ ) with both group-level (average group member) job satisfaction and group service climate, the effects of group-level job satisfaction were not statistically significant; whereas the effects of group service climate on group task performance ( $\beta = .51$ ,  $p < .05$ ), OCBi ( $\beta = .37$ ,  $p < .05$ ), and OCBo ( $\beta = .32$ ,  $p < .10$ ) were positive and statistically significant (Exhibit 2, step 4; Exhibit 3, step 4; Exhibit 4, step 4). Our results lend credence to the view that the observed relationship between job satisfaction and job performance is spurious.

## Results of Supplemental Regression and HLM Analyses

Research has indicated that service climate may influence job satisfaction (for example, see González and Garazo 2006). Thus, we conducted an exploratory examination of the effects of group service climate on group-level (average group member) job

**Exhibit 2:**

## Results of Regression Analysis Predicting Group Task Performance

	<i>Step 1</i>	<i>Step 2</i>	<i>Step 3</i>	<i>Step 4</i>
Intercept	3.99 (.48)****	3.27 (.73)****	2.16 (.79)***	2.17 (.83)**
Level-2 group (dummy code)	.05 (.15)	.08 (.17)	-.04 (.17)	-.04 (.17)
Level-3 group (dummy code)	.01 (.16)	.05 (.17)	-.01 (.17)	-.01 (.17)
Age (group average)	-.01 (.01)	-.01 (.01)	.00 (.01)	.00 (.01)
Education (group average)	.01 (.08)	.01 (.09)	-.09 (.10)	-.09 (.10)
Tenure (group average)	-.01 (.01)	-.02 (.01)	-.01 (.01)	-.01 (.01)
Group-level job satisfaction		.19 (.14)		-.01 (.17)
Group service climate			.50 (.18)***	.51 (.20)**
$R^2$	.03	.05	.12	.12

Note:  $N = 84$  (i.e., 84 food and beverage [F&B] manager groups). Standard errors are reported in parentheses.

\*\*\* $p < .05$ . \*\* $p < .01$ . \*\*\*\* $p < .001$  (one-tailed tests).

**Exhibit 3:**

## Results of Regression Analysis Predicting Group OCBI

	<i>Step 1</i>	<i>Step 2</i>	<i>Step 3</i>	<i>Step 4</i>
Intercept	3.78 (.50)****	3.65 (.69)****	2.74 (.77)***	2.88 (.80)***
Level-2 group (dummy code)	.16 (.16)	.16 (.16)	.08 (.17)	.07 (.17)
Level-3 group (dummy code)	.10 (.16)	.10 (.17)	.08 (.16)	.06 (.16)
Age (group average)	-.01 (.01)	-.01 (.01)	.00 (.01)	.00 (.01)
Education (group average)	.04 (.09)	.04 (.09)	-.03 (.10)	-.04 (.10)
Tenure (group average)	-.02 (.01)	-.02 (.01)	-.02 (.01)	-.02 (.01)
Group-level job satisfaction		.03 (.14)		-.12 (.16)
Group service climate			.30 (.16)**	.37 (.19)**
$R^2$	.05	.05	.08	.09

Note:  $N = 84$  (i.e., 84 food and beverage [F&B] manager groups). Standard errors reported in parentheses. OCBI = organizational citizenship behavior directed mainly at individuals in the organization.

\*\*\* $p < .05$ . \*\* $p < .01$ . \*\*\*\* $p < .001$  (one-tailed tests).



**Exhibit 4:**  
Results of Regression Analysis Predicting Group OCBo

	Step 1	Step 2	Step 3	Step 4
Intercept	3.94 (0.57)****	3.53 (0.78)****	2.83 (0.88)***	2.83 (0.91)***
Level-2 group (dummy code)	-0.14 (0.18)	-0.14 (0.18)	-0.22 (0.19)	-0.22 (0.19)
Level-3 group (dummy code)	-0.27 (0.19)	-0.26 (0.19)	-0.30 (0.19)	-0.30 (0.19)
Age (group average)	0.00 (0.01)	0.01 (0.01)	0.00 (0.01)	0.00 (0.02)
Education (group average)	0.09 (0.10)	0.08 (0.10)	0.01 (0.11)	0.01 (0.11)
Tenure (group average)	0.00 (0.01)	0.00 (0.02)	0.00 (0.02)	0.00 (0.02)
Group-level job satisfaction		0.12 (0.16)		0.00 (0.18)
Group service climate			0.32 (0.19)**	0.32 (0.21)*
$R^2$	.06	.07	.09	.09

**Note:**  $N = 84$  (i.e., 84 food and beverage [F&B] manager groups). Standard errors reported in parentheses. OCBo = organizational citizenship behavior concerned with helping the organization as a whole.

\* $p < .10$ . \*\* $p < .05$ . \*\*\* $p < .01$ . \*\*\*\* $p < .001$  (one-tailed tests).

satisfaction (these supplemental regression analysis results are presented in Exhibit 5) and individual-level (individual group member) job satisfaction (these supplemental HLM analysis results are presented in Exhibit 6). The results of the supplemental regression analysis that we conducted (presented in Exhibit 5) show that within our sample of eighty-four hotel F&B groups, group service climate was positively related to group-level (average group member) job satisfaction ( $\beta = .61, p < .001$ ).

To investigate the effects of group service climate on individual-level (individual group member) job satisfaction, we employed HLM, as we have 525 individual F&B managers nested in eighty-four F&B manager groups. Supplemental HLM analysis was run

predicting individual-level (individual group member) job satisfaction. Initial null-model tests reveal that there is significant F&B manager group-level (group-level or L2) variance to merit the use of the HLM procedure. That is, a one-way ANOVA with random effects revealed significant variance in the individual-level (L1) intercept for the dependent variable (at the  $p < .01$  level). This provides evidence that further modeling using the HLM procedure is merited (Raudenbush and Bryk 2002). We conducted our HLM analysis in two steps. The first step (see Exhibit 6, step 1) included the control variables<sup>11</sup> and a random effect for the intercept. In step 2 (see Exhibit 6, step 2) we examined the effects of group service climate on individual-level (individual group member) job

11. Individual-level (individual group member-level) controls: L2 F&B Manager (dummy code), L3 F&B Manager (dummy code), Age, Education, and Tenure.

**Exhibit 5:**

## Results of Supplemental Regression Analysis Predicting Group-Level Job Satisfaction

	Step 1	Step 2
Intercept	3.41 (.42)****	1.29 (.57)**
Level-2 group (dummy code)	.03 (.13)	-.13 (.12)
Level-3 group (dummy code)	-.05 (.14)	-.11 (.12)
Age (group average)	.01 (.01)	.02 (.01)
Education (group average)	.11 (.07)	-.05 (.07)
Tenure (group average)	-.005 (.01)	-.01 (.01)
Group service climate		.61 (.13)****
$R^2$	.07	.29

Note:  $N = 84$  (i.e., 84 food and beverage [F&B] manager groups). Standard errors reported in parentheses.  
\*\* $p < .05$ . \*\*\*\* $p < .001$  (one-tailed tests).

satisfaction by adding to this baseline model. Specifically, in the second step (see Exhibit 6, step 2) we added group service climate as a group-level (L2) variable affecting the intercept. As the results presented in Exhibit 6 show, step 2 yielded a significant improvement over step 1 (i.e., improved the fit of the model), in particular for explaining the variance associated with the intercept term. That is, the vast majority (81 percent) of variance in individual-level (individual group member) job satisfaction across groups can be explained by the groups' levels of service climate. However, within groups, there is still substantial variance that is unexplained, as evidenced by the model's only predicting 8.3 percent of the total variance in individual-level (individual group member) job satisfaction. Thus, the results presented in Exhibit 6 indicate that within our sample of 525 F&B managers nested in eighty-four F&B manager groups,

**Exhibit 6:**

## Results of Supplemental HLM Analysis Predicting Individual-Level Job Satisfaction

	Step 1	Step 2
Intercept	3.44	1.10
(random effect)		
For intercept	(.21)****	(.45)**
For service climate		.65 (.12)****
Level-2 F&B manager (dummy code)	.07 (.14)	-.03 (.13)
Level-3 F&B manager (dummy code)	.01	-.02
Age	(.12) .01 (.004)***	(.11) .02 (.004)****
Education	.00 (.03)	-.03 (.03)
Tenure	-.01 (.01)	-.01 (.004)
Variance in intercept (level 2 <sup>a</sup> ) explained	4.0%	81.0%
Level 1 <sup>b</sup> variance explained	1.2%	2.8%
Total variance explained	1.4%	8.3%

Note: 525 food and beverage (F&B) managers nested in 84 F&B manager groups. Standard errors reported in parentheses.  
a. Level-2 or group-level (i.e., F&B manager group-level).  
b. Level-1 or individual group member-level (i.e., individual F&B manager-level).  
\*\* $p < .05$ . \*\*\* $p < .01$ . \*\*\*\* $p < .001$  (one-tailed tests).

group service climate was positively related to individual-level (individual group member) job satisfaction, but there is still much to be explained in the prediction of individual-level (individual group member) job satisfaction.

The results of our supplemental regression and HLM analyses, presented in Exhibits 5 and 6, indicate that group members are more satisfied when they share perceptions of what

their hotel property expects from the group with regard to customer service and the belief that these behaviors are rewarded and supported. Furthermore, this study's findings indicate that it is these shared perceptions and beliefs among group members (that is, group service climate), not job satisfaction, that has a positive influence on supervisor ratings of group job performance behavior (see Exhibits 2, 3, and 4). The results presented in Exhibits 2, 3, and 4 are consistent with the empirical findings reported in the literature and with what we posited.

### Discussion and Conclusion

Consistent with the findings of prior empirical research, the results of this study do not provide support for the notion that employee job performance can be improved by enhancing the job satisfaction of employees. Furthermore, consistent with the findings of empirical research conducted within the service industry, the results of this study (conducted within a hospitality setting) indicate that job performance behaviors are enhanced by increasing group service climate.

For practitioners, our advice is clear: if you want to improve job performance behaviors in the hospitality industry, do not try to achieve this by trying to enhance the job satisfaction of your employees. Instead, you would be better served by ensuring that the members of your organization's groups accurately perceive the practices, procedures, and behaviors that are rewarded, supported, and expected of them by your organization with regard to customer service and customer service quality. Our results provide support for the idea that job satisfaction does not cause job performance; rather, other factors, like service climate, may cause job performance, which then has the added effect of increasing job satisfaction. This suggests that the supposed job satisfaction–job performance relationship is an artifact of other causal processes.

It is important to clearly articulate that we are not advocating that employee job satisfaction should be ignored. Although our findings do not provide support for the proposition that job satisfaction is a key predictor of group job performance behaviors, our results do not in any way indicate that job satisfaction has a negative effect on group job performance behaviors. We want to be clear that what we are discouraging is trying to improve the job performance of employees only by increasing employee job satisfaction. As noted above, although the direction of the causality has been questioned (Judge et al. 2001), prior research indicates that there is a positive (albeit rather weak) relationship between job satisfaction and performance. Our study's results indicate that there is a positive relationship between group service climate and job satisfaction (see Exhibits 1, 5, and 6). Thus, while group-level (average group member) job satisfaction was not related to supervisor ratings of group job performance behaviors, group service climate was positively related to (1) supervisor ratings of group job performance behaviors, (2) group-level (average group member) job satisfaction, and (3) individual-level (individual group member) job satisfaction. This leads us to believe that job satisfaction, while not a driver of enhanced job performance behaviors, is an indicator of other potentially positive managerial practices. The problem with relying solely on job satisfaction is that there are many reasons why employees may be satisfied with their job, not all of which reflect managerial practices that may engender desirable organizational outcomes.

There are also other reasons to pay attention to employee job satisfaction. First, regardless of business reasons, some companies may simply want the members of their workforce to be satisfied on the job. While this may be perceived as paternalistic, or at least not profit-maximizing, some companies may indeed value having satisfied employees

and seek to maintain high levels of employee job satisfaction as an outcome in and of itself.

Second, there are also many business reasons to value employee job satisfaction. While it is not a good predictor of group job performance behaviors, there is abundant research documenting significant relationships between job satisfaction and other important outcomes, including turnover (Tett and Meyer 1993), counterproductive work behaviors (Dalal 2005), and absenteeism (Farrell and Stamm 1988). While group job performance behaviors are certainly an important outcome for businesses, difficulties and inefficiencies associated with these negative behaviors may cause other disruptions that harm customer service and firm profitability.

If morale is a problem for a company, resulting in higher turnover or absenteeism, then it may be valuable to try to directly improve job satisfaction. Such a strategy may effectively reduce these counterproductive work behaviors. However, recall that higher group service climate was associated with higher individual-level (individual group member) job satisfaction (see Exhibit 6), higher group-level (average group member) job satisfaction (see Exhibit 5), enhanced group task performance (see Exhibit 2), enhanced group OCBI (see Exhibit 3), and enhanced group OCBO (see Exhibit 4). Thus, if not trying to address an immediate turnover problem caused by particularly low job satisfaction, companies may be best served by trying to improve their service climate and thus reap rewards from both better group job performance behaviors and lower turnover.

Some hotel companies use employee attitude surveys to help assess their performance, and job satisfaction is commonly assessed as one of these attitudes (for example, see Denton and White 2000; Huckestein and Duboff 1999). One of this study's major implications is that hotel companies may want to carefully consider the attitudes that are assessed in such surveys. While hotel

companies may not want to get rid of assessments of job satisfaction (since that is a desirable outcome in its own right), companies may be well served by also tracking (and perhaps fostering a stronger) service climate. An example of the seven items that we used to assess group service climate is provided in Appendix A, and for little additional space, companies may be able to track an important driver of individual- and group-level job satisfaction and group job performance behaviors.

Like all research, our findings need to be interpreted in light of our study's limitations. One limitation of this study is that some groups' service climate scores were derived from the responses of a single respondent. Although  $R_{wg(j)}$  for service climate (available upon request from the authors) appears comparable to those obtained by others (for example, Liao and Chuang 2004, 2007), a replication and an extension of the present findings using more respondents per group may be helpful in identifying if and how the number of respondents affects the result. Another limitation is that we admittedly only control for a few factors that may influence supervisor ratings of group job performance behaviors.

Finally, we must be cautious regarding the generalizability of our findings. Given that our sample of managerial groups was obtained from a single hotel chain's forty Asian hotel properties, the results are likely more generalizable to other hotel properties in Asia. It is possible that our results do not generalize to other service firms or to those outside of Asia. However, given that various portions of our study's findings were consistent with the findings of prior studies that were primarily conducted in other service contexts or Western settings, our results may be generalizable across a broad range of service contexts and cultural settings. We are not advocating that our findings are perfectly generalizable or that the effects of group service climate are completely universal

because there are likely to be culturally general and culturally specific components (see Farh, Earley, and Lin 1997). Thus, we would encourage future studies to collect data from different settings and replicate and extend our findings.

### Appendix A

#### The Group Service Climate Scale: Notes and Items Example

For example, the individual group members of each hotel property's Level-2 (L2) food and beverage (F&B) manager group were provided with the following instructions: The term *establishment* refers to the hotel property at which you are currently working. The questions below are regarding the service climate of your hotel property's L2 F&B manager group (your work group). Answers should be rated as follows: 1 = *very low*, 2 = *low*, 3 = *neither low nor high*, 4 = *high*, or 5 = *very high*. For each of the questions presented below, please think about your work group (your hotel property's L2 F&B managers) as a single group and indicate how, on average, the members of your work group would rate:

1. The job knowledge and skills of your establishment's L2 F&B managers to deliver superior quality work and service?
2. Your establishment's efforts to measure and track the quality of the work and service of your establishment's L2 F&B managers?
3. The recognition and rewards your establishment's L2 F&B managers receive for the delivery of superior work and service?
4. The overall quality of service provided by your establishment's L2 F&B managers?
5. The leadership shown by your establishment's L2 F&B managers in supporting the service quality effort?
6. The effectiveness of your establishment's communication efforts to both its L2 F&B managers and customers?
7. The tools, technology, and other resources provided to your establishment's L2 F&B

managers to support the delivery of superior quality work and service?

**Note:** Items were adapted from the Schneider, White, and Paul (1998) global service climate scale.

### Appendix B

#### Job Satisfaction Scale Items

1. All in all, I am satisfied with my job.
2. In general, I don't like my job. (Reverse coded)
3. In general, I like working here.
4. All things considered, I am satisfied with my current job.

**Note:** Three items (items 1-3) were adapted from Cammann et al. (1979), and one item (item 4) was adapted from Scarpello and Campbell (1983). Items were employed with 5-point Likert-type anchors ranging from 1 = *strongly disagree* to 5 = *strongly agree*.

### Appendix C

#### The Group Job Performance Behaviors Scales: Example Notes and Items

For example, the direct supervisor of each hotel property's Level-2 (L2) food and beverage (F&B) manager group was provided with the following instructions: The statements below refer to the job performance behaviors of your hotel property's L2 F&B manager group. Please think of your hotel property's L2 F&B managers as a single group when you indicate whether you 1 = *strongly disagree*, 2 = *disagree*, 3 = *neither disagree nor agree*, 4 = *agree*, or 5 = *strongly agree* with each of the following twenty-one statements regarding the group's job performance behaviors. Your hotel property's L2 F&B managers (as a single group):

#### Group Task Performance

1. Adequately complete assigned duties
2. Fulfill responsibilities specified in their job descriptions

(continued)



## Appendix C (continued)

3. Perform tasks that are expected of them
4. Meet formal performance requirements of their jobs
5. Engage in activities that will directly affect their performance evaluations
6. Do not neglect aspects of their jobs which they are obligated to perform
7. Do not fail to perform essential duties

### Group OCBi

1. Help others who have heavy workloads
2. Help others who have been absent
3. Assist you (their supervisor) with your work (when not asked)
4. Take time to listen to coworkers' problems and worries
5. Go out of their way to help new employees
6. Take personal interest in other employees
7. Pass along information to coworkers

### Group OCBo

1. Attendance rate is above the norm
2. Give advance notice when unable to come to work
3. Adhere to informal rules devised to maintain order
4. Conserve and protect hotel property
5. Do not spend a great amount of time with personal phone conversations
6. Do not complain about insignificant things at work
7. Do not take undeserved work breaks

**Note:** Items were adapted from the Williams and Anderson (1991) task performance, OCBi, and OCBo scales. OCB = organizational citizenship behavior, directed mainly at individuals in the organization (OCBi) or concerned more with helping the organization as a whole (OCBo).

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