

Modeling Human Resource Management in the Hotel Industry: The Greek Case

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Abstract

The present study investigates the effects of systems of Human Resource Management (HRM) practices, known as High-Performance Work Systems (HPWS), on hotel employees' productivity. In doing so, this study is based on the Greek tourism industry and examines the effects of employees' perceptions of HPWS – measured as “systems” and as “bundles of practices” - on their work engagement, and ultimately on extra-role and role-prescribed service behaviors. The data reported in this study are drawn from a survey conducted from September to October 2021. For the needs of the research, Partial Least Squares Structural Equation Modeling (PLS-SEM) was applied based on a convenient sample of 250 customer-contact employees working across Greek 5-star hotels located in the broader area of Thessaloniki and Halkidiki, Greece. In summary, the study reveals the valuable contribution of HPWS towards employees' work engagement. As a consequence to these positive effects of HPWS on employee attitudes, work engaged employees respond by showing not only role-prescribed service behaviors, but also extra-role behaviors. All in all, this study reveals the positive and crucial importance of Human Resource Management towards improving hotels' service quality, and it underscores the differences when HPWS is calculated as “systems” versus “bundles of practices”. Finally, the findings clarify the mechanism through which HPWS operates, known as the black-box. Improving Human Resource Management can have a measurable and considerable impact on employees' productivity and services in the hotel industry

Keywords: Greece; Managing People; Hotels; Tourism