EMPLOYEES’ SERVICE INNOVATION BEHAVIOUR AND NEW SERVICE DEVELOPMENT IN FOUR-AND FIVE-STAR HOTELS

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Abstract

This study aims to explore the impact of Employee Service Innovation Behaviour (ESIB) on New Service Development (NSD) among hotels’ employees. A research model was proposed in which one hypothesis was developed. The empirical data were collected from employees who are working in four-and five-star hotels in Jordan. A total of 332 questionnaires were returned and the data were analysed using a single regression to determine the relationship between employee service innovation behaviour and new service development. The results supported the proposed model that there is a significant relationship between employee service innovation behaviour and new service development, and it also found that service innovation performance is exited in the hotel industry. The theoretical and managerial implications were drawn based on the study findings, and recommendations for future researchers were made, and limitations and conclusions are discussed.

Keywords: Employee Service Innovation Behaviour, New Service Development, Hotels.

INTRODUCTION

It is necessary to differentiate creativity from innovation. Creativity means the development of potential new and useful ideas, and employees may share these ideas with others, it is considered as the initial phase of the innovation process. Innovation refers to the successful implementation of new and useful ideas at organisational level (Amabile, 1996, 1997). Creativity is defined as “the production of novel and useful ideas in any domain”, whereas innovation is defined as “the successful implementation of creative ideas within an organization”. Innovation means the successful implementing of the generated ideas or products at the organisational level (Oldham and Cummings, 1996). Specifically, creativity seems to be the seed of all innovation (Amabile et al., 1996: p.1155). Another argument suggested that creativity is an important input into the substitute-generation stage of the innovation process (Ford, 1996). Also, creativity is treated as part of the organisational climate or culture, and this climate or culture could enhance innovation and performance (Swann and Birke, 2005). The promotion of employee creativity and the generation of new-ideas are considered the key factors which are necessary to implement innovation (Montes et al., 2003). High levels of employee productivity and creativity are required for developing new services and products and continuously improving internal processes (Forbes and Dommm, 2004).

However, creativity and innovation concepts are frequently employed interchangeably in the literature (Scott and Bruce, 1994; Awamleh, 1994; Martins and Terblanche, 2003; Mostafa, 2005). For example, Mostafa (2005: p.8) introduced one definition for creativity or innovation as a “systematic development and practical application of a new idea”. Hence, creativity and innovation are very much linked in individuals’ minds as one term and they use these terms interchangeably. Some arguments state that creativity and innovation are fundamentally the same phenomenon, but they take place at various levels of analysis (Ford, 1996). For example, creativity is the initial phase to the process of innovation, while innovation refers to the successful implementation of new and useful ideas. Therefore, innovation is an important process for the long-standing success of an organisation (Amabile, 1997). As a result, the concepts of creativity and innovation are commonly phrased together because they are linked to each other even though there are some differences in their meanings, such as creativity being the production of ideas while innovation refers to the application of the produced ideas (Coveney, 2008).

Other researchers (i.e. West, 2002; Rank et al., 2004; Flaatin, 2007) confirmed that creativity is considered as one stage of innovation, and that innovation consists of two stages, the idea generation stage and the idea implementation stage. Specifically, creativity refers to the generation of ideas, whereas innovation implies the transformation of ideas into new products or services. That means innovation is the implementation of creativity results, and creativity is considered as a part of the innovation process (Alves et al., 2007). Consequently, creativity is a desirable outcome which provides many benefits to organisations through transferring ideas to
employees for their own use and serving as a fundamental dimension for organisational innovations (Shalley et al., 2004).

LITERATURE REVIEW

Innovation is a necessary requirement for organisational effectiveness (Basadur et al., 2002), and for seeking for new solutions to product problems, as well as new and better solutions to business and customer problems (Herbig and Jacobs, 1996; Mostafa, 2005). Successful organisations are more dependent on creativity and innovation than ever (Wong and Pang, 2003a). Service Innovation Performance (SIP) represents two dimensions, namely Employee Service Innovation Behaviour (ESIB), and New Service Development (NSD). More specifically, service innovation performance emerged in service organisations to explore individual innovative behaviour. Innovation is defined as a multistage process, and creativity or generation of the ideas is only one stage of innovation which is the first stage, the second stage seeking sponsorship and supporters for an idea, and the last stage producing a model of innovation. Each stage requires different individual innovative behaviour and different activities, and therefore individual innovative behaviour is critical part in innovation (Scott and Bruce, 1994). NSD is important for service organisations as a competitive advantage that enables these organisations to achieve superior performance, and to response to changing customer requirements and competitive threats. Even the importance of new service development, but the research in that area still very limited (Matear et al., 2004).

The concept of creativity is different from innovation. Specifically, creativity and innovation are fundamentally the same phenomenon, but they take place at various levels of analysis and therefore each concept has a different definition (Amabile et al., 1996). Hence, creativity is the initial phase of the innovation process, while innovation is the successful implementation of new and useful ideas (Amabile, 1997). Consequently, innovation is composed of two stages: idea generation and idea implementation. Creativity refers to idea generation, whereas innovation implies idea transformation into new products or services (West, 2002; Rank et al., 2004; Flaatin, 2007). Similarly, innovation is the implementation process of creativity results, and that supports creativity as a part of innovation (Alves et al., 2007).

In the turbulent hospitality industry, innovation has become a strategic weapon for successful hospitality organisations. Innovations in hospitality are mostly intangible assets. Clearly, service innovations in the hospitality industry have a wide range starting from complete innovations that produce new services to new markets, to slight modifications of the present services through simple adapting of existing services (i.e. change keys to swipe cards), or offering added value to services through providing extra novel facilities (i.e. serviced apartments) (Ottenbacher and Gnoth, 2005).

The hospitality industry faces the challenges of a turbulent and unstable environment that has forced hospitality organisations to modify and update their services to meet the change in their customers’ needs and wants, and survive in the market. As a result, the implementation of innovation becomes an important technique for successful hospitality organisations. In the twenty-first century, creativity is considered as a vital factor in the development process in hospitality (Wong and Pang, 2003b). However, there is little published research about innovation in the hospitality industry despite the importance of innovation in that industry (Ottenbacher, 2007). The shortage of creativity research in the hospitality industry refers to the notion that creativity is generally related to the artistic industries like poetry, music composing, fiction writing, drama, painting, film making, and so on. The main concern in the hospitality industry was, historically, providing food and accommodation to travellers, therefore the hospitality concentrated on the routine work in hotels to meet and satisfy travellers’ needs for both accommodation and food (Wong and Ladkin, 2008).

Individuals with different cultures and backgrounds can produce variations in the need for creativity, and therefore diverse environmental motivators could be used to motivate individuals to be creative people. Thus, it is vital to determine the stimulants to creativity in the working environment and how hospitality organisations can enhance their individuals’ creativity and so survive in the global competitive environment (Wong and Pang, 2003a). Independent studies have confirmed that creativity is considered to be a consistent and significant predictor of peak performance at different levels of employment within the hospitality industry (Houran and Ference, 2006).

Innovation has many benefits, but the major benefit of successful innovation in the hospitality industry is the competitive advantage that has been achieved by organisations (Ottenbacher and Gnoth, 2005). Innovation in the hospitality industry can be rapidly imitated therefore continuous innovation becomes a vital element to reinforce imitation barriers to the competitive market (Harrington, 2004). Successful innovations are not always clear for managers in the hospitality industry. Creating an organisational culture that encourages creativity, are vital intangible features of organisations, as well as innovative thinking, and these stands out in innovation
management (Ottenbacher and Harrington, 2007). The tangible forms of organisational creative outcomes in the hotel industry such as: improved customer services, product innovations and continuous improvement (Wong and Pang, 2003b). Hence, hotels need to become innovative in service, processes and procedures through developing delivery of service to customers, especially with the increasing competitiveness of the market, and need to concentrate on the quality of products and distinction in service.

The hospitality industry has plenty of options for determining which products and services will add value to customers. Hotels need to evaluate the value that will be added to service to customers before introducing a new innovation for a service or product (Victorino et al., 2005). The difference in levels of hotel quality does not really have an impact on hotel operations, but the difference between high and low quality hotels is the quality of the extra services and tangibles. Thus, innovation is considered as a key lever to develop and upgrade operations at hotels (Wong and Ladkin, 2008). In the service industry, both ‘novel’ and ‘useful’ are essential characteristics for identifying a creative idea (Madjar and Ortiz-Walters, 2008).

Despite the importance of creativity and innovation in the hospitality industry, few studies have been conducted to investigate creativity or innovation in that industry. For example, Ottenbacher and Gnoth (2005) indicated that innovation was less important than commitment to the service, empowerment, employee training and the effectiveness of human resources management in German hotels. They indicated that tangible features of service innovation were associated with successful innovations in the hospitality industry. Similarly, another study was conducted by Orfila-Sintes et al. (2005) to identify innovation activity in hotels in Spain. The results found that the higher category hotels (i.e. 3-, 4- and 5-star) have more innovation than the lower category hotels (i.e. 1- and 2-star). As a result, hotels with 3-star or more have the capacity to differentiate their products and services, while, the 1- and 2-star hotels showed the lowest rate of innovation since these hotels tend to adopt a “follow up behaviour” that allows them to survive in the market. In addition, highly technological innovation was present in chain hotels and hotels under management contract. Human capital skills and abilities showed an important role in successful innovation. The study also found that innovation activity was positively related to performance as evidenced by the generation of more rents at innovative hotels. However, the literature showed a shortage of empirical studies in organisational creativity in the hospitality sector, although a few studies investigated creativity, employee creativity or innovation rather than organisational creativity. Therefore, there is a need to investigate organisational creativity in the hospitality industry.

Despite the absence of empirical studies in the relationship between creativity and innovation, Heunks (1998) supported the view that creativity was related to innovation in 200 organisations from six countries in European Union. He revealed that creativity had a significant positive relationship with product innovation in old organisations (over 32 years old), but creativity may also foster process innovation. Creativity tended to have some specific personal backgrounds: risk-taking, challenges and entrepreneurship, whereas, innovation had other aspects: risk-taking, education, self-confidence, future orientation, leadership, external capital and information. Consequently, risk-taking is the only personal background that is common to both creativity and innovation. More comprehensive results are presented by Prajogo et al. (2004), who argued that creativity and idea generation had a significant and positive relationship with both product innovation and process innovation in manufacturing and non-manufacturing organisations based on managerial perspectives, but had a stronger relationship with product innovation than with process innovation. The study also found that process and product innovation are strongly related to each other. As a result, organisations need to develop creativity in order to promote process and product innovation.

Some scholars (i.e. Forbes and Domm, 2004; Montes et al., 2003) claimed that high levels of employee creativity was necessary for implementing innovation, developing new services/products and continuously improving internal processes. Swann and Birke (2005) showed that creativity is considered to be a part of the organisational climate or culture that could enhance innovation. Several empirical evidences were provided by other studies that confirmed the relationship between creativity and innovation in general rather than service innovation performance in particular. For example, Amabile (1988) argued that employee creativity-relevant skills significantly impact on innovation within organisations. Amabile (1997) confirmed the role of creativity to creating innovation. Furthermore, Miron et al. (2004) argued that creativity positively affected innovation at the implementation stage, thus creativity had a significant positive relationship with innovation.

Bharadwaj and Menon (2000) investigated the impact of creativity mechanisms on innovation within a large number of manufacturing and service organisations in the US. They revealed that the presence of both individual and organisational creativity mechanisms led to the highest level of innovation. The study suggested that a high level of organisational creativity mechanisms with a low level of individual creativity mechanisms led to significantly superior innovation performance than low levels of both individual and organisational creativity mechanisms. They provided empirical evidence that organisational efforts at creativity had a positive
impact on innovation. Forbes and Domm (2004) claimed that high levels of employee productivity are required
for developing new services and products and continuously improving internal processes. While, Hu et al. (2009) found that Employee Service Innovation Behaviour (ESIB) was significantly and positively related to New Service Development (NSD).

RESEARCH METHODOLOGY

The current study aims to explore the relationship between employee service innovation behaviour and new Service development in the hotel industry. In order to fill the gap in the literature, the present study suggests a proposed model as shown in Figure 1.

Figure 1: A Proposed Model of the Study

In the study model, the hypothesis was developed to test the relationship among the variables, and Figure 1 displays the following hypothesis:

H1: Employee service innovation behaviour is positively related to new service development.

Variables’ Measurements: Innovation instrument is comprised of two parts. The first part will explore employees’ perceptions of service innovation performance (i.e. employee service innovation behaviour, new service development) at their hotel, this part contained 14 statements to investigate innovative environment in order to measure service innovation performance. All items in this scale were adapted from Hu et al.’s (2009) instrument using a six-point Likert scale ranging from 1 “Strongly Disagree” to 6 “Strongly Agree”, which describe two dimensions:

1. Employee Service Innovation Behaviour (ESIB) contained six statements (Sip1, Sip 3, Sip 5, Sip 7, Sip 10, Sip 13).
2. New Service Development (NSD) contained eight statements (Sip 2, Sip 4, Sip 6, Sip 8, Sip 9, Sip 11, Sip 12, Sip 14).

Finally, the second part contained ten statements about demographic profiles (gender, age, nationality, social status, and education), hotel name, experience, organisational position, department and monthly salary, which were developed by the researcher.

Sample: The target population contains all employees who work at Jordanian resort hotels around the Dead Sea, Gulf of Aqaba and in Petra, since all Jordanian resort hotels are located in these locations. A purposive sampling was used to obtain only four- and five-star resort hotels, which have appropriate characteristics that meet the purpose of this study (Zikmund, 2003). Around 22 four- and five-star resort hotels are considered as destination resort hotels in Jordan were selected to participate in this study which had a total number of 4,179 employees in 2011 (Jordanian Ministry of Tourism, 2011). The sampling frame in this study contained all line employees. The researcher will approach the subjects in this sampling frame through a contact with their Human Resource (HR) managers. Furthermore, a random sampling technique will be selected to choose the study participants in order to obtain a representative sample for population (Sekaran, 2003), and to ensure that selecting the sample will be at random from sampling frame (Saunders et al., 2009).

Data Collection: The study scales were adapted from the western context based on English versions, while the study context used the Arabic language. Hence, it was necessary to conduct two pilot tests, one on the English version and another on the Arabic version. The first pilot study was conducted in English version with people speaking and understanding English language very well, ten employees working in five-star resort hotels in Jordan were asked to complete the study’s questionnaire. The majority of respondents completed the questionnaire without any confusion or need for more clarification. Based on the respondents’ evaluations, the researcher modified and developed the statements of questionnaire in order to be understandable and applicable in the hotel industry.
On the other hand, since Arabic is the mother language of the people in Jordan, and due to the fact that not all employees in the resort hotels could understand the English version, the questionnaire was translated from English into Arabic by the first qualified person who is speaking English fluently, after that questionnaire was translated back from Arabic to English by another fluently bilingual person, and then examined to assess the appropriateness of the translation. This translation was conducted in order to identify and modify inconsistency between English and Arabic versions (Zikmund, 2003). The second pilot study was conducted by administrating the questionnaire after the completion of translation and back-translation from English to Arabic, to ten employees working in five-star resort hotels in Jordan, who agreed to complete the questionnaire in Arabic version. Thus, ten questionnaires were distributed to employees. The respondents found few misleading words and unclear statements, and they suggested modifications to some statements. Then, the researcher changed misleading words and modified some statements regarding respondents’ feedback in order to avoid ambiguous statements and misunderstanding those statements.

The research population is made up of all employees in 17 four- and five-star resort hotels in Jordan. This research used a cross-sectional approach to collect data. Thus, data were collected via a self-administered questionnaire. More clarification, 630 questionnaires were distributed to all employees. A total of 346 questionnaires were returned, a response rate of 53.9%. However, as 14 questionnaires were invalid due to incomplete data, the researcher obtained 332 usable questionnaires. The quantitative data were analysed by using Statistical Package for the Social Sciences (SPSS) 21.0 for windows.

RESULTS

Characteristics of the Participating Hotels: This study provides a brief description of the participated hotels characteristics such as hotel classification, hotel affiliation and hotel management as shown in Table 1.

Table 1: Characteristics of the Participating Hotels (N=17)

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Number of hotels</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel Classification:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Five –star</td>
<td>12</td>
<td>71%</td>
</tr>
<tr>
<td>Four-star</td>
<td>5</td>
<td>29%</td>
</tr>
<tr>
<td>Hotel Affiliation:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>International chain</td>
<td>11</td>
<td>65%</td>
</tr>
<tr>
<td>Independent hotels</td>
<td>6</td>
<td>35%</td>
</tr>
<tr>
<td>Hotel Management:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management contract</td>
<td>14</td>
<td>82%</td>
</tr>
<tr>
<td>Managed by owners</td>
<td>3</td>
<td>18%</td>
</tr>
</tbody>
</table>

Demographic Characteristics of Employee Sample: The current study provides a brief description of the demographic characteristics of the participated employees such as gender, age, nationality, social status, education level, participants’ departments and experiences, and monthly salary as shown in Table 2.

Table 2: Demographic Characteristics of Employee Sample (N=332)

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender:</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>83%</td>
</tr>
<tr>
<td>Female</td>
<td>17%</td>
</tr>
<tr>
<td>Age:</td>
<td></td>
</tr>
<tr>
<td>25 years or less</td>
<td>25.3%</td>
</tr>
<tr>
<td>26-35</td>
<td>59%</td>
</tr>
<tr>
<td>36-45</td>
<td>13.9%</td>
</tr>
<tr>
<td>46-55</td>
<td>1.5%</td>
</tr>
<tr>
<td>56 years or more</td>
<td>0.3%</td>
</tr>
<tr>
<td>Nationality:</td>
<td></td>
</tr>
<tr>
<td>Jordanian</td>
<td>96%</td>
</tr>
<tr>
<td>Non-Jordanian</td>
<td>4%</td>
</tr>
<tr>
<td>Social Status:</td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>52.4%</td>
</tr>
<tr>
<td>Married</td>
<td>21.3%</td>
</tr>
<tr>
<td>Divorced</td>
<td>2.7%</td>
</tr>
<tr>
<td>Widow(er)</td>
<td>1.2%</td>
</tr>
<tr>
<td>Education Level:</td>
<td></td>
</tr>
<tr>
<td>Less than secondary education</td>
<td>14.2%</td>
</tr>
<tr>
<td>Secondary school graduates</td>
<td>31.9%</td>
</tr>
<tr>
<td>Undergraduate degree</td>
<td>51.8%</td>
</tr>
<tr>
<td>Postgraduate degree</td>
<td>2.1%</td>
</tr>
<tr>
<td>Department:</td>
<td></td>
</tr>
</tbody>
</table>
A total number of employees participated in this study was 332. Most participants (83%) were males since Arabic culture restricts females to work in resort hotels. The majority of participants (84.7%) age 35 years or less that represents most employees were young people. But most of participants (96%) were Jordanian, and more than (52.4%) were single. However, (51.8%) of employees were undergraduate degree holders that indicate most employees were educated people. Most participants (40.7%) are working in food and beverage department as the main department in hotel. The highest number of participants (44.9%) was 2-4 years of service since some unskilled jobs in resorts need inexperienced people. Most participants (45.2%) had monthly salary less than JD 300.

**Scales purification:** This study adapted existing western scales, which showed good reliability and validity results through different contexts in previous researches. However, it was necessary to purify these scales due to this study was conducted in Jordan as a non-western country. Factor analysis carried out through two ways: exploratory to discover the set of variables underlie the common factors of measurement scales, and confirmatory to confirm the structure of measurement scales.

**Exploratory Factor Analysis:** Exploratory Factor Analysis (EFA) was conducted in order to reduce the number of items in each scale due to poor loadings or cross loadings, as well to establish the factors underlying each construct in the innovation survey. An assumption analysis was necessary to check the suitability and factorability of obtained data for exploratory factor analysis and construct validity. Table 3 shows, the results of factor analysis assumptions for creativity instrument based on three criteria as suggested by Hair et al. (2010), which are: correlation matrix (r =0.30 or greater), Kasier-Meyer-Olkin (KMO) (0.60 or above), and Bartlett’s Test of Sphericity (significant at P <0.05).

<table>
<thead>
<tr>
<th>Table 3: Factor Analysis Assumptions for Creativity Instrument</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Innovation Performance</strong></td>
</tr>
<tr>
<td><strong>Scale</strong></td>
</tr>
<tr>
<td>ESIB</td>
</tr>
<tr>
<td>NSD</td>
</tr>
</tbody>
</table>

As can be seen from Table 3, a correlation matrix revealed that all constructs have many correlation coefficients with a value of 0.30 and above, (KMO) value ranging between 0.862 and 0.910, which are above the 0.60 recommended cut off point, and Bartlett’s Test of Sphericity reached statistical significance for all variables (p=0.000). These results confirmed the construct validity for all scales of creativity instrument, and therefore using factor analysis was acceptable.

Based on the previous results, the 14 items of the innovation questionnaire representing two constructs of service innovation performance were subjected to EFA. Principle Components Analysis (PCA) using SPSS version 18 was performed for each scale separately, all items in scales were used in EFA before eliminating any item for maximizing reliability. A factor loading of 0.40 was used as the cut-off point in this study.

1. **Employee Service Innovation Behaviour:** Employee Service Innovation Behaviour (ESIB) was represented by six items in the original scale. Factor analysis was conducted using varimax rotation to test the underlying structure of ESIB as shown in Table 5.

<table>
<thead>
<tr>
<th>Table 5: Results of Exploratory Factor Analysis (ESIB)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Scale</strong></td>
</tr>
<tr>
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</table>
Table 5 shows, one extracted factor obtained Eigenvalue greater than 1, with a percentage of variance 60.431%. NSD items had high factor loadings exceeding 0.40 ranged from 0.759 to 0.837. These results confirmed one-dimensional structure of NSD.

Confirmatory Factor Analysis: Confirmatory factor analysis (CFA) aims to test hypotheses based on previous studies or on relevant theory. Factor loadings for the variables are hypothesized, and then proceeds to fit these loading in the target matrix (Kline, 1994). Confirmatory factor analysis (CFA) was conducted to confirm the underlying structures of each construct. The goodness of fit tests assess by different fit indices, are: Normed Chi-Square (X²/df); PCLOSE; Tucker Lewis Index (TLI); Normed Fit Index (NFI); the Comparative Fit Index (CFI); the Incremental Fit Index (IFI); and the root mean square error of approximation (RMSEA) (Joreskog, 1993; Kline, 2005).

1. Employee Service Innovation Behaviour: The six observed items of ESIB scale were initially subjected to CFA as specified by EFA. The initial results of ESIB model revealed that X²/df and RMSEA had high values and greater than the recommended values. As a result, this model was not accepted, and therefore the second run was necessary to improve the model fit. The results of second run after deleting two items (Sip7, Sip10) from ESIB scale. However, the results showed that CFI, IFI, NFI and TLI greater than the recommended 0.90, RMSEA and X²/df had high values but still within the acceptable level, and PCLOSE value was 0.082 which is greater than 0.05. As a result, the modified ESIB model had the good fit.

2. New Service Development: The NSD scale was subjected to CFA, the initial results of NSD model revealed that X²/df, RMSEA had high values and greater than the acceptable values, as well TLI, PCLOSE had values less than the recommended values. Therefore, four items (Sip2, Sip6, Sip8, Sip11) were deleted from NSD scale to obtain an acceptable model. The results of second run found that all fit measures had excellent values, specifically, the values of CFI, IFI, NFI and TLI were one or close to one and greater than the recommended 0.90, RMSEA value was 0.020, PCLOSE value was 0.574, and finally, X²/df was 1.132. Consequently, the good fit for NSD model was confirmed.

Reliability and Validity of the Creativity Instrument: The research instrument has to be valid and reliable for data collection, and therefore it was necessary to examine reliability and validity for each scale in the innovation instrument. Innovation instrument made up one part. Innovation service performance was developed consisted of two scales (i.e. employee service innovation behaviour, new service development). These scales were evaluated for reliability and validity, and some items were eliminated to maximise scale reliability.

1. Reliability Test: Reliability refers to the extent to which measurement scales provide a consistent result. This study used Cronbach’s alpha as a reliability coefficient. The acceptable value of Cronbach’s alpha should be above 0.70 as suggested by Nunnally (1978) or at least above 0.60 as recommended by DeVellis.
An internal consistency analysis was conducted using the SPSS programme for each scale, and overall scores of scales. Following, are the reliability results of each scale used in the innovation instrument.

A. Employee Service Innovation Behaviour Scale: Table 8 revealed the reliability results of ESIB scale, which includes four items.

Table 8: ESIB Scale Reliability

<table>
<thead>
<tr>
<th>Item</th>
<th>Cronbach's Alpha</th>
<th>Item-Total Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>S1</td>
<td>.849</td>
<td>.678</td>
</tr>
<tr>
<td>S3</td>
<td></td>
<td>.764</td>
</tr>
<tr>
<td>S5</td>
<td></td>
<td>.710</td>
</tr>
<tr>
<td>S13</td>
<td></td>
<td>.606</td>
</tr>
</tbody>
</table>

Table 8 pointed out that ESIB scale had an acceptable alpha reliability coefficient ($\alpha = .849$), with inter-item correlation greater than (.50). This scale is therefore accepted as a measure of ESIB.

B. New Service Development Scale: The internal consistency of NSD was estimated using the Cronbach’s alpha as shown in Table 9.

Table 9: NSD Scale Reliability

<table>
<thead>
<tr>
<th>Item</th>
<th>Cronbach's Alpha</th>
<th>Item-Total Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>S4</td>
<td>.841</td>
<td>.611</td>
</tr>
<tr>
<td>S9</td>
<td></td>
<td>.674</td>
</tr>
<tr>
<td>S12</td>
<td></td>
<td>.753</td>
</tr>
<tr>
<td>S14</td>
<td></td>
<td>.667</td>
</tr>
</tbody>
</table>

As can be seen from Table 9, NSD scale had an acceptable alpha reliability coefficient ($\alpha = .841$), and inter-item correlation ranged from 0.611 to 0.753. Therefore, there was no need to drop any item from the scales of creativity instrument to improve its reliability. As a result, creativity instrument had an acceptable internal consistency because Cronbach’s alpha scores were above the recommended 0.60 level, and therefore the reliability for creativity instrument was good and acceptable for this work. Accordingly, the study’s scales were judged to be reliable.

2. Validity of Scales: The scales of innovation instrument had content validity due to the study used valid and reliable scales were all derived from an extensive review of the literature and have being used previously, as well detailed evaluations by academicians and practicing managers, for instance, innovation instrument has been piloted two times by experts of practitioners and academics as discussed earlier to ensure content validity.

Construct validity was confirmed for each scale separately by using assumptions of factor analysis to ensure the suitability of gathered data for factor analysis. The results indicated that all constructs have many correlation coefficients with a value greater than 0.30, (KMO) value ranging between 0.862 and 0.91, which are above the recommended value 0.60, and Bartlett’s Test of Sphericity values for all constructs were significant at the level ($P=.000$). These results confirmed that all scales of the innovation instrument had construct validity.

Another type of validity, criterion-related validity, was conducted for innovation instrument separately. Furthermore, criterion-related validity of innovation instrument was a measure of how well scale of ESIB is related to measures of NSD (the criteria). Bivariate correlation (Pearson) analysis was conducted for testing criterion validity by investigating the interrelationships between the independent and dependent variable sets: ESIB(predictor set) and NSD (the criterion set). The Bivariate correlation coefficients are listed in Table 10.
Table 10: Bivariate Correlation Matrices

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
<th>ESIB</th>
<th>NSD</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESIB</td>
<td>4.45</td>
<td>1.03</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>NSD</td>
<td>4.33</td>
<td>1.07</td>
<td>.721</td>
<td>1.00</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed), N=332

As can be seen from Table 10, the correlation within innovation scales (criterion set), between the predictor set and criterion set were significant at the level (P<.000). As a result, this confirmed that innovation instrument had criterion-related validity. Based on the above results, the scales of innovation instrument had the three types of validity: content validity, criterion-related validity, and construct validity. Consequently, the scales in this instrument are valid and reliable for the further analyses.

Distribution of the Study Dimensions in Creativity Instrument: After confirming the reliability and validity of the instrument scales, descriptive analysis was conducted for extracted dimensions and overall scales. Due to this study used different scales, and therefore each scale has a different midpoint. Table 11 shows descriptive statistics, including, mean, standard deviation, Skewness and Kurtosis.

Table 11: Distribution of the Dimensions of the Creativity Instrument

<table>
<thead>
<tr>
<th>Scale</th>
<th>Extracted dimensions</th>
<th>Mean</th>
<th>SD</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Innovation</td>
<td>Service Innovation</td>
<td>1-6</td>
<td>ESIB</td>
<td>4.45</td>
<td>-.808</td>
<td>.629</td>
</tr>
<tr>
<td></td>
<td>NSD</td>
<td>4.33</td>
<td>1.07</td>
<td>-.615</td>
<td>.095</td>
<td>4</td>
</tr>
</tbody>
</table>

*The cut point between -1 and 1. SD: Standard Deviation.

Innovation instrument was used to measure three main scales, these scales were measured based on employees’ perceptions. Two scales, ESIB and NSD, were used to measure service innovation performance. More specifically, the results revealed that employees perceived themselves as being highly oriented in their behaviour toward service innovation (mean=4.45, SD=1.03). Finally, employees felt they could provide new service development (NSD) (mean=4.33, SD=1.07).

On the other hand, the distribution of collected data is supposed to be normal for statistical analysis. Two statistical measures, Skewness and Kurtosis, can be used to measure the normality of variables. Table 11 found that all variables in the innovation instrument are normally distributed. The values of Skewness and Kurtosis ranged between -0.808 to 0.629 fell within a range of acceptable values which are -1.0 to +1.0. These results confirmed the normality of data, and therefore the data are ready for further statistical analyses.

Correlation Analysis: A correlation analysis will be used in this study to test the relationship between independent and dependent(s). A correlation coefficient was conducted among innovation behaviour and new service development. The results as shown in Table 10 indicated significant correlations were between ESIB and NSD, were (r = .721).

Testing the Hypotheses: The current study tested the hypothesis by using a linear regression analysis. The results of correlation analysis revealed that there were very high significant correlations between all variables of this study, since the significant level was (P<.05). Hence, a linear regression model was necessary to conduct in order to indicate the impact of ESIB on NSD as dependent variables.

H1: ESIB is positively related to NSD.

In this study, ESIB as one dimension of service innovation was proposed to have a positive relationship with the second one (NSD). This hypothesis was tested by a liner regression analysis, and the results are presented in Table 14.

Table 14: Linear Regression for Impact of ESIB on NSD

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>R</th>
<th>R²</th>
<th>F</th>
<th>β</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESIB</td>
<td>.721</td>
<td>.520</td>
<td>357.594</td>
<td>.721</td>
<td>18.910**</td>
<td>.000</td>
</tr>
</tbody>
</table>

The regression results showed that ESIB is a good significant predictor of NSD as shown in Table 14, ESIB is positively related to NSD (β = .721, P<.01). More specifically, ESIB explains (R²) 52 % of the variance in NSD. However, the overall statistical results indicated that ESIB positively influenced NSD. Accordingly, hypothesis 1 is accepted which confirmed the positive relationship between ESIB and NSD.

DISCUSSION
Service Innovation Performance (SIP) was measured by using Hu et al.’s (2009) scale which was developed from previous scales (i.e. Scott and Brue, 1994; Matear et al., 2004) for measuring SIP in the hotel industry. More specifically, the SIP scale consisted of two main scales: the Employee Service Innovation Behaviour (ESIB) scale (6 items) which was originally developed by Scott and Brue (1994) as ‘individual innovative behaviour’ scale using a five-point Likert-type scale ranging from 1 “Not at all” to 5 “To an exceptional degree” at a research and development (R&D) centre in the US; and the New Service Development (NSD) scale (8 items) which was originally developed by Matear et al. (2004) using a five-point Likert scale ranging from 1 “Strongly disagree” to 5 “Strongly agree” at service organisations in New Zealand.

Contrary to previous studies, Hu et al. (2009) developed SIP, ESIB and NSD scales, in higher-class hotels in a non-western context, Taiwan, and they used a six-point Likert scale ranging from 1 “Strongly disagree” to 6 “Strongly agree”. From this, they confirmed that the SIP scale is a reliable and valid instrument for measuring service innovation performance, more specifically in the hotel industry.

Employee Service Innovation Behaviour (ESIB) was measured by six items representing one initial dimension using a six-point scale ranging from 1 “strongly disagree” to 6 “strongly agree”. The results of EFA in the current study confirmed that the items of ESIB clearly formed a single factor, as these items showed high item loadings which ranged from 0.699 to 0.835. Based on the above results, the uni-dimensionality of the ESIB scale was supported in this study. Moreover, the results of first run of CFA revealed that the ESIB model was not accepted, and therefore two items (Sip7, Sip10) were dropped from the ESIB scale. The results of the second run of CFA indicated that fit indices CFI, IFI, NFI and TLI had values greater than the recommended .90, PCLOSE = 0.082, whereas RMSEA and X²/df had high values were 0.10, 4.319 respectively, falling within the range of the acceptable values. These results confirmed that the ESIB model had a good fit. Furthermore, the ESIB scale had an acceptable reliability shown by Cronbach’s alpha being .849 and there was no need to drop any item to maximise the reliability of the scale, and inter-item correlations for the items ranged from 0.606 to 0.764. The ESIB scale had content validity and construct validity. This scale is therefore accepted as a measure of ESIB.

Scott and Bruce (1994) confirmed the validity and reliability of the innovative behaviour scale, including six items, as Cronbach’s alpha coefficient was (α=0.89). These results were supported by Hu et al. (2009) who found that all items of ESIB were loaded strongly into one factor with a range of 0.65 to 0.83, and also that ESIB had a high Cronbach’s alpha coefficient (α=0.92) indicating a reliable and valid instrument to measure employee service innovation behaviour in the hotel industry. Chen et al. (2010) confirmed that Scott and Bruce’s scale is a reliable scale; they found that the innovative behaviour scale had a high Cronbach’s alpha coefficient .88. Similar results were obtained by Vinarski-Peretz et al. (2011), who indicated a Cronbach’s alpha for this scale of (α=0.92).

The mean score for ESIB in this study was measured, and found to be (4.45). This indicated that employees in the sampled hotels had ESIB. These results were supported by Scott and Bruce’s (1994) findings by using a five-point scale; they found that R&D professionals rated their ESIB moderately (mean=3.20). In the hotel industry, Hu et al. (2009) found that employees at higher-class hotels in Taiwan showed ESIB evidenced by the mean score of ESIB being (4.18).

New Service Development (NSD) was measured by eight items representing one initial dimension using a six-point scale ranging from 1 “Strongly disagree” to 6 “Strongly agree”. In this study, the results of exploratory factor analysis for items of the NSD scale indicated that all items were loaded on one factor, and therefore NSD was confirmed as a one-dimensional scale with high item loadings ranging from 0.759 to 0.837. The results of the first run of CFA revealed that the NSD model required some improvement due to the values of some fit indices being less than the recommended values, and therefore four items (Sip2, Sip6, Sip8, Sip11) were deleted from the NSD scale. On the other hand, the results of the second run confirmed an excellent fit for the NSD model, with fit measures CFI, IFI, NFI and TLI having excellent values which were greater than the recommended .90, and other fit indices RMSEA=.020, PCLOSE=.574, X²/df= 1.132 fell perfectly within the range of acceptable values. This study confirmed that the NSD scale is a reliable scale since it had Cronbach’s alpha of (α=0.841), and there was no need to drop any item to improve the scale’s reliability. For all items, the item-total correlations ranged from 0.611 to 0.753. Validity was confirmed for the NSD scale in terms of content validity and construct validity. Thus, the NSD scale was confirmed as a valid and reliable scale.

Matear et al. (2004) used 17 items that were derived from previous studies to measure “new service development” representing four dimensions, namely, people, process, organisational support and implementation. They confirmed through exploratory factor analysis that NSD was measured by two
dimensions, organisational support and implementation, and each dimension had four items. Cronbach’s alpha coefficient for NSD was (α=0.764). Furthermore, Hu et al. (2009) confirmed the uni-dimensionality of the NSD scale due to all items being loaded strongly into one factor with a range of 0.63 to 0.90, and they also confirmed the reliability of the NSD scale since it had a high Cronbach’s alpha coefficient (α=0.94). As a result, the NSD scale was a reliable and valid instrument to measure new service development in the hotel industry.

In this study, the mean score for NSD was measured and was found to be (4.33). This indicated that the sampled hotels had NSD. These results were consistent with Hu et al.’s (2009) findings, suggesting that employees at higher-class hotels in Taiwan rated NSD moderately as the mean score of NSD was (4.03). The findings of this study were consistent with most scholars (e.g. Amabile, 1988; Heuks, 1998; Bharadwaj and Menon, 2000; Montes et al., 2003; Prajogo et al., 2004; Forbes and Domm, 2004; Miron et al., 2004; Swann and Birke, 2005) who argued that organisational creativity had a significant and positive relationship with innovation. Those scholars claimed that creativity was necessary for implementing innovation, and developing new service. As a result, organisations need to develop creativity in order to promote innovation. The current study confirmed Hu et al.’s (2009) findings; they found that Employee Service Innovation Behaviour (ESIB) was significantly and positively related to New Service Development (NSD).

CONCLUSIONS

In developing countries like Jordan there is a shortage of creativity studies in general, and particularly in the hospitality industry. This study attempts to fill that gap by identifying the impact of organisational creativity on service innovation performance at Jordanian resort hotels. Specifically, individuals with different cultures and backgrounds show some differences about the need for creativity at work. Therefore, organisational creativity can vary based on individuals’ achievements because each individual has a different level of creativity. Creativity can vary from a slight change at work to total change, whereas innovation refers to the successful implementation of creativity.

As a result, organisational creativity can impact service innovation performance at hotels. The researcher concluded that organisational creativity in hotels had a positive impact on both employee service innovation behaviour and new service development. This study also determined the relationship between employee service innovation behaviour and new service development in the hotel industry.

REFERENCES


