

Citation:

Tarí, J.J., Pereira-Moliner, J., Molina-Azorín, J.F. & López-Gamero, M.D. (2022). The relationship between internalisation of a quality standard and customer results via employee and social results in the hotel industry. **Total Quality Management & Business Excellence**, 33:13-14, 1656-1673, <https://doi.org/10.1080/14783363.2021.1996223>

The relationship between internalization of a quality standard and customer results via employee and social results in the hotel industry

Juan José Tarí*, Jorge Pereira-Moliner, José F. Molina-Azorín and María D. López-Gamero

Business Management Department, University of Alicante, PO Box 99, 03080 Alicante, Spain

* **Corresponding author:** Juan José Tarí (jj.tari@ua.es), Business Management Department, University of Alicante, PO Box 99, 03080 Alicante, Spain.

The relationship between internalization of a quality standard and customer results via employee and social results in the hotel industry

Abstract: The aim of this paper is to examine the internalization of a quality standard and its effects on employee, social and customer results, and the relationships between these three types of results in the hotel industry. The paper first performs a qualitative study. Second, it presents the results of a quantitative analysis using structural equations based on 176 hotels in Spain. Third, it carries out another qualitative analysis to better understand the quantitative results. The results show that the internalization of a quality standard facilitates employee and social results and then customer results. The study contributes to prior research about the relationships between quality measures and guest/business outcomes, expanding the relationships between quality standards and customer and employee results previously examined in the literature by including social results. Managers should understand the importance of continuous improvement and the fundamental role of employees in the internalization process of a quality standard to enhance employee, social, and customer results.

Keywords: Quality management, Internalization of quality standards, Customer results, Employee results, Social results, Hotel industry

1. Introduction

Quality standards (e.g., international standards such as ISO 9001 and quality national standards) can enhance employee satisfaction and customer satisfaction in service organizations. Previous studies have found positive relationships between quality issues and customer (Alonso-Almeida, Bagur-Femenías, & Llach, 2015) and employee satisfaction (Amin, Aldakhil, Wu, Rezaei, & Cobanoglu, 2017). For example, quality standards may allow organizations to better adjust to customer needs, thus improving customer results, and to offer training to employees to better develop their tasks and

thus improve employee results (Sila & Walczak, 2017; Bello-Pintado, Heras-Saizarbitoria, & Merino-Díaz-de-Cerio, 2020).

Although customer and employee satisfaction is a key element in the success of any organization, the satisfaction of society is progressively gaining importance. Today focusing on quality improvement can be an important issue to satisfy the demands of society. For example, quality issues may allow organizations to reduce resource consumption and pollution (Ahmed, Fred, & Ying, 2020; Chavez, Yu, Sadiq Jajja, Lecuna, & Fynes, 2020). This means that quality issues could be related to social results.

These ideas suggest that quality initiatives such as the adoption of quality standards may be seen as help towards developing practices aimed at satisfying customers, employees and society. Quality literature has shown that quality issues are a way of satisfying these stakeholders by emphasizing the importance of employees and their satisfaction towards quality improvement, and an adequate relationship with customers and society (Dale, Van der Wiele, & Van Iwaarden, 2007; Gómez-Gomez, Martínez-Costa, & Martínez-Lorente, 2015; Dahlgard-Park, Reyes, & Chen, 2018; Kafetzopoulos, Gotzamani, & Skalkos, 2019; Paraschi, Georgopoulos, & Kaldis, 2019). Based on this idea, it is expected that possible associations can exist between a quality standard and employee, social, and customer results.

In spite of this, most previous studies on quality standards have focused on analysing its effects on customer satisfaction and employee satisfaction, while there are few works on its relationship with social results. Little attention is paid to analysing the joint effects of a quality standard on employee, social, and customer results in the service sector (Del Río-Rama, Álvarez-García, & Oliveira, 2019) and the role of social results in these relationships. A particular area little examined in the relationship

between quality measures and guest/business outcomes is the importance of social results. It is necessary to empirically examine the possible links between specific quality standards and social issues (Siva, Gremyr, Bergquist, Garvare, Zobel, & Isaksson, 2016; Ahmed et al., 2020).

In addition, most studies about the effects of quality standards on performance consider a homogeneous implementation of the standard, measuring it with a dichotomous variable (certified and non-certified firm) (Siougle, Dimelis, & Economidou, 2019; Esgarrancho & Cândido, 2020). Few studies analyse the internalization process (heterogeneous adoption) of a quality standard (Cai & Jun, 2018) measuring it with a set of items (Jang & Lin, 2008; Prajogo, 2011; Ataseven, Prajogo, & Nair, 2014).

Thus, new studies that examine the effects of a quality standard on social results (Ahmed et al., 2020), and on the potential relationships between employee, social, and customer results (Del Río-Rama et al., 2019), are needed to fill this gap in the service literature from the point of view of the internalization of a quality standard. In this way, the present work sheds light on which issues are important for the internalization of a quality standard and on how this internalization boosts these results and their relationship in order to eventually satisfy customers.

The internalization of a quality standard is a process aimed at integrating: (a) the requirements of a quality standard into daily practices, and (b) continuous improvement in internal activities carried out by organizations. Thus, firms can integrate the requirements of a quality standard and continuous improvement in their work routines in a heterogeneous way. For example, while a symbolic implementation means that a company implements a quality standard in a superficial way, a full adoption of a quality standard means that a company implements it in a more profound manner (Boiral and

Roy, 2007; Prajogo, Hou, & Han, 2012). These ideas suggest that a quality standard might be internalized in a superficial or a full way (Naveh & Marcus, 2005; Prajogo et al., 2012) or in a variety of intermediate manners. This level of internalization is expected to be related to employee, social, and customer results.

Accordingly, the research questions answered in this work are: (a) which are the most important issues for the internalization of a quality standard? (b) does the internalization of a quality standard enhance employee, social and customer results?, and (c) are these three results related? To this end, mixed-method research is used. First, a qualitative study is carried out to contextualize the topic of the study within the hotel industry. Second, a quantitative study is performed in order to test the hypotheses, and third, another qualitative study is carried out in order to explain the quantitative results.

The present study contributes to prior research about the relationships between quality measures and guest/business outcomes in two areas. First it focuses on the degree of adoption of these standards (internalization) by jointly examining the effects of quality standard internalization on employee, social, and customer results and their relationships in hotels using mixed-method research. Second, it expands the relationships between quality standards and customer/employee results previously examined in the literature by including social results.

Next, the paper provides a literature review regarding the link between the internalization of a quality standard and employee, social, and customer results. Then, it presents the research method and the main results of the study. Finally, it shows conclusions, implications, and limitations and future research.

2. Literature review and hypotheses

2.1. Internalization of a quality standard

The practice-based view helps to understand internalization and its effects. This view suggests that imitable or publicity practices such as quality standards can be adopted in a different way from one company to another and this variety in such adoption by companies may lead to different performance levels. As a consequence, a company may have positive, negative or neutral effects on performance derived from that adoption. This view suggests that the variety of execution of the quality standard requirements may have different effects in different circumstances (Bromiley & Rau, 2016). Organizations may develop the requirements in a token way, completely, or even adopt an intermediate position between the two situations. The position of the firm will lead it to have a higher or lower degree of internalization and greater or lesser benefits. Based on this view, organizations may adopt a quality standard in a heterogeneous way, and then its effects on employee, social, and customer results can be also different.

Considering that studies on internalization measure the adoption of a quality standard as a set of items, using one or several dimensions, two dimensions of internalization may be identified (Naveh & Marcus, 2005): daily practices and continuous improvement. Daily practices show how an organization uses and integrates the quality standard requirements within its day-to-day activities and how it communicates to and trains employees in order to facilitate such integration. Continuous improvement shows how the organization controls its activities in order to identify new improvement practices and opportunities, and then introduces improvements in its products/services and/or processes (Naveh & Marcus, 2005; Tarí, Molina-Azorín, Pereira-Moliner, & López-Gamero, 2020). These dimensions suggest important aspects to internalize a quality standard.

Thus, when an organization internalizes the requirements of a quality standard, it offers training to its employees, standardizes its processes, defines objectives, performs

follow-ups, and these initiatives may help it to improve its processes and/or products/services (Ataseven et al., 2014; Cai & Jun, 2018). Therefore, training, process standardization and their usage in day-to-day activities (daily practices dimension of internalization) facilitate the introduction of improvements in a continuous way (continuous improvement dimension of internalization). These issues are, therefore, important for internalization (Tari, Pereira-Moliner, Molina-Azorín, & López-Gamero, 2019).

2.2. Effects of internalization on customer results

Previous studies point out that quality practices produce benefits in customers (Alonso-Almeida et al., 2015; Sila & Walczak, 2017), also in the tourism industry (Del Río-Rama et al., 2019) and in hotels (Benavides-Velasco, Quintana-García, & Marchante-Lara, 2014). Some scholars that examine the internalization of quality standards also show this relationship (Allur, Heras-Saizarbitoria, & Casadesús, 2014).

For example, when a firm internalizes a quality standard, it collects and analyses information from customers in order to better adapt to their needs (Nair & Prajogo, 2009). This can lead the firm to become more tailored to customers' needs and expectations, thus enhancing customer results. This idea suggests that internalization can be positively related to customer results and makes it possible to propose the following hypothesis:

H1. Quality standard internalization is positively related to customer results.

2.3. Effects of internalization on customer results via employee results

Various scholars underline that the development of quality practices helps to improve employee results (Sila & Walczak, 2017), also in the tourism industry (Alonso-Almeida et al., 2015) and in hotels (Benavides-Velasco et al., 2014; Amin et al., 2017). On the basis of this review, it could be said that the internalization of quality standards may be related to employee results. For example, some scholars have found a relationship between quality internalization and satisfaction at work (Bello-Pintado et al., 2020). This is the case because internalization implies that the organization will offer training to employees (Cai & Jun, 2018) and may increase their commitment to the development of their tasks, the quality policy, the objectives and the use of quality documents (Huang, Horng, & Chen, 1999). This increased commitment and training may lead to an improvement in employee results (for instance, by improving their satisfaction).

These ideas indicate that the internalization of a quality standard enhances employee results. Employee results, in turn, positively predict customer results for several reasons. Various studies indicate that employee satisfaction is a precursor of customer satisfaction (Heskett, Sasser, & Wheeler, 2008; Prayag, Hassibi, & Nunkoo, 2019). This is the case because, when employees are more satisfied, they work better, which improves service quality, leading to increased customer satisfaction (Rust, Kim, & Quinn, 1998). This means that employee results have an impact on customer results when quality initiatives are adopted (Eskildsen, Kristensen, & Juhl, 2000; Gómez-Gómez et al., 2015).

In the specific case of the tourism industry, Del Río-Rama et al. (2019) state that employee management has positive effects on customer results in rural accommodations. Similarly, Alonso-Almeida et al. (2015) point out that employees' work has an influence on customer satisfaction in travel agencies, and Gronholdt and Martensen (2018) hold that better employee attitudes facilitate greater customer loyalty

in hotels. These ideas make it possible to say that employee results have an influence on customer results in a quality context. Based on this literature review, the following hypothesis is proposed:

H2. Quality standard internalization is indirectly related to customer results via employee results.

2.4. Effects of internalization on customer results via social results

With regard to social results, although some general works on the quality philosophy point out that quality practices facilitate social results, there is a lack of empirical studies on this relationship in the context of the internalization of a quality standard. Although some authors show a non-existent connection between quality practices and social results (Benavides-Velasco et al., 2014), in general it may be said that quality practices facilitate the development of social initiatives generating positive effects in environmental issues (Alves, Chiappetta, Latan, & Caldeira, 2019) and safety issues (Álvarez-Santos, Miguel-Dávila, Herrera, & Nieto, 2018). These ideas on the quality philosophy suggest that the internalization of a quality standard may have positive effects on social results.

This review indicates that the internalization of a quality standard can enhance social results, as has been found by quality management studies (Bou-Llugar, Escrig-Tena, Roca-Puig, & Beltrán-Martín, 2009). Social results, in turn, may impact on customer results for several reasons. For instance, while some authors point out that the relationship is present when quality initiatives are adopted (Eskildsen et al., 2000), others state the opposite (Gómez-Gómez et al., 2015). Nevertheless, it could be thought

that social results may have positive effects on customer results (Wang, 2020) in the accommodation industry (Alonso-Almeida et al., 2015; Prayag et al., 2019).

For example, in hotels, social initiatives have an influence on guest satisfaction (Gao & Mattila, 2014; Xu & Gursoy, 2015) because customers' perceptions of these social initiatives have an influence on their confidence (Jalilvand, Vosta, Mahyari, & Pool, 2017). Although environmental practices do not have the same influence on all customers (Peiró-Signes, Segarra-Oña, Verma, Mondéjar-Jiménez, & Vargas-Vargas, 2014), in general it may be said that environmental initiatives (Bagur-Femenias, Celma, & Patau, 2016) and safety initiatives (Álvarez-Santos et al., 2018) adopted by hotels may improve customer satisfaction. Based on this review, the following hypothesis is proposed:

H3. Quality standard internalization is indirectly related to customer results via social results.

2.5. Effects of internalization on customer results via employee and social results

Concerning the relationship between employees and society when quality initiatives are adopted, Gómez-Gómez et al. (2015) indicate that employee results do have an influence on social results. This could be due to the fact that employees are more committed to the organization (Bello-Pintado et al., 2020). For instance, employees showing a greater commitment to the organization may also show a greater commitment to the actions and policies carried out by the organization, with a more proactive attitude towards the development of social actions and improving social results.

Similarly, training is a critical aspect for the internalization of a quality standard. Internalization allows companies to have employees with more knowledge and

information. Trained employees can be better informed about indicators related to waste or other environmental indexes, which will help them to improve work environment and environmental performance (Bhatia & Awasthi, 2018). Training and involving employees helps them to identify waste and pollution, and participate in improvement in order to reduce water and other resource consumption, and reduce waste and emissions (Roscoe, Subramanian, Jabbour, & Chong, 2019; Ahmed et al., 2020; Chavez et al., 2020).

These social issues, in turn, may predict customer results, as has been previously shown in subsection 2.4. This literature review shows that employee results lead to their commitment to improved social results. In turn, some customers value social results, and therefore, there could be a connection between social results and customer results (Bagur-Femenias et al., 2016; Álvarez-Santos et al., 2018), derived from the internalization of a quality standard. Based on this review, the following hypothesis is proposed:

H4. Quality standard internalization is indirectly related to customer results via employee results and social results sequentially.

These four hypotheses are shown in the research model in Figure 1.

Figure 1

3. Research method

This work first develops an exploratory qualitative study to review the literature in the case of the hotel industry and support the content validity of the measurement

instrument used in the quantitative study that follows. Second, a quantitative study is carried out to test the four hypotheses. Finally, a confirmatory qualitative study is performed to better understand the quantitative results.

3.1. Exploratory qualitative study

In the exploratory qualitative study, data were collected by means of nine in-depth interviews with managers in tourism organizations: two interviews to two managers from two tourism bodies (respondent 1 and 2), one interview to one quality consultant (respondent 3), and six interviews to six managers in six tourism organizations (respondents 4 to 9). These interviews were carried out at the workplace of the persons interviewed, and each interview lasted approximately one and a half hour. Each interview was carried out by two authors, was recorded with the consent of the respondents, and then transcribed. The interview transcripts were checked for accuracy by the respondents, and the quotations that appear below are from the transcripts. The respondents were asked how internalization is carried out, and how it explains customer, employee and social results, together with the potential relationships between these three results. A content analysis is performed from the interview transcripts. In order to reduce potential bias, multiple methods and data sources were also used. The interview data were triangulated by means of a qualitative content analysis of public corporate documents (e.g., annual reports), quality documents from the organizations (e.g., quality handbook, operating procedures, and records such as, among others, quality policies, quality reports and questionnaires to measure guest satisfaction), information from the website, newspaper publications and direct observation.

Regarding the first questions about how internalization is carried out (which issues facilitate the internalization of a quality standard), the respondents answered that

the key issues for internalization were management and employee commitment, continuous training and communication, using the quality standard in daily activities and follow-up aimed at improvement:

Respondent (R) 2: “Training, management knowledge, indicators, involvement and team engagement (coordination between departments), teamwork”.

R6: “In order to improve, follow-up is basic”.

R4: “Employees have received training in new work systems and procedures, since they are the ones who eventually carry out the processes. Documents are useful for improvement”.

R4: “The standards and procedures of all the programmes existing in the hotel are part of the daily routines of all the hotel employees”.

R6: “The employees apply the documentation to day-to-day activities”.

These opinions emphasize that training, use of quality documents in day-to-day practices, controls and the identification of opportunities for improvement in work processes and services are important issues for internalization, supporting the previous literature review for the case of hotels.

In relation to questions about how internalization explains employee, social, and customer results, the respondents in the qualitative study clearly point out the positive effects of a higher level of internalization on customer results, as it makes it possible to use different techniques to obtain feedback from customers and improve their satisfaction:

R4 (R3 suggests a similar idea): “When one has a quality culture, practices are developed in order to improve quality, and these practices improve customer results”.

R5: “Many measures are implemented to improve customer satisfaction, and we identify incidents and improve them thanks to the procedures derived from the quality system”.

R6: “Although the effects are difficult to measure because customers seldom pay attention [...], a satisfied customer brings along more customers, while a dissatisfied one will take customers from you. We achieve satisfaction, repeat customers, positive opinions, etc.”

These opinions support H1 for the hotel industry. These opinions contextualize this relationship for the case of the hotel industry. The respondents in the qualitative study also suggest that an advanced level of internalization may have positive effects on employees:

R7: “Our assessment is a positive one. Now they have clearer ideas on how to do things, and they are even more motivated. People are proud to work in a hotel with a quality certificate.”

R1: “Improved working environment, increased efficacy and efficiency of organizational processes and procedures.”

Similarly, the respondents suggest that employee results predict customer results due to the well-doing of employees and their satisfaction that facilitate the development of a service with high quality standards:

R6: “Employee training and satisfaction improve service quality ...”

These opinions support H2 and contextualize this relationship in the case of hotels. The respondents in the qualitative study also suggest that there are positive effects of internalization on customer results via social results, although opinions differ:

R5: “I find it difficult to answer. Having the certificates implies having greater control over everything. I think it is positive”.

R6: “If you have social purposes, it is because you want to, not because the quality standard says so. Environmental issues are included, but because the quality standard has specific requirements (for instance, saving energy).”

R1 (R8 suggests a similar idea): “The organization is committed towards local environmental respect and care, reduction of environmental hazards caused by the business activity, ethical commitment in management.”

These ideas show that the quality standard in hotels has environmental requirements, and therefore, there will be some commitment to environmental protection. It does not have any ethical or security requirements, but having an advanced quality system makes it easier to monitor and improve daily activities, and this continuous improvement in daily practices would include actions to improve social results. In this way, as one of the hotel managers points out, a higher internalization has positive effects on all areas of the organization (customers, employees and society):

R6 (R7 suggests a similar idea): “It affects all the aspects of the business (society aspects, investment, employees, etc.). It affects everything”.

The respondents in the qualitative study suggest that some customers value environmental issues and in general terms they consider social issues:

R8: “Some customers value the environmental certificate and others don’t ...”

These opinions contextualize the relationship shown in H3 in the case of the hotel industry. Finally, regarding the effects of internalization of a quality standard on customer results via employee and social results, the respondents contextualize these links in hotels. The respondents in the qualitative study suggest that:

R8: “Employees’ commitment to the organization may facilitate attention to society issues”

Based on this opinion, employee results may enhance social results. In addition, social results, as has been said previously, facilitate customer results. The opinions contextualize the relationship shown in H4 in the case of the hotel industry.

3.2. Quantitative study

3.2.1. Data collection

In order to test the four hypotheses a quantitative study is performed. The population is the quality certified hotels in Spain, according to the Spanish Institute for Tourism Quality (ICTE) database. They are certified hotels with the ICTE’s Q standard, a quality standard

similar to ISO 9001, as in general terms it includes the ISO requirements and specific requirements for hotel services. The requirements of the Q standard are between those of ISO 9001 and those of the European Foundation for Quality Management (EFQM) model. This quantitative study considers all certified hotels according to the ICTE database (415 quality certified hotels).

A structured questionnaire was designed on the basis of previous studies on internalization and the ideas suggested by the qualitative study. Then, a pre-test was carried out with three managers from three tourism organizations, three representatives of three hotel associations and a quality consultant. Following this, the questionnaire was sent in three waves by ordinary mail and e-mail to the whole population. One hundred and seventy-six answers from quality managers were received (42.41%). Regarding bias, the Student t-test shows that there are no significant differences in the variables used in the study.

3.2.2. Variables

The questionnaire included the following constructs, measured in a seven-point scale (see Table 1):

- Internalization. It includes two dimensions (Table 1):
 - Daily practices, including four items based on Briscoe, Fawcett and Todd (2005), Naveh and Marcus (2005) and Christmann and Taylor (2006).
 - Continuous improvement, consisting of 5 items based on Briscoe et al. (2005), Naveh and Marcus (2005) and Nair and Prajogo (2009).

- Employee results. Scale consisting of five employee result items based on quality papers (Curkovic, Melnyk, Calantone, & Handfield, 2000; Bou-Llusar et al., 2009) and tourism-specific studies (Yeh, 2013).
- Social results. It includes three items based on quality studies (Tari, Molina, & Castejón, 2007; Bou-Llusar et al., 2009) and tourism-specific studies (Kim, Lee, & Prideaux, 2014).
- Customer results. Construct consisting of five items based on quality studies (Curkovic et al., 2000; Tari et al., 2007; Bou-Llusar et al., 2009) and tourism-specific works (Deng, Yeh, & Sung, 2013).

3.2.3. *Quantitative analysis*

The quantitative analysis uses the Partial Least Squares (PLS) technique and the model fit, measured by means of the Standardized Root Mean Residual (SRMR) indicator. SRMR has a value below 0.08 (SRMR=0.067). The measurement model contains reflective constructs and it analyses the individual reliability of the items, construct reliability, convergent and discriminant validity. The model also includes one second-order reflective construct (internalization): daily practices and continuous improvement are combined into the internalization construct. Tables 1 and 2 show reliability and validity analyses.

Tables 1 and 2

3.3. *Confirmatory qualitative study*

Towards a better understanding of the quantitative results, a further qualitative study (second qualitative study) is performed. In order to disseminate the quantitative results,

a report with these quantitative results was sent to those hotels which took part in the quantitative study and provided their e-mail addresses in the quantitative questionnaire in order to receive the results report. A questionnaire was attached with open questions on these quantitative results. Twelve completed questionnaires were received: six quality managers from six hotels (R1 to R6), an operations manager from a hotel chain (R7), a hotel management assistant (R8), a quality consultant (R9) and three managers of three tourism associations (R10 to R12). The contents of all the questionnaires were analysed. The respondents were asked about the main results of the quantitative study, i.e., about issues related to internalization (importance of continuous improvement and how to develop it) and the effects of internalization on results (effects on results, importance of employees and relationships between results).

4. Results

4.1. Quantitative results

Figure 2 and Table 3 show the explained variance for each construct (R^2) and the regression or path coefficients (β) between the various constructs. Also, after a bootstrap test is carried out with 5,000 subsamples, the t-statistic values are obtained for each β , which makes it possible to determine its significance.

Figure 2 and Table 3

In relation to direct effects (H1), Figure 2 shows that the hotels that internalize a quality standard use the quality documents and integrate its requirements in their day-to-day routines. These hotels offer training and communication to facilitate this integration. They also identify new practices and improvement opportunities. They

internalize through daily practices and continuous improvement, although daily practices are more developed than continuous improvement. These practices have no direct impact on customer results. This result does not support hypothesis 1.

Nevertheless, there is a significant indirect relationship with customer results. To test the indirect relationships (H2, H3 and H4), Table 3 shows that these three hypotheses are supported. Thus, three of the four hypotheses are supported. These quantitative results show:

- Internalization has positive effects on customer results via employee results, via social results, and via employee and social results sequentially.
- Continuous improvement is a more important dimension of internalization for the improvement of both employee and social results. Nevertheless, it is less developed than daily practices.
- The strongest effect is that of internalization on employee results. Regarding the relationships between results, the strongest impact is that of employee results on social results and customer results. This suggests the importance of employees and their satisfaction for the improvement of society and customer results.
- An analysis of the items makes it possible to state that, when the quality standard becomes part of the day-to-day work routines, and the work documents (such as quality policy, procedures and work instructions) match what is actually done, there is a greater likelihood that time and resources are invested in reflecting on the way tasks are performed, in order to improve and introduce innovations. These practices are those with the greatest impact on employee results (satisfaction, motivation and productivity), social results (ethics and safety) and customer results (satisfaction and fidelity).

4.2. Confirmatory qualitative results

Concerning the question on the importance of continuous improvement and how to develop it, the respondents stated that it is more difficult to apply continuous improvement than daily practices, because continuous improvement requires greater commitment and often requires heavier financial investment. When an improvement can be made without any investment, there is no problem in implementing it. According to the respondents, for a more advanced development of internalization, one could add, together with what is previously indicated in the previous qualitative study (higher management commitment towards the implementation of continuous improvement actions, employee involvement in continuous improvement via motivation and training, control ...), the following issues: recognition and real integration of the standard in the overall running of the organizations.

Also, all the managers emphasize the key role of employees in internalization. This indicates that employees should have a more active part in the compliance with work procedures and in improvements. The success or failure of internalization depends on them:

R1 (R2 and R10 suggest similar ideas): “They are the ones that achieve implementation and those who work with these systems every day”.

Regarding the questions on the effects of internalization on results and the relationship between results, respondents agree that internalization improves employee, social and customer results. In addition, some respondents point out that employee results need not be lower (see Table 2), because they consider that the degree of

satisfaction of employees working for a hotel concerned with quality is a high one. Others do agree that employee results are usually lower; according to some respondents. This is the case because workers have very defined tasks and may lack motivation when it comes to making a greater effort in order to become involved in the internalization of management processes. The solution suggested by respondents lies in greater management involvement: they must persuade their employees about the importance of implementing quality systems. This indicates that greater internalization may reduce the possibility of employee results being lower.

Finally, when a quality standard is adopted, employee and social results may lead to improved customer results, because:

R3 (R11 suggests a similar idea): “Employees work in order to be able to provide quality services, are satisfied with their work [...] and these aspects are valued by customers”.

R4: “Customers value environmental and social results (some do, some don’t)”.

5. Discussion

The study findings from quantitative and qualitative approach highlight the following research implications. First, a higher level of internalization of the quality standard is related to employee, social, and customer results, continuous improvement being the most important dimension of the internalization process. This result expands the studies that point out the relationships between internalization and operational and financial results (Naveh & Marcus, 2005; Nair & Prajogo, 2009) by adding the importance of internalization to improve employee, social and customer results, and the importance of continuous improvement as part of the internalization process.

Second, regarding the continuous improvement dimension of the internalization process, investing time and resources to reflect on the way work is done, and investing time and resources as an opportunity to innovate (as Table 1 shows), are the most important issues to improve employee results (increased satisfaction, motivation and productivity). This result supplements previous studies about the importance of continuous improvement for human resources (Wickramasinghe & Chathurani, 2020).

Third, internalization leads to improved employee results, which in turn improve social and customer results. Employees and employee results are capital, because the standard cannot be internalized without employee involvement. This idea expands the studies on the relationships between internalization and operational/financial performance, by emphasizing the role of employees towards the improvement of both social and customer results. These results also support previous general studies on quality management, by pointing out the connection between social results and customers in the tourism industry (Prayag et al., 2019) and expand the studies on internalization by indicating that these relationships between these three results when adopting a quality standard are present in the case of the hotel industry.

Four, social results are affected by quality measures and have links with employee results and customer results. This result expands previous studies that show the positive relationships between quality measures and customer/employee results (Benavides-Velasco et al., 2014; Amin et al., 2017; Del Río-Rama et al., 2019) by including social results.

Finally, the most important issues for the internalization of a quality standard are management and employee commitment, employee communication, training and recognition, actual day-to-day use of the system, and control/follow-up in order to introduce improvements. These ideas emphasize important issues for internalization,

and support other qualitative studies that point out important elements for internalization in other industries (Boiral, 2003, 2011; Heras, 2011; Cai & Jun, 2018). All of this makes it easier to integrate the quality standard in the management of the hotel.

6. Conclusions

Hotels that internalize a quality standard strengthen employee, social, and customer results. Although both dimensions of the internalization of a quality standard (daily practices and continuous improvement) are needed to that end, continuous improvement, employees' roles and employee results are important drivers to strength both social and customer results. As prior research about quality standard certification has found mixed results regarding the benefits of the quality certificate, this conclusion highlights that internalization is important to produce positive benefits, in this case, in employee, social, and customer results.

6.1. Managerial implications

The results indicate that managers must understand that internalization, when their organization implements a quality standard, is key to increase the possibility of improving employee, social and customer results. Similarly, they must consider that continuous improvement is key to improve results, and should be aware of the fundamental role of employees in this process. It is true that management commitment is important in order to increase internalization and improve organizational results. Nevertheless, alongside such commitment, managers should spend time and resources to identify opportunities for improvement, to think about day-to-day activities, and to introduce innovations.

Concerning the role of employees, a greater effort regarding human aspects is necessary, through employee training and motivation (even using rewards), and it is also necessary to facilitate employee involvement in the continuous improvement process through suggestions, work teams, employee meetings, etc., which can be formal or informal.

6.2. Limitations and future research

This study focuses on quality certified hotels. In the future it could be interesting to expand these results to other types of hotels, e.g., certified and non-certified hotels, and to other tourism and service sectors. In addition, the study first uses a qualitative study to support theory and contextualize this theory in the hotel industry. It also uses a second qualitative study to try to explain the quantitative results. The sample in these two qualitative studies is small. Therefore, future studies could expand these samples to reinforce qualitative studies as a stronger supportive analysis for quantitative research. Finally, given the importance of continuous improvement and of employees, more in-depth analysis could be carried out, through qualitative studies, on how this continuous improvement could be implemented, by interviewing several managers and employees per firm.

Acknowledgments

This study has been carried out as part of research project ECO2012-36316, funded by the Spanish government (National R&D&i Plan). Thanks are due to Dr. Miguel Ángel Campos Pardillos, responsible for the English version of this paper

References

- Ahmed, A., Fred, L., & Ying, Y. (2020). The impacts of internal quality management relations on the triple bottom line: a dynamic capability perspective. *International Journal of Production Economics*, in press.
- Allur, E., Heras-Saizarbitoria, I., & Casadesús, M. (2014). Internalization of ISO 9001: a longitudinal survey. *Industrial Management & Data Systems*, *114*, 872-885.
- Alonso-Almeida, M.M., Bagur-Femenías, L., & Llach, J. (2015). The adoption of quality management practices and their impact on business performance in small service companies: the case of Spanish travel agencies. *Service Business*, *9*, 57-75.
- Álvarez-Santos, J., Miguel-Dávila, J.A., Herrera, L., & Nieto, M. (2018). Safety management system in TQM environments. *Safety Science*, *101*, 135-143.
- Alves Teixeira, A., Chiappetta Jabbour, C.J., Latan, H., Caldeira de Oliveira, J.H., de Souza Freitas W.R., & Borges Teixeira, T. (2019). The importance of quality management for the effectiveness of environmental management: evidence from companies located in Brazil. *Total Quality Management & Business Excellence*, *30*, 1338-1349.
- Amin, M., Aldakhil, A.M., Wu, C., Rezaei, S., & Cobanoglu, C. (2017). The structural relationship between TQM, employee satisfaction and hotel performance. *International Journal of Contemporary Hospitality Management*, *29*, 1256-1278.
- Ataseven, C., Prajogo, D.I., & Nair, A. (2014). ISO 9000 internalization and organizational commitment-implications for process improvement and operational performance. *IEEE Transactions on Engineering Management*, *61*, 5-17.
- Bagur-Femenias, L., Celma, D., & Patau, J. (2016). The adoption of environmental practices in small hotels. Voluntary or mandatory? An empirical approach. *Sustainability*, *8*, 1-14.

- Bello-Pintado, A., Heras-Saizarbitoria, I., & Merino-Díaz-de-Cerio, J. (2020). Work-performance and internalisation of ISO 9000 standards: a shop floor workers perspective. *Total Quality Management & Business Excellence*, *31*, 1427-1441.
- Benavides-Velasco, C.A., Quintana-García, C., & Marchante-Lara, M. (2014). Total quality management, corporate social responsibility and performance in the hotel industry. *International Journal of Hospitality Management*, *41*, 77-87.
- Bhatia, M. S., & Awasthi, A. (2018). Assessing relationship between quality management systems and business performance and its mediators. SEM approach. *International Journal of Quality & Reliability Management*, *35*, 1490-1507.
- Boiral, O. (2003). ISO 9000: outside the iron cage. *Organization Science*, *14*, 720-737.
- Boiral, O. (2011). Managing with ISO systems: lessons from practice. *Long Range Planning*, *14*, 197-220.
- Boiral, O., & Roy, M.J. (2007). ISO 9000: integration rationales and organizational impacts. *International Journal of Operations & Production Management*, *27*, 226-247.
- Bou-Llusar, J.C., Escrig-Tena, A.B., Roca-Puig, V., & Beltrán-Martín, I. (2009). An empirical assessment of the EFQM Excellence Model: evaluation as a TQM framework relative to the MBNQA Model. *Journal of Operations Management*, *27*, 1-22.
- Briscoe, J.A., Fawcett, S.E., & Todd, R.H. (2005). The implementation and impact of ISO 9000 between small manufacturing enterprises. *Journal of Small Business Management*, *43*, 309-330.
- Bromiley, P., & Rau, D. (2016). Operations management and the resource based view: Another view. *Journal of Operations Management*, *41*, 95-106.

- Cai, S. & Jun, M. (2018). A qualitative study of the internalization of ISO 9000 standards: the linkages between firms' motivations, internalization processes, and performance. *International Journal of Production Economics*, 196, 248-260.
- Chavez, R., Yu, W., Sadiq Jajja, M.S., Lecuna, A., & Fynes, B. (2020). Can entrepreneurial orientation improve sustainable development through leveraging internal lean practices? *Business Strategy and the Environment*, 29, 2211-2225.
- Christmann, P. & Taylor, G. (2006). Firm self-regulation through international certifiable standards: determinants of symbolic versus substantive implementation. *Journal of International Business Studies*, 37, 863–878.
- Curkovic, S., Melnyk, S., Calantone, R., & Handfield, R. (2000). Validating the Malcolm Baldrige National Quality Award framework through structural equation modelling. *International Journal of Production Research*, 38, 765-791.
- Dahlgaard-Park, S.M, Reyes, L., & Chen, C-K. (2018). The evolution and convergence of total quality management and management theories. *Total Quality Management & Business Excellence*, 29, 1108-1128.
- Dale, B., Van der Wiele, A., & Van Iwaarden, J. (2007). *Managing quality*, 5th edition. Blackwell.
- Del Río-Rama, M.C., Álvarez-García, J., & Oliveira, C. (2019). Quality practices and their influence on customer results: an empirical study. *Current issues in Tourism*, 22, 806-826.
- Deng, W.J., Yeh, M.L., & Sung, M.L. (2013). A customer satisfaction index model for international tourist hotels: integrating consumption emotions into the American customer satisfaction index. *International Journal of Hospitality Management*, 35, 133-140.

- Esgarrancho, S. & Cândido, C.J.F. (2020). Firm preparation for ISO 9001 certification – the case of the hotel industry in Portugal. *Total Quality Management & Business Excellence*, 31, 23-42.
- Eskildsen, J., Kristensen, K., & Juhl, H.J. (2000). The causal structure of the EFQM model excellence model. MAAOE Conference Proceeding, Estes Park, CO.
- Gao, Y. & Mattila, A.S. (2014). Improving customer satisfaction in green hotels: the roles of perceived warmth, perceived competence, and CSR motive. *International Journal of Hospitality Management*, 42, 20-31.
- Glaser, H.G. & Strauss, A.I. (1967). *The discovery of grounded theory: strategies for qualitative research*, Aldine, Chicago.
- Gómez-Gómez, J., Martínez-Costa, M., & Martínez-Lorente, A.R. (2015). An in-depth review of the internal relationships of the EFQM model. *The TQM Journal*, 27, pp.486-502.
- Gronholdt, L. & Martensen, A. (2018). Linking employee, customer, and business results: a study in the hotel industry. 21th International Conference on Quality and Service Sciences, Cardiff, United Kingdom, 22-24 August.
- Heras-Saizarbitoria, I. (2011). Internalization of ISO 9000: an exploratory study. *Industrial Management & Data Systems*, 111, 1214-1237.
- Heskett, J.L., Sasser, W.E., & Wheeler, J. (2008). *The ownership quotient: putting the service profit chain to work for unbeatable competitive advantage*, The Free Press, New York.
- Huang, F., Horng, C., & Chen, C. (1999). A study of ISO 9000 process, motivation and performance. *Total Quality Management*, 10, 1009-1025.

- Jalilvand, M.R., Vosta, L.N., Mahyari, H.K., & Pool, J.K. (2017). Social responsibility influence on customer trust in hotels: mediating effects of reputation and word-of-mouth. *Tourism Review*, 72, 1-14.
- Jang, W-Y. & Lin, C-I. (2008). An integrated framework for ISO 9000 motivation, depth of ISO implementation and firm performance. The case of Taiwan. *Journal of Manufacturing Technology Management*, 19, 194-216.
- Kafetzopoulos, D., Gotzamani, K., & Skalkos, D. (2019). The relationship between EFQM enablers and business performance: The mediating role of innovation. *Journal of Manufacturing Technology Management*, 30, 684-706.
- Kim, S.S., Lee, J., & Prideaux, B. (2014). Effect of celebrity endorsement on tourists' perception of corporate image, corporate credibility and corporate loyalty. *International Journal of Hospitality Management*, 37, 131-145.
- Nair, A. & Prajogo, D. (2009). Internalisation of ISO 9000 standards: the antecedent role of functionalist and institutionalist drivers and performance implications. *International Journal of Production Research*, 47, 4545-4568.
- Naveh, E. & Marcus, A. (2005). Achieving competitive advantage through implementing a replicable management standard: installing and using ISO 9000. *Journal of Operations Management*, 24, 1-26.
- Paraschi, E.P., Georgopoulos, A., & Kaldis, P. (2019). Airport Business Excellence Model: A holistic performance management system. *Tourism Management*, 72, 352–372.
- Peiró-Signes, A., Segarra-Oña, M., Verma, R., Mondéjar-Jiménez, J., & Vargas-Vargas, M. (2014). The impact of environmental certification on hotel guest ratings. *Cornell Hospitality Quarterly*, 55, 40-51.

- Prajogo, D.I. (2011). The roles of firms' motives in affecting the outcomes of ISO 9000 adoption. *International Journal of Operations & Production Management*, 31, 78-100.
- Prajogo, D., Huo, B., & Han, A. (2012). The effects of different aspects of ISO 9000 implementation on key supply chain management practices and operational performance. *Supply Chain Management: An International Journal*, 17, 306-322.
- Prayag, G., Hassibi, S., & Nunkoo, R. (2019). A systematic review of consumer satisfaction studies in hospitality journals: conceptual development, research approaches and future prospects. *Journal of Hospitality Marketing & Management*, 28, 51-80.
- Roscoe, S., Subramanian, N., Jabbour, C.J.C., & Chong, T. (2019). Green human resource management and the enablers of green organisational culture: Enhancing a firm's environmental performance for sustainable development. *Business Strategy and the Environment*, 28, 737-749.
- Rust, A.J., Kirn, S.P., & Quinn, R.T. (1998). The employee-customer-profit chain at Sears. *Harvard Business Review*, 76, 82-97.
- Sila, I. & Walczak, S. (2017). Universal versus contextual effects on TQM: a triangulation study using neural networks. *Production Planning & Control*, 28, 367-386.
- Siougle, E., Dimelis, S., & Economidou, C. (2019). Does ISO 9000 certification matter for firm performance? A group analysis of Greek listed companies. *International Journal of Production Economics*, 209, 2-11.
- Siva, V., Gremyr, I., Bergquist, B., Garvare, R., Zobel, T., & Isaksson, R. (2016). The support of quality management to sustainable development: a literature review. *Journal of Cleaner Production*, 138, 148-157.

- Tarí, J.J., Molina, J.F., & Castejón, J.L. (2007). The relationship between quality management practices and their effects on quality outcomes. *European Journal of Operational Research*, *183*, 483-501.
- Tarí, J.J., Molina-Azorín, J.F., Pereira-Moliner, J., & López-Gamero, M.D. (2020). Internalization of Quality Management Standards: A Literature Review. *Engineering Management Journal*, *32*, 46-60.
- Tarí, J.J., Pereira-Moliner, J., Molina-Azorín, J.F., & López-Gamero, M.D. (2019). Heterogeneous adoption of quality standards in the hotel industry: drivers and effects. *International Journal of Contemporary Hospitality Management*, *31*, 1122-1140.
- Wang, C-C. (2020). Corporate social responsibility on customer behaviour: the mediating role of corporate image and customer satisfaction. *Total Quality Management & Business Excellence*, *31*, 742-760.
- Wickramasinghe, V. & Chathurani, M.N. (2020). Effects of continuous improvement in streamlining HRM practices. *Business Process Management Journal*, ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/BPMJ-03-2020-0130>.
- Xu, X. & Guroy, D. (2015). Influence of sustainable hospitality supply chain management on customers' attitudes and behaviours. *International Journal of Hospitality Management*, *49*, 105-116.
- Yeh, C.M. (2013). Tourism involvement, work engagement and job satisfaction between frontline hotel employees. *Annals of Tourism Research*, *42*, 214-239.

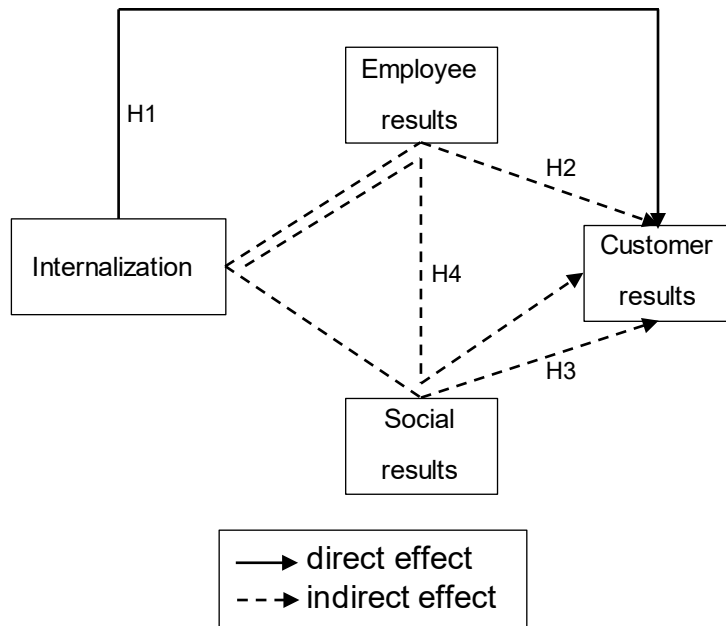


Figure 1. Research model

Table 1. Evaluation of the measurement model.

	Loadings (item reliability >0.707)	Composite reliability >0.70	AVE >0.50
<i>Internalization</i>		0.908	0.831
Daily practices (DP)	0.884	0.910	0.718
• The documents created for certification are used in daily practice	0.856		
• The quality system becomes part of daily work routines	0.870		
• All employees are trained in the notions of quality and the requirements of the quality standard	0.788		
• The quality policy and the quality system procedures are updated in order to adapt them to daily organizational practices	0.872		
Continuous improvement (CI)	0.939	0.960	0.826
• The development of the quality system makes it possible to introduce new improvement practices	0.882		
• The quality standard has led the organization to discover improvement opportunities	0.907		
• Investing time and resources in the quality standard is a starting point towards the implementation of other more advanced practices	0.888		
• Investing time and resources in the quality standard helps to reflect on the way work is done in the firm and improve our work	0.931		
• Investing time and resources in the quality standard is seen as an opportunity to innovate in our organization	0.936		
Employee results (ER)		0.947	0.783
• Increased employee satisfaction	0.922		
• Increased employee motivation	0.904		
• Increased employee productivity	0.908		
• Improving working conditions of employees	0.885		
• Reduced absenteeism of employees	0.800		
Social results (SR)		0.940	0.840
• Increased environmental protection (reduction of resource consumption, pollution reduction)	0.876		
• Improving the ethical behavior of the organization	0.928		
• Increased levels of prevention of risks to health and safety (risk reduction accidents, etc.)	0.945		
Customer results (CR)		0.943	0.768
• Increased customer satisfaction	0.894		
• Increased quality of service	0.801		
• Increased customer loyalty	0.931		
• Increased valuations in web 2.0 and social networks	0.873		
• Reduced customer complaints	0.878		

Table 2. Fornell-Larcker's method and HTMT method.

	Fornell-Larcker (1)						HTMT (2)			
	Mean	CI	DP	CR	ER	SR	CI	DP	CR	ER
CI	5.5	(0.909)								
DP	5.7	0.674	(0.847)				0.734			
CR	5.1	0.523	0.364	(0.876)			0.555	0.397		
ER	4.4	0.658	0.470	0.742	(0.885)		0.700	0.520	0.798	
SR	5.2	0.560	0.443	0.678	0.702	(0.916)	0.604	0.498	0.731	0.762

- (1) The diagonal values (between brackets) are the square roots of AVE. The other values of the matrix are the correlations between the constructs. To check the discriminant validity, the diagonal values have to be greater than the off diagonal values.
- (2) The Heterotrait-Monotrait (HTMT) criterion shows values below 0.85. To check the discriminant validity, the HTMT values have to be < 0.85 .

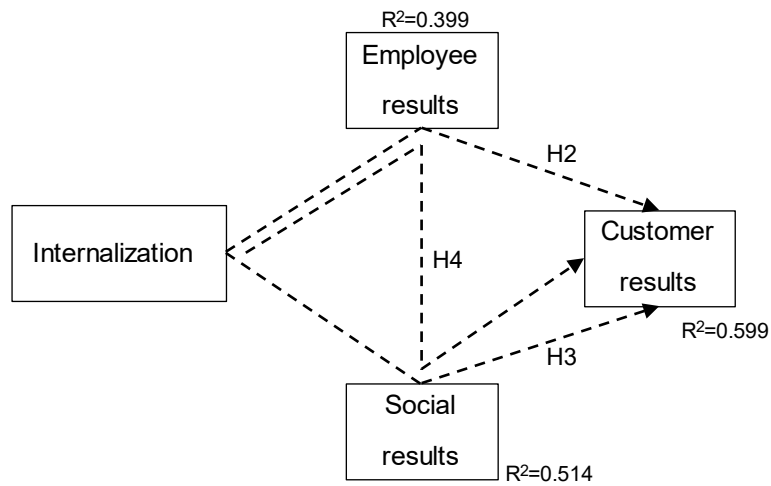


Figure 2. Structural model results.

Table 3. Significance analysis of the structural model.

		β	t-value	p-value	Is the hypothesis supported?	97.5% Confidence interval
H1	I-> CR	-0.009	0.109	0.913	No	[-0.160;0.148]
H2	I-> ER-> CR	0.334	4.188	0.000	Yes	[0.188;0.485]
H3	I-> SR-> CR	0.060	2.095	0.037	Yes	[0.010;0.119]
H4	I->ER->SR->CR	0.114	2.646	0.008	Yes	[0.039;0.204]