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## Effect of Favourable Environment on Employee Commitment in the Service Context: The Buffering Role of Special Peer Support

Palwasha Bibi<sup>1</sup>, Hazrat Bilal<sup>2</sup>, Ashfaq Ahmad<sup>3</sup>

### ABSTRACT

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#### Keywords:

Favourable Environment,  
Special Peer Support,  
Employee Commitment,  
Hospitality Sector of Malaysia

The aim of this research was to assess the impact of favourable environment on the commitment of employees working in the hospitality sector of Malaysia. A total of 470 questionnaire were distributed, out of which 300 usable questionnaires were returned with a response rate of 63.83%. The results obtained through Structure Equation Model showed that favourable environment has a positive and significant impact on commitment of employees. Further, it was also confirmed that special peer support has a significant moderating impact on the relationship of dependent and independent variables. The results provide implications for managers to create favourable environment and special peer support to improve the commitment of employees and attain improved performance.

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### INTRODUCTION

In Malaysia, the hospitality sector has been acknowledged as one of the major pillars of the economy (Lean & Tang, 2010), which is a people-oriented field that includes employers, workers and clients (Horner, 2017). The fierce competition in hospitality sector makes it pertinent for hotels to pay more attention to the commitment aspect of employees. Committed employee plays an essential role in achieving various organizational outcomes (Hanaysha, 2016). Such employees are likely to stay longer, have high performance and a tendency to be highly involved in the workplace (Chughtai & Zafar, 2006). In addition, they also demonstrate their faithfulness and become productive employees within organizations (Bushra, Ahmad, & Naveed, 2011).

According to the study conducted by McGuire and McLaren (2009) on the effect of environment on commitment in call centres concluded that favourable environment has significant and positive impact

<sup>1</sup> Assistant Professor, Centre for Management and Commerce, University of swat. E.mail: Dr.palwashabibi@gmail.com

<sup>2</sup> Assistant Professor, Centre for Management and Commerce, University of swat. E.mail: hbilal@uswat.edu.pk

<sup>3</sup> Assistant Professor, Centre for Management and Commerce, University of swat. E.mail: Ashfaqahmad79@outlook.com

on the commitment of employees. In a similar study conducted by Hanaysha (2016) on the analysis of effects of environment on commitment in higher education sector demonstrated that nurturing and encouraging favourable work environment has positive impact on nourishing the commitment of employees. These both arguments are in compliance with the Theory of Social Exchange (Blau, 1964), which states that providing favourable environment is reciprocated by a positive behaviour of employees called commitment. It has been suggested by Boshoff and Arnolds (1995) that organisational success could be achieved by creating a working environment in which employees identify the values, aims and goals of their organization, grow a positive attitude to their work, identify with their superiors and identify with their occupation/professional group. This argument supports Social Cognitive Theory (SCT) of Wood and Bandura (1989). They argue that the employee behaviour called commitment is formed by its surrounding environment and peer support. Therefore, this study focuses on the relationship of favourable environment and commitment, as human efforts in an organization is usually measured by means of commitment levels of an employee. Furthermore, this study also the test the buffering impact of peer support on the association between favourable environment and commitment.

Review of the extant literature on human resource practices provided that there still exists a gap with regard to the studies that assess the buffering role of peer support on the association of favourable environment and employee commitment in hospitality sector of Malaysia. Most of the previous studies have been conducted on commitment, special peer support and favourable environment in sectors other than the hospitality (Ahmad, Bilal, & Bibi, 2020; Lau, Tong, Lien, Hsu, & Chong, 2017; Limpanitgul, Boonchoo, & Photiyarach, 2014; McGuire & McLaren, 2009) and there is limited research available on the buffering role of special peer support that focused on service sector (Ahmad et al., 2020). Thus, by examining the employee commitment, special peer support and favourable environment among employees working in hospitality sector, this study is to offer valuable suggestions to the management in hospitality sector to frame strategies that could guide them to develop favourable environment and encourage special peer support in order to achieve improved organizational performance.

## **OBJECTIVES OF THE RESEARCH**

This study was carried out in order to achieve the following objectives:

- To investigate the impact of favourable environment on commitment of employee
- To investigate the moderating impact of special peer support on the association of favourable environment and commitment.
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## **RESEARCH QUESTIONS**

The following research questions were formulated in order to properly answer the objectives of the research:

- Does favourable environment significantly affect commitment of employees?
- Does special peer support moderate the association between favourable environment and commitment of employees?

## **SIGNIFICANCE OF THE RESEARCH**

The conduct of this research makes a major contribution to the existing body of knowledge by highlighting the important buffering role of special peer support on the association of favourable environment and commitment of employees. Further, the research studies conducted on this subject so far are dispersed and are not empirically tested in the Malaysian context. The current research, therefore, meets this void and fills the gap in the existing literature. The results of the study would help the managers to understand and improve the commitment of employees by focusing more on the provision of favourable environment and special peer support in carrying out variety of activities, which will eventually help organization in achieving its objectives.

## **LITERATURE REVIEW**

Work environment as a whole comprising the entirety of forces, actions and other influential variables that currently or potentially compete with the activities and performance of the employee (Kohun, 1992). A favourable work environment is a work place that promotes employee safety, growth and achievement of goals (Briner, 2000; Danish, Ramzan, & Ahmad, 2013). Favourable environment is most conducive to a successful workforce, as they encourage employees to perform at their highest capacity (Breevaart et al., 2014).

Favourable work environment is thus defined in this study as the sum of the inter-relationship between employees and employers and the environment in which they operate, must be conducive for work (Olukunle, 2015). The Favourable environment is the setting, the social features and the physical conditions under which employees perform their duties. Such favourable environment can be achieved by focusing on overall culture, promoting employee growth, and making employees feel safe and comfortable. Favourable environment also have an a positive impact on well-being, workplace relationships, collaboration, efficiency and employee health (Chan & Huak, 2004; Vischer, 2007). Employees usually feel comfortable in a facilitated, safe and sound work environment. Favourable

environment will always have a positive impact on the commitment, motivation, satisfaction and performance of employees. Hence, eventually increases the efficiency and effectiveness of the organization (Danish et al., 2013).

Commitment is the strength of an individual's identification and involvement in a particular organization (Porter, Steers, Mowday, & Boulian, 1974). A highly committed employee works harder and displays a strong contribution to the organization (Ahmad et al., 2020). According to Mudor (2011) and Dordevic (2004), committed employees remain long with their organization and strive effectively on behalf of the organization. It is the willingness of employees to be loyal and connect with the organization in relation to tasks and duties (Muthuveloo & Rose, 2005). Hence, employees with a high commitment to the organization would feel interconnected with it and be happy to be part of organization (Lee & Seong, 2020).

A special peer support is an individual with whom a worker works in his or her role as a co-worker. Co-workers can share expertise and knowledge if others face problems or new situations, particularly when alternative solutions are not readily available (Prochaska, Gellman, & Turner, 2013). According to Zhou and George (2001) special peer support refers to co-workers who, when appropriate, assist each other in their duties by sharing information and experience and providing motivation and support. The connection between supposed special peer support and commitment is based on the Theory of Social Exchange (Blau, 1964) and the norm of reciprocity (Gouldner, 1960). The theory of social exchange argues that people who interact more often tend to form more attachments and support. The theory of reciprocity suggests that it is a basic human norm that people will reciprocate the good treatment of others (Gouldner, 1960). Therefore, on the basis of this discussion, it is hypothesized that:

***H1: There is a positive relationship between favourable environment and commitment of employees***

According to the Social Cognitive Theory (SCT) of Wood and Bandura (1989) behaviour of a person may be directly linked to watching others in the form of social interactions, experiences, and environment. In the present study the reciprocal determinism concept of SCT is used as theoretical underpinning, which state that reciprocal determinism is a paradigm composed of three factors that affect behaviour of an employee: the individual (co-workers), their environment, and behaviour itself. Therefore, on the basis of these arguments, it is hypothesized that:

**H2: Special Peer Support has moderating impact on the relationship of favourable environment and commitment of employees**

## RESEARCH METHODOLOGY

A quantitative research method was used for the purpose to focus on objective measurement of research problems using statistical and mathematical analysis of data collected through questionnaires. A total of 470 questionnaire were distributed among employees working in hospitality sector of Malaysia. Out of which 300 usable questionnaires were returned with a response rate of 63.83%. The favourable environment was measured by a 4-items scale adapted from Edgar and Geare (2005), special peer support was assessed by scale adapted from Ducharme and Martin (2000) and commitment was measured with Mowday, Steers, and Porter (1979). All the instruments were measured through a five Likert scale.

### CONVERGENT VALIDITY

Using Smart PLS version 2.0 packages the three types of convergent validity (Factor Loading, Average Variance Extraction and Composite Reliability) as suggested by Hair, Ringle, and Sarstedt (2013) were applied. As shown in Table 1, all the item loadings were above the threshold level of 0.5 except from SPS 5 to SPS 10 items, which were removed from further analysis. Additionally, Table 1 also shows that Composite Reliability for almost all constructs is greater than 0.7 as well as the Average Variance Extraction exceeded 0.5 thresholds as proposed by Hair et al. (2013).

**Table 1: Convergent Validity Analysis**

CONSTRUCT	ITEM	LOADING	AVE	CR
SPS*	SPS1	0.904	0.774	0.931
	SPS2	0.919		
	SPS3	0.923		
	SPS4	0.763		
EC**	EC3	0.774	0.727	0.959
	EC4	0.880		
	EC5	0.837		
	EC6	0.788		
	EC7	0.887		
	EC8	0.956		
	EC9	0.946		
	EC1	0.941		
	EC2	0.611		
	FE***	CA1		
CA 2		0.902		
CA 3		0.927		
CA 4		0.956		

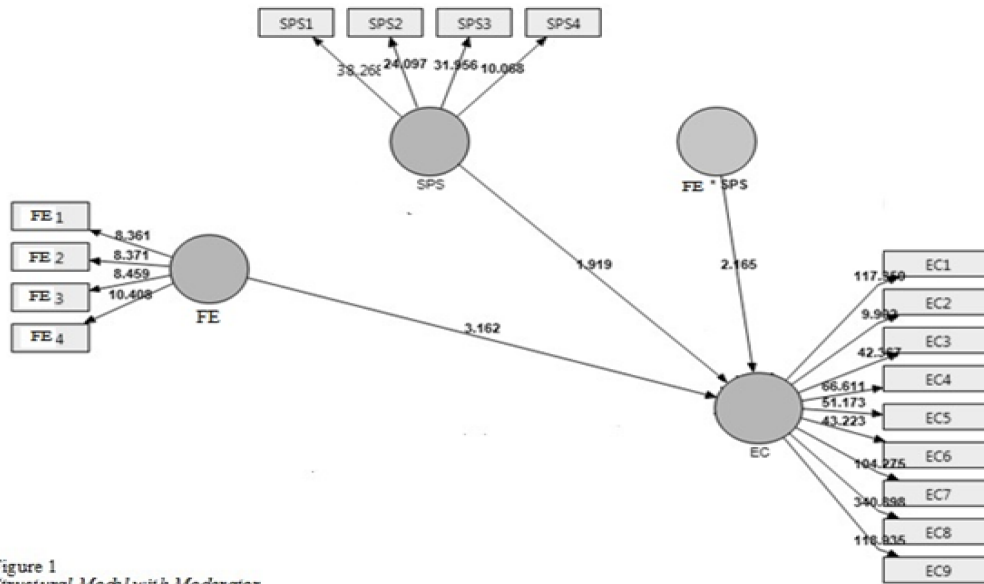


Figure 1  
Structural Model with Moderator

### DISCRIMINANT VALIDITY

Table 2 portrays the discriminant validity, which was obtained in this study by evaluating the Average Variance Extraction square root and comparing the outer load with cross loadings (Hair et al., 2013). The diagonal values are greater than the other value of the row and column in which they are placed, thus illustrating and verifying the discriminating validity.

**Table 2: The Square Root of AVE and the Correlations of the Latent Variables**

	CA	EC	SPS
FE*	<b>.923</b>		
EC**	.141	<b>.853</b>	
SPS***	.225	.191	<b>.880</b>

\* Favourable Environment, \*\*Employee Commitment, \*\*\* Special Peer Support

### Structural Model

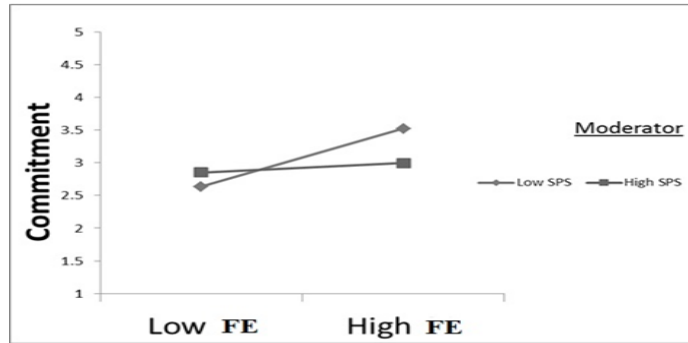
The 5000 bootstrapping technique and structural equation model was applied for data investigation. The results of the conceptual framework for the association of FE, SPS and EC are shown in Figure 1 and Table 3.

**Table 3: The result of Structural Model**

Hypothesis	Association	Beta (β)	Standard Error (STERR)	T-Statistics	p-value
<b>H1</b>	Favourable Environment -> Employee Commitment	0.259	0.082	3.162	0.00

<b>H2</b>	Favourable Environment * Special Peer Support -> Employee Commitment	0.187	0.086	2.165	0.02
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Table 3 reveals that there is a significant positive relationship between FE and EC ( $\beta=0.259$ ,  $t=3.16$  and  $p<0.00$ ). Therefore, the results support our first Hypothesis. In addition, using the product indicator approach, Figure 2 illustrates the buffering effect of SPS on the association between FE and EC ( $\beta=.187$ ,  $t=2.165$  and  $p<0.02$ ), which shows that SPS buffers the association between FE and EC. Therefore, second hypothesis has also been found to be valid and confirmed. This moderating impact of SPS is also shown in the following Figure 2.



**Figure 2: Buffering effect of SPS on FE and EC**

## DISCUSSION AND CONCLUSION

The primary aim of this paper was to evaluate the FE impact on EC in hospitality sector of Malaysia. The research findings have indicated that there is significant positive association between FE and EC and FE significantly predict EC. These results are consistent with Ekvall, Frankenhaeuser, and Parr (1996) outcomes that states that FE have positive impact on commitment. This relationship also supports the Social Cognitive Theory (SCT), that employees are more committed in the organization, when they are provided a favourable working environment.

Special Peer Support also have buffering impact on the relationship of FE and EC. The statistical result indicates that the second hypothesis of this study is accepted. In addition, the results also underlined the concept that favourable environment encourages individual loyalty and employees feel more obliged, honoured and therefore increase their degree of commitment. Moreover, the result has shown that when employers pay sufficient attention to the provision of favourable environment along with special peer support tends to boost the level of commitment of employees particularly with in hospitality sector. The hospitality sector should therefore ensure that an appropriate favourable environment is provided to

employees, as it improves and helps to rise the commitment of employees, which leads the organization to work effectively.

This research examined employees who work in hospitality sector in the Malaysia regarding the impact of the favourable environment and the commitment of employee. Besides, this research also analysed the buffering impact of special peer support on the said association of dependent and independent variables. The limitations could, however, be seen as an opportunity for future research on the impact of the moderating impact of special peer support on the relationship of favourable environment and the commitment of employees working in different hotels. The study examined only the impact of a favourable environment on the commitment of employees working in hospitality sector in Malaysia. This study can be repeated for more generalizability in other sectors as well. Special peer support may be explored in future research as part of the process between various attitudes and behaviours. Small sample size is also a restriction that can be revisited and extended by adding more respondents in order to measure the true nature of the study variables.

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