CHAPTER ONE
INTRODUCTION

Introduction

This study is based on previous research published in journals by Zhang, J., Xie, C., Wang, J., Morrison, A. M., and Coca-Stefaniak, J. A. (2020). This journal figured out how to deal with a massive global catastrophe caused by COVID-19 outbreaks. Previous studies looked into the impact of hotel safety leadership on employee safety behaviour in the hospitality industry.

This study was undertaken on the basis of Human Resource Management which would result in occupational health and safety roles in response to human resource crises.

This chapter starts with a research background and then moves on to a problem statement of the issues that have arisen. The issue is explored in depth here. Furthermore, this research was followed by a research question that served as the author's guideline in writing the paper. The aim and purpose of this study was to look at the impact of safety leadership on employee safety behaviour in the hospitality industry during a significant global crisis. With the hope, the findings listed can be used with related industries to keep them operating operationally. Furthermore, limitations and the scope of research are explained respectively. The organizations of research will be presented before concluding remarks at the end of the chapter.

1.1 Background

Coronavirus Disease 2019 – commonly known as COVID-19 – has reached an alarming issue. This pandemic has brought the world into a severe financial crisis (Sharma, A., & Nicolau, J. L., 2020). The case of COVID-19 was first published on ProMED-mail with an assumption of a link with a seafood market in Wuhan China on December 2019. It was nothing but a notion of a cluster of pneumonia of unknown aetiology (Bogoch, A. et. Al., 2020). As this major pathogen continues to spread, COVID-19 is declared as a global threat. Some manufacturing industry has decreased its distribution and performance as the global supply chain disruption was a thing after the emergence of some majeure regulations (Pak, A., et. al., 2020). Not only in manufacturing industry, but it also hit hard some hospitality industry performance (Tsionas, M. G., 2020).

COVID-19 has shut down the hospitality industry economy almost overnight. As the impact of this outbreak, Indonesia has experienced a significant financial performance vulnerability during COVID-19 spread in Indonesia. It was predicted to have a negative economy growth as much as 0.4% in the worst scenario (Susilawati, S., Falefi, R., & Purwoko, A., 2020). This is due to the cessation of economic turnover caused by the perceived susceptibility of traveling and making transactions in the public places. Coupled with a new COVID-19 measure in Indonesia, namely as *Pembatasan Sosial Berskala Besar* (PSBB) or large-scale social restriction was announced. As the effect of the crisis began with the shift in market behaviour, it was found that reopening restaurants and hotel would not necessarily attract customer over. The previous study revealed that more than half

of the respondents claimed that they were not willing to dine in at a restaurant, travel, nor stay at hotels (Gursoy, D., & Chi, C. G., 2020). Therefore, the COVID-19 pandemic has also significantly influenced the survival and sustainability at the macro level and micro level in the hotel operation activity.

Ironically, this crisis brought a domino effect in the company managerial performance such as sales, accounting and human resource departments. This extreme chaos causes a dramatic decline in room occupancy and results in 70% job losses in the world of tourism and hospitality (Mehta, C. K., 2020). The turnover of workers in the hospitality industry is caused by several factors, such as changes in market demand, revenue losses, and COVID-19 spreading pattern. With these three factors, companies, especially hotels, take strategic steps in cutting expenses by deducting the payroll and applying the unpaid leave system. This is certainly a threat to many workers in related industries.

Those who survive the selections, they are in a position where life and death are equally likely. Workers who still have the opportunity to earn a monthly income are in a state of fear of transmission from direct guest contact. In this case, the role of occupational health and safety in human resource management has an important responsibility and role. Moreover, insufficient information, a lack access to personal protective equipment (PPE) and poor crisis management response worsen employees' feelings of insecurity and fear of being infected or transmitting infection (Houghton C, Meskell P, Delaney H, et al, 2020). This results in a sense of distrust of safety in the work experience. This unhealthy working condition may lead to an internal distress.

Therefore, occupational health and safety is back in the public spotlight after the previous outbreak, SARS. Occupational health and safety assure the safety, health, and well-being of people who work in all occupations. This field study is part of human resource management. Thus, human resource management researcher has a significant role in finding a solution to this problem.

To deal with this managerial problem, new cluster strategy needs to be set. Lu, C.S. and Yang, C.S. (2010) in the journal from Zhang, J., et al. (2020) stated that leadership is an important influential resource in promoting employee leadership-oriented behaviour like safety leadership and safety behaviour. With this intention in mind, the manager aims to ensure safety service in business practices, as well as to minimize the detrimental consequences of market downturn to ensure the longevity. Safety leadership is a safety-goal oriented leadership style which focus in the ability to achieve the maximum safety benefits through effective organizational resources that affect employee safety behaviour and workplace safety (Zhang, J., et al., 2020). By implementing this leadership, it is expected to significantly increase the belief restoration among the worker. As Ajzen, I. (1991) in Zhang, J., et al. (2020) explained, belief restoration is the community's estimation and assessment whether the organization is able to plan and carry out the necessary measures during the crisis to restore the safety and security of the workplaces. As this aspect will be positively encouraged, this will affect the safety leadership in a workplace. At the end, these three independent terms will create a causal safety effect.

In the midst of the crisis, hotels are expected to implement and retain high level of safety leadership strategies and safety operational standards. This safety leadership must be appointed by a manager even during the acute stage of intra-pandemic or the resolution stage of post-pandemic. This is believed to be very important to promote hotel safety leadership and employee safety behaviour to ensure safe and satisfying service quality based on the health protocol, focusing in COVID-19 measurements, while maintaining the health of guests, employees and hotel safety performance. The safety behaviour among hospitality workers, particularly during crisis events, such as COVID-19, is an essential requirement for guests to feel safe and enjoy fearless service experiences, as well as safe working conditions. Therefore, in hospitality and other service industries, it is important to analyse and control employee safety practices, especially where risks to human life and economic sustainability are at the priority. In this pandemic situation, safety leadership has become an investment that able to attract the greater concern of the customer.

This research is aimed to investigate the effect of safety leadership on employee safety behaviour mediated with belief restoration at hospitality industry during a COVID-19 outbreak. Previous research suggested the future researcher to test and expand the research in different cultural background.

1.2 Problem Statement

COVID-19 has made top level management re-evaluate the existing strategic plan to survive with uncertain conditions. The company must repatriate some employees and is required to continue operating by maximizing the remaining

human resources. This is further exacerbated by the existence of perceived susceptibility which makes the remaining employees feel threatened with a high risk of virus transmission. Indeed, this ripple-effect problem makes companies unable to move swiftly in facing this global challenge. This seems to eat away at the company slowly and can make the company go bankrupt. Therefore, good crisis management is needed to deal with and reduce the adverse effects that will be predicted to occur. Therefore, a question arises, namely, what alternatives should top level management take to deal with this crisis?

Former study raised the nature of safety leadership as a proposed solution in resolving this crisis. It has been proved that safety leadership plays an important role in increasing the belief restoration. Surprisingly, safety leadership not only has a direct impact on employees, but also on customers.

Through the preliminary results of a longitudinal study undertaken by the editorial team of the Journal of Hospitality Marketing & Management, it was found more than half of the respondents claimed that they were not willing to dine in at a restaurant, travel, nor stay at hotels. However, visible sanitizing effort offered a great chance for the shareholder to attract back the guests. The predecessor research indicated that the customer will feel comfortable to do dine in and stay at hotels when the restaurant or hotel are able to implement specific COVID-19 measurements like test, trace, and isolate COVID-19 cases. Moreover, they will also feel more comfortable when the destination has at least few COVID-19 cases (Gursoy, D., & Chi, C. G., 2020). As the matter of fact, cleanliness, the importance of safety leadership is in the emergence level on everyone's attention. This what

makes safety leadership quite effective as this solution is like a double-edged sword in restoring health and safety confidence internally for workers and externally for customers.

Not only belief restoration, but it also affects the safety behaviour of the workers. In improving safety performance, workers who work with safety leadership are able to perform safety behaviour. In like manner, the previous study found that the impact of safety leadership on safety behaviour was partly mediated by belief restoration, and perceived risk negatively moderated both the direct and mediation effects of "safety leadership – belief restoration – safety behaviour."

With this intention in mind, next question arises, is the solution proposed by the previous researcher effective and can be implemented in other hotels? Through this research, further research will be done to re-investigate the same case. For one thing, it is hoped that the result will be able to strengthen the insight for hotels in establishing safety leadership strategies in the light of crisis management.

1.3 Research Questions

The spread of COVID-19 caused great panic. This is caused by fear such as infection and social exclusion. This creates a decline in employee's performance when serving the guests. As a result, this causes the company's performance to decline and causes most of the company's divisions to take a setback. Henceforth, managers must find new strategies to restore company performance. With the latest allegations regarding the loss of worker's confidence in health and safety, therefore the safety leadership as a proposed solution is considered quite high. However, the

solution that the management intends to implement needs to be scientifically reviewed. Therefore:

1. Does hotel safety leadership have positive impact on employee safety behaviour during the COVID 19 pandemic?

2. Does belief restoration mediate hotel safety leadership and employee safety behaviour?

3. Does perceived susceptibility moderate safety leadership and safety behaviour?

4. Does the moderation role of perceived susceptibility mediate the influence of safety leadership – belief restoration – safety behaviour?

Due to the identified managerial problems during the pandemic, the preceding are 4 research questions that are displayed through the analysis to provide some indications of how managers can solve the occurred problems. Therefore, the following research questions were developed.

1.4 Research Purpose

In response to the call, the study is aimed to investigate the effect of safety leadership on employee safety behaviour at hospitality industry during a major global crisis. As this major pathogen outbreak keep emerging, some specific measures to make the employee feel safe and enjoy fearless working experiences in some hospitality industry companies like hotels are needed. Therefore, it is crucial for hotel managers to implement the safety leadership on employee safety behaviour during the catastrophic event like COVID-19 outbreak. The survey

methodology and the results collected from the study will have constructive ramification for the hotel managers.

Through this research, it is hoped that the authors can make a real contribution to the hotel industry which is currently grappling with the same problem.

1.5 Benefits of Research

Based on the foregoing statements, the following is believed to be useful to either industry or future authors in the form of theoretical and practical contributions.

1.5.1 Theoretical Contributions

This research is expected to provide theoretical contributions in the form of considerations, reference contributions, and complementary measures to researchers who will conduct similar research, namely the effect of safety leadership on employee safety behaviour at hospitality industry during a major global crisis. Researcher hope that the results of this research can be used as knowledge development for similar research on how to increase worker's belief restoration through safety leadership during global catastrophic era. With this intention in mind, it is hoped that the academic community can further explore the events that have taken place. This is done with the hope that crisis mitigation can be carried out quickly and precisely in the next force majeure situation.

1.5.2 Practical Contributions

This research is expected to provide practical contributions in the form of evaluations related to hospitality industry managers to increase customer's belief restoration in the hospitality industry. Be that as it may, the future general managers and/or operation managers are expected to be prepared in implementing this proposed solution for the future comparable cases.

1.6 The Scope of Research

In order to avoid bias in the results of the study, the authors established a specific scope of research. This research will be covering the hospitality industry, focusing on four-star hotels in Wonosobo, Central Java, Indonesia. The respondents are required to be full-timer and have work experience prior to the COVID-19 outbreak until now. With the scope of research, the author hope for reliable research results so that they can be useful for implementation in hotels experiencing similar cases.

1.7 Organization of the Research

This research is consisted of five chapters. The first chapter details the background of the research, the problem statement, research question, research purpose, and benefits of research. In order to obtain accurate and precise research results, the scope of research and limitations are added as sub-chapters. Chapter Two addresses the literature review. In this chapter, a theory regarding Self-determination theory is discussed. The author also describes the supporting variables as supporting details to make an in-line perception with the readers.

Furthermore, hypothesis development and theoretical framework are also proposed in this chapter. Chapter Three describes the methodology used in this study. It outlines the research subject and object, data collection and measurement methods, and data analysis method. The questionnaire is designed to elicit quantitative information from each respondent which can be used as a mean of statistical analyses in the following chapter. Chapter Four presents the result of the research through structural equation modelling analysis in connection with the proposed hypotheses development. This will be used as a mean of the research investigation. Lastly, Chapter Five contains research discussion, theoretical and practical implications for related studies and industries, and suggestions for future studies.

1.8 Concluding remarks

Answering the questions that arise, this study recommends the nature of safety leadership as an alternative that top-level management should take. The idea of safety leadership is to promote belief restoration, which acts as a mediator in the formulation of safety behaviour by perceived risk moderation. This mechanism demonstrates the parties involved the value of occupational health and safety, as well as the leadership styles addressed in reversing the situation. This process of consistency is intended to shift workers' mindsets and behaviours in an adaptive and evocative way. However, this research is limited by the current world health condition, COVID-19 outbreaks. Thus, in-depth understanding of the additional, the specific effects that may occur in this crisis cannot be maximally achieved.

This research is meant to investigate the effect of safety leadership on employee safety behaviour at hospitality industry during a major global crisis.

Specifically, this research will test the mechanism that has been designed in two four-star rated hotels located in Wonosobo, Indonesia.