# Soft total quality management and employee performance: The resonant effect of leader narcissism

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Abstract: Stemming from the purpose of exploring the changes made by narcissism in the context of hospitality enterprises with total quality management (TQM) implementation, this study proposes a multi-level analytical framework taking into account the moderating effect of leader narcissism on the relationship between soft TQM practices and employee performance on the basis of the abilities, motivations, opportunities framework and the social information processing theory. The analysis of survey data from 1,155 employees from mid- to high-end hotels in two famous tourist cities in Vietnam allowed us to empirically test the relationship between these constructs. The findings showed that communication, teamwork, training and development create significant improvements in employee performances. More importantly, the moderating role for leader narcissism is confirmed in the relationship between training and development and employee performance. Therefore, the study highlighted theoretical implications related to a holistic approach to narcissism – the controversial psychological characteristics of leaders in the workplace. In addition, a number of managerial implications have been provided for hotel managers in enhancing the effectiveness of TQM implementation for improved performance through promoting the role of narcissistic leaders.

**Keywords:** Total quality management (TQM), soft TQM practices, narcissism, narcissistic leader, performance.

JEL Classification: M10, M12, M54.

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#### Introduction

Total quality management (TQM) has been widely recognized as a new management theory for its potential to improve service quality, organizational efficiency and competitive advantage (Hwang et al., 2020). TQM is predicted to become the leading management model to respond to increasingly stricter requirements

and greater global challenges of sustainable development. Moreover, TQM is not a fad in management, but a topic that still has great appeal to managers pursuing quality and excellence in the context of Industry 4.0. This new context requires scholars to re-evaluate the relevance, effectiveness and validity of core TQM practices, which opens avenues for

further research. Existing studies on TQM's impact often focus on organizational-level performances, with an emphasis on tangible aspects such as financial outcomes (Valmohammadi, 2011). People-related TQM practices, also known as soft TQM practices, focus on helping employees achieve their full potential and thus enhancing organizational performance (Prajogo & Cooper, 2017). However, few studies have linked soft TQM practices with individuallevel outcomes and most of them have only considered job satisfaction, job involvement, turnover intention instead of employee performance (EP) (Vihari et al., 2022). Furthermore, the mechanism behind TQM's impact on EP has not been fully elucidated since the literature on TQM has rarely discussed the favorable conditions for this relationship or the intervention of contextual factors.

Narcissism, characterized by self-confidence, ambition, and high motivation for achievement, emerged as a new trend among leaders, is controversial topic as it can lead to success and also problematic behaviors (Yang et al., 2021). Organizational psychology literature has mostly concentrated on its negative impacts on employees and the organization, such as unethical behaviors and poor interrelationships; however, literature has not properly investigated narcissism in more complex relationships with organizational and employee factors (Huang et al., 2020). More specifically, the moderating effect of leader narcissism on the relationship between TQM and employee outcomes is still relatively small. According to the social information process (SIP) theory, employees' perceptions of what is going on in the organization importantly affect their attitudes and behaviors (Salancik & Pfeffer, 1978). In other words, narcissistic leaders could have a unique role in the organization by influencing employees' perception of TQM implementation, helping them to better grasp TQM philosophies and creating changes in their performance. This has given us the impetus to conduct an empirical study to explore the value and changes that a leader driven by a controversial trait (narcissism) could bring to the organization.

Moreover, exploration of TQM across a wide variety of contexts is needed to find out context-specific solutions. In the service sector, where personnel are the cardinal for quality, the linkage between TQM and EP is more attractive because the latter determines customer

satisfaction and, ultimately, TQM's goals (Khan et al., 2019). Additionally, narcissism's role needs to be continuously examined in this interaction-intensive context to explore both its dark and bright sides. For this study, hospitality is particularly relevant as it creates momentum for economic growth and rapid breakthroughs after COVID-19, especially for developing countries (Zaman et al., 2021). The requirement for continuous improvement is also becoming more stringent to meet new customer requirements and adapt to competition from digital platforms: therefore, TQM is regarded as a "way of life" for the tourism and hospitality industry (Talib & Rahman, 2021). Research in the context of high pressure from customers may amplify the potential impact of narcissism.

A paucity of studies on TQM in the tourism and hospitality context have mainly considered TQM practices as predictors of organizational performance (Amin et al., 2017), but have not fully examined TQM's impact on employee outcomes or the potential intervention of leadership characteristics. In response to the call to explore this topic further, we attempted to answer the specific questions:

RQ1: How do soft TQM practices impact employee performance?

RQ2: What role does leader narcissism play in the relationship between soft TQM practices and employee performance?

Specifically, this paper empirically investigates the effect of leader narcissism as moderator on the relationship between people-related TQM practices and EP in the hospitality industry. This allows us to identify the appropriate conditions, related to the leader's behavior derived from their narcissistic personality trait, to maximize the effect of TQM implementation on improving EP.

This study contributes to the literature on TQM and organizational psychology in several ways. The first contribution comes from examining the relationship between TQM and EP considering the situational factor-leader narcissism-based on abilities-motivations-opportunities (AMO) framework and SIP theory. We also fill a research gap in investigating how changes in the effect of TQM implementations on employee performance come from situational variables such as narcissistic leaders. Secondly, this paper provides a positive perspective on the impact of narcissistic leaders for organizations. The application of SIP theory also shows the important role of middle- and first-line managers - who have been less mentioned in TQM studies compared to top managers despite having a significant impact on employees' perceptions and attitudes about TQM implementation. The third contribution is related to the research context. In addition, the empirical evidence from mid-range and high-end hotels in emerging and developing Asian economies such as Vietnam, with the rapid recovery after the COVID-19 pandemic, could give meaningful suggestions for businesses in the hospitality industry.

The remainder of this paper will be opened with a review on TQM, EP, leader narcissism and the relationship between these constructs. Next, the analytical framework and the hypotheses will be explained. The methodology section will then introduce data collection and measures. The main findings will be highlighted, followed by discussions, theoretical and practical implications, limitations of the study, and future research.

# 1. Theoretical background Soft TQM practices and employee performance

In the face of increasingly fierce competition and strict requirements, TQM is a holistic management philosophy with principles and practices that enable an enterprise to achieve superior quality and work toward business excellence based on cooperation within the organization (Babatunde et al., 2021). TQM revolves around three core values: adding value to customers, promoting innovation and moving toward sustainable development (Dahlgaard-Park et al., 2018). TQM practices are generally classified into hard and soft practices. Soft TQM practices are guided by the view that organizational quality is created by and is the responsibility of all individuals rather than a specific department within the organization. While hard practices form the heart of TQM, soft TQM practices still hold a worthy position by creating an enabling environment for successful TQM implementation in the long run and maintaining an engaged workforce (Hwang et al., 2020). Compared with hard TQM practices, soft TQM practices are more closely related to individual-level outcomes and need further empirical investigation (Vihari et al., 2022). EP refers to the actions, behaviors and outcomes of an individual, which are related to and contribute to the overall goals of the organization and constitute an important measure to evaluate the effectiveness of soft TQM practices (Atatsi et al., 2019). Although a positive relationship between TQM and EP has been argued, the mechanism behind this linkage is still ambiguous.

In this study, the AMO framework, which is commonly used to explain the link between human resource management and employees (Hwang et al., 2020), led us to explore more clearly the link between soft TQM practices and employee performance. The AMO framework assumes that performance is an outcome of a combination of employee variables: ability - skills and abilities needed to perform specific tasks; motivation - encouragement towards a specific role; and opportunity - context that allows employees to contribute to the organization (Lasrado, 2019). These variables are both separate and interrelated and complementary to each other (Shahzad, 2019). If TQM practices related to these variables are promoted, it will help employees better develop their potential. Ultimately, better results will be achieved for both the organization and the employees (Boxall, 2003; Yazdani, 2022). Specifically, soft TQM practices are necessary to enhance employee capabilities, motivate employees to excel in their efforts, and create a supportive environment for employees to achieve high performance.

Moreover, more effort is still required to adjust and flexibly implement TQM practices in service industries, including hospitality. The intersection point between TQM's core values and characteristics of the hospitality industry is people-oriented, towards excellence, based on cooperation, mutual trust and empathy (Anninos, 2018). Drawing from previous studies of TQM in the service sector along with successful real-world lessons, a set of TQM practices that are essential and relevant to this study are identified. Teamwork and communication are increasingly emphasized in the Industry 4.0 context (Babatunde, 2021). Teamwork is essential for successful TQM implementation, particularly in tourism businesses, because it allows for the seamless integration of different functions within the organization and the formation of effective teams (Vihari et al., 2022). Communication emphasizes information sharing between individuals and groups to enhance mutual understanding, which affects the attitudes, behaviors and knowledge of employees (Bakotić & Rogošić, 2017). Empowerment, which involves delegating responsibility from top to bottom levels of management, psychologically impacts employees by making them more confident in their abilities, more proactive about their roles and responsibilities within the organization (Vihari et al., 2022). Training and development is a systematic process to promote the acquisition of skills, knowledge and attitudes to match job requirements and seize growth opportunities in the organization, thereby improving productivity, strengthening employee relations, and reducing turnover (Bakotić & Rogošić, 2017). Employee involvement motivates employees to show responsibility through actively connecting with team members, proactively giving ideas and participating in quality improvement activities (Tortorella et al., 2021). In general, to ensure effective TQM implementation and simultaneously enhance soft TQM's impact on EP, both selecting relevant practices and clarifying the underlying mechanism of their impact in specific contexts should be highlighted.

#### 1.2 Leader narcissism as moderator of the relationship between soft TQM practices and employee performance

Narcissism has emerged in organizational psychology in the last few decades. It refers to a personal aspect that may bring value to the organization (Meier & Semmer, 2012). Narcissistic individuals are characterized by extreme self-love, admiration, concern about the self, are strongly aware of their abilities and advantages, and want to receive recognition from everyone (Mai et al., 2022). In this study, leader narcissism refers to a type of personality trait of a leader that encompasses grandiosity, self-confidence and charm (Zhou et al., 2019). This typical characteristic of a leader distinguishes them from managers possessing other prominent personality traits (Wong et al., 2017). Leader narcissism is recognized through narcissism-directed behaviors (Schyns, 2015). In other words, narcissistic leaders have outstanding social skills and intense charisma, allowing them to influence subordinates effectively. In addition, pursuing bold goals, promoting change, encouraging creativity, and the tendency to take great risks to achieve goals are also manifestations of leader narcissism (Campbell et al., 2011).

In managerial positions with the power, bolstered by risk, work pressure, and successes, leader narcissism plays a remarkable role in the organization (Gruda et al., 2021). Studies on the dark side of narcissism seem to predominate and describe narcissistic individuals by deficiencies in self-direction and self-identification, which lead to arrogance, excessive need for recognition and superiority, poor communication and interrelationships, lack of empathy and flexibility (Sosik et al., 2014). From a positive view, narcissistic leaders can offer great visions and breakthrough strategies and inspire powerful followers (Wang et al., 2021). Although a positive impact on organizational outcomes such as strategy implementation and performance has been mentioned (Mai et al., 2022), there is still a lack of empirical evidence about the role of leader narcissism in the relationship between TQM and EP. On the other hand. scholars have often described certain conditions under which leaders can develop the constructive narcissism aspect, such as a policy system, control systems, an advisory system, or social and legal barriers (Sosik et al., 2014). Narcissistic leaders also show their relevance and importance when enterprises stand in front of the innovation era because their foresight is paramount in a chaotic business context (Liao et al., 2019). In other words, it is necessary to evaluate narcissism in a specific context and situation with organizational constraints to underline its importance.

Looking at the relationship between leader narcissism, TQM practices and EP, several research gaps need to be addressed. First, although there is an intersection between these variables, there are few empirical studies examining the complex relationships behind these constructs. Second, testing the direct impact of soft TQM practices on EP is not sufficient; it is more important to understand how this relationship will vary under certain conditions or moderators. Leader narcissism needs more attention because of its growing popularity in work context and its controversial effects on the organization (Wang et al., 2021). Third, previous studies have often focused on the relationship between narcissism and individual-level variables, such as follower's attitudes and satisfaction (Yang et al., 2021). Expanding the search for different effects of leader narcissism in multilevel analysis is necessary and could allow the identification of specific contexts to promote the positive aspect of narcissism. Fourth, with mixed results in studying narcissism depending on rating sources, there is still no convincing answer to the question of whether leader narcissism brings positive value to the organization in general and to EP improvement through TQM in particular.

For brevity, to deepen insights into narcissism and enrich the literature on TQM, this study evaluates the moderating role of leader narcissism in the relationship between soft TQM practices and EP. In addition, we examine the role of leader narcissism in the hospitality industry characterized by an interaction-intensive and highly volatile, uncertain post-pandemic environment (Zaman et al., 2021) with the expectation of exploring how this distinctive psychological characteristic of leader can make significant changes to the relationships between various variables within the organization.

#### 1.3 Analytical framework and hypotheses development

In this study, AMO framework led us to explore more clearly the link between soft TQM practices and EP. Accordingly, soft TQM practices improve EP in different angles, by: (1) enhancing employees' knowledge, skills, and abilities in TQM; (2) stimulating motivation in using TQM-related abilities; (3) providing opportunities for employees to participate in the working environment and apply their ability related to TQM to improve work results. In other words, soft TQM could produce significant changes in EP through the enhancement and adjustment of employee skills, attitudes and behaviors (Yazdani, 2022).

Specifically, teamwork serves as the foundation for collaboration, enhances social dynamics, fosters a collaborative atmosphere between employees and management, thereby improves EP (Verma et al., 2022). Employee empowerment is associated with the transition from a traditional context to a collaborative and service-oriented context (Rahman et al., 2020). When employees are psychologically empowered, they will have a more positive orientation to their organizational role, more confident in their abilities, proactively seize opportunities to participate in quality activities and ultimately enhance EP (Assen, 2021). Communication is the backbone of any organization, promotes EP by creating a favorable environment for open and effective exchange between employees and managers, helps employees to better grasp TQM philosophies and have a stronger motivation to apply TQM-related understanding in their work process to improve EP (Fuentes-Fuentes et al., 2011). Training and development is also a significant driver of EP because this practices equips employees necessary knowledge and skills to meet new working challenges and offers them opportunities to achieve long-term career goals by applying their skills and abilities to improve performance (Amin et al., 2017). Employee involvement enhances the exchange of different thoughts and views between managers and employees, thereby promotes employee's positive attitudes towards quality and commitment to proactively create change in performance (Verma et al., 2022). Therefore, we postulate that:

H1a-e: Soft TQM practices (a - teamwork, b - employee empowerment, c - communication, d - training and development and e - employee involvement) positively impact EP.

The role of leader narcissism is grounded by SIP theory (Salancik & Pfeffer, 1978). Accordingly, based on information provided by the social environment and processed through social information process, employees form their views and attitudes toward the organizational context. Employees combine information from the context and their leaders to shape their perception of the surrounding environment and adjust their working behavior. In other words, the psychological characteristics of leaders influence the perception and behavior of subordinates. Narcissistic leaders with power and charm can make followers believe in the direction of TQM implementation, lead and change followers' perception of TQM practices, thereby enhancing the effect of these practices on EP. Empirically, the moderating role of the leader narcissism has been mentioned for the relationship between plans, strategies, implementation of models at the company and different outcomes (Shabbir & Kousar, 2019). The positive effects of narcissism can be suggested on the grounds that narcissistic leaders always aspire to create an admirable legacy to demonstrate their influence and importance (Simsek et al., 2010). In addition, some narcissistic leaders are willing to listen to subordinates and keep a humble attitude when working with others (Carnevale et al., 2018), thereby they could be associated with the effectiveness of employee involvement, communication,

and emplovee empowerment practices. Next, the impact of training and development depends on the leader's assessment (Khan et al., 2019). While narcissistic leaders have very high demands on their subordinates, they can motivate employees to put more effort in the training process and show it through EP. Teamwork emphasizes the close association between individual achievement and collective performance, so leader narcissism is expected to be able to enhance the impact of this practice on EP (Nevicka et al., 2018). Thus, these arguments prompted us to hypothesize that:

H2a-e: Narcissism positively moderates the relationship between soft TQM practices and EP.

Also, under certain conditions or environmental uncertainty, narcissism can be viewed more positively (Anninos, 2018). Therefore, these research hypotheses will be tested in the challenging and risky context of the hospitality industry after COVID-19 shock.

# 2. Research methodology2.1 Research procedure

Hospitality industry, which constitutes an important driving force for Vietnam's economy with the ability to create multiple jobs and maintain a rapid growth rate (VNAT, 2020), is the research context of this study. Hospitality businesses have shown a strong recovery from COVID-19 and are facing the challenge of continuously improving performance to meet the increasing demands of customers (VNAT, 2022a). Therefore, TQM has become an indispensable direction for success in hotels (Talib & Rahman, 2021). Meanwhile, despite TQM implementation, several quality and performance issues still need to be further explored (Phan et al., 2022).

We conducted research, from 5-9/2022, at hotels in Hanoi and Ho Chi Minh City

Vietnamese famous destinations attracting nearly 23.7 million tourist arrivals by 2022 and contributing to the total tourism revenue of about USD 7.4 billion, nearly 70% compared to the year before COVID-19 pandemic (HTD, 2023; GEIP, 2023). Mid- and high-end hotels are focused because these groups face stringent quality requirements, aim for high service standards, and generate significant revenue and jobs for the market (Vij et al., 2021).

Data was collected from 1,155 employees from 107 3–5-star hotels in the list regulated by the Vietnam National Administration of Tourism (Tab. 1). We contacted the hotel's representatives to ask them to send the questionnaire to at least 20 employees. Respondents are nonmanagerial employees in different departments of the organization to minimize response bias. We enclosed the questionnaire with a cover letter to introduce the purpose of the study, encourage respondents' voluntariness and pledge to keep the answers confidential.

The questionnaires were sent to 1,839 employees, of which 1,164 employees responded (response rate was 63.3%). After removing invalid responses, 1,155 questionnaires were included in the analysis. This sample size is larger than 170 (5 times the number of observed variables) to ensure the reliability to analyze according to Hair et al. (2013). Women accounted for 65.7%, people with a university education or higher accounted for 54.8%, and people aged over 35 accounted for 50.6%.

The partial least squares structural equation modeling (PLS-SEM), with the use of Smart PLS 4.0, is appropriate for this study to examine the complex relationships between variables under small sample conditions (Hair et al., 2017). After testing the reliability and validity of the model, the research hypotheses were tested based on the results of the structural model

Tab. 1: Sample descriptions

	3-star	4-star	5-star	Total
Number of hotels participating in the survey in Hanoi and Ho Chi Minh City	41	32	34	107
Number of hotels in Hanoi and Ho Chi Minh City	50	36	37	123
Number of hotels in Vietnam	630	311	234	1,175

Source: VNAT, 2022b



#### 2.2 Measurement scales

Measurement scales have been developed based on solid theoretical foundations and verified in previous studies. Soft TQM scales measure employees' perceptions of the implementation of people-related TQM practices. including teamwork, employee empowerment, communication, training and development, employee involvement (Assen, 2021; Hwang et al., 2020; Prajogo & Cooper, 2017; Valmohammadi, 2011). Employee performance scale, adapted from Song et al. (2018), refers to the self-assessment of employees about their in-role performance at the organization. Leader narcissism scale is adapted from Li and Tong (2021) and Sosik et al. (2014). Leader narcissism is assessed based on how employees perceive their direct leader's behavioral features and personality traits in various aspect, such as high aspiration, self-centered person, thinking in unusual way or condescending behavior in relations with others (Tab. 2). The questionnaire was built with a section to fill in demographic information and 34 questions corresponding to items designed in the form of Likert-5 with 1 corresponding to strongly disagree and 5 to strongly agree.

## 3. Results

#### 3.1 Measurement model

The reliability and validity of constructs were determined based on factor loadings, composite reliability, and average variance. Cronbach's alpha and composite reliability of all constructs exceed the acceptable threshold of 0.7 (Tab. 2). Indicator reliability is also confirmed when the outer loadings are within an acceptable range of 0.704 to 0.903. Convergent validity is expressed through AVE values that are all greater than 0.5. With self-reported data from a single source, we tested the occurrence of common method bias based on the suggestion of Kock (2015). The VIF values of the structures are all less than the threshold of 3.3, indicating that the common method bias issue does not appear.

The Fornell-Larcker criteria were used to test discriminant validity. The analysis results showed that discriminant validity is confirmed

Tab. 2: Analysis results of measurement model - Part 1

		Convergent validity		Internal consistency reliability		Discriminant validity	Collinearity	
Latent variable	Indicators	Outer loadings	AVE	Composite reliability	Cronbach's alpha	(HTMT confidence interval does not conclude 1)	statistics	
	Involvement in quality improvement teams	0.796		0.883	0.825	Yes	1.564	
Teamwork	Establishment of cross- functional teams	0.797	0.654					
(TWK)	Available resources for quality-related teams	0.832	0.054					
	Willingness to put out for the sake of the teams	0.810						
	Encouraging employees to fix problems	0.760			0.837	Yes	2.917	
Employee empowerment (EMP)	Providing resources to employees to correct quality problems	0.864						
	Technical assistance for solving quality problems	0.704	0.598	0.881				
	Problem-solving network for solving quality problems	0.791						
	Autonomy in determining how work is performed	0.738						

# Analysis results of measurement model – Part 2

		Convergent validity		Internal consistency reliability		Discriminant validity	Collinearity
Latent variable	Indicators	Outer loadings	AVE	Composite reliability	Cronbach's alpha	(HTMT confidence interval does not conclude 1)	statistics
	Receive information about the goals	0.800		0.883			1.490
	Receive information about customer's evaluation	0.759	0.601				
Communication (COM)	Receive information about how to do the job	0.770			0.834	Yes	
	Receive information about superiors expectation	0.773					
	Receive information from colleagues	0.775					
	Available resources for quality-related training	0.769		0.886	0.840	Yes	1.372
	Quality-related training for all employees	0.751	0.609				
Training and development (TDV)	Training on the "total quality and continuous improvement" concepts	0.801					
	Employees' career aspirations	0.813					
	Career paths of employee	0.767					
	Involvement in continuous improvement	0.791		0.880	0.803	Yes	2.800
Employee involvement (EIN)	Involvement in quality- related decision-making process	0.903	0.711				
(EIN)	Consideration of employees' suggestions on quality	0.831					
	High level of aspiration	0.755				Yes	2.114
	Attempt to stretch limits	0.713					
	Self-centered person	0.775					
Leader narcissism (NAR)	Center of attention	0.776					
	Thinking in unusual way	0.760	0.568	0.913	0.891		
	Appreciation of intellectual and cognitive matters	0.762					
	Condescending behavior in relations with others	0.761					
	Inflated view of him/herself	0.723					

Tab. 2:

## Analysis results of measurement model - Part 3

		Convergent validity		Internal consistency reliability		Discriminant validity	Collinearity
Latent variable	Indicators	Outer loadings	AVE	Composite reliability	Cronbach's alpha	(HTMT confidence interval does not conclude 1)	statistics
Employee performance (EP)    Performing tasks that are expected	0.808						
		0.796	0.653	0.883	0.824	Yes	
		0.820					
	Completing assigned duties	0.809					

Source: own

# Analysis results of discriminant validity

	Employee performance	Leader narcissism	Teamwork	Employee empowerment	Communication	Training and development	Employee involvement
Employee performance	0.808						
Leader narcissism	0.350	0.753					
Teamwork	0.346	0.500	0.809				
Employee empowerment	0.181	0.511	0.288	0.773			
Communication	0.483	0.477	0.379	0.253	0.775		
Training and development	0.298	0.455	0.326	0.213	0.354	0.781	
Employee involvement	0.142	0.477	0.249	0.791	0.259	0.181	0.843

Source: own

when the correlations between the structures are all smaller than the square root value of AVE (Tab. 3).

## 3.2 Structural model and moderating effect

The structural equation model examination allows us to discover the relationship between latent variables. Model fit indexes of measurement model all ensure the acceptability recommended by Hair et al. (2013). Communication, teamwork, training and development

practices positively impact *EP* at the 0.05 significance level (Tab. 4). Therefore, *H1a*, *H1c* and *H1d* are supported.

The adjusted  $R^2$  value showed that 28.9% of the variance in EP is explained by the exogenous variables mentioned in the model. The coefficient  $f^2$  allows us to evaluate and compare the impact of each independent variable on the dependent variable (Hair et al., 2013). According to Cohen (1988), the effect size of *communication* 

Tab. 4: Pa

#### Path coefficients

Hypothesis	Original sample	Sample mean	Standard deviation	T-statis- tics	<i>p</i> -values	Results
H1a: Teamwork → Employee performance	0.121	0.121	0.051	2.351	0.019	Supported
H1b: Employee empowerment → Employee performance	0.063	0.072	0.068	0.920	0.357	Rejected
H1c: Communication → Employee performance	0.354	0.353	0.057	6.187	0.000	Supported
H1d: Training and development → Employee performance	0.110	0.116	0.045	2.443	0.015	Supported
H1e: Employee involvement → Employee performance	-0.076	-0.079	0.068	1.116	0.264	Rejected
Leader narcissism → Employee performance	0.060	0.065	0.059	1.011	0.312	Rejected
H2a: Leader narcissism × Teamwork → Employee performance	-0.090	-0.088	0.058	1.568	0.117	Rejected
H2b: Leader narcissism × Employee empower- ment → Employee performance	0.119	0.103	0.073	1.637	0.102	Rejected
H2c: Leader narcissism × Communication → Employee performance	-0.106	-0.110	0.057	1.845	0.065	Rejected
H2d: Leader narcissism × Training and development → Employee performance	0.122	0.124	0.051	2.406	0.016	Supported
H2e: Leader narcissism × Employee involve- ment → Employee performance	-0.087	-0.065	0.076	1.140	0.255	Rejected

Source: own

is 0.120 indicating a small effect. *Employee* performance  $Q^2$  value is 0.254, according to which, the studied soft TQM practices are related to EP at a moderate level (Hair et al., 2017).

Following the testing moderation in a path model, the relationship between the construct training and development and EP is assumed to be moderated by leader narcissism at the significance level of 0.05 (Fig. 1). The result provides clear support for hypothesis H2d that leader narcissism has a resonant effect on the relationship between training and

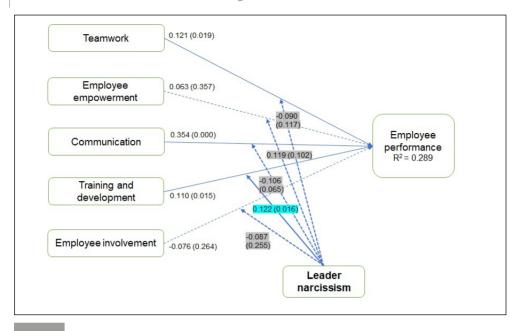
development and EP. In other words, the higher the leader narcissism, the stronger the relationship between training and development and EP (Fig. 2).

# 4. Discussions, implications and future research

#### 4.1 Discussions

This paper not only provides a meaningful answer to the question "what" TQM practices should be implemented but also discovers "how" optimal conditions enable the impact of these practices.

# **Business Administration and Management**



# Fig. 1: Structural model assessment result

Source: own

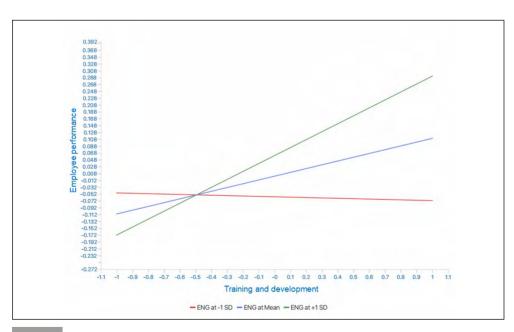


Fig. 2: Moderating effect of *leader narcissism* on the relationship between *training and development* and *employee performance* 

Source: own

The analysis results firstly showed that soft TQM practices (communication, teamwork, and training and development) significantly improve EP. This provides additional empirical evidence for the statements of Babatunde (2021) as these practices become more imperative in the context of Industry 4.0. In the hospitality industry, open communication allows TQM philosophies to penetrate deeply into the practice of each individual (Hietschold et al., 2014). Similar to the results of Hwang et al. (2020), teamwork practice reflects TQM's quality-oriented culture with a focus on outstanding performance based on a team-based organizational structure and harmonious cooperation among members. This study also confirms existing results (Assen, 2021) in the field of hospitality that training and development significantly improve EP and maintain service quality by enhancing of employee competencies and personal abilities related to continuous improvement.

In addition, an unexpected result has brought a new perspective to previous studies. Dissimilar to studies of Assen (2021) and Prajogo and Cooper (2017), this study has not noted a significant impact of employee empowerment and involvement on EP. This result could be explained by changes in the business environment after the COVID-19. After facing a long period of social isolation, burnout and loose association with the organization, employees feel apprehensive, need support from leaders to capture the letter O in AMO framework - the opportunity to become more involved in TQM implementation and take on responsibilities (Malik & Sanders, 2021). Therefore, delegating power and encouraging participation in the quality improvement process could not lead to a significant change in EP.

Next, this study clarified the role of narcissistic leaders in enhancing the impact of training and development practice on EP. Contrary to studies that have recognized narcissism as a dark characteristic of leaders (Gruda et al., 2021), this study revealed that narcissism can have resonant influence on TQM implementation in organizations. Specifically, when employees feel that leaders have a narcissistic personality, the positive impact of training and development on EP becomes stronger. On the one hand, consistent with SIP theory, the presence of leader narcissism significantly modifies employees' perceptions of TQM. Combined with AMO framework,

these leaders reshape the appropriate attitude (letter A) of employees towards training and development, promote stronger motivation (letter M) in self-development, and help them seize important opportunities (letter O) for their career development. On the other hand. narcissistic leaders could widely spread their outcomes-oriented approach to employees, thereby making them more proactive in learning, increasing the effectiveness of training activities. In terms of employee development, narcissistic leaders inspire efforts and strive constantly to shine in their careers, that helps employees focus on long-term personal development. This further extends the previous study of Volmer et al. (2016) to clarify the link between leader narcissism and employees' career development. Certain organizational contexts can create opportunities for narcissistic leaders to realize their ambitions by giving them power and authority (Shabbir & Kousar, 2019). TQM implementation will be favorable condition for the expression of the role of leaders as an important prerequisite to lead the quality orientation to subordinates, to help employees easily achieve certain progress in their performance. This result also reinforces the view of leader narcissism as a holistic concept. With their ambition and charisma, narcissistic leaders conveniently develop and communicate compelling visions to their subordinates, then motivate them to focus on improving their personal capabilities and long-term career plans aligned with the vision of the organization.

#### 4.2 Implications, limitations and avenues for future research

Theoretically, this study provides profound implications by firstly underlining soft TQM practices, which are appropriate to the contemporary context. While much of the current research focuses more on identifying an exhaustive set of TQM practices related to performance improvement (Sabbagh et al., 2019), it can be difficult to prioritize the implementation of these practices. This study focuses on practices that will meet the research needs of TQM in the context of the complex, post-crisis business environment and uncertainty of the hospitality industry. Second, we explain the interwoven relationship between TQM practices, leader's psychological trait and EP based on the guidance of AMO framework and SIP theory. Considering leader narcissism as a condition enhancing the effect of soft TQM practices on EP highlighted the importance of situational factors. In addition, it is necessary to look at the concept of narcissism from a holistic approach so as not to ignore its potential impacts on the organization and employees. Third, studies on TQM implementation should properly focus on the human factor. The explanation of changes in EP should come from employees' attitudes and perceptions towards appropriate behavior, rather than just behavior. Fourth, the middle and first-line leaders, who have proximal and direct interactions with employees, need to be emphasized. Especially, when they are narcissistic, they will play a key role in enhancing the effect of TQM implementation by making a great contribution to changing the attitudes and behavior of subordinates.

Practically, several recommendations for hotel managers could be drawn from this study. Firstly, TQM implementation needs to be innovated and adjusted to suit the new context of the hospitality industry and the requirements of Industry 4.0. It is necessary to take advantage of digital transformation and quality information systems in the organization for effective communication, thereby improving EP (Babatunde, 2021). Leaders need to be fully informed about the changes related to TQM implementation and receive feedback from employees to promptly overcome problems that may affect EP. The implementation of teamwork practice requires hotel managers to form effective teams and encourage a spirit of cooperation, sharing and understanding among team members. This leads to positive attitudes, improves performance and creates changes in the guality of work-life of employees (Hwang et al., 2020). For training and development practice. accommodation businesses should invest in training employees to quickly adapt to new requirements from Industry 4.0 and customers (Khan et al., 2019). Additionally, supporting and motivating employees to define a clear career development path should be focused to arouse employees' interest and initiative in participating more deeply and proactively in TQM activities and continuous improvement (Assen, 2021).

Secondly, the implementation of soft TQM practices should not only be concerned with expanding practices implemented but should also pay attention to increasing the influence of each practice on EP through moderators such as leader narcissism. The role of narcissistic leaders, especially those who directly supervise employees, should be emphasized because employees are not only passively receptive to TQM practices, but cognitive processes are actively interpreted and governed by various situational factors, especially under the influence of the leader (Hwang et al., 2020). Besides, although narcissism shows a positive moderating role, appropriate mechanisms and policies are still needed to ensure this constructive impact of leader narcissism on the organization, such as conducting regular meetings with top managers to maintain the awareness of narcissistic leaders in line with the organization's quality orientation, regularly monitoring employees' evaluations of their supervisors.

As a limitation, although PLS-SEM allowed to explore potential relationships between constructs at multiple levels, other analytical models can also be applied to further explanation of the obtained results. Specifically, the role of leader narcissism being considered in the post-COVID-19 context is based on cross-sectional data, so longitudinal research could be conducted to seek more systematic conclusions. This will allow the development of timely interventions to encourage the positive effects of narcissism. Besides, this study examined the relationship between soft TQM practices, leader narcissism and EP based on a single source of survey data. Future studies may further explore the role of leader narcissism and provide more specific explanations through in-depth interviews, case studies, or other qualitative methods.

#### Conclusions

Inspired by the emerging requirements for deeper exploration of TQM implementation in the hospitality industry in light of Industry 4.0 and the ongoing debates about narcissism, this study examined the moderating role of leader narcissism in the relationship between soft TQM practices and EP based on AMO framework and SIP theory. The analysis of data provided by 1,155 employees of mid- and high-class hotels in Hanoi and Ho Chi Minh City in Vietnam has clarified the positive impact of communication, teamwork, and training and development on EP. In addition, the moderating effect of leader narcissism on the relationship between training and development practice and EP. This paper further contributes

to the literature on TQM and organizational psychology through empirical evidence on the complex relationships between organizational variables, leader psychological trait, and employee outcomes. The study also provides important implications for managers in enhancing the effectiveness of implementing soft TQM to improve EP by strengthening the role of leaders who are characterized by narcissism.

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