

Impact of Balanced Scorecard on Managerial Performance: Mediating Effects of Role Clarity

(Pengaruh Kad Skor Terimbang ke Atas Prestasi Pengurus: Kesan Intervensi Kejelasan Peranan)

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ABSTRACT

Performance of hotel operational managers is crucial in delivering quality service to customers. Prior studies claimed that balanced scorecard (BSC) measures can clarify managers' roles to improve their performance. Thus, this study examines the relationship between the BSC measure, role clarity, and managerial performance in the Malaysian hotel sector. This study also investigates the mediating effect of role clarity between the BSC measures and managerial performance. 475 questionnaires were distributed to managers of 3-, 4-, and 5-star hotels in Malaysia. Analysis from Structural Equation Modelling (SEM) found a significant relationship between the BSC measures and role clarity. Role clarity has a significant impact on managerial performance. The results also found that role clarity partially mediates the relationship between the BSC measures and managerial performance. These results provide information to policymakers on the importance of BSC measures to stimulate positive behaviour through role clarity for managers to deliver quality service.

Keywords: Balanced scorecard; role clarity; managerial performance; hotel; SEM

ABSTRAK

Prestasi pengurus operasi hotel adalah penting dalam memberi servis yang berkualiti kepada pelanggan. Kajian lepas mendapati Kad Skor Terimbang (KST) memainkan peranan penting dalam menjelaskan peranan pengurus seterusnya meningkatkan prestasi mereka. Justeru, kajian ini bertujuan mengkaji hubungan di antara KST, kejelasan peranan dan prestasi pengurusan dalam sektor perhotelan di Malaysia. Kajian ini juga mengkaji kesan intervensi kejelasan peranan diantara KST dan prestasi pengurusan. 475 soal selidik telah diedarkan kepada pengurus hotel 3-, 4- dan 5-bintang di Malaysia. Analisis daripada Model SEM menunjukkan KST meningkatkan kejelasan peranan pengurus hotel. Kejelasan peranan mempunyai hubungan yang signifikan ke atas prestasi pengurusan. Dapatan kajian juga menunjukkan kejelasan peranan mempunyai intervensi separa ke atas hubungan diantara KST dan prestasi pengurus hotel. Dapatan kajian ini berupaya menyumbang kepada penggubal dasar tentang kepentingan KST untuk merangsang tingkah laku positif melalui penjelasan peranan supaya pengurus dapat menyampaikan servis yang berkualiti.

Kata kunci: Kad skor terimbang; kejelasan maklumat; prestasi pengurusan; hotel; SEM

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INTRODUCTION

The importance of performance management system (PMS) is widely documented in the literature. Amongst others, PMS has been considered as a significant system to facilitate strategy implementation for enhancing organisational performance (Samsudeen & Sulphrey 2017). Besides, PMS is of great importance for stimulating individual performance as it provides insight and direction to people throughout an organisation (Frare & Beuren 2021; Williams et al. 2021). PMS is also an influential system that can assist organisations to motivate individual work behaviour, improve capabilities in business environment, and increase performance at all organisational levels (Franco-Santos et al. 2012). More importantly, PMS supports the need for growth in a competitive environment, the importance of quality of products and services and the focus for continuous improvement (Heinicke 2018).

A comprehensive PMS comprises financial and non-financial measures that support the alignment between organisation's objectives and core operations (Chenhall 2005; Nguyen et al. 2017). The inclusion of non-financial

performance measures is primarily due to the shortcomings of traditional PMS with too much attention given to financial measures (Kalender & Vayvay 2016; McPhail et al. 2008). Prior studies claimed that the financial measures alone were not comprehensive and imprecise in evaluating performance that only measure past performance rather than future performance (Gosselin 2011; Lau 2011; Abdul Rasit & Isa 2014). Hence, the PMS with only financial measures is inadequate to reflect the complete picture of companies' operations and performance in the current business environment of rapidly changing, challenging, and competitive (Khani & Ahmadi 2012), particularly those in the service sector which has fast-moving nature and need to constantly improve performance (Sainaghi et al. 2013).

Hotel sector is one of the service sectors that has a significant contribution to the growth of the tourism sector and the Malaysian economy (Abdul Razak et al. 2016; Auzair 2011; Awang et al. 2015). In 2019, the tourism industry recorded 26.01 million tourist arrivals with total tourist expenditure of RM86.1 billion (Tourism Malaysia 2020). It is the hotel sector that contributes 24.4% of the total expenditure (Department of Statistics 2022). This is in accordance with the average length of stay which increased to 7.4 nights in 2019 as compared to 6.5 the previous year. Considering tourists would be in a situation of being away from home, as such, the need for hotel as accommodation is deemed crucial. Other than offering comfortable accommodation, hotel sector would require improving quality standards to sustain as well as to continuously support the growth of tourism industry in Malaysia (Sangaran & Selvanayagam 2021).

Abd Patah et al. (2009) noted that for hotels to be successful in delivering high service quality, they need to improve employee performance because employee-customer interaction is a crucial-in determining how satisfied customers are with their service encounter experience. However, improving employee performance in the Malaysian hotel sector is the biggest challenge due to its high turnover rates that is not confined to the operational workers but also to the managerial levels (Miah & Hafit 2020). This situation makes it difficult for hotels to consistently provide quality service to their customers. Hence, creating a sustainable workforce is crucial in the hotel sector to ensure that the quality service can be delivered as to sustain in the market (Sangaran & Selvanayagam 2021). It is claimed that sustainable workforce in term of reduction in turnover rates can be achieved by inspiring employee work behaviour through role clarity which in turn encourage the employees to perform effectively in delivering high quality services (Haldorai et al. 2019; Miah & Hafit 2020; Jannat et al. 2020).

Literature has recognised the importance of BSC measures as a comprehensive PMS to the work performance of individual managers (Aunurrafiq et al. 2015; Burney et al. 2009; Hall 2008; Lau 2011). These studies indicate that financial and non-financial measures in the BSC will provide managers with information related to firm's critical success factors which are deemed important for them to excel in managing the firm's operations (de Waal & Kourtit 2013). In addition, the BSC measures are likely to direct managers towards greater effort to achieve the organisation's goals and objectives. In particular, the BSC measures would positively affect managers' behaviour to enable them to perform well in the organisation. The rationale of adopting BSC measures is that these measures are assumed to offer managers information regarding what is most essential for daily business operations and where efforts must be directed for achieving better performance.

While the effect BSC measures as a comprehensive PMS on individual work behaviour, in particular role clarity, and performance has widely been done in the manufacturing industry, its effects on managers' behaviour and performance in the hotel setting are questionable (Abdul Razak et al. 2016; Alsheikh et al. 2017). Therefore, this study attempts to examine how BSC measures affect the behaviour of the employees in providing services to the customers and contribute to the sustainability of the organisations. Specifically, this study investigates how BSC measures assist employees in understanding their roles in the organisation which leads them to be more responsive in carrying out their responsibilities. This study would provide empirical evidence on PMS research in the context of hotel setting and contribute to BSC literature in developing countries.

The reminder of this study is organized as follows. The next section provides review of literature and development of the hypotheses. It is followed by the research method and results of data analysis. Finally, discussions and conclusion conclude this study.

LITERATURE REVIEW

In management accounting research, there has been great interest in studying comprehensive performance management systems (PMS), that comprise financial and non-financial measures (e.g., Awan et al. 2020; Burney & Widener 2007; Cäker & Siverbo 2018; Franco-Santos et al. 2012; Frare & Beuren 2021; Ittner et al. 2003; Lau 2011, 2015; Nguyen et al. 2017). Starting from the impact of comprehensive PMS on organisation performance, the flow of research in PMS has expanded to the employee's work behaviour and performance. Williams et al. (2021) provide evidence of how managers understand their role, especially job-relevant information they require, that is informed by the comprehensive PMS leads to improved performance. Frare and Beuren (2021) point out that comprehensive PMS,

which includes financial and non-financial measures, is of great importance to enhance role clarity to stimulate positive and innovative work behaviours that are beneficial for fostering individual creativity in performing his/her duties. In addition, comprehensive PMS that provides better clarity of role and alignment of performance goals between individuals, teams and organisations can promote work engagement that is useful in enhancing the efforts put toward accomplishing the tasks by managers (Awan et al. 2020). In summary, inconsistent performance measures in PMS may be problematic for managers which will affect their role clarity and well-being, an important factor for productivity, motivation, work attendance, and performance (Cäker & Siverbo 2018).

BSC is regarded as the most popular framework for a comprehensive PMS (Wiersma 2009). BSC does not only integrate financial and non-financial measures into a single coherent and balanced framework but more importantly, it can be easily customised and modified to take into account organisation characteristics and business orientation (Qu et al. 2011). The BSC allows managers to assess organisation performance from broad perspective, comprising financial and non-financial performance measures, namely customer, internal processes, and learning and growth, which act as key drivers for future financial performance (Kaplan & Norton 1992, 1996). Kaplan and Norton (1996) state that the name of BSC reflects the balance between short-term and long-term objectives, between financial and non-financial measures, between lagging and leading indicators and between external and internal performance perspectives.

Previous studies have discussed the BSC in relation to individual work behaviour and performance. Burney and Widener (2007) found that managers' performance is high when the BSC provides clear job-relevant information that lower role ambiguity. Hall (2008) provides evidence that the BSC influences role of cognition and motivation of managers, which in turn, positively affect their performance. Similarly, Abdul Razak et al. (2016) state that the BSC stimulates managers' intrinsic motivations, such as self-confident, self-determination and self-competence, that make them perform well in fulfilling their job-related activities. Lau (2011, 2015) found that the BSC particularly the non-financial measures, such as customer satisfaction rate, manufacturing cycle time and number of innovations, translates organisation's goals into measures that inform managers of what is expected of them, thereby clarifying their roles within the organisation. Despite this evidence, the studies on BSC and work behaviour have mostly been done in developed countries with attention given to the manufacturing industry, while the focus on the hotel setting is still limited (Alsheikh et al. 2017; Auzair 2011; El-Deeb & Halim 2019; Haktanir & Harris 2005). Abdul Razak et al. (2016) advance the study on BSC and work behaviour but did not discuss the relationship between BSC, role clarity and performance. Departing from the existing literature, this study sheds some light on the impact of BSC on role clarity and managerial performance in the hotel sector, particularly from the Malaysian context.

The use of financial and non-financial measures in the BSC is needed for managers working in the hotel sector (Cheng et al. 2007). Hotel operations comprise three different activities which are rooms, beverages, and foods (Evans 2005; Harris & Mongiello 2001). Hotel managers often take on multiple roles as boundary spanners to the hotel's interest and customer's expectations, exposing them to a work situation of high role conflict and work stress (Karatepe & Uludag 2008). The diversity of business activities appears that hotels in a particular need for the BSC as their comprehensive PMS (McPhail et al. 2008). When the hotel is able to communicate and translate their goals into specific and clear performance measures, such as the one included in the BSC, managers are able to understand their roles that induce their motivation to accomplish their job-related activities, which in turn produce better work performance (Nasurdin et al. 2022).

Role is defined as "the set of prescriptions defining what behaviour of a position member should be" (Schuler et al. 1977). Schuler et al. (1977) noted that organisations need to recognise the importance of roles in understanding employees' behaviour towards performance. This is because the development and maintenance of individual role in organisations are critical to stimulate positive work behaviour and performance (Katz & Kahn 1978). Role theory explains that role is aimed to provide direction on how their activities should be carried out, to provide guidance on what expectations are required from them in accomplishing the activities, and to illustrate accountability for every activity performed (Rizzo et al. 1970). Specifically, role reflects the performance expectations of an organisation from individuals that hold a particular position in that organisation (Schuler et al. 1977). An opposite to role clarity is role ambiguity which refers to uncertain performance expectations due to unclear information about job-related activities (House & Rizzo 1972). According to Schuler et al. (1977), role ambiguity may lead individuals to job dissatisfaction and lower performance. Consequently, individuals in an organisation with a high level of role ambiguity would decide to leave the organisation (Kahn et al. 1964).

According to Lee et al. (2010), providing specific and clear goals for the nature of individual work are necessary for the inducement of positive behaviour and improvement of their performance. In this regard, hotel organisations can translate their goals into a set of comprehensive performance measures in a coherent framework as what BSC offers. Although the primary role of the BSC is to measure and track the performance of business operations, the performance measures also reflect the way the organisations communicate their objectives and goals to employees at

all levels (Kaplan & Norton 1996). With BSC measures, managers will understand what their roles and responsibilities are, what they are accountable to, what control or power they are bound to, how committed they should be to direct their performance to achieve what has set for them (Lau 2011). In particular, clear goals, that are translated into BSC measures, will provide clarification on hotel managers' roles and responsibilities, which in turn reduce role conflict and uncertainty in performing their jobs. Hence, role theory is appropriate to explain the variables in this study and to relate to the nature of the hotel environment.

HYPOTHESIS DEVELOPMENT

THE BSC MEASURES AND ROLE CLARITY

Role clarity can be defined as an individual's perspective of what is expected of them in relation to their work tasks (Hall 2008). As Lau (2011) claimed, the details information in the four balanced scorecard perspectives might affect role clarity. There is an expectation that if the details information through the BSC measures are clear, this would assist in clarifying the role expectations of managers and the behaviour that is appropriate if these expectations are to be fulfilled (Lau 2015). While the BSC is primarily aimed at measuring performance, BSC measures also refer to how companies inform the workforce of their objectives, targets, proposals and strategies (Kaplan & Norton 1996). Thus, BSC measures should increase a manager's certainty about the requirements of their work-related tasks (Hall 2008). For example, measures such as customer satisfaction may be related to the process of service delivery and employee competency. An increase in customer complaints is a consequence of poor service quality from incompetent employees. Information provided by these measures would help managers to detect this negative trends at the early stage before it can affect financial performance (Lau 2011, 2015).

Role theory explains that individual in an organisation often requires clear roles to enable them to perform in a manner that is expected of them because employees with unclear and vague roles have a negative impact on performance (Mukherjee & Malhotra 2006). On the other hand, role ambiguity occurs after an individual encounter insufficient information about how employees should enact their roles within their company. Therefore, if an employee is performing at their best, this could be deemed compatible with a diverse set of performance measures. Hence, a manager's comprehension of their role, the expectations the company has of them, and their performance should be enhanced through the BSC measures (Hall 2008).

This discussion permits a reasonable conclusion to be drawn that the BSC measures should offer clear indications and directions concerning a manager's work-related duties. Hence, this study proposes:

H₁ The BSC measures positively influence managers' role clarity.

ROLE CLARITY AND MANAGERIAL PERFORMANCE

Role clarity is likely to influence managerial performance (Lau 2015). The performance of managers might improve if their role within their company is clarified by employing BSC measures (Williams et al. 2021). Role theory stresses that when an individual in an organisation has been given a clearly defined set of responsibilities, he/she is committed to accomplish the responsibilities which led to performance improvement (Hartenian et al. 2011). When an individual experiences high role clarity, they can retain their mental strength and utilise it to creatively perform their role effectively (Frare & Beuren 2021; Fried et al. 2003).

In contrast, role ambiguity is likely to create conflict. Ambiguous procedures, targets, criteria and knowledge consequences are often the outcomes of poor role clarity (Fried et al. 2003). This, in turn, reduces the individual's motivation and ability to perform effectively which results in decreased performance (Jackson & Schuler 1985). It was indicated by Hassan (2013) that high levels of performance might not be achieved by even highly able and driven workers, should their work roles and duties remain unclear. This situation may lead to employee turnover, lower employee commitment, and poor performance (Lau 2011). If role clarity can be improved, this will reduce the likelihood of these negative outcomes.

Previous studies have found that role clarity improves managerial performance (Lau 2015; Lau 2011; Hassan 2013; Hartenian et al. 2011; Hall 2008; Fried et al. 2003). Hence, the study proposes:

H₂ Role clarity positively influences managerial performance.

THE MEDIATING ROLE OF ROLE CLARITY BETWEEN THE BSC MEASURES AND MANAGERIAL PERFORMANCE

Prior studies claimed that performance measures such as BSC provides information on what is expected from managers in order for them to perform their job effectively (Abdul Razak et al. 2016; Awan et al. 2020). Organisation can use the BSC measures to present its goals and strategies that are translated into job-relevant activities and expectations to the workforce (Kaplan & Norton 1996). Hence, BSC measures enable employees to recognise their tasks and duties (Lau 2011). The employees, therefore, can understand what to target, as well as which work-related strategies they should adopt, in line with role theory.

In contrast, if they lack information related to their job roles, this may lead to inefficient and insufficient efforts they make to complete these tasks, as well as potentially harming the way they perform their job (Tubre & Collins 2000). As Hall (2008) indicated, a manager will probably demonstrate greater effectiveness when they recognise which actions are necessary and how to perform their functions as a manager. Therefore, clarifying the roles of an organisation's employees by utilising the BSC measures may result in improvements to the performance of the manager.

Hence, the study proposes:

H₃ Role clarity mediates the relationship between the BSC measures and managerial performance.

RESEARCH METHOD

A quantitative research design by distributing questionnaires was employed in this study. The respondents were the operation and middle level employees, ranging from supervisors, assistant managers and operation managers, working in 3-, 4-, and 5-star hotels in Malaysia. They were selected because they are front-liners and in-charge of the hotel operations, who have frequent contact with customers in their daily work. However, the actual number of employees for this group was difficult to identify because none of the governing body or associations keeps track of such kind of information as a result of high turnover rate among hotel employees (Masdek 2010). Hence, the questionnaires were distributed based on the number of 3-, 4-, and 5-star hotels in Malaysia. These hotels were selected because they are universally accepted standards of medium and large hotels where an interest of the financial and non-financial measures in PMS would be more likely to be implemented (Evans 2005; Sainaghi et al. 2013). Data from Malaysian Association of Hotels indicated that there were 475 of 3, 4 and 5-star hotels in Malaysia. The questionnaires were sent to all the hotels in the population in order to increase the response rate.

Established measurement items were used to measure each variable. The BSC measures were adapted from several literature in tourism and hospitality (Chen et al. 2011; Evans 2005; Haktanir & Harris 2005; Park & Gagnon 2006; Wadongo et al. 2010). The role clarity was adapted from Lau (2011) and Mukherjee and Malhotra (2006). The managerial performance was measured by a self-rated instrument developed by Mahoney et al. (1965). Since the selected respondent are anonymous, hence, it is not possible to receive superior rating of manager's performance. Hall (2008) argues that self-rating measures of performance are valid and tend to exhibit less bias than supervisor ratings. The items were prepared using 7- points Likert scale. Overall, the questionnaire consisted of four sections. Structural Equation Modelling (SEM) using AMOS 22 was applied to analyse the data analysis due to its capacity to examine the relationships among a number of variables as a whole rather than individually and to test the mediating effect in a research model (Garson 2014). The SEM consists of measurement model and structural model.

RESULTS

DEMOGRAPHIC CHARACTERISTICS

In total, 475 questionnaires were distributed. Of the distributed questionnaires, 133 questionnaires were usable for the statistical analysis. The descriptive statistics show that 44% are 3-star hotels, 32% are 4-star hotels and the balance (24%) are 5-star hotels.

Approximately 35% of the respondents were between 41 and 50 years of age, while 30% were between 31 and 40. About 50% of the respondents are bachelor's degree holders and 23% have master's degree, while another 21% are diploma holders. Three departments provided the majority of the respondents: the front office (39%), housekeeping (19%) and food and beverages (17%). About 36% are hotel managers, 34% are assistant managers, and 15% are supervisors in-charge of the hotel operations. Additionally, over 86% of the respondents have worked in the hotel

industry for over five years, while 10% of them have over 15 years of experience in the sector. This indicated their considerable experience in the operations of hotels in particular and in the hotel industry in general.

MEASUREMENT MODEL

Structural Equation Modelling (SEM) AMOS was used to analysis the usable data. SEM-AMOS consists of measurement model and structural model.

Table 1 displays the means, standard deviation, Cronbach's alpha and correlations analyses. The Cronbach's Alpha values are more than the threshold value of 0.8. This results suggested that the constructs are reliable and the items are internally consistent. The correlation coefficient among the variables was less than the threshold value of 0.8, implying the absence of any multicollinearity issue with the data.

Table 1. Summary of Mean, Standard Deviation and Correlation among the constructs (N = 133)

Variables	Mean	Standard Deviation	Cronbach's alpha	Correlation		
				BSC	RC	MP
1. BSC	4.560	0.922	0.880	1		
2. RC	5.805	0.694	0.887	.364**	1	
3. MP	5.324	0.603	0.879	.390**	.538**	1

Note: BSC= Balanced Scorecard measures, RC = Role Clarity, MP = Managerial Performance.

* P-value<0.001; ** P-value<0.05; *** P-value<0.01

The measurement model construct validity was assessed using confirmatory factor analysis (CFA). Chi-square statistics, the Incremental Fit Index (IFI), the Comparative Fit Index (CFI), the Tucker Lewis Index (TLI) and the root mean square error of approximation (RMSEA) were the parameters used to determine fit of the CFA and the structural models. The cut-off values for the CFI, TLI and IFI are all ≥ 0.9 , while the acceptable threshold level for RMSEA is ≤ 0.08 (Hair et al. 2010). Table 2 shows the results of model fit of the measurement model. All parameters met the recommended rule of thumb of the chi-square statistics, the IFI, the CFI, the TLI and the RMSEA.

Based on the Table 2, the factor loading for all items was higher than the 0.5 minimum, validating their internal consistency with each particular construct. The Average Variance Extract (AVE) was used to check the convergent validity. The AVE values for each construct ranged from 0.452 to 0.663. These values indicate an acceptable convergent validity since the AVE of each construct is greater than the squared correlation between constructs, proving that constructs are truly distinct from each other.

Table 2: Summary of the factor loading, average variance extracted, construct reliability and model fit

Items	Factor Loading	Construct Reliability	Average Variance Extracted (AVE)
BSC measures		0.886	0.663
Financial perspective	0.68		
Customer perspective	0.81		
Internal processes perspective	0.85		
Learning & growth perspective	0.90		
Role Clarity		0.889	0.535
Clear, planned goals and objectives exist for my job.	0.60		
I know exactly what is expected of me in my job.	0.75		
I feel certain about the level of authority I have.	0.68		
I know what my responsibilities are.	0.79		
I know that I have divided my time properly.	0.75		
Explanation is clear of what has to be done.	0.80		
I know how my performance is going to be evaluated.	0.73		
Managerial performance		0.881	0.452
<i>Planning</i> : determining goals, policies, and courses of action such as work scheduling, budgeting, and programming.	0.63		
<i>Investigating</i> : collecting and preparing of information usually in the form of records, reports and account (measuring output, record keeping and job analysis).	0.59		

<i>Coordinating</i> : exchanging information with people in organisation other than my subordinates in order to relate and adjust procedures, policies and programs.	0.64
<i>Evaluating</i> : assessment and appraisal of proposals or of reported/observed performance (e.g. employee appraisals, judging financial performance and product inspection).	0.70
<i>Supervising</i> : directing, leading and developing your subordinates.	0.76
<i>Staffing</i> : maintaining the work force of your responsibility area (e.g. selecting and promoting your subordinates).	0.69
<i>Negotiating</i> : purchasing, selling, or contracting for products or services (e.g. contracting suppliers, collective bargaining).	0.67
<i>Representing</i> : advancing the general interests of my organisation through speeches, consultations, or contact with individual or groups outside the company.	0.68

Model Fit
 $\chi^2/df = 1.628$; CFI = 0.920; IFI = 0.922; TLI = 0.909; RMSEA = 0.069

STRUCTURAL MODEL

Having found the overall model for measurement acceptable, the relationships between the study constructs were examined with the use of the structural equation model. This model was utilised to test the study hypotheses. The process started by comparing the model fit between the partial mediation model and the full model of mediation. The partial mediation model allows BSC measures to have a direct relationship with managerial performance, aside from its relations through role clarity. In contrast, the full mediation model provides an explanation of role clarity mediates the relationship between the BSC measures and the performance of managers without the direct effect between the BSC measures and the managerial performance (Baron & Kenny 1986).

Table 3 shows the results of test for model fit between the three models. The model fit between full mediation and partial mediation model seems closer to each other. Kline (2010) suggested to use the discrepancy chi-square, Akaike Information Correction (AIC) and Parsimony Normed Fit Index (PNFI) to further ascertain the decision on which model has a better model fit. The smaller the value of discrepancy chi-square and AIC as well as the larger the value of PNFI shall indicate a better model fit. In conclusion, the partial mediation model demonstrates a better model fit.

Table 3. Results for fit indices of structural models

Model	χ^2/df	CFI (>0.9)	TLI (>0.9)	IFI (>0.9)	RMSEA (<0.08)	χ^2	AIC	PNFI
Partial mediation	1.628	0.920	0.909	0.922	0.069	271.805	357.805	0.720
Full mediation model	1.664	0.915	0.904	0.916	0.071	279.604	363.604	0.720

The findings from the three models are illustrated in Table 4. The partial mediation model indicated that the BSC measures have a positive and significant relationship with role clarity ($\beta = 0.308$, $p < 0.001$), which validates Hypothesis 1. Role clarity is identified as having a positive and significant influence on the performance of managers ($\beta = 0.558$, $p < 0.05$), which confirms Hypothesis 2.

This study employs Baron and Kenny's (1986) approach to examine the mediating effect of role clarity. There is a probability that inter-variable mediation occurs if several conditions are met, as follows. Firstly, the dependent variable must be significantly affected by the independent variable (condition 1 – direct effect). Secondly, the mediating variable must be significantly affected by the independent variable (condition 2). Thirdly, the dependent variable must be significantly affected by the mediating variable (condition 3). Finally, full mediation or partial mediation is determined by testing the significant impact of the independent variable on the dependent variable (condition 4). Full mediation occurs if the impact of the independent variable on the dependent variable totally diminishes with the inclusion of the mediator variable in the model. Meanwhile, partial mediation occurs when the significant association between the independent and dependent variable remains significant with the inclusion of the mediator in the model.

By referring to direct model in Table 4, the BSC measures and managerial performance feature significant path coefficient ($BSC \rightarrow MP = 0.394$, $p < 0.001$), thus confirming condition 1 of Baron and Kenny's approach. As the partial mediation model shown in Table 4, the BSC measures have a significant relationship with role clarity ($BSC \rightarrow RC$; 0.308 , $p < 0.001$), which matches the second condition of Baron and Kenny's approach. Lastly, the path coefficient

between role clarity and managerial performance is positive and significant (RC → MP; 0.558, p<0.05), which confirms the third condition.

The first three Baron and Kenny (1986) procedures are fulfilled. For the mediating role, this study found that role clarity partially mediates the BSC measures and managerial performance. It is evident when the result between the BSC measures and managerial performance is still significant (BSC → MP = 0.217, p<0.001) after the mediator is included in the model (partial mediation model), fulfilling the fourth condition of Baron and Kenny's approach. Hence, hypothesis 3 is supported.

Table 4. Path of structural model

Path coefficients	Standardized path coefficients		
	Direct model	Full mediation model	Partial mediation model
	Beta	Beta	Beta
BSC → MP	0.394*		0.217*
BSC → RC		0.324*	0.308*
RC → MP		0.677*	0.558**

Note: BSC = Balanced Scorecard measures, RC = Role Clarity, MP = Managerial Performance.

* P-value<0.001; ** P-value<0.05; *** P-value<0.01

DISCUSSIONS

THE BSC MEASURES AND ROLE CLARITY

The result implies that the BSC measures positively and significantly influence hotel managers' role clarity. Choo and Nasurdin (2013) state that role clarity is crucial for managers in a hotel setting. In addition to delivering quality service by themselves, operation managers also need to assist lower employees in resolving customer complaints and performing managerial roles. Act as boundary spanners and operation managers are often split between hotel's and customers' demands (Fock et al. 2011). These managers always see themselves to have numerous work expectations and involve high levels of uncertainty on the job. Hence, utilising financial measures only such as room occupancy rate, revenue per available room (RevPar), average room rate (ARR), total revenue per available room (TrevPar) are inadequate to depict the effectiveness of delivering good service quality. Non-financial measures such as number of complaint responses, employee development, and time required to complete key process (check-in/out, breakfast seating serving, etc.) are crucial for hotel managers to fulfil their duties of delivering quality services to customers as well as encouraging and inspiring lower workers to perform effectively. Hence, the BSC measures provide clear roles and responsibilities to hotel managers as the measures can direct their time, attention and effort towards achieving organisation goals.

Role theory states that role clarity is crucial in an organisation because roles that describe their job-related activities can stimulate positive work behaviour for people in organisation to fulfil their function and position effectively (Katz & Kahn 1978; Schuler et al. 1977). Hence, the result shows that the BSC measures are crucial for hotel managers' role which provide direction on how their managerial and operational activities should be carried out, provide guidance on what expectations are required from them, and illustrate accountability for every activity performed, supporting the notion of role theory. In addition, this result is also consistent with previous studies (Burney & Widener 2007; Cäker & Siverbo 2018; Hall 2008; Lau 2011, 2015) who found that the BSC measures positively influence manager's role clarity.

ROLE CLARITY AND MANAGERIAL PERFORMANCE

The result implies that a hotel that provides clear roles positively influences the performance of hotel managers. Specifically, managers whose jobs are clearly described perform better at work in terms of completing their allocated tasks. The finding is consistent with previous studies (e.g., Fried et al. 2003; Hall 2008; Lau 2011, 2015). They argued that with clear and precise roles and responsibilities, employees will put greater effort to fulfil their job-related activities, thus improving their performance. This result is also supported by role theory which claims that when an individual in an organisation has a clear and defined set of roles and responsibilities, he/she is committed to accomplish the responsibilities which leads to performance improvement (Hartenian et al. 2011).

The positive and significant finding can be explained by the unique nature of the hotel sector. In the hotel sector, managers have a very important role to play as they are in the interface between serving customers, lower employees

and senior management, resulting in high work expectations. This shows that hotel managers' role is not limited to planning and coordinating but also includes supervising, staffing, and servicing. In fact, some of the managers' role can be unstructured and ambiguous (Mukherjee & Malhotra 2006). Hence, hotel managers that understand their role and its related activities will confidently handle their tasks effectively. In other words, by knowing what is expected by the hotel, managers know what need to be done in order in serving the customers as well as fulfilling their managerial roles, thus enabling the managers to direct their effort that will increase their performance. For example, hotel manager has a specific working hour, normally from 7 am to 7 pm. In the absence of the managers during the night shift, it is the role of assistant managers and/or supervisor to act as overnight managers dealing with complaints, special requests and any other issues that may arise to deliver prompt action without having to refer to their superiors for advice, hence, maintaining high quality service. In contrast, managers who are unclear and uncertain about their role and the way to perform their job are likely to mislead customers. In addition, those managers who have unclear roles are likely to have a lower level of self-determination in performing their role due to uncertainty, leading to lower performance and ultimately leaving the job. Therefore, when managers are clear with their role in the organisations, they are more likely to have positive attitude and better performance (Rosdi et al. 2020).

THE MEDIATING ROLE OF ROLE CLARITY

The result demonstrates that role clarity partially mediates the relationship between the BSC measures and the managerial performance, supporting the results of previous studies (e.g., Lau 2011, 2015; Hall 2008). The finding also supports the notion of role theory which posits that an organisation that develops or provides a clear and relevant set of roles can stimulate individual work performance as role reflects performance expectations from a person that holds a particular position (Katz & Kahn 1978; Rizzo et al. 1970; Schuler et al. 1977).

The mediation effect of role clarity is more prominent in the hotel sector due to the nature of their boundary-spanning roles in which hotel managers are confronted with heightened role expectations. In many cases, hotel managers often use their own approaches to act in the best interest of the hotel organisation as well as to fulfil customers' interest. Thus, they do require clear information and guidelines to clarify their role to perform their duties. Managers with clear roles will know what hotel goals are, what to aim for and which strategy to use, which in turn, leading to better performance. Huckestain and Duboff (1999) stated that the BSC has the capacity to integrate all critical hotel operations such as financial areas, customer satisfaction, service quality, employee growth, and continuous improvement, into a coherent framework to give a complete picture of the hotel goals and objectives. Hence, hotel management can translate its goals and objectives into a relevant set of financial and non-financial measures to specify and describe work-related roles that can be practically implemented or performed by people in the hotel organisation. When the managers have clear roles and responsibilities and understand the goals and objectives of the roles as translated by BSC measures, they will have positive work behaviour in the form of motivation, self-esteem, job values, ultimately leading to higher performance.

CONCLUSION

The study investigates the BSC measures as a comprehensive PMS on managerial performance. While research on BSC has been extensively focused on its impact on organisational performance, not much attention has been given to understand the effect of BSC on managerial performance, particularly in the hotel sector. The findings show that the BSC measures have a positive and significant association with role clarity. Moreover, role clarity significantly influences the performance of hotel managers. Finally, role clarity partially mediates the relationship between the BSC measures and managerial performance.

In sum, the results of this study contribute to the literature in the following distinct ways. First, the findings provide useful insight regarding the BSC measures as a comprehensive PMS in service setting particularly in the hotel sector in a developing country. Previously, the discussion on PMS has been widely studied in the manufacturing industry in many developed countries. Thus, the findings show that the BSC measures are not only crucial for companies in the manufacturing industry but also for companies in the service industry. Second, the findings provide empirical evidence that the BSC measures are helpful to express roles clearly which influence managers' work behaviour. In return, the findings highlight that managers with clear roles will work hard to fulfil their roles, leading to high performance. Thus, the findings acknowledge the importance of behavioural factors in improving managerial performance. Finally, the findings support the notion of role theory from the perspective of hospitality and management accounting.

Practically, the findings provide important information to the hotel organisation regarding the benefit of using the financial and non-financial measures in BSC. The findings indicate that the BSC measures clarify hotel managers'

roles, which in turn improves their performance. Such empirical results may assist hotel organisations to translate hotel critical operations clearly into financial and non-financial measures as what the BSC offers to ensure a high level of role clarity and performance. Hence, the findings provide evidence to hotel organisation and Malaysian Association of Hotels to acknowledge the concept of behavioural factors particularly the role clarity in stimulating positive performance. As such, the policy makers as well as the hotel itself may include the behavioural factor in the training module, so that to ensure the performance of hotel managers is maintained in providing consistent service quality to customers which is vital sustainability of hotels to support the growth of the tourism industry in Malaysia.

This study has its limitations. The samples were selected from 3- to 5-star hotels only. Future research may include other categories of hotels. In addition, this study uses only role clarity as the behavioural factor. Future research could investigate other behavioural factors like fairness, interpersonal trust, and satisfaction. Finally, the study focuses only on creating value in the form of delivering high quality of services for hotel sustainability but did not consider the economic crisis faced by the hotel sector due to the pandemic covid-19. Future research may consider the economic crisis for the sustainability of the hotel sector.

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