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## Servant Leadership and Related Issues in Chinese Hotel Industry

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SERVANT LEADERSHIP AND RELATED ISSUES IN CHINESE

HOTEL INDUSTRY

By

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## **Abstract**

Because of the economy growth and the Open Door Policy, Chinese hotel industry was under a huge expansion. Since more and more western customers are visiting and Chinese customers are having more hotel experience abroad, the service Chinese hotels used to provide does not meet the standard anymore. So the managers and leaders need to find an appropriate approach to encourage their employees to improve the service to their customers. This research went through over 40 articles about Chinese hotel industry and Chinese culture and found out that servant leadership style should be the best approach to engage the employees.

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## **Part 1**

### **Introduction**

China's economic reform and opening their borders to the world has resulted in their hotel industry experiencing significant changes, especially with the involvement of multinational hotel companies and there is a huge aggressive expansion (Gu, Ryan & Yu, 2012). As those multinational hotel companies grow, Chinese senior leaders are seeing that dealing with service failures, particularly from a western perspective can be challenging. Effectively dealing with customer problems is a major determinant of overall customer satisfaction and resulting hotel loyalty. Therefore, this is essential that we examine the impact of different culture on the leadership style. One of the underlying issues is the transactional mindset of Chinese employees that stems from culture. Employees often see work as primarily economic and disconnect themselves emotionally (Hui, Lee, and Rousseau, 2004) with regard to customer needs, issues, and levels of satisfaction. This paper seeks to propose a leadership style that could have a positive effect on Chinese hotel managers' ability to create stronger employee to customer engagement which can reduce the high number of service failure and increase overall customer and employee satisfaction. In fact, many researchers contend that how employees handle these failures is more important to customer satisfaction than the failures themselves. (McCollough., 2000; McDougall and Levesque, 1998; Smith and Bolton, 1998; Tax, 1998).

### **Purpose statement**

The primary reason for service dissatisfaction in the Chinese hotel industry is that customers don't get the service they expected from the hotel staffs. Chinese hotels are challenged to find a leadership approach to help them face service failure issues. The purpose of this study is to help the managers and leaders to discover the way to encourage their employees to improve the service for their customers.

### **Statement of Problem**

The managers and leaders in the Chinese hotel industry are facing two realities 1) the number of western customers visiting Chinese hotels is increasing, and 2) Chinese consumers are having more experiences abroad so their expectations are becoming higher. Chinese hospitality industry is trying to follow the steps of the west in order to provide high level service quality to their customers. The problem is that Chinese employees are not emotionally engaged in the satisfaction of customers. If they are not willing to give extra effort to provide higher quality service. Managers should find a approach that encourage them to be willing to do so.

## **Part 2**

### **Literature Review**

The literature review contains four sections, the first of which summarizes the hotel industry in China, including the expansion, the hotel ownership context, management mechanisms and the cross-culture management. The second section indicates the historical leadership challenges in China. The third section is related to the employee engagement in China. In the final section, customer satisfaction in Chinese hotels will be discussed.

#### **The Hotel Industry in China**

**The expansion.** According to the World Tourism Organization's "Tourism 2020 Vision Forecast" (1999), China will be the world's number one tourist destination, with annual arrivals of 130 million people by 2020. This is an impressive predication declaring that there will be a huge expansion in the Chinese hotel industry. In 1979, China launched its Open Door Policy, to reinvigorate its economy. Just after 21 years, in 2000, China welcomed 31 million tourists, who spent 16.2 billion US dollars (Pine, 2002).

Becoming a member of the World Trade Organization (WTO) is a significant milestone in Chinese history. It released the restrictions of foreign investment and enhanced the rights and privileges of overseas investors. Moreover, in order to take the max-advantage of China's entry of WTO, multinational companies contracted a total of 38 billion US dollars during the first 9 months of 2000, which is 28% higher than the same period in last year (Pine, 2002). Those multinationals include the world's top hotel companies. This continuing economic growth

stimulates the growth of international travelers, thereby providing more opportunities for the industry.

Not only international visitors, but also domestic travelers are traveling more within the country because of the growth of the economy. To encourage tourism, the Chinese government has given financial support to upgrade travel-related infrastructure, including roads, seaports, and airports, as well as to improve tourist sites (Pine, 2002).

**The hotel ownership context.** In 1989, the China National Tourism Administration established seven categories of ownership in Chinese hotel industry: state-owner, joint-owner, foreign investment, joint venture, contractual agreement, collectively owned and privately owned (Yu, 1992). After 20-years of development, the Chinese hotel industry is in a fierce competition and a complicated market. Some areas are oversupplied while some others are in need of hotel rooms. This kind of unbalanced distribution and different kinds of ownership and management systems caused this scenario (Zhao,1989 & Zhang,1989 ).

According to Pine (2002), there are now the following types of ownership in the Chinese hotel industry.

***Independent hotels.*** Hotel owners manage the hotel by themselves instead of hiring the management company to help. Usually, the hotel owner will decision of whether to be part of a group or to stay independent by comparing the conditions and benefits of both system (Pine, 2002).

***Joint-venture hotels.*** This type of ownership has existed in Yu's categories (1992) as one

of the previous types of hotel ownership. In the early 1980s, one key approach to alleviate the hotel shortage in Chinese market was to attract foreign investment to build hotels (Pine, 2002).

***The foreign-owned hotel.*** This kind of foreign involvement greatly changed the operation of Chinese hotels (Yu, 1992). Most of the joint-venture hotels were part of a chain, and the concept of hotel chain branding was introduced to China. Also, foreign companies' methods were adapted by those indigenous hotel management companies (Pine, 2002).

***Domestic hotel chains.*** The rise of domestic tourism is requiring more price-friendly hotel rooms and the high-end hotel market was a glut in China so the situation was opposite at the low end of the market (Pine, 2002). In 2000, China had 744 million domestic travelers, but there were only 600 1-star and 3,061 2-star properties in record (CNTA, 2001). The lack of budget hotels caused an imbalance between supply and demand in the market so some of the domestic hotel companies created budget brands such as "7-days" and "Jingjiang Inn".

***The management mechanisms.*** The basic management mechanisms in Chinese hotel industry are mergers and acquisitions, management contracts, and franchising.

***Mergers and acquisitions.*** Merger and acquisition activity is the trend of the world's top 300 hotel companies. According to the Hotels magazine's annual survey in 1997, each of the ten biggest hotel companies had more than 100,000 rooms, a total of 2.7 million rooms, of five million hotel rooms in the market (Cruz and Wolchuck, 2000).

***Management contracts.*** This kind of mechanism was designed to make the local hotel companies rely less on foreign companies and help the Chinese hotel firms to gain some share of

the domestic market. In 1988, the White Swan Hotel Management Company was found in Guangzhou as the first hotel management company in China (Yuan, 1998). Since then, 39 hotel-management companies have set up in China, operating about 100 properties across the country (Wei, 1999).

***Hotel franchising.*** Franchising is a particular American-style mechanism and it's very uncommon in China. The biggest barrier of franchising is Chinese legal system because many of the franchisers believe that their rights are not protected by the law adequately (Pine, 2002).

**The cross-culture management.** There is a need for knowledge transformation to developing countries because of the globalization in hotel industry (Pine, 1991). In Hong Kong, expatriate hotel managers are usually employed in more senior management positions and in hotels of higher tariff grading. This is because those hotels are more likely to provide higher quality service for tourists or customers from more developed countries, and expatriate managers are more familiar the needs of such guests (Wong, 2008).

There are two primary sources of expatriate hotel managers (Yu & Goh, 1995). One is the home country hotel manager. They might be recruited from the company's home country or from a third country. They are usually recruited from within their own hotel organizations or other hotel companies. However, expatriate hotel managers can also be recruited from a third country and sent to work in a host country because of their familiarity with that country.

## **Historical Leadership Challenges in China**

Wong (2006) has concluded that there are three paths of Chinese leadership.

**The pioneering pathway.** After half a century of socialism, the spirit of private entrepreneurship remained alive. Most of the entrepreneurs are not well educated, especially those from the generation that had their education interrupted by the chaos of the Cultural Revolution in China. The business environment included dealing with government bureaucracy and the collisions of state-owned enterprises during their managing process, which shaped the behavior of entrepreneurs and business leaders.

**The inheritance pathway.** The kids of Chinese top leaders and officials are known as the princelings. Many of them grew up in comfortable environment and had privilege to higher education, better job positions and other opportunities. Their connections (their parents' networking) and pedigrees still carry weight and remain valuable assets. In the minds of these princelings, the conception of corporate leadership is closely related to the role of the state and government authority.

**The professional pathway.** With the arrival of foreign companies, the professional pathway started in 1980s. Those professional employment stimulated education - the supply side. Chinese institutions of higher education started to develop a capability to meet the demand for graduates in majors like business administration, finance, marketing, IT, and so on. People went overseas for M.B.A. programs and the best universities in China were developing the partnership with famous leading international institutions. Interestingly, the well-educated business

professionals in China are still in their age of twenties and thirties, but seniority and hierarchy still largely control the society. So a lot of the professionals have not reached leadership positions yet, but their time is coming. In many ways they are the connections between entrepreneurial energy and old-style leadership.

**Culture difference.** As mention in the cross-culture management section, in the hotel industry, expatriate hotel managers are usually employed in more senior management positions and in hotels of higher tariff grading (Wong, 1998). But under this situation, those expatriate hotel managers will face some difficulties and problems.

Yu and Goh (1995) identified six factors perceived as difficult by expatriate hotel professionals. The two most difficult factors are staff attitude and lack of competence in local managers. The other factors are difficulties in language barriers, cultural differences, lack of management support, and change in government policy. Sutton (1996) found that the main issue is intercultural conflict. He identified eight problem areas encountered by expatriate hotel managers in China. "The most frequent difficulties were: exposure and adaptation to a new culture, communication, conflicting internal management structures, pressures arising from political and bureaucratic structures, attitudes of local staff, general isolation of staff, and lack of training (Sutton, 1996)."

Kaye and Taylor (1997) focused their research on the "culture shock" experienced by the expatriate hotel managers in China. The most important finding in their research is that Asian hotel expatriate managers seem more "prone than non-Asians to culture shock." Their results

indicate that “non-Asian expatriates were found to have a slightly greater inter-cultural sensitivity than Asian expatriates” (Kaye & Taylor, 1997). They emphasized that it is important for expatriate managers to show respect and enthusiasm towards to local/host-country culture.

One study indicated that the problem that expatriate hotel managers in China are facing is the clash of corporate and national cultures (Muaura, 1998). A leading researcher in this study had worked as a trainee in a joint-venture hotel in China (Great Wall Sheraton Hotel). She conducted a participant observation study, wherein she used a critical incident technique to identify areas of conflict between corporate culture and national culture. She identified nine areas for concern: personal relationships, lack of empowerment, meaning of life, training, role of women, communication, human resource management and Guanxi (relationship). Some hospitality researchers in international hotel groups believe the founder of a company has a vital influence on the organizational culture (Roper & Brooks, 1997; Roper, Doherty, Brookes & Hampton, 2001). The Great Wall Sheraton Hotel was founded and is based in America under the ITT Sheraton Corporation. It does things in American and Western ways. Whether the management practices are good or bad from a Western perspective, the host country staff might have different interpretations.

Besides, another problem could be the poor attitudes of local hotel managers and subordinates towards their expatriate's counterparts in some cases (Chan, 1997; Song, 1996; Sutton, 1996; Yu & Goh, 1995). According to Song (1996), local hotel staff members are envious of the expatriates' high salaries and benefits. Local staff might get only one-tenth of the

salary of expatriates. This is unquestionably one of the sources of conflicts and poor attitudes.

Chan (1997) mentioned that there were numerous conflicts between Western practices and the local ways. He mentioned that one of the Western expatriate GMs from Switzerland was practicing a European management style, which was not acceptable to the Chinese. This deputy general manager also felt that a Chinese hotel employing a foreign hotel group for management purposes was harmful to national self-esteem.

### **Employee Engagement in China**

15 years ago, the phrase “employee engagement” appeared in the management world. The reason why managers and HR professionals are so interested in the concept is because it holds greater promise than the concept of employee satisfaction, which is the competing concepts with employee engagement, as a lever for enhanced business success (Wiley, 2010). Engaged staff will have higher productivity, lower absenteeism, greater employee retention, superior service quality, more satisfied and loyal customers, and improved bottom-line business results. A study by MacLeod and Clarke (2009) pointed out a positive relationship between higher employee engagement and a host of higher organizational outcomes.

But when take it to China, the managers might have no concept of the significance to engage their employees or they might think it’s not worth doing. This is the reality in China. The “command-and-control” management style dominates, and such concepts as engagement, talent management, and professional development are brand new stuff to the managers. According to research by Gallup, only 6 percent of China’s employees are engaged, while there are about 26

percent “actively disengaged” (Castellano, 2013).

In Castellano’s words, there are about a quarter of the members of China’s labor force that are feeling miserable in their jobs, and the low quality of their working performance undermines the business instead of supporting it (Castellano, 2013).”

According to Jim Clifton, chairman and CEO of Gallup, he thought disengagement is the biggest of China’s problems. Gallup found 12 common elements that directly make contributions to employee engagement through his research among many countries. Employees knowing what is the expectation at work, and having the equipment they need to do their work right are the top two (Castellano, 2013).

### **Statics**

The following tables will give us more information about the employee engagement in China:

**Table 1**

Employee Engagement Has Improved in China (employee engagement among Chinese workers, age 15 and older, who are employed)

	2009	2012	Change (%/Pts.)
Engaged	2%	6%	+4
Not Engaged	67%	68%	+1
Actively disengaged	31%	26%	-5

(Source: Gallup, 2012)

As you see in Table 1, in 2009, there were only 2% of Chinese workers were engaged in their work. Although the percentage of engaged workers went up to 6% in 2012, the percentage of not engaged workers increased by one point, indicating that there might be fewer emotional connections between their life and work. Engagement in China is low when compared to the global average of 11% engagement which Gallup measured in 2009.

When taking unique cultural and economic situations into consideration, a highly engaged workplace is positively correlated with a list of desirable outcomes for both employers and employees. The correlation between employee engagement and productivity could be significant in China, according to Gallup.

In Table 2, the 2012 research shows that 79% engaged Chinese employees say they are extremely productive in their current jobs.

**Table 2**

Engaged Chinese Workers Report More Productivity Than Actively Disengaged Workers  
(% of respondents who answered yes)

	Engaged	Not Engaged	Actively disengaged
Extremely productive in current job	2%	6%	+4

(Source: Gallup, 2012)

Furthermore, Table 3 provides more evidence of the impact of engagement on workers as engaged employees in China are also much more likely to be thriving (31%) than those who are actively disengaged employees (8%). On the contrary, those actively disengaged employees are more likely to think their lives are suffering.

**Table 3**

Engaged Chinese Workers Are More Likely to Be Thriving Than Actively Disengaged Workers  
Well-being status of Chinese workers by engagement categories

	Engaged	Not Engaged	Actively disengaged
Thriving	31%	28%	8%
Struggling	60%	67%	73%
Suffering	9%	5%	20%

(Source: Gallup, 2012)

Engaged workers in China have more positive experiences such as feeling well-rested, smiling or laughing a lot, and learning or doing interesting things but have less negative emotion such as stress as reported in Table 4.

**Table 4**

Engaged Chinese Workers Report More Positive and Less Negative Experiences Than Actively Disengaged Workers

	Engaged	Not Engaged	Actively disengaged
Felt well-rested yesterday	90%	83%	73%
Smiled or laughed a lot yesterday	90%	81%	68%
Learned or did something interesting yesterday	61%	50%	34%
Experienced stress yesterday	28%	29%	49%

(Source: Gallup, 2012)

Table 5 indicates that engaged Chinese workers are more likely to say they are satisfied with their health than those who are not. This is particularly important for the workplace because it can reduced health-care costs, and increase productivity.

**Table 5**

Engaged Chinese Workers Are Healthier  
(% of respondents who answered yes)

	Engaged	Not Engaged	Actively disengaged
Satisfied with health condition	100%	94%	81%

(Source: Gallup, 2012)

Chinese firms are increasingly recognizing the importance of measuring customer satisfaction, particularly in private companies (B2B International, 2012).

### **Customer Satisfaction in Chinese Hotels**

Before we discuss about customer satisfaction in Chinese hotels we should get to know the definition of customer satisfaction. Customer satisfaction is defined as an emotional reaction of consumer because of his or her experience about a product or service by Bachelet (1995). Hill (1996) mentioned that customer satisfaction will happen when customer’s exceptions are met or exceeded. Customer satisfaction is derived from service quality. Kotler (1999) defined customer satisfaction as the customers’ feeling when they compare their expectations before purchasing with their perception after purchasing.

In China, most of the hotels’ customers are under 45-years-old. (Gu & Ryan, 2008). The two most important attributes in a hotel are “are the bedroom and bathroom in a hotel clean”, and

“are the bed and bedding in the room comfortable”. Of course, a good quality of food serving is also very important. Efficient check-in and friendly staff could be thought as a core hotel product. Being a member of an international hotel chain, having shops and souvenir outlets, being close to nightspots and nightclubs and having a business center are the least important attributes (Gu & Ryan, 2008).

Although there are clear differences among different hotel segments, there is no logical reason that low-ranked hotel should have lower satisfaction ratings (Gu & Ryan, 2007). Take the backpacker hotels as an example, they can still get high satisfaction ratings from their clients even though they don't have many amenities.

Rui and Butcher (2008) have defined two specific Chinese cultural values, which are “face” and “harmony”.

Chinese culture takes gaining or protecting a person's “face” really essential. Instead of the individual, because China is a collectivism society which emphasizes the group and authority (Hofstede & Bond, 1984). So gaining or protecting someone's “face” is extremely important in front of his or her family and friends. Besides, in Chinese society, they have such a strong desire for “face” because the concept of “face” is also important to maintain a good interpersonal relationship. For instance, Gilbert and Tsao (2000) found that if a hotel consistently gives their guests “face” and provides opportunities for their customers to gain “face”, then the Chinese guests would introduce new clients to the hotel from their social network to repay the hotel. In the relationship maintenance of a hotel or a restaurant, reciprocity could reinforce positive

emotions between customers and the hotel or restaurant. If positive emotions are formed between the customers and the servers, then the possibility of repurchase behavior will be increased. In addition, in a measurement of self-esteem test, males scored higher than females (Feingold, 1994 & Kling, 1999), it could be thought that males concern “face” more important than females. Mattila (1999) argued that males are more likely to focus on the outcomes of service delivery rather than the process of service.

The second important characteristic in China that people promoting and pursuing a lot is “harmony”. “Harmony” could be seen as a person's inner balance and the balance between people and the social surroundings or the natural. The pursuit for “harmony” is particularly reflected in the Chinese collectivist society (Rui & Butcher, 2008).

So as long as you are saving the Chinese customers’ “faces”, it’s quite easy to keep them satisfied with the hotel service because people in Chinese culture are always trying to keep “harmony” and avoiding conflict. It was found that “face” and “harmony” are related to customer satisfaction and loyalty, but they have no direct effect on customer loyalty. Also, “face” is a strong influencing factor in customer satisfaction while “harmony” is not. In addition, “face” is more important to males while food appeal is more important to females (Rui & Butcher, 2008).

### **Part 3**

Chinese hotels are now trying to attract and retain those high-performing and loyal employees in their hotels. In order to be successful, hotel operators will have consider the leadership behaviors of those charged with engaging employees to deliver exceptional customer satisfaction. Faced with the historical leadership path context in China noted in the literature review, 1) pioneering, 2) inheritance, and professional, hotel operators will have to find a leadership style that suits Chinese hotel industry and cross-culture management in China.

#### **The desirable leadership behaviors in China**

The top 5 factors of desirable leadership behaviors are representation, integration, demand reconciliation, initiation of structure and persuasiveness (Romie, 2002). From the comparison by Romie (2002), we could tell the expectations of managers and supervisors in Chinese hotels are quite different from the behavior of leaders in the U.S. which means the western management style is not the desirable leadership behaviors in China. The reason is because of the culture differences. Culture is always the central to all parts of the business. It is really common for the expatriate managers to think it's the people from a local culture who is deviating from the corporate cultural norm instead of thinking actually it's themselves who are deviating from the culture norms of the host country.

Understanding the local language is really important when you are working in a foreign country. But in a different culture, just knowing the language is not enough. It is impossible to understand the meaning behind the words if the culture is not fully understood. Managers in the

international market require different skills way more than just a language in order to deal with multiple culture problems. People who could succeed in a single cultural environment might not be succeed in a multicultural environment. Expatriate managers sometimes could make embarrassing social mistakes when trying to communicate with their co-workers when they can't understand the cultural norms of the host country properly. For a successful expatriate manager, awareness of the local and specific region culture is essential. Besides, cultural awareness not only just means focusing on a specific region's cultural, but also requires the sensitivity to multi-cultures.

### **Chinese cultural and leadership styles**

***Favor and relationship.*** Favor, which is called *renqing* in Chinese, implicates Chinese culture a lot in many ways (Chu, 1991). Directly translation from the Chinese characters for *renqing* means "human feeling". This means it is related with human affairs and a sympathetic give-and-take compromise between the relationships. Ideally, favor is an informal and unselfish give-and-take among people (Romie, 2002). In the real life, favors are weighted carefully and balance owed between people is also kept carefully and strictly in a ledger.

***Face.*** From Hu and Grove (1991), face is a reputation earned from the succeed life and a display of wealth or some other features such as higher education and positions. A person's face can be preserved by obey the social norms or earned by demonstrating moral character. If someone is losing his or her face, he or she cannot function properly in the community.

***Confucianism.*** In Chinese Confucian cultural leaders should have the magnanimity and

sensitivity to others including their subordinates and keep their promises and justice. The main characters of leaders' virtues are moderation, tolerance, forgiveness and wisdom. To the employees, respecting to seniors and officers, being reliable and dependable and remaining loyalty and faithfulness are the doctrine of the mean (Fu & Tsui, 2003).

**Daoism.** Being the contemporary of Confucius, the creator of Daoism, Laozi emphasizes to follow “the way” (Cheung & Chan, 2008). Daoist leadership is in related to servant leadership including the following characteristics or behaviors like having vision, embracing insight and wisdom, serving the community, maintaining a low profile and leading by example (Kakabadse, 2002).

**Collectivism.** The collectivist or group orientation refers to identity, protection, loyalty, and dependent relationships as a strong and cohesive “we” group where people could get protections and remain loyalty to throughout their lifetime. Collectivistic main characteristics include:

- Close working relationships and narrow spaces shared with other people. Large families.

Regardless for others and harmony, and conflict is minimized.

- People who deviate from the norm are considered to have bad or weak character.
- Behavior is regulated through shame or loss of “face”.
- Poor performance may not make people lose the job.
- Workers may prefer group work ( Fu & Tsui, 2003).

## **Results**

As discussed above, people in Chinese cultural treasure and value of their face and live in a

social environment where favor (*renqing*) is a norm. In Confucianism and Daoism, they both emphasize on taking care of others, having attention on people's feelings and being grateful and selfless. So as a leader in China, being bossy or throw your weight around, as many western leaders do, is not a good way to gain the trust of subordinates. When considering the aforementioned cultural and leadership styles, a focus on servant leadership might be a good choice to bring about more engaged employees and high levels of customer satisfaction. .

Greenleaf (1970), an influential advocate of the servant as leader described the phenomenon as:

*It (servant leadership) begins with the natural feeling that one wants to serve. Then conscious choice brings one to aspire to lead. The difference manifests itself in the care the servant takes - first to ensure that other people's highest priority needs are served. The best test is: Do those served grow as persons; do they, while being served, become healthier, wiser, freer, more autonomous, and more likely themselves to become servants?*

Although the term of servant leadership was not mentioned explicitly in Daoism or Collectivism, this concept is not a new idea to Chinese cultural (Han, Kakabadse, 2010). Even after the reform of economy, the government is promoting service-oriented programs to most of the schools, organizations and society.

Han and Kakabadses (2010) have concluded 9 types of leadership as servant leadership in China and ranked them. The most important leadership feature as servant leadership is putting people first, which means always taking the people's work needs as a priority, particularly in

assisting subordinates with their working problems. The second important servant leadership feature is being dutiful. The third important servant leadership feature is ethical behavior. This requires higher self-discipline to interact with employees openly, fairly, and honestly. The fourth important servant leadership feature is moral love, genuinely caring for others, showing sensitivity to others' personal concerns and interest in the lives of followers. The fifth important servant leadership feature is leadership skills, which indicated the leaders should have the knowledge of the tasks in order to provide help supporting and assisting others. Other important servant leadership features are humility, building relationship, devotion to Party policies and state laws and listening. The Chinese hotel industry and the leadership style in the Chinese culture have been through different stages in the development of the society. China has its own unique cultural that is over 5,000 years old. Ancient cultural influences like Daoism, Confucianism, and Collectivism have deep influence on people's minds. Servant leadership seems to be the best approach because it is best suited for increasing employee engagement and customer satisfaction in both Chinese and western culture.

### **Limitations and future researches**

Although this study is based on peer-reviewed academic literature research, there are no statistics to support the assertions made in this study. This study is not specific to any particular hotel or brand. It is a general observation of a problem and the proposal of a solution. Also, literature mentioned in this paper is not published in recent years, so some of the facts or data are not updated.

Since this paper discussed the culture and values in China, this paper could be useful to future research focused on the relationship between servant leadership, employee engagement, and customer satisfaction in the Chinese hotel industry.

### **Conclusion**

Overall, Chinese hotel industry has stepped into the international market facing competitors from the all over the world. So encourage the employees to provide high quality service is strongly in demand. Chinese hotel industry mechanism and the leadership style have been through different stages as the development of the society. Also, China has its own unique cultural over 5,000 years so not only the ancient cultural like Daoism and Confucianism but also Collectivism have deep influence on people's minds. Servant leadership seems to be the best approach suits both Chinese and western culture to engage the employees.

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