



The influence of human resource practices on service recovery performance: A comparison between Thais and the Filipino customer contact agent

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Abstract

This research aimed to study the impact of HR practices toward client contact agents' service recovery performance (SRP) in two Southeast Asia countries, namely, Thailand (THA) and The Philippines (PHL). As a customer contact agent is the first port that addresses dissatisfied customers, it is important to know the dynamics that may affect the service performance. More precisely, the current research compares Thai and Filipino customer contact representatives' service recovery performance. The two nations are most attractive top targets for call center service subcontracts. In total, there were 2,350 completed surveys. The study employed PLS-SEM and independent sample T-test to test for hypotheses and additional findings. The results confirmed the influence of HR practices on the SRP of workforces and illustrated the difference between the countries. It revealed that the relationships were statistically low for Thai contact representatives when being compared to Filipino contact agents. Therefore, it is recommended that managers contemplate HR practices together with considering ethnicity and cultural diversity. Henceforth, to perform better in a cross-cultural setting, cultural training and communication competency training may aid the management to understand their service employees of what will facilitate them to satisfy the customer's inquiries and recover unsatisfied customers.

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Introduction

As technology evolves, businesses can easily share and update their service breakdown and recovery experiences

via an online platform. Because of this advancement, through online sharing, a service failure may affect a negative experience of one customer that may relate to others who experienced the same. Therefore, in this digital era and highly competitive environment, service recovery is becoming increasingly important to prevent future loss. SRP is defined as the employee effectiveness service handling failures thereby appropriately resolving and addressing client's frustration (Ashill et al., 2009; Boshoff & Allen, 2000; Wang et al., 2020).

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By providing well-managed customer services, the company can gain market share, brand awareness, and competitiveness. However, the consequence of this opportunity could be inverted if the customers experience any service failure. Unfortunately, service failures cannot be avoided during the service delivery process. Thus, the company must exert an effort to return upset clients to the state of contentment for efficient implementation of the service recovery (Andreassen, 2001; Silva et al., 2020).

The contact center is the first contact point that responds directly to customers' queries, problems, and complaints. The customer contact agent's collaboration with the clients encompasses the disposition to guarantee clients are satisfied right after the call has ended. Hence, these call center employees are one of the first critical components that enhance customer service experience; in particular, they are the first port that deals with the dissatisfied customer (Bendall-Lyon & Powers, 2001). It is primarily a rich context for this present study exploring the SRP.

Thailand and the Philippines were chosen as the study's focal points due to the differences in administrative culture, economic development, and governance. For instance, colonization has left an indelible mark on Philippine citizenship. It was modeled first on the Spanish civil system, then on the American counterpart. Thailand is the only Southeast Asian nation free of colonial rule (Vallance & Fellow, 1999). Through this, Thailand may have a different perspective related to the western style of performance appraisal, that might not be compatible with the Thai context. Culture is the practices, traditions, norms, and mindset of a certain group of people that make them unique compared to another group of people in society embodying language, beliefs, social practices, food, music, and arts of a country (Hofstede, 2011).

Thailand's services sector accounts for 58.59 percent of the country's GDP (O'Neil, 2021). This sector aided the country's economy and allowed it to compete with neighboring countries. Thailand is unique in that it has an extremely formalized employees' function. Literature states that Thai people do not seem motivated in yearning for individual attainment. Individual success is considered as the counterpart of group success and group achievement (Vallance & Fellow, 1999). Furthermore, Thailand belongs to high uncertainty avoidance compared to the Philippines, confirmed with the result of this study, that Thai people scored higher in job security compared to the Filipinos thereby feeling anxious through ambiguous situations (Hofstede, 2011). Moreover, in Southeast Asia, Thailand has never been colonized by other countries. Given that the Thai culture is still intact without any mix of other influences compared to other Southeast Asian

countries, for instance, the Philippines, which is compared to Thailand in this study, Thai intercultural effectiveness and HRM practices may be different from the Philippines.

The Philippines has emerged as a top offshore location for business outsourcing operations like contact hubs, shared service hubs, and software development. This is due to the less expensive operational and labor costs besides a constant stream of Filipino college-educated graduates who show proficiency in American-style English (Lee, 2015). Currently, the country is hooked on an international contact center hub with over 1.1 million employees, attracting leading corporations such as Citibank, HSBC, Shell, and Wells Fargo, among others. (White, 2018). These thriving types of industry in the country significantly helped boost the economic growth that was once left behind by other ASEAN counterparts. Furthermore, the good reputation of the contact center conduct in the Philippines has made the country well known for its BPO success; thereby putting the call center agents in the pedestal that increased their importance in catering to a higher level of services among clients around the globe (Puyod & Charoensukmongkol, 2019).

The services sector is diverse, encompassing wide-ranging economic undertakings that vary across the countryside. Even seemingly identical business process outsourcing (BPO) services can differ significantly between Thailand and the Philippines. (Kohpaiboon, 2019). In the Philippines, the country has relied more on gross domestic product from the service zone, especially in the BPO business whereas in the Kingdom of Thailand, half of the GDP of the country is also from the service sector. This study investigates the various aspects that can sway workers' SRP. Understanding the different determinants of HR practices and the effect of ethnicity will provide theoretical contributions to the HRM – performance information and lead to the development of more effective service revival and error management.

Literature Review

Service recovery performance (SRP) is described as the effectiveness of agents' management with clients' grievances to the employee satisfaction (Boshoff & Allen, 2000). It is the willingness of employees to address dissatisfied customers with negative experiences from the company's service failure (Ashill et al., 2009). The benefits of successful implementation of service recovery were confirmed by several empirical studies. Prior studies emphasized the significance of service recovery as a

critical accomplishment aspect for an organization that contributes to increased client contentment, encouraging word-of-mouth, purchase intention, and client loyalty field (Augusto et al., 2007; Orshingher et al., 2010; Ruyter & Wetzels, 2000). Gibbs and Ashill (2013) emphasized the importance of compassionate administration practices in improving workers' SRP. The researchers contended that if customer service employees perceived more support from management, they would exert more effort and feel more obligated to repay the favor. In general, management demonstrated their support through SRP activities.

The relationship between HR practices and Service recovery performance is explained by the social exchange theory (Blau, 1986). The notion is supported by the social exchange theory, which suggests the reciprocity between organization and employees. It is expected that employees would voluntarily return all the organizational supports and treatment of such HR practices with their behavioral performance. Human resource management (HRM) is a set of policies that address a variety of responsibilities of how employees are hired and handled in the company. These sets are designed to maximize organizational integration, employee performance, and commitment to their organization (Conway, 2004; Guest, 1987; Paukert et al., 2021; Van Beurden et al., 2021). Mostly, human resource undertakings that support enhancing the performance of employees are best known as high-performance work practices (HPWPs) and HR practices (Huselid, 1995). These practices are contemplated as a vital factor that enhances employee satisfaction and ensures a firm's productivity and profitability (Becker & Gerhart, 1996; Cooke, 2001; Wright & Kehoe, 2008). HR practices are comprised of training and development, sharing information, reduction of status, interesting job, job security, teamwork, recruitment, and selection, pay to performance, and employee participation (Boxall & Macky, 2008; Combs et al., 2006; Huselid, 1995; Karatepe, 2013; Pfeffer & Veiga, 1993). It is postulated that these series of practices must be collectively contemplated; for the sake of improving individual employees for the success of the organization at large (Combs et al., 2006; Obeidat et al., 2016; Rod & Ashill, 2010; Whitener, 2001).

The objective of the study was to explore if there was any difference between Thai and the Filipino Call Centers. More precisely, it aimed to investigate if there are cultural differences between these two countries particularly in HRM, and the performance of the employees. An empirical study confirmed that the existence of HR practices in the workplace creates a synergy in which

employees feel obliged to respond to the management support through their engagement and performance (Karatepe, 2013). Furthermore, whenever workers perceive such management assistance, employees are more enthusiastic to foster trust and get strong confidence in their organization, which influences employee work attitudes and behaviors, as expected (Ng & Sorensen, 2008). Singh (2000) argued that management supportiveness could reduce customer contact centers' burnout tendencies while enhancing employee service performance. Guchait et al. (2014) also found that management support could strengthen error management through influencing employees' engagement in the service recovery process. According to HR management information and empirical proof, it is anticipated that whenever workers recognize supportive treatments and practices from the company, employees are eager to render their service to the best degree they can in performing service recovery. Henceforth, this research hypothesized that:

H1: A bundle of HR practices has a positive effect on employees' SRP.

H2: Ethnicity moderates the relationship between HR practices and SRP.

Methodology

Thailand and the Philippines were chosen as research sites because they are two of Southeast Asia's leading in-service industry developing countries. The target population in the study is called center agents outsourcing from leading companies. Non-probability sampling using a purposive sampling technique was used to sample Thais and Filipino agents. An online self-administration survey was used for data collection. The survey questionnaire was forwarded through the authors' network to those working in the call center service organization in Thailand. The survey link had been sent to call center agents by the human resource officers. For the Thais call centers, human resource managers from three companies granted permission for online survey to be conducted. A total of 1,150 usable surveys were gathered respectively in Thailand.

In the Philippines the authors also utilized the self-administer survey. The method was well-thought-out, not only because it allowed the employees to complete the survey at a convenient time, but it also ensured anonymity. The link and the OR code of the online survey was sent to call center employees through the human resource head of each call center company after obtaining their permission to do so. They were informed about the objectives of the study, along with the guarantee that their

personal information would be kept confidential. A total of 1,190 usable surveys were gathered respectively in the Philippines.

The questionnaire consisted of three parts that include respondents' demographic data, ten items measuring the HR practices (Gould-Williams, 2003; 2005), and three items for the SRP (Boshoff & Allen, 2000). The survey items were adopted from validity and reliability measurement items developed by prior researchers. The items were presented on a seven-Likert scale representing agents' level of agreement, varying from Strongly Disagree to Strongly Agree. Since Filipinos speak fluently in English, the original measurement items were distributed to the respondents right away in the English version. For Thai respondents, all scales used to measure in this current study were translated into Thai, and back-translation was conducted to make sure that the meaning of each item after translation was correct (Brislin, 1990). A Thai translation pilot test was carried out, and the Cronbach's alpha result gained for all variables was greater than .70 (Nunnally, 1978). Following the logic of Babakus et al. (2003), the study controlled a list of the demographic variables like gender, age, and tenure, that may have linked with workers' sentiment and performance. To show some alternative explanations for the results, three control variables were added to the analysis.

Statistical Analysis

Descriptive statistics were conducted to demonstrate respondents' characteristics. Due to the large sample size, the Kolmogorov-Smirnov test was utilized to verify if the data were normally distributed. For the inferential

statistics test, the structural equation model with the PLS approach was conducted to assess the significance among variables in this study (Hair et al., 2016). Besides, to measure the association between factors and employee SRP and to determine the variances between Thailand and the Philippines, Categorical Multi-group analysis, PLS-MGA was considered more suitable to use in exploring the distinctions concerning the two distinct groups.

Results

Preliminary Analysis, Validity, and Reliability

Before performing the inferential analysis, the study first assessed the common method variance (CMV) by utilizing Harman's Single Factor technique (Podsakoff et al., 2003). The total variance extracted is less than the recommended threshold of 50 percent, suggesting that data sets don't hinder the likelihood of CMV and will not contradict the interpretation of results. The test of normality, Kolmogorov-Smirnov test ($p < .000$) indicates that data distribution is non-normal distributed. Nevertheless, PLS-SEM is well known for its soft modeling approach using ordinary least square (OLS) regression, which requires no distributional assumptions to the computation of the model parameter (Hair et al., 2016); as such, this recent paper employed PLS for hypotheses testing.

After initial screening, missing values and outliers were removed from the data set. A combined total of 2,350 survey data were used, of which 1,150 were from Thailand and 1,190 were from the Philippines. [Table 1](#) presents the characteristics of the demographic profiles of

Table 1 Demographic

Descriptions		Thailand (<i>n</i> = 1150)	The Philippines (<i>n</i> = 1190)	Total (<i>n</i> = 2350)	
		Frequency	Frequency	Frequency	%
Gender	Male	268	351	619	26.5
	Female	882	839	1721	73.5
Age	Less than 26	292	326	618	26.4
	26–35 years old	702	587	1289	55.1
	More than 35 years old	156	277	433	18.5
Education level	High School	35	14	49	2.1
	Bachelor Degree	1099	1133	2232	95.4
	Master Degree and Above	16	43	59	2.5
Tenure	< 1 year	265	179	444	19
	1–4 years old	454	661	1115	47.6
	5 years old & up	431	350	781	33.4
Monthly Salary	Less than 480 USD	366	462	828	35.4
	481–800 USD	645	621	1266	54.1
	801 USD and Above	139	107	246	10.5

the chosen participants in the study. Females contributed to 73.5 percent, wherein 55.1 percent were aged between 26–35 years old. Most of the respondents held bachelor's degree corresponding to 95.4 percent and monthly income ranging from 481–800 USD. Respondents from the Philippines had been working in the company for 1–4 years (29.1%); while Thai respondents had stayed longer with the company for 5 years and more (37.5%), which is higher than in the Philippines.

To test discriminant validity, the exploratory factor analysis (EFA) was performed to identify cross-loading items. One item in HR practices (HR3, reduction of status) was excluded from the study, as it did not load into any three constructs. The variance extracted (AVE) was checked to assess the convergent validity and the composite reliability respectively (See Table 2). The results revealed that the AVE of all the constructs is more than .5, CR results are more than .7 which affirmed the convergent validity of the proposed framework (Hair et al., 2010).

Testing of Hypotheses

PLS structural model specifies the causal relationship among the construct in the model through path coefficients and the coefficient of determination (R^2). Altogether, path coefficient (beta and significance) and R^2 show the model fit of the framework proposed in the model. The study employed bootstrapping method with a resampling of 5000 to assess the strong significance of the path coefficient. The path coefficients for full samples and split data are presented in Table 3. From the analysis, the study found that HR practice was significant toward SRP for full data ($\beta = .557$, $t(39.907)$), Thai data ($\beta = .412$, $t(15.568)$), and the Filipino data ($\beta = .673$, $t(54.751)$). According to the findings, the R^2 value for all three data sets indicates that the variance in workers' SRP can be explained by a bundle of HR practices. In particular, Table 3 shows that the highest variance in SRP that can be explained by HR practices was from the Philippines (45.1%), then followed by the full sample (30.9%), and

Table 2 PLS Factor Loadings, CR, AVE of Full, Thailand, and the Philippine Data Sets

Construct	Items	Full Sample ($n = 2350$)				Thailand ($n = 1150$)				The Philippines ($n = 1190$)			
		λ	AVE	CR	α	λ	AVE	CR	α	λ	AVE	CR	α
HR practices	HR1	.78	.56	.92	.90	.82	.54	.92	.89	.71	.58	.93	.91
	HR2	.81				.82				.76			
	HR4	.82				.84				.76			
	HR5	.80				.84				.74			
	HR6	.68				.62				.74			
	HR7	.62				.65				.71			
	HR8	.71				.73				.67			
	HR9	.77				.77				.78			
	HR10	.74				.73				.75			
Service	SRP1	.89	.71	.88	.79	.92	.67	.85	.74	.87	.75	.90	.83
Recovery	SRP2	.86				.86				.86			
Performance	SRP3	.75				.82				.70			

Note: λ = factor loadings; AVE = Average Variance Extracted; CR = Composite Reliability; and α = Cronbach alpha.

Table 3 Result for Direct Relationship and Path Differences

Variables	Total Respondents (<i>n</i> = 2350)				
	Beta	<i>SE</i>	<i>t</i> -value	<i>R</i> ²	<i>f</i> ²
Gender	-.003	0.017	0.177		
Age	.010	0.017	0.542		
Tenure	.026	0.017	1.490		
HR practices → SRP	.557	0.014	39.907	0.309	0.437

Variables	Thailand (<i>n</i> = 1150)			The Philippines (<i>n</i> = 1190)			Path	<i>t</i> -value (T vs P)
	Beta	<i>SE</i>	<i>t</i> -value	Beta	<i>SE</i>	<i>t</i> -value	Coefficient-different	
Gender	.082	0.027	0.289	.004	0.021	0.186		
Age	.080	0.027	3.099	.049	0.022	2.263		
Tenure	.005	0.028	0.185	.020	0.021	0.953		
HR practices → SRP	.412	0.027	15.568	.673	0.012	54.751	-.261	8.938***
	<i>R</i> ² = .180		<i>f</i> ² = .192	<i>R</i> ² = .451		<i>f</i> ² = .816		

Note: HR = HR practices; SR = Service recovery performance; T = Thailand; P = The Philippines.

*** $p < .01$.

lastly from Thailand data set (18%). With gender, age, and tenure as the control variables in this study, no statistically significant relationship was found. In addition, call center workers need to be more caring in dealing with the customers as most of the calls they handled were more on problem solving. It is already embedded in the female characteristics to be caring by nature.

The study also evaluated the effect size of the predictor construct, HR practices, utilizing Cohen's f^2 (Cohen, 1988). The effect size (f^2) is used to evaluate the relevant effects of a predictor on an endogenous variable (SRP). More precisely, it analyzes the HR practices as a predictor of the variable that contributes to the R^2 value of SRP, the chosen variable in the structural model. Cohen (1988) argued that f^2 values of .02, .15, and .35 are considered the effect sizes are respectively small, medium, and large. The effect size is calculated by using the Equation (1) indicating how strong an exogenous construct contributes to an endogenous construct.

$$f^2 = \frac{R^2_{\text{included}} - R^2_{\text{excluded}}}{1 - R^2_{\text{included}}} \quad (1)$$

According to Table 3, the f^2 score for the full samples and the Philippine data show a large effect size (.437, .816) whereas a medium effect for SRP for Thai agents

(.1915). To explore the differences between the countries, the study carried a PLS-MGA for the Thai and Filipino samples. The study evaluated the different path coefficients with the datasets from the two countries as presented in Table 3. The path of HR practices and SRP differs significantly between Thailand the Philippines ($t(8.938)$).

Additional Analyses and Findings

As mentioned earlier, human resource practices are a collection of policies that address all related aspects of how employees are taken care of in the company. Such activities synergized to influence employees' performance. The results from PLS-MGA showed that the influence of HR practices on employees' SRP varies in the Philippines and Thailand. This research breaks down the collection of HR practices into one single-item construct that includes 9 distinctive human resource undertakings. The 9 activities comprised training and development, information sharing, interesting jobs, teamwork, selective hiring, job security, internal promotion, pay to performance, and employee participation. In Table 4, an independent-samples t -test was used to differentiate Thai and Filipino customer contact agents' perceptions of the level of each HR practice.

Table 4 Independent Sample T-Test results

Variables	Country	Mean	SD	t-value	95% CI		p	Cohen's d	Size
					Lower	Upper			
Bundle of HR practices	THA	4.81	0.99	-6.86	-.38	-.21	.000	-.280	Medium
	PHL	5.11	1.10						
HR1: Training and Development	THA	4.85	1.19	-11.97	-.71	-.52	.000	-.480	Large
	PHL	5.46	1.26						
HR2: Sharing Information	THA	4.77	1.22	-9.09	-.60	-.39	.000	-.369	Large
	PHL	5.26	1.40						
HR4: Interesting Job	THA	4.73	1.25	-6.75	-.48	-.26	.000	-.276	Medium
	PHL	5.10	1.38						
HR5: Teamwork	THA	5.28	1.27	-8.35	-.52	-.32	.000	-.340	Medium
	PHL	5.70	1.16						
HR6: Selective Hiring	THA	4.65	1.38	-9.41	-.66	-.43	.000	-.382	Large
	PHL	5.19	1.43						
HR7: Job Security	THA	4.86	1.58	7.15	.35	.62	.000	.292	Medium
	PHL	4.38	1.71						
HR8: Internal Promotion	THA	5.02	1.29	-6.77	-.46	-.25	.000	-.277	Medium
	PHL	5.37	1.27						
HR9: Pay to Performance	THA	4.73	1.43	-2.13	-.27	-.01	.033	-.088	Small
	PHL	4.87	1.75						
HR10: Employee Participation	THA	4.41	1.44	-3.40	-.34	-.09	.001	-.088	Small
	PHL	4.63	1.63						
Service recovery performance	THA	5.34	0.89	-5.49	-.28	-.13	.000	-.225	Medium
	PHL	5.55	0.95						

Note: THA = Thailand and PHL = The Philippines.

An independent sample *t*-test in Table 4 revealed that there were noteworthy differences in the overall mean and subscale of HR practices between Thailand and the Philippine agents. The bundle of HR practices and SRP is considerably lower for the Thai agents than in the Philippines as shown by a negative sign of the *t*-value. In terms of an individual subscale for HR practices, in almost all activities except job security, Filipino agents have a higher perception toward each HR activity than Thai agents do. In another words, job security is the only activity where Thailand scores higher than the Philippines. A significant difference was observed in the scores of job security levels for Thai agents ($M = 4.864$, $SD = 1.577$) and Filipino agents ($M = 4.378$, $SD = 4.378$), $t(7.153)$, $p \text{ value} < .01$.

Furthermore, the study also evaluated the effect of size to indicate the standardized difference between two countries using Cohen's *d* (Cohen, 1988). The method is utilized to accompany reporting of *t*-test results. Specifically, it analyzed the level of differences between two means, Thailand and the Philippines, for each construct. Similar to f^2 , descriptors for magnitudes of Cohen's *d* are suggested by Cohen (1988). The researcher suggested that Cohen's *d* values of .02, .15, and .35 are considered the effect sizes are small, medium, and large, respectively. As such, the effect size is calculated by using the below formula, Equation (2), then summarized in Table 4.

$$\text{Cohen's } d = \frac{M_1 - M_2}{\sqrt{\frac{(n_1-1)SD_1^2 + (n_2-1)SD_2^2}{(n_1+n_2)-2}}} \quad (2)$$

Discussion and Recommendations

This research was done to gauge the perception of Thailand and the Philippine customer contact center agents on the influence of HR practices and their SRP, particularly, in assessing if there is a difference between ethnicity in the connection between HRM and employee's performance. Whenever employees perceived that the organization that they were working with supported their career development and personal achievements, it related to numerous outcomes such as being responsive to the job entrusted to them. In addition, a positive approach towards employees promotes higher productivity, higher job engagement and foster employee experiences. Contact center agents are the place where unhappy customers express their concerns. As a result, these agents play a crucial role in resolving the failure in

rendering service and preserving the customer's and organization's reputation (Babakus et al., 2003). Contact employees must take discretionary actions that go beyond the formal role requirements to restore the customer's dissatisfaction. A satisfied employee who receives management assistance is presumed to contribute more time, hard work, and skills to the organization. This is consistent with prior studies that found a direct relationship between HR practices and employee's performance (Guchait, et.al., 2014; Karatepe, 2013; Ng & Sorensen, 2008).

Theoretical Contribution

This study has given some new-found findings that contribute to SRP. First, this research adds to the literature on the benefits of SRP in the customer contact center setting in Southeast Asia, particularly in Thailand and the Philippines, which have received less attention from SRP researchers. This paper also explored prior investigation by concentrating on the cultural differences of these two countries, particularly in HRM and the performance of the employees. The result supports the association of HR practices and SRP of the contact agents stipulating additional support regarding the role of HR practices as a mechanism to aid contact center agents to achieve a higher level of performance. This is consistent with prior studies that found the direct relationship between HR practices and employee's performance (Guchait et al., 2014; Karatepe, 2013; Ng & Sorensen, 2008). More notably, this study suggests that HR practices matter with every employee, particularly in the contact center context wherein the nine activities should be provided equally to the agents to serve better to the clients. According to the latest findings, it was revealed that agents who possess higher engagement within the nine HR activities are more motivated in providing the best service to the clients in the call center setting. In addition, national culture also matters with how employees perform their responsibilities in the workplace.

Managerial Implications

This study's findings may also serve as guidelines for companies, especially those in the business process outsourcing (BPO) or call center industries. It is undeniable that the skill set of customer contact agents, to successfully manage customer calls, is critical for call center businesses in order to engender customer satisfaction, build rapport, and establish a decent company reputation. Particularly, the service quality on the

recovery performance can be reflected by the contact agents' capability to establish a strong customer relationship upon handling the customers' needs. However, it is also apparent that management who supervises customer contact employees should possess a decent level of cultural know-how that may help them know how to comply with motivating employees' performance. Consequently, it is recommended that BPO companies may contemplate HR practices and consider ethnicity and cultural training. Henceforth, to perform better in a cross-cultural setting, cultural training and communication competency training may aid the management to understand their service employees of what will facilitate them to satisfy the customer's inquiries and recover unsatisfied customers.

Through this training, management can decide on an appropriate HR practice that induces the performance of contact center agents and their willingness to deal with unsatisfied clients. Furthermore, given the impact of a national culture on contact center agents' behavior patterns toward organizational HR practices, management should understand cultural ethnicity to impose proper cultural development. For instance, in tracing the Philippines' history, the influence of American culture exposed the Filipinos to western practices. Cultural training may not play a greater impact on cross-cultural development. But in other countries like Thailand, contact center agents lack cultural background as this country was never colonized by other countries. The role of cultural training may be important to improve the cultural expertise that helps understand the company's human capital.

Limitations and Future Recommendations

Although this current research draws interesting findings and adds to the body of knowledge, somehow, several limitations can be noted. Firstly, this research is conducted on a cross-sectional based. Consequently, the causality among the variables cannot be inferred. Secondly, the issue related to the generalizability of the outcomes as this research collected the data from a few customer contact centers companies in both countries. As a result, it is advised to proceed with caution when discussing the findings of the entire BPO in these two countries. Thirdly, the assessment from the survey may be imperiled and subject to common method bias on the respondents' side.

Future researchers may also make use of a longitudinal approach to compare the results. In a longitudinal study, the respondents are observed several times at different

time series, thereby, accepting trends in the result to be observed in due course. Henceforth, such may have the potential to gauge more meaningful and accurate results (Sedgwick, 2014). It is also interesting to introduce some competency or behavioral psychology variables to see if there is a huge impact on customer contact representatives' performance.

Conclusion

The main focus of the research was to look into the numerous aspects that matter to employees' SRP. It affects in understanding determinants of HR practices, and the effect of ethnicity provided theoretical contributions to the HRM – performance information, leading to the development of more effective service recovery and error management. Online survey results, based on a sample of 1,150 Thai customer contact agents and 1,190 Filipino agents demonstrated that of the bundle of HR practices positively influenced employee SRP. Through the appraisal, the findings disclosed that the Thai agents' HR practices and SRP were considerably less when compared to their Filipino counterparts. In terms of an individual subscale for HR practices, except for job security, Filipino agents have a higher perception of each HR activity than Thai agents in almost all activities. The study highlights the importance of understanding cross-cultural differences that may impact HR practices toward employee performance.

Conflict of Interest

The authors declare that there is no conflict of interest.

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