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The effect of leader competencies on knowledge sharing and job performance: Social capital theory

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ABSTRACT

Examining leadership from a competency perspective allows scholars to understand different dimensions of leader qualities and capacities. From this perspective, our study, based on social capital theory, proposed and tested a model that embraced the concepts of leader competency, knowledge sharing, employee job performance, and employee loyalty in the context of expatriate general managers. The study shows leader competencies are critical for promoting knowledge sharing and enhancing employee job performance. Both knowledge sharing and employee job performance are found to have a direct effect on employee loyalty.

1. Introduction

Well-performing service employees can be an asset and leaders play a critical role in influencing employees' performance and the organization's success. This is no exception to hotel organizations faced with increasing competition in the market place (e.g., Airbnb.com). Given the significant impact of leaders, numerous studies examined leader competencies (e.g., Shum, Gatling, & Shoemaker, 2018). Key research questions such as “what are the required qualities and skills of competent leaders?” and “what are the outcomes of leader competencies?” have surfaced and drawn attention, proliferating research in this field.

Examining leadership from a competency perspective allows scholars to understand different dimensions of leader qualities and capacities. Although many studies (e.g., Han, Seo, Yeo, & Yoon, 2016; Masa'deh, Obeidat, & Tarhini, 2016) examined leadership style (e.g., transformational leadership), much less attention has been given to leader competencies in the hotel industry. Our study, by examining leader competencies in the hotel industry, will identify a set of required skills for hotel leaders and guide the hotel industry to develop and assess leaders.

Knowledge sharing is recognized as an important social asset for organizations that improve job performance and enhance organizational success (Masa'deh et al., 2016; Razmerita, Kirchner, & Nielsen, 2016). We view that a leader plays a crucial part in creating and nurturing a knowledge sharing culture in the organization. When knowledge is shared, inexperienced or newly hired employees will have access to intellectual resources and gain job-related know-hows, which can lead to better job performance. In the hotel industry where services are produced and consumed simultaneously, and thus, there is little room for errors, management of knowledge, especially sharing of knowledge, is essential for preventing service failures. Our study examines whether knowledge sharing positively affects service employees' job performance and loyalty to the organization and whether knowledge sharing mediates the relationship between leader competencies and employee job performance.

The significance of our study is trifold. The first significance is related to the study's examination of leader competencies and their link to knowledge sharing. Many previous studies examined knowledge sharing at a firm level such as an inter-firm relationship (Hsu, 2012). Less is known about the antecedents of knowledge sharing at an individual level. Recently, Sveiby (2007) and Rahman, Mannan, Hossain, Zaman, and Hassan (2018) called for a need to investigate the role of managers/leaders in creating and shaping a knowledge sharing environment. Our study responds to these calls and attempts to explore the role of leaders in knowledge sharing. The second significance is the study's contribution to the literature by incorporating various areas of study and integrating different elements into one model. Our model is based on the studies of leadership, knowledge management, and services marketing and integrates well-established constructs such as leader competencies, knowledge sharing, service employee's job

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performance and loyalty. The last significance of the study is concerned with its treatment of knowledge sharing as a mediator. Our study views knowledge sharing mediates the effect of leader competencies on employee job performance. To the best of our knowledge, our study is the first to examine whether knowledge sharing mediates the relationship between leader competencies and employee job performance in the hospitality industry. The finding will cast light on the importance of knowledge sharing and understand the mechanism by which leaders influence employees in terms of job performance.

2. Conceptual background

2.1. Leader competencies

Based on prior research (Asree, Zain, & Rizal Razalli, 2010; Boyatzis & Ratti, 2009), our study defines leader competency as a leader's knowledge, ability, skills, and behavioral capabilities to perform the job. This approach has emerged as one of the dominant models in the extents of leadership assessment and development (Rankin, 2002). In this regard, competency is viewed as a critical resource for the leader to possess and utilize. This approach is different from leadership style in that it focuses on the leader's performance capabilities as well as skills and abilities instead of the manner in which a leader influences the followers. Therefore, one of the advantages associated with the competency approach is that it allows organizations to identify, develop, and assess a set of appropriate skills, abilities, and performance capabilities (i.e., behavioral measures) required for the leaders to perform the given job.

Literature shows different types of competencies pertinent to leadership (Billings et al., 2019; Boyatzis, 2009; Mau, 2017). Boyatzis and Ratti (2009) suggest that three competencies are required of successful leaders: cognitive, emotional and social intelligence competencies. Cognitive intelligence competency involves a leader's ability to assess the situation, understand the cause-and-effect, and recognize patterns in random events. Emotional intelligence competency refers to a leader's capability of understanding his own emotion, recognizing its impact, and managing the emotion. Social intelligence competency is concerned with a leader's ability to get along with others and understand social dynamics that influence the situation, often known as people skill or relational skill.

Research in management (Sengupta, Venkatesh, & Sinha, 2013) suggests three dimensions of competency be considered for determining a leader's effectiveness: person, job, and role. Person-focused competency refers to a leader's value, motivation, attitude, and other personal traits. Job-related competency is concerned with whether a leader is efficient at fulfilling the tasks associated with the job. Role-focused competency is related with social context in which a job is undertaken. In summary, many competency-related studies indicate that (a) an integrative approach embracing multiple dimensions of competency is beneficial for understanding and capturing their impact, and (b) one of the critical elements of competency is concerned with a leader's social relationship with others as indicated in prior research and referred to as social intelligence competency or social resource (Boyatzis & Ratti, 2009; Lustri, Miura, & Takahashi, 2007).

2.2. Social capital and leader competencies

Studies (Chang & Hsu, 2016; Hitt & Duane, 2002; Huang, 2016; Leana & Van Buren, 1999; McElroy, Jorna, & van Engelen, 2006) have used social capital theory to understand and explain various phenomena across disciplines including sociology, political science, education, and management.

Coleman (1990) views capital, regardless of the type, is created when there is a change in the existing structure in the process of value creation and the changes facilitate positive relational outcomes. In the management area, Leana and Van Buren (1999, p. 538) define social capital as a resource reflecting the character of social relations within the firm. They suggest social capital is realized when organizational members have common goals and build trust. Based on this perspective, we confine our use of the term social capital to internal ties between a leader and the followers (instead of external ties) and ties among the organization's various work units (Hitt & Duane, 2002). The central premise of social capital theory is that the network of relationships becomes a critical resource for the members of the community, benefiting the members for being associated with the community (Chen & Lovvorn, 2011; Hitt & Duane, 2002).

One of the reasons why social capital theory has received a lot of attention across disciplines is that social capital positively affects both an individual's performance and the organization's performance. Seibert, Kraimer, and Liden (2001) who examined a linkage between social capital and benefits in career advancement report that employees who have more contacts at higher organizational levels have better access to organizational information and career sponsorship, which in turn leads to such benefits as higher salary and promotion. Our study borrows the concept of social capital (Coleman, 1990; Strömgren, Eriksson, Ahlstrom, Bergman, & Dellve, 2017) and views relational ties between a leader and the followers as critical resources for the leader in leading the organization. Therefore, one of the leader competencies our study examines is concerned with a leader's relationship with the employees (i.e., person-related competency).

Another dimension we examine in our study involves a leader's competency in performing the job (i.e., job-related). Job-related competency is concerned with a leader's capabilities in solving problems, making appropriate decisions, using innovation, setting the vision, and managing changes. This dimension incorporates several elements identified in prior research: cognitive intelligence (Boyatzis & Ratti, 2009), abilities and knowledge (McClelland, 1973), declarative knowledge and procedural skills (Spencer, 1997), and job-related competency (Sengupta et al., 2013). Because there are many different categorizations of leader competencies in prior research, we focus on two broad dimensions for the sake of a parsimonious model: (a) job-related leader competencies and (b) person-related leader competencies. This simplified categorization will allow us to consider all different elements.

2.3. Knowledge sharing

Knowledge is viewed as an essential resource and asset for organizations. Sharing of knowledge among employees is crucial for achieving organizational efficiency (e.g., knowledge adoption, innovation). In the organizational context, knowledge is formed and sustained when workers create and share individual knowledge with other workers. Wang and Ahmed (2003) suggest a couple of ideal contexts within which organizational knowledge is shaped and shared. The first context is related with the nature of the relationship or the organizational environment. Knowledge sharing is encouraged when the organization has characteristics of trust, empathy, openness to knowledge sharing, and accessibility to help (Hsu, 2012). The second context involves managerial policies and actions. Policies that support creation and sharing of knowledge will help employees engage in such behavior.

A review of the literature (Hsu, 2008; Lee, Park, & Lee, 2015) suggests that organizations capitalizing on the facilitation of knowledge sharing reap benefits including improved individuals' and the organization's performance, increased amount of collective knowledge at the organizational level, gained competencies, and innovativeness.

2.4. Conceptual framework

As competition in the hotel industry becomes global, advanced expatriate GM's capabilities are needed to achieve competitive advantage. Therefore, what are the factors of expatriate GM and how these capabilities are shared within the organization has become an important

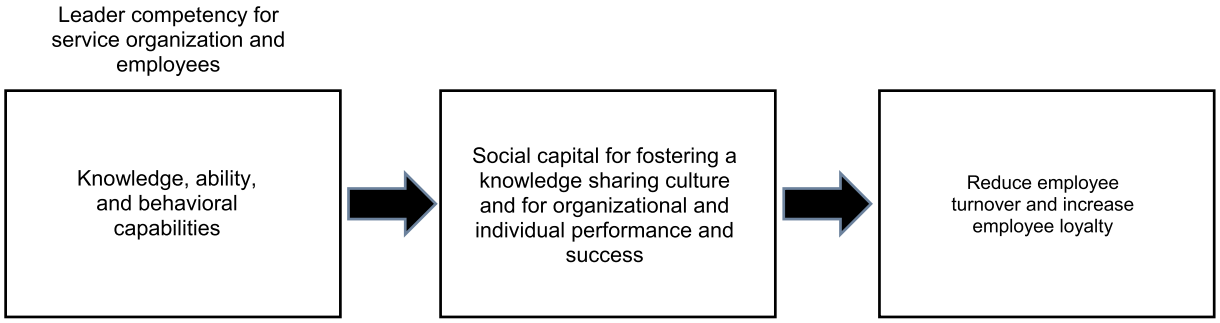

Fig. 1. Conceptual framework.

concern for hotel managers. Expatriate GM fosters knowledge sharing culture throughout the hotel organization. In this way, expatriate GMs' competency allows employees to acquire an advanced and intellectual resources and job-related know-hows from expatriate GMs which increase job performance and employee loyalty, and in turn lead to delivering value to customers. As employees recognize that leaders' competences are social assets for organizational and individual performance and success, they will attempt to foster a culture of knowledge sharing within the organization. This approach provides a general mechanism by which employees' perceptions of expatriate leadership competency ultimately reduce employee turnover intention and increase employee loyalty (Fig. 1).

3. Hypotheses

3.1. The effects of leader competencies on knowledge sharing

Prior research (e.g., Lee et al., 2015) suggests that knowledge sharing is promoted when the group members have capabilities or expertise in the associated field. For example, Srivastava and Joshi (2018) show that technology-oriented leadership facilitates knowledge sharing among the employees. Lee et al. (2015) report that the competency level of employees in business and technology is positively associated with knowledge sharing. This means that, for knowledge sharing to occur, employees must have capabilities for doing so and there are some ideal contexts for this to occur. We consider two contexts based on the literature (Han & Hovav, 2016; Lustri et al., 2007; Van den Hooff & de Winter, 2011; Wang & Ahmed, 2003). The first context is concerned with the relational environment within the organization. Prior research (Han & Hovav, 2016; Van den Hooff & de Winter, 2011; Yang & Farn, 2009) supports that social capital and quality of the relationship among the group members have a significant influence on the members' sharing of knowledge. According to social capital theory, organizations with a well-established network of internal relationships benefit from a free flow of communication, intimate interaction, exchange of resources, and heightened team work performance (Chen & Lovvorn, 2011; Lee et al., 2015; Seibert, Kraimer, & Liden, 2001). This means a relational environment characterized as being open to diversity and promoting social interactions enables effective knowledge sharing (Brachos, Kostopoulos, Soderquist, & Prastacos, 2007). A leader who practices and displays competencies in relationships (person-related competencies) will have a positive influence on creating and fostering such an environment. Therefore, we propose that leader's person-related competencies will have a positive impact on knowledge sharing.

Another ideal context for knowledge sharing involves the leader's role in creating context-building knowledge for the employees. Sveiby (2007) discusses two types of knowledge (task-oriented and context-building) and suggests that top managers play a key role in creating the latter type of knowledge. Task-oriented knowledge is technical in nature. This type of knowledge is required to complete the job at hand as it is related to how to perform the task. Contrariwise, context-building knowledge is associated with the understanding of how one's knowledge relates to that of other members of the group. This type of knowledge is critical for understanding why one is doing his/her job in a certain way and how his/her work is related to achieving the organization's goal (Sveiby, 2007). Rich context-building knowledge seems more crucial in the hotel industry where service employees are the actors in the service delivery process and have to make judgments. Leader's capabilities related to creating context-building knowledge through setting appropriate strategies are concerned with the leader's job-related competencies. Sveiby (2007) who examined factors that disable the context for knowledge sharing reports that management behavior (e.g., resistance to change, no formal processes for sharing) and organizational context (e.g., silo mentality) represent the major factors that disable knowledge sharing. His study finding suggests that (a) leaders especially at the top level are paramount in shaping context-building knowledge and (b) they do so by communicating the mission, vision, and strategies and providing guiding context for the common organizational goals. The finding of Hsu (2012) supports our view by showing a positive relationship between shared vision and knowledge transfer. Thus, we believe a leader who possesses a high level of job-related competencies will exert a positive impact on creating context-building knowledge, through which the employees become aligned with the organizational goals and engage in knowledge sharing (Asree et al., 2010; Lee, Park, & Lee, 2013).

H1. Leader's person-related competencies will positively affect knowledge sharing amongst the employees.

H2. Leader's job-related competencies will positively affect knowledge sharing amongst the employees.

3.2. The effects of leader competencies on employee job performance

A network of internal relationships is a valuable resource for the employees based on social capital theory. Because employees who have close relational ties with others have better access to job-related resources (e.g., coaching, critical information), their job performance is likely to be better than others (Chen & Lovvorn, 2011; Lee et al., 2015). This may be because employees feel safe and secure in an environment where they have a positive relationship with the leader and thus be able to focus on the job better. We view a leader who possesses person-related competencies creates a relation-focused organizational environment, where the employees have access to job-related resources and focus on the job, leading to higher job performance.

Leader's job-related competencies are also likely to affect the employees' job performance (Lee, Kim, Son, & Lee, 2011). Lee et al. (2011) show that a leader can arouse positive emotion in the followers, which in turn affects their job performance. Their study supports that leaders play a vital part in determining the work environment and impacting the employees' job performance. We view that a leader who is job-focused (e.g., strategic, visionary) creates and shapes the organizational context (e.g., context-building knowledge) through which employees

learn about the values and goals of the organization. Because employees will be guided by the context building knowledge, they are likely to assimilate the organization's values and goals, which is crucial for making sound judgments in a service environment. Therefore, we propose the following.

H3. Leader's person-related competencies will positively affect the employees' job performance.

H4. Leader's job-related competencies will positively affect the employees' job performance.

3.3. The effect of knowledge sharing on employee job performance

One way of becoming a successful organization is to create a knowledge-sharing environment where employees share acquired knowledge and allow others to have access to the intellectual resources helpful for the job performance. Prior research (Haywood, 1992) supports that employee training, which is a formal type of knowledge transfer at the organizational level, is critical for improving the employees' job performance as well as the organization's performance. When knowledge is shared, the employees will have access to the intellectual resources and be able to develop the competencies essential for the job performance. Thus, sharing of knowledge is instrumental to improving the employees' job performance.

H5. Knowledge sharing will positively affect the employees' job performance.

3.4. The effects of knowledge sharing and employee job performance on employee loyalty

We anticipate knowledge sharing positively influences the employees' loyalty. Knowledge sharing requires two players: a sender and a recipient. The act of knowledge sharing requires both the sender and the recipient to be involved. Previous studies (Beatty, Homer, & Kahle, 1988; Eisenberger et al., 2010) suggest that a high level of involvement in the organization leads to a high level of commitment to the organization. The positive link between involvement and commitment makes sense because people will become more attached to the organization when they make investments in the relationship. Sharing of knowledge requires a certain level of employees' involvement in the organization. When employees (both knowledge senders and recipients) engage in the act of knowledge sharing, thus, being involved, they are likely to develop a sense of ownership and a bond with the organization, resulting in employee loyalty (Lee, Nam, Park, & Lee, 2006; Yao, Tsai, & Fang, 2015). The study of Yao et al. (2015) supports our view by showing a positive relationship between knowledge sharing and members' loyalty to the online community.

We anticipate that employee job performance has a positive effect on employee loyalty. We view high-performing employees will show a greater level of loyalty to the organization than their counterparts. Based on the cognitive consistency principle (Festinger, 1957; Gawronski & Strack, 2004), people try to maintain harmony amongst thoughts, feelings, and behaviors and avoid a conflict midst the three components. When employees have a high level of job performance, their perspective on the job and the organization may change positively in order to stay consistent with their behavior. Some previous studies support our argument by reporting a positive relationship between job performance and employee satisfaction, which in turn affects employee loyalty (Gu & Siu, 2009; Yang, 2010). Hence, we propose the following.

H6. Knowledge sharing will positively affect the employees' loyalty.

H7. Employees' job performance will positively affect the employees' loyalty.

3.5. Knowledge sharing as a mediator between leader competencies and job performance

This study regards knowledge sharing as a mediator between leader competencies and employee job performance. We believe it is critical for a leader to cultivate a knowledge sharing environment in order to enhance employee job performance. Sharing of knowledge is critical in this endeavor because it provides the employees necessary resources to perform the job. Thus, in order for a leader to influence employees in terms of job performance, a knowledge sharing environment must exist as a medium. We anticipate a mediating role of knowledge sharing.

H8. Knowledge sharing fully mediates the relationships between leader competencies and employee job performance.

4. Research method

4.1. Sample and data collection

Because the study involved employees' perceptions of the leader, we used a survey to collect data. Surveys are used because we collect a lot of data in a relatively short period. We contacted general managers of 16 franchised five-star hotels located in Seoul, South Korea and requested their participation in the study. The hotels contacted were properties of multinational hospitality corporations that have adopted advanced management techniques (Lee, Kim, & Kim, 2014). The reason we focused on five-star hotels is because they were more likely to exercise knowledge transfer and management, which is an appropriate condition (such as common competitive set, similar customer business mix, and similar employee demographics) for testing our model. Seven general managers agreed to participate in the study. The representatives of the hotels received brief introduction about the study and were instructed to distribute copies of the survey in Korean to their employees. The participants were informed that the survey was anonymous and confidential. A total of 600 questionnaires were distributed to all levels and divisions of the hotels (e.g., rooms division, management, food & beverage division) and a total of 555 respondents completed the questionnaires, yielding a response rate of 92.5%. Data collection took two weeks. Due to omission of some information, 59 responses were excluded from the further analysis, amounting to a final sample size of 496.

Prior to the study, we conducted a pretest on 20 employees. They rated appropriateness of each item on the questionnaire. Minor modifications were made based on the pretest. Respondents' ($n = 496$) demographic characteristics are shown in Table 1. Males (53.0%) were slightly more than females (45.2%). Nearly half of the respondents (45.6%) were between 30 and 39 years of age, followed by those below 30 years of age (30.6%). More than half of the respondents were four-year college-educated, representing 58.3%, and two-year college educated respondents accounted for 28.8%. A majority of the respondents were staff (66.9%). With regard to position, 27.4% of the respondents reported food & beverage, followed by management (20.0%), room (13.%), and front (12.5%).

We tested the moderating effects of socio-demographic variables such as age, gender, educational level, job levels, and duration. However, we only found that gender plays moderating role in the relationships between knowledge sharing and employee loyalty ($p < 0.05$) and job performance and employee loyalty ($p < 0.01$). So, we think our proposed model (Fig. 1) using pool date does not have serious problems to explain discussion and implications.

4.2. Measures

We used multiple measures for each construct based on previous studies. The response options for each measure were anchored by 1 (either "strongly disagree" or "very poor) and 7 (either "strongly agree"

Table 1
Respondents' profile (n = 496).

Demographic variables	Frequency	Percentage
Gender		
Male	263	53.0
Female	224	45.2
Missing	9	1.8
Age		
Below 30	152	30.6
30-39	226	45.6
40-49	77	15.5
50 and above	19	3.8
Missing	22	4.4
Education completed		
High school	5	1.0
Associate degree	143	28.8
Bachelor's degree	289	58.3
Master's degree	41	8.3
Missing	18	3.6
Department		
Front desk	62	12.5
Room	66	13.3
Food & beverage	136	27.4
Culinary	64	12.9
Management	99	20.0
Other	45	9.1
Missing	24	4.8
Position		
Staff	332	66.9
Deputy	126	25.4
Department head	34	6.9
Executive officer	4	0.8

or "excellent" based (see Table 2). Leader competencies were measured using bipolar adjectives. Leader's job-related competencies were measured with five items adopted from McCauley (2006) (e.g., General manager's change management). We borrowed four items related to leader's person-related competencies (McCauley, 2006) (e.g., General manager's communication effectiveness). Knowledge sharing was measured with six items (Tsai, Horng, Liu, & Hu, 2015) and measured based on Likert-type scale (e.g., Work testing yields constructive comments from colleagues). We measured employee job performance using two items (Lee et al., 2011) (e.g., Overall, I perform a high quantity of work compared to other employees). Finally, employee loyalty was measured with three items adopted from the Lee et al.'s (2014) study (e.g., I will be happy to spend the rest of my career at this hotel).

5. Data analysis

5.1. Measurement model

We conducted reliability and validity tests for the measures. Table 2 showed that the measures were reliable as all of the Cronbach's alpha coefficients exceeded 0.7. Then, we performed CFA (Confirmatory Factor Analysis) with AMOS to test convergent and discriminant validities. Based on the result of CFA, we pruned the measures by eliminating the items that were highly loaded on other constructs or not loaded on the hypothesized constructs. As shown in Table 2, the CFA result shows evidence of desirable measurement properties based on the cut-off criteria (Hair, Black, Babin, Anderson, & Tatham, 2006) such as the ratio of χ^2 to df (≤ 3) (Kline, 1998), the goodness-of-index (GFI) (> 0.90), the adjusted goodness-of-index (AGFI) (> 0.90), the normed fit index (NFI) (> 0.90), the comparative fit index (CFI) (> 0.90) (Bentler, 1990), and the root mean square error of approximation (RMSEA) (Byrne, 2001). Three tests were used to examine discriminant validity as follows; 1) Fornell – Larcker criterion (Fornell & Larcker, 1981) (see Tables 2 and 3); 2) a chi-square difference test (see Table 4); 3) Harman's one-factor test to check for common method bias. All test results confirmed discriminant validity.

5.2. Analysis of the structural model

We used AMOS software to test the structural model. Table 5 and Fig. 2 present maximum-likelihood estimates of the various parameters of the model. Multiple indicators of the overall model fit are reported.

Table 2
Tests of the measures.

Constructs and Items (Cronbach's alpha coefficient)	Standardized Loadings	t-value	AVE [a]	CCR [b]
Competency in organization (α = 0.863)			0.586	0.850
Managing change	0.735	Fix		
Solving problems and making decisions [c]				
Managing politics and influencing others	0.723	15.112		
Taking risks and innovating	0.721	14.724		
Setting vision and strategy	0.801	16.436		
Competency in employees(α = 0.867)			0.700	0.875
Communicating effectively	0.790	Fix		
Developing employees [c]				
Valuing diversity and difference	0.820	19.559		
Managing effective teams and work groups	0.847	20.310		
Knowledge sharing(α = 0.886)			0.651	0.903
Work testing yields constructive comments from colleagues. [c]	–	–		
Inexperienced newcomers are coached by experienced colleagues.	0.768	Fix		
The coaching of new colleagues is well coordinated in our department.	0.780	17.865		
Experienced colleagues provide constructive feedback on the work of less experienced colleagues.	0.802	18.452		
In my part of this organization, I know whom I can contact for specific questions.	0.734	16.669		
Experienced colleagues help young colleagues by giving examples.	0.824	19.025		
Job performance(α = 0.737)			0.703	0.825
Overall quantity of work performed compared to other employees	0.723	8.680		
Overall quality of work performed compared to other employees	0.809	Fix		
Employee loyalty(α = 0.758)			0.517	0.763
I will be happy to spend the rest of my career in this hotel.	0.719	Fix		
I say positive things about my hotel to other people.	0.712	12.406		
I recommend our hotel to someone who seeks my advice.	0.715	8.680		

#χ^2 = 174.290, df = 108 (χ^2/d.f = 1.614), p = 0.000, GFI = 0.960, AGFI = 0.943, NFI = 0.960, CFI = 0.984, RMSEA = 0.035.
[a] Average Extracted Variance.
[b] Composite construct reliability.
[c] Items were deleted during CFA (confirmatory factor analysis).

Table 3
Construct Intercorrelations, mean and standard deviation.

	1	2	3	4	5	Mean	SD
1. Competency in organization	1					4.62	0.78
2. Competency in employees	0.726**	1				4.52	0.83
3. Knowledge sharing	0.575**	0.674**	1			4.59	0.76
4. Job performance	0.353**	0.325**	0.333**	1		4.65	0.70
5. Employee loyalty	0.336**	0.392**	0.427**	0.270**	1	4.44	0.81

Although the chi-square statistic suggests that the data does not fit the model well (χ^2 = 177.715, df = 110, p < 0.01). This statistic is very sensitive to the sample size and the number of parameters measured. All other overall model fit indicators suggest that the data fit the model very well: GFI (0.960). AGFI (0.944). NFI (0.960). CFI (0.984), and RMSEA (0.035).

5.3. Hypotheses testing

The result shows that person-related competencies have a significant effect on knowledge sharing (β = 0.743, t = 6.428, p < 0.01), supporting H1. However, leader's job-related competencies are not found to be related to knowledge sharing (β = 0.031, t = 0.282, n.s). Therefore, H2 is not supported. The test result shows that person-related competencies have no significant effect on employee job performance (β = −0.069, t = −0.398, n.s), failing to support H3. On the other hand, job-related competencies are found to have a significant effect on employee job performance (β = 0.355, t = 2.385, p < 0.01), supporting H4. The finding shows that knowledge sharing has a significant positive effect on both employee job performance (β = 0.221, t = 2.350, p < 0.01) and employee loyalty (β = 0.452, t = 7.375, p < 0.01), supporting H5 and H6. The study supports H7 because job performance is found to have a positive influence on employee loyalty (β = 0.193, t = 3.096, p < 0.01). Finally, H8 was related to the mediation effect of knowledge sharing in the relationships between leader competencies and job performance. The findings of mediation test using the Sobel test (Lee et al., 2014) shows that knowledge sharing play a fully mediating role in the relationship between person-related competencies and job performance (direct effect person-related competencies → job performance: 0.085, n.s; indirect effect person-related competencies → knowledge sharing → job performance: 0.143; Z = 2.217, p < 0.05). However, knowledge sharing did not play a mediating role in the relationship between job-related competencies and employee job performance because job-related competencies did not have a significant influence on employee job performance (β = 0.031, t = 0.282, n.s).

Table 5
Standardized parameter estimates.

	Path	Estimates	t	p	Support
H1	Competency in employees → Knowledge sharing	0.743	6.428	0.000	Yes
H2	Competency in organization → Knowledge sharing	0.031	0.282	0.778	No
H3	Competency in employees → Job performance	−0.069	−0.398	0.691	No
H4	Competency in organization → Job performance	0.355	2.385	0.017	Yes
H5	Knowledge sharing → Job performance	0.221	2.350	0.019	Yes
H6	Knowledge sharing → Employee loyalty	0.452	7.375	0.000	Yes
H7	Job performance → Employee loyalty	0.193	3.096	0.002	Yes
	SMC (R^2)				
	Knowledge sharing	0.593	(59.3%)		
	Job performance	0.220	(22.0%)		
	Employee loyalty	0.313	(31.3%)		
	χ^2	177.715			
	df	110			
	p	0.000			

χ^2 = 177.715, df = 110 (χ^2/df = 1.616), p = 0.000, GFI = 0.960, AGFI = 0.944, CFI = 0.984, NFI = 0.960, RMSEA = 0.035.

6. Discussion and implications

6.1. Differential effects of leader competencies

This study finds that both competencies are important, although they have differential effects on the employees. Person-related competencies have a positive impact on knowledge sharing but no impact on employee job performance. On the other hand, job-related competencies are shown to have a direct influence on employee job performance but no impact on knowledge sharing.

A plausible explanation might be found in the resource-matching principle (Keller & Block, 1997). The resource-matching principle, widely used in the communication field, views that a match between the resources allocated to the elaboration of the communication content and those resources required for this task should exist to maximize the communication effect (Keller & Block, 1997). Stated differently, the communication effect can be enhanced when people allocate the right amount of resources to the processing of information needed for the task. Applying the resource-matching principle to our study, we view that: (a) leader competencies are resources to the employees, (b) the resources can be categorized into person-related competencies (soft) and job-related competencies (hard), and (c) the effect of leader competencies on the employees may be categorized into hard (job

Table 4
Chi-square difference tests for discriminant validity of the measures.

	Unconstrained		Constrained		Difference	
	χ^2	df	χ^2	df	△	Sig
Competency in organization vs. Competency in employees	16.055	12	100.883	13	84.828	0.000
Competency in organization vs. Knowledge sharing	23.149	25	162.253	26	139.104	0.000
Competency in organization vs. Job performance	28.526	7	223.714	8	195.188	0.000
Competency in organization vs. Employee loyalty	38.557	12	216.606	13	178.049	0.000
Competency in employees vs. Knowledge sharing	33.551	19	137.662	20	104.111	0.000
Competency in employees vs. Job performance	0.866	4	191.339	5	190.399	0.000
Competency in employees vs. Employee loyalty	22.788	8	176.303	9	153.515	0.000
Knowledge sharing vs. Job performance	12.309	13	225.399	14	213.090	0.000
Knowledge sharing vs. Employee loyalty	16.589	19	184.054	20	167.465	0.000
Job performance vs. Employee loyalty	5.259	4	189.475	5	184.216	0.000

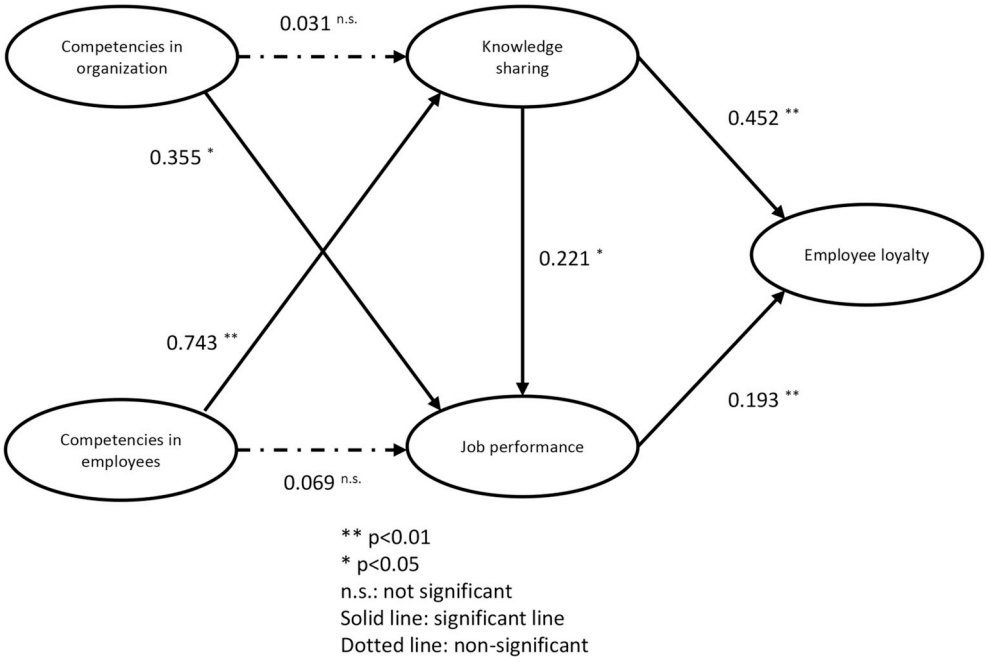

Fig. 2. Estimates of the model.

performance) and soft (knowledge sharing) outcomes. This categorization is based on prior research (Baugh, 1997) that viewed competencies as having soft and hard dimensions. We argue that effects of leader competencies are maximized when the type of resources (leader competencies) matches the type of outcome variables (knowledge sharing and job performance). More specifically, knowledge sharing, which is interactive and relational in nature, is likely to be promoted when the leader shows competencies in the similar nature (i.e., person-related competencies). This finding emphasizes the important role social capital plays in an organization (i.e., A leader who has person-related competencies may create and foster a work environment where employees exchange and share knowledge). On the other hand, job performance (hard), for which standard is set by the organization, is more likely to be influenced by the leader's job-related competencies (hard) than person-related competencies. Thus, a theoretical implication of the finding is that the resource matching principle may be extended to the organizational context.

Because this study used a dimensional approach, the finding helps us understand the relationship between the types of competencies and the outcomes. In short, the study suggests that investments in soft resources (e.g., person-related competencies) will be more effective than hard resources for achieving soft outcomes (e.g., knowledge sharing). The practical implication is that leaders should have a clear understanding of the competencies essential to the job and try to develop such necessary competencies. At the organizational level, one good question to ask is whether the organization has a list of competencies required of the leader and has a support system through which the leader is able to develop and sustain the required competencies. Another practical implication is related to the prioritization of the competencies based on the organizational context and goal. If the hotel organization suffers from a low level of employee job performance, the leader may want to focus on the job-related competencies as they are directly related to improving employees' job performance. Meanwhile, if building a knowledge-sharing culture is a priority, the leader may want to focus on person-related competencies and build a closer relationship with the employees.

6.2. The impact of knowledge sharing

Consistent with prior research (Hsu, 2008; Lee et al., 2015), our study shows that knowledge sharing has a positive effect on employee job performance and employee loyalty. This finding is consistent with the viewpoint of social exchange theory (Blau, 1964). The theory based on the give-and-take rule suggests that employees who are granted access to the intellectual resources will feel obligated to reciprocate and return the favor by being committed to the organization. From the practical perspective, the finding suggests that hotel organizations may want to have a system, through which employees share and have access to intellectual resources. For example, social events (e.g., employee recognition event) may be utilized for sharing tacit knowledge (e.g., how to handle difficult customers). An employee recognition event where high performing employees are recognized and celebrated may be utilized to share information on how to handle difficult customers (i.e., explicit knowledge).

6.3. Knowledge sharing as a mediator

The current study confirms that knowledge sharing plays a full mediating role in the relationship between leader's person-related competencies and employee job performance. The indirect effect of person-related competencies on employee job performance is significant (at $\alpha = 0.05$), while there is no significant direct effect. This result implies that knowledge sharing is a full mediator. From a theoretical perspective, the finding highlights the critical role of knowledge sharing in activating the effect of the leader's person-related competencies on enhancing the employees' job performance. In other words, in the organizations where knowledge is rarely shared, a leader even with person-related competencies cannot positively affect the employees' job performance.

An equally noteworthy finding is that the effect of leader's job-related competencies on employee job performance is not mediated by knowledge sharing. This means a leader with job-related competencies does not require a knowledge-sharing environment in order to positively influence employees' job performance. Differently stated, leaders' job-related competencies are sufficient for influencing employees' job performance.

The practical implication related to the mediating role of knowledge sharing is that leaders may want to have different strategies based on their competencies and goals. When the organization's goal is to improve employee job performance, leaders with strong person-related competencies may want to focus on developing and cultivating a knowledge sharing environment. However, leaders with strong job-related competencies may not have to consider knowledge sharing a strategic priority. On the other hand, if the organization's goal is to retain employees, the organization may want to use a different strategy. Since employee loyalty is largely driven by knowledge sharing, all leaders may want to develop and display person-related competencies so as to cultivate a knowledge-sharing culture, making it an integral part of the employee retention strategy. The leaders in the hotel industry should recognize that person-related competencies are as important as job-related competencies and should make efforts to develop both competencies.

7. Conclusion

This study, grounded on the literatures of leader competencies, knowledge management, and services marketing, proposed and tested a model that integrated different concepts. In doing so, the study used social capital theory and consistent cognitive principle. The study finds that person-related leader competencies are positively associated with knowledge sharing and job-related competencies are positively associated with employee job performance. Both knowledge sharing and employee job performance are shown to directly affect employee loyalty. There are some limitations to the study. Our research used a survey method, which doesn't allow for establishing cause-and-effect relationships. However, an experimental design in which an independent variable (i.e., leader competencies) was to be manipulated seemed too difficult to employ and a survey was considered appropriate for a study that involved employees' perceptions of the leader. Another limitation of the study is that we used only two dimensions of leader competencies. As noted in the literature review section, prior research examined various types of leader competencies using different terms. Our study, to preserve parsimony of the model, used two dimensions embracing all elements discussed in the literature. Although this simplification allowed us to look at two important dimensions and their distinct effects on the outcome variables, we might have achieved this at the expense of some lost information (e.g., the effects of emotional intelligence versus social intelligence). Future studies may want to incorporate other types of leader competencies and examine their effects to have a fuller picture of the role of leader competencies. Furthermore, future studies may employ more objective measures for leader competencies. For example, job-related competencies may be measured using how many innovative products or approaches have been adopted during a certain period of time. Prior research suggests two types of knowledge (explicit and tacit) play different roles (Wu & Lin, 2013). For example, knowledge sharing plays a more important role for tacit knowledge in affecting effectiveness of knowledge. Future research may want to investigate the role of knowledge sharing in the context of the type of knowledge.

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Appendix A. Supplementary data

Supplementary data to this article can be found online at https://doi.org/10.1016/j.jhtm.2019.11.004.

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