sustainability

MDPI

Article

Cognitive Dissonance and Public Compliance, and Their Impact on Business Performance in Hotel Industry

Wen Xi [1], Nigora Baymuminova [2,*], Yi-Wei Zhang [2] and Shi-Nyu Xu [2]

[1] School of Economics and Management, Taiyuan Normal University, Jinzhong 030619, China
[2] Department of Hotel Management, Graduate School, Kyung Hee University, Seoul 02447, Korea
* Correspondence: nigorabay1998@gmail.com; Tel.: +82-10-8425-9801

Abstract: In this study, we investigate whether cognitive dissonance and compliance with collective rationality affect hotel CEO management activities. The study surveyed a wide range of hotel employees, from new recruits to CEOs, within 5-star hotels in Seoul to analyze perceptions of organizational members. A canonical correlation analysis was used to empirically investigate the correlations and differences among constitutional concepts. The study also used regression analysis to analyze the influential relationship between variables. The study found that despite the differences in individual beliefs, compliance to collective beliefs increased when individuals complied and received compensation despite their individual differences. The performance perceptions of financial and non-financial management improved at that time. Some research conducted on the Cognitive Dissonance also demonstrates that individuals with cognitive dissonance modify their behavior and cognition to reduce dissonance. It is true that an individual's opinion differs from that of the group, but adding a cognitive factor that an individual is compensated by participating in and respecting the group's beliefs leads to public compliance with those beliefs. Due to the strong public cognition and beliefs within the organization, the individual attempts to keep his or her cognitive and belief systems consistent, but complies with them regardless of his or her cognitive and belief systems. Furthermore, it suggests that managers can improve their performance by compensating people for conforming to group rules, since management performance is the end goal of management, and public compliance affects it significantly.

Keywords: cognitive dissonance; public compliance; management performance

Citation: Xi, W.; Baymuminova, N.; Zhang, Y.-W.; Xu, S.-N. Cognitive Dissonance and Public Compliance, and Their Impact on Business Performance in Hotel Industry. *Sustainability* **2022**, *14*, 14907. https://doi.org/10.3390/su142214907

Academic Editor: Mark A. Bonn

Received: 27 August 2022
Accepted: 9 November 2022
Published: 11 November 2022

1. Introduction

Members of an organization carry out their duties according to their cognition and beliefs. Weirich [1] argues that collective rationality, or collective cognition, belief, and conviction, are formed by generalized cognition and beliefs. Collective beliefs and convictions within an organization contribute to the overall general behavior, which will ultimately lead to realistic results, that is the performance of an organization. In other words, companies that are good at organizational behavior tend to be more profitable, thus supporting the idea that organizational behavior can affect corporate performance [2].

On the other hand, there are occasions when people act in a way that contradicts their beliefs or openly express their disbelief [3]. As per the cognitive dissonance theory, individuals have a tendency to maintain consistent cognitions and beliefs [4] but are influenced by strong organization-wide cognitions and beliefs [1]. Consequently, individuals may abandon their beliefs and cognitions in order to fit into the organization. In other words, there may be instances where one follows group cognition and beliefs even if they inflict suffering in order to modify his or her behavior and attitude. For instance, Kim and Lee [5] argued that one of the factors contributing to job stress in hotels is the unfriendly behavior of guests, and that this causes employees to become emotionally exhausted because they must be self-aware and must express their emotions in accordance with the organization's rules rather than their own.

In the service industry, specifically in the hotel industry, within the organization employees' cognitive dissonance can occur due to several discrepancies in cognitions. Some of them can appear when employees adopt the CEO's decisions of business strategy selection, organizational culture type selection, or management innovation selection.

Selecting a type of strategy, creating organizational culture, and achieving management innovation are the key management activities of the CEO [6]. Organizational members understand the significance of selecting what sort of strategy their organization's CEO chooses, what kind of organizational culture each strategy develops, and what type of management innovation each culture achieves. Depending on the level of cognitive dissonance and public compliance, the corporate performance that results from a member's cognition and behavior will vary. The reason for this is that any kind of performance is a numerical representation of the efficacy and efficiency of our activities [2]. Thus, more efficient activity of employees can lead to better performance. Employees work efficiently when they are satisfied. Employee satisfaction can be reached by making synergy between employees' ethical value system and the ethical climate of their organization [7]. General studies have shown that customer orientation is positively influenced by organizational commitment, because organizational commitment is more dependent on an organization's overall orientation and public compliance than on an individual's cognitions and beliefs. It follows that the thoughts and behavior of employees toward customers is correlated with the organization's overall performance. As a means to optimize business performance, public compliance, as argued by [8,9], occurs because every employee of the corporate believes they will receive compensation or avoid punishment if they follow the rules.

Many studies have shown that cognitive dissonance occurs in almost every organization when the cognitions of the members differ from the organizational culture of the company. Organizational culture is generally described as "a system of shared values, norms, and assumptions that guide members' attitudes and behaviors and influences how they perceive and react to the environment" [6]. Colquitt et. al. [2] defined organizational culture as "the shared social cognizance within the organization regarding the values, rules, and norms that develop the attitudes and behaviors of its laborers". Thus, organizational culture is a set of rules and norms shared by members of an organization, which may differ from the emotions and values of that individual member. Dissonance can be experienced by organizational members at this point, based on the theory of [8]. Festinger [8] found that people attempt to reduce psychological dissonance by modifying their behavior or perception or by adding new cognitive elements when they have two cognitive elements (idea, thought, belief, etc.,) that are psychologically dissonant. This theory is predicated on the notion that individuals strive for consistency. "Consonance" and "dissonance" are terms used to describe consistency and inconsistency, respectively. This theory suggests that a person who experiences dissonance synchronizes in a way that lessens it or avoids the circumstances that make it worse.

Suppose there are several widespread convictions that the management innovation benefits organizational members. Furthermore, it is assumed that the collective impression and conviction of organizational members that the organizational culture should be favorable to managerial innovation. Will the individual organizational member modify his or her initial attitude and adapt to the collective reason to obtain benefit from this scenario, if his or her thoughts differs from those of the majority? Is there any significant impact of cognitive dissonance and group compliance on business performance? Does public compliance correlate with the degree of cognitive dissonance? What should the organization focus on to increase business performance? How can the organization create positive public compliance if there is a positive relationship with business performance? Do they change their beliefs or attitudes to form public compliance as they gain certain benefits?

The questions mentioned above are taken as research questions, and the purpose of this study is to answer them. It is necessary to determine how the CEO's management action is perceived by the organizational members. It is also vital to examine whether or not the organizational members will see and act contrary to the majority's convictions. Furthermore, it is important to investigate whether changes in cognitive dissonance of an individual influence the degree of compliance with the group majority's perception of compensation. Finally, it is important to define how public conformity and cognitive dissonance affect corporate performance. Therefore, this study hypothesizes that the management activities of the CEO will not be perceived and acted upon by the majority of people in the organization. Moreover, according to the perception of the compensation provided to the group majority, this study tests whether changes in the degree of cognitive dissonance of individual organization members would have a statistically significant impact on the degree of public compliance. Finally, this study explores how the financial and non-financial business performance perceptions of the organization vary as the level of cognitive dissonance and public compliance with the member's collective beliefs increases.

2. Literature Review

2.1. Study on the Cognitive Dissonance in the Service Industry

Similar to cognitive consistency theories such as the theory of balance [10] or the theory of consensus [11], the theory of cognitive dissonance developed by [8] deals with the problem of attitude change. According to Yoon et al. [4], individuals aim to maintain internal harmony of their opinions, attitudes, and values, but it differs from other theories in that the views are solely concerned with inconsistencies after a decision has been made, rather than after opinions, attitudes, and values are formed. Festinger [8] stated that previous acts might influence the views an individual has developed or acquired as a result of his or her previous socialization experiences. Humans attempt to adjust their attitudes in order to maintain consistency in their behavior and attitude [4]. In addition, when attitudes change, they establish new action rules, new attitudes, or new cognitive settings to induce actions that encourage later behaviors [4,8,12].

Despite its relevance to service industries, cognitive dissonance is seldom studied [13]. Several studies have used cognitive dissonance theory to explain consumer behavior in the service industry. Service industries are characterized by intangibility, heterogeneity, inseparability, and perishability, which all contribute to high dissonance levels [13]. Individual self-perception has a strong impact on decisions regarding service consumption (due to perishability). It is more difficult to deal with dissonance when it comes to hedonic/experiential goods, of which travel and hospitality are examples.

A study by O'Neill and Palmer [14] investigated the relationship between cognitive dissonance and service quality. At orientation and four weeks later, college students were measured for cognitive dissonance and service quality. During this period, perceived quality of service declined, whereas cognitive dissonance increased. The two variables exhibited an inverse relationship; that is, the decrease in service quality corresponded to an increase in dissonance and vice versa.

Kim [15] suggested that cognitive dissonance is not only a post-purchase phenomenon but can manifest during a service interaction whenever customers encounter information incongruous with their beliefs. The customer evaluated the services and relationships of the hotel based on a friend's hypothetical negative word-of-mouth about the hotel's service. A positive correlation was found between dissonance and participants' reliance on word-of-mouth (WOM) and hotel engagement, whereas a negative correlation was found between dissonance and trust and value. Repurchase intentions were positively correlated with trust, whereas purchase intentions were negatively correlated with dissonance. Kim [15] found that even for satisfied customers, cognitive dissonance is an important predictor of repurchase intentions.

Tanford and Montgomery [16] examined the impact of WOM on dissonance and post-decision evaluations by manipulating customer reviews. The effect of minority to majority on the dissonance of individuals was also investigated. The results showed that dissonance was the highest under minority influence conditions.

The study of Bose and Sharma [17,18] explored the factors that contribute to cognitive dissonance in consumer decision-making, particularly among those who purchase consumer goods in Khulna. Researchers discovered that family status, religious values, customs, and beliefs are important factors that cause cognitive dissonance among consumers of consumer goods.

The hotel industry is highly dependent on the behavior and attitudes of its employees. Thus, employees' psychological condition plays a crucial role in the service quality, which is a non-financial indicator of evaluating the performance of hotels. Lee and Ok [19] argued that employee emotional dissonance was a major source of their service sabotage in the hotel, and found a positive relationship between the employees' emotional dissonance and service sabotage. Karatepe [20] claimed that hotel emotional dissonance among hotel employees intensifies exhaustion and disengagement, resulting in decline in job satisfaction.

As mentioned above, employee satisfaction is one of the major indicators of hotel management performance evaluation. Furthermore, it is found that hotel employees liked to have a voice in the decisions that affected them and that they responded with positive emotions when they were treated as individual human beings rather than as an undifferentiated mass [7,21]. This means that hotel employees prefer to have their own decisions rather than conforming to the group ideas. Consequently, it proves that there is a relationship between the cognitive dissonance of the hotel employees and group compliance in the hotel. Regarding public compliance, Demarinis [22] argued that when one person attempts to influence another with the intent to bring about conformity with the former's expectations, it is called "role pressure". These role pressures generate internal role forces, which results in psychological conflict. In terms of [8], there is an inconsistency in required behavior, which results in cognitive dissonance [22].

This study tests the relationship between the degree of the cognitive dissonance on public compliance of CEO's management activity in the hotel industry, as well as the effect of cognitive dissonance of individuals and public compliance on the business performance of hotels.

2.2. Cognitive Dissonance in Business Management

While many studies have investigated the relationship between consumer behavior and cognitive dissonance in the service industry, there are limited studies that examined the cognitive dissonance of company workers and public compliance, as well as their impact on business performance. Studies such as Bashir et al. [23] and Shah and Lacaze [24] used cognitive dissonance theory to examine the relationship between work ethic and job satisfaction of employees. According to Grebner et al. [25], cognitive dissonance can be considered a stress factor that negatively affects work results. Because of the cognitive dissonance that occurs in the workplace when employees uphold their moral principles, the employees may become less productive. Shah and Lacaze [24] found cognitive dissonance as a significant moderator in the relationship between Islamic work ethic, and job performance, and job satisfaction such that employee's job performance and job satisfaction become stronger when cognitive dissonance is low rather than high.

Telci et al. [26] argues that cognition dissonance is a psychological concept that helps to understand the psychological processes behind resistance to and adaptation to change at different stages of an organization's transformation, whether the organization is aligned, misaligned, or realigned. The moral misunderstanding between the moral standards of top management and the internal moral standards of employees will lead to moral controversy and cognitive dissonance [27], which will also negatively impact job satisfaction. The top management acts as a referent group for employees and builds the ethical climate in an organization.

As mentioned above, along with its usage in the marketing field, cognitive dissonance is widely used in business management. Nevertheless, the effect of the degree of cognitive dissonance on the management performance of a company has not yet been studied. Especially, in the field of hospitality, there are no studies investigating the relationship between the cognitive dissonance level and the financial and non-financial performance of a company.

2.3. Cognitive Dissonance and Public Compliance

The cognitive element, which is the "beliefs" about diverse events, actions, facts, and objects, is a core unit of the theory of dissonance. Apparently, individuals' beliefs differ from those of a group, leading to cognitive dissonance. Collective rationality can be defined as a group's beliefs, which are lexically an extension of reason [1]. At the moment, however, the rationality of individuals and the rationality of groups need to be viewed differently. It is true that individual behavior leads to collective rationality, but individual rationality is not necessarily the same as collective rationality. In line with this logic, [28] asserts that collective rationality strives to be efficient, but it is not a standard since it responds to a number of different situations. Since the modern era, there has been an emphasis on collective rationality, especially the aspect of instrumental reason including technology or expert knowledge, far beyond the cognitive ability of an individual.

There is an exponential spread in the gap between the beliefs of an individual and those of groups [29]. It is possible for two cognitive components to have a proper or improper connection. Furthermore, if there is no connection between them, their relationship loses its meaning. The dissonant relation and consonant relation are the two categories [8] used to describe the interaction between cognitive elements. According to Festinger's [8] studies, cognitive dissonance is a psychological dissonance caused by two cognitive factors (ideas, thoughts, beliefs, etc.,) that are psychologically discordant. By modifying behavior or cognition, or by adding different cognitive elements, people attempt to reduce the dissonance.

On the premise that individuals want to preserve consistency, the cognitive dissonance theory is established. It refers to coherence as "consonance", while inconsistency is referred to as "dissonance". According to this theory, when there is dissonance, people are synchronized to lessen it or steer clear of circumstances that exacerbate it. A psychological conflict will arise if the person's current action conflicts with an attitude or perspective they have established in the past. By controlling the cognitive dissonance that caused conflict between unstable factors, power will be generated [6,30].

Blackwell et al. [31] suggest that there are three factors that determine the need for resolution when cognitive dissonance occurs. The first thing to consider is how does it relate to the incident that is causing my discomfort (importance)? Second, to what extent it can be affected to eliminate the dissonance (influence)? Third, how much benefit can be expected if dissonant behavior (reward) is tolerated? In particular, when the dissonant occurrence is substantial or when there are several benefits to embrace the dissonant behavior, it is determined to accept and resolve discord simultaneously.

Leaving individual beliefs alone, it is reasonable to conclude that every individual would have his or her own set of beliefs, negating the very notion of shared beliefs and organizational culture to some extent. However, it is general knowledge that through social interaction, people share their views [32], and as a result, they accept, modify, and/or reject different beliefs [33–35]. These behaviors can lead to the emergence of organizational culture in a variety of ways, including complete agreement (e.g., everyone believes the same ideas), complete disagreement (e.g., everyone has a different opinion), and different meta-states (i.e., clusters of agreement of various sizes).

Ellinas et al. [36] suggested that a person may adopt a belief that contradicts their personality due to social conformity. Furthermore, Granovetter [37] demonstrated that individuals are willing to switch behavior if a certain percentage of the people around them already do. This is the point where the cognitive dissonance of individuals appears.

As Festinger [8] asserted, the threat of punishment or the promise of compensation tends to induce public compliance behavior. The greatest dissonance in the experiments of [8] happened when the strength of reward or punishment was merely strong enough to elicit outward activity or expression. The knowledge of the reward or punishment is likely to lead to dissonance with cognitive elements of the seemingly exposed behavior if it does not lead to public compliance behavior. Lee and Chung [38] asserted that cognitive dissonance has a detrimental (−) impact on group cohesion or public compliance. A person would experience psychological conflict and be motivated to resolve the conflict between contradictory aspects generated by cognitive dissonance if a current activity clashes with an attitude they held or the cognition that helped them acquire that attitude [39]. However, there are other thoughts such as Herzberg's two-dimensional theory which states that the existence of money—salary or compensation—does not motivate or create satisfaction, while its absence can create job dissatisfaction [40,41].

Numerous other academics [42–45] also address the root causes of cognitive dissonance and public conformity. But how do cognitive dissonance levels and levels of public conformity relate to one another? When there is a high level of cognitive dissonance, it indicates that a significant gap exists between collective views and individual beliefs. Will the individual fold his convictions and clearly adhere to the collective logic if a reward is provided to the group at this time? On the other hand, will there be more public compliance in face of collective redress if the level of cognitive dissonance is low?

This study proposes that business strategy, organization culture cultivation activity, and management innovation activity of the CEO are not perceived by individual organizational members as being contrary to the beliefs of the majority of the group members. An organization's culture might be more unified and coherent if the collective cognitive dissonance of its members is lower, and holistic thinking might even be encouraged.

It is then established that if there is a collective redress, individuals will fold their beliefs and openly comply with collective rationality even though he or she is in cognitive dissonance with the collective rationality. In order to investigate whether there is any statistically significant correlation between cognitive dissonance and public compliance the following hypothesis is established:

Hypothesis 1. *Individual organizational members' cognitive dissonance levels will statistically significantly affect public compliance when considering the compensation given to the group.*

2.4. Cognitive Dissonance and Public Compliance Affecting Management Performance

Performance is defined as a result of our actions [46]. Often, performance is identified or equated with the effectiveness and efficiency of those actions [47]. Employees' performance, on the other hand, is their contribution to the goals of the organization [48], something that is not only related to the achieved result but also the business conduction [49]. The two main variables that emerge as the most consistent influences on the company's performance are the management of humans and the resources of the company [50]. Various studies, including organizational theory, strategic theory, and industrial organization theory [51], have considered performance as an important dependent variable. Daft [52] makes the case that conventional methods of measuring management performance in businesses apply multiple criteria at once, including those for resource acquisition (environment cognition, bargaining power, change responsiveness, etc.,), output goals (growth, profit rate, market share, resource conversation, financial stability, etc.,), and internal health and efficiency (positive working atmosphere, trust, and strong organizational culture, etc.,). Kamilah and Shafie [53] make it clear that earlier research divided corporate success metrics into financial and non-financial factors. According to Gomes et al. [54] and Ismail and King [55], newer performance measures based on non-financial measures have been more widely applied by organizations over time [56]. Stede et al. [57] claimed that firms with more thorough performance measurement systems, particularly non-financial indicators, had superior overall performance independent of strategy. Stede et al. [57] also showed that non-financial performance metrics are more effective than financial measurements for assisting businesses in putting new initiatives into action and managing them. Duong [58] has described operational performance as a non-financial performance asserting that its main measurement indicators may be product development efficiency, process improvement, quality compliance, and quick lead times.

A hotel company's management success may be regarded as an accomplishment based on a thorough evaluation procedure that considers both financial and non-financial components [59]. Božič and Knežević [59] has indicated that components such as brand equity, employee satisfaction, employee innovativeness, team culture, organizational culture, customer loyalty, customer satisfaction, and service quality can be considered as non-financial components of business management evaluation. Moreover, Mjongwana and Kamala [60] has also claimed indicators like guest satisfaction, guest evaluations of employees' helpfulness, guest evaluations of design, employee turnover rate, and star classification can also evaluate the hotel companies' management performance.

Kocmanova and Docekalova [61] proposed key performance indicators for corporate performance measurement dividing them into three main groups: environmental, social, and financial-economic performance indicators. They represented resource reduction, lower emissions, investments in environmental innovations as environmental indicators, employee satisfaction, safety and health, education, human rights, community, responsibility for products as social indicators, and finally financial performance (income from operations, turnover, sales, revenues, costs, added value, etc.), customer satisfaction, shareholders loyalty as financial-economic indicators. Therefore, they attempted to separate business performance into financial and non-financial performance categories and evaluate each.

In terms of financial components of evaluating company's business performance, Weerathunga et al. [62] has claimed ROA, ROE, CFPFS (comprehensive financial performance score) are the mainly-used measurement to evaluate the financial-performance of the corporate hotels and used these indicators to evaluate the hotel companies' business performance in Sri Lanka. As an outcome indicator of a company's financial condition over a certain period, the financial performance consists of measures of capital adequacy ratio, liquidity, leverage, solvency, and profitability, as well as the collection and use of funds [63]. Many researchers such as Choi [64] use the return on equity (ROE) as a key business outcome indicator, when others such as Ding et al. [65] has used return on assets (ROA) and Tobin's Q when measuring the Corporate Financial Performance.

According to Glomb and Tews [66], dissonance occurs when employees perform their job tasks while suppressing negative emotions and behaving in customer's best interests. They differentiated between the existence of emotional expressions and feelings to define the notion of emotional labor and contend that this has a significant impact on corporate performance. In a study of Singapore managers, Koh and El'Fred [67] found that the cognitive dissonance brought on by the tension between corporate ethics and personal convictions has a major impact on managers' work happiness. A study of new workers, Dechawatanpaisal and Siengthai [68] suggested that the longer it takes to complete practical training, the higher the cognitive dissonance that arises because of the discrepancy between the current views of new employees and the business practice of the organization. In a study of Austrian workers, Southey [69] claimed that cognitive dissonance, which happens when an organizational standard and an internal element of a worker disagree with one another, is the source of undesirable organizational behavior for each worker. Lee and Chung [38] contend that the component influencing non-financial performance in hotel businesses—group cohesiveness—is adversely (−) impacted by cognitive dissonance. Additionally, several researchers have examined the important connections between organizational performance and organizational members' emotional dissonance, job weariness, organizational commitment, and desire to leave [70,71]. This implies that both the financial and non-financial performance of the corporation are significantly impacted by the emotional dissonance of organizational members.

On the other hand, public compliance is believed to have direct impacts on non-financial performance such as employee morale, organizational commitment, and job satisfaction. For example, in a company, if a majority of the company employees agree on any type of decision made by the CEO, there will be consistency between employees' ethical value system and the ethical climate of their organization, meaning that employees feel satisfaction from working in the company [26]. As mentioned above employee satisfaction is a non-financial indicator used in evaluating the management performance of the corporate. Creating synergies in the organization, i.e., promoting cooperation between business units, can be achieved through non-financial performance evaluation [72]. In order to affirm a company's long-term survival in a rapidly evolving marketplace, non-financial metrics including innovation, productivity, new product creation, product quality improvement, and customer service should also be given high priority [73]. According to Jeong and Oh's [74] study, a cook's compliance with the food purchase system significantly affects the non-financial performance of the consigned institutional feeding company. Lee and Lee [75] contend that the CEO's perception of the relationship between corporate citizenship conduct and performance is more closely related to the public compliance of organizational members and has a big impact on non-financial performance, such as the organization's and its members' attitudes. As a result, prior studies have found a connection between a good working environment, trust, and a strong organizational culture—that is, the culture that the group openly promotes—and business success as a metric of business performance for the firm. Therefore, based on the previous research, this study established research hypotheses as below.

Hypothesis 2-1. *The higher the degree of cognitive dissonance, the lower the financial and business performance.*

Hypothesis 2-2. *The higher the degree of cognitive dissonance, the lower the non-financial business performance.*

Hypothesis 3-1. *The greater the degree of public compliance with the members' collective rationality, the better the financial company performance.*

Hypothesis 3-2. *The greater the degree of public compliance with the members' collective rationality, the better the non-financial company performance.*

The above hypotheses are derived following the research model shown in Figure 1 below. Figure 1 below illustrates how these hypotheses are derived.

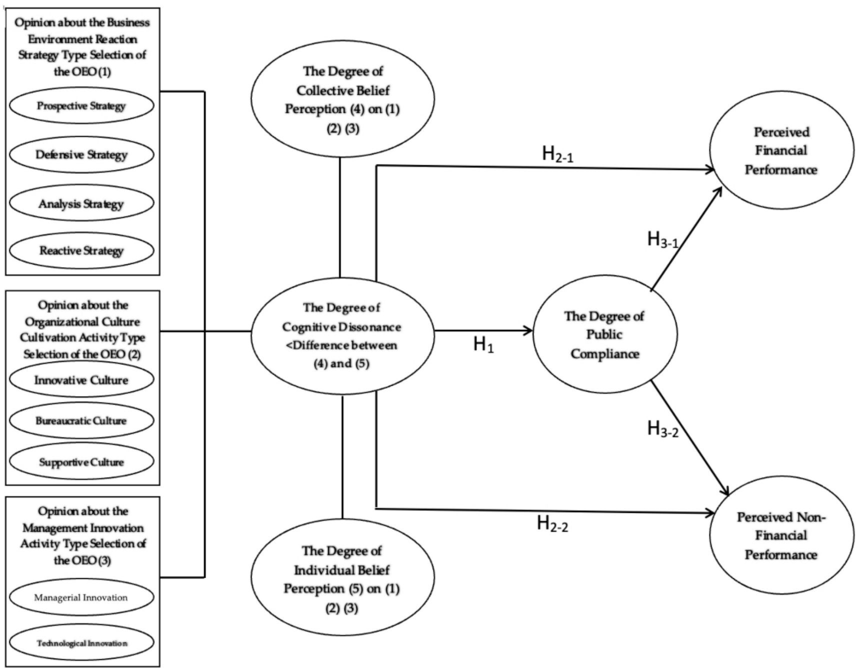

Figure 1. Research model.

2.5. Company's Business Strategy, Organizational Culture, and Management Innovation Activities

A company's business strategy focuses on the firm's work environment. For a company to achieve short, medium, and long-term goals, and organize them to implement the strategies, business strategies are important in determining how to effectively allocate resources according to environmental conditions. Meanwhile, business strategy strives to maintain a balance between internal dynamics of the organization and external changes in the environment [76]. Business strategy is a combination of a win-win action plan designed for the firm's long-term survival and to distinguish it from its competitors through differentiation in performance [77,78] as well as an effort to harmonize its internal capabilities with its external environment [79].

Business strategy structural characteristics are measured using various approaches in the literature. Some most important measurement approaches in this field are the business strategy scales developed by [9,80]. This study used Miles and Snow's [9] measurement approach.

According to Miles and Snow's [9] framework, business strategy can be categorized into four types: opportunistic (prospector) strategies, defensive strategies, analyzer strategies, and reactive strategies. A company's prospective strategy involves continuously exploring new markets, evaluating opportunities, and expanding its product/service network. By using a defensive strategy, the organization is supposed to follow limited and less diverse product/service policies, protect its market position by targeting a specific segment of the market, and strive and pursue to maintain market stability. Analyzer strategy involves imitating the successful applications and ideas in the market to continue the life of the organization. It is related to a type of thought and behavior that is based on copying products and applications from the market (to imitate). A reactive strategy is characterized by an organization having no coherent strategic plan or competitive tool, lacking resources and capabilities, acting quickly to disrupt the play of others, rather than to create a distinctive style of play [81].

Organizational culture is a dynamic, living phenomenon that is created by significant members of the organization, such as executives [82]. Numerous corporate culture typologies have revealed three recurrent cultural aspects [82–84]. These three dimensions emphasize many organizational forms, each of which is a crucial area for our comprehension of how an organization operates. One component that is present in the majority of existing typologies stresses an entrepreneurial orientation, inventiveness, and a risk-taking work environment. This aspect, which is also known as innovation, entails a resourceful and opportunity-seeking atmosphere [85].

The emphasis on rules, regulations, and efficiency is a second recurring element. Organizations with high bureaucratic scores lack flexibility and place a strong focus on formalization and centralization as well as effective performance. Such organizations emphasize consistency and predictability through rules, processes, and clearly defined structures, which improve performance [82].

The emphasis on being supportive of other organizational members is the third factor covered by the majority of culture typologies. A pleasant workplace with nice, fair, and helpful coworkers is offered by organizations with high levels of support [82]. A workplace defined as trustful, safe, supportive, and collaborative environment is embodied by these cultures. Managers operating in this environment encourage honest and open communication among staff members.

Previous literature suggests classifying Management Innovation activities into Managerial Innovation and Technological Innovation activities [86,87]. Managerial innovations arise in the managerial element and affect the management system in the organization and can be divided into organizational structure innovations and human resource innovations [87]. Introducing fresh concepts into organizational systems such as task distribution, authority relationships, communication systems, information and decision-making systems, formal compensation systems, organizational structures, procedures, management techniques, and information and communication systems within the organization is known as organizational structure innovation. Human resource innovation refers to practicing theory to improve corporate management, and it denotes bringing about changes in the organization's personnel. This results in modifications to organizational members' attitudes, actions, convictions, and sense of what is right and wrong, as well as the introduction and use of fresh concepts for the development of human resources [88].

Technological innovation affects the technology system and concerns the lower class that comes into contact with customers, and can be divided into product innovation and process innovation [87]. Product innovation is the development of new products or services or the improvement of existing products in an effort to secure a continuous competitive advantage, and is the way to create new products by changing the product itself, combining existing ideas and technologies, or improving and expanding the product. Process innovation is the improvement of a product manufacturing process or service process [86].

3. Materials and Methods

3.1. Data Collection

This study aims to examine the impact of organizational members' levels of cognitive dissonance and conformity with collective rationality on the CEO's strategic decision, organizational culture, and management innovation activity on business performance. A sample of "5-star" tourist hotels in Seoul was chosen for the study. The survey was conducted on-site. At different levels of the "5-star" tourist hotels in Seoul, questionnaires were distributed by researchers to determine how the employees felt about the company's management overall, including its strategy, culture, and innovation. Depending on self-awareness, everyone might engage in this survey, from workers to managers. Employee assistance was used to conduct visiting research while sampling was carried out utilizing the quota sampling technique, one of the non-probability sampling techniques. Since employee assistance was used to collect the responses, there was no incentives for the completion of the survey. A total of 400 participants were polled throughout the questionnaire study, which ran from 20 April 2021 to 30 July 2021. Of the 400 questionnaires, 392 (98.25%) responses were collected, and 372 replies were selected as the subjects of this study excluding 21 responses that were inappropriate to use due to incorrect or omitted answers.

3.2. Measurement Variables and Questionnaire Composition

Based on the management strategy type of [8], this study categorized the business environment reaction strategy of CEO management activity into defensive, prospective, reactive, and analytical strategy, described the contents of the sentence description formula, and allowed respondents to choose. In this study, the business environment reaction strategy types were comprised of four items, each of which was assessed using a Likert 5-point scale. On the basis of the research of [83], three types of organizational culture were selected for the organization culture cultivation activities: innovative, supportive, and bureaucratic. In this study, organizational culture measurement was conducted at the overall organizational level of the hotel. Using the Likert 5-point scale, organizational culture cultivation activities consisting of 15 items (5 for each kind) were assessed. Based on Kim's [86] study, management innovation activities identified two forms of management innovation: managerial innovation and technology innovation. The management innovation activity consisted of 20 items (10 for each kind) and was scored on a 5-point Likert scale.

Based on the cognitive dissonance model proposed by Festinger [8], the Likert scale was used to assess the opinions of organization members on the type of reaction strategy to the business environment, the type of organizational culture cultivation activity, and of management innovation activity selected by the company CEO. The degree of cognitive dissonance was described as the difference (absolute value) between the average value of all respondents (the degree of collective belief-perception) and the respondents individually (the degree of individual perception). It was assumed that opting for a specific type of business environment reaction strategy, organizational culture cultivation activities, or management innovation activities with a group of organizational members will yield rewards to them. In addition, the study tested the question of "Do you think and act differently when confronted with different opinions and thoughts regarding the type of business environment reaction strategy, organizational culture cultivation activity, and management innovation activity?" using Likert 5-point scale (① I will not change my thoughts and actions, ② I am negative, ③ I am reluctant, ④ I am positive, ⑤ I will actively change my thoughts and actions). As a result, this study conducted a survey to determine whether the person will abandon his or her own views and beliefs in order to act according to the indicated communal perceptions and ideas. The data was obtained from 9 items. The degree of public compliance is represented by the average value of the total respondents for these items.

According to the findings of Kaplan et al. and Sin et al. [89,90], business performance was divided into two categories: financial performance and non-financial performance. Financial performance was broken down into four categories: ROS (return on sales), ROI (return on investment), market share, and sales growth rate [91]. Among the nonfinancial performance measures, customer loyalty, customer intent to revisit, customer satisfaction, and customer lifetime value creation were classified [60]. Thus, the respondents were instructed how to measure and select by subjective judgment the items of the sentence description formula. This study measured respondents' perception of the current CEO's performance in terms of financial performance including total sales, net profit, business profit, room occupancy rate, average room rate, ROI, and market share growth. Meanwhile, non-financial performance rating assessed how respondents evaluate a firm's ability to satisfy and retain customers, improve employee engagement and job satisfaction, reduce employee turnover rates, improve job satisfaction, and motivate employees. There were 14 items on the questionnaire and the Likert scale was used to measure the responses.

The predefined hypotheses of this study were verified using the SPSS 21.0 statistical tool. The demographic variables were examined using frequency analysis. To confirm the validity and reliability of the questionnaire, a scale refining procedure utilizing Cronbach's alpha coefficient was carried out. The effect of each variable included in the research model of this study was examined using regression analysis.

4. Results

4.1. Demographic Characteristics of the Sample

This study conducted a wide range of surveys to investigate the perceptions of the various members of 5-star tourist hotels in Seoul about the overall management, such as corporate strategy, culture, and innovation. We selected 8 "5-star" tourist hotels in Seoul and conducted 50 questionnaires each, and a total of 400 people were surveyed. A total of 400 questionnaires were distributed and 392 copies were retrieved. 372 cases were used for the research data for statistical analysis, excluding 21 cases that were not true or were inappropriate for use due to omission of responses. The demographic characteristics of the survey respondents were analyzed using frequency analysis. The results were as shown in Table 1.

In terms of gender distribution, there were 189 men (50.8%) and 183 women (49.2%) among the research subjects. With 163 (43.8%) respondents in their 30s, 140 (37.6%) in their 20s, 57 (15.3%) in their 40s, and 12 (3.2%) in their 50s, respondents in their 30s had the greatest response rate overall. Following that, 8 "5-star" tourist hotels in Seoul were chosen for the allocated hotels. There were 49 responses from Walkerhill (13.2%), 48 from Park Hyatt Seoul (12.9%), 47 from Grand Ambassador Seoul (12.6%), 47 from Intercontinental Seoul COEX (12.6%), 46 from Lotte Hotel Seoul (12.4%), 46 from Conrad Seoul (12.4%), 45 from JW Marriott Dongdaemun Square Seoul (12.1%), and 44 from Lotte Hotel Word (11.8%). All of the assigned hotel management types were chain hotels, a total of 372 hotels (100.0%). 165 respondents (44.4%) had the largest ratio of 1–5 years throughout the employment time, followed by 75 (20.4%) of 5–10 years. Following this, 51 respondents (13.7%) were with less than a year's worth of experience, 42 respondents

(11.3%) with 15 or more years, and 38 respondents (10.2%) with 10 to 15 years. Job-level data revealed that there were 252 staff (67.7%), 76 assistant managers (20.4%), 21 section chiefs (5.6%), 14 conductors (3.8%), and 9 directors (team leaders). Most frequently, staff (non-managers) and assistant managers were encountered. 154 respondents (41.4%) had income of 100 × 200 million won, 133 (35.8%) had income of 200 × 300 million won, 56 (15.1%) had income of 300 × 400 million won, and 19 (5.1%) had income of 400 × 500 million won, and 10 (2.7%) owned assets over 500 million won. There were a large number of respondents with assets between 100 to 200 million won, followed by those with 200 to 300 million won.

Table 1. Demographic Characteristics.

Item	Division	Frequency (Person)	Ration (%)
Gender	Women	183	49.2
	Men	189	50.8
Ages	20s	140	37.6
	30s	163	43.8
	40s	57	15.3
	50s	12	3.2
Assigned Hotel	Grand Ambassador Seoul	47	12.6
	Lotte Hotel Seoul	46	12.4
	Lotte Hotel World	44	11.8
	JW Marriott Dongdaemun Square Seoul	45	12.1
	Walkerhill	49	13.2
	Intercontinental Seoul COEX	47	12.6
	Conrad Seoul	46	12.4
	Park Hyatt Seoul	48	12.9
Management Form of the Assigned Hotel	Chain Hotel	372	100.0
Class of the Assigned Hotel	Five-Star Hotel	372	100.0
Work Period	Less than a year	51	13.7
	1~5 years	165	44.4
	5~10 years	76	20.4
	10~15 years	38	10.2
	Over 15 years	42	11.3
Job Grade	Staff (Non managerial)	252	67.7
	Assistant manager	76	20.4
	Section Chief	21	5.6
	Conductor	14	3.8
	Director (Team Leader)	9	2.4
Monthly Salary	100~200 million Won	154	41.4
	200~300 million Won	133	35.8
	300~400 million Won	56	15.1
	400~500 million Won	19	5.1
	Over 500 million Won	10	2.7
	Total	372	100.0

4.2. Research Hypothesis Verification Results

4.2.1. Verification of Hypothesis 1

Members of an organization will not act against the beliefs held by the majority in terms of selecting types of management innovation activities, organization culture cultivation activities, and reaction strategies. According to the group majority's perception of the compensation, the degree of public compliance will be affected statistically significantly by the change in cognitive dissonance of individual organizational members.

The public compliance and cognitive dissonance relationship were examined using simple regression analysis in this study. In hypothesis H1, public compliance with business environment reaction strategies, organizational culture cultivation activities, and management innovation activities (dependent variable) was regressed on the predicting variable which is the degree of cognitive dissonance. The analysis results are as shown in Table 2. Public compliance was not significantly impacted by cognitive dissonance as the F = 2.500 and p-value did not satisfy the significance level of $p < 0.05$ ($p = 0.115$). In other words, the degree of cognitive dissonance did not appear to be statistically significant in relation to public compliance. This means that cognitive dissonance is not statistically significant in affecting public compliance, which rejects hypothesis H1.

Table 2. The effect of the degree of cognitive dissonance on the degree of public compliance.

Dependent Variables	**Independent Variables**	**Non-Standardized Coefficient**		**Standardized Coefficient**	**t**	***p*-Value**
		B	**Standard Error**	**Beta**		
The Degree of Public Compliance on	(constant)	3.542	0.046		77.046	0.000
Business Environment Reaction Strategy Type Selection, Organization Culture Cultivation Activity Type Selection, Management Innovation Activity Type Selection	The Degree of Cognitive Dissonance	0.136	0.086	0.082	1.581	0.115

$R = 0.082$, $R^2 = 0.007$, modified $R^2 = 0.004$, $F = 2.500$, $p = 0.115$.

Regardless of the individuals' individual principles and beliefs, it is likely that the individuals within the organization will publicly conform to collective rationality if the organization has collective compensation. This may be related to organizational culture, moreover the culture of the whole society. Therefore, it can be assumed or hypothesized that the degree of public compliance of nations that prioritize collective interests, on the other hand, will differ from nations that prioritize individual interests.

4.2.2. Verification of Hypothesis 2

To investigate how cognitive dissonance affects business performance perception, a simple regression analysis was conducted. The results are shown in Table 3. Outcomes of the regression analysis shows that F = 0.305, and the p-value does not satisfy the significance level $p < 0.05$ ($p = 0.581$). As a result, there was no statistically significant relationship between cognitive dissonance and a sense of financial company performance. In other words, the perception of financial company performance was not significantly affected by the level of cognitive dissonance. Therefore, hypothesis H2-1 was rejected. Statistical analysis revealed no statistical significance between the degree of cognitive dissonance and the perception of non-financial business performance among dependent variables, with F = 1.222 and $p = 0.270$, meaning that there was no statistically significant relationship between the two variables. The non-financial performance of the business company, in other words, is not significantly affected by the level of cognitive dissonance. Therefore, hypothesis H2-2 was rejected.

Table 3. The effect of the Degree of Cognitive Dissonance on Business Performance.

Dependent Variables	Independent Variables	Non-Standardized Coefficient		Standardized Coefficient	t	*p*-Value
		B	Standard Error	Beta		
	(constant)	3.348	0.058		57.758	0.000
Financial Business Performance	The Degree of Cognitive Dissonance	0.060	0.108	0.029	0.553	0.581
$R = 0.029$, $R^2 = 0.001$, Modified $R^2 = -0.002$, $F = 0.305$, $p = 0.581$						
Dependent Variables	**Independent Variables**	**Non-Standardized Coefficient**		**Standardized Coefficient**	**t**	***p*-Value**
		B	**Standard Error**	Beta		
	(constant)	3.406	0.059		57.528	0.000
Non-Financial Business Performance	The Degree of Cognitive Dissonance	0.122	0.111	0.057	1.106	0.270
$R = 0.057$, $R^2 = 0.003$, modified $R^2 = 0.001$, $F = 1.222$, $p = 0.270$						

The results of the regression analysis to confirm the impact of public compliance on the perception of company performance are shown in Table 4 below. $F = 63.900$ ($p = 0.000$) is a statistically significant outcome of a regression analysis on public compliance and financial company performance perception among dependent variables. As a result, the estimated model is significant. Furthermore, the modified $R^2 = 0.146$ implies that the independent variable has a 14.6% explanatory power for the dependent variable. Public compliance was statistically significant at $\beta = 0.483$, $t = 7.994$, $p < 0.001$, and it was found that public compliance had a positive (+) significant effect on financial business performance perception. Accordingly, the higher the perception of financial business performance, the higher the level of public compliance.

Table 4. The Effect of the Degree of Cognitive Dissonance on Business Performance.

Dependent Variables	Independent Variables	Non-Standardized Coefficient		Standardized Coefficient	t	*p*-Value
		B	Standard Error	Beta		
	(constant)	1.635	0.220		7.427	0.000 ***
Financial Business Performance	Degree of Public Compliance on Business Environment Reaction Strategy, Organization Culture Cultivation Activity, and Management Innovation Activity	0.483	0.060	0.385	7.994	0.000 ***
$R = 0.385$, $R^2 = 0.148$, modified $R^2 = 0.146$, $F = 63.900$, $p = 0.000$ ***						
*** $p < 0.001$						
Dependent Variables	**Independent Variables**	**Non-Standardized Coefficient**		**Standardized Coefficient**	**t**	***p*-Value**
		B	**Standard Error**	**Beta**		
	(constant)	1.555	0.222		7.007	0.000 ***
Non-Financial Business Performance	Degree of Public Compliance on Business Environment Reaction Strategy, Organization Culture Cultivation Activity, and Management Innovation Activity	0.528	0.061	0.411	8.675	0.000 ***
$R = 0.411$, $R^2 = 0.169$, modified $R^2 = 0.167$, $F = 75.250$, $p = 0.000$ ***						
*** $p < 0.001$						

According to the results of the regression analysis, the correlation between public compliance and the perception of non-financial company performance among the dependent variables is F = 75.250 (p = 0.000), which is statistically significant. Using the modified R^2 value of 0.167, it can be seen that the independent variable provides 16.7% of the explanation for the dependent variable. Public compliance has a positive (+) significant influence on perceptions of non-financial firm performance, according to statistical analysis (β = 0.528, t = 8.675, $p < 0.001$). Therefore, the perception of non-financial business success will be more apparent with higher levels of public compliance.

Therefore, the hypotheses H3-2 for non-financial business performance and H3-1 for financial company performance are accepted. In other words, perceptions of corporate performance, both financial and non-financial, are higher the higher the amount of public compliance.

5. Discussion

The purpose of this study was to examine the effect of organizational members' levels of cognitive dissonance and collective public compliance on company performance. An empirical analysis was conducted based on previous studies to confirm the effect of organizational members' levels of cognitive dissonance and conformity with public rationality regarding strategic choice, organizational culture, and management innovation activity on company success.

The findings of the studies clarify that the level of cognitive dissonance does not affect the level of public compliance with the selection of business strategy types, organizational culture types, or management innovation activity types of a company. This means that individuals have a high discrepancy in choosing the company's business strategy, organizational culture type, and management innovation activity type, even if they are not likely to resist the collective view in the implementation of corporate decisions. On the contrary, they usually tend to comply with group compliance by adding to the cognition that individuals may get rewarded. However, this contradicts the theory of Herzberg et al. [40], that money is not a real motivator and that the absence of money can create job dissatisfaction, but its existence does not create any satisfaction. Another reason that may reduce the high degree of cognitive dissonance of company workers once they comply with the peer pressure as stated by Ellinas et al. [36]. This result contradicts the research results of Cramton et al. and Lee et al. [33,38] which claimed that as the cognitive dissonance increases, the company's public compliance decreases or vice versa.

It Is established that when a per"on e'periences cognitive dissonance, he or she either corrects the action or perception or adds a new cognitive element, which in turn lessens the dissonance [8], as was described in the problem-posing. Despite having differing opinions from the group, the individual includes the cognitive element that one receives rewards for adhering to prevailing ideas and engaging in public conformity. The findings of this study support the cognitive dissonance hypothesis, which holds that despite individuals' best efforts to keep their cognition and views consistent, they are often persuaded to give them up in order to fit in with the group's strong collective cognition and beliefs. The study does not, however, accept the assumption that the organizational culture is more unified and consistent and that the outcome operates on the basis of holistic thinking as mentioned in the problem-posing in the introduction. According to this study, the level of cognitive dissonance is unrelated to collective compliance. However, collective compliance depends on how much reward is offered to individuals in the event that they modify their opinions.

Second, the findings of a regression analysis between cognitive dissonance level and perceived company performance indicate that neither the financial nor non-financial effects of cognitive dissonance level are statistically significant. Regardless of how severe it is, cognitive dissonance has no impact on a company's performance, either financially or non-financially. These results contradict the findings of Schule et al. [92] which claims that organizational climate is important in achieving a specific organizational outcome (financial performance). Although Schule et al. [92] clarified that not all climate profiles are important factor in achieving better organizational outcomes, all climate shapes should be considered as an important factor because one organizational climate (e.g., climate for service) is resulted by another (e.g., climate for employee welfare). Furthermore, the non-significant relationship between the cognitive dissonance level and non-financial performance of hotel companies is also inconsistent with the results of previous studies [70,71] that employee cognitive dissonance has a significant effect on the job satisfaction and emotional labor.

To improve corporate performance, it is not necessary to regulate the degree of cognitive dissonance. Instead, as evidenced by the findings of the previous hypotheses, business performance can be improved by appropriately rewarding individuals who publicly comply with the group. This will enable them to demonstrate unified cognition, beliefs, or performance of the entire organization in the management field. According to H3-1 and H3-2, the degree of public compliance has a significant positive relationship with business performance. That means the more the public complies with the collective beliefs of its members, the better financial and non-financial performance. This supports the idea of Telci et al. [26], that employees feel job satisfaction if there is a consistency between the employees' ethical value systems. The results of this study can be used to establish and enforce management policies which will result in the desired financial and non-financial results for the entire organization.

6. Conclusions and Implications

The ultimate objective of a company is to achieve financial and non-financial business performance. This type of corporate performance involves the organization's members putting organizational culture, management innovation, and strategy that the CEO has gathered and overseen together into practice. For this reason, the research is based on the premise that "how the organizational members individually and collectively perceive and how their responses and actions will affect the overall business performance". This study confirmed the existence of differences between groups and individuals, and identified it as a cognitive dissonance. It was found that the degree of societal perception or beliefs (public compliance) is not significantly affected by the influence of this cognitive dissonance. Therefore, if a group receives reward or compensation, regardless of individual values and opinions, organizational members will openly comply with collective reason. It appears to be related to corporate culture and also to societal culture in general. In other words, it is possible to construct a new hypothesis that "the degree of public compliance will be different between stated that prioritize the interests of groups and states that prioritize the interests of the individuals".

The overall results of this study are as follows: First, the level of public compliance is unrelated to organizational members' cognitive dissonance with regard to the CEO's management innovation activities, organizational culture, and strategy choices. Second, neither financial nor non-financial performance perception is statistically significantly influenced by cognitive dissonance. Third, even if there is a difference in individual opinions, the degree of public compliance with collective rationality increases in a circumstance where people comply with it. Business performance increases both financially and non-financially during this period.

The implications of this study are as follows: First, in terms of theoretical implications, this is the first attempt to investigate the interaction of the employees' degree of cognitive dissonance and corporate management performance in the service industry. Thus, this study can contribute as an underpinning for future research in this research field. Second, this study can be complementary to the previous literature that analyzed the relationship between the degree of cognitive dissonance and social conformity in different sectors such as [16,38].

Practical implications are explained as follows: From the results of this study, it can be seen that the degree of individuals' cognitive dissonance does not affect public compliance, meaning that the proper compensation is the main factor when public compliance is reached. This point should be taken into account by executives when setting the right compensation. Furthermore, the cognitive dissonance of individual workers does not affect the company's business performance, while public compliance affects both financial and non-financial performance. Consequently, CEOs, managers, and other key stakeholders of the companies, specifically of hotels, should pay more attention to the conformity of different sub-organizations in the hotel to enhance hotel performance. Particularly, it would be better for managers to make sure that all group employees have a positive opinion about it before making a strategic decision.

7. Limitations and Recommendations for Future Research

However, the results should be interpreted with caution because this study is not without limitations. This research focused on the perception and cognition of the organizational members in an industry in one country, specifically in the Republic of Korea. The geographical location and cultural background will affect the perception of organizational members. Future research needs to consider these factors. Moreover, this study selected "5-star" hotels. The results may be different for other types of hotels or service companies. Another topic for future study may be comparing these relationships in different countries or hospitality industry companies such as restaurants, and airline. Finally, future research can investigate the same relationship using strategic decision-making levels such as corporate-level strategy, business-level strategy, and functional strategy rather than using the business strategy selection, organizational culture type selection, and management innovation activity selection.

Furthermore, this study employed a quota sampling, one of the non-probability sampling methods. According to Barendregt et al. [93], non-probability sampling method reduces the reliability of the research study, since it is impossible to determine to what extent the sample group reflects the entire population. For this reason, future studies should use the probability sampling methods, in order to avoid this drawback.

This study determined how the organizational members viewed the CEO's management activities and examined whether or not they would see and act contrary to the opinions of the group majority. Additionally, this study tested whether changes in individual cognitive dissonance have a statistically significant impact on the degree of public compliance according to the public's perception of compensation provided to the group majority. Finally, this study clarified how the degree of public conformity and cognitive dissonance affects the corporate performance.

Author Contributions: Validation, Y.-W.Z. and S.-N.X.; Writing—original draft, W.X.; Writing—review & editing, N.B. All authors have read and agreed to the published version of the manuscript.

Funding: This paper is written under the project of Shanxi Philosophy and Social Science Planning Project, Evaluation and Optimization Countermeasures of Shanxi Tourism Market Based on Markov Model (2019B384).

Institutional Review Board Statement: Not Applicable.

Informed Consent Statement: Not Applicable.

Conflicts of Interest: The authors declare no conflict of interest. The funders had no role in the design of the study; in the collection, analyses, or interpretation of data; in the writing of the manuscript; or in the decision to publish the results.

References

1. Weirich, P. *Collective Rationality: Equilibrium in Cooperative Games*; Oxford University: New York, NY, USA, 2010.
2. Colquitt, J.A.; Lepine, J.A.; Wesson, M.J. *Organizational Behavior: Improving Performance and Commitment in the Workplace*; McGraw Hill Education: New York, NY, USA, 2019.
3. Dilkashini, V.L.; Kumar, S.M. Cognitive Dissonance: A Psychological Unrest. *Curr. J. Appl. Sci. Technol.* **2020**, *39*, 54–60. [CrossRef]
4. Yoon, S.Y.; Suh, S.H.; Kim, H.J.; Hur, T.K. The role of attitude importance in cultural variations of cognitive dissonance. *Korean J. Cult. Soc. Issues* **2013**, *19*, 69–86.
5. Kim, T.G.; Lee, G.H. Structural Relationships among Frontline Hotel Employees' Core Self-evaluations, Perceived Customer Verbal Aggression and Turnover Intention. *Korean J. Culin. Res.* **2012**, *18*, 100–117.

6. Griffin, R.W.; Phillips, J.M.; Gully, S.M. *Organizational Behavior: Managing People and Organizations*, 13th ed.; Cengage Learning Inc.: Boston, MA, USA, 2019.
7. Taylor, F.W. *Scientific Management*; Harper and Brothers: New York, NY, USA, 1911.
8. Festinger, L. *A Theory of Cognitive Dissonance*; Stanford University Press: Stanford, CA, USA, 1962; Volume 2.
9. Miles, R.E.; Snow, C.C. *Organizational Strategy, Structure, and Process*; Stanford University Press: Stanford, CA, USA, 2003.
10. Heider, F. Attitudes and cognitive organization. *J. Psychol.* **1946**, *21*, 107–112. [CrossRef] [PubMed]
11. Osgood, C.E.; Tannenbaum, P.H. The principle of congruity in the prediction of attitude change. *Psychol. Rev.* **1955**, *62*, 42–55. [CrossRef]
12. Aronson, E.; Akert, R.M.; Wilson, T.D. *Sozialpsychologie*; Pearson Deutschland GmbH: Hallbergmoos, Germany, 2010.
13. Bawa, A.; Kansal, P. Cognitive Dissonance and the Marketing of Services: Some Issues. *J. Serv. Res.* **2008**, *8*, 31–51.
14. O'Neill, M.; Palmer, A. Cognitive Dissonance and the Stability of Service Quality Perceptions. *J. Serv. Mark.* **2004**, *18*, 433–449. [CrossRef]
15. Kim, Y.S. Application of the Cognitive Dissonance Theory to the Service Industry. *Serv. Mark. Q.* **2011**, *32*, 96–112. [CrossRef]
16. Tanford, S.; Montgomery, R. The Effects of Social Influence and Cognitive Dissonance on Travel Purchase Decisions. *J. Travel Res.* **2014**, *54*, 596–610. [CrossRef]
17. Bose, T.K.; Sarker, S. Cognitive Dissonance Affecting Consumer Buying Decision Making: A study Based on Khulna Metropolitan Area. *J. Manag. Res.* **2012**, *4*, 191–221. [CrossRef]
18. Sharma, M.K. The impact on consumer buying behavior: Cognitive dissonance. *Glob. J. Financ. Manag.* **2014**, *6*, 833–840.
19. Lee, J.H.; Ok, C.M. Understanding hotel employees' service sabotage: Emotional labor perspective based on conservation of resources theory. *Int. J. Hosp. Manag.* **2014**, *36*, 176–187. [CrossRef]
20. Karatepe, O.M. Do job resources moderate the effect of emotional dissonance on burnout? A study in the city of Ankara, Turkey. *Int. J. Contemp. Hosp. Manag.* **2011**, *23*, 44–65. [CrossRef]
21. Lewin, K. Group decision and social change. In *Readings in Social Psychology*; Swanson, G.E., Newcomb, T.M., Harley, E.L., Eds.; Holt, Rinehart and Winston: New York, NY, USA, 1952; pp. 459–473.
22. Demarinis, S.E. *An Assessment of the Causes of Cognitive Dissonance in the Working Environment of the Hospitality Industry*; MASTER of Science, University of Nevada: Las Vegas, LA, USA, 1994. Available online: https://www.proquest.com/dissertations-theses/assessment-causes-cognitive-dissonance-working/docview/304112080/se-2 (accessed on 19 September 2022).
23. Bashir, A.; Shad, I.; Mumtaz, R.; Tanveer, Z. Organizational ethics and job satisfaction: Evidence from Pakistan. *Afr. J. Bus. Manag.* **2012**, *6*, 2966–2973. [CrossRef]
24. Shah, J.A.; Lacaze, D. Moderating role of Cognitive Dissonance in the relationship of Islamic work ethics and Job Satisfaction, Turnover Intention and Job Performance. In Proceedings of the 29eme Congress AGRH, 2018, Lyon, France, 29–31 October 2018.
25. Grebner, S.; Semmer, N.; Faso, L.L.; Gut, S.; Kälin, W.; Elfering, A. Working conditions, well-being, and job-related attitudes among call center agents. *Eur. J. Work Organ. Psychol.* **2003**, *12*, 341–365. [CrossRef]
26. Telci, E.E.; Maden, C.; Kantur, D. The theory of cognitive dissonance: A marketing and management perspective. *Procedia-Soc. Behav. Sci.* **2011**, *24*, 378–386. [CrossRef]
27. Dozier, J.B.; Miceli, M.P. Potential predictors of whistle-blowing: A prosocial behavior perspective. *Acad. Manag. Rev.* **1985**, *10*, 823–836. [CrossRef]
28. Weirich, P. Does collective rationality entail efficiency? *Log. J. IGPL* **2009**, *18*, 308–322. [CrossRef]
29. Kovác, L. Science, An essential part of culture. *EMBO* **2006**, *7*, 128–132. [CrossRef]
30. Stone, J.; Cooper, J. A self-standards model of cognitive dissonance. *J. Exp. Soc. Psychol.* **2001**, *37*, 228–243. [CrossRef]
31. Blackwell, R.D.; Miniard, P.W.; Engel, J.F. *Consumer Behavior, South-Western*; Thomson Learning: Belmont, CA, USA, 2006.
32. Castellano, C.; Fortunato, S.; Loreto, V. Statistical physics of social dynamics. *Rev. Mod. Phys.* **2009**, *81*, 591. [CrossRef]
33. Cramton, C.D.; Hinds, P.J. An embedded model of cultural adaptation in global teams. *Organ. Sci.* **2014**, *25*, 1056–1081. [CrossRef]
34. Guerra, B.; Poncela, J.; Gomez-Gardeñes, J.; Latora, V.; Moreno, Y. Dynamical organization towards consensus in the Axelrod model on complex networks. *Phys. Rev.* **2010**, *81*, 056105. [CrossRef] [PubMed]
35. Yamanoi, J.; Sayama, H. Post-merger cultural integration from a social network perspective: A computational modeling approach. *Comput. Math. Organ. Theory* **2013**, *19*, 516–537. [CrossRef]
36. Ellinas, C.; Allan, N.; Johansson, A. Dynamics of organizational culture: Individual beliefs vs. *social conformity. PLoS ONE* **2017**, *12*, e0180193.
37. Granovetter, M. Threshold models of collective behavior. *Am. J. Sociol.* **1978**, *86*, 1420–1443. [CrossRef]
38. Lee, J.M.; Chung, G.E. The Study of Relationship between The Person-Organization fit and The Group Cohesiveness of The Mediating Effect of Cognitive Dissonance. *Tour. Res.* **2014**, *39*, 85–106.
39. Jeon, K.W. Tackling the Role Cognitive Dissonance of Public Sector Welfare Professionals: Cause and its Prescription. *Korean J. Political Sci.* **2012**, *20*, 289–322.
40. Herzberg, F.; Mausner, B.; Snyderman, B.B. *The Motivation to Work*, 2nd ed.; John Wiley & Sons: New York, NY, USA, 1959.
41. Gawel, J.E. Herzberg's theory of motivation and Maslow's hierarchy of needs. *Pract. Assess. Res. Eval.* **1996**, *5*, 11.
42. Dickey, M.H. The effect of electronic communication among franchisees on franchisee compliance. *J. Mark. Channels* **2003**, *10*, 111–132. [CrossRef]

43. Silverman, M.G. *Compliance Management for Public, Private, or Non-Profit Organizations*; McGraw Hill Professionals: New York, NY, USA, 2008.
44. Davies, M.A.; Lassar, W.; Manolis, C.; Prince, M.; Winsor, R.D. A model of trust and compliance in franchise relationships. *J. Bus. Ventur.* **2011**, *26*, 321–340. [CrossRef]
45. Young, O.R. *Compliance and Public Authority: A Theory with International Applications*; Routledge: New York, NY, USA, 2013.
46. Folan, P.; Browne, J.; Jagdev, H. Performance: Its meaning and content for today's business research. *Comput. Ind.* **2007**, *58*, 605–620. [CrossRef]
47. Neely, A. *Business Performance Measurement*; Cambridge University Press: Cambridge, UK, 2002.
48. Baum, J.R.; Wally, S. Strategic decision speed and firm performance. *Strateg. Manag. J.* **2003**, *24*, 1107–1129. [CrossRef]
49. Cho, D.S. *Strategic Management*; Seoul Economics, and Management: Seoul, Korea, 2013.
50. Boyne, G.A. Sources of public service improvement: A critical review and research agenda. *J. Public Adm. Res. Theory* **2003**, *13*, 367–394. [CrossRef]
51. An, J.I.; Choi, J.G.; Hwang, S.A. The Effects of Strategic Alliance Motivations between Hotel Companies on Alliance Decisive Factors, Operations Conditions, and Business Performance. *Korean J. Hotel Adm.* **2012**, *21*, 87–105.
52. Daft, R.L. *Organization Theory and Design*; Cengage Learning: Boston, MA, USA, 2015.
53. Kamilah, A.; Shafie, M.Z. The Application of Non-Financial Performance Measurement in Malaysian Manufacturing Firms. In Proceedings of the 7th International Economic & Business Management Conference, Qingdao, China, 15–17 October 2016.
54. Gomes, C.F.; Yasin, M.M.; Lisboa, J.V. An examination of manufacturing organizations' performance evaluation; Analysis, implications and a framework for future research. *Int. J. Oper. Prod. Manag.* **2004**, *24*, 488–513. [CrossRef]
55. Ismail, N.A.; King, M. Factors influencing the alignment of accounting information systems in small and medium-sized Malaysian manufacturing firms. *J. Inf. Syst. Small Bus.* **2007**, *1*, 1–20.
56. Sajilan, S.; Tehseen Sh Yafi, E.; Ting, X. Impact of Facebook Usage on Firm's Performances among Malaysian Chinese Reatilers. *Glob. Bus. Financ. Rev.* **2019**, *24*, 45–62. [CrossRef]
57. Van der Stede, W.A.; Chow, C.W.; Lin, T.W. Strategy, choice of performance measures, and performance. *Behav. Res. Account.* **2006**, *18*, 185–205. [CrossRef]
58. Duong, N.H. Relationship of Social Sustainability, Operational Performance and Economic Performance in Sustainable Supply Chain Management. *Glob. Bus. Financ. Rev.* **2022**, *27*, 46–64. [CrossRef]
59. Božič, V.; Knežević, C.L. What Really Defines the Performance in Hotel Industry? *Managers' Perspective Using Delphi Method. Econ. Bus. Rev.* **2018**, *20*, 375–394. [CrossRef]
60. Mjongwana, A.; Kamala, P.N. Non-Financial performance measurement by small and medium-sized enterprises operating in the hotel industry in the city of Cape Town. *Afr. J. Hosp. Tour. Leis.* **2018**, *7*, 1.
61. Kocmanova, A.; Docekalova, M. Corporate sustainability: Environmental, social, economic and corporate performance. *Acta Univ. Agric. Silvic. Mendel. Brun.* **2011**, *59*, 203–208. [CrossRef]
62. Weerathunga, P.R.; Cheng, X.; Samarathunga, W.H.M.S.; Jayathilake, P.M.B. The Relative Effect of Growth of Economy, Industry Expansion, and Firm-Specific Factors on Corporate Hotel Performance in Sri Lanka. *SAGE Open* **2020**, *10*, 2158244020914633. [CrossRef]
63. Fatihudin, D. How measuring financial performance? *Int. J. Civ. Eng. Technol. (IJCIET)* **2018**, *9*, 553–557.
64. Choi, J.G. Hotel General Managers' Strategic Management Process in Korea and Japan. *Korean J. Bus. Adm.* **2011**, *24*, 3333–3350.
65. Ding, L.; Yang, Y.; Chung, Y. Effects of Corporate Social Performance on Corporate Financial Performance: A Two-sector Analysis between the U.S. Hospitality and Manufacturing Companies. *Glob. Bus. Financ. Rev.* **2018**, *23*, 47–62. [CrossRef]
66. Glomb, T.M.; Tews, M.J. Emotional Labor: A conceptualization and scale development. *J. Vocat. Behav.* **2004**, *64*, 1–23. [CrossRef]
67. Koh, H.C.; El'Fred, H.Y. The link between organizational ethics and job satisfaction: A study of managers in Singapore. *J. Bus. Ethics* **2001**, *29*, 309–324. [CrossRef]
68. Dechawatanapaisal, D.; Siengthai, S. The impact of cognitive dissonance on learning work behavior. *J. Workplace Learn.* **2006**, *18*, 42–54. [CrossRef]
69. Southey, K. A typology of employee explanations of misbehavior: An analysis of unfair dismissal cases. *J. Ind. Relat.* **2010**, *52*, 81–102. [CrossRef]
70. Jeong, K.S.; Choi, S.J.; Park, M.O.; Park, Y.L. The Effects of Customer Service Representatives' Emotional Labor by Emotional Display Rules on Emotional Dissonance, Emotional exhaustion and Turnover Intention in the Context of Call Centers. *Korean J. Bus. Adm.* **2015**, *28*, 529–551.
71. Choi, W.S.; Ha, J.H. The Causal Relationships Among Emotional Dissonance, Job Burnout, Organizational Commitment, and Counterproductive Work Behavior of Secondary School Physical Education Teacher. *J. Coach. Dev.* **2017**, *19*, 39–48.
72. Hwang, J.W.; Kwon, K.H. Implementation of synergy: HQ's choice of intervention modes for resource sharing among SBUs. *Korean Manag. Rev.* **2012**, *41*, 231–258.
73. Kim, J.Y. The Effects of SMEs' Collaboration with Large Enterprises on Company Performance: Focusing on Moderating Effect of Entrepreneurship and Market Orientation. *Korean Corp. Manag. Rev.* **2013**, *20*, 169–190.
74. Jeong, W.Y.; Oh, Y.S. The Impact of Kitchen Employees' Perception of a Food Purchasing System on Non-Financial Performance in a Contract Food Service Company: Focused on Taegu, Gyeongbuk Area. *Korean J. Culin. Res.* **2012**, *18*, 46–57.

75. Lee, J.S.; Lee, H.B. The Mediating Effect of the Organizational Citizenship Behavior on the Relationships of the Vision Creation and the Performance. *Korea Ind. Econ. Assoc.* **2013**, *26*, 2875–2902.
76. Zajac, E.J.; Kraatz, M.S.; Bresser, R.K. Modeling the dynamics of strategic fit: A normative approach to strategic change. *Strateg. Manag. J.* **2000**, *21*, 429–453. [CrossRef]
77. Simerly, R.L.; Li, M. Environmental dynamism, capital structure and performance: A theoretical integration and an empirical test. *Strateg. Manag. J.* **2000**, *21*, 31–49. [CrossRef]
78. Tan, J.; Tan, D. Environment–Strategy co-evolution and co-alignment: A staged model of Chinese SOEs under transition. *Strateg. Manag. J.* **2005**, *26*, 141–157. [CrossRef]
79. Amitabh, M.; Gupta, R.K. Research in strategy–structure–performance construct: Review of trends, paradigms and methodologies. *J. Manag. Organ.* **2005**, *16*, 744–763. [CrossRef]
80. Venkatraman, N. Strategic orientation of business enterprises: The construct, dimensionality and measurement. *Manag. Sci.* **1989**, *35*, 942–962. [CrossRef]
81. Tasgit, Y.E.; Ergun, E. Corporate Culture and Business Strategy: Which strategies can be applied more easily in which culture? *Int. J. Bus. Soc. Sci.* **2017**, *8*, 80–91.
82. Berson, Y.; Oreg, S.H.; Dvir, T. CEO values, organizational culture and firm outcomes J. *Organ. Behav.* **2007**, *29*, 615–633. [CrossRef]
83. Kotter, J.P.; Heskett, J.L. *Corporate Culture and Performance*; Free Press: New York, NY, USA, 1992.
84. Tsui, A.S.; Zhang, Z.X.; Wang, H.; Xin, K.R.; Wu, J.B. Unpacking the relationship between CEO leadership behavior and organizational culture. *Leadersh. Q.* **2006**, *17*, 113–137. [CrossRef]
85. Ireland, R.D.; Hitt, M.A.; Sirmon, D.G. A model of strategic entrepreneurship: The construct and its dimensions. *J. Manag.* **2003**, *29*, 963–989.
86. Kim, S.K. Management Innovation and Corporate Performance: Moderating Effects of Network Organizations. Doctoral Dissertation, The Graduate School of Pusan National University, Busan, Korea, 2007.
87. Damanpour, F. Organizational Innovation: A Meta-Analysis of Effects of Determinants and Moderators. *Acad. Manag. J.* **1991**, *34*, 555–591. [CrossRef]
88. Song, K.S. Typological characteristics and performance of innovative small firms in Korea. Doctoral Dissertation, KAIST, Daejeon, Korea, 1994.
89. Kaplan, R.S.; Norton, D.P. Using the balanced scorecard as a strategic management system. *Harv. Bus. Rev.* **1996**, *74*, 49–60.
90. Sin, L.Y.M.; Tse, A.C.B.; Yau, O.H.M.; Lee, J.S.Y.; Chow, R. The effect of relationship marketing orientation on business performance in a service-oriented economy. *J. Serv. Mark.* **2002**, *16*, 656–676. [CrossRef]
91. Grofcikova, J. Impact of selected determinants of corporate governance of financial performance of companies. *Ekon.-Manaz. Spektrum* **2020**, *14*, 12–23. [CrossRef]
92. Schule, M.; Ostroff, C.; Shmulyian, S.; Kinicki, A. Organizational Cliate Configurations: Realtionships to Collective Attitudes, Customer Satisfaction, and Financial Performance. *J. Appl. Psychol.* **2009**, *94*, 618–634. [CrossRef] [PubMed]
93. Barendregt, C.; Poel, A.V.D.; Mheen, D.V.D. Trcing Selection Effects in Three Non-Probability Samples. *Eur. Addict. Res.* **2005**, *11*, 124–131. [CrossRef] [PubMed]