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# THE RELATIONSHIP AMONG TRANSFORMATIONAL LEADERSHIP STYLE, MARKETING RESOURCES AND CAPABILITIES, AND PERFORMANCE FOR INTERNATIONAL TOURIST HOTELS IN TAIWAN

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## ABSTRACT

*In Taiwan, tourism industries are the most important annual plans of country development. Confronted with the high competitive environment, organization should reinforce manager's leadership for facing the challenge of multi-factors and rapid change. In order to keep sustainable development and growth, managerial implementation is the critical in tourism industry. The purpose of the current study is to demonstrate the relationship among transformation leadership style, marketing resources and capabilities, competitive strategy, and performance in international tourist hotels. The result of the current study can suggest strategic directions for international hotels in terms of applying transformation leadership style, and promoting marketing resources and capabilities. Implications of these findings for international tourist hotels implementations as well as future research directions are subsequently discussed.*

**Keywords:** *International tourist hotel, transformation leadership style, marketing resources and capabilities, performance*

## Introduction

Around the world, tourism industry is treated as the most important industry in 21 century. Developing tourism industry aids to gain foreign exchange, to raise the national economic, and to promote cultural exchange, so Taiwan government is devoted to strengthen tourism industry. In order to keep sustainable development and growth, managerial implementation is the critical in tourism industry. In Taiwan, tourism industries are the most important annual plans of country development. Confronted with the high competitive environment, organization should reinforce manager's leadership for facing the challenge of multi-factors and rapid change. Through transformation leadership style, organization could promote problem-solving capabilities, productivity, and performance. Besides, it is a critical issue to confirm the inner marketing resources and capabilities, and to enhance the operation conditions, so as to improve service quality and competitive advantage in international tourist hotels.

Leadership is a critical for success in organization (Bennis & Nanus, 1985). In 21st century, leadership effectiveness leads to competitive advantage for organization. Enhancing the leadership behavior of managers for diversified and rapid competitive environment, the main task to leaders is managerial innovation for organization normal conditions (Kotter, 1996; Nadler & Tushman, 1990), so as to capture sustainable competitive advantage and niche for survival. And, transformational leadership managers could bring their special behavior or attitude into full play for inspiring the subordinate's demand level, and sacrifice their benefit for transforming individual and organization, so as to create more effectiveness for organization (Burns, 1978; Bass, 1985). The transformational leadership both impacts perceptions of leadership effectiveness and subordinate satisfaction, and clarifies the direction and mission of the organization (Hinkin & Tracey, 1994). Besides, based on society identification theory, leaders promote condensation among organization, and transform the members in organization with visions and stimulus to improve individual identification for organization goal (Smith & Wang, 1996). However, transformational leadership managers have forceful vision and personal charisma with stimulating leader behavior, and influence subordinates imperceptible to surpass anticipate performance (Hunt, 1991). Transformational leadership theory is treated as critical to universal competitive environment and innovation pressure for organization.

In international tourist hotel, managers lead managerial function in organization. By allocating the specific resources and capabilities, and making the competitive strategy, they guide front-line employees' performance to achieve organization goal. The leadership style of managers effects organization goal and managerial implementation. Due to capture the profit, managers should elaborate the specified resources and capabilities and managerial expenses. Grounded in resource-based view (RBV), in recent years, many studies explore that marketing resources and capabilities play the role on the competitive advantage and managerial performance. By allocating the specific marketing resources and capabilities, the organization could obtain the competitive market proposition. However, based on RBV, the competitive advantage depends on the specific marketing resources and capabilities (Hooley et al., 2005; Srivastava et al., 1998; Barney, 1991). Besides, it is the key factor for competitive advantage to realize the differentiation of marketing resources and capabilities, and the effectiveness of allocation to improve the managerial performance. Recent years have seen much interest in the role of marketing resources in contributing to creating a competitive advantage and thus enhancing firm performance. By leveraging marketing resources, firms should gain a more competitive market position. Therefore, based on RBV, it is suggested that competitive advantage originates in proper resource deployment resources better than competitors (Barney, 1991; Hooley et al., 2005; Srivastava, Christensen, & Fahey, 1998). That is, firms should allocate resources appropriately to generate reasonable benefits, and thus further enhance their competitive advantage.

However, facing the extremely difficult competitive environment, the current main task of international hotel managers is to identified the specific marketing

resources and capabilities, and realize the interactive relationship among marketing resources and capabilities. From the above discussions about competitive advantages, it is not difficult to comprehend the unique role of the marketing and utilization of specific resources and capabilities of firms and why they have helped organizations to achieve and sustain a competitive advantage. Undoubtedly, ventures should bring their resources and capabilities further into play, and should transform them into utilities by marketing strategies. Despite the importance of the competitive advantage to the hospitality industry, little empirical support exists for its effectiveness and attractiveness. Therefore, the current study applies the RBV to investigate performance in the hospitality industry.

Since 1980, many researches discuss how the leaders' emotion and symbolizing meanings affect the subordinates, specially emphasizing the organization benefit and goal (Yukl, 2001). In recent leadership issues, the results of many studies indicated that transformational leadership would positive effect on work attitude and behavior, included work satisfaction, commitment, trust, work performance, and intention for turn-off (Bass et al., 2003; House & Aditya, 1997; Leithwood et al., 1994; Bass & Avolio, 1990). Additionally, transformational leadership emphasizes that individual need to encourage present the innovation idea and thinking via overthrowing traditional methods for improving work performance (Bass & Avolio, 1990), and managerial performance (Menguc et al., 2007). Transformational leadership widely affects on organization, especially on work performance in service encounter. But, no study investigates how transformational leadership affects marketing resources and capabilities which are present in service behavior by organization members.

Many studies explored that transformation leadership style and marketing resources and capabilities play an important role on competitive advantage and managerial performance. Applying the transformation leadership style and allocating marketing resources and capabilities, enterprises capture their most competitive position in market. However, the transformation leadership style is the crucial for marketing resources and capabilities; it affects the performance of marketing resources and capabilities. Further, the competitive advantage of enterprise depends on the specific marketing resources and capabilities better than other competitors. Due to marketing resources and capabilities, the enterprise distinguished from other competitors. Deploying the marketing resources and capabilities, the enterprise achieves need of customer in the specific situation, so as to capture competitive advantage and performance.

The most important task for international tourist hotels is to elaborate the transformation leadership style and confirm the specific marketing resources and capabilities. A few studies demonstrated that the transformation leadership style and marketing resources and capabilities played the critical roles on operation performance. The purpose of the current study is to demonstrate the relationship among transformation leadership style, marketing resources and capabilities, competitive strategy, and performance in international tourist hotels. Hence, the result of the current

study can suggest strategic directions for international hotels in terms of applying transformation leadership style, and promoting marketing resources and capabilities. Implications of these findings for international tourist hotels implementations as well as future research directions are subsequently discussed.

## Literature Review

### *Transformational Leadership Style*

Leadership is defined as that man, is the leader, attempt to affect the individual or organization under the particular condition for approaching goal. The leaders play the critical roles whether organization could be success or not (Bass, 1985; Daft, 2002). However, how to make members perform respectively and appropriately for organization goal is the key success factor (Kirkpatrick & Locke, 1991). Moreover, the mission of leaders in business is to promote teamwork and to pursue contribute for organization. Generally, the effects for leadership attribute to be accepted, trusted, and respected, so that leadership behavior should not threaten and force someone to work upon. For organization, in the meanwhile, leaders possess formal authority position, so it is necessary to reach the effective leadership.

In general, leadership studies are divided as trait theory, behavior theory, and contingency theory (Robbins, 1998), and then the critical factors are leaders' traits, characteristic, psychology, and intelligent (Robbins, 1998). Transformational leadership is a leadership style which make the members' mind changes absolutely, and commit to organization's goal, task and mission (Yukl, 2001). Also, transformational leadership is called concerned and sympathy leadership style. Bass & Avolio (1990) pointed transformational leadership features included trust between subordinates and superintendent, action for goal, flexibility, self-awareness, and well-performance, such as charisma (CH); and self-growth, development and achieve demand, such as intellectual stimulation (IS); and excite subordinates to increase activity for their own benefit and organization profit, such as inspirational motivation (IM); and support and encourage individual chance for development and growth during work, such as individualized consideration (IC). From the above discussions about transformational leadership style, it is important for leaders to recognize necessity to transformation and to draw up the vision. Then, adapting to changes in the environment, leaders should guide their subordinates by communication and inspire to reach organization goal.

Transformation leadership could promote interact between subordinates and superintendent so as to develop leadership effectiveness. The transformation leadership style shows leaders would be respected, admired and trusted (Bass et al., 2003). And, between subordinates and superintendent there have more toleration and connection, and the trust and commit surpass the contract and agreement (Jung & Avolio, 1999). Transformational leaders would stimulate their subordinates to plan and to complete their work in the future by optimistic and rational viewpoint (Benjamin & Flynn, 2006). Burns (1978) also pointed that transformational leadership would

promote employee's demand level to stimulate their potential, and make them take responsibility, so as to reach organization goal and self- fulfillment. Hence, this study adopted transformational leadership concept developed by Bass & Avolio (1994), included inspirational motivation (IM), intellectual stimulation (IS), individualized consideration (IC), and charisma (CH).

### ***Marketing Resources and Capabilities***

Following the increased focus of the RBV on competitive research, the strategic capacity, defined as enduring resources and capabilities, is potentially more sustainable than that based solely on product and market positioning (Brewer & Hensher, 2001). Resources and capabilities that are valuable, rare, inimitable, and nonsubstitutable (Barney, 1991) have enabled businesses to develop and maintain a competitive advantage, and to utilize their resources and competitive advantages for superior performance (Srivastava et al., 2001; Wernerfelt, 1995). Additionally, resources for competitive advantage would be viewed as those that possess the combined traits of enabling the provision of superior customer value, being difficult for competitors to duplicate, and whose value could be appropriated by organizations (e.g. Barney, 1991; Collis & Montgomery, 1995; Dierickx & Cool, 1989).

Also, those influences on competitive advantage could be of two broad types: resources and capabilities. Resources could represent assets controlled by the firm that were used as inputs to organizational processes, including experiential resources, scale of operations, financial resources and physical resources (Kaleka, 2002). Furthermore, capabilities could concern organizational ability to combine, develop and use resources to create a competitive advantage, including use of information, customer relationship building, product development and supplier relationship building.

The market-based assets met both criteria of marketing-specific and the desired RBV attributes (Srivastava et al., 1998). They divided marketing resources into relational market-based assets and intellectual market-based assets. The relational market-based resources were associated with external organizations that would be not owned or fully controlled by the firm, including relationships with and perceptions held by external stakeholders such as customers, channels, strategic partners, and ecosystem. The intellectual market-based resources associated with internal and entrenched assets residing within the firm's boundaries included kinds and levels of environmental knowledge, know-how for leveraging intra-organizational relationships, and process-based capabilities, such as market innovation know-how and customer relationship management (Srivastava et al., 2001). Besides, the Scandia AFS intellectual mode was divided into three types of intellectual capabilities, including human capital which referred to employee knowledge, technology, capabilities, and experience of the organization; structural capital, which referred to patent data, publication and process of the organization; and customer capital, which referred to the relationship between the organization and its customers (Lin, 2005). From the above discussions, not all resources and capacities could be owned or fully controlled by the organization.

Furthermore, many of the resources underpinning marketing activities and potentially significant for generating an advantage are classified as resources with a market value or marketing resources, including market-based resources and marketing support resources. The market-based resources are those that could be immediately deployed in the marketplace to create or maintain a competitive advantage, including customer-linking capabilities (CLC), market innovation capabilities (MIC), human assets (HA) and reputational assets (RA); simultaneously, the marketing support resources primarily supported marketing activities and contributed indirectly to a competitive advantage, and included managerial capabilities (MC) and market orientation (Hooley et al., 2005). Notably, market orientation should affect market-based resources via MC, and thus impact firm performance; notwithstanding market orientation would be treated as a deeply embedded cultural facet of firms and formed a distinctive resource (Desphande & Webster, 1989; Hunt & Morgan, 1995).

Hotels belong to a typical service industry, offering individual services for travelers (Tsaur, Cheng, & Wu, 2004; Tsaur, Lin, & Wu, 2005). Regarding competitive resources and capabilities of a hotel, they can be classified as follows: MC, CLC, market innovation, HRA, and RA. MC could be identified as inside-out capabilities (Day, 1994), and were usually treated as a traditional business function for operation management which included the production and delivery of goods and services involving the transformation of raw inputs into valuable outputs (Hammer & Champy, 1993). With regard to CLC, the main market-based resources of any organization are the outside-in or customer-linking capabilities included the abilities to identify customer wants and requirements together with the capabilities to create and build appropriate customer relationships (Day, 1994; Hooley et al., 2005). Market innovation indicated the ability to launch innovative products or services, and these capabilities need linkages through functions, relying on firm tacit skills and know-how, and firm innovation is difficult for competitors to duplicate (Han, Kim, & Srivastava, 1998; Hooley et al., 2005). However, market innovation had to be part of the strategy of the organization so as to emphasize the important role of innovation (Vermeulen, De Jong, & O'shaughnessy, 2005).

The hotel industry is labor intensive, and requires numerous employees to provide and deliver tailored service to travelers, and thus the human resource management needed is concerned with developing the human potential of hotel employees to achieve customer satisfaction and organizational goals (Patterson, West, Lawthom, & Nickell, 1990). Additionally, organizations of a large scale could allocate more human resources to customer service-related functions (Bonaccorsi, 1992). Finally, in relation to RA, it is based on the reliability and reputation of hotels among customers, suppliers and distributors. In addition to intangible resources and capabilities, RA are also critical assets for creating sustainable competitive advantage. Reputation and brand take time to develop, are intrinsically complex, have difficulty in adding value for customers, help create defensible competitive positions with difficulty of duplication by competitors (DeChernatony & MacDonald, 1992; Hooley et al., 2005).

This study adopts an epistemological perspective towards RBV and argues that practitioners should inspect their own resources, and allocate their limited competitive resources for controlling managerial implementation, including MC, CLC, MIC, HRA, and RA. However, not all resources are equally important in creating a competitive advantage (Barney, 1991). Practitioners should re-check internal organizational growth, and face the critical problem of a lack of competitiveness owing to the neglect of internal core resources and capabilities, not the change of the environment.

### ***Performance***

In general, "performance" is treated as goal fulfillment for managerial implementation. Szilagy (1988) proposed that performance is the final entirety conception, and Lebas (1995) treated performance as the measurement to complete the organization goal. But, Galbraith & Schedel (1983) pointed that the performance measurement for managerial implementation is complex and widely. From the above discussions about business management, the aim of business is to make survival and growth under competitive environment, and the performance refers to complete the final certain goal. The measurement for performance could evaluate the efficiency and effectiveness for marketing resources and capabilities allocation, and according to managerial defects, managers could make sure the marketing resources and capabilities allocation appropriately. Moreover, Erdogan et al. (2001) stated that managerial performance could be assessed by measured operation performance and employee performance. In addition, before conducting the performance assessment, it should be considered to how to assess effectively, and have to avoid the discrepant measurement institution.

De Beer & Van de Ven (1980) pointed that the most important criteria included ROI, sale revenue, and profits. Quinn & Rohrbaugh (1983) divided managerial performance into focus of organization, organization structure preference and pursuit of achievement. Kast & Rosenzweig (1985) argued that performance should include effectiveness, efficiency and participant satisfaction. Venkatraman & Ramanujam (1986) pointed other performance, such as financial performance, operational performance and organizational effectiveness. Narver & Slater (1990) adopted financial performance to discuss the market-orientation and managerial performance. Dyer & Reeve (1995) divided performance into manpower, organization and financial aspects. Lumpkin & Dess (1996) pointed the traditional accounting measurement and non-financial measurement. Lusch & Brown (1996) used the sale growth, increased returns, profitability, employee productivity and cash flow to measure managerial performance. Madu (1996) divided organization performance into customer satisfaction, employee satisfaction, productivity, cost, competitive capabilities, sale growth, market share and profitability.

In addition, Menguc et al. (2007) explored the business managerial performance for efficiency and effectiveness. Zhou, Brown, & Dev (2009) discussed the organization's market performance and financial performance. The business performance is the

critical issue for managers in organization, and they apply outside and inside related resources and capabilities to improve performance, so as to reach the organization goal. There have many performance assessment approaches, and all of them focus on improving managerial administration for promoting the business competitive advantage. Besides, Zhou, Brown, & Dev (2009) pointed the market performance and financial performance. Hence, the current study adopted market performance, financial performance and organizational performance.

## **Methodology**

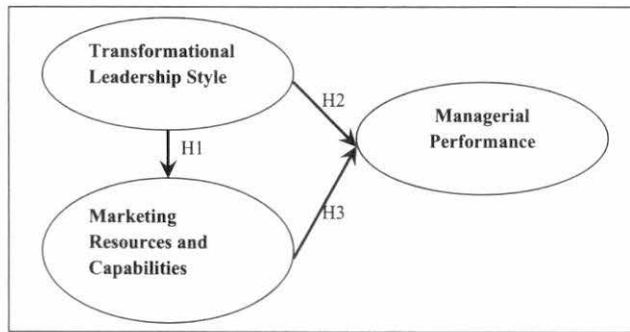
### ***Samples and Data Collection***

The purpose of this study is to explore the relationship among transformational leadership style, marketing resources and capabilities, and performance. For testing hypotheses, we collected data from supervisors included managers, assistant managers, supervisor and shift leader in several departments including guest division, restaurants, room division, human resource division, and public relationship division which belong to international tourist hotel in Taiwan. Before collecting data, we pre-tested our questionnaire with a sample of 30 superintendents from the international tourist hotel. By the pre-test, several items were revised and some changes were made to the questionnaire format. To initiate a sample, the general manager was contacted with a goal of obtaining the support, and he agreed to participate by providing a complete mailing list of department managers' names and hotel addresses. 63 survey packets were mailed to each department manager. There contained 10 supervisor surveys, instructions, and postage-paid envelopes in each packet. Those supervisors were asked about their levels of transformational leadership style, marketing resources and capabilities and managerial performance. One month after the initial mailing, a second wave of the same materials was mailed. All questionnaires were returned directly to the researchers. A total of 630 questionnaires were distributed. 222 respondents completed useable questionnaires giving a response rate of 35.24%.

### ***Measurement & the Conceptual Framework***

According to the purpose of this study, the conceptual framework is shown as figure 1. The conceptual framework is set up to present the relationship among transformational leadership style, marketing resources and capabilities, and managerial performance in the international tourist hotel. The purpose of this study is to explore whether leaders' transformational leadership style affects the marketing resources and capabilities, and whether both of transformational leadership style and marketing resources and capabilities affect the managerial performance in the international tourist hotel. After reviewing the related literature, leaders' transformational leadership style refers to promote the level of employee demand and stimulate employee potential, so as to make employee take more responsibilities and to reach organization's goal, included motivation (MO), intellectual stimulation (IS), individualized consideration (IC), and charisma (CH) (Menguc et al., 2007; Bass & Avolio, 1994).





**Figure 1 : The Concept Framework**

In aspect of marketing resources and capabilities, it refers to the specific related resources and capabilities used for marketing activity. This study adopts the marketing resources and capabilities proposed by Hooley et al. (2005), included managerial capabilities (MC), customer linking capabilities (CLC), market innovation capabilities (MIC), human assets (HA) and reputational assets (RA) (Lin & Wu, 2008; Lin et al., 2009). In aspect of managerial performance, it refers to the assessment for goal achievement in managerial implementation in the international tourist hotel. This study adopts the managerial performance proposed by Zhou et al. (2009), included market performance (MP), financial performance (FM) and organizational performance (OP). To remain consistent with previous research, the measures were taken or adapted from previous studies. All items were measured on five-point Likert-type scale, where 1=definitely disagree and 5=definitely agree.

For managerial implementation in international tourist hotel, the relationship among leaders' transformational leadership style, marketing resources and capabilities, and managerial performance is a critical issue. However, leaders' transformational leadership style would affect marketing resources and capabilities. Furthermore, both of transformational leadership style and marketing resources and capabilities would affect managerial performance. Hence, the hypotheses are proposed as:

H1: The transformational leadership style would lead to positive marketing resources and capabilities in international tourist hotels.

H2: The transformational leadership style would lead to positive managerial performance in international tourist hotels.

H3: The marketing resources and capabilities would lead to positive managerial performance in the international tourist hotels.

## **Analysis & Results**

In total, 222 respondents consisted of foreman (50%), assistant manager (25.4%), and supervisor (19.4%). The sample was 52.2% female, and 43.4% male. The average position seniority is 4.4 years, and all of respondents' average seniority in the same hotel is over 5 years.

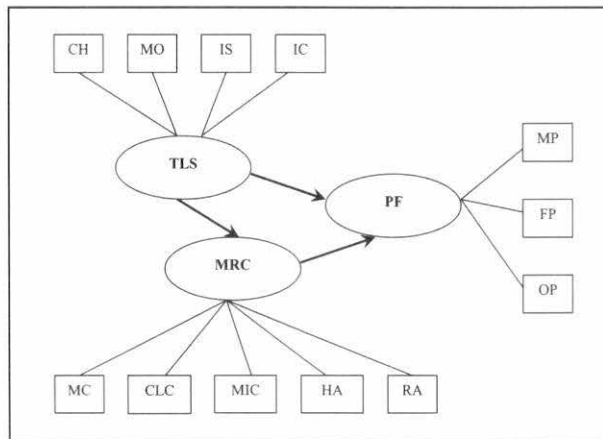
**Table 1 : Mean, Standard Deviations, Reliabilities and Co-relation of Measurement.**

		Mean	S.D.	$\alpha$	1	2	3	4	5	6	7	8	9	10	11	12
	TLS	4.045	0.462	0.960												
1	CH	4.015	0.499	0.885	1											
2	MO	4.056	0.454	0.896	0.835	1										
3	IS	4.027	0.460	0.828	0.812	0.821	1									
4	IC	4.112	0.397	0.827	0.817	0.848	0.777	1								
	MRC	3.991	0.665	0.936												
5	MC	3.951	0.744	0.850	0.506	0.480	0.526	0.486	1							
6	CLC	4.122	0.552	0.861	0.507	0.509	0.517	0.550	0.674	1						
7	MIC	3.804	0.727	0.846	0.412	0.462	0.443	0.418	0.592	0.615	1					
8	HA	3.716	0.928	0.871	0.428	0.441	0.511	0.422	0.695	0.593	0.613	1				
9	RA	4.185	0.508	0.842	0.486	0.481	0.488	0.490	0.687	0.714	0.510	0.630	1			
	PF	3.572	0.719	0.950												
10	MP	3.715	0.572	0.862	0.477	0.499	0.428	0.436	0.482	0.473	0.481	0.533	0.533	1		
11	FP	3.518	0.744	0.872	0.480	0.500	0.496	0.460	0.514	0.492	0.505	0.535	0.487	0.596	1	
12	OP	3.528	0.782	0.930	0.405	0.471	0.421	0.364	0.399	0.328	0.539	0.562	0.328	0.689	0.592	1

Note: All items  $p < 0.01$

The current study is to explore the relationship among transformational leadership style, marketing resources and capabilities, and managerial performance in international tourist hotel. The mean, SD, reliabilities, and correlations of measurements is shown as Table 1. Shown as Table 1, the relations exist among variables significantly, and the relationship matches priority literature. In this study, the model's dimensions are tested reliabilities, and their Cronbach's  $\alpha$  is between 0.97 and 0.63. And, overall measurements' reliabilities Cronbach's  $\alpha$  is over 0.8. For testing the convergence validity, construct validity, content validity, and discrimination validity, according to Hambrick (1981), this measurement matches the content validity. Through the pre-test and analyzing the relationship among latent variables, the measurement is provided with convergence validity. Then, applying the PRESIL II, the data is transformed as covariance matrix to test its construct validity with CFA, and convergence validity with factor loadings (Bagozzi, Yi, and Phillips, 1991). In this study, the each factor loading of measurement is not 0 significantly, and its t value also is significantly. Therefore, the current is provided with reliabilities and validity.

According to the sampling data, the results of analysis indicated that all of the measurements' factor loadings are over 0.6 by confirmation factor analysis significantly. Moreover, Following Bollen (1989), we further built a measurement model with the factorial structure confirmed in the exploratory factor analysis.



Chi-Square=160.59, df=51, P-value=0.000, RMSEA=0.099

**Figure 2 : The Estimated Model of LISREL**

The model displays a good overall fit ( $\chi^2(51) = 160.59$ ,  $p = 0.000$ ; goodness-of-fit index = 0.89; adjusted goodness-of-fit index = 0.83; comparative fit index = 0.95; root mean square error of approximation = 0.09; root mean square residual = 0.023; standardized RMR = 0.045), and inter-correlations between the constructs are acceptable. For overall, the model is provided with goodness-of-fit for reasonable measurement model. This model also is provided with acceptable construct validity

and convergence validity. The estimated model is shown as Figure 2, and the path coefficients in the structure model are standardized presented the effects of latent variables and measurement variables. Finally, the overall model results indicated that three hypothesis are supported for identifying the relationship model among transformational leadership style, marketing resources and capabilities, and managerial performance.

## **Conclusions & Discussion**

In Taiwan, tourism industries are the most important annual plans of country development. Facing the competitive environment, it is critical for managers in international tourist hotels to recognize their transformational leadership style and to identify the marketing resources and capabilities, so as to capture the reasonable managerial performance. Confronted with the high competitive environment, organization should reinforce manager's leadership for facing the challenge of multi-factors and rapid change. Through transformation leadership style, organization could promote problem-solving capabilities, productivity, and performance. Besides, it is a critical issue to confirm the inner marketing resources and capabilities, and to enhance the operation conditions, so as to improve service quality and competitive advantage in international tourist hotels. Therefore, the main purpose of the current study is to explore the relationship among transformational leadership style, marketing resources and capabilities, and managerial performance.

As results of this study, there has a significant relationship among transformational leadership style, marketing resources and capabilities, and managerial performance. The transformational leadership style has the positive effects on marketing resources and capabilities, and managerial performance significantly. Also, the marketing resources and capabilities have positive effect on managerial performance significantly. In aspect of transformational leadership style, the motivation is more important than intellectual stimulation, individualized consideration, and charisma. And, in aspect of marketing resources and capabilities, the managerial capabilities play more important role than customer linking capabilities, market innovation capabilities, human assets and reputational assets. In aspect of managerial performance, the market performance is the more important than financial performance and organizational performance.

In international tourist hotel, the current study identified the relationship among transformational leadership style, marketing resources and capabilities and managerial performance. The managers in international tourist hotels could recognize the roles of transformational leadership style and marketing resources and capabilities in managerial implementation. While allocating the marketing resources and capabilities, they would realize that leaders' transformational leadership style should enforce in their organization, so as to pursue the reasonable managerial advantage in international tourist hotel. The final results of this study would support the decision makers in international tourist hotels to make the related decision about allocating specific and

limited marketing resources and capabilities. The further researches might focus on the differentiation of industries on the relationship among transformational leadership style, marketing resources and capabilities, and compare the relationship strength among transformational leadership style, marketing resources and capabilities, and managerial performance in the industrial condition.

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