Job Satisfaction of Hospitality Employees in Budget Hotels

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Abstract— The aim of this paper is to determine the relationship between job satisfaction and human resource factors in the budget hotels. The significant determinants of job satisfaction that have been taken for the present study are Compensation, Working Environment, Career Growth, Empowerment, Training and Development. Data for this study was collected from employees of five budget hotels of Kolkata. The data so collected has been subjected to reliability tests and analyzed using SPSS Ver.16.0. This study will help employers to understand employee needs and plan HR activities more in line with employee requirements in order to increase job satisfaction, efficiency and commitment.

Key words: Budget Hotels, Hospitality, Job Satisfaction, Human Resource Management

I. INTRODUCTION

Over the past decade the hotel and hospitality industry has been riding on the wave of success. The growth of the industry has been significant with the rise in income of people globally. The success has been primarily due to the efforts of the employees who are an integral part of the industry. Operational costs are significant in the hotel industry and hence the human resource has to devise ways to curb costs. Hence, most of the employees have to work on break shifts and sometimes for long hours. It is evident that customer satisfaction/guest satisfaction is important for the hotel to retain them for generating revenue and for having a competitive edge than others.

However, the job satisfaction of the employees has been a concern, which leads to employee turnover. Job satisfaction of an employee depicts how contented an individual is with his or her job. There are a variety of factors that can influence a person's level of job satisfaction. Some of these factors include the level of compensation and benefits, career progression and promotion system, working conditions, training and development, leadership and social relationships and the job itself.

Motivation and Job satisfaction is clearly linked as highly motivated employees will be committed to their job and satisfied in their job. This paper in an attempt to find out the job satisfaction of the employees working in the budget hotels of Kolkata. It further recommends policies to the human resource department to keep their satisfaction levels high at all times

A. Classification of Hotels

Hotels are considered be an important part of a tourist's visit to a place. Department of Tourism, Government of India with the objectives of providing standardized services classifies fully operational hotels across different categories.

The Hotel and Restaurant Approval and Classification Committee (HRACC) inspect and assess the hotels based on facilities and services offered. The Federation of Hotel and Restaurant Associations of India (FHRAI) is the Apex Body of the four Regional Associations representing the Hospitality Industry.

The various categories of hotels are as follows-

- Star Category Hotels- Star category hotels include Five Star Deluxe & Five Star hotels that are mostly restricted to the four metros apart from state capitals and other major cities in India.
- Three Star and Four Star - Hotels are located in all major cities as well as tourist destinations.
- One Star and Two Star- Hotels are located in major cities as well as in small cities and other tourist destinations.
- Heritage Hotels- They are running hotels in palaces, castles, forts and hunting lodges.
- Boutique Hotels- Boutique hotels are a term popularized in North America, which express intimate, usually luxurious environments, design oriented and furnished according to the theme.
- Houseboats or Floating hotels- The houseboats offer to their guest's comforts of a good hotel including furnished bedrooms, modern toilets, welcoming living rooms and a kitchen. In Kashmir they are known as "Shikaras" and in Kerala "Kettuvallams".
- Unclassified hotels- These are economical hotels spread throughout the country. A low-pricing policy is their only selling point.
- Resorts and Clubs- They are located at the outskirts of city are from premium to budget category.
- Budget hotels- The main consumers are the domestic travelers who prefer practically priced accommodations with limited luxury.

B. Market Size of the Industry

The tourism and hospitality industry sector contributes around 6.23% to the national GDP and 8.78% of the total employment of the country in 2013.

The industry grew at a CAGR of 36.50% during 2009-2013 and growing at a forecasted CAGR of 15.15%, it is expected to become a US$418.90Billion industry by 2022.

C. Objectives of the Study

- To examine the relationship between HR factors executed in the budget hotels
- To find out the relationship between HR factors and Job Satisfaction
- To explore the important HR factors for Motivation and Job Satisfaction
- To compare the Job Satisfaction levels between Permanent and Contractual Employees

D. Hypothesis

H1; Job satisfaction is elevated due to good compensation, good working conditions, growth prospects, empowerment and training and development activities.

II. LITERATURE REVIEW

A lot or researchers have opined that in order to maintain the overall yield and profitability of any organization job satisfaction plays a vital role. A lot of researchers have formed the associations between job satisfaction and other

factors like motivation, organizational commitment, empowerment, performance and personal characteristics. (Jernigan, 2002) (Chen, 2006) (Ghiselli, 2001) (Lam, 2001) (Silva, 2006) (Fairbrother, 2003) (Linz, 2003) (Tepeci, 2002)

In order to achieve individual and organizations goals, hotels have to effectively use human resource practices to bring about this change. According to (Statt, 2004) job satisfaction is defined as "the degree to which an employee is content with the rewards they get out of their job particularly in terms of intrinsic motivation". It is basically a collection of feeling and beliefs that an employee have about their current job. Their level or degree of job satisfaction can range from extreme satisfaction to extreme dissatisfaction. (Bodur, 2002) In his work reported that work substances, age, gender, educational level, work place environment, location, colleagues, income and timing of work are the factors that lead to job satisfaction. A lot of theories have been developed for the purpose of employee satisfaction. The most significant theory is Maslow's need theory which is based on human hierarchical needs. Maslow's theory is based on fundamental and external element such as accomplishment, recognition, responsibility, salary, plan, interpersonal interaction, management, and operational environment.

Maslow's (1943) Hierarchy of need theory	Earliest theories on motivation which explains compensation, career management and employee engagement. These variables correspond to the safety/security, status/esteem and self-actualization needs respectively.
Herzberg's (1959) Two factor theory	This theory is capable of explaining compensation and career management. These practices represent motivators/satisfiers and dissatisfiers/hygiene factors in the theory.
Adam's (1965) Equity theory	This theory also explains the variables like compensation, career management and job satisfaction.

Table 2.1: Motivational Theories

III. RESEARCH METHODOLOGY

This work is aimed to observe the impact of human resource practices executed in budget hotels on job satisfaction. Secondary data is reviewed from available literature and published works. Data was collected from five budget hotels of Kolkata. Feedback is obtained from employees of the budget hotels as well as the human resource practices are examined. Their feedback was recorded on a questionnaire that was designed to gauge their job satisfaction in relation to the human resource practices executed in the hotels. The different human resource practices that were deter mental for job satisfaction was compensation, working environment, career growth, empowerment and training & development. The data so obtained was analyzed using MS Excel and SPSS 16.0. Stratified Random Sampling was used for the study. 15% of the total employees were taken for the study.

Hotel	Total Employees	Total Employees Selected (15% of total Population)
A	152	23
B	89	13
C	167	26
D	135	20
E	148	22
TOTAL		104

Table 4.0: Table 3.1: Sample Size

IV. DATA ANALYSIS AND INTERPRETATION

A. Socio-Demographic Characteristics of Respondents

Table 4.1 presents the socio-demographic information. As indicated, the majority of the respondents 88% were male, while 12% of the respondents were female employees. Most of the employees about 53% of the workforce were below the age of 30 years. Only 1% of the respondents had a Post Graduate and was occupying management positions.

Variables	Frequency	Percenatge (%)
Sex		
Male	92	88
Female	12	12
Total	100	100
Age		
Below 30	53	51
30-40	26	25
41-50	25	24
Total	104	100
Education Qualification		
Diploma	19	18
Graduate	5	4
Post-Graduate	02	01
Craft Course	78	77
Total	104	100
Years of service		
0 till 5	35	35
Above 5- till 12	46	46
Above 12	19	19
Total	100	100

Table 4.1: Socio- Demographic Data of Respondents

		Compstn	Work_Envir	Career_Grwth	Empwmt	T&D
Compstn	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	104				
Work_Envir	Pearson Correlation	.822**	1			
	Sig. (2-tailed)	.000				
	N	104	104			
Career_Gwth	Pearson Correlation	.867**	.807**	1		
	Sig. (2-tailed)	.000	.000			
	N	104	104	104		
Empwmt	Pearson Correlation	-.394**	-.456**	-.346**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	104	104	104	104	
T&D	Pearson Correlation	.835**	.889**	.781**	-.577*	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	104	104	104	104	104

Table 4.2: Correlations

Correlation Is Significant At the 0.01 Level (2tailed)

B. Hypothesis Testing

H1: Job satisfaction is elevated due to good compensation, good working conditions, growth prospects, empowerment and training and development activities.

Regression analysis is used for prediction and forecasting and is a tool for investigating the relationship between the dependent variable (Job Satisfaction) and the independent variables (compensation, working environment, career growth, empowerment and training & development). The method used in linear regression is the enter method.

Variables Entered/Removedᵇ			
Model	Variables Entered	Variables Removed	Method
1	Compensation, Working Environment, Career Growth, Empowerment, Training And Developmentᵃ	.	Enter
A. All requested variables entered.			
B. Dependent Variable: Job Satisfaction			

Table: Variables Entered/Removedᵇ

The above table also known as Model Summary depicts R, which is the Correlation of Variable and R2 which is the proportion of variability in dependent variable that is explained by the dependent variable.

Adjusted r square value is taken as it takes into consideration the sample size. So, here we can see that about 86% of the movement of independent variable is explained by the dependent variable.

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	122.324	5	24.464	224.441	.000ᵃ
	Residual	10.875	99	.109		
	Total	133.199	104			
a. Predictors: (Constant), Compensation, Working Environment, Career Growth, Empowerment , Training And Development						
B. Dependent Variable: Job Satisfaction						

Table 4.4: ANOVAᵇ

The ANOVA table justifies that the model is quite fit and is quite significant at $p<0.050$ and thus we can carry out the linear regression process. The F value is also quite significant at 224.441.

Model	t	Sig.
(Constant)	-.996	.322
COMPENSATION	7.154	.000
WORKING ENVIRONMENT	-2.108	.012
CAREER GROWTH	5.212	.029
EMPOWERMENT	-1.274	.055
TRAINING & DEVELOPMENT	4.634	.006

Table 4.2: Coefficient

From the table 4.2, Compensation, Training and Development activities and Career Growth have a high correlation with Job Satisfaction. However, Compensation has a higher correlation than Career Growth and Training and Development activities. Working Environment is negative related to Job Satisfaction, while empowerment is insignificant.($p>0.50$)

V. RESULTS AND CONCLUSION

The results presented in the previous chapter have been further discussed in details in this chapter. This chapter presents an outline of the study and summary of findings.

− It is apparent that the budget hotels have a high potential for doing business but on the contrary they don't have a well-organized and effective HR policies for their employees.
− The working conditions are quite sub-standard, basic standards of safety and hygiene are missing and the back areas are also not well maintained.
− The number of female employees is barely 12%.
− 51% of the employees are less than 30 years, which clearly suggests that the budget hotels so selected have mostly inexperience manpower.
− The results suggest that there is a very high correlation between Job Satisfaction and Human Resource Practices executed in the selected hotels.
− Job Satisfaction is pretty low in the budget hotels so selected.
− Compensation, Training and Development activities and Career Growth have a high correlation with Job Satisfaction.

− Compensation has a higher correlation than Career Growth and Training and Development activities.
− Working Environment is negative related to Job Satisfaction, while empowerment is insignificant.

It will be a great help for the organization and the employees in particular if the Human resource Department while designing their employment policies develop a more employee centric approach with an intention towards a holistic development of the employees. The selected budget hotels under study should provide comfortable and good working environment (clean uniform, washrooms, changing rooms, locker facilities, etc) to its employees as they spend most of their time at the workplace.

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