

**UNIVERSITI TEKNOLOGI MARA**

**WORK MOTIVATION, JOB SATISFACTION  
AND TURNOVER INTENTION OF MIDDLE LEVEL  
MANAGEMENT AT FIVE STAR HOTELS IN KUALA LUMPUR**

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## TABLE OF CONTENT

	<b>PAGE</b>
Table of Content	i
List of Figure	ii
List of Table	ii
1.0 Introduction	
1.1 Background of the Study	1-3
1.2 Problem Statement	4-5
1.3 Research Objectives	6
1.4 Research Questions	6
1.5 Study Framework	7
1.6 Research Hypotheses	7
1.7 Significance of the Study	8
1.8 Definition of Terms	9-10
2.0 Literature Review	
2.1 Turnover Intention	11-12
2.2 Work Motivation	13-15
2.3 Job Satisfaction	15-17
2.4 Relationship between Work Motivation and Job Satisfaction	17-18
2.5 Relationship between Job Satisfaction and Turnover Intention	18-19
3.0 Methodology	
3.1 Research Design	20
3.2 Unit of Analysis	20-21

3.3	Population and Sample Size	21-22
3.4	Data Collection Method	22-23
3.5	Instrumentation	24
3.6	Plans for Data Analysis	25
<b>REFERENCES</b>		26-34

**LIST OF FIGURE**

<b>Figure 1</b>	Theoretical Framework	7
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**LIST OF TABLE**

<b>Table 1</b>	Instrumentation	24
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## **1.1 Background of the Study**

The hospitality and tourism is one of the largest economic contributors for Malaysia (Economic Impact, 2012). Malaysia is emerging as a fast growing free market economy with services as the main source of economic growth accounting for almost three quarter of Malaysia's output with 26 percent of its labor force (MIS Asia, 2010). In general, by 2020, there will be a total of 1.6 billion jobs in the hotel industry (Travel & Tourism, 2011). Thus, there is a significant need in having a more qualified, motivated and skilled manpower available to meet the challenges of this ever changing and demanding industry (Ahmad, Aziz, Kamaruddin, Aziz & Bakhtiar, 2012).

Similar to the developed countries, hotels in Malaysia are facing problems in attracting and retaining skilled and knowledgeable of high and low level employees. This is due to low salary and rigid job traits (Ahmad, Solnet & Scott, 2010). The rapid expansion of the hotel industry has exaggerated the demand for employment of competent employees (Ahmad & Zainol, 2011), and this resulted in skilled and knowledgeable workers shortages (Business Monitor International Ltd., 2010). On the other hand, the shortage of skilled workers in Malaysian hotels is caused by the unattractive work atmosphere and unmotivated factors of the industry (Kasimu, Zaiton & Hassan, 2012).

Besides that, work motivation of the managers in hospitality industry largely depends on the social, economic and cultural circumstances of the country (Ayub & Rafif, 2011). Motivation also creates intrinsic, extrinsic, identified and introjected factors (Gagne,

Forest, Gilbert, Aube, Morin & Malorni, 2010). Other than that, job satisfaction is another important factor of an organization's success. Much research has been conducted into ways of improving job satisfaction of workers in various sectors in Malaysia ranging from the academic sector (Wong & Teoh, 2009), the hotel sector (Abd Patah, Radzi, Abdullah, Adzmy, Adli Zain, & Derani, 2009) and the automobile manufacturing sector. Abdullah, Musa, Zahari, Rahman and Khalid (2011) stated that people who are satisfied with their job feel good about their jobs, and this feeling often relates to their doing the jobs well, or their becoming more proficient in their professions, or their being recognized for good performance.

According to Economic Report 2011/2012, it is proven that the hotel industry is top of the list for a high rate of labor turnover. In line with job satisfaction, turnover remains one of the most troubling issues for hospitality businesses (Ghiselli, Lopa & Bai 2001). High turnover rate within the hotel industry, especially amongst managers, has become the major concerns to researchers. For instance, Ghiselli et al. (2001) reported that the managerial turnover rate in the hotel industry in the United States ranges from 35% to 47% as compared to about 8 to 15% in the non-service industries. Additionally, Ingram and Brown (2000) in their study on turnover discovered that the turnover rate among middle-managers in the United Kingdom was significantly higher in the hotel industry as opposed to other service-oriented industries. Globally, the turnover rate in the hotel industry is estimated to range from 60% to 300% annually, which is far higher compared to the manufacturing industry that represents 34.7% annual turnover rate (Hemdi & Rahman, 2010).