

**UNIVERSITI TEKNOLOGI MARA**

**TURNOVER INTENTIONS OF HOTEL  
MANAGERS: INVESTIGATING THE INFLUENCE  
OF ORGANIZATIONAL JUSTICE,  
PSYCHOLOGICAL CONTRACT VIOLATION, AND  
AFFECTIVE COMMITMENT**

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## ABSTRACT

The issue of attracting and retaining managers for the survival of service-oriented firms particularly the Malaysian hotels has become critical. This is further exacerbated as many hotel managers nowadays are keen to voluntarily quit or changing jobs within the industry, seeking higher salaries, flexible working hours, and improved career prospects. As a result, the excessive turnover rate among managers is considered dysfunctional and detrimental to the industry globally. Although the phenomenon of turnover behavior happens in the real world of hotel business and has become a central focus among researchers, a study of the predictors of managers' affective attitudes and behavioral intentions is still lacking particularly in the Malaysian context. In relation to the above argument, this study investigates the relationships between organizational justice (OJ), psychological contract violation (PCV), affective commitment (AC), and turnover intentions (TI). The determinant of beliefs-attitudes-behavioral intentions in the Theory Reasoned Action by Fishbein and Ajzen (1967) is used as grounded theory for this study. Samples comprised 254 lower and middle-level managers from medium-sized hotels (3 and 4-star) in the Klang Valley and were obtained through a mail survey questionnaire. Organizational justice was measured using the three-dimensional measures of distributive justice (DJ), procedural justice (PJ), and interactional justice (IJ). Meanwhile, the psychological contract violation was measured on a four-dimensional measure: autonomy and control (A&C), organizational rewards (ORW), organizational benefits (OB), and growth and development (GD). Turnover intentions (TI) and affective commitment (AC) were measured using a five and nine item scale respectively. Prior to hypotheses testing, a confirmatory factor analysis (CFA) was initially undertaken for the study variables using covariance matrix as input to test (confirm) the pre-specified relationship and to evaluate the distinctiveness of the measures used in this study. The research hypotheses were next tested using hierarchical multiple regression analyses. The regression results revealed that: (1) organizational justice (DJ, PJ, and IJ) and psychological contract violation (A&C, ORW, and OB) were significantly related to turnover intentions, (2) both organizational justice (DJ and IJ) and psychological contract violation (A&C, ORW, and GD) were also found to have a significant relationship with affective commitment, (3) affective commitment was significantly and negatively related to turnover intentions, and (4) affective commitment mediates the organizational justice (DJ) and turnover intentions relationship as well as the psychological contract violation (A&C) and turnover intentions relationship.

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# **CHAPTER 1**

## **INTRODUCTION**

### **1.1 Introduction**

The purpose of Chapter One is to introduce, justify, and position the research endeavour. It begins with the introduction of the scenario of the Malaysian hotel industry followed by the research issue. A problem statement is presented, leading to the formulation of the research objectives, research questions, and hypotheses. This chapter also highlights the scope, the significance of the study and the theoretical underpinning. Finally, a study framework is developed.

### **1.2 The Malaysian Hotel Industry**

Fast-paced hotel businesses have contributed to the development of the Malaysian service industry. This is due to the increase in arrival patterns of tourists to the country. According to the Malaysia Accommodation Directory (2003/2004), the hotel industry covers all the different types of commercial lodging options that are available. These include of five-star luxury hotels, four and three-star hotels, motels, inns, service apartments, condominiums, hostels, guesthouses, chalets and bed and breakfast houses. The hotel business is continuing to develop in Malaysia and its impacts on economic growth are numerous and significant. In particular, the hotel industry is considered to be one of the largest and fastest creators of employment opportunities which offer alternatives and added income to the local population. This industry also supports the private sector investment in its provision of resorts development, renovation, and refurbishment of hotels, as well as complementing the expansion of both domestic and inbound tourism. Given that the quality of service provided by hotels is dependent on the quality of its human resources, the rising demand for trained and experienced workers at managerial and supervisory levels can be seen from the growth of many new hospitality related programs in the higher educational institutions in Malaysia such as