

UNIVERSITI TEKNOLOGI MARA

**THE RELATIONSHIP BETWEEN EMPLOYEE
PSYCHOLOGICAL EMPOWERMENT, OVERALL
JOB SATISFACTION AND EMPLOYEE LOYALTY
OF FRONT OFFICE RECEPTIONISTS IN
KUALA LUMPUR 5 STAR HOTELS**

MOHD ONN RASHDI ABD PATAH

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ABSTRACT

The hotel industry has the responsibility and role of increasing guest satisfaction with its services and products. This can be carried out through efficient service by frontline employees, particularly the Front Office receptionists. Developing efficient workforce may depend on their satisfaction level towards the job given by the management and sense of belonging or loyalty to the organization. There are many ways and means of developing employees' satisfaction and loyalty level to their work and organization. Empowering employees is one of the approaches to a better organizational effort in harmonizing and producing positive employee outcome. This study was conducted to examine the relationships between psychological empowerment (through dimensions of meaningfulness, competence and influence), overall job satisfaction and employee loyalty of Front Office receptionists in Kuala Lumpur 5-star hotels. A total of 210 questionnaires distributed to Front Office receptionists at 21 hotels rated as 5 star hotels in Kuala Lumpur, Malaysia. The response rate was 43 percent which represent a total of 91 questionnaires that was returned, usable and coded. Results showed that the three dimensions of psychological empowerment; meaningfulness, competence and influence have significant impacts on overall job satisfaction. However, none of the psychological empowerment dimensions had significant impact on employee loyalty. Findings also suggested that overall job satisfaction influenced employee loyalty level towards their organization. Employee psychological empowerment and loyalty scores did not have any significance differences based on their demographic information and work profiles. Significance differences were only found on employees' overall job satisfaction scores based on their demographic information and work profiles especially in terms of age and hotel tenure. Hotel managers might consider solution in their effort to increase employee's overall job satisfaction and loyalty for example by enhancing participation by the departmental decision making, encourage creativity and further nurture work-related skills.

Keywords: *employee psychological empowerment, overall job satisfaction, employee loyalty, front office receptionists*

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CHAPTER 1

INTRODUCTION

1.1 Introduction of the Research

In this chapter, the overall processes of the research are justified and outlined. It begins with the elaboration of the growth of the hotel industry itself in order to seek further justification for the importance of the study. Justifying the right issue that suits the study is the next item presented. A problem statement is highlighted leading to the formulation of the following sections for further investigation of the study; 1) research objectives, 2) research questions and 3) research hypotheses. The significance of the study and the development of the study framework are also presented at the end of the chapter for a more concise understanding.

1.2 The Growth of Malaysian Hotel Industry

Hotel growth and its alignment with the tourism industry continue to be one of the key drivers of the growth and development of the service sector in Malaysia. Tourism contributed a total of RM 47.5 billion from foreign earnings and the total Gross Domestic Product (GDP) in 2007 was RM 641.9 billion (Tourism Malaysia, 2008). The tourism sector's momentum is predicted to remain strong owing to the growing numbers of tourist arrivals in the country. The industry has expanded at the rate of 7.1% and accounted for 54.3% of the nation's GDP, as compared to previous year's rate at 53.6% (Ministry of Finance [MOF], 2008). The hotel industry is expected to retain its share of 2.4% GDP in 2008, supported by higher consumer spending, sustained domestic investment and higher tourist arrivals (MOF, 2008). According to Tourism Malaysia (2008), in third quarter of 2008, the total number of tourists visiting the country amounted to 22.0 million with total tourism receipts of RM 49.5 billion (see Table 1.1).