

UNIVERSITI TEKNOLOGI MARA

**EXAMINING THE CONSEQUENCES
OF LEADERSHIP BEHAVIOUR, SELF-
EFFICACY AND PSYCHOLOGICAL
CLIMATE WITH JOB SATISFACTION
AND WORK ENGAGEMENT ON
ORGANIZATIONAL VALUES IN
HOTEL INDUSTRY**

LEILA RADMAND

Thesis submitted in fulfilment
of the requirements for the degree of
Doctor of Philosophy

Faculty of Business Management

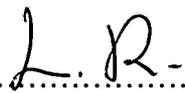
July 2017

AUTHOR'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the result of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any other degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

Name of Student : Leila Radmand
Student's ID No. : 2011624594
Programme : Doctor of Philosophy-BM 990
Faculty : Business Management
Thesis Title : Examining the Consequences of Leadership
Behaviour, Self-efficacy and Psychological
Climate with Job Satisfaction and Work
Engagement on Organizational Values in Hotel
Industry in Kuala Lumpur

Signature of Student : .....
Date : July 2017

ABSTRACT

Organizational values develop organizational norms, guidelines, or expectations that prescribe appropriate kinds of behaviour by employees in particular situations, and dictate the behaviour of organizational members towards each other. The rapid development of hotels in Malaysia prompted the industry to be more aggressive towards maintaining customer loyalty while retaining a major part of the market share. Hotels need to allow the talents of their employees to flourish in order to realize peak performance. Operational employees play a pivotal role in delivering superior service quality to customers or converting aggrieved customers into satisfied and loyal ones. Employees are critical to service brand success, as their performance brings value promises to life. This study will provide helpful implications for both theoretical contribution and managers wishing to embed a set of values to help hotels recover from damaged customer relationships and rebuild consumer trust. Evaluating leadership, organization, and employee behaviour as a strategic tool plays a significant role for hotels to improve organizational values. The main objective of this study is to examine the predictors of hotel employee included; leadership behaviour (initiating leadership and consideration leadership), self-efficacy, and psychological climate (internal service and communication) on the adoption of organizational values, and the mediating role of job satisfaction and work engagement. Specifically, it aims to examine the relationship between the research variables; whether job satisfaction and work engagement mediate the effect of independent variables such as (leadership behaviour, self-efficacy, and psychological climate) on the dependent variable (organizational values). The sample size was 367 hotel employees in 4 and 5 star hotels in Kuala Lumpur, Malaysia. Data has been collected via the usage of questionnaires. There are seven parts in the findings detailing the relationship between the study variables and the role of the mediating variables. Initiating leadership, internal service, and communication was found to have significant relationship with organizational values. Initiating leadership and communication also were significantly related to job satisfaction. Initiating leadership, consideration leadership, self-efficacy, and communication were significantly related to work engagement. Job satisfaction and work engagement were found to have significant relationship with organizational values. Work engagement was found to have significant relationship with job satisfaction. Findings show that job satisfaction mediates the effect of initiating leadership and communication on organizational values. Findings also indicates work engagement mediates the effect of role initiating leadership, consideration leadership, self-efficacy, and communication on organizational values. In conclusion, this study has reinforced the constructs from leadership, employee, and adoption of values in the hotel industry. Thus, employers should investigate the values of the employees and synchronise them with the organization's values to affect the best possible match between employees and organizations.

ACKNOWLEDGEMENT

Firstly, I wish to thank God for giving me the opportunity to embark on my PhD and for completing this long and challenging journey successfully. My gratitude and thanks go to my supervisor Assoc. Prof. Dr. Norlida Kamaluddin, and co-supervisor Dr. Salim Abdul Talib. Thank you for the support, patience and ideas in assisting me with this thesis.

Special thanks also go to all the management and respondents of the hotels for allowing me to conduct the survey in their premises. I also wish to thank the participants who gave their utmost support and co-operation, to enable the survey to be carried out successfully.

This thesis is especially dedicated to these inspirations of my life: My parents Mohammad Ebrahim Radmand and Simin Masoumi Mosleh, for their unconditional love, support, patience, and sacrifice to enable me to realize my dreams. I owe everything to you.

You are and will always be my pillars of support. Without you, I would not be what I am today. I thank you from the bottom of my heart. My brother, Afshin Radmand and my uncle and their families. Thank you for the encouragement given through-out my roller coaster journey. Also, not forget my friends, Mr. Yasser Batoie and Dr. Soleiman Paydar that have guided and helped me in the process of pursuing my PhD.

TABLE OF CONTENTS

	Page
CONFIRMATION BY PANEL OF EXAMINERS	ii
AUTHOR'S DECLARATION	iii
ABSTRACT	iv
ACKNOWLEDGEMENT	v
TABLE OF CONTENTS	vi
LIST OF TABLES	xii
LIST OF FIGURES	xv
LIST OF EQUATIONS	xvi
LIST OF ABBREVIATIONS	xvii
CHAPTER ONE: INTRODUCTION	1
1.1 Introduction	1
1.2 Background of the Study	1
1.3 The Problem Statement	4
1.4 Research Questions	7
1.5 Objectives of the Study	7
1.6 Scope of the Study	8
1.7 Significance of the Study	8
1.7.1 Implication to Knowledge (Originality)	8
1.7.2 Practical Implication	9
1.7.3 Social Implication	10
1.8 Definitions of Terms	10
1.9 Structure of the Study	11
CHAPTER TWO: LITERATURE REVIEW	13
2.1 Organizational Values	13
2.1.1 Importance of Organizational Values	18