

THE RELATIONSHIP BETWEEN INTRINSIC REWARDS AND
AFFECTIVE COMMITMENT AMONG HOSPITALITY SUPPORT
STAFF AT GRAND MARGHERITA HOTEL, KUCHING

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JUNE 2017



BACHELOR IN OFFICE SYSTEMS MANAGEMENT (Hons.)

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ABSTRACT

Turnover has becoming a problem to be avoided by any organizations that exist as it could cause a loss of valuable intellectual capital and skills possessed by a potential employee as well as the competitive advantage of the organization, especially in the hospitality industry. It generally can be related to the human resource practices in which the rationale of implementing it is to increase levels of employees' commitment in order to ensure positive outcome and instill the feeling of loyalty towards the organization. Therefore, this research focused on investigating the influence of intrinsic rewards (recognition, promotion, feedback) received by the hospitality support staff at Grand Margherita Hotel, Kuching, on the affective commitment. A total of 108 questionnaires were distributed among the hospitality support staff at the hotel and about 91 questionnaires were collected upon collection (84% return rate). Analysis using Pearson Correlation indicated that all intrinsic rewards have a significant contribution to employees' affective commitment at Grand Margherita Hotel, Kuching. Promotion was found to be the most important reward that contributes to the affective commitment of the employees. Organizations should consider giving favourable rewards to the employees who have great potential, especially those in hospitality industry who deals with customers regularly, in attracting more customers and making the employees stay loyal to the organization in order to avoid the loss of valuable tacit knowledge and skills.

TABLE OF CONTENTS

AUTHOR’S DECLARATION	ii
ABSTRACT.....	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS.....	v
LIST OF TABLES	viii
LIST OF FIGURES	ix
LIST OF APPENDICES	x
CHAPTER 1	1
INTRODUCTION.....	1
Background of the study.....	1
Statement of the problem.....	2
Research objectives	3
Research questions	3
Significance of the study	3
Limitation of the study	4
Definition of terms.....	4
CHAPTER 2	6
LITERATURE REVIEW.....	6
Conceptual framework	12
CHAPTER 3	13

CHAPTER 1

INTRODUCTION

Chapter 1 discusses about the background of the study, problem statement, research objectives, research questions, significance of the study, limitation of the study and definition of terms.

Background of the study

Intrinsic reward or non-monetary rewards are compensation given in a transaction which does not involve cash. An intrinsic reward can provide effective alternatives without compromising moral or straining operating budget. Some of the examples of intrinsic rewards are training and professional development, flexible hours or time off, staff recognition program or event, feedback from manager, promotion, contribution program, informal contact among staff and independences and autonomy. By implementing an intrinsic reward program, it can build loyalty and commitment in each employee. According to Baylor (2010), there is a relationship between intrinsic reward and affective commitment with positive high correlation (.610). However, there are some issues that we need to consider in order to ensure the employee can be committed in their job. Therefore, this study is to identify the relationship between intrinsic reward and employees' affective commitment.

Grand Margherita Hotel is Sarawak's first international hotel. Kuching Waterfront, where enthusiasts enjoy their morning jogs and evening strolls, was located along the hotel's backyard. The hotel is located in the heart of Kuching's