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# Empowerment: Hotel employees' perspective

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Abstract: An empowered worker is a knowledgeable worker. Thus, the aims of this study were to examine how empowerment is perceived by the front-line hotel employees and secondly, to identify the factors affecting empowerment within the industry. Factors such as communication, coaching, participation, training and reward were examined for any significant relationship with empowerment, along with whether the employee's socio-demographic characteristics affected their perceptions of empowerment. The findings indicated that except for gender, socio-demographic factors were not a strong influence on the diffusion of empowerment among employees. In order to ensure that the employees feel empowered, factors such as communication, coaching, participation, training and reward should be given due attention by the management. Based on the findings, implications for companies are discussed and further research is suggested.

Keywords: empowerment, knowledgeable workers, front-line employees, hotel industry

# 1 Introduction

With the government's emphasis on the tourism industry (i.e., increased investment in the industry and campaigns like *Cuti-Cuti Malaysia* and Visit Malaysia Year 2007). the hotel industry is gaining prominence as a valuable revenue earner for the Malaysian economy. Thus, there is presently a pressing need for more knowledgeable employees to serve the hotel industry. Empowerment of front-line employees is important because they are the direct point of contact for visitors and as such need the autonomy to deal effectively with visitors' concerns. Furthermore,

empowerment can boost employees' self-efficacy (Conger & Kanungo, 1988) as it permits them to decide the best way to carry out a given task (Gist & Mitchell, 1992). Empowerment leads to employees becoming more knowledgeable and adaptive, as adaptivity is associated with autonomy (Niehoff, Enz, & Grover, 1990; Scott & Bruce, 1994), as well as freedom of employee action (Spiro & Weitz, 1990).

A review of the literature shows that the focus of studies has predominantly been from a management perspective rather than the employee's perception of empowerment. This can lead to only partial understanding of the empowerment process because as stated by Nesan and Holt (1999), the studies that neglected employees' perspectives do not provide a complete picture. This is because management cannot speak for its employees since empowerment represents an individual employee's perspective. Employees' perspectives are crucial because empowerment is not a permanent, fixed reality that is shared by all, but rather is something that varies in how it is experienced from individual to individual (Greasley et al., 2005). Researchers such as Menon (1995) and Psoinos and Smithson (2002) also believe in this experiential perspective on the meaning of empowerment, whereby empowerment is viewed as a set of perceptions and beliefs. Thus, only through examination of the employees themselves is it possible to measure the level of empowerment that may exist within an organization.

#### 1.1 Objectives and statement of hypotheses

Bearing in mind the importance of empowerment in the knowledge era, the study findings could help in determining the appropriate tactic in achieving an optimal empowerment program. Based on the above objectives and after reviewing the literature, below are the hypotheses of the study:

- H1a: There is significant difference between male and female employees in their perception toward empowerment.
- H1b: There is significant difference among employees of varied age in their perception towards empowerment.
- H1c: There is significant difference among employees of varied races in their perception towards empowerment.

- H1d: There is significant difference among employees of varied academic qualification in their perception towards empowerment.
- H1e: There is significant difference among employees of varied years of service in their perception towards empowerment.

To determine the relationship between empowerment and related factors, the hypotheses are:

- H2a: There is significant relationship between communication and empowerment.
- H2b: There is significant relationship between coaching and empowerment.
- H2c: There is significant relationship between participation and empowerment.
- H2d: There is significant relationship between training and empowerment.
- H2e: There is significant relationship between reward and empowerment.

## 2 Literature review

We can define empowerment as a "method of delegation which enables work decisions to be taken as near as possible to the operating units and their customers". In the hotel industry, competitive advantage lies predominantly in the hotel's abilities not just to provide the best facilities but also the best service. Customization and customer involvement are the key characteristics of services (Lovelock, 1983; Maister & Lovelock, 1982). Customization of the service during delivery can be used as a source of differentiation and increased customer satisfaction. Empowerment also leads to quicker responses by employees to the needs of customers, as less time is wasted in referring customer requests to line managers. Service recovery is another aspect where empowerment plays a crucial task (Berry & Parasuraman, 1991; Hart, Heskett, & Sasser, 1990). As stated by Schlessinger and Heskett (1991), empowerment of front-line employees can break the "cycle of failure" in services and maintaining customer satisfaction. In the service industry, the empowerment term is used to describe a variety of practices in service delivery. As some examples, in the Hilton Hotels empowerment has been

used to describe employee involvement in devising departmental service standards (Hirst, 1992); in McDonald's Restaurants, suggestion schemes (Bowen & Lawler, 1995); autonomous work groups and removal of levels of management in Harvester Restaurants (Pickard, 1993); and the delegation of greater authority to service managers in British Telecom (Foy, 1994). In the context of this paper, empowerment implies that front-line employees were allowed to exercise a degree of discretion during the service delivery process and the degree of importance placed on factors such as communication, coaching, participation, training and rewards in facilitating empowerment programs. While discretion is regarded as perhaps the most important feature of employee empowerment, there are a number of other features of empowerment that are essential for effective implementation of service delivery strategies. For instance, in addition to employee discretion Bowen and Lawler (1995) also include in their definition of empowerment the sharing of information relating to the organization's performance, rewards based on the organizational performance, plus knowledge that enables employees to understand and contribute to organizational performance. The important point to note is that the authors above regard as important the sharing of information, adoption of a participative work environment, and performance-based rewards in ensuring an effective empowerment program.

## 3 Methodology

Ten three-star and two-star hotels in Kuching were contacted but only six agreed to participate in the research. The list of hotels was obtained from the Sarawak Tourism Board's website (www.sarawaktourism.com). Kuching was selected as the research site because it is the capital of Sarawak and has the most number of hotels in the state. The study's population consisted of all the 255 front-line employees (excluding supervisor and managers) of the hotels. Stratified sampling was used to determine the minimum sample size. Each employee was placed into only one subgroup according to department (either Front Office or F&B department) and everyone within that group stood an equal chance of being included in the sample. Based on Smith (1988), the minimum required sample size for this study is 49% of the total number of the front-line employees from each hotel or a total of 125 respondents. Subsequent proportionate sampling was carried out to ensure that the same percentage of employees was chosen from each department. That is the respondents were divided according to departments

and then 49% of the employees from each department were chosen. The instrument used was a pilot-tested questionnaire method adapted from the work of Bowen and Lawler (1995), with the reliability or Alpha for the questionnaire ranges above 0.9. Bowen and Lawler's work was adapted for this study because of their considerable researches in the field, with their measurement constructs verified as being among the forefront in the relational theory of empowerment (del Val & Lloyd, 2003; Caudron, 1995; Yahya Melhem, 2004; Schneider, Dowling, & Raghuram, 2007; Bowen & Lawler, 1995). Furthermore, the researchers feel that the organizational and customer-based measurement constructs developed by Bowne and Lawler are suitable for the research design adopted for this study.

#### 4 Findings and discussion

130 copies of the questionnaires were distributed to the hotels in Kuching. From the 130 questionnaires that were distributed 125 were usable. The respondents' demographic characteristics are presented in the table below:

Demographic	Characteristics and Classification	Frequency	Percentage
Gender	Male	61	48.8
	Female	64	51.2
Age	<21 year	43	34.4
	21-30 year	67	53.6
	31-40 year	13	10.4
	41-50 year	2	1.6
Marital Status	Single	101	80.8
	Married	24	19.2
Race	Malay	28	22.4
	Chinese	28	22.4
	Sarawak natives (Iban, Bidayuh, Melanau, etc.)	69	55.2
Period of	<1 year	70	56
Service	2-5 year	50	40
	6-10 year	3	2.4
	>11 year	2	1.6
Level of	UPSR	1	0.8
Education	LCE/SRP/PMR	111	88.8
	SC/MCE/SPMV/SPM	13	10.4
	HSC/STPM	0	0
	Diploma	0	0
	Degree	0	0
Salary	<rm1000< th=""><th>104</th><th>83</th></rm1000<>	104	83
	RM1001-RM1500	21	16
	RM1501-RM2000	0	0
	RM2001-RM2500	0	0
	RM2501-RM3000	0	0

Table 1. "Respondents' demographic characteristics (n=125)".

# 4.1 Results of T-Test and One-way ANOVA

Perception toward empowerment based on:	Gender	Mean	Standard deviation	T-value	P value
Gender	Male	3.25	0.28	-2.002	0.000
	Female	3.30	0.26		

Table 2. "Results of T-Test and mean values on perception toward empowerment".

Based on the above, there was a significant difference between male and female employees in terms of their perception toward empowerment. Thus the study fails to reject null hypothesis.

Perception toward	Variables under	Mean	Standard	F value	P value
empowerment based on:	study		deviation		
	Below 21 years	3.249	0.18	1.792	0.033
Age	21-30 years	3.253	0.32		
	31-40 years	3.354	0.26		
	41-50 year	3.260	0.27		
	Malay	3.191	0.29	2.058	0.011
Race	Chinese	3.348	0.20		
	Sarawak natives	3.253	0.28		
	UPSR	3.733	-	3.071	0.050
Education Level	SPM	3.242	0.27		
	STPM	3.374	0.23		
	Below 1 year	3.185	0.24	2.184	0.007
Years of Service	2-5 year	3.351	0.27		
	6-10 year	3.444	0.44		

Table 3. "Results of One-way ANOVA and mean values on perception toward empowerment".

The results above show that there was no significant difference among employees of varied age in their perception toward empowerment where f-value is 1.792 and p-value is 0.033. There was also no significant difference among employees of varied race in their perception toward empowerment where f-value is 2.058 and p value is 0.011. In terms of educational level, this variable is shown not to have had a significant influence on employees' perception with an f-value of 3.071 and p-value 0.050. For perception based on working experience, the mean is 3.185 (working less than 1 year), 3.351 (2-5 year) and 3.44 (6-10 year). The ANOVA's result showed there is no significant difference among employees of varied working experience level in their perception towards empowerment, where the f-value is 2.184 and the p-value is 0.007. To summarize, except for gender, the other demographic factors such as age, race and education do not significantly influence employees perception towards empowerment. This finding corresponds with studies done by Itzhaky and York (2001) and Peterson and Hughey (2004) who

the effect of participation on empowerment tends to differ between women and men.

## 4.2 Relationship between empowerment and related factors

The relationship between variables was determined through correlation analysis, as shown below:

Independent Variables	Correlation (r)	P value	
Communication	1	0.000	
Coaching	0.362**	0.000	
Participation	0.624**	0.000	
Training	0.161*	0.000	
Reward	0.301**	0.000	

\*\* Significant at the 0.01 level \* Significant at the 0.05 level

Table 4. "Result of correlation analysis on empowerment and related factors".

The table above shows that there was a significant correlation between communication and empowerment where r is 1. Thus, the hypothesis 2a is accepted. The strength of the relationship was very strong. This implies that the better the flow of communication between managers and employees, the more positive would be their perception toward empowerment. This crucial role of communication has been verified in numerous researches, among them, Bowen and Lawler (1995) whose findings showed that true empowerment can only exist when companies implement practices that distribute power, information, knowledge, and rewards throughout the organization. They go on to note that if any of these four elements are absent, then "empowerment will be zero" (Bowen & Lawler, 1995). By having an open communication channel and access to organizational information, employees will be able to see the "big picture" and have a better understanding of their roles in the organization's operations (Bowen & Lawler, 1992). The current research findings also tally with Conger and Kanungo (1988) who found that an effective decision making process can only happen with a good communication network, without which the employee's uncertainty level will increase making empowerment difficult to implement. This viewpoint is shared by Randolph (1995) who stated that information sharing and communication is critical because without it employees are not able to behave responsibly, and this can lead to distrust between employees and employers. Other theorists who support the top-down or relational perspective also maintain that the sharing of information with the employee is an important management responsibility to ensure effective

empowerment (Quinn & Spreitzer, 1997; Randolph, 1995; Spreitzer, 1997). This is because open communication increases an employee's positive perception and skills in empowerment since it aligns employees' objectives with the organization's and thus gives them a sense of ownership towards the company's activities and strategies (Zollers & Callahan, 2003; Moller, 1994; Gatewood & Riordan, 1997).

In terms of the relationship between coaching and empowerment, there was a significant correlation where r is 0.362, p-value is 0.00. Thus, hypothesis 2b is accepted. The strength of the relationship was moderate. This implies that the more coaching given, the more positive would be the perception of the employees toward empowerment. Hypotheses 2c is also accepted because the relationship between participation and empowerment was found to be significantly positively correlated at r 0.624, p-value=0.00. This implies that the higher the employees' participation in decision-making (such as giving the employees freedom in deciding the methods that they could use in performing their jobs, getting employees' input in work-related issues, etc), the more positive would be the perception of these employees toward empowerment. This findings tally with the relational perspective of empowerment advocated by Bowen and Lawler (1995, 1992) and also other researches, such Konczak, Stelly and Trusty (2000), Conger and Kanungo (1988) and Siegall and Gardner (2000) that show the effect of coaching and participative culture in helping employees to think and work independently which consequently strengthens empowerment in the workplace. Training was also significantly positively correlated to empowerment with r of 0.161, and p-value 0.00. This implies that the more training being given by the supervisor or manager, the more there would be a positive perception of front-line employees toward empowerment. Thus, a hypothesis H2d is accepted. Lastly, there was a moderate relationship between reward and empowerment where r is 0.301, p-0.00. This implies that the more reward given by supervisor or manager, the more positive would be the perception of front-line employees toward empowerment. This finding is congruent with the findings of Bowen and Lawler (1995), and Conger and Kanungo (1988) that identify employees' perceived fairness in rewards and knowledge in how rewards are distributed as significant contributors to their sense of empowerment. Thus it could be concluded that in order to be successful, empowerment involves management practices that adopt an open communication and sharing of knowledge, power and rewards throughout the organization (Bowen & Lawler, 1995).

#### 5 Conclusion and recommendation

## 5.1 Conclusion

Except for gender, other social-demographics such as age, race, academic qualification, length of service and salary do not significantly impact employees' perception towards empowerment. It shows that with the right kind of organizational conditions and management support, employees at even the lowest level can have a sense of personal control over their work. Thus, the management must know how to tap their creativity and potential. The development of individual employee must take into consideration his/her capabilities and attitudes and it must be individualized. Employees who perceive themselves to be empowered are personally involved in self-development. This translates into continuous improvement in the workplace. The importance of these aspects have also been acknowledged in studies done by Niehoff et al. (1990), Forrester (2000), Schlessinger and Heskett (1991), Westman (1992), Conger and Kanungo (1988) and Scott and Bruce (1994).

In order to ensure that employees feel empowered, factors such as communication, coaching, participation, training and reward should be given due attention by the management. The findings indicate that hotels should increase investment in training their employees so that they have mastery over their job. When employees acquire expertise, their power will increase and this will lead to a more positive perception toward empowerment. From the management perspective, these aspects were also given importance as shown by Bowen and Lawler (1995, 1992), Erstad (1997), Siegall and Gardner (2000) and Quinn and Spreitzer (1997). The findings also revealed the importance of communication to ensure the employees' involvement. When information such as the hotel's policies and vision is shared with employees they can carry out their tasks well. Employees should be given opportunities to participate in discussions concerning work-related issues in order to ensure that employees understand the inner workings of their department for effective dealings with customers. This finding is inline with previous studies by Quinn and Spreitzer (1997) and Randolph (1995) who emphasise the importance of employees to understand the organization's visions and goals for empowerment programs to be effective. The findings also showed the importance of recognition and rewards. Coaching will help the employee to improve

their own performance and result in employees having a positive perception toward empowerment. This supports Maslow's Needs Theory that states the need for selfesteem and self-actualization can be satisfied by condition like praise and recognition (Maslow, 1970). This is also inline with Bandura's (1977) self-efficacy theory that state that managers can ensure a sense of empowerment to employees by providing positive emotional support, thus cementing the manager's role as a coach. In summary, this study reinforces the importance of the human elements, which is a key organizational resource. It indicates that front-line employees have the potential and eagerness to learn, grow and develop with support of the management as well as their colleagues.

#### 5.2 Practical implication

The findings of this study have some implication to the hotel industry, particularly the top management who usually formulate policies and also the middle managers who implement them. The findings show that there is a significant relationship between communication and empowerment. Clear guidelines should be provided to ensure employees know how much latitude is given to them. Employees should be encouraged to give honest feedback about matters concerning their work and the management should tolerate dissent. The study also found that there is a significant relationship between coaching and empowerment. Thus, managers play an important role of being a coach, giving guidance and facilitation, rather than the use of the control and command technique. They should provide regular feedback to employees about work related issues so they can continuously improve. The study also acknowledges the importance of employee's participation. Encouragement from managers and peers will encourage the employees' interest to contribute ideas. Training also has a significant relationship with empowerment; thus, employees should be exposed to different aspects of customer service training not only when they first join the hotel but also continuously in their career. Experienced employees also should be given chances to conduct training courses for their peers. A significant relationship was also found between reward and empowerment. Thus it is recommended that those who contribute ideas that benefit the organization should be given rewards, monetary or non-monetary. Meanwhile mistakes should be viewed as experiences or opportunities to learn rather than just as an outlet for management to lay blame.

#### 5.3 Recommendation for future research

Further studies should be conducted in other Malaysian states and comparison studies of different rated hotels to determine the employees' perception of empowerment. A comparative study among employees in different industries could also be conducted in addition to studying the relationship between empowerment, job satisfaction, quality, productivity, job commitment and customer satisfaction. Research could also be conducted on the relationship between the employees' and employers' perception towards empowerment.

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