IDENTIFICATION OF KEY DETERMINANTS TO JOB SATISFACTION THROUGH FACTOR ANALYSIS

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Abstract—The rationale of the paper is to study the effect that job based determinants have on job satisfaction among star category hotel employees. Data was collected from 500 hotel employees by questionnaire designed to elicit their attitudes to satisfaction and perceptions with respect to job based determinants. Exploratory factor analysis identified key factors to job based determinants (skill requirements, job etiquette and growth opportunities). The regression analysis revealed that growth opportunities have a greater impact on job satisfaction.

Keywords - Job satisfaction; job based determinants; hotel industry; growth opportunities

I. INTRODUCTION

Over the past thirteen years, the hospitality industry imparted foreign direct investments inflow worth INR 400 billion. A cavernous amount of foreign exchange is aided by this sector to the country's economy. Hotels are the crucial component of this industry and are posting a vigorous growth till today. The Travel and Tourism Competitiveness Report 2011 by the World Economic Forum revealed that India is ranked as 68th in the world and 12th in Asia-Pacific region in the list of enticing destination. The country is expected to invest in the next five years approximately INR 448 billion in the hospitality industry. But the major problem faced by the industry is lack of balance between the demand and supply of staff.

Other service sectors like Airlines, BPO’s, banks attract the employees, as these sectors provide better pay compared to hotels. The hotel industry is faced with a major problem of creating a pool of satisfied employees. An employee will be satisfied with his/her working culture and environment if the content of the work is up to his/her satisfaction. Job security plays a major role in raising the satisfaction level of the employees [1]. Chance of promotion for the employees plays a vital role in satisfying the employees as it provides upward mobility. A study by Yen, Yeh & Lin, 2007 [2] has found that job satisfaction levels among employees can be significantly enhanced by job enrichment.

By enriching a job and providing more skill variety the satisfaction with the job increases. India is speckled with lots of hotels which create job opportunities to millions of people. Research is mandatory to ensure job satisfaction among the employees. It appears that job satisfaction among the employees is not determined by salary alone. The present paper examines the factors associated with job based determinants to determine its relationship with job satisfaction.

II. LITERATURE REVIEW

Perez, Mylene (2008) [3] in his study on ‘Turnover Intent’ revealed that age plays a negative relationship to employee’s intention to leave an organisation, indicating that the older an employee gets the less he intends to leave. Tenure also showed to be significantly correlated with the dependent variable. The longer an individual is employed, the less the individual will have the intention to leave. Along with other variables, job satisfaction has a greater impact on employee turnover intention. The analysis performed by Ockert Francois Naude, 2010 [4] showed that several determinants of work like variety in work, ambiguities at work, continuous work information, and extrinsic job satisfaction play a role in retaining skilled employees. Various benefits can be obtained through training which includes the improvement of organisational productivity, increasing employee retention and satisfaction, and greater organisation commitment among others [5]. Findings of Boomer Authority, 2009 [6] indicate that there is a link between flexibility in working choices and in the advanced levels of job satisfaction, accuracy, productivity, recruitment, and employee retention. Mudor & Tooksoon, 2011 [7] revealed that supervision, job training, and pay practices are important attributes that could increase the job satisfaction which indirectly reduces the turnover intention of employees. They also stated that organisations should take into consideration of job satisfaction and implement human resource practices in the workplace to reduce turnover and achieve organisational goals. Saleem et al (2012) in his research revealed that organizations should adopt self-efficacy of the employees which may lead to job satisfaction and retention of employees of the organizations for longer time.
Employees usually depend on wages, salaries, and on benefits that provide security for income and health. This will create a sense of satisfaction among employees leading to the retention of the employees in the organisation. When the superiors provide empowerment to their subordinates by delegating responsibilities to them, it will result in increasing the satisfaction levels of the subordinates. They will consider their supervisors to be fair and in turn they will perform well to meet their superior’s expectations. Delegation helps in increasing the employee retention rate [8]. Research carried out by Arnett et al., 2002 [9] revealed that employees who are well trained have clarity in their roles and showed less role conflict which increased the job security and satisfaction. This shows that when organisation trains their employees then the willingness of the employees to stay in the organisation will increase. According to Kusluvan [10], when an employee begins to perceive that the organisation distributes fair wages, they will become more satisfied. As the satisfaction level increases then the employee’s intention to stay longer in the organisation will increase. Employee retention can be increased when there is a high employee commitment. When the organisation establishes different strategies to retain employees it will result in: cultivation of satisfaction among the employees, enhance goodwill and generates trust that ultimately leads to productivity [11]. Al-Anzi study result [12] shows that the quality of their working environment affects their mood and attitude of employee’s work. It is also very essential to increase the satisfaction levels. This shows that healthy work environment and employee friendly work based determinants will motivate employees to stay in the organisation.

Employees will be happier if their contribution is recognised. Employee recognition creates a working atmosphere of high employee morale and performance. Chiang et al., 2005 [13] in his study found that training quality has a significant positive relationship with employee job satisfaction. This increases the employee’s intention to stay in the hotel industry. Hence, the organisation should place emphasis on employee training as it has a significant effect on the retention of employees. In a service industry employee satisfaction is a multi-factorial construct. Employee job satisfaction contains basic factors, excitement factors and performance factors. Basic factors are those when an employee becomes satisfied after meeting the minimum requirements. Excitement factors means the employee job satisfaction rises in such a way that it increases customer satisfaction and performance factors result in satisfaction only when performance is high [14].

The study conducted by different researchers [15, 16] identified various work related factors that the employees in the hotel industry wish to have. They are sufficient wage system, security with the work, training at regular intervals, new career opportunities, providing a work that fits both the employees and organisation’s motives and low employee transfer speed. The most essential competencies required by the hotel managers in the divisions of F&B, front desk, and sales in Spain were studied by Kay and Russette, 2000 [17]. The study measured five core competencies which included competency domains such as leadership, technical skills, interpersonal skills, conceptual-creative skills, and administrative skills. The result of this study reported that the essential skills required by the managers were leadership skills, technical skills, interpersonal skills, administrative skills, and conceptual-creative skills in the order of importance. In the service industry, in order to achieve quality and profitability job satisfaction plays a fundamental role and without it, service industry cannot become successful [18]. According to the research work conducted by Al-Anzi [12] among hotels, the study result show that over 90% of the employees feel that the quality of the working environment affects their mood and attitude of their work and the level of attachment with their work place.

III. RESEARCH METHODOLOGY

A. Research questions

Taking account of the findings from the literature the questions are posed:

1. What are the key components of Indian hotel employees’ job based determinants?
2. To what extent does job based determinants influence job satisfaction?

B. Design of Survey Instrument

Literature review was conducted to abstract the relevant contribution to job based determinants in the hotel sector. These findings helped in extending the questionnaire. This process provided a framework within which attitude and behaviour with respect to job based determinants among the star category hotel employees of India can be determined. Section 1 comprised 14 items that reflected various dimension of job based determinants within hotel industry. They were rated using a Likert scale from 1 ‘strongly disagree’ to 5 ‘strongly agree’.

C. Data collection and analysis

Primary data collection was conducted in over 60 hotels distributed throughout South India. The States included are Tamil Nadu, Kerala, Karnataka and Andhra Pradesh. Major cities in these states were taken for the study. The respondents were given a brief summary of the nature and purpose of the research and asked to consider each question on the basis of what generally happened on a day-to-day basis in their places of work. The primary data (n=500 responses) were processed using SPSS. Exploratory factor analysis (EFA) with varimax rotation and Kaiser normalisation was employed. Regression analysis determined the relationship amongst the components of job based determinants and job satisfaction.

IV. FINDINGS

With respect to the contributors to job based determinants three components all with eigen values greater than 1 and high factor loadings emerged after 6 iterations; they embraced all 14 items. (Table 1) The high KMO 0.911 and Bartlett test...
of sphericity where \( p=0.000 \) (\( p<0.001 \)) confirms the validity. In the EFA displayed in Table 2 the cumulative variance accounted to 65.94% and the extracted factors are: (1) skill requirements; (2) Job etiquette; (3) Growth opportunity.

Table 2 shows the model summary result of the analysis. The independent variables (Skill requirements, job etiquette and growth opportunities) can explain 51.7% (0.517) of variations in dependent variable (job satisfaction). In the ANOVA table (Table 3), it shows that the \( p \)-value is 0.00 which is less than 0.01 (\( p< 0.01 \)), so it is significant at the 0.01 level. In overall the regression model with the three independent variables (Skill requirements, job etiquette and growth opportunities) are suitable in explaining the variation in job satisfaction.

The elements of independent variables are the factors influencing job satisfaction. This can be determined by the following equation method as below:

\[
Y = a + b_1X_1 + b_2X_2 + b_3X_3
\]

\( a = \text{constant} , X_1 = \text{Skill requirements} \text{ X2= Job etiquette and X3 = Growth opportunities} \)

\[
Y (\text{job satisfaction}) = 31.658 + 0.446 (\text{skill requirements}) + 0.406 (\text{job etiquette}) + 1.336 (\text{growth opportunities}) \]

From (Table 4), it can be interpreted that the factor growth opportunities comprising of immense opportunities for learning and growth, promotion, challenging tasks and pay policy has the highest beta value. Multicollinearity exists when tolerance is below .1; and VIF is greater than 10. In this case, there is no multicollinearity and it is inferred that growth opportunity plays an immense role in satisfying the employees.

### TABLE 1: EXPLORATORY FACTOR ANALYSIS OF ELEMENTS THAT CONTRIBUTE TO JOB BASED DETERMINANTS

<table>
<thead>
<tr>
<th>S. no</th>
<th>Item</th>
<th>Rotated Factor Loading</th>
<th>Eigen Value</th>
<th>% of Variation</th>
<th>Factor Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Job attractiveness</td>
<td>0.67</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Skill demand</td>
<td>0.71</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Distinct job position</td>
<td>0.61</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Variety of skills</td>
<td>0.66</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Guest relationship</td>
<td>0.77</td>
<td>1.93</td>
<td>32.43</td>
<td>Skill Requirement (SR)</td>
</tr>
<tr>
<td>II</td>
<td>Recognition</td>
<td>0.60</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### TABLE 2: MODEL SUMMARY FOR THE RELATIONSHIP BETWEEN JOB BASED DETERMINANTS AND JOB SATISFACTION

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.719*</td>
<td>.517</td>
<td>.514</td>
<td>7.77808</td>
<td>1.368</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), GO, JE, SR
b. Dependent Variable: JOB SAT

### TABLE 3: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>32122.765</td>
<td>3</td>
<td>10707.588</td>
<td>176.989</td>
<td>.000*</td>
</tr>
<tr>
<td>Residual</td>
<td>30007.235</td>
<td>496</td>
<td>60.498</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>62130.000</td>
<td>499</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
TABLE 4: CO-EFFICIENT TABLE

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>t</td>
</tr>
<tr>
<td>1</td>
<td>(Constant) 31.658</td>
<td>1.585</td>
<td>19.976</td>
</tr>
<tr>
<td>SR</td>
<td>.446</td>
<td>.137</td>
<td>.150</td>
</tr>
<tr>
<td>JE</td>
<td>.406</td>
<td>.124</td>
<td>.130</td>
</tr>
<tr>
<td>GO</td>
<td>1.336</td>
<td>.126</td>
<td>.515</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), GO, JE, SR
b. Dependent Variable: JOB SAT

According to Williams et al., 2008 [20] the research revealed that extent to which employees’ pay increases and when they are able to meet their expectations their satisfaction level increases. To increase job satisfaction it is essential that the employees at all levels should be provided with autonomy in taking decisions. As the success of hotel industry depends on the employees, they should be treated fairly. Various responsibilities should be provided to the employees as it will boost their morale. They will work with dedication and utmost satisfaction. From this research it is evident that training provides immense employee job satisfaction. The employees should be trained according to the need and opportunities to use their skills must be provided by the hotel management.

VI. CONTRIBUTION

The findings of the present study focus on enhancing job satisfaction among the star category hotel employees, as they are building blocks of the industry. Importance should be given to develop employees' skills and knowledge in terms of competency because hotel employees' job performance has significant effects on the quality of service and the productivity of a hotel. If the hotel employees are fully competent to perform tasks, their satisfaction level will increase. Then, this will result in positive outcomes for the hotel [21].

As job satisfaction will help in retaining the employees, the organisation should place their focus in understanding the needs and motives of the employees. If the organisation acts according to the employee’s needs then they will become satisfied and the satisfied employee can be retained in the organization [22]. Supporting employee development through paid or subsidized courses, webinars, books, job shadowing, work experiences, mentoring, podcasts, etc. helps in communicating to them that the management value them and their work and are committed to their success and career progression.

Employee empowerment plays a critical role in retaining the employees. They should not be overburdened and in the same way they should not be idle. The management should be careful while allotting the work. The need of all the employees will not be same. It changes according to their age, financial status and position employed. It will be good if the employees are consulted before providing them with the benefits. The retention bonus acts as an innovative tool to retain the employees. Hotels should provide bonus in order to motivate them to stay in the hotel. It acts as an instrument to prevent employees from leaving the organisation during tough times. Employee engagement activities should be conducted in the hotels. It acts as a stop gap from the work routine. Family get together, picnics, birthday parties can be conducted to boost employees. The employees should be occupied in decision making and planning which creates a sense of

TABLE 5: FREQUENCY ANALYSIS FOR SATISFACTION LEVELS AMONG EMPLOYEES

<table>
<thead>
<tr>
<th>Level of Satisfaction</th>
<th>Frequency</th>
<th>Per Cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>237</td>
<td>47.40</td>
</tr>
<tr>
<td>Medium</td>
<td>196</td>
<td>39.20</td>
</tr>
<tr>
<td>High</td>
<td>67</td>
<td>13.40</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.00</td>
</tr>
</tbody>
</table>

V. DISCUSSION

The research conducted by Aon Hewitt India Hotel Survey, indicated that the overall labour turnover in hotel industry across India accounts to 35%. According to the current study the satisfaction level among the employees working in star category hotels was analysed using percentage analysis. From Table 5, it can be inferred that majority of the employees (47.40%) have low satisfaction with their jobs. While 39.20% of employees have medium level satisfaction, only 13.40% of the employees are highly satisfied with their job.

According to the research conducted by Kaliski, 2007 [19] job satisfaction acts as the key ingredient which leads to recognition, income, promotion and the achievement of other goals that may lead to a feeling of fulfilment. Growth opportunities comprising of pay, promotion, challenging tasks and opportunities are in strong correlation with job satisfaction. Christen, Iyer and Soberman (2006) in their research provided a model for job satisfaction which includes the following elements: (1) Job related factors; (2) Role perceptions; (3) Job performance (4) Firm performance. This implies that job based determinants has a greater impact on job satisfaction.
belongingness. Motivation is the key way to accomplishment. Employees who do not feel be listened to will be demotivated. A system of regularly scheduled one-on-one meetings between the employee and manager can help in filling the need to be listened.

VII. CONCLUSION

From the study it is clearly indicated that out of the most important factors that contribute to job satisfaction for hotel employees monetary incentives or benefits is not the real contributor but employee recognition and esteem, responsibility and autonomy the job gives them act as critical contributors. Though the monetary factor could not be ignored; it also serves as a crucial factor that gives the hotel employees the job satisfaction they have. Training should be considered as an important factor in satisfying the employees. The employees should be continuously updated with the new procedures followed in other hotels across the world. The hotels should provide opportunities to enhance skills for the employees and encourage them to use their skills.

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