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RESEARCH PAPER

An Analysis of Employee Satisfaction in Hotel Industry: A Case Study of Hunza

Dr. Rehmat Karim[1] Mr. Rashid Minhas[2] Dr. Faqeer Muhammad*[3]

1. Assistant Professor, Department of Tourism and Hospitality Management, Karakoram International University, Hunza Campus, Gilgit-Baltistan, Pakistan
2. Graduate Student, Department of Tourism and Hospitality Management, Karakoram International University, Hunza Campus, Gilgit-Baltistan, Pakistan
3. Assistant Professor, Department of Economics, Karakoram International University, Gilgit, Gilgit-Baltistan, Pakistan

PAPER INFO	ABSTRACT
	This research sought to examine the employees' satisfaction in hotel industry of Hunza. The research population was the lower staff and supervisors of hotel industry of Hunza. Primary data was collected from 115 staff from different hotels, using questionnaire that was self-administered, distributed at the employees' place of work. Analysis of primary data was undertaken using inferential and descriptive statistics. The aggregated data is given using percentages and displayed using tables and pie charts, moreover, regression analysis was carried out to find out the relationship between variables. Study results indicate that the majority of employees of hotels in Hunza were not much satisfied, all the 4 factors namely, job satisfaction, workplace environment, working environment, and employee benefits were validated as key in influencing employee satisfaction in hotel industry of Hunza. Furthermore, job position and job agreement also influence employee satisfaction. The supervisors were more satisfied in some cases. The research recommends the managements of hotels should focus on employee's benefits, working conditions, rewards and appreciation, advancement opportunities and the other factors which influence employee satisfaction.

Introduction

Job satisfaction has an effect on not only employee morale and success, but also on how an organization achieves its objectives in terms of consumer satisfaction, perceived service efficiency, customer loyalty and happiness, and brand awareness (Navajas-Romero et al., 2020). Today, the hotel industry is recognized as a

multinational industry, with suppliers and customers located all over the globe. The use of hotel services such as suites, restaurants, bars, and nightclubs is no longer considered a luxury; for many people, it has become an essential part of their daily routine (Alaska & Supain, 2014). According to (Santa-Cruz et al., 2014), human capital is important for all businesses, it is particularly important for those in the tourism sector, where management strategies vary significantly from those of other types of businesses. Profitability is often identified as corporate achievement as one of the key targets of daily hotel practices. An objective set as uniformly and idealistically as that, on the other hand, is just a generalization of other essential organizational considerations that lead to the achievement of that goal. Employee retention and satisfaction is one of those important contributing factors. Customer loyalty, as a product of customer retention, is the primary driver of profit and development. Furthermore, the valuation of services, which is created by happy, committed, and active workers, has an impact on customer satisfaction (Ažić, 2017). Employees are the first line of contact with customers, and their satisfaction has a direct impact on consumer retention (Xie & Wang, 2017).

According to (Hussein, 2017) the idea behind work satisfaction and commitment is becoming highly relevant. To begin with, it provides a solid foundation for understanding a person's emotional health, implying that if someone is depressed at work, it is likely that they are often unhappy outside of work. Second, and even most importantly, it means that someone who is happier at work will be more driven, resulting in improved job results and satisfaction. According to some facts, if employees are happy with their job results, the organization's productivity increases. As a consequence, there is a high level of employee involvement with the company. It's possible that the employees' optimistic mental outlook toward work stems from their ease and satisfaction with their employment (Reidhead, 2020). Furthermore, job satisfaction is a strong driver to individuals' affective contribution to their current organization, and happy workers are strongly motivated to deliver good service to clients (Ažić, 2017).

Employee satisfaction is influenced by a variety of factors, one of which is working conditions. Working conditions such as pay, advancement opportunities, job stability, and the working environment have a significant impact on job satisfaction (Navajas-Romero et al., 2020). Furthermore, Workplace environments have a variety of factors, including but not limited to physical settings, task characteristics, and organizational aspects. Workplace environments have been an important aspect of doing business. As a result, the working atmosphere is the interconnection between the individuals who serve, the organization, and the environment (Murimi, 2020). Ažić (2017) added that, according to psychology, empowerment is regarded as a motivating strategy for fostering organizational confidence (between managers and employees). The primary goal of empowerment achieved by job delegation is to foster a healthy working environment in a company. Allowing workers to call the shots gives them a sense of ownership over the job; they feel responsible for it and find it fulfilling. Another factor which influence the job satisfaction is compensation and benefits, these are critical for retaining and attracting jobs in the hospitality industry.

It's a common occurrence that gives workers the impression that their commitments are valued by the company (Vijayakumar & Vivek, 2018). According to (Xie & Wang, 2017), they found that, There is a strong positive association between age, department, working environment, pay and health, incentive and penalty scheme, opportunities, promotion process, management system, and employee job satisfaction. Although there are a variety of other significant variables in the sense of hospitality jobs, job satisfaction has taken the lead due to its sophistication and the convergence of several other variables that play a very particular role in people's satisfaction (da Borralha et al., 2016). As a variable that is the product of the interaction of several variables, it is critical to classify these factors such that, in a world of subjectivity, managers can coordinate a series of quantitative metrics that maximize satisfaction and play a critical role in each worker's needs (da-Borralha et al., 2016).

In Pakistan, the hotel industry accounts for a significant portion of the service market (Quarterly, 2014). Furthermore, service sector, the hotel industry is very significant. Since 1947, the industry has existed in the region. In recent years, business prospects and economic growth have boosted the hotel industry's activities (Quarterly, 2014). The field of business can be governed by utilities. In today's world, the service sector has been identified as the fastest growing sector in developed countries. The expansion of the service sector in developed countries is being fueled by cross-cultural experiences in industry and company cultures around the world (Afaq et al., 2011).

Pakistan's hotel industry is dealing with a changing market climate, the foreign and local competitiveness, creativity, and shifting consumer preferences (Quarterly, 2014). The growth of the hotel industry has resulted from an increase in tourism in recent years. The hotel industry in has been fiercely competitive in terms of the level of service it provides, as service quality has a direct impact on a hotel's viability and success. Continuous growth of all staff and other factors involved in the quality of services will help to maintain service quality (Afaq et al., 2011). To maintain service quality and guest satisfaction and guest loyalty is highly dependent on employee satisfaction. According to (Ažić, 2017), higher degree of employee happiness contributes to a higher level of proactive activity in the company. Employees who are pleased with their daily work success are more likely to deliver "support with a smile," which leads to happier visitors. It would, in essence, have a huge effect on repeat business and guest retention. In the hotel industry, employee satisfaction and loyalty is crucial and important, but, it never measured in hotel industry of Hunza, as well as in Gilgit Baltistan. This research will help the hoteliers in Hunza to improve performance of service and seek customer satisfaction through employee satisfaction and employee loyalty.

Material and Methods

Visual depiction of the variables being investigated is part of the conceptual framework, which is a precise description of the study phenomena (Hussein, 2017). The factors study under in this research are: job satisfaction, workplace environment,

working environment and employee benefits as an independent variables and employee satisfaction as dependent variable.
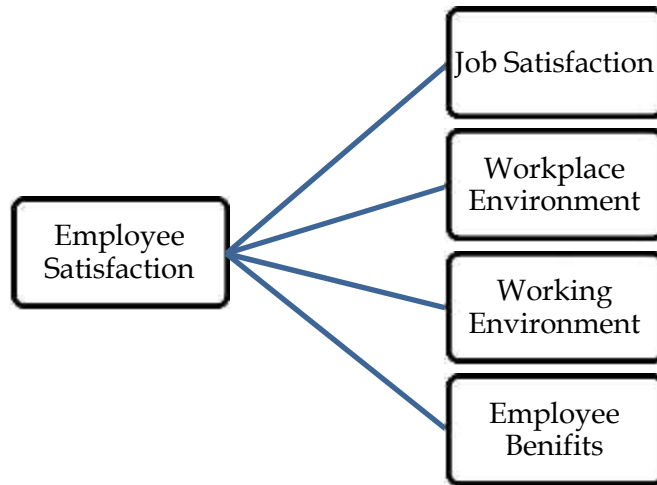

Figure 1: Conceptual Framework

Data Collection Procedure

A paper-based questionnaire was used in field data collection. According to (Kumar, 2011) In a questionnaire, respondents are given a set of questions to answer, and their responses are recorded. Using a questionnaire, participants must first read and understand the questions before interpreting what is expected of them, and then record their responses. When it comes to answering research questions for a given project, field data is essential. Questionnaires are structured on a Likert scale that may be used to measure perceptions of attitudes and behaviors (Hussein, 2017). As this study about, employee satisfaction in hotel industry of Hunza, therefore, the target population is employees of hotel industry of Hunza. Total 130 questionnaires were distributed in different hotels in Hunza (upper Hunza and central Hunza). The researcher himself distribute and collect almost all questionnaires from hotels and help the respondents to understand the questionnaire. The 15 questionnaires were not being able to collect. The researcher could be distributing more questionnaires, but, due to off season of tourism activities in study area some hotels were closed.

Reliability Test

A research instrument is considered trustworthy if it is constant and steady, and hence predictable and accurate. Instruments are more reliable when they have a high degree of consistency and stability. This means that the same result may be obtained by repeating measurements on the same scale under the same conditions. If the reliability value exceeds 0.60, it is considered to be reliable (Kumar, 2011) . As the result of the reliability analysis from this study, .803 is the alpha scores of 33 items which is higher than 0.60 in all parts of the questionnaire, then it is being considered

as reliable test. The results of the reliability test indicated that this questionnaire was reliable to investigate.

Table 1
Reliability Test

Cronbach's Alpha	No of Items
0.803	33

Data Analysis

In data analysis, the goal was to evaluate and understand field data that had been gathered (Hussein, 2017). The field data analyzed aided by descriptive statistics. The research regression model depicted below.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4$$

Where:

Y = Employee Satisfaction

X1 = Job Satisfaction

X2 = Workplace Environment

X3 = Working Environment

X4 = Employee Benefits

Here our dependent variable is employee satisfaction, whereas, rest of the variables including: job satisfaction, workplace environment, working environment and employee benefits are independent variables. Since we have one dependent variable and multiple independent variables, so we run a multiple linear regression analysis in order to find out whether or not our independent variables impact dependent variable.

Regression Analysis

The below table shows the result of Linear Multiple Regression analysis while considering various values. Coefficient of the variable gender is .545 with the significance value of .108 which is statistically insignificant meaning that gender does not influence employee satisfaction in hotel industry. Also, the coefficient of the variable age is .215 with the significance value of .047 which is also statistically insignificant meaning that age does not influence employee satisfaction in hotel industry. Furthermore, the coefficient of the variable education is .111 with significance value .110 which is also statistically insignificant meaning that education does not impact on the dependent variable. Whereas, the coefficient variables: type of respondent and kind of job agreement are .056 and .245 with the significance values

of .011 and .002 respectively which indicate that both type of respondent and kind of job agreement impacts on employee job satisfaction. Results in table 2 indicate that the coefficients of the variables job satisfaction, workplace environment, working environment and employee benefits are .116, .036, .320 and .116 with significance values of .014, .000, .002 and .000 respectively which is statistically significant. This implies that all four independent variables have vital impact on employee satisfaction in hotel industry. Concisely, we can infer from the model that the employee satisfaction in hotel industry is dependent on the variables job satisfaction, workplace environment, working environment and employee benefits. Furthermore, the value of R- square shows that 54% variation in employee satisfaction in hotel industry is being explained by the independent variables including age, gender, and education, type of respondent, kind of job agreement, job satisfaction, workplace environment, working environment and employee benefits. The overall significance of the model is tested by F-test and it is evident from the value of F-test is 18.166 with the significant value .001 which is statistically significant and hence we can infer from value that our model is statistically significant.

Table 2
The results of Regression Model

Independent Variables	coefficient	Std. Error	t	Sig.
(Constant)	2.062	.936	6.474	.000
Gender	.545	.336	1.620	.108
Age	.215	.107	2.012	.047
Highest level of education?	.111	.069	1.610	.110
Type of respondent (supervisor or lower staff)?	.056	.178	.312	.011
What kind of job agreement you had signed while joining the job (permanent or business season)?	.245	.199	1.235	.002
Generally, I am satisfied with my job.	.116	.133	.870	.014
Generally, the productive workplace/department environment reduce the employee retention and increase employee satisfaction.	.036	.030	1.199	.000
Generally, I am satisfied with the working environment of the hotel I am working in.	.320	.140	2.289	.002
Generally, I am satisfied with the employee benefit program the hotel is offering.	.116	.142	.815	.000
Dependent Variable - Employees satisfaction				
R Square	.546			
Sig.	.001b			
Adjusted R Square	.548			
F value		18.166		

Discussion

The overarching objectives of this study is to find the satisfaction level of employees in hotel industry of Hunza, particularly to evaluate the factors that influence the satisfaction level of employees in hotel and compare the satisfaction level of lower staff with supervisor. The hotel industry is the service industry and one of the characteristics of service industry is the inseparability. The employee plays an important role in hotel industry, when employee is satisfied than employee will deliver best service (Ažić, 2017). The results indicate that, to what extend the employees of hotel industry in Hunza are satisfied from their job and discuss the factors that are influencing in employee satisfaction. Furthermore, the results also indicate the comparison of the satisfaction level between supervisors and lower staff of hotel industry in Hunza.

According to (Santa Cruz et al., 2014) dissatisfied hotel personnel cannot provide a competitive and high-quality service, since job satisfaction is a critical component of success in company. Surprisingly! the results of this study show that, the high percentage of employees of hotel industry in Hunza are not satisfy, which is totally opposite from (Santa Cruz et al., 2014) and (Abdullah & Musa, 2011). The reason behind this difference is the maturity of hotel industry in study areas while the hotel industry of Hunza is not mature and it is on initial stage of development. I used the collected data and used multiple linear regression model to analysis and evaluate the factors that influencing the employee satisfaction.

Furthermore, this study also shows that, the workplace environment positive influence on employee satisfaction. Workplace environment including employee relationship with supervisors and department heads, employee empowerment and employee training programs. These results akin with (Garc et al., 2014). The amount of employee commitment to the business is influenced by employee satisfaction with physical working conditions, employee empowerment, relationships with superiors and managers, and training programs. As a result of its significance in the hotel business, where staff happiness and dedication are important elements in the provision of a quality service geared toward client satisfaction.

Moreover, the results of this study show that the working environment of hotel and employee benefits also have impact on employee satisfaction. Working environment includes: interaction with coworkers, advancement opportunities and rewards and appreciation. The employee benefits include HR policies, insurance policies and EOBI policies. These findings in line to (Xie & Wang, 2017) in which they found that, workplace/department, working environment, salary and welfare, reward, promotion mechanism, management system, relationship with coworkers, insurance policies and HR policies have positive influence on employee satisfaction. The third objective of this study is to compare the satisfaction level of junior employee or lower staff with supervisors. Research findings shows that the supervisors and lower staff both have almost same level of satisfaction in majority of cases, but, in some cases the supervisors have more satisfaction. The findings of this study are same to

some extend with the findings of (Yeh, 1999) he found that, the supervisors were more satisfied in job satisfaction and lower staff and supervisors had same level of satisfaction with employee benefits. The lower staff were more satisfied with working environment then supervisors and supervisors had more satisfaction with workplace environment.

Conclusion

One of the main purpose of the study is to find the satisfaction level of hotel employee in hotel industry of Hunza. Study also explore the factors affecting on employee satisfaction in hotel industry. Furthermore, the study also compares the satisfaction level of lower staff and supervisors in hotel industry of Hunza. According to the results a high percentage of employee are not satisfied to their job. Both supervisors and lower staff shows dissatisfaction to the majority of statements about job satisfaction. Furthermore, the majority of respondents shown nether disagree or agree on majority of statements, which shows employees are nether satisfied nor dissatisfied from workplace environment of hotels. The current study also demonstrates that, the employees of hotel industry in Hunza are dissatisfied from the working environment offer by hotel managers and owners. Moreover, the benefits policies of hotels don't meet the employee's expectation. The compare analysis of satisfaction level between lower staff and supervisors demonstrate that, the supervisors are more satisfied then lower staff with their job, but, not very well.

The multiple regression model was run to evaluate the factors that influence employee satisfaction in hotel industry. The outcomes underscore that the all for independent variables: job satisfaction, workplace environment, working environment and employee benefits policies have positive impact on employee satisfaction in hotel industry. Moreover, the type of respondent (lower staff or supervisor) and type of job agreement (permanent or business season) have also positive impact and have influence on job satisfaction. When it comes to tourist establishments, employee job satisfaction is particularly important to consider. It is impossible for a dissatisfied employee to cope with the demands of this multifaceted service industry and its heavy workload (Gallardo et al., 2010). The significance of the study is the first time study on employee satisfaction in hotel industry of Hunza an emerging tourist destination of Gilgit Baltistan Pakistan. This study will help the hotel managers and hotel owners to think and do work on employee satisfaction and know the importance of the employee satisfaction in hotel industry. This study agrees with (Gallardo et al., 2010) Employee management in this industry remains a significant problem. In today's world, having pleased workers is a need but not a sufficient one. The quantitative research method used which is more relevant to current study. The questionnaires were used as an instrument to collect the data and the Likert scale questions used. The multiple regression model used to analysis the data.

Recommendations

Hunza is a famous and emerging tourist destination in Pakistan. The hotel industry of Hunza is at its development stages and growing day by day. The hotel

industry of Hunza has an encouraging roll in local economy and generates many jobs. The hoteliers investing on infrastructure development rapidly in Hunza but they are ignoring employees' satisfaction and their development. So there is a need of proper implementation of standards human resources or labor laws. The employee is an "inner guest" of hotel industry, when employee is satisfied then good service will be provided to customer and employee satisfaction is an important factor of customer satisfaction. On the basis of current study's findings, the following recommendation from my side:

- The hoteliers and managers should invest on employee satisfaction and employee development. The minor investment which can highly affected on customer satisfaction.

- The hotel manager should provide skillful training programs to their employee time to time, because the employees are not professional at almost every hotel and majority of employees are young and energetic which is advantage for the managers to utilize them and provide skillful training.

- The nonprofessionals are at main positions in majority of hotels. The concept of right person in right place should be implementing by hotel owners.

- The hotel owner influence in decision making in hotel industry in Hunza is very high which cause the dissatisfaction of employees. The owners should hire the professionals and implement proper hotel policies and procedures.

- The managers should treat junior employee professionally and create a healthy working environment in hotels.

- The implementation of HR policy is necessary and important in almost all hotels in Hunza. The hotels should implement HR policies, because, lack of HR policy is one of the main reason for the dissatisfaction of hotel employee. Furthermore, hotels should offer insurance policies and EOBI policy to the employee to improve satisfaction and reduce employee retention.

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