

## Job Satisfaction in the Hotel Industry: A Comprehensive Analysis of

### Financial Indicators

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#### Introduction

Job satisfaction, a critical factor influencing employee well-being and organizational success, holds particular significance within the hotel industry. The hotel sector, characterized by its service-oriented nature and constant guest interactions, relies heavily on the engagement and contentment of its workforce to provide exceptional guest experiences. As such, understanding the intricacies of job satisfaction in the context of the hotel industry is essential for fostering a positive work environment, enhancing employee performance, and ultimately ensuring guest satisfaction. The hotel industry is known for its diverse and dynamic workforce, encompassing various roles such as front desk staff, housekeeping personnel, food and beverage servers, and managerial positions. Each of these roles contributes to the overall guest experience and the hotel's reputation. Thus, job satisfaction becomes a linchpin in shaping employee attitudes, behaviors, and the quality of service delivered. The multifaceted nature of the hotel industry introduces unique challenges and opportunities when it comes to job satisfaction. Employees in this industry often work irregular hours, face high-pressure situations, and interact with guests from diverse cultural backgrounds. These factors can impact their job satisfaction levels and, consequently, influence the guest experience. Moreover, the turnover rates in the hotel industry can be relatively high due to the nature of the work, which further emphasizes the importance of addressing job satisfaction to retain talent.

This paper aims to explore the financial indicators of job satisfaction in Indian Hotel Industry and shedding light on strategies that can enhance employee well-being and organizational performance.

#### Literature Overview

In contemporary world, job satisfaction is considered a great matter of concern for employers and employees, employee no longer tend to continue job if not satisfied at all. Now a day, employers are more worried about job attrition and to retain best talent with them. Therefore, managers and researchers felt a need of ascertaining the level of job satisfaction among

employees; this can be possible by investigating upon employees time to time. Academicians and research consultancies have been exploring a large number of studies on this burgeoning topic, as it is directly related not only to employees' commitment but the image of the employers too.

Hoppock (1935) indicated that a person's perception of job satisfaction depends upon certain factors like mental, physical, and environmental circumstances. Regarding job satisfaction employees generally draw conclusion on the elements constituting these three factors. Further he described job satisfaction as employees' emotions and attitude toward their jobs and their subjective reaction toward their jobs.

Smith, Kendall, and Hulin (1969) identified five major components of job satisfaction i.e. career advancement opportunity, good pay, effective supervision, nature of work and colleagues. Further, they listed some other gears like broad attitudes toward life, age and health, social condition, self-concept level of aspiration which can also boost employees' job satisfaction.

Hopkins, Vaden and Vaden (1979) established a positive relationship between satisfaction level of employees and performance level, higher the satisfaction level, higher would be the performance level.

Farrell and Stamm (1988) concluded that employee with higher level of satisfaction tend to remain less absent, less prone to accident and have lower level stress. On the other hand, it improves satisfaction with life and thus, increase productivity and profits of the organization

Kaynak, (1990) opined that job satisfaction helps individuals in realizing their objectives, attain psychological satisfaction, relief from frustration, put off unhappy time; and thus leading their psychological well-being to topmost level.

Saiyaden (1993) defined job satisfaction as "reintegration of affect produced by individual's perception of fulfillment of his needs in relation to his work and the surrounding of it.

Spinelli and Canavos (2000) investigated hospitality employees' satisfaction and found that handsomely paid employees are comparatively more satisfied. Apart from salary, other factors like innovative tasks, participative decision making; ample training and monetary and non-monetary benefits, avenues for career growth and top level management also influence the employee job satisfaction.

Fajana (2002) referred job satisfaction as the general perception of employees about their job and established five important constituents which are employee's behavior with co-workers, overall working conditions, affiliation with organization, financial benefit and relationship with supervisor. All these factors are internally related with employee's state of mind about the work itself and life in general perspective.

Ali and Mohammad (2006) acknowledged that across various studies conducted in health services, job satisfaction level of employees is found to be influenced by educational level, gender, kind of work, age, organizational structure, salary & compensation policies, hours of work, experience and promotional policies.

Chaturvedi (2010) conducted a study on various indicators of job satisfaction and revealed a significant relationship exists between all factors like compensation policies, training and development, supervision, effective communication, nature of work and job satisfaction.

Kiruthiga and Magesh (2015) concluded that working environment, HR policies, training & development, career development, employee loyalty and job security are important factors of job satisfaction.

Borralha, Jesus, Pinto and Viseu (2016) observed that factors such as autonomy, independence, decision making, working conditions and reduced benefits create negative satisfaction

### **Objectives of the Present Study**

The objective of the present study is to explore the various financial indicators affecting satisfaction level of operational level employees working in different departments of Indian Hotel Industry

### **Research Methodology**

The research design of the current study is exploratory-cum-descriptive-cum-diagnostic in nature. The current study is conducted in Delhi and NCR region. The NCR region comprises of various districts of Uttar Pradesh (Meerut, Muzaffar Nagar, Gaziabaad, Gautam Budh Nagar, Bulandshahr, Bhagpat, Hapur), Haryana (Faridabad, Gurugram, Mahendragarh, Bhiwani, Nuh, Rohtak, Sonapat, Rewari, Jhajjar, Panipat, Palwal, Bhiwani, Jind and Karnal), Rajasthan (Alwar, Bharatpur) and NCT Delhi. For the current study, operational level employees working in various 3\*, 4\*, 5\* and 5\*deluxe hotels situated in NCT Delhi,

Gurugram, Faridabad and Noida affiliated from Ministry of Tourism (MOT), Government of India were selected.

### Analysis and Discussion

As the objective of the present study is to explore the financial indicators of job satisfaction of employees working in sampled hotels, for the purpose, descriptive analysis is performed on 08 statements relating to financial aspects of job satisfaction to see their prevalent level of satisfaction.

#### Exhibit: 1

<b>I am getting good salary from my job</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	161	28.2	28.2	28.2
	Disagree	260	45.6	45.6	73.8
	Indifferent	24	4.2	4.2	78.1
	Agree	109	19.1	19.1	97.2
	Strongly Agree	16	2.8	2.8	100.0
	Total	570	100.0	100.0	

#### Bar Diagram: 1

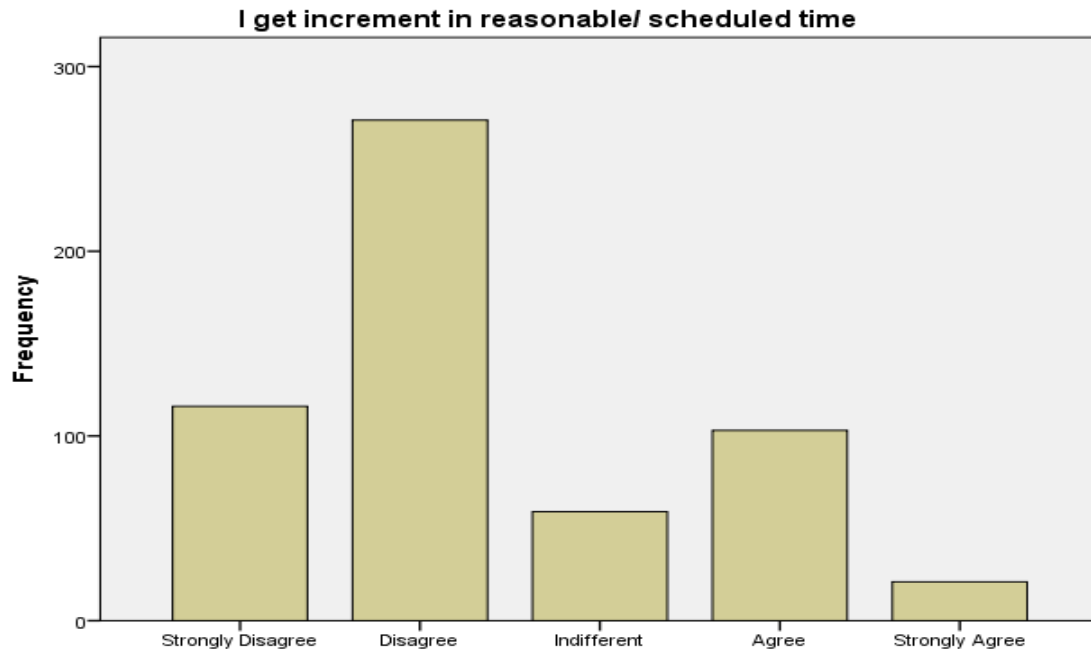


Since good salary to employees is one of the most important component for enhancing their work efficiency, morale, motivation and organizational productivity as well. For this, they were asked about their salary through statement “I am getting good salary from my job”, most of the respondents (73.9 percent) were not satisfied with this statement. Only 21.9 of the employees have shown their satisfaction for the same as shown in Exhibit 1.

**Exhibit: 2**

<b>I get increment in reasonable/ scheduled time</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	116	20.4	20.4	20.4
	Disagree	271	47.5	47.5	67.9
	Indifferent	59	10.4	10.4	78.2
	Agree	103	18.1	18.1	96.3
	Strongly Agree	21	3.7	3.7	100.0
	Total	570	100.0	100.0	

**Bar Diagram: 2**

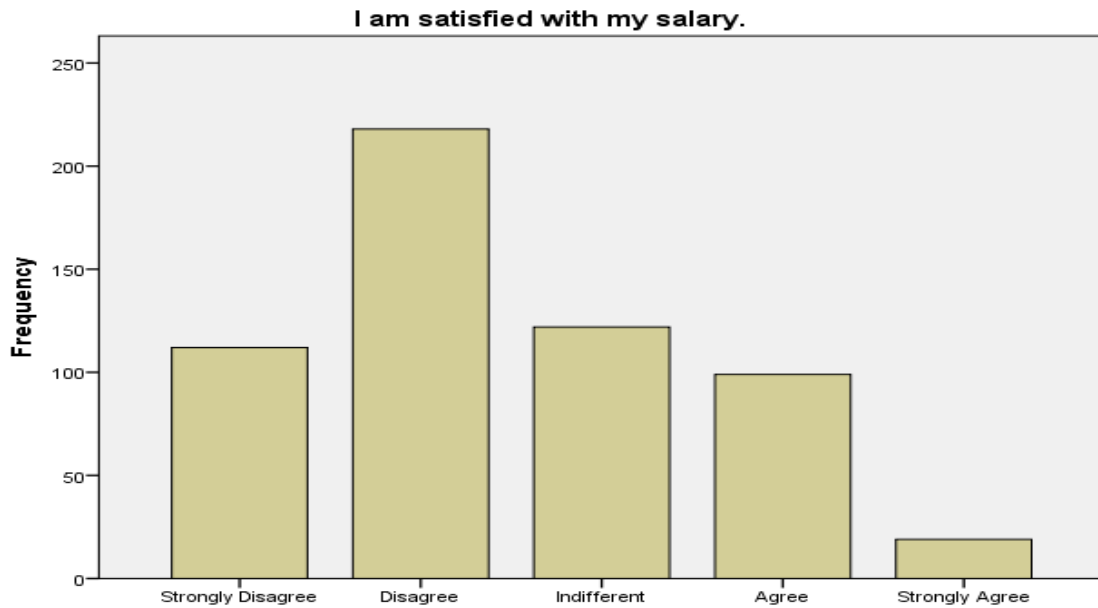


A large number of respondents (67.9 percent) have shown their disappointment regarding hotels policy of annual increment. As per them, hotels do not give increment in scheduled time. Only a few hotels are adhering to the guidelines in this regard. Only, 21.8 percent of the employee were found satisfied with the increment policy of the hotel. Hence, it is clearly evident that organizations should follow the practices of timely increment which increases the level of employees' motivation and reduces their intention to switch over.

**Exhibit: 3**

<b>I am satisfied with my salary</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	112	19.6	19.6	19.6
	Disagree	218	38.2	38.2	57.8
	Indifferent	122	21.4	21.4	79.3
	Agree	99	17.4	17.4	96.7
	Strongly Agree	19	3.3	3.3	100.0
	Total	570	100.0	100.0	

**Bar Diagram: 3**

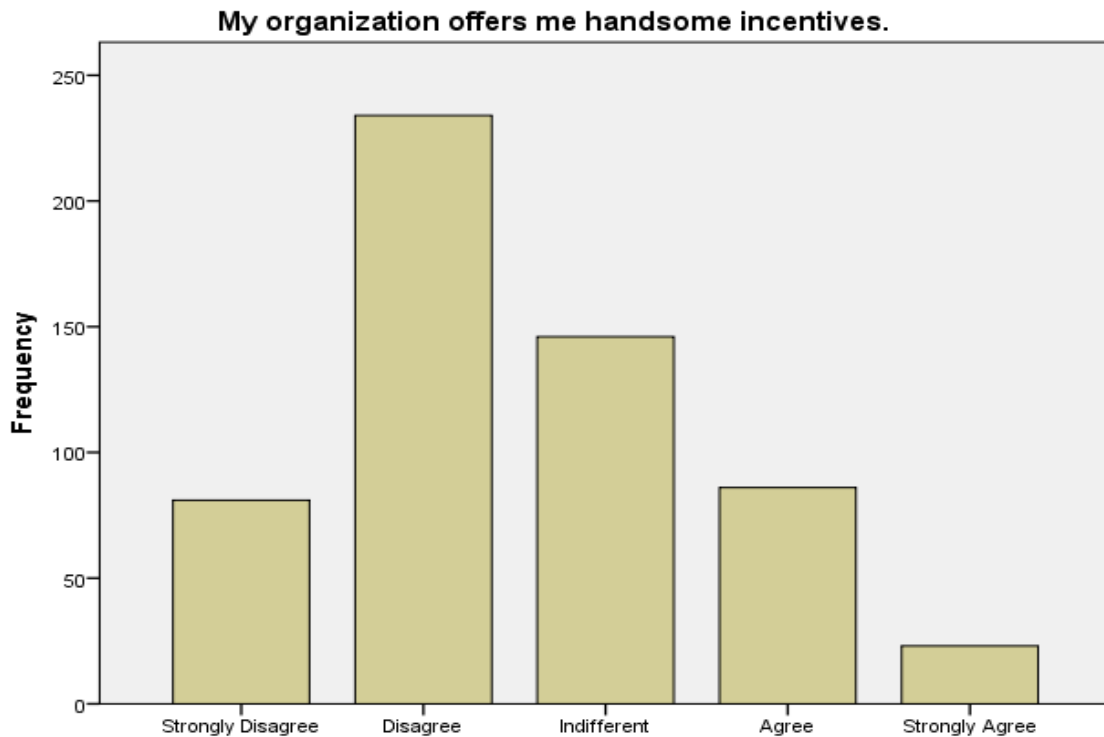


It is a well known fact that salary is a major component of motivation which results in satisfaction/ dissatisfaction of an employee. From the Exhibit 3, it was found that most of the employees (57.8 percent) were not satisfied with the salary structure whereas 21.4 percent of respondents have not given any clear indication. The possible reason for the same may be that the operational level employees working in Indian hotel industry are not well qualified and don't have hotel management background. Moreover, a high percentage of staff is either contractual or on ad hoc basis

**Exhibit: 4**

<b>My organization offers me handsome incentives</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	81	14.2	14.2	14.2
	Disagree	234	41.1	41.1	55.3
	Indifferent	146	25.6	25.6	80.9
	Agree	86	15.1	15.1	96.0
	Strongly Agree	23	4.0	4.0	100.0
	Total	570	100.0	100.0	

**Bar Diagram: 4**



When it comes to employees' motivation, incentives play a critical role but Indian hotels are not paying attention on this important aspect as revealed from the results (Exhibit 4). Result clearly shows that employees are not happy (55.3 percent) with the incentives distribution policy. Though, most of the five star and five star deluxe hotels have a very clear and transparent system of incentive distribution. However, same is not true in case three star and four star hotels.

**Exhibit: 5**

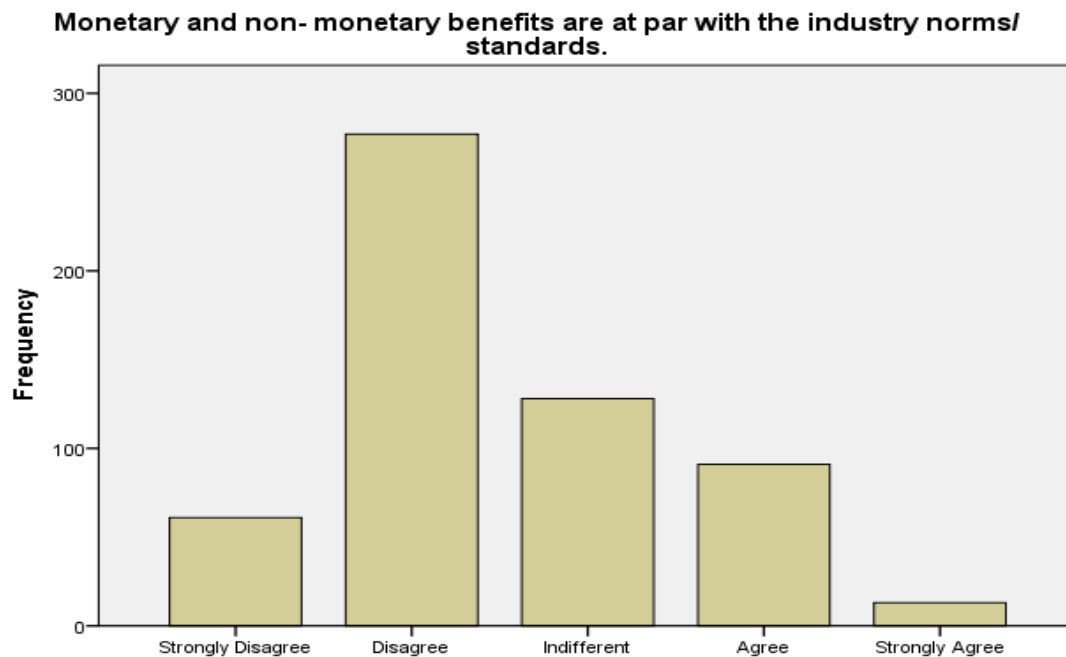
<b>Monetary and non- monetary benefits are at par with the industry norms/ standards</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	61	10.7	10.7	10.7
	Disagree	277	48.6	48.6	59.3
	Indifferent	128	22.5	22.5	81.8
	Agree	91	16.0	16.0	97.7
	Strongly Agree	13	2.3	2.3	100.0
	Total	570	100.0	100.0	

Every employee expects that the monetary and non monetary benefits he/ she getting should be at par with industry norms. However, in sampled organizations 59.3 percent of the respondents have shown their unhappiness regarding these benefits. It is important to note



that around 23 percent (exhibit 5) of the employees were indifferent with the same. The possible reason for the same may be their unawareness about the industry norms/standards.

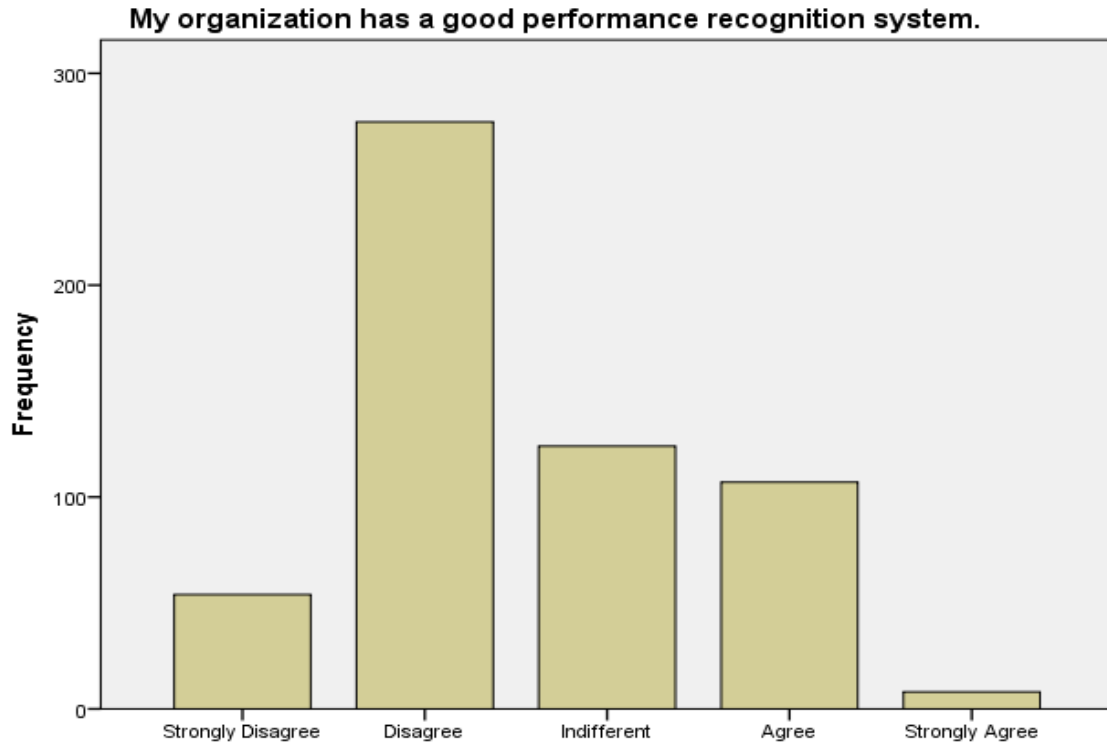
**Bar Diagram: 5**



**Exhibit: 6**

<b>My organization has a good performance recognition system</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	54	9.5	9.5	9.5
	Disagree	277	48.6	48.6	58.1
	Indifferent	124	21.8	21.8	79.8
	Agree	107	18.8	18.8	98.6
	Strongly Agree	8	1.4	1.4	100.0
	Total	570	100.0	100.0	

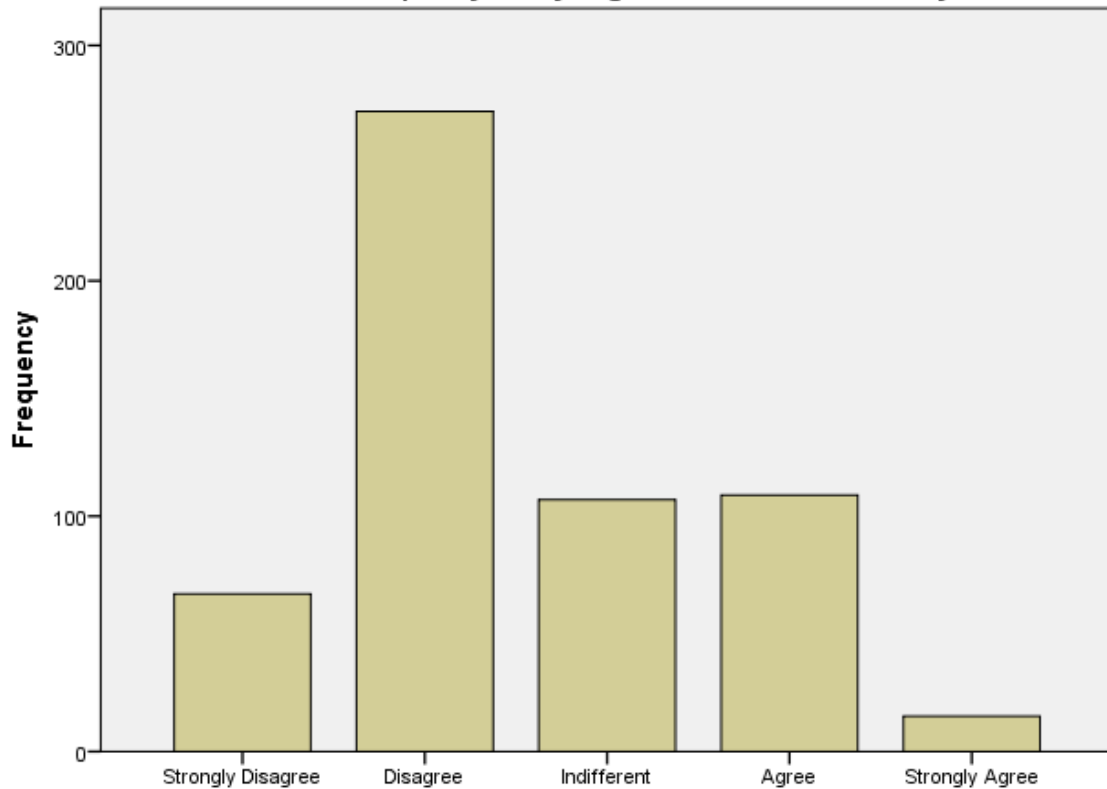
It is evident from the previous researches that a major reason of high employee turnover is unsatisfactory system of performance recognition. The results also support the same (shown in exhibit 6) 58.1% of the respondents think that the performance recognition system being prevailed in their organization is not up to the mark. Therefore, sampled organizations have to pay more attentions towards it so as to retain their employees.

**Bar Diagram: 6****Exhibit: 7**

<b>Financial rewards policy of my organization is satisfactory</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	67	11.8	11.8	11.8
	Disagree	272	47.7	47.7	59.5
	Indifferent	107	18.8	18.8	78.2
	Agree	109	19.1	19.1	97.4
	Strongly Agree	15	2.6	2.6	100.0
	Total	570	100.0	100.0	

In view of the financial reward policy in the sampled hotels nearly 60 percent of the employees have negative opinion as shown in the Exhibit 7, 18.8 percent are indifferent about it, and 19.1 percent are satisfied whereas rest 2.6 percent of the respondents are highly satisfied with this.

**Bar Diagram: 7**

**Financial rewards policy of my organization is satisfactory.****Exhibit: 8****Organization fairly considers qualifications, experience while framing policies for salary, fringe benefits and reward system**

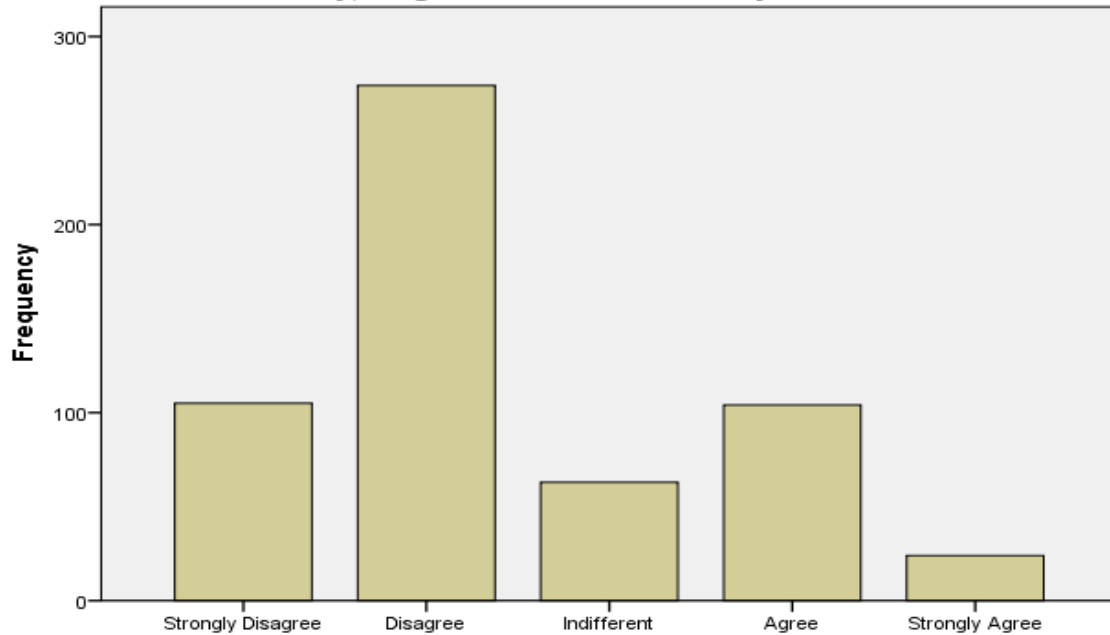
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	105	18.4	18.4	18.4
	Disagree	274	48.1	48.1	66.5
	Indifferent	63	11.1	11.1	77.5
	Agree	104	18.2	18.2	95.8
	Strongly Agree	24	4.2	4.2	100.0
	Total	570	100.0	100.0	

When respondents were asked whether organization fairly considers qualifications, experience while framing policies for salary, fringe benefits and reward system? It has come into being that all the above mentioned factors are not taken into account while framing the

policies for salary, fringe benefits and rewards. As depicted from the above Exhibit (4.14) that a large percentage of the respondents (66.5) have shown their disagreement while 22.4 percent of the respondents are agreed with the statement.

### Bar Diagram: 8

**Organization fairly considers qualifications, experience while framing policies for salary, fringe benefits and reward system.**



## Conclusion

From the analysis, it has been observed that employees' job satisfaction/dissatisfaction plays a very crucial role in organizational growth and downfall especially in hotel sector. It can be concluded from the presents study that more than 60 percent of the respondents are not satisfied with the monetary benefits like salary structure, increment and incentives and financial reward which are one of the foremost job motivator for an employee. Also these benefits are not at par with the industry. Moreover, about 65 % of the employees think that their organizations do not fairly considers their qualifications, experience while framing policies for salary, fringe benefits and reward system. Therefore, hotels should not only provide fair and handsome monetary and non monetary benefits to their employees but also consider the qualifications and experience fairly while framing policies in this regard. This will not only boost their morale but also reduces their turnover intentions and ultimately they may work effectively and efficiently for achieving the organizational goal and productivity enhancement.

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