Effect of Empowerment:
Front-Line Employees in the Hotel Industry

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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 factors affecting empowerment within the industry. Factors such as communication, coaching, participation, training and reward were examined for significant relationship with empowerment, along with whether 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 employee's feels empowered, factors such as communication, coaching, participation, training and reward should be given due attention by the management. Based on the findings, implications to companies are discussed and further research is suggested.

Keywords
Empowerment, knowledgeable workers, front-line employees, hotel industry

1.0   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 and a valuable revenue earner for the Malaysian economy. Thus, there is presently a pressing need for more trained and 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 and Kanungo, 1988) as it permits them to decide the best way to carry out a given task (Gist and Mitchell, 1992). Empowerment leads to employees becoming more knowledgeable and adaptive, as adaptivity is associated with autonomy (Niehoff *et al.*, 1990; Scott and Bruce, 1994), as well as freedom of employee action (Spiro and Weitz, 1990). A review of the literature shown that the focus of studies has predominantly been from a management perspective rather than employee perception of empowerment. This can lead to only partial understanding of the empowerment process because as stated by Nesan and Holt (2000) and Cunningham *et al.* (1996), the studies that neglected employees' perspectives do not provide a complete picture, for 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.

2.0 LITERATURE REVIEW

Cole (1997, p. 373) defined empowerment as "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 and 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 and Parasuraman, 1991; Hart *et al*., 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 practice in service delivery. In the Hilton Hotels, for example, empowerment has been used to describe employee involvement in devising departmental service standards (Hirst, 1992); in McDonald's Restaurants, suggestion schemes (Bowen and 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, and 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 participative work environment, and performance-based rewards in ensuring an effective empowerment programs.

3.0 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.

4.0 FINDINGS AND DISCUSSION

130 copies of 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:

Table 1: Respondents' demographic characteristics (n=125)

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 service	<1 year	70	56
	2-5 year	50	40
	6-10 year	3	2.4
	>11 year	2	1.6
Level of education	UPSR	1	0.8
	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	104	83
	RM1001-RM1500	21	16
	RM1501-RM2000	0	0
	RM2001-RM2500	0	0
	RM2501-RM3000	0	0

4.1   Results of T-Test and One-Way ANOVA

Table 2: Results of T-Test and Mean Values on Perception toward empowerment

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		

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

Table 3:Results of One-way ANOVA and mean values on Perception toward Empowerment

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

The result above shows 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 experiences in their perception towards empowerment, where the f-value is 2.184 and the *p*-value is 0.007.

4.2   Relationship between empowerment and related factors

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

Table 4: Result of Correlation Analysis on Empowerment and Related Factors

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

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. 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. 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.

5.0 CONCLUSION AND RECOMMENDATION

5.1   Conclusion
Except for gender, the majority of employees had a positive perception towards empowerment regardless of their age, race, academic qualification, length of service and salary. 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; 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; 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 increased investment in training their employees so that they have mastery over their job. When employees acquire expertise, his/her 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 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 discussion 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 emphasis 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 his/her own performance and result in employees having a positive perception toward empowerment. This supports Maslow's Needs Theory that states the need for self-esteem and self-actualization can be satisfied by condition like praise and recognition. This is also inline with Bandura's (1977) self-efficacy theory that state that manager 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   Recommendation

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, as well as future researchers. 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 will play an important

role of being a coach, give guidance and facilitate rather than the uses of the control and command technique. They should provide regular feedback to employees about work related issues so they could 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.

5.2.1   Recommendation for Future Research

Further studies should be conducted in other Malaysian states and comparison studies of different rating hotels to determine the employees' perception of empowerment. 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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