

Motivational Factors and Its Effect on Performance of Hotel Employees in Khao Lak

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Abstract

The purpose of this study were to investigate the work motivational factors level by hotel employees in Khao Lak using Herzberg's Two-Factor Theory and to analyze the relationship between work motivational factors and employee performance. The target of the study was hotel employees in Khao Lak, Phang nga. Quantitative approach was applied. The result appeared that the most fulfilled motivational factor was Achievement, followed by Interpersonal Relations and Job Security. In additional, the motivational factors in the aspect of Achievement, Responsibility, Job Security, Company Policies and Administration, Interpersonal Relations, Supervision, and Work Itself were found to contribute to hotel employee performance.

According to the results of the investigation of hotel employee motivational factor and employee performance in Khao Lak, indicate that hotel employers, hotel management, and Human Resources in Khao Lak to consider motivational factors above as priority to respond to the need of employees that effect on their performance, be part of planning of the organization and remain competitive advantage in the market.

Keywords: Motivational factors, employee performance, hotel employees, Khao Lak, Phang- nga

Introduction

In hospitality industry, maximizing guest satisfaction and service quality become the most important factor to turn them to returning guest (Schneider & Bowen, 1993).

Employees' productivity directly affects the overall performance to help the hospitality organizations to sustain their competitive advantage. However, many service providers are still inadequate of knowledge, skills and lack of motivation which may cost some organizations millions of dollars each year (Kleiman, 2004; Rampersad, 2006; Shahzad & Bhatti, 2008). Maintaining skillful-labor with the organization is another challenge in the hospitality industry. High employee turnover still becomes a common issue in this industry. Motivating employees and keeping them satisfied are some of the ways that management and companies retain employees and provide excellent service (DiPietro et al., 2014). Motivation seems to be one of the most crucial principles of performance (Lawler, 1973). Employee with lack of motivation may cost some organizations millions of dollars each year (Kleiman, 2004; Rampersad, 2006; Shahzadi & Bhatti, 2008).

Objective

The objectives of this study were to investigate the work motivational factors level by hotel employees in Khao Lak using Herzberg's Two-Factor Theory and analyze the relationship between work motivational factors and hotel employee performance.

Literature Reviews

Herzberg's Two Factor Theory

Herzberg illustrates the concept that everybody has two sets of needs included needs as animals to avoid pain and needs as humans to grow psychologically. Motivators or Satisfiers stand out as strong determinants of job satisfaction; achievement, recognition, the work itself, responsibility, advancement and growth to higher level (Nelson H. N., 1976). The last three factors were found to be the most essential relative to lasting attitude change (Anyim, Chidi & Badejo, 2012). Herzberg classified the environmental factors causing dissatisfaction included company policies and administration, supervision, working conditions, interpersonal relations, job security, salary and personal life (Nelson H. N., 1976). Herzberg's Two Factor Theory was applied to various studies especially in Human Resources Management which aim to retain existing skilled employees and motivate them to maximize their capacity by develop and provide motivational program. For example, Lundberg C. et al (2009) applied Herzberg's Two-Factor Theory to the study in order to understand work motivation of

seasonal workers in hospitality and tourism, northern Sweden. The results showed that wage level and rewards in hygiene factor has a low and insignificant influence on work motivation. Meanwhile, meeting new people is strongest contributor that further diminishes the importance of monetary rewards in work motivation. Moreover, the seasonal workers could be divided into subgroups based on their work motivation. It is a difference among seasonal workers that meeting new people factor plays significant important role for the migrant community, while, wage level in hygiene factor is more importance to the resident community rather than the migrant community.

Employee Motivation and Employee Performance

Motivating employees and keeping them satisfied are some of the ways that management and companies retain employees and provide excellent service (DiPietro et al., 2014). However, motivation seems complicated to comprehend, thus, placing awareness to the fact that several factors effect employee's performance in some certain organizations, on account of, what motivates individual will not definitely motivate the others within the same organization. Moreover, employee needs are varying as younger generations of employees have different expectations to their work than older workers. This is as a result of globalization which has made workforce variations to the complex issue of motivation (McShane & Von Glinow 2003).

Employee performance has also gained much attention from both management and academic perspective as another important factor in the workplace because employee performance is a very significant factor affecting profitability of an organization (Bevan, 2012). Many research has been conducted to investigate the relationship between employee motivation and job performance. For example, Shahzadi et el (2014) found that there was a significant positive relationship between employees' motivation and employee performance. Muogbo (2013) found that extrinsic motivation such as pay and benefit has influence on employees' performance. Aarabi, Subramaniam & Akeel (2013) found that there was a positive relationship between training and promotion and job performance. Rodpreecha & Sarirat, (2015) found that opportunity for career advancement, salary and benefits, assigned tasks, and job security were the main indicator of employee performance. Recently, Ngamlert K. (2016) found that achievement and advancement have significant effect on performance. Although, there

are several studies related to employees work motivation and job performance, there is very few studies conducted in Thai hospitality especially in Khao Lak, a major tourist destination located in the province of Phang Nga. Thus, it is interesting to investigate the impact of employee motivation on job performing effectiveness which results in maintaining sustainable competitive advantage of the hospitality organizations in Khao Lak.

Research Methodology

Quantitative method was applied. Questionnaire was used for data collection. The questionnaire consists of 3 part. Part 1 consists of 5 demographic information questions (e.g. gender, age, education, work division, and work experience). Part 2 consisted of 34 questions asking about Motivator factors including achievement, recognition, work itself, responsibility, advancement, salary, supervision, interpersonal relation, company policies and administration, working conditions, job security, and personal life which were adopted from Patimeteeporn (2013). Part 3 contained 5 questions asking level of agreement in efficiency of the employee performance adopted from Chng, et al. (2014). The Likert scale was utilized. The respondents were asked to rate their level of agreement ranges from 5 strongly agree to 1 strongly disagree. A pilot study was conducted using twenty hotel employees. Minor adjustments in the wording of questions were necessary for clarity. No adjustments in scales were required.

The target population of this study was full-time hotel employees. The selection criteria were based on five-star hotel regarding to TripAdvisor.com. There 14 hotels were ranked as five-star hotel in Khao Lak area and 10 Hotels were supported. Quota sampling method was applied. The questionnaires were assigned to Human Resources department of each hotel, then, distributed to their employees. Follow-up calls were made fortnightly and personal visits were made to the HR managers to collect the surveys. Finally, 417 completed questionnaires were returned and usable. The response rate was 85%.

The Result of Research

4.1 Respondent Profile

The respondent profile was shown in Table 1. The majority of respondents were female (243, 58.4%). More than half of them were in the age of 21-30 (51.6%). In terms of education, almost half of the respondents obtained Bachelor's degree or higher (44.3%). 253 or 60.6% of respondents worked in back of the house and 164 or 39.4% worked in front of the house. Furthermore, 142 (34.0%) had 5 or more years of working experience. 140 (33.6%) had 2 – 4 years of working experience and 135 (32.4 %) had less than 2 years of work experience.

Table 1 Respondent profile

Respondents' characteristics	Frequency	Respondents (%)
Gender		
Male	174	41.6
Female	243	58.4
Age		
Under 20	18	4.3
21 – 30	215	51.6
31 – 40	152	36.5
Older than 40	32	7.6
Education		
Primary School Certificate	56	13.4
Secondary/Vocational School		
Certificate	119	28.5
Diploma	57	13.7
Bachelor's Degree or higher	185	44.3
Department		
Back of the House	253	60.6
Front of the House	164	39.4
Working Experience		
Less than 2 years	135	32.4
2 – 4 Years	140	33.6
5 or more years	142	34.0

4.2 Employee Motivation

12 Motivating factors were rated by respondents on the level of agreement upon 34 attributes. The mean scores of each motivating factor ranges from 4.06 to 4.33. Achievement got the highest mean score, followed by interpersonal relations, Job security, responsibility, supervision, personal life, recognition, company policy and administration, work itself, salary, working condition, and advancement. The results were shown in Table 2.

Table 2 Motivational Factors of Hotel Employees

Motivational Factors	Mean	S.D.	Agreement Level
Achievement	4.33	0.47	Strongly Agree
Recognition	4.21	0.49	Strongly Agree
Work Itself	4.18	0.56	Agree
Responsibility	4.23	0.52	Strongly Agree
Advancement	4.06	0.62	Agree
Salary	4.16	0.50	Agree
Supervision	4.22	0.59	Strongly Agree
Interpersonal Relations	4.30	0.53	Strongly Agree
Company Policies and Administration	4.19	0.56	Agree
Working Conditions	4.07	0.60	Agree
Job Security	4.27	0.53	Strongly Agree
Personal Life	4.22	0.55	Strongly Agree

4.3 Employee Motivation and Employee Performance

Multiple regression analysis was calculated using employee performance as a dependent variable, while, 12 employee motivation factors were independent variable. The adjusted R square value indicated that 44.2% of the variance in employee performance level could be explained by 7 motivation factors. Moreover, the model explained the relationship between employee performance and 7 out of the 12 factors were statistically significant ($F\text{-value} = 46.2$, $p\text{-value} < 0.001$).

Table 3 Results of Regression Analysis

Model	Unstandardized		Standardized		t	Significance
	Beta	Std. Error	Coefficients	Beta		
(Constant)	1.004	0.18			5.35	0.00**
Achievement	0.20	0.04	0.22	0.22	4.82	0.00**
Responsibility	0.11	0.04	0.14	0.14	2.81	0.01**
Job Security	0.12	0.04	0.14	0.14	2.87	0.00**
Company Policies and Administration	0.09	0.04	0.12	0.12	2.43	0.02*
Interpersonal Relations	0.09	0.04	0.11	0.11	2.50	0.01**
Supervision	0.08	0.03	0.11	0.11	2.34	0.02*
Work Itself	0.08	0.04	0.10	0.10	2.11	0.04*

Adjusted R square = 44.2%, F-value = 46.2, p-value < 0.001

* Indicates statistically significant differences at $p \leq 0.05$

** Indicates statistically highly significant differences at $p \leq 0.01$

Table 3 showed that 7 out of 12 motivational factors have a positive relationship with employee performance. There was a positive correlation between motivational factors (Company Policies and Administration, Supervision, and Work Itself) and employee performance ($p \leq 0.05$). Moreover, 3 factors which were Achievement, Responsibility, Job Security, and Interpersonal Relations had a strong positive correlation with the employee performance ($p \leq 0.01$). The highest beta value belonged to “Achievement” (0.22), followed by “Responsibility” (0.14), “Job Security” (0.14), “Company Policies and Administration” (0.12), “Interpersonal Relations” (0.11), “Supervision” (0.11), and “Work Itself” (0.10) respectively.

Recommendation from this research

The hospitality and tourism industry is known to be one of the fastest growing industries with high competition. Employees who act as service providers become one of the key success factors for hospitality organization since employees’ productivity directly

affects the overall organization's performance. Employees with low productivity fail to maximize their capabilities to excel and provide high quality of service whereas highly motivated employees will perform at their highest level. Understanding what motivates employees is ultimately key to organizational performance.

This study applied Herzberg's Two Factor Theory to investigate the work motivation of hotel employees and assess its impacts on employee performance. In term of motivator factors, Ngamlert (2016) found that motivator factors especially, achievement and advancement have statistically significant effect on performance. This study found that achievement were highly fulfilled by hotel employees in Khao Lak. However, the results of this study showed that achievement, responsibility, and work itself have a positive relationship on employee performance whereas recognition and advancement do not have significant relationship on employee performance.

For hygiene factors, Rodpreecha & Sarirat, (2015) found that advancement, salary and other benefits, work itself, and job security were the main indicator of their performance. This study found that hotel employees in Khao Lak area have been highly satisfied in term of interpersonal relations, job security, supervision, and personal life. However, in this study, the hygiene factors in term of job security, company policies and administration, interpersonal relations and supervision show significant positive relationship on employee performance whereas salary and working condition do not have significant relationship on employee performance.

Muongbo (2013) indicated that extrinsic motivation, especially pay and benefit, has significant influence on employees' performance but intrinsic motivation does not have significant relationship on workers' performance. This study, in contrast, found that both intrinsic factors (in term of achievement, responsibility and work itself) and extrinsic factors (job security, company policies and administration, interpersonal relations and supervision) have significant relationship on employee performance. But there was no relationship between pay and employee performance.

To increase competency and efficiency of hotel employee performance in Khao Lak, the researcher recommends to focus on this following factor; Achievement, Responsibility, Job Security, Company Policies and Administration, Interpersonal Relations, Supervision, and Work Itself which have high influence on employee's performance in Khao Lak. In overall, it revealed that employees can perform well when

they were delegated tasks and responsibility with clearly guideline. Supervisors or managers also need to encourage them during the process for satisfied work outcome. It is important for the person who in supervisor or manager role that promoting the achievement in work, celebrating the success, praised and recognized by managers are essential part in order to increase work morale of employees for long term in the future.

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