

Career Satisfaction and Organizational Commitment among Hotel Employees in Taiwan

Ming-Shan Hsu¹ and Yu-You Tsai^{2*}

¹Assistant Professor, Department of Hospitality Management, Tajen University, Taiwan

²Associate Professor, Department of Recreation & Sports Management, Tajen University, Taiwan

Abstract

One of the characteristics of the hospitality industry is high turnover rate which makes waste of manpower training costs. A total of 203 completed valid questionnaires were subjected, and the use of the structural equation model helped with the analysis of the influence on career satisfaction and organizational commitment. The results of the study indicated that the career satisfaction have positive influences on employees' organizational commitment. Based on the evidence results, the current study proposes a few suggestions for hospitality service institutions and future research.

Keywords: Hospitality industry; Career satisfaction; Organization commitment

Introduction

In recent years, Taiwan has actively promoted tourism. The Tourism Bureau, MOTC, R.O.C., has engaged in marketing the Taiwanese tourism industry through advertising. The Taiwanese government implemented the Doubling Visitor Arrivals Plan between 2002 and 2007 and the Project Vanguard for Excellence in Tourism between 2009 and 2012, and set 2004 as the Visit Taiwan Year and 2008 and 2009 as Tour Taiwan Years. The Tourism Bureau, MOTC, R.O.C., [1] stated in the Review of the Doubling Tourist Arrivals Plan that the tourism industry is generally emphasized by countries worldwide as a no-chimney industry that is regarded as one of the rising industries in the twenty-first century, including the technology industry. The tourism industry creates numerous job opportunities and earns considerable foreign exchange. The World Travel & Tourism Council (WTTC) has estimated that over the next 10 years, global tourism expenditure will increase from US\$4.21 trillion to US\$8.61 trillion, tourism industry contributions to GDP will increase from 3.6% to 3.8%, and the number of tourism employees will increase from 198 million to 250 million. This indicates that the tourism industry will play a prominent role in global economic development. The statistics published by the Tourism Bureau, MOTC, R.O.C., [2] show that, compared to the 2,831,035 visitors to Taiwan in 2001, the number of visitors to Taiwan in 2010 increased to 5,567,277, a growth rate of 197%. Compared to the 1,021,572 tourists who visited Taiwan in 2001, the number of tourists to Taiwan increased to 3,246,005; thus, the percentage of tourists increased from 36% to 58%. In addition, the government has reported that income from tourism reached as high as NT\$510 billion in 2010.

Statistics released by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan, R.O.C. [3] show that the number of employees in the lodging and food service industries increased from 500,000 in 2000 to 693,000 in 2009, accounting for 6.7% of the total employment. Thus, the proportion of employees in the lodging and food service industries has increased. The hotel industry, which offers food and accommodation and provides customers with high-quality products and services, is essential to the tourism industry. This people-oriented industry has a large demand for service staff [4]. Although people may perceive the job of hotel employees to be challenging but interesting, hotel employees typically experience long work hours, low salaries, low social status, and a high turnover rate [5,6]. These negative aspects challenge the maintenance of stable employment in the

hospitality industry. Human resources are the most important asset for the hotel industry because the industry requires sufficient manpower to serve customers. However, the high turnover rate results in unequally skilled hotel staff, thus affecting service quality. Consequently, the hotel industry must improve service quality and increase customer satisfaction by spending substantial time training and educating hotel staff. Therefore, increasing the organizational commitment of hotel employees is vital [7].

This study recruited hotel employees as the study sample and investigated their current employment conditions, career satisfaction, and organizational commitment to understand the effect of career satisfaction on organizational commitment and to propose suggestions based on the results.

Literature Review

Career satisfaction

Career satisfaction refers to a person's satisfaction with both the internal and external aspects of his or her career [8]. Because career satisfaction is a subjective feeling a person experiences when evaluating career development and success, no relevant, objective measurement exists. Career satisfaction represents a possible connection with the process of work, because broad career satisfaction is typically a crucial factor for career success [8-11]. Cable et al. [12] and Erdogan et al. [13] have proved that the goodness of fit between employees and corporate value is significantly correlated with career satisfaction. Career satisfaction is also associated with numerous work-related factors, such as commitment [10,14] and resignation tendency [10], indicating that an essential relationship exists between career satisfaction and organizational commitment.

*Corresponding author: Yu-You Tsai, Associate Professor, Department of Recreation & Sports Management, Tajen University, Taiwan, E-mail: yuyoutsai@tajen.edu.tw

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Organizational commitment

Angle et al. [15] defined organizational commitment as an individual's concern and loyalty toward an organization; individuals with greater organizational commitment are more willing to contribute to organizations. Robbins [16] contended that the cost of an employee resigning is 1.2 to 2 times (1.5 times on average) the annual salary of resigned employees. Therefore, examining the loss caused by resignation is necessary. The turnover rate of the food service industry is extremely high. Ghiselli et al. [17] discovered that a quarter of the surveyed managers of the food service industry wanted to resign, of which, half planned to leave the food service industry. Among the managers who were willing to remain in the industry, two-fifths stated that they would not continue in the industry for more than 5 years. The primary reasons for this were low salaries and subsidies and long work hours. These studies have emphasized that employee resignations place a substantial burden on organizations. Hence, enhancing organizational commitment has become critical in the hospitality industry. Basic hotel employees typically experience long work hours and low salaries, resulting in a high turnover rate that reduces service quality and increases training and education costs and recruitment difficulties. To mitigate these problems, organizational commitment among employees must be enhanced.

Relevant Research

Igbaria et al. [18] investigated the relationship among job satisfaction, career satisfaction, organizational commitment, and resignation tendency of employees in the information industry. The results showed that

- employee job satisfaction has a significantly and directly positive effect on their organizational commitment and career satisfaction
- career satisfaction has a significantly and directly positive effect on organizational commitment and
- job satisfaction, career satisfaction, and organizational commitment have significantly and directly negative effects on resignation tendency.

Aryee et al. [19] investigated the private and public sectors in Singapore and found that the organizational commitment of employees to either management or professional technological prospects was significantly correlated with their career satisfaction. Chang [20] examined 225 researchers from eight business research institutions in South Korea and found that the career commitment of employees affected their organizational commitment. Bozionelos [21] investigated MBA students at a northern business college in the United Kingdom and determined that both internal and external career success are positively related to the organizational commitment of employees. Internal career success has a comparatively high correlation to affective commitment, and both external and internal career success are negatively correlated with continuous commitment. Kuchinke et al. [22] surveyed 420 employees of 16 companies and discovered a significant relationship between career satisfaction and organizational commitment. Joo et al. [23] emphasized the significantly positive correlation between career satisfaction and organizational commitment, reporting that career satisfaction has a significantly negative effect on resignation tendency. In addition, Simo et al. [24] verified that career success has a significantly positive effect on affective commitment.

These studies have demonstrated that career satisfaction is significantly correlated to organizational commitment. Therefore,

the following hypothesis is inferred: The career satisfaction of hotel employees can significantly and positively affect their organizational commitment.

Research Methods

Sampling methods and respondents

Sampling methods vary based on research requirements and limitations. This study focused on general hotels in Southern Taiwan. In Taiwan, research related to hotel employees has primarily examined employees of tourist hotels; however, the employees of general hotels are also worth investigating. Because small-scale general hotels have few employees, questionnaire retrieval in this study was challenging. Targeting employees of small-scale general hotels as the research subjects, this study employed convenience sampling to retrieve questionnaires. In total, 300 questionnaires were distributed and 203 valid questionnaires were retrieved, for a valid retrieval rate of 67.67%.

Research tools

Career satisfaction scale: The career satisfaction scale used in this study was based on that presented by Wang et al. [25]. Based on the recommendations presented by Wang et al. [25], the career satisfaction scale was verified using confirmatory factor analysis (CFA). Regarding the overall scale, $X^2/df = 1.70$, $GFI=0.99$, $AGFI=0.98$, $CFI=0.99$, $NFI=0.99$, and $SRMR=0.021$. The content of the scale was a single construct composed of 6 items, and the construct reliability was 0.85, indicating that the scale has good reliability and validity. Table 1 presents the scale items.

Organizational commitment scale: The organizational commitment scale used in this study was developed based on that proposed by Hwang [26], and the items were obtained from the Affective Organizational Commitment Scale developed by Meyer et al. [27]. Table 2 presents the organizational commitment scale items.

This study employed CFA to evaluate the structure, reliability, and validity of the scales. The CFA results verified that most of the goodness of fit of the models was within the ideal range, indicating that the scales had construct validity. This study also adopted the composite reliability (CR) of potential variables to evaluate the internal consistency of each construct; the higher the CR value is, the better the internal consistency. As shown in Table 3, the CR values of all potential variables in this study exceeded the minimal threshold of 0.60 suggested by Fornell et al. [28], indicating that the research models possessed good internal quality. Regarding validity, Table 4 shows that the factor loading of the observed variable on the potential variables evaluated according to individual item reliability exceeded 0.45. In addition, the t value reached a level of significance, indicating that each observed variable and the related potential variables were significantly correlated. The average variances extracted (AVE) of each construct reached or exceeded the level of acceptance of 0.5 [28] (Table 3). Therefore, this study possessed good convergent validity.

Regarding the goodness of fit of the overall model, the chi-square=45.35 ($p=0.092$, $>.05$), $NFI=0.97$, $NNFI=0.99$, $PNFI=0.73$, $CFI=0.99$, $IFI=0.99$, $RFI=0.96$, $CN=239.35$, $RMR=0.021$, $SRMR=0.035$, $GFI=0.96$, $AGFI=0.93$, and $PGFI=0.59$. Thus, the goodness of fit for every aspect reached the suggested values.

Research Results

Correlations among variables

This study conducted Pearson's correlation analysis, the results of

Variable	Item
Career Satisfaction	CS1 1. I can balance my personal, family, and work needs.
	CS2 2. I am satisfied with my professional reputation in the industry.
	CS3 3. I am satisfied with the progress of my career goals.
	CS4 4. My career conforms to my mental expectations.
	CS5 5. I am satisfied with my current career achievements.
	CS6 6. I believe my career is successful.

Table 1: Career satisfaction items.

Variable	Item
Organizational Commitment	OC1 1. I would enjoy devoting myself to the hotel.
	OC2 2. I discuss my job with my friends.
	OC3 3. I regard the problems of the hotel as my problems.
	OC4 4. Working in the hotel means something to me.

Table 2: Organizational commitment items.

	Items	Mean	SD	factor loadings	error	t-value	Individual reliability	AVE	composite reliability
Career satisfaction	CS1	3.53	.86	.51	.74	7.41*	.26	.52	.87
	CS2	3.28	.84	.69	.52	10.77*	.48		
	CS3	3.29	.87	.76	.42	12.25*	.58		
	CS4	3.33	.89	.76	.42	12.26*	.58		
	CS5	3.25	.94	.83	.32	13.78*	.69		
	CS6	3.15	.84	.74	.45	11.82*	.55		
Organizational commitment	OC1	4.07	.62	.81	.34	---	.66	.58	.84
	OC2	4.05	.57	.50	.75	7.05*	.25		
	OC3	3.59	.85	.75	.44	11.42*	.56		
	OC4	3.88	.74	.91	.10	13.57*	.83		

Table 3: Confirmatory factor analysis.

Variables	Career satisfaction
Organizational commitment	0.40*

Table 4: Pearson correlation coefficient.

which are shown in Table 4. The data show that all of the variables had significant and positive correlations, indicating that the career satisfaction of the hotel employees was positively correlated to organizational commitment.

Hypotheses testing

This study employed structural equation models to analyze and verify the causal relationships among the constructs. As shown in Figure 1, the verification results of the structural equation models indicate that the path coefficient of the career satisfaction of hotel employees regarding organizational commitment was 0.47 (t=6.02, p<.05), reaching the level of significance. This indicates that the career satisfaction of hotel employees was positively correlated to their organizational commitment; that is, the higher the career satisfaction of the hotel employees is the higher the organizational commitment.

Conclusion and Suggestions

Conclusion

Based on the CFA results, the scales possessed good reliability and validity. Regarding the effect of the research variables, the result of the structural equation model proved that the career satisfaction of the hotel employees had a significant and positive effect on organizational commitment. This result agrees with those reported by Igbaria et al. [18], Aryee et al. [19], Chang [20], Bozionelos [21], Kuchinke et al. [22],

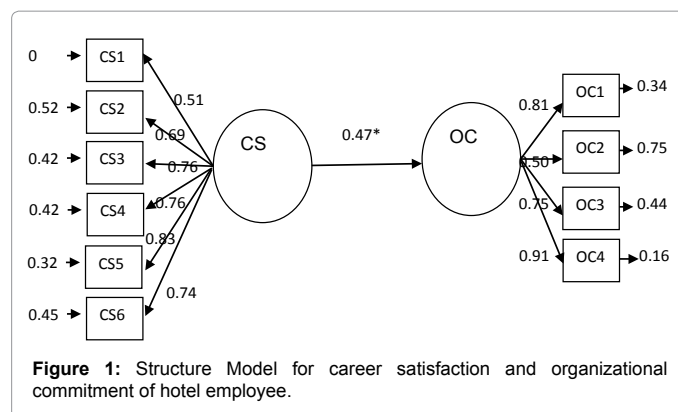
Joo et al. [23], and Simo et al. [24]. The high employee turnover rate has been the greatest challenge for the hospitality industry, increasing the costs of training and education. To reduce the costs of resignation and training, the career satisfaction of hotel employees must be promoted. Hotel employees experience long work hours, shift work, and repetitive work, and must interact with various customers, manage sudden events, and soothe irrational customers; these challenges affect their job satisfaction.

Regarding career satisfaction, although the general hotel employees in this study were fairly satisfied with their work content and achievements, their scores were at least 3 points. This indicates that, regardless of whether hotel employees can successfully achieve their goals in the hotel industry, the employees in this study did not earn social respect. Of the numerous people working in the hospitality industry, most are basic service staff, with only a few of them performing a managerial role. Therefore, hotel employees do not have high career satisfaction. Hotel operators should emphasize promoting employee mental satisfaction. Hotel employees must perform repetitive tasks and interact with various customers; therefore, hotel operators should promote the mental satisfaction of hotel employees, which can subsequently increase the cooperation and satisfaction of hotel employees.

Regarding organizational commitment, the results show that general hotel employees have organizational commitment, and the surveyed employees of this study exhibited a tendency that is consistent with the results. The high turnover rate has been a prevalent characteristic of the hospitality industry, directly increasing the cost of human resources, indirectly reducing the service quality, and increasing the likelihood of customer complaints. The results of this study indicate that hotel employees could exhibit high organizational commitment if their experience and perceived career satisfaction can be improved. Currently, the service industry emphasizes not only external marketing and interactive marketing but also the concepts of internal marketing. From an internal marketing perspective, the career satisfaction of employees can be improved by providing them with professional and non-professional training and education. Thus, employees can cultivate their professional skills, establish confidence, and satisfy their mental and physical needs. When employees improve their organizational identification and have time for leisure activities, they can achieve physical, mental, and spiritual contentment. These internal marketing approaches can improve the career satisfaction of employees.

Research Limitation

The scales of this study were measured using the self-report scale.



However, a limitation of the self-report scale is the subjectivity of the respondents, as well as the effects that other internal and external factors have on their emotions. Therefore, whether the participants' responses to the questionnaire items are accurate cannot be verified. In addition, 70% of the valid questionnaires retrieved by this study were completed by female employees. Male and female employees have different career satisfaction and organizational commitment perceptions. However, the majority of hotel employees are female; thus, the valid questionnaires used for this study were obtained primarily from women employees. This sampling bias is worth further investigation.

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