

Compensation Policies for Hotel,
Food and Beverage Department's Employees.

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ABSTRACT

This paper examines the influence of organisation compensation administration policies on job satisfaction specifically for employees working at Food and Beverage (F & B) department, in the hotel accommodation industry located in Kuala Lumpur and Selangor states of Malaysia. Employee satisfaction in the workplace is defined as the difference between perceptions of work and expectations of work importance. Owing to the high turnover of staffs in the hospitality industry, organisations seldom paid attention to investigate reasons and to propose alternative strategies such as remuneration and reward strategies that may best suit their employees within the hotel accommodation industry. Research has shown that by providing an adequate Human Resource support system, a commitment can be built towards an organisation, therefore resulting a better workplace relation for both employees and the organisation. The principal dimensions of compensation policies that give rise to distinct reactions among employees were examined. Proposals were developed to predict the efficiency of compensation effects on job satisfaction in the Malaysia cultural context of employment in hotel accommodation industry. The empirical findings from the survey were based on responses from human resource management (HRM) executives on what is their perception on their organisation compensation policies. This study also explores the relationships between facets of job satisfaction and compensation policies for employees working as waiter or waitress in the hotel's coffeehouse. A statistical analysis of correlation was employed to examine these relationships, and how this action yields result on effectiveness of the organisation compensation administration policies. By means of a survey it was hopeful that the result would help in improving HRM compensation practices specifically for the hotel accommodation industry such as improvement in staff relationship, improvement in quality, commitment and productivity on the part of the employee. This eventually can work to employees' retention, hence not only saving the organisation money on training and recruitment cost, but also improving overall profitability.

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TABLE OF CONTENTS

CHAPTER	CONTENTS	PAGE
	ABSTRACT	i
	ACKNOWLEDGEMENT	li
	TABLE OF CONTENTS	lii
1.0	INTRODUCTION	1
	1.1 Industry Issues	3
	1.2 Objectives	6
	1.3 Justification of Study	6
	1.4 Study Framework	8
	1.5 Study Hypothesis	14
2.0	LITERATURE REVIEW	15
	2.1 Introduction	15
	2.2 Independent Variables - Compensation	15
	2.2.1 Definition	16
	2.2.2 Dimension	21
	2.3 Dependent Variables – Job Satisfaction	22
	2.3.1 Definition	24
	2.3.2 Dimension	25
	2.4 Study Approach	32
	2.4.1 Definition	32
	2.4.2 Framework	33
3.0	RESEARCH METHODOLOGY	35
	3.1 Introduction	35
	3.2 Research Issue	35
	3.3 Research Hypotheses	36
	3.4 Research Design	36
	3.5 Data Collection	39
	3.5.1 Primary Data	39
	3.5.2 Secondary Data	40
	3.6 Sampling	40
	3.6.1 Population	40
	3.6.2 Sampling Design	42
	3.6.3 Sampling Procedure	42
	3.6.4 Sampling Size	43
	3.7 Instrumentation	43
	3.7.1 Independent	44
	3.7.2 Dependent	44
	3.7.3 Organisation Profile	45

CHAPTER	CONTENTS	PAGE
	3.7.4 Respondent Profile	45
		45
	3.8 Reliability and Validity	45
	3.8.1 Pilot Test	46
	3.8.2 Data Analysis	
4.0	RESEARCH FINDINGS	47
	4.1 Introduction	47
	4.2 Demographic	48
	4.2.1 Distribution of Respondent Profile	48
	4.2.2 Analysis of Respondent Perceived Job Satisfaction Level	52
	4.3 Hypotheses Testing	59
	4.4 Reliability Assessment	63
	4.5 Regression Analysis	66
5.0	DISCUSSION AND RECOMMENDATIONS	68
	5.1 Introduction	68
	5.2 Research Issues	69
	5.3 Research Hypotheses	70
	5.4 Significant Findings	71
	5.5 Study Limitation	74
	5.6 Suggestion for Further Research	75
	BIBLIOGRAPHY	76
APPENDICES		95
	APPENDIX 1 :- Survey Questionnaires	96
	APPENDIX 2(a) :- Frequency Analysis Profile of the Organisation	105
	APPENDIX 2(b):- Frequency Analysis Characteristics of Respondents	107
	APPENDIX 3(a):- Frequency Analysis with respect to Job Satisfaction	109
	APPENDIX 3(b):- Mean score with respect to gender group	115
	APPENDIX 3(c):- Mean score with respect to age group	116

CHAPTER	CONTENTS	PAGE
	APPENDIX 3(d):- Mean score with respect to educational level	117
	APPENDIX 3(e):- Mean score with respect to years of working experience	118
	APPENDIX 3(f):- Mean score with respect to hotel location	119
	APPENDIX 4:- Correlation Analysis	121
	APPENDIX 5:- Reliability Test	128
	APPENDIX 6:- Regression Analysis	140